



Financial Report

June 30, 2025

Blue Ridge Power Agency

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Independent Accountant's Review Report

To the Board of Directors
Blue Ridge Power Agency
Salem, Virginia

We have reviewed the accompanying financial statements of Blue Ridge Power Agency (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Blue Ridge Power Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Report on the Prior Year Financial Statements

The 2024 financial statements were audited by other accountants, and they expressed an unmodified opinion on them in their report dated January 24, 2025. In addition, the 2024 supplementary information contained in pages 10-15 was subjected to the auditing procedures in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Their report stated that the information was fairly presented in all material respects in relation to the financial statements as a whole. They have not performed any auditing procedures since January 24, 2025.

Supplementary Information

The accompanying supplementary information, on pages 10-14, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting or other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia

April 24, 2026



Financial Statements



Blue Ridge Power Agency
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
	(Reviewed)	(Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 330,737	\$ 233,182
Certificates of deposit	109,568	134,310
Accounts and members' receivables (Note 4)	209,793	320,180
Prepaid expenses	4,559	6,657
Total current assets	654,657	694,329
Capital assets, net (Note 5)	2,835	2,193
Total assets	\$ 657,492	\$ 696,522
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable - projects	\$ 203,333	\$ 304,435
Accounts payable - other	13,873	380
Accounts payable - SeFPC member dues	1,056	880
Accounts payable - APPA dues	46,136	-
Accrued expenses	19,146	12,766
Total current liabilities	283,544	318,461
NET ASSETS		
Without donor restrictions:		
General	295,165	295,645
Board designated - members' future support (Note 6)	59,430	62,599
Board designated - capital assets replacement/expenditure (Note 2)	19,353	19,817
Total net assets	373,948	378,061
Total liabilities and net assets	\$ 657,492	\$ 696,522

See Independent Accountant's Review Report.

The Notes to the Financial Statements are an integral part of these statements.

Blue Ridge Power Agency
Statements of Activities and Changes in Net Assets
Years Ended June 30, 2025 and 2024

	2025 (Reviewed)				2024 (Audited)			
	Without Donor Restrictions				Without Donor Restrictions			
	General	Members' Future Support	Capital Assets Replacement/ Expenditure	Totals	General	Members' Support	Capital Assets Expenditure	Totals
REVENUES, GAINS, LOSSES, AND OTHER SUPPORT								
Project revenues	\$ 1,589,302	\$ -	\$ -	\$ 1,589,302	\$ 1,380,012	\$ -	\$ -	\$ 1,380,012
Dues and support	285,519	-	-	285,519	268,215	-	-	268,215
Interest income	5,731	-	-	5,731	5,740	-	-	5,740
Miscellaneous income, net of fees collected and remitted of \$47,630 and \$49,759 for years ending June 30, 2025 and 2024, respectively	2,061	-	-	2,061	(3,576)	-	-	(3,576)
	1,882,613	-	-	1,882,613	1,650,391	-	-	1,650,391
Net assets release from designation	62,599	(62,599)	-	-	57,085	(57,085)	-	-
Total revenues, gains, losses, and other support	1,945,212	(62,599)	-	1,882,613	1,707,476	(57,085)	-	1,650,391
EXPENSES								
Program costs	1,589,302	-	-	1,589,302	1,380,012	-	-	1,380,012
Supporting services:								
Administrative and general	297,424	-	-	297,424	261,111	-	-	261,111
Total expenses	1,886,726	-	-	1,886,726	1,641,123	-	-	1,641,123
Excess (deficit) of revenues, gains, losses, and other support over (under) expenses	58,486	(62,599)	-	(4,113)	66,353	(57,085)	-	9,268
Other changes in net assets								
Board designation for:								
Capital assets replacement	464	-	(464)	-	1,304	-	(1,304)	-
Members' future support	(59,430)	59,430	-	-	(62,599)	62,599	-	-
Changes in net assets	(480)	(3,169)	(464)	(4,113)	5,058	5,514	(1,304)	9,268
NET ASSETS								
Beginning	295,645	62,599	19,817	378,061	300,592	57,085	21,121	378,798
Prior period adjustment	-	-	-	-	(10,005)	-	-	(10,005)
Ending	<u>\$ 295,165</u>	<u>\$ 59,430</u>	<u>\$ 19,353</u>	<u>\$ 373,948</u>	<u>\$ 295,645</u>	<u>\$ 62,599</u>	<u>\$ 19,817</u>	<u>\$ 378,061</u>

See Independent Accountant's Review Report.
The Notes to the Financial Statements are an integral part of these statements.

Blue Ridge Power Agency

Statements of Cash Flows Years Ended June 30, 2025 and 2024

	2025 (Reviewed)	2024 (Audited)
OPERATING ACTIVITIES		
Change in net assets	\$ (4,113)	\$ 9,268
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	821	736
Change in operating assets and liabilities:		
Accounts and members' receivables	110,386	(141,664)
Prepaid expenses and accrued expenses	2,099	(1,151)
Accounts payable and accrued expenses	(34,916)	128,808
Net cash provided by (used in) operating activities	<u>74,277</u>	<u>(4,003)</u>
INVESTING ACTIVITIES		
Acquisition of capital assets	(1,464)	(2,279)
Certificates of deposit	24,742	(134,310)
Net cash provided by (used in) investing activities	<u>23,278</u>	<u>(136,589)</u>
Net increase (decrease) in cash and cash equivalents	97,555	(140,592)
CASH AND CASH EQUIVALENTS		
Beginning	233,182	373,774
Ending	<u><u>\$ 330,737</u></u>	<u><u>\$ 233,182</u></u>

See Independent Accountant's Review Report.

The Notes to the Financial Statements are an integral part of these statements.

Blue Ridge Power Agency
Notes to Financial Statements
June 30, 2025

Note 1 – Organization and Nature of Activities

Blue Ridge Power Agency (the “Agency”) is a cooperative effort of six municipalities, two cooperatives, and one state agency. The Agency is engaged in projects and initiatives relating to the planning for and securing of wholesale electric power and transmission services and related advocacy activities within the utility industry, as well as federal and state legislatures including applicable regulatory agencies of the federal and state governments. The Agency is a nonprofit organization exempt from federal income taxes under Section 501(c)(12) of the *Internal Revenue Code (IRC)* and has been classified as an organization that is not a private foundation under Section 509(a)(2) of the *IRC*. However, contributions are not deductible by donors under Section 170(c) (2) of the *IRC*.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and substantially in conformity with the Federal Energy Regulatory Commission’s Uniform System of Accounts.

The Agency prepares its financial statements in accordance with the Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) Topic 958, *Not-For-Profit Entities*. The Agency reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions net assets and with donor restrictions net assets. A description of net asset categories follows:

Without Donor Restrictions Net Assets - Represent resources that are not subject to any donor-imposed restrictions, and which the Agency’s Board of Directors has discretionary control in using to carry out operations of the Agency in accordance with its bylaws. An increase in net assets without donor restrictions represents the excess of total revenue without donor restrictions, gains, and other support over program and administrative expenses; whereas a decrease in net assets without donor restrictions represents the excess of program and administrative expenses over revenue without donor restrictions, gains, and other support.

With Donor Restrictions Net Assets - Represent resources that are subject to donor-imposed restrictions that can be met either by actions of the Agency and/or the passage of time. There are no net assets with donor restrictions for the year ended June 30, 2025 and 2024. The Agency does not solicit private contributions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments, which are readily convertible into cash to be cash equivalents.

Blue Ridge Power Agency
Notes to Financial Statements
June 30, 2025

Accounts and Members' Receivables

The Agency's accounts and members' receivables are primarily due from members for projects completed during the fiscal year and are recorded at estimated net realizable value. Credit is extended to members and collateral is not required. Invoices are due upon receipt. Allowances for credit losses reflect the expected future credit losses over the life of the financial asset. The allowance is established based on prior and forecasted collection experience, as well as current and future economic factors that in management's judgment could influence the ability of members to repay the amounts per the credit terms. As of June 30, 2025 and 2024, the Agency deemed all receivables to be fully collectible, so no allowance was recorded.

Capital Assets

Acquisitions of capital assets in excess of \$300 are capitalized. Capital assets are recorded at cost. Depreciation, for financial reporting purposes, is computed principally using the straight-line method over the estimated useful lives of the assets as determined by management. At the discretion of the Agency's Board of Directors, funds may be designated to provide funding for future capital asset acquisitions and replacements. For the fiscal years ended June 30 2025 and 2024, \$1,000 was designated by the Board of Directors.

Revenue Recognition

The Agency derives revenue primarily from project-based service revenues and annual member dues.

Project revenues include engineering, legal, consulting, advocacy, and general management consulting services provided to member municipalities and cooperatives. These activities represent exchange transactions under ASC 606 because members receive specific and measurable services. Contracts for these services arise from member agreements and Board approval. Each project or service is considered a separate and distinct performance obligation, and the associated transaction price is established through agreed-upon hourly rates, project quotes, or cost-sharing arrangements. Revenue for project services is recognized over time, as services are rendered, using an input method based on costs incurred.

Member dues represent annual assessments used to fund the Agency's general operations and collective services. Dues are calculated based on a blended formula incorporating prior-year megawatt hour sales and an even allocation component. Member dues do not constitute exchange transactions because they do not involve project-specific, enforceable performance obligations. As such, member dues are outside the scope of ASC 606 and are recognized as revenue when earned.

Income Tax Status

The Agency is exempt from federal income taxes under Section 501(c)(12) of the *Internal Revenue Code* when it receives 85% of revenues from its members. For the years ended June 30, 2025 and 2024, the Agency's member revenue was 98% of total revenue and, accordingly, it filed a Form 990 as a tax-exempt entity. The Agency does not believe it is exposed to any uncertain tax positions as they are defined within accounting principles.

Reclassification

Certain accounts relating to the prior year have been reclassified to conform to the current year's presentation.

Blue Ridge Power Agency
Notes to Financial Statements
June 30, 2025

Note 3 – Concentration of Credit Risk

At June 30, 2025 and 2024, \$80,737 and \$-0-, respectively, was in excess of the U.S. Federal Deposit Insurance Corporation (FDIC) coverage.

Note 4 – Accounts and Members’ Receivables

The majority of all significant accounts receivable are due from medium sized municipalities, a state institution, and cooperatives. Due to the low credit risk associated with these entities, management believes all accounts receivable are fully collectable. Accounts receivable consisted of the following at June 30:

	2025 (Reviewed)	2024 (Audited)
Accounts receivable:		
Members projects	\$ 204,851	\$ 317,866
Other	3,886	1,434
SeFPC dues	1,056	880
	\$ 209,793	\$ 320,180

Note 5 – Capital Assets

Capital assets on the statement of financial position at cost less accumulated depreciation, included the following major classifications at June 30:

	2025 (Reviewed)	2024 (Audited)
Office furniture and fixtures	\$ 4,089	\$ 9,907
Office equipment	6,786	6,786
Computer equipment	9,264	11,199
Vehicle	23,663	23,663
Safety demo equipment	-	4,497
Communication equipment	741	1,757
	44,543	57,809
Less accumulated depreciation	(41,708)	(55,616)
	\$ 2,835	\$ 2,193

Note 6 – Board Designated - Members’ Future Support

The Board of Directors of the Agency adopted a financial policy in which a consultancy billing rate is applied to the Agency’s General Manager’s time spent on various projects for members of the Agency. The General Manager’s consultancy rate multiplied by the time units spent on these projects, as well as actual related travel and other expenses, are billed monthly to the members during the fiscal year. The Board of Directors further directed that such funds should be designated as support for members’ dues that may be incurred in the following fiscal year. For the year ended June 30, 2025 and 2024, the amount of time charges and actual expenses billed to the members and designated for future support was \$59,430 and \$62,599, respectively.

Blue Ridge Power Agency
Notes to Financial Statements
June 30, 2025

Note 7 – Retirement Savings Plan

The Agency has a Defined Contribution Employee Benefit Plan and a Salary-Reduction Retirement Plan under Section 401(k) of the *IRC* that is offered to all employees. The Board of Directors, at its discretion, may contribute a percentage of a participating employee's salary to the Plan. The contribution for the years ended June 30, 2025 and 2024 was \$18,815 and \$17,905, respectively.

Note 8 – Liquidity and Availability of Financial Assets

The following reflects the Agency's financial assets as of the statements of financial position date, reduced by amounts not available for general use because of contractual or Board-imposed restrictions within one year of such date. Board-restricted amounts that are available for use within one year for general purposes include the Board designation of members' support for future periods.

	2025 (Reviewed)	2024 (Audited)
Financial assets at year-end:		
Cash and cash equivalents and certificates of deposit	\$ 440,305	\$ 367,492
Accounts and member receivables	209,793	320,180
	650,098	687,672
Less those unavailable for general expenditures within one year, due to board-designated capital assets replacement/expenditure	(19,353)	(19,817)
Financial assets available to meet cash needs for general expenditure within one year	\$ 630,745	\$ 667,855

Note 9 – Subsequent Events

Management has evaluated subsequent events through April 24, 2026, the date the financial statements were available for issue.



Supplementary Information

Blue Ridge Power Agency

Schedules of Project Revenues and Costs of Project Revenues

Years Ended June 30, 2025 and 2024

	2025 (Reviewed)	2024 (Audited)
Project Revenues		
Project 48.00 - TAPS Advocacy Services	\$ 4,400	\$ 4,400
Project 60.01 - PJM Transmission Service Agreement	1,476	-
Project 60.05 - PJM Annual Membership Dues	5,000	5,000
Project 61.00 - PJM Public Power Coalition (CES)	13,384	11,886
Project 69.02 - APCo 20-year PSAs - Annual True-Up, Verify	58,619	111,283
Project 69.05 - APCo Disputed Charges FERC Petition Legal	10,884	-
Project 69.06 - APCo Disputed Charges FERC Petition GDS Ch	6,558	-
Project 70.05 - Review of AMP Pool Agreement	-	210
Project 91.00 - PJM Market and/or Rate Issues	2,116	630
Project 104.00 - AEP East-OPCo & APCo-TRANSCo Formula Rat	38,737	49,347
Project 110.00 - APCo Formula Rate Member Services	29,607	9,321
Project 110.50 - APCO 2025 Fuel Filing - Legal Charges, V	1,952	-
Project 135.00 - BTM Battery Services	179,430	45,009
Project 140.00 - Power Supply Planning Services	547,826	532,013
Project 150.00 - Battery Order Defense	263	11,272
Project 155.00 - Renewables RFP	212,165	149,381
Project 160.00 - RUS Funding Application	157,238	61,100
Project 165.00 - SEL Class - Details TBD	11,794	12,000
Project 901.00 - Bedford - Small/One-Time Projects	-	142,678
Project 901.08 - Bedford - Small/One-Time Projects (EEPE)	55,940	-
Project 903.00 - CVEC - Small/One-Time Projects	158	-
Project 906.00 - Martinsville - Small/One-Time Project	-	1,762
Project 906.09 - Martinsville - Solar Project	9,350	22,388
Project 906.11 - Martinsville - Pole Attachment w/Brightspeed	-	4,950
Project 907.00 - Radford - Small/One-Time Projects	28,184	43,531
Project 907.10 - Radford - Small One-Time Project: Power	22,565	27,248
Project 908.00 - Richlands - Small/One-Time Project	17,555	11,311
Project 908.30 - Richlands - Natural Gas Generator	10,566	-
Project 909.00 - Salem - Small/One-Time Projects	28,123	8,135
Project 909.04 - Salem - COS & Retail Rate Study	-	41,820
Project 910.00 - VA Tech - Small/One-Time Project	19,574	4,705
Project 910.04 - VA Tech - Cost of Service & Retail Rate	25,990	-
Project 911.00 - CBEC - Small/One-Time Projects	30,418	6,033
Subtotal - project revenues - outside services	<u>1,529,872</u>	<u>1,317,413</u>
General manager's consultancy fees	59,430	62,599
Total projects revenues	<u>1,589,302</u>	<u>1,380,012</u>
Cost of projects revenues		
Engineering consultant	(1,346,982)	(1,054,645)
Legal fees	(148,312)	(87,429)
TAPS	(4,400)	(4,400)
PJM annual dues	(5,000)	(5,000)
PJM Public Power Coalition	(13,384)	(11,886)
Hurst Landworks	-	(95,900)
River City Construction	-	(46,153)
Schweitzer Engineering Laboratory	(11,794)	(12,000)
Subtotal - costs of projects revenues	<u>(1,529,872)</u>	<u>(1,317,413)</u>
General manager's consultancy fees	(59,430)	(62,599)
Total costs of project revenues	<u>(1,589,302)</u>	<u>(1,380,012)</u>
Net projects revenues in excess of costs of project revenues	<u>\$ -</u>	<u>\$ -</u>

Blue Ridge Power Agency
Schedules of Dues and Support
Years Ended June 30, 2025 and 2024

	2025 (Reviewed)	2024 (Audited)
Bedford	\$ 24,218	\$ 22,855
Craig-Botetourt Electric Co-op	20,077	18,821
Central Virginia Electric Co-op	66,409	62,627
Front Royal	26,583	24,890
Martinsville	26,375	23,957
Radford	26,225	24,710
Richland	17,460	16,368
Salem	41,221	38,643
Virginia Polytechnic Institute and State University	36,951	35,344
Total dues and support	<u><u>\$ 285,519</u></u>	<u><u>\$ 268,215</u></u>

Blue Ridge Power Agency

Schedules of Administrative and General Expenses

Years Ended June 30, 2025 and 2024

	2025	2024
	(Reviewed)	(Audited)
Accounting and auditing	\$ 14,000	\$ 5,200
Administrative and general salaries	210,856	196,596
Agency meetings/seminars	13,201	11,901
Bank charges	315	360
Bond, theft insurance	686	855
Books and subscriptions	297	406
Computer software	2,371	746
Depreciation	821	736
Dues and assessments	700	700
Employee benefits	46,754	51,249
Insurance	1,679	1,638
Legal consultant	85	3,281
Lobbying - GM	1,502	1,650
Lobbyist related	100	100
Miscellaneous general expense	6,116	7,551
Office supplies	1,556	1,805
Other consultant	338	-
Other office	2,814	601
Other services - bookkeeping	7,417	8,162
Other services - cloud service	2,394	2,022
Payroll taxes	15,553	14,494
Postage, printing, copy	655	776
Regulatory commission	25	25
Repairs and maintenance - equipment	318	114
Telephone, fax, internet	1,995	1,624
Travel - admin. assistant	2,097	754
Travel - GM	7,853	4,747
Travel project related - GM	4,319	1,893
Vehicles	3,083	3,724
Travel - Intern	1,010	-
Utility support manager	5,336	-
Employee recruitment	608	-
Total administrative and general expenses before allocation of expenses to general manager's consultancy fees - projects	356,854	323,710
Salaries and travel expenses allocated to general manager's consultancy fees	(59,430)	(62,599)
	\$ 297,424	\$ 261,111

Blue Ridge Power Agency

Schedules of Changes in Net Assets - Board Designated Members' Future Support

Years Ended June 30, 2025 and 2024

BALANCE, July 1, 2023 (Reviewed)	\$ 57,085
Board designation of without donor restrictions net assets for members' future support	62,599
Transfer of funds from board designated capital assets to general funds	<u>(57,085)</u>
BALANCE, June 30, 2024 (Audited)	62,599
Board designation of without donor restrictions net assets for members' future support	59,430
Release of funds from board designated capital assets to general funds	<u>(62,599)</u>
BALANCE, June 30, 2025 (Reviewed)	<u><u>\$ 59,430</u></u>

Blue Ridge Power Agency
Schedules of Changes in Net Assets - Board Designated
Capital Assets Replacement/Expenditure
Years Ended June 30, 2025 and 2024

BALANCE, July 1, 2023 (Reviewed)	\$ 21,121
Board designation of net assets for capital assets replacement/expenditure	(1,304)
BALANCE, June 30, 2024 (Audited)	19,817
Board designation of net assets for capital assets replacement/expenditure	(464)
BALANCE, June 30, 2025 (Reviewed)	\$ 19,353