Financial Statements and Supplemental Schedules

Main Street Natural Gas, Inc.
As of and for the Years Ended December 31, 2024 and 2023
With Report of Independent Auditors

Main Street Natural Gas, Inc.

Financial Statements and Supplemental Schedules

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Contents

Report of Independent Auditors

The Board of Directors
Main Street Natural Gas, Inc.

Opinion

We have audited the financial statements of Main Street Natural Gas, Inc. (the "Company"), which comprise the statements of net position as of December 31, 2024 and 2023, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-8 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audits of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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 GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst & Young LLP

Atlanta, Georgia
April 11, 2025

Management's Discussion and Analysis
(dollars in thousands)
(Unaudited)

Corporate Structure

Main Street Natural Gas, Inc. (Main Street) is a nonprofit corporation organized under Georgia law. Main Street facilitates long-term supply transactions on behalf of the Municipal Gas Authority of Georgia (the Gas Authority), who in turn sells a portion of this discounted gas to other agencies and municipal utilities. Main Street is authorized to issue tax-exempt bonds on behalf of the Gas Authority. Main Street is governed by a Board of Directors consisting of five directors of the Gas Authority. Main Street's daily activities are performed by the Gas Authority under services agreements with durations consistent with the related supply agreements.

Long-Term Gas Supply

Main Street has acquired gas through long-term prepaid gas purchase agreements (GPAs) and delivers gas to the Gas Authority through long-term gas supply contracts for specified volumes of gas. In some cases, the obligation of the Gas Authority to pay Main Street the contract price for its contract quantity of gas is insured pursuant to a separate financial guaranty insurance policy. Gas is priced at a discount to spot market pricing. Additional discounts may be distributed annually at the discretion of the Board.

Following is a summary of Main Street's active prepayments as of December 31, 2024:

Bond Series	Supplier	Gas Supply Term	Original Bond Amount	Original Volume *
2007A	Merrill Lynch	Dec 2007 – Jul 2028	$ 496,710 [1]	118,784 [1]
2019A	Macquarie Group	Apr 2019 – Mar 2049	695,595	351,437
2019C	Citigroup	Feb 2020 – Jan 2050	631,970	236,472
2021A	Royal Bank of Canada	Jun 2022 - May 2052	821,620	259,175
2021C	Citigroup	Apr 2022 - Mar 2052	756,630	265,558
2022A	Citigroup	Aug 2022 - Jul 2052	538,310	166,018
2022B	Citigroup	Nov 2022 - Oct 2052	709,795	227,962
2022C	Citadel	Jul 2022 - Jun 2052	626,255	215,983
2023A	Citigroup	May 2023 – Apr 2053	695,535	206,298
2023B	Royal Bank of Canada	Jun 2023 – May 2053	834,335	252,034
2023C	Royal Bank of Canada	Aug 2023 – Jul 2053	984,220	350,134
2023D	Citigroup	Apr 2024 – Mar 2054	675,470	242,812
2023E	Royal Bank of Canada	Nov 2023 – Oct 2053	1,004,145	362,895
2024A	Royal Bank of Canada	Apr 2024 – Mar 2054	836,645	301,329
2024B	Royal Bank of Canada	Nov 2024 – Oct 2054	754,030	274,683
2024C	Citigroup	Nov 2024 – Oct 2054	714,365	273,368
2024D	Toronto-Dominion Bank	Nov 2024 – Oct 2054	608,020	218,898
2024E	Citigroup	Apr 2025 – Mar 2055	926,840	328,710

* Thousands of MMBtu

[1] In May 2009, Main Street redeemed $225,105 of bonds through a tender offer. The remaining volumes to be delivered under the related gas supply agreement were reduced by 51,508 thousands of MMBtu.

All except the Series 2007A and 2019A bonds are required to be purchased pursuant to mandatory tenders on dates ranging from 5-8 years from issuance and remarketed or refunded.

If the remarketing fails or the bonds are not refunded, bondholders are required to be repaid through a termination payment due from the supplier under the GPA and the prepayment transaction will terminate.

Price risk related to the future deliveries of gas under these prepayments has been fully hedged through the use of natural gas swaps that convert the revenues that Main Street will receive from customers for reselling future deliveries of gas from a variable price based on a spot market index to a fixed price. These fixed prices are sufficient to pay project costs while preserving the discounts obtained in the original prepayments. Main Street's prepayments for these rights are secured by guaranties provided by large financial institutions. All bonds have fixed interest rates except Series 2023E-2, a subseries of Series 2023E, which has a variable interest rate along with an interest rate swap and principal outstanding of $250,000.

In January 2025, Main Street issued Series 2025A revenue bonds totaling $739,590 to fund a 30-year natural gas prepayment transaction for 263,313 thousands of MMBtu supplied by Toronto-Dominion Bank.

Proprietary Fund Accounting

Main Street follows proprietary fund accounting under governmental accounting standards. Proprietary funds are used to report business-type activities, as contrasted with tax-supported governmental activities.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Main Street's basic financial statements. These financial statements are designed to provide readers with a broad overview of Main Street's finances in a manner similar to a private-sector business.

The statements of net position present information on all of Main Street's assets, liabilities, and deferred inflows/outflows of resources, with the differences between these amounts reported as net position. Because Main Street is a nonprofit organization, net position is limited because billings and revenues in excess of actual costs are generally returned to the Gas Authority in the form of billing credits and annual cash returns. The statements of revenues, expenses, and changes in net position present information showing how Main Street's net position changed during the periods presented. All changes in net position are reported on the accrual basis as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in the statements for some items that will result in cash flows in future fiscal periods (i.e., costs recoverable from future billings and deferred inflows/outflows of resources).

Management's Discussion and Analysis (continued)
(dollars in thousands)
(Unaudited)

Financial Analysis – 2024 Compared to 2023

Following are condensed statements of net position as of December 31:

	(in thousands of dollars) 2024	2023
Total assets	$ 17,818,054	$ 12,148,544
Current liabilities	405,211	952,052
Noncurrent liabilities	13,205,488	9,465,317
Total liabilities	$ 13,610,699	$ 10,417,369
Deferred inflows of resources	$ 4,207,355	$ 1,731,175
Net position	-	-

Total Assets – The increase in total assets of $5,669,510 is primarily due to an increase of $2,963,503 in prepaid gas supplies related to the 2024 prepayment transactions, a $2,404,594 change in the fair value of derivative instruments due to changes in market conditions, $205,565 in costs recoverable from future billings due to the 2024 prepayments and timing differences between billings and expense recognition, and $71,108 in investment securities related to the 2024 transactions.

Total Liabilities – Total liabilities increased $3,193,330 primarily due to an increase of $3,215,563 in limited obligation debt related to the 2024 prepayment transactions, offset by a decrease of $71,586 in the fair value of derivative instruments related to changes in market conditions.

Deferred Inflows of Resources – Deferred inflows of resources represents the net unrealized gain on hedging derivative instruments, which increased $2,476,180 due primarily to changes in market conditions.

Management's Discussion and Analysis (continued)
(dollars in thousands)
(Unaudited)

Following is a summary of operations for the years ended December 31:

	(in thousands of dollars)	
	2024	2023
Operating revenues	$ 591,760	$ 452,665
Operating expenses:		
Prepaid gas supply delivery	367,241	292,950
General and administrative	4,944	3,796
Total operating expenses	372,185	296,746
Operating income	219,575	155,919
Nonoperating expenses, net	(219,575)	(155,919)
Change in net position	–	–
Net position – beginning of year	–	–
Net position – end of year	$ –	$ –

Operating Revenues – Operating revenues, which consist of amounts earned for the delivery of gas supplies in accordance with respective gas supply contracts, along with hedge settlements that reflect fixed strike prices at the time the prepayments were executed, increased by $139,095, or 30.7%, primarily due to the 2024 prepayment transactions and a full year of activity in 2024 related to the 2023 prepayment transactions. Main Street manages exposure to natural gas prices through long-term hedges to lock in the economics on the related gas supply acquisitions.

Operating Expenses – Operating expenses increased by $75,439, or 25.4%, primarily due to an increase in prepaid gas supply delivery of $74,291, or 25.4%, due to the 2024 prepayment transactions and a full year of activity in 2024 related to the 2023 prepayment transactions. General and administrative expenses consist primarily of the fee paid to the Gas Authority for the management of Main Street's day-to-day operations.

Nonoperating Expenses, Net – Nonoperating expenses increased $63,656 primarily due to an increase in interest expense of $112,929 due to the 2024 prepayment transactions and a full year of activity in 2024 related to the 2023 prepayment transactions and a decrease in investment income of $13,769 due to the excess of escrow earnings for bond series that were advance refunded in the prior year compared to the current year, offset by an increase in costs recoverable of $63,042 representing the normal timing differences between expense recognition and billings.

Liquidity and Capital Resources – Main Street had cash, restricted cash, and investment securities of $217,411 at December 31, 2024, as compared to $140,436 at December 31, 2023. Main Street is exposed to credit risk in its arrangements with financial counterparties. Main Street has adopted policies and procedures to minimize this risk. Cash balances generated by Main Street's long-term supply projects provide sufficient liquidity for planned operations. Main Street has no capital commitments.

Management's Discussion and Analysis (continued)
(dollars in thousands)
(Unaudited)

Following is a summary of debt activity in 2024:

	December 31, 2023	Issuances	Payments/ Amortization	December 31, 2024	Final Maturity
Bonds payable	$ 9,717,635	$ 3,839,900	$ (758,300)	$ 12,799,235	2025-2055
Bond premium	534,960	258,144	(124,181)	668,923	N/A
Total	$ 10,252,595	$ 4,098,044	$ (882,481)	$ 13,468,158	

Revenues from the sale of prepaid gas supplies are expected to be sufficient to fully retire the debt and produce net margins as compared to spot market pricing. In addition to monthly discounts under the gas supply contracts, a portion of the estimated total margins produced from these prepay transactions is returned to the Gas Authority each year at the discretion of the Board of Directors.

Financial Analysis – 2023 Compared to 2022

Following are condensed statements of net position as of December 31:

	(in thousands of dollars) 2023	2022
Total assets	$ 12,148,544	$ 8,476,899
Deferred outflows of resources	-	1,457,282
Current liabilities	952,052	2,280,845
Noncurrent liabilities	9,465,317	7,653,336
Total liabilities	$ 10,417,369	$ 9,934,181
Deferred inflows of resources	$ 1,731,175	$ –
Net position	-	-

Total Assets – The increase in total assets of $3,671,645 is primarily due to an increase of $1,972,055 in prepaid gas supplies related to the 2023 prepayment transactions, a change from a net liability position to a $1,523,073 net asset position in the fair value of derivative instruments due to change in underlying natural gas prices, $142,523 in costs recoverable from future billings, and $66,433 in investment securities related to the 2023 transactions.

Total Liabilities – Total liabilities increased $483,188 primarily due to an increase of $2,143,276 in limited obligation debt related to the 2023 prepayment transactions offset by a decrease of $1,665,384 in the fair value of derivative instruments related to changes in market conditions.

Deferred Outflows/Inflows of Resources – Derivative instruments experienced an unrealized gain of $3,188,457 which caused the deferred outflows of resources of $1,457,282 in the prior year to become deferred inflows of resources of $1,731,175 in the current year.

Management's Discussion and Analysis (continued)
(dollars in thousands)
(Unaudited)

Following is a summary of operations for the years ended December 31:

	(in thousands of dollars)	
	2023	2022
Operating revenues	$ 452,665	$ 304,453
Operating expenses:		
Prepaid gas supply delivery	292,950	201,243
General and administrative	3,796	2,509
Total operating expenses	296,746	203,752
Operating income	155,919	100,701
Nonoperating expenses, net	(155,919)	(100,701)
Change in net position	–	–
Net position – beginning of year	–	–
Net position – end of year	$ –	$ –

Operating Revenues – Operating revenues, which consist of amounts earned for the delivery of gas supplies in accordance with respective gas supply contracts, along with hedge settlements that reflect fixed strike prices at the time the prepayments were executed, increased by $148,212, or 48.7% primarily due to the 2023 prepayment transactions and a full year of activity in 2023 related to the 2022 prepayment transactions. Main Street manages exposure to natural gas prices through long-term hedges to lock in the economics on the related gas supply acquisitions.

Operating Expenses – Operating expenses increased by $92,994, or 45.6%, primarily due to an increase in the prepaid gas supply delivery of $91,707, or 45.6%, due to the 2023 prepayment transactions and a full year of activity in 2023 related to the 2022 prepayment transactions. General and administrative expenses consist primarily of the fee paid to the Gas Authority for the management of Main Street's day-to-day operations.

Nonoperating Expenses, Net – Nonoperating expenses increased $55,218 primarily due to an increase in interest expense of $125,393 due to the 2023 prepayment transactions and a full year of activity in 2023 related to the 2022 prepayment transactions offset by an increase in costs recoverable of $44,133 representing the normal timing differences between expense recognition and billings and an increase in investment income of $26,040 due to rising interest rates and additional amounts available for investment from the 2023 prepayments.

Liquidity and Capital Resources – Main Street had cash, restricted cash, and investment securities of $140,436 at December 31, 2023, as compared to $91,846 at December 31, 2022. Main Street is exposed to credit risk in its arrangements with financial counterparties. Main Street has adopted policies and procedures to minimize this risk. Cash balances generated by Main Street's long-term supply projects provide sufficient liquidity for planned operations. Main Street has no capital commitments.

Statements of Net Position
(in thousands of dollars)

	December 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash held by the Gas Authority	$ 4,671	$ 3,142
Restricted cash and cash equivalents	12,019	7,681
Investment securities – restricted	200,721	129,613
Accounts receivable	66,244	49,176
Prepaid gas supplies	445,368	339,760
Other assets	1,805	–
Fair value of derivative instruments	235,483	270,929
Total current assets	966,311	800,301
Noncurrent assets:		
Prepaid gas supplies	12,081,690	9,223,795
Fair value of derivative instruments	3,980,957	1,540,917
Costs recoverable from future billings	789,096	583,531
Total noncurrent assets	16,851,743	11,348,243
Total assets	$ 17,818,054	$ 12,148,544
Liabilities, deferred inflows of resources, and net position		
Current liabilities:		
Accounts payable and accrued expenses	$ 133,214	$ 84,103
Current portion of limited obligation debt	271,997	867,949
Total current liabilities	405,211	952,052
Noncurrent liabilities:		
Fair value of derivative instruments	9,085	80,671
Limited obligation debt	13,196,161	9,384,646
Other liabilities	242	–
Total noncurrent liabilities	13,205,488	9,465,317
Total liabilities	13,610,699	10,417,369
Deferred inflows of resources	4,207,355	1,731,175
Net position	–	–
Total liabilities, deferred inflows of resources, and net position	$ 17,818,054	$ 12,148,544

See accompanying notes.

Statements of Revenues, Expenses, and Changes in Net Position
(in thousands of dollars)

	Year Ended December 31, 2024	Year Ended December 31, 2023
Operating revenues	$ 591,760	$ 452,665
Operating expenses:		
Prepaid gas supply delivery	367,241	292,950
General and administrative	4,944	3,796
Total operating expenses	372,185	296,746
Operating income	219,575	155,919
Nonoperating revenues (expenses):		
Investment income	15,295	29,064
Interest expense	(440,435)	(327,506)
Costs recoverable from future billings	205,565	142,523
Total nonoperating expenses, net	(219,575)	(155,919)
Change in net position	–	–
Net position:		
Beginning of period	–	–
End of period	$ –	$ –

See accompanying notes.

Statements of Cash Flows
(in thousands of dollars)

	Year Ended December 31, 2024	Year Ended December 31, 2023
Operating activities		
Receipts from Participants	$ 222,278	$ 277,597
Payments to Participants	(10,743)	(7,624)
Receipts from derivatives counterparties, net	355,584	174,053
Net cash flow from operating activities	567,119	444,026
Capital and related financing activities		
Acquisition of prepaid gas supply	(3,330,745)	(2,265,002)
Limited obligation bond proceeds	4,098,046	4,367,961
Limited obligation bond principal payments	(758,300)	(2,107,630)
Limited obligation bond interest payments	(512,635)	(419,829)
Advances to the Gas Authority	(1,529)	(1,682)
Net cash flow from capital and related financing activities	(505,163)	(426,182)
Investing activities		
Investment securities purchases and sales, net	(71,108)	(66,433)
Interest receipts	13,490	29,064
Net cash flow from investing activities	(57,618)	(37,369)
Net change in restricted cash and cash equivalents	4,338	(19,525)
Restricted cash and cash equivalents:		
Beginning of year	7,681	27,206
End of year	$ 12,019	$ 7,681
Reconciliation of operating income to net cash flow from operating activities:		
Operating income	$ 219,575	$ 155,919
Adjustments to reconcile net cash flow from operating activities:		
Prepaid gas supply delivery	367,241	292,950
Changes in certain assets and liabilities:		
Accounts receivable	(17,068)	14,596
Accounts payable and accrued expenses	(2,629)	(19,439)
Net cash flow from operating activities	$ 567,119	$ 444,026

See accompanying notes.

Notes to Financial Statements
(dollars in thousands)

1. Summary of Significant Accounting Policies

Reporting Entity

Main Street Natural Gas, Inc. (Main Street) is a nonprofit corporation organized under Georgia law, formed on November 6, 2006. Main Street was formed as a component unit of the Municipal Gas Authority of Georgia (the Gas Authority) to facilitate long-term supply transactions on behalf of the Gas Authority, who in turn sells a portion of this discounted gas to other agencies and municipal utilities.). Main Street is authorized to issue tax-exempt bonds on behalf of the Gas Authority.

Main Street is governed by a Board of Directors consisting of five directors of the Gas Authority. Main Street's daily activities are managed by the Gas Authority under services agreements with durations consistent with the related supply agreements. For its role as manager of Main Street, the Gas Authority received fees of $4,797 and $3,660 for the years ended December 31, 2024 and 2023, respectively. Main Street acquires gas through gas purchase agreements (GPAs) in long-term prepayment transactions and delivers gas to the Gas Authority through long-term gas supply contracts for specified volumes of gas (MS GSCs). In some cases, the obligation of the Gas Authority to pay Main Street the contract price for its contract quantity of gas is insured pursuant to a financial guaranty insurance policy. Gas is priced at a discount to spot market pricing. Additional margins may be distributed annually by Main Street at the discretion of its Board of Directors.

Basis of Accounting

Main Street follows proprietary fund accounting in accordance with Governmental Accounting Standards Board (GASB) pronouncements. Proprietary fund accounting is used to report business-type activities, as contrasted with tax-supported governmental activities.

Main Street also complies with policies and practices prescribed by its Board of Directors and with practices common in the natural gas industry. As the Board of Directors has the authority to set rates, Main Street follows GASB regulated accounting guidance in GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which provides for the reporting of assets and liabilities consistent with the economic effect of the rate structure. See further discussion under Costs Recoverable From Future Billings and Deferred Inflows of Resources.

Cash Held by the Gas Authority and Restricted Cash and Cash Equivalents

Cash held by the Gas Authority represents funds deposited in a local government investment pool by the Gas Authority on behalf of Main Street. Restricted cash represents funds held by the trustee or by counterparties under collateralized repurchase agreements, restricted pursuant to various bond resolutions, and is considered by Main Street as a cash equivalent.

Prepaid Gas Supplies

Prepaid gas supplies, which are recorded at amortized cost, comprise secured prepayments of gas. Depletion and delivery of gas is recorded on the units-of-production method. Those prepayments expire at various dates through 2055. The prepaid contracts are each secured by a guaranty provided by a financial institution that met certain criteria upon execution.

Notes to Financial Statements (continued)
(dollars in thousands)

Investment Securities – Restricted

Investments consist of guaranteed investment contracts (GICs) with financial institutions that meet minimum credit criteria, or other investments as permitted under the related bond indentures. The balances in such accounts are restricted for use by the trustee, with earnings released annually to Main Street after debt service is paid. GICs are recorded at cost, while other securities are recorded at fair value. Any other-than-temporary declines in value are recorded as impairments. No impairments were recorded in 2024 or 2023. See Note 2 for a schedule of investments as of December 31, 2024 and 2023.

Costs Recoverable from Future Billings

Under GASB 62, regulatory assets are recorded to reflect probable future revenues associated with certain costs that are expected to be recovered from the Gas Authority through the ratemaking process. The Board of Directors establishes a pricing mechanism outlining the methods for billing for its gas supply services. Rates for Main Street's natural gas billings are designed to provide, over the life of each project, full recovery of all project costs as defined in the respective bond resolutions and as prescribed by the Main Street Board of Directors. Expenses in excess of amounts currently billable under the pricing mechanism will be recovered from future billings and are classified as costs recoverable from future billings. The costs to be recovered consist primarily of the difference between amortization of prepaid gas supplies and debt service requirements recognized in the financial statements and amounts currently billable.

Deferred Outflows/Inflows of Resources

Deferred outflows/inflows of resources represent the net unrealized losses/gains on hedging derivative instruments.

Revenues

Revenues are recognized in the period that gas supplies are delivered. Under the provisions of the trust indentures, Main Street is required to set rates sufficient to cover all its costs over the terms of the customer supply agreements. Any excess revenues or expenses are credited or billed to the Gas Authority periodically in accordance with policies approved by the Board of Directors.

Derivative Instruments

Main Street uses natural gas swaps to hedge commodity price risk associated with its gas prepayment transactions. Main Street also uses interest rate swaps to reduce the impact of changes in interest rates on its variable rate long-term debt.

Under GASB 53, *Accounting and Financial Reporting or Derivative Instruments*, realized gains or losses on hedging derivative instruments are recognized in operating revenues in the period to which the derivative instruments relate. Realized gains or losses on derivative instruments that do not meet the criteria to be accounted for as hedging derivative instruments (investment derivative instruments), if any, are recognized in investment income/loss in the period to which the derivative instruments relate. As of and for the years ended December 31, 2024 and 2023, Main Street was not party to any investment derivatives. GASB 53 requires Main Street to record the fair value of derivative instruments on the statement of net position as an asset or liability. The change in fair value of hedging derivative instruments (unrealized gains or losses) is recorded net as a deferred inflow or outflow of resources. Changes in the fair value of investment derivative instruments (unrealized gains or losses) are recognized as investment income/loss and then deferred as regulatory assets or liabilities under GASB 62. Cash receipts and payments for Main Street derivative instruments are classified as operating activities in the statement of cash flows. Realized gains and losses on the settlement of natural gas commodity swaps are included in revenues. See Note 5 for further discussion of Main Street's derivatives.

Fair Value Measurements

Main Street's financial instruments include cash held by the Gas Authority, restricted cash and cash equivalents, restricted investments, accounts receivable, accounts payable and accrued expenses, other liabilities, interest rate and gas supply hedging agreements, and limited obligation debt. The carrying amounts of cash held by the Gas Authority, restricted cash and cash equivalents, accounts receivable, and accounts payable and accrued expenses approximate fair value because of their short-term nature. The carrying amounts of variable-rate limited obligation debt also approximate fair value because of their variable interest rates.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. A three-tier fair value hierarchy distinguishes between assumptions based on market data (observable inputs) and Main Street's assumptions (unobservable inputs). Fair value measurements are classified under the following hierarchy:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Pricing inputs other than Level 1 which are either directly or indirectly observable.
- Level 3: Unobservable pricing inputs developed using the entity's estimates and assumptions, which reflect those that market participants would use in pricing an asset or liability.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by Main Street. Main Street considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Main Street evaluates its hierarchy disclosures each reporting period, and based on various factors, it is possible that an asset or liability may be classified differently from period to period. However, Main Street expects that changes in classifications between different levels will be infrequent.

Fair value estimates are based on pertinent information available to management at each statement of net position date. Specifically, fair value estimates for derivative instruments represent the present value of the differences of the fixed prices in the related instruments less the New York Mercantile Exchange (NYMEX) forward price curve (projected for periods beyond when NYMEX quotes are available), adjusted for basis differentials, multiplied by the corresponding monthly gas volume using the applicable Secured Overnight Financing Rate (SOFR) forward interest rate curve as a discount

Notes to Financial Statements (continued)
(dollars in thousands)

rate. Fair values of interest rate swaps are estimated by measuring the rates of the original interest derivatives against the corresponding index (SOFR or Securities Industry and Financial Markets Association (SIFMA)). These estimated fair values may be significantly impacted by changes in underlying natural gas commodity prices or the general interest rate environment. The fair values presented have not been comprehensively revalued since December 31, 2024, and current estimates of fair value may differ significantly from the amounts presented herein.

The following table summarizes the valuation of financial instruments measured at fair value:

December 31, 2024	Level 1	Level 2	Level 3	Total
Gas supply hedging agreements	$ -	$ 2,408,599	$ 1,800,877	$ 4,209,476
Interest rate swap agreements	-	-	(2,121)	(2,121)
US Government and agency securities	63,383	-	-	63,383

December 31, 2023	Level 1	Level 2	Level 3	Total
Gas supply hedging agreements	$ -	$ 1,581,384	$ 157,965	$ 1,739,349
Interest rate swap agreements	-	-	(8,174)	(8,174)
US Government and agency securities	63,228	-	-	63,228

Income Taxes

Main Street is a public corporation and therefore is exempt from federal and state income taxes. Accordingly, no provision for such taxes is made in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect (1) the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and (2) the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Prior Year Adjustment

The statement of cash flows for the year ended December 31, 2023 has been adjusted to correct an error in the presentation of limited obligation debt payments and limited obligation debt proceeds. There was no impact on Main Street's liquidity, results of operations or cash balance. In addition, the correction has no effect on the previously reported net cash flow from capital and related financing activities. The impact on the capital and related financing activities section of the 2023 statement of cash flows is shown below.

	As originally reported	Adjustments	As adjusted
Limited obligation bond proceeds	$ 2,328,756	$ 2,039,205	$ 4,367,961
Limited obligation bond principal payments	(68,425)	(2,039,205)	(2,107,630)

Notes to Financial Statements (continued)
(dollars in thousands)

Subsequent Events

In preparing the accompanying audited financial statements, management reviewed all events that have occurred after December 31, 2024 and through April 11, 2025, the date these financial statements were available for issuance, for inclusion in the financial statements and footnotes.

2. Cash and Cash Equivalents, Investment Securities, and Related Risks

Cash and Cash Equivalents

Restricted cash held by trustees at December 31, 2024 and 2023 was $12,019 and $7,681 respectively, related to Main Street's limited obligation debt.

Notes to Financial Statements (continued)
(dollars in thousands)

Investment Securities

Following is a summary of Main Street's investment balances:

Investment Type	Balance	Final Maturity	Percentage of Total Investments
December 31, 2024			
Restricted investments securities:			
Guaranteed investment contract:			
Aegon	$ 11,651	2028	6%
Royal Bank of Canada	45,123	2032	22
Citigroup Global Markets Holdings Inc	6,968	2032	3
The Toronto-Dominion Bank	73,596	2032	38
Commercial paper:			
Chesham Finance Ltd	14,459	2025	7
Anglesea FD	12,968	2025	6
Other *	35,956	2025	18
Total	$ 200,721		
December 31, 2023			
Restricted investments securities:			
Guaranteed investment contract:			
Aegon	$ 8,551	2028	7%
Royal Bank of Canada	44,212	2031	34
Citigroup Global Markets Holdings Inc	13,622	2031	11
Commercial paper:			
Mountcliff LLC	18,570	2024	14
Toronto Dominion Bank	8,358	2024	6
US Treasury Note	12,773	2024	10
Other *	23,527	2024	18
Total	$ 129,613		

* Individually less than 5% of total

The guaranteed investment contracts have maturities coterminous with the related gas purchase agreements. The balances accumulate monthly and are subject to withdrawal when a semiannual debt service payment is due. Such balances are classified as current restricted investments in the accompanying statements of net position when such amounts will fund current obligations.

Interest Rate Risk

Main Street does not have a formal investment policy regarding interest rate risk.

Credit Risk

Main Street does not have a formal investment policy regarding counterparty credit risk.

Notes to Financial Statements (continued)
(dollars in thousands)

Concentration of Credit Risk

Main Street does not have a policy that limits the amount that may be invested in any one issuer. Investments representing greater than 5% of total investments are shown under Investment Securities above.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, Main Street's deposits may not be returned to it. Main Street does not have a deposit policy for custodial credit risk. As of December 31, 2024 and 2023, $12,019 and $7,681, respectively, were exposed to custodial credit risk as such amounts were uninsured and collateral held by the pledging bank's trust department was not in Main Street's name.

3. Gas Supply Acquisitions

Following is a summary of Main Street's active prepayments. See further discussion of the related debt in Note 4.

Bond Series	Supplier	Gas Supply Term	Original Bond Amount	Original Volume *
2007A	Merrill Lynch	Dec 2007 – Jul 2028	$ 496,710 [1]	118,784 [1]
2019A	Macquarie Group	Apr 2019 – Mar 2049	695,595	351,437
2019C	Citigroup	Feb 2020 – Jan 2050	631,970	236,472
2021A	Royal Bank of Canada	Jun 2022 - May 2052	821,620	259,175
2021C	Citigroup	Apr 2022 - Mar 2052	756,630	265,558
2022A	Citigroup	Aug 2022 - Jul 2052	538,310	166,018
2022B	Citigroup	Nov 2022 - Oct 2052	709,795	227,962
2022C	Citadel	Jul 2022 - Jun 2052	626,255	215,983
2023A	Citigroup	May 2023 – Apr 2053	695,535	206,298
2023B	Royal Bank of Canada	Jun 2023 – May 2053	834,335	252,034
2023C	Royal Bank of Canada	Aug 2023 – Jul 2053	984,220	350,134
2023D	Citigroup	Apr 2024 – Mar 2054	675,470	242,812
2023E	Royal Bank of Canada	Nov 2023 – Oct 2053	1,004,145	362,895
2024A	Royal Bank of Canada	Apr 2024 – Mar 2054	836,645	301,329
2024B	Royal Bank of Canada	Nov 2024 – Oct 2054	754,030	274,683
2024C	Citigroup	Nov 2024 – Oct 2054	714,365	273,368
2024D	Toronto-Dominion Bank	Nov 2024 – Oct 2054	608,020	218,898
2024E	Citigroup	Apr 2025 – Mar 2055	926,840	328,710

* Thousands of MMBtu

[1] In May 2009, Main Street redeemed $225,105 of bonds through a tender offer. The remaining volumes to be delivered under the related gas supply agreement were reduced by 51,508 thousands of MMBtu.

All except the Series 2007A and 2019A bonds are required to be purchased pursuant to mandatory tenders on dates ranging from 5-8 years from issuance and remarketed or refunded. If the remarketing fails or the bonds are not refunded, bondholders are required to be repaid through a termination payment due from the supplier under the GPA and the prepayment transaction will terminate.

Notes to Financial Statements (continued)
(dollars in thousands)

The 2023C and 2023E bonds were issued in connection with the mandatory put provisions of the 2018AB and 2018CDE bonds, respectively. Proceeds of the 2023 bonds were used to refund the related 2018 bonds. These refundings were at par and did not produce a gain or loss on the statement of revenues, expenses, and changes in net position.

The 2024D bonds were issued in connection with the mandatory put provisions of the 2019B bonds. Proceeds of the 2024D bonds were used to refund the 2019B bonds. This refunding was at par and did not produce a gain or loss on the statement of revenues, expenses, and changes in net position.

In January 2025, Main Street issued Series 2025A revenue bonds totaling $739,590 to fund a 30-year natural gas prepayment transaction for 263,313 thousands of MMBtu supplied by Toronto-Dominion Bank. This transaction has commodity swaps similar to other Main Street transactions as discussed in Note 5.

4. Limited Obligation Debt

As of December 31, 2024, Main Street has 18 series of revenue bonds outstanding related to the acquisition of prepaid long-term supplies of gas from various gas suppliers. These bonds were issued at a premium, which is accounted for under the effective-interest method.

Main Street's obligation for repayment of its gas revenue bonds is limited to the assets held by the bond trustee in the trust estate for the applicable series of gas revenue bonds. For each Main Street transaction, a trust estate exists that principally consists of proceeds collected from sales of natural gas under the related customer supply agreements, in addition to amounts collected from or paid to the commodity swap counterparties (see Note 5), and the right to receive termination payments due, if any, from the gas supplier. The gas revenue bonds are not general obligations of Main Street. Main Street's debt is not an obligation of the Gas Authority.

Following is a summary of debt activity in 2024:

	December 31, 2023	Issuances	Payments/ Amortization	December 31, 2024
Bonds payable	$ 9,717,635	$ 3,839,900	$ (758,300)	$ 12,799,235
Bond premium	534,960	258,144	(124,181)	668,923
Total debt	10,252,595	$ 4,098,044	$ (882,481)	13,468,158
Less amounts due within one year	758,300			139,620
Less current portion of bond premium	109,649			132,377
Total long-term debt	$ 9,384,646			$ 13,196,161

Notes to Financial Statements (continued)
(dollars in thousands)

The combined annual requirement to repay all bond issues outstanding at December 31, 2024, is as follows:

Year	Principal	Interest [a]	Total Debt Service
2025	$ 139,620	$ 607,918	$ 747,538
2026	739,780	586,990	1,326,770
2027	1,551,370	556,131	2,107,501
2028	867,650	492,703	1,360,353
2029	1,248,760	439,459	1,688,219
2030-2034	7,800,455	705,185	8,505,640
2035-2039	134,925	95,349	230,274
2040-2044	139,190	62,446	201,636
2045-2049	177,485	23,062	200,547
Total	$ 12,799,235	$ 3,569,243	$ 16,368,478

[a] Variable interest amounts assume future interest rates remain constant at the rate in effect on December 31, 2024.

Following is a summary of debt activity in 2023:

	December 31, 2022	Issuances	Payments/ Amortization	December 31, 2023
Bonds payable	$ 7,631,560	$ 4,193,705	$ (2,107,630)	$ 9,717,635
Bond premium	477,759	174,256	(117,055)	534,960
Total debt	8,109,319	$ 4,367,961	$ (2,224,685)	10,252,595
Less amounts due within one year	2,082,350			758,300
Less current portion of bond premium	101,615			109,649
Total long-term debt	$ 5,925,354			$ 9,384,646

As of December 31, 2024, all but Series 2023E-2, a subset of Series 2023E, had fixed interest rates ranging from 4.0% to 5.5%, with an effective rate, including bond premium, of 3.50%. As of December 31, 2023, all but Series 2023E-2, a subset of Series 2023E, had fixed interest rates ranging from 4.0% to 5.5%, with an effective rate, including bond premium, of 3.25%.

As of December 31, 2024 and 2023, Series 2023E-2 bonds were outstanding with variable interest rates based on SOFR and interest rate swaps that swap the variable rates to fixed rates (see Note 5). The interest rate was 4.74% and 5.31% at December 31, 2024 and 2023, respectively. Giving effect to the swaps, the net rate in effect was 4.45% and 4.45% at December 31, 2024 and 2023, respectively.

5. Derivative Instruments

Commodity Derivative Instruments

Main Street has established rates with the Gas Authority based on a discount to spot market prices. Therefore, Main Street enters into long-term prepaid gas purchase agreements and uses long-term derivative instruments (commodity swaps) with terms that match the related prepaid gas purchase agreements to convert fixed prepayments for future deliveries to spot market pricing. The derivative agreements require monthly payments to be paid or received based on the difference between the spot market price and the contract strike price on notional volumes. None of Main Street's derivatives require a cash payment at inception.

Notes to Financial Statements (continued)
(dollars in thousands)

Interest Rate Derivative Instruments

In 2018, in connection with the issuance of the 2018B, 2018D, and 2018E variable-rate bonds, Main Street entered into interest rate swap agreements that result in Main Street paying fixed interest rates of 2.48%, 2.78%, and 2.82%, respectively, on the bonds. These swaps reached maturity in 2023 as discussed in Note 3.

In 2023, in connection with the issuance of the 2023E-2 variable-rate bonds, Main Street entered into an interest rate swap agreement that result in Main Street paying a fixed interest rate of 4.45% on these bonds.

Fair Values of Derivative Instruments

See Note 1 for a discussion of fair value policies and methodologies. The fair value balances of derivative instruments outstanding at December 31, 2024 and 2023, classified by type, and the changes in fair value of such derivative instruments for the years then ended as reported in the related financial statements, are as follows (losses and liabilities in parentheses):

	Notional Amount at December 31, 2023*	Change in Fair Value 2023	Fair Value at December 31, 2023	Change in Fair Value 2024	Fair Value at December 31, 2024	Notional Amount at December 31, 2024*
Hedging derivatives						
Commodity swaps –receive fixed	3,241,536	$ 3,202,268	$ 1,739,349	$ 2,470,127	$ 4,209,476	4,288,585
Interest rate swaps – pay fixed	167,500	$ (13,811)	(8,174)	6,053	(2,121)	250,000

The following table displays key terms of Main Street's derivative instruments:

	Effective Dates	Notional Amount*	Prices
As of December 31, 2024:			
Hedging derivatives			
Commodity swaps – receive fixed	Jan 2025 – Mar 2055	4,288,585	$4.12 – $10.36
Interest rate swap – pay fixed	Jan 2025 – Jun 2031	250,000	Variable
As of December 31, 2023:			
Hedging derivatives			
Commodity swaps – receive fixed	Jan 2024 – Mar 2054	3,241,536	$4.12 – $10.36
Interest rate swap – pay fixed	Jan 2024 – Jun 2031	167,500	Variable

*Notional amounts are in thousands of MMBtu except interest rate swaps, which are in U.S. dollars.

Risks Associated With Derivative Instruments

Credit Risk – Main Street intends to hold all derivative instruments to maturity. Main Street is exposed to market gas price risk in the event of nonperformance by the counterparties; however, Main Street does not anticipate nonperformance. Main Street derivative instruments contain tear-up provisions such that they may be terminated under certain limited circumstances, including specific credit events, with no settlement payment due or payable by either party. In addition, the Main Street

Notes to Financial Statements (continued)
(dollars in thousands)

prepaid gas purchase agreements allow for the substitution of swap counterparties by both Main Street and the related supplier in the event of specified credit rating downgrades or certain other limited conditions.

The credit ratings of Main Street's derivative counterparties and related fair values of derivative instruments are summarized below, as of December 31, 2024:

Counterparty	Counterparty Credit Ratings S&P/Moody's	Fair Market Value of Derivative Instruments Asset (Liability)
JPMorgan Chase Bank, N.A.	AA-/Aa2	$ (6,927)
PGP4 MS18A, LLC	Not rated	206,231
PGP4 MS18C, LLC	Not rated	186,995
PGP4 MSCEI, LLC	Not rated	88,701
PGP4 MS21A, LLC	Not rated	194,650
PEP MS21C, LLC	Not rated	147,683
PEP MS22A, LLC	Not rated	168,984
PEP MS22B, LLC	Not rated	377,665
PGP4 MS22C, LLC	Not rated	132,317
PEP MS23A, LLC	Not rated	395,197
PGP4 MS23B, LLC	Not rated	375,758
PEP MS23D, LLC	Not rated	333,715
PGP4 MS24A, LLC	Not rated	317,225
PGP4 MS24B, LLC	Not rated	276,959
PEP MS24C, LLC	Not rated	339,551
PEP MS24E, LLC	Not rated	391,135
Royal Bank of Canada	AA-/Aa1	281,516

Termination Risk – Main Street is exposed to termination risk in its commodity and interest rate derivatives. Termination of Main Street hedges may occur upon a downgrade of the swap counterparties below specified levels; however, the supplier and Main Street have the option to replace such counterparties for a specified period, generally ranging from 90 to 120 days. In addition, all except the Series 2007A and 2019A transactions may be terminated or amended under certain limited circumstances. No amounts related to the swaps would be due by either party, other than monthly obligations related to gas already delivered by Main Street, in the event of termination of any Main Street derivatives.

Supplemental Schedules

Main Street Natural Gas, Inc.

Statements of Net Position - Information by Project
(in thousands of dollars)
December 31, 2024

	2007 Series A	2019 Series A	2019 Series C	2021 Series A
Assets				
Current assets:				
Cash held by the Gas Authority	$ –	$ 25	$ 25	$ 324
Restricted cash and cash equivalents	285	1,326	149	106
Investment securities – restricted	11,651	11,616	9,972	11,522
Accounts receivable	5,503	6,238	4,372	3,051
Prepaid gas supplies	17,938	26,362	23,953	25,577
Other assets	–	–	–	–
Fair value of derivative instruments	25,164	427	3,996	8,360
Total current assets	60,541	45,994	42,467	48,940
Noncurrent assets:				
Prepaid gas supplies	54,847	580,438	578,541	823,522
Fair value of derivative instruments	69,077	34,215	84,706	186,290
Costs recoverable from future billings	64,860	70,336	31,892	23,443
Total noncurrent assets	188,784	684,989	695,139	1,033,255
Total assets	$ 249,325	$ 730,983	$ 737,606	$ 1,082,195
Liabilities, deferred inflows of resources, and net position				
Current liabilities:				
Accounts payable and accrued expenses	$ 2,507	$ 4,021	$ 8,363	$ 10,970
Current portion of limited obligation debt	37,098	18,138	20,948	22,513
Total current liabilities	39,605	22,159	29,311	33,483
Noncurrent liabilities:				
Limited obligation debt	115,479	674,182	619,593	854,062
Fair value of derivative instruments	–	6,964	–	–
Other liabilities	–	–	–	–
Total noncurrent liabilities	115,479	681,146	619,593	854,062
Total liabilities	155,084	703,305	648,904	887,545
Deferred inflows of resources	94,241	27,678	88,702	194,650
Net position	–	–	–	–
Total liabilities, deferred inflows of resources, and net position	$ 249,325	$ 730,983	$ 737,606	$ 1,082,195

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Net Position - Information by Project (Continued)
(in thousands of dollars)
December 31, 2024

	2021 Series C	2022 Series A	2022 Series B	2022 Series C
Assets				
Current assets:				
Cash held by the Gas Authority	$ 114	$ 359	$ 325	$ 303
Restricted cash and cash equivalents	262	286	262	257
Investment securities – restricted	4,675	2,988	11,811	4,598
Accounts receivable	3,093	3,588	2,244	3,821
Prepaid gas supplies	28,907	18,965	24,356	22,116
Other assets	–	–	–	–
Fair value of derivative instruments	6,547	8,999	22,669	6,510
Total current assets	43,598	35,185	61,667	37,605
Noncurrent assets:				
Prepaid gas supplies	763,859	503,312	655,404	586,799
Fair value of derivative instruments	141,136	159,984	354,996	125,807
Costs recoverable from future billings	14,229	22,006	40,370	26,262
Total noncurrent assets	919,224	685,302	1,050,770	738,868
Total assets	$ 962,822	$ 720,487	$ 1,112,437	$ 776,473
Liabilities, deferred inflows of resources, and net position				
Current liabilities:				
Accounts payable and accrued expenses	$ 2,477	$ 1,771	$ 2,958	$ 4,121
Current portion of limited obligation debt	28,064	13,995	12,826	16,568
Total current liabilities	30,541	15,766	15,784	20,689
Noncurrent liabilities:				
Limited obligation debt	784,598	535,737	718,988	623,467
Fair value of derivative instruments	–	–	–	–
Other liabilities	–	–	–	–
Total noncurrent liabilities	784,598	535,737	718,988	623,467
Total liabilities	815,139	551,503	734,772	644,156
Deferred inflows of resources	147,683	168,984	377,665	132,317
Net position	–	–	–	–
Total liabilities, deferred inflows of resources, and net position	$ 962,822	$ 720,487	$ 1,112,437	$ 776,473

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Net Position - Information by Project (Continued)
(in thousands of dollars)
December 31, 2024

	2023 Series A	2023 Series B	2023 Series C (formerly 2018A&B)	2023 Series D
Assets				
Current assets:				
Cash held by the Gas Authority	$ 341	$ 363	$ 328	$ 300
Restricted cash and cash equivalents	235	678	1,264	748
Investment securities – restricted	6,203	16,094	16,425	3,416
Accounts receivable	3,952	4,135	5,551	3,570
Prepaid gas supplies	23,813	29,286	30,231	22,083
Other assets	–	278	85	–
Fair value of derivative instruments	23,755	20,692	9,621	19,536
Total current assets	58,299	71,526	63,505	49,653
Noncurrent assets:				
Prepaid gas supplies	651,789	803,357	838,907	624,277
Fair value of derivative instruments	371,442	355,067	196,610	314,178
Costs recoverable from future billings	32,990	36,880	128,421	31,501
Total noncurrent assets	1,056,221	1,195,304	1,163,938	969,956
Total assets	$ 1,114,520	$ 1,266,830	$ 1,227,443	$ 1,019,609
Liabilities, deferred inflows of resources, and net position				
Current liabilities:				
Accounts payable and accrued expenses	$ 2,907	$ 13,835	$ 16,255	$ 2,847
Current portion of limited obligation debt	11,639	15,951	5,229	8,995
Total current liabilities	14,546	29,786	21,484	11,842
Noncurrent liabilities:				
Limited obligation debt	704,777	861,236	999,728	674,053
Fair value of derivative instruments	–	–	–	–
Other liabilities	–	50	–	–
Total noncurrent liabilities	704,777	861,286	999,728	674,053
Total liabilities	719,323	891,072	1,021,212	685,895
Deferred inflows of resources	395,197	375,758	206,231	333,714
Net position	–	–	–	–
Total liabilities, deferred inflows of resources, and net position	$ 1,114,520	$ 1,266,830	$ 1,227,443	$ 1,019,609

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Net Position - Information by Project (Continued)
(in thousands of dollars)
December 31, 2024

	2023 Series E (formerly 2018C,D&E	2024 Series A	2024 Series B	2024 Series C
Assets				
Current assets:				
Cash held by the Gas Authority	$ 395	$ 319	$ 300	$ 300
Restricted cash and cash equivalents	4,250	427	73	486
Investment securities – restricted	12,602	17,246	27,420	3,552
Accounts receivable	3,055	4,241	3,496	3,713
Prepaid gas supplies	27,642	29,080	26,309	24,281
Other assets	430	133	879	–
Fair value of derivative instruments	7,567	16,206	14,215	19,419
Total current assets	55,941	67,652	72,692	51,751
Noncurrent assets:				
Prepaid gas supplies	825,338	821,567	744,168	698,980
Fair value of derivative instruments	179,427	301,019	262,744	320,133
Costs recoverable from future billings	138,122	22,801	26,542	17,917
Total noncurrent assets	1,142,887	1,145,387	1,033,454	1,037,030
Total assets	$ 1,198,828	$ 1,213,039	$ 1,106,146	$ 1,088,781
Liabilities, deferred inflows of resources, and net position				
Current liabilities:				
Accounts payable and accrued expenses	$ 5,051	$ 13,990	$ 28,956	$ 3,018
Current portion of limited obligation debt	2,195	14,823	9,250	11,703
Total current liabilities	7,246	28,813	38,206	14,721
Noncurrent liabilities:				
Limited obligation debt	1,004,587	866,961	790,843	734,500
Fair value of derivative instruments	2,121	–	–	–
Other liabilities	–	40	138	9
Total noncurrent liabilities	1,006,708	867,001	790,981	734,509
Total liabilities	1,013,954	895,814	829,187	749,230
Deferred inflows of resources	184,874	317,225	276,959	339,551
Net position	–	–	–	–
Total liabilities, deferred inflows of resources, and net position	$ 1,198,828	$ 1,213,039	$ 1,106,146	$ 1,088,781

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Net Position - Information by Project (Concluded)
(in thousands of dollars)
December 31, 2024

	2024 Series D (formerly 2019B)	2024 Series E	All Projects Total
Assets			
Current assets:			
Cash held by the Gas Authority	$ 250	$ 300	$ 4,671
Restricted cash and cash equivalents	396	529	12,019
Investment securities – restricted	11,444	17,486	200,721
Accounts receivable	2,621	–	66,244
Prepaid gas supplies	20,149	24,320	445,368
Other assets	–	–	1,805
Fair value of derivative instruments	7,138	14,662	235,483
Total current assets	41,998	57,297	966,311
Noncurrent assets:			
Prepaid gas supplies	581,910	944,675	12,081,690
Fair value of derivative instruments	147,653	376,473	3,980,957
Costs recoverable from future billings	53,501	7,023	789,096
Total noncurrent assets	783,064	1,328,171	16,851,743
Total assets	$ 825,062	$ 1,385,468	$ 17,818,054
Liabilities, deferred inflows of resources, and net position			
Current liabilities:			
Accounts payable and accrued expenses	$ 7,621	$ 1,546	$ 133,214
Current portion of limited obligation debt	8,070	13,992	271,997
Total current liabilities	15,691	15,538	405,211
Noncurrent liabilities:			
Limited obligation debt	654,577	978,793	13,196,161
Fair value of derivative instruments	–	–	9,085
Other liabilities	3	2	242
Total noncurrent liabilities	654,580	978,795	13,205,488
Total liabilities	670,271	994,333	13,610,699
Deferred inflows of resources	154,791	391,135	4,207,355
Net position	–	–	–
Total liabilities, deferred inflows of resources, and net position	$ 825,062	$ 1,385,468	$ 17,818,054

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Revenues, Expenses, and Changes in Net Position - Information by Project
(in thousands of dollars)
Year Ended December 31, 2024

	2007 Series A	2019 Series A	2019 Series C	2021 Series A
Operating revenues	$ 38,644	$ 45,231	$ 32,755	$ 34,102
Operating expenses:				
Prepaid gas supply delivery	18,979	25,177	23,132	25,447
General and administrative	123	364	244	300
Total operating expenses	19,102	25,541	23,376	25,747
Operating income	19,542	19,690	9,379	8,355
Nonoperating revenues (expenses):				
Investment income	788	858	471	445
Interest expense	(8,907)	(29,058)	(12,922)	(12,353)
Costs recoverable from future billings	(11,423)	8,510	3,072	3,553
Total nonoperating expenses, net	(19,542)	(19,690)	(9,379)	(8,355)
Change in net position	–	–	–	–
Net position:				
Beginning of period	–	–	–	–
End of period	$ –	$ –	$ –	$ –

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Revenues, Expenses, and Changes in Net Position - Information by Project (Continued)
(in thousands of dollars)
Year Ended December 31, 2024

	2021 Series C	2022 Series A	2022 Series B	2022 Series C
Operating revenues	$ 38,391	$ 29,174	$ 42,476	$ 31,519
Operating expenses:				
Prepaid gas supply delivery	29,074	19,022	24,402	22,204
General and administrative	276	232	392	299
Total operating expenses	29,350	19,254	24,794	22,503
Operating income	9,041	9,920	17,682	9,016
Nonoperating revenues (expenses):				
Investment income	793	639	793	615
Interest expense	(9,959)	(15,662)	(29,427)	(15,332)
Costs recoverable from future billings	125	5,103	10,952	5,701
Total nonoperating expenses, net	(9,041)	(9,920)	(17,682)	(9,016)
Change in net position	–	–	–	–
Net position:				
Beginning of period	–	–	–	–
End of period	$ –	$ –	$ –	$ –

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Revenues, Expenses, and Changes in Net Position - Information by Project (Continued)
(in thousands of dollars)
Year Ended December 31, 2024

	2023 Series A	2023 Series B	2023 Series C (formerly 2018A&B)	2023 Series D
Operating revenues	$ 41,775	$ 48,723	$ 47,767	$ 30,665
Operating expenses:				
Prepaid gas supply delivery	23,885	29,364	30,345	16,389
General and administrative	356	431	359	310
Total operating expenses	24,241	29,795	30,704	16,699
Operating income	17,534	18,928	17,063	13,966
Nonoperating revenues (expenses):				
Investment income	590	829	681	672
Interest expense	(29,928)	(32,679)	(43,622)	(32,115)
Costs recoverable from future billings	11,804	12,922	25,878	17,477
Total nonoperating expenses, net	(17,534)	(18,928)	(17,063)	(13,966)
Change in net position	–	–	–	–
Net position:				
Beginning of period	–	–	–	–
End of period	$ –	$ –	$ –	$ –

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Revenues, Expenses, and Changes in Net Position - Information by Project (Continued)
(in thousands of dollars)

Year Ended December 31, 2024

	2023 Series E (formerly 2018C,D&E)	2024 Series A	2024 Series B	2024 Series C
Operating revenues	$ 48,926	$ 38,980	$ 6,852	$ 7,279
rating expenses:				
repaid gas supply delivery	29,460	22,309	3,956	4,058
General and administrative	491	389	71	77
Total operating expenses	29,951	22,698	4,027	4,135
Operating income	18,975	16,282	2,825	3,144
Nonoperating revenues (expenses):				
Investment income	998	449	744	288
Interest expense	(46,092)	(39,532)	(30,111)	(21,349)
Costs recoverable from future billings	26,119	22,801	26,542	17,917
Total nonoperating expenses, net	(18,975)	(16,282)	(2,825)	(3,144)
Change in net position	–	–	–	–
Net position:				
Beginning of period	–	–	–	–
End of period	$ –	$ –	$ –	$ –

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Statements of Revenues, Expenses, and Changes in Net Position - Information by Project (Concluded)
(in thousands of dollars)
Year Ended December 31, 2024

	2024 Series D (formerly 2019B)	2024 Series E	All Projects Total
Operating revenues	$ 28,501	$ –	$ 591,760
Operating expenses:			
Prepaid gas supply delivery	20,038	–	367,241
General and administrative	230	–	4,944
Total operating expenses	20,268	–	372,185
Operating income	8,233	–	219,575
Nonoperating revenues (expenses):			
Investment income	4,619	23	15,295
Interest expense	(24,341)	(7,046)	(440,435)
Costs recoverable from future billings	11,489	7,023	205,565
Total nonoperating expenses, net	(8,233)	–	(219,575)
Change in net position	–	–	–
Net position:			
Beginning of period	–	–	–
End of period	$ –	$ –	$ –

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Schedule of Changes in Assets of the Trust Indenture Funds
(in thousands of dollars)
As of and for the Year Ended December 31, 2024

	Restricted Cash and Investments at December 31, 2023	Operating Revenue and Bond Sales	Investment Income	Disbursements	Restricted Cash and Investments at December 31, 2024
Series 2007A					
Revenue	$ 103	$ 40,317	$ 13	$ (40,165)	$ 268
Debt Service	8,563	113,380	775	(111,050)	11,668
Total	$ 8,666	$ 153,697	$ 788	$ (151,215)	$ 11,936
Series 2018A&B					
Debt Service Interest	$ 3	$ –	$ –	$ –	$ 3
Revenue	59	–	3	–	62
Credit Support Fee	22	–	1	–	23
Trustee Fee	4	–	–	–	4
Rating Agent	5	–	–	–	5
General	3	–	–	–	3
Total	$ 96	$ –	$ 4	$ –	$ 100
Series 2018C,D&E					
Debt Service Interest	$ 1	$ –	$ –	$ –	$ 1
Revenue	1,709	–	84	–	1,793
Interest Swap Payment	1	–	–	–	1
Credit Support Fee	16	–	–	–	16
Trustee Fee	1	–	1	–	2
Rating Agent	6	–	–	–	6
General	1	–	–	–	1
Total	$ 1,735	$ –	$ 85	$ –	$ 1,820
Series 2019A					
Debt Service Interest	$ –	$ 32,051	$ –	$ (32,051)	$ –
Revenue	12,048	44,958	797	(46,035)	11,768
GSA Supplier	–	528	–	(528)	–
Principal Account	–	12,185	–	(12,185)	–
Admin Expense	–	347	–	(347)	–
Credit Support Fee	24	135	1	(136)	24
Trustee Fee	8	–	–	(5)	3
Custodian	7	–	–	–	7
Rating Agent	4	19	–	(23)	–
Working Captital	1,083	–	57	–	1,140
General	–	770	–	(770)	–
Total	$ 13,174	$ 90,993	$ 855	$ (92,080)	$ 12,942

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Schedule of Changes in Assets of the Trust Indenture Funds (Continued)
(in thousands of dollars)
As of and for the Year Ended December 31, 2024

	Restricted Cash and Investments at December 31, 2023	Operating Revenue and Bond Sales	Investment Income	Disbursements	Restricted Cash and Investments at December 31, 2024
Series 2019B					
Debt Service Interest	$ –	$ 15,906	$ 3	$ (15,904)	$ 5
Revenue	2,662	9,838	289	(12,498)	291
GSA Supplier	–	455	–	(455)	–
Principal Account	–	575	–	(575)	–
Admin Expense	–	165	–	(165)	–
Credit Support Fee	5	43	–	(43)	5
Trustee Fee	3	6	–	(9)	–
Custodian	1	1	–	–	2
Rating Agent	7	9	–	(12)	4
General	–	370	–	(370)	–
Total	$ 2,678	$ 27,368	$ 292	$ (30,031)	$ 307
Series 2019C					
Debt Service Interest	$ –	$ 30,067	$ –	$ (30,067)	$ –
Revenue	8,839	31,377	470	(30,581)	10,105
Admin Expense	–	224	–	(224)	–
Trustee Fee	8	8	–	(9)	7
Rating Agent	3	12	–	(12)	3
Custodian	2	–	–	–	2
Credit Support Fee	4	44	–	(44)	4
General	–	344	–	(344)	–
Total	$ 8,856	$ 62,076	$ 470	$ (61,281)	$ 10,121
Series 2021A					
Debt Service Interest	$ –	$ 32,865	$ –	$ (32,865)	$ –
Revenue	11,499	34,396	452	(34,746)	11,601
Project Fund	–	955	–	(955)	–
Admin Expense	–	287	–	(287)	–
Credit Support Fee	15	43	–	(44)	14
Trustee Fee	9	9	–	(9)	9
Rating Agent	15	21	–	(32)	4
General Fund	–	566	–	(566)	–
Total	$ 11,538	$ 69,142	$ 452	$ (69,504)	$ 11,628
Series 2021C					
Debt Service Interest	$ –	$ 38,057	$ –	$ (38,057)	$ –
Revenue	4,784	39,027	193	(39,078)	4,926
Admin Expense	–	266	–	(266)	–
Credit Support Fee	4	46	–	(46)	4
Trustee Fee	11	8	–	(17)	2
Rating Agent	4	13	–	(12)	5
General	–	610	–	(610)	–
Total	$ 4,803	$ 78,027	$ 193	$ (78,086)	$ 4,937

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Schedule of Changes in Assets of the Trust Indenture Funds (Continued)
(in thousands of dollars)
As of and for the Year Ended December 31, 2024

	Restricted Cash and Investments at December 31, 2023	Operating Revenue and Bond Sales	Investment Income	Disbursements	Restricted Cash and Investments at December 31, 2024
Series 2022A					
Debt Service Interest	$ –	$ 29,430	$ –	$ (29,430)	$ –
Revenue	3,081	29,833	528	(30,200)	3,242
Capitalized Interest	3	–	–	–	3
Admin Expense	–	222	–	(222)	–
Credit Support Fee	3	34	–	(34)	3
Trustee Fee	10	9	–	(10)	9
Rating Agent	17	11	1	(12)	17
General	–	524	–	(524)	–
Total	$ 3,114	$ 60,063	$ 529	$ (60,432)	$ 3,274
Series 2022B					
Debt Service Interest	$ –	$ 41,213	$ –	$ (41,213)	$ –
Revenue	11,040	42,640	645	(42,345)	11,980
Capitalized Interest	1	–	–	–	1
Admin Expense	–	382	–	(382)	–
Credit Support Fee	4	49	–	(49)	4
Trustee Fee	1	11	–	(9)	3
Rating Agent	6	12	–	(12)	6
Custody	23	–	34	–	57
General	–	679	1	(657)	23
Total	$ 11,075	$ 84,986	$ 680	$ (84,667)	$ 12,074
Series 2022C					
Debt Service Interest	$ 1	$ 31,684	$ –	$ (31,685)	$ –
Revenue	4,681	32,176	448	(32,471)	4,834
Admin Expense	–	289	–	(289)	–
Trustee Fee	11	9	1	(10)	11
Rating Agent	20	11	–	(20)	11
General Fund	–	477	–	(477)	–
Total	$ 4,713	$ 64,646	$ 449	$ (64,952)	$ 4,856
Series 2023A					
Debt Service Interest	$ –	$ 41,246	$ –	$ (41,246)	$ –
Revenue	6,041	41,850	583	(42,057)	6,417
Admin Expense	–	345	–	(345)	–
Credit Support Fee	14	57	–	(68)	3
Trustee Fee	7	9	–	(9)	7
Rating Agent	8	15	–	(12)	11
General	–	393	–	(393)	–
Total	$ 6,070	$ 83,915	$ 583	$ (84,130)	$ 6,438

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Schedule of Changes in Assets of the Trust Indenture Funds (Continued)
(in thousands of dollars)
As of and for the Year Ended December 31, 2024

	Restricted Cash and Investments at December 31, 2023	Operating Revenue and Bond Sales	Investment Income	Disbursements	Restricted Cash and Investments at December 31, 2024
Series 2023B					
Debt Service Interest	$ 16,098	$ 47,761	$ 540	$ (48,291)	$ 16,108
COI	–	1,812	3	(1,815)	–
Revenue	40	48,816	41	(48,788)	109
Capitalized Interest	2	–	–	(2)	–
Admin Expense	–	421	–	(421)	–
Trustee Fee	6	9	–	(9)	6
Rating Agent	7	14	–	(12)	9
Credit Support Fee	53	59	1	(93)	20
General	–	525	18	(23)	520
Total	$ 16,206	$ 99,417	$ 603	$ (99,454)	$ 16,772
Series 2023C					
Debt Service Interest	$ 17,673	$ 46,839	$ 534	$ (48,608)	$ 16,438
COI	63	–	3	–	66
Revenue	83	47,840	53	(47,323)	653
Admin Expense	–	349	–	(349)	–
Credit Support Fee	45	81	1	(100)	27
Trustee Fee	5	8	–	(9)	4
Rating Agent	7	11	–	(12)	6
Bond Escrow	391	–	–	–	391
General	–	39	–	(35)	4
Total	$ 18,267	$ 95,167	$ 591	$ (96,436)	$ 17,589
Series 2023D					
Debt Service Interest	$ –	$ 37,040	$ –	$ (37,039)	$ 1
COI	35	–	2	–	37
Revenue	–	27,154	16	(27,122)	48
Capitalized Interest	13,674	26,779	654	(37,041)	4,066
Admin Expense	1	265	–	(265)	1
Credit Support Fee	–	50	–	(46)	4
Trustee Fee	–	11	–	(9)	2
Rating Agent	–	17	–	(12)	5
Total	$ 13,710	$ 91,316	$ 672	$ (101,534)	$ 4,164
Series 2023E					
Debt Service Interest	$ 11,599	$ 50,673	$ 415	$ (50,078)	$ 12,609
COI	43	–	2	(4)	41
Revenue	943	59,560	63	(59,124)	1,442
Commodity Swap Pmt	–	12,043	1	(11,117)	927
Admin Expense	–	501	–	(501)	–
Credit Support Fee	3	78	1	(74)	8
Trustee Fee	2	9	–	(9)	2
Rating Agent	3	12	–	(12)	3
General	–	122	–	(122)	–
Total	$ 12,593	$ 122,998	$ 482	$ (121,041)	$ 15,032

Notes to Financial Statements (continued)
(dollars in thousands)

Main Street Natural Gas, Inc.

Schedule of Changes in Assets of the Trust Indenture Funds (Concluded)
(in thousands of dollars)
As of and for the Year Ended December 31, 2024

	Restricted Cash and Investments at December 31, 2023	Operating Revenue and Bond Sales	Investment Income	Disbursements	Restricted Cash and Investments at December 31, 2024
Series 2024A					
Debt Service Interest	$ –	$ 25,332	$ –	$ (25,332)	$ –
COI	–	1,797	4	(1,800)	1
Revenue	–	34,780	24	(34,732)	72
Capitalized Interest	–	38,159	324	(21,221)	17,262
Admin Expense	–	343	–	(343)	–
Credit Support Fee	–	60	–	(39)	21
Trustee Fee	–	5	–	–	5
Rating Agent	–	12	–	(12)	–
General	–	309	3	–	312
Total	$ –	$ 100,797	$ 355	$ (83,479)	$ 17,673
Series 2024B					
COI	$ –	$ 1,803	$ 3	$ (1,806)	$ –
Revenue	–	3,388	–	(3,322)	66
Capitalized Interest	–	27,421	–	–	27,421
Admin Expense	–	35	–	(35)	–
Credit Support Fee	–	30	–	(26)	4
Trustee Fee	–	1	–	–	1
Rating Agent	–	1	–	–	1
Total	$ –	$ 32,679	$ 3	$ (5,189)	$ 27,493
Series 2024C					
Debt Service Interest	$ –	$ 15,478	$ –	$ (15,478)	$ –
COI	–	1,404	5	(1,262)	147
Revenue	–	3,593	–	(3,544)	49
Capitalized Interest	–	19,024	292	(15,478)	3,838
Admin Expense	–	38	–	(38)	–
Credit Support Fee	–	28	–	(26)	2
Trustee Fee	–	1	–	–	1
Rating Agent	–	1	–	–	1
Total	$ –	$ 39,567	$ 297	$ (35,826)	$ 4,038
Series 2024D					
Debt Service Interest	$ –	$ 11,436	$ 23	$ –	$ 11,459
COI	–	1,581	1	(1,541)	41
Revenue	–	6,344	3	(6,335)	12
GSA Supplier	–	118	–	(118)	–
Admin Expense	–	55	–	(55)	–
Credit Support Fee	–	14	–	–	14
Remarketing Fee	–	5	–	–	5
Trustee Fee	–	3	–	–	3
Rating Agent	–	2	–	–	2
Bond Escrow	–	686,642	–	(686,645)	(3)
Total	$ –	$ 706,200	$ 27	$ (694,694)	$ 11,533
Series 2024E					
COI	$ –	$ 1,668	$ –	$ (1,164)	$ 504
Capitalized Interest	–	17,486	25	–	17,511
Admin Expense	–	300	–	(300)	–
Total	$ –	$ 19,454	$ 25	$ (1,464)	$ 18,015