



May 7, 2026

Ms. Amber Edwards
Environmental Programs Manager
Land Protection Division
Oklahoma Department of Environmental Quality
707 North Robinson
P.O. Box 1677
Oklahoma City, Oklahoma 73101-1677

**RE: Financial Strength Information and
Closure Post Closure Cost Adjustment 2026
Grand River Dam Authority (GRDA)
Grand River Energy Center (GREC) Landfill
Chouteau, Mayes County, Oklahoma
Solid Waste Permit No. 3549012**

Dear Ms. Edwards:

GRDA is submitting Financial Strength Information to support utilization of the Corporate Financial Test as the mechanism for financial assurance of the above referenced landfill.

This information is being submitted in accordance with the financial assurance requirements as found in OAC 252:517-17-81 of the Oklahoma Disposal of Coal Combustion Residuals from Electric Utilities regulations.

Information being provided includes:

- A letter demonstrating financial assurance for closure and post-closure costs, signed by the GRDA Chief Financial Officer of GRDA
- Independent accountant's report on applying agreed upon procedures
- The independent auditor's report on the Audit of the Financial Statements of GRDA, as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements
- The 2026 worksheet for calculating closure and post-closure cost estimates

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of Excellence.



As required, a copy of this information is being placed into the operating record of the facility.

If you have any questions on this matter, or if you require any additional information, please do not hesitate to contact me,

Sincerely,

A handwritten signature in blue ink that reads "Michael L. Bednar". The signature is written in a cursive style with a large initial 'M'.

Michael L. Bednar
Manager of Environmental Compliance



Administrative Center
8624 Highway 412B | PO Box 669
Chouteau, OK 74337-0669
918.256.5545
www.GRDA.com

April 6, 2026

Ms. Linzi Bhatta
Environmental Program Specialist
Land Protection Division, Solid Waste Compliance
Oklahoma Department of Environmental Quality
PO Box 1677
Oklahoma City, Oklahoma 73101-1677

Ms. Bhatta,

I am the Chief Financial Officer of the Grand River Dam Authority, an agency of the State of Oklahoma, with its principal place of business located in Mayes County, Oklahoma. This letter is in support of this agency's use of the financial test to demonstrate financial assurance for closure and/or post-closure costs as specified in 27A O.S. Sections 2-10-701(C)(6) and OAC 252:517-17-81.

This agency is the owner or operator of the following facilities for which financial assurance for closure or post-closure care is demonstrated in accordance with the Oklahoma Administrative Code and the Oklahoma Solid Waste Management Act. We have updated our estimates, and the current closure and/or post-closure cost estimated covered by the test are shown for each facility:

GRDA Units No. 1 and No. 2 Fly Ash Disposal	Closure: \$1,915,414.70
Chouteau, Oklahoma	Post-Closure: \$2,165,446.85

The effective date of the response is for the fiscal year of this agency which ends on December 31, 2025. The figures for the following items marked with an asterisk are derived from this agency's independently audited, year-end financial statements for the latest completed fiscal year ended 2025:

1. Sum of the current closure and post-closure cost estimates: \$1,915,414.70 Closure and \$2,165,446.85 Post-Closure for a sum of \$4,080,861.55
2. Current bond ratings of the most recent issuance of this firm and name of rating service: A1 Moody's Investors Service, Inc., AA- Standard & Poor's Rate Service, AA- Fitch Ratings, Ltd.
3. Date of issuance of bond: July 18, 2024

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4. Date of maturity bond: 2025-2042
5. Tangible net worth: \$1,156,896,158
6. Total assets in the United States: \$2,710,378,714
7. Is line 5 equal to or greater than the sum of closure and post-closure costs shown on line 1 plus \$10 million? Yes
8. Is line 6 equal to or greater than the sum of closure and post-closure costs shown on line 1? Yes

I hereby certify that the representations made in this are, to the best of my knowledge, true and accurate.

Date: April 6, 2026

A handwritten signature in blue ink, appearing to read "E. Feighner", is written over a horizontal line.

Erik Feighner
Chief Financial Officer

Independent Accountants' Report

To Grand River Dam Authority and
Oklahoma Department of Environmental Quality

We have performed the procedures enumerated below on the letter dated April 1, 2026 from Grand River Dam Authority (the Authority) to the Oklahoma Department of Environmental Quality regarding the compliance with the financial test option as of December 31, 2025. Grand River Dam Authority is responsible for the compliance with the aforementioned financial test.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement to assist the Authority and the Oklahoma Department of Environmental Quality in evaluating the Authority's compliance with the financial test option as of December 31, 2025, included in the aforementioned letter. Additionally, Oklahoma Department of Environmental Quality has agreed to and acknowledged that the procedures performed are appropriate to meet its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- We compared the tangible net worth amount included in item 5 of the letter referred to above with the corresponding ending net position balance in the basic financial statements of the Authority as of and for the year ended December 31, 2025 and noted that such amounts are in agreement.
- We compared the total assets in United States amount included in item 6 of the letter referred to above with the corresponding total assets balance in the basic financial statements of the Authority as of and for the year ended December 31, 2025 and noted that such amounts were in agreement.
- We multiplied the sum of closure and post-closure cost estimates in item 1 of the letter by 6 and noted that the tangible net worth amount in item 5 of the letter is greater than the product of this multiplication.
- We multiplied the sum of closure and post-closure cost estimates in item 1 of the letter by 6 and noted that the amount of total assets in the United States of America included in item 6 of the letter is greater than the product of this multiplication.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance regarding the aforementioned letter dated April 1, 2026 and the information contained therein. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for and the use of the Authority and Oklahoma Department of Environmental Quality and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly US, LLP

Madison, Wisconsin
April 8, 2026

Grand River Dam Authority

(A Component Unit of the State of Oklahoma)

Basic Financial Statements as of and for the
Years Ended December 31, 2025, and 2024
Required Supplementary Information (Unaudited)
and Independent Auditors' Report

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

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Independent Auditors' Report

To the Board of Directors of
Grand River Dam Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Grand River Dam Authority (GRDA), as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the GRDA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the GRDA as of December 31, 2025 and 2024, and the changes in financial position and 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the GRDA 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.

Emphasis of Matter

As discussed in Note 13, the GRDA adopted the provisions of GASB Statement No. 103, effective January 1, 2025. Accordingly, the accounting changes have been retroactively applied to prior periods presented. Our opinion is not modified with respect to this matter.

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 from 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 GRDA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 GRDA'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 GRDA'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 required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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 basic financial statements and other knowledge we obtained during our audit of the basic 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2026 on our consideration of the GRDA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the GRDA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the GRDA's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Madison, Wisconsin
March 31, 2026

Management Discussion and Analysis – Unaudited

Overview of the Financial Statements

This Management’s Discussion and Analysis (MD&A) is intended to provide readers with an objective and easily readable analysis of the Grand River Dam Authority’s (GRDA or the Authority) financial activities for the year ended December 31, 2025. This discussion should be read in conjunction with the basic financial statements and the accompanying notes. The Authority’s basic financial statements consist of the Statements of Net Position; Statements of Revenues, Expenses, and Changes in Net Position; Statements of Cash Flows; and the Notes to Financial Statements. These statements are prepared using the accrual basis of accounting and are designed to present information about the Authority’s financial position, operating results, and cash flows, as well as the resources available to meet ongoing obligations.

Financial Summary

During 2025, the Authority early adopted GASB Statement No. 103. As a result, certain prior-year amounts in 2024 have been restated for comparability and are labeled as restated where presented. The nature of, and reasons for, the restatement and its effect on beginning net position and the financial statements are described in the Notes to Financial Statements.

Condensed Statement of Net Position

(\$ in millions)

	2025	2024	2023
Assets			
Current Assets	\$274.3	\$262.4	\$231.9
Investments	595.0	772.2	664.5
Net Utility Plant	1,673.9	1,416.6	1,239.1
Other Non-Current Assets	167.2	146.7	109.1
Total Assets	2,710.4	2,597.9	2,244.6
Deferred Outflows of Resources	24.9	24.5	53.2
Liabilities			
Current Liabilities	237.5	199.4	167.8
Long-term Bonds Payable	1,159.3	1,224.1	1,020.0
Other Long-Term Liabilities	26.5	29.4	41.8
Total Liabilities	1,423.3	1,452.9	1,229.6
Deferred Inflows of Resources	155.1	143.7	127.4
Net Position			
Net Investment in Capital Assets	675.9	563.2	484.3
Restricted Net Position	80.3	69.5	66.4
Unrestricted Net Position	400.7	393.1	390.1
Total Net Position	\$1,156.9	\$1,025.8	\$940.8

See Notes to Financial Statements.

Condensed Schedule of Changes in Net Position

(\$ in millions)

	2025	Restated 2024	2023
Revenues			
Sales of Power	\$555.9	\$491.0	\$496.7
Other Operating Revenues	59.3	62.8	74.1
Regulatory Asset Revenues	6.6	6.6	4.2
Total Operating Revenues	621.8	560.4	575.0
Operating Expenses			
Fuel and Purchased Power	265.0	217.3	232.3
Other Operating Expense	141.4	151.3	158.8
Depreciation	82.4	82.1	75.8
Total Operating Expense	488.8	450.7	466.9
Operating Income	133.0	109.7	108.1
Non-Capital Subsidies	-	0.3	-
Non-Operating Items			
Investment Income	43.2	28.8	26.1
Interest Expense	(58.7)	(54.1)	(42.5)
Other Nonoperating Items – Net	13.6	0.2	(0.7)
Total Non-operating Income and (Expense)	(1.9)	(25.1)	(17.1)
Capital Contributions – Award revenue – capital	-	-	5.9
Change in Net Position	131.1	85.0	96.9
Net Position – Beginning of year	1,025.8	940.8	843.9
Net Position – End of year	\$1,156.9	\$1,025.8	\$940.8

See Notes to Financial Statements.

Financial Position

2025 vs 2024

The Authority's financial position improved during the year ended December 31, 2025, as reflected in the \$131.1 million increase in total net position. Total assets increased primarily due to continued investment in utility plant, most notably construction activity associated with Grand River Energy Center (GREC) Unit 4, as well as growth in current assets supported by strong operating cash flows. Net utility plant increased as capital expenditures outpaced depreciation, reflecting the Authority's ongoing capital program including GREC Unit 4.

Current assets increased \$11.9 million due to higher cash and receivable balances associated with increased power sales and favorable operating results. These increases were offset by a \$177.2 million decrease in investments, as a result of funds used to support capital construction and debt service requirements. Deferred outflows of resources remained stable year over year.

Total liabilities declined \$29.6 million compared to the prior year, driven primarily by scheduled principal repayments on long-term debt of \$50.0 million partially offset by a \$38.1 million increase in current liabilities related to ongoing expenses associated with GREC Unit 4, higher fuel and purchased power costs and accrued operating expenses. Deferred inflows of resources increased \$11.4 million, primarily due to year-over-year changes in pension liabilities and increases in regulatory costs recovered or to be recovered.

As a result of these factors, net position increased \$131.1 million, with growth concentrated in net investment in capital assets. The Authority ended the year with a strong liquidity position and financial flexibility to support ongoing operations, capital needs, and debt service obligations.

2024 vs 2023

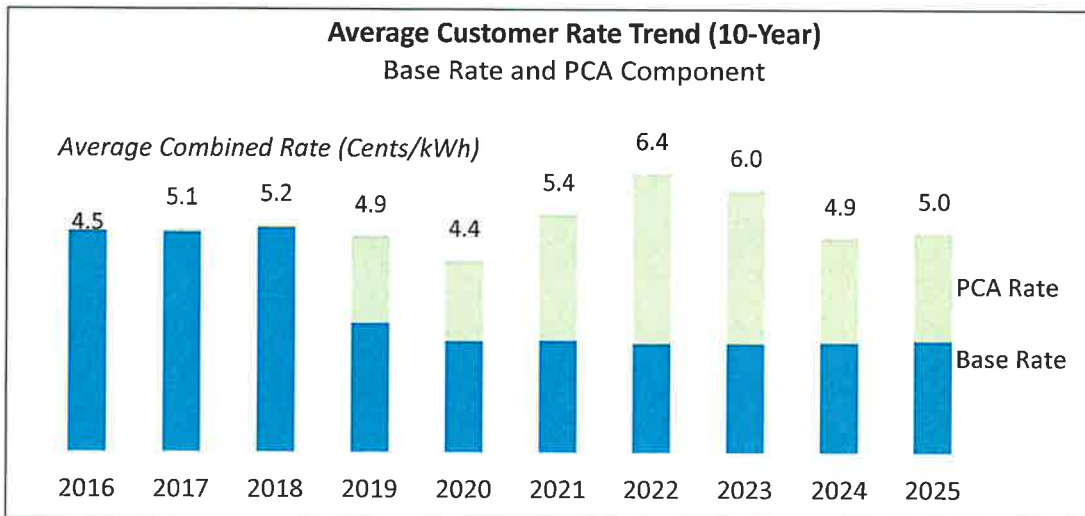
The Authority’s financial position improved during the year ended December 31, 2024, as reflected in the \$85.0 million increase in total net position. Total assets increased primarily as a result of the \$270.9 million in bond proceeds (net of the 2014 refunding and issuance costs) from the Authority’s revenue bond issuance in June 2024 and continued investment in utility plant, most notably construction activity associated with GREC Unit 4. Net utility plant increased as capital expenditures outpaced depreciation, reflecting the Authority’s ongoing capital program including GREC Unit 4.

Total liabilities increased by \$223.3 million primarily due to the issuance of \$349.2 million in additional par value bonds in June 2024 and an increase in current liabilities related to ongoing expenses associated with GREC Unit 4. These increases were offset by \$114.4 million in refunded bonds and \$49.2 million in additional principal payments. Deferred inflows of resources increased \$16.3 million, reflecting changes in commodity hedge values and an \$8.2 million gain on the June 2024 bond refunding.

As a result of these factors, net position increased, with growth concentrated in net investment in capital assets.

Rates

Average customer rates over the past ten years have reflected a stable base rate structure, with variability primarily driven by fuel-related PCA components. 2025 average rates increased slightly due primarily to



Note: Beginning in 2019, a portion of fuel and purchased power costs was shifted from base rates to the PCA recovery mechanism.

the increased fuel costs collected through the PCA. The impact of the higher fuel costs was reduced with the application of a portion of the over collected balance of \$47.4 million at the beginning of 2025. Average rates decreased in 2024 due to the reduced natural gas and purchased power prices reflected by the lower PCA rate.

Results of Operations

2025 vs 2024

Operating revenues increased in 2025, driven primarily by higher sales of power up \$64.9 million reflecting continued industrial load growth and stable demand from wholesale and municipal customers and increased fuel costs recovered through our PCA. These increases were partially offset by \$3.5 million lower other operating revenues.

Total operating expenses increased \$38.1 million, due to \$47.7 million in higher fuel and purchased power costs resulting from higher electric and natural gas prices as well as increased generation volumes and cooler winter weather. These increases were partially mitigated by reductions in other operating expenses which were down \$9.9 million primarily due to lower administrative and general costs attributable to lower pension expense. Depreciation expense remained stable up \$0.3 million, with incremental increases attributable to recent capital additions placed into service.

As a result, operating income increased \$23.3 million compared to 2024, reflecting the combined impact of revenue growth and lower operating costs.

Nonoperating revenues and expenses improved significantly year over year. Investment income increased \$14.4 million due to favorable market value changes driven by changes in interest rates. This increase was partially offset by lower interest earnings on cash balances. Interest expense increased \$4.6 million, reflecting a full year of expense for the bonds issued in June 2024 to fund the construction of GREC Unit 4. Other nonoperating items increased \$13.4 million, reflecting higher capital contributions associated with reimbursable projects and the absence of the \$10.7 million loss on the disposal of property recognized in 2024.

Overall, these operating and nonoperating factors resulted in a positive change in net position for the year ended December 31, 2025, strengthening the Authority's financial position.

2024 vs 2023

Operating revenues decreased in 2024, driven primarily by lower other operating revenues, which consists of certain transmission-related revenues associated with the Southwest Power Pool (SPP) and lower sales of power driven by lower fuel and purchased power cost recovery because of lower fuel and purchased power expenses.

Total operating expenses decreased, due to lower fuel and purchased power costs and lower administrative and general costs. These decreases were partially offset by slightly higher depreciation expense.

As a result, operating income increased \$1.6 million compared to 2023, reflecting the net impact of lower operating costs offset by lower other operating revenues.

Nonoperating revenues and expenses decreased \$8.0 million due primarily to \$11.6 million in higher interest expense reflecting the new bonds issued in December 2023 and June 2024.

Overall, these operating and nonoperating factors resulted in a positive change in net position for the year ended December 31, 2024, of \$85.0 million.

Detailed Analysis

The following discussion provides additional detail regarding the factors that contributed to the changes summarized above.

2025 vs 2024

Operating Revenues

Operating revenues for the year ended December 31, 2025, increased \$61.4 million compared to the prior year, driven primarily by higher base power sales. Growth in industrial load and stable demand from wholesale and municipal customers contributed to increased sales volumes during the year. These favorable factors were partially offset by lower regulatory asset revenues and a decline in other operating revenues relative to the prior year, reflecting the timing of regulatory recovery and non-recurring revenue items. Overall, operating revenue reflected stable customer demand and continued load growth in the Authority's core service territory.

Operating Expenses

Total operating expenses increased \$38.1 million 2025, with the most significant driver being higher fuel and purchased power expenses. These increases were attributable to higher natural gas and power prices, increased generation volumes and market conditions experienced and a cooler winter season during the year. While fuel and purchased power costs rose, the Authority saw a decrease in administrative and general costs primarily associated with lower pension costs.

Depreciation expense remained stable year over year. Incremental increases associated with recent capital additions placed into service were offset by retirements and fully depreciated assets.

Operating Income

As a result of increased operating revenues and effective management of non-fuel operating costs, operating income improved \$23.3 million compared to 2024. The increase in operating income reflects the Authority's ability to pass through the higher fuel and purchased power costs through the PCA rate design while maintaining positive margins through revenue growth.

Management considers the Authority's operating results to be recurring in nature, while certain nonoperating items and market-driven factors may vary from year to year.

Nonoperating Revenues and Expenses

Nonoperating results improved \$23.2 million in 2025. Investment income increased due to favorable market performance of our investments and higher average investment balances during the year. Interest expense increased modestly, reflecting outstanding debt issued in prior periods to finance the Authority's capital improvement program, including construction activity associated with GREC Unit 4.

Other nonoperating items varied from the prior year and primarily reflected nonrecurring and asset-related transactions. Collectively, nonoperating revenues and expenses had a favorable impact on the change in net position for the year.

2024 vs 2023

Operating Revenues

Operating revenues for the year ended December 31, 2024, decreased \$14.6 million compared to the prior year, driven primarily by lower other operating revenue and sales of power. Other operating revenues are related to certain transmission revenues through SPP and decreased due to market and congestion related impacts on our transmission system. Sales of Power decreased due to lower fuel and power costs recovered in revenues offset by higher base power sales driven by our retail and municipal customers.

Operating Expenses

Total operating expenses decreased \$16.2 million in 2024, with the most significant driver being lower administrative and general costs and lower fuel and purchased power costs. The primary driver of lower administrative and general costs in 2024 resulted from a \$12.6 million one-time expense in 2023 associated with implementation of GASB 101.

Depreciation expense increased due in part to accelerated depreciation on GREC Unit 2 reflecting a reduced useful life from 2030 to 2026.

Operating Income

Lower operating revenues were more than offset by the reduced operating expenses resulting in an increase of \$1.6 million in operating income compared to 2023. The increase in operating income reflects the positive margins through fuel and power cost cycles and demonstrates the effectiveness of our PCA rate design.

Nonoperating Revenues and Expenses

Nonoperating results declined in 2024 reflecting higher interest expense associated with the debt raised in December 2023 and June 2024 to support the construction of GREC Unit 4.

Award revenue – Capital was \$2.1 million in 2024 and is now included in “Other Non-operating Items – Net” due to the GASB 103 implementation and restatement of 2024 amounts. In 2023 Award Revenue – Capital was \$5.9 million and reported as a separate line item. These amounts include customer contributions, grant proceeds, and insurance revenues for capital asset additions

Collectively, nonoperating revenues and expenses and changes in Award revenue – capital, had an unfavorable impact on the change in net position for the year.

Capital Assets and Long-Term Financing

The Authority continued to invest in its generation and transmission assets during 2025, with the most significant activity related to the construction of GREC Unit 4, a 420-MW natural gas combustion turbine facility. Capital additions during the year were funded primarily through proceeds from revenue bonds issued in 2023 and 2024, cash, and investments. As a result, net utility plant increased as capital expenditures exceeded depreciation.

In addition to GREC Unit 4, the Authority evaluated and approved plans to extend the operating life of GREC Unit 2 our 520 MW coal unit that was scheduled to be retired in 2026. During 2025, the Board authorized participation in the SPP expedited resource adequacy study and approved initial steps necessary to support continued operation of the unit, including future maintenance and transmission upgrades.

Long-term debt decreased modestly as scheduled principal repayments were made, and no additional debt was issued during the year.

Currently Known Facts, Decisions, or Conditions

Management is aware of several currently known factors that are expected to impact future financial results. These include Board-approved rate increases effective through 2026, the planned completion and commissioning of GREC Unit 4, and the execution of maintenance and transmission improvements necessary to extend the operating life of GREC Unit 2. Upon placement of GREC Unit 4 into service, the Authority expects operating expense to increase in 2026 as well as depreciation expense to increase, reflecting the addition of this significant generation asset to the Authority’s utility plant. Additionally, we anticipate \$75 million to \$80 million in capital costs over the next 5 years associated with the extension of life for GREC Unit 2, including \$22 million planned in 2026.

Management has identified the extension of wholesale customer contracts beyond their current 2042 expiration dates as a strategic focus in 2026. These efforts are expected to support long-term revenue stability, financial flexibility, and continued access to the capital markets.

The Authority anticipates refunding all or a portion of the 2016 bonds, subject to market conditions, to reduce costs and future debt service. The 2016 bonds are eligible for refunding in the fourth quarter of 2026.

The Authority also continues to monitor exposure to energy market price volatility including natural gas and electricity prices, as well as the many regulatory requirements impacting the Authority as a member of the SPP.

Based on currently known facts and decisions, management expects the Authority to maintain a strong financial position supported by stable customer demand, long-term wholesale contracts, and adequate liquidity. The Authority remains well positioned to meet its operating needs, debt service obligations, and ongoing capital requirements.

In March 2026, Fitch Ratings upgraded the Authority's Credit Rating to AA-. The Authority's ratings across all three agencies are the following:

S&P Global:	AA-	as of June 2024
Fitch Ratings	AA-	as of March 2026
Moody's	A1	as of June 2024

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2025, AND 2024

	2025	2024
ASSETS:		
Current assets:		
Cash and cash equivalents:		
General operating accounts	\$61,002,268	\$60,944,053
Restricted accounts	1,900,854	12,753,827
Investments:		
General operating accounts	35,491,964	28,367,240
Restricted accounts	34,284,167	34,179,568
Accounts receivable – net	56,933,723	42,054,430
Accrued interest receivable	5,935,151	7,793,804
Fuel stock	8,078,572	7,731,351
Materials and supplies – net	56,758,776	50,969,031
Under recovered power costs	6,382,079	6,496,975
Prepaid assets	7,531,802	10,494,976
Hedging derivative instruments	-	604,860
Total current assets	274,299,356	262,390,115
Noncurrent assets:		
Investments:		
General operating accounts	335,280,532	307,674,343
Restricted accounts	259,726,408	464,539,847
Net utility plant:		
Non-depreciable – at original cost	657,757,704	351,495,697
Depreciable – at original cost, less depreciation	1,016,181,744	1,065,134,178
Under recovered power costs	30,430,245	36,804,281
Nonutility plant – at original cost, less depreciation	39,538,151	39,007,376
Assets related to pension plans - restricted	29,288,988	7,359,123
Investment in The Energy Authority	31,845,495	31,305,254
Long-term service agreement - GREC 3	7,500,000	7,500,000
Other noncurrent assets	28,530,091	24,699,716
Total noncurrent assets	2,436,079,358	2,335,519,815
Total assets	2,710,378,714	2,597,909,930
DEFERRED OUTFLOWS OF RESOURCES:		
Related to pension plans	3,669,795	5,648,874
Related to post-employment benefits	2,010,166	2,671,215
Related to loss on advanced refunding	13,737,424	16,183,126
Related to derivative hedges	5,509,368	-
Total deferred outflows of resources	24,926,753	24,503,215

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2025, AND 2024

	2025	2024
LIABILITIES:		
Current liabilities:		
Accounts payable and accrued liabilities	122,310,746	\$ 80,639,189
Accrued interest payable - restricted	4,604,589	4,805,897
Bonds payable – current portion - restricted	53,350,000	49,985,000
Customer deposits and deferred credits	18,446,340	14,463,671
Derivative instruments	7,676,258	576,170
Over recovered power cost	29,724,144	47,436,671
Post-employment benefits	1,379,600	1,463,697
Total current liabilities	237,491,677	199,370,295
Noncurrent liabilities:		
Bonds payable – net	1,159,265,400	1,224,136,000
Liabilities related to pension plans	2,892,891	4,046,964
Liabilities related to post-employment benefits	14,315,120	15,921,556
Other noncurrent liabilities	9,375,331	9,412,433
Total noncurrent liabilities	1,185,848,742	1,253,516,953
Total liabilities	1,423,340,419	1,452,887,248
DEFERRED INFLOWS OF RESOURCES:		
Related to pension plans	15,035,878	5,554,508
Related to post-employment benefits	2,629,535	2,673,774
Related to costs recovered or to be recovered	122,277,272	117,272,584
Related to long-term service agreement – GREC 3	7,500,000	7,500,000
Related to derivative hedges	-	2,492,925
Related to gain on advanced refunding	7,626,205	8,245,260
Total deferred inflows of resources	155,068,890	143,739,051
NET POSITION:		
Net investment in capital assets	675,906,608	563,245,778
Restricted for:		
Capital reserve fund	-	10,857,028
Special reserve and contingency fund	19,569,693	20,034,609
Debt service	29,224,847	28,972,630
Other special purposes	2,250,099	2,189,928
Pension benefits	29,288,988	7,359,123
Unrestricted	400,655,923	393,127,750
TOTAL NET POSITION	\$1,156,896,158	\$1,025,786,846

See notes to financial statements.

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2025, AND 2024

	2025	Restated 2024
OPERATING REVENUES:		
Sales of power	\$555,902,649	\$490,962,142
Other operating revenues	59,281,709	62,836,187
Regulatory revenues	6,633,318	6,621,883
Total operating revenues	621,817,676	560,420,212
OPERATING EXPENSES:		
Fuel	(141,428,098)	(121,871,775)
Purchased power – net	(123,595,798)	(95,401,105)
Operations	(94,633,135)	(91,642,473)
Depreciation	(82,350,112)	(82,057,886)
Maintenance	(34,955,180)	(34,412,928)
Administrative and general	(11,819,609)	(25,296,155)
Total operating expenses	(488,781,932)	(450,682,322)
OPERATING INCOME	133,035,744	109,737,890
NONCAPITAL SUBSIDIES:		
Award revenue – operating	-	303,858
Total noncapital subsidies	-	303,858
TOTAL OPERATING INCOME AND NONCAPITAL SUBSIDIES	133,035,744	110,041,748
NONOPERATING REVENUES (EXPENSES):		
Investment income (loss) – net	43,216,034	28,766,688
Gain (loss) on disposal of capital assets	(348,551)	(10,360,083)
Award revenue – capital	13,411,755	2,090,714
Interest expense	(58,707,319)	(54,120,672)
Costs recovered or to be recovered	(11,638,007)	(1,218,245)
Cost of issuance	-	(1,613,479)
Amortization of bond premium	12,139,656	11,375,907
Total nonoperating expenses	(1,926,432)	(25,079,170)
NET INCREASE IN NET POSITION	131,109,312	84,962,578
NET POSITION – Beginning of year	1,025,786,846	940,824,268
NET POSITION – End of year	\$1,156,896,158	\$1,025,786,846

See notes to financial statements.

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2025, AND 2024

	2025	Restated 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Received from customers	\$569,183,310	\$555,443,884
Received from award revenues– operating	777,919	-
Payments to employees for services	(60,502,530)	(57,765,834)
Payments to suppliers for goods and services	(284,486,897)	(303,070,734)
Net cash provided by operating activities	224,971,802	194,607,316
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Additions to utility plant	(347,140,011)	(251,170,864)
Payments for retirements of utility plant	584,689	(1,737,371)
Received from sales of retirements of utility plant	86,974	5,900,290
Received from award revenues– capital	654,956	488,375
Proceeds from bond issue	-	349,155,000
Bond premium	-	37,789,416
Payments to refund bonds	-	(114,448,834)
Bond issuance costs	-	(1,613,479)
Repayment of principal	(49,985,000)	(49,225,000)
Interest paid	(56,462,926)	(50,598,187)
Net cash used in capital and related financing activities	(452,261,318)	(75,460,654)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	28,294,543	26,634,287
Purchases of securities	(800,798,908)	(1,072,364,662)
Proceeds from sales and maturities of securities	988,999,123	959,831,813
Net cash provided by (used in) investing activities	216,494,758	(85,898,562)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,794,758)	33,248,100
CASH AND CASH EQUIVALENTS – Beginning of year	73,697,880	40,449,780
CASH AND CASH EQUIVALENTS – End of year	\$62,903,122	\$73,697,880
NONCASH ITEMS FROM CAPITAL AND RELATED ACTIVITIES:		
Noncash award revenues– capital	\$4,242,561	(\$1,897,662)
NONCASH ITEMS FROM INVESTING ACTIVITIES:		
Change in unrealized gain (loss) on investments	\$13,659,548	(\$6,685,259)
Amortization of investment premiums and discounts	\$2,413,155	\$5,031,197

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2025, AND 2024

	2025	Restated 2024
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED		
BY OPERATING ACTIVITIES:		
Operating income	\$133,035,744	\$109,737,890
Noncash items included in net operating income:		
Nonoperating revenues and expenses	(2,059,234)	(10,609,691)
Depreciation	82,350,112	82,057,886
Changes in assets and liabilities:		
Receivables:		
Customers	(10,471,235)	4,438,203
Other	(30,687,714)	(43,165,890)
Fuel stock	(347,222)	8,383,401
Materials and supplies	(5,789,744)	1,496,375
Other	3,343,413	(4,820,624)
Deferred outflows related to pension plans	1,979,079	10,348,595
Deferred outflows related to post-employment benefits	661,049	(990,800)
Deferred outflows related to derivative hedges	(5,509,368)	16,678,175
Accounts payable and accrued liabilities	60,335,437	15,695,470
Over (under) recovered fuel costs	(11,223,594)	9,438,687
Other noncurrent liabilities	(2,593,816)	(12,171,954)
Deferred inflows related to pension plans	9,481,370	4,540,935
Deferred inflows related to post-employment benefits	(44,239)	(1,038,629)
Deferred inflows related to deferred revenues	5,004,689	2,096,362
Deferred inflows related to derivative hedges	(2,492,925)	2,492,925
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$224,971,802	\$194,607,316

See notes to financial statements.

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS DECEMBER 31, 2025, AND 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business—The Grand River Dam Authority (the "Authority" or "GRDA"), a non-appropriated state agency, was created by the State of Oklahoma in 1935 as a conservation and reclamation district. The Authority has the power to control, store, preserve and distribute the waters of the Grand River and its tributaries for any useful purpose and to develop and generate waterpower, electric power and electric energy within the boundaries of the Authority and to buy, sell, resell, interchange and distribute electric power and energy. The Grand River lies entirely within Oklahoma, but its drainage basin also extends over the states of Arkansas, Kansas and Missouri. As part of the Authority's licensing agreements, the Authority also has lake area responsibilities. The costs of those activities are funded primarily through electricity sales. The Authority's financial statements are included in the State of Oklahoma Annual Comprehensive Financial Report as a discretely presented component unit.

Basis of Accounting—The Authority is licensed to operate under the Federal Power Act, which requires the use of the Federal Energy Regulatory Commission (FERC) uniform system of accounts, prescribed for public utilities and licensees. The Authority is a cost-of-service organization and establishes its rates to provide revenues sufficient to pay all expenses necessary for the operation and maintenance of the system, all payments, transfers and deposits related to outstanding debt, and all other charges or obligations imposed by law or contract.

Basis of Presentation—The Authority's basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Authority's basic financial statements conform to the provisions of standards issued by the Governmental Accounting Standards Board (GASB). GASB establishes standards for external financial reporting for all state and local governmental entities, which include Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows. It requires the classification of net position into three components—net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets—This component of net position consists of capital assets, net of accumulated depreciation and costs recovered or to be recovered from future revenues reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted Net Position—This component of net position consists of funds subject to constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use for the same purpose, it is the Authority's practice to use unrestricted resources first, then restricted resources as they are needed, unless directed by the Board of Directors, as enabled by legislation.

Unrestricted Net Position—This component of net position consists of any remaining net position that does not meet the definition of "restricted" or "net investment in capital assets."

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—Cash and cash equivalents include unrestricted cash in banks, unrestricted money market funds, and unrestricted certificates of deposit with original maturities of three months or less. Balances are presented on a net basis to the extent such balances are subject to the right of offset. Unrestricted cash and cash equivalents are shown as General Operating Accounts and restricted cash and cash equivalent are shown as Restricted Accounts on the Statements of Net Position.

Investments—Investments principally comprise U.S. government securities, U.S. government agencies, U.S. government-sponsored enterprises, state government obligations, money market funds, certificates of deposit and Certificates of Deposit Account Registry Service. The Authority reports investments at fair value, which is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Unrestricted investments are shown as General Operating Accounts and restricted investments are shown as Restricted Accounts on the Statements of Net Position. GRDA's investment in The Energy Authority (TEA) is recorded using the Equity method. See Note 14 to Financial Statements, Investment in The Energy Authority (TEA) for further information.

Restricted Assets—Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

Fuel Stock—Fuel stock is valued using the lower of the average cost method or fair market value. The delivered commodity is expensed monthly based on fuel burned, and undistributed costs, which includes costs of coal handling and railcar and railroad track maintenance, are expensed monthly based on fuel burned.

Materials and Supplies—Materials and supplies inventory is valued using the average cost and specific identification methods and is subject to write-off when deemed obsolete. A reserve was established in 2022 for obsolete inventory that is intended to adjust the net realizable value of inventory that may not be usable. The balance in this reserve as of December 31, 2025, and 2024 was \$3,300,000.

Under/Over Recovered Fuel Costs—The Authority's rate structure, as approved by the Board of Directors, allows the Authority to increase or decrease monthly charges from wholesale and retail customers to recover actual fuel costs incurred by the Authority. This monthly charge, referred to as the Ordinary Power Cost Adjustment (PCAO), is calculated monthly based on an estimated 12-month average of future fuel costs. The cumulative difference between the actual fuel costs and the revenue collected by the PCAO is reflected as either an asset ("under recovery") or liability ("over recovery") in the Authority's accompanying Statements of Net Position, as these amounts will be included in the PCA Factor and either collected from or refunded to customers of the Authority in subsequent periods.

Effective for reporting period ending December 31, 2021, the Authority amended the schedule PCA to include a new component, referred to as PCAx, which is designed to recover Extraordinary Power Cost (EPC) events. EPC events are designated by the Board of Directors. The costs associated with an EPC event can be recovered from customers via three options:

PCAx-120 – EPC Customer pays its Customer Costs via not more than 120 monthly payments. This method does accrue additional EPC Carrying Costs for financing. The remaining balance is \$36,812,324.

PCAx-12 – EPC Customer pays its Customer Costs via not more than 12 monthly payments. This method does not accrue additional carrying costs for financing.

PCAx-Base – EPC Customer pays the original 12-month PCA calculation under the PCA in place during the EPC event. This amount varies monthly based upon EPC Customer's energy usage and is assessed on a \$/kWh basis. This method does not require EPC Customer to pay additional carrying costs for financing.

Joint Ownership—On October 1, 2008, the Authority purchased certain assets and assumed certain liabilities in the Redbud combined-cycle gas plant near Luther, Oklahoma. The Authority's undivided interest in the assets and liabilities of the facility is 36%, while Oklahoma Gas & Electric's (OG&E) interest is 51%, and Oklahoma Municipal Power Authority's (OMPA) interest is 13%.

OG&E operates the Redbud facility under an operating agreement with the Authority and OMPA and allocates certain costs and expenses attributable to Redbud to the Authority and to OMPA, in accordance with their undivided ownership interests (36% and 13%, respectively). The Redbud facility has long-term service agreements with a large industrial manufacturer for the maintenance of the gas and steam turbines. These amounts have been included in the contractual commitments in Note 9 to Financial Statements, Commitments and Contingencies.

Utility Plant and Depreciation—The cost of utility plant includes direct costs, such as material, labor, and payments to contractors, as well as indirect costs, such as engineering, supervision, and administrative and general expenses. Generally, assets which have a cost of \$500 or more at the date of acquisition and have an expected useful life of more than one year, and are not consumable, are capitalized. The cost of maintenance and repairs to property is expensed. Certain costs of the long-term service agreement payments for both the Grand River Energy Center (GREC) 3 and Redbud plants are capitalized. Gain or loss is recognized on retirements and dispositions.

Utility depreciation is computed on the straight-line basis at rates based upon the estimated useful lives of assets. Depreciation expense, calculated as a percentage of depreciable plant, averaged approximately 8.1% and 7.6% for each of the years ended December 31, 2025, and 2024, respectively.

The utility depreciable property classes range from 3 to 87 years. The depreciable lives for the Redbud plant generally align with the majority owner.

Nonutility Plant and Depreciation—The cost of nonutility plant includes direct costs, such as material, labor and payments to contractors, as well as indirect costs, such as engineering, supervision, and administrative and general expenses. Gross nonutility assets primarily include WOKA Whitewater Park, \$37.9 million, and Oklahoma Scenic Rivers, \$4.1 million. Generally, assets which have a cost of \$500 or more at the date of acquisition and have an expected useful life of more than one year, and are not consumable, are capitalized. The cost of maintenance and repairs to property is expensed to Operating Expenses - Maintenance. Gain or loss is recognized on retirements and dispositions. Most of the nonutility assets fall into the 30-year depreciable class.

	2025	2024
Nonutility assets	\$43,334,083	\$41,254,179
Less accumulated depreciation	(3,795,932)	(2,246,803)
Net nonutility plant	\$39,538,151	\$39,007,376

In 2017, the Authority entered a Riparian Conservation Easement program with the Oklahoma Conservation Commission (OCC). The Authority secures 30-year minimum easement agreements with landowners. A lump sum is paid upfront for each easement. The costs are included in Non-Utility: Oklahoma Scenic Rivers physical property and easements and are amortized on a straight-line basis. The residual values are the difference between the total amortization and the amortization to date. Riparian Conservation Easements were not included in the scope of GASB Statement No. 87 as the agreements do not convey control of the right to use the underlying asset to the Authority.

	Riparian Conservation Easements		
	Initial Cost	Depreciation	Carrying Cost
2024	\$1,948,302	(\$290,409)	\$1,657,893
2025	\$2,930,012	(\$509,749)	\$2,420,263

Other Noncurrent Assets—Other noncurrent assets are made up mostly of long-term deposits, long-term accounts receivable, and long-term hedging derivatives. The Authority maintains deposits with the Southwest Power Pool and StoneX Financial Inc. The receivable is attributed to a customer's portion of the closure and post-closure costs, as well as receivables from a FEMA claim. The deposit with StoneX Financial Inc. is approximately \$17.6 million of the \$28.5 million balance in Other noncurrent assets.

Other Noncurrent Liabilities—Other noncurrent liabilities include the accumulated provision for the closure and post-closure costs for the solid waste landfill, the accrued liability for annual leave of more than one year, and long-term deferred credits. For more information on the closure and post-closure costs, see Note 10 to Financial Statements, Landfill Closure and Post-closure Costs.

Costs Recovered or to be Recovered—Certain items included in operating costs are recovered by the Authority through rates set by the Board of Directors. The Authority, as a self-regulated utility, is subject to the requirements of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*. GASB Statement No. 62 provides that certain costs that would otherwise be charged to revenue and expense can be deferred as regulatory liabilities and assets, based on the expected recovery from customers in future rates. Recognition of these costs is deferred to the extent that such costs are later included in rates charged by the Authority in future years.

Management continuously monitors the future recoverability of regulatory items, and when, in management's judgment, any future recovery becomes impaired, the amount of the deferred inflow is written off, as appropriate. For additional information about the costs recovered or to be recovered, see Note 5 to Financial Statements, Costs Recovered or to be Recovered.

Bonds Payable—The Authority is operating under its Board's General Bond Resolution No. 5107 (Resolution No. 5107), which provides for the issuance of revenue bonds and defines eligible investment securities.

Unamortized Debt Discount or Premium—Debt discount or premium are amortized using the bonds outstanding method over the periods of the applicable issues.

Unamortized Gains and Losses on Advance Refunding of Long-Term Debt—Gains and losses realized on advance refunding of long-term debt are deferred and amortized over the shorter of the life of the new bonds or the related refunding issues using the bonds outstanding method.

Deferred Outflows—In addition to assets, the Statements of Net Position reports a separate section for the deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The deferred outflows of resources relate to deferrals required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) related to pension obligations, deferrals required by GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (GASB 75), related to other postemployment benefits (OPEB), and deferred losses on reacquired debt, and deferrals related to derivative hedges as required by GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. For additional information about the pension plans and OPEB, see Note 7 to Financial Statements, Retirement Plans, Postretirement, and Other Employee Benefits. For additional information about the loss on reacquired debt, see Note 6 to Financial Statements, Bonds Payable. Refer to Note 11 to Financial Statements, Risk Management, for additional information related to derivative hedges.

Deferred Inflows—In addition to liabilities, the Statements of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources relate to deferrals required by GASB 68, deferrals required by GASB 75, regulated operations, which includes deferred revenues from third-party contributions to capital projects, and contributions to a rate stabilization account, For additional information about the pension plans and OPEB, see Note 7 to Financial Statements, Retirement Plans, Postretirement, and Other Employee Benefits. For additional information about regulated operations, see Note 5 to Financial Statements, Costs Recovered or to be Recovered. In 2024, GRDA met the required contract requirements and received a credit of \$7.5 million that can be applied to miscellaneous upgrades and LTSA costs for GREC 3. The future credit, on future payments on the LTSA, is shown as a Noncurrent asset in the Statement of Net Position. The Authority has elected to use Regulatory accounting and will be recognizing a reduction to expense as the LTSA expenses are recorded.

Operating and Nonoperating Revenues and Expenses— GRDA has early implemented *GASB Statement No. 103, Financial Reporting Model Improvements*, which defines operating and nonoperating revenues and expenses. See Adoption of New Accounting Standards below for more information on this statement. Operating revenues include the sales of power, other operating revenues, and regulatory revenues. Other operating revenues consist of the sale of SPP Auction Revenue Rights and Transmission Congestion Rights, transmission revenues, sales of water, lake permitting fees,

NOx allowances and renewable energy certificates. Regulatory revenues are the recognition of deferred revenues. Operating expenses include costs to operate and maintain the Authority's generation, transmission, Scenic Rivers and WOKA assets, and include fuel, purchased power, depreciation, and administrative and general expenses. Nonoperating revenues include investment income, net increase in the fair value of investments, amortization of bond premiums. Nonoperating expenses include interest expense, costs recovered or to be recovered from future revenues, bond-related expenses, and gain/loss sale of capital assets. Noncapital subsidies represent financial support provided to the utility from external parties or other funds of the reporting entity that is not restricted for capital purposes. These amounts are intended to subsidize utility operations, including maintaining service levels and offsetting operating expenses or rate shortfalls. Any items that are not in noncapital subsidy or non-operating are considered operating.

Purchased Power—Purchased power includes the cost of energy and power purchased for resale to customers. Included are the settlements for the hourly net exchange of electricity in the SPP Integrated Marketplace and bilateral purchases, primarily from long-term wind and customer generation purchase agreements.

Energy Hedging—The Authority has a formalized Risk Management Policy and Energy Hedging Program. Accordingly, the Authority evaluates transactions under GASB Statement No. 53. For additional information about the hedging program, see Note 11 to Financial Statements, Risk Management.

Capital Contributions—Cash and capital assets are contributed to the Authority from customers, municipalities, or external parties. The value of property contributed to the Authority is reported as award revenues on the accompanying Statements of Revenues, Expenses and Changes in Net Position.

Income Taxes—The Authority is a governmental agency organized under the laws of the State of Oklahoma and is not subject to federal or Oklahoma state income taxes.

Comparative Data—Certain amounts presented in the prior year data may have been reclassified to be consistent with the current year's presentation.

Adoption of New Accounting Standards— During the year, the Authority adopted the following accounting standards: GASB Statement No. 102, *Certain Risk Disclosures*. State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following: (1) The concentration or constraint (2) Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements (3) Actions taken by the government prior to the issuance of the financial statements to mitigate the risk. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. The Authority implemented the statement effective January 1, 2025; however, this statement did not have an impact on the Authority's financial statements..

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement continues the requirement that the basic financial statements be preceded by management's discussion and

analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units. This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows. This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses. In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for operating income (loss) and noncapital subsidies be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers. This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements. This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The Authority early adopted and implemented the statement effective January 1, 2025, which resulted in a restatement of the 2024 Financial Statements as presented and as shown in the MD&A. See footnote 13 for further information.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis— for State and Local Governments*, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The

requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The Authority early adopted and implement the statement effective January 1, 2025; however, this statement did not have an impact on the Authority’s financial statements.

Recently Issued Accounting Standards—The following accounting standards will be adopted as applicable in future periods: GASB Statement No. 105, *Subsequent Events*. When they become effective, application of these standards may restate portions of these financial statements.

2. DEPOSITS AND INVESTMENTS

The Authority's Resolution No. 5107 provides for the issuance of revenue bonds and defines eligible investment securities as investments allowed pursuant to the Authority's investment policy. The Authority's Board Policy 5-2 defines the following categories of investments (1) bonds or other obligations, which are direct obligations of the United States of America, (2) bonds or other specifically named obligations, which are indirectly guaranteed by the United States of America, (3) direct and general obligations of any state which are rated in the two highest major categories of Moody's, Standard & Poor's (S&P), or Fitch, (4) certificates of deposit issued by a savings and loan association or a bank and trust company which are collateralized by the securities described in (1) and (2) or which are fully insured by the Federal Deposit Insurance Corporation (FDIC), (5) repurchase agreements with banks or government bond dealers which are secured by securities described in (1) and (2), (6) investment agreements with companies or banks whose senior debt obligations are rated no lower than the second highest category of Moody's, S&P, or Fitch, (7) short-term obligations of any state or political subdivision which are rated in the highest short-term category by Moody's or S&P, and (8) any cash swap or similar arrangement of the Bond Fund Trustee, the investments of which are limited to securities described in (1) and (2).

The Authority carries its investments at fair value. Fair value of a financial instrument is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The Authority and trustees monitor collateral pledged to secure deposits in financial institutions for compliance with rules and regulations promulgated by the Oklahoma State Treasurer.

Interest-Rate Risk—Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Resolution No. 5107 requires that investments not mature later than such times as the funds shall be necessary to provide monies when needed for payments to be made from the Debt Service account, and in the case of the Debt Service Reserve account, unless otherwise provided in a Supplemental Resolution, not later than ten (10) years from the date of investment. The Authority's Board Policy 5-2 provides that general fund investments shall also not mature later than ten (10) years from the date of investment and requires specific diversification percentages by security type to reduce overall portfolio risk. The Authority attempts to hold the investments to maturity, which minimizes the exposure to rising interest rates and the investments are classified using a weighted average maturity.

As of December 31, 2025, and 2024, the Authority had the following investments (classified as either General Operating investments or Restricted investments on the Statements of Net Position) and corresponding maturities:

Investment Type	Fair Value	2025 Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
U.S. government securities				
U.S. Treasury Bills	\$38,437,162	\$38,437,162	\$ -	\$ -
U.S. Treasury Notes	319,310,268	67,246,445	82,808,496	169,255,327
U.S. government sponsored				
FFCB	13,940,843	4,223,202	5,202,891	4,514,750
FHLB	50,125,810	15,673,908	19,252,971	15,198,931
FHLMC	118,290,603	304,968	109,619,154	8,366,481
FNMA	28,585,974	165,782	14,521,490	13,898,702
GNMA	47,740,459	195,073	44,628,558	2,916,828
Total	\$616,431,119	\$126,246,540	\$276,033,560	\$214,151,019

Investment Type	Fair Value	2024		
		Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
U.S. government securities				
U.S. Treasury Bills	\$36,385,319	\$36,385,319	\$ -	\$ -
U.S. Treasury Notes	569,635,513	178,688,430	268,581,676	122,365,407
U.S. government sponsored enterprises				
FFCB	13,381,564	-	9,155,214	4,226,350
FHLB	47,824,212	-	26,384,456	21,439,756
FHLMC	61,967,397	6,250,018	46,302,044	9,415,335
FNMA	39,758,813	9,165,894	12,253,529	18,339,390
GNMA	21,883,571	72,089	17,119,366	4,692,116
State government obligations	489,895	489,895	-	-
Total	\$791,326,284	\$231,051,645	\$379,796,285	\$180,478,354

The above investment types exclude certificates of deposit.

Credit Risk— Credit risk is the risk that the insurer or other counterparty to an investment will not fulfill his obligation. Mortgage-backed securities (MBS) are not rated, because the agencies that issue such securities did not apply to any of the nationally recognized statistical rating organizations (NRSRO), such as Moody's Investors Service and S&P for ratings on their MBS. However, the agencies and the Government Sponsored Enterprises (GSE) carry "Aa1/AA+" ratings from Moody's and S&P for their debentures, and the MBS which carry their label (e.g., Federal National Mortgage Association—FNR; Federal Home Loan Mortgage Corporation—FHR) are direct obligations of the agencies. The Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) are government-sponsored quasi-governmental agencies. These agencies are considered to have the implicit backing of the U.S. Government; therefore, the "Aa1/AA+/AA+" rating by Moody's, Standard & Poor's, and Fitch is implied. MBS issued by the Government National Mortgage Association, with the label GNR, carry the explicit full faith and credit of the U.S. Government. Securities issued by the Federal Farm Credit Bank (FFCB) and the Federal Home Loan Bank (FHLB) are rated "Aa1/AA+/AA+" by Moody's, S&P, and Fitch credit rating agencies. Fannie Mae and Freddie Mac are rated "Aa1/AA+/AA+" by Moody's, S&P, and Fitch credit rating agencies. The MBS are senior in the credit structure to the debentures for the FNMA and FHLMC. The certificates of deposit are held by various banks and are subject to the FDIC guarantees up to \$250,000. The Authority addresses credit risk of investments through the Authority's Board Policy 5-2 which states that investments must be backed by the U.S. government, collateralized, fully insured by the FDIC or be rated no lower than the second highest category of Moody's "Aa", S&P "AA", or Fitch "AA". The Authority addresses concentration of credit risk of investments through the Authority's Board Policy 5-2 which outlines the diversification desired in order to reduce overall portfolio risk from an over-concentration of assets.

As of December 31, 2025, and 2024, the Authority's investments had the following ratings:

Investment Ratings	Moody's/S&P/Fitch	2025	2024
U.S government securities	"Aa1/AA+/AA+"	\$357,747,430	\$606,020,832
U.S. government sponsored enterprises	"Aa1/AA+/AA+"	258,683,689	184,815,557
State government obligations	"Aa1/AA/AA" or higher	-	489,895

As of December 31, 2025, and 2024, the Authority had the following portfolio of investments with credit exposure by investment type as a percentage of total investments:

Concentration of Credit Risk

	2025	2024
U.S. government securities		
U.S. Treasury Bills	6.2%	4.6%
U.S. Treasury Notes	51.8	72.0
U.S. government sponsored enterprises		
FFCB	2.3	1.7
FHLB	8.1	6.0
FHLMC	19.2	7.8
FNMA	4.6	5.0
GNMA	7.8	-
State government obligations	-	0.1

Custodial Credit Risk—Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment for collateral securities that are in the possession of an outside party. All money to be held by the Authority under Resolution No. 5107 is required to be deposited in one or more depositories in the name of the Authority. All money deposited under the provisions of Resolution No. 5107 with the Bond Fund Trustee and the Construction Fund Trustee is required to be held in trust and applied only in accordance with the provisions of Resolution No. 5107; money held by the Authority and deposited in any depository is required to be held and secured in the manner provided by Oklahoma law.

Restricted noncurrent investment funds in the bond service reserve account, and certain funds in the construction account are included in Investments in Noncurrent assets on the Statements of Net Position. Restricted current investment funds in the bond service account and certain deposits in the construction account are included in Investments in Current assets on the Statements of Net Position. Restricted investments (noncurrent and current) are not available for general operations.

Unrestricted cash deposits, certificates of deposits, and money market funds are fully collateralized or covered by FDIC.

Fair Value Measurements—According to GASB Statement No. 72, *Fair Value Measurement and Application*, the Authority is required to disclose the valuation technique and level of inputs for all investments. The Authority's investments fall into input Level 1 and Level 2.

Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets or liabilities that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation or by other means, e.g., "market-corroborated" inputs. Level 2 inputs include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Market-corroborated inputs

Level 3 inputs are unobservable inputs for the asset or liability; they should be used only when relevant Level 1 and Level 2 inputs are unavailable. Governments may use their own data to develop unobservable inputs if there is no information available without undue cost and effort. The Authority has no investments that fall into Level 3.

Money Market Funds and Certificates of Deposit are not subject to classification.

The valuation methods for each investment listed in the following fair value of investments table include interactive data from Government/Agency Sector (GV/AGENCY) and Collateralized Mortgage Obligation Sector pricing sources.

	2025			
	Fair Value			
	Level 1	Level 2	Level 3	Total
U.S. government securities	\$357,747,430	\$ -	\$ -	\$357,747,430
U.S. government sponsored enterprises	78,622,813	180,060,876	-	258,683,689
State government obligations	-	-	-	-
Derivative instruments	-	(5,509,368)	-	(5,509,368)

	2024			
	Fair Value			
	Level 1	Level 2	Level 3	Total
U.S. government securities	\$606,020,832	\$ -	\$ -	\$606,020,832
U.S. government sponsored enterprises	103,841,331	80,974,224	-	184,815,555
State government obligations	-	489,895	-	489,895
Derivative instruments	-	2,492,925	-	2,492,925

Carrying Values—Cash and cash equivalents and current and noncurrent investments on December 31, 2025, and 2024, follows:

	2025							Total
	General Operations	Capital Reserve & Contingency (Restricted)	Rate Stabilization (Restricted)	Bond Service (Restricted)	Construction (Restricted)	Bond Service Reserve (Restricted)	Special Purposes (Restricted)	
Current:								
Cash deposits—net	\$2,243,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,243,513
Money market funds—cash and investments	58,758,755	-	-	1,765,385	-	-	135,469	60,659,609
U.S. government securities, agencies, sponsored enterprises & state government	22,114,020	-	-	32,064,052	-	-	2,220,115	56,398,187
Certificates of Deposit Account Registry Service	12,168,002	-	-	-	-	-	-	12,168,002
Certificates of deposits—maturity <12 months	1,209,942	-	-	-	-	-	-	1,209,942
Total current	96,494,232	-	-	33,829,437	-	-	2,355,584	132,679,253
Noncurrent:								
U.S. government securities, agencies, sponsored enterprises & state government	335,280,532	19,569,693	31,703,098	-	67,246,444	106,233,166	-	560,032,933
Money market funds	-	-	-	-	28,167,596	6,806,411	-	34,974,007
Total noncurrent	335,280,532	19,569,693	31,703,098	-	95,414,040	113,039,577	-	595,006,940
Total cash and investments	\$431,774,764	\$19,569,693	\$31,703,098	\$33,829,437	\$95,414,040	\$113,039,577	\$2,355,584	\$727,686,193

2024

	General Operations	Capital Reserve & Contingency (Restricted)	Rate Stabilization (Restricted)	Bond Service (Restricted)	Construction (Restricted)	Bond Service Reserve (Restricted)	Special Purposes (Restricted)	Total
Current:								
Cash deposits—net	\$2,331,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,331,745
Money market funds—cash and investments	58,612,308	10,857,028	-	1,758,237	-	-	138,562	71,366,135
U.S. government securities, agencies, sponsored enterprises & state government	15,204,567	-	-	32,020,291	-	-	2,159,278	49,384,136
Certificates of Deposit Account Registry Service	11,678,713	-	-	-	-	-	-	11,678,713
Certificates of deposits— maturity <12 months	1,483,960	-	-	-	-	-	-	1,483,960
Total current	89,311,293	10,857,028	-	33,778,528	-	-	2,297,840	136,244,689
Noncurrent:								
U.S. government securities, agencies, sponsored enterprises & state government	307,674,343	20,034,609	31,703,098	-	277,904,788	104,625,310	-	741,942,148
Money market funds	-	-	-	-	24,545,583	5,726,458	-	30,272,041
Total noncurrent	307,674,343	20,034,609	31,703,098	-	302,450,371	110,351,768	-	772,214,189
Total cash and investments	\$396,985,636	\$30,891,637	\$31,703,098	\$33,778,528	\$302,450,371	\$110,351,768	\$2,297,840	\$908,458,878

Additional information relating to cash and investment restrictions follows:

Rate Stabilization—Customer contracts contain requirements for the establishment and funding of a Rate Stabilization Account. Board Resolution No. 5107 and No. 5358 contain further guidelines for the establishment, maintenance, and allocation of the fund. For the year ended December 31, 2016, the Authority established and deposited \$21.0 million into the Rate Stabilization Account (RSA I). In 2020, \$1.3 million was used to credit wholesale full requirements customers, at a rate of \$0.00055 per kWh. In October 2020, Board Resolution No. 5381 was approved to give the CEO the discretion to defer certain revenues and authorized the creation of Rate Stabilization Account II (RSA II). For the year ended December 31, 2020, \$19.7 million in deferred revenues from RSA I was recognized, while \$31.7 million of operating revenues was deferred and deposited into RSA II.

Bond Service—On December 31, the bond service fund in the accompanying Statements of Net Position reflects the restricted amount sufficient to pay seven months of principal and one month of interest due the following June 1.

Capital Reserve Fund—These reserve funds are restricted through enabling legislation and were established in December 2021 for system capital improvements. This account is funded annually, up to a maximum of \$100 million, by the unspent portion of the annual base rate recovery for capital improvements. Contributions to this account in excess of \$100 million shall be at the discretion and direction of the Board. These funds may be used for any Board-approved capital projects.

Bond Service Reserve—The restricted amount in the accompanying Statements of Net Position reflects, at a minimum, the maximum aggregate debt service requirement for one year for all bonds outstanding per General Bond Resolution No. 5107.

Restricted for Special Purposes: FERC—Due to agreements with FERC, the Authority has restricted money for two purposes. The first restriction is for the Fish and Wildlife Mitigation Fund, established in June 2003 as required by FERC. The Authority funded an initial deposit of \$260,000 in 2003 and was required to make \$100,000 annual contributions (adjusted for inflation) each year the Pensacola Dam license is in effect. In December 2015, the Authority funded the balance of \$1.45 million, which represented the estimated annual contributions through the year 2022. Generally, the purpose of this fund is to support projects to protect and enhance fish and wildlife resources at the direction of various groups external to the Authority. Expenditures of approximately \$32,755 and \$62,611 were made from the fund in 2025, and 2024, respectively. The Authority contributed funds for years 2023-2025 in 2026. The second restriction is for the Nature Conservancy Fund, established in May 2008 as required by FERC. The Authority funded an initial deposit of \$27,000 in 2008. The Authority is required to replenish the fund to \$27,000 on the first working day in January of each year. Generally, the purpose of this fund is to maintain bat cave protection on Grand Lake. No expenditures were made from the fund in 2025 or 2024.

Restricted for Special Purposes: Other—The Authority also has restricted money for riparian easements under the Oklahoma Conservation Commission and Grand River Dam Authority Cooperative Agreement, the Authority either acquired or secured and paid for deeds of conservation easements. Enrollees that wish to terminate and/or are removed due to breach of agreement from the Riparian Protection Easement Program are required to pay back a pro-rated amount of the remaining years of the lump-sum payment received to the Authority as outlined in the agreement, the balance of which was \$105,485 and \$107,912 as of December 31, 2025, and 2024, respectively, with the obligation to use the funds to secure additional easements within the Illinois River Watershed.

Construction—A 2023 construction fund was established in December 2023 with the proceeds of the Revenue Bonds, Series 2023. A 2024A construction fund and a 2024B construction fund were established in July 2024 with the proceeds of the Revenue Bonds, Series 2024A and 2024B. The proceeds from these bonds are to be used to fund the costs of construction of a nominal 428 MW natural gas-fired plant (GREC 4) on the site of the Authority's existing Grand River Energy Center in Chouteau, Oklahoma.

The Special Reserve and Contingency Fund—These reserve funds are restricted through enabling legislation and were established in December 2021 for future use. These funds will be used at the discretion of the Board for extraordinary maintenance, operations, environmental expenses, or expenses related to unforeseen risks, including, but not limited to, unscheduled unit outages, unexpected purchase power expenses, and other extraordinary expenses not covered by insurance proceeds. In December 2021, the Board approved the transfer of \$383,000 from the Supplemental Reserve and Contingency Fund II to this fund and to contribute an additional \$50 million to this fund.

Realized Gains and Realized Losses—For purposes of computing gross realized gains and gross realized losses, cost is determined by specific identification. The calculation of realized gains is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on any investments that had been held for more than the current year may have been recognized as an increase or decrease in the fair value of investments reported in prior years.

Gross realized gains and gross realized losses on sales of investment securities for the years ended December 31, 2025, and 2024, were as follows:

	2025	2024
Gross realized gains	\$1,496,282	\$900,420
Gross realized losses	(788,841)	(281,883)

Gross realized gains and losses are included in Investment income-net in the accompanying Statements of Revenues, Expenses and Changes in Net Position.

3. RECEIVABLES

Accounts receivable is comprised on December 31, 2025, and 2024 of the following amounts:

	2025	2024
Customers	\$43,665,126	\$39,959,871
Less allowance for doubtful accounts	(300,000)	(140,000)
Other	13,568,597	2,234,559
Total Current Accounts Receivable	56,933,723	42,054,430
Other Noncurrent Accounts Receivable	221,844	223,328
Total Accounts Receivable	\$57,155,567	\$42,277,758

On December 31, 2025, and 2024, the Authority's Other current accounts receivable, from the table above, includes accrued revenues from grants, mutual aid events and other reimbursables. Other noncurrent accounts receivable includes a customer's portion of closure and post-closure costs.

4. UTILITY PLANT

A summary of changes in utility plant for the years ended December 31, 2025, and 2024, follows:

	2025			Balance, December 31, 2025
	Balance, December 31, 2024	Additions/ Transfers	Retirements	
Capital assets–non-depreciable:				
Land	\$42,214,247	(\$981,710)	\$ -	\$41,232,537
Electric Plant Held for Future Use	96,427	-	-	96,427
Temporary Facilities	98,402	13,229	-	111,631
Preliminary Survey	10,756,724	5,167,934	-	15,924,658
Construction work in progress	297,597,750	302,607,436	-	600,205,186
Retirement work in progress	732,147	(671,664)	126,782	187,265
Total capital assets–non-depreciable	351,495,697	306,135,225	126,782	657,757,704
Capital assets–depreciable:				
GREC 2 coal-fired plant	614,896,642	893,008	(575,047)	615,214,603
GREC 3 combined-cycle gas plant	470,034,338	1,964,564	(88,408)	471,910,494
Redbud combined-cycle gas plant	396,641,444	4,433,554	(1,807,520)	399,267,478
Hydraulic production plants	242,548,103	9,171,463	(599,068)	251,120,498
Transmission and distribution system	515,887,747	6,325,581	(833,509)	521,379,819
Other properties and production plant	177,138,433	10,013,903	(4,452,644)	182,699,692
	2,417,146,707	32,802,073	(8,356,196)	2,441,592,584
Less accumulated depreciation:				
GREC 2 coal-fired plant	(564,435,010)	(29,001,733)	556,541	(592,880,202)
GREC 3 combined-cycle plant	(102,186,864)	(13,980,075)	30,132	(116,136,807)
Redbud combined-cycle gas plant	(270,168,405)	(10,021,901)	1,242,770	(278,947,536)
Hydraulic production plants	(68,854,491)	(5,540,002)	453,949	(73,940,544)
Transmission and distribution system	(244,536,749)	(12,496,985)	748,486	(256,285,248)
Other properties and production plant	(101,831,010)	(9,680,261)	4,290,768	(107,220,503)
	(1,352,012,529)	(80,720,957)	7,322,646	(1,425,410,840)
Total capital assets–depreciable	1,065,134,178	(47,918,884)	(1,033,550)	1,016,181,744
Net utility plant	\$1,416,629,875	\$258,216,341	\$(906,768)	\$1,673,939,448

	2024			
	Balance, December 31, 2023	Additions/ Transfers	Retirements	Balance, December 31, 2024
Capital assets–non-depreciable:				
Land	\$42,216,996	\$ 4	(\$2,753)	\$42,214,247
Electric Plant Held for Future Use	96,427	-	-	96,427
Temporary Facilities	17,222	81,180	-	98,402
Preliminary Survey	11,049,152	(292,428)	-	10,756,724
Construction work in progress	97,201,257	200,396,493	-	297,597,750
Retirement work in progress	985,127	(4,162,919)	3,909,939	732,147
Total capital assets–non-depreciable	151,566,181	196,022,330	3,907,186	351,495,697
Capital assets–depreciable:				
GREC 2 coal-fired plant	642,038,221	1,468,147	(28,609,726)	614,896,642
GREC 3 combined-cycle gas plant	469,373,786	782,975	(122,423)	470,034,338
Redbud combined-cycle gas plant	389,600,163	10,657,345	(3,616,064)	396,641,444
Hydraulic production plants	206,545,843	37,267,627	(1,265,367)	242,548,103
Transmission and distribution system	505,280,033	12,466,634	(1,858,920)	515,887,747
Other properties and production plant	170,688,802	10,329,202	(3,879,571)	177,138,433
	2,383,526,848	72,971,930	(39,352,071)	2,417,146,707
Less accumulated depreciation:				
GREC 2 coal-fired plant	(552,365,242)	(28,841,792)	16,772,024	(564,435,010)
GREC 3 combined-cycle plant	(88,415,856)	(13,797,468)	26,460	(102,186,864)
Redbud combined-cycle gas plant	(261,474,572)	(10,746,394)	2,052,561	(270,168,405)
Hydraulic production plants	(65,213,641)	(4,442,486)	801,636	(68,854,491)
Transmission and distribution system	(233,713,619)	(12,035,341)	1,212,211	(244,536,749)
Other properties and production plant	(94,851,737)	(10,828,795)	3,849,522	(101,831,010)
	(1,296,034,667)	(80,692,276)	24,714,414	(1,352,012,529)
Total capital assets–depreciable	1,087,492,181	(7,720,346)	(14,637,657)	1,065,134,178
Net utility plant	\$1,239,058,362	\$188,301,984	(\$10,730,471)	\$1,416,629,875

The change in construction work in progress during 2025 and 2024 is presented on a net basis to avoid a duplication of additions and retirements in the preceding tables. The Authority had depreciation and amortization expense of \$82,350,112 and \$82,057,886 for 2025 and 2024, respectively.

5. COSTS RECOVERED OR TO BE RECOVERED

In 2017, the Authority determined that it should defer the capital asset portion of the revenue proceeds from insurance recoveries resulting from a July 2016 GREC fire restoration per GASB Statement No. 62. Deferral of revenue in accordance with this Statement requires Board Resolution. Board Resolution No. 5307 pertaining to this matter was passed and adopted by the Board of Directors on March 8, 2017.

Board Resolution No. 5325 was then passed and adopted by the Board of Directors on December 13, 2017. This Board resolution further grants the Chief Financial Officer the discretion to record certain revenues as regulatory items regarding revenues related to certain third-party reimbursement(s) for capital assets procured or constructed and recognize those revenues proportionately as said assets are depreciated.

The deferred inflow of resources consists of recognized revenues associated with certain third-party reimbursement on capital assets, as approved by one of the two resolutions described above. This amount is a portion of deferred inflows related to regulated operations on the Statements of Net Position. A roll forward of costs recovered or to be recovered from future revenues follows:

	Balance, December 31, 2024	Increase	Decrease	Balance, December 31, 2025
Third-Party Reimbursement (Capital Assets)	\$85,569,486	\$11,638,007	\$6,633,319	\$90,574,174
Rate Stabilization Fund	31,703,098	-	-	31,703,098
Total	\$117,272,584	\$11,638,007	\$6,633,319	\$122,277,272

	Balance, December 31, 2023	Increase	Decrease	Balance, December 31, 2024
Third-Party Reimbursement (Capital Assets)	\$90,973,123	\$2,947,730	\$8,351,367	\$85,569,486
Rate Stabilization Fund	31,703,098	-	-	31,703,098
Total	\$122,676,221	\$2,947,730	\$8,351,367	\$117,272,584

In 2020, the Authority passed Board Resolution No. 5388, which granted the Chief Financial Officer the discretion to adopt regulatory accounting for the deferral of certain expenses, in accordance with GASB 62. Additionally in 2020, the Authority expanded the policy for regulatory items. This created a threshold for the treatment and recognition of revenues, with a minimum of \$1.0 million for individual projects, or \$100,000 in annual amortization amounts.

6. BONDS PAYABLE

A summary of changes in bonds payable for the years ended December 31, 2025, and 2024, follows:

	2025			December 31, 2025
	December 31, 2024	Bonds Issued	Retirements	
Revenue Bonds, 2010 Series B: 3.71% to 7.155% Series 2010B (fully taxable)—maturing 2015 through 2040	\$61,200,000	-	(\$2,190,000)	\$59,010,000
Revenue Bonds, 2014 Series A & B:				
3% to 5% Series 2014A—maturing in 2018 through 2039	58,620,000	-	(8,750,000)	49,870,000
1.804% to 3.961% Series 2014B (fully taxable)—maturing 2018 through 2039	65,590,000	-	(3,205,000)	62,385,000
Total Series 2014 A & B	124,210,000	-	(11,955,000)	112,255,000
Revenue Bonds, 2016 Series A & B: 3% to 5%				
Series 2016A—maturing in 2019 through 2039	335,790,000	-	(33,525,000)	302,265,000
1.828% to 3.503% Series 2016B (fully taxable)—maturing 2020 through 2033	14,890,000	-	(1,755,000)	13,135,000
Total Series 2016 A & B	350,680,000	-	(35,280,000)	315,400,000
Revenue Bonds, 2017 Series:				
3% to 5% Series 2017—maturing in 2021 through 2040	81,455,000	-	-	81,455,000
Revenue Bonds, 2023 Series:				
2.75% to 3.75% Series 2023—maturing in 2030 through 2042	205,000,000	-	-	205,000,000
Revenue Bonds, 2024 Series A & B:				
5% Series 2024A – maturing in 2025 through 2042	283,885,000	-	(560,000)	283,325,000
4.819% to 4.942% Series 2024B (fully taxable) – maturing 2027 through 2034	65,270,000	-	-	65,270,000
Total Series 2024 A & B	349,155,000	-	(560,000)	348,595,000
Total bonds payable	1,171,700,000	-	(49,985,000)	1,121,715,000
Less current portion	(49,985,000)	-	-	(53,350,000)
Long-term portion	1,121,715,000			1,068,365,000
Add (deduct): Unamortized debt premium	102,421,000	-	(11,520,600)	90,900,400
Long-term bonds payable	\$1,224,136,000			\$1,159,265,400

	2024			
	December 31, 2023	Bonds Issued	Retirements	December 31, 2024
Revenue Bonds, 2010 Series B: 3.71% to 7.155% Series 2010B (fully taxable)—maturing 2015 through 2040	\$63,250,000	-	(\$2,050,000)	\$61,200,000
Revenue Bonds, 2014 Series A & B: 3% to 5% Series 2014A—maturing in 2018 through 2039	180,180,000	-	(121,560,000)	58,620,000
1.804% to 3.961% Series 2014B (fully taxable)—maturing 2018 through 2039	68,670,000	-	(3,080,000)	65,590,000
Total Series 2014 A & B	248,850,000	-	(124,640,000)	124,210,000
Revenue Bonds, 2016 Series A & B: 3% to 5% Series 2016A—maturing in 2019 through 2039	369,710,000	-	(33,920,000)	335,790,000
1.828% to 3.503% Series 2016B (fully taxable)—maturing 2020 through 2033	16,600,000	-	(1,710,000)	14,890,000
Total Series 2016 A & B	386,310,000	-	(35,630,000)	350,680,000
Revenue Bonds, 2017 Series: 3% to 5% Series 2017—maturing in 2021 through 2040	81,455,000	-	-	81,455,000
Revenue Bonds, 2023 Series: 2.75% to 3.75% Series 2023—maturing in 2030 through 2042	205,000,000	-	-	205,000,000
Revenue Bonds, 2024 Series A & B: 5% Series 2024A – maturing in 2025 through 2042	-	283,885,000	-	283,885,000
4.819% to 4.942% Series 2024B (fully taxable) – maturing 2027 through 2034	-	65,270,000	-	65,270,000
Total Series 2024 A & B	-	349,155,000	-	349,155,000
Total bonds payable	984,865,000	349,155,000	(162,320,000)	1,171,700,000
Less current portion	(49,225,000)	-	-	(49,985,000)
Long-term portion	935,640,000			1,121,715,000
Add (deduct): Unamortized debt premium	84,375,528	37,789,416	(19,743,944)	102,421,000
Long-term bonds payable	\$1,020,015,528			\$1,224,136,000

Oklahoma state statutes have authorized the Authority to issue revenue bonds from time to time with the aggregate outstanding indebtedness not to exceed \$3,600,000,000 effective May 2025. Previously, the aggregate outstanding indebtedness not to exceed was \$2,000,000,000.

The scheduled maturities of bonds payable on December 31, 2025, are as follows and reflect the scheduled payments to be remitted by the trustee to the bondholders:

Due to Bond Holders			
Year Ended December 31	Annual Principal	Semiannual Interest	Calendar Year Bond Payments
2026	\$53,350,000	\$27,627,540	
		26,318,194	\$107,295,734
2027	55,310,000	26,318,194	
		24,964,739	106,592,933
2028	56,925,000	24,964,739	
		23,593,681	105,483,420
2029	60,755,000	23,593,681	
		22,158,219	106,506,900
2030	63,630,000	22,158,219	
		20,571,038	106,359,257
2031-2035	337,050,000	164,264,482	501,314,482
2036-2040	356,650,000	79,804,612	436,454,612
2041-2043	138,045,000	6,986,375	145,031,375
	\$1,121,715,000	\$493,323,713	\$1,615,038,713

To secure the bonds, the Authority has pledged all revenues of the Authority. General Bond Resolution No. 5107 and supplemental bond resolutions specify multiple covenants made by the Authority to the Bond Fund Trustee and bondholders. Among the more significant requirements, the Authority has covenanted to charge adequate rates, operate and maintain the facilities, and make any necessary repairs, renewals, replacements, and improvements. System properties are not to be encumbered, sold, or disposed of, and additional parity bonds are not to be issued unless certain conditions are met. As of December 31, 2025, the Authority complied with bond covenants.

In general, federal tax laws require the Authority to rebate to the US Treasury any profit from investments that yield a higher rate than the tax-exempt revenue bond proceeds. The Authority has no liability for arbitrage rebate on December 31, 2025, and 2024, respectively.

All of the Authority's outstanding bonds fall under General Bond Resolution No. 5107, which contains a provision that if one or more Events of Default shall happen, then either the Bond Trustee or the Holders may declare the principal of all Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately.

7. RETIREMENT PLANS, POSTRETIREMENT, AND OTHER EMPLOYEE BENEFITS

The Authority participated in five retirement plans during 2025 and 2024. The plans currently available to the Authority personnel include three defined benefit plans and two defined contribution plans. The defined benefit plans include the Oklahoma Public Employees Retirement System (OPERS) plan, the Oklahoma Law Enforcement Retirement System (OLERS) plan, and the Authority's postemployment Healthcare Plan. The defined contribution plans include the Oklahoma State Employees Deferred Compensation Plan (the "State Plan") and the OPERS Pathfinder plan. A summary of significant data for each of the retirement plans and discussion of postemployment and other employee benefits follows:

The Authority is a participant in two multiple employer defined benefit pension plans, the Oklahoma Public Employees Retirement Plan (the "OPERS Plan") and the Oklahoma Law Enforcement Retirement Plan (the "OLERS Plan"). The table below shows both pensions as reported in the basic financial statements.

For the year ended December 31, 2025:

	OPERS	OLERS	Total
Deferred outflows of resources	\$2,688,305	\$981,490	\$3,669,795
Deferred inflows of resources	14,344,487	691,391	15,035,878
Pension liability (asset)	(29,288,988)	2,892,891	(26,396,097)
Pension expense recognized	(6,013,964)	485,223	(5,528,741)

For the year ended December 31, 2024:

	OPERS	OLERS	Total
Deferred outflows of resources	\$3,751,851	\$1,897,023	\$5,648,874
Deferred inflows of resources	5,139,957	414,551	5,554,508
Pension liability (asset)	(7,359,123)	4,046,964	(3,312,159)
Pension expense recognized	2,447,813	984,011	\$3,431,824

The Authority's proportionate share of plan assets for OPERS as of December 31, 2025, is \$283,100,209, while proportionate share of plan liabilities is \$253,811,221. The Authority's proportionate share of plan assets for OPERS as of December 31, 2024, is \$259,981,863, while proportionate share of plan liabilities is \$252,622,740.

The Authority's proportionate share of plan assets for OLERS as of December 31, 2025, is \$11,950,179, while proportionate share of plan liabilities is \$14,843,070. The Authority's proportionate share of plan assets for OLERS as of December 31, 2024, is \$13,939,455, while proportionate share of plan liabilities is \$17,986,419.

OKLAHOMA PUBLIC EMPLOYEES DEFINED BENEFIT RETIREMENT PLAN

General Information About the Pension Plan

Plan Description. The Authority contributes to the OPERS Plan, a cost-sharing multiple-employer public employee defined benefit retirement plan administered by the OPERS, a component unit of the State of Oklahoma (the "State"). The OPERS Plan provides retirement, disability and death benefits to its members and beneficiaries, primarily state, county, and local agency employees. The benefits provided are established by and may be amended by the legislature of the State. Title 74 of the Oklahoma Statutes, Sections 901 through 943, assigns the authority for management and operation of the OPERS Plan to the OPERS Board of Trustees.

In 2014, the Oklahoma Legislature enacted legislation effective November 1, 2015, requiring a defined contribution system be established by OPERS for most state employees first employed by a participating State employer on or after November 1, 2015, and ceasing the acceptance of any new participants to the defined benefit retirement plan.

OPERS issues a publicly available financial report that includes financial statements and required supplementary information for OPERS. That annual report may be obtained online at www.opers.ok.gov, by writing to OPERS, PO Box 53007, Oklahoma City, Oklahoma 73152-3007, or by calling 1-800-733-9008.

Vesting. OPERS requires eight years of credited service (including six full years of full-time equivalent employment) to be eligible to vest.

Benefits Provided. Employees who became a member of OPERS before November 1, 2011, can begin receiving full, unreduced retirement benefits at the age of 62 with six full years of full-time equivalent employment; or when the sum of the member's age and years of service equals 80 when membership began before July 1, 1992; or when the sum of the member's age and years of service equals 90 when membership began on or after July 1, 1992.

Employees who became a member of OPERS on or after November 1, 2011, can begin receiving full, unreduced retirement benefits at the age of 65 with six full years of full-time equivalent employment; or when the member is at least 60 years of age and the sum of the member's age and years of service equals 90. Employees may retire at age 60 (55 when membership began before November 1, 2011) and receive reduced benefits with at least 10 years of participating service. Members who choose early retirement will receive a permanent actuarial reduction in benefit based on the age at retirement.

The benefit on or after normal retirement, payable monthly for life, is 2% of final average compensation, multiplied by years of credited service. For members who have elected the Step-Up Option, a 2.5% multiplier is applied to the "stepped-up" full years.

Contributions. OPERS members and the Authority are required to contribute to the OPERS Plan at a rate set by statute. Contribution rates are established and may be amended by the State. Each member participates based on gross salary earned (excluding overtime). As state employees, the Authority employees contribute 3.5% on salary. The Authority contributed 16.5%, on all salary for the Plan's fiscal years ended June 30, 2025, and 2024.

OPERS members have the option to elect to increase the benefit computation factor for all future service from 2.0% to 2.5%. The election is irrevocable, binding for all future employment under OPERS, and applies only to full years of service. Those who make the election pay the standard contribution rate plus an additional contribution rate of 2.91% which is actuarially determined. The election is available for all state, county, and local government employees, except for elected officials and hazardous duty members.

During the reporting period for 2025 and 2024, OPERS recognized \$5,576,322 and \$5,530,670, respectively, in contributions from the Authority.

Contribution rates as of December 31, 2025, and 2024, are as follows:

Employee Category	Employee	Employer
General	3.50%	16.50%
Elected Officials	3.50%	16.50%

OPERS Hazardous Duty Employees. On July 1, 2016, SB 1388 became effective, which required the Authority's public safety officers to participate in OPERS as Hazardous Duty Employees. This group of employees contributes 8% of allowable compensation as defined in 74 O.S. § 902(9) for a maximum of 20 years of hazardous duty participating service, while the Authority contributes 16.50%, on allowable compensation. After the employee has contributed at the higher rate for 20 years, the employee will contribute at the nonhazardous duty rate. Employees vest when they have eight years of credited service (including six full years of full-time-equivalent employment). Because all Authority employees will have become members of the plan after November 1, 2011, the employee can begin receiving full, unreduced retirement benefits when he or she is at least age 65 with six full years of full-time-equivalent employment or is at least 60 years of age and the sum of age and years of service equals 90.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

On December 31, 2025, the Authority reported a liability (asset) of (\$29,288,988) for its cumulative proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of July 1, 2025. The Authority's proportion of the net pension liability (asset) was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating employers. On June 30, 2025, the Authority's proportion was 2.2048% which is a 0.58% decrease from the prior year. For the year ended December 31, 2025, the Authority recognized pension expense of (\$6,013,964).

On December 31, 2024, the Authority reported a liability (asset) of (\$7,359,123) for its cumulative proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of July 1, 2024. The Authority's proportion of the net pension liability (asset) was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating employers. On June 30, 2024, the Authority's proportion was 2.2177% which is a 0.05% decrease from the prior year. For the year ended December 31, 2024, the Authority recognized pension expense of \$2,447,813.

As of December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

OPERS Plan 2025		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$34,930	\$450,911
Changes in assumptions	-	-
Net differences between projected and actual earnings on pension plan investments	-	13,855,581
Employer contributions subsequent to the measurement date	2,637,404	-
Change in proportion	15,971	37,995
Total	\$2,688,305	\$14,344,487

As of December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

OPERS Plan 2024		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$779,417	\$179
Changes in assumptions	318,969	-
Net differences between projected and actual earnings on pension plan investments	-	4,329,078
Employer contributions subsequent to the measurement date	2,653,465	-
Change in proportion	-	810,700
Total	\$3,751,851	\$5,139,957

The amounts reported as deferred outflows related to employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

OPERS Plan	
Year Ended December 31	Net Pension Expense
2026	\$2,717,209
2027	(7,913,057)
2028	(6,001,588)
2029	(3,096,150)
	(\$14,293,586)

Actuarial Assumptions. The total pension liability in the July 1, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2025	2024
Actuarial valuation date:	July 1, 2025	July 1, 2024
Measurement date of net pension liability:	June 30, 2025	June 30, 2024
Actuarial cost method:	Entry age Five-year moving average	Entry age Five-year moving average
Asset valuation method for contributions:		
Asset valuation method for assets under GASB 68:	Fair value of assets	Fair value of assets
Long-term expected rate of return:	6.5%	6.5%
Discount rate:	6.5%	6.5%
Inflation	2.5%	2.5%
Salary increases, including inflation:	3.25% to 9.25%	3.25% to 9.25%
Mortality:	Pub-2010 Below Median, General membership Active/Retiree Healthy Mortality Table	Pub-2010 Below Median, General membership Active/Retiree Healthy Mortality Table

Actuarial assumptions are based upon the most recent experience study which covered the three-year period ending June 30, 2022. The experience study report is dated April 12, 2023.

Long-Term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a lognormal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of geometric real rates of return for each major asset class used in the June 30, 2022, experience study are summarized in the following table:

Asset Class	Real Rate of Return	Target Allocation
U.S. Large Cap Equity	5.1%	34.0%
U.S. Small Cap Equity	5.0	6.0
Global Equity ex-US	8.2	28.0
Core Fixed Income	1.9	25.0
Long-Term Treasuries	2.1	3.5
US TIPS	1.8	3.5
Total		100.0%

Single Discount Rate. The discount rate used to measure the total pension liability is 6.5% for 2025, and 6.5% for 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and the employees will be made at the current contribution rate as set out in state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determined does not use a municipal bond rate.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Authority's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.5%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.5%) or 1-percentage-point higher (7.5%) than the current rate:

2025			
	1% Decrease to Discount Rate (5.5%)	Current Discount Rate (6.5%)	1% Increase to Discount Rate (7.5%)
Proportionate share of the net pension liability (asset)	\$16,284	(\$29,288,988)	(\$53,939,802)

2024			
	1% Decrease to Discount Rate (5.5%)	Current Discount Rate (6.5%)	1% Increase to Discount Rate (7.5%)
Proportionate share of the net pension liability (asset)	\$21,984,932	(\$7,359,123)	(\$32,023,383)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at www.opers.ok.gov.

Payables to the Pension Plan

On December 31, 2025, and 2024, the Authority has outstanding payables to OPERS of \$536,685 and \$539,064, respectively, related to December 2025 and 2024 employer, employee, and voluntary contributions, which are payable in the following month. These amounts are included in accounts payable on the Statements of Net Position.

OKLAHOMA LAW ENFORCEMENT PLAN

General Information about the Pension Plan

Plan Description. Legislation passed during 2003 mandated that any lake patrolmen and dispatchers hired on or after July 1, 2003, shall participate as members of the OLERS Plan, a cost-sharing multiple-employer public employee-defined benefit retirement plan administered by the Oklahoma Law Enforcement Retirement System (OLERS), a component unit of the State. The OLERS Plan provides retirement, disability, and death benefits to its members and beneficiaries, primarily state employees providing law enforcement. The benefits provided are established and may be amended by the legislature of the State. Three of the Authority's patrolmen elected to transfer from the OPERS Plan to the OLERS Plan under Oklahoma Statutes, Title 47, Section 2-315, which provided for Authority lake patrolmen and dispatchers as of June 30, 2003, to make an irrevocable written election by January 1, 2004, to either pay the difference between the amount transferred between the plans or receive eligible prorated service credit as defined in statute. Oklahoma Statutes, Title 47, Sections 2-300, *et seq.*, established the Oklahoma Law Enforcement Retirement Board to administer this retirement system.

SB 1388, as codified in Oklahoma Statutes, Title 47, Sections 902, *et seq.*, placed all of the Authority's public safety officers hired after July 1, 2016, under the OPERS plan as hazardous duty employees.

The System issues a publicly available annual financial report that includes financial and required supplementary information for OLERS. That annual report may be obtained online at www.olders.state.ok.us, by writing to OLERS, 421 NW 13th St, Suite 100, Oklahoma City, Oklahoma 73103 or by calling 1-877-213-0856.

Vesting. OLERS requires ten years of credited service to be eligible to vest.

Benefits Provided. Employees can begin receiving full, unreduced retirement benefits after 20 years of service or at the age of 62 with ten full years of full-time equivalent employment.

The benefit on or after normal retirement is 2.5% of the greater of final average salary or the salary paid to active employees as described under "salary considered" multiplied by the years and completed months of credited service. There is no maximum service.

Contributions. System members and the Authority are required to contribute to the OLERS Plan at a rate set by statute. These contributions are established and may be amended by the legislature of the State. Each member participates based on gross salary earned (excluding overtime). The Authority's patrolmen and dispatchers participating in the OLERS Plan contributed 8%, and the Authority contributed 10% of total base salary through October 2012. Beginning November 2012, the Authority contribution rates increased to 11% of total base salary. Additional funds are also provided by the State of Oklahoma as summarized in the table below. Non-employer contributions are recorded as non-operating revenue in the Statements of Revenues, Expenses and Changes in Net Position.

During the reporting period for 2025 and 2024, OLERS recognized \$114,386 and \$145,715 in contributions from the Authority, respectively.

Contribution rates as of December 31, 2025, and 2024, are as follows:

Category	Contribution Rate
State	License Agency Fees equals to 1.2% of Driver's License taxes, plus 5% of Insurance Premium Tax
Agency	10% of actual base salary until October 31, 2012, and 11% of actual base salary as of November 1, 2012
Member	8% of paid salary. Accumulated contributions after tax up to December 31, 1989, and before-tax after December 31, 1989

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

On December 31, 2025, the Authority reported a liability of \$2,892,891 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating employers. On June 30, 2025, the Authority's proportion was 0.9758% which is a 20% decrease from the prior year. For the year ended December 31, 2025, the Authority recognized pension expense of \$485,223.

On December 31, 2024, the Authority reported a liability of \$4,046,964 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all participating employers. On June 30, 2024, the Authority's proportion was 1.2124% which is a 10% increase from the prior year. For the year ended December 31, 2024, the Authority recognized pension expense of \$984,011.

On December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OLERS Plan 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$603,241	\$68,094
Changes in assumption	-	20,706
Net differences between projected and actual earnings on pension plan investments	182,534	-
Employer contributions subsequent to the measure date	84,674	-
Change in proportion	111,041	602,591
Total	\$981,490	\$691,391

On December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OLERS Plan 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$1,099,238	\$37,318
Changes in assumption	-	50,228
Net differences between projected and actual earnings on pension plan investments	586,281	-
Employer contributions subsequent to the measure date	57,781	-
Change in proportion	153,723	327,005
Total	\$1,897,023	\$414,551

The amounts reported as deferred outflows related to employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

OLERS Plan	
Year Ended December 31	Net Pension Expenses
2026	\$178,646
2027	61,592
2028	(13,826)
2029	(20,282)
2030	(705)
	\$205,425

Actuarial Assumptions. The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2025	2024
Actuarial valuation date:	July 1, 2025	July 1, 2024
Measurement date of net pension liability:	June 30, 2025	June 30, 2024
Actuarial cost method:	Entry age	Entry age
Asset valuation method for contributions:	Five-year moving average	Five-year moving average of expected and actual market values
Asset valuation method for assets under GASB 68:	Fair value of assets	Fair value of assets
Long-term expected rate of return:	7.5%	7.5%
Discount rate:	7.5%	7.5%
Salary increases:	3.5% to 10%	3.5% to 10%
Inflation:	2.75%	2.75%
Seniority/Merit:	3.5% - 10%, including inflation	3.5% - 10.0%, including inflation
Mortality:	Pub-2010 Public Safety Retirees Amount-Weighted Mortality Table with rates set forward two years, projected generationally using Scale MP-2021	Pub-2010 Public Safety Retirees Amount-Weighted Mortality Table with rates set forward two years, projected generationally using Scale MP-2021

Actuarial assumptions used in the July 1, 2025, valuation are based upon an experience study conducted using experience from the five-year period ending June 30, 2021.

Long-Term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) were developed for each major class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentages and adding expected inflation.

The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by the System's investment consultant, are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
Core Bonds	5.27%	7.5%
Core Plus	5.58	10.0
Multi-Sector	6.19	7.5
U.S. Large Capacity	9.95	17.5
U.S. Small Capacity	11.34	10.0
International Developed Equity	10.72	15.0
Emerging Market Equity	11.99	5.0
Private Equity	13.26	15.0
Core Real Estate	9.2	9.0
Value Added Real Estate	10.7	3.5
Total		100.0%

Single Discount Rate. A single discount rate of 7.5% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.5% for both the June 30, 2025, and June 30, 2024 measurement dates. A municipal bond rate was not used in determining the discount rate.

The projection of cash flows used to determine the discount rate assumed that plan contributions from members, state agencies, insurance premium taxes, and other state sources would be made at the current contribution rates set out in state statute.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Authority's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5%, as well as what the Authority's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	2025		
	1% Decrease to Discount Rate (6.5%)	Current Discount Rate (7.5%)	1% Increase to Discount Rate (8.5%)
Proportionate share of the net pension liability (asset)	\$4,681,210	\$2,892,891	\$1,415,121
	2024		
	1% Decrease to Discount Rate (6.5%)	Current Discount Rate (7.5%)	1% Increase to Discount Rate (8.5%)
Proportionate share of the net pension liability (asset)	\$6,268,966	\$4,046,964	\$2,212,504

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at www.olders.state.ok.us.

Payables to the Pension Plan

On December 31, 2025, and 2024, the Authority has outstanding payables to OLERS of \$15,255 and \$17,230, respectively, related to December 2024 and 2023 employer, employee and voluntary contributions, which are payable in the following month. These amounts are included in accounts payable on the Statements of Net Position.

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT DEFINED CONTRIBUTION PLAN

In 2014, the Oklahoma Legislature enacted legislation in HB 2630 requiring a Defined Contribution System be established by OPERS for most state employees first employed by a participating State employer on or after November 1, 2015. This bill is codified in Oklahoma Statutes as Title 74, Section 935.1, *et seq.* Employees of the Authority who first became employees on or after November 1, 2015, and have no prior participation in OPERS must participate in the mandatory Defined Contribution Plan created in accordance with Internal Revenue Code Section 401(a) and 457(b) and Title 590, Chapter 40 of the Oklahoma Administrative Code. The Defined Contribution Plan is known as Pathfinder. Pathfinder and its related Trust(s) are intended to meet the requirements of the Internal Revenue Code. Pathfinder is administered by OPERS.

Contribution rates are established by Oklahoma Statute and may be amended by the Oklahoma Legislature. For 2015, the initial period of implementation, employees must make mandatory employee contributions of 4.5% of pretax salary to the 401(a) plan and may make additional voluntary contributions to the 457(b) plan, subject to the maximum deferral limit allowed under the Internal Revenue Code. Employees are vested 100% for all employee contributions. The Authority must make mandatory contributions of 6% of the employee's pretax salary and 7% if the employee elects to participate in the 457(b) plan. Employees become vested for the employer contributions based on an established vesting schedule. The amount of the Authority's contributions for Pathfinder for the years ended December 31, 2025, and 2024 was approximately \$1,034,204 and \$952,558, respectively.

Additionally, in order to reduce the liabilities of the defined benefit plan, the Authority is required to contribute the difference between the established 16.5% defined benefit employer contribution rate and the amount required to match the participating employees' contribution in the defined contribution plan. The amount contributed by the Authority for the years ended December 31, 2025, and 2024, to meet this requirement is \$1,886,280 and \$1,796,388, respectively. The Authority had outstanding payables to OPERS for the defined benefit plan for the years ended December 31, 2025, and 2024, of \$210,724 and \$195,856, respectively, which were payable in the following month.

OKLAHOMA STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Plan Description. Employees of the Authority may also participate in the Oklahoma State Employees Deferred Compensation Plan (the "State Plan"), a voluntary deferred compensation plan administered by OPERS. The State Plan is a defined contribution plan available to all Authority employees, which permits participants to defer receipt of a portion of their salary until future years as authorized by Section 457 of the Internal Revenue Code and in accordance with the provisions of Oklahoma Statutes, Title 74, Sections 1701, *et seq.* The State Plan is established by and may be amended by the Legislature of the State. Oklahoma Statutes assign the authority for management and operation of the State Plan to the Board of Trustees of OPERS. The minimum amount allowable to be deferred under the State Plan is \$25 per month. Under state law, each employee is eligible to receive a \$25 monthly matching contribution from the Authority to be deposited in a 401(a) retirement account. Employee contributions to the Plan totaled \$931,002 and \$888,001 for the years ended December 31, 2025, and 2024, respectively. The Authority paid matching contributions and administrative fees of \$108,150 and \$104,652 for the years ended December 31, 2025, and 2024, respectively.

GRDA POSTEMPLOYMENT HEALTHCARE PLAN

Plan Description. GRDA Postemployment Healthcare Plan is a single-employer defined benefit healthcare plan administered by the Authority. GRDA Postemployment Healthcare Plan provides medical and dental insurance benefits to eligible retirees. In November 2007, the Authority's Board of Directors authorized the Authority to subsidize \$200 per month for eligible retirees, effective January 1, 2008. This stipend is provided for life to employees hired prior to November 1, 2015. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The Plan does not issue a stand-alone financial report.

Benefits Provided. The OPEB plan provides for employee and dependent healthcare coverage from the date of retirement to age 65, provided the participant was covered by the plan before retiring. The participant can elect to enroll in spousal coverage. Surviving spouses may continue in the plan until age 65. Spouses do not receive the \$200 per month subsidy.

Employees Covered by the Plan: The following table details the Authority's number of employees covered by the benefit terms as of January 1, 2024:

Participant Data	December 31, 2025	December 31, 2024
Active participants:		
Employees hired prior to 11/01/2015 and eligible for \$200 subsidy	249	249
Employees hired 11/01/2015 or later and not eligible for \$200 subsidy	201	201
Total active participants	450	450
Inactive participants entitled to but not yet receiving benefits		-
Inactive participants receiving benefits:		
Retirees	312	312
Covered spouses (below age 65)	26	26
Total inactive participants receiving benefits	338	338
Total Participants	788	788

Funding Policy. The contributions of plan members and the Authority are established and may be amended by the Board of Directors within the limits of Oklahoma statutes. The contribution is based on estimated pay-as-you-go financing requirements. For the years ended December 31, 2025, and 2024, the Authority contributed \$712,291 and \$705,046, respectively, to the plan, which consisted entirely of current premiums and included no additional contribution to prefund benefits.

Actuarial Methods and Assumption. Projections of benefits for financial reporting purposes are based on the benefits provided under the terms of the substantive plan (the plan as understood by the employer and the plan members) at the time of each valuation and the historical pattern of sharing the benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The total OPEB liability in the January 1, 2025, actuarial valuation was determined using the following assumptions:

	2025	2024
Actuarial valuation date	January 1, 2025	January 1, 2024
Inflation	2.30%	2.30%
Discount rate (from the Bond Buyer GO-20 Index)	4.08%	3.26%
Salary Increases	Variable from 9.3% to 2.50% based on age and service group	Variable from 9.3% to 2.50% based on age and service group
Healthcare cost trend rates	2025-2026 at 7.55% increasing 0.55% to 2027, then decreasing by 0.36% to 2028, then decreasing by 0.38% to 2029, then decreasing by 0.39% to 2030, then decreasing by 0.41% to 2031, then decreasing by 0.41% to 2032, then decreasing by 0.42% to 2033, then decreasing by 0.42% to 2034, then decreasing by 0.43% to 2035, then decreasing by 0.43% ultimate rate of 4.45% for 2036	2024-2025 at 7.55% increasing 0.55% to 2026, then decreasing by 0.36% to 2027, then decreasing by 0.38% to 2028, then decreasing by 0.39% to 2029, then decreasing by 0.41% to 2030, then decreasing by 0.41% to 2031, then decreasing by 0.42% to 2032, then decreasing by 0.42% to 2033, then decreasing by 0.43% to 2034, then decreasing by 0.43% ultimate rate of 4.45% for 2035
Actuarial cost method	Entry Age Normal	Entry Age Normal
Mortality	Pub-2010 Public Retirement Plans General Mortality Table weighted by Headcount projected by MP-2021 as of January 1, 2024	Pub-2010 Public Retirement Plans General Mortality Table weighted by Headcount projected by MP-2021 as of January 1, 2024

Changes in the Total OPEB Liability. Changes of assumptions and other inputs reflect a change in discount rate from 3.26% in 2024 to 4.08% in 2025. Changes in the Total OPEB Liability for the year ended December 31, 2025:

Changes in the Total OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at December 31, 2024	\$17,385,253	\$ -	\$17,385,253
Changes for the year:			
Service cost	373,252	-	373,252
Interest on Total OPEB Liability	556,031	-	556,031
Difference between expected and actual experience	(48,420)	-	(48,420)
Changes in assumptions	(1,155,348)	-	(1,155,348)
Employer contributions	-	1,416,048	(1,416,048)
Benefit payments, including employee refunds	(1,416,048)	(1,416,048)	-
Net changes	(1,690,533)	-	(1,690,533)
Balance at December 31, 2025	\$15,694,720	\$ -	\$15,694,720

For the year ended December 31, 2024:

Changes in the Total OPEB Liability	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at December 31, 2023	\$15,544,891	\$ -	\$15,544,891
Changes for the year:			
Service Cost	407,159	-	407,159
Interest on Total OPEB Liability	570,949	-	570,949
Difference between expected and actual experience	266,471	-	266,471
Changes in assumptions	1,814,809	-	1,814,809
Employer contributions	-	1,219,026	(1,219,026)
Benefit payments, including employee refunds	(1,219,026)	(1,219,026)	-
Net changes	1,840,362	-	1,840,362
Balance at December 31, 2024	\$17,385,253	\$ -	\$17,385,253

Sensitivity of the Total OPEB liability to changes in the discount rate. The following presents the Authority's total OPEB liability calculated using the 2025 discount rate of 4.08%, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the current rate:

	2025		
	1% Decrease to Discount Rate (3.08%)	Current Discount Rate (4.08%)	1% Increase to Discount Rate (5.08%)
Total OPEB liability	\$17,121,553	\$15,694,720	\$14,447,368

The following presents the Authority's total OPEB liability calculated using the 2024 discount rate of 3.26%, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current rate:

	2024		
	1% Decrease to Discount Rate (2.26%)	Current Discount Rate (3.26%)	1% Increase to Discount Rate (4.26%)
Total OPEB liability	\$19,031,091	\$17,385,253	\$15,954,707

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rate. The following presents the Authority's total OPEB liability calculated using the 2025 healthcare cost trend rate of 8.10%, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.1% decreasing to 6.74%) or 1-percentage-point higher (9.1% decreasing to 8.74%) than the current rate:

	2025		
	1% Decrease to Healthcare Cost Trend Rate (7.1% decreasing to 6.74%)	Current Healthcare Cost Trend Rate (8.1% decreasing to 7.74%)	1% Increase to Healthcare Cost Trend Rate (9.1% decreasing to 8.74%)
Total OPEB liability	\$15,296,535	\$15,694,720	\$16,155,764

The following presents the Authority's total OPEB liability calculated using the 2024 healthcare cost trend rate of 7.55%, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.55% increasing to 7.1%) or 1-percentage-point higher (8.55% increasing to 9.1%) than the current rate:

	2024		
	1% Decrease to Healthcare Cost Trend Rate (6.55% increasing to 7.1%)	Current Healthcare Cost Trend Rate (7.55% increasing to 8.1%)	1% Increase to Healthcare Cost Trend Rate (8.55% increasing to 9.1%)
	Total OPEB liability	\$16,986,862	\$17,385,253

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB. For the year ended December 31, 2025, the Authority recognized OPEB expense of \$409,625. For the year ended December 31, 2024, the Authority recognized OPEB expense of \$1,028,091. The following table indicates the components of the recognized OPEB expense:

Components of OPEB Expense	2025	2024
Service Cost	\$373,252	\$407,159
Interest on Total OPEB Liability -over measurement	556,031	570,949
Recognition of Experience Changes	(221,730)	(138,669)
Recognition of Assumption Changes	(297,928)	188,652
Total OPEB Expenses recognized	\$409,625	\$1,028,091

As of December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Summary of Deferred Outflows and Inflows	OPEB Plan 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual experiences	\$153,798	\$400,040
Changes of actuarial assumptions	1,084,022	2,229,495
Employer contributions – subsequent to measurement date	772,346	-
Total	\$2,010,166	\$2,629,535

As of December 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Summary of Deferred Outflows and Inflows	OPEB Plan 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual experiences	\$224,452	\$644,004
Changes of actuarial assumptions	1,741,718	2,029,770
Employer contributions – subsequent to measurement date	705,045	-
Total	\$2,671,215	\$2,673,774

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

OPEB Plan 2025	
Year ended December 31	Net OPEB Expense
2026	(\$760,157)
2027	(481,701)
2028	35,924
2029	(185,782)
2030	-
	(\$1,391,715)

8. OTHER RELATED-PARTY TRANSACTIONS

The primary organizations considered related parties are those municipal, industrial, electric cooperative, tribal, and other governmental organizations or lake area organizations that have representatives serving on the Authority's Board of Directors. The primary transactions in the ordinary course of business with these related parties include sales of electrical power and transmission and memberships in related trade associations or organizations, or tourism and economic development activities associated with the management of the lakes, including commercial and private dock permit fees.

OG&E operates the Redbud facility under an operating agreement with the Authority and OMPA and allocates certain costs and expenses attributable to Redbud to the Authority and OMPA, in accordance with their undivided ownership interests—see further discussion of Redbud facility in "Joint Ownership" in Note 1 to Financial Statements, Summary of Significant Accounting Policies.

9. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Authority makes and receives commitments for purchases of coal, natural gas, wind power, and long-term service agreements. In addition, in the normal course of business, the Authority enters into agreements which commit the Authority to provide varying amounts of electric power to its customers. Management of the Authority does not believe the honoring of these commitments will have any material adverse effect on the Authority.

The Authority had construction contractual commitments remaining on December 31, 2025, of approximately \$88,471,000 for equipment and construction contracts. Major projects include the construction of GREC 4 for approximately \$43,970,000; hydro projects for approximately \$36,925,000 and transmission lines and substations for approximately \$7,576,000.

The Authority had contractual commitments as of December 31, 2025, for long-term service agreements at the Redbud facility for the maintenance of the gas and steam turbines of approximately \$48.2 million through the year 2028. The Authority had contractual commitments as of December 31, 2025, for transportation of natural gas to the Redbud facility of approximately \$32 million through December 31, 2034.

The Authority had contractual commitments as of December 31, 2025, for long-term service agreements at the GREC 3 facility for the maintenance of the gas and steam turbines of approximately \$27.5 million through the year 2030. The Authority had contractual commitments as of December 31, 2025 for transportation of natural gas to the GREC 3 facility of approximately \$112.8 million through March 31, 2047.

The Authority had contractual commitments as of December 31, 2025, for long-term wind power purchase agreements of approximately \$212.1 million through the year 2037 and for customer generation capacity agreements of approximately \$150.2 million through the year 2042.

In 2015, the Authority established an unsecured letter of credit with Bank of Oklahoma to meet the requirements for participating in the SPP Integrated Marketplace. The Authority did not utilize any portion of the letter of credit in 2023 or 2024 and elected to terminate it in August 2024.

For many years, landowners upstream of Pensacola Dam have initiated litigation against GRDA in response to flooding events based on theories of inverse condemnation, trespass, nuisance, etc. In October 2025, the parties reached an agreement, the terms of which are confidential, to settle all claims. At the time this report was issued, the settlements were being finalized. The liability and associated receivable from the insurance company has been adjusted and reflected in the financial statements as of December 31, 2025.

10. LANDFILL CLOSURE AND POST-CLOSURE COSTS

The Authority maintains a coal combustion residuals (CCR) landfill in Chouteau, Oklahoma. The Authority accounts for this CCR landfill in accordance with GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs*. State and federal regulations will require the Authority to place a final cover on the CCR site when it discontinues depositing of CCR and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure costs will only be paid near or after the date of discontinuance of use of the landfill, GASB Statement No. 18 requires proprietary funds to report a portion of these costs as an operating expense in each period based on landfill capacity and utilization.

This CCR landfill has a total capacity of 5,131,024 cubic yards, of which an estimated 4,478,440 cubic yards have been used through December 31, 2025. The remaining useful life at December 31, 2025, was approximately 15 years.

The amount recorded as a liability for the closure and post-closure costs, included in Other Noncurrent Liabilities at December 31, 2025, and 2024 was \$6,832,824 and \$6,698,767, respectively. These amounts are based on 92% and 91% landfill utilization as of December 31, 2025, and 2024, respectively. The Authority will recognize the remaining estimated cost of closure and post-closure care, of approximately \$737,919, as the remaining estimated capacity is filled. Amounts are estimated using what it would cost to perform all closure and post-closure care in 2025. Actual costs are subject to change resulting from inflation or deflation, changes in technology, or changes in applicable laws or regulations.

The Oklahoma Department of Environmental Quality (ODEQ) has certain closure and post-closure care financial assurance requirements. Each year, an auditor performs procedures to ensure that the Authority meets these requirements.

11. RISK MANAGEMENT

General Bond Resolution No. 5107 requires the Authority to, in each case where it is obtainable at a reasonable rate and on reasonable terms, insure its facilities, maintain liability insurance, and bond certain officers and employees. In general, all insurance coverage, including property (all risk coverage, including earthquake and flood), equipment, aircraft, employment practices liability, directors and officers liability, excess liability (including an endorsement for certified "acts of terrorism" as defined in the Federal Terrorism Risk Insurance Act), is purchased from private insurance carriers through the State of Oklahoma Risk Management Department (State Risk Management) of the Office of Management and Enterprise Services. State Risk Management contracts with a third-party insurance broker for brokerage services and advice. The Authority also participates in the State of Oklahoma's Consolidated Workers' Compensation Program, a self-insured program operated by States Risk Management. A private insurance carrier provides excess insurance coverage for the Consolidated Workers' Compensation Program and a private company provides claims administration services. Settled claims have not exceeded commercial insurance coverage in any of the past three years.

Concentration of revenues from a single external customer increases credit and market concentration risks. The Authority had one customer that accounted for 37% of total operating revenues in 2025 and 33% in 2024.

In addition, the Authority is subject to generation supply and market price risks, which are continually evaluated as to level of risk and how to best mitigate exposure to loss. The Authority continued its hedging program throughout 2025, to hedge price and volatility risk relative to future natural gas commodity prices.

As of December 31, 2025, the Authority had the following fair value balances and notional amounts of derivative instruments and the changes in fair value of such derivative instruments. The change in fair value is represented by the balance of the deferred outflow of \$5,509,368. The settlement balance in derivative instruments as of December 31, 2025, is \$1,307,781.

Fair Value at December 31, 2025		Changes In Fair Value		Fair Value	
Business-Type Activities	Classification	Amount	Classification	Amount	Notional Amount (MMBTUs)
Cash flow hedges:	Deferred		Derivative		
Commodity forward (swap)	Outflow	\$254,250	Instrument	\$859,110	14,615,000
	Deferred		Derivative		
Commodity forward (swap)	Outflow	(\$5,841,908)	Instrument	(\$6,368,478)	21,910,000
	Deferred		Derivative		
Commodity forward (swap)	Outflow	(\$2,414,635)	Instrument	\$ -	-

As of December 31, 2024, the Authority had the following fair value balances and notional amounts of derivative instruments and the changes in fair value of such derivative instruments. The change in fair value is represented by the balance of the deferred inflow of \$2,492,925. The settlement balance in derivative instruments as of December 31, 2024, is \$326,826.

Fair Value at December 31, 2024		Changes In Fair Value		Fair Value	
Business-Type Activities	Classification	Amount	Classification	Amount	Notional Amount (MMBTUs)
Cash flow hedges:	Deferred		Derivative		
Commodity forward (swap)	Inflow	\$604,860	Instrument	\$604,860	4,252,500
	Deferred		Derivative		
Commodity forward (swap)	Inflow	\$13,531,900	Instrument	(\$526,570)	13,985,000
	Deferred		Derivative		
Commodity forward (swap)	Inflow	\$5,034,340	Instrument	\$2,414,635	10,347,500

The following table displays the objective and terms of the Authority's hedging derivative instruments outstanding on December 31, 2025, along with the credit rating of the associated counterparty.

Item	Type	Objective	Notional Amount (MMTBU's)	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
A	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	835,000	07/25/24 Trade 12/30/25 Effective	11/25/26	Pay \$3.630/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/day and Henry Hub pricing point at settlement date	BOKF "A-"
B	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	835,000	08/6/24 Trade 12/30/25 Effective	11/25/26	Pay \$3.490/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	BOKF "A-"

Item	Type	Objective	Notional Amount (MMBTU's)	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
C	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	835,000	08/27/24 Trade 12/30/25 Effective	11/25/26	Pay \$3.600/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/day and Henry Hub pricing point at settlement date	BOKF "A-"
D	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,825,000	12/17/24 Trade 12/29/26 Effective	11/26/27	Pay \$3.765/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/day and Henry Hub pricing point at settlement date	BOKF "A-"
E	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,825,000	02/26/25 Trade 12/29/26 Effective	11/26/27	Pay \$3.657/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	BOKF "A-"
F	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,670,000	04/04/25 Trade 12/30/25 Effective	11/25/26	Pay \$4.215/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	BOKF "A-"
G	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,670,000	04/09/25 Trade 12/30/25 Effective	11/25/26	Pay \$3.942/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	BOKF "A-"
H	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	912,500	09/18/25 Trade 12/29/26 Effective	11/26/27	Pay \$3.913/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	BOKF "A-"
I	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	2,737,500	09/23/25 Trade 12/29/26 Effective	11/26/27	Pay \$3.913/MMBTU; scheduled monthly settlements based on 7,500 MMBTUs/ day and Henry Hub pricing point at settlement date	BOKF "A-"
J	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	915,000	09/19/25 Trade 12/29/27 Effective	11/28/28	Pay \$3.765/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	BOKF "A-"
K	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,670,000	07/25/24	11/25/26	Pay \$3.630 /MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"

Item	Type	Objective	Notional Amount (MMBTU's)	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
L	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	835,000	08/26/24	11/25/26	Pay \$3.598/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
M	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	835,000	10/09/24	11/25/26	Pay \$3.609/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
N	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	2,505,000	04/04/25	11/25/26	Pay \$4.210/MMBTU; scheduled monthly settlements based on 7,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
O	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	2,505,000	04/09/25	11/25/26	Pay \$3.937/MMBTU; scheduled monthly settlements based on 7,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
P	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,670,000	04/10/25	11/25/26	Pay \$3.998/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
Q	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	147,500	09/18/25	02/25/26	Pay \$3.905/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
R	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	147,500	09/18/25	02/25/26	Pay \$3.908/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
S	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	280,000	12/08/25	01/29/26	Pay \$4.550/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
T	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	280,000	12/09/25	01/29/26	Pay \$4.250/MMBTU; scheduled monthly settlements based on 7,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"

Item	Type	Objective	Notional Amount (MMBTU's)	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
U	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	140,000	12/11/25	01/29/26	Pay \$4.040/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
V	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	310,000	12/8/25	02/25/26	Pay \$3.960/MMBTU; scheduled monthly settlements based on 7,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
W	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	310,000	12/09/25	02/25/26	Pay \$3.680/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
X	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	155,000	12/11/25	02/25/26	Pay \$3.580/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
Y	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,070,000	04/10/25	09/28/26	Pay \$3.800/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
Z	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	75,000	12/9/25	05/27/26	Pay \$3.817/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AA	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	375,000	12/9/25	05/27/26	Pay \$3.818/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AB	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	300,000	12/12/25	05/27/26	Pay \$3.690/MMBTU; scheduled monthly settlements based on 10,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AC	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	465,000	12/9/25	06/26/26	Pay \$4.008/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"

Item	Type	Objective	Notional Amount (MMBTU's)	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
AD	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	310,000	12/12/25	06/26/26	Pay \$3.870/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AE	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	465,000	12/9/25	07/29/26	Pay \$4.056/MMBTU; scheduled monthly settlements based on 7,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AF	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	310,000	12/12/25	07/29/26	Pay \$3.920/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AG	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	450,000	12/09/25	08/27/26	Pay \$4.020/MMBTU; scheduled monthly settlements based on 2,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AH	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	300,000	12/12/25	08/27/26	Pay \$3.890/MMBTU; scheduled monthly settlements based on 7,500 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AI	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	155,000	03/13/25	11/25/26	Pay \$4.664/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AJ	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,825,000	12/18/24	11/26/27	Pay \$3.750/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"
AK	Commodity forward contract (swap)	Hedge of changes in cash flows due to market price fluctuations related to expected purchase of natural gas	1,830,000	02/26/25	11/28/28	Pay \$3.520/MMBTU; scheduled monthly settlements based on 5,000 MMBTUs/ day and Henry Hub pricing point at settlement date	StoneX Financial Inc "BB-"

Contracts are accounted for in accordance with GASB Statement No. 53, which addresses recognition, measurement, and disclosure related to derivative instruments with reporting required in the Statements of Net Position or recognized on the Statements of Revenues, Expenses and Changes in Net Position, depending on effectiveness. Contracts are evaluated to determine whether they meet the definition of derivative instruments and, if so, whether they effectively hedge the expected change in cash flow associated with natural gas prices. The net fair value of the hedges as of December 31, 2025, is (\$5.5) million and is included in the Authority's Deferred outflows of resources: Related to derivative hedges.

Effectiveness testing is performed at the end of each month using the consistent critical terms method and, as of December 31, 2025, the tests concluded that all of the Authority's derivative instruments are effective. If the derivative instrument(s) passes effectiveness testing, the change in fair value of the instrument(s) is deferred in the Statements of Net Position and then recorded as fuel expense in the Statements of Revenues, Expenses and Changes in Net Position during the production cycle. If deemed to be ineffective, the change in fair value of the instrument(s) is immediately recognized in the Statements of Revenues, Expenses and Changes in Net Position.

Credit Risk: The Authority is exposed to credit risk on hedging derivative instruments that are in asset positions. The aggregate fair value of hedging derivative instruments in asset positions, as of December 31, 2025, is \$859,110. This represents the maximum loss that would be recognized at the reporting date if the counterparty failed to perform as contracted. This maximum exposure is reduced by \$6,368,477.50 of liabilities included in netting arrangements with the Authority's counterparty. All of the Authority's hedging derivative instruments are held with two counterparties, which have S&P Long-term Issuer Credit Ratings of "A-" and "BB-". Credit risk is mitigated using credit thresholds based on each party's credit rating. If either party exceeds their threshold, collateral can be demanded, net of the effect of applicable netting arrangements. Collateral can be posted in the form of cash or letters of credit. A monthly credit report is prepared by the Authority's middle office and is provided to the Authority's Risk Oversight Committee for monitoring of credit risk related to hedging derivatives.

Basis Risk: The Authority is exposed to basis risk on its commodity forward contracts because the expected commodity purchase will price based on a pricing point (Enable Gas or OneOK) that is different than the pricing point at which the forward contract is expected to settle (Henry Hub). The Authority is hedging the Henry Hub portion of the gas price only, not the basis for the individual pipeline(s).

Termination Risk: The Authority or its counterparty may terminate a derivative instrument if the other party fails to perform under the terms of the contract. Termination may also occur in the event of the following, as defined in the contract: illegality, force majeure event, tax event, tax event upon merger, or additional termination event. Additional termination event is defined in the contract as the Authority engaging in any transaction that does not have as its sole purpose to hedge against price risk for its use in its business of natural gas or is in any way intended to speculate on any commodity price. Termination risk is associated with all of the Authority's derivatives up to the fair value amounts.

12. SUBSEQUENT EVENT

In the first quarter of 2023, the Authority sought bids for a cost-of-service study. Guernsey was hired, and the study was completed in the fourth quarter. In the first quarter of 2024, the Authority hosted several customer meetings, and had several comment periods, before arriving at its final rate design. The final proposal was recommended to the Board of Directors on April 10, 2024, and the resolution was approved unanimously. The three-year implementation plan for incorporating the approved rate changes includes an aggregate increase of 1.48% in 2024, effective October 1, 2024, an aggregate increase of 2.74% in 2025, effective October 1, 2025, and an aggregate increase of 3.39% in 2026, effective October 1, 2026.

13. CHANGE IN ACCOUNTING PRINCIPLE

GRDA implemented GASB Statement No. 103, effective with Financial Statements issued beginning January 1, 2025, which required the effects of the implementation to be presented in earliest period stated in the Financial Statements. Restatements have been made to 2024 Financial Statements, as a result of this implementation.

	2024 (as previously reported)	GASB 103 Implementation	2024 Restated
Statements of Revenues, Expenses and Changes in Net Position			
<u>Operating Revenues:</u>			
Other operating revenues	\$62,176,590	\$659,597	\$62,836,187
Regulatory revenues	6,178,586	443,297	6,621,883
<u>Operating Expenses:</u>			
Operations	(88,344,596)	(3,297,877)	(91,642,473)
Depreciation	(80,674,561)	(1,383,325)	(82,057,886)
Maintenance	(34,002,442)	(410,486)	(34,412,928)
<u>Noncapital Subsidies:</u>			
Award revenue - operating	-	303,858	303,858
<u>Nonoperating Revenues (Expenses):</u>			
Award revenue - operating	303,858	(303,858)	-
Income(loss) - non-operating	(10,748,396)	10,748,396	-
Income(loss) - non-utility operations	(3,600,481)	3,600,481	-
Nonoperating revenues and expenses	-	(10,360,083)	(10,360,083)
Award revenue - capital	-	2,090,714	2,090,714
<u>Capital Contributions:</u>			
Award revenue - capital	2,090,714	(2,090,714)	-

14. INVESTMENT IN THE ENERGY AUTHORITY (TEA)

GRDA became a member of TEA on July 1, 2024, a public power-owned, nonprofit corporation, headquartered in Jacksonville, Florida. The Authority's membership interest for 2025 is 18.75%, as compared to 17.6% for 2024. TEA provides portfolio management services including RTO market management and trading, bilateral energy trading, natural gas resource management, and power management. They also provide advanced analytics and offer strategic solutions.

As a member of TEA, the Authority made payment of a membership fee and certain contributions to capital and is providing certain guarantees for electric trading activities by TEA. The total amount guaranteed by the Authority is \$60.0 million in electric advance guarantees, and \$31.4 million in natural gas advance guarantees at December 31, 2025, increasing to \$57.0 million in 2026 reflecting the addition of GREC 4.

As of December 31, 2025, GRDA's investment in TEA was \$31,845,495, including a loss of \$4,175,759 for 2025. For 2024, the Authority's investment in TEA was \$31,305,254, including a loss of \$918,505. The following is a condensed summary of the audited financial statements for TEA, as of December 31, 2025, and 2024:

	December 2025(Amounts in Thousands)	December 2024(Amounts in Thousands)
Condensed Statements of Net Position:		
Current assets	\$448,137	\$395,317
Long-term assets	39,313	37,532
Deferred outflows	6,316	5,810
Total assets and deferred outflows	\$493,766	\$438,659
Current liabilities	\$294,298	\$237,194
Long-term liabilities	15,530	14,376
Total liabilities	\$309,828	\$251,570
Deferred inflows	\$7,534	\$6,793
Total net position	\$176,404	\$180,296
Total liabilities, deferred inflows and net position	\$493,766	\$438,659
Condensed Statement of Operations:		
Operating revenues	\$3,322,553	\$3,080,517
Operating expenses	3,268,771	2,973,104
Operating income	\$53,782	\$107,413
Decrease in Net Position	(\$3,892)	\$24,614

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (UNAUDITED)

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN

Fiscal Year Ending	Proportion of the Net Pension Liability/(Asset)	Proportionate Share of the Net Pension Liability/(Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)
December 31, 2025	2.2048%	(\$29,288,988)	\$31,609,976	(92.66%)	111.54%
December 31, 2024	2.2177	(7,359,123)	32,146,494	(22.89)	102.91
December 31, 2023	2.2724	10,396,718	32,991,556	31.51	95.91
December 31, 2022	2.2735	18,277,656	33,611,964	54.38	92.24
December 31, 2021	2.2383	(30,042,207)	33,666,081	(89.24)	112.51
December 31, 2020	2.2276	19,874,205	34,801,153	57.11	91.59
December 31, 2019	2.3778	3,166,970	35,942,188	8.81	98.63
December 31, 2018	2.4118	5,138,160	37,965,024	13.53	97.96
December 31, 2017	2.3117	12,498,665	38,404,273	32.54	94.28
December 31, 2016	2.2462	21,890,211	38,995,445	56.14	89.48

SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT PLAN

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
December 31, 2025	\$7,147,351	\$5,576,322	\$1,571,029	\$31,760,791	17.56%
December 31, 2024	6,964,203	5,530,670	1,433,533	31,373,928	17.63
December 31, 2023	6,717,336	5,684,180	1,033,156	32,929,985	17.26
December 31, 2022	6,424,350	5,725,382	698,968	33,204,556	17.24
December 31, 2021	6,150,504	5,696,252	454,252	33,598,122	16.95
December 31, 2020	6,109,333	5,838,606	270,727	34,266,124	17.04
December 31, 2019	6,258,254	6,243,328	14,926	35,239,125	17.72
December 31, 2018	6,309,340	6,485,378	(176,038)	37,001,348	17.53
December 31, 2017	6,218,254	6,516,168	(297,914)	38,300,232	17.01
December 31, 2016	6,641,675	6,615,357	26,318	38,811,001	17.05

The amounts determined for each fiscal year were determined as of June 30 in the calendar year.

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

Changes in Benefit Terms. House Bill 3350 provided a one-time benefit increase as of July 1, 2020. Members who retired on or prior to July 1, 2015, received a 4.0% benefit increase. Members who retired between July 1, 2015, and July 1, 2018, received a 2.0% benefit increase. Members who retired after July 1, 2018, did not receive a benefit increase.

Changes in Assumptions are as follows:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Long-term expected rate of return	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	7.00%	7.00%	7.00%	7.25%
Discount rate	6.50	6.50	6.50	6.50	6.50	6.50	7.00	7.00	7.00	7.25
Price inflation	2.50	2.50	2.50	2.50	2.50	2.50	2.75	2.75	2.75	3.00
Real wage growth	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	1.00

There were no other changes in assumptions.

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (UNAUDITED)

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN

Fiscal Year Ending	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
December 31, 2025	0.9758%	\$2,892,891	\$1,078,596	268.21%	80.51%
December 31, 2024	1.2124	4,046,964	1,128,670	358.56	77.50
December 31, 2023	1.1013	3,633,407	1,213,525	299.41	76.91
December 31, 2022	1.5340	3,017,991	1,351,371	223.33	84.53
December 31, 2021	1.5688	210,956	1,331,109	14.60	98.93
December 31, 2020	1.5344	3,314,998	1,342,159	246.99	82.29
December 31, 2019	1.5814	2,296,870	1,298,190	176.93	87.50
December 31, 2018	1.4701	1,574,732	1,222,118	128.85	90.31
December 31, 2017	1.4556	1,891,434	1,225,700	154.31	87.85
December 31, 2016	1.3370	1,631,598	1,234,942	132.12	81.88

SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
December 31, 2025	\$114,386	\$117,211	(\$2,825)	\$1,029,175	11.39%
December 31, 2024	145,715	148,513	(2,798)	1,072,940	13.84
December 31, 2023	131,609	133,488	(1,879)	1,171,378	11.40
December 31, 2022	146,781	148,651	(1,870)	1,303,594	11.40
December 31, 2021	154,966	156,832	(1,866)	1,348,232	11.63
December 31, 2020	145,820	147,637	(1,817)	1,351,889	10.92
December 31, 2019	141,092	142,911	(1,819)	1,308,269	10.92
December 31, 2018	133,523	134,432	(909)	1,268,728	10.60
December 31, 2017	134,827	134,826	1	1,209,093	11.15
December 31, 2016	136,630	136,630	-	1,241,483	11.01

The amounts determined for each fiscal year were determined as of June 30 in the calendar year.

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

Changes in Benefit Terms. House Bill 3350 provided a one-time benefit increase as of July 1, 2020. Member show retired on or prior to July 1, 2015, received a 4.0% benefit increase. Members who retired between July 1, 2015 and July 1, 2018, received a 2.0% benefit increase. Members who retired after July 1, 2018, did not receive a benefit increase.

Changes in Assumptions: There were six Changes in Assumption made for the valuation as of July 1, 2023. There was a change in mortality assumption to the new Pub-2010 tables, and the percent of members electing retroactive DOP was increased to 80% for a period of four years, and the percent of members electing an immediate annuity was set to 20%. Retirement rates, withdrawal rates, and disability rates were also revised.

Other Changes in Assumptions are as follows:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Price inflation	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.00%
Salary Increases	3.5% - 10%, including inflation	3.5% - 10.0%, including inflation	3.5% - 10.0%, including inflation	3.5% - 10.0%, including inflation	3.5% - 9.75%, including inflation	3.5% - 9.75%, including inflation	3.5% - 9.75%, including inflation	3.5% - 9.75%, including inflation	3.5% - 9.75%, including inflation	3.5% - 9.75%, including inflation

GRAND RIVER DAM AUTHORITY
(A Component Unit of the State of Oklahoma)

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)

OTHER POSTEMPLOYMENT BENEFITS PLAN

	2025	2024	2023	2022	2021	2020	2019
Beginning Balance	\$17,385,253	\$15,544,891	\$18,445,087	\$20,714,763	\$19,461,886	\$16,980,723	\$17,668,568
Service Cost	373,252	407,159	545,247	870,855	733,886	564,096	548,426
Interest on Total OPEB Liability	556,031	570,949	378,624	446,029	538,912	685,406	611,515
Difference between expected and actual experience	(48,420)	266,471	(16,202)	(1,414,472)	(70,134)	435,412	66,460
Changes in assumptions	(1,155,348)	1,814,809	(2,580,554)	(1,073,317)	1,112,285	1,790,433	(1,025,961)
Benefit payments, including employee refunds	(1,416,048)	(1,219,026)	(1,227,311)	(1,098,771)	(1,062,072)	(994,184)	(888,285)
Net changes	(1,690,533)	1,840,362	(2,900,196)	(2,269,676)	1,252,877	2,481,163	(687,845)
Ending Balance	\$15,694,720	\$17,385,253	\$15,544,891	\$18,445,087	\$20,714,763	\$19,461,886	\$16,980,723
Ratios							
Covered-employee payroll	\$31,760,791	\$31,373,928	\$32,929,985	\$33,204,556	\$33,598,122	\$34,266,124	\$34,266,124
Total OPEB Liability as a percentage of covered-employee payroll	49.41%	55.41%	47.21%	55.55%	61.65%	56.80%	56.80%

The Authority is required to present the last 10 fiscal years of data; however, until a full 10-year trend of data is compiled, GASB 75 allows the presentation for those years for which information is available. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits for the pension/OPEB Plan.

Changes in Benefit Terms. There were no changes of benefit terms in the Plan.

Changes in Assumptions: Two assumption changes were made for this valuation. The discount rate on the Bond Buyer GO 20-Bond Municipal Bond Index as of the newest measurement date of January 1, 2025, is 4.08%. The January 1, 2024, discount rate was 3.26%. The January 1, 2023, discount rate was 3.72%. The January 1, 2021, discount rate was 2.12%. The January 1, 2020, discount rate was 2.74%. The January 1, 2019, discount rate was 4.10%. The mortality table was also updated to a new public sector mortality table (Pub 2010) using the MP-2020 projection scale as of January 1, 2023. The January 1, 2021, mortality table used the MP-2020 projection scale. The January 1, 2020, mortality table used the MP-2019 projection scale. The January 1, 2019, mortality table used the MP-2018 projection scale.

**Report on Internal Control
Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
With *Government Auditing Standards***

Independent Auditors' Report

To the Board of Directors of
Grand River Dam Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Grand River Dam Authority (GRDA), which comprise the GRDA's statement of net position as of December 31, 2025, and the related statements of revenues, expenses, and changes in net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2026. Our report included an emphasis of matter paragraph relative to the adoption of provisions of GASB Statement No. 103, *Financial Reporting Model Improvements*, effective January 1, 2025. Our report is not modified with respect to this matter.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the GRDA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the GRDA's internal control. Accordingly, we do not express an opinion on the effectiveness of the GRDA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the GRDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly US, LLP

Madison, Wisconsin
March 31, 2026

2026 Worksheet for Calculating Closure and Post-closure Cost Estimates

All site data necessary to calculate estimates of closure and post-closure costs can be gathered by completing Table E.1. Data from Table E.1 should be inserted into Tables E.2 and F.1 to complete calculations.

Table E.1 Site Data

Facility Name: Grand River Dam Authority

Permit Number: 3549012

Description	Quantity	Units
Total Permitted Area	67	acres
Active Portion		
Composite Lined	0	acres
Soil Lined	47	acres
Area of Largest Cell/Phase Requiring Final Cap		
Composite Lined	0	acres
Soil Lined	47	acres
Perimeter Fencing	0	linear feet
Groundwater Monitoring Wells	425.5	VLF
Methane Gas Probes	NA	VLF
Terraces	NA	linear feet
Letdown channels	NA	linear feet
Perimeter drainage ditches	NA	linear feet
Average Daily Flow	73.67	tons/day
Landfill Disposal Cost	0	\$/ton

VLF = Vertical linear feet. The sum of the depths of all monitoring wells.

Table E.2 Closure Cost Estimate

Facility Name: Grand River Dam Authority

Permit Number: 3549012

Task/Service	Quantity	Units	Multiplier ^a	Unit Cost ^b	Subtotal
1 Preliminary Site Work					
1.1 Conduct Site Evaluation	1	Lump sum	1	\$4,608.37	\$4,608.37
1.2 Dispose Final Wastes					
Average Daily Flow	73.67	tons/day			
Disposal Cost	0.74	tons/day	5 (5 days waste)	NA	NA
1.3 Remove Temporary Building(s)	1	lump sum	1	\$4,225.90	NA
1.4 Remove Equipment	1	lump sum	1	\$3,449.57	\$3,449.57

1.5	Repair/Replace Perimeter Fencing		linear feet	0.25	\$4.51	NA
1.6	Clean Leachate Line(s)	1	lump sum	1	\$2,087.26	NA
2	Monitoring Equipment					
2.1	Rework/Replace Monitoring Well(s)	425.5	VLF	0.25	\$96.90	\$10,307.74
2.2	Plug Abandoned Monitoring Well(s)	425.5	VLF	0.25	\$38.79	\$4,126.29
2.3	Rework/Replace Methane Probe(s)		VLF	0.25	\$83.69	NA
2.4	Plug Abandoned Methane Probe(s)		VLF	0.25	\$30.58	NA
2.5	Rework/Replace Remediation and/or Gas Control Equipment	1	lump sum	0.05	NA	NA
3	Construction					
3.1	Complete Site Grading to include on- and off-site borrow areas	67	acres	1	\$1,827.10	\$122,415.70
3.2	Construct Final Cap					
	Compacted On-site Clay Cap or	151,653	cubic yards	1	\$6.56	\$994,845.87
	Compacted Off-site Clay Cap or	-	cubic yards	1	\$10.66	NA
	Install Geosynthetic Clay Liner Cap	-	square feet	1	\$0.69	NA
3.3	Construct Landfill Gas Venting Layer					

3.3	Place Sand or		acres	1	\$48,854.84	NA
3.3	Install Net and Geotextile		square feet	1	\$0.48	NA
3.4	Install Passive Landfill Gas Vents		acres	1	\$1,170.38	NA
3.5	Install Flexible Membrane		square feet	1	\$0.53	NA
3.6	Drainage Layer					
	Place Sand or		acres	1	\$48,854.84	NA
	Install Net and Geonet		square feet	1	\$0.48	NA
3.7	Place On-site Topsoil	75,827	cubic yards	1	\$2.82	\$213,831.20

3.7	Place Off-site Topsoil	-	cubic yards	1	\$22.58	NA
3.8	Establish vegetative cover, including on- and off-site borrow areas	67	acres	1	\$1,302.13	\$87,242.71
4	Drainage/erosion control					
4.1	Construct Terraces		linear feet	1	\$11.83	NA
4.2	Construct Letdown Channels		linear feet	1	\$129.34	NA
4.3	Clean Perimeter Drainage Ditches		linear feet	0.50	\$9.02	NA
5	Tasks Not Identified					-
5.1	Close Temporary Piezometers	335	VLF	1	\$30.58	\$10,244.30
6	Subtotal					\$1,451,071.74
7	Administrative Services	1	lump sum	0.10		\$145,107.17
8	Technical and Professional Services	1	lump sum	0.12		\$174,128.61
9	Closure Contingency	1	lump sum	0.10		\$145,107.17
10	Total Final Closure					\$1,915,414.70

- a. Multipliers are determined from the *Solid Waste Financial Assurance Program Report*, December 22, 2000.
- b. Unit costs include a 2.83% inflationary adjustment for 2026.
- c. New facilities: Insert the value for "W" in OAC 252:517-17-8(2). Existing facilities: Insert reported annual tonnage for the previous year, divided by 312 operating days per year (52 weeks per year x 6 operating days per week).
- d. Insert number of tons/day from above.
- e. Insert landfill disposal cost per ton of waste (\$/ton).
- f. Input capital cost for remediation and/or gas control equipment, if installed at the site.
- g. Input subtotal from line 6.
- h. Add rows 6 through 9.

Table F.1 Post-closure Cost Estimate**Facility Name: Grand River Dam Authority****Permit Number: 3549012**

	Task/Service	Quantity	Units	Multiplier^a	Unit Cost^b	Subtotal
1	Site maintenance					
1.1	Site Inspections	4	per year	30	\$838.32	\$100,598.40
1.2	General Maintenance	1	per year	30	\$2,513.32	\$75,399.60
1.3	Remediation and/or Gas Control Equipment	1	lump sum	0.3 ^c	d	NA
2	Monitoring equipment					
2.1	Rework/Replace Monitoring Well(s)	425.5	VLF	0.25	\$96.90	\$10,307.74
2.2	Plug Abandoned Monitoring Well(s)	425.5	VLF	0.25	\$38.79	\$4,126.29
2.3	Final Plugging of Monitoring Wells	425.5	VLF	1	\$38.79	\$16,505.15
2.4	Rework/Replace Methane Probe(s)		VLF	0.25	\$83.69	NA
2.5	Plug Abandoned Probe(s)		VLF	0.25	\$30.58	NA
2.6	Final Plugging of Methane Probes		VLF	1	\$30.58	NA
2.7	Final Plugging of Piezometer(s)		VLF	1	\$30.58	NA
3	Sampling and analysis					
3.1	Groundwater Monitoring Wells	21	wells	60	\$903.95	\$1,138,977.00
3.2	Methane Gas Probes		probes	60	\$58.66	NA
3.3	Surface Water Monitoring Points		points	60	\$108.93	NA

3.4	Leachate		sample	60	\$175.54	NA
4	Final cover maintenance					
4.1	Mow and Fertilize Vegetative Cover	47	acres	30 yrs	\$277.33	\$391,035.30
4.2	Repair Erosion, Settlement, and Subsidence for On-site Soils	47	acres	60 yrs	\$4.02	\$11,336.40
	Repair Erosion, Settlement, and Subsidence for Off-site Soils		acres	30 yrs	\$24.05	NA
4.3	Reseed Vegetative Cover	47	acres	0.20	\$1,302.13	\$12,240.02
5	Leachate management					
5.1	Clean Leachate Line(s)	1	per year	30 (30 yrs)	\$2,149.67	NA
5.2	Maintain Leachate Collection System and Equipment	1	per year	30 (30 yrs)	\$3,339.60	NA
5.3	Collect, Treat, Transport, and Dispose of Leachate		gal/yr	30	\$0.42	NA
6	Tasks not identified					-
7	Subtotal					\$1,760,525.89
8	Administrative Services	1	lump sum	0.06		\$105,631.55
9	Technical and Professional Services	1	lump sum	0.07		\$123,236.81
10	Post-closure Contingency	1	lump sum	0.10		\$176,052.59
11	Total Post-closure					\$2,165,446.85

- a. Multipliers are determined from the *Solid Waste Financial Assurance Program Report*, Dec. 22, 2000.
- b. Unit costs include a 2.83% inflationary adjustment for 2026.
- c. 5% of equipment capital cost, maintenance performed once per 5 yrs for 30 years ($6 \times 0.05 = 0.30$)
- d. Input capital cost for remediation and/or gas control equipment, if installed at the site.
- e. If the approved groundwater monitoring plan requires monitoring for alternative constituents, unit costs shall be calculated in accordance with OAC 252:517-17-51(b) or (c).
- f. Input subtotal from line 7.
- g. Add lines 7 through 10.