UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2022

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission file number 000-50039

OLD DOMINION ELECTRIC COOPERATIVE
(Exact name of registrant as specified in its charter)

VIRGINIA **(State or other jurisdiction of incorporation or organization)**	**23-7048405** **(I.R.S. employer identification no.)**
4201 Dominion Boulevard, Glen Allen, Virginia **(Address of principal executive offices)**	**23060** **(Zip code)**

(804) 747-0592
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: NONE

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Securities registered pursuant to Section 12(b) of the Act: NONE

The Registrant is a membership corporation and has no authorized or outstanding equity securities.

GLOSSARY OF TERMS

The following abbreviations or acronyms used in this Form 10-Q are defined below:

Abbreviation or Acronym	Definition
ACES	Alliance for Cooperative Energy Services Power Marketing, LLC
ASU	Accounting Standards Update
Clover	Clover Power Station
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
GAAP	Accounting principles generally accepted in the United States
Louisa	Louisa Power Station
Marsh Run	Marsh Run Power Station
MMBTU	One Million British Thermal Units
MWh	Megawatt hour(s)
North Anna	North Anna Nuclear Power Station
NYMEX	New York Mercantile Exchange
ODEC, We, Our, Us	Old Dominion Electric Cooperative
PJM	PJM Interconnection, LLC
TEC	TEC Trading, Inc.
Wildcat Point	Wildcat Point Generation Facility
XBRL	Extensible Business Reporting Language

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PART 1. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2022	December 31, 2021
	(in thousands)	
	(unaudited)	
ASSETS:		
Electric Plant:		
Property, plant, and equipment	$ 2,546,994	$ 2,542,407
Less accumulated depreciation	(1,099,841)	(1,049,756)
Net Property, plant, and equipment	1,447,153	1,492,651
Nuclear fuel, at amortized cost	14,365	14,495
Construction work in progress	59,185	48,956
Net Electric Plant	1,520,703	1,556,102
Investments:		
Nuclear decommissioning trust	209,917	276,658
Unrestricted investments and other	2,409	2,361
Total Investments	212,326	279,019
Current Assets:		
Cash and cash equivalents	29,276	107,852
Unrestricted investments maturing within one year	80,421	—
Accounts receivable	12,373	13,821
Accounts receivable–members	81,180	63,037
Fuel, materials, and supplies	88,749	61,808
Deferred energy	66,211	5,005
Prepayments and other	8,314	10,757
Total Current Assets	366,524	262,280
Deferred Charges and Other Assets:		
Regulatory assets	18,320	22,253
Other assets	141,010	55,405
Total Deferred Charges and Other Assets	159,330	77,658
Total Assets	$ 2,258,883	$ 2,175,059
CAPITALIZATION AND LIABILITIES:		
Capitalization:		
Patronage capital	$ 473,153	$ 464,777
Non-controlling interest	6,156	5,831
Total Patronage capital and Non-controlling interest	479,309	470,608
Long-term debt	1,021,096	1,020,759
Total Capitalization	1,500,405	1,491,367
Current Liabilities:		
Long-term debt due within one year	49,041	49,041
Accounts payable	105,182	82,988
Accounts payable–members	98,482	112,742
Accrued expenses	22,093	6,128
Total Current Liabilities	274,798	250,899
Deferred Credits and Other Liabilities:		
Asset retirement obligations	189,201	184,797
Regulatory liabilities	233,271	220,619
Other liabilities	61,208	27,377
Total Deferred Credits and Other Liabilities	483,680	432,793
Total Capitalization and Liabilities	$ 2,258,883	$ 2,175,059

The accompanying notes are an integral part of the condensed consolidated financial statements.

OLD DOMINION ELECTRIC COOPERATIVE

CONDENSED CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES, AND PATRONAGE CAPITAL (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
	(in thousands)			
Operating Revenues	$ 297,562	$ 200,967	$ 724,396	$ 573,568
Operating Expenses:				
Fuel	59,436	46,953	131,088	113,141
Purchased power	139,655	57,471	339,980	174,142
Transmission	40,131	33,257	110,208	97,125
Deferred energy	(12,370)	(2,008)	(61,206)	(12,903)
Operations and maintenance	23,530	17,571	65,861	58,126
Administrative and general	10,892	10,572	31,607	32,092
Depreciation and amortization	17,295	17,594	51,906	52,825
Amortization of regulatory asset/(liability), net	(839)	11,494	(1,273)	15,707
Accretion of asset retirement obligations	1,469	1,417	4,404	4,247
Taxes, other than income taxes	2,168	2,279	6,765	7,173
Total Operating Expenses	281,367	196,600	679,340	541,675
Operating Margin	16,195	4,367	45,056	31,893
Other income (expense), net	(25)	(36)	2,003	(6)
Investment income	944	12,448	2,708	18,489
Interest charges, net	(14,009)	(13,951)	(40,963)	(41,895)
Income taxes	(54)	2	(103)	6
Net Margin including Non-controlling interest	3,051	2,830	8,701	8,487
Non-controlling interest	(185)	5	(325)	17
Net Margin attributable to ODEC	2,866	2,835	8,376	8,504
Patronage Capital - Beginning of Period	470,287	459,139	464,777	453,470
Patronage Capital - End of Period	$ 473,153	$ 461,974	$ 473,153	$ 461,974

The accompanying notes are an integral part of the condensed consolidated financial statements.

OLD DOMINION ELECTRIC COOPERATIVE

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Nine Months Ended September 30,	
	2022	**2021**
	(in thousands)	
Operating Activities:		
Net Margin including Non-controlling interest	$ 8,701	$ 8,487
Adjustments to reconcile net margin to net cash provided by operating activities:		
Depreciation and amortization	51,906	52,825
Other non-cash charges	12,118	12,354
Change in current assets	(41,193)	17,021
Change in deferred energy	(61,206)	(12,903)
Change in current liabilities	24,602	2,634
Change in regulatory assets and liabilities	84,884	127,318
Change in deferred charges and other assets and deferred credits and other liabilities	(51,759)	(42,197)
Net Cash Provided by Operating Activities	28,053	165,539
Investing Activities:		
Purchases of held to maturity securities	(80,012)	—
Purchases of available for sale securities	—	(15,000)
Proceeds from sale of available for sale securities	—	15,000
Increase in other investments	(2,030)	(18,421)
Electric plant additions	(24,587)	(21,295)
Net Cash Used for Investing Activities	(106,629)	(39,716)
Financing Activities:		
Draws on revolving credit facility	20,000	—
Repayments on revolving credit facility	(20,000)	—
Net Cash Used for Financing Activities	—	—
Net Change in Cash and Cash Equivalents	(78,576)	125,823
Cash and Cash Equivalents - Beginning of Period	107,852	9,288
Cash and Cash Equivalents - End of Period	$ 29,276	$ 135,111

The accompanying notes are an integral part of the condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General

The accompanying unaudited condensed consolidated financial statements, which represent the consolidated financial statements of ODEC and TEC, have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments, which include only normal recurring adjustments, necessary for a fair statement of our consolidated financial position as of September 30, 2022, our consolidated results of operations for the three and nine months ended September 30, 2022 and 2021, and cash flows for the nine months ended September 30, 2022 and 2021. The consolidated results of operations for the three and nine months ended September 30, 2022, are not necessarily indicative of the results to be expected for the entire year. These financial statements should be read in conjunction with the financial statements and notes thereto included in our 2021 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

We have two classes of members. Our eleven Class A members are customer-owned electric distribution cooperatives engaged in the retail sale of power to member customers located in Virginia, Delaware, and Maryland. Our sole Class B member is TEC, a taxable corporation owned by our member distribution cooperatives. Our board of directors is composed of two representatives from each of the member distribution cooperatives and one representative from TEC. In accordance with Consolidation Accounting, TEC is considered a variable interest entity for which we are the primary beneficiary. We have eliminated all intercompany balances and transactions in consolidation. The assets and liabilities and non-controlling interest of TEC are recorded at carrying value and the consolidated assets were $10.4 million and $5.8 million as of September 30, 2022 and December 31, 2021, respectively. The income taxes reported on our Condensed Consolidated Statements of Revenues, Expenses, and Patronage Capital relate to the tax provision for TEC. As TEC is wholly-owned by our Class A members, its equity is presented as a non-controlling interest in our consolidated financial statements.

We are a not-for-profit wholesale power supply cooperative, incorporated under the laws of the Commonwealth of Virginia in 1948 and currently are exempt from federal income taxation under IRC Section 501(c)(12). In order to maintain our tax-exempt status, we must receive at least 85% of our income from our members on an annual basis. Current conditions in the energy markets and the price of natural gas have increased the realized gains on our financial hedges and the price of excess power sold to non-members, resulting in pressure on our tax-exempt status. The realized gains on our financial hedges are considered non-member income for tax purposes. During the second and third quarters of 2022 we sold excess power to our class B member, TEC. Due to the unpredictable nature of current market conditions, it is possible we will not continue to qualify for the exemption; however, we do not anticipate a material impact if we should become taxable. We are continuing to monitor our tax-exempt status and potential implications.

Our rates are set periodically by a formula that was accepted for filing by FERC and are not regulated by the public service commissions of the states in which our member distribution cooperatives operate.

We comply with the Uniform System of Accounts as prescribed by FERC. In conformity with GAAP, the accounting policies and practices applied by us in the determination of rates are also employed for financial reporting purposes. The preparation of our condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported therein. Actual results could differ from those estimates. We did not have any other comprehensive income for the periods presented.

2. Fair Value Measurements

The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The following tables summarize our financial assets and liabilities measured at fair value on a recurring basis as of September 30, 2022 and December 31, 2021:

	September 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(in thousands)		
Nuclear decommissioning trust [1]	$ 72,362	$ 72,362	$ —	$ —
Nuclear decommissioning trust - net asset value [1][2]	137,555	—	—	—
Unrestricted investments and other [3]	260	—	260	—
Derivatives - gas and power [4]	130,301	90,008	22,000	18,293
Total Financial Assets	$ 340,478	$ 162,370	$ 22,260	$ 18,293
Derivatives - gas and power [4]	$ 9,541	$ —	$ 9,541	$ —
Total Financial Liabilities	$ 9,541	$ —	$ 9,541	$ —

	December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(in thousands)		
Nuclear decommissioning trust [1]	$ 89,227	$ 89,227	$ —	$ —
Nuclear decommissioning trust - net asset value [1][2]	187,431	—	—	—
Unrestricted investments and other [3]	212	—	212	—
Derivatives - gas and power [4]	50,793	32,078	3,705	15,010
Total Financial Assets	$ 327,663	$ 121,305	$ 3,917	$ 15,010
Derivatives - gas and power [4]	$ 4,291	$ —	$ 4,291	$ —
Total Financial Liabilities	$ 4,291	$ —	$ 4,291	$ —

[1] For additional information about our nuclear decommissioning trust, see Note 4—Investments below.

(2) Nuclear decommissioning trust includes investments measured at net asset value per share (or its equivalent) as a practical expedient and these investments have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in our Condensed Consolidated Balance Sheet.

(3) Unrestricted investments and other includes investments that are related to equity securities.

(4) Derivatives - gas and power represent natural gas futures contracts (Level 1 and Level 2) and financial transmission rights (Level 3). Level 1 are indexed against NYMEX. Level 2 are valued by ACES using observable market inputs for similar transactions. Level 3 are valued by ACES using unobservable market inputs, including situations where there is little market activity. Sensitivity in the market price of financial transmission rights could impact the fair value. For additional information about our derivative financial instruments, see Note 1 of the Notes to Consolidated Financial Statements in our 2021 Annual Report on Form 10-K.

3. *Derivatives and Hedging*

We are exposed to market price risk by purchasing power to supply the power requirements of our member distribution cooperatives that are not met by our owned generation. In addition, the purchase of fuel to operate our generating facilities also exposes us to market price risk. To manage this exposure, we utilize derivative instruments. See Note 1 of the Notes to Consolidated Financial Statements in our 2021 Annual Report on Form 10-K.

Changes in the fair value of our derivative instruments accounted for at fair value are recorded as a regulatory asset or regulatory liability. The change in these accounts is included in the operating activities section of our Condensed Consolidated Statements of Cash Flows.

Outstanding derivative instruments, excluding contracts accounted for as normal purchase/normal sale, were as follows:

		Quantity	
Commodity	**Unit of Measure**	**As of September 30, 2022**	**As of December 31, 2021**
Natural gas	MMBTU	97,560,000	58,640,000
Purchased power - financial transmission rights	MWh	10,835,541	9,156,789

The fair value of our derivative instruments, excluding contracts accounted for as normal purchase/normal sale, was as follows:

		Fair Value	
	Balance Sheet Location	**As of September 30, 2022**	**As of December 31, 2021**
		(in thousands)	
Derivatives in an asset position:			
Natural gas futures contracts	Other assets	$ 112,008	$ 35,783
Financial transmission rights	Other assets	18,293	15,010
Total derivatives in an asset position		$ 130,301	$ 50,793
Derivatives in a liability position:			
Natural gas futures contracts	Other liabilities	$ 9,541	$ 4,291
Total derivatives in a liability position		$ 9,541	$ 4,291

The Effect of Derivative Instruments on the Condensed Consolidated Statements of Revenues, Expenses, and Patronage Capital for the Three and Nine Months Ended September 30, 2022 and 2021

Derivatives Accounted for Utilizing Regulatory Accounting	Amount of Gain (Loss) Recognized in Regulatory Asset/Liability for Derivatives as of September 30, 2022	Amount of Gain (Loss) Recognized in Regulatory Asset/Liability for Derivatives as of September 30, 2021	Location of Gain (Loss) Reclassified from Regulatory Asset/Liability into Income	Amount of Gain (Loss) Reclassified from Regulatory Asset/Liability into Income for the Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
	(in thousands)			(in thousands)			
Natural gas futures contracts	$115,535	$100,595	Fuel	$ 49,789	$ 17,466	$103,419	$ 14,433
Purchased power	18,293	5,342	Purchased power	9,408	179	15,236	4,630
Total	$133,828	$105,937		$ 59,197	$ 17,645	$118,655	$ 19,063

Our hedging activities expose us to credit-related risks. We use hedging instruments, including forwards, futures, financial transmission rights, and options, to mitigate our power market price risks. Because we rely substantially on the use of hedging instruments, we are exposed to the risk that counterparties will default in performance of their obligations to us. Although we assess the creditworthiness of counterparties and other credit issues related to these hedging instruments, and we may require our counterparties to post collateral with us, defaults may still occur. Defaults may take the form of failure to physically deliver purchased energy or failure to pay. If a default occurs, we may be forced to enter into alternative contractual arrangements or purchase energy in the forward, short-term, or spot markets at then-current market prices that may exceed the prices previously agreed upon with the defaulting counterparty.

4. *Investments*

Investments were as follows as of September 30, 2022 and December 31, 2021:

Description	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Carrying Value
			(in thousands)		
September 30, 2022					
Nuclear decommissioning trust [1]					
Debt securities	$ 86,177	$ —	$ (14,124)	$ 72,053	$ 72,053
Equity securities	93,163	53,519	(9,127)	137,555	137,555
Cash and other	309	—	—	309	309
Total Nuclear Decommissioning Trust	$ 179,649	$ 53,519	$ (23,251)	$ 209,917	$ 209,917
Unrestricted investments					
Government obligations	$ 80,421	$ —	$ (175)	$ 80,246	$ 80,421
Total Unrestricted Investments	$ 80,421	$ —	$ (175)	$ 80,246	$ 80,421
Other					
Equity securities	$ 220	$ 40	$ —	$ 260	$ 260
Non-marketable equity investments	2,149	2,253	—	4,402	2,149
Total Other	$ 2,369	$ 2,293	$ —	$ 4,662	$ 2,409
					$ 292,747
December 31, 2021					
Nuclear decommissioning trust [1]					
Debt securities	$ 84,701	$ 4,052	$ —	$ 88,753	$ 88,753
Equity securities	92,916	94,923	(408)	187,431	187,431
Cash and other	474	—	—	474	474
Total Nuclear Decommissioning Trust	$ 178,091	$ 98,975	$ (408)	$ 276,658	$ 276,658
Other					
Equity securities	$ 157	$ 55	$ —	$ 212	$ 212
Non-marketable equity investments	2,149	2,370	—	4,519	2,149
Total Other	$ 2,306	$ 2,425	$ —	$ 4,731	$ 2,361
					$ 279,019

(1) Investments in the nuclear decommissioning trust are restricted for the use of funding our share of the asset retirement obligations of the future decommissioning of North Anna. See Note 3 of the Notes to Consolidated Financial Statements in our 2021 Annual Report on Form 10-K. Unrealized gains and losses on investments held in the nuclear decommissioning trust are deferred as a regulatory liability or regulatory asset, respectively.

Contractual maturities of debt securities as of September 30, 2022, were as follows:

Description	Less than 1 year	1-5 years	5-10 years	More than 10 years	Total
			(in thousands)		
Other [1]	$ —	$ —	$ 72,053	$ —	$ 72,053
Held to maturity [2]	80,421	—	—	—	80,421
Total	$ 80,421	$ —	$ 72,053	$ —	$ 152,474

(1) The contractual maturities of other debt securities are measured using the effective duration of the bond fund within the nuclear decommissioning trust.

(2) Included in unrestricted investments maturing within one year.

5. Other

Revolving Credit Facility

We maintain a revolving credit facility to cover our short-term and medium-term funding needs that are not met by cash from operations or other available funds. Commitments under this syndicated credit agreement extend through February 28, 2025. Available funding under this facility totaled $500 million through March 3, 2022, and totals $400 million from March 4, 2022 through February 28, 2025. As of September 30, 2022 and December 31, 2021, we had no borrowings and had a $0.5 million letter of credit outstanding under this facility.

Revenue Recognition

Our operating revenues are derived from sales of power and renewable energy credits to our member distribution cooperatives and non-members. We supply power requirements (energy and demand) to our eleven member distribution cooperatives subject to substantially identical wholesale power contracts with each of them. We bill our member distribution cooperatives monthly and each member distribution cooperative is required to pay us monthly for power furnished under its wholesale power contract. We transfer control of the electricity over time and our member distribution cooperatives simultaneously receive and consume the benefits of the electricity. The amount we invoice our member distribution cooperatives on a monthly basis corresponds directly to the value to the member distribution cooperatives of our performance, which is determined by our formula rate included in the wholesale power contract. We sell excess energy and renewable energy credits to non-members at prevailing market prices as control is transferred.

ODEC sells excess purchased and generated energy not needed to meet the actual needs of our member distribution cooperatives to PJM, TEC, or other counterparties. Our financial statements represent the consolidated financial statements of ODEC and TEC and through the consolidation process, all intercompany balances and transactions have been eliminated and TEC's sales are reflected as non-member revenues.

Our operating revenues for the three and nine months ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	**2021**	**2022**	**2021**
		(in thousands)		
Revenues from sales to:				
Member distribution cooperatives				
Energy revenues	$ 171,014	$ 89,124	$ 377,656	$ 250,178
Renewable energy credits	90	9	181	26
Demand revenues	102,501	96,187	301,484	292,564
Total revenues from sales to member distribution cooperatives	273,605	185,320	679,321	542,768
Non-members:				
Energy revenues [(1)]	11,977	9,726	33,095	22,315
Renewable energy credits	11,980	5,921	11,980	8,485
Total revenues from sales to non-members	23,957	15,647	45,075	30,800
Total operating revenues	$ 297,562	$ 200,967	$ 724,396	$ 573,568

[(1)] Includes TEC's sales to non-members of $11.3 million and $20.2 million for the three and nine months ended September 30, 2022, respectively. TEC did not have sales to non-members in 2021.

6. New Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04 Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. The guidance provides temporary optional expedients and exceptions related to contract modifications and hedge accounting to ease entities' financial reporting burdens as the market transitions from the London Interbank Offered Rate and other interbank offered rates to alternative reference rates. The new guidance allows entities to elect not to apply certain modification accounting requirements, if certain criteria are met, to contracts affected by what the guidance calls reference rate reform. An entity that makes this election would consider changes in reference rates and other contract modifications related to reference rate reform to be events that do not require contract remeasurement at the modification date or reassessment of a previous accounting determination. The ASU notes that changes in contract terms that are made to effect the reference rate reform transition are considered related to the replacement of a reference rate if they are not the result of a business decision that is separate from or in addition to changes to the terms of a contract to effect that transition. The guidance was effective upon issuance and generally can be applied as of March 12, 2020 through December 31, 2022. We are continuing to evaluate the impact of this standard on our financial statements and currently do not anticipate a material impact from adopting this standard.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Caution Regarding Forward-looking Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements regarding matters that could have an impact on our business, financial condition, and future operations. These statements, based on our expectations and estimates, are not guarantees of future performance and are subject to risks, uncertainties, and other factors. These risks, uncertainties, and other factors include, but are not limited to: general business conditions; demand for energy; federal and state legislative and regulatory actions, and legal and administrative proceedings; changes in and compliance with environmental laws and regulations; general credit and capital market conditions; weather conditions; the cost and availability of commodities used in our industry; disruption due to cybersecurity threats or incidents; and unanticipated changes in operating expenses and capital expenditures. Our actual results may vary materially from those discussed in the forward-looking statements as a result of these and other factors. Any forward-looking statement speaks only as of the date on which the statement is made, and we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which the statement is made even if new information becomes available or other events occur in the future.

Critical Accounting Policies

As of September 30, 2022, there have been no significant changes in our critical accounting policies as disclosed in our 2021 Annual Report on Form 10-K. These policies include the accounting for regulated operations, deferred energy, margin stabilization, accounting for asset retirement and environmental obligations, and accounting for derivatives and hedging.

Basis of Presentation

The accompanying financial statements reflect the consolidated accounts of ODEC and TEC. See "Note 1—General" in Notes to Condensed Consolidated Financial Statements in Part 1, Item 1.

Overview

We are a not-for-profit power supply cooperative owned entirely by our eleven Class A member distribution cooperatives and a Class B member, TEC. We supply our member distribution cooperatives' energy and demand requirements through a portfolio of resources including generating facilities, long-term and short-term physically-delivered forward power purchase contracts, and spot market purchases. We also supply the transmission services necessary to deliver this power to our member distribution cooperatives.

Our results from operations for the three and nine months ended September 30, 2022, as compared to the same periods in 2021, were primarily impacted by the increases in our total energy rate charged to our member distribution cooperatives, the increase in purchased energy costs, and the under-collection of energy costs.

- Total revenues from sales to our member distribution cooperatives increased 47.6% and 25.2%, respectively, primarily due to the increase in energy revenues. Energy revenues increased 91.9% and 51.0%, respectively, due to the increases in our total energy rate.
- Purchased power expense, which includes the cost of purchased energy and capacity, increased 143.0% and 95.2%, respectively. The increases were primarily due to the increase in purchased energy costs of 158.4% and 101.0%, respectively, which was driven by the increase in the average cost of purchased energy of 124.1% and 101.8%, respectively.

- Deferred energy expense for the three and nine months ended September 30, 2022, was an under-collection of $12.4 million and $61.2 million, respectively. As a result of this under-collection, we implemented increases to our total energy rate of 6.7%, effective May 1, 2022, and 47.7%, effective July 1, 2022.

Our financial condition as of September 30, 2022, was primarily impacted by the under-collection of energy costs, and the $76.2 million increase in the fair value of derivatives related to natural gas due to the increase in the price of natural gas. This increase in the fair value of these derivatives was recorded in other assets and regulatory liabilities. Additionally, this increase allowed us to withdraw cash from our NYMEX margin account, which resulted in an increase in unrestricted investments maturing within one year and other liabilities.

Taxable Status

We are a not-for-profit wholesale power supply cooperative and currently are exempt from federal income taxation under IRC Section 501(c)(12). In order to maintain our tax-exempt status, we must receive at least 85% of our income from our members on an annual basis. Current conditions in the energy markets and the price of natural gas have increased the realized gains on our financial hedges and the price of excess power sold to non-members, resulting in pressure on our tax-exempt status. The realized gains on our financial hedges are considered non-member income for tax purposes. During the second and third quarters of 2022 we sold excess power to our class B member, TEC. Due to the unpredictable nature of current market conditions, it is possible we will not continue to qualify for the exemption; however, we do not anticipate a material impact if we should become taxable. We are continuing to monitor our tax-exempt status and potential implications.

Factors Affecting Results

For a comprehensive discussion of factors affecting results, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Results" in Item 7 in our 2021 Annual Report on Form 10-K.

Formula Rate

Our power sales are comprised of two power products – energy and demand. Energy is the physical electricity delivered through transmission and distribution facilities to customers. We must have sufficient committed energy available to us for delivery to our member distribution cooperatives to meet their maximum energy needs at any time, with limited exceptions. This committed available energy at any time is referred to as demand.

The rates we charge our member distribution cooperatives for sales of energy and demand are determined by a formula rate accepted by FERC, which is intended to permit collection of revenues which will equal the sum of:

- all of our costs and expenses;
- 20% of our total interest charges (margin requirement); and
- additional equity contributions approved by our board of directors.

The formula rate identifies the cost components that we can collect through rates, but not the actual amounts to be collected. With limited minor exceptions, we can change our rates periodically to match the costs we have incurred and we expect to incur without seeking FERC approval.

Our margin requirement and additional equity contributions approved by our board of directors are recovered through our demand rates. We establish our demand rates to produce a net margin attributable to ODEC equal to 20% of our budgeted total interest charges, plus additional equity contributions approved by our board of directors. The formula rate permits us to adjust revenues from the member distribution cooperatives to equal our actual total demand costs incurred, including a net margin attributable to ODEC equal to 20% of actual interest charges, plus additional equity contributions approved by our board of directors. We make these adjustments utilizing Margin Stabilization.

As detailed in the table below, we utilized Margin Stabilization to reduce revenues for the three and nine months ended September 30, 2022.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	**2021**	**2022**	**2021**
	(in thousands)			
Margin Stabilization adjustment	$ 672	$ 6,407	$ 8,027	$15,277

For further discussion of Margin Stabilization, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Margin Stabilization" in Item 7 in our 2021 Annual Report on Form 10-K.

Weather

Weather affects the demand for electricity. Relatively higher or lower temperatures tend to increase the demand for energy to use air conditioning and heating systems, respectively. Mild weather generally reduces the demand because heating and air conditioning systems are operated less. Weather also plays a role in the price of energy through its effects on the market price for fuel, particularly natural gas.

Heating and cooling degree days are measurement tools used to quantify the need to utilize heating or cooling, respectively, for a building. Heating degree days are calculated as the number of degrees below 60 degrees in a single day. Cooling degree days are calculated as the number of degrees above 65 degrees in a single day. In a single calendar day, it is possible to have multiple heating degree and cooling degree days.

The heating and cooling degree days for the three and nine months ended September 30, 2022, were as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	**2021**	**Change**	**2022***	**2021**	**Change**
Heating degree days	—	—	—%	2,248	2,084	7.9%
Cooling degree days	957	1,041	(8.1)	1,326	1,347	(1.6)

* Includes adjustments to prior quarters due to refinement in calculation.

Power Supply Resources

We provide power to our members through a combination of our interests in Wildcat Point, a natural gas-fired combined cycle generation facility; North Anna, a nuclear power station; Clover, a coal-fired generation facility; two natural gas-fired combustion turbine facilities (Louisa and Marsh Run); diesel-fired distributed generation facilities; and physically-delivered forward power purchase contracts and spot market energy purchases. Our energy supply resources for the three and nine months ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2022		2021		2022		2021	
	(in MWh and percentages)							
Generated:								
Wildcat Point	1,481,533	45.0%	1,264,518	38.2%	3,172,130	33.6%	2,417,340	26.0%
North Anna	360,280	10.9	461,757	14.0	1,227,745	13.0	1,287,046	13.9
Clover	87,677	2.7	190,386	5.7	258,165	2.7	407,694	4.4
Louisa	67,552	2.1	130,108	3.9	163,970	1.8	328,757	3.5
Marsh Run	100,398	3.0	224,678	6.8	253,832	2.7	462,010	5.0
Distributed Generation	1,041	—	1,542	—	1,674	—	2,665	—
Total Generated	2,098,481	63.7	2,272,989	68.6	5,077,516	53.8	4,905,512	52.8
Purchased:								
Other than renewable:								
Long-term and short-term	530,997	16.1	323,409	9.8	1,920,946	20.4	1,953,978	21.1
Spot market	554,367	16.8	584,288	17.7	1,922,929	20.4	1,888,712	20.4
Total Other than renewable	1,085,364	32.9	907,697	27.5	3,843,875	40.8	3,842,690	41.5
Renewable [1]	110,268	3.4	128,958	3.9	512,081	5.4	529,712	5.7
Total Purchased	1,195,632	36.3	1,036,655	31.4	4,355,956	46.2	4,372,402	47.2
Total Available Energy	3,294,113	100.0%	3,309,644	100.0%	9,433,472	100.0%	9,277,914	100.0%

(1) Related to our contracts from renewable facilities from which we obtain renewable energy credits. We may sell these renewable energy credits to our member distribution cooperatives and non-members.

Generating Facilities

Our operating expenses, and consequently our rates charged to our member distribution cooperatives, are significantly affected by the operations of our generating facilities, which are under dispatch direction of PJM. PJM balances its members' power requirements with the power resources available to supply those requirements. Based on this evaluation of supply and demand, PJM schedules and directs the dispatch of available generating facilities throughout its region in a manner intended to meet the demand for energy in the most reliable and cost-effective manner. Thus, PJM directs the dispatch of these facilities even though it does not own them. For further discussion of PJM, see "Business—Power Supply Resources—PJM" in Item 1 in our 2021 Annual Report on Form 10-K.

Operational Availability

The operational availability of our owned generating resources for the three and nine months ended September 30, 2022 and 2021, was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Wildcat Point	98.4%	99.6%	90.3%	87.6%
North Anna	75.1	95.4	84.6	88.7
Clover	97.4	88.3	74.3	82.2
Louisa	100.0	91.1	95.8	93.4
Marsh Run	99.9	97.5	98.3	96.0

Capacity Factor

The output of Wildcat Point, North Anna, and Clover for the three and nine months ended September 30, 2022 and 2021, as a percentage of maximum dependable capacity rating of the facilities, was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Wildcat Point	68.6%	58.5%	49.4%	37.5%
North Anna	74.3	95.3	85.4	89.6
Clover	9.6	20.6	9.3	14.7

Results of Operations

Operating Revenues

Our operating revenues are derived from sales of power and renewable energy credits to our member distribution cooperatives and non-members. ODEC sells excess purchased and generated energy not needed to meet the actual needs of our member distribution cooperatives to PJM, TEC, or other counterparties. Our financial statements represent the consolidated financial statements of ODEC and TEC and through the consolidation process, all intercompany balances and transactions have been eliminated and TEC's sales are reflected as non-member revenues. Our operating revenues and energy sales in MWh by type of purchaser for the three and nine months ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
	(in thousands)			
Revenues from sales to:				
Member distribution cooperatives				
Energy revenues	$ 171,014	$ 89,124	$ 377,656	$ 250,178
Renewable energy credits	90	9	181	26
Demand revenues	102,501	96,187	301,484	292,564
Total revenues from sales to member distribution cooperatives	273,605	185,320	679,321	542,768
Non-members:				
Energy revenues [(1)]	11,977	9,726	33,095	22,315
Renewable energy credits	11,980	5,921	11,980	8,485
Total revenues from sales to non-members	23,957	15,647	45,075	30,800
Total operating revenues	$ 297,562	$ 200,967	$ 724,396	$ 573,568
Energy sales to:	(in MWh)			
Member distribution cooperatives	3,119,017	3,078,335	8,937,698	8,640,410
Non-members	157,172	207,281	444,291	575,859
Total energy sales	3,276,189	3,285,616	9,381,989	9,216,269
Average cost of energy to member distribution cooperatives (per MWh)	$ 54.83	$ 28.95	$ 42.25	$ 28.95
Average total cost to member distribution cooperatives (per MWh)	$ 87.72	$ 60.20	$ 76.01	$ 62.82

(1) Includes TEC's sales to non-members of $11.3 million and $20.2 million for the three and nine months ended September 30, 2022, respectively. TEC did not have sales to non-members in 2021.

Member Distribution Cooperatives

For the three and nine months ended September 30, 2022, total revenues from sales to our member distribution cooperatives increased $88.3 million, or 47.6%, and $136.6 million, or 25.2%, respectively, as compared to the same periods in 2021. Energy revenues increased $81.9 million, or 91.9%, and $127.5 million, or 51.0%, respectively, due to the increases in our total energy rate of 20.3% effective January 1, 2022, 6.7% effective May 1, 2022, and 47.7% effective July 1, 2022. Demand revenues increased $6.3 million, or 6.6%, and $8.9 million, or 3.0%, respectively. Additionally, our energy sales in MWh increased 1.3% and 3.4%, respectively.

The following table summarizes the changes to our total energy rate since 2021, which were implemented to address the differences in our realized as well as projected energy costs:

Date	% Change
January 1, 2021	(15.9)
January 1, 2022	20.3
May 1, 2022	6.7
July 1, 2022	47.7

Operating Expenses

The following is a summary of the components of our operating expenses for the three and nine months ended September 30, 2022 and 2021:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
	(in thousands)			
Fuel	$ 59,436	$ 46,953	$ 131,088	$ 113,141
Purchased power	139,655	57,471	339,980	174,142
Transmission	40,131	33,257	110,208	97,125
Deferred energy	(12,370)	(2,008)	(61,206)	(12,903)
Operations and maintenance	23,530	17,571	65,861	58,126
Administrative and general	10,892	10,572	31,607	32,092
Depreciation and amortization	17,295	17,594	51,906	52,825
Amortization of regulatory asset/(liability), net	(839)	11,494	(1,273)	15,707
Accretion of asset retirement obligations	1,469	1,417	4,404	4,247
Taxes, other than income taxes	2,168	2,279	6,765	7,173
Total Operating Expenses	$ 281,367	$ 196,600	$ 679,340	$ 541,675

Our operating expenses are comprised of the costs that we incur to generate and purchase power to meet the needs of our member distribution cooperatives, and the costs associated with any sales of power to non-members. Our energy costs generally are variable and include fuel expense, the energy portion of our purchased power expense, and the variable portion of operations and maintenance expense. Our demand costs generally are fixed and include the capacity portion of our purchased power expense, transmission expense, the fixed portion of operations and maintenance expense, administrative and general expense, and depreciation and amortization expense. Additionally, all non-operating expenses and income items, including investment income and interest charges, net, are components of our demand costs. See "Factors Affecting Results—Formula Rate" above.

Total operating expenses increased $84.8 million, or 43.1%, and $137.7 million, or 25.4%, for the three and nine months ended September 30, 2022, respectively, as compared to the same periods in 2021, primarily as a result of the increase in purchased power expense and fuel expense, partially offset by the decrease in deferred energy expense.

- Purchased power expense, which includes the cost of purchased energy and capacity, increased $82.2 million, or 143.0%, and $165.8 million, or 95.2%, respectively. The increases were primarily due to the increase in purchased energy costs of $84.0 million, or 158.4%, and $165.1 million, or 101.0%, respectively. Purchased energy costs increased due to the increase in the average cost of purchased energy of 124.1% and 101.8%, respectively. Additionally, for the three months ended September 30, 2022, the increase in purchased energy cost was impacted by the 15.3% increase in the volume of purchased energy.

- Fuel expense increased $12.5 million, or 26.6%, and $17.9 million, or 15.9%, respectively, primarily due to the increase in the average cost of fuel. Generation from our owned facilities decreased 7.7% for the three months ended September 30, 2022, and increased 3.5% for the nine months ended September 30, 2022. The increase in fuel expense was partially offset by the realized gains on our natural gas futures contracts of $49.8 million and $103.4 million, respectively.
- Deferred energy expense, which represents the difference between energy revenues and energy expenses, decreased $10.4 million and $48.3 million, respectively. For the three months ended September 30, 2022 and 2021, we under-collected $12.4 million and $2.0 million, respectively. For the nine months ended September 30, 2022 and 2021, we under-collected $61.2 million and $12.9 million, respectively. For further discussion on deferred energy, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Deferred Energy" in Item 7 in our 2021 Annual Report on Form 10-K.

Other Items

Interest Charges, Net

The primary factors affecting our interest charges, net are issuances of indebtedness, scheduled payments of principal on our indebtedness, interest charges related to our revolving credit facility (including fees), and capitalized interest. The major components of interest charges, net for the three and nine months ended September 30, 2022 and 2021, were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
	(in thousands)			
Interest on long-term debt	$ (13,347)	$ (13,980)	$ (40,028)	$ (41,942)
Interest on revolving credit facility	(84)	(97)	(265)	(303)
Other interest	(895)	(98)	(1,584)	(274)
Total interest charges	(14,326)	(14,175)	(41,877)	(42,519)
Allowance for borrowed funds used during construction	317	224	914	624
Interest charges, net	$ (14,009)	$ (13,951)	$ (40,963)	$ (41,895)

Net Margin Attributable to ODEC

Net margin attributable to ODEC, which is a function of our total interest charges plus any additional equity contributions approved by our board of directors, was relatively flat for the three and nine months ended September 30, 2022, as compared to the same periods in 2021.

Financial Condition

The principal changes in our financial condition from December 31, 2021 to September 30, 2022, were caused by increases in other assets, unrestricted investments maturing within one year, deferred energy, and other liabilities; partially offset by the decrease in the nuclear decommissioning trust.

- Other assets increased $85.6 million primarily due to the $76.2 million increase in the fair value of derivatives related to natural gas and the $3.3 million increase in the fair value of financial transmission rights.
- Unrestricted investments maturing within one year increased $80.4 million due to the purchase of short-term government obligations.
- Deferred energy increased $61.2 million due to the under-collection of our energy costs in 2022.
- Other liabilities increased $33.8 million primarily due to the cash withdrawal from our NYMEX margin account due to the increase in the fair value of derivatives related to natural gas.
- Nuclear decommissioning trust decreased $66.7 million due to the decrease in the market value of our investments.

Liquidity and Capital Resources

Sources

Cash generated by our operations, periodic borrowings under our revolving credit facility, and occasional issuances of long-term debt provide our sources of liquidity and capital.

Operations

During the first nine months of 2022 and 2021, our operating activities provided cash flows of $28.1 million and $165.5 million, respectively.

Revolving Credit Facility

We maintain a revolving credit facility to cover our short-term and medium-term funding needs that are not met by cash from operations or other available funds. Commitments under this syndicated credit agreement extend through February 28, 2025. Available funding under this facility totaled $500 million through March 3, 2022, and totals $400 million from March 4, 2022 through February 28, 2025. As of September 30, 2022 and December 31, 2021, we had no borrowings and had a $0.5 million letter of credit outstanding under this facility.

Financings

We fund the portion of our capital expenditures that we are not able to fund from operations through borrowings under our revolving credit facility and issuances of debt in the capital markets. These capital expenditures consist primarily of the costs related to the development, construction, acquisition, or improvement of our owned generating facilities. We currently have no plans to construct a major new generating facility or issue any additional long-term indebtedness in the near term. We believe our cash from operations and funds available from our revolving credit facility will be sufficient to meet our currently anticipated future operational and capital requirements.

Uses

Our uses of liquidity and capital relate to funding our working capital needs, investment activities, and financing activities. Substantially all of our investment activities relate to capital expenditures in connection with our generating facilities. Additionally, we have asset retirement obligations in the future that are significantly offset by the nuclear decommissioning trust, which as of September 30, 2022, had a balance of $209.9 million. Our future contingent obligations primarily relate to power purchase and natural gas arrangements, and we have no off-balance sheet obligations. Some of our power purchase contracts obligate us to provide credit support if our obligations issued under the Indenture are rated below specified thresholds by S&P and Moody's. We currently anticipate that cash from operations and borrowings under our revolving credit facility will be sufficient to meet our liquidity needs for the near term, including planned capital expenditures, decommissioning trust obligations, and our contingent obligations as described above.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

No material changes occurred in our exposure to market risk during the third quarter of 2022.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, our management, including the President and Chief Executive Officer, and Senior Vice President and Chief Financial Officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures. Based upon that evaluation, the President and Chief Executive Officer, and Senior Vice President and Chief Financial Officer, concluded that our disclosure controls and procedures are effective in ensuring that all material information required to be filed in this report has been made known to them in a timely manner. We have established a Disclosure Assessment Committee comprised of members of our senior and middle management to assist in this evaluation.

There have been no material changes in our internal control over financial reporting or in other factors that could significantly affect such controls during the past fiscal quarter.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Recovery of Costs from PJM

In the first quarter of 2014, we incurred approximately $14.9 million of costs related to the dispatch of our combustion turbine facilities for which we were directed by PJM to incur and were subsequently denied reimbursement. Our pursuit of recovery of these costs from PJM before FERC was unsuccessful.

We pursued recovery as a separate breach of an oral contract claim in the Circuit Court for the County of Henrico in the Commonwealth of Virginia. In 2019, PJM removed the matter to United States District Court for the Eastern District of Virginia and filed a motion to dismiss, and we filed a motion to remand the matter to state court. In 2020, the court granted PJM's motion to dismiss and denied our motion to remand the matter to state court. We filed a notice of appeal to the United States Court of Appeals for the Fourth Circuit, oral arguments were held on October 28, 2021, and on January 19, 2022, the court affirmed the denial of our motion to remand the matter back to state court and dismissed the case. On April 18, 2022, we filed a writ of certiorari with the United States Supreme Court and on October 3, 2022, the United States Supreme Court denied our petition for certiorari. We had not recorded a receivable related to this matter. The court's order is final, and thus the matter is concluded.

Other Matters

Other than the dispute discussed above and certain other legal proceedings arising out of the ordinary course of business that management believes will not have a material adverse impact on our results of operations or financial condition, there is no other litigation pending or threatened against us.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the factors discussed in "Risk Factors" in Part I, Item 1A in our 2021 Annual Report on Form 10-K, which could affect our business, results of operations, financial condition, and cash flows. The risks described in our Annual Report on Form 10-K are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, results of operations, financial condition, and cash flows.

ITEM 6. EXHIBITS

31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a)
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a)
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. § 1350
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. § 1350
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OLD DOMINION ELECTRIC COOPERATIVE
Registrant

Date: November 8, 2022

/s/ BRYAN S. ROGERS
Bryan S. Rogers
Senior Vice President and Chief Financial Officer
(Principal financial officer)

Exhibit 31.1

CERTIFICATIONS

I, Marcus M. Harris, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Old Dominion Electric Cooperative;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

(a) designed such disclosure controls and procedures or caused such disclosure controls to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2022

/s/ MARCUS M. HARRIS

Marcus M. Harris
President and Chief Executive Officer
(Principal executive officer)

Exhibit 31.2

CERTIFICATIONS

I, Bryan S. Rogers, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Old Dominion Electric Cooperative;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

(a) designed such disclosure controls and procedures or caused such disclosure controls to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the registrant’s internal control over financial reporting;

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 8, 2022

/s/ BRYAN S. ROGERS
Bryan S. Rogers
Senior Vice President and Chief Financial Officer
(Principal financial officer)

Exhibit 32.1

OLD DOMINION ELECTRIC COOPERATIVE

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Old Dominion Electric Cooperative (the "Company") on Form 10-Q for the period ending September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Marcus M. Harris, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 8, 2022

/s/ MARCUS M. HARRIS
Marcus M. Harris
President and Chief Executive Officer
(Principal executive officer)

Exhibit 32.2

OLD DOMINION ELECTRIC COOPERATIVE

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Old Dominion Electric Cooperative (the "Company") on Form 10-Q for the period ending September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bryan S. Rogers, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: November 8, 2022

/s/ BRYAN S. ROGERS
Bryan S. Rogers
Senior Vice President and Chief Financial Officer
(Principal financial officer)