DRAFT

McNeil Station Joint Ownership Operating Committee Meeting Minutes for September 8, 2026.

The meeting of the McNeil station Joint Ownership Operating Committee convened at 12:15 p.m. on Tuesday, September 8, 2026. Present; Darren Springer, BED, Doug Smith, GMP, Ken Nolan, VPPSA, Seth Clifford, BED, Dena Verdin, BED, Lincoln Sprague, BED, Ying Liu, BED, Luke McNally, BED, Munir Kasti, BED, and Emily Stebbins- Wheelock, BED, Amanda Hurlbut, BED and on Teams, James Gibbons, BED.
Others Present: Colleen Rouille, BED.

1. Agenda

There were no changes made to the agenda.

2. Review of the Joint Owner Operating Committee Meeting Minutes of June 1, 2026.

There were no changes to the minutes. K. Nolan, VPPSA moved a motion to approve the Joint Owner meeting minutes for June 1, 2026; D. Smith, GMP, seconded the motion, and it was approved by all members present.

3. Public Forum

There was no one present from the public.

4. Summary of Operating and Generating Reports for May, June, July 2026.

L. Sprague, BED, summarized the operating reports for the months of May, June, and July 2026.
In May 2026, McNeil produced 0 net MWH for a capacity factor of zero percent. The plant operated for zero hours or zero% of the total hours in May. Zero MCF of gas was burned in the McNeil boiler during the month of May. There were no reductions and limitations.
This month at McNeil, the spring outage was conducted.
In June 2026, McNeil produced 10,464 net MWH for a capacity factor of 29.1 percent. The plant operated for 230 hours or 32% percent of the total hours in June. There was 2,598.44 MCF of gas burned in the McNeil boiler during the month of June. There were three reductions and limitations in the month of June that included the spring outage extension, and two precipitator conveyor overheat incidents and leaks. The wood yard is full and ready for the run after the outage is over.
In July 2026, McNeil produced 11,969 net MWH for a capacity factor of 32.2 percent. The plant operated a total of 273 hours or 37 percent of the total hours in July. There was 2,205.78 MCF of gas burned in the McNeil boiler during the month of July. There were three reductions and limitations in the month of July that included a precipitator conveyor #2 overheat which a new technology is being used with a high frequency sound to find the problems, a tube blowout and a mud drum blowdown leak and tube leaks.

5. Plant Status Operating and Maintenance Topics

L. Sprague, BED, updated the Joint Owners saying that coming out of the spring outage, there were a couple failed starts and shorts runs and a tube leak that extended the outage. Since many tube replacements and patches were just completed, it was not expected to have a leak while trying to start up the plant. Eventually in August, there was a full twenty-eight day run. In the last several weeks there were a few hydro tests completed with one or two small leaks that happened and got fixed, which is more typical and normal for the plant. L. Sprague, BED thinks there has been an improvement and the replaced boiler tubes are creating a more reliable boiler. Currently the staff is doing preventative maintenance and planning, preparing, procuring supplies and doing all the paperwork with vendors for McNeil's fall outage. This outage will include boiler grate and expansion joint work, a rebuild of the precipitator ash conveyor, and a replacement of the tubular air heater outlet expansion joint. These are all necessary due to the age and deuteriation of these components that have been in for decades and are necessary to keep the plant functional. All the RFP's have been published, some vendors have been selected, we have quotes for everything that needs to be done, and the team has issued purchase orders for the long lead parts that McNeil needs to have a smooth outage. The outage has been approved by ISO New England and is scheduled for October 3rd through October 17th. The other topic that L. Sprague, BED brought up was the limitation of the derating of the plant which was previously caused by airflow restrictions in the exhaust system in the RSCR. During the spring outage, McNeil pulled out all the heat sync that was clogged with ash, and the problem seems to have been solved because of this. With the modification of the RSCR, and the new catalyst in there, there have been no unexpected problems. This is still performing while removing Nox emissions. The ammonia is still mixing sufficiently with the gases to remove the Nox. The result is good because the new design is less likely to plug, there is less heat sync media and the media that we chose has more void space and more air gas so that is less likely to have more ash plugging problems and has a much lower impedance to airflow so much less energy is being used to push the air through it. By removing the clogged RSCR that was limiting the plant to 45 megawatts, it revealed a new constraint that was hidden in our cooling tower. The cooling tower is not performing efficiently as it should be and the tentative but competence reason for that is that scale has developed in the cooling tower media and is reducing the rate that water can flow through it. We are not able to remove as much heat from the cooling tower circuit that is necessary for the plant to achieve full power when the ambient temperature is warmer in it. We have solved one problem but have a new one that needs to be addressed in the budget and in the future spring outage. D. Springer, BED said it did not affect our min/max test. Because the weather was good enough and not warm, we were able to push it for the amount of time needed to get a good test result, but this would not be sustainable. Because it is a cooling tower issue, the winter run would be less affected than the summer run. Doing the work in the spring would be good for the next summer run because of the hot and humid weather possibly affecting this again. The 50 megawatts we normally run, the plant has been running from 45 to 47 megawatts because of the cooling tower issue. D. Springer, BED, said that they are looking at the budget to try to maintain a capital expenditure budget that is within the bounds of what we know we can collectively afford and what has been a historic normal and what projects are needed for providing production at a healthy level. In the budget meetings, an active conversation is taking place to discuss how much we need to balance between a short-term fix versus a long-term fix to keep capital budget reasonable and sustainable for the collective ratepayers. All the aspects of the plant issues, such as water chemistry, are being reviewed. Another aspect that D. Springer, BED is asking the team to look at is scaffolding. Every time McNeil has a tube leak, a company has to be called in. This takes time and money and takes McNeil offline for a longer period of time because of the scaffolding company coming, putting it up and taking it down every time. He was asking if it would be more efficient if McNeil had the scaffolding onsite. Could we include it as a capital purchase to make this process more efficient.

6. Fuel Procurement Update.

S. Clifford, BED, began by saying that with the plant running a little less than anticipated this summer, the inventories of wood are strong. At the end of July there was around sixty-six thousand tons of wood in total inventory. Currently there is fifty-eight thousand tons in total inventory. Deliveries have been meeting projections. Because the plant was running less last month, deliveries had to be restricted for a while. The wood is in a good position right now from an age standpoint. Once McNeil gets into the fall outage McNeil will start building the inventory for the winter run. Deisel prices are high and that has impacted deliveries to some degree. D. Springer, BED added a brief note about the Finch plant item. There is a plant in New York, the Finch plant, that is no longer taking low grade wood. The Agency of Natural Resources filed the PUC for a temporary waiver to allow McNeil and Ryegate to accept a portion of that wood that meets certain sustainability criteria. They are not seeking to lower the sustainability criteria, but they are seeking to provide a market for some of this wood. We have been clear that we are not seeking anything specific for McNeil but if there is guidance from the state that is updated, we will comply with that. If there is a desire from the State to have us potentially purchase this wood we will look into it, but McNeil has not made any commitments yet as the process is playing out at PUC currently. The Joint Owners will be informed once we know how this is resolved and if it will impact our fuel supply.

7. Financial Review.

Y. Liu, BED, asked A. Hurlbut, the Controller, to introduce the new McNeil accountant. She introduced Dena Verdin to everyone present. Y. Liu, BED, said that she would be reviewing the McNeil June 30, 2026, calendar year- to- date budget. The total operating expenses on the calendar year- to-date budget through June 30,2026 were $12,790,110. This was ($1,467,608) under budget. The fuel expense had a favorable variance of ($397,348). This was due to the spring outage. The boiler plant had a favorable variance of ($188,659) and electric plant had a favorable variance of ($210,028). Salaries in the administration and general category had a favorable variance of ($183670). Administrative and general had a favorable variance of $268,026. The disposal of plant assets also had a favorable variance of ($250,000). The total operating expenses were 12,790,110. This had a favorable expense of ($1,467,608)

8. McNeil Operating Statement.

Y. Liu, BED, presented the McNeil operating statement with McNeil estimated revenue and expense for the fiscal year to date through June 30, 2026. Also included is the calendar year-to-date through June 30, 2026. On June 30, 2026, fiscal year 2026-to-date numbers, the total generation megawatt hours were 202,671 compared to June 30, 2025, fiscal year 2025-to-date total generation megawatt hours of 205,765. The station generated (3094) less megawatt hours in fiscal year 2026 compared to fiscal year 2025. On June 30, 2026, fiscal year 2026-to-date numbers, the total estimated revenue was $28,583,951 compared to $22,821,019 on June 30,2025, fiscal year 2025-to-date numbers. The estimated revenue in fiscal year 2026 was up by $5,762,932. On June 30, 2026, fiscal year-2026 to date numbers, the total fuel expenses were $14,933,129 compared to $15,158,336 on June 30, 2025, fiscal year 2025-to-date numbers. The fuel expense was down by ($225,207) in fiscal year 2026. On June 30, 2026, fiscal year 2026-to date numbers, the total other expenses including estimated depreciation were $12,638,905 compared to $11,833,850 in the June 30, 2025, fiscal year 2025 -to-date number. The higher operating expenses in the current fiscal year were driven by labor overhead and the chemicals used for water treatment. The higher maintenance expense in the current fiscal year was mainly due to outside services for the boiler.

On June 30, 2026, fiscal year 2026-to-date numbers, the estimated net income was $1,011,916 compared to an estimated net loss of ($4,171,167) on June 30, 2025, fiscal year 2025-to-date number. The estimated net loss decreased by ($3,220,548) in fiscal year 2026 compared to fiscal year 2025.
On June 30, 2026, calendar year 2026-to-date numbers, the total generation megawatt hours were 94,670 compared to June 30, 2025, calendar year 2025-to- date total generation megawatt hours of 101,275. The station generated (6,6051) less megawatt hours in the calendar year 2026 compared to the calendar year 2025. On June 30, 2026, calendar year 2026-to-date numbers, the total estimated revenue was $16,090,138 compared to $13,168,791 on June 30, 2025, calendar year 2025- to-date numbers. The estimated revenue in calendar year 2026 was up by $2,921,347. On June 30, 2026, calendar year-2026-to-date numbers, the total fuel expenses were $7,148,505 compared to $7,460,500 on June 30, 2025, calendar year 2025- to-date numbers. The fuel expense was down by ($311,996) in calendar year 2026. On June 30, 2026, calendar year 2026-to date numbers, the total other expenses including estimated depreciation were $6,560,499 compared to $6,124,365 on June 30, 2025, calendar year 2025 -to-date number. On June 30, 2026, calendar year 2026-to-date numbers, the estimated net income was $2,381,134 compared to an estimated net loss of ($416,075) on June 30, 2025, calendar year 2025-to-date numbers. The estimated net income was $2,797,209 more in calendar year 2026 compared to calendar year 2025. The bottom line was driven by the REC revenue and auxiliary revenue.

9. BED – G.M. Update.

D. Springer, BED, updated the Joint Owners telling them that the McNeil foresters are going to start using a plug-in hybrid vehicle which is a modified RAV 4 for off road duty. A charging station is being installed at the farmhouse for this vehicle for the electric portion. This will have a 40 plus miles per gallon when it is off electric and has a range of 50 miles when using electric. S. Clifford, BED will be using this new vehicle to see how it works for the foresters. D. Springer, BED thanked the Joint Owners for working with BED on the battery RFP process. In the next several weeks this will be moving forward to the PUC process where there will be a ninety-day notification period which will then lead to permitting. We are excited about this in the context of McNeil being a space, not just for generating energy but also for innovation with the battery project, with the indoor agriculture facility and the solar test center with UVM. We have also issued an RFP for the wood pyrolysis demonstration project which is a BED solicitation in which the Joint Owners have the option to join in the future for up to a 2.2-megawatt wood pyrolysis demonstration unit. It will be located at McNeil to test that technology. This closes on September 30th. Lastly, work is in progress on the calendar year budget which will be presented at the next meeting for approval of the Joint owners.

10. Other Business

There was no other business.

11. Schedule for the Next Meeting.

The next Joint Owner meeting is scheduled for November 30, 2026, at 12:00 p.m. at the McNeil farmhouse.

12. Adjournment

M. Kasti, BED, moved a motion to adjourn the meeting at 1:09 p.m.
K. Nolan, VPPSA seconded the motion and it was approved by D. Smith, GMP.

Respectfully Submitted,

Colleen Rouille

Colleen Rouille
Business Coordinator Generation