



DRAFT

McNeil Station Joint Ownership Operating Committee Meeting Minutes

The meeting of the McNeil station Joint Ownership Operating Committee convened at 12:07 p.m. on Monday, December 2, 2024. Present; Munir Kasti, BED, Doug Smith, GMP, Rodney Dollar, BED, Betsy Lesnikoski, BED, Amanda Hulburt, BED. On Teams, James Gibbons, BED, Emily Stebbins-Wheelock, BED and Ken Nolan VPPSA, and Pike Porter, Public.

Others Present: Colleen Rouille, BED.

1. Agenda

There were no changes to the agenda.

2. Review of Joint Owner Operating Committee Meeting Minutes of September 9, 2024.

There were no changes to the minutes. R. Dollar, BED, moved a motion to approve the Joint Owner meeting minutes for September 9, 2024; D. Smith, GMP, seconded the motion and it was approved by M. Kasti, BED and all members present.

3. Public Forum

Pike Porter was present from the public. Mr. Porter did not have any comments.

4. Summary of Operating and Generating Reports for September and October 2024.

R. Dollar, BED, summarized the operating reports for the months of September and October 2024. In September 2024, McNeil produced 28057 net MWH for a capacity factor of 77.94 percent. The plant operated for 90.13% of the total hours in September. There was no gas burned in the McNeil boiler during the month of September. There were some reductions and limitations that included a stalled Auger, SCADA testing and RATA testing. This month at McNeil they conducted routine and preventative maintenance. McNeil is also preparing to build fuel supply for the upcoming winter months. In the month of October 2024, McNeil produced 0 net MWH for a capacity factor of zero percent. The plant operated for zero percent of the total hours in October. There was no gas burned in the McNeil boiler during the month of October. There was reduction and limitation that included boiler feed pump seals. This month at McNeil, we conducted some preventative maintenance work while building our fuel supply. Projects completed were grate repairs, boiler feed pump seals, reclaimers maintenance, and preventative maintenance measures.

5. Plant Status Operating and Maintenance Concerns

R. Dollar, BED, updated the Joint Owners saying that McNeil is gearing up for the winter run. The process has begun to prepare for the spring overhaul where several items need to be completed. Some of the major projects are, precept field rebuild, polisher bead, condensate pump and service water pump to replace, some conveyor work and reclaimer work. The outage is scheduled for March 29 through April 19, 2025.

6. Fuel Procurement Update.

B. Lesnikoski, BED, updated the Joint Owners by saying that McNeil is running below budget in the fiscal year for wood and running below planned deliveries. The forester team is working hard to bring in more deliveries so that the inventory can maintain the winter run. The total inventory as of last week is just over 50,000 tons. B. Lesnikoski is trying to add suppliers to get in more wood. She is writing new contracts to proven suppliers that may have worked with others in the past to encourage them to supply wood to McNeil. There are also some incentives in place to bring in some more wood from further away and outside zones. McNeil is trying to keep the average price under budget. In the FY25 budget, the price budgeted was \$33.77 per ton and currently the price for the fiscal year has been averaged around \$31.60 per ton. There is some flexibility to use incentives to get more wood and still stay within the budget. There has been a lack of logging across the region in all markets. There has been a lot of sawmills that have shut down and if people can't produce the high-quality saw logs, the residues that we rely on are not as available as they have been. Deliveries increase when the ground freezes. If we continue with the existing delivery schedule, McNeil should run until mid-March if there is no break in run time and this will get us through the peak winter months.

7. Financial Review.

A. Hulburt, BED, said that she would be reviewing the McNeil September 30, 2024, calendar year- to- date budget. The total operating expenses on the calendar year- to- date budget through September 30,2024 were \$19,081,548. This was \$4,431,375 below budget. There were favorable variances in most of the expense lines but most notably the fuel expense, which had a favorable variance of 3,390,544. Boiler plant maintenance had a favorable variance of \$338,347 and electric plant maintenance had a favorable variance of \$120,925. The total calendar-year-to-date expense budget through September 30, 2024, was \$11,263,724 which was underspent by \$3,390,544.

8. McNeil Operating Statement.

A. Hulburt, BED, presented the McNeil operating statement with McNeil revenue and expense for fiscal year to date through September 30, 2024. Also included is the calendar year-to-date through September 30, 2024. In the September 30, 2024, fiscal year 2025-to-date numbers, the total generation megawatt hours were 55,732 compared to September 30, 2023, fiscal year2024-to- date total generation megawatt hours of 55,852. The station generated (120) less megawatt hours in fiscal year 2025 compared to fiscal year 2024. In the September 30, 2024, fiscal year 2025-to-date numbers, the total revenue was \$4,765,931 compared to \$5,618,194 in the September 30, 2023, fiscal year 2024-to-date numbers. Revenue in fiscal year 2025 was down by (\$852,263) because of reduced energy revenue. The total fuel expenses were \$4,245,064 in the September 30, 2024, fiscal year 2025-to-date numbers compared to \$4,080,224 in the September 30, 2023, fiscal year 2024- to-date number. The fuel expense was up by \$164,823 in fiscal year 2025. The total other expenses including depreciation were \$2,934,078 in the September 30, 2024, fiscal year 2025 -to-date number compared to \$2,631,661 in the September 30, 2023, fiscal year 2024 - to-date number. The net loss in the September

30, 2024, fiscal year 2025-to-date number was (\$2,413,193) compared to a net loss of (\$1,093,690) in the September 30, 2023, fiscal year 2024-to-date number. The net loss increased by (\$1,319,502) in fiscal year 2025 compared to fiscal year 2024.

In the September 30, 2024, calendar year-to-date numbers, McNeil generated 148,276 megawatt hours compared to 153,148 megawatt hours in the September 30, 2023, calendar year-to-date number. The total revenue in the September 30, 2024, calendar year-to-date number was \$12,313,695 compared to \$15,758,816 in the September 30, 2023, calendar year-to-date number. The revenue was (\$3,445,121) less in calendar year 2024. In the September 30, 2024, calendar year-to-date numbers, the total fuel expense was \$11,263,724 compared to \$12,109,989 calendar year-to-date September 30, 2023, number. In the September 30, 2024, calendar year-to-date numbers, the total other expenses were \$9,115,854 compared to \$8,368,132 in the September 30, 2023, calendar year-to-date number. The September 30, 2024, calendar year-to-date net loss was (\$8,065,883) compared to a net loss of (\$4,719,305) in the September 30, 2023, calendar year-to-date number. The decreased revenue in calendar year 2024 was the driver of this loss.

9. BED – G.M. Update.

D. Springer, BED, was not at the meeting so there was no update.

10. Other Business.

There was no other business.

11. Schedule for Next Meeting.

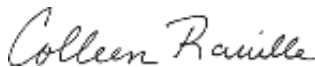
The next Joint Owner meeting is scheduled at the McNeil farmhouse on Monday March 10, 2025, at noon.

12. Adjourn.

R. Dollar, BED, moved a motion to adjourn the meeting at 12:26 p.m.

M. Kasti, BED, seconded the motion and it was approved by K. Nolan, VPPSA.

Respectfully Submitted,



Colleen Rouille
Business Coordinator Generation