



McNeil Station Joint Ownership Operating Committee Meeting Minutes

The meeting of the McNeil station Joint Ownership Operating Committee convened at 12:01 p.m. on Monday, February 2, 2026. Present; Darren Springer, BED, Doug Smith, GMP, Ken Nolan, VPPSA, Seth Clifford, BED, Michael Harron, BED, Lincoln Sprague, BED, Ying Liu, BED, Kevin Fink, BED, Don Tobi, BED, and Emily Stebbins- Wheelock, BED, on Teams, Munir Kasti, BED, James Gibbons, BED, and Amanda Hurlbut, BED. Others Present: Colleen Rouille, BED.

1. Agenda

There was a change to the original agenda to add item number 6. Calendar Year 2026 Budget Discussion and Vote. M. Harron made a motion to approve the change; D. Springer, BED, seconded the motion, and it was approved by all members present.

2. Review of Joint Owner Operating Committee Meeting Minutes of December 1, 2025.

There were no changes to the minutes. M. Harron, BED, moved a motion to approve the Joint Owner meeting minutes for December 1, 2025; D. Springer, BED, 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 November and December 2025.

M. Harron, BED, summarized the operating reports for the months of November and December 2025. In November 2025, McNeil produced 8,530 net MWH for a capacity factor of 23.69 percent. The plant operated for 167.5 hours or 26% of the total hours in November. 1263.86 MCF of gas was burned in the McNeil boiler during the month of August. There were two reductions and limitations in November. There was a planned outage that was held from November 1 through November 9, 2025, and a boiler grate fail, CEMS Upgrade and Burner fail. This month at McNeil, there was preparation for the winter run and the upcoming spring outage next April. In December 2025, McNeil produced 21,341 net MWH for a capacity factor of 57.37 percent. The plant operated 466 hours or 62.63% percent of the total hours in December. There was 702.58 MCF of gas burned in the McNeil boiler during the month of December. There were three reductions and limitations that included an ash conveyor gearbox failure, a precipitator gear reducer failure and a boiler tube blow out, boiler tube leaks. This month at McNeil, there was a continued effort to prepare for the winter run and spring outage. D. Springer, BED, mentioned that the concerning amount of boiler tube leaks would benefit from a mapping and repair of the boiler that is most impacted to improve reliability. He also thanked the McNeil staff for their effort in finding a gear box and getting it shipped to the facility. Also, the work to put the part in and get the plant running in a timely manner.

5. Plant Status Operating and Maintenance Concerns

L. Sprague, BED, updated the Joint Owners saying that the plant is running well and the staff is performing preventative maintenance daily. Preparation for capital projects has begun for the spring outage which will include a new well, ground water withdrawal, a new front-end loader, a precipitator field rebuild and repairs to the truck dumper. He said there is a concern about the number of tube leaks and the possibility of future problems with this. He said they have started working closely with the welders and the boiler experts who are helping to plan for the near future and to serve us for years ahead. They need to identify and replace weak spots with fresh tubes. Another concern L. Sprague, BED has is the boiler grates and how often they are causing disruptions. Since the last meeting there was a short moment offline caused by the grates. The protocol was followed where the grates were not pushed and because of this it did not turn into more damage like times in the past. They are working on contingency plans and are communicating with outside parties who can advise McNeil and help with a project for the future where there would be a tune-up or possibly some upgrades. There are also a couple of things going on that are positive for future reliability. These include a failure mode effect analysis for the full building that looks at what pieces of equipment are critical, would cause downtime immediately if they failed, whether or not we have spares on hand in inventory to make a repair as quickly as possible and from that getting critical inventory on hand and prioritizing the need and risk for each item. This will reduce the risk of being down for a longer period of time in the months and years ahead. There is also the implantation of a new preventative maintenance system that is a big step forward to modernize the current system that was implemented in the 90's. This new software is popular across the industry, and it is currently being populated with all of McNeil's current equipment. Preventative maintenance items will be added next and will allow a tremendous capability to McNeil that is not currently in existence. This program will allow us to work more efficiently, keep better records and have better information to access when things come up.

6. Calendar Year 2026 Budget Discussion and Vote.

D. Springer, BED gave an update saying that the calendar year 2026 budget needs to be amended by modifying two capital projects and the revenue from renewable energy credits. The first capital project is the RSCR heatsink replacement for a total cost of \$1,393,000. This project would pay itself back in about a year and a half. BED's portion would be half of that number, and the Joint Owners would be responsible for the other half. The second would be payment for the turbine blade carrier of \$170,000 which would be split again between BED and the Joint Owners. This would be the second payment to order the blade for the major turbine overhaul to be completed in 2028. This would be the only payment due in 2026. Renewable energy credits would provide revenue of \$7,364,855 split between BED and the Joint Owners. This would replace the 3.9 million that was in the budget already. A vote was taken after some discussion. D. Springer, BED, moved to approve the amended Joint Owner budget; K. Nolan, VPPSA, seconded the motion and it was approved by all members present.

7. Fuel Procurement Update.

S. Clifford, BED, began by saying that the wood yards are in good shape for this time of year. McNeil is about 10,000 tons ahead of where they planned to be this month. Wood deliveries have been steady, and we should be able to maintain that flow through the end of March 2026.

8. Financial Review.

Y. Liu, BED, said that she would be reviewing the McNeil December 31, 2025, calendar year- to- date budget. The total operating expenses on the calendar year- to-date budget through December 31, 2025 were \$25,659,691. This was (\$4,513,496) under budget. The favorable variance was driven by fuel expense. Fuel expense had a favorable variance of \$2,616,485 because McNeil was offline in October. The boiler plant had a favorable variance of \$304,122 and electric plant had a favorable variance of \$414,928. Administration and general had a favorable variance of \$471,205. Property insurance was \$56,619 higher than budgeted. Outside services were \$34,244 higher than budgeted due to legal costs related to R.E.C.'s. Supervision and Engineering was \$141,553 over budget due to hiring a full-time production, Engineer. Some of the reasons Administrative and General were over budget were salaries and overhead. Disposal of plant had a favorable variance of \$479,028 due to one vehicle being retired. D. Smith, GMP, asked why there was a favorable variance in electric plant after a very busy year. D. Springer said there were vacancies and various other expenditure reductions compared to the budget. D. Smith, GMP, asked for some clarification on what was spent to be sent to him.

9. McNeil Operating Statement.

Y. Liu, BED, presented the McNeil operating statement with McNeil estimated revenue and expense for the fiscal year to date through December 31, 2025. Also included is the calendar year-to-date through December 31, 2025. On December 31, 2025, fiscal year 2026- to-date numbers, the total generation megawatt hours were 108,001 compared to December 31, 2024, fiscal year 2025-to-date total generation megawatt hours of 104,490. The station generated 3,511 more megawatt hours in fiscal year 2026 compared to fiscal year 2025. On December 31, 2025, fiscal year 2026-to-date numbers, the total estimated revenue was \$12,493,812 compared to \$9,652,405 on December 31, 2024, fiscal year 2025-to-date numbers. The estimated revenue in fiscal year 2026 was up by \$2,841,407. On December 31, 2025, fiscal year-2026 to date numbers, the total fuel expenses were \$7,784,625 compared to \$7,697,836 on December 31, 2024, fiscal year 2025-to-date numbers. The fuel expense was up by \$86,789 in fiscal year 2026. On December 31, 2025, fiscal year 2026-to date numbers, the total other expenses including estimated depreciation were \$6,078,405 compared to \$5,709,484 in the December 31, 2025, fiscal year 2025 -to-date number. On December 31, 2025, fiscal year 2026-to-date numbers, the estimated net loss was, (\$1,369,218) compared to an estimated net loss of (\$3,754,915) on December 31, 2024, fiscal year 2025-to-date number. The estimated net loss decreased by (\$2,385,697) in fiscal year 2026 compared to fiscal year 2025. On December 31, 2025, calendar year 2025-to-date numbers, the total generation megawatt hours were 209,276 compared to December 31, 2024, calendar year 2024-to-date total generation megawatt hours of 197,034. The station generated 12,242 more megawatt hours in the calendar year 2025 compared to the calendar year 2024. On December 31, 2025, calendar year 2025-to-date numbers, the total estimated revenue was \$27,732,884 compared to \$17,199,991 on December 31, 2024, calendar year 2024-to-date numbers. The estimated revenue in calendar year 2025 was up by \$10,532,894. On December 31, 2025, calendar year-2025-to-date numbers, the total fuel expenses were \$15,245,125 compared to \$14,716,514 on December 31, 2024, calendar year 2024-to-date numbers. The fuel expense was up by \$528,612 in calendar year 2025. On December 31, 2025, calendar year 2025-to date numbers, the total other expenses including estimated depreciation were \$12,202,773 compared to \$11,891,262 on December 31, 2024, calendar year 2024 -to-date number. On December 31, 2025, calendar year 2025-to-date numbers, the estimated net income was \$284,986 compared to an estimated net loss of (\$9,407,785) on December 31, 2024, calendar year 2024-to-date number. The estimated net loss decreased by (\$9,692,771) in calendar year 2025 compared to calendar year 2024.

10. BED – G.M. Update.

D. Springer, BED, updated the Joint Owners telling them that BED issued an RFI related to the veracity report that was shared with the Joint Owners previously. This was issued in December, and we are asking vendors to respond by March 20, 2026. This is for vendor level information on the carbon capture, the organic rankine cycle and the wood pyrolysis for our benefit. This is intended to give BED more granular detail on some of the options that are available. D. Springer, BED, wanted to reiterate the team's effort at McNeil to keep things going during the winter run.

11. Other Business

There was no other business.

12. Schedule for the Next Meeting.

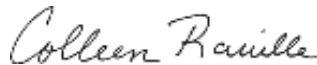
The next Joint Owner meeting is scheduled at the McNeil farmhouse on Monday June 1, 2026, at noon.

13. Adjourn.

M. Harron, BED, moved a motion to adjourn the meeting at 12:52 p.m.

D. Springer, BED, seconded the motion and it was approved by KNolan, VPPSA.

Respectfully Submitted,



Colleen Rouille
Business Coordinator Generation