

**GMP Annual Long-Term Debt Issuance Forecast
FY2027–2030**

Fiscal Year	Issuance Identification	Issuance Window	Refinancing / Rollover	Total Long-Term Issuance Target	Issuance Amount Range	Expected # of Tranches	Maturity Term (in Years)	Interest Rate Not to Exceed
2027	38 th Supp. FMB	Q1-Q3	\$0	\$90M	\$75M to \$100M	1-2	5 to 30	6.5%
2028	39 th Supp. FMB	Q2-Q4	\$78M ¹	\$120M	\$100M to \$150M	2-3	10 to 30	6.5%
2029	40 th Supp. FMB	Q1-Q3	\$12M ²	\$120M	\$100M to \$150M	2-3	10 to 30	6.5%
2030	41 st Supp. FMB	Q1-Q2	\$25M ³	\$100M	\$75M to \$125M	1-2	10 to 30	6.5%

Not to exceed \$430M

Description of GMP's FY27-30 Debt Issuance Forecast:

This long-term debt issuance forecast is based upon a total capital investment plan of \$830M from FY27 through FY30, consistent with the FY27 Rate Case and GMP's Initial Forecasts for FY28-FY30, as filed, for system capital investment in support of customer services and programs. Total long-term debt issuances will not exceed \$430M under this forecast. The forecast schedule meets this expected investment plan while a) always maintaining GMP's required capital structure of 50%/50% Debt to Equity ratio, plus or minus 1%; b) refinancing or rolling over existing debt as it matures on the schedule and in the amounts noted above; and c) optimizing GMP's draw on its \$175M credit facility. The amounts, tranches, and maturity expectations are designed to provide needed flexibility in the market and year to year, while defining maximum amounts and interest rates that may apply under this forecast. The forecast requires all long-term debt issuances to be placed with fixed interest not to exceed 6.5%. GMP will file notices of proposed issuances in the form of Attachment 13 to the Multi-Year Regulation Plan, as filed in Case No. 25-1955-PET. Any issuances that deviate from this forecast will be filed as separate petitions with the Commission under 30 V.S.A §108.

Attachments:

- **Attachment A:** Existing and Forecasted Capital Structure
- **Attachment B:** Existing Debt Maturity Schedule
- **Attachment C:** FY2025 Audited Financial Statements
- **Attachment D:** Latest Rating Agency Report

¹ 26th Supplemental FMB of \$18M maturing Dec 15, 2027 and 23rd Supplemental FMB of \$60M maturing May 15, 2028

² 25th Supplemental FMB of \$12M maturing Jan 9, 2029

³ 28th Supplemental FMB of \$25M maturing Sep 19, 2030

GREEN MOUNTAIN POWER CORPORATION

INVESTED CAPITAL	TEST YEAR FY 2025	FY 2027 RATE YEAR	FY 2028 RATE YEAR	FY 2029 RATE YEAR	FY 2030 FINAL YEAR
\$ in 000s					
Long-Term Debt Bonds	1,003,692,308	1,205,230,769	1,226,000,000	1,304,307,692	1,386,000,000
Short-Term Debt Bank Loans	121,083,463	39,951,234	91,420,109	97,034,300	111,157,331
Total Debt	1,124,775,771	1,245,182,003	1,317,420,109	1,401,341,992	1,497,157,331
Common Equity	1,148,206,156	1,258,144,376	1,313,076,715	1,388,589,403	1,469,619,277
Total Capital	<u>2,272,981,927</u>	<u>2,503,326,380</u>	<u>2,630,496,824</u>	<u>2,789,931,395</u>	<u>2,966,776,609</u>

in %

Long-Term Debt Bonds	44.2%	48.1%	46.6%	46.8%	46.7%
Short-Term Debt Bank Loans	5.3%	1.6%	3.5%	3.5%	3.7%
Total Debt	49.5%	49.7%	50.1%	50.2%	50.5%
Common Equity	50.5%	50.3%	49.9%	49.8%	49.5%

Green Mountain Power Corporation
Long Term Debt

DEBT BALANCES

Description	Maturity	Amount	Interest
18th Supplemental FMB	8-1-2036	30,000,000	6.53%
19th Supplemental FMB	12-01-2037	16,000,000	6.17%
21st Supplemental FMB	4-01-2035	5,000,000	6.00%
22nd Supplemental FMB	11-18-2041	75,000,000	varies
23rd Supplemental FMB	6/15/2041	40,000,000	5.89%
23rd Supplemental FMB	12-15-2031	15,000,000	8.91%
23rd Supplemental FMB	5-15-2028	60,000,000	6.83%
24th Supplemental FMB	12-01-2042	85,000,000	3.99%
25th Supplemental FMB	1-09-2029	12,000,000	4.07%
25th Supplemental FMB	12-16-2033	20,000,000	4.39%
25th Supplemental FMB	12-16-2043	43,000,000	4.89%
26th Supplemental FMB	12-15-2027	18,000,000	3.31%
26th Supplemental FMB	12-15-2045	32,000,000	4.26%
27th Supplemental FMB	4-26-2047	15,000,000	4.17%
27th Supplemental FMB	6/27/2029	65,000,000	3.45%
28th Supplemental FMB	9-19-2030	25,000,000	3.84%
28th Supplemental FMB	12/3/2048	20,000,000	4.20%
29th Supplemental FMB	6-13-2034	50,000,000	3.79%
29th Supplemental FMB	6-13-2039	40,000,000	3.95%
30th Supplemental FMB	12/18/2049	25,000,000	3.53%
30th Supplemental FMB	12/19/2034	15,000,000	3.01%
31st Supplemental FMB	12/15/2031	35,000,000	1.99%
31st Supplemental FMB	12/30/2049	25,000,000	3.05%
32nd Supplemental FMB	10/1/2052	25,000,000	5.00%
32nd Supplemental FMB	12/1/2032	35,000,000	4.56%
33rd Supplemental FMB	12/16/2033	40,000,000	5.08%
33rd Supplemental FMB	6/15/2053	35,000,000	5.56%
34th Supplemental FMB	5/30/2034	75,000,000	5.65%
35th Supplemental FMB	4/15/2035	60,000,000	5.37%
36th Supplemental FMB	1/15/2036	60,000,000	5.15%
37th Supplemental FMB	1/15/2038	40,000,000	5.30%
38th Supplemental FMB (FY27 New Debt)	12/15/2026	90,000,000	Less than 6.50%
39th Supplemental FMB (FY28 New Debt)	6/15/2028	120,000,000	Less than 6.50%
40th Supplemental FMB (FY29 New Debt)	3/15/2029	120,000,000	Less than 6.50%
41st Supplemental FMB (FY30 New Debt)	12/15/2029	100,000,000	Less than 6.50%

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Consolidated Financial Statements

September 30, 2025 and 2024

(With Independent Auditor's Report Thereon)

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholder of
Green Mountain Power Corporation and Subsidiaries:

Opinion

We have audited the consolidated financial statements of Green Mountain Power Corporation and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of September 30, 2025, and the related consolidated statements of income, consolidated statements of changes in stockholder's equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Predecessor Auditor's Opinion on 2024 Financial Statements

The financial statements of the Company as of and for the year ended September 30, 2024 were audited by other auditors whose report, dated November 18, 2024, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

November 14, 2025

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Consolidated Balance Sheets

As of September 30, 2025 and 2024

(Amounts in thousands, except share data)

Assets	2025	2024
Utility plant (notes 6,10, and 12):		
Utility plant in service	\$ 2,643,498	\$ 2,476,950
Less accumulated depreciation and amortization	(910,429)	(859,565)
	1,733,069	1,617,385
Construction work in progress	78,378	90,413
	1,811,447	1,707,798
Net utility plant		
Current assets:		
Cash and cash equivalents	3,484	4,508
Trade accounts receivable, net of allowance for doubtful accounts of \$1,531 and \$1,929 at September 30, 2025 and 2024, respectively	88,889	86,488
Due from associated companies and related parties (note 20)	20	180
Inventories	94,400	88,603
Restricted cash	734	731
Prepaid expenses and other current assets	12,883	12,503
Income taxes receivable (note 13)	4,351	2,286
Derivative financial instruments (notes 15 and 16)	1,964	5,429
Regulatory assets (note 3)	78,734	45,184
	285,459	245,912
Total current assets		
Regulatory and other utility assets:		
Investment in associated companies (note 4)	752,146	719,529
Derivative financial instruments (notes 15 and 16)	—	1,190
Operating lease right-of-use asset (note 7)	8,478	8,781
Regulatory assets (note 3)	435,690	509,330
Other postretirement benefits (note 14)	2,324	23,796
Cash surrender value of officers' life insurance (note 14)	15,674	16,805
Other deferred charges	8,181	8,521
Other assets	5,480	6,299
	1,227,973	1,294,251
Total regulatory and other utility assets		
Long-term investments, at fair value:		
Millstone Decommissioning Trust (notes 5 and 16)	26,572	23,616
Rabbi & VEBA Trusts (notes 5 and 16)	20,857	2,179
	47,429	25,795
Total long-term investments		
Total assets	\$ 3,372,308	\$ 3,273,756

See accompanying notes to consolidated financial statements.

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Consolidated Balance Sheets

As of September 30, 2025 and 2024

(Amounts in thousands, except share data)

Capitalization and Liabilities	2025	2024
Capitalization:		
Common stock, \$3.3333 par value. Authorized, issued, and outstanding 100 shares	\$ —	\$ —
Additional paid-in capital	718,658	719,156
Retained earnings (note 12)	450,270	419,678
	<u>1,168,928</u>	<u>1,138,834</u>
Total stockholder's equity attributable to Green Mountain Power	1,168,928	1,138,834
Noncontrolling interests (note 22)	—	650
	<u>1,168,928</u>	<u>1,139,484</u>
Total stockholder's equity	1,168,928	1,139,484
Long-term debt, less current maturities (notes 8 and 9)	1,170,098	1,071,638
Less unamortized debt issuance costs	(4,986)	(5,114)
Long-term debt less unamortized debt issuance costs	1,165,112	1,066,524
	<u>2,334,040</u>	<u>2,206,008</u>
Total capitalization	2,334,040	2,206,008
Current liabilities:		
Current portion long-term debt (notes 8 and 9)	—	—
Accounts payable, trade, and accrued liabilities	54,747	51,584
Due to associated companies and related parties (notes 4 and 20)	793	713
Accrued interest	15,352	13,522
Regulatory liabilities (note 3)	6,810	5,725
Derivative financial instruments (notes 15 and 16)	17,196	15,486
Current portion of operating lease liabilities (note 7)	257	254
Other current liabilities (note 11)	38,587	35,412
	<u>133,742</u>	<u>122,696</u>
Total current liabilities	133,742	122,696
Other liabilities and deferred credits:		
Deferred income taxes (note 13)	355,073	342,064
Unamortized investment tax credits (note 13)	19,912	9,584
Regulatory liabilities (note 3)	188,259	209,157
Unfunded pension obligations (note 14)	31,815	38,171
Asset retirement obligations (note 10)	14,589	13,936
Supplemental executive retirement plans (note 14)	968	1,105
Deferred compensation (note 14)	1,909	2,595
Pine Street Barge Canal Superfund liability (note 18)	2,683	2,892
Derivative financial instruments (notes 15 and 16)	272,369	310,666
Noncurrent portion of operating lease liabilities (note 7)	7,951	8,224
Other noncurrent liabilities (note 11)	8,998	6,658
	<u>904,526</u>	<u>945,052</u>
Total other liabilities and deferred credits	904,526	945,052
Commitments and contingencies (notes 3, 4, 6, 10, 11, 14 and 17–19)		
Total capitalization and liabilities	<u>\$ 3,372,308</u>	<u>\$ 3,273,756</u>

See accompanying notes to consolidated financial statements.

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Consolidated Statements of Income
For the years ended September 30, 2025 and 2024

(Amounts in thousands)

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Retail revenues	\$ 858,005	\$ 794,693
Wholesale revenues	<u>33,567</u>	<u>23,192</u>
Total operating revenues	<u>891,572</u>	<u>817,885</u>
Operating expenses:		
Power supply:		
Purchases from others (notes 3 and 17)	384,146	350,809
Company-owned generation	30,554	27,604
Transmission (note 4)	137,769	124,984
Maintenance and other operating	75,770	82,771
Selling, administrative, and marketing	55,390	48,039
Depreciation and amortization	76,446	64,911
Taxes other than income	53,204	48,095
Income taxes (note 13)	<u>27,028</u>	<u>23,296</u>
Total operating expenses	<u>840,307</u>	<u>770,509</u>
Operating income	<u>51,265</u>	<u>47,376</u>
Other income (expenses):		
Equity in earnings of associated companies (note 4)	85,913	81,990
Allowance for equity funds used during construction	2,508	2,372
Interest expense, net of allowance for debt funds used during construction and other deferred interest	(52,008)	(50,921)
Other expense, net	<u>(1,666)</u>	<u>(3,396)</u>
Total other income	<u>34,747</u>	<u>30,045</u>
Net income	86,012	77,421
Net income attributable to noncontrolling interest	<u>(120)</u>	<u>(481)</u>
Net income attributable to Green Mountain Power	<u><u>\$ 85,892</u></u>	<u><u>\$ 76,940</u></u>

See accompanying notes to consolidated financial statements.

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Consolidated Statements of Changes in Stockholder's Equity

For the years ended September 30, 2025 and 2024

(Amounts in thousands, except per share data)

	Common stock		Additional	Retained	Stockholder's	Noncontrolling	Total
	Shares	Amount	paid-in	earnings	equity	interest	stockholder's
			capital		attributable		equity
					to GMP		
Balance, September 30, 2023	100	\$ —	\$ 599,156	\$ 388,738	\$ 987,894	\$ 669	\$ 988,563
Net income attributable to GMP	—	—	—	76,940	76,940	—	76,940
Net income attributable to noncontrolling interest	—	—	—	—	—	481	481
Capital contribution from parent	—	—	120,000	—	120,000	—	120,000
Dividends paid	—	—	—	(46,000)	(46,000)	(500)	(46,500)
Balance, September 30, 2024	100	—	719,156	419,678	1,138,834	650	1,139,484
Net income attributable to GMP	—	—	—	85,892	85,892	—	85,892
Net income attributable to noncontrolling interest	—	—	—	—	—	120	120
Purchase of Tax Equity Partner's ownership interest (note 22)	—	—	(498)	—	(498)	(645)	(1,143)
Capital contribution from parent	—	—	—	—	—	—	—
Dividends paid	—	—	—	(55,300)	(55,300)	(125)	(55,425)
Balance, September 30, 2025	100	\$ —	\$ 718,658	\$ 450,270	\$ 1,168,928	\$ —	\$ 1,168,928

See accompanying notes to consolidated financial statements.

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Consolidated Statements of Cash Flows
For the years ended September 30, 2025 and 2024

(Amounts in thousands)

	2025	2024
Operating activities:		
Net income	\$ 86,012	\$ 77,421
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of utility plant	78,060	73,482
Amortization of regulatory accounts	29,204	11,983
Other amortization	5,481	5,364
Allowance for equity funds used during construction	(2,509)	(2,372)
Other noncash items	(532)	2,068
Dividends and distributions from associated companies	83,256	82,726
Equity in earnings of associated companies	(85,913)	(81,990)
Deferred income taxes	20,561	21,959
Investment tax credit	(198)	(109)
Changes in:		
Trade accounts receivable	(2,251)	(4,373)
Prepaid expenses and other current assets	(99)	(2,438)
Inventories	(1,178)	(6,013)
Accounts payable to associated companies, net	79	(98)
Accounts payable and other current liabilities	1,560	(19,777)
Accrued taxes payable and receivable, net	(2,065)	(788)
Pension plan obligations	(4,087)	(2,485)
Regulatory assets, net	(35,030)	(29,333)
Other assets and other liabilities	(188)	(1,361)
Net cash provided by operating activities	<u>170,163</u>	<u>123,866</u>
Investing activities:		
Utility plant expenditures, net of allowance for equity funds used during construction	(185,762)	(220,267)
Proceeds from sale/redemption of securities	23,125	2,510
Purchase of trust fund securities	(21,111)	(2,084)
Proceeds from life insurance policies	1,391	—
Investment in associated companies	(30,881)	(23,138)
Proceeds from sale of Transco membership units and return of capital	920	—
Investment in nonutility property and other	(304)	(828)
Net cash used in investing activities	<u>(212,622)</u>	<u>(243,807)</u>
Financing activities:		
First mortgage bond proceeds	60,000	75,000
Repayment of first mortgage bonds	—	(17,500)
Capital contribution from parent	—	120,000
Borrowings on revolving line of credit	1,097,859	524,198
Repayments on revolving line of credit	(1,059,400)	(534,812)
Dividends paid	(55,300)	(46,000)
Purchase of Tax Equity Partner's ownership interest	(1,143)	—
Distribution to noncontrolling partners	(125)	(500)
Debt issuance cost	(453)	(540)
Net cash provided by financing activities	<u>41,438</u>	<u>119,846</u>
Net decrease in cash, cash equivalents and restricted cash	<u>(1,021)</u>	<u>(95)</u>
Cash, cash equivalents and restricted cash at beginning of year	5,239	5,334
Cash, cash equivalents and restricted cash at end of year	<u>\$ 4,218</u>	<u>\$ 5,239</u>

Supplemental disclosures of noncash information – See note 21.

See accompanying notes to consolidated financial statements.

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025 and 2024

(Amounts in thousands, except share, customer and volumetric data)

(1) Nature of Operations

Green Mountain Power Corporation (GMP), a wholly owned subsidiary of Northern New England Energy Corporation (NNEEC), operates as an electric utility that purchases, generates, transmits, distributes, and sells electricity, and utility construction services in Vermont. On June 27, 2012, NNEEC acquired Central Vermont Public Service Corporation (CVPS). CVPS was then merged with and into GMP effective October 1, 2012. GMP is regulated by the Vermont Public Utility Commission (VPUC) and by the Federal Energy Regulatory Commission (FERC).

GMP's wholly owned subsidiaries include Vermont Yankee Nuclear Power Corporation (VYNPC) and GMP Microgrid. VYNPC was formed on August 4, 1966 to construct and operate a nuclear-powered electric generating plant (the Plant). The Plant was shut down on December 29, 2014. VYNPC is subject to regulation by the FERC and the VPUC with respect to rates, accounting and other matters. GMP purchased the noncontrolling interest in GMP Microgrid on December 31, 2024 (see Note 22). There is no remaining noncontrolling interests as of September 30, 2025.

(2) Summary of Significant Accounting Policies

(a) Principles of Consolidation and Presentation

The accompanying consolidated financial statements of GMP include the accounts of wholly owned subsidiaries which GMP has a controlling financial interest in as well as those of variable interest entities (VIEs) for which GMP is the primary beneficiary. A primary beneficiary has the power to direct or control the activities that most significantly influence the performance of an entity and has the obligation to absorb the entity's losses or receive its benefits. Noncontrolling interests represented the proportionate equity interest of owners in GMP's consolidated entities that were not wholly owned. Noncontrolling interests were classified in the consolidated statements of income as part of consolidated net income and the accumulated amount of noncontrolling interests were classified in the consolidated balance sheets as part of capitalization.

All significant intercompany transactions with consolidated affiliates have been eliminated upon consolidation.

GMP used the hypothetical liquidation at book value (HLBV) method to account for its economic interests held in partnership with a tax equity partner through December 31, 2024 (see note 22). The HLBV method was being used because the agreement between the partners states that liquidation rights and distribution priorities did not correspond to the percentage ownership interests. For these business interests, using ownership percentage to allocate the investee's net income to the partners failed to reflect the economic benefits that each partner would receive outside the structure. The HLBV method was a balance sheet method that considers the amount that each partner would receive or pay if the partnership liquidated all assets and settled all liabilities at book value and distributed the liquidation proceeds to the partners based on the priorities set out in the agreement. This method also took into account the tax considerations created for each partner.

GMP accounts for its investments in joint ventures and entities subject to significant influence using the equity method of accounting (see note 4). The equity method is an accounting method whereby the investment is initially recognized at cost, and the carrying amount is thereafter adjusted by recording the share in the earnings and the share in the transactions affecting the equity of the joint venture or entity subject to significant influence. With respect to distributions received from equity-accounted interests, a distribution-by-nature approach is used for the consolidated statement of cash flows presentation. According to this approach, distributions generated by operating activities are reported in operating activities, whereas return-of-capital distributions are reported in investing activities. When there is a credit balance for an interest in a joint venture or an entity subject to significant influence, the investment is reported in other noncurrent liabilities. GMP's share of the net earnings or losses of these companies is included in equity in earnings of associated companies in the consolidated statements of income.

The proportionate shares of ownership in jointly controlled assets (see note 4) are accounted for proportionally according to ownership interest. Proportionate shares in assets are included on the consolidated balance sheets and proportionate shares in expenses are included in the consolidated statement of income. GMP is responsible for its proportionate share of the financing.

In preparing the consolidated financial statements in conformity with U.S. generally accepted accounting principles (GAAP), management must make estimates and assumptions that have an impact on the consolidated balance sheet asset and liability amounts, on the contingent liabilities reported on the date of the

**GREEN MOUNTAIN POWER CORPORATION
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements
September 30, 2025 and 2024

(Amounts in thousands, except share, customer and volumetric data)

consolidated financial statements, and on the amounts of the consolidated statements of income for the fiscal year (FY). Actual results may differ from these estimates. Significant items subject to such estimates and assumptions include the actuarial and economic assumptions used to account for employee pension plans and other postretirement benefits (employee future benefits), the allowance for uncollectible accounts receivable, unbilled revenue balances, impacts of regulatory decisions and other proceedings on regulatory assets and liabilities and on property, plant and equipment, the future cost of retiring property, plant and equipment, income taxes, the fair value of derivative financial instruments, lease liabilities and Right-of-Use Assets (ROU), environmental reserves, and the determination of provisions such as legal contingencies.

GMP's total comprehensive income is equal to net income for the years ended September 30, 2025 and 2024.

(b) Regulatory Accounting

GMP's utility operations, including accounting records, rates, operations, and certain other practices, are subject to the regulatory authority of the FERC and the VPUC.

GMP accounts for certain transactions in accordance with permitted regulatory accounting principles. Regulators may permit specific incurred costs, typically treated as expenses by unregulated entities, to be deferred and expensed in future periods when it is probable that such costs will be recovered in customer rates. Incurred costs are deferred as regulatory assets when GMP concludes it is probable that future revenues will be provided to permit recovery of the previously incurred cost. GMP analyzes evidence supporting deferral, including provisions for recovery in regulatory orders, past regulatory precedent, other regulatory correspondence, and legal representations. A regulatory liability is recorded when amounts that have been recorded by GMP are likely to be refunded to customers through the rate-setting process. Regulatory assets and liabilities also include the fair value adjustments related to derivative financial instruments that cannot be considered as income or expense for rate-making purposes until the derivative financial instrument is settled.

(c) Cash and Cash Equivalents

GMP considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. These amounts are carried at cost, which approximates fair value due to their short-term nature. There were no cash equivalents as of September 30, 2025 and 2024.

(d) Revenue Recognition and Accounts Receivable

Retail revenues from rate-regulated activities come mainly from electricity distribution activities. Most of GMP's contracts have only one performance obligation, the delivery of energy. More specifically, energy distribution revenues are recorded as the energy is delivered and according to the amount that GMP is permitted to bill customers in accordance with the underlying price agreements approved by the VPUC. The unbilled revenues, which totaled \$31,081 and \$27,181 at September 30, 2025 and 2024, respectively, are included in trade accounts receivable in the consolidated balance sheets. The carrying amount of trade accounts receivable approximate fair values due to their short-term nature.

GMP accounts for certain types of programs established by the regulators in Vermont, including revenue decoupling mechanisms, as alternative revenue programs. Alternative revenue programs are contracts between an entity and its regulator, not a contract between an entity and a customer.

Revenue arising from alternative revenue programs is presented as Retail revenues and in the consolidated statements of operations. Revenue from alternative revenue programs is recognized in the period they are earned (i.e. during the period of revenue shortfall or excess due to fluctuations in customer usage or when specific targets are met resulting in the achievement of performance incentives or penalties) and a regulatory asset or liability on the consolidated balance sheets is established which is subsequently billed or refunded to customers.

GMP recognizes revenue as alternative revenue programs for programs that have been authorized for rate recovery, are objectively determinable and probable of recovery, and are expected to be collected within 24 months.

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The following revenues are recognized as alternative revenue programs and are included in retail revenue in the income statement, with the exception of the Earnings sharing adjustor that is included in Depreciation and amortization in the income statement.

	September 30	
	2025	
Revenue adjustor	\$	(1,898)
Power supply adjustor		26,145
MYRP rate smoothing		4,530
Earnings sharing adjustor		11,439
Total operating revenue	\$	40,216

GMP generates and purchases Renewable Energy Certificates (RECs) in the normal course of business, and sells these RECs in order to reduce net power costs for GMP's retail customers and retires RECs to meet regulatory mandates. REC revenue is recorded upon delivery of the REC to the buyer, net of costs, and is reflected in retail rates. During the years ended September 30, 2025 and 2024, GMP received \$14,987 and \$16,917, respectively, of net revenue from REC sales which is included in retail revenue on the consolidated statement of income.

Wholesale revenues represent sales of electricity to other utilities, typically for resale, and to ISO New England for amounts by which GMP's power supply resources exceed customer loads. Wholesale revenue is recognized when electricity is delivered.

Revenues in excess of allowed costs or earnings in excess of earnings allowed under applicable rate plans or regulatory orders are deferred, if and when applicable.

Sales taxes collected from commercial customers are accounted for as a liability until remitted to the government and are excluded from operating revenues in the consolidated statements of income.

GMP estimates the amount of accounts receivable that will not be collected and records an allowance for estimated uncollectible amounts based upon historical experience. Charge-offs against the allowance are considered after reviewing the facts of individual accounts.

(e) Inventories

GMP's inventory of generation fuel is accounted for on a first in, first out basis. Materials and supplies are recorded at cost and determined on a weighted average basis. GMP accounts for purchased RECs using the inventory method. RECs are recorded to inventory at their acquisition cost. When RECs are sold or retired the RECs are removed from inventory at cost. GMP's self-generated RECs have an inventory carrying cost of zero. GMP's inventories consist of the following:

	September 30	
	2025	2024
Fuel - oil and woodchips	\$ 5,253	\$ 6,286
Materials and supplies	67,300	61,360
RECs	21,847	20,957
Total inventory	\$ 94,400	\$ 88,603

(f) Utility Plant in Service and Long Lived Assets

Utility plant in service is stated at cost. Major expenditures for plant additions are recorded at original cost and include all construction-related direct labor and materials, as well as indirect construction costs. The costs of replacements and improvements of significant property units are capitalized. The costs of maintenance, repairs, and replacements of minor property units are charged to maintenance expense. The costs of units of property removed from service net of salvage value, are charged to accumulated depreciation.

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Depreciation expense is recognized on a straight-line basis based on depreciation rates adopted as a result of depreciation studies approved by the VPUC. GMP amortizes its intangible and regulatory assets using the straight-line method based on the cost and amortization period approved by the VPUC.

(g) Long-Term Investments

Investment securities included in the Millstone Decommissioning Trust, the Rabbi Trust and the Voluntary Employee's Beneficiary Association (VEBA) Trust consist primarily of debt and equity securities and are reflected on the consolidated balance sheets at their aggregate fair values.

A decline in the market value of any available-for-sale security below amortized cost basis that is deemed to be other-than-temporary (OTTI) results in an impairment to reduce the carrying amount to fair value. To determine whether an impairment of a security is OTTI, GMP considers whether evidence indicating the amortized cost of the investment is recoverable outweighs evidence to the contrary.

When a security impairment is considered an OTTI, the amount of OTTI recognized in earnings depends on if GMP intends to sell the security, it is more likely than not GMP will be required to sell the security before recovery of its amortized cost basis or GMP does not expect to recover the entire amortized cost basis. If GMP intends to sell the security or will be required to sell the security before recovery of its amortized cost, the OTTI recognized in earnings is equal to the entire difference between the security's amortized cost and its fair value at the balance sheet date. If GMP does not intend to sell the security and it is not more likely than not that GMP will be required to sell the security before recovery of its amortized cost basis less any current-period credit loss, the OTTI is separated into the amount representing the credit loss and the amount related to all other factors. The amount of the total OTTI related to the credit loss is recognized in earnings and the portion of the loss related to other factors is recognized in other comprehensive income (OCI). The credit loss component recognized in earnings is identified as the amount of principal cash flows not expected to be received over the remaining term of the security as projected using GMP's cash flow projections using its base assumptions.

For the years ended September 30, 2025 and 2024, there were no permanent impairments or credit losses.

Millstone Decommissioning Trust: All dividend and interest income and realized and unrealized gains and losses are recorded to a regulatory liability since the fair value of the Millstone Decommissioning Trust Fund exceeds the related asset retirement obligation.

Rabbi Trust Funds: Realized gains and losses on the sale of securities are recognized at the time of sale and dividend and interest income are recognized when earned. The Rabbi Trust investments are primarily equity securities, unrealized gains and losses are recorded to other expense, net on the consolidated statements of income.

VEBA Trust Funds: Realized gains and losses on the sale of securities are recognized at the time of sale and dividend and interest income are recognized when earned. The VEBA Trust investments are primarily debt securities, unrealized gains and losses are recorded to other expense, net on the consolidated statements of income.

There are amounts that are considered other comprehensive income in both the Rabbi Trust and VEBA Trust funds. However, the amounts are not material.

(h) Leases

A lease is an arrangement that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. GMP determines if an arrangement is a lease at inception of the contract. GMP classifies a lease as a finance lease if it meets any one of specified criteria that in essence transfers ownership of the underlying asset to GMP by the end of the lease term. If a lease does not meet any of those criteria, GMP classifies it as an operating lease. On the consolidated balance sheet, operating leases are recognized as ROU assets and included in operating lease ROU assets whereas corresponding liabilities are included in current portion of operating lease liabilities and noncurrent portion of operating lease liabilities. On the consolidated balance sheet, financing lease ROU assets are included in utility plant in service whereas corresponding liabilities are included in other current liabilities and other non-current liabilities. GMP has

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entered into some power contracts that include variable lease payments that are not recorded as ROU assets or liabilities. The variable lease payments are disclosed in the operating lease section in Note 7.

Lease liabilities and ROU assets require the use of judgment and estimates, which are applied in determining the term of a lease, appropriate discount rates, whether an arrangement contains a lease, whether there are any indicators of impairment for ROU assets and whether any ROU assets should be grouped with other long-lived assets for impairment testing.

A ROU asset and lease liability for operating and financing leases are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date of the lease agreement. As GMP's lease contracts do not provide an implicit interest rate, GMP uses its incremental borrowing rate based on the information available at commencement date in determining the present value of future payments.

The operating lease ROU asset also includes any lease payments made at or before commencement date and initial direct costs incurred and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that GMP will exercise that option. Financing and operating lease expenses are recognized on a straight-line basis over the lease term. They are included in depreciation and amortization and selling, administrative and marketing expense, respectively, in the consolidated statements of income.

(i) Impairment of Long-Lived and Regulatory Assets

GMP performs an evaluation of long-lived assets, including utility plant and regulatory assets subject to amortization, for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the carrying value of the long-lived asset is not recoverable based on undiscounted cash flows expected to be generated by the asset, an impairment charge is recognized to the extent that the carrying value exceeds its fair value.

Regulatory assets are charged to expense in the period in which they are no longer probable of future recovery. In addition, if GMP concludes that certain costs of property, plant and equipment and of intangible assets related to rate-regulated activities are no longer likely to be recovered or returned through future rate adjustments, the carrying amounts of these assets would be adjusted accordingly.

There were no impairment of long-lived assets or regulatory assets for the years ended September 30, 2025 and 2024.

(j) Environmental Liabilities

GMP is subject to federal, state, and local regulations addressing air and water quality, hazardous and solid waste management, and other environmental matters. Only those site investigation, characterization, and remediation costs currently known and determinable can be considered "probable and reasonably estimable". As costs become probable and reasonably estimable, environmental liability reserves are adjusted as appropriate. As reserves are recorded, regulatory assets are recorded to the extent environmental expenditures will be recovered in rates. Estimates are based on studies performed by third parties.

(k) Derivative Financial Instruments

There are three different ways to account for derivative instruments: (i) as an accrual agreement, if the criteria for the normal purchase normal sale exception are met and documented; (ii) as a cash flow or fair value hedge, if the specified criteria are met and documented, or (iii) as a mark to market agreement with changes in fair value recognized in current period earnings. All derivative instruments that do not qualify for the normal purchase normal sale exception are recorded at fair value in derivative financial instrument assets and liabilities on the consolidated balance sheets.

Gains or losses resulting from changes in the values of those derivatives are accounted for pursuant to a regulatory accounting order issued by the VPUC as discussed below. GMP uses derivative instruments primarily to hedge the cash flow effects of price fluctuations in its power supply costs. GMP is exposed to credit loss in the event of nonperformance by the other parties to the hedge agreements. The credit loss related to the hedge agreements is limited to the cost to GMP to replace the aforementioned hedge

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arrangements with like instruments. GMP anticipates that the counterparties will be able to fully satisfy their obligations under the hedge agreements. GMP monitors the credit standing of the counterparties.

On April 11, 2001, the VPUC issued an accounting order that requires GMP to defer recognition of any earnings or other comprehensive income effects relating to future periods caused by changes in the fair value of power supply arrangements that qualify as derivatives. There is no realized gain and loss impact to earnings since all power supply costs and wholesale revenues are included in the Power Supply Adjustor (PSA).

(l) Taxes Other than Income Taxes

Taxes other than income consist primarily of various property taxes, Vermont gross receipts taxes, and certain employer payroll tax expenses. GMP recognizes the taxes in the period incurred.

(m) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates for regulated business is recorded as a regulatory asset or liability and recognized in net income in periods when the regulatory asset or liability is amortized or otherwise reversed. The effect on deferred tax assets and liabilities of a change in tax rates for non-regulated business is recognized in income or expense in the period that includes the enactment date.

Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Investment tax credits (ITCs) are recorded as a liability and amortized as a tax expense benefit over the lives of the relevant assets.

GMP recognizes the effect of uncertain income tax positions only if those positions are more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. GMP records interest expense related to unrecognized tax benefits in interest expense and penalties in other expense, net in the consolidated statements of income.

(n) Pension and Other Postretirement Benefit Plans

GMP has defined benefit pension plans covering certain employees. The benefits are based on years of service and the employee's compensation during the five years before retirement. GMP also sponsors defined benefit postretirement health care and life insurance plans for retired employees and their dependents. Effective January 1, 2008, for GMP employees and April 1, 2010 for former CVPS employees, newly hired employees are not eligible to participate in GMP's defined benefit pension plans, but instead qualify for an enhanced 401(k) benefit.

GMP records annual amounts relating to its pension and postretirement plans based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality assumptions, assumed rates of return, compensation increases, and healthcare cost trend rates. GMP reviews its assumptions based on current rates and trends annually. The effect of modifications to those assumptions is recorded in regulatory assets and amortized to net periodic cost over future periods using the corridor method. GMP believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience and market conditions.

The net periodic costs are recognized as employees render the services necessary to earn the postretirement benefits. GMP's methodology for estimating the service cost and interest cost components of their pension and postretirement plans involves applying specific spot rates along the yield curve to the projected cash flows in order to estimate the service cost and interest cost for each plan. Unamortized amounts that are expected to be recovered from or returned to ratepayers in future years are recorded as a regulatory asset or regulatory liability, respectively. See notes 3 and 14.

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(o) Fair Value Measurements

GMP utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. GMP determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at measurement date.
- Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is available for that particular financial instrument.

GMP's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer.

The estimated fair value of alternative investments represents the ownership interest in the net asset value (NAV) of the respective partnership. All investments for which NAV is used to measure fair value are not required to be categorized within the fair value hierarchy.

GMP's financial instruments consist primarily of cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, income taxes receivable (payable), accounts payable, accrued liabilities, short term debt, long term debt, the Millstone Decommissioning, Rabbi Trust Funds and VEBA Trust Funds, and pension assets.

(p) Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

(3) Rate Regulation and Regulatory Assets and Liabilities

(a) Rate Regulation

Multi-Year Rate Plan (MYRP):

On September 1, 2021, GMP filed for approval of a Multi-year Rate Plan (Plan) to establish the framework under which rates and services are set for a period of four years beginning October 1, 2022 and ending September 30, 2026.

On January 18, 2022, pursuant to the Plan, GMP filed a traditional cost of service seeking to increase base rates by 2.34% effective October 1, 2022 with an allowed ROE of 8.57%. This request would establish base rates for FY 2023, the first year of the Plan. The VPUC approved the Plan and the FY 2023 base rate filing on August 31, 2022, but the increase was reduced to 2.18%.

Each subsequent year, GMP files an Annual Base Rate Filing on June 1, starting June 1, 2023, with the proposed base rate adjustments. All revenues and expenses included in rates are treated in one of three ways: 1) fixed over the term of the plan based on figures in the forecasts reviewed in the FY 2023 Rate Case; 2) indexed annually based upon a specified inflation index; or 3) annually reforecasted. Power supply costs, retail revenue forecasts, ROE, and associated ancillary impacts on taxes will be refreshed each year. In addition, with the expiration of the Merger Savings Platform at the end FY 2022, specific operations and maintenance costs that are highly variable or outside of GMP's control as defined in the Plan will be refreshed annually.

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An initial rate-smoothing mechanism was applied during the FY 2024 Annual Base Rate filing in order to establish a smooth rate path during the remaining three years of the Plan.

GMP's capital expenditures are limited over the life of the Plan, unless specific exceptions are approved. The allowed ROE adjusts annually, up or down, based on 50% of the change in the 10-year treasury bond yield over a defined measurement period (February 15 - May 15 annually). The Plan includes the Power Supply and Retail Revenue adjusters, major-storm and non-storm Exogenous Change adjusters, and the Earnings Sharing Adjustment Mechanism (ESAM). The Plan includes a new Major Storm Restoration Fund to offset future major storm costs as approved by the Commission; provides for a new, optional rate-smoothing mechanism in the later years of the Plan; and authorizes GMP to file a Cybersecurity Plan during the term of the Plan proposing additional capital expenditures and/or operation and maintenance expenses for cybersecurity investments.

In April of 2023, GMP filed a new Energy Storage Systems (ESS) tariff to lift the overall cap on annual installations for ESS systems. On August 17, 2023, the PUC granted GMP's request.

On June 1, 2023, GMP submitted the first Annual Base Rate filing pursuant to the Plan for the FY 2024 rates effective October 1, 2023. The filing which incorporated the initial rate-smoothing mechanism noted above reflected a 5.29% increase in base rates, with a 9.58% ROE based upon the formula in the Plan.

On August 23, 2023, after a review of the tariff filing and the recommendation of the DPS, the VPUC approved GMP's tariff filing.

On October 9, 2023, GMP filed a petition with the VPUC to seek authorization under GMP's MYRP to increase capital spending on additional transmission, distribution, and storage investments as part of GMP's proposed Zero Outages Initiative (ZOI). The ZOI proposed to include a series of grid-hardening upgrades and energy storage installations that are intended to enhance network resilience.

On November 29, 2023, GMP submitted the ESAM file requesting a tariff change of 0.34% to customer energy statements to be collected beginning April 1, 2024. GMP also requested extending the ESAM collection period from twelve months to the remaining term of the Plan. Along with the ESAM filing, GMP also submitted a petition to collect regulatory assets related to synergy savings and pension settlement charges in the FY 2025 rate base filing. GMP proposed to collect these over a ten-year period to prevent future rate volatility.

On January 19, 2024, the VPUC approved the ESAM tariff change to collect the return over the remaining term of the Plan, which is through September 30, 2026.

On February 13, 2024, the VPUC approved the collection of synergy savings and pension settlement charges. This collection was included in FY2025 base rates and will continue over a period of ten years.

On May 31, 2024 GMP submitted the second Annual Base Rate filing pursuant to the Plan for the FY 2025 rates effective October 1, 2024. The filing which incorporated the initial rate-smoothing mechanism noted above reflected a 5.26% increase in base rates, with a 9.97% ROE based upon the formula in the Plan. GMP also filed a petition to treat additional capital investments in support of GMP's ESS program under the Tariffed New Initiatives provision of the Plan. The petition was made to meet strong customer demand due to weather unpredictability. The petition was granted on September 10, 2024.

On October 18, 2024 the VPUC approved the framework for up to \$150,000 in additional capital spending for transmission and distribution projects over the final two years of the MYRP, with annual reports on completed projects subject to review and approval by VPUC.

On November 27, 2024, GMP submitted the ESAM file requesting a tariff change of 1.34% to customer energy statements within the Current Energy/Major Storm Adjustor, beginning April 1, 2025, through September 30, 2026.

On January 13, 2025, the VPUC approved the ESAM tariff change to collect the return over the remaining term of the Plan, which is through September 30, 2026.

On May 13, 2025, GMP filed a petition seeking approval for up to \$32,000 in additional capital investments above the current MYRP for "New Initiative Tariffed Offerings" to support its ESS through the end of the MYRP. GMP Has not yet received a ruling on this filing.

On May 30, 2025, GMP submitted the third Annual Base Rate filing pursuant to the Plan for the FY 2026 rates effective October 1, 2025. The filing reflected a 7.35% increase in base rates, with a 9.94% ROE based on

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upon the formula in the Plan. The filing included the recovery of the smoothing adjustment that reduced base rates in earlier years, which will be collected in FY 2026. The petition was granted on August 29, 2025

(b) Regulatory Assets and Liabilities

Regulatory assets and liabilities at September 30, 2025 and 2024 consist of the following:

	2025	2024	Remaining amortization period
Regulatory assets:			
Unfunded pension and postretirement benefits	\$ 39,471	\$ 44,354	
Resiliency initiatives	4,217	—	1-2 years
CEED fund	1,389	2,655	2 years
Pine Street Barge Canal costs	6,304	6,547	1-20 years
Compliance costs accelerated	36,307	30,690	
Income taxes	1,980	3,558	
Adjustors - Power Supply, Revenue and Storm	67,307	70,423	2 years
Derivative financial instrument	289,565	326,152	
MYRP rate smoothing	21,583	17,053	1 year
Excess tax reform refunded to customers	3,624	3,764	26 years
Synergies deficiency	10,698	11,887	9 years
Net pension settlement accounting expense	14,824	16,471	9 years
Earnings sharing mechanism	11,981	16,120	2 years
Other regulatory assets	5,174	4,840	Various
Total regulatory assets	514,424	554,514	
Regulatory liabilities:			
Accumulated nonlegal costs of removal	36,688	34,489	
Derivative financial instrument	1,964	6,619	
Millstone Unit #3 ARO Excess	22,078	19,375	
Overfunded postretirement benefits	6,456	10,101	
Adjustors - PSA, Revenue and Storm	—	8,173	2 years
Tax reform	123,381	127,931	25 & 31 years
Major storm restoration fund	1,541	5,632	2 years
Other regulatory liabilities	2,961	2,562	Various
Total regulatory liabilities	195,069	214,882	
Net regulatory assets	\$ 319,355	\$ 339,632	
Regulatory assets classified as current	\$ 78,734	\$ 45,184	
Regulatory liabilities classified as current	\$ 6,810	\$ 5,725	

The preceding table indicates the amount of net regulatory assets (liabilities) currently recorded. If the accounting standards for entities subject to rate regulation were not used, the corresponding income and the subsequent amortization of these items would not be recognized.

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i. Unfunded and Overfunded Pension Benefits and Postretirement Benefits

The pension and other postretirement benefit regulatory assets reflected above represent the unrecognized pension costs and other postretirement benefit costs that would normally be recorded as a component of other comprehensive loss. Since these amounts represent costs that are expected to be included in future rates, they are recorded as regulatory assets. Also included in the regulatory asset are other employee benefit costs that have been deferred for regulatory purposes. Any overfunded benefit plans will be returned to customers in future rates so they are recorded as regulatory liabilities. See note 14.

ii. Resiliency Initiatives

Resiliency initiatives include ZOI and ESS. ZOI is GMP's multi-year resiliency program through targeted undergrounding, grid hardening, and deployment of distributed energy storage and microgrids, prioritized to the most outage-prone communities. Costs are deferred as a regulatory asset when recovery in future rates is probable. ZOI costs are being deferred because the VPUC has approved elements of the initiative and established a path for inclusion of qualifying ZOI projects in future base-rate filings, making recovery probable; these deferred amounts will be amortized over the approved recovery periods which is expected to be less than 24 months. ESS is GMP's tariffed home-battery offering and the Bring Your Own Device incentive program. These batteries are networked as a virtual power plant to cut peak costs and improve resiliency. The VPUC lifted enrollment caps in August 2023 and authorized the programs through September 2026. Costs are deferred as a regulatory asset when recovery in future rates is probable. For ESS, eligible program costs are deferred because recovery is authorized/expected under PUC-approved tariffs and future base-rate proceedings. Amounts are then amortized over the approved recovery periods. \$2,066 is not in rate base earning a return.

iii. Community Energy and Efficiency Fund (CEED Fund)

One of the conditions associated with the VPUC approval of the acquisition of the former CVPS was that GMP create the CEED Fund. The CEED Fund was capitalized with an amount equal to \$21,154 (Required Investment) as of the date the VPUC approved the acquisition, June 15, 2012. Interest accrues at the rate of inflation on uninvested amounts until the Required Investment has been made. As of September 30, 2018, GMP has made the Required Investment which has produced a benefit of \$35,557.

On August 29, 2019, the VPUC issued an order to close the CEED fund.

iv. Pine Street Barge Canal Costs

GMP has recorded a regulatory asset to reflect unrecovered past and future Pine Street Barge Canal costs. After expenses are incurred, GMP will reflect the expenditures in subsequent base rate filings and amortize the full amount of incurred costs over 20 years without a return. The amortization of the past unrecovered costs regulatory asset of \$3,655 is included in rates. The estimated future unrecovered cost regulatory asset of \$2,892 has a matching liability. The amortization of this regulatory asset is expected to be recovered in future rates. See note 18(b).

v. Compliance Costs Accelerated

GMP has certain compliance requirements related to reducing Vermont's fossil-fuel consumption and the greenhouse gas emissions associated with that consumption. Accelerated spending required to achieve and surpass the compliance requirements has been recorded to a regulatory asset. The regulatory asset will be reduced when used to meet future goals.

vi. Income Taxes

A regulatory asset or liability is established if it is probable that a future increase or decrease in income taxes payable will be recovered from or returned to customers through future rates. Income tax regulatory assets and liabilities have been established for the equity component of the allowance for funds used during construction (AFUDC), federal and state changes in enacted tax rates, if any, and for federal ITCs. These income tax regulatory assets and liabilities are combined into a net income tax regulatory asset.

vii. Adjustors - Power Supply, Revenue and Storm (including deferred storm costs)

Under GMP's Regulation Plan, exogenous storm costs in excess of \$1,200 allowed for exogenous factors may be recorded as regulatory assets and recovered in future periods.

Under the Plan, GMP has deferred costs of \$6,429 and \$21,968 for major storm costs incurred in FY 2025 and FY 2024, respectively. However approval has not yet been received for the offset of all FY 2025 costs. The regulatory asset includes amounts for adjustors that are either being recovered from customers or adjustors that will result in a collection from customers when they are approved. Any adjustors that will result

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in a return to customers when they are approved are included the regulatory liability section. Approval was received to return this to customers, the liability was transferred to offset the asset.

These costs are not in rate base earning a return.

viii. Derivative Financial Instrument

The derivative financial instrument regulatory asset and liability represents the fair value of certain power supply derivative assets and liabilities that are expected to be recognized in future rates as the derivative contracts are settled. This is not in rate base earning a return.

ix. MYRP Rate Smoothing

In FY 2024, GMP applied a rate-smoothing mechanism that will smooth the rate increase over three fiscal years. Accordingly, GMP's revenues were adjusted upward by \$4,530 and \$17,100 for FY 2025 and FY 2024, respectively and a regulatory asset was created. The total will be collected in FY 2026. This is not in rate base earning a return

x. Excess Tax Reform Refunded to Customers

During the period from October 1, 2018 to September 30, 2019 a refund was given to customers due to the tax reform. Over that period, more was refunded than actual tax reform benefits received. This excess will be collected over 29 years beginning October 2023.

xi. Synergy Deficiency

GMP recorded a regulatory asset for excess synergy benefits that have been reflected in base rates and will be collected back from customers through rates. GMP will begin recovering the synergy benefits in the FY 2025 base rate filing and spread the collection over ten years.

xii. Net Pension Settlement Accounting

GMP has recorded a regulatory asset related to net pension settlement costs for FY 2021 through FY 2024 that GMP will begin collecting in the FY 2025 base rate filing over a period of ten years.

xiii. Earnings Sharing Mechanism

GMP's rates are subject to an ESAM for each rate period during the MYRP term.

In FY 2025, GMP estimated that actual earnings would reflect more than 150 basis points below the commission approved ROE and therefore, booked an estimate of \$11,981 as of September 30, 2025 which will be collected within 24 months once approved. This is not in rate base earning a return.

In FY 2024, GMP estimated that actual earnings would reflect more than 150 basis points below the commission approved ROE and therefore, booked an estimated ESAM adjustment of \$16,120 as of September 30, 2024. On January 14, 2025, the commission approved collection of the ESAM, as filed. It is being collected through the quarterly power supply, revenue and storm adjusters.

xiv. Accumulated Nonlegal Costs of Removal

Represent removal costs previously recovered from ratepayers for other-than-legal obligations. GMP reflects these amounts as a regulatory liability. GMP expects, over time, to recover or settle through future revenues any under- or over-collected net costs of removal.

xv. Millstone Unit #3 ARO

GMP has legal asset retirement obligations (ARO) for decommissioning related to its jointly owned nuclear plant, Millstone, and has an external trust fund dedicated to funding its share of future costs. This regulatory liability represents the excess of the Decommissioning Trust Fund asset balance over the asset retirement obligation for decommissioning. The liability balance will decrease if the forecasted decommissioning obligation exceeds the trust fund asset, resulting in a regulatory asset or returned to customers when Millstone is fully decommissioned.

xvi. Tax Reform

Represents the regulatory liability created by the deferral of the utility benefits resulting from federal tax reform. The regulatory liability consists of tax reform protected plant which is being returned to customers over 33 years and a Transco tax reform regulatory liability. On December 30th, 2021, FERC approved the return of Transco tax reform regulatory liability beginning January 1, 2022 utilizing the Average Rate Assumption Method.

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xvii. Major Storm Restoration Fund

Under the Plan, the regulators approved the collection of \$6,000 per year towards future major storm costs. It will be used to offset future major storm costs, as necessary. The balance collected, net of any amounts offset against major storm costs, is not to exceed \$12,000.

(4) Investments in Associated Companies and Joint Owned Facilities

Investments in associated companies at September 30, 2025 and 2024 include the following:

	Ownership interest			
	2025		2024	
VELCO - common stock	38.8 %	\$ 9,479	38.8 %	\$ 9,482
VELCO - preferred stock	80.1	165	80.1	165
Total VELCO		<u>9,644</u>		<u>9,647</u>
Transco LLC	76.2	739,254	75.8	707,042
Green Lantern Capital Solar Fund II, LP	99.9	437	99.9	457
New England Hydro Transmission - Common	3.2	560	3.2	267
New England Hydro Transmission Electric - Common	3.2	2,072	3.2	1,946
Connecticut Yankee	2.0	56	2.0	51
Maine Yankee	2.0	68	2.0	64
Yankee Atomic	3.5	55	3.5	55
Investments in associated companies		<u><u>\$ 752,146</u></u>		<u><u>\$ 719,529</u></u>

(a) VELCO and Transco

VELCO and Transco own and operate the transmission system in Vermont over which bulk power is delivered to all electric utilities in the state. Transco owns the transmission assets comprising the system. Transco was formed by VELCO and VELCO's owners in 2006 and VELCO was appointed as the manager of Transco. On June 30, 2006, VELCO contributed substantially all of its operating assets to Transco, in exchange for 2,400 Class A Membership Units and Transco's assumption of VELCO's debt. Transco is governed by an Amended and Restated Operating Agreement (the Transco Operating Agreement) by and among VELCO, GMP and most of Vermont's other electric utilities. VELCO operates the Transco system under a Management Services Agreement with Transco.

Pursuant to the merger agreement and VPUC order related to the acquisition of the former CVPS by NNEEC, CVPS transferred 38% of the total of VELCO Class B voting common stock and 31.7% of the total of VELCO Class C nonvoting common stock to Vermont Low Income Trust for Electricity, Inc. (VLITE), in June 2012. In addition, the transmission contracts, sponsor agreement and composition of the board of directors under which VELCO operates, effectively restrict GMP's ability to exercise control over VELCO.

GMP has performed an evaluation to determine whether Transco should be consolidated in its financial statements. GMP determined that the VIE model is an appropriate model for this evaluation. VELCO, as the managing member of Transco, has complete and exclusive discretion to manage and control Transco's business. The nonmanaging members, such as GMP, are not allowed to participate in the management or control of Transco. Based on this, the evaluation determined that GMP does not have a controlling financial interest in Transco, and therefore, it is not Transco's primary beneficiary and is not required to consolidate Transco in its financial statements.

GMP and all other Vermont electric utilities pay their pro rata share of Transco's total costs, including interest on debt and a fixed ROE, less revenues collected by Transco under the ISO-New England Open Access Transmission Tariff and other agreements. Under these agreements, Transco provided transmission services to GMP (reflected as transmission expenses in the consolidated statements of income) amounting to \$31,342 and \$33,248 for the years ended September 30, 2025 and 2024, respectively. The maximum exposure to loss is the carrying value of GMP's investment.

As of September 30, 2025, VELCO has a 3.36% ownership interest in Transco, bringing GMP's direct and indirect ownership interest in Transco to 77.46%. The remaining ownership interest in Transco is held by other Vermont-based utilities.

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GMP made capital investments of \$30,647 and \$23,203 in Transco in FY 2025 and FY 2024, respectively, to support various transmission projects. GMP received a return of capital from Transco in FY 2025 of \$920 and \$0 in FY 2024. GMP receives its current rate of return of 9.58% on the investment in Transco, since the Transco investment is accounted for as a regulated business for Vermont rate-setting purposes. Capital contributions to Transco are based on the transmission cost share of the Vermont utilities. GMP and other taxable Transco owners, also receive additional earnings and distributions to compensate for differences in taxability with other nontaxable Transco owners.

Summarized unaudited financial information for Transco follows:

	Years ended September 30	
	2025	2024
Net income	\$ 105,429	\$ 101,564
GMP's equity in net income	84,645	80,599
Total assets	1,712,854	1,612,369
Liabilities and long-term debt	778,015	718,153
Net assets	\$ 934,839	\$ 894,216
GMP's equity in net assets	\$ 739,254	\$ 707,042
Amounts due to Transco, net	\$ (704)	\$ (676)

GMP's common and preferred stock ownership interests in VELCO entitles it to approximately 38.8% of the dividends distributed by VELCO. GMP has recorded its equity in earnings on this basis.

Included in GMP's financial statements are construction service receipts of \$868 and \$1,624, billed to VELCO for the years ended September 30, 2025 and 2024, respectively.

Summarized unaudited financial information for VELCO (parent company only) is as follows:

	Years ended September 30	
	2025	2024
Net income	\$ 2,771	\$ 2,771
GMP's equity in net income	1,081	1,081
Total assets	64,069	63,593
Liabilities and long-term debt	39,430	38,951
Net assets	\$ 24,639	\$ 24,642
GMP's equity in net assets	\$ 9,643	\$ 9,647

(b) Other Investments in Associated Companies

GMP's share of income from other associated companies not discussed in detail above totaled \$186 and \$310 for the years ended September 30, 2025 and 2024, respectively. GMP received return of capital from other associated companies of \$20 and \$65 during the years ended September 30, 2025 and 2024, respectively. GMP made capital investments to other associated companies of \$254 during the years ended September 30, 2025 and 2024, respectively.

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(c) Joint Owned Facilities

GMP's joint-ownership interests in electric generating and transmission facilities as of September 30, 2025 and 2024 are as follows:

2025				
	Ownership interest	Share of capacity (in MW)	Share of utility plant	Share of accumulated depreciation
Joseph C. McNeil	31.0 %	16.7	\$ 33,809	\$ 33,809
Wyman #4	2.9	17.6	6,581	6,581
Stony Brook #1	8.8	31.0	12,451	12,451
Metallic Neutral Return	59.4	—	1,563	1,563
Millstone Unit #3	1.7	21.4	89,929	57,123

2024				
	Ownership interest	Share of capacity (in MW)	Share of utility plant	Share of accumulated depreciation
Joseph C. McNeil	31.0 %	16.7	\$ 33,357	\$ 33,357
Wyman #4	2.9	17.6	6,581	6,581
Stony Brook #1	8.8	31.0	12,433	12,404
Metallic Neutral Return	59.4	—	1,563	1,563
Millstone Unit #3	1.7	21.4	89,125	56,021

Metallic Neutral Return is a neutral conductor for the NEPOOL/Hydro-Quebec Interconnection.

GMP's share of expenses for these facilities is included in operating expenses in the consolidated statements of income under the caption power supply - company-owned generation for the listed generation plants (Wyman, Stony Brook, McNeil and Millstone) and under the caption transmission for the Metallic Neutral Return. Depreciation expense for all facilities is included under depreciation and amortization expenses. Each participant in these facilities must provide their own financing.

(5) Long-Term Investments

(a) Millstone Decommissioning Trust

GMP has Decommissioning Trust Fund investments related to its joint-ownership interest in Millstone. The Decommissioning Trust Fund was established pursuant to various federal and state guidelines. Among other requirements, the fund must be managed by an independent and prudent fund manager. Any gains or losses, realized and unrealized, are expected to be refunded to or collected from ratepayers and are recorded as regulatory assets or liabilities.

Regulatory authorities limit GMP's ability to oversee the day-to-day management of its Decommissioning Trust Fund investments; therefore, GMP lacks investing ability and decision-making authority.

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The fair values of these investments as of September 30, 2025 and 2024 are summarized below:

	2025		2024	
	Cost	Fair value	Cost	Fair value
Marketable equity securities	\$ 4,877	\$ 25,005	\$ 4,487	\$ 21,916
Marketable debt securities:				
Corporate bonds	185	190	447	447
U.S. government issued debt securities (agency and treasury)	1,264	1,254	1,115	1,108
State and municipal	19	19	87	84
Total marketable debt securities	1,468	1,463	1,649	1,639
Cash equivalents and other	104	104	61	61
Total	<u>\$ 6,449</u>	<u>\$ 26,572</u>	<u>\$ 6,197</u>	<u>\$ 23,616</u>

The reported trust balances include net unrealized gains of \$20,123 and \$17,419 as of September 30, 2025 and 2024, respectively. GMP has recorded the corresponding adjustment as a regulatory liability.

For the years ended September 30, 2025 and 2024, total sale proceeds were \$170 and \$916, respectively with minimal realized gains and realized losses. There were also no loss impairments of debt securities in these years. For the years ended September 30, 2025 and 2024, total purchases were \$(306) and \$(958), respectively.

Information related to the fair value and maturities of debt securities at September 30, 2025:

Within one year	\$ 37
One to five years	461
Five to ten years	274
Over ten years	691
	<u>\$ 1,463</u>

(b) Rabbi Trust

Rabbi Trust investment securities are used to fund the nonqualified pension and deferred compensation benefits for former executives under the terms of their respective employment contracts.

The cost and estimated fair values of long-term investments in the Rabbi Trust as of September 30, 2025 and 2024 are as follows:

	2025		2024	
	Cost	Fair value	Cost	Fair value
Rabbi Trust:				
Equity securities and mutual funds	\$ 1,012	\$ 1,514	\$ 1,203	\$ 1,784
Fixed income mutual funds	359	374	336	352
Money market funds	42	42	8	8
Hedge funds	55	62	31	35
	<u>\$ 1,468</u>	<u>\$ 1,992</u>	<u>\$ 1,578</u>	<u>\$ 2,179</u>

The reported Rabbi Trust balance included net unrealized gains of \$524 and \$601 in FY 2025 and FY 2024, respectively. Unrealized gains are recorded to Other expense, net on the consolidated statements of income, since these unrealized gains are predominately associated with equity securities.

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For the years ended September 30, 2025 and 2024, total sale proceeds were \$1,057 and \$1,594, respectively, with total realized gains of \$239 and \$269, respectively, and total realized losses of \$(6) and \$(78), respectively. The gross realized gains (losses) are included in other expense, net in the consolidated statements of income. For the years ended September 30, 2025 and 2024, total purchases were \$(324) and \$(1,126), respectively.

There were no impairment charges recorded by GMP for the years ended September 30, 2025 and 2024 as there were no declines in the fair market value of investments below their cost basis that were judged to be other-than-temporary.

The average duration of the underlying investments in the fixed income mutual funds in the Rabbi Trust as of September 30, 2025 was 5.76 years.

(c) VEBA Trust

VEBA Trust investment securities were transferred out of the postretirement trust and established to use the surplus to fund active medical benefits for non-union employees.

The costs and estimated fair values of the long-term investments in the VEBA Trust as of September 30, 2025 and 2024 are as follows:

	2025		2024	
	Cost	Fair value	Cost	Fair value
VEBA Trust:				
Corporate bonds	\$ 12,675	\$ 12,913	\$ —	\$ —
Foreign bonds	2,074	2,074	—	—
Municipal bonds	3,133	3,126	—	—
Cash and Equivalents	752	752	—	—
Total	<u>\$ 18,634</u>	<u>\$ 18,865</u>	<u>\$ —</u>	<u>\$ —</u>

For the years ended September 30, 2025 and 2024, total sale proceeds were \$21,898 and \$0, respectively, with total realized gains of \$52 and \$0, respectively, and no realized losses, respectively. The gross realized gains are included in other expense, net in the consolidated statements of income. For the years ended September 30, 2025 and 2024, total purchases were \$(20,481) and \$0, respectively.

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(6) Utility Plant in Service

The major classes of utility plant are as follows:

	Current Depreciable life in years	September 30	
		2025	2024
Property, plant and equipment:			
Distribution	5-60	\$ 1,372,731	\$ 1,205,993
Generation	5-115	788,930	784,377
Transmission	5-65	276,467	266,991
Intangible, FERC licenses and software	3-50	55,020	51,620
Buildings	32-55	51,271	50,449
General	15-30	17,831	32,855
Electric plant acquisition adjustments	35	10,399	10,399
Transportation	8-12	53,000	51,662
Office equipment	5-20	16,339	21,021
Nuclear fuel, net	1-6	1,510	1,583
Total plant in service		2,643,498	2,476,950
Accumulated depreciation and amortization		(910,429)	(859,565)
Net plant in service		1,733,069	1,617,385
Construction work in progress		78,378	90,413
Total utility plant, net		<u>\$ 1,811,447</u>	<u>\$ 1,707,798</u>

Depreciation and amortization expense amounted to \$78,060 and \$73,482 for the years ended September 30, 2025 and 2024, respectively. During the years ended September 30, 2025 and 2024, administrative and general costs of \$8,248 and \$11,583, respectively, were capitalized, and there were no significant retirements. The composite depreciation rate for plant in service was 2.95% and 2.97%, respectively, in FY 2025 and FY 2024.

The amount of construction work in progress (CWIP) included in rate base was \$11,936, respectively for the years ended September 30, 2025 and 2024.

(7) Leases

Financing Leases:

GMP has financing leases for equipment, with an option to extend the lease or purchase the equipment at the end of the eight-year agreements. Payments under the lease agreements are fixed with expected expiration dates in 2031 and 2032. At September 30, 2025, GMP's ROU assets of \$3,537 and \$1,925 are recorded within utility plant as transportation on the consolidated balance sheet (see note 6) as of September 30, 2025 and 2024, respectively. The ROU lease liabilities of \$3,576 and \$1,940, as of September 30, 2025 and 2024, respectively, are included in other liabilities on the consolidated balance sheet (see note 11). GMP's lease liabilities were calculated using a weighted-average incremental borrowing rate of approximately 5.08% on each lease agreement. Lease payments of \$467 and \$119 were made as of September 30, 2025 and 2024, respectively. Expected lease payments over the remaining terms of the leases are approximately \$613 each year. Interest of \$146 and \$38 is included in interest expense, net of allowance for funds used during construction on the consolidated statement of income as of September 30, 2025 and 2024, respectively.

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Operating Leases:

GMP has operating leases of land and other facilities, which generally have renewal clauses of 1 to 20 years exercisable at GMP's discretion. Minimum rental obligations are accounted for on a straight-line basis over the term of the initial lease, plus lease option terms for certain locations when they are reasonably certain to be exercised. Payments due under lease contracts include fixed payments plus, for many of GMP's leases, variable payments such as proportionate share of the buildings' property taxes, insurance, common area maintenance and certain contracts for the purchase of energy. Some leases contain variable lease payments that are based on operating hours. The energy contracts do not have minimum lease payments and therefore are not recognized as a lease liability on the Consolidated balance sheets and are not included in the future minimum lease payments table below.

The components of lease expense as of September 30, 2025 and 2024 are as follows:

	2025	2024
Operating lease cost	\$ 1,283	\$ 1,089
Operating lease cost less variable, low value and short-term leases	430	430
Variable lease cost related to the purchase of energy	1110	0

Supplemental balance sheet information related to leases as of September 30, 2025 and 2024 are as follows:

	2025	2024
Lease assets		
Operating lease right-of-use asset	\$ 8,478	\$ 8,781
Lease liabilities		
Total lease liabilities - current	257	254
Total lease liabilities - non-current	7,951	8,224
Total lease liabilities	\$ 8,208	\$ 8,478

The information related to leases as of September 30, 2025 and 2024 are as follows:

	2025	2024
Operating leases		
Cash paid for amounts included in the measurement	\$ 603	\$ 604
Weighted average remaining lease term (months)	257	269
Weighted average discount rate	3.32 %	3.32 %

The table below includes the maturity of operating leases in the years subsequent to September 30, 2025:

2026	\$ 594
2027	592
2028	592
2029	592
2030	592
Thereafter	10,030
Total lease payments	12,992
Less: Imputed interest	4,784
Total operating lease liabilities reported on the consolidated balance sheet	\$ 8,208

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(8) Credit Facilities

Effective July 27, 2023, GMP entered into a \$200,000 revolving credit facility with TD Bank, NA. The revolver is unsecured, and allows GMP to choose a rate based on a Secured Overnight Financing Rate (SOFR) or the Alternative Base Rate plus the Applicable Rate (as defined in the revolver), with a margin based upon GMP's S&P unsecured credit rating of A as of September 30, 2023. This facility has a maturity date of July 27, 2026.

On February 1, 2024, GMP increased the revolving credit facility with TD Bank, NA from \$200,000 to \$240,000 through September 30, 2024.

On July 25, 2025, GMP extended the \$200,000 credit facility entered into with TD Bank, NA by a new \$175,000 facility with a \$25,000 accordion maturing on July 27, 2028. The facility will be payable at the SOFR plus the applicable margin based upon GMP's S&P unsecured credit rating.

The borrowings under the credit facility were \$134,098 and \$95,638 as of September 30, 2025 and 2024, respectively. Of these amounts, \$134,098 and \$95,638 were classified as long-term and \$0 were classified as short-term as of September 30, 2025 and 2024, respectively. Letters of credit outstanding under the various credit facilities were \$12,124 and \$11,785 as of September 30, 2025 and 2024, respectively.

GMP Microgrid (see note 22) has a \$1,600 credit facility issued by a bank as of September 30, 2025 and 2024. The increase in the credit facility was approved by the VPUC on March 28, 2023. The credit facility bears interest on outstanding balances at the Wall Street Journal prime rate plus 4.0%. There were no amounts outstanding under the credit facility as of September 30, 2025 and 2024, respectively. GMP Microgrid has letters of credit of \$1,406 and \$1,326 outstanding under its credit facility as of September 30, 2025 and 2024, respectively. These letters of credit are for the benefit of the VPUC for certain future costs related to GMP Microgrid's asset retirement obligations.

See note 9 concerning compliance with all restrictive covenants and limitations.

(9) Long-Term Debt

Substantially all of the property and franchises of GMP are subject to the lien of the indentures under which the First Mortgage Bonds have been issued. The First Mortgage Bonds are callable at GMP's option at any time upon payment of a make-whole premium.

GMP's long-term debt consists of the following:

	September 30	
	2025	2024
Total first mortgage bonds outstanding	\$ 1,036,000	\$ 976,000
Revolving line of credit	134,098	95,638
Total long-term debt outstanding	1,170,098	1,071,638
Less current maturities (due within one year)	—	—
Total long-term debt outstanding, less current maturities	\$ 1,170,098	\$ 1,071,638
Weighted average interest rate on first mortgage bonds	4.69 %	4.64 %
Interest rate on revolving line of credit	4.92	5.80

The current corporate unsecured credit rating by S&P is A- and the current senior secured debt credit ratings for GMP's First Mortgage Bonds by S&P is A. Amortization of capitalized bond issue expenses totaled \$595 and \$497 for the years ended September 30, 2025 and 2024, respectively.

On December 15, 2023, \$17,500 of GMP's First Mortgage Bonds matured related to the 23rd Supplemental Indenture.

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On May 30, 2024, GMP entered into an agreement to issue \$75,000 in First Mortgage Bonds under the 34th Supplemental Indenture. The terms related to each series of bonds are customary and consistent with past bond issuances. The bonds include a provision for a "make-whole premium" which would apply if GMP called the bonds prior to maturity, which is also consistent with past bond issuances. Since there is a make-whole premium, there would be no detriment to investors if the bonds were redeemed prior to maturity. The bond has an interest rate of 5.60%, which matures in 2034.

On April 15, 2025, GMP entered into an agreement to issue \$60,000 in First Mortgage Bonds under the 35th Supplemental Indenture. The terms related to each series of bonds are customary and consistent with past bond issuances. The bonds include a provision for a "make-whole premium" which would apply if GMP called the bonds prior to maturity, which is also consistent with past bond issuances. Since there is a make-whole premium, there would be no detriment to investors if the bonds were redeemed prior to maturity. The bond has an interest rate of 5.37%, which matures in 2035.

GMP's long-term debt indentures and credit facility contain certain financial covenants. The most restrictive financial covenants include maximum debt to capitalization of 65% under its Indentures and 60% debt to capitalization requirements under the terms of our VEDA Bonds. GMP was in compliance with all restrictive covenants and limitations as of September 30, 2025 and 2024.

The table below includes the maturity of long-term debt in the fiscal years subsequent to September 30, 2025:

2026	\$ —
2027	—
2028	212,098
2029	77,000
2030	25,000
Thereafter	856,000
Total	<u>\$ 1,170,098</u>

The First Mortgage Bonds that mature beyond 2030 have maturity dates that range between 2031 and 2053.

(10) Asset Retirement Obligations

GMP continually reviews the regulations, laws, and contractual obligations to which it is a party to identify situations where there are legal obligations to perform asset retirement activities. Through these reviews, GMP has identified certain easements that may obligate GMP to perform asset retirement activities at various generating facilities.

Changes in the total carrying value of the asset retirement obligations for the years ended September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Balance at beginning of period	\$ 13,936	\$ 13,314
Accretion expense	<u>653</u>	<u>622</u>
Balance at end of period	<u>\$ 14,589</u>	<u>\$ 13,936</u>

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(11) Other Liabilities

Other current and noncurrent liabilities at September 30, 2025 and 2024 are as follows:

	2025	2024
Other current liabilities:		
Health, insurance and damage reserves	\$ 6,165	\$ 5,871
Accrued taxes other than income	4,661	4,649
Cash concentration account - outstanding checks	—	720
Other	506	288
Accrued capital and O&M costs	14,715	11,396
SERP retirement benefits (note 14)	191	494
Customer credit balances	10,781	10,745
Customer deposits	588	548
Capital Lease - current	428	212
Deferred compensation (note 14)	552	489
Total other current liabilities	<u>\$ 38,587</u>	<u>\$ 35,412</u>
Other noncurrent liabilities:		
Other	\$ 1,046	\$ 224
Accrued capital and O&M costs	861	1,722
Capital lease	3,148	1,728
EIC accrued revenue	3,943	2,984
Total other noncurrent liabilities	<u>\$ 8,998</u>	<u>\$ 6,658</u>

(12) Stockholder's Equity

(a) Appropriated Retained Earnings

GMP had appropriated retained earnings of \$787 at September 30, 2025 and 2024 relating to regulatory requirements arising from ownership of hydroelectric facilities.

(b) Dividend Restrictions

Certain restrictions on the payment of cash dividends on common stock are contained in GMP's indentures relating to long-term debt and in the Amended and Restated Articles of Incorporation. Under the most restrictive of such provisions, \$402,884 and \$372,291 of retained earnings were free of restrictions at September 30, 2025 and 2024, respectively.

Certain restrictions on the payment of cash dividends on common stock exist as a result of conditions of the VPUC's approval of the 2007 acquisition of GMP by NNEEC and the approval of the merger between GMP and the former CVPS. GMP is required to notify the VPUC of any changes that result in a 3% or greater change in capital structure from the structure approved in GMP's last rate proceeding. GMP is also required to provide notice within 10 days after declaring each regular common stock cash dividend and to provide 30-day advance notice before declaring any special cash dividend.

During the years ended September 30, 2025 and 2024, GMP provided notices related to regular common stock cash dividends.

(c) Capital Contributions

In the years ended September 30, 2025 and 2024, GMP received capital contributions of \$0 and \$120,000, respectively, from its parent, NNEEC. The primary purpose of these capital contributions was to fund unexpected costs arising from four major storms and fourteen minor storms that occurred in FY 2024. These costs will be recovered through rates in the coming years or the PSA, revenue and storm adjustors, as approved by the VPUC.

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(13) Income Taxes

The provision for income taxes for the years ended September 30, 2025 and 2024 is summarized as follows:

	2025	2024
Current federal income taxes	\$ 3,050	\$ 1,415
Current state income taxes	3,615	31
Total current income taxes	6,665	1,446
Deferred federal income taxes	15,905	14,554
Deferred state income taxes	4,656	7,405
Total deferred income taxes	20,561	21,959
Investment tax credits, net	(198)	(109)
Income tax expense	\$ 27,028	\$ 23,296
Effective combined federal and state income tax rate	23.94 %	23.24 %

The significant items that reconcile between income taxes computed by applying the U.S. federal statutory rate of 21% for FY 2025 and FY 2024 and the reported income tax expense, for the reporting period, include the dividends received deduction, amortization of ITCs, energy credits, corporate owned life insurance, AFUDC equity, the return of "protected" accumulated deferred income taxes, and state income tax. GMP returned \$3,289 and \$3,371 of "protected" accumulated deferred income taxes to customers through rates in accordance with Internal Revenue Service normalization requirements during the years ended September 30, 2025 and 2024, respectively.

In August 2022, the Inflation Reduction Act of 2022 (The Act) was signed into law with a majority of the provisions effective for tax years beginning after December 31, 2022. Among other provisions, the bill includes: i) implementation of a new corporate alternative minimum tax (CAMT); ii) extension and expansion of clean energy credits and incentives; and iii) indefinite carryover of the CAMT. This legislation also provides transferability opportunities for certain newly generated credits as well as a direct pay option. After reviewing all applicable statutory rules and Notice 2023-7, GMP has determined that it is not subject to the corporate alternative minimum tax. There was no immediate material impact of The Act to the years ended September 30, 2025, and 2024.

In July 2025, the One Big Beautiful Bill Act (OBBB) was signed into law with a majority of the provisions effective for tax years beginning after December 31, 2025. Among other provisions, the bill includes changes and phase-outs to clean energy credits and incentives previously expanded by the IRA. There was no material impact of the OBBB to the years ended September 30, 2025, and 2024.

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The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities at September 30, 2025 and 2024 are presented below:

	2025	2024
Deferred tax assets:		
Regulatory liability - Tax reform	\$ 34,195	\$ 35,456
Net operating losses and tax credits	50,456	49,245
Asset retirement and cost of removal obligations	14,821	14,719
Deferred compensation and other benefit plans	10,211	13,979
Other liabilities and deferred credits	16,223	17,542
Derivative financial instruments	80,797	92,227
	206,703	223,168
Total deferred tax assets	206,703	223,168
Deferred tax liabilities:		
Accelerated tax depreciation on property	237,389	225,866
Regulatory assets - Pension and other postretirement benefits	11,729	19,054
Pine Street Barge Canal	1,747	1,815
Investment in associated companies	167,521	165,167
Other deferred charges and other assets	62,593	61,103
Derivative financial instrument regulatory assets	80,797	92,227
	561,776	565,232
Total deferred tax liabilities	561,776	565,232
Net deferred income tax liability	\$ 355,073	\$ 342,064

The change in the net deferred income tax liability arises from the deferred income tax expense included in the consolidated financial statements for the periods presented, primarily affected by accelerated tax depreciation, tax versus book differences in investment in affiliates, changes in regulatory assets and liabilities and net operating losses (NOL) net of tax credits.

As of September 30, 2025, GMP has recorded \$50,456 of deferred tax assets related to NOL carryforwards and tax credit carryforwards. All GMP Federal NOL's, pre and post tax reform, have been utilized in the current fiscal year. State NOL's will expire if unused starting in FY 2033. Federal general business credits will expire if unused starting in FY 2028. Management believes it is more likely than not that GMP will realize its deferred tax assets based upon the expected future reversals of taxable temporary differences and the generation of future taxable income. Based on these sources of future income GMP has not recorded any valuation allowances as of September 30, 2025 and 2024.

GMP records the benefits of ITCs through the amortization, of the unamortized ITCs, which are initially recorded as a liability. The remaining balance of unamortized ITCs shown separately on the consolidated balance sheets at September 30, 2025 and 2024 was \$19,912 and \$9,584, respectively.

While GMP believes it has adequately provided for all tax positions when and if necessary, amounts asserted by taxing authorities could be greater than GMP's accrued position. Accordingly, additional provisions on federal and state tax related matters could be recorded in the future as revised estimates are made or the underlying matters are settled or otherwise resolved.

There were no unrecognized tax benefits for the years ended September 30, 2025 and 2024.

GMP recognizes income tax interest expense in interest expense, net of AFUDC, and income tax penalties in other expense, net. During the years ended September 30, 2025 and 2024, GMP recognized approximately \$0 in interest and penalties, respectively.

GMP is subject to income taxes in the United States, but no foreign jurisdictions.

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GMP files a consolidated tax return with its parent company, NNEEC. NNEEC pays all federal and state income taxes on behalf of GMP. GMP has a tax-sharing agreement with NNEEC to pay an amount equal to the tax that would be paid if GMP filed tax returns on a separate return basis. There was \$4,351 and \$2,286 in income taxes prepaid to NNEEC under the tax-sharing agreement at September 30, 2025 and 2024, respectively.

At September 30, 2025, open tax years for federal and state tax returns are 2022 and forward. There were no federal or state income tax audits during the years ended September 30, 2025 and 2024, respectively.

(14) Employee Benefit Plans

(a) Defined Benefit Pension Plan and Other Postretirement Benefit Plan

GMP has a qualified noncontributory defined benefit pension plan (the Pension Plan) covering a portion of its employees. New employees are not eligible to participate in the defined benefit plan. The defined pension benefits are based on the employees' level of compensation and length of service. Under the terms of the Pension Plan, employees are vested after completing five years of service, and can receive a pension benefit when they are at least age 55 with a minimum of 10 years of service or when their combined years of service and age total 80 for GMP or 85 for the former CVPS plans. Normal retirement age is 65. GMP makes annual contributions to the plans up to the maximum amount that can be deducted for income tax purposes.

GMP also provides certain healthcare and life insurance benefits for retired employees and their dependents. Employees become eligible for these benefits if they reach retirement age while working for GMP. Eligibility and benefit levels vary depending on date of hire and whether or not the retiree was a CVPS employee prior to the merger with GMP. GMP employees hired after December 31, 2007 are not eligible to receive post-retirement health care benefits. GMP accrues the cost of these benefits during the service life of covered employees.

Postretirement healthcare benefits are recovered in rates. GMP amended its postretirement healthcare plan to establish a 401(h) sub account and separate VEBA trusts for its union and nonunion employees, for purposes of funding the plan benefits. The VEBA and 401(h) plan assets consist primarily of cash equivalent funds, fixed income securities and equity securities. Effective July 1, 2023, the Post-65 medical benefits for all current retirees were fully settled through an annuity purchase which resulted in a surplus within the trust accounts. In FY 2025, GMP transferred \$20,000 from the postretirement trusts to two new VEBA Trust accounts. The funds in these accounts will be used to pay for active medical costs over the next five years.

The following tables set forth the plans' benefit obligations, fair value of plan assets, and funded status at September 30, 2025 and 2024:

	2025		2024	
	Pension plan benefits	Other postretirement benefits	Pension plan benefits	Other postretirement benefits
Fair value of plan assets	\$ 144,994	\$ 19,144	\$ 143,194	\$ 39,351
Projected benefit obligation	176,809	16,820	181,365	15,555
Funded status	\$ (31,815)	\$ 2,324	\$ (38,171)	\$ 23,796
Accumulated benefit obligation	\$ 166,107	\$ 16,821	\$ 170,067	\$ 15,555
Net actuarial loss (gain) recognized in regulatory assets (liabilities)	\$ 39,877	\$ 333	\$ 44,813	\$ (2,429)

GMP pays for certain postretirement healthcare and life insurance benefits and those payments are included in the determination of the projected benefit obligation.

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Net periodic pension and other postretirement benefit costs (income), employer and participant contributions, and benefits paid by plan are outlined in the table below. Non-services costs are recorded to other income (expense), net on the consolidated statements of income.

	2025		2024	
	Pension plan benefits	Other postretirement benefits	Pension plan benefits	Other postretirement benefits
Employer service cost	\$ 3,832	\$ 437	\$ 3,203	\$ 267
Interest cost	8,518	705	8,928	650
Expected return on plan assets	(8,931)	(2,445)	(8,179)	(2,141)
Net amortizations	4,059	(883)	2,376	(883)
Net periodic benefit cost (income)	7,478	(2,186)	6,328	(2,107)
Employer contributions	8,900	51	6,300	60
VEBA transfer	—	(20,000)	—	—
Participant contributions	—	—	—	1,007
Benefits paid	13,380	2,159	10,330	1,620

Assumptions used to determine GMP's projected benefit obligations and the net pension and other postretirement benefit costs were:

	Year ended September 30			
	2025		2024	
	Pension plan benefits	Other postretirement benefits	Pension plan benefits	Other postretirement benefits
Weighted average assumptions:				
Discount rate for projected benefit obligation	5.40 %	5.29 %	5.08 %	5.03 %
Discount rate for service cost	5.58	5.57	5.22	5.21
Discount rate for interest cost	4.96	4.76	4.82	4.72
Expected return on assets	6.20	4.90	6.40	6.30
Rate of compensation increase	3.25	—	3.25	—
Current year health care cost trend	—	6.50	—	6.50
Ultimate year health care cost trend	—	5.00	—	5.00
Year of ultimate trend rate	—	2032	—	2032

The mortality assumption utilized an Pri-2012 mortality table with Scale MP-2021 for the year ended September 30, 2025 and 2024.

GMP's defined benefit plan investment policy seeks to achieve sufficient growth to enable the defined benefit plans to meet their future obligations and to maintain certain funded ratios and minimize near-term cost volatility. Current guidelines for the pension plan combined assets specify that 10-60% be invested in equity securities, 30-100% be invested in debt securities, and the remainder be invested in alternative and other investments. Investment guidelines for the other postretirement benefit plan combined assets specify that 0-80% be invested in equity securities, 10-100% be invested in debt securities and the remainder be invested in alternative and other investments. GMP's plan is to gradually de-risk the portfolio of other postretirement benefit securities, therefore the investment guidelines are more conservative than the actual allocations at September 30, 2025.

In formulating this assumed rate of return, GMP considered historical returns by asset category and expectations for future returns by asset category based, in part, on expected capital market performance over the next 20 years.

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Asset categories and weighted average allocation percentages are provided in the following table.

	2025		2024	
	Pension plan benefits	Other postretirement benefits	Pension plan benefits	Other postretirement benefits
Weighted average asset allocation asset category:				
Equity securities	27 %	42 %	34 %	62 %
Debt securities	62	58	56	38
Other	11	—	10	—
Total	100 %	100 %	100 %	100 %

(b) Pension and Postretirement Benefit Plans Asset Fair Values

The fair values are determined by management utilizing information provided by the investment manager and are based on appraisals or other estimates that require varying degrees of judgment. Management also takes into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate.

Fair values for cash and cash equivalents, equity securities, mutual funds, and exchange traded funds are based on quoted market prices in active markets for identical assets. Fair values for fixed income securities and certain international equity securities are based on inputs other than quoted prices that are observable for securities, such as, matrix pricing utilizing yield curves, prepayment speeds, and credit risks, quoted prices for similar assets in active markets, and inputs derived from observable market data by correlation or other means. Fair values for limited partnerships represents the ownership interest in the NAV of the respective partnership. GMP utilizes NAV reported by the fund managers, which is based on appraisals or other estimates that require varying degrees of judgment, as a practical expedient to estimate fair value of alternative investments that: i) do not have a readily determinable fair value; and ii) either have the attributes of an investment company or prepare their financial statements consistent with the measurement principles of an investment company, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV.

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The fair values of the pension and other postretirement benefit plan investments are presented below:

Pension plan assets as of September 30, 2025				
	Total	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset category:				
Cash equivalents	\$ 3,822	\$ 3,822	\$ —	\$ —
Equity securities:				
U.S. companies	24,870	24,870	—	—
International companies	13,577	6,619	6,958	—
Fixed income securities:				
U.S. Treasury securities	20,548	—	20,548	—
Corporate bonds – U.S. companies	60,487	—	60,487	—
Corporate bonds – Foreign	5,296	—	5,296	—
Municipal bonds	310	—	310	—
Mutual funds:				
Equity funds	160	160	—	—
	<u>\$ 129,070</u>	<u>\$ 35,471</u>	<u>\$ 93,599</u>	<u>\$ —</u>
Limited partnerships measured at NAV ⁽¹⁾	\$ 15,924			
Total	<u>\$ 144,994</u>			

⁽¹⁾ Investments measured at NAV amounts are comprised of certain investments measured at fair value using NAV (or its equivalent) as a practical expedient. These investments are not classified in the fair value hierarchy.

Pension plan assets as of September 30, 2024				
	Total	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset category:				
Cash equivalents	\$ 4,687	\$ 4,687	\$ —	\$ —
Equity securities:				
U.S. companies	30,700	30,700	—	—
International companies	18,419	9,000	9,419	—
Fixed income securities:				
U.S. Treasury securities	18,785	—	18,785	—
Corporate bonds – U.S. companies	51,363	—	51,363	—
Corporate bonds – Foreign	5,093	—	5,093	—
Municipal bonds	319	—	319	—
Mutual funds:				
Equity funds	92	92	—	—
	<u>\$ 129,458</u>	<u>\$ 44,479</u>	<u>\$ 84,979</u>	<u>\$ —</u>
Limited partnerships measured at NAV ⁽¹⁾	\$ 13,736			
Total	<u>\$ 143,194</u>			

⁽¹⁾ Investments measured at NAV amounts are comprised of certain investments measured at fair value using NAV (or its equivalent) as a practical expedient. These investments are not classified in the fair value hierarchy.

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**Other postretirement benefit plan assets as of
September 30, 2025**

	Total	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset category:				
Cash equivalents	\$ 1,180	\$ 1,180	\$ —	\$ —
Exchange traded funds	6,217	6,217	—	—
Fixed income securities:				
U.S. Treasury securities	1,561	—	1,561	—
Corporate bonds – U.S. companies	4,857	—	4,857	—
Corporate bonds – Foreign	335	—	335	—
Municipal bonds	47	—	47	—
Mutual funds:				
Equity funds	1,778	1,778	—	—
Fixed-income funds	3,169	3,169	—	—
Total	<u>\$ 19,144</u>	<u>\$ 12,344</u>	<u>\$ 6,800</u>	<u>\$ —</u>

**Other postretirement benefit plan assets as of
September 30, 2024**

	Total	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset category:				
Cash equivalents	\$ 1,270	\$ 1,270	\$ —	\$ —
Exchange traded funds	15,099	15,099	—	—
Fixed income securities:				
U.S. Treasury securities	1,898	—	1,898	—
Corporate bonds – U.S. companies	4,544	—	4,544	—
Corporate bonds – Foreign	335	—	335	—
Municipal bonds	48	—	48	—
Mutual funds:				
Equity funds	9,400	9,400	—	—
Fixed-income funds	6,757	6,757	—	—
Total	<u>\$ 39,351</u>	<u>\$ 32,526</u>	<u>\$ 6,825</u>	<u>\$ —</u>

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(c) Pension and Other Postretirement Benefit Plan Cash Flow

Projected benefits and contributions are as follows:

	Pension plan		Other postretirement benefits	
	Contributions	Benefit payments	Contributions	Benefit payments
Years ending September 30:				
2026	\$ 15,300	\$ 13,230	\$ 200	\$ 1,429
2027	—	14,610	—	1,424
2028	—	14,126	—	1,375
2029	—	14,032	—	1,333
2030	—	14,053	—	1,317
2031 through 2035	—	69,268	—	6,828

The expected benefits in the table above are based on the same assumptions used to measure GMP's benefit obligations at September 30, 2025 and includes estimated future employee service. GMP made a pension contribution of \$8,900 in FY 2025 and \$6,300 in FY 2024. Pension and postretirement contributions beyond FY 2026 have yet to be determined.

(d) Defined Contribution Plan

GMP maintains a 401(k) Savings Plan for substantially all employees. This plan provides for employee contributions up to specified limits. GMP matches employee pretax contributions up to 4%. GMP contributes each year an additional 0.75% of eligible compensation made on a nonmatching basis to GMP employees hired prior to January 1, 2008 and to former CVPS employees hired prior to April 1, 2010. For GMP employees hired on or after January 1, 2008 and former CVPS employees hired on or after April 1, 2010, GMP contributes each year an additional 3.25% of eligible compensation, made on a nonmatching basis. GMP's matching contribution is immediately vested. GMP's matching and nonmatching contributions for the years ended September 30, 2025 and 2024 totaled \$4,076 and \$3,779, respectively.

(e) Supplemental Executive Retirement Plan and Deferred Compensation Plans

GMP provides a nonqualified retirement plan (SERP), a deferred compensation plan and a nonqualified 401(k) excess deferred compensation plan for certain current and former employees and directors. Benefits under these plans are funded on a cash basis. GMP has life insurance policies and a Rabbi Trust which are intended to fund these plans.

The amount of expense GMP recognized for SERP for the years ended September 30, 2025 and 2024 was \$61 and \$125, respectively. As of September 30, 2025 and 2024, the GMP SERP benefit obligation, based on a discount rate of 5.19% and 4.93%, was \$1,159 and \$1,599, respectively. As of September 30, 2025, the current and long-term portions were \$190 and \$968, respectively. As of September 30, 2024 the current and long-term portions were \$494 and \$1,105, respectively. The current portion is recorded in other current liabilities and the long-term portion is recorded in supplemental executive retirement plans in the consolidated balance sheet. As of September 30, 2025 and 2024, GMP recorded regulatory assets for its SERP unrecognized benefit costs associated with actuarial gains in the amount of \$(406) and \$(459), respectively.

Amounts deferred under the GMP deferred compensation plan are at the option of the officer or director, and include annual interest on the amounts deferred. As of September 30, 2025 and 2024, the obligations were \$2,462 and \$3,084, respectively. The current portion is recorded in other current liabilities and the non current portion is recorded in deferred compensation in the consolidated balance sheet.

The total cash surrender value of life insurance policies intended to fund these plans as of September 30, 2025 and 2024 was \$15,674 and \$16,805, respectively.

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(15) Derivative Financial Instruments

GMP purchases the majority of its power supply, and uses long-term power supply contracts to mitigate rate volatility to customers. GMP is required by the VPUC to have enough physical supply, capacity and renewable credits to service customers. GMP enters into physical power purchase and sale agreements with various counterparties to hedge against fossil fuel price changes. Some of the purchase contracts are derivatives that meet the exception for a normal purchase and sale contract. For these contracts, GMP records contract-specified prices for electricity as an expense in the period used, as opposed to the changes occurring in fair market values. Occasionally, there may be times where GMP is required to sell excess power. When evaluating contracts for normal purchase normal sale election, GMP takes into account which contracts would be resold to the market to avoid tainting this election. Other derivative contracts do not meet the exception for a normal purchase and sale contract and they are carried at fair value. See note 16.

During FY 2025, GMP entered into four short term derivative contracts for the purchase of power supply in 2025. During FY 2024, GMP entered into one derivative contract for the purchase of power supply between 2023 and 2024.

The following table shows the calculated fair value of the derivative contracts, reflecting the risk that GMP or the counterparty will not execute upon the arrangement. Actual value upon settlement may differ materially from the fair values shown below:

	Fair value as of September 30			
	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Forward energy purchases	\$ 1,964	\$ 288,906	\$ 6,619	\$ 325,811
Forward energy sales	—	659	—	341
Total power supply derivative	<u>\$ 1,964</u>	<u>\$ 289,565</u>	<u>\$ 6,619</u>	<u>\$ 326,152</u>
Current portion	\$ 1,964	\$ 17,196	\$ 5,429	\$ 15,486

The notional amounts of GMP's net purchase derivative financial instruments were 22,473 MWh and 33,931 MWh as of September 30, 2025 and 2024, respectively.

Certain GMP derivative instruments contain reciprocal provisions that require the counter-parties' and GMP's debt to maintain an investment grade credit rating from the major credit rating agencies. The failure to maintain an investment grade rating would obligate the counterparties or GMP to deposit collateral in an amount equal to the fair value adjustment to the notional amount of the contract for derivative instruments in a liability position. No such collateral was required at September 30, 2025 or 2024.

(16) Fair Value of Financial Instruments

GMP's estimates of fair value of financial assets and financial liabilities are based on the framework and hierarchy established in applicable accounting pronouncements. The framework is based on the inputs used in valuation, gives the highest priority to quoted prices in active markets and requires that observable inputs be used in the valuations when available. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into the valuation are observable.

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The following table sets forth by level the fair value hierarchy of financial assets and liabilities that are accounted for at fair value on a recurring basis. GMP's assessment of the significance of a particular input to the fair value measure requires judgment, and may affect the valuation of the assets and liabilities and their placement within the fair value hierarchy:

	September 30, 2025			
	Level 1	Level 2	Level 3	Total
Millstone Decommissioning Trust:				
Marketable equity securities	\$ 10,278	\$ 14,727	\$ —	\$ 25,005
U.S. government issued debt securities (agency and treasury)	—	1,254	—	1,254
Municipal obligations	—	19	—	19
Corporate and other bonds	—	190	—	190
Money market funds	33	71	—	104
Total Decommissioning Trust	10,311	16,261	—	26,572
Rabbi Trust:				
Fixed Income mutual funds	374	—	—	374
Equity mutual funds	1,514	—	—	1,514
Money market funds	42	—	—	42
Hedgefunds measured at NAV ⁽¹⁾	—	—	—	62
Total Rabbi Trust	1,930	—	—	1,992
VEBA:				
Cash and equivalents	84	668	—	752
Corporate bonds	—	12,913	—	12,913
Foreign bonds	—	2,074	—	2,074
Municipal bonds	—	3,126	—	3,126
Total VEBA	84	18,781	—	18,865
Derivatives:				
Forward energy purchases current asset	—	1,773	191	1,964
Forward energy purchases current liability	—	(1,167)	(15,858)	(17,025)
Forward energy purchases noncurrent liability	—	(1,017)	(270,864)	(271,881)
Forward energy sales current liability	—	(171)	—	(171)
Forward energy sales noncurrent liability	—	(488)	—	(488)
Total derivatives	—	(1,070)	(286,531)	(287,601)
	\$ 12,325	\$ 33,972	\$ (286,531)	\$ (240,172)

⁽¹⁾ Investments measured at NAV amounts are comprised of certain investments measured at fair value using NAV (or its equivalent) as a practical expedient. These investments are not classified in the fair value hierarchy.

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	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Millstone Decommissioning Trust:				
Marketable equity securities	\$ 8,946	\$ 12,968	\$ —	\$ 21,914
U.S. government issued debt securities (agency and treasury)	—	1,111	—	1,111
Municipal obligations	—	84	—	84
Corporate and other bonds	—	447	—	447
Money market funds	22	38	—	60
Total Decommissioning Trust	8,968	14,648	—	23,616
Rabbi Trust:				
Fixed Income mutual funds	352	—	—	352
Equity mutual funds	1,784	—	—	1,784
Money market funds	8	—	—	8
Hedgefunds measured at NAV ⁽¹⁾	—	—	—	35
Total Rabbi Trust	2,144	—	—	2,179
Derivatives:				
Forward energy purchases current asset	—	4,051	1,378	5,429
Forward energy purchases noncurrent asset	—	1,190	—	1,190
Forward energy purchases current liability	—	(5,250)	(10,094)	(15,344)
Forward energy purchases noncurrent liability	—	(1,177)	(309,289)	(310,466)
Forward energy sales current liability	—	—	(142)	(142)
Forward energy sales noncurrent liability	—	—	(200)	(200)
Total derivatives	—	(1,186)	(318,347)	(319,533)
Total	\$ 11,112	\$ 13,462	\$ (318,347)	\$ (293,738)

⁽¹⁾ Investments measured at NAV amounts are comprised of certain investments measured at fair value using NAV (or its equivalent) as a practical expedient. These investments are not classified in the fair value hierarchy.

(a) Millstone Decommissioning Trust

GMP's primary valuation technique to measure the fair value of its nuclear Decommissioning Trust Investments is the market approach. GMP owns a share of the qualified decommissioning fund and cannot validate a publicly quoted price at the qualified fund level. Due to these observable inputs, fixed income, equity and cash equivalent securities in the qualified fund are classified as Level 2. Equity securities are held directly in GMP's nonqualified trust and actively traded quoted prices for these securities have been obtained. Due to these observable inputs, these equity securities are classified as Level 1.

(b) Rabbi Trust

Rabbi Trust securities have actively traded quoted prices as well as hedge funds. The securities are classified as Level 1 and the hedge funds are reported at NAV.

(c) VEBA Trust

VEBA Trust debt securities fair values for bonds are based on valuation techniques such as matrix pricing, which derive bond values from observable market data, quoted prices for similar assets in active or inactive markets, and/or observable inputs like interest rates and yield curves. These bonds are classified as level 2.

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(d) Fair value hierarchy of derivative financial instruments

The fair values of Level 3 derivative financial instruments as of September 30, 2025 and 2024 were measured based on the assumptions presented in the table below. The weighted averages were calculated using the relative MWh in each contract:

As of September 30, 2025						
	Risk-free rate (in %)	Weighted average risk- free rate (in %)	Discount rate (in %)	Implicit price volatility	Forward purchase (in \$/MWh)	Weighted average forward price (in \$/MWh)
Power purchase agreements	3.49 to 4.93	4.09	4.72	N/A		
Energy					24.22 to 145.86	54.89
Capacity					2.53 to 4.80	3.89
Renewable Energy Credits (RECs)					2.44 to 4.85	3.32

As of September 30, 2024						
	Risk-free rate (in %)	Weighted average risk- free rate (in %)	Discount rate (in %)	Implicit price volatility	Forward purchase (in \$/MWh)	Weighted average forward price (in \$/MWh)
Power purchase agreements	3.45 to 4.90	4.07	4.79	N/A	31.05 to 124.75	55.54

The following table is a reconciliation of the changes in net fair value of derivative contracts that are classified as Level 3 in the fair value hierarchy:

	Years ending September 30	
	2025	2024
Balance at beginning of period	\$ (318,347)	(153,799)
Change in fair value relating to net unrealized losses	27,323	(164,548)
Forward energy purchase transferred to Level 2	4,493	—
Balance at end of period	<u>\$ (286,531)</u>	<u>\$ (318,347)</u>

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(17) Long-Term Power Purchase and Other Commitments

(a) Long-Term Power Purchase Commitments

GMP enters into power purchase contracts with various counterparties in the normal course of its business. The counterparties are responsible for acquiring and taking title to the power that is purchased.

Pursuant to a VPUC accounting order, the expense related to these contracts is recorded and recognized in power supply expense at the time that the contracts are settled and GMP takes delivery of the electricity. See note 2(k).

Purchased power contracts in effect as of September 30, 2025, including estimates for GMP's portion of certain minimum costs, are as follows:

	Estimated payments contractually due
Years ending September 30:	
2026	\$ 206,510
2027	199,677
2028	193,899
2029	193,351
2030	194,829
Thereafter	2,019,616
Total	<u>\$ 3,007,882</u>

Significant power contract suppliers are as follows:

i. Hydro-Québec Energy Services (US) Inc (HQUS) Contract

Deliveries under this purchase agreement commenced on November 1, 2012 and end in 2038. In 2025, the energy volumes under the contract represent 24.7% of GMP's projected annual energy requirement, which is similar to 2024. The HQUS contract does not include capacity, which must be purchased from other parties or left open to market prices.

GMP's contract with HQUS calls for the delivery of system power that is at least 99.5% renewable and is not related to any particular facilities in the HQUS system. GMP receives RECs that feature an attestation that the energy is at least 99.5% renewable. As the contract is not related to specific facilities there are no identifiable debt-service charges associated with any particular HQUS facility that can be distinguished from the overall charges paid under the contracts, and there are no generation plant outage risks, although there are outage risks related to the operation of the transmission system.

For the years ended September 30, 2025 and 2024, the purchased power expense for this contract totaled \$71,019 and \$73,234, respectively.

ii. Independent Power Producers

Contracts with Independent Power Producers mainly consist of contracts under the Standard Offer program and the Ryegate PPA that are managed by VEPP Inc. to promote and support small and in-state renewable generation.

For the years ended September 30, 2025 and 2024, the purchased power expense for these contracts totaled \$27,974 and \$26,987, respectively.

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iii. NextEra Seabrook Purchase

GMP agreed to purchase long-term energy, capacity and generation attributes from the Seabrook Nuclear Power Plant in New Hampshire owned by NextEra Seabrook LLC. This contract commenced in 2012. All purchases are unit contingent from the Seabrook Nuclear Power Plant. Volumes started at 60 MW, are currently 55 MW and will decrease to 50 MW in 2029 until the contract ends in 2034.

For the years ended September 30, 2025 and 2024, the purchased power expense for this contract totaled \$66,974 and \$67,073, respectively.

iv. Granite Reliable

GMP agreed to purchase energy output, capacity, and RECs from Granite Reliable Power, LLC, a renewable power wind project in New Hampshire. The purchase agreement commenced April 1, 2012 and ends in 2032.

For the years ended September 30, 2025 and 2024, the purchased power expense for this contract totaled \$13,478 and \$12,754, respectively.

v. Avangrid Renewables Agreement (Deerfield)

In October 2015, GMP signed a twenty-five year purchase power agreement with Avangrid Renewables to purchase 100% of the output from their 30 MW Deerfield wind facility (Deerfield) that was developed in southern Vermont. This contract is unit-contingent meaning that GMP only pays for the actual output of the plant that it receives, which includes energy, capacity, and RECs. Deerfield began construction in September 2016 and began producing electricity in December 2017. GMP has an option to buy Deerfield at the end of 10 years at a predetermined purchase price of \$50,000.

For the years ended September 30, 2025 and 2024, the purchased power expense for this contract totaled \$6,017 and \$5,428, respectively.

vi. BP Energy

GMP contracts with BP Energy for short-term firm energy purchases that are for periods of less than five years and feature purchases of system power that are not associated with any specific generation resources.

For the years ended September 30, 2025 and 2024, the purchased power expense for these contracts totaled \$29,375 and \$31,792, respectively.

vii. System Energy Contracts

GMP enters into system energy purchase contracts with various counterparties in the normal course of its business. The system contracts are usually less than five years in duration and call for firm physical delivery of specified hourly quantities that are not associated with any specific generation source and are not subject to outage risk. The counterparties are responsible for acquiring and taking title to the power that is purchased by GMP. GMP presently has in place several system energy purchases for deliveries through 2027. GMP's system energy contracts are with NextEra Energy and BP Energy. Purchased power expense for these contracts are included in the power expense disclosed for these respective suppliers.

viii. Hydro Dam Power Contracts

GMP has executed 25 year purchased power agreements to purchase 100% of the output of 2 hydroelectric power plants. The plants are located in Sheldon Springs, Vermont and LaChute, New York. The Sheldon Springs plant has a nameplate capacity rating of 27MW and the LaChute plant has a nameplate capacity of 9 MW. The agreements require GMP to pay a fixed price per MWh generated plus a fixed monthly capacity payment. The energy and capacity prices escalate by 2% each year. Deliveries under the Sheldon Springs contract began in April 2018. Deliveries under the LaChute contract began in January 2021.

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Additionally, GMP has entered into a short-term agreement with FirstLight to purchase a portion of the off-peak output from two hydroelectric facilities in Massachusetts — Cabot Station and Turner Falls — which have a combined nameplate capacity of 68 MW. During calendar years 2025 and 2026, GMP receives 33.8% of the plants' off-peak output, amounting to an expected 57,594 MWh annually. From 2027 through 2029, when the contract expires, GMP's share will decrease to 28%, for an estimated annual output of 47,709 MWh. The contract provides off-peak energy and Vermont Tier I RECs at a fixed, flat rate for the duration of the agreement.

For the years ended September 30, 2025 and 2024, the purchased power expense for these contracts totaled \$4,470 and \$4,024, respectively.

ix. Great River Hydro Purchase Agreement

GMP has agreed to purchase energy and RECs from Great River Hydro LLC from their fleet of 13 hydroelectric facilities located along the Connecticut and Deerfield Rivers in Vermont, New Hampshire, and Massachusetts. This contract was executed in 2021 and the first deliveries under the agreement began in January 2023. The contract is delivered under two distinct schedules, peaking and firm. The peaking hydroelectric energy deliveries will provide a percentage of production from three particular units referred to as the Fifteen Mile Falls (FMF) Facilities, where deliveries begin at 20 percent of the FMF Facilities' hourly output in FY 2023 and ramp up to 50 percent of their hourly output by FY 2029 and remain at 50 percent every year thereafter through FY 2052. The firm hydroelectric energy deliveries will provide a fixed quantity of energy each year with deliveries beginning at 5 MW per hour in FY 2028 and ramping up to 30 MW per hour in FY 2033 and remaining at 30 MW every year thereafter through FY 2052.

For the years ended September 30, 2025 and 2024, the purchase power expense for this contract totaled \$8,151 and \$8,597, respectively.

x. Other Renewable Power Contracts

GMP has committed to several contracts to purchase output from new renewable power plants, some for periods of up to 35 years, on a plant-contingent basis (GMP receives and pays only for its share of quantities actually generated by the plant). These purchases typically include energy and capacity, and, in some instances, include RECs. The contracts are derived from solar, hydroelectric or landfill gas plants.

For the years ended September 30, 2025 and 2024, the purchased power expense for these contracts totaled \$12,011 and \$11,251, respectively.

xi. Unit Purchases (Nonrenewable)

Under a long-term contract with Massachusetts Municipal Wholesale Electric Company (MMWEC), GMP is purchasing a percentage of the electrical output of the Stony Brook production plant constructed by MMWEC. The contract obligates GMP to pay certain minimum annual amounts representing GMP's proportionate share of fixed costs, including debt service requirements, whether or not the production plant is operating, for the life of the unit. The cost of power obtained under this long-term contract, including payments required when the production plant is not operating, is included in purchases from others in the consolidated statements of income.

For the years ended September 30, 2025 and 2024, the purchased power expense for these contracts totaled \$887 and \$673, respectively, and are recoverable by customers.

(b) Other Commitments

i. Kingdom Community Wind

In October 2012, GMP completed construction and began daily commercial operation of the Kingdom Community Wind project (KCW) a 63-MW wind facility in Lowell. Approximately 8 MW of the project's output is being sold to Vermont Electric Cooperative, Inc. under a long-term contract. The remainder is incorporated into GMP's power supply.

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ii. Nuclear Decommissioning Obligations

VYNPC: VYNPC owned and operated a boiling water nuclear-powered generating plant in Vernon, Vermont until 2002, when it sold the Plant and related assets and liabilities to Entergy. On August 27, 2013, Entergy announced it planned to close and decommission the Plant and the Plant was shut down on December 29, 2014. Entergy assumed the obligation to decommission the Plant when it was sold to them; therefore, GMP has no obligation to decommission the Plant.

Millstone Unit #3: GMP is obligated to pay its share of nuclear decommissioning costs for nuclear plants in which it has an ownership interest. GMP has an external trust dedicated to funding its joint-ownership share of future Millstone Unit #3 decommissioning costs. Dominion Nuclear Connecticut and GMP have suspended contributions to the Millstone Unit #3 Trust Fund because the minimum Nuclear Regulatory Commission funding requirements have been met or exceeded. If a need for additional decommissioning funding is necessary, GMP will be obligated to resume contributions to the Trust Fund.

Other Yankee Companies: GMP has equity ownership interests in Maine Yankee, Connecticut Yankee and Yankee Atomic. These plants are permanently shut down and completely decommissioned except for the spent fuel storage at each location. GMP's ownership interest related to these plants are described in note 4. The balance of GMP's net nuclear decommissioning cost liability was \$46 at September 30, 2025. The current and long-term portions of \$11 and \$35 are included in accounts payable, trade and accrued liabilities and other liabilities. The balance of GMP's net nuclear decommissioning cost liability was \$54 at September 30, 2024. The current and long-term portions of \$15 and \$39 are included in accounts payable, trade and accrued liabilities and other liabilities.

iii. Renewable Energy Standard

GMP is subject to the State of Vermont's policy encouraging the development of renewable energy sources in Vermont as well as the purchase of renewable power by the State's electricity distributors. The Vermont General Assembly enacted Vermont's renewable energy standard (RES) in 2017 and revised it in 2024. The RES is a renewable energy law that applies to Vermont electric utilities, including GMP, establishing minimum renewable energy requirements. Specifically, the Vermont RES requires the following:

- Tier 1 requires for retail electricity suppliers that a certain percentage of electricity sales be from renewable sources each year. The total renewable requirement increases from 63% of load in 2024 to 100% in 2030.
- Tier 2 requires that a subset of the total renewable requirement (outlined in Tier 1 above) must be obtained from new distributed renewable energy projects (sized less than 5 MW) connected to the Vermont grid later than July 30, 2015. The distributed renewable requirement starts at 1% in 2017 and increases to 20% of load in 2032.
- Tier 3 requires retail electric suppliers invest in projects that support reductions of fossil fuel use in other sectors of the Vermont economy – for example, via cost-effective electrification of heating, transportation, and industrial energy uses, or via energy efficiency measures. This requirement starts at 2% in 2017, increasing to 12% in 2032 and can be met with fossil fuel savings and/or additional procurement of distributed renewable energy; and
- Tier 4 requires that a subset for the total renewable requirement (outlined in Tier 1 above) must be obtained from new regional renewable generation that came online after 2009 and is capable of energy delivery in New England. Tier 4 requirements begin in 2027 at 4% of load and increase to 20% by 2035.

For the years ended September 30, 2025 and 2024, RES compliance costs totaled \$23,554 and \$20,016, respectively, which are recoverable from customers.

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(18) Environmental Matters

(a) General

The electric industry typically uses or generates a range of potentially hazardous products in its operations. GMP must meet rigorous land, water and air requirements as administered by local, state, and federal regulatory agencies. GMP must also meet various aesthetic requirements as administered by these regulatory agencies. GMP believes that it is in substantial compliance with these requirements, and that there are no outstanding material complaints about GMP's compliance with present environmental protection regulations.

(b) Pine Street Barge Canal Superfund Site

In 1999, GMP entered into a United States District Court Consent Decree constituting a final settlement with the United States Environmental Protection Agency (EPA), the State of Vermont and numerous other parties of claims relating to a federal Superfund site in Burlington, Vermont, known as the "Pine Street Barge Canal". The consent decree resolves claims by the EPA for past site costs, natural resource damage claims, and claims for past and future remediation costs. The consent decree also provides for the design, implementation and monitoring of response actions at the site. As of September 30, 2025, GMP has estimated total costs of GMP's future obligations under the consent decree to be approximately \$2,683, net of recoveries. The estimated liability is not discounted, and it is possible that GMP's estimate of future costs could change by a material amount. As of September 30, 2025 and 2024, GMP has recorded a regulatory asset of \$6,304 and \$6,547, respectively, to reflect unrecovered past and future Pine Street Barge Canal costs. Pursuant to GMP's 2003 Rate Plan, as approved by the VPUC, GMP began to amortize and recover these costs in 2005. GMP will amortize the full amount of incurred costs over 20 years without a return. The amortization is expected to be allowed in current and future rates, without disallowance or adjustment, until the regulatory asset is fully amortized.

(c) Air Quality Rules and Laws

The EPA and various states have enacted air quality rules and laws which do not result in material direct costs to GMP because of GMP's limited involvement in power plants impacted by these laws and regulations. Future regional or national emission regulations (or tightening of existing regulations like the Regional Greenhouse Gas Initiative) could indirectly affect GMP by increasing wholesale power market prices; GMP's exposure to such increases is limited because a large fraction of its long-term energy needs will be met with long-term, stable-priced sources.

(19) Other Contingent Liabilities

(a) DOE Litigation - Maine Yankee, Connecticut Yankee and Yankee Atomic

All three companies have been seeking recovery of fuel storage related costs stemming from the default of the DOE under the 1983 fuel disposal contracts that were mandated by the United States Congress under the Nuclear Waste Policy Act of 1982. Under the Act and like other nuclear operators nationwide, the companies have asserted that the DOE was required to begin removing spent nuclear fuel and greater than Class C waste from the nuclear plants no later than January 31, 1998 in return for payments by each company into the nuclear waste fund. No fuel or greater than Class C waste has been collected by the DOE, and each company's spent fuel is stored at its own site. Maine Yankee, Connecticut Yankee and Yankee Atomic collected the funds from GMP and other wholesale utility customers, under FERC approved wholesale rates, and GMP's share of these payments was collected from their retail customers. While waiting for the DOE to remove the spent fuel, the companies invested the already collected funds. Meanwhile, the companies have already prevailed in prior claims through phased litigation against the DOE for spent fuel storage cost reimbursement.

Through federal court decision, all Phase I to Phase IV damages have been settled and returned to customers through the PSA.

A complaint for Phase V damages was filed March 2020 for damages through 2021. The complaint was approved, discovery occurred, and the hearings and trial were ready to take place. In September 2024, DOE sought a trial delay in order to permit finalization of settlement negotiations. The court agreed to delay trial until January 2025 in order to permit completion of possible settlement discussions. Settlement discussions resulted in a damages reimbursement award, along with a trial court ruling that earnings from the trust funds would not offset the reimbursement award. The DOE has appealed that portion of the court's ruling to the

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Federal Circuit, and a decision is pending. Thus, once an award of damages is certain, the amount that will actually be received is not known.

Each of the companies are required to credit damage payments, net of taxes and further spent fuel trust funding, if any, to wholesale ratepayers including GMP. GMP expects that its share of these awards, if any, would be credited to retail customers.

(b) Nuclear Insurance

The Price Anderson Act, Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), provides a framework for immediate, no fault insurance coverage for the public in the event of a nuclear power plant accident that is deemed an extraordinary nuclear occurrence by the Nuclear Regulatory Commission. The Act applies maximum commercial insurance as primary coverage and then a significant secondary layer of self-insurance funded by the nuclear industry, subject to capped annual retroactive premiums in the event of an incident. The amounts are adjusted for inflation every 5 years, and the U.S. Congress can modify or increase the insurance liability coverage limits at any time through legislation. For context, the total retrospective premium per reactor in 2025 is \$158,000 (subject to 5% surcharge in limited circumstances that would raise this total to \$165,900) with an approximate annual capped assessment of \$24,700 per reactor in the event of an incident. Currently, based on GMP's ownership interest in Millstone, GMP could become liable for expenses of \$446 for such maximum assessment per year if triggered. Maine Yankee, Connecticut Yankee and Yankee Atomic which no longer operate maintain \$100,000 in Nuclear Liability Insurance, but have received exemptions from participating in the secondary financial protection program.

(c) Other Legal Matters

GMP does not expect any litigation to result in a significant adverse effect on its operating results or financial condition.

(20) Related-Party and Associated Company Transactions

GMP purchases natural gas from Vermont Gas Systems (VGS), a subsidiary of NNEEC, in the ordinary course of business. The amounts are insignificant. VGS is also a responsible party in the Pine Street Barge Canal Superfund Site and remits funds related to this matter annually to GMP. Payments totaling \$15 and \$26 were received for the Pine Street Barge Canal Superfund Site during the years ended September 30, 2025 and 2024, respectively, and there were no other transactions between VGS and GMP during the years ended September 30, 2025 and 2024.

NNEEC provides tax and internal audit services for its subsidiaries. For the years ended September 30, 2025 and 2024 the amount billed was \$411 and \$439, respectively.

GMP provides senior management services to Energir LP (Energir), the parent company of NNEEC. For the years ended September 30, 2025 and 2024, Energir was charged \$669 and \$461 for these services, respectively.

Total accounts receivable from affiliated companies was \$20 and \$180 as of September 30, 2025 and 2024, respectively. Total accounts payable to affiliated companies was \$793 and \$713 as of September 30, 2025 and 2024, respectively.

GMP purchases insurance coverage from an NNEEC affiliated captive insurance company, EGV. Total premiums of \$741 and \$576 were paid as of September 30, 2025 and 2024, respectively.

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(21) Supplemental Cash Flow Information

Supplemental cash flow information for the years ended September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Cash paid for:		
Interest	\$ 51,678	\$ 50,759
Income taxes paid, net	8,730	2,286
Supplemental disclosures of noncash information:		
Increase in unfunded pension and other postretirement benefit obligations	8,808	13,777
Plant addition for allowance for equity funds used during construction	2,509	2,372
Noncash utility plant in accounts payable	6,612	6,434
Cash, cash equivalents and restricted cash included in:		
Cash and cash equivalents	3,484	4,508
Restricted cash	734	731
Cash, cash equivalents and restricted cash at end of year	<u>\$ 4,218</u>	<u>\$ 5,239</u>

Restricted cash of \$734 and \$731 as of September 30, 2025 and 2024, respectively, consist of decommissioning costs contractually required to maintain certain solar generating and energy storage sites and solar inverter replacements.

(22) Noncontrolling Interests

GMP Microgrid:

GMP formed GMP Microgrid on June 13, 2017 to construct, operate and maintain, through wholly-owned limited liability companies (each, a Project Company, together, the Project Companies), 3 solar generating facilities each paired with battery storage systems located throughout Vermont. On July 25, 2019, GMP executed an Equity Capital Contribution Agreement with a tax equity partner to invest in GMP Microgrid to fund the total cost to construct the 3 facilities. All 3 projects were in service by September 30, 2019. GMP has invested \$35,025 and the Tax Equity Partner has invested \$14,295 into GMP Microgrid.

The terms and conditions of the various agreements executed in connection with this investment are customary for a tax equity investment. Although GMP contributes 71% of the combined capital in exchange for its share of GMP Microgrid, GMP will be entitled to 1% of GMP Microgrid's profits, losses, deductions, and credits for the first five years, and 95% of each such item for the remaining term of GMP Microgrid. The Tax Equity Partner will contribute the remaining 29% of required capital in exchange for its interest in 99% of GMP Microgrid's profits, losses, deductions, and credits for the first five years, and 5% of each such item thereafter. This change in sharing ratios is referred to as a "partnership flip" structure, because the allocations of all partnership items "flip" from 1% to 95% (with the Tax Equity Partner's allocable share flipping from 99% down to 5%).

GMP has the option to purchase at fair market value the Tax Equity Partner's ownership interest in GMP Microgrid. The option can be exercised during a 6-month period beginning 5 years after the last day any energy property was placed in service.

GMP Microgrid is taxed as a partnership, and therefore income taxes are the responsibility of GMP Microgrid's members.

GMP is the managing member of GMP Microgrid pursuant to GMP Microgrid's operating agreement. As managing member GMP will conduct, direct and exercise control over all activities of GMP Microgrid, and shall have full power and authority on behalf of GMP Microgrid to manage and administer the business and affairs of GMP Microgrid.

GMP has executed purchase power agreements with the Project Companies. The term of each of the agreements is 25 years, and GMP will pay a fixed price per kWh and receive all power output produced by the facilities and a fixed price per year for all services performed by the battery energy storage systems payable in equal monthly installments.

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On September 17, 2024, GMP provided notice to the GMP Microgrid Tax Equity Partner that GMP is exercising the purchase option. On December 31, 2024, GMP purchased the Tax Equity Partner's membership units at a fair market value of \$1,143. The book value of the Tax Equity Partner's ownership interest on the date of purchase was \$645. In accordance with ASC 810, Consolidation, the \$498 paid in excess of the book value of the Tax Equity Partner's ownership interest was recorded as an equity transaction and classified as a financing activity in the consolidated statements of cash flows.

As of December 31, 2024, after the buyout of the Tax Equity Partner, GMP has a controlling financial interest in GMP Microgrid. As such, GMP has determined that GMP Microgrid is no longer a VIE and is now a Voting Interest Entity under ASC 810 and was consolidated.

Certain risks exist with respect to GMP's investment in and management of GMP Microgrid, including exposure to operating cost risk, revenue risk created by variations in kWh produced by the projects and investment ITC risk associated with the projects not meeting the ITC eligibility requirements.

See note 8 for information on GMP Microgrid's line of credit and letters of credit.

GMP Microgrid will operate as a single member LLC through September 30, 2026 and will be dissolved into GMP on October 1, 2026. GMP will reflect GMP Microgrid's assets, liabilities and operating and maintenance costs in its FY 2027 cost of service rate case to be approved by the VPUC in August 2026, for base rates that will take effect on October 1, 2026.

The carrying amounts and classification of GMP Microgrid's assets and liabilities included in the consolidated balance sheets are as follows:

	Periods ending	
	12/31/2024	9/30/2024
Net income	\$ 22	\$ 927
Allocation of net income to partners:		
GMP	(98)	446
Tax equity partner	120	481
Total assets	42,881	43,701
Total liabilities	5,395	5,355

(23) Subsequent Events

GMP considers events or transactions that occur after the balance sheet date, but before the financial statements are issued, to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. These financial statements were available to be issued on November 14, 2025 and subsequent events have been evaluated through that date.

Green Mountain Power Corp.

July 16, 2025

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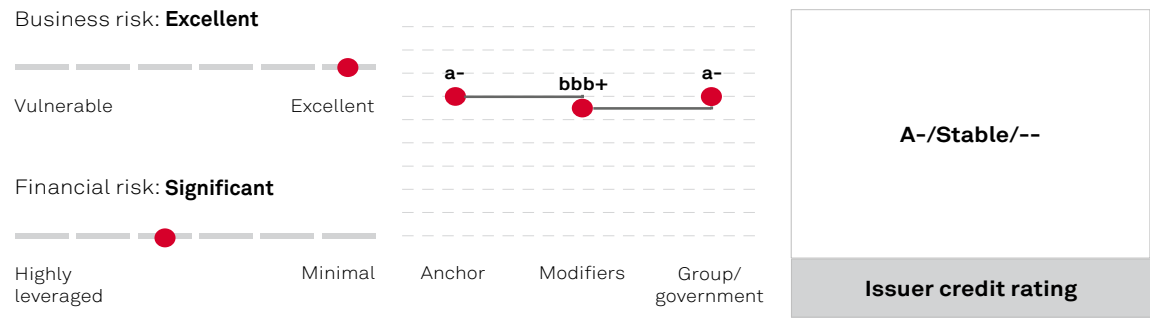
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Ratings Score Snapshot



Credit Highlights

Overview

Key strengths	Key risks
Lower risk, regulated electric utility operations under a generally constructive regulatory jurisdiction	Relatively small customer base and limited geographic and regulatory diversity, with operations solely in Vermont
Operates in a stable and generally supportive regulatory environment that allows for multiyear rate plans (MYRPs)	Service territory exposed to extreme winter events that could damage infrastructure
Core subsidiary of parent Noverco Inc. (Noverco), which provides one notch of uplift to the stand-alone credit profile (SACP)	

Our ratings on Green Mountain Power Corp. (GMP) are influenced by that of parent Noverco. S&P Global Ratings views Noverco as the ultimate holding company in the group, with control and material liabilities that would have bearing on the group’s overall credit quality. Under our group rating methodology, we assess GMP as a core subsidiary of the group. This reflects our view that the company is highly unlikely to be sold, operates in the same lines of business as Noverco, has a long-term commitment of support from the group in all foreseeable conditions, is reasonably successful at what it does, constitutes a significant proportion of Noverco’s consolidated operations, is closely linked to its parent’s reputation, has operated for more than five years, and is a separate legal entity that is integral to the group. As a result, we equate our issuer credit rating on GMP with the group credit profile (GCP) of ‘a-’, one notch above its SACP of ‘bbb+’.

GMP’s credit quality is backed by a generally credit-supportive regulatory framework under the Vermont Public Utility Commission (VPUC) and the Federal Energy Regulatory Commission (FERC). We expect GMP will continue to effectively manage regulatory risk through regulatory mechanisms, including MYRPs and annual true-ups to recover prudently incurred costs. However, the company’s credit quality is somewhat constrained by its relatively small customer base and limited geographic and regulatory diversity, which could lead to cash flow volatility.

We expect GMP will maintain stable financial measures over the next few years. As the company executes its zero outage initiatives, we expect its capital expenditure (capex) to elevate

in 2025 before coming down slightly in 2026. This could lead to a negative discretionary cash flow through 2026, which will improve in 2027 as its capex continues to step down. Overall, we expect GMP's funds from operations (FFO) to debt will be about 16%-19% through 2027.

Outlook

The stable outlook on GMP reflects our stable outlook on parent Noverco. The stable outlook on Noverco and its subsidiaries reflects our expectation that it will maintain FFO to debt above our 9% downgrade threshold. The outlook also reflects our expectation that management will continue to focus on its core regulated business and effectively manage regulatory risk. Under our base-case scenario, we expect GMP's stand-alone FFO to debt will be 16%-19% through 2027.

Downside scenario

We could lower our ratings on GMP within the next two years if we downgrade Noverco.

Upside scenario

Although unlikely, we could upgrade GMP within the next two years if we upgrade its parent.

Company Description

GMP operates as an electric utility that purchases, generates, transmits, distributes, and sells electricity and utility construction services in Vermont to about 275,000 customers. GMP is a wholly owned subsidiary of Northern New England Power Corp., which is wholly owned by Noverco.

Business Risk

Our business risk profile assessment of excellent reflects the company's lower-risk, regulated electric utility operations under a generally constructive regulatory environment under the VPUC and the FERC. Rates are set through MYRPs with preapproved capex plans, which enhance GMP's cash flow predictability and mitigate the risks associated with regulatory lag and material disallowances. GMP's unconsolidated transmission electric utility investment in Vermont, Vermont Transco LLC (about 77% ownership), is regulated by the FERC, allowing for credit-supportive mechanisms such as forward-looking rates and annual true-ups to recover prudently incurred costs. Although the company is exposed to severe winter storms in Vermont, it can mitigate this risk through a storm reserve and the ability to defer excess costs for future recovery.

The company is currently operating under a MYRP that is effective from Oct. 1, 2022, to Sept. 30, 2026. On May 31, 2024, GMP submitted the second annual base rate filing under the MYRP for fiscal 2025 rates effective Oct. 1, 2024, reflecting a 5.26% increase in base rates with a 9.97% return on equity (ROE). On Aug. 26, 2024, the VPUC approved GMP's rate increase filing of approximately \$38 million. GMP filed a petition on Oct. 9, 2024, with the VPUC to seek authorization under the MYRP to increase capital spending on additional transmission, distribution, and storage investments as part of the company's proposed zero outage initiatives, which include a series of grid-hardening upgrades and energy storage installations intended to

enhance network resilience. On Oct. 18, 2024, the VPUC approved the framework for up to \$150 million in additional capex for transmission and distribution projects over the final two years of the MYRP. In addition, GMP submitted a tariff filing on May 30, 2025, for an annual rate increase of approximately \$57 million for fiscal 2025 effective Oct. 1, 2025, reflecting a 7.35% increase in the base rate with a 9.94% ROE. We expect that GMP will continue to seek additional resilience plans from the VPUC beyond 2026.

GMP's business strengths are partially offset by the company's relatively small customer base and limited geographic and regulatory diversity. The company provides services to about 275,000 customers and solely in Vermont, which could lead to some cash flow volatility. Overall, we consider GMP's business risk as being in the weaker end of excellent business risk category relative to that of its peers.

Financial Risk

We assess GMP's financial risk profile using our medial volatility financial benchmark tables rather than the financial benchmarks we use for typical corporate issuers, which reflects the company's lower-risk, regulated utility operations and effective management of regulatory risk. Our base-case scenario incorporates our expectation for a stable regulatory environment with no material, adverse regulatory decisions, and the continued use of regulatory mechanisms. As the company executes its zero outage initiatives, we expect its annual capex will increase to about \$275 million-\$285 million in 2025 before lowering slightly in 2026 to about \$190 million-\$210 million and then continue stepping down to about \$125 million-\$135 million in 2027. The elevated capex would result in a negative discretionary cash flow through 2026, which we expect will improve in 2027. Overall, we believe GMP's financial measures will be in the middle of our expected range of medial volatility for the significant financial risk profile category. Specifically, we expect the company's FFO to debt will be about 16%-19% through 2027.

Group Influence

Under our group rating methodology, we assess parent Noverco as the top entity in the corporate structure, with control and material liabilities that would have bearing on the group's overall credit quality. Given that Noverco controls the Energir group and its material debt of about C\$2.7 billion, we assess Noverco as parent of the Energir group and, accordingly, equate the GCP with Noverco's SACP of 'a-'.

We assess GMP as Noverco's core subsidiary. This reflects our view that it is highly unlikely to be sold, operates in the same lines of business as its parent, has a long-term commitment of support from the group in all foreseeable conditions, and is reasonably successful at what it does. GMP also constitutes a significant proportion of its parent's consolidated operations, is closely linked to Noverco's reputation, has operated for more than five years, and is a separate legal entity that is integral to the group.

We also assess GMP as insulated by one notch from the Noverco group. This reflects our assessment that it is a separate entity, its financial performance and funding are highly independent from the group, it has no significant operational dependence on other group entities, it maintains its own records and funding arrangements, and does not commingle funds, assets, or cash flow. We believe there is a strong economic basis for the group to preserve the company's credit strength given each members' significant contribution to the group. We do not expect a default of other group entities to lead directly to a default by group members. However, given that GMP's SACP is lower than the GCP, we align the rating of GMP with the GCP.

Issue Ratings--Recovery Analysis

Key analytical factors

GMP's first-mortgage bonds benefit from a first-priority lien on substantially all of the utility's real property owned or subsequently acquired. Collateral coverage of greater than 1.5x supports a recovery rating of '1+' and an issue-level rating of 'A', which is one notch above the issuer credit rating.

Rating Component Scores

Foreign currency issuer credit rating	A-/Stable/--
Local currency issuer credit rating	A-/Stable/--
Business risk	Excellent
Country risk	Very Low
Industry risk	Very Low
Competitive position	Strong
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	a-
Modifiers	
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Negative (-1 notch)
Stand-alone credit profile	bbb+

Related Criteria

- [Criteria | Corporates | General: Sector-Specific Corporate Methodology](#), April 4, 2024
- [Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities](#), Jan. 7, 2024
- [Criteria | Corporates | General: Corporate Methodology](#), Jan. 7, 2024
- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [General Criteria: Group Rating Methodology](#), July 1, 2019
- [Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments](#), April 1, 2019
- [Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings](#), March 28, 2018
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7, 2017

Green Mountain Power Corp.

- [Criteria | Corporates | General: Recovery Rating Criteria For Speculative-Grade Corporate Issuers](#), Dec. 7, 2016
- [Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers](#), Dec. 16, 2014
- [Criteria | Corporates | General: The Treatment Of Non-Common Equity Financing In Nonfinancial Corporate Entities](#), April 29, 2014
- [General Criteria: Methodology: Industry Risk](#), Nov. 19, 2013
- [General Criteria: Country Risk Assessment Methodology And Assumptions](#), Nov. 19, 2013
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

Ratings Detail (as of July 16, 2025)***Green Mountain Power Corp.**

Issuer Credit Rating	A-/Stable/--
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Issuer Credit Ratings History

20-Jan-2025	A-/Stable/--
18-Aug-2021	A/Stable/--
08-Dec-2015	A-/Stable/--

Related Entities**Energir Inc.**

Issuer Credit Rating	A/Stable/--
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Energir L.P.

Issuer Credit Rating	A/Stable/--
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Commercial Paper

<i>Local Currency</i>	A-1
<i>Canada National Scale Commercial Paper</i>	A-1(MID)

Northern New England Energy Corporation

Issuer Credit Rating	A-/Stable/--
Senior Unsecured	BBB+

Noverco Inc.

Issuer Credit Rating	A-/Stable/--
Senior Secured	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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