



CPV FAIRVIEW, LLC

(A Delaware Limited Liability Company)

Condensed Interim Financial Statements

**Three-month and Nine-month Periods Ended September 30, 2025, and
September 30, 2024**

(With Review Report of Independent Auditors)

CPV FAIRVIEW, LLC
(A Delaware limited liability company)
September 30, 2025

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KPMG LLP
Suite 4000
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Independent Auditors' Review Report

The Members of CPV Fairview LLC:
CPV Fairview, LLC:

Results of Review of Condensed Interim Financial Information

We have reviewed the condensed financial statements of CPV Fairview, LLC (the Company), which comprise the condensed balance sheet as of September 30, 2025, the related condensed statements of operations and comprehensive income and cash flows for the three-month and nine-month periods ended September 30, 2025 and 2024, and the related condensed statements of changes in members' equity for the nine-month periods ended September 30, 2025 and 2024, and the related notes (collectively referred to as the condensed interim financial information).

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying condensed interim financial information for it to be in accordance with U.S. generally accepted accounting principles.

Basis for Review Results

We conducted our reviews in accordance with auditing standards generally accepted in the United States of America (GAAS) applicable to reviews of interim financial information. A review of condensed interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. A review of condensed interim financial information is substantially less in scope than an audit conducted in accordance with GAAS, the objective of which is an expression of an opinion regarding the financial information as a whole, and accordingly, we do not express such an opinion. 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 reviews. We believe that the results of the review procedures provide a reasonable basis for our conclusion.

Responsibilities of Management for the Condensed Interim Financial Information

Management is responsible for the preparation and fair presentation of the condensed interim financial information in accordance with U.S. generally accepted accounting principles and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of condensed interim financial information that is free from material misstatement, whether due to fraud or error.

Report on Condensed Balance Sheet as of December 31, 2024

We have previously audited, in accordance with GAAS, the balance sheet as of December 31, 2024, and the related statements of operations and comprehensive income, changes in members' equity, and cash flows for the year then ended (not presented herein); and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 20, 2025. In our opinion, the accompanying condensed balance



sheet of the Company as of December 31, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

KPMG LLP

Philadelphia, Pennsylvania
December 9, 2025

CPV FAIRVIEW, LLC
(A Delaware Limited Liability Company)
Condensed Interim Balance Sheets
(In thousands)

	At September 30, (Unaudited) 2025	At September 30, (Unaudited) 2024	At December 31, 2024
Assets			
Cash	\$ 199	\$ 85	\$ 44
Restricted cash	12,628	19,613	4,792
Accounts receivable	15,111	3,542	12,408
Deposits	400	-	-
Prepaid expenses	2,066	1,832	1,038
Fuel Inventory	149	-	446
Derivative assets, energy	4,270	8,838	11,711
Derivative assets, interest rate swaps	-	419	1,148
Total current assets	<u>34,823</u>	<u>34,329</u>	<u>31,587</u>
Property, plant, and equipment, net	779,191	800,887	797,304
Spare parts inventory	6,393	5,589	5,831
Intangible assets, net	25,231	26,101	25,883
Derivative assets, energy	1,671	4,032	1,539
Other assets	1,376	1,607	1,470
Total assets	<u>\$ 848,685</u>	<u>\$ 872,545</u>	<u>\$ 864,549</u>
Liabilities and Members' Equity			
Accounts payable and accrued liabilities	\$ 12,219	\$ 17,423	\$ 13,617
Due to related party	213	154	203
Current portion of long term debt	3,208	2,979	3,228
Derivative liabilities, interest	115	-	-
Derivative liabilities, energy	5,994	7,883	710
Total current liabilities	<u>21,749</u>	<u>28,439</u>	<u>17,758</u>
Long term debt	480,639	535,354	525,565
Derivative liabilities, interest	942	2,395	-
Derivative liabilities, energy	4,276	1,526	814
Total liabilities	<u>507,606</u>	<u>567,714</u>	<u>544,137</u>
Members' equity	341,079	304,831	320,412
Total liabilities and members' equity	<u>\$ 848,685</u>	<u>\$ 872,545</u>	<u>\$ 864,549</u>

See accompanying notes to the condensed interim financial statements.

CPV FAIRVIEW, LLC
(A Delaware Limited Liability Company)
Condensed Interim Statement of Operations and Comprehensive Income (Unaudited)
(In thousands)

	For the three month-ended September 30,		For the nine month-ended September 30,	
	2025	2024	2025	2024
Operating revenues	\$ 106,511	\$ 61,622	\$ 297,727	\$ 181,157
Other revenues	873	884	2,874	3,084
Realized and unrealized gain on energy derivatives	(1,788)	6,607	4,811	28,487
Total revenue	105,596	69,113	305,412	212,728
Fuel and other	31,536	20,411	119,971	70,898
Operations and maintenance	5,862	5,726	16,780	15,728
General and administrative	1,944	2,510	6,240	6,377
Depreciation and amortization	6,945	6,867	20,838	20,591
Taxes other than income taxes	56	212	(12)	940
Total operating expenses	46,343	35,726	163,817	114,534
Income from operations	59,253	33,387	141,595	98,194
Other income (expense)	-	(761)	-	(761)
Interest expense, net	(9,290)	(8,257)	(28,376)	(15,971)
Net income	49,963	24,369	113,219	81,462
Other comprehensive loss:				
Comprehensive income (loss)	(410)	4,480	(20,052)	2,442
Comprehensive income	\$ 49,553	\$ 28,849	\$ 93,167	\$ 83,904

See accompanying notes to the condensed interim financial statements.

CPV FAIRVIEW, LLC
(A Delaware Limited Liability Company)
Condensed Interim Statement of Changes in Members' Equity
(In thousands)

	Members' capital	Accumulated retained earnings	Accumulated other comprehensive income (loss)	Total members' equity
Balance December 31, 2023 (audited)	\$ 384,620	\$ 121,638	\$ 5,019	\$ 511,277
Distributions	(299,100)	-	-	(299,100)
Net income	-	98,702	-	98,702
Comprehensive Income derivative instruments	-	-	9,533	9,533
Total comprehensive income				108,235
Balance December 31, 2024 (audited)	<u>\$ 85,520</u>	<u>\$ 220,340</u>	<u>\$ 14,552</u>	<u>\$ 320,412</u>
Balance December 31, 2023 (audited)	\$ 384,620	\$ 121,638	\$ 5,019	\$ 511,277
Distributions	(290,350)	-	-	(290,350)
Net income	-	81,462	-	81,462
Comprehensive Income derivative instruments	-	-	2,442	2,442
Total comprehensive income				83,904
Balance September 30, 2024 (unaudited)	<u>\$ 94,270</u>	<u>\$ 203,100</u>	<u>\$ 7,461</u>	<u>\$ 304,831</u>
Balance December 31, 2024 (audited)	\$ 85,520	\$ 220,340	\$ 14,552	\$ 320,412
Distributions	-	(72,500)	-	(72,500)
Net income	-	113,219	-	113,219
Comprehensive loss derivative instruments	-	-	(20,052)	(20,052)
Total comprehensive income				93,167
Balance September 30, 2025 (unaudited)	<u>\$ 85,520</u>	<u>\$ 261,059</u>	<u>\$ (5,500)</u>	<u>\$ 341,079</u>

CPV FAIRVIEW, LLC
(A Delaware Limited Liability Company)
Condensed Interim Statement of Cash Flows (Unaudited)
(In thousands)

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Cash flows from operating activities:				
Net income	\$ 49,963	\$ 24,369	\$ 113,219	\$ 81,462
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation and amortization	6,945	6,867	20,838	20,591
Other amortization	557	1,494	1,674	2,387
Change in fair value - energy derivatives	(8)	(3,709)	705	(9,131)
Unrealized gain (loss) on Interest rate swaps	(0)	1,947	(1,562)	1,577
Changes in operating assets and liabilities:				
Accounts receivable	3,266	13,767	(2,703)	15,281
Deposits	(400)	-	(400)	-
Spare parts inventory	(44)	(52)	(562)	(434)
Fuel inventory	89	70	297	408
Prepaid expenses	264	875	(1,028)	444
Due to related party	1	-	10	(98)
Accounts payable and other accrued liabilities	(270)	(1,819)	(1,305)	1,575
Net cash provided by operating activities	60,363	43,809	129,183	114,062
Cash flows from investing activities:				
Property, plant, and equipment	(1,790)	(1,275)	(2,072)	(3,509)
Net cash used in investing activities	(1,790)	(1,275)	(2,072)	(3,509)
Cash flows from financing activities:				
Distributions	(40,000)	(263,350)	(72,500)	(290,350)
Proceeds from long term loan	-	550,000	-	550,000
Proceeds from long term revolver	-	-	-	3,396
Repayment of long term loan	(13,333)	(299,895)	(45,833)	(338,659)
Repayment of long term revolver	-	(25,890)	-	(30,654)
Deferred Financing costs	-	(13,186)	(787)	(12,966)
Net cash used in financing activities	(53,333)	(52,321)	(119,120)	(119,234)
Decrease in cash and restricted cash	5,240	(9,788)	7,991	(8,681)
Cash and restricted cash, beginning of period	7,587	29,487	4,836	28,380
Cash and restricted cash, end of period	\$ 12,827	\$ 19,699	\$ 12,827	\$ 19,699
Cash paid for Interest and financing fees	\$ 9,508	\$ 9,668	\$ 29,339	\$ 23,250

CPV FAIRVIEW, LLC
(A Delaware Limited Liability Company)
Notes to Condensed Interim Financial Statements (Unaudited)
September 30, 2025

(1) Organization and Summary of Significant Accounting Policies

CPV Fairview, LLC (Fairview or the Company), a Delaware limited liability company, was formed on July 24, 2014. The purpose of Fairview is to develop, construct, finance, own, and operate a 1,050 MW gas-fired, combined-cycle power generation facility located in Jackson Township, Cambria County, Pennsylvania (the Facility or Project). The Facility was completed and commenced operations on December 1, 2019.

As of September 30, 2025, December 31, 2024, and September 30, 2024, the Company's interests were held by CPV Power Holdings, LP (CPV PHLP) 25%, Infra Equity Power Holdings, LLC (Infra) through direct and indirect interests 25%, and Osaka Gas Fairview, LLC (Osaka) 50%.

(a) Basis of Presentation

The Company's condensed interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and should be read in conjunction with the Company's last annual financial statements as of December 31, 2024 (the "2024 Annual Financial Statements"). The condensed interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with U.S. GAAP. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the 2024 Annual Financial Statements. The Accounting Standards Codification (ASC), established by the Financial Accounting Standards Board (FASB), is the source of authoritative U.S. GAAP to be applied by nongovernmental entities.

(b) Use of Estimates

The preparation of the Company's condensed interim financial statements requires the use of estimates and assumptions based on management's knowledge and experience. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. The most significant use of estimates and assumptions relates to the valuation of derivative instruments. Actual results could vary from the estimates that were used.

(c) Risks and Uncertainties

As with any power generation facility, operation of the Facility involves risk, including the performance of the Facility below expected levels of efficiency and output, shutdowns due to the breakdown or failure of equipment or processes, violations of permit requirements, operator error, labor disputes, or catastrophic events such as fires, earthquakes, floods, explosions, or other similar occurrences affecting a power generation facility or its power purchasers. In addition, the Facility operates as a merchant plant and is impacted by changes in natural gas and regional power market conditions, as well as changes in the rules and regulations governing these markets. The occurrence of any of these events could significantly reduce or eliminate revenue generated by the Company or significantly increase the expenses of the Company, and adversely impact the Company's ability to make payments on its debt when due.

(d) Fair Value of Financial Instruments

The carrying value of certain of the Company's financial instruments, including cash, accounts receivable, accounts payable and accrued liabilities equals or approximates their fair value due to the short-term maturity of those instruments. Cash accounts are generally maintained in federally insured banks, but the Company may at times have balances in accounts in excess of federal insurance limits. The fair value of the long-term debt approximates its book value as of September 30, 2025, December 31, 2024, and September 30, 2024, as the interest rates are variable (note (4)).

(e) Cash

Cash comprises highly liquid investments with original maturities of 90 days or less.

(f) Restricted Cash and Cash Collateral – Letters of Credit

Restricted cash and cash collateral – letters of credit consist of cash and cash equivalents that comprise highly liquid investments. Such amounts are restricted under the terms of the Company's Credit Agreement (note (4)). Restricted cash accounts include, but are not limited to, an operating account, letter of credit revolver account, construction account, and a revenue account. All such accounts are held, and maintained, by an agent. The Company's classification of Restricted cash is based on the classification of its intended use. As of September 30, 2025, December 31, 2024, and September 30, 2024, the Company had \$12.6 million, \$4.8 million, and \$19.6 million, respectively, pertaining to operating activities classified as a current asset on the accompanying condensed interim balance sheets. The Company had no cash collateral - letters of credit, classified as a current asset on the accompanying condensed interim balance sheets as of September 30, 2025, December 31, 2024, and September 30, 2024.

(g) Prepaid Expenses

The Company has prepaid expenses on its condensed interim balance sheets. Prepaid expenses - current, consist of insurance premiums, property taxes, labor costs, bank fees, and other miscellaneous fees, and totaled \$2.1 million, \$1.0 million and \$1.8 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively. There are no assets, classified as long-term prepaids, on the accompanying balance sheets as of September 30, 2025, December 31, 2024, and September 30, 2024.

(h) Property, Plant, and Equipment and Depreciation Expense

The Company's property, plant, and equipment are recorded at historical cost and are primarily comprised of power generation facility assets, construction-in-progress and the cost of acquired land. Depreciation, after consideration of salvage value and asset retirement obligations, is computed using the straight-line method over the estimated useful lives of the assets, commencing when assets, or major components thereof, are either placed in service or acquired (note (2)). Repairs and maintenance costs are expensed as incurred.

(i) Spare Parts Inventory

Spare parts inventory primarily consists of spare parts and supplies used to maintain the power generation facility. Spare parts inventory is carried at lower of cost or net realizable value. Cost is the sum of the purchase price and incidental expenditures and charges incurred to bring the inventory to its existing condition or location. Costs of spare parts are valued primarily using the average cost method. Generally, cost is reduced to net realizable value if the net realizable value of inventory has declined and it is probable that the utility of inventory, in its disposal in the ordinary course of business, will not be recovered through revenue earned from the generation of power. The

Company's spare parts inventory balance was \$6.4 million, \$5.8 million and \$5.6 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

(j) Fuel Inventory

Fuel inventory is comprised of natural gas and is stated at the lower of weighted average cost or net realizable value. The Company had Fuel inventory of \$0.1 million, \$0.4 million and \$0.0 million as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively, on the accompanying condensed interim balance sheets.

(k) Recoverability of Long-Lived Assets

ASC Topic 360, *Property, Plant, and Equipment*, requires both long-lived assets and intangible assets with determinable useful lives be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Recoverability of assets to be held and used is measured by comparing the carrying amount of the asset to its expected future undiscounted cash flows. If the carrying amount of the asset is greater than the asset's undiscounted cash flows, the asset is considered impaired. In such circumstances, the impairment recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value. The impairment is charged to earnings. No impairments were recognized for the three-month periods ended September 30, 2025 and 2024 or nine-month periods ended September 30, 2025 and 2024.

(l) Intangible Assets

The Company accounts for intangible assets in accordance with ASC Topic 350, *Intangibles – Goodwill and Other* (ASC 350). ASC 350 requires that intangible assets determined to have indefinite lives no longer be amortized but instead be tested for impairment at least annually and whenever events or circumstances occur that indicate impairment might have occurred.

ASC 350 also requires that intangible assets with estimable useful lives be amortized over their respective estimated useful lives and reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Separable intangible assets that are deemed to have finite lives will continue to be amortized using the straight-line method over their estimable useful lives.

(m) Deferred Financing Costs

The Company capitalized costs associated with obtaining its debt. Direct costs incurred with obtaining debt are amortized under the interest method over the term of the related debt. Amortization of capitalized costs totaled \$0.6 million and \$0.5 million for the three-month periods ended September 30, 2025 and 2024, respectively, and \$1.7 million and \$1.2 million for the nine-month periods ended September 30, 2025 and 2024, respectively, which is classified as Interest expense, net on the accompanying condensed interim statements of operations and comprehensive income.

As of September 30, 2025, December 31, 2024, and September 30, 2024, the Current portion of long-term debt is presented net of \$2.3 million, \$2.3 million, and \$2.5 million, respectively, of deferred financing costs on the accompanying condensed interim balance sheets. Long-term debt is presented net of \$10.5 million, \$9.7 million and \$9.1 million of deferred financing costs as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, on the accompanying condensed interim balance sheets.

(n) Derivative Instruments and Hedging Activities

The Company enters into interest rate swaps to reduce its exposure to market fluctuations of interest rates and forward purchase and sales of commodities, and other derivative instruments to reduce its

exposure to market fluctuations of energy and natural gas prices. Additionally, the Company entered into a structured energy derivative transaction (the Revenue Put Option or RPO) to reduce its exposure to market fluctuations of energy and natural gas prices. The Company may enter into additional derivative transactions as allowed by its risk management policy. The Company recognizes all contracts that meet the definition of a derivative as either assets or liabilities in the accompanying balance sheets and measures those derivatives at fair value under ASC Topic 815, *Derivatives and Hedging* (ASC 815). On the date a derivative is entered into, the Company may designate hedging relationships as long as certain criteria in ASC 815 are met; otherwise, the derivative is marked to market in the Company's statements of operations and comprehensive income.

For derivatives designated as a hedge, such as the Company's interest rate swaps, forward purchase and sales of commodities, and other derivative instruments used to reduce its exposure to market fluctuations of energy and natural gas prices, the Company documents the relationship between the hedging instrument and hedged item, as well as its risk management objective and strategy. This process includes linking all derivatives that are designated as hedges to specific assets or liabilities on the accompanying condensed interim balance sheets or to forecasted transactions. The Company also assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of the hedged items.

When it is determined that a derivative has ceased to be a highly effective hedge, the Company discontinues hedge accounting prospectively. This could occur when (1) it is determined that a derivative is no longer effective in offsetting changes in the cash flows of a hedged item; (2) the derivative expires or is sold, terminated, or exercised; or (3) the derivative is discontinued as a hedging instrument, because it is not probable that a forecasted transaction will occur. When hedge accounting is discontinued because it is determined that the derivative no longer qualifies as an effective hedge of cash flows, the derivative will continue to be carried at fair value on the accompanying condensed interim balance sheets and the gains and losses that were accumulated in other comprehensive income or loss (OCI) are recognized immediately or over the remaining term of the forecasted transaction in the accompanying condensed interim statements of operations and comprehensive income.

Changes in the fair value of derivative instruments are either recognized in the accompanying statements of operations and comprehensive income or the accompanying statements of changes in members' equity as a component of accumulated OCI, depending upon their use and designation. Gains and losses related to transactions that qualify for hedge accounting, such as the interest rate swaps and forward purchase and sales of commodities, and other derivative instruments used to reduce its exposure to market fluctuations of energy and natural gas prices, are recorded in accumulated OCI and flow through the accompanying condensed interim statements of operations and comprehensive income in the period the hedged item affects earnings. Any gains and losses resulting from changes in the market value of the RPO are recorded in the accompanying condensed interim statements of operations and comprehensive income in the current period.

(o) Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of derivative financial instruments. The Company is exposed to credit losses in the event of noncompliance by counterparties to these derivative financial instruments. The counterparties to these transactions are major financial institutions and large energy companies. The Company has required some of these counterparties to post collateral or other security to support their financial instruments' credit risk.

(p) Revenue Recognition and Accounts Receivable

Revenue is earned from the Company's generation facilities providing capacity and ancillary services to its customer, the independent system operator (PJM), and from the production and sale of electricity from the Company's generation facilities. Revenue is recognized upon the transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services. The Company's contracts to provide capacity each have one performance obligation and result from auctions held by PJM to procure capacity in advance of when the capacity is expected to be needed and thus to be provided. The Company's contracts to provide electricity and ancillary services have one performance obligation. Capacity revenues and proceeds for electricity, delivered to customers, are classified as Operating revenue on the accompanying condensed interim statements operations and comprehensive income. Revenue for ancillary services is classified as Other revenue on the accompanying condensed interim statements operations and comprehensive income.

The performance obligations are satisfied over time and use the same method to measure progress, so they meet the criteria to be considered a series. In measuring progress towards satisfaction of each performance obligation, the Company applies the "right-to-invoice" practical expedient. It and recognizes revenue in the amount to which the Company has a right to consideration from a customer that corresponds directly with the value of the performance completed to date. As such, revenue is recognized using an output method, as energy and capacity delivered best depicts the transfer of goods or services to the customer. Performance obligations including energy or ancillary services (such as operations and maintenance and dispatch services) are generally measured by the MWh delivered. Capacity, which is a stand-ready obligation to deliver energy when required by the customer, is measured using MWs. In certain contracts, if plant availability exceeds a contractual target, the Company may receive a performance bonus payment, or if the plant availability falls below a guaranteed minimum target, it may incur a nonavailability penalty. Such bonuses or penalties represent a form of variable consideration and are estimated and recognized when it is probable that there will not be a significant reversal. The Company used the most likely value method to estimate variable consideration as it was considered to better predict the amount to which the Company will be entitled given the large number of possible outcomes. The Company periodically reviews this method and its assumptions.

The timing of revenue recognition, billings, and cash collections results in accounts receivable. Accounts receivable represent unconditional rights to consideration and consist of both billed amounts and unbilled amounts typically resulting from sales under long-term contracts when revenue recognized exceeds the amount billed to the customer. The Company bills both generation and utility customers on a contractually agreed-upon schedule, typically at periodic intervals (e.g., monthly). Accounts receivable from contracts with customers were \$15.1 million, \$12.4 million and \$3.5 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively. The Company periodically assesses the collectability of accounts receivable, considering factors such as specific evaluation of collectability, historical collection experience, the age of accounts receivable and other currently available evidence of the collectability, and records an allowance for doubtful accounts for the estimated uncollectible amount as appropriate. There was no allowance for doubtful accounts recognized as of September 30, 2025, December 31, 2024 and September 30, 2024.

(q) Commitments and Contingencies

The Company is a party to claims and proceedings arising in the normal course of business. The Company records a loss contingency in accordance with ASC 450, *Contingencies*, when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Management assesses each matter and determines the likelihood a loss has been incurred and the amount of such loss if it can be reasonably estimated. Management reviews such matters on an

ongoing basis. Contingencies are evaluated based on estimates and judgments made by management with respect to the likely outcome of such matters. Management's estimates could change based on future information.

The Company follows the guidance of ASC 460, *Guarantees* (ASC 460), for disclosing and accounting for guarantees and indemnifications entered into during the course of business. When a guarantee or indemnification subject to ASC 460 is entered into, the estimated fair value of the guarantee or indemnification is assessed. Some guarantees and indemnifications could have a financial impact under certain circumstances. Management considers the probability of such circumstances occurring when estimating fair value.

(r) Income Taxes

The Company is organized as a limited liability company and is classified and treated as a partnership for federal and state income tax purposes. No provision for the payment of federal and state income taxes has been provided since the Company is not subject to income tax. Each member is responsible for reporting income or loss based on such member's respective share of the Company's income and expenses as reported for income tax purposes. As such, no income tax expense or benefit has been recorded within this condensed interim statement of operations and comprehensive income for the three-month and nine-month periods ended September 30, 2025, and 2024.

(s) Membership Interests

Profits, losses, and distributions of net cash flows shall be allocated in proportion to each member's respective ownership interest, as outlined in the Amended and Restated Limited Liability Company Agreement, as amended (the ARLICA). The Company is managed by its board of managers. As a limited liability company, the liability of each member is limited to (i) any unpaid capital contributions, (ii) the amount of any distributions required to be returned in accordance with the agreement, and (iii) any amount the member is required to pay pursuant to the agreement.

There were no capital contributions by members during the nine-month periods ended September 30, 2025 and 2024.

The Company made distributions to its members totaling \$72.5 million and \$290.4 million for the nine-month periods ended September 30, 2025 and 2024 respectively, and \$299.1 million for the twelve-month period ended December 31, 2024.

Terms of the First Amendment to Credit and Note Purchase and Depository Agreement (FACNPA) (note (4)), required all members of the Company to pledge their respective equity interests in the Company.

(2) Property, Plant, and Equipment, Net

Property, plant, and equipment, net consists of the following:

	Estimated Useful Life (in years)	September 30, 2025	December 31, 2024	September 30, 2024
(in thousands)				
Land	N/A	\$ 3,133	\$ 3,133	\$ 3,133
Generation facility	35	919,057	914,862	914,863
Office furniture & fixtures	10	55	55	55
Computer hardware & software	3	639	639	639
Office Equipment	5	48	48	47
Tools & Plant Equipment	5	834	482	483
Communications equipment	10	166	166	166
Vehicle	5	143	143	143
Capitalized Spares	25	7,076	7,076	5,255
Total		931,151	926,604	924,784
Construction in Process		2,360	4,834	3,560
Accumulated depreciation		(154,320)	(134,134)	(127,457)
Property, plant, and equipment, net		<u>\$ 779,191</u>	<u>\$ 797,304</u>	<u>\$ 800,887</u>

Depreciation expense was \$6.7 million and \$6.6 million for the three-month periods ended September 30, 2025 and 2024, respectively, and \$20.2 million and \$19.9 million for the nine-month periods ended September 30, 2025 and 2024, respectively, which are classified as Depreciation and amortization on the accompanying condensed interim statements of operations and comprehensive income. The cost to acquire land and easements is classified as land and is included in Property, plant, and equipment, net on the accompanying condensed interim balance sheets.

(3) Intangible Assets

The Company recognized separately identifiable intangible assets related to its electrical interconnection, its natural gas and ethane interconnections, and a water supply and sewer agreement required to construct and operate the Facility. The Company amortizes the cost of its intangible assets on a straight-line basis over their respective estimated useful lives of 35 years.

Intangible assets are as follows:

	Estimated useful life (in years)	\$	September 30, 2025	December 31, 2024 (In thousands)	September 30, 2024
APM upfront fee	20		210	210	210
Gas and electrical interconnecti	35		11,537	11,537	11,537
Water and sewer interconnectic	35		17,851	17,851	17,851
Emission offset allowances	35		701	701	701
Total		\$	30,299	30,299	30,299
Accumulated amortization			(5,069)	(4,416)	(4,198)
Intangible assets, net			25,230	25,883	26,101

Amortization of intangibles totaled \$0.2 million for each of the three-month periods ended September 30, 2025 and 2024, and \$0.7 million for each of the nine-month periods ended September 30, 2025 and 2024, which are classified as Depreciation and amortization on the accompanying condensed interim statements of operations and comprehensive income. Amortization expense related to the years 2025 through 2030 is expected to be approximately \$0.9 million annually.

(4) Debt Facilities

Through August 14, 2024 the Company was a borrower under a \$710.0 million credit agreement (the Credit Agreement or CA) with a syndicate of lenders where Crédit Agricole Corporate and Investment Bank serves as administrative agent and depository bank and MUFG Union Bank, N.A., serves as collateral agent. The CA provided the Company a Term Loan Facility (Term Loan Facility) that consisted of a Tranche A Term Loan (Tranche A) of \$510.0 million and Fixed Rate Notes (FRN) of \$115.0 million, a Working Capital facility (WC Facility) of \$30.0 million, and a Revolving Letter of Credit Loan facility (RLC Loan Facility) of \$55.0 million.

On August 14, 2024, the Company refinanced its net debt of \$324.6 million outstanding. The refinancing included a new term loan of \$550.0 million (the Term B Loan), with a \$75.0 million revolver facility administered by Morgan Stanley, which will come due on August 14, 2031 and August 14, 2030, respectively (collectively the New Credit Agreement or New CA). The Company repaid the FRN of \$92.0 million and the RLC Loan Facility of \$25.9 million and expensed \$1.1 million in unamortized deferred financing costs. The Company incurred financing costs totaling \$13.5 million. These costs primarily consist of lender fees, legal fees, and other transaction-related expenses.

Through August 14, 2024, the CA requires that the Company maintain a defined debt service coverage ratio and requires the Company to not exceed a defined maximum debt to equity ratio. The Company is in compliance with these requirements.

As of August 14, 2024 and onwards, the New CA requires that the Company maintain a defined debt service coverage ratio as well as other affirmative, negative, reporting, and financial covenants. The Company is in compliance with these requirements.

The table below summarizes the Company's outstanding debt, net of unamortized deferred financing costs as of:

In thousands, Description	September 30, 2025	December 31, 2024	September 30, 2024
Term B	\$ 494,042	\$ 539,875	\$ 550,000
Unamortized deferred financing cost	(10,194)	(11,082)	(11,667)
	<u>\$ 483,848</u>	<u>\$ 528,793</u>	<u>\$ 538,333</u>

Borrowings under the Term B Loan incur interest at an annual rate of 1-month SOFR plus an applicable margin of 3.5%.

On February 19, 2025 the administrative agent executed an amendment to the New CA effectuating a reduction of the applicable margin from 3.5% to 3.0%. The maturity date, principal amount, and other substantive term of the loan agreement remain unchanged.

Borrowings under the Term B Loan totaled \$494.0 million, \$539.8 million, and \$550.0 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, of which \$5.5 million, \$5.5 million and \$5.5 million, respectively, are classified as Current portion of long-term debt, and \$488.5 million, \$534.3 million and \$544.5 million, respectively, are classified as Long-term debt on the accompanying condensed interim balance sheets.

Unused available credit under the New CA incurs a commitment fee of 0.5% per annum. During three-month periods ended September 30, 2025 and 2024, the Company incurred \$8.9 million and \$8.5 million, respectively, and during the nine-month periods ended September 30, 2025 and 2024, the Company incurred \$28.1 million and \$18.1 million, respectively, of interest and commitment fees. These costs were expensed and classified as Interest expense, net on the accompanying condensed interim statements of operations and comprehensive income.

The total Term Loan Facilities balance is \$494.0 million, \$539.8 million and \$550.0 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, of which \$5.5 million, \$5.5 million and \$5.5 million, respectively, are classified as Current portion of long-term debt, and \$488.5 million, \$534.3 million and \$544.5 million, respectively, are classified as Long-term debt on the accompanying condensed interim balance sheets.

The table below sets forth the future minimum principal payments of amounts borrowed as of September 30, 2025, under the Term Loan Facility (in thousands):

Years Ending September 30, 2025		
2025	\$	1,375
2026		5,500
2027		5,500
2028		5,500
Thereafter		<u>225,730</u>
Total debt	\$	<u>243,605</u>

The WC Facility has \$30.0 million of availability. During the nine month periods ended September 30, 2025 and 2024, the Company borrowed \$0.0 million. During the nine month periods ended September 30, 2025 and 2024, the Company repaid \$0.0 million and \$0.0 million, the Company repaid \$0.0 million and \$0.0 million, respectively under the WC Facility.

The Company had accrued unpaid interest and fees totaling \$102 thousand, \$47 thousand and \$123.2 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, which is included in the Accounts payable and accrued liabilities on the accompanying condensed interim balance sheets.

The scheduled increase in the applicable margin for the Tranche A is recognized as a long-term liability. The liability totaled \$0.0 million, \$0.6 million and \$0.0 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, and is classified as other long-term liabilities on the accompanying condensed interim balance sheets. For three-month periods ended September 30, 2025 and 2024, accretion totaled \$0.0 and \$0.6 million of income, respectively, and for the nine-month periods ended September 30, 2025 and 2024 accretion totaled \$0.0 million and \$0.5 million of income, respectively. The income is classified as Interest expense, net on the accompanying condensed interim statements of operations and comprehensive income.

The CA requires the Company to pledge its assets as security in favor of the lenders.

(5) Derivative Instruments and Hedging Activities

(a) Interest Rate Swaps

The Company enters into pay-fixed, receive-variable interest rate swaps to reduce its exposure to market risks from changing interest rates. Interest rate swap agreements are used to convert the floating interest rate component of the Company's long-term debt obligations to fixed rates. Such interest rate swap agreements are designated as cash flow hedges under ASC 815. All effective changes in fair market value are deferred in OCI and all ineffective changes are recognized in the statements of operations and comprehensive income.

As part of entering into the CNPA, the Company executed 14 amortizing interest rate swaps with seven financial institutions, seven of which matured during 2020. As part of entering into FACNPA, the Company executed two additional interest rate swaps to hedge the incremental borrowings under Tranche A. Additionally, on April 30, 2020, Fairview executed three interest rate swaps, which increased the notional amount hedged of Tranche A to 100%. The swaps, in conjunction with the fixed rate debt, were designated to hedge 100% of the Company's Term-Loan Facility.

The fair value of the interest rate swap assets totaled \$0.0 million, \$2.1 million and \$0.4 million, of which \$0.0 million, \$1.1 million and \$0.4 million classified as current Derivative assets, interest rate swaps and \$0.0 million, \$1.0 million and \$0.0 million as noncurrent Derivative assets, interest rate swaps on the accompanying condensed interim balance sheets as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

The fair value of the interest rate swap liabilities totaled \$1.1 million, \$0.0 million and \$0.0 million, of which \$0.1 million, \$0.0 million and \$0.0 million classified as current Derivative liabilities, interest rate swaps and \$1.0 million, \$0.0 million and \$0.0 million as noncurrent Derivative liabilities, interest rate swaps on the accompanying condensed interim balance sheets as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

The details of these instruments as of September 30, 2025 are set forth in the following table:

Swap Period	Dates	Swap Details	Morgan Stanley	Wells Fargo
Operational swaps				
Trade date	August 14, 2024	Notional amount	\$ 164,143,396	\$ 82,071,698
Effective date	August 30, 2024	Fixed rate	3.6525%	3.6220%
Termination date	August 31, 2027	Floating rate	USD-SOFR	USD-SOFR

The details of these instruments as of December 31, 2024 are set forth in the following table:

Swap Period	Dates	Swap Details	Morgan Stanley	Wells Fargo
Operational swaps				
Trade date	August 14, 2024	Notional amount	\$ 177,305,342	\$ 88,652,671
Effective date	August 30, 2024	Fixed rate	3.6525%	3.6220%
Termination date	August 31, 2027	Floating rate	USD-SOFR	USD-SOFR

The details of these instruments as of September 30, 2024 are set forth in the following table:

Swap Period	Dates	Swap Details	Morgan Stanley	Wells Fargo
Operational swaps				
Trade date	August 14, 2024	Notional amount	\$ 183,333,333	\$ 91,666,667
Effective date	August 30, 2024	Fixed rate	3.6525%	3.6220%
Termination date	August 31, 2027	Floating rate	USD-SOFR	USD-SOFR

As of September 30, 2025, the Company estimates \$0.4 million of loss will be reclassified out of OCI over the respective next 12 months; however, actual results may differ due to changes in market conditions during the same time period. OCI attributable to the interest rate swaps is reclassified as Interest expense, net in the accompanying condensed interim statement of operations and comprehensive income.

(in thousands)	Interest rate swap	Natural gas swap	Total
OCI roll forward			
Ending balance as of December 31, 2023	\$ 7,355	\$ (2,337)	\$ 5,019
Gain recognized in OCI on derivatives	4,857	27,856	32,713
Loss reclassified from AOCI	(8,567)	(14,613)	(23,180)
Ending balance as of December 31, 2024	3,645	10,907	14,552
Loss recognized in OCI on derivatives	(1,810)	(15,350)	(17,160)
Loss reclassified from AOCI	(2,892)	-	(2,892)
Ending balance as of September 30, 2025	\$ (1,057)	\$ (4,443)	\$ (5,500)

(b) Energy Derivatives

The Company enters into forward purchase and sales of commodities to reduce its exposure to market fluctuations of energy and natural gas prices. Such agreements are presented at fair value under ASC 815. All effective changes in fair market value are recognized in the statements of operations and comprehensive income. Some of the Company's agreements with counterparties include master agreements, which allow payments and obligations related to the same counterparty to be netted.

As of April 1, 2024, the Company designated outstanding commodity swaps as cash flow hedges under ASC 815. All effective changes in fair market value are deferred in OCI.

The fair value of the commodity swaps assets totaled \$5.9 million, \$13.2 million and \$12.9 million, of which \$4.2 million, \$ 11.7million, and \$8.8 million were classified as current Derivative assets, energy and \$1.7 million, \$1.5 million and \$4.0 million as noncurrent Derivative assets, energy on the accompanying condensed interim balance sheets as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

The fair value of the commodity swaps liabilities totaled \$10.3 million, \$1.5 million, and \$9.4 million, of which \$6.0 million, \$0.7 million, and \$7.9 million were classified as current Derivative liabilities, energy and \$4.3 million, \$0.8 million and \$1.5 million as noncurrent Derivative liabilities, energy on the accompanying condensed interim balance sheets as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

The following table summarizes the details of the commodity derivatives on the Company's accompanying condensed interim balance sheets as of September 30, 2025, December 31, 2024 and September 30, 2024:

	Natural Gas (1)	Power (2)
	(in MMbtu)	(in MWh)
September 30, 2025	35,661,600	2,649,600
December 31, 2024	22,776,000	3,504,000
September 30, 2024	142,685,400	21,951,600

⁽¹⁾ Includes volumes for floating price supply contracts. The Company pays fixed price and the counterparties pay the floating price

⁽²⁾ The Company pays floating price and the counterparties pay the fixed price.

For the three-month periods ended September 30, 2025, and 2024, the Company recorded unrealized gain of \$9.1 thousand and \$0.0 million, respectively, related to power commodity swaps, and unrealized gain (loss) of \$0.0 million and \$0.0 million, respectively, on gas commodity swaps.

For the nine-month periods ended September 30, 2025, and 2024, the Company recorded unrealized gain (loss) of \$0.0 million and \$0.0 million, respectively, related to power commodity swaps, and unrealized gain (loss) of \$0.0 million and \$0.0 million, respectively, on gas commodity swaps, which are classified as Realized and unrealized (loss) gain on energy derivatives on the accompanying condensed interim statements of operations and comprehensive income.

For the three-month periods ended September 30, 2025, and 2024, the Company recorded a realized gain of \$4.4 million and \$9.9 million, respectively, related to power commodity swaps and realized loss of \$5.3 million and \$7.4 million, respectively, on gas commodity swaps, which classified as Realized and unrealized (loss) gain on energy derivatives on the accompanying condensed interim statements of operations and comprehensive income.

For the nine-month periods ended September 30, 2025, and 2024, the Company recorded a realized gain of \$6.4 million and \$35.3 million, respectively, related to power commodity swaps and realized loss of \$1.2 million and \$17.2 million, respectively, on gas commodity swaps, which classified as Realized and unrealized (loss) gain on energy derivatives on the accompanying condensed interim statements of operations and comprehensive income.

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(c) RPO Derivative

The Company entered into the RPO with a creditworthy counterparty. The RPO is designed to provide the Company a floor, or minimum gross margin, over its term. The annual \$65.0 million strike price, which covers an exercise period or fiscal year, uses specific factors such as its heat rate, expected production levels, forward power and gas commodity prices, gas transportation costs, and other project-specific costs to calculate gross margin per the agreement.

The fair value of the RPO totaled \$0.0 million, \$0.0 million and \$0.0 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, of which \$0.0 million, \$0.0 million and \$0.0 million, respectively, are classified as current Derivative assets, energy and \$0.0 million, \$0.0 million and \$0.0 million, respectively, are classified as noncurrent Derivative assets, energy on the

accompanying condensed interim balance sheets. The RPO had an unrealized loss of \$0.0 million and \$0.0 million for the three-month periods ended September 30, 2025 and 2024 respectively, and unrealized gain (loss) of \$0.0 million and (\$1.4 million) for the nine-month periods ended September 30, 2025 and 2024, respectively, which is included in the accompanying condensed interim statements of operations and comprehensive income as Realized and unrealized gain (loss) on energy derivatives.

(d) Financial Transmission Rights

The Company obtained the financial transmission rights (FTR) to manage and hedge against the financial impacts of congestion charges associated with PJM's locational marginal pricing (LMP).

The fair value of the FTR totaled \$0.1 million, \$0.8 million and \$0.0 million as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively, which is classified as current derivative assets energy on the accompanying condensed interim balance sheets.

The details of these instruments as of September 30, 2025, are set forth in the following table.

Beginning Date	End Date	Trade Date	Delivery Point	Quantity
1/1/2026	1/31/2026	5/27/2025	PJM AEP DAY Hub	100
2/1/2026	2/28/2026	5/27/2025	PJM AEP DAY Hub	45.9
12/1/2025	12/31/2025	6/23/2025	PJM AEP DAY Hub	39.3

The details of these instruments as of December 31, 2024, are set forth in the following table.

Beginning Date	End Date	Trade Date	Delivery Point	Quantity
1/1/2025	1/31/2025	6/24/2024	PJM AEP DAY Hub	150
1/1/2025	1/31/2025	8/22/2024	PJM AEP DAY Hub	100
1/1/2025	1/31/2025	9/19/2024	PJM AEP DAY Hub	50
1/1/2025	1/31/2025	10/24/2024	PJM AEP DAY Hub	1.5
2/1/2025	2/28/2025	6/24/2024	PJM AEP DAY Hub	150
2/1/2025	2/28/2025	9/19/2024	PJM AEP DAY Hub	20.5
2/1/2025	2/28/2025	10/24/2024	PJM AEP DAY Hub	23.1
3/1/2025	3/31/2025	9/19/2024	PJM AEP DAY Hub	200
3/1/2025	3/31/2025	10/24/2024	PJM AEP DAY Hub	17.9
4/1/2025	4/30/2025	9/19/2024	PJM AEP DAY Hub	65.6
4/1/2025	4/30/2025	10/24/2024	PJM AEP DAY Hub	100
4/1/2025	4/30/2025	11/20/2024	PJM AEP DAY Hub	234.4
5/1/2025	5/31/2025	8/22/2024	PJM AEP DAY Hub	100
5/1/2025	5/31/2025	9/19/2024	PJM AEP DAY Hub	200
5/1/2025	5/31/2025	10/24/2024	PJM AEP DAY Hub	20.6
5/1/2025	5/31/2025	12/23/2024	PJM AEP DAY Hub	27.7

The details of these instruments as of September 30, 2024, are set forth in the following table.

<u>Beginning Date</u>	<u>End Date</u>	<u>Trade Date</u>	<u>Delivery Point</u>	<u>Quantity</u>
11/1/2024	11/30/2024	9/19/2024	PJM AEP DAY Hub	134.5
12/1/2024	12/31/2024	9/19/2024	PJM AEP DAY Hub	100
1/1/2025	1/31/2025	6/24/2024	PJM AEP DAY Hub	150
1/1/2025	1/31/2025	8/22/2024	PJM AEP DAY Hub	100
1/1/2025	1/31/2025	9/19/2024	PJM AEP DAY Hub	50
2/1/2025	2/28/2025	6/24/2024	PJM AEP DAY Hub	150
2/1/2025	2/28/2025	9/19/2024	PJM AEP DAY Hub	20.5
3/1/2025	3/31/2025	9/19/2024	PJM AEP DAY Hub	200
4/1/2025	4/30/2025	9/19/2024	PJM AEP DAY Hub	65.6
5/1/2025	5/31/2025	8/22/2024	PJM AEP DAY Hub	100
5/1/2025	5/31/2025	9/19/2024	PJM AEP DAY Hub	200

(e) Fair Value Hierarchy

The Company records the fair value of all derivatives as assets and liabilities. In determining fair value, the Company generally uses the income approach and incorporates assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation techniques. These inputs can be readily observable; markets corroborated or are generally unobservable internally developed inputs. Derivative assets and liabilities are classified depending on how readily observable the inputs used in the valuation techniques are, as follows:

- Level 1 Represents unadjusted quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date. This category includes energy derivative instruments that are exchange traded or that are cleared and settled through the exchange.
- Level 2 Represents quoted market prices for similar assets or liabilities in active markets, quoted market prices in markets that are not active, or other valuations based on inputs that are observable or can be corroborated by observable market data. This category includes the Company's interest rate swaps and commodity swaps.
- Level 3 This category includes energy derivative instruments whose fair value is estimated based on internally developed models and methodologies utilizing significant inputs that are generally less readily observable from objective sources (such as market heat rates, implied volatilities, and correlations). Over the counter, complex, or structured derivative instruments that are transacted in less liquid markets with limited pricing information would be included in Level 3. The category includes the company's financial transmission rights. ("FTR")

(f) Valuation Techniques

The fair value measurement accounting guidance describes three main approaches to measuring the fair value of assets and liabilities: (1) market approach, (2) income approach, and (3) cost approach. The market approach uses prices and other relevant information generated from market transactions involving identical or comparable assets or liabilities. The income approach uses valuation techniques to convert future amounts to a single present value amount. The measurement is based on current market expectations of the return on those future amounts.

The Company measures its interest rate swap and energy derivatives at fair value on a recurring basis. The fair value of its interest rate swap derivatives is determined using the income approach by a third-party treasury and risk management service. The service utilizes a standard model and observable inputs to estimate the fair value of the interest rate swaps. The Company performs analytical procedures and makes comparisons to other third-party information to assess the reasonableness of the fair value. FTRs are recorded at purchase cost and subsequently valued using the most recent auction clearing price (last auction price method). This approach reflects current market value, with changes recognized as unrealized gains or losses until settlement. Fair value measurements of the Company's financial assets and liabilities as of September 30, 2025, December 31, 2024 and September 30, 2024 based on the above hierarchy, are as follows:

(in thousands)	September 30, 2025			
	Total	Level 1	Level 2	Level 3
Assets				
Commodity swaps and other derivatives	\$ 5,826	\$ -	\$ 5,826	\$ -
Interest rate swaps	-	-	-	-
Revenue put option	-	-	-	-
Financial transmission rights	116	-	-	116
	<u>\$ 5,942</u>	<u>\$ -</u>	<u>\$ 5,826</u>	<u>\$ 116</u>
Liabilities				
Commodity swaps	\$ (4,445)	\$ -	\$ (4,445)	\$ -
Interest rate swaps	(1,057)	-	(1,057)	-
	<u>\$ (5,502)</u>	<u>\$ -</u>	<u>\$ (5,502)</u>	<u>\$ -</u>

(in thousands)	December 31, 2024			
	Total	Level 1	Level 2	Level 3
Assets				
Commodity swaps and other derivatives	\$ 10,842	\$ -	\$ 10,842	\$ -
Interest rate swaps	2,083	-	2,083	-
Financial transmission rights	819	-	-	819
	<u>\$ 13,744</u>	<u>\$ -</u>	<u>\$ 12,925</u>	<u>\$ 819</u>
Liabilities				
Commodity swaps	\$ (1,389)	\$ -	\$ (1,389)	\$ -
Interest rate swaps	-	-	-	-
	<u>\$ (1,389)</u>	<u>\$ -</u>	<u>\$ (1,389)</u>	<u>\$ -</u>

(in thousands)	September 30, 2024			
	Total	Level 1	Level 2	Level 3
Assets				
Commodity swaps and other derivatives	\$ 12,800	\$ -	\$ 12,800	\$ -
Interest rate swaps	419	-	419	-
Revenue put option	-	-	-	-
Financial transmission rights	69	-	-	69
	<u>\$ 13,288</u>	<u>\$ -</u>	<u>\$ 13,219</u>	<u>\$ 69</u>
Liabilities				
Commodity swaps	\$ (1,525,757)	\$ -	\$ (9,409)	\$ -
Interest rate swaps	(2,395)	-	(2,395)	-
	<u>\$ (1,528,152)</u>	<u>\$ -</u>	<u>\$ (11,804)</u>	<u>\$ -</u>

For the periods ended September 30, 2025, and 2024, and the year ended December 31, 2024, the Company did not have any transfers between Levels 1, 2, or 3.

The Company has not posted any collateral to counterparties in conjunction with the interest rate swaps with respect to the fair value of the swap instruments.

(i) Impact of Derivative Instruments on the Accompanying Condensed Interim Balance Sheets

The following tables present the balance sheet classification and fair value of derivative instruments on the accompanying condensed interim balance sheets as of September 30, 2025, December 31, 2024 and September 30, 2024.

**Fair Value Measurements Using Significant
Unobservable inputs (level 3)**

	2025	2024
Balance at June 30,	\$ 107	\$ 14
Unrealized gain in revenue for three- month periods	9	55
Ending balance at September 30	<u>\$ 116</u>	<u>\$ 69</u>
Balance at December 31, 2023		\$ 1,900
Balance at December 31, 2024	\$ 819	
Unrealized gain (loss) in revenue for nine- month periods	(703)	(1,831)
Ending balance at September 30	<u>\$ 116</u>	<u>\$ 69</u>

Balance Sheet Location		September 30, 2025	December 31, 2024	September 30, 2024
		(in thousands)	(in thousands)	(in thousands)
Derivative designated throughout as hedging instruments under ASC 815				
Interest rate swaps	Current - derivative assets	\$ -	\$ 1,148	\$ 350
Interest rate swaps	Noncurrent - derivative assets	-	935	-
Interest rate swaps	Current - derivative liabilities	(115)	-	-
Interest rate swaps	Noncurrent - derivative liabilities	(942)	-	(2,395)
Commodity swaps	Current - derivative assets, energy	4,154	10,891	8,838
Commodity swaps	Noncurrent - derivative assets, energy	1,671	1,539	4,032
Commodity swaps	Current - derivative liabilities, energy	(5,994)	(710)	(7,883)
Commodity swaps	Noncurrent - derivative liabilities, energy	(4,276)	(814)	(1,526)
Total derivatives designated as hedging instruments under ASC 815		\$ (5,502)	\$ 12,990	\$ 1,415
Derivative not designated as hedging instruments under ASC 815				
Financial transmission right	Current - derivative assets, energy	\$ 116	\$ 819	\$ 69
Total derivatives not designated as hedging instruments under ASC 815		116	819	69
Total derivatives, net		\$ (5,386)	\$ 13,809	\$ 1,484

(ii) Impact of Derivative Instruments on the Accompanying Condensed Interim Statements of Operations and Comprehensive Income

The following tables present the classification of the derivative instruments, which are designated as hedging instruments, on the accompanying condensed interim statements of operations and comprehensive income.

The impact of derivative instruments designated as cash flow hedging instruments for the three-month and nine-month periods ended September 30, 2025 and 2024 are the following:

Three-month periods ended
September 30, 2025

	Amount of gain Recognized in OCI on Derivative (Effective Portion) <i>(in thousands)</i>	Location loss Reclassified From OCI into Income (Effective Portion)	Amount of loss Reclassified From OCI into Income (Effective Portion) <i>(in thousands)</i>	Location of Gain Recognized in Income on Derivative (Ineffective Portion)	Amount of Gain Recognized in Income on Derivative (Effective Portion) <i>(in thousands)</i>
Instruments					
Interest rate swaps	\$ 254	Interest expense, net	\$ (433)	Interest expense, net	\$ -
Commodity swaps	\$ (230)	Fuel and other	\$ -	Fuel and other	\$ -
	<u>\$ 24</u>		<u>\$ (433)</u>		<u>\$ -</u>

Three-month periods ended
September 30, 2024

	Amount of gain Recognized in OCI on Derivative (Effective Portion) <i>(in thousands)</i>	Location Gain Reclassified From OCI into Income (Effective Portion)	Amount of loss Reclassified From OCI into Income (Effective Portion) <i>(in thousands)</i>	Location of Gain Recognized in Income on Derivative (Ineffective Portion)	Amount of Gain Recognized in Income on Derivative (Effective Portion) <i>(in thousands)</i>
Instruments					
Interest rate swaps	\$ (2,219)	Interest expense, net	\$ (1,586)	Interest expense, net	\$ -
Commodity swaps	\$ 11,939	Fuel and other	\$ (3,654)	Fuel and other	\$ -
	<u>\$ 9,720</u>		<u>\$ (5,240)</u>		<u>\$ -</u>

	Nine-month periods ended September 30, 2025				
	Amount of loss Recognized in OCI on Derivative (Effective Portion)	Location Gain Reclassified From OCI into Income (Effective Portion)	Amount of loss Reclassified From OCI into Income (Effective Portion)	Location of Gain Recognized in Income on Derivative (Ineffective Portion)	Amount of Gain Recognized in Income on Derivative (Effective Portion)
	(in thousands)		(in thousands)		(in thousands)
Instruments					
Interest rate swaps	\$ (1,810)	Interest expense, net	\$ (2,892)	Interest expense, net	\$ -
Commodity swaps	\$ (15,350)	Fuel and other	\$ -	Fuel and other	\$ -
	\$ (17,160)		\$ (2,892)		\$ -

	Nine-month periods ended September 30, 2024				
	Amount of gain Recognized in OCI on Derivative (Effective Portion) <i>(in thousands)</i>	Location Gain Reclassified From OCI into Income (Effective Portion)	Amount of loss Reclassified From OCI into Income (Effective Portion) <i>(in thousands)</i>	Location of Gain Recognized in Income on Derivative (Ineffective Portion)	Amount of Gain Recognized in Income on Derivative (Effective Portion) <i>(in thousands)</i>
Instruments					
Interest rate swaps	\$ 58	Interest expense, net	\$ (6,997)	Interest expense, net	\$ -
Commodity swaps	\$ 20,342	Fuel and other	\$ (10,961)	Fuel and other	\$ -
	\$ 20,400		\$ (17,958)		\$ -

(6) Facility Contract Commitments

(a) Project Agreements with the Jackson Township and Other Local Agencies

(i) Host Community Benefits Agreement

The Company is party to the Host Community Benefits Agreement (HCBA), with the Jackson Township (Township) and the Community Foundation of Greater Johnstown (Foundation). Pursuant to the HCBA, the Company is to create a donor-advised fund to be held and administered by the Foundation and make annual payments beginning January 1 in the year following the Commercial Operations Date.

(ii) Water Supply Agreement

The Company executed an amended and restated agreement for the use of water with the Cambria SA (the Water Supply Agreement). The Water Supply Agreement provides that Cambria

SA will deliver water to be used by the Facility. The Water Supply Agreement runs for an initial term of 20 years, ending on December 1, 2039, subject to certain termination and extension rights. To facilitate the delivery of water, the Company entered into a High Occupancy Permit and Agreement (HOPA) with Cambria SA and East Taylor Township. Under the HOPA, East Taylor Township granted the Cambria SA a perpetual permit to build, operate, maintain, repair, upgrade, replace, and remove the water pipelines to convey the water to the Company's water line. The Company is responsible for the cost of the work. Amortization totaled \$5.5 thousand for each of the three-month periods ended September 30, 2025 and 2024, and \$16.5 thousand for each of the nine-month periods ended September 30, 2025 and 2024, which is included in Depreciation and amortization on the accompanying condensed interim statements of operations and comprehensive income.

For the three-month periods ended September 30, 2025 and 2024, the Company incurred \$168 thousand and \$150 thousand, respectively, of water supply expenses, which are included in Operating expenses in the accompanying condensed interim statements of operations and comprehensive income. For the nine-month periods ended September 30, 2025 and 2024, the Company incurred \$433 thousand and \$356 thousand, respectively, of water supply expenses, which are included in Operating expenses in the accompanying condensed interim statements of operations and comprehensive income. The Company owed Cambria SA \$0.0 thousand, \$0.0 thousand, and \$0.0 thousand as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively, which is included in Accounts payable and accrued expenses on the accompanying condensed interim balance sheets.

(iii) Reclaimed Water Supply Agreement

The Company executed an amended and restated agreement for the use of reclaimed water with the Cambria SA (the Reclaimed Water Supply Agreement). The Reclaimed Water Supply Agreement provides that the Company will deliver to Cambria SA reclaimed water generated by the Facility. The Reclaimed Water Supply Agreement runs for an initial term of 20 years, ending on December 1, 2039, subject to certain termination and extension rights. To facilitate the delivery of reclaimed water, the Company entered into a High Occupancy Permit and Agreement (HOP&A) with Cambria SA and Jackson Township. Under the HOP&A, Jackson Township granted Cambria SA a perpetual permit to build, operate, maintain, repair, upgrade, replace, and remove the water pipelines to convey the reclaimed water to the Company's pipeline. The Company was responsible for the cost of the work and there were no costs incurred under this agreement during the three-month periods and nine-month periods ended September 30, 2025 and 2024.

(b) Gas Supply Agreement

The Company is party to a Base Contract for Sale and Purchase of Natural Gas (GSPA) with Shell Energy North America (US), L.P. (Shell), whereby Shell provides gas supply of up to 180,000 MMBtu/day at a price indexed to certain published market indices. The term of the GSPA commenced to accommodate the first fire of the Facility. The term of the GSPA extends to May 31, 2025. Pursuant to the GSPA, Shell is responsible for transporting natural gas to the designated delivery point. The Company incurred \$31.5 million and \$20.4 million under the GSPA for the three-month periods ended September 30, 2025 and 2024, respectively, and \$120.0 million and \$70.9 million for the nine-month periods ended September 30, 2025 and 2024, respectively, which is classified as Fuel and other on the accompanying condensed interim statements of operations and comprehensive income. The Company owed Shell \$3.7 million, \$2.4 million and \$2.4 million as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, which is included in Accounts payable and accrued expenses on the accompanying condensed interim balance sheets.

(c) Operations and Maintenance Agreement

The Company is party to an operating and maintenance agreement (O&M Agreement) with NAES Corporation (NAES) to operate and maintain the Facility. The O&M Agreement has an initial term that extends approximately three years from the Facility's substantial completion date. The Company is required to pay NAES a fixed management fee escalated annually by a defined inflation index, an incentive bonus, and to reimburse NAES for labor costs, including payroll and taxes, subcontractor costs, and other costs deemed reimbursement under the O&M Agreement. The O&M Agreement includes a one-year renewal provision, which can be terminated by either party. During the three-month periods ended September 30, 2025, and 2024, the Company incurred \$1.3 million and \$1.0 million, respectively, and during the nine-month periods ended September 30, 2025 and 2024, incurred \$4.0 million and \$3.8 million, respectively, under the O&M Agreement, which is classified as Operations and maintenance on the accompanying condensed interim statements of operations and comprehensive income. The Company owed NAES \$6 thousand, \$0.0 million, and \$0.0 million as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively, which are included in Accounts payable and accrued expenses on the accompanying condensed interim balance sheets.

(d) Contractual Service Agreement

The Company is a party to a Contractual Service Agreement (CSA) with General Electric International, Inc. (GEI) to provide scheduled and unscheduled outage maintenance parts and services for the combustion turbines. The CSA commenced on December 27, 2016 (Contract Effective Date) and terminates the earlier of 25 years from the Contract Effective Date or when specific milestones based on use and wear are achieved. The Company incurs a fixed and variable fee escalated annually by inflation commencing upon the commercial operations date. During the three-month periods ended September 30, 2025 and 2024, the Company incurred \$2.6 million and \$0.2 million, respectively, and during the nine-month periods ended September 30, 2025 and 2024, the Company incurred \$7.6 million and \$1.7 million, respectively, which are classified as Operations and maintenance on the accompanying condensed interim statements of operations and comprehensive income. The Company owed GEI \$2.6 thousand, \$0.0 thousand, and \$3.0 million as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively, which are included in Accounts payable and accrued expenses on the accompanying condensed interim balance sheets.

(e) PJM Auctions

The Company participated in and cleared the PJM Interconnection LLC (PJM) Reliability Pricing Model (RPM) Base Residual Auction (BRA) for the 2023-2024, 2024-2025, 2025-2026 and 2026-2027 delivery years (DY). PJM delayed the Base Residual Auctions for all these DY and only held the 3rd Incremental Auction for each of these DY. For the three-month periods ended September 30, 2025, and 2024, the Company recognized \$19.9 million and \$5.0 million, respectively, and for the nine-month periods ended September 30, 2025 and 2024, the Company recognized \$34.9 million and \$14.1 million, respectively, of revenue from capacity sales associated with the PJM capacity auctions which is recorded apart from the PJM RPM Auctions, the Company offers all of the electric energy output into PJM as required by rules for all capacity resources and select portions of ancillary services.

(f) Commitments

The contracts discussed above and in the note (6) resulted in the Company having various long-term, firm commitments, with the approximate quarterly contractual obligations as of September 30, 2025, as follows:

(in thousands)	12 months ended September 30, 2026	12 months ended September 30, 2027	12 months ended September 30, 2028	12 months ended September 30, 2029	12 months ended September 30, 2030	Thereafter
CSA	\$ 536	\$ 550	\$ 564	\$ 578	\$ 592	\$ 7,771
Asset Management Agreement	1,829	302	-	-	-	-
EMA	170	-	-	-	-	-
HCBA	560	572	583	595	607	19,065
Total contractual obligations	\$ 3,095	\$ 1,424	\$ 1,147	\$ 1,173	\$ 1,199	\$ 26,836

(7) Related-Party Agreements

(a) Asset Management Agreement

On October 1, 2022, the Company entered into an Asset Management Agreement (AMA) with Osaka Gas Asset Management, LLC (OGAM), whereby OGAM provides asset management services. The AMA includes a fixed fee escalated annually by a defined inflation index, an incentive fee and the reimbursement expenses. The agreement has an initial term of four years, which will end on December 9, 2026. The AMA has a renewal term of an additional one year. For the three-month periods ended September 30, 2025 and 2024, the Company incurred \$0.3 million and \$1.1 million, respectively, and for the nine-month periods ended September 30, 2025 and 2024, the Company incurred \$1.9 million and \$2.1 million, respectively, which are included in General and administrative on the accompanying condensed interim statements of operations and comprehensive income. There are no outstanding invoice payables to OGAM as of September 30, 2025, December 31, 2024 and September 30, 2024.

(b) Energy Management Agreement

The Company is party to an Energy Management Agreement (EMA) with CPV Energy and Marketing Services, LLC (CEMS), to provide certain services related to the sale of merchant energy, capacity and ancillary services. The EMA will remain in effect through December 31, 2025. The EMA includes a five-year renewal provision, which can be executed by the Company in its sole discretion up to two times. The EMA includes a fixed monthly fee plus reimbursement of expenses during the term of the agreement. The EMA also provides reimbursement to CEMS for services provided by third parties on behalf of the Company. For the three-month periods ended September 30, 2025 and 2024, the Company incurred \$169 thousand and \$165.0 thousand, for the nine-month periods ended September 30, 2025 and 2024, the Company incurred \$507 thousand and \$493.3 thousand, respectively, which is classified as General and administrative on the accompanying statement of operations and comprehensive income. There are no outstanding payables to CEMS as of September 30, 2025, December 31, 2024, and September 30, 2024, respectively.

(8) Contingencies

The Company from time to time is party to certain claims arising in the ordinary course of business. The Company is of the opinion that the final disposition of these claims will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

(9) Subsequent Events

On October 1, 2025, the Company repriced its existing Term Loan B with an outstanding principal of \$494.0 million, increasing the total facility to \$700.0 million. The repricing reduced the applicable interest rate from 7.16% to 6.60%.

The Company has evaluated events and transactions that occurred between September 30, 2025, and December 9, 2025, which is the date the condensed interim financial statements were available to be issued for possible disclosure and recognition in the condensed interim financial statements.

There were no subsequent events identified that necessitated disclosure in and/or adjustment to the Company's condensed interim financial statements for the period ended September 30, 2025.