



October 2025 Board Highlights

CEO Opening Comments: Jeff Conrad noted he recently attended the G&T Managers Association meeting. The federal government officially shut down last night. This may slow down the response from RUS on our loan application but we are not aware of other direct impacts to WVPA. The 2026 budget will be presented during the November board meeting and a resolution for approval will be sought at the December meeting due. A decision on a contract with Project Domino will be presented today which represents a lot of work and is an exciting venture for our organization and member co-ops. The Bylaw/Policy committee is recommending a change to Patronage Capital – a move to First In, First Out (FIFO) where the oldest membership gets paid out first.

Co-op Connections: EnerStar Electric Director Danny Gard shared his story via video and CEO Angela Griffin.

Power Supply: In a historic decision, the Board of Directors unanimously approved a resolution to purchase zonal resource credits and energy from Constellation Energy's Clinton Clean Energy Center, a nuclear power plant located near Clinton, Illinois, beginning June 1, 2027 through May 31, 2047. Additionally, the Board of Directors unanimously approved a resolution to execute a special electric services agreement between WVPA, Boone Power and Orla for 20 years.

Battery Storage: Jeff Hume noted the third phase of the substation battery project has grown to nearly 100 megawatts with third-party ownership, who is shouldering the burden for the Investment Tax Credit and Safe Harbor. Overall, the Battery Substation Project will be installed at 39 sites providing roughly 166 megawatts. The Strategic Electrification team is meeting with co-op members to learn about current or planned load curtailments, load additions or transfers, load shift opportunities and site and member staffing constraints. The \$11.50 kw/month price is the cheapest capacity resource that can be added to the system in the near term. The Board will review a resolution at the November board meeting.

Financial Report: Jackie Perius reported that the month of August ended \$12.3 million over collected resulting in a \$4.6 million favorable variance to budget. In August, energy sales



were 5.3% above budget while demand was 10.6% above budget. WVPA's billed rate to the members is slightly below budget through the initial 8 months of 2025.

2026 Budget: Theresa Young announced the average billed rate for the 2026 budget is set at \$79.3, a 1.3% reduction from the current rate. She also noted a proposed change to the tariff related to the capacity demand charge. With Tipmont and Citizens moving to customers, the rate paid includes a share of demand (currently credited to energy). WVPA proposes adding language to reclass a portion of the Tipmont and Citizens bill to credit against capacity demand. Additionally, the current tariff contains margin cap language (debt and equity components) and the proposed 2026 budgeted margins exceed the margin cap, due to the transition of Tipmont and Citizens to non-member customers. WVPA will propose a one-year exception for the Board's consideration. Finally, Theresa presented the 2026 rates which include total demand (\$21.50 kW/month), capacity demand (\$8.43 kW/month), transmission demand (\$9.56 kW/month), fixed demand charge (\$3.51 kW/month), on-peak energy (\$0.049697/kWh), off-peak energy (\$0.039697/kWh), and super off-peak energy (\$0.024697/kWh). On November 5th, the proposed 2026 budget will be presented, and we will ask for approval at the December 9th board meeting. A deep-dive into the 2026 budget will take place November 11th at 9AM prior to the Risk Oversight Committee meeting. The new tariff and billing rates would take effect on January 1, 2026.

Transmission Partnership: WVPA has engaged a consultant for the transmission partnership deal structure and tax expertise. WVPA is drafting agreements and filings for formation of WVPA subsidiaries, joint development and operations and maintenance agreements. The following are preliminary board decision dates: November – report on WVPA subsidiary structure, December – approve WVPA subsidiary structure and agreements and report on joint venture agreements, January – approve joint venture agreements. Other key dates include: January 2026 – file agreements for regulatory approval, February to May 2026 – arrange financing for investment share, June – expected IURC approval (joint venture as utility in Indiana), July – close on joint venture transaction and transfer project costs to date.

Finance: Nisha Harke reported outstanding debt as of August 31, 2025 stands at \$1.2 billion with a 5.10% weighted average rate, 4.93% fixed debt and 5.38% variable debt. These rates do not include patronage from CFC and CoBank. The RUS Loan applicant was filed on July 31, 2025. Nisha also noted future financing activities include moving



the CoBank variable rate loans to fixed rate loans, retender of the PNC tax-exempt bond and amend and extend the syndicated credit facility. Finally, the Federal Reserve reduced benchmark interest rate by 25 basis points (1/4%) which will impact short term rates quickly. More rate cuts are expected before year end 2025.

Bylaw/Policy: Jackie Perius stated the Bylaw/Policy Committee reviewed all bylaws in the third quarter including: Article I – Membership, Article II – Rights and Liabilities of Members, Article III – Meeting of Members, Article IV – Directors, Article V – Meetings of Directors, Article VI – Officers, Article VII – Non-profit Operation, Article VIII – Disposition of Property, Article IX – Seal, Article X – Financial Transactions, Article XI – Indemnification of Directors, Officers and Employees, Article XII – Miscellaneous. Revisions to Article VII, including patronage capital, margins from non-member operations, capital accounts of members, and retirement of capital credits will be presented for approval at the November Board meeting.

Manager's Meeting: Jeff Hume shared that during the Manager's meeting, station power and the issues that have developed were discussed. A template is being built so if this occurs again, the co-op has a roadmap to follow. Another topic discussed was Demand Side Resources changes which will dovetail nicely with the updated rate structure. A report will be presented at the November meeting based on the findings. Changes include using performance of facilities instead of nameplate, testing processes and compensation will come from the distribution co-op. New programs will begin June 1, 2026.

CEO Report: Jeff Conrad provided a quarterly update on 2025 goals. Completed items include: Saint Joseph Energy Center acquisition (March), Citizens and Tipmont transition to customer (June), Bridge Loan and RUS application, Regional Director Meetings (June), Member Conference (August), NERC audit (May), and TOP compliance agreement with Hoosier Energy. The new accounting software, IFS, will go live October 6th, the salesforce data tool (Wabash Connect) is in pilot testing and GridEx will take place November 18-19. We are close to finalizing a deal to secure 1,000 megawatts of new load in 2025. Jeff noted 2026 is future-focused including: using artificial-intelligence more, finalize the community impact program, develop employee succession plan, move to forward looking MISO Attachment O, roll out a demand side resources roadmap, evaluate and develop plans for future generation at existing owned sites.