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QUARTERLY FINANCIAL REPORT

CENTRAL HUDSON GAS & ELECTRIC CORP.



QUARTER ENDED SEPTEMBER 30, 2025
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GLOSSARY

Certain terms used in this 2025 Quarterly Financial Report are defined below:

2021 Rate Order: Cases 20-E-0428 & 20-G-0429

GAAP: Accounting principles generally accepted in the United States of America

2024 Rate Order: Cases 23-E-0418 & 23-G-0419

NYS: New York State

2025 Rate Order: Cases 24-E-0461 & 24-G-0462

OCI: other comprehensive income

ASC: Accounting Standards Codification

OPEB: other post-employment benefits

ASU: Accounting Standards Updates

PSC or Commission: New York State Public Service Commission

Case 24-G-0483: Order Adopting Terms of Settlement

RDM: Revenue Decoupling Mechanism

Central Hudson or Company: Central Hudson Gas & Electric Corporation

ROE: return on equity

CH Energy Group: CH Energy Group, Inc.

SERP: Supplemental Executive Retirement Plan

DPS: Department of Public Service

SIR: site investigation and remediation

FERC: Federal Energy Regulatory Commission

Staff: Department of Public Service Staff

Fortis: Fortis Inc.

CENTRAL HUDSON
CONDENSED STATEMENTS OF INCOME (UNAUDITED)

(In Thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Operating Revenues				
Electric	\$ 257,750	\$ 224,235	\$ 696,586	\$ 604,276
Natural gas	24,389	23,372	165,856	143,148
Total Operating Revenues	\$ 282,139	\$ 247,607	\$ 862,442	\$ 747,424
Operating Expenses				
Operation				
Purchased electricity	95,907	74,750	238,247	203,138
Purchased natural gas	4,379	2,495	46,639	34,853
Other expenses of operation	102,143	101,574	311,614	302,854
Depreciation and amortization	28,278	25,374	83,633	70,557
Taxes, other than income tax	18,067	19,198	57,838	66,670
Total Operating Expenses	\$ 248,774	\$ 223,391	\$ 737,971	\$ 678,072
Operating Income	\$ 33,365	\$ 24,216	\$ 124,471	\$ 69,352
Other Income and Deductions				
Interest on regulatory assets and other interest income	1,904	1,405	5,199	4,817
Non-service cost components of pension and OPEB	10,126	7,192	30,379	21,577
Other, net	(714)	934	(181)	3,064
Total Other Income	\$ 11,316	\$ 9,531	\$ 35,397	\$ 29,458
Interest Charges				
Interest on long-term debt	15,855	14,260	46,528	42,144
Interest on regulatory liabilities and other interest costs (income)	151	829	2,832	(866)
Total Interest Charges	\$ 16,006	\$ 15,089	\$ 49,360	\$ 41,278
Income Before Income Taxes	28,675	18,658	110,508	57,532
Income Tax Expense	6,326	4,357	25,713	13,450
Net Income	\$ 22,349	\$ 14,301	\$ 84,795	\$ 44,082

CENTRAL HUDSON
CONDENSED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In Thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net Income	\$ 22,349	\$ 14,301	\$ 84,795	\$ 44,082
OCI:				
Employee future benefits, net of tax	—	1	—	5
Comprehensive Income	\$ 22,349	\$ 14,302	\$ 84,795	\$ 44,087

The accompanying notes are an integral part of these condensed financial statements

CENTRAL HUDSON

CONDENSED STATEMENTS OF CASH FLOW (UNAUDITED)

(In Thousands)

	Nine Months Ended September 30,	
	2025	2024
Operating Activities:		
Net income	\$ 84,795	\$ 44,082
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	70,322	56,943
Amortization	13,311	13,614
Deferred income taxes	22,821	11,427
Uncollectible expense	8,870	7,095
Deferred uncollectible expense	(11,900)	—
Pension credit	(16,746)	(7,751)
OPEB credit	(5,675)	(2,522)
Regulatory liability - Customer Benefit Fund (“CBF”)	5,000	4,000
Regulatory liability - rate moderation	(17,422)	(19,940)
Regulatory asset - RDM recorded	(5,000)	3,731
Changes in operating assets and liabilities, net:		
Accounts receivable, unbilled revenues, and other receivables (Note 2)	12,605	(24,181)
Fuel, materials, and supplies	8,433	(3,873)
Special deposits and prepayments	(6,237)	(6,266)
Income and other taxes	2,901	1,389
Accounts payable	6,735	(452)
Accrued interest	4,075	1,385
Customer advances	(5,844)	(1,925)
Other advances	(1,965)	3,798
Pension plan contribution	(1,610)	(1,355)
OPEB contribution	(126)	(629)
Regulatory asset - RDM collected	4,749	14,523
Regulatory asset - storm	6,678	(11,868)
Regulatory asset - SIR	(1,288)	4,349
Regulatory asset - Arrears Management Program	2,865	3,005
Regulatory asset - uncollectible write-offs	(17,269)	(19,160)
Regulatory liability - energy efficiency programs including Clean Energy Fund	7,018	8,186
Regulatory asset - Rate Adjustment Mechanism (“RAM”)	8,232	9,750
Regulatory asset - deferred electric and natural gas costs	1,573	40,018
Other, net	22,744	9,953
Net cash provided by operating activities	\$ 202,645	\$ 137,326
Investing Activities:		
Additions to utility plant	(236,940)	(216,127)
Other, net	3,080	541
Net cash used in investing activities	\$ (233,860)	\$ (215,586)
Financing Activities:		
Repayment of long-term debt	(20,000)	(30,000)
Proceeds from issuance of long-term debt	70,000	60,000
Net change in short-term borrowings	(30,000)	59,000
Capital contribution	26,500	—
Dividends paid to parent - CH Energy Group	(7,000)	—
Other, net	(404)	(343)
Net cash provided by financing activities	\$ 39,096	\$ 88,657
Net Change in Cash, Cash Equivalents, and Restricted Cash	7,881	10,397
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	10,455	2,218
Cash, Cash Equivalents, and Restricted Cash at End of Period	\$ 18,336	\$ 12,615
Supplemental Disclosure of Cash Flow Information:		
Interest paid, net of amounts capitalized	\$ 42,628	\$ 39,695
Federal and state income taxes paid, net	\$ 2,254	\$ 2,687
Non-Cash Investing Activities:		
Accrued capital expenditures	\$ 27,425	\$ 14,904

The accompanying notes are an integral part of these condensed financial statements

CENTRAL HUDSON
CONDENSED BALANCE SHEETS (UNAUDITED)

(In Thousands)

	September 30, 2025	December 31, 2024
ASSETS		
Utility Plant		
Gross utility plant	\$ 3,609,354	\$ 3,446,524
Less: accumulated depreciation	780,527	743,695
Construction work in progress	178,409	146,464
Utility Plant, Net	\$ 3,007,236	\$ 2,849,293
Non-Utility Property & Plant, Net	\$ 524	\$ 524
Current Assets		
Cash and cash equivalents (Note 1)	17,613	9,759
Accounts receivable from customers, net (Note 2)	192,243	238,162
Accrued unbilled utility revenues, net	23,013	35,890
Other receivables	21,693	21,110
Fuel, materials, and supplies	32,888	41,321
Regulatory assets (Note 3)	94,388	90,766
Fair value of derivative instruments (Note 10)	2,306	6,621
Special deposits and prepayments	43,492	37,255
Total Current Assets	\$ 427,636	\$ 480,884
Deferred Charges and Other Assets		
Regulatory assets - other (Note 3)	240,642	217,166
Prefunded pension costs	207,103	204,991
Prefunded OPEB costs	67,749	64,157
Other investments (Note 11)	42,629	48,941
Other	62,753	35,076
Total Deferred Charges and Other Assets	\$ 620,876	\$ 570,331
Total Assets	\$ 4,056,272	\$ 3,901,032

The accompanying notes are an integral part of these condensed financial statements

CENTRAL HUDSON
CONDENSED BALANCE SHEETS (CONT'D) (UNAUDITED)

(Dollars in Thousands)

	September 30, 2025	December 31, 2024
CAPITALIZATION AND LIABILITIES		
Capitalization (Note 6)		
Common stock (30,000,000 shares authorized: \$5 par value; 16,862,087 shares issued and outstanding)	\$ 84,311	\$ 84,311
Paid-in capital	412,952	386,452
Accumulated OCI	198	198
Retained earnings	894,203	816,408
Capital stock expense	(4,633)	(4,633)
Total Equity	\$ 1,387,031	\$ 1,282,736
Long-term Debt (Note 7)		
Principal amount	1,419,700	1,349,700
Unamortized debt issuance costs	(6,135)	(6,242)
Net long-term debt	\$ 1,413,565	\$ 1,343,458
Total Capitalization	\$ 2,800,596	\$ 2,626,194
Current Liabilities		
Current maturities of long-term debt (Note 7)	—	20,000
Short-term borrowings (Note 5)	40,000	70,000
Accounts payable	82,376	74,020
Accrued interest	18,556	14,481
Accrued vacation and payroll	13,233	12,021
Customer advances	12,830	18,674
Customer deposits	5,794	5,366
Regulatory liabilities (Note 3)	79,749	76,690
Fair value of derivative instruments (Note 10)	5,761	37
Accrued environmental remediation costs (Note 9)	2,243	3,072
Other advances	11,693	13,658
Other current liabilities	33,563	25,190
Total Current Liabilities	\$ 305,798	\$ 333,209
Deferred Credits and Other Liabilities		
Regulatory liabilities - deferred pension costs (Note 3)	140,203	153,138
Regulatory liabilities - deferred OPEB costs (Note 3)	35,243	39,203
Regulatory liabilities - other (Note 3)	251,442	253,876
Operating reserves	3,374	2,990
Accrued environmental remediation costs (Note 9)	71,700	70,206
Other liabilities	65,133	67,034
Total Deferred Credits and Other Liabilities	\$ 567,095	\$ 586,447
Accumulated Deferred Income Tax	382,783	355,182
Total Capitalization and Liabilities	\$ 4,056,272	\$ 3,901,032

The accompanying notes are an integral part of these condensed financial statements

CENTRAL HUDSON
CONDENSED STATEMENTS OF EQUITY (UNAUDITED)

(Dollars in Thousands)

Nine Months Ended September 30, 2025							
	Common Stock		Paid-In Capital	Capital Stock Expense	Retained Earnings	Accumulated OCI	Total Equity
	Shares Issued	Amount					
Balance at December 31, 2024	16,862,087	\$ 84,311	\$386,452	\$ (4,633)	\$ 816,408	\$ 198	\$1,282,736
Net income					45,099		45,099
Balance at March 31, 2025	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$386,452</u>	<u>\$ (4,633)</u>	<u>\$ 861,507</u>	<u>\$ 198</u>	<u>\$1,327,835</u>
Net income					17,347		17,347
Capital contributions			26,500				26,500
Dividends declared on common stock					(2,000)		(2,000)
Balance at June 30, 2025	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$412,952</u>	<u>\$ (4,633)</u>	<u>\$ 876,854</u>	<u>\$ 198</u>	<u>\$1,369,682</u>
Net income					22,349		22,349
Dividends declared on common stock					(5,000)		(5,000)
Balance at September 30, 2025	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$412,952</u>	<u>\$ (4,633)</u>	<u>\$ 894,203</u>	<u>\$ 198</u>	<u>\$1,387,031</u>
Nine Months Ended September 30, 2024							
	Common Stock		Paid-In Capital	Capital Stock Expense	Retained Earnings	Accumulated OCI	Total Equity
	Shares Issued	Amount					
Balance at December 31, 2023	16,862,087	\$ 84,311	\$386,452	\$ (4,633)	\$ 725,861	\$ 165	\$1,192,156
Net income					27,102		27,102
Employee future benefits, net of tax						2	2
Balance at March 31, 2024	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$386,452</u>	<u>\$ (4,633)</u>	<u>\$ 752,963</u>	<u>\$ 167</u>	<u>\$1,219,260</u>
Net income					2,679		2,679
Employee future benefits, net of tax						2	2
Balance at June 30, 2024	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$386,452</u>	<u>\$ (4,633)</u>	<u>\$ 755,642</u>	<u>\$ 169</u>	<u>\$1,221,941</u>
Net income					14,301		14,301
Employee future benefits, net of tax						1	1
Balance at September 30, 2024	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$386,452</u>	<u>\$ (4,633)</u>	<u>\$ 769,943</u>	<u>\$ 170</u>	<u>\$1,236,243</u>

The accompanying notes are an integral part of these condensed financial statements

NOTE 1 – Summary of Significant Accounting Policies**Corporate Structure**

Central Hudson is a NYS regulated electric and natural gas transmission and distribution utility. Central Hudson is a subsidiary of CH Energy Group and an indirect wholly-owned subsidiary of Fortis, which is a leader in the North American regulated electric and natural gas utility market.

Basis of Presentation

The accompanying unaudited condensed financial statements for the interim periods presented have been prepared in accordance with GAAP. The interim condensed financial statements do not contain all the information and note disclosures required in the annual financial statements and should be read in conjunction with the December 31, 2024 audited financial statements.

Financial results for interim periods are not necessarily indicative of annual results due to the impacts of seasonal weather conditions on customer demands.

Restricted Cash

Restricted cash as of September 30, 2025 and 2024 primarily consisted of cash held in escrow as security deposits from companies attaching other utilities to Central Hudson-owned poles.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported on the Condensed Balance Sheets that sum to the total of the same such amounts shown in the corresponding Condensed Statements of Cash Flow (In Thousands):

	September 30, 2025	September 30, 2024
Cash and Cash Equivalents	\$ 17,613	\$ 11,919
Restricted cash included in other long-term assets	723	696
Total Cash, Cash Equivalents, and Restricted Cash as shown in the Condensed Statements of Cash Flow	<u>\$ 18,336</u>	<u>\$ 12,615</u>

Fuel, Materials, and Supplies

Fuel, materials, and supplies consist of fuel used in electric generation, renewable energy credits, and inventory, which are valued using the average cost method.

Central Hudson entered into an Asset Management Agreement with a third party related to its natural gas transport and storage capacity. Central Hudson continues to make purchases of natural gas in advance of the peak winter season to hedge against price volatility for its customers. However, based on the terms of the agreement, the third party will maintain control and title over the physical natural gas in storage until the end of the contract term. Amounts related to the Asset Management Agreement are recorded in “Special deposits and prepayments” in the Condensed Balance Sheets.

Future Accounting Pronouncements To Be Adopted

Soon to be adopted accounting guidance is summarized below, including explanations for any applicable new guidance issued by the FASB and the expected impact on Central Hudson.

Credit Losses:

ASU No. 2025-05, Measurement of Credit Losses for Accounts Receivable and Contract Assets, provides entities the practical expedient that assumes current conditions as of the balance sheet date do not change for the remaining life of the asset. The ASU also allows an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses. The ASU is effective January 1, 2026 and should be implemented on a prospective basis, early adoption is permitted. Central Hudson is still assessing the impact on its financial statements.

NOTE 2 – Revenues and Receivables

Central Hudson disaggregates revenue by segment and revenue type.

Revenue from Contracts with Customers

Central Hudson records revenue as electricity and natural gas is delivered based on the customers' meter read for the month. For full-service customers, this includes delivery and supply of electricity and natural gas. For retail choice customers, this includes delivery only as these customers purchase supply from a retail marketer.

Alternative Revenues

Central Hudson's alternative revenue programs include electric and natural gas RDMs, lost finance charge revenue, Gas Merchant Function Charge lost revenue, and revenue requirement effects for certain incremental capital projects. In addition, Central Hudson records alternative revenues for positive revenue adjustments and Earnings Adjustment Mechanisms related to NYS clean energy goals, when prescribed targets are met.

Other Revenues

Other revenues consist of pole attachment rents, miscellaneous fees, and other revenue adjustments. Included in other revenue adjustments are changes to regulatory deferral balances to reverse the impact of refunds/ (collections) of previously recognized deferrals and negative revenue adjustments pursuant to PSC orders.

The following summary represents operating revenues disaggregated by segment and revenue source (In Thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Electric:				
Revenues from contracts with customers (ASC 606)	\$ 251,992	\$ 233,847	\$ 687,525	\$ 615,712
Alternative revenues (Non ASC 606)	6,664	(2,626)	8,400	2,194
Other revenue adjustments (Non ASC 606)	(906)	(6,986)	661	(13,630)
Total Operating Revenues Electric	\$ 257,750	\$ 224,235	\$ 696,586	\$ 604,276
Natural Gas:				
Revenues from contracts with customers (ASC 606)	\$ 23,627	\$ 21,359	\$ 165,851	\$ 140,526
Alternative revenues (Non ASC 606)	(164)	2,369	1,297	9,636
Other revenue adjustments (Non ASC 606)	926	(356)	(1,292)	(7,014)
Total Operating Revenues Natural Gas	\$ 24,389	\$ 23,372	\$ 165,856	\$ 143,148

Allowance for Uncollectible Accounts

Accounts receivable are recorded net of an allowance for estimated future uncollectible accounts based on the allowance for credit losses model. A summary of all changes in the allowance for uncollectible accounts receivable and accrued unbilled utility revenue balances is as follows (In Thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Balance at Beginning of Period	\$ (11,900)	\$ (11,200)	\$ (11,900)	\$ (11,200)
Write-offs, net	9,884	6,538	26,139	26,255
Uncollectible expense	(4,343)	(1,985)	(8,870)	(7,095)
Uncollectible expense deferred ⁽¹⁾	(13,841)	(4,553)	(25,569)	(19,160)
Balance at End of Period	\$ (20,200)	\$ (11,200)	\$ (20,200)	\$ (11,200)

⁽¹⁾ Central Hudson is authorized to defer any over or under of bad debt write-offs and its estimate of expense for future uncollectible accounts. The three and nine months ended September 30, 2025 includes a deferral of \$11.9 million of previously recognized uncollectible expense associated with the allowance for uncollectible accounts, as it was determined to be probable of future recovery from customers as a result of the 2025 Rate Order. The remaining deferred expenses relate to the current period changes in the allowance for uncollectible and write-offs as compared to rates.

On September 1, 2024, the Company began a phased roll-out of automated collections, including customer disconnects and finance charges, which was completed in accordance with the plan. The Company has also established an arrears reduction and prevention program to optimize collection efforts, particularly associated with field visits to lock or terminate service for non-payment. Termination efforts have resulted in an increased number of customers engaged in deferred payment arrangements. As of September 30, 2025, the total deferred payment arrangements totaled \$66.7 million of which \$46.7 million were included in “Other” within the Deferred Charges and Other Assets section of the Condensed Balance Sheets.

Management conducted quantitative and qualitative assessments of the allowance for uncollectible accounts as of September 30, 2025, including consideration of the differences in the current customers with arrears compared to past history, differences in payment behaviors of customers, including past economic factors impacting payment behavior compared to the current economic environment and the success of collection efforts to date. Based on its analysis and taking all qualitative factors into consideration, the Company concluded that an increase in the reserve of \$8.3 million was appropriate. The expense associated with this adjustment was deferred as a regulatory asset subject to future recovery when the actual uncollectible write-off occurs, as prescribed by the 2025 Rate Order. Management concludes that the reserve of \$20.2 million is reflective of the expected credit losses as of September 30, 2025.

NOTE 3 – Regulatory Matters**Summary of Regulatory Assets and Liabilities**

Based on previous, existing, or expected regulatory orders or decisions, the following table sets forth amounts that are expected to be recovered from or refunded to customers in future periods (In Thousands):

	September 30, 2025	December 31, 2024
Regulatory Assets:		
Deferred purchased electric and natural gas costs	\$ 12,184	\$ 13,757
Deferred unrealized losses on derivatives - electric and natural gas (Note 10)	5,761	37
RDM and carrying charges - electric and natural gas	7,359	7,461

Notes to Quarterly Condensed Financial Statements (UNAUDITED)

RAM and carrying charges - electric and natural gas	—	8,176
Electric vehicle make ready program and carrying charges	14,457	8,398
Deferred vacation pay accrual	10,303	9,098
Energy efficiency programs and carrying charges	22,360	33,957
Arrears Management Program and carrying charges	15,440	18,310
Uncollectible write-offs and carrying charges ⁽²⁾	25,333	8,094
Allowance for uncollectible accounts	20,200	—
Deferred storm costs and carrying charges	58,219	66,034
Deferred and accrued SIR costs and carrying charges	59,357	57,162
Income taxes recoverable through future rates	38,522	33,559
Tax reform - unprotected impacts	20,802	22,618
Other ⁽¹⁾⁽²⁾	24,733	21,271
Total Regulatory Assets	\$ 335,030	\$ 307,932
Less: Current Portion of Regulatory Assets	\$ 94,388	\$ 90,766
Total Long-term Regulatory Assets	\$ 240,642	\$ 217,166
Regulatory Liabilities:		
Rate moderator and carrying charges - electric and natural gas	\$ 31,397	\$ 42,582
Deferred unrealized losses on derivatives - electric and natural gas (Note 10)	2,306	6,621
Clean energy fund and carrying charges	50,304	56,181
CBF (Note 9)	5,000	—
Deferred pension costs	140,203	153,138
Deferred OPEB costs	35,243	39,203
Deferred removal costs	61,412	53,540
Income taxes refundable through future rates	11,799	9,912
Tax reform - protected deferred tax liability	137,605	139,276
Other ⁽¹⁾	31,368	22,454
Total Regulatory Liabilities	\$ 506,637	\$ 522,907
Less: Current Portion of Regulatory Liabilities	\$ 79,749	\$ 76,690
Total Long-term Regulatory Liabilities	\$ 426,888	\$ 446,217
Net Regulatory Liabilities	\$ (171,607)	\$ (214,975)

⁽¹⁾ Other includes estimated netting on the balance sheet of certain regulatory asset carrying charges to be offset against regulatory liabilities and collected through Rate Case offset/RAM.

⁽²⁾ Certain amounts related to the prior period have been reclassified to conform to the September 30, 2025 presentation.

Significant new regulatory asset and liability for 2025 includes:

Allowance for uncollectible accounts: This regulatory asset represents the deferral of expense associated with Central Hudson's estimate for future uncollectible accounts, which will be recovered from customers when the associated accounts are written off as uncollectible.

CBF: This regulatory liability represents amounts set aside for future benefit of customers in accordance with the terms of the settlement agreement in Case 24-G-0483.

PSC Proceedings

2025 Rate Order

On August 14, 2025, the Commission issued its Order Adopting Terms of a Joint Proposal and Establishing Electric and Gas Rate Plans. The Rate Order is effective October 1, 2025 and includes a make-whole provision

Notes to Quarterly Condensed Financial Statements (UNAUDITED)

that provides new rates to become effective retroactive to July 1, 2025, with Rate Year (“RY”) RY1, RY2, and RY3 defined as the twelve months ending June 30, 2026, June 30, 2027, and June 30, 2028, respectively.

A summary of the key terms of the 2025 and 2024 Rate Orders are as follows (Dollars in Millions):

	2025 Rate Order			2024 Rate Order
	<u>RY1</u>	<u>RY2</u>	<u>RY3</u>	<u>Rate Year</u>
Electric delivery rate increase	\$46.4	\$30.7	\$21.7	\$74.4
Natural gas delivery rate increases	\$19.0	\$13.9	\$16.9	\$27.3
ROE	9.50%	9.50%	9.50%	9.50%
Earnings sharing	Yes ⁽¹⁾	Yes ⁽¹⁾	Yes ⁽¹⁾	No
Capital structure – common equity	48%	48%	48%	48%
Bill credits - electric	\$16.7	\$15.8	\$3.0	\$16.4
Bill credits - natural gas	\$4.5	\$2.5	\$1.9	\$6.1
RDMs – electric and natural gas	Yes	Yes	Yes	Yes

⁽¹⁾ ROE > 10.0% and up to 10.5%, is shared 50% to customers, > 10.5% and up to 11.0%, is shared 75% to customers, and > 11.0% is shared 90% to customers.

The 2025 Rate Order utilizes existing regulatory balances to reduce bill impacts for customers during the term of the agreement. The total electric revenue increase, after bill credits, is 2.9% for RY1 and RY2 and 3.0% for RY3. The total natural gas revenue increase, after bill credits, is 5.4%, 5.6%, and 5.8%, for RY1, RY2, and RY3, respectively.

NOTE 4 – Income Tax

The combined effective tax rate is comparable for the three and nine months ended September 30, 2025 and 2024 and both periods are lower than the statutory rate due to tax normalization rules and the timing of flow through tax items related to capital expenditures. The following is a summary of Central Hudson’s effective tax rates:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Effective Tax Rate - Federal	16.6 %	17.4 %	17.7 %	17.5 %
Effective tax rate - state	5.5 %	6.0 %	5.6 %	5.9 %
Effective Tax Rate - Combined	<u>22.1 %</u>	<u>23.4 %</u>	<u>23.3 %</u>	<u>23.4 %</u>

NOTE 5 – Short-Term Borrowing Arrangements

Committed Credit Facilities

Central Hudson has a committed credit agreement with five commercial banks for an aggregate total commitment of \$250 million maturing in October 2029. Amounts borrowed under the revolving credit agreement are used for working capital needs and for general corporate purposes. Letters of credit are available up to an aggregate of \$20 million from four participating banks.

The credit agreement includes a covenant that Central Hudson’s total funded debt to total capital will not exceed 0.65 to 1.00. Borrowing under the credit agreement is also subject to certain restrictions and conditions, including that there will be no event of default and, subject to certain exceptions, that Central Hudson will not sell, lien, or otherwise encumber its assets or enter into certain transactions, including certain transactions with affiliates.

Central Hudson is also required to pay a commitment fee calculated at a rate determined based on the applicable Standard and Poor's Financial Services LLC or Moody's Investors Service, Inc. rating on the average daily unused portion of the credit facility. At September 30, 2025, Central Hudson was in compliance with all financial debt covenants in the credit agreement.

Uncommitted Credit

At September 30, 2025 and December 31, 2024, Central Hudson had \$60 million in uncommitted short-term credit arrangements. These credit arrangements diversify sources of cash and provide competitive options to minimize the cost of short-term debt.

Balances outstanding under the various credit arrangements were as follows (Dollars in Thousands):

	September 30, 2025	December 31, 2024
Committed Credit	\$ 40,000	\$ 45,000
Uncommitted credit	—	25,000
Total	\$ 40,000	\$ 70,000
Weighted Average Interest Rate	5.29 %	5.51 %

NOTE 6 – Capitalization – Common and Preferred Stock

Capitalization

During the nine months ended September 30, 2025, Central Hudson received a capital contribution of \$26.5 million. Central Hudson did not receive any capital contributions during the nine months ended September 30, 2024.

Common Stock Dividends

The Federal Power Act limits the payment of annual dividends by Central Hudson to its retained earnings. More restrictive is the PSC's limit on the dividends Central Hudson may pay to CH Energy Group, which is 100% of the average annual income available for common stock, calculated on a two-year rolling average basis. Based on this calculation, Central Hudson was restricted to a maximum annual payment of \$97.4 million and \$73.6 million in dividends to CH Energy Group for the periods ended September 30, 2025 and 2024, respectively. Central Hudson's ability to pay dividends would be reduced to 75% of its average annual income in the event of a downgrade of its senior debt rating below BBB+ by more than one rating agency, if the stated reason for the downgrade is related to CH Energy Group or any of Central Hudson's other affiliates. Further restrictions are imposed for rating downgrades below this level. In addition, Central Hudson would not be allowed to pay dividends if its average common equity ratio for the 13 months prior to a proposed dividend was more than 200 basis points below the ratio used in setting rates. Central Hudson paid a dividend of \$7.0 million to its parent CH Energy Group for the nine months ended September 30, 2025. There were no dividends paid for the nine months ended September 30, 2024.

Preferred Stock

Other than one share of Junior Preferred Stock, Central Hudson had no outstanding preferred stock as of September 30, 2025 and December 31, 2024.

NOTE 7 – Capitalization – Long-Term Debt

As of September 30, 2025, Central Hudson was in compliance with all covenants under its long-term debt instruments. Most of these instruments are redeemable at the discretion of Central Hudson, at any time, at the greater of par or a specified price, as defined in the respective long-term debt agreements, together with accrued and unpaid interest.

On April 16, 2025, Central Hudson issued \$70 million in unsecured Senior Notes, with various interest rates and maturities. Central Hudson used the proceeds from the sale of the Senior Notes for general corporate purposes, including the repayment of short-term borrowings.

NOTE 8 – Post-Employment Benefits

Central Hudson has a non-contributory Retirement Plan covering substantially all its employees hired before January 1, 2008 or May 1, 2008, as applicable, and a non-qualified SERP for certain executives (collectively “Pension”). The Retirement Plan is a defined benefit plan, which provides pension benefits based on an employee’s compensation and years of service. Central Hudson also provides certain health care and life insurance benefits for certain retired employees hired before January 1, 2008 or May 1, 2008, as applicable, through its post-employment benefit plans.

In its Orders, the PSC has authorized deferral accounting treatment for any variations between actual Pension and OPEB expense and the amount included in the current delivery rate structure. As a result, variations in expenses for post-employment benefit plans do not have any impact on earnings. The amounts reported as OCI, net of tax, relate to a former Central Hudson officer who transferred to an affiliated company. These amounts reported as OCI are charged to and reimbursed by the affiliated company.

The funded status includes the difference between the projected benefit obligation for the Retirement Plan and the market value of the pension assets. The SERP obligation of \$26.2 million at September 30, 2025 and \$26.9 million at December 31, 2024 is reported under “Other liabilities” on the Condensed Balance Sheets. In addition, approximately \$2.1 million at September 30, 2025 and December 31, 2024 are reflected in the Condensed Balance Sheets under “Other current liabilities” for pension payments expected to be made over the next twelve months. The funded status does not reflect approximately \$29.9 million of SERP trust assets at September 30, 2025 and \$30.6 million at December 31, 2024.

	Pension		OPEB	
	Three Months Ended September 30,		Three Months Ended September 30,	
	2025	2024	2025	2024
Components of Net Periodic Benefit:				
Service cost	\$ 1,438	\$ 1,761	\$ 223	\$ 255
Interest cost	7,771	7,438	1,365	1,331
Expected return on plan assets	(10,328)	(10,877)	(2,455)	(2,398)
Amortization of prior service cost (credit)	25	128	(102)	(102)
Amortization of recognized actuarial net gain	(4,989)	(1,937)	(1,404)	(763)
Net Periodic Benefit	<u>\$ (6,083)</u>	<u>\$ (3,487)</u>	<u>\$ (2,373)</u>	<u>\$ (1,677)</u>

	Pension		OPEB	
	Nine Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Components of Net Periodic Benefit:				
Service cost	\$ 4,314	\$ 5,283	\$ 669	\$ 765
Interest cost	23,313	22,314	4,095	3,993
Expected return on plan assets	(30,984)	(32,631)	(7,365)	(7,194)
Amortization of prior service cost (credit)	75	384	(306)	(306)
Amortization of recognized actuarial net gain	(14,967)	(5,811)	(4,212)	(2,289)
Net Periodic Benefit	<u>\$ (18,249)</u>	<u>\$ (10,461)</u>	<u>\$ (7,119)</u>	<u>\$ (5,031)</u>

Other Retirement Savings Plans

Central Hudson sponsors a 401(k) retirement plan (“401(k) plan”) for its employees. The 401(k) plan provides for employee tax-deferred salary deductions for participating employees and employer matches. The matching benefit varies by employee group. Central Hudson also provides an additional contribution of 4% to the 401(k) plan of annualized base salary for eligible employees who do not qualify for the Retirement Plan. Central Hudson’s contributions for the three months ended September 30, 2025 and 2024 were \$2.9 million, respectively. For the nine months ended September 30, 2025 and 2024, contributions were \$9.0 million and \$8.5 million, respectively.

NOTE 9 – Commitments and Contingencies

There were no significant changes in the nature and amounts of Central Hudson’s commitments from those disclosed in the 2024 audited financial statements, except as noted below.

Energy Credit Purchase Obligations

PSC Order 15-E-0302 outlines Load Serving Entity environmental obligation requirements for renewable energy credits and zero-emissions credits. Currently, Tier 3 zero-emissions credits are applicable to Central Hudson and are “pay-as-you-go” based on the monthly full-service customer load volume, as defined by the New York Independent System Operator. Effective January 1, 2025, Tier 1 renewable energy credits transitioned to the same “pay-as-you-go” approach as Tier 3 zero-emissions credits. At September 30, 2025, Central Hudson’s forward Tier 1 and Tier 3 obligations were estimated to be approximately \$1.3 million and \$5.0 million through December 31, 2025 and March 31, 2026, respectively. These accrued costs are recoverable from full-service customers through the electric cost adjustment mechanism and, therefore, do not impact earnings.

Contingencies

Environmental Matters

Central Hudson accrues for remediation costs based on the amounts that can be reasonably estimated at a point in time. There are currently nine sites within Central Hudson’s service territory that are in various stages of environmental SIR. SIR can be divided into various stages of completion based on the milestones of activities completed and reports reviewed.

Notes to Quarterly Condensed Financial Statements (UNAUDITED)

The following is a summary of these stages, sites, and the costs accrued (In Millions):

Stage	Sites	Total Accrued Cost at September 30, 2025	Estimated Spend in the Next Twelve Months
Investigation	Little Britain Road	\$ 2.3	\$ 0.1
Remedial alternatives analysis	North Water Street	67.1	2.0
Post-remediation monitoring	Newburgh Areas A, B & C, Laurel Street, Catskill, Kingston, and Eltings Corners	4.5	0.1
Total		<u>\$ 73.9</u>	<u>\$ 2.2</u>

The spending related to SIR for the nine months ended September 30, 2025 and 2024 was immaterial. There were no significant updates for contingencies related to environmental matters.

Future remediation activities, including operation, maintenance, monitoring, and related costs may vary significantly from the assumptions used in current cost estimates. These costs could have a material adverse effect (the extent of which cannot be reasonably determined) on the financial condition, results of operations, and cash flow if Central Hudson were unable to recover all or a substantial portion of these costs via collection in rates from customers and/or through insurance.

Central Hudson expects to recover its remediation costs from its customers, which include previously granted deferral authority and future recovery for the differences between actual environmental SIR costs, including both manufactured gas plants (“MGP”), non-MGP, and the associated rate allowances, with carrying charges at the authorized pre-tax rate of return.

Central Hudson has put its insurers on notice and intends to seek reimbursement from its insurers for its costs. Certain insurers have denied coverage. Insurance recoveries for nine months ended September 30, 2025 and 2024 were immaterial. We do not expect insurance recoveries to offset a meaningful portion of total costs.

Litigation

Asbestos Litigation

Central Hudson is involved in various asbestos lawsuits. As of September 30, 2025, of the 3,392 asbestos cases brought against Central Hudson, 1,165 remain pending. Of the cases no longer pending, 2,061 have been dismissed or discontinued without payment and 166 cases have been settled. Central Hudson is unable to assess the validity of the remaining asbestos lawsuits; however, based on information known at this time, including Central Hudson’s experience in settling asbestos cases and in obtaining dismissals of asbestos cases, Central Hudson believes that the costs which may be incurred in connection with the remaining lawsuits will not have a material adverse effect on the financial position, results of operations, or cash flow.

Other Litigation

On November 2, 2023, an explosion and fire occurred at a residence located in Wappingers Falls, New York, while a contractor was performing work on Central Hudson’s natural gas infrastructure adjacent to the residence. On October 16, 2024, the PSC issued an Order to Show Cause directing Central Hudson to show cause as to why a civil enforcement proceeding should not be commenced and why civil penalties or other remedies should not be imposed by the PSC for alleged violations relating to the incident. On August 14, 2025, the PSC issued Order Adopting Terms of Settlement under Case 24-G-0483, which adopted the settlement agreement reached by Central Hudson and DPS pursuant to which Central Hudson agreed to create a \$5.0 million CBF, with the funds to be deployed for purposes determined by the PSC and a \$2.5 million Gas Safety Protocol Fund, with funds to be spent on certain natural gas safety improvements identified in the settlement agreement. The August 14, 2025

Order resolves the administrative proceeding. Civil actions seeking damages for bodily injuries and property damage remain pending. Central Hudson is also involved in various other legal and administrative proceedings incidental to its businesses, which are in various stages. While these matters collectively could involve substantial amounts, based on the facts currently known, management is not able to estimate the potential loss, but believes their ultimate resolution will not have a material adverse effect on the financial position, results of operations, or cash flow. Central Hudson expenses legal costs as incurred.

NOTE 10 – Accounting for Derivative Instruments and Hedging Activities

Purpose of Derivatives

Central Hudson enters into derivative contracts in conjunction with the Company's energy risk management program to hedge certain risk exposure related to its business operations. The derivative contracts are typically either exchange-traded or over-the-counter instruments and are entered into to manage commodity price risk and adverse or unexpected weather conditions, reducing the impact of volatility in the prices of electricity and natural gas. Derivative transactions are not used for speculative purposes.

Energy Contracts Subject to Regulatory Deferral

Central Hudson has been authorized to fully recover certain risk management costs through its electricity and natural gas cost adjustment mechanisms. Gains and losses associated with risk management instruments are included as part of Central Hudson's commodity cost and/or price-reconciled in its electricity and natural gas cost adjustment charge mechanisms and are not designated as hedges.

The percentage of electric and natural gas requirements covered with fixed price forward purchases at September 30, 2025 are as follows:

	% of Requirement Hedged ⁽¹⁾
Electric Derivative Contracts:	0.91 million MWh
October 2025 - December 2025	39.0%
January 2026 - October 2026	24.8%
Natural Gas Derivative Contracts:	2.0 million dekatherm
November 2025 - December 2025	32.4%
January 2026 - March 2026	27.5%

⁽¹⁾ Projected coverage as of September 30, 2025.

Derivative Risks

To help limit the credit exposure of derivatives, Central Hudson enters into master netting agreements with counterparties whereby contracts in a gain position can be offset against contracts in a loss position. Of the 25 total agreements held by Central Hudson, 11 agreements contain credit risk contingent features. As of September 30, 2025, there were two open contracts with credit risk contingent features in a liability position and, if the contingent features were triggered, \$0.5 million would be required to settle these instruments.

Derivative Contracts

Central Hudson has elected gross presentation for its derivative contracts under master netting agreements and collateral positions. On September 30, 2025 and December 31, 2024, Central Hudson did not have collateral posted against the fair value amount of derivatives.

Notes to Quarterly Condensed Financial Statements (UNAUDITED)

The net presentation of derivative assets and liabilities are as follows (In Thousands):

	Gross Amounts Recognized	Gross Amounts Offset in the Statement of Financial Position	Net Amount Presented in the Statement of Financial Position	Gross Amounts Not Offset in the Statement of Financial Position		
				Financial Instruments	Cash Collateral Received	Net Amount
As of September 30, 2025:						
Total Derivative Contracts Assets	\$ 2,306	\$ —	\$ 2,306	\$ 1,164	\$ —	\$ 1,142
Total Derivative Contracts Liabilities	\$ 5,761	\$ —	\$ 5,761	\$ 1,164	\$ —	\$ 4,597
As of December 31, 2024:						
Total Derivative Contracts Assets	\$ 6,621	\$ —	\$ 6,621	\$ 7	\$ —	\$ 6,614
Total Derivative Contracts Liabilities	\$ 37	\$ —	\$ 37	\$ 7	\$ —	\$ 30

Derivative contracts are measured at fair value on a recurring basis based on the fair value hierarchy, as prescribed by accounting guidance. Derivative assets and liabilities by category and hierarchy level are as follows (In Thousands):

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of September 30, 2025:				
Total Derivative Contracts Assets	\$ 2,306	\$ —	\$ 2,306	\$ —
Total Derivative Contracts Liabilities	\$ 5,761	\$ 1,777	\$ 3,984	\$ —
As of December 31, 2024:				
Total Derivative Contracts Assets	\$ 6,621	\$ 11	\$ 6,610	\$ —
Total Derivative Contracts Liabilities	\$ 37	\$ 34	\$ 3	\$ —

The Effect of Derivative Instruments on the Condensed Statements of Income

Realized gains and losses on Central Hudson's derivative instruments are returned to or recovered from customers through PSC authorized deferral accounting mechanisms, with no material impact on the financial position, results of operations, or cash flow.

The following table summarizes the effects of derivatives on the Condensed Statements of Income (In Thousands):

	Amount of Gain (Loss) Recognized as an Increase (Decrease) in the Condensed Statements of Income				Location of Gain (Loss)
	Three Months Ended September 30,		Nine Months Ended September 30,		
	2025	2024	2025	2024	
Electricity Swap Contracts	\$ (1,008)	\$ (5,286)	\$ 13,812	\$ (23,175)	Deferred purchased electric costs
Natural gas swap contracts	—	—	139	(514)	Deferred purchased natural gas costs
Total	\$ (1,008)	\$ (5,286)	\$ 13,951	\$ (23,689)	

NOTE 11 – Other Fair Value Measurements**Other Assets Recorded at Fair Value**

In addition to the derivatives reported at fair value discussed in Note 10 – “Accounting for Derivative Instruments and Hedging Activities,” Central Hudson reports certain other assets at fair value on the Condensed Balance Sheets. The following table summarizes the amounts reported at fair value related to these assets (In Thousands):

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of September 30, 2025:				
Other Investments	\$ 9,905	\$ 9,905	\$ —	\$ —
As of December 31, 2024:				
Other Investments	\$ 11,122	\$ 11,122	\$ —	\$ —

As of September 30, 2025 and December 31, 2024, a portion of the trust assets for the funding of the SERP and Deferred Compensation Plan were invested in mutual funds and money market accounts, which are measured at fair value on a recurring basis. These investments are valued at quoted market prices in active markets and, as such, are Level 1 investments as defined in the fair value hierarchy. These amounts are included in “Other investments” within the Deferred Charges and Other Assets section of the Condensed Balance Sheets.

The remaining amount reported in “Other investments” within the Deferred Charges and Other Assets section of the Condensed Balance Sheets represent trust assets for the funding of the SERP and Deferred Compensation Plan held in trust-owned life insurance policies, which are recorded at cash surrender value. As of September 30, 2025 and December 31, 2024, the total cash surrender value of trust-owned life insurance held by these trusts was approximately \$32.7 million and \$37.8 million, respectively. The change in the cash surrender value is reported in “Other, net” within the Other Income and Deductions section of the Condensed Statements of Income.

The following table discloses the estimated fair value of long-term debt, including the current maturities (Dollars in Thousands):

	September 30, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Fixed Rate Debt	\$ 1,419,700	\$ 1,272,428	\$ 1,369,700	\$ 1,190,488
Total	\$ 1,419,700	\$ 1,272,428	\$ 1,369,700	\$ 1,190,488
Estimated Effective Interest Rate		4.50 %		4.41 %

NOTE 12 – Related Party Transactions

Thompson Hine LLP serves as outside counsel to Central Hudson. One partner in that firm serves as General Counsel and Corporate Secretary. For the three and nine months ended September 30, 2025, Central Hudson paid approximately \$0.9 million and \$2.3 million in fees to Thompson Hine LLP and \$0.6 million and \$1.9 million, respectively, for the comparable periods in 2024.

Central Hudson may provide general and administrative services to and receive services from affiliates, including Fortis and other subsidiaries of Fortis. The costs of these services are reimbursed by the beneficiary company through accounts receivable and accounts payable, as necessary. In addition, Central Hudson may also incur charges from Fortis for federal income taxes under their tax sharing agreement. These transactions are in the normal course of business and are recorded at the United States dollar amounts. As of September 30, 2025 and 2024, intercompany payables were \$1.1 million and \$1.2 million, respectively.

Furthermore, Central Hudson performs work and incurs expenses on behalf of New York Transco, LLC, a company in which Central Hudson's parent corporation, CH Energy Group, has an equity interest through Central Hudson Electric Transmission LLC. Central Hudson bills for such work and expenses in accordance with established policies. As of September 30, 2025 and 2024, intercompany receivables and payables were immaterial.

Related party transactions in operating expenses for Central Hudson are as follows (In Thousands):

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2025	2024	2025	2024
CH Energy Group	\$ 1,319	\$ 1,392	\$ 5,906	\$ 5,750

NOTE 13 – Subsequent Events

An evaluation of subsequent events was completed through November 3, 2025, the date these Condensed Financial Statements were available to be issued, to determine whether circumstances warranted recognition and disclosure of events or transactions in the Condensed Financial Statements as of September 30, 2025.

On November 6, 2025, Central Hudson expects to issue \$15 million in unsecured 10-year Senior Notes, with an interest rate of 5.25% per annum and \$65 million in unsecured 20-year Senior Notes with an interest rate of 5.90% per annum. Central Hudson will use the proceeds from the sale of the Senior Notes for general corporate purposes, including the repayment of short-term borrowings.

MANAGEMENT'S DISCUSSION and ANALYSIS of FINANCIAL CONDITION and RESULTS of OPERATIONS

For the Nine Months Ended September 30, 2025

This information should be read in conjunction with the Quarterly Condensed Financial Statements and the notes contained herein, and the audited 2024 Annual Financial Report's financial statements, notes, and Management's Discussion and Analysis of Financial Condition and Results of Operations.

There have been no material changes to Central Hudson's mission and strategy, risk factors, summary of changes in accounting policies, and internal controls over financial reporting as set forth in its 2024 Annual Financial Report.

Financial Highlights

Period Ended September 30

	Quarter			Year to Date		
	2025	2024	Change	2025	2024	Change
Electricity Sales (gigawatt hours)	1,356	1,402	(46)	3,874	3,873	1
Natural Gas Sales (petajoules)	7.2	5.1	2.1	20.7	18.6	2.1
(In Millions):						
Revenues	\$ 282.1	\$ 247.6	\$ 34.5	\$ 862.5	\$ 747.4	\$ 115.1
Energy supply costs - matched to revenues	100.3	77.3	23.0	284.9	238.0	46.9
Operating expenses - matched to revenues	25.3	31.1	(5.8)	85.7	88.5	(2.8)
Operating expenses - other	94.9	89.5	5.4	283.8	281.0	2.8
Depreciation and amortization	28.3	25.4	2.9	83.6	70.6	13.0
Other income, net	11.3	9.5	1.8	35.4	29.5	5.9
Interest charges	16.0	15.1	0.9	49.4	41.3	8.1
Income taxes	6.3	4.4	1.9	25.7	13.4	12.3
Net Income	<u>\$ 22.3</u>	<u>\$ 14.3</u>	<u>\$ 8.0</u>	<u>\$ 84.8</u>	<u>\$ 44.1</u>	<u>\$ 40.7</u>

Earnings: The increase in earnings quarter-over-quarter is primarily attributable to an accounting adjustment to reverse expenses previously incurred and record a deferral associated with the allowance for future uncollectible write-offs and the return on rate base growth driven by additional capital invested in the business. These increases were partially offset by a contribution in the third quarter to the CBF and the creation of the Gas Safety Protocol Fund, as prescribed under Case 24-G-0483.

The increase in earnings year-to-date was primarily attributed to (1) return on additional capital invested in the business provided through approved delivery rates, which also provided a higher allowed ROE and better alignment of cost recovery, (2) the timing of operating costs and, (3) the accounting adjustment recorded in the third quarter as discussed above. These increases on a year-to-date basis were partially offset by the net impact of contributions made to the CBF in both 2024 and 2025.

Electricity and Natural Gas Sales: Electricity sales decreased quarter-over-quarter due to lower non-weather related use per customer for both, residential and non-residential customers. Natural gas sales increased quarter over quarter and year over year due to higher sales to interruptible customers and generators. Fluctuations in sales do not impact earnings due to the RDM, which requires actual revenues billed above or below amounts approved in rates to be deferred for future return to or recovery from customers.

Revenues: The quarter over quarter and year over year increase in revenues is primarily due to the recovery of cost of service and return on capital investments approved in the 2025 Rate Order, as well as higher recovery of electric and natural gas commodity costs.

Energy Supply Cost: Electric and natural gas supply costs increased quarter over quarter due to an increase in commodity prices. The natural gas quarter over quarter and year over year increase also reflects higher volumes. Energy supply cost fluctuations do not impact earnings due to the full deferral of commodity costs.

Operating Expenses - Other: The quarter over quarter and year over year increase in operating expenses is primarily driven by higher labor and information technology-related expenses. Additionally, operating expenses in the third quarter of 2025 included contributions to Customer Benefit and Gas Safety Protocol funds, in accordance with the terms of the settlement agreement in Case 24-G-0483.

Depreciation and Amortization: The quarter over quarter and year over year increase in depreciation and amortization is the result of investments in Central Hudson's electric and natural gas infrastructure, information technology, and common facilities in accordance with its capital expenditure program and provided for in the approved delivery rates.

Other Income, Net: The quarter over quarter and year over year increase in other income is primarily attributable to a decrease in the non-service cost component of pension expense when compared to 2024, which does not impact earnings due to the full deferral of pension costs.

Interest Charges: The quarter over quarter and year over year increase in interest charges is primarily due to additional long-term debt issuances at higher interest rates to repay maturing debt and support Central Hudson's continued capital investments.

Income Taxes: The quarter over quarter and year over year increase in income taxes is primarily attributable to an increase in pre-tax earnings.

Financial Position

Significant Changes in the Condensed Balance Sheets

For the nine months ended September 30, 2025

(In Millions)

	Increase (Decrease)	Explanation
Accounts receivable, net	\$ (45.9)	Decrease driven by payments and payment agreements with customers resulting from collection efforts.
Regulatory assets - long term	23.5	Increase is primarily driven by the deferral of any differences between the actual write-offs compared to billed uncollectibles, including the reserve for future uncollectible write-offs, which will be recovered when the actual write-offs occur.
Other assets - long term	27.7	Increase is attributed to an increase in the amount of payment agreements with customers greater than one year.
Long term debt, including current maturities	50.0	Increase is due to issuances of long-term debt in 2025, partially offset by repayments of maturing debt.
Short-term borrowings	(30.0)	Net decrease is related to the repayment of short-term borrowings outstanding at the end of 2024.
Accumulated deferred income taxes	27.6	Increase is primarily due to recognition of deferred taxes for the difference between tax and book basis of assets and liabilities for future return to or recovery from customers.

Liquidity and Capital Resources

Summary of Condensed Cash Flow

Period Ended September 30

(In Millions)

	Year to Date	
	2025	2024
Cash, Cash Equivalents, and Restricted Cash - Beginning of Period	\$ 10.5	\$ 2.2
Operating activities	202.6	137.3
Investing activities	(233.9)	(215.6)
Financing activities	39.1	88.7
Cash, Cash Equivalents, and Restricted Cash - End of Period	\$ 18.3	\$ 12.6

Operating Activities: The increase in cash from operations in 2025 as compared to 2024 was primarily attributable to the return on additional capital invested in the business provided through approved delivery rates, which also provided a higher allowed ROE and better alignment of cost recovery. Cash from operations in 2025 also reflected higher payment and payment agreements with customers related to collection efforts and lower storm activity.

Investing Activities: Central Hudson's capital expenditures during 2025 reflect its growing capital program which includes investments in strengthening of existing electrical and natural gas infrastructure, increased resiliency and automation of distribution systems, additional cybersecurity, and new common facilities. Projected capital spending is estimated to be approximately \$339 million for the year ending December 31, 2025 as compared to the actual spending of \$314 million for 2024.

Financing Activities: The net decrease in cash proceeds from financing activities as compared to the prior year is due to higher repayments of short-term borrowings, due in part to capital contributions received in 2025.

Anticipated Sources and Uses of Cash

Central Hudson does not accumulate significant amounts of cash, but rather re-invests its earnings into capital investments. Additionally, Central Hudson will either receive capital contributions from CH Energy Group or distribute excess cash to CH Energy Group in the form of dividends to meet equity financing needs. Central Hudson is currently managing its financing to maintain a common equity ratio at the 48% level, as approved in its delivery rates.

Central Hudson expects to continue to fund growth in its long-lived assets in a manner that maintains an equity ratio aligned with its delivery rates. Central Hudson utilizes short-term debt available under its credit facilities and uncommitted credit lines to fund seasonal and temporary variations in working capital requirements.

Credit Ratings

Credit ratings impact Central Hudson's ability to access capital markets and borrowing costs.

	September 30, 2025		December 31, 2024	
	Rating⁽¹⁾	Outlook	Rating⁽¹⁾	Outlook
Standard and Poor's Financial Services LLC	BBB+	Negative	BBB+	Negative
Moody's Investors Service, Inc.	Baa1	Stable	Baa1	Stable
Fitch Ratings	BBB+	Stable	BBB+	Stable

⁽¹⁾ These senior unsecured debt ratings reflect only the views of the rating agency issuing the rating, are not recommendations to buy, sell, or hold securities of Central Hudson, and may be subject to revision or withdrawal at any time by the agency issuing the rating. Each rating should be evaluated independently of any other rating.

Cash from operations, funds obtained through its financing program, and equity support from its parent are utilized by Central Hudson to meet its working capital needs, fund its capital program, and meet its public service obligations.

Regulatory Proceedings

There have been no material changes to regulatory proceedings disclosed in the 2024 Annual Financial Report; however, significant activity related to on-going and new proceedings in 2025 are noted below.

We cannot predict the ultimate outcome or whether these proceedings would potentially impact Central Hudson in the future. Should it become reasonably possible or probable in the future that a loss will be sustained from any of the below proceedings, disclosure that it is reasonably possible or an accrual of the probable amount of loss will be made consistent with our accounting policies.

Energy Affordability

The 2024 State budget signed by the Governor on May 3, 2023, required the DPS to propose a bill discount program for residential customers who do not currently qualify for existing Energy Affordability Programs (“EAP”) and have incomes below the NYS’s median income. On July 17, 2025, the PSC issued its Order Adopting Enhanced Energy Affordability Policy and Directing Utility Filings. The Order expanded the current low-income bill credit program to include additional tiers for moderate-income customers, defined as income below 100% of NYS’s median income. The two-year pilot program beginning in 2026, has a separate budget from existing EAP, mandates income verification and outreach programs, and sets discount levels such that participants will not exceed the 6% energy burden. DPS Staff estimates the combined cost for the EAPs for Central Hudson to be approximately 2.72% of annual revenue.

FERC Notice of Pending Jurisdictional Inquiry

On February 6, 2025, the FERC issued an Order Finding Licensing of Hydroelectric Projects Required with regards to Central Hudson’s Sturgeon Pool and Dashville hydroelectric projects. The Order requires the Company to file a license or exemption application for the continued operation of the projects, provide a schedule demonstrating compliance with dam safety regulations of the FERC, or a request for rehearing. During May 2025, Central Hudson filed the required licensing emergency action plan schedules and its notices of intent to file for original licenses and pre-application documents for both Sturgeon Pool and Dashville. On August 22, 2025, the FERC issued preliminary permits for the Sturgeon Pool and Dashville hydroelectric projects.

Central Hudson 2025 Financing Petition

On August 28, 2025 the Company filed a Financing Petition in Case 25-M-0550 requesting authority for approval to enter into multi-year committed credit agreements in an aggregate amount not to exceed \$350 million with maturities not to exceed five years and approval to issue and sell long-term debt, commencing upon the expiration of the existing authorization to issue and sell long term debt securities, and from time to time through December 31, 2028, in an amount not to exceed \$500 million in the aggregate.

FORWARD-LOOKING STATEMENTS

Statements included in this Quarterly Condensed Financial Report, which are not historical in nature, are intended to be “forward-looking statements.” Forward-looking statements may be identified by words such as “anticipate(s),” “intend(s),” “estimate(s),” “believe(s),” “project(s),” “expect(s),” “plan(s),” “assume(s),” “seek(s),” and other similar words and expressions. Central Hudson is subject to risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements. The risks and uncertainties may include, but are not limited to, storm activity, a cyber-attack, poor operating performance,

legislative, tax and regulatory developments, the outcome of litigations, and the resolution of current and future environmental and economic issues. Central Hudson undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.