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ANNUAL FINANCIAL REPORT

CENTRAL HUDSON GAS & ELECTRIC CORP.

YEAR ENDED DECEMBER 31, 2025

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholder and Board of Directors of Central Hudson Gas & Electric Corporation

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Central Hudson Gas & Electric Corporation (the “Company”) as of December 31, 2025 and 2024, the related statements of income, comprehensive income, equity, and cash flows, for the years then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States) (PCAOB) and in accordance with auditing standards generally accepted in the United States of America (GAAS), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 12, 2026, expressed an unqualified opinion on the Company’s internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the auditing standards of the PCAOB and in accordance with GAAS. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impact of Rate-Regulation—Refer to Notes 1 and 4 to the financial statements

Critical Audit Matter Description

The Company is a regulated electric and natural gas transmission and distribution utility in the state of New York and is subject to regulation by the New York Public Service Commission (“Commission”). The Company defers costs and revenues on the balance sheet as regulatory assets and liabilities when it is probable that those costs and revenues will be recoverable from or refundable to customers through the rate-making process in a period different from when they otherwise would have been reflected in income. For the Company, these deferred regulatory assets and liabilities are recovered from or reimbursed to customers either by offset as directed by the Commission, through an approved surcharge mechanism or through incorporation in the determination of the revenue requirement used to set new rates. Management has determined it meets the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation.

Rates are generally designed for but do not guarantee the recovery of the Company’s cost of service, including a return on equity. Regulatory decisions can have an impact on the recovery of costs, refunds to customers, the rate of return earned on investment, and the timing and amount of assets to be recovered or liabilities to be refunded through rates. Future recovery of costs and refunds that may be required are dependent upon factors, such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent rate orders to the Company and other regulated entities, and the status of any pending or potential deregulation legislation. While the Company has indicated it expects to recover costs from customers through regulated rates, there is a risk that the Commission will not approve full recovery of such costs or approve recovery on a timely basis in future regulatory decisions. The Commission can reach different conclusions about the recovery of costs, which can have a material impact on the Company’s financial statements.

We identified the impact of rate regulation as a critical audit matter due to the significant judgments made by management to support its assertions about impacted account balances and disclosures and the high degree of subjectivity involved in assessing the potential impact of future regulatory orders on the financial statements. Management judgments include assessing the likelihood of (1) recovery of regulatory assets through future rates, and (2) whether a regulatory liability is due to customers. Given that management’s accounting judgments are based on assumptions about the outcome of future decisions by the Commission, auditing these judgments requires specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures to evaluate the accounting for the effects of cost-based rate regulation, including the probable recovery or refund of regulatory assets and liabilities, included the following, among others:

- We tested the effectiveness of internal controls over the recognition of amounts deferred as regulatory assets and liabilities, the monitoring and evaluation of regulatory developments that may affect the probability of recovering costs in future rates or of a future reduction in rates, and the related disclosures in the notes to the financial statements.
- We obtained an analysis from management describing the orders and filings that support management's assertions regarding the probability of recovery for certain regulatory assets or refund or future reduction in rates for certain regulatory liabilities to assess management's assertion that amounts are probable of recovery or a future reduction in rates.
- We obtained and read relevant regulatory orders issued by the Commission, including the 2025 Rate Order, and other publicly available information to assess the probability of recovery of costs in future rates or of a future reduction in rates based on precedents of the treatment of similar costs under similar circumstances.
- For regulatory matters in process, we inspected associated documents and testimony filed with the Commission for any evidence that might contradict management's assertions.
- We evaluated the Company's financial statement presentation and disclosures related to the impacts of rate regulation, including regulatory developments.

Deloitte & Touche LLP

February 12, 2026

We have served as the Company's auditor since 2017.



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholder and Board of Directors of Central Hudson Gas & Electric Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Central Hudson Gas & Electric Corporation (the "Company") as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States) (PCAOB) and in accordance with auditing standards generally accepted in the United States of America (GAAS), the financial statements as of and for the year ended December 31, 2025, of the Company and our report dated February 12, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the auditing standards of the PCAOB and in accordance with GAAS. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Deloitte & Touche LLP

February 12, 2026

REPORT OF MANAGEMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING - CENTRAL HUDSON

The management of Central Hudson Gas & Electric Corporation ("management") is responsible for establishing and maintaining adequate internal control over financial reporting for Central Hudson Gas & Electric Corporation (the "Corporation") as defined in Rules 13a- 15(f) and 15d- 15(f) under the Securities Exchange Act of 1934. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Corporation;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the Corporation are being made only in accordance with authorization of management and directors of the Corporation; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

Internal control over financial reporting includes the controls themselves, monitoring (including internal auditing practices), and actions taken to correct deficiencies as identified.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Corporation's internal control over financial reporting as of December 31, 2025. Management based this assessment on criteria for effective internal control over financial reporting described in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management determined that, as of December 31, 2025, the Corporation maintained effective internal control over financial reporting.

The effectiveness of the Corporation's internal control over financial reporting as of December 31, 2025, has been audited by Deloitte and Touche LLP, an independent registered public accounting firm, as stated in their report which appears herein.



Stephanie Raymond
President and Chief Executive Officer



Lora Gescheidle
Chief Financial Officer and Treasurer

February 12, 2026

GLOSSARY

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

2021 Rate Order: Cases 20-E-0428 & 20-G-0429	NOL: net operating losses
2024 Rate Order: Cases 23-E-0418 & 23-G-0419	NYISO: New York Independent System Operator
2025 Rate Order: Cases 24-E-0461 & 24-G-0462	NYS: New York State
ASC: Accounting Standards Codification	NYSDEC: New York State Department of Environmental Conservation
ASU: Accounting Standards Updates	OCI: other comprehensive income
Case 24-G-0483: Order Adopting Terms of Settlement	OPEB: other post-employment benefits
Central Hudson or Company: Central Hudson Gas & Electric Corporation	PBO: projected benefit obligation
CH Energy Group: CH Energy Group, Inc.	PSC or Commission: New York State Public Service Commission
DPS: Department of Public Service	RDM: Revenue Decoupling Mechanism
EV: electric vehicle	ROE: return on equity
FERC: Federal Energy Regulatory Commission	SERP: Supplemental Executive Retirement Plan
Fortis: Fortis Inc.	SIR: site investigation and remediation
GAAP: Accounting principles generally accepted in the United States of America	Staff: Department of Public Service Staff

CENTRAL HUDSON
STATEMENTS OF INCOME

(In Thousands)

	Year Ended December 31,	
	2025	2024
Operating Revenues		
Electric	\$ 916,325	\$ 796,859
Natural gas	241,310	204,046
Total Operating Revenues	<u>\$1,157,635</u>	<u>\$ 1,000,905</u>
Operating Expenses		
Operation		
Purchased electricity	301,895	244,011
Purchased natural gas	60,145	43,533
Other expenses of operation	412,576	395,249
Depreciation and amortization	113,136	97,694
Taxes, other than income tax	77,829	85,264
Total Operating Expenses	<u>\$ 965,581</u>	<u>\$ 865,751</u>
Operating Income	<u>\$ 192,054</u>	<u>\$ 135,154</u>
Other Income and Deductions		
Interest on regulatory assets and other interest income	7,273	6,449
Non-service cost components of pension and OPEB	40,506	28,769
Other, net	(76)	3,026
Total Other Income	<u>\$ 47,703</u>	<u>\$ 38,244</u>
Interest Charges		
Interest on long-term debt	63,089	56,986
Interest on regulatory liabilities and other interest costs	3,723	176
Total Interest Charges	<u>\$ 66,812</u>	<u>\$ 57,162</u>
Income Before Income Taxes	172,945	116,236
Income Tax Expense	37,714	25,689
Net Income	<u>\$ 135,231</u>	<u>\$ 90,547</u>

CENTRAL HUDSON
STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands)

	Year Ended December 31,	
	2025	2024
Net Income	\$ 135,231	\$ 90,547
OCI:		
Employee future (expense) benefits, net of tax	(6)	33
Comprehensive Income	<u>\$ 135,225</u>	<u>\$ 90,580</u>

The Notes to Financial Statements are an integral part hereof

CENTRAL HUDSON STATEMENTS OF CASH FLOW

(In Thousands)

	Year Ended December 31,	
	2025	2024
Operating Activities:		
Net income	\$ 135,231	\$ 90,547
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	94,255	79,559
Amortization	18,881	18,135
Deferred income taxes	37,720	25,690
Uncollectible expense	13,570	9,392
Deferred uncollectible expense	(11,900)	—
Pension and OPEB credit	(31,040)	(19,593)
Regulatory liability - Customer Benefit Fund (“CBF”)	5,000	4,000
Regulatory liability - rate moderation	(22,428)	(25,075)
Regulatory asset - RDM recorded	(16,285)	(11,110)
Changes in operating assets and liabilities, net:		
Accounts receivable, unbilled revenues, and other receivables (Note 2)	(7,847)	(36,465)
Fuel, materials, and supplies	6,789	(5,135)
Special deposits and prepayments	(2,436)	(890)
Income and other taxes	42	(647)
Accounts payable	22,666	4,183
Accrued interest	1,315	1,520
Customer advances	(6,230)	520
Other advances	(2,519)	3,555
Pension and OPEB contributions	(2,265)	(2,435)
Regulatory asset - RDM collected	8,562	18,092
Regulatory asset - storm	6,508	(8,495)
Regulatory asset - SIR	(3,716)	4,669
Regulatory asset - Arrears Management Program	3,555	3,964
Regulatory asset - uncollectible write-offs	(25,727)	(22,615)
Regulatory liability - energy efficiency (“EE”) programs including Clean Energy Fund	(2,022)	7,416
Regulatory asset - Rate Adjustment Mechanism (“RAM”)	8,231	12,887
Regulatory asset - deferred electric and natural gas costs	(29,236)	19,801
Other, net	29,545	1,090
Net cash provided by operating activities	\$ 228,219	\$ 172,560
Investing Activities:		
Additions to utility plant	(345,024)	(314,152)
Other, net	2,722	1,275
Net cash used in investing activities	\$ (342,302)	\$ (312,877)
Financing Activities:		
Repayment of long-term debt	(20,000)	(63,700)
Proceeds from issuance of long-term debt	150,000	164,000
Net change in short-term borrowings	(10,000)	49,000
Capital contribution	26,500	—
Dividends paid to parent - CH Energy Group	(22,000)	—
Other, net	(851)	(746)
Net cash provided by financing activities	\$ 123,649	\$ 148,554
Net Change in Cash, Cash Equivalents, and Restricted Cash	9,566	8,237
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	10,455	2,218
Cash, Cash Equivalents, and Restricted Cash at End of Period	<u>\$ 20,021</u>	<u>\$ 10,455</u>
Supplemental Disclosure of Cash Flow Information:		
Interest paid, net of amounts capitalized	\$ 61,896	\$ 53,974
NYS capital base tax	\$ 2,950	\$ 3,377
Non-Cash Investing Activities:		
Accrued capital expenditures	\$ 26,592	\$ 26,388

The Notes to Financial Statements are an integral part hereof

**CENTRAL HUDSON
BALANCE SHEETS**

(In Thousands)

	December 31, 2025	December 31, 2024
ASSETS		
Utility Plant, Net (Note 3)	\$ 3,084,414	\$ 2,849,293
Non-Utility Property & Plant, Net	\$ 524	\$ 524
Current Assets		
Cash and cash equivalents (Note 1)	19,298	9,759
Accounts receivable from customers, net (Note 2)	184,080	238,162
Accrued unbilled utility revenues, net	41,520	35,890
Other receivables	19,540	21,110
Fuel, materials, and supplies (Note 1)	34,532	41,321
Regulatory assets (Note 4)	136,063	90,766
Fair value of derivative instruments (Note 12)	7,228	6,621
Special deposits and prepayments	39,691	37,255
Total Current Assets	<u>\$ 481,952</u>	<u>\$ 480,884</u>
Deferred Charges and Other Assets		
Regulatory assets (Note 4)	235,170	217,166
Prefunded pension and OPEB costs (Note 9)	295,176	269,148
Other investments (Note 13)	42,242	48,941
Deferred payment agreements, net	54,831	18,576
Other	14,540	16,500
Total Deferred Charges and Other Assets	<u>\$ 641,959</u>	<u>\$ 570,331</u>
Total Assets	<u>\$ 4,208,849</u>	<u>\$ 3,901,032</u>

The Notes to Financial Statements are an integral part hereof

CENTRAL HUDSON
BALANCE SHEETS (CONT'D)

(Dollars in Thousands)

	December 31, 2025	December 31, 2024
CAPITALIZATION AND LIABILITIES		
Capitalization (Note 7)		
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	192	198
Retained earnings	929,639	816,408
Capital stock expense	(4,633)	(4,633)
Total Equity	\$ 1,422,461	\$ 1,282,736
Long-term Debt (Note 8)		
Principal amount	1,449,700	1,349,700
Unamortized debt issuance costs	(6,407)	(6,242)
Net long-term debt	\$ 1,443,293	\$ 1,343,458
Total Capitalization	\$ 2,865,754	\$ 2,626,194
Current Liabilities		
Current maturities of long-term debt (Note 8)	50,000	20,000
Short-term borrowings (Note 6)	60,000	70,000
Accounts payable	100,029	74,020
Accrued interest	15,796	14,481
Accrued vacation and payroll	10,821	12,021
Customer advances	12,444	18,674
Customer deposits	6,104	5,366
Regulatory liabilities (Note 4)	72,829	76,690
Fair value of derivative instruments (Note 12)	3,398	37
Accrued environmental remediation costs (Note 11)	1,479	3,072
Other advances	11,139	13,658
Other current liabilities	35,076	25,190
Total Current Liabilities	\$ 379,115	\$ 333,209
Deferred Credits and Other Liabilities		
Regulatory liabilities (Note 4)	422,963	446,217
Operating reserves	3,432	2,990
Accrued environmental remediation costs (Note 11)	71,381	70,206
Other liabilities	64,998	67,034
Total Deferred Credits and Other Liabilities	\$ 562,774	\$ 586,447
Accumulated Deferred Income Tax (Note 5)	401,206	355,182
Commitments and Contingencies		
Total Capitalization and Liabilities	\$ 4,208,849	\$ 3,901,032

The Notes to Financial Statements are an integral part hereof

CENTRAL HUDSON
STATEMENTS OF EQUITY

(Dollars in Thousands)

	Common Stock Shares Issued	Common Stock Amount	Paid-In Capital	Capital Stock Expense	Retained Earnings	Accumulated OCI	Total Equity
Balance at December 31, 2023	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$386,452</u>	<u>\$ (4,633)</u>	<u>\$ 725,861</u>	<u>\$ 165</u>	<u>\$1,192,156</u>
Net income					90,547		90,547
Employee future benefits, net of tax						33	33
Balance at December 31, 2024	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$386,452</u>	<u>\$ (4,633)</u>	<u>\$ 816,408</u>	<u>\$ 198</u>	<u>\$1,282,736</u>
Net income					135,231		135,231
Capital contributions			26,500				26,500
Employee future expense, net of tax						(6)	(6)
Dividends Declared on Common Stock					(22,000)		(22,000)
Balance at December 31, 2025	<u>16,862,087</u>	<u>\$ 84,311</u>	<u>\$412,952</u>	<u>\$ (4,633)</u>	<u>\$ 929,639</u>	<u>\$ 192</u>	<u>\$1,422,461</u>

The Notes to Financial Statements are an integral part hereof

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 Financial Statements have been prepared in accordance with GAAP, which for regulated utilities includes specific accounting guidance for regulated operations. Preparation of the Financial Statements in accordance with GAAP includes the use of estimates and assumptions by management that affect the reported amounts of assets, liabilities, and the disclosures of the contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Current estimates as of and for the year ended December 31, 2025 reflect management's best assumptions at this time. As with all estimates, actual results may differ from those estimated. Estimates may be subject to future uncertainties, including the impacts on Central Hudson's service territory and customers resulting from legislative mandates and policies, which could affect the allowance for uncollectible accounts.

Estimates are also reflected for certain commitments and contingencies, where there is sufficient basis to project a future obligation. Disclosures related to these certain commitments and contingencies are included in Note 11 – "Commitments and Contingencies."

Regulatory Accounting Policies

Central Hudson is subject to cost-based rate regulation. As a result, the effects of regulatory actions are required to be reflected in the Financial Statements. Regulatory accounting guidance requires the recording of regulatory assets and liabilities for certain transactions that would have been treated as expense or revenue in non-regulated businesses. Regulated utilities, such as Central Hudson, defer costs and revenues on the balance sheet as regulatory assets and liabilities when it is probable that those costs and revenues will be recoverable from or refundable to customers through the rate-making process in a period different from when they otherwise would have been reflected in income. For Central Hudson, these deferred regulatory assets and liabilities, and the related deferred taxes, are recovered from or reimbursed to customers either by offset as directed by the PSC, through an approved surcharge mechanism, or through incorporation in the determination of the revenue requirement used to set new rates. Changes in regulatory assets and liabilities are reflected in the Statement of Income either in the period in which the amounts are recovered through a surcharge, are reflected in rates, or when criteria for recording the revenues are met. Current accounting practices reflect the regulatory accounting authorized in Central Hudson's Rate Orders in effect for the applicable periods. See Note 4 – "Regulatory Matters" for additional information regarding regulatory accounting.

Management periodically assesses whether the regulatory assets are probable of future recovery by considering factors such as changes in the applicable regulatory and political environments, the ability to recover costs through regulated rates, recent Rate Orders applicable to Central Hudson and other regulated entities, and the status of any pending or potential deregulation legislation. Based on this assessment, management believes the existing regulatory assets are probable of recovery. This assessment reflects the current political and regulatory climate at the state and federal levels and is subject to change in the future. If future recovery of costs ceases to be probable, the regulatory asset would be written-off, which could materially impact earnings.

Rates, Revenues, and Adjustment Mechanisms

Central Hudson's electric and natural gas retail rates are regulated by the PSC. Wholesale transmission rates, facilities charges, and rates for electricity sold for resale in interstate commerce are regulated by the FERC.

Central Hudson's tariffs for retail electric and natural gas service include purchased electricity and purchased natural gas cost adjustment mechanisms, by which electric and natural gas rates are set to recover the actual purchased electricity and purchased natural gas costs, including hedging costs, incurred in providing these services. In addition, the tariffs include adjustment mechanisms to recover from or refund to customers certain revenues and costs that have been deferred such as RDMs and certain accumulated deferred balances recovered via the RAM, as defined in the Rate Orders. RDMs provide the ability to record revenue equal to revenue targets authorized by the PSC and used for the development of rates for most of Central Hudson's customers. See Note 4 – "Regulatory Matters" for further information.

Revenue Recognition

Revenue from Contracts with Customers

Central Hudson records revenue as electric and natural gas is delivered based on either the customers' meter read or estimated usage 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. Customers simultaneously receive and consume the benefits provided by Central Hudson. Revenue consists of a fixed customer charge and a charge per kilowatt hour or 100 cubic feet that is fixed at the time of delivery. Additionally, certain non-residential electric service customers pay a per kilowatt demand charge, which is also fixed at the time of delivery. All performance obligations are satisfied for tariff sales at the time of delivery. Amounts billed to customers are due within 20 days from the date the bill was rendered, and any payment not received by the due date is considered delinquent and can incur a finance charge.

Central Hudson records an estimate of unbilled revenue for service rendered to customers after their billing date and through the end of the month. Unbilled revenues are dependent on several factors that require management's judgment, including estimates of retail sales and customer usage patterns.

Central Hudson receives payments from certain customers based on a predetermined budget billing schedule. Budget billing does not represent a contract asset or liability, but rather just a receivable or liability because there are no further performance obligations required to be satisfied before the Company has the right to collect or refund the customer's consideration. Consideration is due when control of the energy is transferred to the customer and is satisfied with the passage of time. Budget billing liability balances are recorded within the "Customer advances" line item in the Balance Sheets.

Central Hudson provides discounts through certain customer assistance programs intended to help low to moderate income families manage their energy burden as prescribed in the 2021, 2024, and 2025 Rate Orders with a full deferral mechanism. Discounts available under these programs are determined at the time the performance obligation is satisfied and are recorded as an expense to match revenue collected in rates for the benefit of eligible customers.

Alternative Revenues

In accordance with ASC 980 and as authorized by the PSC, Central Hudson records alternative revenues in response to past activities or completed events, if certain criteria are met. Central Hudson has identified alternative revenue programs in both its electric and natural gas revenues. Alternative revenues are generally intended to compensate a regulated utility for fluctuations in revenue due to weather abnormalities, external

factors, and demand side initiatives promoted by the regulator, as well as Earnings Adjustment Mechanisms (“EAMs”) if the utility achieves certain objectives such as reaching specified milestones associated with EE programs. Central Hudson recognizes alternative revenues when the criteria defined in ASC 980 have been met and not when billed to customers.

Other Revenues

Other revenues, which are not contract revenues, consist of pole attachment rents, miscellaneous fees, and other revenue adjustments. Included in other revenue adjustments is the reversal of previously recognized deferrals as they are billed (collected or refunded to customers) pursuant to PSC Orders.

See Note 2 – “Revenues and Receivables” for further information.

Restricted Cash

Restricted cash as of December 31, 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 Balance Sheets that sum to the total of the same such amounts shown in the corresponding Statements of Cash Flow (In Thousands):

	December 31, 2025	December 31, 2024
Cash and Cash Equivalents	\$ 19,298	\$ 9,759
Restricted cash included in other long-term assets	723	696
Total Cash, Cash Equivalents, and Restricted Cash as shown in the Statements of Cash Flow	<u>\$ 20,021</u>	<u>\$ 10,455</u>

Accounts Receivable and Allowance for Uncollectible Accounts

Receivables and unbilled utility revenues are carried at net realizable value, based on the allowance for credit losses model. The accounts receivable balance also reflects Central Hudson’s purchase of receivables from energy service companies to support the retail choice programs. The allowance for uncollectible accounts reflects management’s best estimate of expected credit losses to reduce accounts receivable for amounts estimated to be uncollectible. Estimates for uncollectible accounts are based on accounts receivable aging data, as well as consideration of various quantitative and qualitative factors, including special collection issues and current and forecasted economic conditions.

Deferred Payment Agreements

The Company enters into deferred payment agreements (“DPAs”) with certain customers. The Company estimates expected credit losses on DPAs under CECL using a roll-rate/default-rate methodology that includes the current billed portion of DPAs.

Financial Instruments

Central Hudson uses reasonable and supportable forecasts in the estimate of credit losses and the recognition of expected losses upon initial recognition of a financial instrument, in addition to using past events and current conditions. At December 31, 2025 and 2024, there were no expected credit losses on financial instruments other than those on accounts receivable and unbilled utility revenues.

Fuel, Materials, and Supplies

Fuel, materials, and supplies consist of fuel used in electric generation, renewable energy credits (“RECs”), and inventory, which are carried at weighted average cost method.

The following is a summary of inventory of Fuel, materials, and supplies carried at weighted average cost method (In Thousands):

	December 31, 2025	December 31, 2024
Fuel used in electric generation	\$ 366	\$ 229
RECs	—	418
Materials and supplies	34,166	40,674
Total	<u>\$ 34,532</u>	<u>\$ 41,321</u>

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 Balance Sheets.

Utility Plant - Central Hudson

The regulated assets of Central Hudson include electric, natural gas, and common assets, which are incorporated under the heading “Utility Plant, Net” in the Balance Sheet. The accumulated depreciation associated with these regulated assets are also reported under the same heading on the Balance Sheets.

The cost of additions to the utility plant and the replacements of retired units of property are capitalized at original cost. Capitalized costs include labor, including service cost components of pension and other employee benefits, materials and supplies, indirect charges for items such as transportation, certain administrative costs, certain taxes, and allowances for funds used during construction (“AFUDC”), less contributions in aid of construction (“CIAC”).

AFUDC is defined as the net cost of borrowed funds used for construction purposes and a reasonable rate on other funds when so used. The concurrent credit for the amount so capitalized is reported in the Statements of Income as follows: the portion applicable to borrowed funds is reported as a reduction of interest charges, while the portion applicable to other funds (the equity component) is reported as other income. AFUDC rates are determined in accordance with FERC and PSC regulations. The AFUDC rates were approximately 6.0% in 2025 and 6.6% in 2024.

The replacement of minor items of property is included in operating expenses. The original cost of property, together with removal cost less salvage, is charged to accumulated depreciation at the time the property is retired and removed from service as required by the PSC. For additional information see Note 3 – “Utility Plant”.

Depreciation and Amortization

Central Hudson’s depreciation and amortization provisions are computed on the straight-line method using PSC-approved rates. The anticipated costs of removing assets upon retirement are generally provided for over the life of those assets as a component of depreciation expense and, for regulatory reporting purposes, are reflected in accumulated depreciation until the costs are incurred, which is consistent with industry practice. Current accounting guidance related to asset retirement precludes the recognition of expected future retirement obligations

as a component of depreciation expense or accumulated depreciation. Central Hudson, however, is required to use depreciation methods and rates approved by the PSC under regulatory accounting. Central Hudson reclassifies the amount of cost of removal recovered in excess of amounts incurred to date from accumulated depreciation to regulatory liabilities for presentation in its Balance Sheets in accordance with GAAP.

Central Hudson performs depreciation studies periodically and, upon approval by the PSC, adjusts the depreciation rates of its various classes of depreciable property. Central Hudson's composite rates for depreciation, inclusive of intangible amortization, were 3.41% in 2025 and 3.19% in 2024 of the original average cost of depreciable property.

Asset Retirement Obligations (“AROs”)

Central Hudson records AROs for the incremental removal costs, resulting from legal and environmental obligations associated with the retirement of certain utility plant assets, as a liability at fair value with a corresponding increase to utility capital assets, in the period in which the costs are known and estimable. The fair value of AROs are based on an estimate of the present value of expected future cash outlays, discounted at a credit-adjusted risk-free interest rate. AROs are adjusted at the end of each reporting period to accrete the liability for the passage of time and record any changes in the estimated future cash flows of the incremental obligation. Actual costs incurred reduce the liability. Accretion and depreciation expenses associated with AROs are recorded as regulatory assets, which are recovered through the accumulated depreciation reserve upon the retirement of the asset.

Impairment of Long-Lived Assets

The recoverability of long-lived assets is performed at the enterprise level whenever circumstances indicate that the carrying value of the assets may not be recoverable. If such circumstances exist, an undiscounted cash flows test is performed to determine if the sum of the expected future undiscounted cash flows is less than the carrying amount of the asset. The recovery of regulated assets' carrying value, including a fair rate of return, is provided through customer electricity and natural gas delivery rates approved by the PSC. The net cash flows for regulated entities are not asset-specific but are pooled for the entire regulated utility.

Debt Issuance Costs

Expenses incurred in connection with Central Hudson's debt issuance and any discount or premium on debt are deferred and amortized over the lives of the related issues. When long-term debt is reacquired or redeemed, regulatory accounting permits the deferral of related unamortized debt expense and reacquisition costs to be amortized over the remaining original life of the debt retired. The amortization of debt costs for reacquired debt is incorporated in the revenue requirement for delivery rates as authorized by the PSC. See Note 8 – “Capitalization – Long-Term Debt” for further information.

Income Tax

FortisUS and its subsidiaries (including of Central Hudson) file a consolidated federal income tax return. Income taxes are deferred for all temporary differences between the financial statement and the tax basis of assets and liabilities, under the asset and liability method in accordance with current accounting guidance for income taxes. Central Hudson records offsetting regulatory assets or liabilities for certain deferred income taxes that will be recovered or refunded through future rates. For federal and state income tax purposes, Central Hudson uses an accelerated method of depreciation and generally uses the shortest life permitted for each class of assets. Central Hudson follows the normalization method of accounting, which spreads the tax benefits associated with utility assets over the same time period that the costs of those assets are recovered from customers. Normalization is required as a prerequisite for utilities claiming accelerated depreciation and certain tax credits. Deferred investment tax credits are amortized over the estimated life of the properties giving rise to the credits. For state

income tax purposes, Central Hudson uses book depreciation for property placed in service in 1999 or earlier in accordance with transition property rules under Article 9-A of the NYS Tax Law. See Note 5 – “Income Tax” for additional information regarding income taxes and the Tax Cuts and Jobs Act.

Post-Employment and Other Benefits

Central Hudson sponsors a noncontributory Retirement Plan for all management, professional, and supervisory employees hired before January 1, 2008, and for all Union employees hired before May 1, 2008. Benefits are based on years of service and compensation. Additionally, Central Hudson maintains a SERP for certain members of management. Central Hudson also provides OPEB plans, which include certain health care and life insurance benefits for retirees hired within the same time periods as stated above.

Central Hudson recognizes the funded status of the Pension and OPEB defined benefit plans on its balance sheets. The funded status is measured as the difference between the fair value of qualified plans’ assets and the PBO for the plans. The Pension funded status includes the SERP PBO although it does not take into consideration the SERP trust assets. The SERP is a non-qualified plan under the Employee Retirement Income Security Act guidelines and therefore, although funded annually to achieve 110% of the plan’s accumulated benefit obligation, the trust assets of this plan are not included in the calculation of the funded status for accounting purposes. Central Hudson recognizes a regulatory liability or asset for the portion of the over or underfunded amount that is probable of return to or recovery from customers in future rates. The amounts reported as a component of OCI, net of tax, relate to a former Central Hudson officer who transferred to an affiliated company. The related amounts are charged to and reimbursed by the affiliated company.

Pension and OPEB benefit expenses are determined by actuarial valuations based on assumptions that Central Hudson evaluates annually. Central Hudson capitalizes a portion of the service cost component. The PSC has authorized deferral accounting treatment for any variations between actual Pension and OPEB expenses and the amount included in the current delivery rate structure.

Any unamortized balances related to net actuarial gains and losses, past service costs, and transitional obligations, which are recoverable from Central Hudson customers and would otherwise be recognized in accumulated OCI, are subject to deferral accounting treatment.

Central Hudson also sponsors two contributory retirement plans for its employees. The 401(k) retirement plan provides for employee tax-deferred salary deductions for participating employees as well as employer contributions. The other contributory plan provides additional retirement savings to eligible employees who do not qualify for Central Hudson’s Retirement Income Plan. For more information see Note 9 – “Post-Employment Benefits”.

Additionally, Central Hudson sponsors a contributory Deferred Compensation Plan for certain members of management and members of the Central Hudson Board of Directors. Although the Deferred Compensation Plan is a non-qualified plan, Central Hudson has established a trust for funding the associated liability to participants. For more information, see Note 13 – “Other Fair Value Measurements”.

Equity-Based Compensation

Officers of Central Hudson are granted Fortis’ shares under various Plans as part of their long-term incentives. Compensation expense and the related liability associated with the Plans are recorded based on the fair value at each reporting date until settlement, reflecting expected future payout and time elapsed within the terms of the award, typically at the end of the three-year vesting period. The fair value of the Plans’ liability is based on Fortis’ common share 5 day volume weighted average trading price at the end of each reporting period. Central Hudson

has elected to recognize forfeitures when they occur due to the limited number of participants in the equity-based compensation plans. For more information, see Note 10 – “Equity-Based Compensation”.

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. See Note 7 – “Capitalization – Common and Preferred Stock” for additional information.

Derivatives

From time to time, Central Hudson enters into derivative contracts in conjunction with the Company’s enterprise risk management program to hedge certain risk exposures related to its business operations. Central Hudson uses derivative contracts to reduce the impact of volatility in the supply prices of electricity and natural gas and to hedge exposure to volatility in interest rates for its variable rate long-term debt, when applicable. The fair value of derivative instruments are estimates of the amounts that Central Hudson would receive or have to pay to terminate the outstanding contracts at the balance sheet dates. Unrealized gains and losses on Central Hudson’s derivative contracts have no impact on earnings since the energy contracts are subject to regulatory deferral.

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 cash flows, results of operations, or liquidity. Realized gains and losses on Central Hudson’s energy derivative instruments and all associated costs are reported as part of purchased electricity and purchased natural gas in the Statements of Income as the corresponding amounts are either recovered from or returned to customers through fuel cost adjustment mechanisms in revenues. See Note 12 – “Accounting for Derivative Instruments and Hedging Activities” for further details.

Normal Purchases and Normal Sales

Central Hudson enters into forward energy purchase contracts, including options, with counterparties that have generating capacity to support current load forecasts or counterparties that can meet Central Hudson’s load serving obligations. Central Hudson has elected the normal purchase exception for these contracts, which are not required to be measured at fair value and are accounted for on an accrual basis. See Note 11 – “Commitments and Contingencies” for further details.

Reclassification

Certain line-item reclassifications have been made to prior year to conform with current year presentation. These presentations had no impact on Central Hudson’s results of operations, financial conditions, or cash flow.

Recently Adopted Accounting Pronouncements

Income Taxes

ASU No. 2023-09, Improvements to Income Tax Disclosures, requires additional disclosure of income tax information by jurisdiction to reflect an entity’s exposure to potential changes in tax legislation, and associated risks and opportunities. This ASU was applied retrospectively and the updated disclosure is included in Note 5 – “Income Tax”.

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 Financial Accounting Standards Board and the expected impact on Central Hudson.

Expense Disaggregation

ASU No. 2024-03, Disaggregation of Income Statement Expenses, requires additional detailed disclosures of certain income statement expense categories. The ASU is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027 and can be applied on a prospective basis, with retrospective application and early adoption permitted. Central Hudson is assessing the impact on its disclosures.

NOTE 2 – Revenues and Receivables

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

	Year Ended December 31,	
	2025	2024
Electric:		
Revenues from contracts with customers (ASC 606)	\$ 901,129	\$ 799,744
Alternative revenues (Non ASC 606)	(416)	12,673
Other revenues ⁽¹⁾	15,612	(15,558)
Total Operating Revenues Electric	\$ 916,325	\$ 796,859
Natural Gas:		
Revenues from contracts with customers (ASC 606)	\$ 233,734	\$ 197,027
Alternative revenues (Non ASC 606)	327	14,213
Other revenues ⁽¹⁾	7,249	(7,194)
Total Operating Revenues Natural Gas	\$ 241,310	\$ 204,046

⁽¹⁾ Other revenues include both ASC 606 and Non ASC 606 revenues.

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, accrued unbilled utility revenue, and DPA balances is as follows (In Thousands):

	Year Ended December 31,	
	2025	2024
Balance at Beginning of Period	\$ (11,900)	\$ (11,200)
Write-offs, net	39,298	31,307
Uncollectible expense	(13,570)	(9,392)
Uncollectible expense deferred ⁽¹⁾	(34,028)	(22,615)
Balance at End of Period	\$ (20,200)	\$ (11,900)

⁽¹⁾ Central Hudson is authorized to defer any over or under collection of bad debt write-offs and its estimate of expense for future uncollectible accounts. The year ended December 31, 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 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 December 31, 2025 and 2024, approximately \$54.8 million and \$18.6 million of the deferred payment arrangements were included in the Deferred Charges and Other Assets section of the Balance Sheets as “Other”.

Management conducted quantitative and qualitative assessments of the allowance for uncollectible accounts as of December 31, 2025, including consideration of the differences in the current arrears and payment behaviors compared to historical trends, economic factors, and collection success. Based on its analysis, management believed 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 December 31, 2025.

NOTE 3 – Utility Plant

The following summarizes the type and amount of assets included in the electric, natural gas, and common categories of utility plant balances (In Thousands):

	December 31, 2025	December 31, 2024
Electric	\$ 2,226,633	\$ 2,027,241
Gas	991,599	904,104
Common	483,663	515,179
Total Utility Plant, Gross	\$ 3,701,895	\$ 3,446,524
Less: Accumulated depreciation and amortization	\$ 791,097	\$ 743,695
Construction work in process	173,616	146,464
Utility Plant, Net	<u>\$ 3,084,414</u>	<u>\$ 2,849,293</u>

The borrowed component of funds used during construction and recorded as a reduction of interest expense was \$3.0 million and \$4.3 million for the years ended December 31, 2025 and 2024, respectively. The equity component of funds used during construction and recorded as a reduction of other income was \$1.9 million and \$4.0 million for the years ended December 31, 2025 and 2024, respectively.

Included in the Utility Plant, Net balance of \$3.1 billion and \$2.8 billion at December 31, 2025 and 2024 was \$188.5 million and \$172.7 million of intangible utility plant assets, comprised primarily of computer software costs, land, transmission, water, and other rights and the related accumulated amortization of \$64.7 million and \$65.9 million, respectively. Amortization expense for the years 2026-2030 is estimated to be \$19.4 million, \$17.1 million, \$14.9 million, \$11.5 million, and \$7.0 million, respectively.

As of December 31, 2025 and 2024, Central Hudson has reclassified \$61.1 million and \$53.5 million, respectively, of removal costs recovered through delivery rates in excess of amounts incurred to date from accumulated depreciation to a regulatory liability.

AROs for Central Hudson were approximately \$6.5 million and \$6.2 million as of December 31, 2025 and 2024, respectively. These amounts have been classified in the above chart under “Electric” and “Common” based on the nature of the ARO and are reflected in the long-term section of the Balance Sheets as “Other liabilities”.

NOTE 4 – 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):

	December 31, 2025	December 31, 2024
Regulatory Assets:		
Deferred purchased electric and natural gas costs (Note 1)	\$ 42,993	\$ 13,757
Deferred unrealized losses on derivatives - electric and natural gas (Note 12)	3,398	37
RDM and carrying charges - electric and natural gas	14,350	7,461
RAM - electric and natural gas	17,822	8,176
EV make ready program and carrying charges	16,502	8,398
Deferred vacation pay accrual	9,494	9,098
EE programs	21,026	33,957
Arrears Management Program and carrying charges	14,763	18,310
Uncollectible write-offs ⁽²⁾	13,941	8,094
Allowance for uncollectible accounts	20,200	—
Deferred storm costs	49,841	66,034
Deferred and accrued SIR costs (Note 11)	60,944	57,162
Income taxes recoverable through future rates	41,284	33,559
Tax reform - unprotected impacts (Note 5)	20,235	22,618
Other ⁽¹⁾⁽²⁾	24,440	21,271
Total Regulatory Assets	\$ 371,233	\$ 307,932
Less: Current Portion of Regulatory Assets	\$ 136,063	\$ 90,766
Total Long-term Regulatory Assets	\$ 235,170	\$ 217,166
Regulatory Liabilities:		
Rate moderator and carrying charges - electric and natural gas	\$ 25,960	\$ 42,582
Deferred unrealized losses on derivatives - electric and natural gas (Note 12)	7,228	6,621
Clean energy fund and carrying charges	40,602	56,181
CBF (Note 11)	5,000	—
Deferred pension costs (Note 9)	146,897	153,138
Deferred OPEB costs (Note 9)	39,983	39,203
Deferred removal costs (Note 3)	61,129	53,540
Income taxes refundable through future rates	12,715	9,912
Tax reform - protected deferred tax liability (Note 5)	135,957	139,276
Other ⁽¹⁾	20,321	22,454
Total Regulatory Liabilities	\$ 495,792	\$ 522,907
Less: Current Portion of Regulatory Liabilities	\$ 72,829	\$ 76,690
Total Long-term Regulatory Liabilities	\$ 422,963	\$ 446,217
Net Regulatory Liabilities	\$ (124,559)	\$ (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 December 31, 2025 presentation.

The significant regulatory assets and liabilities include:

RDM - Electric and Natural Gas: Mechanism continued in the 2025 Rate Order to recover from or refund to customers the difference between actual revenues and revenue targets prescribed in the Rate Order.

RAM - Electric and Natural Gas: Mechanism continued in the 2025 Rate Order to recover from or refund to customers previously deferred balances up to the prescribed annual threshold. Deferred balances that may be recovered through the RAM include major storms costs, incentives earned, unencumbered negative revenue adjustments, uncollectible accounts, finance charges, and accrued carrying charges.

EV Make Ready Program: This regulatory asset represents amounts spent to support the infrastructure and equipment necessary to accommodate the deployment of EVs, as prescribed in Case 18-E-0138.

Deferred Vacation Pay Accrual: In accordance with Rate Order 84-2 a regulatory asset has been established to offset the accrued vacation liability since the accrued compensation is included in future allowable costs on an as paid basis and there is reasonable assurance of recovery.

EE Programs: This regulatory asset represents amounts spent on Central Hudson's internally administered programs in excess of amounts collected in rates.

Arrears Management Program: This regulatory asset represents the deferral of amounts credited to customers, net of funding from NYS, which is being collected through a surcharge effective August 1, 2022, as approved in Case 20-M-0479.

Uncollectible write-offs: This regulatory asset represents the deferral of uncollectible write-offs for the difference between actual bad debt incurred and amounts recovered in rates as prescribed in the Rate Order.

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.

Deferred Storm Costs: Central Hudson's rates include a collection of funds for major storm reserves. Incremental costs incurred in excess of the reserve funds are deferred for future recovery through subsequent rate proceedings.

Income Taxes Recoverable: This regulatory asset has been established to offset certain deferred tax liabilities as management believes it is probable that they will be recoverable from customers.

Rate Moderator – Electric and Natural Gas: This regulatory liability balance represents the net balance after offset under the terms of the 2024 and 2025 Rate Orders, which were and will be used for future customer rate moderation, as well as deferred Danskammer Generating Station delivery revenues for future natural gas rate moderation.

Clean Energy Fund: This regulatory liability represents amounts collected from customers under the Clean Energy Fund, in excess of amounts remitted to New York State Energy Research and Development Agency to fund its EE programs.

Income Taxes Refundable: This regulatory liability was established to offset certain deferred tax assets that management believes are probable for future refunds to customers.

In terms of the expected timing for recovery, regulatory asset balances reflect the following amounts (In Thousands):

	December 31, 2025	December 31, 2024
Balances with Offsetting Accrued Balance, Recoverable when Future Costs are Actually Incurred:		
Income taxes recoverable through future rates	\$ 41,284	\$ 33,559
Deferred unrealized losses on derivatives - electric and natural gas	3,398	37
Accrued SIR costs	60,944	57,647
Deferred ARO	2,148	1,597
Deferred vacation pay accrual	9,494	9,098
Allowance for uncollectible accounts	20,200	—
	<u>\$ 137,468</u>	<u>\$ 101,938</u>
Balances Earning a Return via Inclusion in Rates and/or the Application of Carrying Charges:		
AMP	\$ 10,022	\$ 13,534
EE programs	21,026	32,885
Uncollectible write-offs	13,941	7,954
Deferred storm costs	49,841	63,948
EV make ready program	13,442	7,673
Tax reform - unprotected impacts	20,235	22,618
Other	19,272	14,567
	<u>\$ 147,779</u>	<u>\$ 163,179</u>
Subject to Current Recovery:		
Deferred purchased electric and natural gas costs	\$ 42,993	\$ 13,757
RAM - electric and natural gas	17,822	7,930
EAMs - electric and natural gas	1,075	693
RDM - electric and natural gas	13,787	7,177
Other	9,013	10,811
	<u>\$ 84,690</u>	<u>\$ 40,368</u>
Accumulated Carrying Charges:		
Carrying charges balancing	\$ 1,296	\$ 2,447
	<u>\$ 1,296</u>	<u>\$ 2,447</u>
Total Regulatory Assets	<u><u>\$ 371,233</u></u>	<u><u>\$ 307,932</u></u>

PSC Proceedings

2024 Rate Order / 2025 Rate Order

On July 18, 2024, the Commission issued the 2024 Rate Order, effective for one year with rates going into effect August 1, 2024, which contained a make-whole provision that provided new rates effective retroactive to July 1, 2024.

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 was effective October 1, 2025 and included a make-whole provision that provides new rates to become effective retroactive to July 1, 2025, with Rate Year (“RY”) 1, 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):

Description	2025 Rate Order			2024 Rate Order
	RY1	RY2	RY3	RY
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% with customers, >10.5% and up to 11.0%, is shared 75% with customers, and > 11.0% is shared 90% with 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 5 – Income Tax

The following are reconciliations between the amount of federal income tax computed on income before taxes at the statutory rate and the amount reported in the Statements of Income (In Thousands):

	For the Years Ended December 31,			
	2025	% of Pretax Income	2024	% of Pretax Income
Net income	\$ 135,231		\$ 90,547	
Current federal income tax benefit	(6)		—	
Deferred federal income tax expense	27,435		18,506	
Deferred state income tax expense	10,285		7,184	
Income Before Income Taxes	\$ 172,945		\$ 116,237	
Computed federal tax at 21%	\$ 36,318	21.0 %	\$ 24,410	21.0 %
State income tax net of federal tax benefit	8,125	4.7 %	5,675	4.9 %
Amortization of protected deferred tax liability ⁽¹⁾	(2,608)	(1.5)%	(2,309)	(2.0)%
Research and development credit	(471)	(0.3)%	(524)	(0.5)%
Non-deductible items	230	0.1 %	208	0.2 %
Other	(3,880)	(2.2)%	(1,771)	(1.5)%
Total Income Tax Expense	\$ 37,714	21.8 %	\$ 25,689	22.1 %
Effective tax rate - federal	15.9 %		15.9 %	
Effective tax rate - state	5.9 %		6.2 %	
Effective Tax Rate - Combined	21.8 %		22.1 %	

⁽¹⁾ Under normalization rules, plant-related deferred taxes reverse at the same rate as the original deferral.

For the years ended December 31, 2025 and 2024, the combined effective tax rates were lower than the statutory rate due to tax normalization rules and the timing of flow-through tax items related to capital expenditures. The year-over-year decrease is primarily due to the deferral associated with future uncollectible write-offs.

The following is a summary of the components of deferred taxes as reported in Central Hudson's Balance Sheets (In Thousands):

	Year Ended December 31,	
	2025	2024
Accumulated Deferred Income Tax Asset:		
Tax reform - protected deferred tax liability	\$ 36,285	\$ 37,170
Income taxes refundable through future rates	12,715	9,912
Federal NOL carryforwards	80,229	70,185
NYS NOL carryforwards, net of federal benefit	29,441	25,945
Rate moderator	6,786	11,129
CIACs	13,186	11,534
Directors and officers deferred compensation	15,514	14,962
Removal costs	14,255	9,546
Other ⁽¹⁾	19,430	21,208
Accumulated Deferred Income Tax Asset	<u>\$ 227,841</u>	<u>\$ 211,591</u>
Accumulated Deferred Income Tax Liability:		
Depreciation	\$ 292,074	\$ 279,057
Repair deduction	227,431	202,585
Other ⁽¹⁾	109,542	85,131
Accumulated Deferred Income Tax Liability	<u>\$ 629,047</u>	<u>\$ 566,773</u>
Net Deferred Income Tax Liability	<u>\$ 401,206</u>	<u>\$ 355,182</u>

⁽¹⁾ Certain amounts included in Other related to prior periods, have been reclassified to conform to the December 31, 2025 presentation.

Components of Tax Reform Regulatory Balances

As a result of the Tax Cuts and Jobs Act, the Company was required to revalue its deferred tax assets and liabilities using the federal corporate income tax rate of 21%. Central Hudson recorded a regulatory liability due to the revaluation of plant-related deferred tax liabilities, which are protected under tax normalization rules. The regulatory liability is adjusted monthly to reflect the ongoing amortization of the balance to the Statements of Income in accordance with those rules.

The following is a summary of the regulatory liability balance related to the protected deferred tax liability (In Thousands):

	Year Ended December 31,	
	2025	2024
Protected Regulatory Liability, beginning of the period	\$ 139,276	\$ 145,859
Amortization of protected tax liability	(3,319)	(2,896)
Balance Sheet reclassification of unprotected liability ⁽¹⁾	—	(3,687)
Protected Regulatory Liability, end of the period	<u>\$ 135,957</u>	<u>\$ 139,276</u>

⁽¹⁾ The 2024 balance includes a \$3.5 million reclassification of non-depreciation, plant-related deferred taxes to the rate moderator per the 2024 Rate Order.

The Company also recorded a regulatory tax asset for the revaluation of all other deferred tax balances that are not subject to the normalization protection. As of December 31, 2025, the excess deferred tax balance of \$20.2 million is being amortized in accordance with the 2024 Rate Order.

Income Tax Examinations:

Jurisdiction	Tax Years Open for Audit
Federal	2022 – 2024
NYS	2022 – 2024

NYS 2024 Budget Bill

The NYS fiscal year 2024 budget bill, which was enacted on May 3, 2023, extended both the 7.25% corporate tax rate for businesses with taxable income over \$5 million through tax year ending on or before January 1, 2027, and the phase out of the capital base tax for tax year beginning on and after January 1, 2027. Central Hudson had state NOLs that reduced taxable income below the \$5 million threshold for the tax years ended December 31, 2025 and 2024. The state NOLs are expected to reduce the taxable income below the \$5 million threshold for the duration of the increased tax rate period and, therefore, that tax increase is not expected to have an impact on the Company’s earnings or cash flows. Central Hudson expects to be subject to the capital base tax during this period. For the years ended December 31, 2025 and 2024, Central Hudson recorded \$2.5 million and \$1.1 million of capital base tax, respectively. Capital base tax is included in “Taxes, other than income tax” in the Statements of Income. The increase in capital base tax is included in the tax calculation used to set rates in the 2024 and 2021 Rate Orders.

NOTE 6 – 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 December 31, 2025, Central Hudson was in compliance with all financial debt covenants in the credit agreement.

Uncommitted Credit

At December 31, 2025 and 2024, Central Hudson had \$60 million in uncommitted short-term credit arrangements. Proceeds from these credit arrangements are used to diversify cash sources 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):

	December 31, 2025	December 31, 2024
Committed Credit	\$ —	\$ 45,000
Uncommitted credit	60,000	25,000
Total	\$ 60,000	\$ 70,000
Weighted Average Interest Rate	4.77 %	5.51 %

NOTE 7 – Capitalization – Common and Preferred Stock

Capitalization

During 2025, Central Hudson received capital contributions of \$26.5 million. Central Hudson did not receive any capital contributions during 2024.

These contributions were recorded as paid-in capital on the Statements of Equity and Balance Sheets.

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 dividend of \$112.9 million and \$83.1 million to CH Energy Group for the periods ended December 31, 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 \$22.0 million to its parent CH Energy Group during 2025. There were no dividends paid during 2024.

Preferred Stock

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

NOTE 8 – Capitalization – Long-Term Debt

The majority of the long-term debt 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.

A summary of Central Hudson's long-term debt is as follows (In Thousands):

Series	Maturity Date	December 31, 2025		December 31, 2024	
		Principal		Principal	
Promissory Notes ⁽¹⁾ :					
2006 Series E (5.76%)	Nov. 17, 2031	\$	27,000	\$	27,000
2005 Series E (5.84%)	Dec. 05, 2035		24,000		24,000
2007 Series F (5.804%)	Mar. 23, 2037		33,000		33,000
2009 Series F (5.80%)	Nov. 01, 2039		24,000		24,000
2010 Series B (5.64%)	Sep. 21, 2040		24,000		24,000
2010 Series G (5.716%)	Apr. 01, 2041		30,000		30,000
2011 Series G (4.707%)	Apr. 01, 2042		10,000		10,000
2012 Series G (4.776%)	Apr. 01, 2042		48,000		48,000
2012 Series G (4.065%)	Oct. 01, 2042		24,000		24,000
2013 Series D (4.09%)	Dec. 2, 2028		16,700		16,700
2015 Series F (2.98%)	Mar. 31, 2025		—		20,000
2016 Series H (2.56%)	Oct. 28, 2026		10,000		10,000
2016 Series I (3.63%)	Oct. 28, 2046		20,000		20,000
2017 Series J (4.05%)	Aug. 31, 2047		30,000		30,000
2017 Series K (4.20%)	Aug. 31, 2057		30,000		30,000
2018 Series L (4.27%)	Jun. 15, 2048		25,000		25,000
2018 Series M (3.99%)	Oct. 28, 2026		40,000		40,000
2018 Series N (4.21%)	Oct. 28, 2033		40,000		40,000
2019 Series O (3.89%)	Oct. 28, 2049		50,000		50,000
2019 Series P (3.99%)	Oct. 28, 2059		50,000		50,000
2020 Series Q (3.42%)	May 14 2050		30,000		30,000
2020 Series R (3.62%)	Jul. 14, 2060		30,000		30,000
2020 Series S (2.03%)	Sep. 28, 2030		40,000		40,000
2020 Series T (2.03%)	Nov. 17, 2030		30,000		30,000
2021 Series U (3.29%)	Mar. 16, 2051		75,000		75,000
2021 Series V (3.22%)	Oct. 30, 2051		55,000		55,000
2022 Series W (2.37%)	Jan. 27, 2027		50,000		50,000
2022 Series X (2.59%)	Jan. 27, 2029		60,000		60,000
2022 Series Y (5.07%)	Sept. 28, 2032		100,000		100,000
2022 Series Z (5.42%)	Sept. 28, 2052		10,000		10,000
2023 Series AA (5.68%)	Mar. 28, 2033		40,000		40,000
2023 Series BB (5.78%)	Mar. 28, 2035		15,000		15,000
2023 Series CC (5.88%)	Mar. 28, 2038		35,000		35,000
2023 Series DD (6.17%)	Nov. 7, 2028		60,000		60,000
2024 Series EE (5.59%)	Apr. 9, 2031		25,000		25,000
2024 Series FF (5.69%)	Apr. 9, 2034		35,000		35,000
2024 Series GG (4.88%)	Oct. 16, 2029		25,000		25,000
2024 Series HH (5.30%)	Oct. 16, 2034		44,000		44,000
2024 Series II (5.40%)	Oct. 16, 2036		35,000		35,000
2025 Series JJ (5.61%)	Apr. 16, 2035		20,000		—
2025 Series KK (5.81%)	Apr. 16, 2040		30,000		—
2025 Series LL (6.01%)	Apr. 16, 2045		20,000		—
2025 Series MM (5.25%)	Nov. 06, 2035		15,000		—
2025 Series NN (5.90%)	Nov. 06, 2045		65,000		—
Total Long-Term Debt		\$	1,499,700	\$	1,369,700
Less: current portion of long-term debt			(50,000)		(20,000)
Less: unamortized debt issuance costs			(6,407)		(6,242)
Net Long-Term Debt		\$	1,443,293	\$	1,343,458

⁽¹⁾ Issued pursuant to the 2004, 2006, 2009, 2012, 2015, 2018, 2021, and 2023 PSC Orders approving the issuances by Central Hudson of unsecured medium-term notes.

During 2025 and 2024, the proceeds from the sale of the Senior Notes were used for general corporate purposes, including funding capital expenditures and repayment of short-term borrowings and maturing debt.

Long-Term Debt Maturities

See Note 13 – “Other Fair Value Measurements” for a schedule of long-term debt maturing or to be redeemed during the next five years and thereafter.

Financing Orders

On December 19, 2025, the PSC approved the Company’s request in case 25-M-0550 authorizing Central Hudson to enter into multi-year credit agreements in an aggregate amount not to exceed \$350 million with maturities not to exceed five years and to issue and sell long-term debt, through December 31, 2028, in an amount not to exceed \$500 million in the aggregate. This Order replaces the authorization granted in the 2023 Financing Order in Case 23-M-0286.

On November 21, 2023, the PSC approved the Company’s request in Case 23-M-0286 authorizing Central Hudson to enter into multi-year credit agreements in an aggregate amount not to exceed \$380 million; and approval to issue and sell new long-term debt through December 31, 2026.

Debt Covenants

Under the terms of the various note purchase agreements, the Company is subject to financial covenants and restrictions, including restrictions with respect to Central Hudson’s indebtedness and assets. As of December 31, 2025, Central Hudson was in compliance with all covenants.

NOTE 9 – Post-Employment Benefits

The PSC has authorized deferral accounting for differences between actual Pension and OPEB expenses and amounts in current delivery rates, so these variations do not affect Central Hudson’s earnings.

Pension Benefits

Central Hudson offers a non-contributory defined benefit Retirement Income Plan (“RIP”) for employees hired before January 1, 2008 and a non-qualified SERP for certain executives. The plan provides benefits based on compensation and service years, with assets held in a trust. As of December 31, 2025, 19% of active employees were eligible to participate. On October 28, 2025, the RIP was amended to provide an ad hoc cost-of-living-adjustment for certain members and pay status based on the year in which accrued benefits commenced. The amendment was effective November 1, 2025.

OPEB

Central Hudson provides health care and life insurance benefits to certain retirees. Most union and non-union employees hired before January 1, 2008 may qualify if they retire while employed. Benefits are provided through insurers based on annual claims. Key assumptions include discount rate, expected return on assets, and health care cost trends. The discount rate is based on Mercer’s Pension Discount Yield Curve and other assumptions align with those for pension plans.

Details of the change in Central Hudson’s Pension and OPEB benefit obligations, fair value of plan assets, and funded status as of and for the periods ended December 31, 2025 and 2024 are as follows (In Thousands):

	Pension Benefits ⁽¹⁾⁽²⁾		OPEB	
	2025	2024	2025	2024
Change in Benefit Obligation:				
Benefit Obligation, Beginning of the Period	\$ 574,087	\$ 612,515	\$ 102,380	\$ 111,108
Service cost	5,752	7,043	891	1,019
Interest cost	31,089	29,755	5,460	5,325
Participant contributions	—	—	1,971	1,800
Plan amendments	28,479	—	—	—
Benefits paid	(40,717)	(39,192)	(10,192)	(10,562)
Actuarial loss (gain)	8,416	(36,034)	6,712	(6,310)
Benefit Obligation, End of the Period	<u>\$ 607,106</u>	<u>\$ 574,087</u>	<u>\$ 107,222</u>	<u>\$ 102,380</u>
Change in Value of Plan Assets:				
Fair Value of Plan Assets, Beginning of the Period	\$ 749,858	\$ 723,918	\$ 166,537	\$ 157,293
Actual return on plan assets	91,878	65,171	23,456	17,473
Employer contributions	2,159	1,826	126	629
Participant contributions	—	—	1,971	1,800
Benefits paid	(40,717)	(39,192)	(10,192)	(10,562)
Other	(2,369)	(1,865)	(97)	(96)
Fair Value of Plan Assets, End of the Period	<u>\$ 800,809</u>	<u>\$ 749,858</u>	<u>\$ 181,801</u>	<u>\$ 166,537</u>
Funded Status, End of the Period	<u>\$ 193,703</u>	<u>\$ 175,771</u>	<u>\$ 74,579</u>	⁽³⁾ <u>\$ 64,157</u>

⁽¹⁾ The plan assets as presented in this chart do not include approximately \$29.6 million and \$30.6 million of SERP trust assets at December 31, 2025 and 2024.

⁽²⁾ The plan balances include an immaterial portion related to a former officer for which the related liability is recorded at CH Energy Group.

The increase in Central Hudson’s pre-funded status for pension benefits of approximately \$17.9 million was the result of higher returns on plan assets of \$50.9 million, partially offset by an increase of \$33.0 million in PBO liabilities resulting from a plan amendment of approximately \$28.5 million as well as the decrease in the discount rate.

The \$10.4 million increase in pre-funded status for OPEB is due to higher return on plan assets partially offset by an increase in the PBO resulting from a lower discount rate. Net periodic benefit cost exceeded employer contributions by \$35.0 million and \$24.9 million for 2025 and 2024, respectively. The overfunded asset balance

of \$39.6 million and \$39.3 million for 2025 and in 2024 is recorded as a regulatory liability as prescribed by the 1993 PSC Policy and will be recognized as a future expense credit.

The following table summarizes the employee future benefit assets and liabilities and their classifications on the Balance Sheets and Statements of Equity at December 31 (In Thousands):

	Pension Benefits ⁽¹⁾⁽²⁾		OPEB	
	2025	2024	2025	2024
Amounts Recognized on Balance Sheet:				
Non-current assets	\$ 220,597	\$ 204,836	\$ 74,579	\$ 64,157
Current liabilities	(2,137)	(2,158)	—	—
Non-current liabilities	(24,757)	—	—	—
Funded Status, End of the Period	\$ 193,703	\$ 202,678	\$ 74,579	\$ 64,157
Regulatory Liability:				
Net actuarial gain	\$ (177,253)	\$ (157,429)	\$ (40,313)	\$ (39,551)
Prior service costs	\$ 27,844	\$ 93	\$ 701	\$ 295
OCI:				
Net actuarial gain, net of tax	\$ (183)	\$ (190)	\$ (9)	\$ (8)

⁽¹⁾ The funded status in this chart does not reflect approximately \$29.6 million and \$30.6 million of SERP trust assets at December 31, 2025 and 2024.

⁽²⁾ The plan balances include an immaterial portion related to a former officer for which the related liability is recorded at CH Energy Group.

Central Hudson's net periodic benefit costs for its Pension and OPEB plans for the periods ended December 31, 2025 and 2024 are as follows (In Thousands):

	Pension Benefits		OPEB	
	2025	2024	2025	2024
Components of Net Periodic Benefit:				
Service cost	\$ 5,752	\$ 7,043	\$ 891	\$ 1,019
Interest cost	31,089	29,755	5,460	5,325
Expected return on plan assets	(41,313)	(43,509)	(9,822)	(9,591)
Amortization of prior service cost (credit)	728	511	(406)	(406)
Amortization of recognized actuarial net gain	(19,957)	(7,746)	(5,615)	(3,051)
Net Periodic Benefit	\$ (23,701)	\$ (13,946)	\$ (9,492)	\$ (6,704)

The following table provides the components recognized in net periodic benefit cost and as regulatory liabilities, which otherwise would have been recognized in comprehensive income, as well as the weighted average assumptions used in the periods (Dollars In Thousands):

	Pension Benefits ⁽¹⁾		OPEB	
	2025	2024	2025	2024
Other Changes in Plan Assets and Benefit Obligation Recognized in Regulatory Liabilities:				
Net gain	\$ (39,781)	\$ (55,831)	\$ (6,378)	\$ (14,092)
Amortization of actuarial net gain	19,957	7,746	5,615	3,050
Amortization of prior service (cost) credit	(728)	(511)	406	406
Total Recognized in Regulatory Liabilities	\$ (20,552)	\$ (48,596)	\$ (357)	\$ (10,636)
Total Recognized in Net Periodic Benefit and Regulatory Liabilities	\$ (44,253)	\$ (62,542)	\$ (9,849)	\$ (17,340)
Weighted-Average Assumptions Used to Determine Benefit Obligations:				
Discount rate	5.41%	5.58%	5.41%	5.56%

Rate of compensation increase (average)	3.50%	3.90%	3.50%	3.90%
Measurement date	12/31/25	12/31/24	12/31/25	12/31/24
Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost for Years Ended December 31:				
Discount rate	5.58%	4.98%	5.56%	4.97%
Expected long-term rate of return on plan assets	5.82%	6.33%	6.11%	6.30%
Rate of compensation increase (average)	3.90%	3.90%	3.90%	3.90%
Assumed Health Care Cost Trend Rates at December 31:				
Health care cost trend rate assumed for next year	N/A	N/A	8.54%	8.47%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	N/A	N/A	4.00%	4.00%
Year that the rate reaches the ultimate trend rate	N/A	N/A	2050	2049
Effect of 1% increase total of service and interest costs components	N/A	N/A	\$ 572	\$ 612
Effect of 1% increase on year-end post-retirement benefit obligation	N/A	N/A	\$ 8,525	\$ 7,867
Effect of 1% decrease total of service and interest costs components	N/A	N/A	\$ (476)	\$ (506)
Effect of 1% decrease on year-end post-retirement benefit obligation	N/A	N/A	\$ (7,178)	\$ (6,628)
Accumulated Benefit Obligation	\$ 587,597	\$ 552,702	N/A	N/A

⁽¹⁾ The fair value of plan assets presented in this chart does not include approximately \$29.6 million and \$30.6 million of SERP trust assets at December 31, 2025 and 2024.

⁽²⁾ Rate Orders for 2025 and 2024 include allowances for pension and OPEB costs, with PSC authorization to defer differences between actual costs and rate allowances to mitigate volatility.

⁽³⁾ Rate based on forward-looking estimates, considering economic conditions and investment mix. Central Hudson monitors performance against target allocations and adjusts as needed.

Estimated net gain of \$24.9 million and prior service cost of \$3.8 million for the defined benefit pension plans will be amortized from regulatory asset and OCI respectively, into net periodic benefit cost over the next fiscal year. Estimated net gain of \$6.5 million for the other defined benefit post-retirement plans will be amortized from regulatory asset into net periodic benefit cost over the next fiscal year.

At December 31, 2025 and 2024, employer contributions exceeded cumulative net periodic benefit costs by \$44.3 million and \$18.4 million. Pre-funded assets totaled \$148.5 million in 2025 and \$157.1 million in 2024, with the difference recorded as funded status adjustments. These adjustments are treated as regulatory liabilities in accordance with the 1993 PSC Policy and as OCI for a portion related to a former officer, reimbursed by an affiliate.

Contribution levels to the OPEB Plans are determined by the discount rate, expected return on plan assets, medical claims assumptions used, mortality assumptions used, benefit changes, corporate resources, and regulatory considerations. Contributions for the period ended December 31, 2025 and 2024 were \$0.1 million and \$0.6 million, respectively.

Funding decisions for the RIP are based on the funded status, investment returns, inflation, regulatory requirements, and the Pension Protection Act of 2006. Central Hudson aims to maintain at least 80% funding, though contributions may vary. There were no contributions for the years ended December 31, 2025 and 2024.

Central Hudson must maintain SERP funding at 110% of accrued benefits annually, with any excess eligible for withdrawal. An immaterial contribution is required for the year ended December 31, 2025 and \$1.7 million was contributed for the year ended December 31, 2024.

RIP and OPEB Investment Policy and Strategy

Central Hudson’s RIP investment policy aims to minimize funded status volatility while achieving liability-matching growth within acceptable risk levels. The policy incorporates liability-based factors such as funded status, contribution needs, and financial impacts. Market fluctuations may require periodic rebalancing to maintain target asset allocations.

Central Hudson funds union OPEB obligations through a voluntary employee’s beneficiary association (“VEBA”) and management OPEB liabilities through a 401(h) plan, both trust funds. The VEBA policy targets long-term returns to meet obligations and keep pace with inflation, while the 401(h) plan is invested with Retirement Income Plan assets. Return objectives are not guaranteed.

Asset allocation targets in effect as of December 31, 2025 and 2024 expressed as a percentage of the market value of RIP and VEBA assets, are summarized in the table below:

Asset Class	RIP			VEBA		
	Minimum	Maximum	December 31, 2025	Minimum	Maximum	December 31, 2025
Equity Securities	35%	45%	41.2%	55%	75%	66.5%
Debt Securities	55%	65%	56.1%	25%	45%	32.7%
Other ⁽¹⁾	—%	—%	2.7%	—%	—%	0.8%

⁽¹⁾ Consists of temporary cash investments, as well as receivables for investments sold and interest and payables for investments purchased, which have not settled as of that date.

Asset Class	RIP			VEBA		
	Minimum	Maximum	December 31, 2024	Minimum	Maximum	December 31, 2024
Equity Securities	45%	55%	53.0%	55%	75%	68.5%
Debt Securities	45%	55%	44.3%	25%	45%	30.1%
Other ⁽¹⁾	—%	10%	2.7%	—%	—%	1.4%

⁽¹⁾ Consists of temporary cash investments, as well as receivables for investments sold and interest and payables for investments purchased, which have not settled as of that date.

Management uses outside consultants and outside investment managers to aid in the determination of the RIP and OPEB asset allocations and to manage the actual plan assets, respectively.

RIP and OPEB Plan Investment Valuation

The RIP and OPEB Plan assets consist primarily of investment funds which are valued using net asset value, which is not considered fair value. For those assets that are valued under the current fair value framework, the inputs or methodology used are not necessarily an indication of the risk associated with investing in those securities.

Below is a listing of the major categories of plan assets held as of December 31, 2025 and 2024, that are reported at net asset value or fair value, as indicated (Dollars in Thousands):

Investment Type	RIP		401(h) Plan		Union VEBA Plan	
	Value at December 31, 2025	% of Total	Value at December 31, 2025	% of Total	Value at December 31, 2025	% of Total
At Net Asset Value:						
Investment funds - equities	\$ 330,188	41.2%	\$ 11,979	41.2%	\$ —	—%
Investment funds - fixed income	112,236	14.0	4,072	14.0	—	—
At Fair Value:						
Level 1:						
Cash equivalents	—	—	—	—	1,211	0.8
Investment funds - equities	—	—	—	—	101,608	66.5
Investment funds - fixed income	—	—	—	—	49,929	32.7
Level 2:						
Cash equivalents	17,751	2.2	643	2.2	—	—
Investment funds - fixed income	336,660	42.1	12,214	42.0	—	—
Other investments	3,974	0.5	145	0.6	—	—
	<u>\$ 800,809</u>	<u>100.0%</u>	<u>\$ 29,053</u>	<u>100.0%</u>	<u>\$ 152,748</u>	<u>100.0%</u>

Investment Type	RIP		401(h) Plan		Union VEBA Plan	
	Value at December 31, 2024	% of Total	Value at December 31, 2024	% of Total	Value at December 31, 2024	% of Total
At Net Asset Value:						
Investment funds - equities	\$ 397,499	53.0%	\$ 14,954	53.0%	\$ —	—%
Investment funds - fixed income	117,156	15.6	4,408	15.6	—	—
At Fair Value:						
Level 1:						
Cash equivalents	—	—	—	—	1,972	1.4
Investment funds - equities	—	—	—	—	94,749	68.5
Investment funds - fixed income	—	—	—	—	41,595	30.1
Level 2:						
Cash equivalents	17,587	2.3	664	2.4	—	—
Investment funds - fixed income	214,963	28.7	8,087	28.7	—	—
Other investments	2,653	0.4	108	0.3	—	—
	<u>\$ 749,858</u>	<u>100.0%</u>	<u>\$ 28,221</u>	<u>100.0%</u>	<u>\$ 138,316</u>	<u>100.0%</u>

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service as appropriate, are expected to be paid (In Thousands):

Year	Pension Benefits - Gross	Other Benefits - Gross	Other Benefits - Net ⁽¹⁾
2026	\$ 45,855	\$ 9,385	\$ 8,896
2027	45,801	8,963	8,457
2028	45,823	8,870	8,347
2029	45,535	8,782	8,242
2030	45,387	8,870	8,318
Next five years	\$ 220,470	\$ 41,247	\$ 38,272

⁽¹⁾ Estimated benefit payments reduced by estimated gross amount of Medicare Act of 2003 subsidy receipts expected.

Other Retirement Savings Plans

Central Hudson sponsors a 401(k) retirement plan for its employees. The 401(k) retirement plan provides for employee tax-deferred salary deductions for participating employees and employer matches. The matching benefit varies by employee group. Central Hudson's matching contributions for the years ended December 31, 2025 and 2024 were \$7.8 million and \$7.2 million, respectively. Central Hudson also provides an additional contribution of 4% to the 401(k) retirement plan of annualized base salary for eligible employees who do not qualify for Central Hudson's Retirement Income Plan. The additional non-discretionary contribution was approximately \$4.6 million and \$4.2 million for 2025 and 2024, respectively.

In 2022, Central Hudson began offering a new plan to provide an additional 1.25% annualized based salary contribution to eligible employees who do not qualify for Central Hudson's RIP. Plan contributions for the years ended December 31, 2025 and 2024 were \$1.4 million and \$1.3 million, respectively.

NOTE 10 – Equity-Based Compensation

Effective January 1, 2025 and 2024, officers of Central Hudson were granted units under the 2025 and 2024 Fortis Omnibus Equity Plan (the "Plan"), with a grant date fair value of \$41.71 and \$40.91 per unit, respectively. The Plan provided for both Restricted Share Unit ("RSU") and Performance Share Unit ("PSU") grants for employees of Fortis and its subsidiaries. On May 15, 2025, three officers of Central Hudson were granted additional RSU and PSU units under the 2025 Plan. Granted units have an underlying value equivalent to the value of one share of Fortis common stock and each unit accrues notional dividend equivalents based on the dividends declared by the Board of Directors on Fortis' common stock. At the election of the holder, RSUs and PSUs granted in 2025 and 2024 which are earned and vested will settle in either cash or shares of Fortis common stock. The settlement in shares by a participant will result in the modification of an award from a liability award to an equity award for accounting purposes. An election to settle in shares cannot be made later than 30 days prior to the RSUs vesting.

In addition, Central Hudson officers received units under two Fortis long-term incentive plans: the performance-based Share Unit Plan ("SUP") and the time-based Restricted Share Unit Plan ("RSUP"). Each unit reflects the value of Fortis common stock, includes notional dividend equivalents declared by the Board of Directors of Fortis, and uses the U.S. dollar exchange rate from the business day before the grant. SUP Units vest after three years based on achievement of cumulative performance goals and settle in cash, while RSUP Units vest after three years regardless of performance and may settle in cash or shares. The foreign exchange rate utilized for the payout is the U.S. dollar equivalent for each plan that corresponds to the exchange rate on the business day prior to the date of the grant of each Unit. Participants who have not met share-ownership requirements must settle at least 50% of vested RSUP Units in shares. Electing share settlement—required at least 30 days before vesting—converts the award from a liability to an equity award.

The following is a summary of the units granted under the Plans to Central Hudson employees and outstanding as of December 31, 2025:

	Grant Date	Grant Date Fair Value	Time Based		Performance Based	
			Granted	Outstanding ⁽¹⁾	Granted	Outstanding ⁽¹⁾
2025 RSU ⁽³⁾	Various	Various	18,299	18,969	—	—
2025 PSU ⁽³⁾	Various	Various	—	—	36,599	37,937
2024 RSU ⁽²⁾	January 1, 2024	\$ 40.91	24,215	26,130	—	—
2024 PSU ⁽²⁾	January 1, 2024	\$ 40.91	—	—	48,431	52,245
2023 RSUP	January 1, 2023	\$ 40.35	21,664	24,418	—	—
2023 SUP	January 1, 2023	\$ 40.35	—	—	43,327	48,838

⁽¹⁾ Includes notional dividends accrued as of December 31, 2025.

⁽²⁾ In the second quarter of 2024, 11,277 PSUs and 5,638 RSUs under the Plan were granted to a new officer.

⁽³⁾ In the second quarter of 2025, 2,547 PSUs and 1,273 RSUs under the Plan were granted to new officers with grant date fair values of \$44.20, \$45.00, and \$44.97.

The total compensation expense was \$5.7 million and \$2.7 million for the years ended 2025 and 2024, respectively. During the first quarter of 2025, 28,827 units granted under the 2022 Fortis SUP and 7,185 units granted under the 2022 Fortis RSUP vested and were paid out for a total of approximately \$0.7 million.

The liabilities for granted units are measured at fair value at each reporting date until they are settled, with compensation expense recognized on a straight-line basis over the vesting period. Fair value is determined using the five-day volume-weighted average price of Fortis common shares at period-end, adjusted for management's best estimate of the expected payout based on each grant's defined performance metrics.

Under the Plans, employees who retire during the three-year grant term and meet the service and notice requirements have their awards calculated as though they remained employed through the end of the performance period. Accounting rules require that compensation expense for these individuals be recognized over the requisite service period rather than the performance period. In all presented periods, additional expense was recorded for retirement-eligible officers. Overall plan expense is recognized over a weighted-average period of about two years and period-to-period fluctuations may occur due to changes in the Fortis share price and projected performance payout levels.

NOTE 11 – Commitments and Contingencies

Electricity Purchase Commitments

Central Hudson meets its capacity and electricity obligations through contracts with capacity and energy providers, purchases from the NYISO energy and capacity markets, and its own generating capacity.

Energy Credit Purchase Obligations

PSC Order 15-E-0302 outlines Load Serving Entity environmental obligation requirements for RECs 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 NYISO. Effective January 1, 2025, Tier 1 RECs transitioned to the same "pay-as-you-go" approach as Tier 3 zero-emissions credits. These accrued costs are recoverable from full-service customers through the electric cost adjustment mechanism and, therefore, do not impact earnings.

Commitments

The following is a summary of commitments for Central Hudson as of December 31, 2025 (In Thousands):

	Projected Payments Due By Period						Total
	Year Ending 2026	Year Ending 2027	Year Ending 2028	Year Ending 2029	Year Ending 2030	Thereafter	
Recorded Contractual Obligations:							
Operating leases	\$ 446	\$ 438	\$ 444	\$ 391	\$ 47	\$ 1,592	\$ 3,358
Repayments of long-term debt	50,000	50,000	76,700	85,000	70,000	1,168,000	1,499,700
Unrecorded Contractual Obligations:							
Purchased electric contracts ⁽¹⁾	16,172	2,528	97	—	—	—	18,797
Purchased natural gas contracts ⁽¹⁾	32,357	16,352	12,360	9,597	2,420	3,141	76,227
Total	\$ 98,975	\$ 69,318	\$ 89,601	\$ 94,988	\$ 72,467	\$ 1,172,733	\$ 1,598,082

⁽¹⁾ Purchased electric and purchased natural gas costs for Central Hudson are fully recovered via their respective regulatory cost adjustment mechanisms.

Other Commitments

Capital Expenditures

Central Hudson is a regulated utility and, as such, is obligated to provide service to customers within its service territory. Central Hudson's capital expenditures are largely driven by the need to ensure the continued and enhanced reliability and safety of the electric and natural gas systems for the long-term benefit of customers.

Contingencies

Environmental Matters

- SIR Program

Central Hudson has been notified by the NYSDEC that it believes Central Hudson or its predecessors, at one time, owned and/or operated manufactured gas plants ("MGP") to serve their customers' heating and lighting needs, at seven sites in Central Hudson's franchise territory. The NYSDEC has further requested that Central Hudson investigate and, if necessary, remediate these sites. In addition, Central Hudson is also performing environmental SIR at two non-MGP sites within its service territory, Little Britain Road and Eltings Corners.

Central Hudson accrues for remediation costs based on the amounts that can be reasonably estimated at a point in time.

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

Stage	Sites	Total Accrued Cost at December 31, 2025	Estimated Spend in the Next Twelve Months
Investigation	⁽¹⁾ Little Britain Road and Bayeaux Street	\$ 2.4	\$ 0.3
Remedial alternatives analysis	⁽²⁾ North Water Street	65.9	1.1
Post-remediation monitoring	⁽³⁾ Newburgh Areas A, B & C, Laurel Street, Catskill, Kingston, Eltings Corners, and Beacon	4.6	0.1
Total		<u>\$ 72.9</u>	<u>\$ 1.5</u>

⁽¹⁾ Investigation: Preliminary investigation with final approval by NYSDEC of a Remedial Investigation Report.

⁽²⁾ Remedial Alternatives Analysis – Engineering analysis of alternatives for remediation based on the Remedial Investigation Report compiled. Management accrues for an estimate based on NYSDEC approved methods, as well as an estimate of post-remediation operation, maintenance, and monitoring costs.

⁽³⁾ Post-Remediation Monitoring – Operation, maintenance, and monitoring costs as directed by the NYSDEC based on the approved final report of remediation. The extent of activities may vary based on the results of ongoing monitoring.

There were no significant updates during the years ended December 31, 2025 and 2024 or changes in the nature and amounts of Central Hudson’s 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 MGP, non-MGP, and the associated rate allowances, with carrying charges at the authorized pre-tax rate of return.

Litigation

Asbestos Litigation

Central Hudson is involved in various asbestos lawsuits. As of December 31, 2025, of the 3,392 asbestos cases brought against Central Hudson, 1,164 remain pending. Of the cases no longer pending, 2,062 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 resolved the administrative proceeding. Civil actions seeking damages for bodily injuries, property and punitive damages 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 12 – 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.

- Natural gas futures are used to mitigate commodity price volatility for natural gas purchases. A natural gas futures contract is a standardized contract to buy or sell a specified commodity (natural gas) of standardized quantity at a certain date in the future, at a market determined price (the futures price). Central Hudson's reason for purchasing these contracts is to moderate price fluctuations for natural gas and the impact of volatility in the commodity markets on its customers.
- Electricity swaps are used to mitigate commodity price volatility for electricity purchases for Central Hudson's full-service customers. A swap contract or a contract for differences is the exchange of two payment streams between two counterparties where the cash flows are dependent on the price of the underlying commodity. In an effort to moderate commodity price volatility, Central Hudson enters into contracts to pay a fixed price and receive a market price for a defined commodity and volume. These contracts are aligned with Central Hudson's actual commodity purchases at market price, resulting in a net fixed price payment.
- Weather derivative contracts are used to hedge the effect of significant variances in weather conditions from normal patterns on purchased electricity and natural gas costs, and on the related revenues. Heating degree days are used to measure winter temperature risk and are accumulated over the seasonal period of December 1st to March 31st where a strike price is triggered to protect the Company from price volatility. These values are accumulated daily and any payouts earned will continue to be netted with costs on a monthly basis over the term of the contract. The payouts for the periods ending December 31, 2025 and 2024 were immaterial.

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 December 31, 2025 are as follows:

	% of Requirement Hedged ⁽¹⁾
Electric Derivative Contracts:	0.89 million MWh
January 2026 - October 2026	35.4%
Natural Gas Derivative Contracts:	1.2 million dekatherm
January 2026 - March 2026	27.5%

⁽¹⁾ Projected coverage as of December 31, 2025.

In 2025, over-the-counter derivative contracts covered approximately 41.4% of Central Hudson's total electricity supply requirements as compared to 41.1% in 2024.

Derivative Risks

The basic types of risks associated with derivatives are market risk (that the value of the derivative will be adversely impacted by changes in the market, primarily the change in commodity prices) and credit risk (that the counterparty will not perform according to the terms of the contract). The market risk of the derivatives generally offset the market risk associated with the hedged commodity.

The majority of Central Hudson's derivative instruments contain provisions that require Central Hudson to maintain specified issuer credit ratings and financial strength ratings. Should Central Hudson's ratings fall below these specified levels, it would be in violation of the provisions and the derivatives' counterparties could terminate the contracts and request immediate payment.

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 December 31, 2025, two open contracts with credit risk contingent features were in a liability position. The aggregate fair value of the open derivative contracts that contain contingent features and the amount that would be required to settle these instruments on December 31, 2025, if the contingent features were triggered, are described below.

Contingent Contracts:

(Dollars In Thousands)

Triggering Event	As of December 31, 2025		
	# of Contracts in a Liability Position Containing the Triggering Feature	Gross Fair Value of Contract	Cost to Settle if Contingent Feature is Triggered (net of collateral)
Credit Rating Downgrade	2	\$ (271)	\$ (271)
Total Central Hudson	2	\$ (271)	\$ (271)

Derivative Contracts

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

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

	Gross Amounts Recognized in the Balance Sheets	Gross Amounts Offset in the Balance Sheets	Net Amount Presented in the Balance Sheets	Gross Amounts Not Offset in the Balance Sheets		
				Financial Instruments	Cash Collateral Received	Net Amount
As of December 31, 2025:						
Total Derivative Contracts Assets	\$ 7,228	\$ —	\$ 7,228	\$ 2,372	\$ —	\$ 4,856
Total Derivative Contracts Liabilities	\$ 3,398	\$ —	\$ 3,398	\$ 2,372	\$ —	\$ 1,026
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 December 31, 2025:				
Total Derivative Contracts Assets	\$ 7,228	\$ —	\$ 7,228	\$ —
Total Derivative Contracts Liabilities	\$ 3,398	\$ 1,026	\$ 2,372	\$ —
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 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 Statements of Income (In Thousands):

	Amount of Gain (Loss) Recognized as an Increase (Decrease) in the Statements of Income		Location of Gain (Loss)
	Year Ended December 31,		
	2025	2024	
Electricity Swap Contracts	\$ 16,563	\$ (24,210)	Deferred purchased electric costs
Natural gas swap contracts	(473)	(716)	Deferred purchased natural gas costs
Total	<u>\$ 16,090</u>	<u>\$ (24,926)</u>	

NOTE 13 – Other Fair Value Measurements

Other Assets Recorded at Fair Value

In addition to the derivatives reported at fair value discussed in Note 12 – “Accounting for Derivative Instruments and Hedging Activities,” Central Hudson reports certain other assets at fair value on the 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 December 31, 2025:				
Other Investments	\$ 9,447	\$ 9,447	\$ —	\$ —
As of December 31, 2024:				
Other Investments	\$ 11,122	\$ 11,122	\$ —	\$ —

As of December 31, 2025 and 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 Balance Sheets.

The remaining amount reported in “Other investments” within the Deferred Charges and Other Assets section of the 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 December 31, 2025 and 2024, the total cash surrender value of trust-owned life insurance held by these trusts was approximately \$32.8 million and \$37.8 million, respectively. The change in the cash surrender value is reported in “Other – net” income in the Statements of Income.

Other Fair Value Disclosure

Financial instruments are recorded at carrying value in the financial statements, however, the fair value of these instruments are disclosed below in accordance with current accounting guidance related to financial instruments.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Cash Equivalents: Carrying amount.

Short-Term Borrowings: Carrying amount.

Due to the short-term nature of these borrowings, the carrying value is equivalent to the current fair market value.

Long-term Debt: Quoted market prices for the same or similar issues (Level 2).

Valuations were obtained for each issue using the observed Treasury market in conjunction with secondary market trading levels and recent new issuances of comparable companies.

The following table summarizes the long-term debt maturing or to be redeemed during the next five years and thereafter, as well as the estimated fair value of long-term debt, including the current maturities (Dollars in Thousands):

Expected Maturity Date	Total Debt Outstanding As of December 31			
	2025		2024	
	Amount	Estimated Effective Interest Rate	Amount	Estimated Effective Interest Rate
2025	\$ —	— %	\$ 20,000	3.00 %
2026	50,000	3.73 %	50,000	3.73 %
2027	50,000	2.60 %	50,000	2.60 %
2028	76,700	5.75 %	76,700	5.75 %
2029	85,000	3.12 %	85,000	3.12 %
2030	70,000	2.04 %	—	— %
Thereafter	1,168,000	4.87 %	1,088,000	4.55 %
Total	\$ 1,499,700	4.57 %	\$ 1,369,700	4.41 %
Fair Value	\$ 1,351,164		\$ 1,190,488	

NOTE 14 – 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. During 2025 and 2024, Central Hudson paid approximately \$3.0 million and \$2.7 million, respectively.

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 U.S. dollar amounts. As of December 31, 2025 and 2024, intercompany payables were \$1.4 million and \$1.3 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 December 31, 2025 and 2024, intercompany receivables and payables were immaterial.

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

	Year Ended December 31,	
	2025	2024
CH Energy Group	\$ 7,299	\$ 7,078

NOTE 15 – Subsequent Events

An evaluation of subsequent events was completed through February 12, 2026, the date these Financial Statements were available to be issued. No events or transactions occurred that would require recognition or disclosure in the Financial Statements as of December 31, 2025.

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

For the Year Ended December 31, 2025

Purpose and Strategy Execution

Central Hudson's Purpose is to:

- Deliver energy that powers lives, strengthens communities, drives a smarter, more resilient future and
- Provide safe, reliable, and high-quality service to its approximately 315,000 electric and 90,000 natural gas customers.

Central Hudson's earnings growth comes primarily from investments in its infrastructure to achieve this purpose. Central Hudson's delivery rates are designed to recover the cost of providing safe and reliable service while affording the opportunity to earn a fair and reasonable return on its capital investments.

Central Hudson refreshed its strategy in 2025, adapting to evolving customer expectations and continued support of progress toward NYS energy goals. Central Hudson's strategy reflects its on-going commitment to providing safe, reliable, and high-quality service with a renewed focus on operational excellence and supporting economic growth and NYS energy goals through regulated investments that provide customer value balanced with affordability.

Central Hudson's Strategy is Supported by its Values:

- Safety and Security Above All
- Customer-Centered Decisions
- Built for Resilience
- Investing in People Who Power Our Future
- Operational Excellence, Every Time
- Advancing Smart, Sustainable Growth

The Company's ambition is to operate as a premium utility, delivering industry-leading service, operational excellence, and forward-thinking energy solutions that ensure reliability, affordability, and customer value. Its updated strategy is designed to advance this goal with greater focus and discipline. The strategy is anchored in four core principles, each of which guides decision-making and resource allocation to ensure long-term value creation for shareholders, customers, and the broader community.

- **Delivering Measurable Customer Value** - maximizing value for customers by supporting high levels of reliability and resiliency at the lowest cost possible and supporting progress toward clean energy and decarbonization goals. The Company is focused on improving customers interactions with simple and intuitive processes and transactions that make it easy for customers to do business with Central Hudson. Central Hudson also prides itself on the visible, positive impact it has on the communities it serves.
- **Sustainable & Executable Growth** - investment outcomes targeting safe and reliable service, system resilience and modernization, advancing beneficial electrification ("BE") and transmission expansion aligned with NYS energy policy, and supporting local economic development. Central Hudson is also allocating resources to streamline the customer experience and facilitate the process to attract new customers and support expansion.
- **Driving Policy** - maintaining strong relationships with regulators, policymakers and stakeholders, and actively contributing expertise to maximize the value of policy development.

- **Financial Consistency** - delivering balanced year-over-year earnings growth, maintaining a strong balance sheet, and employing a disciplined approach to risk management, ensuring a lower-risk profile that supports long-term financial health.

Central Hudson's strategy is executed through focused initiatives and performance management within six strategic pillars aligned directly with desired business outcomes and all anchored in a commitment to safety.

- Customer Excellence
- Grid Resilience and Reliability
- Organizational Effectiveness & Optimization
- Workforce Engagement
- Work Transformation
- Growth Powered by Economic Development and Supporting NYS Energy Goals

This strategy establishes a disciplined framework for decision-making and resource allocation, ensuring alignment with our long-term objectives. At the same time, it remains flexible to evolve as market conditions, customer needs, workforce needs, and technological opportunities change, so the Company can continuously refine and strengthen its approach.

Human Capital Resources

The Company recognizes that its ability to deliver on strategic objectives depends on cultivating a workplace where employees can perform at their highest potential. Central Hudson dedicates substantial resources and efforts toward attracting, retaining, and developing individuals who exemplify the values that are the cornerstone of the Company. As of December 31, 2025, Central Hudson had 1,258 employees, with approximately 51% covered by union agreements. In addition, Central Hudson works with many outside firms to obtain additional resources to supplement its internal forces to address fluctuations in certain aspects of the Company's operations, including contact center overflow, storm restoration, capital construction, tree trimming, and other field operations. Central Hudson strives to maintain good relationships with both our union and suppliers of contracted services.

Safety is a top priority at Central Hudson. The Company values continuous improvement in every aspect of the business, including safety, and has devoted additional resources, including external consultation services and collaboration with its union on a grass roots efforts to improve the safety performance and culture.

Central Hudson designs its compensation and benefit programs appropriately to attract and retain first-class talent. The Company provides its employees with competitive compensation, a comprehensive benefits package, and extensive training and professional development opportunities. Central Hudson strives to provide a safe, inclusive, and diverse environment for all. The Company values its employees and their individual input and contribution to foster an environment where they can be their authentic selves at work. The Company believes that recognition and valuing each employee for who they are, makes shared goals possible. Central Hudson also places great focus on veteran recruiting. Veterans currently comprise approximately 6% of its current workforce and contribute to the organization as some of its most skilled and productive employees. In addition to Central Hudson's internal commitments to inclusion and diversity, it also has a supplier diversity program that is committed to developing an inclusive supplier base through the selection of businesses owned by minorities, women, and veterans when all other considerations are equal.

Financial Highlights
Period Ended December 31

	Year to Date		
	2025	2024	Change
Electricity Sales (gigawatt hours)	5,092	5,060	32
Natural Gas Sales (petajoules)	29.9	24.7	5.2
(In Millions):			
Revenues	\$ 1,157.6	\$ 1,000.9	\$ 156.7
Energy supply costs - matched to revenues	362.0	287.5	74.5
Operating expenses - matched to revenues	108.5	117.1	(8.6)
Operating expenses - other	382.0	363.4	18.6
Depreciation and amortization	113.1	97.7	15.4
Other income, net	47.7	38.2	9.5
Interest charges	66.8	57.2	9.6
Income taxes	37.7	25.7	12.0
Net Income	<u>\$ 135.2</u>	<u>\$ 90.5</u>	<u>\$ 44.7</u>

Earnings: The year-over-year increase in earnings was primarily attributed to 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. Additionally, 2025 earnings reflects the reversal of expenses previously incurred to record a deferral associated with the allowance for future uncollectible write-offs. These increases were partially offset by the net impact of contributions made to the CBF in both 2025 and 2024.

Electricity and Natural Gas Sales: Electricity sales increased due to higher residential use driven by weather, partially offset by lower sales to non-residential customers. Natural gas sales increased primarily due to higher sales to electric 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 year-over-year increase in revenues is primarily due to the recovery of the 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 year-over-year due to an increase in commodity prices and volumes. Energy supply cost fluctuations do not impact earnings due to the full deferral of commodity costs.

Operating Expenses - Other: The year-over-year increase in operating expenses is primarily driven by higher labor and information technology-related costs as provided for in delivery rates. Additionally, operating expenses in 2025 included contributions to CBF and Gas Safety Protocol fund, in accordance with the terms of the settlement agreement in Case 24-G-0483. These increases were partially offset by an accounting adjustment recorded in 2025 to reverse expenses previously incurred to record a deferral associated with the allowance for future uncollectible write-offs.

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

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

Financial Position

Significant Changes in the Balance Sheets

For the twelve months ended December 31, 2025

(In Millions)

	Increase (Decrease)	Explanation
Accounts receivable, net	\$ (54.1)	Decrease driven by payments and payment agreements with customers resulting from collection efforts.
Regulatory assets - current	45.3	Increase is primarily driven by higher electric and natural gas costs in excess of collections.
Prefunded pension and OPEB costs	26.0	Increase is primarily due to higher returns on plan assets, partially offset by an increase in the discount rate.
Deferred payment agreements, net	36.3	Increase is attributed to a rise in the number of customer payment agreements with terms exceeding one year.
Long term debt, including current maturities	130.0	Increase is due to issuances of long-term debt in 2025, partially offset by repayments of maturing debt.
Accounts payable	26.0	Increase is primarily related to higher purchased electric and natural gas costs.
Regulatory liabilities - long term	(23.3)	Decrease is primarily due to lower available balances for rate moderation prescribed in the 2025 Rate Order.
Accumulated deferred income taxes	46.0	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 Cash Flow

Period Ended December 31

(In Millions)

	Year to Date	
	2025	2024
Cash, Cash Equivalents, and Restricted Cash, Beginning of the Period	\$ 10.5	\$ 2.2
Operating activities	228.2	172.6
Investing activities	(342.3)	(312.9)
Financing activities	123.6	148.6
Cash, Cash Equivalents, and Restricted Cash, End of the Period	\$ 20.0	\$ 10.5

Operating Activities: The increase in cash provided by 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. Working capital in 2025 reflected an improvement in collections from customers offset by higher commodity costs.

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. Actual capital spending was approximately \$345 million and \$314 million for the years ending December 31, 2025 and 2024.

Financing Activities: The net decrease in cash provided by financing activities as compared to the prior year was primarily driven by repayments of short-term borrowings, partially offset by lower long-term debt repayments and issuances.

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 and manage its common equity ratio at the 48% level approved in its delivery rates.

Central Hudson expects 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.

	December 31, 2025		December 31, 2024	
	Rating ⁽¹⁾	Outlook	Rating ⁽¹⁾	Outlook
Standard and Poor’s Financial Services LLC	BBB+	Stable	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.

In November 2025, Standard and Poor's Financial Services LLC returned Central Hudson's credit outlook to stable with no change to its rating. In its updated credit report issued January 12, 2026, Standard and Poor’s Financial Services LLC cited a credit supportive rate case resolution in 2025 and improvement in credit metrics.

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.

Changes in Internal Controls over Financial Reporting

There have been no changes in internal controls over financial reporting for Central Hudson during the twelve months ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

Regulatory Proceedings

The matters described below are ongoing regulatory proceedings. At this time, we cannot predict the ultimate outcome of these proceedings or determine whether they will have a material financial impact on Central Hudson. Should it become reasonably possible or probable in the future that a material loss has been incurred, as a result of any of these proceedings, appropriate disclosure will be made and, if required, an accrual for the probable amount of the loss will be recorded, consistent with GAAP and the Company's accounting policies.

Energy Affordability

The 2024 NYS 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 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 January 2026, has a separate budget from existing Energy Affordability Programs and expands the State's existing goal of limiting low-income households' energy utility bills to six percent or less of household income. DPS Staff estimates the combined cost for the Energy Affordability Programs 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.

The Accelerated Renewable Energy Growth and Community Benefit Act (the "AREGCB Act") and related Proceedings and Orders

On May 14, 2020, the PSC instituted a transmission planning proceeding pursuant to the AREGCB Act to support NYS's climate goals. On December 22, 2023, FERC approved Central Hudson's proposed formula rate under NYISO Schedule 19 and later approved a ceiling ROE of 10.6%, with the applicable ROE limited to PSC approved levels.

The Commission approved various Central Hudson projects under the AREGCB Act framework, including 21 Phase 1 projects included in the 2025 PSC Rate Plan and one Phase 2 project beginning in 2026. Central Hudson continues to work with DPS, the NYISO, and other utilities through the Coordinated Grid Planning Process to identify additional transmission needs to meet state climate objectives.

Energy Efficiency (New Efficiency: New York) Proceeding

The New Efficiency New York proceeding oversees statewide EE and BE programs. On July 20, 2023, the Commission established the post-2025 framework for these portfolios and in May 2025 authorized EE/BE programs for 2026-2030 approving continuity funding for Central Hudson's Clean Heat programs.

Climate Leadership and Community Protection Act (“CLCPA”)

The Climate Leadership and Community Protection Act, enacted in 2019, set NYS goals of 70% renewable electricity by 2030, 100% carbon-free electricity by 2040, and net-zero emissions by 2050, along with mandates for solar, storage, and offshore wind development. The PSC’s 2022 Order established a Climate Action Council to develop the Scoping Plan, and subsequent studies, including New York State Energy Research and Development Authority’s draft nuclear blueprint, evaluated pathways to meet these targets. The NYSDEC finalized greenhouse gas reporting rules in December 2025, requiring Central Hudson to collect 2026 data and file its first report in June 2027, with verification due by December 2027. The DPS’s 2025 annual cost-benefit report estimated CLCPA related costs for Central Hudson customers rising from 5.7%–11.3% in 2023 to 9.2%–16.8% by 2029, without assessing the State’s likelihood of meeting CO₂ goals. On December 16, 2025, the State Energy Planning Board approved a new State Energy Plan acknowledging that CLCPA decarbonization timelines are not attainable, shifting emphasis toward system reliability and affordability.

FORWARD-LOOKING STATEMENTS

Statements included in this Annual 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.