2026
Third Quarter Report

GREAT RIVER ENERGY®

CONSOLIDATED BALANCE SHEETS (unaudited)

(IN THOUSANDS)

ASSETS	SEPTEMBER 30 2026	SEPTEMBER 30 2025
UTILITY PLANT:		
Electric plant	$ 3,273,614	$ 3,124,369
Construction work in progress	444,279	179,269
Less accumulated depreciation and amortization	(1,368,061)	(1,280,772)
Utility plant—net	2,349,832	2,022,866
OTHER ASSETS AND INVESTMENTS:		
Restricted investments—deferred compensation	32,054	26,851
Other investments	35,670	35,589
Deferred charges:		
Plant retirements	528,247	580,662
Financing related	69,676	76,474
Other	27,511	31,140
Other long-term assets	31,668	18,050
Derivative instruments—noncurrent	324,575	228,997
Total other assets and investments	1,049,401	997,763
CURRENT ASSETS:		
Cash and cash equivalents	319,787	344,373
Accounts receivable:		
Members	132,811	127,568
Others	46,182	46,593
Inventories:		
Materials and supplies	62,758	59,554
Fuel	10,568	9,718
Prepaids and other current assets	29,242	26,342
Derivative instruments—current	136,447	84,388
Total current assets	737,795	698,536
TOTAL	$ 4,137,028	$ 3,719,165

CONTINUED

CONSOLIDATED BALANCE SHEETS (unaudited)

(IN THOUSANDS)

CAPITAL AND LIABILITIES	SEPTEMBER 30 2026	SEPTEMBER 30 2025
CAPITAL:		
Members:		
Patronage capital	$ 701,616	$ 604,704
Memberships	3	3
Total members' capital	701,619	604,707
Temporary patronage capital	101,501	115,629
Total capital	803,120	720,336
OTHER NONCURRENT LIABILITIES	37,424	27,148
REGULATORY LIABILITIES	384,526	274,022
LONG-TERM OBLIGATIONS—Less current portion	2,340,193	2,197,560
DEFERRED COMPENSATION	32,054	26,851
DEFERRED INCOME TAXES	15,414	18,431
COMMITMENTS AND CONTINGENCIES		
CURRENT LIABILITIES:		
Long-term obligations—current	151,639	153,704
Regulatory liabilities—current	136,447	84,388
Notes payable to members	37,342	52,549
Accounts payable	110,873	81,890
Property and other taxes	19,840	19,378
Other accrued liabilities and notes payable	24,158	23,901
Accrued interest payable	43,998	39,007
Total current liabilities	524,297	454,817
TOTAL	$ 4,137,028	$ 3,719,165

CONCLUDED

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (unaudited)

(IN THOUSANDS)

UTILITY OPERATIONS	THREE MONTHS ENDED SEPTEMBER 30 2026	2025	NINE MONTHS ENDED SEPTEMBER 30 2026	2025
UTILITY OPERATING REVENUE:				
Electric revenue	$ 338,553	$ 315,182	$ 904,818	$ 848,431
Other operating revenue	26,931	20,488	74,870	57,387
Total utility operating revenue	365,484	335,670	979,688	905,818
UTILITY OPERATING EXPENSES:				
Purchased power	143,578	129,828	404,935	380,336
Fuel	10,269	13,545	39,602	27,525
Operation and maintenance	73,727	66,813	218,383	196,710
Depreciation and amortization	41,350	42,429	121,369	126,473
Property and other taxes	5,869	5,137	17,508	16,289
Total utility operating expenses	274,793	257,752	801,797	747,333
UTILITY OPERATING MARGIN	90,691	77,918	177,891	158,485
OTHER INCOME (EXPENSE):				
Other income—net	1,545	1,053	4,336	3,757
Interest income	2,099	2,533	6,239	6,501
Interest expense—net of amounts capitalized	(30,204)	(31,771)	(91,922)	(94,555)
Other expense—net	(26,560)	(28,185)	(81,347)	(84,297)
NET UTILITY MARGIN	64,131	49,733	96,544	74,188
Income (loss) from equity method investments	13	(13)	(6)	(56)
NET MARGIN AND COMPREHENSIVE INCOME ATTRIBUTABLE TO GREAT RIVER ENERGY	$ 64,144	$ 49,720	$ 96,538	$ 74,132

CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL (unaudited)

FOR JANUARY 1, 2025 THROUGH SEPTEMBER 30, 2026 (IN THOUSANDS)

	Patronage Capital	Memberships	Temporary Patronage Capital	Total Capital
BALANCE—January 1, 2025	$ 565,946	$ 3	$ 101,864	$ 667,813
Net margin and comprehensive income	74,791	-	-	74,791
Transfer to temporary patronage capital	(27,893)	-	27,893	-
Return of members' patronage capital	(7,481)	-	-	(7,481)
Redemption of temporary patronage capital	-	-	(14,128)	(14,128)
BALANCE—December 31, 2025	$ 605,363	$ 3	$ 115,629	$ 720,995
Net margin and comprehensive income	96,538	-	-	96,538
Return of members' patronage capital	(285)	-	-	(285)
Redemption of temporary patronage capital	-	-	(14,128)	(14,128)
BALANCE—September 30, 2026	$ 701,616	$ 3	$ 101,501	$ 803,120

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

(IN THOUSANDS)

	NINE MONTHS ENDED SEPTEMBER 30 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net margin	$ 96,538	$ 74,132
Adjustments to reconcile net margin to net cash provided by operating activities:		
Depreciation and amortization:		
Included in depreciation and amortization	115,302	126,043
Included in fuel and interest	6,844	6,867
Included in operation and maintenance	5,075	4,015
Included in purchased power	504	504
Loss from equity method investments	6	56
Patronage credits earned from investments	(1,213)	(1,203)
Deferred charges	(867)	(96)
Regulatory liabilities	15,329	15,165
Changes in working capital (excluding cash, investments and borrowings):		
Accounts and long-term receivables	4,094	(12,555)
Inventory and other assets	(15,808)	(23,234)
Accounts payable, taxes and other accrued expenses	(3,275)	1,763
Accrued interest	24,457	24,291
Noncurrent liabilities	(2,591)	(2,452)
Net cash provided by operating activities	244,395	213,296
CASH FLOWS FROM INVESTING ACTIVITIES:		
Utility plant additions	(319,116)	(155,311)
Utility plant reimbursements —contributions in aid of construction—net	9,245	3,538
Redemption of patronage capital from investments	1,217	904
Net cash used in investing activities	(308,654)	(150,869)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of long-term obligations	592,000	650,000
Repayments of long-term obligations	(445,310)	(552,771)
Return of members' patronage capital	(285)	(7,481)
Redemption of temporary patronage capital	(14,128)	(14,128)
Costs of new debt issuances	(7,822)	(13,195)
Notes paid to members—net	(17,249)	(282)
Net cash provided by financing activities	107,206	62,143
NET INCREASE IN CASH AND CASH EQUIVALENTS	42,947	124,570
CASH AND CASH EQUIVALENTS—BEGINNING OF PERIOD	276,840	219,803
CASH AND CASH EQUIVALENTS—END OF PERIOD	$ 319,787	$ 344,373

Notes to consolidated financial statements – The interim financial statements as of September 30, 2026 are unaudited. In the opinion of management, all adjustments (which are normal recurring adjustments) have been made for a fair and accurate presentation of the financial reports. The interim financial statements should be read in conjunction with the notes to the consolidated financial statements included in the 2025 Annual Report.

FINANCIAL HIGHLIGHTS – FINANCIAL CONDITION

Assets

Utility plant—net increased $327.0 million to $2,349.8 million as of September 30, 2026, primarily driven by capital additions placed into service across the system to support transmission reliability and capital projects underway for the Northern Reliability Project (NRP) and upcoming multi-year regional transmission projects. Higher accumulated depreciation reflects the increase in electric plant placed in service.

Other assets and investments increased $51.6 million to $1,049.4 million as of September 30, 2026. Derivative instruments—noncurrent increased $95.6 million driven primarily by an increase in the forward pricing of the noncurrent portion of the energy component (financial settlement) of a bilateral contract. Other long-term assets increased $13.6 million due to the deferral of Midcontinent Independent System Operator (MISO) costs related to upcoming generation project studies and reservation deposits for long-lead time assets related to upcoming transmission projects. Additionally, restricted investments—deferred compensation increased $5.2 million due to market value adjustments to deferred compensation balances. These increases were partially offset by deferred charges—plant retirements decreasing $52.4 million due to the amortization of retired plant costs. Deferred charges—financing related also decreased $6.8 million due to continued amortization of settled interest rate swaps.

Current assets increased $39.3 million to $737.8 million as of September 30, 2026. Derivative instruments—current increased $52.1 million due to an increase in forward pricing of the current portion of the energy component (financial settlement) of a bilateral contract (discussed previously), an increase in the mark-to-market valuation of GRE's interest rate hedging instruments, and higher mark-to-market financial transmission rights (FTR) contract valuations. Accounts receivable—members increased by $5.2 million, reflecting higher member energy, demand, and transmission revenue. Prepaids and other current assets increased $3.3 million due to the prepayment of materials for peaking station and transmission long lead time reservation fees. Inventories—materials and supplies increased $3.2 million due to the purchase of materials for peaking station and transmission capital projects. These increases were partially offset by cash and cash equivalents decreasing $24.6 million primarily due to increased spending on capital projects.

Capital and liabilities

Total capital increased $82.8 million to $803.1 million as of September 30, 2026, as a result of $97.2 million of net margins during the period, offset partially by the retirement of $0.3 million of patronage capital and the redemption of temporary patronage capital of $14.1 million in March 2026.

Other noncurrent liabilities increased $10.3 million to $37.4 million as of September 30, 2026, largely due to an increase in the estimated valuation of environmental asset retirement obligation (ARO) liabilities and an increase in construction advances when compared to the same period in 2025.

Regulatory liabilities increased $110.5 million to $384.5 million as of September 30, 2026. This was primarily driven by a $95.6 million increase in the noncurrent portion of the financial settlement contract (discussed earlier), the reclassification of certain interest rate swaps from regulatory liabilities—current to noncurrent upon settlement of the interest rate swaps related to the 2026 debt issuance, and an increase of $6.1 million in the regulatory deferral of the allowance for funds used during construction (AFUDC) associated with the construction of NRP, which is expected to be placed in service in 2030.

Long-term obligations—less current portion increased $142.6 million to $2,340.2 million as of September 30, 2026, primarily due to $300.0 million of proceeds received in September from the 2026 debt issuance. This was offset partially by $151.1 million of principal payments made during the period.

Deferred income taxes decreased $3.0 million to $15.4 million primarily due to the utilization of net operating losses and the continued amortization of High-Voltage line/Coal Creek Station for tax purposes.

Current liabilities increased $69.5 million to $524.3 million as of September 30, 2026. Regulatory liabilities—current increased by $52.1 million due to an increase in forward pricing of the current portion of the energy component (financial settlement) of a bilateral contract (discussed previously), an increase in the mark-to-market valuation of GRE's interest rate hedging contracts, and higher mark-to-market financial transmission rights (FTR) contract valuations. Accounts payable increased $29.0 million due to increased spending on projects related to the NRP and various other transmission projects, as well as higher purchased power payables. Accrued interest payable increased $5.0 million due to additional interest incurred from the 2025 debt issuance. These increases were partially offset by a $15.2 million decrease in notes payable to members, as member use of invested funds to pay power bills exceeded investments into the program, and a $2.1 million decrease in current long-term obligations due to lower scheduled principal payments in the coming year.

FINANCIAL HIGHLIGHTS – RESULTS OF OPERATIONS

Electric revenue increased $56.4 million or 6.6% for the nine-month period ended September 30, 2026, compared to the same period in 2025. The increase in electric revenue is due to a 2.9% increase in average member electric rates, member demand and energy sales that were 2.8% and 3.1% higher, respectively, higher electric revenue from non-members, and a smaller power cost adjustment (PCA) credit through September 30, 2026, compared to last year ($9.9 million versus $20.7 million).

Other operating revenue increased $17.5 million or 30.5% for the nine-month period ended September 30, 2026, driven primarily by an increase in net revenues received under inter-utility transmission agreements as well as an increase in incentive-related revenues from the NRP compared to the same period in 2025.

Purchased power increased $24.6 million or 6.5% for the nine-month period ended September 30, 2026, compared to the same period in 2025. This increase was largely due to a $33.1 million increase in net MISO market purchases, driven primarily by the impacts of Winter Storm Fern in January and higher market costs during the third quarter, which contributed to average market prices being 8.4% higher than during the same period in 2025, as well as a $2.7 million increase in purchases from wind and other purchased power contracts. This was partially offset by an $11.1 million increase in FTR revenue (which decreases purchased power expenses) when compared to the same period in 2025.

Fuel increased $12.1 million or 43.9% for the nine-month period ended September 30, 2026, primarily due to a 97.1% increase in average peaking plant fuel costs when compared to the same period in 2025. This was driven largely by increased peaking fleet generation and the impact of fuel costs during Winter Storm Fern in January, with average natural gas prices increasing by $54.22/MMBtu, or 1,328.9%, from $4.08/MMBtu in January 2025 to $58.30/MMBtu in January 2026. The increase was partially offset by a 69.2% decrease in average Spiritwood Station plant fuel costs, primarily driven by lower natural gas prices compared to this period last year, as well as fewer coal tons burned, which is a higher cost fuel.

Operations and maintenance increased $21.7 million or 11.0% for the nine-month period ended September 30, 2026, primarily driven by higher transmission costs incurred to serve member load under inter-utility transmission agreements, higher divisional labor costs, and increased generation costs associated with higher plant maintenance and labor costs.

Depreciation and amortization decreased $5.1 million or 4.0% for the nine-month period ended September 30, 2026, due to decreased amortization of retired plant assets, partially offset by higher depreciation expense for transmission and the peaking plants driven by a higher basis.

Interest expense – net of amounts capitalized decreased $2.6 million or 2.8% for the nine-month period ended September 30, 2026, due to increased capitalized interest attributed to regional transmission Multi-Value Projects (MVP), partially offset by higher interest expense on existing debt primarily due to the 2025 debt issuance.

Net margin attributable to GRE increased $22.4 million for the nine-month period ending September 30, 2026, primarily reflecting higher member demand and energy sales, increased net revenues received under inter-utility transmission agreements and higher other operating revenue through the third quarter of 2026 compared with the same period in 2025. Results also reflect GRE increasing its budgeted margin from $45.0 million in 2025 to $50.0 million in 2026. Compared to budget, net margin of $96.5 million for 2026 and net margin of $74.1 million for 2025 were $35.9 million and $22.3 million favorable to their respective budgets.

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Great River Energy of Maple Grove, Minnesota, is the second largest electric utility in the state, based on generating capacity, and the fourth largest generation and transmission (G&T) cooperative in the U.S. in terms of assets. We provide wholesale power to 26 distribution cooperatives in Minnesota. Those member cooperatives distribute electricity to approximately 616,000 homes, businesses, and farms.

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