

EPCOR UTILITIES INC.

Management's Discussion and Analysis

For nine months ended September 30, 2025

EPCOR Utilities Inc.

Interim Management's Discussion and Analysis

September 30, 2025

This interim management's discussion and analysis (MD&A), dated November 5, 2025 should be read in conjunction with the unaudited condensed consolidated interim financial statements of EPCOR Utilities Inc. for the nine months ended September 30, 2025 and 2024, including the cautionary statement regarding forward-looking information at the end of this MD&A, and the audited consolidated financial statements, MD&A, and Annual Information Form (AIF) for the year ended December 31, 2024. In this MD&A, any reference to "the Company", "EPCOR", "we" or "our", except where otherwise noted or the context otherwise indicates, means EPCOR Utilities Inc., together with its subsidiaries. Financial information in this MD&A is based on the unaudited condensed consolidated interim financial statements, which were prepared in accordance with International Accounting Standard – 34 "*Interim Financial Reporting*" as issued by International Accounting Standards Board (IASB) and is presented in Canadian dollars unless otherwise specified.

In accordance with its terms of reference, the Audit Committee of the Company's Board of Directors reviews the contents of the MD&A and recommends its approval by the Board of Directors. The Board of Directors approved this MD&A on November 5, 2025.

Overview of Business and Financial Results

The Company builds, owns and operates electrical, natural gas, and water transmission and distribution networks, water and wastewater treatment facilities, and sanitary and stormwater systems in North America. The Company also provides electricity, natural gas and water products and services to residential and commercial customers. The Company provides regulated and default supply electricity related services and sells electricity and natural gas to Alberta residential and commercial consumers under contracts through its Encor brand. In addition, EPCOR provides design, build, finance, operating and maintenance services for electrical, water and wastewater infrastructure for municipal and industrial customers in Canada and the United States (U.S.). EPCOR operates its business under the Water Services, Distribution and Transmission, Energy Services, North American Commercial Services and U.S. Regulated Water segments.

Net income was \$132 million and \$386 million for the three and nine months ended September 30, 2025, compared with net income of \$131 million and \$339 million for the comparative periods in 2024, respectively. The increase of \$1 million for the three months ended September 30, 2025, was primarily due to higher transmission system access service charge net collections, other income and gain (loss) on disposals, partially offset by fair value adjustments related to financial electricity purchase contracts, higher depreciation expense and lower Adjusted EBITDA (as described below). The increase of \$47 million for the nine months ended September 30, 2025, was primarily due to higher Adjusted EBITDA (as described below), higher transmission system access service charge net collections, partially offset by higher depreciation and income tax expenses and fair value adjustments related to financial electricity purchase contracts.

Adjusted EBITDA is a non-GAAP financial measure and is not a standardized financial measure under IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and might not be comparable to similar financial measures disclosed by other issuers. It is described in the Adjusted EBITDA and Net Income section on page 3 of this MD&A.

Adjusted EBITDA was \$321 million and \$921 million for the three and nine months ended September 30, 2025, compared with \$326 million and \$860 million for the comparative periods in 2024, respectively. The decrease of \$5 million for the three months ended September 30, 2025, was primarily due to lower construction activity and related margins and higher staff and operating costs, partially offset by higher regulated electricity margins, rates, customer growth and higher commercial activity. The increase of \$61 million for the nine months ended September 30, 2025, was primarily due to higher regulated electricity margins, rates, consumption per customer, customer growth and higher commercial activity, partially offset by higher staff and operating costs and lower construction activity and related margins.

Significant and Subsequent Events

SiEnergy Operating (SiEnergy) Acquires EPCOR's Texas Natural Gas Utility (Texas Gas)

On June 2, 2025, SiEnergy, a wholly owned subsidiary of Northwest Natural Holding Company, acquired 100% of the capital stock of Texas Gas from the Company under the terms of a Stock Purchase Agreement for \$83 million (US\$60 million). Texas Gas' assets, previously part of the NACS reportable segment, include 6,900 active customers, 7,300 metered connections, an additional 12,000 contracted future connections, and 353 miles of pipeline serving over 40 communities across seven counties northeast of Houston. The divestiture will allow the Company to focus on growing its water business in the U.S. The Company recognized a loss on divestiture of \$3 million, included within other income and gain (loss) on disposals on the statement of comprehensive income. Related to the divestiture, included within income tax expense is a recovery of \$8 million on the reversal of the deferred income tax liability, and current income tax expense of \$8 million. The divestiture of Texas Gas did not have a material impact on the operating income of the Company for the nine months ended September 30, 2025.

Appointment to the Board of Directors

Effective May 1, 2025, Valerie Berger and David Stanton were appointed to EPCOR's Board of Directors.

Debt issuance

On October 1, 2025, the Company issued 5-year senior unsecured debentures totalling \$250 million with a coupon rate of 3.37%. The interest is payable semi-annually and the principal is due at maturity.

Samsung Austin Semiconductor, LLC (Samsung) Projects

On August 5, 2025, the Company and Samsung reached an Agreement for Project Blue Sky (Transfer Agreement) in which the parties mutually agreed to modify expiration of the terms of the Project Agreement. On October 31, 2025 closing conditions of the Transfer Agreement were met and in exchange for a fee of US\$63 million, the Company legally transferred Project Blue Sky to Samsung and is no longer committed to fund the Company's remaining commitment of US\$180 million or operate and maintain the assets for the 30-year period under the terms of the Project Agreement. Subsequently the parties signed an agreement whereby the Company will provide Samsung advisory services regarding commissioning, startup and operations and maintenance for a period of three years.

Dividend Increase

The EPCOR dividend to its sole shareholder, the City of Edmonton (the City), is being increased from \$201 million in 2025 to \$206 million in 2026.

Material Accounting Policies Information

The unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2025 and 2024 have been prepared following the same accounting policies and methods as those used in preparing the Company's most recent annual consolidated financial statements.

Consolidated Results of Operations

Revenues

(Unaudited, \$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Water Services segment	\$ 234	\$ 230	\$ 669	\$ 635
Distribution and Transmission segment	130	114	399	360
Energy Services segment	114	94	344	323
North American Commercial Services segment	71	339	512	1,058
U.S. Regulated Water segment	115	104	311	267
Other	2	4	4	7
Intersegment eliminations	(20)	(18)	(54)	(51)
Revenues	\$ 646	\$ 867	\$ 2,185	\$ 2,599

Consolidated revenues were lower by \$221 million and \$414 million for the three and nine months ended September 30, 2025, respectively, compared with the corresponding periods in 2024 primarily due to the net impact of the following:

- Water Services segment revenues increased by \$4 million and \$34 million for the three and nine months ended September 30, 2025, respectively, primarily due to higher rates and customer growth. For the nine months ended September 30, 2025, the increase was further impacted by higher consumption per customer.
- Distribution and Transmission segment revenues increased by \$16 million and \$39 million for the three and nine months ended September 30, 2025, respectively, primarily due to higher transmission system access service charge net collections and higher electricity distribution and transmission rates. For the nine months ended September 30, 2025, the increase was further impacted by higher distribution volumes.
- Energy Services segment revenues increased by \$20 million and \$21 million for the three and nine months ended September 30, 2025, respectively, primarily due to higher electricity rates and increased competitive retail sites, partially offset by fewer regulated customer sites.
- North American Commercial Services segment revenues decreased by \$268 million and \$546 million for the three and nine months ended September 30, 2025, respectively, primarily due to lower construction revenues for Projects Blue Sky and Sandow, partially offset by higher operation and maintenance revenues, as Project Sandow reached substantial completion in October 2024 and foreign exchange.
- U.S. Regulated Water segment revenues increased by \$11 million and \$44 million for the three and nine months ended September 30, 2025, respectively, primarily due to higher rates, consumption per customer, customer growth and foreign exchange.

Adjusted EBITDA and Net Income

We use earnings before other income and gain (loss) on disposals, finance expenses, income tax recovery (expense), depreciation and amortization, changes in the fair value of derivative financial instruments, transmission system access service charge net collections, and other unusual items (collectively, Adjusted EBITDA) to discuss operating results for the Company's lines of business.

Change in fair value of derivative financial instruments represents the change in fair value of financial electricity purchase contracts between the electricity market forward prices and the contracted prices at the end of the reporting period, for the contracted volumes of electricity. Transmission system access service charge net collections are the difference between the transmission system access service charges paid to the provincial system operators and the transmission system access service charges collected from electricity retailers. Transmission system access service charge net collections are timing differences, which are collected from or returned to electricity retailers as the transmission system access service charges and customer billing determinants are finalized.

We believe that Adjusted EBITDA provides an indicator of the Company's ongoing ability to fund capital

expenditures, to incur and service debt and to pay dividends to its shareholder and may be useful for external stakeholders in evaluating the operations and performance of the Company. Adjusted EBITDA is a non-GAAP financial measure and is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers.

(Unaudited, \$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Adjusted EBITDA by Segment				
Water Services segment	\$ 140	\$ 145	\$ 396	\$ 374
Distribution and Transmission segment	73	76	210	217
Energy Services segment	25	13	78	41
North American Commercial Services segment	9	26	51	67
U.S. Regulated Water segment	62	62	159	137
Other	12	4	27	24
Adjusted EBITDA	321	326	921	860
Other income and gain (loss) on disposals	7	-	1	3
Finance expenses	(52)	(52)	(157)	(153)
Income tax expense	(11)	(11)	(35)	(26)
Depreciation and amortization	(121)	(115)	(352)	(330)
Change in fair value of financial electricity purchase contracts	(9)	(1)	4	6
Transmission system access service charge net collections	(3)	(16)	4	(21)
Net income	\$ 132	\$ 131	\$ 386	\$ 339

Changes in each business segment's Adjusted EBITDA, for the three and nine months ended September 30, 2025, compared with the corresponding periods in 2024, are described in Segment Results below. Explanations of the remaining significant variances in net income for the three and nine months ended September 30, 2025, compared with the corresponding periods in 2024, are as follows:

- Other income and gain (loss) on disposals was \$7 million higher and \$2 million lower for the three and nine months ended September 30, 2025, respectively, primarily due to a fair value adjustment on a long-term receivable included with other financial assets. Other income and gain (loss) on disposals for the nine months ended September 30, 2025 was further impacted by the loss on divestiture of Texas Gas (see Significant and Subsequent Events section).
- Higher finance expense of \$4 million for the nine months ended September 30, 2025 was primarily due to interest expense on long-term debt issued in May and December 2024, partially offset by higher capitalized interest.
- Higher income tax expense of \$9 million for the nine months ended September 30, 2025 was primarily due to higher income subject to tax in Canada.
- Higher depreciation and amortization of \$6 million and \$22 million for the three and nine months ended September 30, 2025, respectively, was primarily due to assets placed into service.
- During the three months ended September 30, 2025 and 2024, the unrealized losses of \$9 million and \$1 million, respectively, was primarily due to forward prices being lower than contracted prices, partially offset by the reversal of unrealized losses settled. During the nine months ended September 30, 2025, the unrealized gain of \$4 million was primarily due to the reversal of unrealized losses that settled in 2025 and electricity forward prices being higher than contracted prices in 2025. During the nine months ended September 30, 2024, the unrealized gain of \$6 million was primarily due to the reversal of prior period unrealized losses that settled in 2024, partially offset by forward prices being lower than contracted prices.
- Higher transmission system access service charge net collections of \$13 million and \$25 million for the three

and nine months ended September 30, 2025, respectively.

Segment Results

Water Services

(Unaudited, \$ millions, including intersegment transactions)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenues	\$ 234	\$ 230	\$ 669	\$ 635
Expenses	149	137	428	408
Operating income	85	93	241	227
Exclude depreciation and amortization	55	52	155	147
Adjusted EBITDA	\$ 140	\$ 145	\$ 396	\$ 374

Water Services' Adjusted EBITDA decreased by \$5 million for the three months ended September 30, 2025, compared with the corresponding period in 2024, primarily due to higher operating expenses and staff costs, partially offset by higher rates and customer growth. Water Services' Adjusted EBITDA increased by \$22 million for the nine months ended September 30, 2025, compared with the corresponding period in 2024, primarily due to higher rates, consumption per customer and customer growth, partially offset by higher operating expenses and staff costs.

With the expiration of the EPCOR Drainage Services and Wastewater Treatment Bylaw on March 31, 2025, a new bylaw for these services was approved for the two-year and nine-month period from April 1, 2025 to December 31, 2027. Bylaw 19626 related to Water Services was amended and approved in September 2025 to extend the term by nine months from March 31, 2027 to December 31, 2027 to align with the Wastewater Services Bylaw. Rates for the extension period will be set using the same factors as Bylaw 19626.

Distribution and Transmission

(Unaudited, \$ millions, including intersegment transactions)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenues	\$ 130	\$ 114	\$ 399	\$ 360
Expenses	93	84	278	251
Operating income	37	30	121	109
Exclude depreciation and amortization	31	30	91	86
Exclude transmission system access service charge net collections	5	16	(2)	22
Adjusted EBITDA	\$ 73	\$ 76	\$ 210	\$ 217

Distribution and Transmission's Adjusted EBITDA decreased by \$3 million and \$7 million for the three and nine months ended September 30, 2025, respectively, compared with the corresponding periods in 2024, primarily due to higher staff and property taxes, partially offset by higher electricity distribution and transmission rates. Additionally, Adjusted EBITDA for the nine months ended September 30, 2025 is partially offset by higher distribution volumes.

EPCOR has the exclusive right to provide electricity distribution services in Edmonton under a 20-year franchise agreement between Distribution and Transmission and the City. A new franchise fee agreement was approved by City Council and the Alberta Utilities Commission (AUC), and came into effect on March 17, 2025. The new agreement has a 10-year term with options to renew for two more terms of five years each. In July 2025, EPCOR filed its 2026 to 2027 Transmission General Tariff Application with a decision from the AUC expected in the first quarter of 2026.

Energy Services

(Unaudited, \$ millions, including intersegment transactions)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenues	\$ 114	\$ 94	\$ 344	\$ 323
Expenses	100	84	268	282
Operating income	14	10	76	41
Exclude depreciation and amortization	2	2	6	6
Exclude change in fair value of financial electricity purchase contracts	9	1	(4)	(6)
Adjusted EBITDA	\$ 25	\$ 13	\$ 78	\$ 41

Energy Services' Adjusted EBITDA increased by \$12 million and \$37 million for the three and nine months ended September 30, 2025, respectively, compared with the corresponding periods in 2024, primarily due to higher regulated electricity margins.

Effective January 1, 2025, the Company began selling electricity under Rate of Last Resort (RoLR) Regulations under the Utilities Affordability Statutes Amendment Act (the Act) introduced by the Government of Alberta during 2024. The RoLR replaced the previous Regulated Rate Option (RRO), and the Act is intended to provide stable electricity rates by setting the rates for each regulated retailer once every two years with a 10% rate adjustment cap for the following two years. Electricity rates for the RoLR are fixed and the actual procurement cost to serve the RoLR customer electricity load are variable based on actual hourly spot pricing. EPCOR is actively managing the commodity price and volume exposures through financial electricity purchase contracts on an ongoing basis by optimizing the Company's total electricity requirements utilizing various contracts.

Applications for 2025 Non-Energy interim rates were filed with and approved by the AUC in 2024 and 2025, with interim rates effective from January 1, 2025, and revised interim rates effective from November 1, 2025, respectively. In July 2025, the Company filed the 2025-2027 Non-Energy Rate Application with a decision from the AUC expected in the first quarter of 2026.

North American Commercial Services

(Unaudited, \$ millions, including intersegment transactions)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenues	\$ 71	\$ 339	\$ 512	\$ 1,058
Expenses	64	317	470	1,001
Operating income	7	22	42	57
Exclude depreciation and amortization	4	4	11	11
Exclude transmission system access service charge net collections	(2)	-	(2)	(1)
Adjusted EBITDA	\$ 9	\$ 26	\$ 51	\$ 67

North American Commercial Services' Adjusted EBITDA decreased by \$17 million and \$16 million for the three and nine months ended September 30, 2025, respectively, compared with the corresponding periods in 2024, primarily due to lower construction activity and related margins, and lower commercial activity related to groundwater reservation fees, partially offset by higher operation and maintenance margins.

U.S. Regulated Water

(Unaudited, \$ millions, including intersegment transactions)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Revenues	\$ 115	\$ 104	\$ 311	\$ 267
Expenses	75	63	220	190
Operating income	40	41	91	77
Exclude depreciation and amortization	22	21	68	60
Adjusted EBITDA	\$ 62	\$ 62	\$ 159	\$ 137

U.S. Regulated Water's Adjusted EBITDA remained the same and increased by \$22 million for the three and nine months ended September 30, 2025, respectively, compared with the corresponding periods in 2024, primarily due to higher rates, consumption per customer and customer growth, partially offset by higher staff costs.

In June 2024, the Company filed a rate case for the San Tan Water and Wastewater districts with the Arizona Corporation Commission, and on July 22, 2025, received a favourable decision for rates that went into effect on August 1, 2025.

Capital Expenditures

(Unaudited, \$ millions)			
Nine months ended September 30,		2025	2024
Water Services segment		\$ 372	\$ 308
Distribution and Transmission segment		193	204
Energy Services segment		1	2
North American Commercial Services segment		59	32
U.S. Regulated Water segment		137	123
Other		17	11
Total capital expenditures		\$ 779	\$ 680

We continued to invest in our infrastructure assets to improve reliability and meet increasing treated water, sanitary and stormwater collection, wastewater treatment, electricity, and natural gas demands.

Consolidated Statements of Financial Position – Assets

(Unaudited, \$ millions)	September 30, 2025	December 31, 2024	Increase (decrease)	Business divestiture ¹	Other	Explanation of primary changes
Cash	\$ 54	\$ 62	\$ (8)	\$ -	\$ (8)	Refer to Liquidity and Capital Resources - Consolidated Statements of Cash Flows section.
Trade and other receivables	539	668	(129)	(1)	(128)	Decrease due to less construction activity, timing of energy receivables and lower usage.
Inventories	35	30	5	(1)	6	Increase due to timing of purchases.
Other financial assets	595	633	(38)	-	(38)	Decrease primarily due to lower construction activity related to the Samsung projects.
Deferred tax assets	46	66	(20)	-	(20)	Decreases in non-capital loss carry forward balances resulting from higher income subject to tax in Canada.
Property, plant and equipment	14,829	14,408	421	(85)	506	Capital expenditures, partially offset by depreciation expense and foreign currency valuation adjustments.
Intangible assets and goodwill	524	548	(24)	-	(24)	Amortization expense and foreign currency valuation adjustments, partially offset by capital expenditures.
Total Assets	\$ 16,622	\$ 16,415	\$ 207	\$ (87)	\$ 294	

¹ Impact of divestiture of Texas Gas (see Significant and Subsequent Events).

Consolidated Statements of Financial Position – Liabilities and Equity

(Unaudited, \$ millions)	September 30, 2025	December 31, 2024	Increase (decrease)	Business divestiture ¹	Other	Explanation of primary changes
Trade and other payables	\$ 630	\$ 724	\$ (94)	\$ 7	\$ (101)	Decrease due to lower construction activity, lower seasonal energy consumption, partially offset by higher energy procurement costs.
Loans and borrowings	5,145	5,104	41	-	41	Net issuances of short-term debt partially offset by repayments of long-term debt and foreign currency valuation on U.S. debt.
Deferred revenue	5,316	5,258	58	-	58	Cash and asset contributions received, partially offset by deferred revenue recognized and foreign currency valuation adjustments.
Provisions	234	197	37	-	37	Receipt of construction advances net of refunds, partially offset by lower employee benefit accruals.
Other liabilities	160	183	(23)	-	(23)	Repayments of funding received under the RRO Stability Act and payments of lease liabilities.
Deferred tax liabilities	103	104	(1)	(8)	7	Increase primarily due to taxable temporary differences in the U.S. Regulated Water segment.
Equity	5,034	4,845	189	-	189	Comprehensive income less dividends.
Total Liabilities and Equity	\$ 16,622	\$ 16,415	207	\$ (1)	\$ 208	

^{1.} Impact of the Texas Gas divestiture (see Significant and Subsequent Events).

Liquidity and Capital Resources

Consolidated Statements of Cash Flows

(Unaudited, \$ millions)				
Cash inflows (outflows)				
Three months ended				
September 30,	2025	2024	Increase (decrease)	Explanation
Operating	\$ 310	\$ 355	\$ (45)	Decrease in non-cash working capital primarily due to lower construction activity, lower Adjusted EBITDA (as described above), partially offset by change in fair value of financial electricity purchase contracts.
Investing	(357)	(264)	(93)	Higher cash outflows due to higher capital expenditures in 2025, changes in non-cash investing working capital related to decreased holdbacks payable, partially offset by funding of the finance lease receivable related to Project Sandow in 2024.
Financing	15	(83)	98	Higher net debt issuances and repayment of RRO Stability Act funding in 2024.
Opening cash	86	38	48	
Closing cash	\$ 54	\$ 46	\$ 8	

(Unaudited, \$ millions)				
Cash inflows (outflows)				
Nine months ended				
September 30,	2025	2024	Increase (decrease)	Explanation
Operating	\$ 817	\$ 971	\$ (154)	Decrease in non-cash operating working capital due to lower construction activity and higher income taxes paid, partially offset by higher Adjusted EBITDA (as described above).
Investing	(696)	(825)	129	Lower cash outflows due to funding of the finance lease receivable related to Project Sandow in 2024, proceeds received from the Texas Gas divestiture, partially offset by higher capital expenditures in 2025.
Financing	(129)	(125)	(4)	Lower net debt issuances, partially offset by repayment of RRO Stability Act funding in 2024.
Opening cash	62	25	37	
Closing cash	\$ 54	\$ 46	\$ 8	

Operating Activities and Liquidity

The Company maintains its financial position through rate-regulated utility and contracted operations, which generate stable cash flows.

The Company expects to have sufficient liquidity for the next twelve months, from a combination of available cash, funds from operations, issuance of commercial paper, private debt offerings and availability of liquidity from committed credit facilities described under the Financing section below to finance its plans and fund its obligations, including current liabilities in excess of current assets. Cash flows from operating activities would be impaired by events that cause severe damage to our facilities and would require unplanned cash outlays for system restoration

repairs. Under those circumstances, more reliance would be placed on our credit facilities for working capital requirements until a regulatory approved recovery mechanism or insurance proceeds are put in place.

Capital Requirements and Contractual Obligations

There were no material changes to the Company's capital requirements or purchase obligations, including payments for the next five years and thereafter, from those previously disclosed in the 2024 annual MD&A, except as described below.

During the second quarter of 2025, the Company signed an agreement to expand the capacity of water supplied by EPCOR 130 Project Inc, in the NACS reportable segment, for a commitment of \$4 million, \$35 million, and \$29 million in 2025, 2026, and 2027, respectively.

Financing

Generally, our external financing is raised at the corporate level and invested in the operating business units. Our external financing has consisted of commercial paper issuance, bank loans under credit facilities, debentures payable to the City related to utility assets transferred from the City, debentures payable to other municipalities, senior unsecured debentures issued in Canada and U.S. private debt notes.

The Company has bank credit facilities which are used principally for the purpose of backing the Company's commercial paper program, issuance of bank loans for operational requirements and providing letters of credit, as outlined below:

(Unaudited, \$ millions)					
September 30, 2025	Expiry	Total facilities	Banking commercial paper issued	Letters of credit issued and other facility draws	Net amounts available
Committed					
Syndicated bank credit facility ¹	November 2029	\$ 750			
Bank credit facility ¹	November 2027	200			
Bank credit facility ¹	November 2028	150			
Total committed		\$ 1,100	\$ 224	\$ -	\$ 876
Uncommitted					
Bank credit facilities ²	No expiry	340	-	30	310
Bank credit facility	No expiry	25	-	-	25
Total uncommitted		365	-	30	335
Total credit facilities		\$ 1,465	\$ 224	\$ 30	\$ 1,211

(Unaudited, \$ millions)					
December 31, 2024	Expiry	Total facilities	Banking commercial paper issued	Letters of credit issued and other facility draws	Net amounts available
Committed					
Syndicated bank credit facility ¹	November 2029	\$ 750			
Bank credit facility ¹	November 2027	200			
Bank credit facility ¹	November 2028	150			
Total committed		\$ 1,100	\$ 152	\$ -	\$ 948
Uncommitted					
Bank credit facilities ²	No expiry	340	-	93	247
Bank credit facility	No expiry	25	-	-	25
Total uncommitted		365	-	93	272
Total credit facilities		\$ 1,465	\$ 152	\$ 93	\$ 1,220

^{1.} The Company's committed bank credit facilities are available and can be used for direct borrowings, issuance

of letters of credit and backstopping EPCOR's commercial paper program. The committed bank credit facilities cannot be withdrawn by the lenders until expiry, provided that the Company operates within the related terms and covenants. The extension feature of EPCOR's committed bank credit facility gives the Company the option each year to re-price and extend the term of the facilities by one or more years subject to agreement with the lenders. The Company regularly monitors market conditions and may elect to enter into negotiations to extend the maturity dates. At September 30, 2025, commercial paper totalling \$224 million (December 31, 2024 - \$152 million) was issued and outstanding.

2. The Company's uncommitted bank credit facility consists of six bilateral credit facilities totalling \$340 million (December 31, 2024 – totalling \$340 million) which are restricted to letters of credit. At September 30, 2025, letters of credit totalling \$30 million have been issued and outstanding (December 31, 2024 - \$93 million) to meet the credit requirements of electricity market participants and to meet conditions of certain service agreements.

If the economy or capital market conditions were to deteriorate in the longer term, particularly in Canada and the U.S., the Company's ability to extend the maturity or revise the terms of bank credit facilities, arrange long-term financing for its capital expenditure programs and acquisitions, or refinance outstanding indebtedness when it matures could be adversely impacted. We believe that these circumstances have a low probability of occurring. We continually monitor our capital programs and operating costs to minimize the risk that the Company becomes short of cash or unable to honor its debt servicing obligations. If required, the Company would look to add temporary liquidity sources and reduce capital expenditures and operating costs.

Credit Ratings

EPCOR's current ratings from DBRS Morningstar are A (low)/stable for its senior unsecured debenture rating and R-1 (low)/stable for its short-term debt. EPCOR's current ratings from Fitch Ratings are A- for its issuer default rating and A for its instrument rating of EPCOR's senior unsecured debentures.

These credit ratings reflect the Company's ability to meet its financial obligations given the stable cash flows generated from the rate-regulated water, wastewater, natural gas, and electricity businesses. A credit rating downgrade for EPCOR could result in higher interest costs on new borrowings and reduce the availability of sources and tenor of investment capital.

Financial Covenants

EPCOR is currently in compliance with all of its financial covenants in relation to its committed bank credit facility, Canadian senior unsecured debentures and U.S. private debt notes. Based on current financial covenant calculations, the Company has sufficient borrowing capacity to fund current and long-term requirements. Although the risk is low, breaching these covenants could potentially result in a revocation of EPCOR's credit facilities causing a significant loss of access to liquidity or resulting in the Company's senior unsecured debentures and private debt notes becoming immediately due and payable causing the Company to find a means of funding which could include the sale of assets.

Risk Factors and Risk Management

This section should be read in conjunction with the Risk Factors and Risk Management section of the 2024 annual MD&A. Risk management is an ongoing process and we continually review our risks and look for ways to enhance our risk management processes. As part of ongoing risk management practices, the Company reviews current and developing events and proposed transactions to consider their impact on the risk profile of the Company. In the first quarter of 2025, the Company updated its risk assessment related to Significant Decline in Economy to reflect an increased likelihood of a recession compared with the end of 2024. As such, the Company has elevated the significance of this risk compared with the 2024 annual MD&A disclosure.

Litigation Update

The Company is not involved in any material litigation at this time.

Certification of Interim Filings

For purposes of certain Canadian securities regulations, EPCOR is a venture issuer. As such, it is exempt from certain of the requirements of National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim

Filings. EPCOR's Certifications of Interim Filings - Venture Issuer Basic Certificate include a note to reader stating that the certifying officers are not making any representations to the establishment or maintenance of disclosure controls and procedures and internal controls over financial reporting.

The Chief Executive Officer and Chief Financial Officer have reviewed the unaudited condensed consolidated interim financial statements and interim MD&A, for the nine months ended September 30, 2025. Based on their knowledge and exercise of reasonable diligence, they have concluded that the interim filings do not contain any untrue statement of a material fact or omit to state a material fact and that these documents fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date of and for the periods presented.

Critical Accounting Estimates

In preparing the unaudited condensed consolidated interim financial statements, management necessarily made judgments, estimates and assumptions in determining transaction amounts and financial statement balances. Consequently, actual results may differ from these estimates and interim results are not necessarily indicative of annual results. There have been no significant changes to EPCOR's use of judgments and estimates as described in our 2024 consolidated financial statements and MD&A.

For further information on the Company's other critical accounting estimates, refer to the consolidated financial statements and MD&A for the year ended December 31, 2024.

Outlook

For the remainder of 2025, EPCOR will focus on the expansion and construction of wastewater treatment plants and water treatment plants and will continue to target growth in rate-regulated and contracted water, wastewater, and electricity infrastructure. We expect much of this investment to come from lifecycle replacement of existing infrastructure primarily related to the Edmonton and U.S. based operations and new infrastructure. The Company also intends to expand its water and electricity commercial services activities. The Company may review its operations from time-to-time and divest of those that are no longer viewed as strategic. As noted in the Energy Services segment, EPCOR has entered into financial purchase contracts to manage the Company's risks associated with the RoLR customer electricity loads related to commodity price and volume exposures in 2025 and 2026, and commodity price exposures in 2027 and 2028. The Company will continue to actively manage these risks for future periods on an ongoing basis by optimizing the Company's total electricity requirements utilizing various contracts.

Quarterly Results

(Unaudited, \$ millions)	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Revenues	\$ 646	\$ 743	\$ 796	\$ 796
Expenses	458	516	634	623
Operating income	188	227	162	173
Other income and gain (loss) on disposals	7	(6)	-	(23)
Finance expenses	(52)	(52)	(53)	(54)
Income tax expense	(11)	(18)	(6)	(8)
Net income	\$ 132	\$ 151	\$ 103	\$ 88

(Unaudited, \$ millions)	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Revenues	\$ 867	\$ 847	\$ 885	\$ 1,078
Expenses	673	685	726	912
Operating income	194	162	159	166
Other income and gain (loss) on disposals	-	(1)	4	(9)
Finance expenses	(52)	(51)	(50)	(50)
Income tax expense	(11)	(6)	(9)	(12)
Net income	\$ 131	\$ 104	\$ 104	\$ 95

Quarterly results may fluctuate due to the seasonal demands for energy, water, related impact on sanitary system, changes in energy prices, and the timing and recognition of regulatory decisions.

Forward-looking Information

Certain information in this MD&A is forward-looking within the meaning of Canadian securities laws as it relates to anticipated financial performance, events or strategies. When used in this context, words such as “will”, “anticipate”, “believe”, “plan”, “intend”, “target”, and “expect” or similar words suggest future outcomes.

The purpose of forward-looking information is to provide investors with management’s assessment of future plans and possible outcomes and may not be appropriate for other purposes. Material forward-looking information within this MD&A, including related material factors or assumptions and risk factors, are noted in the table below:

Forward-looking Information	Material Factors or Assumptions	Risk Factors
The Company expects to have sufficient liquidity to finance its plans and fund its obligations, including current liabilities in excess of current assets, for next twelve months.	EPCOR is able to generate the expected cash flow from operations and various means of funding remain available to the Company.	EPCOR’s operations do not generate the expected level of cash flow and / or circumstances arise, limiting or restricting the Company’s ability to access funds through the various means otherwise available.
The Company’s forecasted dividend is \$201 million in 2025 and \$206 million in 2026.	EPCOR is able to generate the expected cash flow from operations and various means of funding remain available to the Company. There is no further revision to the dividends to be paid to the City.	EPCOR is not able to generate the expected cash flow from operations and various means of funding are not available to the Company. There is a revision to the dividends to be paid to the City.

For further information on the Company’s forward-looking information, refer to the 2024 annual MD&A.

Whether actual results, performance or achievements will conform to the Company’s expectations and predictions

is subject to a number of known and unknown risks and uncertainties, which could cause actual results to differ from expectations and are discussed in the Risk Factors and Risk Management section above.

Readers are cautioned not to place undue reliance on forward-looking statements as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements. Except as required by law, EPCOR disclaims any intention and assumes no obligation to update any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.

Additional Information

Additional information relating to EPCOR, including the Company's 2024 Annual Information Form, is available on SEDAR+ at www.sedarplus.ca.