



South Texas Project Electric Generating Station P.O. Box 289 Wadsworth, Texas 77483

July 30, 2025

Notice of Cancellation of the Pre-65 Retirement Healthcare Plans

As previously communicated, STP will transition from the existing STP Retiree Healthcare plans to the enhanced Retiree Health Reimbursement Plan (RHRP) administered with the support of Via Benefits Insurance Services, beginning with the 2026 plan year. **This important change to your retiree benefits** offers you more choice, more control, and potentially lower costs.

The current **STP Nuclear Operating Company Medical Plan for Retirees**, as well as the dental and vision coverage currently offered to retirees will formally end on **December 31, 2025**. As part of this transition, the Plan is required to provide you with the legal notice of plan termination on the following pages which acts as a supplement to the Summary Plan Descriptions.

What you need to know about this important change:

- Personalized individual coverage will replace the group plans
- You'll choose an individual or family medical, dental, and/or vision plan through Via Benefits, a trusted, unbiased service that helps retirees navigate their healthcare options
- STP will subsidize a portion of your healthcare expenses through a Health Reimbursement Account (HRA)
- You will have the option of using the HRA or taking the federal Premium Tax Credit (PTC) -Via Benefits will provide assistance in determining which option is best for you

Support from Via Benefits

Via Benefits partners with experts who are highly experienced in helping retirees and their families with decisions and transitions. They will help you:

- Explore available plans based on your location, network preferences, and health needs
- Understand funding options and how to maximize your HRA or the PTC
- Enroll in the right plan for you and your family

Next Steps

- Look for the Introducing Via Benefits guide arriving in the mail well in advance of the open enrollment period (This will provide more information about your new benefits)

Our goal is to make this transition as easy for you as possible. We understand that you may have questions and may want to begin preparing for this change. Please know that we are actively working to finalize all the details of your plan options, and during the October timeframe, you will receive a complete information packet regarding these changes with information on what you need to do. You will also have the opportunity to ask questions and receive all the assistance you need.

Please note, that since they do not have access to the information needed, Via Benefits service representatives will be unable to assist you at this time. If you would like to reach out, the STP Benefits Team would be happy to hear from you. To contact us you may send an email to STP Benefits at ebenefits@stpegs.com.



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**NOTICE OF MATERIAL REDUCTIONS IN BENEFITS AND SERVICES
UNDER THE
STP NUCLEAR OPERATING COMPANY EMPLOYEES' BENEFIT PLAN**

To: Eligible Retirees of STP Nuclear Operating Company (the "Company"), their Eligible Dependents, and Eligible Survivors Participating in the STP Nuclear Operating Company Retiree Medical Plan, Vision Plan and Dental Plan

From: STP Nuclear Operating Company

Date: July 30, 2025

This Notice of Material Reductions in Benefits and Services supplements the Summary Plan Descriptions ("SPDs") of the STP Nuclear Operating Company Retiree Medical Plan, the Vision Plan and the Dental Plan. Please keep a copy of this Notice in your Plan records.

Effective December 31, 2025, (i) the Retiree Medical Plan will terminate, and (ii) coverage for Eligible Retirees, their Eligible Dependents and Eligible Survivors participating in the Vision Plan and Dental Plan will terminate as described below.

Eligible Retirees, Eligible Dependents and Eligible Survivors may be eligible to participate in the Retiree Health Reimbursement Plan, effective January 1, 2026. More information regarding eligibility for the Retiree Health Reimbursement Plan will be provided in a later memorandum.

I. RETIREE MEDICAL PLAN COVERAGE

Effective December 31, 2025, coverage under the Retiree Medical Plan will terminate for all Participants. No benefits will be provided for any claims incurred after December 31, 2025. No Eligible Retirees, Eligible Dependents or Eligible Survivors will be eligible to participate under the Retiree Medical Plan.

II. DENTAL AND VISION PLAN COVERAGE

(A) The Sections of the SPDs for both Plans entitled **Who Is an Eligible Retiree** will be modified to read as follows:

Effective January 1, 2026, COBRA continuation coverage will be the only coverage available for retirees and other employees who terminate employment and for eligible survivors. Retiree coverage under this Plan will terminate, effective December 31, 2025.

(B) Effective January 1, 2026, the first four paragraphs of the Sections of the SPDs for both Plans entitled **Who Is an Eligible Dependent** will be modified to read as follows:

It is your responsibility to determine if your family members are eligible dependents. If this Summary does not answer all of your questions about whether your family members are eligible for coverage, contact Employee Benefits.

If you are an eligible employee (or an eligible LTD recipient) and you have Plan coverage, your eligible dependents who may be covered generally are:



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- your legal spouse, including your common law spouse (defined below), unless your spouse is eligible to participate in the NECA/IBEW Family Medical Care Plan as a result of his or her employment with the Company and
- your children (defined below) who are under age 26 or who are mentally or physically incapable of self support.

In general, dependents may be covered under the Plan only while the employee or LTD recipient for whom they are a dependent is covered under the Plan.

However, the Plan has special provisions for limited coverage of dependents who qualify for COBRA or USERRA. See When Coverage Ends below for more details.

- (C) Effective January 1, 2026, the Sections of the SPDs for both Plans entitled **Cost of Coverage and Payment of Premiums** is amended to delete the sections titled **For Retirees** and **For Dependents of Deceased Participants (Survivors)**.
- (D) Effective January 1, 2026, the Sections of the SPDs for both Plans entitled **Enrolling the Plan and Making Election Changes** is amended to delete references to Eligible Survivors and Eligible Retirees throughout.
- (E) Effective January 1, 2026, the Sections of the SPDs for both Plans entitled on **When Coverage Ends**, is amended to read as follows (and the ending section on **Special Provisions for Survivors** is deleted).

For Employees and LTD Recipients

Coverage for an employee or LTD recipient ends at 11:59 on the earliest of any of the following subject to any required continuation coverage:

- The last day of the month in which you elect to drop coverage as permitted in connection with a Status Change.
- The last day of the month in which you fail to make a required premium payment, taking into account any legally required grace period.
- The last day of the month in which you no longer meet the eligibility requirements for Plan coverage as described in the Who Is An Eligible Employee section above, unless you are eligible for and elect coverage as described in the Who Is An Eligible LTD Recipient section above. (For example: Coverage ends the last day of the month in which you terminate employment, or the last day of the month in which your approved leave of absence terminates if you fail to return to work at the end of that leave and you have coverage during that leave).
- If you are covered as an eligible LTD recipient, the last day of the last month for which you are paid LTD Plan benefits.
- The date as of which the Plan is amended in such a way as to eliminate coverage for a class of participants that includes you.
- The date as of which the Plan is terminated.



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For Dependents

Coverage for a dependent under the Plan ends at 11:59 p.m. on the earliest of any of the following, subject to any required continuation coverage:

- The last day of the month in which coverage is dropped as permitted in connection with a Status Change.
- The last day of the month in which the person no longer meets the requirements to be an eligible dependent under the Plan.
- If applicable, the last day of the month in which the dependent fails to submit to a required medical examination or provide required written proof of continued incapacity.
- The last day of the month in which the employee or LTD recipient who has elected to cover the dependent fails to make a required contribution for the dependent's participation when due (taking into account any legally required grace period).
- The last day of the month in which coverage terminates for the employee or LTD recipient who covers the dependent under the Plan
- The date as of which the Plan is amended to eliminate coverage for a class of dependents that includes the dependent.

NOTE: You are required to notify the Plan when you or your enrolled dependents become ineligible for coverage under the Plan. This can happen, for instance, when (i) a child reaches the age limit of 26 or ceases to be disabled, or (ii) for a spouse, when an annulment or divorce becomes final. You are responsible for the cost of any claims incurred and paid after you or your dependent becomes ineligible. You will be required to reimburse the Plan for any such claims.

Potential Extension of Coverage Under COBRA or USERRA

When coverage ends under the Plan, you and/or your eligible dependents may be able to purchase "continuation coverage" for a period of time, as described in the Appendix A (Rights and Procedures for Continuation Coverage under COBRA and USERRA) to this Summary.

Limitation or Termination of Coverage Based on Abuse

If the Plan Administrator determines, in its judgment, that there is substantial evidence that you or a dependent are attempting to abuse Plan coverage or benefits, the Plan Administrator may limit or terminate Plan coverage or benefits to the extent necessary, in its judgment, to prevent the abuse. If coverage or benefits are terminated or limited, the termination or limitation will be effective at 11:59 p.m. on the day that the Plan Administrator mails or otherwise provides written notice of that termination or limitation to you or your dependent. Benefits or coverage limited or terminated as described in this section may be reinstated by the Plan Administrator, upon satisfactory proof (in the judgment of the Plan Administrator) that further attempts to abuse Plan coverage or benefits are unlikely to happen.



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- (F) Effective January 1, 2026, the Sections in the SPDs entitled **Special Provisions for Survivors** is deleted in its entirety.

If you have any questions, please contact the Benefits Team at ebenefits@stpeg