

ADDENDUM TO POWER SALES CONTRACT BETWEEN ILLINOIS MUNICIPAL ELECTRIC AGENCY AND THE CITY OF NAPERVILLE, ILLINOIS

This Addendum to Power Sales Contract (this "Addendum") is entered into as of the _____ day of _____, 2025, by and between ILLINOIS MUNICIPAL ELECTRIC AGENCY ("IMEA" or the "Agency"), a body politic and corporate, municipal corporation and unit of local government of the State of Illinois, and the CITY OF NAPERVILLE, ILLINOIS ("Naperville" or "Member"), a municipal corporation created and existing under the laws of the State of Illinois. The Agency and Member may also be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

1. **WHEREAS**, the Parties have conditionally authorized entering into that certain new Power Sales Contract dated as of August 19, 2025 (the "Power Sales Contract"), pursuant to which the Agency agrees to sell, and Member agrees to purchase, all of Member's power and energy requirements commencing October 1, 2035, contingent upon the Parties simultaneously entering into this Addendum; and
2. **WHEREAS**, the Power Sales Contract was developed to ensure an adequate, reliable, and economic long-term supply of electrical power and energy for Member and other Participating Members, in accordance with the Illinois Joint Municipal Electric Power Act (65 ILCS 5/11-119.1 et seq.); and
3. **WHEREAS**, Member desires to incorporate certain modifications to address specific concerns related to contract flexibility, resource options, environmental milestones, transparency, and other matters to better align with Member's sustainability goals and operational needs; and
4. **WHEREAS**, the Parties agree that this Addendum modifies and supplements the Power Sales Contract solely with respect to Member, without affecting the rights or obligations of other Participating Members unless otherwise agreed; and
5. **WHEREAS**, the Parties intend for this Addendum to be binding and enforceable as an integral part of the Power Sales Contract.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Recitals Incorporation by Reference.** The findings and determinations set forth in the Recitals to this Addendum are hereby made findings and determinations of the Parties and are incorporated into the body of this Addendum as if set forth in full.
2. **Power Sales Contract Incorporation by Reference.** The Power Sales Contract between the Agency and Member is hereby incorporated by reference as if fully set forth herein. Except as expressly modified by this Addendum, all terms and conditions of the Power Sales Contract shall remain in full force and effect. In the event of any conflict between this Addendum and the Power Sales Contract, the terms of this Addendum shall prevail with respect to Member.
3. **Contract Length Modification – Early Termination.** Section 1.(a) of the Power Sales Contract (Initial Term and Termination) is hereby modified to include the following provision applicable to Member: In addition to all rights in the Power Sales Contract, Member shall have the ability and right to unilaterally terminate the Power Sales Contract in its sole discretion, upon seven (7) years' prior written notice to the Agency, effective no sooner than May 31, 2045. If Member chooses to terminate early as provided herein, the Agency may require, and Member shall pay all costs caused by or reasonably associated with Member's early termination ("Buy-Out Costs"). Upon Member's request for its Buy-Out Costs, the Agency shall provide the dollar amount and all supporting documentation within one hundred eighty (180) days, and such value shall be held firm for thirty (30) days.
4. **Member-Directed Resource Expansion.** Section 2.(b-1) of the Power Sales Contract (Member-Directed Resources Option) and any related provisions are hereby modified to include the following provision applicable to Member: The maximum amount of Member's Member-Directed Resource ("MDR"), as a matter of right, not subject to Agency or Board of Directors approval, shall be twenty percent (20%) of Member's rolling 5-year average annual peak demand based on the nameplate capability of, or the contracted share of the nameplate of the resource. Additionally, if after the date that this Addendum is entered into by the Parties, the City adds a new Naperville electricity customers with over a 10MW in peak demand and an 85% load factor ("New Large Electric Load Customer"), the City shall, as a matter of right, not subject to Agency or Board of Directors approval, have the option to increase the maximum amount of its MDR above the aforementioned twenty percent (20%) in an amount equal to the peak demand of the New Large Electric Load Customer. The Board of Directors may approve a greater MDR percentage or amount in the future. Nuclear Power Purchase Agreements ("NPPAs") shall be eligible to be included in MDR. Additionally, immediately upon execution of the Power Sales Contract, Member shall have the option to subscribe to up to twenty percent (20%) of its peak load as MDR, including NPPAs. The Board of Directors shall not unreasonably withhold approval of such

MDR contracts that are equal to or greater than five (5) years in length, provided the counterparty demonstrates sufficient financial and operational resources to perform through the contract term and Member provides at least four (4) years' prior written notice to the Agency of any intent to terminate an MDR resource. If Member invests in a renewable energy project, it shall retain the right to retire or sell the associated renewable energy credits (RECs).

5. **Peak Shaving with Member-Directed Resources.** Section 2.(b-1) of the Power Sales Contract (Member-Directed Resources Option) and any related provisions are hereby modified to provide the following: If Member elects to install energy storage peak-shaving resources, it shall have the option to include them in the Agency's capacity purchase program as appropriate or collaborate with Agency staff and the Board of Directors to establish fair compensation metrics based on prevailing market capacity costs for such energy storage resource products, ensuring no financial harm to other Participating Members. Authorization for such resources shall not be unreasonably withheld, provided both the Agency and Member benefit.
6. **Retirement Costs for Prairie State Generating Campus and Trimble County.** Section 3 of the Power Sales Contract (Rates and Charges) and any related provisions are hereby modified to require the following: The Agency shall continue collecting its share of retirement costs for the Prairie State Generating Campus (PSGC) and Trimble County such that the estimated full costs assuming estimated interest gained and/or accumulated, as outlined in each facility's decommissioning plan or estimate, are collected by their respective state-mandated retirement dates.
7. **Transparency Requirements.** Section 14.(b) of the Power Sales Contract (Access and Information) and any related provisions are hereby modified to require the following: Annually, the Agency shall complete and publish an independent financial audit. Following the audit, the Agency shall provide Member with its annual pro rata share of fuel, debt service, and operations and maintenance (O&M) costs, as well as the source and quantity of all energy procured for the Agency; provided however, the Agency shall not be required to provide information that reveals or can be used to calculate the offer curves of the Agency's resource bids in the RTO energy markets. It is understood that energy procured directly from the RTO may not be able to be broken out by source and may be listed as "Market Energy."
8. **Carbon-Free Milestones.** The Power Sales Contract is hereby supplemented to include the following enforceable milestones: The Agency shall achieve fifty percent (50%) carbon-free energy by the end of 2038, eighty-five percent (85%) carbon-free by the end of 2045, and net-zero emissions by the end of 2050 by resources owned and/or controlled

by the Agency. If the Agency fails to meet any milestone and does not remedy the shortfall within two (2) years, Member may, at its sole discretion, increase its MDR allocation by a percentage equal to the shortfall.

9. **Local Generation Rights.** The Power Sales Contract is hereby supplemented to affirm the following: In accordance with applicable law, including the Public Utility Regulatory Policies Act, retail customers of the utility (including residents, businesses, schools, churches, and medical facilities) retain the right to self-supply energy.
10. **Voting Rights Modification.** The Power Sales Contract and any related governance provisions are hereby modified to require the following: For all matters related to resource planning and procurement, the Agency shall take appropriate action to cause the weighted voting system as defined in the Agency's bylaws to be utilized.
11. **Effectiveness and Contingency.** This Addendum shall become effective upon execution by both Parties and shall be contingent upon approval by the Agency's Board of Directors and, if required, ratification by other Participating Members. The Parties agree to negotiate in good faith any technical adjustments necessary to implement this Addendum without altering its substantive intent.
12. **Governing Law.** This Addendum shall be governed by and construed in accordance with the laws of the State of Illinois.
13. **Entire Agreement.** This Addendum, together with the Power Sales Contract, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior understandings or agreements.
14. **Severability.** In the event that any of the terms, covenants or conditions of this Addendum, or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court having jurisdiction under the circumstances, the remainder of this Addendum and the application of its terms, covenants or conditions to such persons or circumstances shall not be affected thereby. If any provision of this Addendum is held invalid, the Parties agree to negotiate a revision to this Addendum which to the extent possible restores the original intent of this Addendum with respect to the invalid provision.

In the event that any of the terms, covenants or conditions of any Power Sales Contract for Participating Members (other than this Addendum), or the application of any such term, covenant or condition, shall be held invalid as to any person or circumstance by any court having jurisdiction under the circumstances, it is agreed by the Parties hereto that such

invalidity shall have no effect whatsoever upon any of the terms, covenants or conditions of this Addendum.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed by their duly authorized representatives as of the date first above written.

ILLINOIS MUNICIPAL ELECTRIC AGENCY

By: _____

Name: Kevin M. Gaden

Title: President & CEO

ATTEST:

By: _____

Name: _____

Title: Assistant Secretary-Treasurer

CITY OF NAPERVILLE, ILLINOIS

By: _____

Name: Scott A. Wehrli

Title: Mayor

ATTEST:

By: _____

Name: Dawn Portner

Title: City Clerk

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