

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, JANUARY 17, 2024

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on January 17, 2024. Chairman Cory Sheehy called the meeting to order at 10:00 a.m. and all attendees participated in the Pledge of Allegiance. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode

The Report of October 25, 2023 was moved for approval by Larry Taylor and seconded by Brian Keys. The motion carried by unanimous roll call vote.

Opportunity for Public Comment: Chairman Cory Sheehy stated that pursuant to the Open Meetings Act, any person attending this meeting shall be permitted an opportunity to comment. Questions during the rest of the meeting are reserved for Board members. If questions arise during the meeting, they can be raised with an appropriate staff member after the meeting by calling IMEA's main number at 217-789-4632 and being directed by the operator at that time. He then asked if anyone from the public would like to make a comment. Hearing none, Chairman Sheehy proceeded with the meeting.

OLD BUSINESS

President & CEO Report – CEO Gaden announced that Rich Wallis had been recently appointed to be the new Board Member representing Roodhouse and Rich Baldrige was appointed to be the new Board Member representing Oglesby. He reported that Jonathon Wygant has accepted the position of Energy Services Representative and will start his employment at IMEA on February 1, 2024. Jonathon served in the U.S. Navy for 11 years and has been employed as a Policy & Budget Analyst for the Illinois Senate for the past eight years. Gaden explained that Jonathon will work with Sean McCarthy and Mike Genin as Sean transitions to Operations in late Spring 2024.

CEO Gaden stated that a successful review by all three credit rating agencies had been completed in 2023 with the most recent being an affirmation of an "A1 Stable" rating from Moody's Investors Service in mid-December. He thanked Chris Wise for all his efforts. He reported that all of the Board Members have copies of both the draft Power Sales Contract and the Capacity Purchase Agreement and he reminded members that Staff will seek to have the IMEA Board approve the form of both agreements at its February 15 Board meeting.

CEO Gaden explained that Staff had purchased a Tesla Model 3 near the end of 2023. Staff will seek IMEA Board approval for authority to sell the 2015 Subaru as surplus property at its February 15 Board meeting. Regarding the IMEA headquarters generator, Gaden explained that during a weekly load test on December 20th, the generator was taken out of service due to a loud knocking noise. Staff worked with Altorfer to install a temporary generator to ensure continuity of service. He reported that on December 21, it was determined that a camshaft sensor on the engine had failed. At that time, the

part was replaced, the temporary unit was removed and the current unit load tested and operated satisfactorily. Staff is reviewing options to ensure long-term, stable backup power supply.

Regarding a national update, Gaden reported that Staff had visited MISO in mid-December with APPA members and he reported on MISO management's concerns about the pace of resource transition among other things. He stated that FERC now has a total of 3 commissioners instead of 5. Gaden announced that Tom Heller was the new Executive Director of Transmission Access Policy Section (TAPS). He stated that Tom was formerly the CEO at Missouri River Energy Services (MRES) based in Sioux Falls, SD for over 30 years and retired in mid-2023.

Legislative & Regulatory Update – Staci Wilson reported on the Federal Grid Resilience Grant (40101(d)) explaining that IMEA had received IMUA approval to pursue a grant from the Illinois Finance Authority (IFA) for an Emergency Equipment Share Program for mutual aid. A working group was created for this program and a Request for Information is expected from the IFA at the end of this month. The working group is discussing a program that could include transformers, poles, cross arms and a backyard machine.

Wilson reported on the Grid Resilience & Innovation Partnership (GRIP) (40103(b)) grant. IMEA Staff worked with the IFA to coordinate a proposal for DER aggregation and load management. The projects funded by the grant would have established a network operating center to aggregate flexible resources and incentivize smart thermostats, EV charging infrastructure and other DR programs to reduce congestion to assist with peaks. Wilson reported that the State had not received the federal grant. She explained that the IFA is applying again for that grant exploring different options. The IFA submitted their Concept Paper this week and should that be approved, IMEA Staff will work to develop programs that could utilize that money for the benefit of municipal utility systems.

Wilson discussed the National Electric Vehicle Infrastructure (NEVI) Program. She explained that the national goal of this program is to have four electric charging stations (600 kW each) every 50 miles on the interstate with the stations located within one mile of the interstate. IDOT created a map which incorporates seven IMUA municipalities. Staff has met with IDOT, their consultant, Guidehouse Consulting, and the seven cities to work through the specifics of this NEVI Program. She explained that this is only the first level of this program. After this first phase is in operation, the State plan is to put in more charging stations, but not as restrictive to the interstate so other municipalities in the State could be impacted.

OLD BUSINESS

Operations – Alice Schum gave an update on the PJM Regional Transmission Organization and stated that the 2024/2025 Planning Year 3rd Incremental Auction is scheduled to begin on February 27, 2024 and end on March 4, 2024. She reviewed the clearing prices from the 2024/2025 Base Residual Auction (BRA) and explained that IMEA's load obligations had decreased for the upcoming 2024/2025 Planning Year. Schum stated that the Agency will be paying a lower capacity obligation for the 2024/2025 Planning Year based on 23/24 reserves. In addition, IMEA will get an additional capacity credit for generation resource operational improvements due to improved EFORD rates on IMEA's baseload units. Schum presented an updated auction schedule.

Schum gave an update on the MISO Regional Transmission Organization stating that MISO had issued a Conservative Operations on Wednesday January 10th, 2024 where Ameren, CWLP, and SIPC Members are located due to sub-zero temperatures expected over the holiday weekend. She reviewed

the Locational Marginal Pricing (LMP) for the Day Ahead Market and Real Time markets for both regional transmission organizations over the holiday weekend. She reported that the MISO 2024/2025 Planning Year Resource Auction for all four seasons will be held March 26th through March 29th. MISO will accept or reject offers until April 26th when the results are posted. Schum discussed the need for improving seams efficiency and expressed concern that Southwest Power Pool (SPP) approves or denies market import service for imports into SPP based on available transmission calculations that are calculated between regions.

Schum reminded the Members about winter preparedness and the importance of adequate staff and fuel. She reported that IMEA Staff plans to have a Power Plant seminar in late spring along with a few site visits as time allows. Schum stated that EIA 923s will be completed soon for IMEA and offered to submit data on the Members' behalf.

Trimble County (TC): Rakesh Kothakapu reported the following:

- There have not been any new recordable injuries reported since the last Board meeting. Plant performance through December was excellent with an EAF of $\approx 84.04\%$ and an EFOR of $\approx 0.85\%$, both year to date. TC1 unit was offline recently for two days due to a boiler leak. The TC Staff continues to evaluate options for the new stack liner. They are working on the preliminary design to gain construction proposals to build a new stack for both units and the outage schedules have been aligned with the construction schedule. The proposed construction for the stack is scheduled to begin late summer/early fall with an expected project completion date in 2026-2027. TC Staff is also working towards compliance with the Effluent Limitation Guidelines (ELG) rule which goes into effect on April 1, 2024. The project is currently online in the testing phase and out of an abundance of caution, TC Staff may request an extension to the project online date. The actual ELG regulatory deadline is not until 2025.

Prairie State (PSGC): Rakesh Kothakapu reported the following activities:

- There have not been any new recordable injuries reported since the last Board meeting. Regarding plant performance through December, the EAF was $\approx 89.25\%$ and the EFOR was $\approx 5.6\%$, both year to date. Unit 1 ran full load with no outages in December. There was a brief outage on Unit 1 in January due to a feed pump trip. Unit 2 ran full load with no outages in December. Also in December, the DOE announced 3 projects to negotiate definitive terms for a grant for Carbon Capture projects; however, PSGC was not on the list. The PSGC Staff continues working towards development of a Memorandum of Understanding (MOU) with a prospective carbon capture development team to seek satisfactory terms for the PSGC owners. There is still no PSGC commitment to proceed with a carbon capture project.

Local Transmission and Generation – Rakesh Kothakapu reported on the following:

- Roodhouse – Ameren installed the permanent meter at the delivery point with no major outage in December and IMEA Staff put in the necessary communication equipment to monitor this delivery point. Since last spring, IMEA Staff has been monitoring the feeders in the distribution system to estimate the usage and continuity of service to Roodhouse.
- Princeton/Peru – ATXI is still working on determining the transmission project and results of the study will not be available until spring.

- Winnetka – WDC – ComEd contacted Winnetka to update the Wholesale Distribution Charges (WDC). IMEA Staff is working with both ComEd and Winnetka to resolve any issues prior to filing.
- Oglesby – IMEA Staff is working with Ameren and the City to complete the WCA for the second delivery point. Ameren agreed to a Construction Agreement without the System Expansion & Modification Guarantee (SMGA) provision for this project.
- Wholesale Connection Agreement (WCA) – Staff continues to work with Ameren and is seeking clarification on two issues: Load forecast by delivery point and adding back solar output to charge transmission.

Update on Solar Projects – Eric Weinant reported that talks are progressing with Altorfer, Tangent and Madison regarding the behind-the-meter projects at Marshall, Oglesby and Princeton. He stated that a specific site at Princeton’s Transfer Station site had been chosen. Once the PPA language is resolved, IMEA Staff will seek any necessary updated approvals. He explained that IMEA Staff will visit Oglesby in February to update the City Council on the status of their project and address any questions. Regarding utility-scale projects, Weinant explained that mineral rights and interconnection issues continue to delay promising projects. IMEA Staff continues to seek out potential projects without contingencies, however, a contract without contingencies continues to be a challenge. He reported that MISO’s next interconnection cycle will allow for a bigger set of projects to choose from next summer.

Weinant stated that SolAmerica had received confirmation of the PACE loan applications submitted for projects in Highland, Carmi, Metropolis and Rantoul. He stated that Interconnection Studies in each town had been completed and draft PPA language, Interconnection Agreements and Siting Agreements were submitted with the USDA application. He explained that open issues in these agreements were still being resolved and that the USDA would be informed of any updates. He explained that IMEA Staff is working with SolAmerica to seek alternate sites in Rantoul as the interconnection study indicated project site feasibility issues.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- PJM Offer of Settlement (Docket No. ER23-2975) – An Offer of Settlement was filed by PJM on September 29, 2023 to resolve the Winter Storm Elliott complaints. A protest was made by Chief Companies who intervened late and did not participate in the settlement process. There have been numerous filings back and forth between PJM, the Settling Parties and Chief Companies. On December 19, 2023, FERC entered Orders that clarified that the late intervention was not granted in the root complaint cases and approved the settlement as uncontested. The final true-up by PJM should be submitted within 60 days.
- PJM Capacity Market Filing (Docket Nos. ER24-98 & ER24-99) – Filed October 13, 2023, PJM proposes enhancements to tariff provisions governing the Capacity Market rules such as the market seller offer cap, performance payment eligibility and forward energy and ancillary service revenues. IMEA participates annually in the PJM capacity auction and will be affected by this outcome. IMEA intervened, but did not protest. There were numerous filings supporting and protesting the issue to FERC. The FERC Staff issued Deficiency Letters which PJM answered on December 8, 2023. A limited number of parties opposed the deficiency response.
- PJM ComEd Cost of New Entry Filing (Docket ER24-462) – Filed November 21, 2023, PJM proposed establishing a new Cost of New Entry area for ComEd Illinois with a proposed effective date of January 22, 2024. It will increase the Cost of New Entry (CONE) in ComEd over what it is currently and what it is for other zones because the amortization period will be shortened to

account for the fact that the Illinois CEJA law only allows new natural gas generators to run until 2045. The increase will be phased in over a number of years; 3% for 2027/28, 5% for 2028/29 and 8% for 2029/30. It could affect whether the ComEd zone and the Rest of System price separate in the auction and could cause higher clearing prices for capacity in ComEd if the prices separate in the auction. IMEA intervened, but did not protest. The Illinois AG's Office, CUB and the ICC protested and PJM has responded.

- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. This would be a transition from a vertical demand curve to a sloping demand curve and could affect clearing prices of capacity. IMEA intervened, but did not protest. There were numerous filings both supporting and protesting the filing. FERC Staff subsequently issued a Deficiency Letter. MISO answered the Deficiency Letter on December 21, 2023 and a limited number of parties responded.
- Ameren Illinois Depreciation Filing (Docket Nos. EL23-2445) – Filed July 20, 2023, Ameren filed to change individual line-item depreciation rates. If approved, this will result in a 9.66% increase in depreciation expense over and above other increases in new transmission facilities. A small group of Illinois cooperatives protested and IMEA intervened. FERC accepted the protest and set the matter for trial, but suspended the trial phase for settlement negotiations. The settlement phase is ongoing and IMEA Staff will monitor the proceedings.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. At this time, Chatham has approved the Coordination Agreement with CWLP and is awaiting CWLP's confirmation of approval. The outstanding PRC-002 Protection System issues have been resolved. Upon CWLP's approval, Chatham will formally begin the registration process with SERC.

NEW BUSINESS

At that time, General Counsel Troy Fodor asked for a motion to go into Executive Session for the discussion of personnel matters. Dan Cook moved to go into closed session, seconded by Mike Kirk. Roll call vote showed all in favor. The meeting was closed to the public pursuant to Section 2(c)(1) of the Open Meetings Act for personnel matters at 11:20 a.m. The meeting was returned to Open Session at 12:20 p.m. by a motion from Brian Keys. The motion was seconded by Brian Groth and the roll call vote was unanimous.

Dan Cook made a motion to approve an increase to the overall employee salary pool for all employees (except CEO) of 2.5% for base adjustments to all salaries effective May 1, 2024. The motion was seconded by Brian Keys and the roll call vote showed unanimous approval.

Larry Taylor made a motion to approve an additional increase to the overall employee salary pool (except CEO) of 2.5% effective May 1, 2024, to be distributed to employees based on merit and salary comparability at the CEO's discretion. The motion was seconded by Dick Simon and the roll call vote showed unanimous approval.

Dick Simon made a motion to approve an annual pool of \$30,000 to be placed in the salary budget to provide for the Employee Incentive Plan payments that would begin on May 1, 2024 for that fiscal year (CEO is ineligible for these funds). Dan Cook seconded the motion and the roll call vote showed unanimous approval.

Brian Keys made a motion to approve an increase to the CEO salary by 5% effective May 1, 2024. Larry Taylor seconded the motion and the roll call vote showed all in favor.

Chairman Cory Sheehy asked for a motion to adjourn the meeting. The motion was made by Larry Taylor, seconded by Dick Simon and carried unanimously by voice vote. The meeting was adjourned at 12:26 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, JANUARY 17, 2024**

MEMBERS PRESENT

Altamont	Larry Taylor
Freeburg	John Tolan
Highland	Dan Cook
Marshall	Cory Sheehy
Naperville	Brian Groth
Rock Falls	Dick Simon
Winnetka	Brian Keys

MEMBERS ABSENT

Carmi	David Coston
St. Charles	Peter Suhr

OTHERS PRESENT

Bethany	Shannon Risley
Bushnell	Joe Fosdyck
Sullivan	Mike Kirk
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Alice Schum
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Adam Baker
IMEA	Danny Chung
IMEA	Sean McCarthy
IMEA	Tammy Hall
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Cindy Evans
Guest	Raheel Arshed (Naperville)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Oglesby	Rich Baldridge
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Waterloo	Tim Birk
Guest	Greg Hubert (Naperville)
Guest	Jean Korte (Highland)
IMEA	Shadi Ahanchi

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, FEBRUARY 14, 2024

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on February 14, 2024. Vice Chairman Dick Simon called the meeting to order at 2:00 p.m. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

The Report of January 17, 2024 was moved for approval by John Tolan and seconded by Larry Taylor. The motion carried by unanimous roll call vote.

Opportunity for Public Comment: Vice Chairman Dick Simon stated that pursuant to the Open Meetings Act, any person attending this meeting shall be permitted an opportunity to comment. Questions during the rest of the meeting are reserved for Board members. He then asked if anyone from the public would like to make a comment. Hearing none, Vice Chairman Simon proceeded with the meeting.

OLD BUSINESS

Update on Solar Projects – Eric Weinant reported that Staff were in negotiations with Altorfer, Tangent and Madison regarding the behind-the-meter solar projects at Marshall, Oglesby and Princeton; however, there were still concerns on similar issues as in previous negotiations with other vendors. He stated that within the past week, Altorfer Inc. appears willing to sign as the sole counterparty for these projects and is willing to take on some of the outstanding obligations that IMEA Staff is seeking in these contracts. IMEA Staff will seek to complete the updated interconnection and siting approvals as soon as the PPA is completed. Weinant stated that a specific site at Princeton's Transfer Station site had been chosen. The surveying for this site has been completed and the Geotech Study is underway. He stated that IMEA Staff gave a presentation and answered questions at Oglesby's City Council meeting last week to address any remaining questions. Weinant explained that if Staff is unable to come to an agreement with Altorfer, there remains the option to issue a new RFP. If a new RFP is issued, Board approval would be needed for a new PPA.

Weinant stated that SolAmerica had received confirmation that the PACE loan applications were submitted to the USDA in December for the solar projects in Highland, Carmi, Metropolis and Rantoul. He stated that IMEA's latest versions of the PPA, Interconnection Agreements and Siting Agreements were submitted with the USDA application. He explained that open issues in these agreements were still being resolved and that the USDA would be informed of any updates. Weinant noted that the required Federal review of the National Policy Act would most likely slow down this process. He explained that IMEA Staff is working with SolAmerica to seek alternate sites in Rantoul.

as the interconnection study indicated project site feasibility issues. A new interconnection study will most likely be required for a new site.

Regarding utility-scale projects, Weinant reported that Staff has been in contact with over 20 developers and is in steady contact with the 4 to 5 most likely candidates. He explained that mineral rights, interconnection issues and supply chain issues continue to delay promising projects. Developers are waiting to offer projects due to price uncertainty with solar panels, future tariff concerns, transformer and other electric equipment concerns, the cost of debt volatility and labor availability. IMEA Staff continues to seek out potential projects without major risk contingencies, however, a contract without some level of contingencies continues to be a challenge. He reported that MISO's next interconnection cycle will likely allow for a bigger set of projects to choose from next summer.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- PJM Offer of Settlement (Docket No. ER23-2975) – An Offer of Settlement was filed by PJM on September 29, 2023 to resolve the Winter Storm Elliott complaints. A protest was made by Chief Companies who intervened late and did not participate in the settlement process. There have been numerous filings back and forth between PJM, the Settling Parties and Chief Companies. On December 19, 2023, FERC entered Orders that clarified that the late intervention was not granted in the root complaint cases and, therefore, approved the settlement as uncontested. The final true-up by PJM should be submitted within 60 days.
- PJM Capacity Market Filing (Docket Nos. ER24-98 & ER24-99) – Filed October 13, 2023, PJM made two separate filings proposing enhancements to tariff provisions governing the Capacity Market rules. The proposed changes in ER24-98 would have modified the rules governing the market seller offer cap and Capacity Performance, including changing when penalties can be assessed, imposing penalties on Fixed Resource Requirement (FRR) entities and denying bonus payments to generators that did not clear the auction and to Demand Response resources even if they did clear the auction. The proposed changes in ER24-99 modified aspects of PJM's Reliability Pricing Model (RPM), including resource adequacy risk modeling, capacity accreditation, testing requirements for capacity resources and the Capacity Performance stop loss. IMEA intervened, but did not protest.

On January 30, 2024, FERC entered an Order accepting the changes in Docket ER24-99 effective December 12, 2023. PJM fixed the Capacity Performance Penalty cap at 1.5 times the Base Residual Auction Clearing Price which should avoid the defaults that are caused by very high penalties as seen during Winter Storm Elliott. Going forward, PJM can test generators to verify its capabilities; testing failures are subject to penalties. PJM changed the way it determined usable capacity in its capacity auctions. For thermal generators, it will be determined based on performance during critical hours by doing a historical analysis based on the unit class performance during critical periods during the last 30 years. This is further adjusted by the unit's actual performance. Regarding variable resources, PJM will use forward looking modeling to predict the set of hours when the system will need capacity – those hours could change every year as more renewable resources are added to the system. The changes by PJM to reduce usable capacity from generators is being done at the same time PJM's modeling is being used to increase load projection and reserves for future auctions. This will lower the available generation to clear the PJM Capacity

Auction and may increase the clearing price in the auction. IMEA is well hedged against these cost increases with ownership of generating resources and is not subject to further reductions to be applied to natural gas units.

On February 6, 2024, FERC entered an Order rejecting the changes in Docket ER24-98. FERC rejected PJM's request to not allow non-capacity resources, including those that did not clear or were not offered into the capacity auction, and Demand Response to be excluded from receiving bonus payments. IMEA's resources will still be able to be paid if they overperform during an event.

- PJM ComEd Cost of New Entry Filing (Docket ER24-462) – Filed November 21, 2023, PJM proposed establishing a new Cost of New Entry area for ComEd Illinois with a proposed effective date of January 22, 2024. It will increase the Cost of New Entry (CONE) in ComEd over what it is currently and what it is for other zones because the amortization period will be shortened to account for the fact that the Illinois CEJA law only allows new natural gas generators to run until 2045. It could affect whether the ComEd zone and the Rest of System price separate in the auction and could cause higher clearing prices for capacity in ComEd if the prices separate in the auction. IMEA intervened, but did not protest. The Illinois AG's Office, CUB and the ICC opposed the filing. On January 19, 2024, FERC entered an Order accepting PJM's revisions to its tariff effective January 22, 2024.
- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. This would be a transition from a vertical demand curve to a sloping demand curve and could affect clearing prices of capacity. IMEA intervened, but did not protest. There were numerous filings both supporting and protesting the filing. FERC Staff subsequently issued a Deficiency Letter. MISO answered the Deficiency Letter on December 21, 2023 and there were additional numerous protests and responses to MISO's response as well. FERC has not ruled yet.
- Ameren Illinois Depreciation Filing (Docket Nos. EL23-2445) – Filed July 20, 2023, Ameren filed to change individual line-item depreciation rates. If approved, this will result in a 9.66% increase in depreciation expense over and above other increases in new transmission facilities. A small group of Illinois cooperatives protested. IMEA intervened but did not protest. FERC accepted the protest and set the matter for trial, but suspended the trial phase for settlement negotiations. On September 26, 2023, FERC set the matter for settlement proceedings. The settlement phase is ongoing.
- Ameren Audit Refund (Docket No. FA20-6) – FERC Staff audited Ameren's books for the period January 1, 2016 through December 31, 2019 and required refunds. Ameren calculated the refunds, but lowered them with adjustments. IMEA and a small electric cooperative group filed a protest of the refund report. On February 1, 2024, FERC entered an Order denying intervention and rejecting the protest stating that procedurally there is no right to intervene in an uncontested FERC audit report proceeding.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. At this time, Chatham is waiting on CWLP approval of upgrades to the operating procedures. The outstanding PRC-002 Protection System issues have been resolved. Upon CWLP's approval, Chatham will formally begin the registration process with SERC.

NEW BUSINESS

Executive (Closed) Session Minutes: General Counsel Troy Fodor recommended that the Executive (Closed) Session minutes of April 26, 2023 not be released as public records at this time. Fodor explained that these meetings had been closed to the public for discussion of the purchase, sale or delivery of electricity pursuant to Subsection (c)(23) of Section 2 of the Open Meetings Act. These minutes reflect pre-decisional power supply matters that are still under consideration and for which the need for confidentiality still exists. David Coston moved that the Board make the determination that the need for confidentiality still exists with respect to the minutes dated April 26, 2023 and that IMEA continue to restrict public access to such minutes. Brian Keys seconded the motion and the roll call vote showed an affirmative approval with a 7-0 vote.

Travel Expenditures – Staci Wilson stated that pursuant to the Local Government Travel Expense Control Act, member expenses must be approved by a roll call vote at an open meeting of the governing board. The estimated travel, lodging, food and registration expenses (maximum amount of \$2,470 per person) for the APPA Legislative Rally were read aloud and are attached. Dan Cook moved for approval of the travel expenditures for the APPA Legislative Rally participants, seconded by John Tolan. The roll call vote showed an affirmative approval with a 7-0 vote.

Authorizing Sale of 2015 Subaru Outback as Surplus Property – CEO Kevin Gaden stated that IMEA maintains pool cars for staff use to drive to Member cities and other meetings. He reported that IMEA had purchased a Tesla Model 3 near the end of 2023 which made a total 3 pool cars. The 2015 Subaru was Kevin Wagner's car for many years and currently has 150,000 miles on it. IMEA Staff will be looking to sell the vehicle in the coming months due to high mileage and increased maintenance costs. Gaden explained that he needs Board approval to sell the 2015 Subaru Outback as surplus property. Brian Groth moved for approval of the authorization for the CEO to sell the 2015 Subaru Outback as surplus property, seconded by Larry Taylor. The roll call showed an affirmative approval with a 7-0 vote.

Resolution #24-02-899 – Approving Revised Schedule A for Power Sales Contract with Naperville – Rakesh Kothakapu explained that Schedule A reflects the location, voltage and point of measurement of the energy delivered by IMEA. He stated that the current Schedule A for Naperville includes two delivery points which are identified as Amoco Co-Gen. The owner of these co-generation facilities notified the City of Naperville that these units were retiring as of December 31, 2023. Kothakapu reported that due to this retirement, Schedule A for Naperville needs to be updated to reflect the removal of the two delivery points. IMEA Staff will remove the RTU equipment which monitors these facilities. Dan Cook moved to approve Resolution #24-02-899 approving the revisions of Schedule A for the Power Sales Contract with Naperville, seconded by John Tolan. The roll call vote showed an affirmative approval with a 7-0 vote.

Resolution #24-02-896 – Approving the Form of New Power Sales Contract and Capacity Purchase Agreement for the Period October 1, 2035 Through May 31, 2055 –

General Counsel Troy Fodor thanked the Contract Working Group for all their efforts. He stated that the Power Sales Contract and Capacity Purchase Agreement were submitted to Members for their review prior to the December 2023 Board meeting. He explained that feedback had been received

from the Members or their attorneys and changes have been made in response to that feedback. Fodor summarized the context of these documents to be a similar format to the existing ones explaining they had been updated for industry changes including the rules of PJM and MISO. He stated that the rates and charges remain the same as the current methods; the Board of Directors sets the rates. These rates are “postage stamp” rates with limited exceptions. The new exceptions include a new Member Directed Resource option and a cost causer provision. Fodor reported that the length of the contract is from October 1, 2035 to May 31, 2055, and it will be a full requirements contract. IMEA provides and Member purchases full load obligation. The Members’ customer self-supply policies are not affected. He also stated that the Agency and Member covenants remain the same.

Fodor stated that Members with generation still dedicate that generation to IMEA under the terms of the Capacity Purchase Agreement and the Member Generation Policy. IMEA Staff established a floor of \$3.20/kW-month for capacity credits for all existing Participating Members with limitations to capacity credits tied to Member’s peak load or greater if the Transmission Owner and RTO allow the generation to push out to the grid. He explained that transmission service plans, management and rate determination along with the Member Services structure remain the same. Fodor reported that a provision for IMEA to serve as a Member’s limited agent was added to accommodate RTOs and Transmission Owners along with a Member self-directed carbon-free resource opportunity. If Members desire an added portion of self-controlled resources, they can add up to 10% nameplate of their overall peak load. Fodor then discussed the changes that had been made to each document based on member feedback.

Brian Groth from Naperville stated that he would not be able to attend the IMEA Board of Directors meeting the next day due to a previously scheduled commitment. He explained that it was his understanding that by approving the standard form of the Power Sales Contract, it does not bind any Member community to a contract extension. He reminded Members of the goals set out in IMEA’s Sustainability Plan which the Board will regularly keep the Members updated on going forward. He explained that since he actively participated in the working group to establish the form of the new Power Sales Contract, he experienced the level of effort put forth by the Members involved to provide reliable energy delivery to IMEA’s communities now and in the future. He stated that through that collective work, it will give all Members the flexibility to utilize local control over their energy mix while ensuring that all Members are protected from the cost shift that could occur with increased utilization of the Member Directed Resources concept. Groth stated that he was in favor of the Board’s approval of the contract form during its full Board meeting.

Larry Taylor moved to approve Resolution #24-02-896 approving the form of the new Power Sales Contract and Capacity Purchase Agreement for the period October 1, 2035 through May 31, 2055, seconded by David Coston. The roll call vote showed an affirmative approval with a 7-0 vote.

CFO Chris Wise presented a chart showing that IMEA’s actual average member costs have been consistently under budget over the last ten years except for the two years of the pandemic.

Ordinance #24-02-897 – Adopting Revised Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2024 for the IMEA - CFO Chris Wise reviewed the revised budget pointing out that the MWh sales are projected to be 5.3% lower than the original budget and the average cost to Participating Members is projected to be 3.2% lower than the original budget. Wise

further reviewed the operating revenues & expenses and the capital budget. Brian Keys moved for approval of this Ordinance, seconded by Dan Cook. The roll call vote showed an affirmative approval with a 7-0 vote.

John Tolan, Executive Board Member from Freeburg left the meeting at 3:37 pm to travel to Freeburg for a City Council meeting.

It was discovered that a computer glitch in the electronic voting system prevented Executive Board Member Peter Suhr's vote from showing up as an Executive Board Member. At that time, Peter Suhr voted in the affirmative on the previous Ordinance #24-02-897.

Ordinance #24-02-898 – Adopting Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2025 for the IMEA - CFO Chris Wise gave an overview of the upcoming FY2024/25 budget to include total MWh sales projected to be 3.9% higher than the revised FY2024 projection. The average cost to participating members is projected to be approximately 1.8% higher than the FY2024 original budget and 5.2% higher than the FY2024 revised budget. Wise further explained the budget assumptions, operating revenues & expenses and the capital budget. Brian Keys moved for approval of this Ordinance, seconded by Peter Suhr. The roll call vote showed unanimous approval except for an abstention from Freeburg due to him leaving the meeting.

CFO Chris Wise presented a chart outlining the Updated Financial Projections for FY2022-FY2028. He also presented a graph showing the effect that transmission costs have had on member average costs specifically the actual cost from years 2014-2023 and the projected cost from years 2024-2028.

Vice Chairman Dick Simon asked for a motion to adjourn the meeting. The motion was made by Brian Keys, seconded by Larry Taylor and carried unanimously by voice vote. The meeting was adjourned at 4:04 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, FEBRUARY 14, 2024**

MEMBERS PRESENT

Altamont	Larry Taylor
Carmi	David Coston
Freeburg	John Tolan
Highland	Dan Cook
Naperville	Brian Groth
Rock Falls	Dick Simon
St. Charles	Peter Suhr
Winnetka	Brian Keys

MEMBERS ABSENT

Marshall	Cory Sheehy (via webinar)
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OTHERS PRESENT

Breese	Jason Deering
Chatham	Pat McCarthy
Rantoul	Jake McCoy
Sullivan	Mike Kirk
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Alice Schum
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Danny Chung
IMEA	Sean McCarthy
IMEA	Tammy Hall
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Cindy Evans
IMEA	Ed Cobau
IMEA	Jonathon Wygant
Guest	Raheel Arshed (Naperville)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Marshall	Cory Sheehy
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Waterloo	Tim Birk
Guest	Greg Hubert (Naperville)

TRAVEL, MEAL AND LODGING EXPENSE REIMBURSEMENT REQUEST FORM
Pursuant to Resolution 17-02-797

The following documentation is submitted to the corporate authorities of the Illinois Municipal Electric Agency for approval of travel expenses as per the requirements of Public Act 99-0604:

- (1) The name of the individual who received or is requesting the travel, meal, or lodging expense and the individual's job title or office.

Name of Employee or Officer

Job Title/Office

- (2) The date or dates and nature of the official business in which the travel, meal, or lodging expense was or will be expended.

- (3) APPA Legislative Rally February 26 – February 29, 2024
Name of Event or Program Date(s) of Event or Program

Washington, D.C. Advocacy
Location of Event or Program Purpose of Event or Program

- (4) Cost of travel (estimate): \$700.00
Cost of meals (estimate): \$220.00
Cost of lodging (estimate): \$1,550.00

Basis for the estimate: Estimate based on known cost of events and previous similar travel.

Signature

Date

2024 Legislative Rally Attendees

Hon. Kevin Timmermann	City of Breese, IL
Jason Deering	City of Breese, IL
Brad Myers	City of Carlyle, IL
Kevin Rolfingsmeyer	City of Carlyle, IL
Scott Testory	City of Farmer City, IL
Sue McLaughlin	City of Farmer City, IL
Dan Cook	City of Highland, IL
Hon. Kevin Hemann	City of Highland, IL
Cory Sheehy	City of Marshall, IL
Hon. Pat McMahan	City of Mascoutah, IL
Jesse Carlton	City of Mascoutah, IL
Hon. Don Canada	City of Metropolis, IL
Natalie Harris	City of Metropolis, IL
Hon. Jason Curran	City of Oglesby, IL
Hon. Susan Harbaugh	City of Red Bud, IL
Josh Eckart	City of Red Bud, IL
Dick Simon	City of Rock Falls, IL
Larry Hanrahan	City of Rock Falls, IL
Giovani McLean	City of St. Charles, IL
Peter Suhr	City of St. Charles, IL
Hon. Stanley Darter	City of Waterloo, IL
Tim Birk	City of Waterloo, IL
John Tolan	Village of Freeburg, IL
Matt Trout	Village of Freeburg, IL
Pat Barry	Village of Ladd, IL

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF BOARD OF DIRECTORS MEETING

THURSDAY, FEBRUARY 15, 2024

A regularly scheduled meeting of the Board of Directors of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on February 15, 2024. Vice Chairman Dick Simon called the meeting to order at 10:00 am and all attendees participated in the Pledge of Allegiance. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

CEO Kevin Gaden introduced guests in the audience which included Giovanni McLean from St. Charles and Matt Trout from Freeburg.

Pat Barry, seconded by Larry Taylor, moved for approval of the minutes of December 7, 2023. The motion carried by unanimous roll call vote.

Opportunity for Public Comment – Vice Chairman Simon stated that pursuant to the Open Meetings Act, any person attending this meeting in person shall be permitted an opportunity to comment. He then asked if anyone from the public would like to make a comment. Hearing no requests for public comment, Vice Chairman Simon proceeded with the meeting.

Treasurer's Report – Chris Wise reported on the December 2023 financials stating that actual member power costs are 3.7% under budget, year to date, and the MWh sales to members is 5.4% below budget. He reviewed January invoices and gave projections regarding the February invoices that will be sent out on March 11th. Regarding a Rating Agency update, Wise stated that a Moody's Credit Opinion was completed on December 20, 2023 and they affirmed an A1 rating with a stable outlook. Fitch's review of October 10, 2023 affirmed an AA- rating with a stable outlook and Standard & Poor's review was completed on October 10, 2023 as well with an affirmation of an A rating with a stable outlook. With there being no questions, Dan Cook moved to approve the Treasurer's Report, seconded by John Tolan. The roll call vote showed all in favor.

President & CEO Report – CEO Kevin Gaden welcomed Rich Baldridge, Public Property Commissioner, as the new Board Member representing Oglesby who is replacing Mayor Jason Curran and new Roodhouse Board Member, Rich Wallis, the current Lead Lineman, replacing Mayor Tom Martin who passed away in September of last year. Gaden welcomed Jonathon Wygant as the new Energy Services Representative. He reported that Jonathon began his employment at IMEA on February 1, 2024. Jonathon served in the U.S. Navy for 11 years and has been employed as a Policy & Budget Analyst for the Illinois Senate for the past eight years. Gaden explained that Jonathon will work with Sean McCarthy and Mike Genin as Sean transitions to the Operations Department in late Spring 2024.

Regarding the IMEA headquarters' generator, Gaden explained that during a weekly load test on December 20th, the generator was taken out of service due to a loud knocking noise. Staff worked with Altorfer to install a temporary generator to ensure continuity of service. He reported that on December 21, it was determined that a camshaft sensor on the engine had failed. At that time, the part was replaced, the temporary unit was removed and the current unit load tested and operated satisfactorily. Staff is reviewing options to ensure long-term, stable backup power supply, although nothing has been budgeted in FY24/25.

Regarding a national update, Gaden reported that Staff had visited MISO in mid-December with APPA members and he reported on MISO management's concerns about the pace of resource transition among other things. He stated that FERC now has a total of 3 commissioners instead of 5. President Biden never renominated when Commissioner Glick left in December 2022 and there has been no nomination for Commissioner Danly whose term ended when Congress wrapped up the 2023 session in January 2024. Gaden reported that Commissioner Clements' term is up on June 30, 2024, although due to the necessity of having 3 Commissioners for a quorum, she can remain in the seat until replaced. He stated that Willie Phillips had been officially named Chairman of FERC.

Gaden announced that Tom Heller was the new Executive Director of Transmission Access Policy Section (TAPS). He stated that Tom was formerly the CEO at Missouri River Energy Services (MRES) based in Sioux Falls, SD for over 30 years and retired in mid-2023.

CEO Gaden reported that IMEA Staff had met with the City of Newton, Illinois regarding IMEA membership. Newton is an independent municipal system purchasing from Dynegy who are the owners of the local Newton baseload plant which is scheduled to close in 2027. Staff offered Newton the same terms of membership with a premium rate adder similar to the others that signed up in 2007 or later. If accepted, the contract would run from June 1, 2024 to September 30, 2035. He stated that IMEA is one of the finalists for that contract award and will know more in a few weeks.

CEO Gaden then reviewed the IMEA goals for FY24/25.

Legislative & Regulatory Update – Staci Wilson reported on the Federal Grid Resilience Grant (40101(d)) explaining that IMEA had received IMUA approval to pursue a grant from the Illinois Finance Authority (IFA) for an Emergency Equipment Share Program for mutual aid. Wilson reported that staff had worked with the Illinois Finance Authority (IFA) to prepare a federal grant proposal along with IMUA and the Association of Electric Cooperatives to be a sub-grantee of the proposal for the Grid Resilience Formula grant. The IFA was awarded the federal grant and now IMUA can apply to the IFA for a local grant. She explained that the funds available are a total of \$40 million over a 5 year period. The State is required to set aside at least \$1.8 million of that first year's funding for utilities with sales of less than 4 million mWh which applies to all members. IMUA is applying for one of those projects which is an emergency equipment share program to support efforts of small municipalities to prepare for and quickly recover from storms by creating a hub of essential equipment that otherwise has long lead times. She reported that a Request for Information (RFI) was issued by the Illinois Finance Authority (IFA) Climate Bank. Staff will be responding to the offer from the State organization. Wilson explained that after the RFI process, the IFA will be issuing a Request for Projects (the bidding process to receive funds for the project) which is expected in late February/early March. IMUA has created a working group to assist with the development of this type of program. She thanked the IMUA members in the working group which include Highland, Princeton, CWLP, Freeburg and Batavia. Wilson explained the concept would be to have one central location in Springfield with land provided by CWLP that would house transformers, poles, cross arms and a

backyard excavator. She reported there would be matching funds involved, although that amount has not been determined yet. There is a potential for this cost to be an additional member service cost that IMEA and IMUA members would pay separately. Wilson also stated that the RFI would require every community involved in this program to have some type of electric system reliability metric tracker.

Wilson stated that the Illinois Spring Session began with a high volume of legislation being filed, however, not much activity ongoing with committees. The deadline for filing legislation is Friday, February 16th. She discussed SB 3637 and HB 5021 which would impose an integrated resource planning requirement on individual municipalities, electric cooperatives and municipal power agencies along with a renewable portfolio standard; 25% renewable by 2026 with an increase of 3% each year to 40% by 2030 and thereafter with retirement of all coal and gas by 2045. Wilson reported that this plan will be overseen by the Illinois Power Agency and this would be the first time in Illinois history that resource planning for municipals would not be regulated at a local level. This “transparency” legislation includes multiple budget requirements, listing of resources which is already on the IMEA website, capital expenditures and other reporting. She stated that the majority of these items are conveyed at IMEA’s Board meetings. Wilson then explained that another piece of this regulation changes net metering requirements to match the investor-owned utilities. The net metering topic was previously negotiated during CEJA and resulted in IMUA’s Fair Solar Credit. Most of the IMEA municipalities are offering some type of solar credit.

Wilson stated that IMEA Staff will be attending the APPA Legislative Rally in a couple of weeks in Washington DC. She stated that the key topics which will be discussed at the Congressional offices are the alleviation of the supply chain crisis (specifically distribution transformers), protecting Direct Pay tax credits for renewable energy, the need for permitting reform and strengthening partnerships regarding cyber security for a secure grid.

OLD BUSINESS

Executive (Closed) Session Minutes: General Counsel Troy Fodor recommended that the Executive (Closed) Session minutes of November 6-7, 2019; June 17, 2021; November 9-10, 2022 and April 27, 2023 not be released as public records at this time. Fodor explained that these meetings had been closed to the public for discussion of the purchase, sale or delivery of electricity along with the possibility of litigation. These minutes reflect pre-decisional matters that are still being planned and negotiated and for which the need for confidentiality still exists. John Tolan moved that the Board make the determination that the need for confidentiality still exists with respect to the minutes dated November 6-7, 2019; June 17, 2021; November 9-10, 2022 and April 27, 2023 and that IMEA continue to restrict public access to such minutes. Jake McCoy seconded the motion and the motion carried by unanimous roll call vote.

Operations – Alice Schum gave an update on the PJM Regional Transmission Organization and stated that the 2024/25 Planning Year 3rd Incremental Auction starts in two weeks and runs for a week. The 2024 Annual Recertification is due by April 12th. She explained that PJM requires members to recertify Member Information in the Membership Management Community. Market participants are required to submit an Annual Officer Certification Form by April 30, 2024. Members that fail to complete the annual Member Recertification requirements will be considered in non-monetary breach of the PJM Operating Agreement for failure to comply with the Operating Agreement. Market Participants that fail to provide their Annual Officer Certification form by April 30 will not be able to transact in any PJM Markets and PJM will disable the Market Participant’s access to any PJM Markets until PJM receives the certification. IMEA will submit all of the required certifications on a timely

basis. Schum reported that the December temperatures were above average and energy usage was below average. She presented the load-weighted average LMPs for the past three Decembers.

Schum gave an update on the MISO Regional Transmission Organization stating that MISO concluded that markets and operational functions performed as expected in October, November, and December. She explained that MISO highlighted the mild weather the footprint has experienced this winter with the exception of Winter Storm Heather (January 13-16) when extreme cold and ice hit the area. MISO had enough capacity to manage uncertainty while serving exports to MISO's neighbors. Schum presented a chart from the 2023 Organization of MISO States (OMS) Survey showing the long-term resource projections. She stated that this chart shows the resource deficits (in gigawatts) beginning in Planning Year 2025/26 which starts on June 1 of next year and reflects projections for the 24/25 Planning Year which starts this June. By Planning Year 2028/29, there is projected to be a 9.5GW shortage of resources meaning there is a 9.5GW difference between the capacity that is committed and the projected capacity needs.

Regarding an update on Operations, three IMEA Members hit all time January (monthly) peaks. The IMEA Power Plant Seminar is scheduled to be held on May 10th immediately following the Annual Conference. IMEA Staff will review updated rules and new policies along with the IMEA Generation Policy including Agency expectations when IMEA calls on Member Generation and the monthly fuel reporting process. The IMEA Engineering Department will present URGE testing and permitting requirements. All IMEA member power plant personnel are welcome and encouraged to attend the conference. Information will be forthcoming.

Trimble County (TC): Rakesh Kothakapu reported the following:

- There have not been any new recordable injuries reported since the last Board meeting. Regarding plant performance in 2023, the EAF was $\approx 84.04\%$ and the EFOR was $\approx 0.85\%$, both year to date. Plant performance in January 2024 was excellent with an EAF of $\approx 99.13\%$ and an EFOR of $\approx 0.28\%$. The TC Staff continues to evaluate options for the new stack liner. They are working on the preliminary design to gain construction proposals to build a new stack for both units and the outage schedules have been aligned with the construction schedule. The proposed construction for the stack is scheduled to begin late summer/early fall with an expected project completion date in 2026-2027. TC Staff is also working towards compliance with the Effluent Limitation Guidelines (ELG) rule which goes into effect on April 1, 2024. The project is currently online in the testing phase and out of an abundance of caution, TC Staff may request an extension to the project online date. The actual ELG regulatory deadline is not until 2025.

Prairie State (PSGC): Rakesh Kothakapu reported the following activities:

- There have not been any new recordable injuries reported since the last Board meeting. Regarding plant performance through December, the EAF was $\approx 89.25\%$ and the EFOR was $\approx 5.6\%$, both year to date. Plant performance in January 2024 showed that the EAF was $\approx 94.9\%$ and the EFOR was $\approx 5.1\%$. Unit 1 ran full load with no outages in December. There was a brief outage on Unit 1 in January due to a feed pump trip. Unit 2 had a brief tube leak outage last week. Also in December, the DOE announced 3 projects to negotiate definitive terms for a grant for Carbon Capture projects; however, PSGC was not on the list. The PSGC Staff continues working towards development of a Memorandum of Understanding (MOU) with a prospective carbon capture development team to seek satisfactory terms for the PSGC owners. There is still no PSGC commitment to proceed with a carbon capture project.

Local Transmission and Generation – Rakesh Kothakapu reported on the following:

- Roodhouse – Ameren installed the permanent meter at the delivery point with no major outage in December and IMEA Staff put in the necessary communication equipment to monitor this delivery point. Since last spring, IMEA Staff has been monitoring the feeders in the distribution system to estimate the usage and continuity of service to Roodhouse.
- Princeton/Peru – ATXI is still working on determining the transmission project and results of the study will not be available until spring.
- Winnetka – WDC – ComEd contacted Winnetka to update the Wholesale Distribution Charges (WDC). IMEA Staff is working with both ComEd and Winnetka to resolve any issues prior to filing.
- Oglesby – IMEA Staff is working with Ameren and the City to complete the WCA and a Construction Agreement for the second delivery point. Ameren is agreeable to a Construction Agreement without the System Expansion & Modification Guarantee (SEMG) provision for this project.
- Wholesale Connection Agreement (WCA) – Staff continues to work with Ameren and is seeking clarification on two issues: Load forecast by delivery point with all solar generation added back to load and adding back solar output to charge transmission. Regarding the Construction Agreement for Oglesby, Ameren has IMEA's final redlines for the construction project.

Update on Solar Projects – Eric Weinant reported that Staff were in negotiations with Altorfer, Tangent and Madison regarding the behind-the-meter solar projects at Marshall, Oglesby and Princeton; however, there were still concerns on similar issues as in previous negotiations with other vendors. He stated that within the past week, Altorfer Inc. appears willing to sign as the sole counterparty for these projects and is willing to take on some of the outstanding obligations that Staff is seeking in these contracts. IMEA Staff will seek to complete the updated interconnection and siting approvals as soon as the PPA is completed. Weinant stated that a specific site at Princeton's Transfer Station site had been chosen. The surveying for this site has been completed and the Geotech Study is underway. He stated that IMEA Staff gave a presentation and answered questions at Oglesby's City Council meeting last week to address any remaining questions. Weinant explained that if Staff is unable to come to an agreement with Altorfer, there remains the option to issue a new RFP. If a new RFP is issued, Board approval would be needed for a new PPA.

Weinant stated that SolAmerica had received confirmation that the PACE loan applications were submitted to the USDA in December for the solar projects in Highland, Carmi, Metropolis and Rantoul. He stated that IMEA's last versions of the PPA, Interconnection Agreements and Siting Agreements were submitted with the USDA application. He explained that open issues in these agreements were still being resolved and that the USDA would be informed of any updates. Weinant noted that the required Federal review of the National Environmental Policy Act would most likely slow down this process. He explained that IMEA Staff is working with SolAmerica to seek alternate sites in Rantoul as the interconnection study indicated project site feasibility issues. A new interconnection study will most likely be required for a new site.

Regarding utility-scale projects, Weinant reported that Staff has been in contact with over 20 developers and is in steady contact with the 4 to 5 most likely candidates. He explained that mineral rights, interconnection issues and supply chain issues continue to delay promising projects. Developers are waiting to offer projects due to price uncertainty with solar panels, future tariff concerns, transformer and other electric equipment concerns, the cost of debt volatility and labor availability. IMEA Staff continues to seek out potential projects without contingencies, however, a

contract without some level of contingencies continues to be a challenge. He reported that MISO's next interconnection cycle should likely allow for a bigger set of projects to choose from next summer.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- PJM Offer of Settlement (Docket No. ER23-2975) – An Offer of Settlement was filed by PJM on September 29, 2023 to resolve the Winter Storm Elliott complaints. A protest was made by Chief Companies who intervened late and did not participate in the settlement process. There have been numerous filings back and forth between PJM, the Settling Parties and Chief Companies. On December 19, 2023, FERC entered Orders that clarified that the late intervention was not granted in the root complaint cases and, therefore, approved the settlement as uncontested. The final true-up by PJM should be submitted within 60 days.
- PJM Capacity Market Filing (Docket Nos. ER24-98 & ER24-99) – Filed October 13, 2023, PJM made two separate filings proposing enhancements to tariff provisions governing the Capacity Market rules. The proposed changes in ER24-98 would have modified the rules governing the market seller offer cap and Capacity Performance, including changing when penalties can be assessed, imposing penalties on Fixed Resource Requirement (FRR) entities and denying bonus payments to generators that did not clear the auction and to Demand Response resources even if they did clear the auction. The proposed changes in ER24-99 modified aspects of PJM's Reliability Pricing Model (RPM), including resource adequacy risk modeling, capacity accreditation, testing requirements for capacity resources and the Capacity Performance stop loss. IMEA intervened, but did not protest.

On January 30, 2024, FERC entered an Order accepting the changes in Docket ER24-99 effective December 12, 2023. PJM fixed the Capacity Performance Penalty cap at 1.5 times the Base Residual Auction Clearing Price which should avoid the defaults that are caused by very high penalties as seen during Winter Storm Elliott. Going forward, PJM can test generators to verify its capabilities; testing failures are subject to penalties. PJM changed the way it determined usable capacity in its capacity auctions. For thermal generators, it will be determined based on performance during critical hours by doing a historical analysis based on the unit class performance during critical periods during the last 30 years. This is further adjusted by the unit's actual performance. Regarding variable resources, PJM will use forward looking modeling to predict the set of hours when the system will need capacity – those hours could change every year as more renewable resources are added to the system. The changes by PJM to reduce usable capacity from generators is being done at the same time PJM's modeling is being used to increase load projection and reserves for future auctions. This will lower the available generation to clear the auction and may increase the clearing price in the PJM Capacity Auction. IMEA is well hedged against these cost increases with ownership of generating resources and is not subject to further reductions to be applied to natural gas units.

On February 6, 2024, FERC entered an Order rejecting the changes in Docket ER24-98. FERC rejected PJM's request to not allow non-capacity resources, including those that did not clear or were not offered into the capacity auction, and Demand Response to be excluded from receiving bonus payments. IMEA's resources will still be able to be paid if they overperform during an event.

- PJM ComEd Cost of New Entry Filing (Docket ER24-462) – Filed November 21, 2023, PJM proposed establishing a new Cost of New Entry area for ComEd Illinois with a proposed effective date of January 22, 2024. It will increase the Cost of New Entry (CONE) in ComEd over what it is

currently and what it is for other zones because the amortization period will be shortened to account for the fact that the Illinois CEJA law only allows new natural gas generators to run until 2045. It could affect whether the ComEd zone and the Rest of System price separate in the auction and could cause higher clearing prices for capacity in ComEd if the prices separate in the auction. IMEA intervened, but did not protest. The Illinois AG's Office, CUB and the ICC opposed the filing. On January 19, 2024, FERC entered an Order accepting PJM's revisions to its tariff effective January 22, 2024.

- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. This would be a transition from a vertical demand curve to a sloping demand curve and could affect clearing prices of capacity. IMEA intervened, but did not protest. There were numerous filings both supporting and protesting the filing. FERC Staff subsequently issued a Deficiency Letter. MISO answered the Deficiency Letter on December 21, 2023 and there were additional numerous protests and responses to MISO's response as well. FERC has not ruled yet.
- Ameren Illinois Depreciation Filing (Docket Nos. EL23-2445) – Filed July 20, 2023, Ameren filed to change individual line-item depreciation rates. If approved, this will result in a 9.66% increase in depreciation expense over and above other increases in new transmission facilities. A small group of Illinois cooperatives protested and IMEA intervened. FERC accepted the protest and set the matter for trial, but suspended the trial phase for settlement negotiations. On September 26, 2023, FERC set the matter for settlement proceedings. The settlement phase is ongoing.
- Ameren Audit Refund (Docket No. FA20-6) – FERC Staff audited Ameren's books for the period January 1, 2016 through December 31, 2019 and required refunds. Ameren calculated the refunds, but lowered them with adjustments. IMEA and a small electric cooperative group filed a protest of the refund report. On February 1, 2024, FERC entered an Order denying intervention and rejecting the protest stating that procedurally there is no right to intervene in an uncontested FERC audit report proceeding.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. At this time, Chatham is waiting on CWLP approval of upgrades to the operating procedures. The outstanding PRC-002 Protection System issues have been resolved. Upon CWLP's approval, Chatham will formally begin the registration process with SERC.

NEW BUSINESS

Travel Expenditures – Staci Wilson stated that pursuant to the Local Government Travel Expense Control Act, member expenses must be approved by a roll call vote at an open meeting of the governing board. The estimated travel, lodging, food and registration expenses (maximum amount of \$2,470 per person) for the APPA Legislative Rally were read aloud and are attached. Tim Birk moved for approval of the travel expenditures for the APPA Legislative Rally participants, seconded by Dan Cook. The roll call vote showed all in favor.

Authorizing Sale of 2015 Subaru Outback as Surplus Property – CEO Kevin Gaden stated that IMEA maintains pool cars for staff use to drive to Member cities and other meetings. He reported that IMEA had purchased a Tesla Model 3 near the end of 2023 which made a total 3 pool cars. The 2015 Subaru was Kevin Wagner's car for many years and currently has 150,000 miles on it. IMEA Staff will be looking to sell the vehicle in the coming months due to high mileage and increased maintenance costs. Gaden explained that he needs Board approval to sell the 2015 Subaru Outback as surplus property. David Coston moved for approval of the authorization for the CEO to sell the 2015 Subaru Outback as surplus property, seconded by Pat Barry. The motion carried by unanimous roll call vote.

Resolution #24-02-899 – Approving Revised Schedule A for Power Sales Contract with Naperville – Rakesh Kothakapu explained that Schedule A reflects the location, voltage and point of measurement of the energy delivered by IMEA. He stated that the current Schedule A for Naperville includes two delivery points which are identified as Amoco Co-Gen. The owner of these co-generation facilities notified the City of Naperville that these units were retiring as of December 31, 2023. Kothakapu reported that due to this retirement, Schedule A for Naperville needs to be updated to reflect the removal of the two delivery points. IMEA Staff will remove the RTU equipment which monitors these facilities. Dan Cook moved to approve Resolution #24-02-899, seconded by Tim Birk. The motion carried by unanimous roll call vote.

Resolution #24-02-896 – Approving the Form of New Power Sales Contract and Capacity Purchase Agreement for the Period October 1, 2035 Through May 31, 2055 – General Counsel Troy Fodor thanked the Contract Working Group for all their efforts. He stated that the Power Sales Contract and Capacity Purchase Agreement were submitted to Members for their review prior to the December 2023 Board meeting. He explained that feedback had been received from the Members or their attorneys and changes have been made in response to that feedback. Fodor summarized the context of these documents to be a similar format to the existing ones explaining they had been updated for industry changes including the rules of PJM and MISO. He stated that the rates and charges remain the same as the current methods; the Board of Directors sets the rates. These rates are “postage stamp” rates with limited exceptions. The new exceptions include a new Member Directed Resource option and a cost causer provision. Fodor reported that the length of the contract is from October 1, 2035 to May 31, 2055, and it will be a full requirements contract. IMEA provides and Member purchases full load obligation. The Members’ customer self-supply policies are not affected. He also stated that the Agency and Member covenants remain the same.

Fodor stated that Members with generation still dedicate that generation to IMEA under the terms of the Capacity Purchase Agreement and the Member Generation Policy. IMEA Staff established a floor of \$3.20/kW-month for capacity credits for all existing Participating Members with limitations to capacity credits tied to Member’s peak load or greater if the Transmission Owner and RTO allow the generation to push out to the grid. He explained that transmission service plans, management and rate determination along with the Member Services structure remain the same. Fodor reported that a provision for IMEA to serve as a Member’s limited agent was added to accommodate RTOs and Transmission Owners along with a Member self-directed carbon-free resource opportunity. If Members desire an added portion of self-controlled resources, they can add up to 10% nameplate of their overall peak load. Fodor then discussed the changes that had been made to each document based on member feedback. Larry Taylor moved to approve Resolution #24-02-896 approving the form of the new Power Sales Contract and Capacity Purchase Agreement for the period October 1, 2035 through May 31, 2055, seconded by David Coston. The motion carried by unanimous roll call vote.

CFO Chris Wise presented a chart showing that IMEA’s actual average member costs have been consistently under budget over the last ten years except for the two years of the pandemic.

Ordinance #24-02-897 – Adopting Revised Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2024 for the IMEA - CFO Chris Wise reviewed the revised budget pointing out that the MWh sales are projected to be 5.3% lower than the original budget and the average cost to Participating Members is projected to be 3.2% lower than the original budget. Wise further reviewed the operating revenues & expenses and the capital budget. Brian Keys moved for approval of this Ordinance, seconded by Dan Cook. The motion carried by unanimous roll call vote.

Ordinance #24-02-898 – Adopting Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2025 for the IMEA - CFO Chris Wise gave an overview of the upcoming FY2024/25 budget to include total MWh sales projected to be 3.9% higher than the revised FY2024 projection. The average cost to participating members is projected to be approximately 1.8% higher than the FY2024 original budget and 5.2% higher than the FY2024 revised budget. Wise further explained the budget assumptions, operating revenues & expenses and the capital budget. Pat McCarthy moved for approval of this Ordinance, seconded by Jake McCoy. The motion carried by unanimous roll call vote.

CFO Chris Wise presented a chart outlining the Updated Financial Projections for FY2022-FY2028. He also presented a graph showing the effect that transmission costs have had on member average costs specifically the actual cost from years 2014-2023 and the projected cost from years 2024-2028.

Election of Executive Board for FY2024-25 – Chairman Pat Barry of the Nominations & Awards Committee gave a brief summary of the Nominations and Awards Committee's meeting held on February 6, 2023 and presented the recommendations from that meeting. He explained that all of the current Executive Board members are eligible for re-election and wish to remain on the Executive Board except for Larry Taylor due to term limits as well as Dick Simon and Brian Keys who did not request to be reinstated. Barry explained that Pat McCarthy, Mike Kirk and Sue McLaughlin expressed an interest in seeking a nomination for an Executive Board position. The Committee recommended the following slate of officers for the 2024/25 fiscal year:

Cory Sheehy, Marshall as Chairman
Brian Groth, Naperville as Vice Chairman
Dan Cook, Highland as Secretary/Treasurer
Troy Fodor as Assistant Secretary/Treasurer

Pat Barry identified the following Members as being eligible for election/re-election and interested in serving for a one-year term as At-Large Members of the Executive Board:

David Coston, Carmi
Pat McCarthy, Chatham
Sue McLaughlin, Farmer City
John Tolan, Freeburg
Pete Suhr, St. Charles
Mike Kirk, Sullivan

CEO Gaden asked if there were any nominations from the floor for each officer's positions on the Executive Board one at a time beginning with the Chairman position and there were no such nominations from the floor. CEO Gaden asked if there were any nominations from the floor for the Members-At-Large on the Executive Board and there were no such nominations. Pat Barry moved to approve all of the recommendations above as one motion, thereby recommending the slate of the three officers, the six At-Large Members along with Troy Fodor remaining as Assistant Secretary/Treasurer. The motion was seconded by Josh Eckart and the roll call vote showed all in favor. The following slate will serve on the IMEA Executive Board for the 2024/25 fiscal year:

Cory Sheehy, Marshall as Chairman
Brian Groth, Naperville as Vice Chairman
Dan Cook, Highland as Secretary/Treasurer
Troy Fodor as Assistant Secretary/Treasurer
David Coston, Carmi
Pat McCarthy, Chatham
Sue McLaughlin, Farmer City
John Tolan, Freeburg
Pete Suhr, St. Charles
Mike Kirk, Sullivan

CEO Gaden congratulated the slate of Executive Board members for FY24/25 and thanked the current Executive Board Members for their service over the past year. He also stated that all IMEA Board members are always invited to attend and speak at any Executive Board meeting.

Vice Chairman Simon asked for a motion to adjourn the meeting. The motion was made by Larry Taylor, seconded by Dan Cook and carried unanimously by voice vote. The meeting was adjourned at 12:34 p.m.

Respectfully submitted,


Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
BOARD OF DIRECTORS
THURSDAY, FEBRUARY 15, 2024**

MEMBERS PRESENT

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Carlyle	Brad Myers
Carmi	David Coston
Chatham	Patrick McCarthy
Farmer City	Sue McLaughlin
Flora	Bob Coble
Freeburg	John Tolan
Highland	Dan Cook
Ladd	Pat Barry
Mascoutah	Jesse Carlton
Metropolis	Michael Gentry
Oglesby	Rich Baldrige
Princeton	Jeff Mangrich
Rantoul	Jake McCoy
Red Bud	Josh Eckart
Riverton	Jim Mileham
Rock Falls	Dick Simon
Roodhouse	Rich Wallis
St. Charles	Peter Suhr
Waterloo	Tim Birk
Winnetka	Brian Keys

MEMBERS ABSENT

Bushnell	Joe Fosdyck
Cairo	Vacant
Casey	Shelby Biggs
Fairfield	Mayor Gary Moore
Greenup	Mike Ryder
Marshall	Cory Sheehy
Naperville	Brian Groth
Peru	Eric Carls
Sullivan	Mike Kirk

OTHERS PRESENT

IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Alice Schum
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Adam Baker
IMEA	Danny Chung
IMEA	Sean McCarthy
IMEA	Tammy Hall
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Bob Kosner
IMEA	Jon Wygant
Guest	Matt Trout (Freeburg)
Guest	Giovanni McLean (St. Charles)

LISTEN ONLY VIA WEBINAR

IMEA	Shadi Ahanchi
Guest	Maureen Stillman (Naperville)
Guest	Ted Bourlard (Naperville)
Guest	Greg Hubert (Naperville)
Guest	Jean Korte (Highland)

TRAVEL, MEAL AND LODGING EXPENSE REIMBURSEMENT REQUEST FORM
Pursuant to Resolution 17-02-797

The following documentation is submitted to the corporate authorities of the Illinois Municipal Electric Agency for approval of travel expenses as per the requirements of Public Act 99-0604:

- (1) The name of the individual who received or is requesting the travel, meal, or lodging expense and the individual's job title or office.

Name of Employee or Officer

Job Title/Office

- (2) The date or dates and nature of the official business in which the travel, meal, or lodging expense was or will be expended.

- | | | |
|-----|-------------------------------|--|
| (3) | <u>APPA Legislative Rally</u> | <u>February 26 – February 29, 2024</u> |
| | Name of Event or Program | Date(s) of Event or Program |
| | <u>Washington, D.C.</u> | <u>Advocacy</u> |
| | Location of Event or Program | Purpose of Event or Program |

- (4) Cost of travel (estimate): \$700.00
- Cost of meals (estimate): \$220.00
- Cost of lodging (estimate): \$1,550.00

Basis for the estimate: Estimate based on known cost of events and previous similar travel.

Signature

Date

2024 Legislative Rally Attendees

Hon. Kevin Timmermann	City of Breese, IL
Jason Deering	City of Breese, IL
Brad Myers	City of Carlyle, IL
Kevin Rolfingsmeyer	City of Carlyle, IL
Scott Testory	City of Farmer City, IL
Sue McLaughlin	City of Farmer City, IL
Dan Cook	City of Highland, IL
Hon. Kevin Hemann	City of Highland, IL
Cory Sheehy	City of Marshall, IL
Hon. Pat McMahan	City of Mascoutah, IL
Jesse Carlton	City of Mascoutah, IL
Hon. Don Canada	City of Metropolis, IL
Natalie Harris	City of Metropolis, IL
Hon. Jason Curran	City of Oglesby, IL
Hon. Susan Harbaugh	City of Red Bud, IL
Josh Eckart	City of Red Bud, IL
Dick Simon	City of Rock Falls, IL
Larry Hanrahan	City of Rock Falls, IL
Giovani McLean	City of St. Charles, IL
Peter Suhr	City of St. Charles, IL
Hon. Stanley Darter	City of Waterloo, IL
Tim Birk	City of Waterloo, IL
John Tolan	Village of Freeburg, IL
Matt Trout	Village of Freeburg, IL
Pat Barry	Village of Ladd, IL

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, APRIL 24, 2024

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on April 24, 2024. Chairman Cory Sheehy called the meeting to order at 2:00 p.m. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

The Report of February 14, 2024 was moved for approval by Dan Cook and seconded by Larry Taylor. The motion carried by unanimous roll call vote.

Opportunity for Public Comment: Chairman Cory Sheehy stated that pursuant to the Open Meetings Act, any person attending this meeting shall be permitted an opportunity to comment. Questions during the rest of the meeting are reserved for Board members. He then asked if anyone from the public would like to make a comment. Hearing none, Chairman Sheehy proceeded with the meeting.

OLD BUSINESS

Update on Solar Projects – Eric Weinant explained that IMEA is partnering with SolAmerica to take advantage of USDA PACE forgivable loans for behind the meter solar projects in four IMEA communities; Carmi, Highland, Metropolis and Rantoul. The original solar site in Rantoul was deemed unfeasible so SolAmerica is looking at other IMEA communities for a potential solar site. He stated that SolAmerica believes that the USDA would allow SolAmerica to transfer the project funding for the Rantoul site to another IMEA member site as long as the same criteria is met, although the USDA's timeline on reviewing documents, obtaining conditional approval along with the NEPA review is unknown. Weinant reported that there are still outstanding issues with the SolAmerica proposed changes to the Power Purchase Agreement; however, IMEA Staff continues to work on getting those resolved. He stated that the next steps would include getting approval from the cities on edits to the Interconnection and Siting Agreements. At that time, SolAmerica would submit those documents for USDA review and approval and then the final agreements could be executed.

Weinant reported that the Power Purchase Agreements for the Marshall, Princeton and Oglesby projects had been executed with Altorfer and IMEA Staff held kickoff meetings in each town. The agreements for interconnection and siting as well as zoning approvals and easements/licenses are in the process of being executed. He stated that the contractor plans to apply the pollinator seed mix to the sites and has been ordering equipment. The prep work on the sites for construction is expected to start in the June/July time frame with an expected completion date by the end of the year.

Regarding utility-scale projects, Weinant reported that power purchase agreement prices continue to increase due to higher labor costs, higher insurance premiums due to storm and hail damage, the limited number of EPC contractors along with increased solar panel module costs. He explained that due to higher interest rates over the past few years, the cost of capital to vendors has increased. The interconnection costs plus the transmission owner's return on investment have become factors as well as the loss of reactive power revenue. Weinant discussed that in order to remain in compliance with the IMEA Sustainability Plan, IMEA Staff is seeking to contract for 100 MW of solar by the end of 2026. IMEA Staff is currently in talks with a qualified developer that has a project in Illinois and will continue to update the Board if these negotiations progress. If this project looks promising, IMEA Staff would request approval of a term sheet in June with a formal contract approval at the August Board meeting.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- PJM Winter Storm Elliott Penalties and Settlement (Docket No. ER23-2975) – He provided the final numbers regarding the dollar amounts for the penalty, performance payment and the net amount that IMEA has received.
- PJM Filing for Waiver to Delay 2025/2026 Base Residual Auction (Docket ER24-1242) – Filed February 24, 2024, PJM sought a 35-day delay to July 17, 2024 citing time needed to implement its new marginal effective load carrying capability accreditation methodology. FERC approved this filing on February 26, 2024.
- PJM Capacity Auction - On March 12, 2024, the US Court of Appeals for the Third Circuit vacated FERC's decision to allow PJM to change its capacity market rules in the middle of its last auction. PJM is recalculating auction clearing prices for 2024/25. This did not affect IMEA's prices.
- FERC Notice of Proposed Rulemaking on Compensation for Reactive Power (Docket RM22-2-00) – Issued March 21, 2024, FERC proposes to eliminate all compensation for reactive power within the standard power factor range (plus or minus 95%). This pertains to all transmission systems under FERC jurisdiction. MISO already does not pay for reactive power.
- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. On April 22, 2024, FERC staff issued a second Deficiency Letter to MISO. MISO will answer the questions from FERC staff so anticipate a several month delay for any decision from FERC on the matter.
- MISO Resource Accreditation filing (Docket No., ER24-1638) – Filed on March 29, 2024, MISO wants to change how it calculates capacity credits for generators. MISO wants to award capacity based on class-average future performance of generators, but is classifying natural gas and oil generation in a single class. This could reduce how much capacity IMEA is awarded for its dual-fuel and oil-fired generators and how much IMEA is paid for running them. IMEA intends to intervene and will file a protest by the Monday, April 29 deadline.
- Ameren Illinois Depreciation Filing (Docket Nos. EL23-2445) – Filed July 20, 2023, Ameren filed to change individual line-item depreciation rates. FERC set the matter for trial, but suspended the trial phase for settlement negotiations. The settlement phase is ongoing.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. Written comments from CWLP have been received including revised

language for operating procedures. Upon final approval of the operating procedures, Chatham will formally begin the registration process with SERC. IMEA will then make its filing to withdraw as the distribution provider for Chatham.

- Inherent Risk Assessment – IMEA received notice from SERC seeking IMEA to complete an Inherent Risk Assessment of reliability compliance in early April. The initial questionnaire responses were submitted on April 19, 2024.

NEW BUSINESS

CEO Gaden announced that today was a very important day in IMEA's history reporting that 10 IMEA members had already approved all of the contract documents keeping IMEA as their wholesale power supplier until 2055. He stated that several more members have plans to approve contracts in their May-June 2024 City Council meetings. He thanked all those members for their confidence in IMEA to provide reliable, affordable and sustainable power supply to their communities for many decades to come.

Resolution #24-04-900 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Princeton for the Period Beginning October 1, 2035 Through May 31, 2055 – CEO Gaden stated that the City of Princeton unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their March 18th City Council meeting. Dick Simon moved to recommend the approval of Resolution #24-04-900 to the full Board at tomorrow's Board meeting. The motion was seconded by Brian Keys and carried by unanimous roll call vote.

Resolution #24-04-901 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Casey for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Casey unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their March 18th City Council meeting. Pete Suhr moved to recommend the approval of Resolution #24-04-901 to the full Board at tomorrow's Board meeting. The motion was seconded by Dick Simon and carried by unanimous roll call vote.

Resolution #24-04-902 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Marshall for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Marshall unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 8th City Council meeting. Larry Taylor moved to recommend the approval of Resolution #24-04-902 to the full Board at tomorrow's Board meeting. This motion was seconded by Brian Groth and carried by unanimous roll call vote with the exception of the abstention by the City of Marshall.

Resolution #24-04-903 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Altamont for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Altamont unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 8th City Council meeting. Brian Keys moved to recommend the approval of Resolution #24-04-903 to the full Board at tomorrow's Board meeting. The motion was seconded by Pete Suhr and was carried by unanimous roll call vote with the exception of the abstention by the City of Altamont.

Resolution #24-04-904 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Bushnell for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Bushnell unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 1st City Council meeting. Brian Groth moved to recommend the approval of Resolution #24-04-904 to the full Board at tomorrow’s Board meeting. The motion was seconded by Cory Sheehy and carried by unanimous roll call vote.

Resolution #24-04-905 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Flora for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Flora unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 1st City Council meeting. Larry Taylor moved to recommend the approval of Resolution #24-04-905 to the full Board at tomorrow’s Board meeting. The motion was seconded by Brian Keys and carried by unanimous roll call vote.

Resolution #24-04-906 – Accepting and Approving New Power Sales Contract for the Village of Greenup for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Greenup unanimously approved the IMEA Power Sales Contract at their April 1st Village Board meeting. Pete Suhr moved to recommend the approval of Resolution #24-04-906 to the full Board at tomorrow’s Board meeting. The motion was seconded by Brian Keys and carried by unanimous roll call vote.

Resolution #24-04-907 – Accepting and Approving New Power Sales Contract for the City of Roodhouse for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Roodhouse unanimously approved the IMEA Power Sales Contract at their April 10th City Council meeting. Dick Simon moved to recommend the approval of Resolution #24-04-907 to the full Board at tomorrow’s Board meeting. This motion was seconded by Brian Groth and carried by unanimous roll call vote.

Resolution #24-04-908 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the Village of Rantoul for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Rantoul unanimously approved the IMEA Power Sales Contract and the Capacity Purchase Agreement at their April 9th Village Board meeting. Pete Suhr moved to recommend the approval of Resolution #24-04-908 to the full Board at tomorrow’s Board meeting. The motion was seconded by Cory Sheehy and carried by unanimous roll call vote.

Resolution #24-04-909 – Accepting and Approving New Power Sales Contract for the City of Oglesby for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Oglesby unanimously approved the IMEA Power Sales Contract at their April 15th City Council meeting. Dick Simon moved to recommend the approval of Resolution #24-04-909 to the full Board at tomorrow’s Board meeting. This motion was seconded by Larry Taylor and carried by unanimous roll call vote.

Resolution #24-04-910 – Approving Execution of Wholesale Connection Agreement and Construction Agreement with Ameren Illinois Company for the City of Oglesby – General Counsel Troy Fodor explained that Ameren is requiring a separate Wholesale Connection Agreement (WCA) with each of the IMEA members whose electric distribution system is directly connected to Ameren’s wholesale distribution system. The WCA sets forth terms and conditions (i) for the connection, operation and maintenance of the Member’s system and the Ameren system as each affects or may affect the other, (ii) for the connection, operation and maintenance of the connection facilities; and (iii) to define the

responsibilities and obligations of the parties to coordinate such connection, operation, and maintenance. Fodor stated that IMEA will be a signatory to the Wholesale Connection Agreement as the bundled power and delivery service provider for the Member. Fodor then explained that Ameren is requiring a Construction Agreement with Oglesby that contains the terms and conditions for the construction of and financial obligation associated with the interconnection and new Delivery Point. He stated that IMEA will be a signatory to the Wholesale Construction Agreement as the bundled power and delivery service provider for the Member. Fodor reported that IMEA Staff has negotiated the Wholesale Connection Agreement and the Construction Agreement with Ameren and recommends that the IMEA Board and the City Council of the City of Oglesby approve and execute said agreements. This Resolution accepts and approves the Wholesale Connection Agreement and the Construction Agreement with Ameren and authorizes the President & CEO of IMEA to execute them, subject to approval by the City of Oglesby. Dick Simon moved to recommend the approval of Resolution #24-04-910 to the full Board at tomorrow's Board meeting. The motion was seconded by Dan Cook and carried by unanimous roll call vote.

CEO Gaden discussed a member rate savings opportunity that will be available in early 2025 by refinancing the 2015A outstanding bonds. He explained that preliminary projections show significant savings to members for the last 10 years of system debt. This refinancing does not extend IMEA's debt obligation beyond 2035 and will not obligate any future debt beyond the current contract. He also reported that IMEA's current credit line expires on October 31, 2025 and that PNC has offered the same terms as the existing line of credit through October 31, 2027. This would ensure IMEA's line of credit has been extended prior to the refinancing of the bonds. He stated that authorization for this extension would be sought in the June 2024 IMEA Board meeting. IMEA Staff recommends using Public Finance Management (PFM) to assist as financial advisors with both of these endeavors.

Resolution #24-04-911 – Retaining PFM Financial Advisors LLC to Serve as Financial Advisor for IMEA – CEO Gaden reported that IMEA has used the services of PFM since 2013 and Mike Mace continues to be the primary point of contact. PFM is a nationally known advisor that serves many credit needs similar to IMEA throughout the country. He explained that PFM had a corporate structure change that is seeking to get all customer's engagement agreements updated. This Resolution approves authorizing the CEO to execute PFM Financial Advisor Professional Services Contract. Dan Cook moved to recommend the approval of Resolution #24-04-911 to the full Board at tomorrow's Board meeting. The motion was seconded by Brian Groth and carried by unanimous roll call vote.

Resolution #24-04-912 – Establishing the Schedule of Meetings for the 2024-2025 Fiscal Year - CEO Kevin Gaden reviewed the IMEA Executive Board/Board of Director's meeting schedule for the upcoming fiscal year. Larry Taylor moved to recommend the approval of this Resolution to the full Board at tomorrow's Board meeting. The motion was seconded by Cory Sheehy and the roll call vote showed unanimous approval.

Committee and OMA/FOIA Officer Appointments – CEO Gaden presented the committee appointments for the next fiscal year based upon the recommendations from Chairman Sheehy for the Board's review and approval. Gaden also recommended that Troy Fodor and Staci Wilson continue as the Freedom of Information Act (FOIA) and Open Meetings Act (OMA) officers. Dick Simon moved to recommend the approval of the committee appointments for upcoming FY 2024-25 and that Troy

Fodor and Staci Wilson remain as the OMA/FOIA officers to the full Board at tomorrow's Board meeting. The motion was seconded by Brian Keys and the roll call vote showed unanimous approval.

CEO Gaden congratulated the slate of Executive Board members for FY24/25 and thanked the current Executive Board Members for their service over the past year. He also stated that all IMEA Board members are always invited to attend and speak at any Executive Board meeting.

Chairman Cory Sheehy asked for a motion to adjourn the meeting. The motion was made by Dick Simon, seconded by Larry Taylor and carried unanimously by voice vote. The meeting was adjourned at 3:14 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "J. Fodor", written over a horizontal line.

Assist. Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, APRIL 24, 2024**

MEMBERS PRESENT

Altamont	Larry Taylor
Freeburg	John Tolan
Highland	Dan Cook
Marshall	Cory Sheehy
Naperville	Brian Groth
Rock Falls	Dick Simon
St. Charles	Peter Suhr
Winnetka	Brian Keys

MEMBERS ABSENT

Carmi David Coston (via webinar)

OTHERS PRESENT

Breese	Jason Deering
Chatham	Pat McCarthy
Rantoul	Jake McCoy
Sullivan	Mike Kirk
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Alice Schum
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Danny Chung
IMEA	Sean McCarthy
IMEA	Tammy Hall
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Cindy Evans
IMEA	Ed Cobau
IMEA	Tia Horn
IMEA	Mandy Ripperda
IMEA	Jonathon Wygant
Guest	Raheel Arshed (Naperville)

LISTEN ONLY VIA WEBINAR

Carmi	David Coston
Flora	Bob Coble
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Guest	Greg Hubert (Naperville)

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF BOARD OF DIRECTORS MEETING

THURSDAY, APRIL 25, 2024

A regularly scheduled meeting of the Board of Directors of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on April 25, 2024. Chairman Cory Sheehy called the meeting to order at 10:00 am and all attendees participated in the Pledge of Allegiance. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

CEO Kevin Gaden introduced guests in the audience which included Larry Hanrahan from Rock Falls, Gio McLean from St. Charles and Raheel Arshed from Naperville.

Brian Keys, seconded by Brian Groth, moved for approval of the minutes of February 15, 2024. The motion carried by unanimous roll call vote.

Opportunity for Public Comment – Chairman Sheehy stated that pursuant to the Open Meetings Act, any person attending this meeting in person shall be permitted an opportunity to comment. He then asked if anyone from the public would like to make a comment. Hearing no requests for public comment, Chairman Sheehy proceeded with the meeting.

Treasurer's Report – Chris Wise reported on the February 2024 financials stating that actual member power costs are 3.7% under original budget, year to date, and the MWh sales to members is 5.4% below original budget. He reviewed March invoices and gave projections regarding the April invoices that will be sent out on May 10th. Wise gave a projected year-end summary stating that the average cost is projected to be 3.8% below original budget that was approved in February 2023. He also stated that the average cost excluding transmission is projected to be 5.0% less than it was for FY2013/2014 and that IMEA continues to be consistently under budget on average cost. Regarding a Rating Agency update, Wise reported that there have not been any updates since the last Board meeting and that IMEA ratings remain high and stable. With there being no questions, Dan Cook moved to approve the Treasurer's Report, seconded by Pat McCarthy. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden announced that today was a very important day in IMEA's history reporting that 10 IMEA members had already approved all of the contract documents keeping IMEA as their wholesale power supplier until 2055. He stated that several more members have plans to approve contracts in their May-June 2024 City Council meetings. He thanked all those members for their confidence in IMEA to provide reliable, affordable and sustainable power supply to their communities for many decades to come.

CEO Gaden gave an update on staffing transitions which included Alice Schum retiring at the end of May with Mandy Ripperda replacing her as VP of Electric Operations. Sean McCarthy will become the Manager of Electric Operations as Jon Wygant is now serving as the Energy Services Representative. He reported that Cindy Evans is retiring at the end of April with Tia Horn replacing her as the Senior Accountant. Katherine Nelson has taken over the Staff Accountant position and she will be the new IPEA Member Billing/Accounting contact. Gaden congratulated Cindy and Alice and thanked them for their combined 50 years of service. He also stated that Staci Wilson will become the VP of Government Affairs and Member Services when Mike Genin retires in January 2025. Staff will begin the search for a media communications person with legislative experience to join the Member Services Department by the end of May with plans to fill the position in August 2024.

CEO Gaden discussed a member rate savings opportunity that will be available in early 2025 by refinancing the 2015A outstanding bonds. He explained that preliminary projections show significant savings to members for the last 10 years of system debt. This refinancing does not extend IMEA's debt obligation beyond 2035 and will not obligate any future debt beyond the current contract. He also reported that IMEA's current line of credit expires on October 31, 2025 and that PNC has offered the same terms as the existing line of credit through October 31, 2027. This would ensure IMEA's line of credit has been extended prior to the refinancing of the bonds. He stated that authorization for this extension would be sought in the June 2024 IMEA Board meeting. IMEA Staff recommends using Public Finance Management (PFM) to assist as financial advisors with both of these endeavors.

CEO Gaden stated that the recent adoption of the ICC study of "Future of Natural Gas" will have impacts on the industry and reviewed the price volatility of natural gas during Storm Heather over the 2024 Martin Luther King holiday weekend.

Lastly, CEO Gaden reported on a successful APPA Legislative Rally in late February wherein IMUA sponsored 4 resolutions. He co-presented on 2 resolutions: importance of risk-based grid security standards and importance of affordable and reliable natural gas. He stated that he had participated in visits with all 3 FERC Commissioners and pointed out that Commissioner Clements' term ends in June 2024 and she is not seeking renomination. Gaden noted that APPA members had shared industry concerns with FERC including transmission buildout and cost significance, recognizing the need for a systematic energy transition, along with concerns regarding reliability and volatility of gas prices during winter storms.

Legislative & Regulatory Update – Staci Wilson discussed HB 5315 which deals with net metering with regard to rooftop solar. The sponsor of this bill did not call the bill for vote and it has been re-referred to the House Rules Committee. She also discussed HB 5021 and SB 3637 which would implement transparency requirements that would require electric municipal systems, co-ops, and municipal power agencies to file integrated resource plans with the Illinois Power Agency and adhere to a renewable portfolio standard. This bill also changes net metering requirements to match the investor-owned utilities. Wilson stated that HB 5021 went into Subcommittee and SB 3637 was re-referred to Rules. She reported that SB 3597 pertains to the Climate Bank Loan Financing Act and allows governmental units to borrow from the Illinois Finance Authority (IFA) for purposes of clean energy infrastructure projects. This bill also allows governmental units to issue debt to evidence their obligation to repay loans from the IFA. She noted that the IFA envisions lending federal funds to

governmental units for clean infrastructure projects at attractive rates and conditions and would be structured similar to the IEPA State Water Revolving Fund. IMUA is supportive of this legislation.

Wilson reported on the Federal Grid Resilience Grant (40101(d)) explaining that IMEA had received IMUA approval to pursue a grant from the Illinois Finance Authority (IFA) for an Emergency Equipment Share Program for mutual aid. Wilson reported that staff had worked with the Illinois Finance Authority (IFA) to prepare a federal grant proposal along with IMUA and the Association of Electric Cooperatives to be a sub-grantee of the proposal for the Grid Resilience Formula grant. The IFA was awarded the federal grant and now IMUA can apply to the IFA for a local grant. IMUA is applying for funding for an emergency equipment share program to provide an inventory of critical distribution system equipment for municipal utilities to draw upon during emergency outages. She reported that a Request for Information (RFI) was issued by the Illinois Finance Authority (IFA) Climate Bank. Staff responded to the offer from the State organization. Wilson explained that after the RFI process, the IFA will be issuing a Request for Projects (the bidding process to receive funds for the project) which is expected soon. She thanked the IMUA members in the working group which include Freeburg, Batavia, Springfield CWLP, Highland and Princeton. Wilson explained the concept would be to have one central location in Springfield with land provided by CWLP that would house transformers, poles, cross arms and a backyard machine. She reported there would be matching funds involved, although that amount has not been determined yet. There is a potential for this cost to be an additional member service cost that IMEA and IMUA members would pay separately.

OLD BUSINESS

Operations – Alice Schum gave an update on the PJM Regional Transmission Organization stating that all required annual recertifications were completed by their deadlines. IMEA's current Risk Management Policy was submitted by the April 15th deadline to PJM, although beginning this year, PJM is requiring Market Participants include Anti-Money Laundering and Know Your Customer language in their policies. She reported that IMEA is continuing discussions with PJM for clarification on what exactly they need. She also explained that PJM is working to mitigate renewable dispatch curtailment flags. PJM states resources should be updating economic limits between 4-12 times an hour as a best practices and that resources should follow PJM's Security Constrained Economic Dispatch signal (SCED) and not independently following real time pricing which is LMP. The Curtailment Flag Indicator sent by PJM will be going away at the end of summer/early fall 2024. This flag is for both economic and reliability curtailments and IMEA does not pay "deemed energy" for curtailments implemented by PJM due to reliability.

The 2024/2025 Planning Year starts on June 1st of this year. PJM filed to change the tariff during this delay due to the Delmarva South (DPL zone) clearing high and FRC approved the change. This auction was held December 7-13, 2022 with the delayed results not posting until February 2023. This was delayed while PJM staff attempted to recalculate the results. The request to recalculate the results was approved by FERC with many appeals following. The United States Court of Appeals for the Third Circuit ruled in favor of the appeal meaning the original results of the Base Residual Auction would stand and that PJM had to repost original auction results. Schum stated that this has no change to IMEA's capacity cost in PJM. PJM has requested FERC approval to re-run the 3rd Incremental Auction (IA) which closed in February of this year. If approved, PJM plans to open the 3rd Incremental Auction for one week in May, but the exact week is still to be determined. She presented an updated

Capacity Auction schedule; however, not included in the chart was the rerunning of the 3rd Incremental Auction in May of this year. The Base Residual Auction schedule is not scheduled to be back to the 3-year forward auction with 3 incremental auctions until the 2029/2030 Planning Year with that auction scheduled to be held in May 2026.

Mandy Ripperda gave an update on the MISO Regional Transmission Organization stating that the Planning Resource Auction (PRA) window was open from March 26-29 and that results are expected to post on April 26. She stated that MISO annual certification and disclosure forms were due on April 30th and have been completed. Ripperda also explained that the Organization of MISO States and MISO conduct an annual, voluntary survey to assess available resource capacity to serve projected load over the next 5 years. Long term studies show MISO being short by 9,500 MW by the summer of 2028. Ripperda stated that URGE testing dates were emailed in March and that Operations would provide testing times about one week before the test dates. She reported that Winnetka's steam unit #4 had retired on April 1. She reminded members to prepare their staff and facilities for a call from IMEA regarding a summer readiness drill and that IMEA will host a Summer Emergency Preparedness webinar on June 4 at 10:00 am.

Regarding Operations, Ripperda reported that letters will be sent out soon to members regarding load forecasting. Staff is requesting more insight into any new significant load growth, significant changes in existing businesses, load management/demand response programs, energy efficiency programs, new residential subdivisions along with new rooftop solar installations by customers. She stated that Operations Staff had participated in PJM Operator Seminars and MISO Market Capacity Emergency drills. She also encouraged power plant personnel to attend the breakout session at the annual conference on May 10th which will review generation, fuel reports/reimbursements and RTO emergencies. Lastly, Ripperda stated that work continues on the staff transition in Operations and wished Alice well in her retirement.

Trimble County (TC): Rakesh Kothakapu reported the following:

- There was a reportable incident in March at the plant involving a contractor who slipped on stairs. The area appeared well lit with no safety hazards. The plant performance through March 2024 shows the EAF was $\approx 96.98\%$ and the EFOR was $\approx 0.22\%$, both year to date. The TC Staff continues to evaluate options for the stack replacement. They are working on the preliminary design to gain construction proposals to build a new stack for both units. The detailed scope and construction timeline of the project will be known later in the summer. The proposed construction for the stack is scheduled to begin in the fall with an expected project completion date in 2027. The Effluent Limitation Guidelines (ELG) project is currently online and operational. TC Staff will be complying with the current ELG rule 18 months ahead of the December 1, 2025 compliance deadline. The construction permit has been extended to meet the federal deadline.

Prairie State (PSGC): Rakesh Kothakapu reported the following activities:

- A PSGC employee slipped in the parking lot in January and as a result, the employee had a hairline fracture. While this is a reportable incident, there has been no loss of time related to this accident. Both projects continue to emphasize safety and continue to encourage employees and contractors to report near misses. Plant performance through March 2024 showed the EAF was $\approx 94.8\%$ and the

EFOR was ≈5.1%, both year to date. Unit 1 and 2 achieved the 2nd best plant availability year to date since commercial operation. Unit 1 had a brief outage in March due to de-slugging of a boiler and Unit 2 had no outages for the entire month of March. He gave an update on EPA issues stating that since January of 2022, PSGC has provided voluminous data to the US EPA in response to a Section 114a data request. The US EPA also issued a Notice of Violation alleging Prairie State under injected hydrated lime and as a result the unit was not in compliance. In March, US EPA notified PSGC that no further information was needed related to the Section 114a request. This closes out the initial request for information that started in early 2022. The US EPA has also communicated that the notice of violation issued regarding under injecting of hydrated lime has now been resolved. There has been no update on the carbon capture since last reported and there is no commitment from PSGC or its owners at this time.

Local Transmission and Generation – Rakesh Kothakapu reported on the following:

- Winnetka – Steam Unit – IMEA received official notice from Winnetka in February that Unit 4 is no longer in service and is retired. The unit was on forced outage since July 12, 2023 and unavailable for dispatch, therefore, they were no longer getting paid. The unit no longer receives capacity credits per the Member Generation Policy. Winnetka also cancelled the capital projects work on Unit 7 along with retubing sections of the boiler with plans to retire the entire steam unit by 2027.
- Winnetka – Wholesale Distribution Charges (WDC) – IMEA Staff is working with ComEd and Winnetka to resolve one remaining issue regarding the WDC prior to ComEd filing it with FERC. Unresolved issues can be challenged at FERC if needed.
- Oglesby – Wholesale Connection Agreement (WCA) and Construction Agreement (CA) – IMEA Staff will be seeking approval for Oglesby today. The WCA is a three-party agreement between the members, Ameren and IMEA. IMEA Staff will review the WCA with individual members regarding specific issues that may apply to their community. This will allow IMEA to try and seek any exemptions if needed. IMEA Staff plans to host a webinar to cover general WCA topics.
- Princeton/Peru – 138 kV Project – Ameren's ATXI division, IMEA Staff and both cities met in early March to discuss the proposed project. This project will allow Peru to gain a 138kV connection and will reduce the exposure on the radial 138kV delivery point in Princeton. The project has to be approved by MISO through the MTEP transmission approval process and this will likely happen in December of 2025. This process is followed by several steps at the ICC and the project will not be online until the 2028/2029 timeframe.

At that time, CEO Gaden discussed the possibility of becoming a minority transmission owner (TO) of facilities. Since transmission cost increases continue to affect IMEA rates, he explained that this is a potential opportunity for IMEA members to offset transmission rate increases by earning a rate of return on facilities that are used to supply IMEA members or other regional supply needs. Gaden explained that IMEA would provide funds to the primary transmission developer, Ameren. IMEA would have joint ownership and all the investment would be recovered through the MISO transmission funding process (MISO Attachment O). IMEA Staff would prepare and settle out MISO and Ameren accounting for cost recovery plus margins. Among issues to overcome, Gaden discussed the cost/funding obligations, the length of time of those obligations along with short and long-term staffing needs. He stated that Illinois statutory authority appears to be present in the IMEA statute. IMEA Staff would create a mechanism for contractual logistics for members and how to engage in binding

negotiations and agreements with Ameren and RTOs. Gaden requested feedback from the members if they support the IMEA Staff to complete the review and research needed to ultimately become a minority transmission owner. Discussion ensued and it was the consensus from Board members that it was definitely worth investigating this opportunity and specifically Princeton and Peru expressed desire and support for IMEA to pursue becoming a transmission owner. The Board will be kept updated as this process proceeds.

Update on Solar Projects – Eric Weinant explained that IMEA is partnering with SolAmerica to take advantage of USDA PACE forgivable loans for behind the meter solar projects in four IMEA communities; Carmi, Highland, Metropolis and Rantoul. The original solar site in Rantoul was deemed unfeasible so SolAmerica is looking at other IMEA communities for a potential solar site. He stated that SolAmerica believes that the USDA would allow SolAmerica to transfer the project funding for the Rantoul site to another IMEA member site as long as the same criteria is met, although the USDA's timeline on reviewing documents, obtaining conditional approval along with the NEPA review is unknown. Weinant reported that there are still outstanding issues with the SolAmerica proposed changes to the Power Purchase Agreement; however, IMEA Staff continues to work on getting those resolved. He stated that the next steps would include getting approval from the cities on edits to the Interconnection and Siting Agreements. At that time, SolAmerica would submit those documents for USDA review and approval and then the final agreements could be executed.

Weinant reported that the Power Purchase Agreements for the Marshall, Princeton and Oglesby projects had been executed with Altorfer and IMEA Staff held kickoff meetings in each town. The agreements for interconnection and siting as well as zoning approvals and easements/licenses are in the process of being executed. He stated that the contractor plans to apply the pollinator seed mix to the sites and has been ordering equipment. The prep work on the sites for construction is expected to start in the June/July time frame with an expected completion date by the end of the year.

Regarding utility-scale projects, Weinant reported that power purchase agreement prices continue to increase due to higher labor costs, higher insurance premiums due to storm and hail damage, the limited number of EPC contractors along with increased solar panel module costs. He explained that due to higher interest rates over the past few, the cost of capital to vendors has increased. The interconnection costs plus the transmission owner's return on investment have become factors as well as the loss of reactive power revenue. Weinant discussed that in order to remain in compliance with the IMEA Sustainability Plan, IMEA Staff is seeking to contract for 100 MW of solar by the end of 2026. IMEA Staff is currently in talks with a qualified developer that has a project in Illinois and will continue to update the Board if these negotiations progress. If this project looks promising, IMEA Staff would request approval of a term sheet in June with a formal contract approval at the August Board meeting.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- PJM Winter Storm Elliott Penalties and Settlement (Docket No. ER23-2975) – He provided the final numbers regarding the dollar amounts for the penalty, performance payment and the net amount that IMEA has received.
- PJM Filing for Waiver to Delay 2025/2026 Base Residual Auction (Docket ER24-1242) – Filed February 24, 2024, PJM sought a 35-day delay to July 17, 2024 citing time needed to implement its

new marginal effective load carrying capability accreditation methodology. FERC approved this filing on February 26, 2024.

- PJM Capacity Auction - On March 12, 2024, the US Court of Appeals for the Third Circuit vacated FERC's decision to allow PJM to change its capacity market rules in the middle of its last auction. PJM is recalculating auction clearing prices for 2024/25. This did not affect IMEA's prices.
- FERC Notice of Proposed Rulemaking on Compensation for Reactive Power (Docket RM22-2-00) – Issued March 21, 2024, FERC proposes to eliminate all compensation for reactive power within the standard power factor range (plus or minus 95%). This pertains to all transmission systems under FERC jurisdiction. MISO already does not pay for reactive power.
- Ameren Illinois Depreciation Filing (Docket Nos. EL23-2445) – Filed July 20, 2023, Ameren filed to change individual line-item depreciation rates. FERC set the matter for trial, but suspended the trial phase for settlement negotiations. The settlement phase is ongoing.
- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. On April 22, 2024, FERC staff issued a second Deficiency Letter to MISO. MISO will answer the questions from FERC staff so anticipate a several month delay for any decision from FERC on the matter.
- MISO Resource Accreditation filing (Docket No., ER24-1638) – Filed on March 29, 2024, MISO wants to change how it calculates capacity credits for generators. MISO wants to award capacity based on class-average future performance of generators, but is classifying natural gas and oil generation in a single class. This could reduce how much capacity IMEA is awarded for its dual-fuel and oil-fired generators and how much IMEA is paid for running them. IMEA intends to intervene and will file a protest by the Monday, April 29 deadline.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. Written comments from CWLP have been received including revised language for operating procedures. Upon final approval of the operating procedures, Chatham will formally begin the registration process with SERC. IMEA will then make its filing to withdraw as the distribution provider for Chatham.
- Inherent Risk Assessment – IMEA received notice from SERC seeking IMEA to complete an Inherent Risk Assessment of its reliability compliance in early April. The initial questionnaire responses were submitted on April 19, 2024.

NEW BUSINESS

CEO Gaden announced that today was a very important day in IMEA's history reporting that 10 IMEA members had already approved all of the contract documents keeping IMEA as their wholesale power supplier until 2055. He stated that several more members have plans to approve contracts in their May-June 2024 City Council meetings. He thanked all those members for their confidence in IMEA to provide reliable, affordable and sustainable power supply to their communities for many decades to come.

Resolution #24-04-900 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Princeton for the Period Beginning October 1, 2035 Through May 31, 2055
– The City of Princeton unanimously approved the IMEA Power Sales Contract and Capacity Purchase

Agreement at their March 18th City Council meeting. Larry Taylor moved to approve Resolution #24-04-900. The motion was seconded by Mike Kirk and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Princeton.

Resolution #24-04-901 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Casey for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Casey unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their March 18th City Council meeting. Dan Cook moved to approve Resolution #24-04-901. The motion was seconded by Dick Simon and carried by unanimous weighted roll call vote.

Resolution #24-04-902 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Marshall for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Marshall unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 8th City Council meeting. Brian Keys moved to approve Resolution #24-04-902. This motion was seconded by Pete Suhr and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Marshall.

Resolution #24-04-903 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Altamont for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Altamont unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 8th City Council meeting. Pat McCarthy moved to approve Resolution #24-04-903. The motion was seconded by Brian Keys and was carried by unanimous weighted roll call vote with the exception of the abstention by the City of Altamont.

Resolution #24-04-904 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Bushnell for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Bushnell unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 1st City Council meeting. Dick Simon moved to approve Resolution #24-04-904. The motion was seconded by Brian Groth and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Bushnell.

Resolution #24-04-905 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Flora for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Flora unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 1st City Council meeting. Larry Taylor moved to approve Resolution #24-04-905. The motion was seconded by Tim Birk and carried by unanimous weighted roll call vote.

Resolution #24-04-906 – Accepting and Approving New Power Sales Contract for the Village of Greenup for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Greenup unanimously approved the IMEA Power Sales Contract at their April 1st Village Board meeting. Josh Eckart moved to approve Resolution #24-04-906. The motion was seconded by Brian Groth and carried by unanimous weighted roll call vote.

Resolution #24-04-907 – Accepting and Approving New Power Sales Contract for the City of Roodhouse for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Roodhouse unanimously approved the IMEA Power Sales Contract at their April 10th City Council meeting. Pete

Suhr moved to approve Resolution #24-04-907. This motion was seconded by Pat McCarthy and carried by unanimous weighted roll call vote.

Resolution #24-04-908 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the Village of Rantoul for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Rantoul unanimously approved the IMEA Power Sales Contract and the Capacity Purchase Agreement at their April 9th Village Board meeting. Brian Groth moved to approve Resolution #24-04-908. The motion was seconded by Pete Suhr and carried by unanimous weighted roll call vote including an audible response of support from the City of Oglesby because the voting system had not recognized his vote at that moment.

Resolution #24-04-909 – Accepting and Approving New Power Sales Contract for the City of Oglesby for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Oglesby unanimously approved the IMEA Power Sales Contract at their April 15th City Council meeting. Dave Coston moved to approve Resolution #24-04-909. This motion was seconded by Tim Birk and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Oglesby.

Resolution #24-04-910 – Approving Execution of Wholesale Connection Agreement and Construction Agreement with Ameren Illinois Company for the City of Oglesby – General Counsel Troy Fodor explained that Ameren is requiring a separate Wholesale Connection Agreement (WCA) with each of the IMEA members whose electric distribution system is directly connected to Ameren’s wholesale distribution system. The WCA sets forth terms and conditions (i) for the connection, operation and maintenance of the Member’s system and the Ameren system as each affects or may affect the other, (ii) for the connection, operation and maintenance of the connection facilities; and (iii) to define the responsibilities and obligations of the parties to coordinate such connection, operation, and maintenance. Fodor stated that IMEA will be a signatory to the Wholesale Connection Agreement as the bundled power and delivery service provider for the Member. Fodor then explained that Ameren is also requiring a Construction Agreement with Oglesby that contains the terms and conditions for the construction of and financial obligation associated with the interconnection and new Delivery Point. He stated that IMEA will be a signatory to the Construction Agreement as the bundled power and delivery service provider for the Member. Fodor reported that IMEA Staff has negotiated the Wholesale Connection Agreement and the Construction Agreement with Ameren and recommends that the IMEA Board and the City Council of the City of Oglesby approve and execute said agreements. This Resolution accepts and approves the Wholesale Connection Agreement and the Construction Agreement with Ameren and authorizes the President & CEO of IMEA to execute them, subject to approval by the City of Oglesby. Eric Carls moved to approve Resolution #24-04-910. The motion was seconded by Larry Taylor and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Oglesby.

Resolution #24-04-911 – Retaining PFM Financial Advisors LLC to Serve as Financial Advisor for IMEA – CEO Gaden reported that IMEA has used the services of PFM since 2013 and Mike Mace continues to be the primary point of contact. PFM is a nationally known advisor that serves the credit needs similar to IMEA throughout the country. He explained that PFM had a corporate structure change and is seeking to get all customer’s engagement agreements updated. This Resolution approves authorizing the CEO to execute PFM Financial Advisor Professional Services Contract. Pat McCarthy

moved to approve Resolution #24-04-911. The motion was seconded by Mike Kirk and carried by unanimous roll call vote.

Resolution #24-04-912 – Establishing the Schedule of Meetings for the 2024-2025 Fiscal Year - CEO Kevin Gaden reviewed the IMEA Executive Board/Board of Director's meeting schedule for the upcoming fiscal year. Brian Keys moved to approve this Resolution. The motion was seconded by Dan Cook and the roll call vote showed unanimous approval.

Committee and OMA/FOIA Officer Appointments – CEO Gaden presented the committee appointments for the next fiscal year based upon the recommendations from Chairman Sheehy for the Board's review and approval. Gaden also recommended that Troy Fodor and Staci Wilson continue as the Freedom of Information Act (FOIA) and Open Meetings Act (OMA) officers. Larry Taylor moved to approve the committee appointments for upcoming FY24-25 and that Troy Fodor and Staci Wilson remain as the OMA/FOIA officers. The motion was seconded by Tim Birk and the roll call vote showed unanimous approval.

CEO Gaden congratulated the slate of Executive Board members for FY24/25 and thanked the current Executive Board Members for their service over the past year. He also stated that all IMEA Board members are always invited to attend and speak at any Executive Board meeting.

Chairman Sheehy asked for a motion to adjourn the meeting. The motion was made by Dick Simon, seconded by Brian Keys and carried unanimously by voice vote. The meeting was adjourned at 12:10 p.m.

Respectfully submitted,


Assist. Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
BOARD OF DIRECTORS
THURSDAY, APRIL 25, 2024**

MEMBERS PRESENT

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Bushnell	Joe Fosdyck
Carmi	David Coston
Chatham	Patrick McCarthy
Fairfield	Mayor Gary Moore
Highland	Dan Cook
Marshall	Cory Sheehy
Mascoutah	Jesse Carlton
Metropolis	Michael Gentry
Naperville	Brian Groth
Oglesby	Rich Baldridge
Peru	Eric Carls
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Riverton	Jim Mileham
Rock Falls	Dick Simon
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	Tim Birk
Winnetka	Brian Keys

MEMBERS ABSENT

Cairo	Vacant
Carlyle	Brad Myers
Casey	Shelby Biggs
Greenup	Mike Ryder
Farmer City	Sue McLaughlin
Flora	Bob Coble (via webinar)
Freeburg	John Tolan
Ladd	Pat Barry (via webinar)
Rantoul	Jake McCoy
Roodhouse	Rich Wallis

OTHERS PRESENT

IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Alice Schum
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Adam Baker
IMEA	Mandy Ripperda
IMEA	Danny Chung
IMEA	Sean McCarthy
IMEA	Tammy Hall
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Cindy Evans
IMEA	Tia Horn
IMEA	Jon Wygant
IMEA	Shadi Ahanchi
IMEA	Ed Cobau
Guest	Larry Hanrahan (Rock Falls)
Guest	Raheel Arshed (Naperville)
Guest	Giovanni McLean (St. Charles)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Ladd	Pat Barry
Guest	Albert Karvelis (Naperville)
Guest	Greg Hubert (Naperville)
Guest	Jean Korte (Highland)

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, JUNE 26, 2024

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on June 26, 2024. Chairman Cory Sheehy called the meeting to order at 2:00 p.m. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

The Report of April 24, 2024 was moved for approval by Pat McCarthy and seconded by Pete Suhr. The motion carried by unanimous roll call vote.

Opportunity for Public Comment: Chairman Cory Sheehy stated that pursuant to the Open Meetings Act, any person attending this meeting shall be permitted an opportunity to comment. Questions during the rest of the meeting are reserved for Board members. He then asked if anyone from the public would like to make a comment. Hearing none, Chairman Sheehy proceeded with the meeting.

OLD BUSINESS

Update on Solar Projects – Eric Weinant explained that IMEA is partnering with SolAmerica to take advantage of USDA PACE partially forgivable loans for behind the meter solar projects. He reported that there are still outstanding issues with the Power Purchase Agreements for Carmi, Highland and Metropolis; however, IMEA Staff continues to work on getting those issues resolved for those projects. Weinant explained that Rantoul was not able to find another solar site for this project; however, another member has suggested City-owned land as a possible alternative site. SolAmerica and member staff are in preliminary negotiations; however, USDA would need to approve a “transfer” of the Rantoul request to a different city.

Weinant reported that the City Councils for Marshall, Princeton and Oglesby had approved the Easements, Siting and Interconnection Agreements for these behind the meter solar projects. He stated that Altorfer had received documents for Marshall and Princeton and the prep work on those sites is expected to start after July 4th with an anticipated completion date by the end of the year. Oglesby is expected to be online by Spring of 2025.

Weinant reported on the major roadblocks in obtaining large utility scale projects which included finding an appropriately sized project, the increasing costs due to tariffs, insurance, EPC & labor, land costs and interconnection costs along with the surge of interconnection queue requests which have overloaded the RTOs. Weinant discussed the demand in these projects with the surge in data centers. Weinant also discussed that in order to achieve IMEA Staff’s goals regarding the IMEA Sustainability Plan, IMEA Staff will be seeking the Board’s endorsement to finalize terms of a 150MW Power

Purchase Agreement later in the meeting and will likely seek the Board's approval of a formal contract in the August Board meeting.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- New Federal EPA Final Rule on CO2 Emissions – Issued May 9, 2024, new rules require all existing baseload coal plants to reduce carbon emissions by 90% by January 1, 2032; coal plants retiring by 2039 must be equipped with 40% natural gas co-firing capability by 2030 and all coal-fired generators and new CT generators planning to run beyond 2039 must have Carbon Capture and Storage/Sequestration (CCS) installed. States must submit emissions guideline plans to the EPA within 24 months of the final rule's publication. Legal challenges have been filed by 27 State Attorney Generals' offices, trade associations (including APPA), IOUs, co-ops, generator owners and labor unions. PSGC's CEO (on behalf of Prairie State) and IMEA's CEO (on behalf of LG&E) have both submitted impact Declarations.
- Building for the Future Through Electric Regional Transmission Planning and Cost Allocation (FERC Order 1920) (Docket No. RM21-17) – Issued on May 13, 2024 and effective August 12, 2024, the final rule mandates that transmission providers must engage in 20-year long-term planning processes with assessments done on the plan every 5 years. Transmission projects will be evaluated and identified based on specific reliability factors and scenarios. To develop each scenario, transmission planners must incorporate specific categories of factors that affect long-term transmission needs, including Federal, State, Tribal and local laws; load-serving entity supply plans; trends in fuel costs; planned generation retirements; interconnection requests and withdrawals along with policy goals and corporate commitments. FERC Order 1920 also requires measuring benefits and selection of projects; cost allocation and containment; local planning, competition and implementation by June 2025. Order 1920 did not adopt a previously suggested federal right of first refusal for incumbent transmission owners.
- Applications for Permits to Site Interstate Electric Transmission Facilities (Docket No. RM22-7) - Issued May 13, 2024 and effective July 29, 2024, the final rule (FERC Order 1977) mandates new regulations for issuing backstop siting permits for transmission projects in national interest electric transmission corridors. Order 1977 addresses obstacles to developing new transmission infrastructure; aligns with Federal Infrastructure Investment and Jobs Act amendments to the Federal Power Act. These changes were implemented so projects can be approved faster and to encourage public engagement with FERC siting permit applicants. FERC can issue permits for a transmission project when it falls in an area designated by the DOE and if the permitting state does not approve the siting within one year of the developer's application to the state. FERC can also issue permits for transmission projects when the permit applicant does not serve end-use customers in the State the permit is sought. This Order sets forth a Code of Conduct for permit applicants using eminent domain and requires permit applicants to develop and file a Project Participation Plan prior to the permit application that outlines how the applicant will inform the local public.
- Remand of MISO 2015/16 Zone 4 Capacity Auction Remand (Docket Nos. EL15-70; EL15-71 & EL15-72) – Complaints were filed by Public Citizen, Inc., the State of Illinois and Southwestern Electric Cooperative, Inc. in May 2015. FERC originally entered an Order on July 19, 2019 stating that there was no market manipulation in MISO's 2015/16 Zone 4 capacity auction which the Appellate Court reversed on August 6, 2021. FERC set the matter for paper hearing and received briefs from interested parties. The FERC Office of Enforcement staff filed a Remand Report alleging that Dynegy exercised market power to manipulate the market. On June 6, 2024, FERC

set the matter for trial and suspended the trial phase for settlement negotiations. Staff will monitor the proceedings for any impact on IMEA or its Members.

- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. On April 23, 2024, FERC staff issued a second Deficiency Letter to MISO. MISO answered the letter on May 13, 2024. FERC has not yet ruled on the matter. Graphs were presented showing the proposed sloped demand curve by season peak load.
- MISO Resource Accreditation filing (Docket No., ER24-1638) – Filed on March 28, 2024, MISO wants to change how it accredits resources due to a changing resource mix and changing load profiles in the RTO region. A two-step methodology will be used to accredit resources for future MISO auctions and to determine resource adequacy for load serving entities. On April 29, 2024, IMEA filed a Limited Protest against MISO's accreditation methodology citing that gas and oil generation are not similar enough to be lumped together and requested that FERC issue a Deficiency letter. If approved, this filing will reduce how much IMEA's BTMG oil generators will be accredited and make it more difficult for IMEA to meet capacity requirements.
- Ameren Illinois Depreciation Filing (Docket No. EL23-2445) – Filed July 20, 2023, Ameren's transmission depreciation expenses would increase transmission costs to all ratepayers. A Settlement in Principle was reached on May 14, 2024 which included a reduction of depreciation expenses for ratemaking purposes, changes to Ameren's depreciation accounting methodology and a moratorium on depreciation rate hikes for at least 3 years. Ameren is not allowed to hike rates for at least 3 years after the settled rates are made effective. IMEA will receive refunds for rates paid as proposed and future transmission rates will increase less than proposed.
- ComEd Transmission Rate Update – Filed April 24, 2024, the Revenue Requirement increased due to 2023 plant additions, reliability and system performance projects and depreciation expenses. The Coincident Peak in ComEd system increased 1,204MW over last year's peak. The total impact on IMEA is projected to be a 4.7% decrease in ComEd transmission rates. The new revenue requirement will be effective June 1, 2024 through May 31, 2025. Rates will change again in January 2025 when peak loads are adjusted.
- Soltage Complaint against ComEd (ICC Docket No. 23-0675) – Filed September 29, 2023, this is a Complaint against ComEd's solar generation interconnection costs that substantially deviated from estimates. It is alleged that ComEd used unjust/unreasonable methods in Distributed Energy Resource impact studies leading to elevated costs and that cost prohibitive upgrades should not be imposed and it violated the Illinois Public Utilities Act. ComEd filed a Motion on March 7, 2024 requesting the Complaint be dismissed with prejudice. The ALJ denied in its entirety ComEd's Motion to Dismiss on May 10 and a hearing is scheduled for July 25, 2024.
- West Pana Solar Complaint against Ameren Illinois (ICC Docket No. 24-0379) – Filed May 24, 2024, West Pana is developing an ≈5MW solar array between Taylorville and Pana in central Illinois and Ameren is requesting \$5.325 million for system upgrades. Ameren is requiring a direct connection to the Pana North substation and would need to build a 34.5 kV tie line in order to connect directly to Pana North. West Pana argues that there are commercially available control technologies that could be used instead of building a tie line. Prehearing conferences were held June 18, 2024.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. Final edits to operating procedures between Chatham and CWLP are in progress. Upon final approval of the operating procedures, Chatham will formally register as a

Transmission Owner with SERC and IMEA will begin the process with SERC to deregister as a distribution provider for Chatham.

- Inherent Risk Assessment – IMEA received notice to complete an Inherent Risk Assessment of reliability compliance from SERC. The initial questionnaire responses were submitted on April 19, 2024 and a SERC response was received on June 16, 2024 with no adverse findings or requirements.
- Winnetka Replacement Capacity Credits Request – Winnetka's Unit #4 is no longer in service and is officially retired. The Village is requesting a waiver of the 12-month replacement policy which is required in the current Member Generation Policy. Staff is recommending granting this waiver due to supply chain and labor limitations. Staff will be setting up a Generation Committee meeting to review this request and gain a recommendation for the Board to consider at an upcoming Board meeting.
- PJM Risk Management Policy Request – PJM requested updates be made to MEA's Risk Policy so as to include "Anti-Money Laundering and "Know Your Customer" provisions. There is nothing listed in the PJM Tariff or Business Practice Manuals which makes this mandatory, so many public power PJM participants have had concerns. PJM agreed to work with IMEA to formulate appropriate language for the policy. Staff will likely be asking for approval at the August Board meeting.

NEW BUSINESS

CEO Gaden announced that today was a very important day in IMEA's history reporting that 10 IMEA members had already approved all of the contract documents keeping IMEA as their wholesale power supplier until 2055 and 10 more IMEA members are seeking approval today. He thanked all those members for their confidence in IMEA to provide reliable, affordable and sustainable power supply to their communities for many decades to come.

Resolution #24-06-913 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Breese for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Breese unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 16th City Council meeting. John Tolan moved to recommend the approval of Resolution #24-06-913 to the full Board at tomorrow's Board meeting. The motion was seconded by Pete Suhr and carried by unanimous roll call vote.

Resolution #24-06-914 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Rock Falls for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Rock Falls unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 16th City Council meeting. Brian Groth moved to recommend the approval of Resolution #24-06-914 to the full Board at tomorrow's Board meeting. The motion was seconded by David Coston and carried by unanimous roll call vote.

Resolution #24-06-915 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Farmer City for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Farmer City unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 6th City Council meeting. Mike Kirk moved to recommend the

approval of Resolution #24-06-915 to the full Board at tomorrow's Board meeting. This motion was seconded by John Tolan and carried by unanimous roll call vote.

Resolution #24-06-916 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Sullivan for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Sullivan approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 2nd City Council meeting. Pat McCarthy moved to recommend the approval of Resolution #24-06-916 to the full Board at tomorrow's Board meeting. The motion was seconded by Pete Suhr and was carried by unanimous roll call vote with the exception of the abstention by the City of Sullivan.

Resolution #24-06-917 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Waterloo for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Waterloo unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 20th City Council meeting. Cory Sheehy moved to recommend the approval of Resolution #24-06-917 to the full Board at tomorrow's Board meeting. The motion was seconded by Pat McCarthy and carried by unanimous roll call vote.

Resolution #24-06-918 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Highland for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Highland unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 20th City Council meeting. Mike Kirk moved to recommend the approval of Resolution #24-06-918 to the full Board at tomorrow's Board meeting. The motion was seconded by Brian Groth and carried by unanimous roll call vote.

Resolution #24-06-919 – Accepting and Approving New Power Sales Contract for the Village of Bethany for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Bethany unanimously approved the IMEA Power Sales Contract at their June 13th Village Board meeting. John Tolan moved to recommend the approval of Resolution #24-06-919 to the full Board at tomorrow's Board meeting. The motion was seconded by Pete Suhr and carried by unanimous roll call vote.

Resolution #24-06-920 – Accepting and Approving New Power Sales Contract for the Village of Chatham for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Chatham unanimously approved the IMEA Power Sales Contract at their May 28th Village Board meeting. Brian Groth moved to recommend the approval of Resolution #24-06-920 to the full Board at tomorrow's Board meeting. This motion was seconded by Mike Kirk and carried by unanimous roll call vote with the exception of the abstention by the Village of Chatham.

Resolution #24-06-921 – Accepting and Approving New Power Sales Contract for the City of Metropolis for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Metropolis unanimously approved the IMEA Power Sales Contract at their June 6th City Council meeting. David Coston moved to recommend the approval of Resolution #24-06-921 to the full Board at tomorrow's Board meeting. The motion was seconded by Pat McCarthy and carried by unanimous roll call vote.

Resolution #24-06-922 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the Village of Freeburg for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Freeburg unanimously approved the IMEA Power Sales Contract and the

Capacity Purchase Agreement at their June 17th Village Board meeting. Pete Suhr moved to recommend the approval of Resolution #24-06-922 to the full Board at tomorrow's Board meeting. This motion was seconded by David Coston and carried by unanimous roll call vote with the exception of the abstention by the Village of Freeburg.

Ordinance #24-06-923 – Approving the Amendment and Extension of Line of Credit with PNC and related Subordinated Indebtedness – Chris Wise reported that the current line of credit expires on October 31, 2025. He explained that PNC Bank has offered to extend the current line of credit with a small increase in the fee on the unused balance and the same interest rate mechanism on draws. The terms are from September 3, 2024 through October 31, 2027. He explained that this 24-month extension of the term favors IMEA to complete its anticipated 2025 Bond refinancing. Wise stated that IMEA's financial advisor (PFM) recommended the extension offered by PNC Bank. Staff recommends the approval of authorizing and providing for an amendment and extension of a line of credit agreement and related Subordinated Indebtedness as evidenced by a \$50,000,000 Taxable Subordinated Indebtedness Revenue Note for certain corporate purposes of the IMEA. Brian Groth moved to approve Ordinance #24-06-923. The motion was seconded by David Coston and carried by unanimous roll call vote.

Consideration and Approval of Amending Resolution #24-02-896 to Correct Scrivener's Error – Troy Fodor explained that the open period for new Power Sales Contracts was presented to the Board as March 1, 2024 through April 30, 2025, although the date noted in Resolution #24-02-896 was May 31, 2025 as the end date. Fodor stated that the May 31 date was in error and should be April 30, 2025. All other terms and conditions included in Resolution #24-02-896 remain the same. Staff recommends amending Resolution #24-02-896, specifically Section 3, to reflect April 30, 2025 as the final date in which the offer of the new contract is open and will not be offered beyond that date without authorization from the IMEA Board of Directors. John Tolan moved to approve amending Resolution #24-02-896. The motion was seconded by Pete Suhr and carried by unanimous roll call vote.

Consideration and Approval for Authority to Proceed with Negotiations of Power Purchase Agreement for 150MW from New Solar Project – Eric Weinant explained that IMEA's load is largely served by existing assets, but IMEA has higher resource needs in the summer than in the winter. He stated that solar resources provide better coverage of IMEA's summer on-peak energy needs than other renewable options moving forward. Weinant reported that based on IMEA's Sustainability Plan and IMEA's long-term resource needs, IMEA Staff forecasted needing 130MW. He also stated that by acquiring 150MW of solar, IMEA will largely eliminate the need to procure short-term bilateral energy and capacity for several years and noted that resource decisions in 2030 when the Lee Dekalb wind contract expires can be revisited based on IMEA's load obligation beyond 2035.

CEO Kevin Gaden discussed how IMEA has sought to add large scale solar to IMEA's portfolio for a few years, but has been delayed by RTO transmission queue bottlenecks, supply chain and mineral rights issues. He reported that this project is 150MW in total size and the supplier is only willing to offer the full 150MW. Gaden explained that IMEA seeks to purchase all of the energy, capacity, ancillary services and Renewable Energy Credits (RECs) related to this project. He stated that this project is located in the Ameren Illinois service territory and already has a signed Generator Interconnection Agreement with Ameren and MISO with an expected project completion date of December 31, 2026. Gaden noted that credit support for Pre-Commercial Operation and the full term

of the transaction will be provided via cash or letter of credit and the proposed vendor is a proven national supplier of renewable energy projects. He reported that IMEA has signed a Non-Disclosure Agreement at the request of the counter-party to protect the specific terms of the proposed transaction.

At that time, CEO Gaden asked for a motion to go into Executive Session for discussion of the purchase, sale or delivery of electricity. John Tolan moved to go into Closed Session, seconded by David Coston. A roll call vote showed all in favor. The meeting was closed to the public pursuant to Section 2(c)(23) of the Open Meetings Act, 5 ILCS 120/2(c)(23) at 3:54 p.m. The meeting returned to Open Session at 5:02 p.m. by a motion from Brian Groth, seconded by Pat McCarthy. The motion carried by unanimous roll call vote.

CEO Gaden summarized the reasons why IMEA Staff should continue to negotiate towards a final Power Purchase Agreement (PPA) with the proposed developer of this 150MW utility scale solar project in the Ameren IL region. These reasons included that it is a planned outcome of the IMEA 2024 Sustainability Plan to add 130MW by the end of 2026; it brings needed summer capacity to IMEA's portfolio; it brings on-peak energy resources to MISO/Ameren area needed by IMEA; and the project is ready for the construction phase soon with reasonable terms and conditions to execute a final PPA along with a financial commitment. Gaden stated that the IMEA Board would be asked to formally approve the final PPA in an upcoming Board meeting. John Tolan moved for a motion to authorize the CEO to proceed with negotiations for 150MW of solar. Brian Groth seconded the motion and it carried by unanimous roll call vote.

Chairman Cory Sheehy asked for a motion to adjourn the meeting. The motion was made by Pat McCarthy, seconded by Cory Sheehy and carried unanimously by voice vote. The meeting was adjourned at 5:05 p.m.

Respectfully submitted,

Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, JUNE 26, 2024**

MEMBERS PRESENT

Carmi	David Coston
Chatham	Pat McCarthy
Freeburg	John Tolan
Marshall	Cory Sheehy
Naperville	Brian Groth
St. Charles	Peter Suhr
Sullivan	Mike Kirk

MEMBERS ABSENT

Farmer City	Sue McLaughlin
Highland	Dan Cook

OTHERS PRESENT

Altamont	Larry Taylor
Breese	Jason Deering
Cairo	Mayor Thomas Simpson
Winnetka	Brian Keys
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Jaken Hicks
IMEA	Danny Chung
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Jonathon Wygant
IMEA	Tia Horn
IMEA	Tammy Hall
Guest	Raheel Arshed (Naperville)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Guest	Greg Hubert (Naperville)

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF BOARD OF DIRECTORS MEETING

THURSDAY, JUNE 27, 2024

A regularly scheduled meeting of the Board of Directors of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on June 27, 2024. Chairman Cory Sheehy called the meeting to order at 10:00 am and all attendees participated in the Pledge of Allegiance. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

Larry Taylor, seconded by Jason Deering moved for approval of the minutes of April 25, 2024. The motion carried by unanimous roll call vote with the exception of the abstention from the representative from Cairo.

Opportunity for Public Comment – Chairman Sheehy stated that pursuant to the Open Meetings Act, any person attending this meeting in person shall be permitted an opportunity to comment. He then asked if anyone from the public would like to make a comment. Hearing no requests for public comment, Chairman Sheehy proceeded with the meeting.

Treasurer's Report – Chris Wise announced that IMEA Staff Accountant Katherine Nelson had passed the CPA exam. He then reported on the April 2024 financials stating that actual member power costs are 3.8% under original budget, year to date, and the MWh sales to members is 5.3% below original budget. He gave a year-end summary stating that the average cost was 3.8% below original budget that was approved in February 2023. He also stated that the average cost excluding transmission was 4.3% less than it was for FY2013/2014 and that IMEA continues to be consistently under budget on average cost. Wise reported that the May 2024 invoices had been sent out on June 10th with the average cost being 5.9% below budget. He also discussed the June 2024 preliminary invoice estimates stating that those invoices would be sent out on July 10th and due on July 22nd. With there being no questions, Brian Keys moved to approve the Treasurer's Report, seconded by Jake McCoy. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden announced that 10 more IMEA members had approved all of the contract documents keeping IMEA as their wholesale power supplier until 2055 in addition to the 10 members contracts that were approved at the April IMEA Board meeting. He stated that several more members have plans to approve contracts in their upcoming City Council meetings. He thanked all those members for their confidence in IMEA to provide reliable, affordable and sustainable power supply to their communities for many decades to come.

CEO Gaden welcomed Mayor Thomas Simpson as the new Board Member representing the City of Cairo, Cody Hawkins as the new Board member representing the City of Mascoutah and Larry Hanrahan representing the City of Rock Falls. Gaden gave an update on staffing transitions which

included Mandy Ripperda as the new VP of Electric Operations, Sean McCarthy as the new Manager of Electric Operations and Jon Wygant as the Energy Services Representative. He reported that Tia Horn is the new Senior Accountant with Katherine Nelson as the new Staff Accountant. Gaden explained that IMEA Staff has begun the search for a media communications person with legislative experience to join the Member Services Department with plans to fill the position in late Summer/early Fall 2024. He also stated that Staci Wilson will become the VP of Government Affairs and Member Services when Mike Genin retires in January 2025.

CEO Gaden reported on a successful IMEA/IPEA/IMUA Annual Conference in May. The conference sessions and banquet were well attended wherein several members were recognized for overall system safety and elected officials were honored for their service to the agencies.

Regarding a National update, CEO Gaden stated that three new FERC nominees were recommended by the Committee and confirmed by the U.S. Senate on June 13, 2024. These new commissioners are Judy Chang, Lindsay See and David Rosner which now makes a total of 5 seats on the FERC. FERC has 5 seats when they are at maximum voting capability.

Legislative & Regulatory Update – Staci Wilson reported that Illinois SB 3597 pertains to the Climate Bank Loan Financing Act and allows governmental units to borrow from the Illinois Finance Authority (IFA) for purposes of clean energy infrastructure projects. This bill also allows governmental units to issue debt to evidence their obligation to repay loans from the IFA. She noted that the IFA envisions lending federal funds to governmental units for clean infrastructure projects at attractive rates and conditions and would be structured similar to the IEPA State Water Revolving Fund. IMEA is supportive of this legislation. The bill passed both chambers and now goes to the Governor's desk.

Wilson discussed Illinois SB 1289 Carbon Capture & Sequestration (CCS) bill which pertains to the process and regulations of capturing facility permitting & criteria pollutants. IMUA was neutral on this legislation. It passed both the House and Senate and awaits the Governor's signature.

Wilson reported on the Federal Grid Resilience Grant (40101(d)), explaining that IMEA Staff had received IMUA approval to pursue a grant from the Illinois Finance Authority (IFA) for an Emergency Equipment Share Program for mutual aid. IMUA is applying for funding for an emergency equipment share program to provide an inventory of critical distribution system equipment for municipal utilities to draw upon during emergency outages. She reported that the Illinois Finance Authority (IFA) Climate Bank released a Notice of Funding Opportunity. IMUA has submitted a pre-application to receive grant funding and is now awaiting approval. She thanked the IMUA members in the working group which include Freeburg, Batavia, Springfield CWLP, Highland and Princeton. Wilson stated that, if approved, Staff would be seeking a future IMEA and IMUA Board vote to accept any grant offer.

OLD BUSINESS

Operations – Mandy Ripperda gave an update on the PJM auction stating that the 3rd Incremental Auction for Planning Year 24/25 was re-run in mid-May and the results were posted about one week before the Planning Year began. She presented a schedule for future auctions and noted that PJM plans to be back on schedule by May 2026 for Planning Year 29/30. Regarding summer readiness,

Ripperda reported that PJM expects to meet the summer demand for 2024; however, PJM has stated that continuing generator retirements and increasing demand continues to erode the reserve levels. She also discussed the PJM Demand Response/Load Management Program noting that the lead time is 30 minutes for participants to either have generation online or to curtail load. She explained that PJM is scheduling two-hour annual tests for registered generation for the entire zone this summer. PJM will give notice within a 10-day window on their website, another notice one day ahead of the test and 30 minutes notice of the actual test time using their Demand Response Hub Messages Program.

Ripperda gave an update on the MISO auction stating that results were posted in April for Planning Year 24/25 and that this was the second year that MISO has conducted a seasonal auction. Regarding summer readiness, she reported that MISO forecasts they will have sufficient capacity under probable demand, but will have to rely on Load Modifying Resources (LMRs) and operating reserves in high demand scenarios. MISO reported an almost 30% decrease in available surplus from last summer. Ripperda discussed the results of the Organization of MISO States (OMS) annual survey which reported that for Planning Year 25/26, there will be a 2.7GW deficit which will grow to a 14.4GW deficit by 2029.

Ripperda reported that according to EIA reports, wind generation has declined in 2023 for the first time since the 1990's. This is consistent with Staff's findings which report that Green River fell 13.5% and Lee DeKalb fell 14.4% from FY23 to FY24. The EIA report noted that wind generation output decreased the most in the upper Midwest.

Ripperda reported that the Illinois Commerce Commission held a summer preparedness webinar in May and that MISO and PJM were among those who presented. PJM presented a graph showing a significant increase in the summer peak demand due to data centers and Artificial Intelligence (AI). She also reported on the IMEA Summer Readiness webinar held on June 4th which covered the IMEA emergency communications and preparation considerations for Member communities.

Ripperda reported that URGE testing began on June 3rd and should be completed by mid-July. Lastly, she stated that IMEA Operations is planning to conduct a summer drill which will be a two-hour event and power plants will be called the morning of the event.

Trimble County (TC): Rakesh Kothakapu reported the following:

- An employee lost consciousness for a few seconds while having blood drawn for an onsite wellness checkup. This was a non-work related reportable incident. The plant performance through May 2024 shows the EAF was $\approx 97.23\%$ and the EFOR was $\approx 0.13\%$, both year to date. Unit 1 had a brief outage in May to replace the primary boiler circulating pump and send it to a fabrication shop for repairs. Later in June, the back-up pump also failed leading to a derate on the unit for a week. Unit 2 was available for full load without any outages in May. TC Staff continues to evaluate options for the stack replacement. They are working with Kiewit to complete the preliminary engineering design. The project is currently in the front-end engineering phase. The detailed scope and construction timeline of the project will not be known until fall. The proposed construction for the stack is scheduled to begin in Spring of 2025. The bottom ash pond is completely dewatered and will be backfilled in the fall.

Prairie State (PSGC): Rakesh Kothakapu reported the following activities:

- Four contract employees were exposed to coal dust while working in a silo installing scaffolding on Unit 1. An OSHA inquiry was initiated, although it was closed a few hours later due to the steps taken by PSGC staff to verify safety procedures and adding valves to isolate any future recurrence of this event. Both projects continue to emphasize safety and continue to encourage employees and contractors to report near misses. Plant performance through May 2024 showed the EAF was $\approx 92.8\%$ and the EFOR was $\approx 7.05\%$, both year to date. Unit 1 had a couple of tube leaks in May in high volume areas of the boiler and PSGC staff is planning to address corrosion in these areas in the fall. Unit 2 had an outage in April and ran full load in May. The Lively Grove north entrance to the mine is now operational which will improve mine productivity by reducing travel time. There has been no update on carbon capture since the last report. PSGC staff continues to evaluate all options, but there is no commitment from PSGC or its owners at this time.

Local Transmission and Generation – Rakesh Kothakapu reported on the following:

- Winnetka – Steam Unit Replacement – IMEA received official notice from Winnetka that Unit 4 is no longer in service and has retired. The Village is in the preliminary engineering phase to replace this unit and has formally requested a waiver of the 1-year replacement policy. IMEA Staff plans to recommend the waiver to the IMEA Board for its approval in August.
- Oglesby – Wholesale Connection Agreement (WCA) and Construction Agreement (CA) – The City approved both documents and Ameren is finalizing those documents for FERC filing. The WCA is a three-party agreement between the members, Ameren and IMEA. IMEA Staff will review the WCA with individual members regarding specific issues that may apply to their community. A webinar is scheduled for July 16th at 10:00 am with Ameren interconnected members to go over WCA terms and provisions. An informational email with webinar registration details was sent out earlier this week.
- Flora CAAP Permit – IMEA received the renewal CAAP permit from the Illinois EPA (IEPA) and staff is working with IEPA staff to clarify some minor references.
- Waterloo – The City is exploring the option of adding additional generation to match its peak load. IMEA Staff met with the City to better understand their plans and will convene the Member Generation Committee to review Waterloo's request and seek recommendations for future generation needs of Waterloo and the Agency.
- Ameren Network Customer Operating Committee (NOC) Meeting – Engineering and Operations staff met with Ameren to discuss status of ongoing projects with members, WCA timeline and implementation, working towards compliance of MISO rule changes involving Members' BTMG and the ability of IMEA and Members to allow for export of generation. IMEA's primary contact at Ameren Todd Maston is retiring in September 2024 and will be replaced by Brian Cuffle.

Capacity Credits for Member-Owned BTMG – Rakesh Kothakapu discussed inquiries from members regarding the consideration of higher compensation to install new generation or replace existing generation. He explained that in addition to supplying the Agency with capacity and energy, member generation also provides local black start capabilities during storms and grid instability along with providing local infrastructure needs such as water/sewer pumping backup. Kothakapu stated that IMEA reimburses for the fuel when these units are dispatched by IMEA. He discussed that a compensation mechanism should also consider fairness arising from IMEA members paying these

costs and not owning generation since 19 members have generation and 13 do not. He stated that IMEA Staff feels consideration of increasing the production component should be discussed to reflect the ongoing cost of maintenance and overall long-term market value of these resources. Staff also believes that all dedicated resources should get paid the base component over a period of time – the new IMEA Power Sales Contract sets a \$3.20/KW-month floor for all resources, no later than October 2035.

Kothakapu explained that the idea is to transition to higher compensation levels before 2035 by gradually increasing the production component to reflect higher costs of operating these facilities and to gradually create a floor on the Base component so everyone gets paid the \$2/KW-month base component that would set a phased in transition that would begin next fiscal year (FY2025/26).

Regarding future capacity considerations, Kothakapu reported that there is likely value in allowing non-dedicated resources to become dedicated to IMEA and if members decide to replace resources by installing higher efficiency resources, there is an opportunity for higher compensation if the Agency can call on units more often in certain market conditions. Finally, he stated that some members have expressed interest in adding additional resources and there is likely value in these resources becoming dedicated to IMEA. IMEA Staff will review these proposals with the IMEA Generation Committee and bring a recommendation to the full board once the Generation Committee has a recommendation to provide.

Update on Solar Projects – Eric Weinant explained that IMEA is partnering with SolAmerica to take advantage of USDA PACE partially forgivable loans for behind the meter solar projects. He reported that there are still outstanding issues with the Power Purchase Agreements for Carmi, Highland and Metropolis; however, IMEA Staff continues to work on getting those issues resolved for those projects. Weinant explained that Rantoul was not able to find another solar site for this project; however, another member has suggested City-owned land as a possible alternative site. SolAmerica and member staff are in preliminary negotiations; however, USDA would need to approve a “transfer” of the Rantoul request to a different city.

Weinant reported that the City Councils for Marshall, Princeton and Oglesby had approved the Easements, Siting and Interconnection Agreements for these behind the meter solar projects. He stated that Altorfer had received documents for Marshall and Princeton and the prep work on those sites is expected to start after July 4th with an anticipated completion date by the end of the year. Oglesby is expected to be online by Spring of 2025.

Weinant reported on the major roadblocks in obtaining large utility scale projects which included finding an appropriately sized project, the increasing costs due to tariffs, insurance, EPC & labor, land costs and interconnection costs along with the surge of interconnection queue requests which have overloaded the RTOs. Weinant discussed the demand in these projects with the surge in data centers. Weinant also discussed that in order to achieve IMEA Staff’s goals regarding the IMEA Sustainability Plan, IMEA Staff will be seeking the Board’s endorsement to finalize terms of a 150MW Power Purchase Agreement later in the meeting and will likely seek the Board’s approval of a formal contract in the August Board meeting.

Update on Legal Matters – General Counsel Troy Fodor reported on the following matters:

- New Federal EPA Final Rule on CO2 Emissions – Issued May 9, 2024, new rules require all existing baseload coal plants to reduce carbon emissions by 90% by January 1, 2032; coal plants retiring by 2039 must be equipped with 40% natural gas co-firing capability by 2030 and all coal-fired generators and new CT generators planning to run beyond 2039 must have Carbon Capture and Storage/Sequestration (CCS) installed. States must submit emissions guideline plans to the EPA within 24 months of the final rule’s publication. Legal challenges have been filed by 27 State Attorney Generals’ offices, trade associations (including APPA), IOUs, co-ops, generator owners and labor unions. PSGC’s CEO (on behalf of Prairie State) and IMEA’s CEO (on behalf of LG&E) have both submitted impact Declarations.
- Building for the Future Through Electric Regional Transmission Planning and Cost Allocation (FERC Order 1920) (Docket No. RM21-17) – Issued on May 13, 2024 and effective August 12, 2024, the final rule mandates that transmission providers must engage in 20-year long-term planning processes with assessments done on the plan every 5 years. Transmission projects will be evaluated and identified based on specific reliability factors and scenarios. To develop each scenario, transmission planners must incorporate specific categories of factors that affect long-term transmission needs, including Federal, State, Tribal and local laws; load-serving entity supply plans; trends in fuel costs; planned generation retirements; interconnection requests and withdrawals along with policy goals and corporate commitments. FERC Order 1920 also requires measuring benefits and selection of projects; cost allocation and containment; local planning, competition and implementation by June 2025. Order 1920 did not adopt a previously suggested federal right of first refusal for incumbent transmission owners.
- Applications for Permits to Site Interstate Electric Transmission Facilities (Docket No. RM22-7) - Issued May 13, 2024 and effective July 29, 2024, the final rule (FERC Order 1977) mandates new regulations for issuing backstop siting permits for transmission projects in national interest electric transmission corridors. Order 1977 addresses obstacles to developing new transmission infrastructure; aligns with Federal Infrastructure Investment and Jobs Act amendments to the Federal Power Act. These changes were implemented so projects can be approved faster and to encourage public engagement with FERC siting permit applicants. FERC can issue permits for a transmission project when it falls in an area designated by the DOE and if the permitting state does not approve the siting within one year of the developer’s application to the state. FERC can also issue permits for transmission projects when the permit applicant does not serve end-use customers in the State the permit is sought. This Order sets forth a Code of Conduct for permit applicants using eminent domain and requires permit applicants to develop and file a Project Participation Plan prior to the permit application that outlines how the applicant will inform the local public.
- Remand of MISO 2015/16 Zone 4 Capacity Auction Remand (Docket Nos. EL15-70; EL15-71 & EL15-72) – Complaints were filed by Public Citizen, Inc., the State of Illinois and Southwestern Electric Cooperative, Inc. in May 2015. FERC originally entered an Order on July 19, 2019 stating that there was no market manipulation in MISO’s 2015/16 Zone 4 capacity auction which the Appellate Court reversed on August 6, 2021. FERC set the matter for paper hearing and received briefs from interested parties. The FERC Office of Enforcement staff filed a Remand Report alleging that Dynegy exercised market power to manipulate the market. On June 6, 2024, FERC set the matter for trial and suspended the trial phase for settlement negotiations. Staff will monitor the proceedings for any impact on IMEA or its Members.

- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. On April 23, 2024, FERC staff issued a second Deficiency Letter to MISO. MISO answered the letter on May 13, 2024. FERC has not yet ruled on the matter. Graphs were presented showing the proposed sloped demand curve by season peak load.
- MISO Resource Accreditation filing (Docket No., ER24-1638) – Filed on March 28, 2024, MISO wants to change how it accredits resources due to a changing resource mix and changing load profiles in the RTO region. A two-step methodology will be used to accredit resources for future MISO auctions and to determine resource adequacy for load serving entities. On April 29, 2024, IMEA filed a Limited Protest against MISO's accreditation methodology citing that gas and oil generation are not similar enough to be lumped together and requested that FERC issue a Deficiency letter. If approved, this filing will reduce how much IMEA's BTMG oil generators will be accredited and make it more difficult for IMEA to meet capacity requirements.
- Ameren Illinois Depreciation Filing (Docket No. EL23-2445) – Filed July 20, 2023, Ameren's transmission depreciation expenses would increase transmission costs to all ratepayers. A Settlement in Principle was reached on May 14, 2024 which included a reduction of depreciation expenses for ratemaking purposes, changes to Ameren's depreciation accounting methodology and a moratorium on depreciation rate hikes for at least 3 years. Ameren is not allowed to hike rates for at least 3 years after the settled rates are made effective. IMEA will receive refunds for rates paid as proposed and future transmission rates will increase less than proposed.
- ComEd Transmission Rate Update – Filed April 24, 2024, the Revenue Requirement increased due to 2023 plant additions, reliability and system performance projects and depreciation expenses. The Coincident Peak in ComEd system increased 1,204MW over last year's peak. The total impact on IMEA is projected to be a 4.7% decrease in ComEd transmission rates. The new revenue requirement will be effective June 1, 2024 through May 31, 2025. Rates will change again in January 2025 when peak loads are adjusted.
- Soltage Complaint against ComEd (ICC Docket No. 23-0675) – Filed September 29, 2023, this is a Complaint against ComEd's solar generation interconnection costs that substantially deviated from estimates. It is alleged that ComEd used unjust/unreasonable methods in Distributed Energy Resource impact studies leading to elevated costs and that cost prohibitive upgrades should not be imposed and it violated the Illinois Public Utilities Act. ComEd filed a Motion on March 7, 2024 requesting the Complaint be dismissed with prejudice. The ALJ denied in its entirety ComEd's Motion to Dismiss on May 10 and a hearing is scheduled for July 25, 2024.
- West Pana Solar Complaint against Ameren Illinois (ICC Docket No. 24-0379) – Filed May 24, 2024, West Pana is developing an ≈5MW solar array between Taylorville and Pana in central Illinois and Ameren is requesting \$5.325 million for system upgrades. Ameren is requiring a direct connection to the Pana North substation and would need to build a 34.5 kV tie line in order to connect directly to Pana North. West Pana argues that there are commercially available control technologies that could be used instead of building a tie line. Prehearing conferences were held June 18, 2024.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. Final edits to operating procedures between Chatham and CWLP are in progress. Upon final approval of the operating procedures, Chatham will formally register as a Transmission Owner with SERC and IMEA will begin the process with SERC to deregister as a distribution provider for Chatham.

- Inherent Risk Assessment – IMEA received notice to complete an Inherent Risk Assessment of reliability compliance from SERC. The initial questionnaire responses were submitted on April 19, 2024 and a SERC response was received on June 16, 2024 with no adverse findings or requirements.
- Winnetka Replacement Capacity Credits Request – Winnetka’s Unit #4 is no longer in service and is officially retired. The Village is requesting a waiver of the 12-month replacement policy which is required in the current Member Generation Policy. Staff is recommending granting this waiver due to supply chain and labor limitations. Staff will be setting up a Generation Committee meeting to review this request and gain a recommendation for the Board to consider at an upcoming Board meeting.
- PJM Risk Management Policy Request – PJM requested updates be made to IMEA’s Risk Policy so as to include “Anti-Money Laundering and “Know Your Customer” provisions. There is nothing listed in the PJM Tariff or Business Practice Manuals which makes this mandatory, so many public power PJM participants have had concerns. PJM agreed to work with IMEA to formulate appropriate language for the policy. Staff will likely be asking for approval at the August or October Board meeting.

NEW BUSINESS

CEO Gaden announced that today was a very important day in IMEA’s history reporting that 10 IMEA members had already approved all of the contract documents keeping IMEA as their wholesale power supplier until 2055 and 10 more IMEA members are seeking approval today. He thanked all those members for their confidence in IMEA to provide reliable, affordable and sustainable power supply to their communities for many decades to come.

Resolution #24-06-913 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Breese for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Breese unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 16th City Council meeting. Larry Taylor moved to approve Resolution #24-06-913. The motion was seconded by David Coston and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Breese.

Resolution #24-06-914 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Rock Falls for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Rock Falls unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their April 16th City Council meeting. Jake McCoy moved to approve Resolution #24-06-914. The motion was seconded by Brian Groth and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Rock Falls.

Resolution #24-06-915 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Farmer City for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Farmer City unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 6th City Council meeting. David Coston moved to approve Resolution #24-06-915. This motion was seconded by Tim Birk and carried by unanimous weighted roll call vote.

Resolution #24-06-916 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Sullivan for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Sullivan approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 2nd City Council meeting. Brian Keys moved to approve Resolution #24-06-916. The motion was seconded by Pat McCarthy and was carried by unanimous weighted roll call vote.

Resolution #24-06-917 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Waterloo for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Waterloo unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 20th City Council meeting. Larry Taylor moved to approve Resolution #24-06-917. The motion was seconded by Rich Baldridge and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Waterloo.

Resolution #24-06-918 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Highland for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Highland unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their May 20th City Council meeting. Tim Birk moved to approve Resolution #24-06-918. The motion was seconded by Brian Groth and carried by unanimous weighted roll call vote.

Resolution #24-06-919 – Accepting and Approving New Power Sales Contract for the Village of Bethany for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Bethany unanimously approved the IMEA Power Sales Contract at their June 13th Village Board meeting. David Coston moved to approve Resolution #24-06-919. The motion was seconded by Brian Keys and carried by unanimous weighted roll call vote with the exception of the abstention by the Village of Bethany.

Resolution #24-06-920 – Accepting and Approving New Power Sales Contract for the Village of Chatham for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Chatham unanimously approved the IMEA Power Sales Contract at their May 28th Village Board meeting. Jake McCoy moved to approve Resolution #24-06-920. This motion was seconded by Brian Groth and carried by unanimous weighted roll call vote with the exception of the abstention by the Village of Chatham.

Resolution #24-06-921 – Accepting and Approving New Power Sales Contract for the City of Metropolis for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Metropolis unanimously approved the IMEA Power Sales Contract at their June 6th City Council meeting. Pat McCarthy moved to approve Resolution #24-06-921. The motion was seconded by John Tolan and carried by unanimous weighted roll call vote.

Resolution #24-06-922 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the Village of Freeburg for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Freeburg unanimously approved the IMEA Power Sales Contract and the Capacity Purchase Agreement at their June 17th Village Board meeting. Tim Birk moved to approve Resolution #24-06-922. This motion was seconded by David Coston and carried by unanimous weighted roll call vote with the exception of the abstention by the Village of Freeburg.

Ordinance #24-06-923 – Approving the Amendment and Extension of Line of Credit with PNC and related Subordinated Indebtedness – Chris Wise reported that the current line of credit expires on October 31, 2025. He explained that PNC Bank has offered to extend the current line of credit with a small increase in the fee on the unused balance and the same interest rate mechanism on draws. The terms are from September 3, 2024 through October 31, 2027. He explained that this 24-month extension of the term favors IMEA to complete its anticipated 2025 Bond refinancing. Wise stated that IMEA’s financial advisor (PFM) recommended the extension offered by PNC Bank. Staff recommends the approval of authorizing and providing for an amendment and extension of a line of credit agreement and related Subordinated Indebtedness as evidenced by a \$50,000,000 Taxable Subordinated Indebtedness Revenue Note for certain corporate purposes of the IMEA. Larry Taylor moved to approve Ordinance #24-06-923. The motion was seconded by David Coston and carried by unanimous weighted roll call vote.

Consideration and Approval of Amending Resolution #24-02-896 to Correct Scrivener’s Error – Troy Fodor explained that the open period for new Power Sales Contracts was presented to the Board as March 1, 2024 through April 30, 2025 in the February Board meeting although the date noted in Resolution #24-02-896 was May 31, 2025 as the end date. Fodor stated that the May 31 date was in error and should be April 30, 2025. All other terms and conditions included in Resolution #24-02-896 remain the same. Staff recommends amending Resolution #24-02-896, specifically Section 3, to reflect April 30, 2025 as the final date in which the offer of the new contract is open and will not be offered beyond that date without authorization from the IMEA Board of Directors. Pete Suhr moved to approve amending Resolution #24-02-896. The motion was seconded by John Tolan and carried by unanimous roll call vote.

Consideration and Approval for Authority to Proceed with Negotiations of Power Purchase Agreement for 150MW from New Solar Project – Eric Weinant explained that IMEA’s load is largely served by existing assets, but has resource needs in the summer and much smaller resource needs in the winter. He stated that solar resources provide better coverage of summer on-peak energy needs than other renewable options moving forward. Weinant reported that based on IMEA’s Sustainability Plan and IMEA’s long-term resource needs, IMEA Staff forecasted needing 130MW of solar due to the expiration of the Lee Dekalb wind contract in 2030. He also stated that by acquiring 150MW of solar will largely eliminate the need to procure short-term bilateral energy and capacity for several years and noted that resource decisions in 2030 can be revisited based on IMEA’s load obligation beyond 2035.

CEO Kevin Gaden discussed how IMEA has sought to add large scale solar to IMEA’s portfolio for a few years, but has been delayed by transmission queue bottlenecks in RTOs, supply chain and mineral rights issues. He reported that this project is 150MW total size and the supplier is only willing to offer the full 150MW. Gaden explained that IMEA seeks to purchase all of the energy, capacity, ancillary services and Renewable Energy Credits (RECs) related to this project. He stated that this project is located in the Ameren Illinois service territory and has already signed a Generator Interconnection Agreement with Ameren and MISO with an expected project completion date of December 31, 2026. Gaden noted that credit support for Pre-Commercial Operation and the full term of the transaction will be provided via cash or letter of credit and the proposed vendor is a proven national supplier of renewable energy projects. He reported that IMEA has signed a Non-Disclosure Agreement with the counter-party to protect the specific terms of the proposed transaction.

At that time, General Counsel Troy Fodor asked for a motion to go into Executive Session for discussion of the purchase, sale or delivery of electricity. Brian Keys moved to go into Closed Session, seconded by David Coston. A roll call vote showed all in favor. The meeting was closed to the public pursuant to Section 2(c)(23) of the Open Meetings Act, 5 ILCS 120/2(c)(23) at 12:26 p.m. The meeting returned to Open Session at 12:52 p.m. by a motion from Brian Groth, seconded by Brian Keys. The motion carried by unanimous roll call vote.

CEO Gaden summarized the reasons why IMEA Staff should continue to negotiate towards a final Power Purchase Agreement (PPA) with the proposed developer of this 150MW utility scale solar project in the Ameren IL region. These reasons include that it is a planned outcome of the IMEA 2024 Sustainability Plan to add 130MW by the end of 2026; it brings needed summer capacity to IMEA's portfolio; it brings on-peak energy resources to MISO/Ameren area needed by IMEA; and the project is ready for the construction phase soon with reasonable terms and conditions to execute a final PPA along with a financial commitment. Gaden stated that the IMEA Board would be asked to formally approve the final PPA in an upcoming Board meeting. Brian Groth moved for a motion to authorize the CEO to proceed with negotiations for 150MW of solar. Larry Taylor seconded the motion and it carried by unanimous weighted roll call vote.

Chairman Cory Sheehy asked for a motion to adjourn the meeting. The motion was made by Brian Keys, seconded by Brian Groth and carried unanimously by voice vote. The meeting was adjourned at 12:57 p.m.

Respectfully submitted,

Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
BOARD OF DIRECTORS
THURSDAY, JUNE 27, 2024**

MEMBERS PRESENT

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Cairo	Mayor Thomas Simpson
Carmi	David Coston
Chatham	Patrick McCarthy
Flora	Bob Coble
Freeburg	John Tolan
Marshall	Cory Sheehy
Mascoutah	Cody Hawkins
Naperville	Brian Groth
Oglesby	Rich Baldridge
Peru	Eric Carls
Rantoul	Jake McCoy
Riverton	Jim Mileham
Rock Falls	Larry Hanrahan
St. Charles	Peter Suhr
Waterloo	Tim Birk
Winnetka	Brian Keys

MEMBERS ABSENT

Bushnell	Joe Fosdyck
Carlyle	Brad Myers
Casey	Shelby Biggs
Greenup	Mike Ryder
Fairfield	Mayor Gary Moore
Farmer City	Sue McLaughlin
Highland	Dan Cook
Metropolis	Michael Gentry
Ladd	Pat Barry
Princeton	Jeff Mangrich (via webinar)
Red Bud	Josh Eckart (via webinar)
Roodhouse	Rich Wallis
Sullivan	Mike Kirk

OTHERS PRESENT

IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Jaken Hicks
IMEA	Danny Chung
IMEA	Tia Horn
IMEA	Katherine Nelson
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Jonathon Wygant
IMEA	Shadi Ahanchi
IMEA	Tammy Hall
Guest	Raheel Arshed (Naperville)

LISTEN ONLY VIA WEBINAR

Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Guest	Greg Hubert (Naperville)
Guest	Bo Bourlard (Naperville)
IMEA	Sean McCarthy