

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 Baldrige 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 Baldrige
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

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, AUGUST 29, 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 August 29, 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.

Tim Birk, seconded by Mike Kirk, moved for approval of the minutes of December 6, 2023 and June 27, 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 June 2024 financials stating that actual member power costs are 3.8% under original budget, year to date, and the MWh sales to members is 1.4% above original budget. Wise reported that the July 2024 invoices had been sent out on August 9th with the average cost being 0.2% below budget. He also discussed the August 2024 preliminary invoice estimates stating that those invoices would be sent out on September 10th and due on September 20th. Wise reported that Baker Tilly had completed the audit of the financial statements for the year ending April 30, 2024. They issued their report on July 29, 2024 and the result was a clean audit, meaning an unmodified report with no adjustments. He explained that Jodi Dobson, a partner at Baker Tilly out of the Madison, WI office, will report her findings regarding the audit later in the meeting. With there being no questions, Jake McCoy moved to approve the Treasurer's Report, seconded by Brian Groth. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden welcomed Adam Turpen as the new Board Member representing the City of Farmer City replacing Sue McLaughlin. Gaden announced that IMEA now has over 70% of its members pledged to keep IMEA as their wholesale power supplier until 2055. Three more IMEA members are requesting approval today in addition to the 20 member contracts that were approved at the last two IMEA Board 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 the hiring of a Communications & Legislative Specialist who will start on September 16, 2024. He explained that Mike Genin will retire in early 2025 and Staci Wilson will take over leadership in the Member Services Department. IMEA

Staff will consider the next steps for IMEA's Operations Department (position was approved in FY24/25 budget) as well as assessing the needs in the Member Services area over the next 6-9 months.

CEO Gaden gave a progress report with regard to a number of topics that IMEA Staff has been working on since the last Board meeting in June. These include working on the 150MW solar Power Purchase Agreement draft, consideration of IMEA seeking to become a transmission owner, working on plans for the Spring 2025 IMEA bond refinancing, completion of the extension of the \$50M credit line, reviewing considerations to changes to member generation compensation and preparing for the IMEA Board's consideration and approval of the IMEA Energy Efficiency Program extension this year. He stated that since there are no required action items for the September 25th IMEA Executive Board meeting, it is Staff's recommendation to cancel that Executive Board meeting and in its place, host Energy Efficiency & Conservation and Member Generation Committee meetings.

Regarding a National update, CEO Gaden stated that FERC has now sworn in all five Commissioners. He also announced that John Twitty, current CEO from Missouri Public Utility Alliance (MPUA) is retiring in February 2025. John had a long career in Springfield, Missouri as the General Manager, was the TAPS Executive Director for several years and has been at MPUA for 3-4 years. John plans to seek a NERC Board of Trustees seat. Gaden thanked John Twitty for his many years of service in public power.

Legislative & Regulatory Update – Staci Wilson reported that the Spring Session concluded with no vetoes issued. She explained that the Fall Veto Session dates are November 12-14 and November 19-21 and a lame duck session is likely to be held on January 2-7, 2025. The inauguration of the new General Assembly will be held on January 8. Wilson stated that she serves on the LIHEAP Policy Advisory Council for the Illinois Dept. of Commerce and Economic Opportunity (DCEO). DCEO had requested a stakeholder quote for their Quarterly Report so IMEA submitted a supportive quote of the LIHEAP Program and its benefits which include preventing disconnection of service and helping those in economic distress.

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. IMUA has submitted a pre-application to receive grant funding and is now awaiting approval on whether the project is pre-selected for preliminary approval. If selected, IMEA will be required to submit additional information and forms necessary for US DOE to approve the grant funding. If approved, Staff may be seeking a Resolution to fund a portion of this program through IMUA as a value-added member service. Wilson explained that IMUA's proposal was submitted as a consortium of small utilities making the argument that the proposal qualifies for the small utility cost match. The project cost split for the "other eligible entity" category is a much higher percentage. She stated that when a final decision has been made regarding which cost split IMUA's project will fall under, Staff will be re-assessing if this project is cost effective.

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 and November 9-10, 2022 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. These minutes reflect pre-decisional matters that are still being planned and negotiated and for which the need for confidentiality still exists. Fodor further recommended that the Executive (Closed) Session minutes of April 27, 2023 and December 6, 2023 be released as public records. Dan Cook moved that the Board make the determination that the minutes of April 27, 2023 and December 6, 2023 be released and that the need for confidentiality still exists with respect to the minutes dated November 6-7, 2019; June 17, 2021 and November 9-10, 2022 and that IMEA continue to restrict public access to such minutes. Larry Taylor seconded the motion and the motion carried by unanimous roll call vote.

Operations – Mandy Ripperda gave an update on the PJM 2025/2026 auction results stating that PJM had secured sufficient resources to meet the RTO reliability requirement for the 2025/2026 Delivery Year, although this auction resulted in significantly higher auction prices across the entire RTO. She presented graphs showing that gas, nuclear and coal make up 87% of the cleared resources and explained that the resources that make up the largest portion of PJM’s current installed capacity are decreasing faster than their replacements are coming online. Ripperda discussed that some of the possible parameters that may have impacted the auction results include a 3,000MW increase in projected load, an increase in the PJM Installed Reserve Margin and a decrease in supply due to retirements. She stated that the overall impact to IMEA should be minimal due to hedging efforts.

Ripperda reported on the APPA/MISO Executive Meeting which was held in late July. The topics discussed included significant load increases, OMS Survey projections showing insufficient capacity projections, new technologies that will not be commercially mature for some time, delays that resources are facing while trying to come online, the need for a coordinated transition plan, the potential for requiring IMEA member units to respond in 30 minutes for events as well as long range transmission planning and reliability imperatives. She presented slides that MISO had used at the MISO/APPA meeting which showed the uncertainty of the magnitude and timing of large load additions making it difficult for MISO to reliably accommodate them, the challenges to predicting renewable resources along with the concern of the massive amount of generating resource retirements that are projected due to state and federal goals and policies. Ripperda reported that changes discussed regarding Load Modifying Resource (LMR) accreditation could directly affect the capacity payments for IMEA behind the meter generation in MISO and the rules of operating those units – could go from 2-hours’ notice to 30 minutes. IMEA Staff is working with APPA and MISO to push back on this time frame.

Regarding IMEA Operations, Ripperda discussed the challenges of scheduling wind resources and explained that the wind output is often higher overnight when loads are lower and that output tends to be lower in the summer when loads are higher. She presented graphs of IMEA’s annual wind load data which showed that most of the wind output is during the shoulder months when loads are down and decreases in the summer when load increases. Ripperda reported that all IMEA units completed URGE testing by July 11th and the IMEA Summer Drill was held on July 15th with successful results.

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

- There have not been any reportable safety incidents at the plant since the last update. The plant performance through July 2024 shows the EAF was $\approx 95.86\%$ and the EFOR was $\approx 1.58\%$, both year to date. Unit 1 had a brief outage in July for a tube leak. Unit 2 has been available for full load without any outages since November 1, 2023. TC Staff continues to work towards the power plant stack replacement. The project is currently in the front-end engineering phase and the construction timeline of the project schedule will be finalized in Spring 2025. The project is scheduled to be completed in 2027-2028. IMEA's share of the project is \$10-11 million – most of this project is included in the 5-year projection. Subject to the outcome of litigation on recent EPA rules, TC Staff is evaluating preliminary compliance options and measures to comply with these new Green House Gases (GHG) and the Effluent Limitation Guidelines (ELG) rules.

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

- There have not been any reportable safety incidents at the plant since the last update. Plant performance through July 2024 showed the EAF was $\approx 92.1\%$ and the EFOR was $\approx 7.8\%$, both year to date. Unit 1 had a derate to remove slag in the boiler and Unit 2 had a couple of days' outage in July due to a boiler tube leak in the economizer. The Fall outage schedule moved to late November/early December. Unit 1's maintenance outage will include reheat tee and boiler inspection. Unit 2's planned outage will include main steam tee inspection, boiler feed pump overhaul, ID fan overhaul and air heater cold end basket replacement. No further action has been taken on the potential carbon capture project. PSGC Staff is in the process of finalizing the 2025 annual budget. There is a proposed 2% increase in the operating budget for 2025 primarily due to insurance costs. There are no changes to the 2024 budget and it is projected to be on target.

Baseload Plant Decommissioning Fund Considerations – CEO Gaden explained that IMEA is responsible for its share of both the Prairie State and Trimble County facilities when the projects are retired permanently. IMEA Staff believes it is prudent business practice to begin collecting funds from current beneficiaries of the output from the projects sooner rather than later with those funds being held in a restricted access account. Gaden gave estimates of what each project would cost to decommission based on a “greenfield” removal of the assets to bare ground and a breakdown of the numbers (with and without interest gained) based on the percentage of IMEA's ownership in each project. He presented a mathematical analysis of the impact on Members' rates regarding the amount that would need to be collected over a ten-year period. IMEA Staff recommends that the decommissioning funds begin to be collected starting in the May 2025 billing and end after the April 2035 billing. Gaden discussed that formal approval of this recommendation would likely be up for consideration in the October 2024 Board meeting and that IMEA management would report on the fund totals going forward during the regular Finance reports.

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

- Princeton/Peru 138kV Project – Ameren (ATXI) is working with MISO to discuss the project and overall timeline. It is anticipated that the project scope and cost estimates will be completed in September/October. MISO's approval is the critical first step followed by ICC approval as well as

attaining property rights and necessary permits to complete construction. Completion is projected to be 2028-2029.

- Flora CAAP Permit – IMEA received the renewal Clean Air Act Program Permit (CAAP) from the Illinois EPA (IEPA) and stray references in the permit have been corrected through the amendment process. Reporting and operating procedures have been updated to reflect the new permit's requirements including the new fuel certification requirement and there are no start-up, shut-down, malfunction provisions referenced in the permit. Staff worked with IMEA's environmental attorney to update the semi-annual and annual reports.
- Wholesale Connection Agreement (WCA) for Oglesby with Ameren – The Agreements for Oglesby have been finalized and signed by all parties (Oglesby, IMEA and Ameren). IMEA Staff held a webinar on July 16th with Ameren transmission members to go over WCA terms and provisions which was well attended. Ameren is drafting a new WCA Agreement for each member. These agreements will be completed in a staggered manner wherein members are placed in three groups. The first groups are the members with one delivery point; the second group are the members with two or more delivery points; and the third group are the members with 138kV radial lines with and without backup. IMEA Staff plans to review the Agreements with individual members to assess specific issues that may apply to each member.
- Construction Agreement with Oglesby – The Construction Agreement for the new second delivery point has been executed by all parties (Oglesby, Ameren and IMEA). MISO will file both agreements with FERC soon. The timeline of this project completion depends on long lead time for components, switchgear and meter equipment.
- Mascoutah's Second Delivery Point – There is a delay with the City's switchgear delivery from July to late August. The City's contractor is preparing to begin mobilizing and preparing for delivery of the switchgear and is targeting end of November 2024 to energize the line.
- Member Generation Update – Both PJM and MISO continue to make significant changes to their capacity constructs. MISO continues to refine its proposal for a 30-minute notification for Load Modifying Resources (LMRs) to be available for full accreditation of capacity. MISO's proposal continues to allow a longer lead time with lower accreditation and plans to adjust that accreditation based on the unit's availability to MISO dispatch not just at peak conditions. PJM updated its Cost of New Entry (CONE) to adjust for inflation, although some of the proposals are subject to FERC approval. It is anticipated that the RTOs will receive a FERC approval on these proposals as FERC approved similar concepts in other RTOs. IMEA Staff remains engaged in the stakeholder process and with entities that have similar resources with FERC challenges. IMEA Staff plans to review the member capacity compensation recommendation discussed at the IMEA June Board meeting with the IMEA Generation Committee in September.

Update on Solar Projects – Eric Weinant stated that all of the agreements are in place for the BTM solar projects in Marshall, Princeton and Oglesby. He stated that prep work on the sites are underway and the “no mow” pollinator groundcover was planted at each site last spring. Weinant reported that panels are being installed at Marshall and Princeton and they are on track for commercial operation by the end of the year. He also reported that the Oglesby project is expected to be online by Spring of 2025.

Regarding utility scale solar projects, Weinant explained that IMEA Staff is still in contact with other developers just in case the current negotiations break down. He reported on alternative projects explaining that prices are either indicative-only or require adders for transmission, supply chain or

tariffs with no firm commitment from developers. The continued competition from commercial customers and the developmental challenges such as interconnection costs and timing make these projects far more expensive. He stated that Commercial Operation Dates for projects that are still in the Interconnection Queue are scheduled for 2028 or beyond.

IMEA Staff is currently working on a Power Purchase Agreement with a selected vendor with more details to be discussed later in the meeting and will likely seek the Board's approval of a formal 150MW solar contract in the October Board meeting.

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

- Sierra Club vs. Prairie State Generating Company, LLC (filed March 22, 2023) – PSGC filed a Motion to Dismiss on May 23, 2023. The Court denied the Motion to Dismiss on August 9, 2024 and an Answer is due from PSGC by September 23, 2024. The PSGC Legal team is analyzing options and strategy for the next steps.
- New Federal EPA Final Rule on CO2 Emissions – Issued May 9, 2024, the new rules require all existing baseload coal plants to reduce carbon emissions by 90% by January 1, 2032 unless they are equipped with 40% natural gas co-firing capability by 2030, in which case they can run until 2039. Beyond 2039, all coal-fired generators and new CT generators cannot run unless they have Carbon Capture and Storage/Sequestration (CCS) installed. Legal challenges have been filed by many State Attorney General's 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. Numerous Motions to Stay the new rules were filed on or before May 24, 2024. All Motions for Stay were denied on July 19, 2024. Applications for Stay are now being considered by the US Supreme Court.
- 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. FERC entered an Order accepting MISO's filing on June 27, 2024.
- MISO Resource Accreditation Filing (Docket No., ER24-1638) – Filed on March 28, 2024, MISO proposes to change how it accredits resources due to a changing resource mix and changing load profiles in the MISO region. MISO proposed a two-step methodology 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. FERC issued a Deficiency Letter to MISO on July 25, 2024 which included questions to MISO based on IMEA's protest. MISO accepted IMEA's argument. In its answer to the Deficiency Letter, MISO responded to IMEA's protest, stating that it recognizes that oil only and gas only resources perform differently throughout the year and that MISO will modify Schedule 53A to include an additional resource class for oil-fired generators.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and Springfield CWLP on reliability compliance documentation to support Chatham's registration with SERC as a Transmission Owner. CWLP signed the operating procedures between Chatham and CWLP on August 20th and a call is scheduled for August 30th to map out final steps. After that

time, 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.

NEW BUSINESS

Audit Report: Jodi Dobson of Baker Tilly gave the IMEA Fiscal Audit Report for fiscal year ending April 30, 2024. Dobson reported it was a clean Audit and the financial statements received an Unmodified Opinion. Dobson thanked the IMEA Accounting staff for their preparation regarding the audit. There being no questions, Brian Keys moved to approve the Audit Report, seconded by Mike Kirk. The roll call vote showed unanimous approval. CEO Gaden thanked the IMEA Accounting staff for their hard work to obtain another clean, unmodified fiscal audit which shows continued financial success from IMEA's power supply and overall Member Services Program.

CEO Gaden announced that today was a very important day in IMEA's history reporting that 20 IMEA members had already approved all of the contract documents keeping IMEA as their wholesale power supplier until 2055 and 3 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 #24-08-924 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Carlyle for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Carlyle unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their July 8, 2024 City Council meeting. Pat McCarthy moved to approve Resolution #24-08-924. The motion was seconded by Jason Deering and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Carlyle.

Resolution #24-08-925 – Accepting and Approving New Power Sales Contract and Capacity Purchase Agreement for the City of Red Bud for the Period Beginning October 1, 2035 Through May 31, 2055 – The City of Red Bud unanimously approved the IMEA Power Sales Contract and Capacity Purchase Agreement at their August 5, 2024 City Council meeting. David Coston moved to approve Resolution #24-08-925. The motion was seconded by Pat McCarthy and carried by unanimous weighted roll call vote with the exception of the abstention by the City of Red Bud.

Resolution #24-08-926 – Accepting and Approving New Power Sales Contract for the Village of Riverton for the Period Beginning October 1, 2035 Through May 31, 2055 – The Village of Riverton unanimously approved the IMEA Power Sales Contract at their August 5, 2024 Village Board meeting. Pat McCarthy moved to approve Resolution #24-08-926. The motion was seconded by Jake McCoy and carried by unanimous weighted roll call vote with the exception of the abstention by the Village of Riverton.

Resolution #24-08-927 – Approving Solar Generation Projects in the Cities of Carmi, Highland and Metropolis – Eric Weinant reported that IMEA has been working with SolAmerica in obtaining USDA PACE loans for solar projects for Carmi, Highland and Metropolis. A fourth project location in Rantoul was determined not to be feasible. He explained that the outcome of this award is still pending, however, IMEA sent a letter to the USDA confirming support of these projects. IMEA is in the process of working through some remaining issues with SolAmerica prior to finalizing these solar

projects. These issues include confirming the final language of the Power Purchase Agreement with SolAmerica and finalizing the Interconnection Agreements between SolAmerica and the cities. Weinant reported that the anticipated Commercial Operation Date is December 31, 2025 subject to the PACE loan availability and project development timing. IMEA is to receive all energy, capacity and RECs from these solar projects, if built. He stated that Resolution #24-08-927 approves the three new solar projects in Carmi, Highland and Metropolis controlled by SolAmerica and authorized the President & CEO to finalize and execute the Power Purchase Agreements, the assignment agreements with each City and all other necessary agreements. David Coston made a motion to approve the solar generation projects in the cities of Carmi, Highland and Metropolis by Resolution #24-08-927. The motion was seconded by Brian Groth and carried by unanimous weighted roll call vote.

Approval of Appointment to Fill Vacancy on IMEA Executive Board – CEO Kevin Gaden explained that there is a vacancy on the Executive Board due to the recent resignation of Sue McLaughlin from Farmer City. He stated that there is a provision in the IMEA Bylaws that allows for the Chairman to appoint a member of the IMEA Board to fill a vacancy on the Executive Board subject to Board approval. Chairman Sheehy named Robert Coble from Flora and Mr. Coble indicated his willingness to accept the position as a Member-at-Large on the Executive Board. Larry Taylor moved to approve Robert Coble to fill the vacancy on the IMEA Executive Board as Member-at-Large, seconded by Dan Cook. This motion was approved by unanimous roll call vote.


Resolution #24-08-928 – Approving Limited Waiver for the Village of Winnetka Regarding the IMEA Member Generation Policy – General Counsel Troy Fodor reported that Winnetka Steam Unit #4 had experienced a forced outage on July 12, 2023 due to abnormal significant vibrations in the turbine. The Village Board engaged an engineering firm for an assessment and found that the radial turbine bearings and the turbine blading needed to be replaced at an estimated cost of \$2.3 million. Fodor explained that the unit has not received capacity credits per the Member Generation Policy since the July 12, 2023 outage. He stated that IMEA had received official notice of retirement from Winnetka on February 14, 2024, but it is the intent of the Village of Winnetka to replace Unit #4. Fodor explained that the IMEA Member Generation Policy provides that Members shall be permitted to transfer the Dedicated Capacity associated with a retiring unit to replacement generation facilities. The policy provides that such replacement generation shall be built and placed in service and tested within one year of the retirement. Fodor stated that the Village of Winnetka is requesting a waiver of that one-year requirement to build, install and test the replacement generation in or before 2030. He acknowledged that one year is not a reasonably sufficient time to install the replacement generation due to permitting, supply and labor constraints not within the Village's control. Mike Kirk moved to recommend the approval of Resolution #24-08-928. The motion was seconded by Larry Taylor and carried by unanimous weighted roll call vote.

Update on Negotiations for Power Purchase Agreement (PPA) for 150MW Solar – CEO Gaden stated that the IMEA Board had unanimously approved Staff to proceed with negotiating the terms for a 20-year PPA with a solar vendor for a 150MW output agreement at its June 27, 2024 Board meeting. The vendor sent its draft of the PPA to IMEA Staff on July 22, 2024 and IMEA Staff has since sent a full markup back to the vendor. IMEA Staff continues to work through the terms of this long-term complex power supply offer and is making progress. IMEA Staff expects to reach an agreement on these remaining issues and intends to seek formal IMEA Board approval at the October 2024 Board meeting.

At that time, CEO Gaden asked for a motion to go into Executive Session for discussion of the purchase, sale or delivery of electricity regarding the 150MW solar project being considered. Brian Keys moved to go into Closed Session, seconded by Mike Kirk. 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 12:05 p.m. The meeting returned to Open Session at 12:35 p.m. by a motion from Dan Cook, seconded by Mike Kirk. The motion carried by unanimous roll call vote.

Chairman Cory Sheehy 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 12:37 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
BOARD OF DIRECTORS
THURSDAY, AUGUST 29, 2024**

MEMBERS PRESENT

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Bushnell	Joe Fosdyck
Cairo	Mayor Thomas Simpson
Carlyle	Brad Myers
Carmi	David Coston
Chatham	Patrick McCarthy
Farmer City	Adam Turpen
Greenup	Mike Ryder
Highland	Dan Cook
Marshall	Cory Sheehy
Mascoutah	Cody Hawkins
Naperville	Brian Groth
Oglesby	Rich Baldrige
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Rantoul	Jake McCoy
Riverton	Jim Mileham
Rock Falls	Larry Hanrahan
Roodhouse	Rich Wallis
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	Tim Birk
Winnetka	Brian Keys

MEMBERS ABSENT

Casey	Shelby Biggs
Fairfield	Mayor Gary Moore
Flora	Bob Coble (webinar)
Freeburg	John Tolan
Ladd	Pat Barry (webinar)
Metropolis	Michael Gentry
Peru	Eric Carls

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	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Jonathon Wygant
IMEA	Tammy Hall
Guest	Raheel Arshed (Naperville)
Guest	Giovanni McLean (St. Charles)
Guest	Kevin Rolfingsmeyer (Carlyle)

LISTEN ONLY VIA WEBINAR

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

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, AUGUST 28, 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 August 28, 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 June 26, 2024 was moved for approval by Pete Suhr and seconded by John Tolan. 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

Executive (Closed) Session Minutes: General Counsel Troy Fodor recommended that the Executive (Closed) Session minutes of April 26, 2023 and January 17, 2024 be released as public records at this time as the need for confidentiality no longer exists. Dan Cook moved that the Board make the determination that the minutes of April 26, 2023 and the minutes of January 17, 2024 be approved and released. Pete Suhr seconded the motion and the motion carried by unanimous roll call vote.

Update on Solar Projects – Eric Weinant stated that all of the agreements are in place for BTM solar projects in Marshall, Princeton and Oglesby. He stated that prep work on the sites are underway and the “no mow” pollinator groundcover was planted at each site last spring. Weinant reported that panels are being installed at Marshall and Princeton and they are on track for commercial operation by the end of the year. He also reported that Oglesby is expected to be online by Spring of 2025.

Regarding utility scale solar projects, Weinant explained that IMEA Staff is still in contact with other developers just in case the current negotiations break down. He reported on alternative projects explaining that prices are either indicative-only or require adders for transmission, supply chain or tariffs with no firm commitment from developers. The continued competition from commercial customers and the developmental challenges such as interconnection costs and timing make these projects far more expensive. He stated that Commercial Operation Dates for projects that are still in the Interconnection Queue are scheduled for 2028 or beyond.

IMEA Staff is currently working on a Power Purchase Agreement with a selected vendor with more details to be discussed later in the meeting and will likely seek the Board's approval of a formal 150MW solar contract in the October Board meeting.

Baseload Plant Decommissioning Fund Considerations – CEO Gaden explained that IMEA is responsible for its share of both the Prairie State and Trimble County facilities when the projects are retired permanently. IMEA Staff believes it is prudent business practice to begin collecting funds from current beneficiaries of the output from the projects sooner rather than later with those funds being held in a restricted access account. Gaden gave estimates of what each project would cost to decommission based on a “greenfield” removal of the assets to bare ground and a breakdown of the numbers (with and without interest gained) based on the percentage of IMEA's ownership in each project. He presented a mathematical analysis of the impact on Members' rates regarding the amount that would need to be collected over a ten-year period. IMEA Staff recommends that the decommissioning funds begin to be collected starting in the May 2025 billing and end after the April 2035 billing. Gaden discussed that formal approval of this recommendation would likely be up for consideration in the October 2024 Board meeting and that IMEA management would report on the fund totals going forward during the regular Finance reports. It was the consensus of the Executive Board to move forward with this plan.

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

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Resolution #24-08-927 – Approving Solar Generation Projects in the Cities of Carmi, Highland and Metropolis – Eric Weinant reported that IMEA has been working with SolAmerica in obtaining USDA PACE loans for solar projects for Carmi, Highland and Metropolis. A fourth project location in Rantoul was determined not to be feasible. He explained that the outcome of this award is still pending, however, IMEA sent a letter to the USDA confirming support of these projects. IMEA is in the process of working through some remaining issues with SolAmerica prior to finalizing these solar

projects. These issues include confirming the final language of the Power Purchase Agreement with SolAmerica and finalizing the Interconnection Agreements between SolAmerica and the cities. Weinant reported that the anticipated Commercial Operation Date is December 31, 2025 subject to the PACE loan availability and project development timing. IMEA is to receive all energy, capacity and RECs from these projects, if built. He stated that Resolution #24-08-927 approves the three new solar projects in Carmi, Highland and Metropolis controlled by SolAmerica and authorizes the President & CEO to finalize and execute the Power Purchase Agreements, the assignment agreements with each City and all other necessary agreements. David Coston made a motion to approve the solar generation projects in the cities of Carmi, Highland and Metropolis by Resolution #24-08-927. The motion was seconded by Pete Suhr and carried by unanimous roll call vote.

Approval of Appointment to Fill Vacancy on IMEA Executive Board – CEO Kevin Gaden explained that there is a vacancy on the Executive Board due to the recent resignation of Sue McLaughlin from Farmer City. He stated that there is a provision in the IMEA Bylaws that allows for the Chairman to appoint a member of the IMEA Board to fill a vacancy on the Executive Board subject to Board approval. Chairman Sheehy named Robert Coble from Flora and Mr. Coble indicated his willingness to accept the position as a Member-at-Large on the Executive Board. David Coston moved to approve Robert Coble to fill the vacancy on the IMEA Executive Board as Member-at-Large, seconded by Brian Groth. This motion was approved by unanimous roll call vote.

Resolution #24-08-928 – Approving Limited Waiver for the Village of Winnetka Regarding the IMEA Member Generation Policy – General Counsel Troy Fodor reported that Winnetka Steam Unit #4 had experienced a forced outage on July 12, 2023 due to abnormal significant vibrations in the turbine. The Village Board engaged an engineering firm for an assessment and found that the radial turbine bearings and the turbine blading needed to be replaced at an estimated cost of \$2.3 million. Fodor explained that the unit has not received capacity credits per the Member Generation Policy since the July 12, 2023 outage. He stated that IMEA had received official notice of retirement from Winnetka on February 14, 2024, but it is the intent of the Village of Winnetka to replace Unit #4. Fodor explained that the IMEA Member Generation Policy provides that Members shall be permitted to transfer the Dedicated Capacity associated with a retiring unit to replacement generation facilities. The policy provides that such replacement generation shall be built, placed in service and tested within one year of the retirement. Fodor stated that the Village of Winnetka is requesting a waiver of that one-year requirement to build, install and test the replacement generation in or before 2030. He acknowledged that one year is not a reasonably sufficient time to install the replacement generation due to permitting, supply and labor constraints not within the Village's control. David Coston made a motion to approve Resolution #24-08-928, seconded by Mike Kirk. The motion carried by unanimous roll call vote.

Update on Negotiations for Power Purchase Agreement (PPA) for 150MW Solar – CEO Gaden stated that the IMEA Board had unanimously approved Staff to proceed with negotiating the terms for a 20-year PPA with a solar vendor for a 150MW output agreement at its June 27, 2024 Board meeting. The vendor sent its draft of the PPA to IMEA Staff on July 22, 2024 and IMEA Staff has since sent a full markup back to the vendor. IMEA Staff continues to work through the terms of this long-term complex power supply offer and is making progress. IMEA Staff expects to reach an agreement on these remaining issues and intends to seek formal IMEA Board approval at the October 2024 Board meeting.

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 regarding the 150MW solar project being considered. Dan Cook moved to go into Closed Session, seconded by John Tolan. 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 3:26 p.m. The meeting returned to Open Session at 3:58 p.m. by a motion from Dan Cook, seconded by David Coston. The motion carried by unanimous roll call vote.

Chairman Cory Sheehy asked for a motion to adjourn the meeting. The motion was made by John Tolan, seconded by Pete Suhr and carried unanimously by voice vote. The meeting was adjourned at 3:59 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, AUGUST 28, 2024**

MEMBERS PRESENT

Carmi	David Coston
Chatham	Pat McCarthy
Freeburg	John Tolan
Highland	Dan Cook
Marshall	Cory Sheehy
Naperville	Brian Groth (arrived at 3:05 pm)
St. Charles	Peter Suhr
Sullivan	Mike Kirk
*Vacant Seat	

MEMBERS ABSENT

OTHERS PRESENT

Breese	Jason Deering
Greenup	Mike Ryder
Rantoul	Jake McCoy
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	Ed Cobau
IMEA	Tammy Hall
Guest	Raheel Arshed (Naperville) (arrived at 3:05 pm)
Guest	Giovanni McLean (St. Charles)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Naperville	Brian Groth (until 3:05 pm)
Red Bud	Josh Eckart
Guest	Greg Hubert (Naperville)

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
ENERGY EFFICIENCY & CONSERVATION COMMITTEE MEETING**

WEDNESDAY, SEPTEMBER 28, 2022

Chairman Rick Abell called the meeting, conducted by webinar, to order at 10:00 a.m. Roll call was taken showing a quorum was present. Larry Taylor made a motion to approve the minutes of the October 15, 2021 meeting, seconded by Brian Keys. The voice vote showed unanimous approval.

Old Business

Rodd Whelpley reviewed the Electric Efficiency Program for the past 13 years showing the number of finished projects, the deemed kWh savings in the first year and the annual incentives paid. He presented a chart showing the annual incremental CO2 reductions in metric tons based on a five-year life of the electric efficiency measured incentivized. Whelpley reviewed the results from residential measures including the light bulb give away, the advanced thermostat measure and the central AC and air source heat pump measure. He stated that as of September 15, 2022, 50 projects had been given Notices to Proceed and any funding carried over from FY2021/22 (or earlier) that is not used by April 30, 2023 will be transferred to the IMEA Rate Stabilization Fund.

Whelpley reported on the annual results of the EV Charging Station Program for the past three years showing the cities reserving funds and the total amount of funds paid out. He stated that the funding has increased for this program from \$30,000 to \$250,000 during FY 2022/23. Members can now run a local program and can receive up to an 80% incentive to own/lease a charger or an electric vehicle, however, there are no projects pending this year. He explained that IMEA and IMUA are involved with State and Federal EV program rollouts. IMEA will work with CLEAResult to determine if there are any promising electric efficiency measures and will keep the Members informed.

IMEA Staff recommends moving forward with the programs as they currently are and will monitor their uptake with two possible exceptions which will be discussed in New Business.

New Business

Whelpley discussed LED lighting incentives for FY2023/24. Currently, the Energy Efficiency Program offers \$0.55 per watt reduced and \$0.12 per watt controlled by occupancy sensors. These were higher than the baseline Ameren IL offered in 2022, although matched the baseline ComEd incentives offered. ComEd has since increased its baseline incentive to \$0.70 per watt reduced and \$0.16 per watt controlled by occupancy sensors and Ameren has increased its baseline incentive to \$0.50 per watt reduced. IMEA Staff recommends that for FY2023/24, the Energy Efficiency Program match the higher of the baseline AmerenIL or ComEd LED lighting incentives in place on January 1, 2023. Brian Keys made a motion to match the higher of the baselines of either AmerenIL or ComEd LED lighting incentives at the time of application beginning on January 1, 2023. Brian Groth seconded the motion and the voice vote showed unanimous approval.

Whelpley explained that the current incentive for locally managed EV Charging Station incentive Programs is \$200 for residential EV charging stations and \$500 for stations made available for public use. He used Naperville as an example explaining that they have seen significant uptake in projects by offering extra funding of their own money for residential EV chargers. IMEA Staff recommends a \$500 incentive per qualified EV charging station in the locally managed program. Brian Groth made a motion increasing the incentive for locally managed EV charging stations to \$500. Brian Keys seconded the motion and the voice vote showed all were in favor with the exception of Altamont who voted in the negative.

CEO Kevin Gaden discussed the ongoing extensions of the Governor's disaster proclamation and that at some point, the allowance of remote access to meetings will be prohibited. IMEA Staff will keep the Members informed of the changing guidelines that will affect public meetings along with committee meetings and how they will be conducted.

There being no further business, the meeting was adjourned at 11:21 a.m. by a motion from Larry Taylor, seconded by Rick Abell. The voice vote showed all in favor.

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
ENERGY EFFICIENCY & CONSERVATION COMMITTEE MEETING
WEDNESDAY, SEPTEMBER 28, 2022**

COMMITTEE MEMBERS PRESENT VIA WEBINAR

Altamont	Larry Taylor
Freeburg	John Tolan
Metropolis	Rick Abell
Naperville	Brian Groth
Winnetka	Brian Keys

COMMITTEE MEMBERS ABSENT

Rantoul	Jake McCoy
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OTHERS IN ATTENDANCE

IMEA	Kevin Gaden
IMEA	Rodd Whelpley
IMEA	Mike Genin
IMEA	Glenn Cunningham
IMEA	Tammy Hall



Illinois Municipal Electric Agency

Resource Planning to Meet IMEA's Sustainability Goals



October 2024

Resource Planning to Meet IMEA's Sustainability Goals

SEAT AT THE TABLE



Each member municipality is represented on the IMEA Board making resource decisions in open and public meetings. Decisions are based on resource and energy needs, load forecasts, capacity requirements, and environmental considerations.

POWER IN NUMBERS



Joint planning allows members to benefit from collective strength in numbers for increased buying power, lower costs, and increased efficiencies.

AFFORDABILITY



Ownership of generation and long-term resource contracts shield municipal systems from sudden and dramatic market swings, keeping residents' electric rates affordable and predictable.

Proven Success Powered by Planning for Today, Tomorrow, and Beyond

IMEA employs a full-time staff of highly experienced power industry professionals who analyze market conditions and resource availability with the aim of procuring affordable, reliable, and sustainable power to meet today's needs and to support our municipalities' futures. IMEA plans to meet projected peak demand and energy requirements of its municipalities in a cost-effective, reliable manner.

IMEA Resource Planning

Highlights

Short-Term Immediate Future (2025-2030)

- IMEA's existing and contracted low-cost resources have been adequately planned for. Thus, they are largely already in place for this time frame. This planning foundation allows IMEA to maximize the value of existing generating assets and ensure continued reliable and affordable energy, while also continuing to diversify the portfolio with renewable resources as new sources are needed. In order to pursue utility scale solar, which IMEA is currently negotiating a 20-year 150MW contract, it was necessary for the IMEA to secure a certain threshold of needed load beyond the year 2035, this was done via an extension of members' wholesale power supply contracts with the agency.

Mid-Future (Early 2030s)

- This time frame provides an increased range of options. IMEA has all the resources it needs to reliably serve members needs in the short-term, but several existing generation resource terms expire in this mid-future time frame. Therefore, it is critical to begin preparing as quickly as possible to better establish a full strategy for transitioning to carbon-free resources by continuing to increase renewables, add battery storage, and ensure IMEA is able to meet customer loads reliably, affordably and sustainably. IMEA is in the midst of extending power supply agreements with its member municipalities, currently scheduled to expire in the year 2035. Finalizing these member contract extensions is necessary to ensure the agency's future resource planning matches members' load requirements. IMEA needs to know how much power to supply beyond 2035 in order to fully begin planning for this mid-future time frame. This protects the IMEA membership by ensuring IMEA is not needlessly securing excess resources that may not be necessary beyond the year 2035. Future planning cycles will allow for analyzing multiple options, modifying and adjusting these resource decisions with the IMEA Board of Director's review and approval.

Latter Half of Planning Period (2035 – 2050)

- This latter planning time frame includes more available options with the ability to adjust to changes in state and federal policy and changes in dynamic energy market conditions. There may also be more opportunities to benefit from enhanced clean energy technologies that are developing. Therefore, this latter-half timeframe includes uncertainty around planning factors, particularly including whether all members extend contracts beyond year 2035. It is important to monitor technology improvements and breakthroughs that may substantially influence the energy transition so that IMEA members can benefit from new proven technologies. Long-range planning allows for multiple planning cycle opportunities to check and adjust the plan based upon the best overall available resources, cost of resource options, and market conditions with the IMEA Board of Director's review and approval.



IMEA Resource Planning

Key Assumptions

- All members extend contracts to 2055
- Big River contract (25MW solar) extends to 2050
 - Contingent on 667MW of member contract extensions
- Historic load growth assumed
- Prairie State and Trimble County potentially subject to US EPA compliance dates (2032/2039)
- Prairie State and Trimble County MWH based on historical
- Prairie State CEJA reductions are implemented and retires in 2045
- Trimble County 1 retires in 2045, Trimble County 2 retires in 2050
- Member generation MWH normally called upon only during extreme grid operations or volatile market prices
- Future resources will be purchased or acquired to meet member load obligations over time
- Energy Efficiency and Demand Response program impact included in member load projections (anticipated continued reduction of electricity demand and usage through energy efficiency and demand response programs)



IMEA Resource Planning

Nameplate vs. Accredited Capacity

- PJM and MISO, as the Regional Transmission Organizations (RTOs), impose capacity obligations on utilities. The amount of capacity obligation a utility must meet is based on a utility's peak load, plus reserves determined by the RTO. This capacity obligation is satisfied with qualified generating resources.
- RTO's do not base the value of a resource on its nameplate capacity. Instead, they value it based on their calculated Accredited Capacity (for example PJM calls it Effective Load Carrying Capability (ELCC) and MISO calls it Direct Loss of Load (DLOL)). RTOs determine accreditation values based upon the resource performance and availability during the most critical hours of system need.
- This chart shows the difference between the nameplate value of IMEA's resources versus the projected accredited capacity value. The next slide shows the projected accredited value of all resources in PJM. These accredited resource values are relevant for planning purposes to ensure IMEA's portfolio meets all requirements. These charts demonstrate how the discounted value of intermittent resources becomes critical over time.
- As utilities transition their portfolios into the future and increase intermittent resources, they will need to purchase a greater number of nameplate MWs than peak load to meet capacity obligations.

Nameplate vs Projected Accredited Capacity

Projected PY25/26*	Nameplate Capacity (MW)	Summer Accredited Capacity (MW)
Prairie State	246	224
Trimble County	153	145
Member Generation**	296	290
Wind	120	30
Solar	33	16
Hydro**	10	10
Bilateral Purchases	100	100
Total	957	815

Totals may not sum due to rounding

Accreditation in PJM and MISO are different, PJM's is ELCC, MISO's is DLOL

*Final accreditation values are subject to the determination of each RTO prior to the delivery year.

**Behind The Meter resources get a higher accreditation based on the current RTO rules that allow for adjustments (losses and reserves).



IMEA Resource Planning



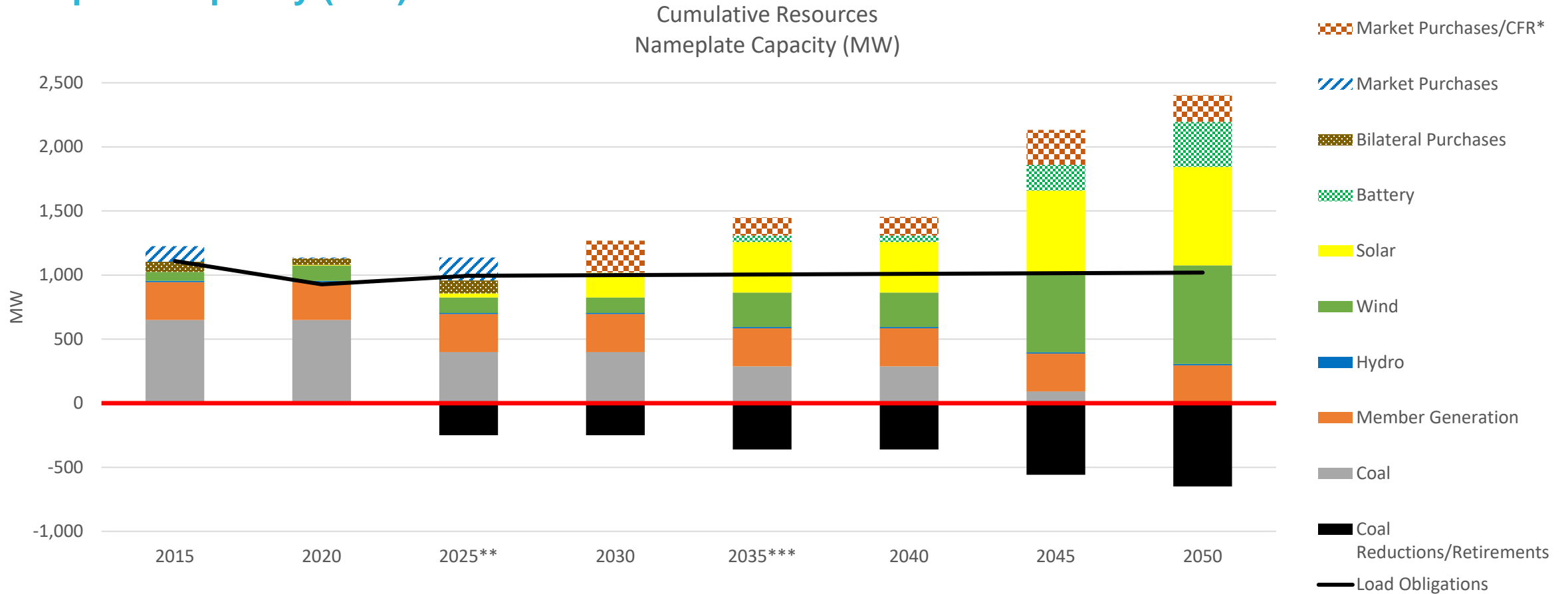
Preliminary ELCC Class Ratings – DY 26/27 through DY 34/35

ELCC Class	2026/ 27	2027/ 28	2028/ 29	2029/ 30	2030/ 31	2031/ 32	2032/ 33	2033/ 34	2034/ 35
Onshore Wind	35%	33%	28%	25%	23%	21%	19%	17%	15%
Offshore Wind	61%	56%	47%	44%	38%	37%	33%	27%	20%
Fixed-Tilt Solar	7%	6%	5%	5%	4%	4%	4%	4%	3%
Tracking Solar	11%	8%	7%	7%	6%	5%	5%	5%	4%
Landfill Intermittent	54%	55%	55%	56%	56%	56%	56%	56%	54%
Hydro Intermittent	38%	40%	37%	37%	37%	37%	39%	38%	38%
4-hr Storage	56%	52%	55%	51%	49%	42%	42%	40%	38%
6-hr Storage	64%	61%	65%	61%	61%	54%	54%	53%	52%
8-hr Storage	67%	64%	67%	64%	65%	60%	60%	60%	60%
10-hr Storage	76%	73%	75%	72%	73%	68%	69%	70%	70%
Demand Resource	70%	66%	65%	63%	60%	56%	55%	53%	51%
Nuclear	95%	95%	95%	96%	95%	96%	96%	94%	93%
Coal	84%	84%	84%	85%	85%	86%	86%	83%	79%
Gas Combined Cycle	79%	80%	81%	83%	83%	85%	85%	84%	82%
Gas Combustion Turbine	61%	63%	66%	68%	70%	71%	74%	76%	78%
Gas Combustion Turbine Dual Fuel	79%	79%	80%	80%	81%	82%	83%	83%	83%
Diesel Utility	92%	92%	92%	92%	92%	93%	93%	93%	92%
Steam	74%	73%	74%	75%	74%	75%	76%	74%	73%



IMEA Resource Planning

Nameplate Capacity (MW)



*Market Purchases or Potential Carbon Free Resources

**Vistra Cost-Based Coal Contract Ended May 31, 2022

***2035 Coal Nameplate Reduction is Equivalent Representation Per CEJA

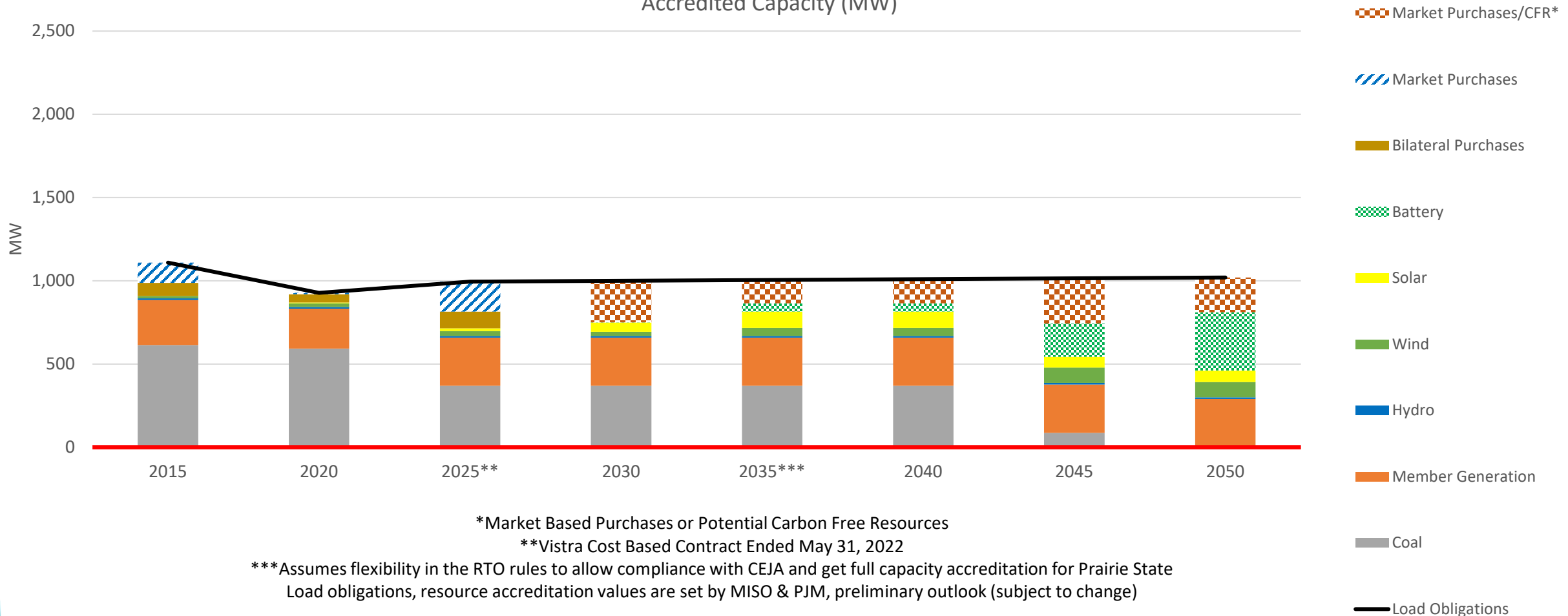
Resource Plan will be impacted based on future load obligation, resource availability and cost, technology, and other factors.



IMEA Resource Planning

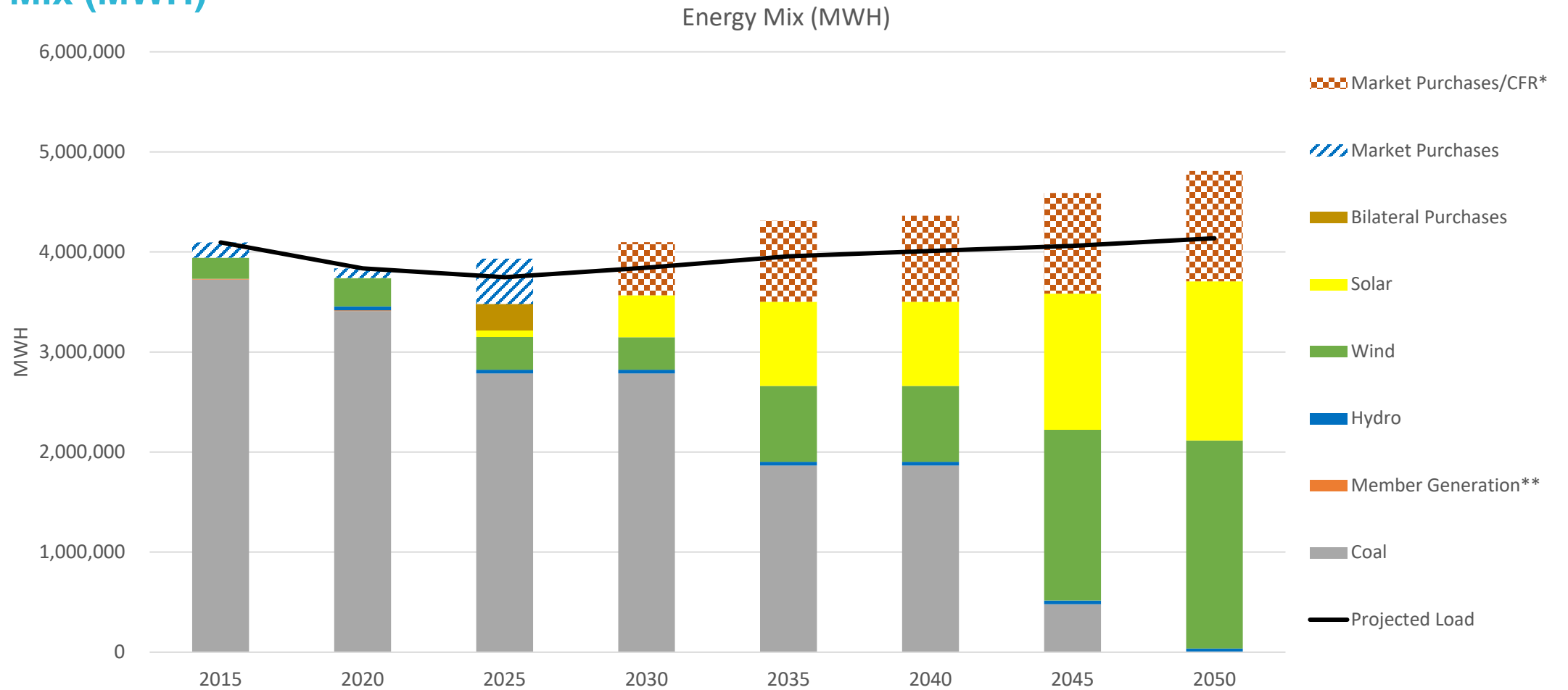
Accredited Capacity (MW)

Cumulative Resources
Accredited Capacity (MW)



IMEA Resource Planning

Energy Mix (MWH)



*Market Based Purchases or Potential Carbon Free Resources

**Member Generation is normally less than 1%

Note: Battery charging/discharging actions reducing market exposure



**ILLINOIS MUNICIPAL ELECTRIC AGENCY
GENERATION COMMITTEE MEETING**

TUESDAY, APRIL 9, 2019

The meeting was called to order at 9:00 a.m. by Chairman Dale Detmer. Roll call was taken showing that a quorum was present in person. Cory Sheehy moved to approve the minutes of the October 18, 2017 meeting, seconded by Bob Coble. The voice vote was unanimous.

Kevin Wagner presented several charts; (1) showing the percentage of generation installed by decade, (2) showing the MW capacity values associated with each decade of Behind the Meter (BTM) generation installation history, (3) showing the percentage of generation by manufacturer and then illustrated the names of the manufacturers of engines old and new. Wagner then identified recent outages, specifically, Breese Unit #8, Winnetka Unit #8, Carlyle Unit #11 and Carmi Unit #11.

Alice Schum reported on the market capacity prices for the last four planning years from MISO and PJM by MW/day and kW/month.

Wagner distributed a handout illustrating the capacity of the BTM generation broken out by member city and by manufacturer as well as a list of additional vendor contacts.

General Counsel Troy Fodor reviewed Section 4 (E) of the current Capacity Purchase Agreement (CPA) with regard to dedicated capacity if unavailable for a continuous period of 12 months due to a significant equipment failure. Staff recommends that the time period in Section 4 (E) of the CPA be extended an extra 12 months to 24 total months so long as the governing body of the member takes appropriate action within 6 months of the event that caused the forced outage. Discussion ensued regarding the specifics of criteria within the first 6 months of this evaluation period to include decisive action to evaluate the problem, options available and a vote by City Council. Staff will compile and retain a vendor contact list and equipment list from the generating members to simplify maintenance issues.

Fodor also reviewed additional edits, changes and clarifications in the redlined version of the Policy along with specifics regarding outage duration during the winter peak. Staff recommends that this new language be combined into a new section in Article D of the Member.

Dominic Rivara moved to approve changing the 12-month extension of time to 24 months and to incorporate all of the above-referenced changes to the IMEA Member Generation Policy. Bob Coble seconded the motion and the voice vote was unanimous. This recommendation will be brought before the IMEA Boards in April.

Kevin Wagner discussed aging generation long term and pointed out the value that BTM generation brings to the RTO capacity and energy markets along with how BTM generation plays an increasingly valuable role in the variability of distributed renewable resources in the future.

Wagner gave background information on the Carmi #11 repair/replacement situation and then reported that the Carmi City Council had approved a new contractor to proceed with tear down work. Before awarding a contract, the City is considering other contractors based upon soonest availability. Staff recommends that given the likely approval of the proposed language in Section D of the Member Generation Policy regarding extended outages, Carmi should retain the waiver allowing the additional 12 months to repair or replace Carmi Unit #11. IMEA Board will reassess Carmi's progress at its June Board meeting and consider appropriate action if it appears additional restoration time beyond July 2019 is required. Wagner noted that while IMEA has not had the benefit of the capacity otherwise provided by this unit, the City of Carmi has not received any capacity payments for Unit #11 during this outage period.

Alice Schum discussed RTO dispatch availability and notice changes and specifically referred to recent changes within the MISO and PJM BTMG/Demand Response rules. She also noted there may be less notification during emergencies or during periods of unexpected high prices.

General Counsel Troy Fodor explained that there were no changes needed in the policy regarding the shorter notice time for generation because it already exists in Section B.3a. The language provides that if IMEA receives a directive from the RTO to run its generation in the RTO, the Operations Center may request an agency dispatch from members in the affected area on shorter notice than set forth in Section 3. They may also request the member to produce the requested output at or within a specific time period. As long as members coordinate with the Operations Center and make a good faith effort to produce the requested output at or within the time requested, any failure to meet that request will not result in an unscheduled outage or an inability to respond unless the unit fails by one hour and cannot be brought back into service within 24 hours.

Alice Schum encouraged the members and their power plant operators to attend the Power Plant Operator Workshop on June 4 at the IMEA offices. Topics include dispatch rule changes, Member Generation Policy changes, the future of aging units, black start capabilities along with penalty calculations and situations.

With no other business to be discussed, Dominic Rivara moved to adjourn the meeting at approximately 10:30 a.m. Josh Eckart seconded the motion, which was unanimously approved by voice vote.

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
GENERATION COMMITTEE MEETING
WEDNESDAY, APRIL 9, 2019**

MEMBERS PRESENT

Breese	Dale Detmer
Flora	Bob Coble
Marshall	Cory Sheehy
Oglesby	Dominic Rivara
Red Bud	Josh Eckart
St. Charles	Tom Bruhl

MEMBERS ABSENT OR LISTENED VIA TELECONFERENCE

Princeton	Jeff Mangrich (via teleconference)
Sullivan	Mayor Ann Short

OTHERS PRESENT

Altamont	Larry Taylor (via teleconference)
Carlyle	John Hodapp
Carmi	David Coston
Casey	Shelby Biggs & Kenny Shobe (via teleconference)
Farmer City	Mead Flannell (listened via teleconference)
Freeburg	John Tolan & Shane Krauss
Naperville	Lucy Podlesny, Brian Groth, Fred Kreinbrink
Rantoul	Greg Hazel (via teleconference)
Sullivan	Dan Flannell (via teleconference)
Waterloo	Tim Birk & Russ Row
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Alice Schum
IMEA	Mandy Ripperda
IMEA	Mike Genin
IMEA	Kevin Wagner
IMEA	Shadi Ahanchi
IMEA	Chris Jewell
IMEA	Tammy Hall