ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF
EXECUTIVE BOARD MEETING

WEDNESDAY, JANUARY 21, 2026

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held in person pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on January 21, 2026. Chairman Dan Cook 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.

The Report of December 3, 2025 was moved for approval by Brian Groth and seconded by Larry Taylor. The motion carried by unanimous roll call vote.

Opportunity for Public Comment: Chairman Dan Cook 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 Cook proceeded with the meeting.

President & CEO Report – CEO Gaden welcomed Doug Brown and announced that Doug would begin his tenure at IMEA as the President & CEO on April 1. Gaden reported that IMEA's power supply cost is 2.0% below budget for the December bill and 0.4% below budget fiscal year to date. He stated that IMEA's power cost portion is now 5.7% lower today than in 2014. Gaden explained that IMEA along with IPEA and IMUA are in the best financial shape in the 42-year history of this organization, although IMEA is not shielded from transmission costs that continue to rise. Gaden reported that the sale of land to Ameren in Highland has been successfully completed and that the MISO Transmission Project Joint Ownership Agreements have been signed by all parties and the partners have submitted proposals to MISO for evaluation. He thanked Troy, Rakesh, Chris and Eric for their efforts in this regard. He also thanked this same group as well as Mandy for their hard work on the Bee Hollow solar vendor financing issue which will be discussed later in the meeting.

Legislative & Regulatory Update – Staci Wilson reported that the Climate and Equitable Jobs Act (CEJA) required the ICC, IPA and IEPA to jointly coordinate and create a Resource Adequacy Study due by December of 2025. She explained that this study will determine if Illinois will have enough power to meet demand given the current and projected state of the electric grid and develop a mitigation plan to assess options to address any projected shortfall. The agencies utilized the services of the IPA's Procurement Planning consultant, Energy and Environmental Economics, Inc. (E3) to conduct the analysis and support the overall process and development of the Resource Adequacy Study. Wilson discussed the findings of this study to include emerging RTO-wide conditions that will directly affect the reliability and cost exposure of Illinois consumers and that even resources located outside Illinois will influence the state's ability to meet accredited capacity needs and avoid high-capacity market prices. She explained that the study determined both MISO and PJM (region-wide) face a risk of resource adequacy shortfalls by 2030. Wilson discussed the trends impacting this shortfall.

Wilson reported that this study recommends a diversified resource strategy to meet its 100% clean energy goals while maintaining a reliable grid. She explained that this strategy includes continued growth of in-state wind and solar; significant investment in battery storage and other technologies; utilizing thermal generators as reliability assets during the transition; expanding transmission to facilitate power imports from other states and developing new emerging zero-emission technologies. Wilson stated that there is a stakeholder workshop on January 27th to present findings of the study, outline next steps and begin socialization of the Mitigation Plans process and timeline in coordination with an Integrated Resource Plan.

OLD BUSINESS

Operations – Mandy Ripperda discussed the results of the PJM Base Residual Auction for Delivery Year 2027/2028 which were posted on December 17th. She explained that the FERC-approved price cap was in effect for this auction, however, there will not be a price cap for the next PJM auction. She also noted that the procured capacity for this auction was short of PJM's reliability requirement by 6,623 MW resulting in a reserve margin of 14.8%. The peak forecast for this auction was 5,250 MW higher than the last forecast for the 2026/2027 auction due to data center demand. Ripperda then reviewed the historical base residual auction results for PJM starting with Delivery Year 2019/2020 along with the three upcoming auctions scheduled to take place in 2026.

Ripperda reported that the MISO Planning Resource Auction for Planning Year 2026/2027 will be held in April 2026 and stated that Operations is completing registrations for IMEA capacity resources including the behind the meter generators. She explained that MISO recently presented near final tariff language changes for Load Modifying Resources (LMRs) to be effective on June 1, 2026. Under the proposed tariff changes, Ripperda reported that the registered behind the meter generators must respond to MISO dispatch in which actual meter data determined the results along with the penalties. IMEA Operations is required to notify MISO any time the unit status or availability changes and penalties will apply for both under performance and for non-performance. Those penalties can include financial penalties and potential disqualification from future use of the program.

Ripperda reminded the members that a drill will be planned for the winter season unless there is an actual event first.

Trimble County (TC): Shadi Ahanchi reported the following:

- There have not been any reportable safety incidents. Plant performance through December 2025 shows that the EAF was 80.76% and the EFOR was 3.55%, both year to date. Unit 1 is currently online, however, had a few hours outage on December 31st due to a master fuel trip. Unit 2 is currently online, although had a four-day outage in early December due to a motor driven boiler feed pump valve. Unit 2 has had a minor derate due to a turbine driven boiler feed pump since November and is still waiting for the parts. Currently IMEA is not impacted due to efficiencies from winter performance. TC Staff continues to work towards the power plant stack refurbishment.

The Engineering, Procurement and Construction (EPC) contractor has mobilized crew for the work and the fabrication of the new support steel has been completed. An extended outage of Unit 1 in the Spring of 2026 along with an extended outage of Unit 2 in 2027 is planned to support this project.

Prairie State (PSGC): Shadi Ahanchi reported the following:

- OSHA recognized Prairie State with a recertification of its Voluntary Protection Program Star status and there were zero recordable injuries for the year for the second time in plant history. Plant performance for the month of December 2025 shows that the EAF was 99.3% and the EFOR was 0.64%. December generation marked the 3rd best production month since commercial operation. Plant performance through December 2025 year to date shows that the EAF was 87.6% and the EFOR was 7.48%. Unit 1 is available for full load and there were no outages during December. Unit 2 is available for full load although the unit was taken offline in early December for a few hours to reset a valve.

Local Transmission and Generation – Shadi Ahanchi reported on the following:

- Ameren Export Study – Staff is still waiting for Ameren to issue the results from the export studies for Altamont, Marshall, Casey and Breese. Ameren has issued the final report on Waterloo with a positive outcome. Staff is working with Ameren to finalize the metering and other logistics for Waterloo to meet MISO requirements. Staff is also working with Ameren to complete 3 additional export studies: Carlyle, Flora and Red Bud. MISO is making further changes to its capacity market requiring Staff to pursue these export expansions as soon as possible.
- Breese – The City desires to obtain a second delivery point by interconnecting to the Clinton County Electric Cooperative line, therefore, the City needs to request a study from Ameren to approve such interconnection. Ameren is currently reviewing this request. The City will coordinate with the Co-op for commercial terms after receiving Ameren's approval. The City will be paying for all additional costs associated with this extra delivery point.
- Flora – The City has completed upgrading their switchgear and controls. IMEA Staff is working on details to be able to export excess generation and once finalized, Staff will work with Ameren to complete the export study.
- IMEA-Flora Fuel System Refurbishment – Staff chose a local vendor to refurbish the existing fuel tanks. This project will begin in March along with switchgear upgrades which will take about 3 weeks to complete.
- Waterloo – The new 7.5 MW unit is now online. The protection relay testing has been completed and IMEA Staff has completed the required capacity testing. IMEA Staff will work with Waterloo to comply with all the MISO capacity requirements for accreditation.

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

- Coalition of Midwest Power Producers, Inc. et al. v. Midcontinent Independent System Operator, Inc. (Docket No. EL26-35-000) – Filed on December 15, 2025, MISO had a computer software issue that caused the clearing price for Planning Year 2025/26 to be too high. MISO corrected the error and refunded the over-collected money to Load Serving Entitles. To do that, MISO had to collect the overpayment back from the generators that were paid based on the auction clearing price that was too high. Since IMEA is both a generator and a Load Serving Entity, the impact on IMEA was minimal. IMEA has received a credit of ≈$432,000 so far with more to come. A group of MISO generators filed a Complaint against MISO over the revenue redistribution. IMEA intervened on January 5, 2026.

- DOE Order 202-25-13 – Issued on December 23, 2025, the US Dept. of Energy directed MISO and CenterPoint Energy to keep F.B. Culley Generating Station Unit 2 in Indiana running until March 23, 2026. This unit was initially on track to close at the end of December 2025.
- DOE Order 202-25-12 – Issued on December 23, 2025, the US Dept. of Energy directed MISO and Northern Indiana Public Service Company to keep Schahfer Generating Station Units 17 and 18 in Indiana running until March 23, 2026. These units were initially scheduled for December 31, 2025 retirement.
- MISO Transmission Owner (TO) Tariff Filing on Reactive Revenue (Docket No. ER23-523) – This filing eliminated monthly fixed compensation for qualified generators under Schedule 2 of the MISO Tariff for the ability to provide reactive support to the grid within the standard power factor range (95% leading or lagging). This eliminated revenue to IMEA for reactive power from Prairie State and Big River Solar. This filing also eliminated the MISO charges to network and point-to-point transmission service customers for reactive service that IMEA had been paying. This was a net benefit to IMEA by lowering transmission costs. On January 27, 2023, a FERC Order was issued accepting the filing to be effective on December 1, 2022. On September 26, 2025, the Appellate Court set aside FERC's Order and remanded the matter for further proceedings. The Court noted that its decision does not trigger reinstatement of the pre-amendment MISO tariff because FERC has entered a separate Order ending reactive-power compensation nationwide which is under review in the Fifth Circuit.

Fodor reported that there are no significant changes to the pending matters listed below. All are awaiting FERC decisions.

- Voltus, Inc. v. Midcontinent Independent System Operator, Inc. (Docket No. EL25-52-000) – Filed January 24, 2025, Voltus Complaint against MISO for changes to LMR testing rules.
- MISO Filing to Revise Tariff to Implement Demand Response and Emergency Resource Reforms (Docket No. ER25-1886) – Filed April 4, 2025, MISO proposed to accredit Demand Response and Emergency Resources based on availability during emergencies. This would impact BTM generation. IMEA protested. MISO refiled under ER25-1886-001 on September 26, 2025.
- North Dakota Public Service Commission et al. v. MISO (EL25-109-000 – A number of state public service commissions filed a Complaint against MISO on July 30, 2025 alleging that MISO misstated the regional value of its Tranche 2.1 transmission expansion project. Comments were filed by transmission developers, transmission customers, environmental groups and elected officials among others.
- Commonwealth Edison Company filing to Amend Attachment H-13A (Docket No. ER25-2129, then EL25-94-000) - Filed May 1, 2025, this Section 206 hearing is regarding ComEd's alleged, unauthorized inclusion of Asset Retirement Obligations in its formula rate. The settlement process is ongoing.

Fodor reported that these matters have been completed.

- Constellation Energy Generation, LLC et al. v. PJM Interconnection, LLC (Docket Nos. EL 25-20-000) – Filed February 20, 2025, FERC initiated a Section 206 proceeding. This is a Constellation Complaint against PJM for lack of co-location rules for interconnected generators. On September 18, 2025, a FERC Order found that absence of large load co-location rules in the PJM Tariff are unjust and unreasonable. FERC ordered PJM to revise its Tariff to require co-located load to secure firm transmission service. The Order also established paper hearings on certain issues and set a briefing schedule. IMEA Staff will continue to monitor subsequent filings and dockets. PJM compliance filing is expected in mid-February 2026.
- North Carolina Electric Membership Corporation v. PJM Interconnection LLC (Docket No. EL25-79-000) – Filed May 8, 2025, North Carolina Co-op complained about PJM's price separation practice in light of the PJM 25/26 auction clearing prices. IMEA intervened on June 4, 2025. FERC denied North Carolina Co-op's Complaint on December 5, 2025.
- PJM Filing to Allocate Costs Required to Implement DOE Section 202(c) Orders (Docket No. ER26-39-000) – On October 6, 2025, PJM filed proposed revisions to its Reliability Assurance Agreement so that it can apply a cost allocation methodology to all PJM Load Serving Entities for DOE Section 202(c) Orders. FERC accepted PJM's revisions on December 5, 2025.
- PJM Filing to Revise Tariff to Eliminate First Use (Docket No ER26-5-000 - On October 1, 2025, PJM filed revisions to its generator interconnection process so that all distribution and sub-transmission-level interconnections would be handled at the state/local level. PJM also requested FERC to decline its jurisdiction over distribution and sub-transmission facilities. IMEA intervened on October 2, 2025 and FERC accepted PJM's revisions on December 4, 2025.

Update on Solar Projects – Eric Weinant reported that IMEA Staff had been pursuing the opportunity for USDA PACE loans being sought by SolAmerica to develop Illinois solar projects in IMEA member communities since early 2023. Since the Federal Administration is canceling similar projects, initial financing is unattainable. SolAmerica along with IMEA Staff sees no path forward involving PACE funding. He explained that IMEA Staff and SolAmerica are continuing discussions on these projects without PACE funding, although without this funding, the cost power from the projects is much higher. Weinant reported that SolAmerica introduced a new potential partner that has added experience and capital. He stated that if these projects are deemed feasible, IMEA Staff will seek Board approval.

Update on Bee Hollow Solar Project – CEO Gaden reported that construction progress continues to be on track to be completed by November 2026. He explained that the physical construction of the solar panels are only a portion of the full project scope. Gaden stated that in early December, IMEA was notified that a transmission upgrade project that is required for firm commercial operation had been delayed. He reported that IMEA Staff has been working with Geronimo Power management to find mutually satisfactory outcomes for the delay.

At that time, CEO Kevin Gaden asked for a motion to go into Executive Session for the discussion of the purchase, sale or delivery of electricity as well as personnel matters. Bob Coble moved to go into closed session, seconded by Pat McCarthy. 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 and Section 2(c)(1) of the

Open Meetings Act at 10:55 a.m. The meeting was returned to Open Session at 12:36 p.m. by a motion from Pat McCarthy. The motion was seconded by David Coston and the roll call vote was unanimous.

Chairman Dan Cook made a motion to approve the following:

(1) an increase to the overall employee salary pool for all employees (except President & CEO) of 3.0% for base adjustments to all salaries effective May 1, 2026;

(2) additional increase to the overall employee salary pool (except President & CEO) of 2.0% effective May 1, 2026, to be distributed to employees based on merit and salary comparability at the President & CEO's discretion;

(3) an annual pool of $40,000 to be placed in the salary budget to provide for the Employee Incentive Plan payments that would begin on May 1, 2026 for that fiscal year (President & CEO is ineligible for these funds) and be administered by the President & CEO in his discretion.

Larry Taylor moved to approve this recommendation as presented, seconded by Cory Sheehy. The roll call vote showed all in favor.

Chairman Dan Cook asked for a motion to adjourn the meeting. The motion was made by Bob Coble, seconded by Pat McCarthy and carried unanimously by voice vote. The meeting was adjourned at 12:42 p.m.

Respectfully submitted,

Secretary/Treasurer

ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, JANUARY 21, 2026

MEMBERS PRESENT

Altamont	Larry Taylor
Carmi	David Coston
Chatham	Pat McCarthy
Flora	Bob Coble
Highland	Dan Cook
Marshall	Cory Sheehy
Naperville	Brian Groth
St. Charles	Peter Suhr
Sullivan	Mike Kirk

MEMBERS ABSENT

OTHERS PRESENT

Bethany	Shannon Risley
Carlyle	Brad Myers
Freeburg	Matt Trout
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Waterloo	J.R. Landeck
Winnetka	Nick Narhi
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Staci Wilson
IMEA	Rakesh Kothakapu
IMEA	Eric Weinant
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Jaken Hicks
IMEA	Jonathon Wygant
IMEA	Danny Chung
IMEA	Ellen Woehrmann
IMEA	Hubert Murray
IMEA	Shadi Ahanchi
IMEA	Tammy Hall
Guest	Doug Brown

LISTEN ONLY VIA WEBINAR

Rantoul	Jake McCoy
Guest	Greg Hubert
Guest	Jean Korte
Guest	Ted Bourlard