

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, FEBRUARY 21, 2018

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on February 21, 2018.

Chairman Greg Hazel called the meeting to order at 2:00 p.m. Roll call was taken which showed a quorum was present.

The Report of January 24, 2018 was moved for approval by Dan Cook, seconded by Tom Bruhl. The motion was carried by unanimous voice vote.

Opportunity for Public Comment: Chairman Greg Hazel stated that pursuant to the Open Meetings Act, any person in attendance at a meeting shall be permitted an opportunity to comment. He then asked if anyone would like to make a comment and hearing none, the meeting continued. CEO Gaden introduced Todd Ely as the new Board Member from Cairo.

OLD BUSINESS

At that time, CEO Kevin Gaden then asked for a motion to go into Executive Session for discussion of the purchase, sale or delivery of electricity. Tom Bruhl moved to go into closed session, seconded by Dick Simon. Voice 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 2:05 p.m. The meeting was returned to open session at 2:45 p.m.

Approval of Revisions to Dynegy Purchase Power Contract – Chairman Hazel asked for a motion to (1) continue the authority of the President & CEO under Resolution #04-06-605 with respect to the contract with Illinois Power Marketing Company with the addition that he is further authorized to shorten the term of the contract and fix the capacity prices thereunder in his discretion, (2) to ratify and confirm the amended and restated contract executed or to be executed by the President & CEO in February 2018, and (3) to take all steps and execute any and all agreements or other documents reasonably necessary to continue to implement said contract. Tom Bruhl moved for approval of the motion, seconded by Dick Simon. The motion carried by unanimous roll call vote.

PJM Transmission Project – General Counsel Troy Fodor reported that PJM had not responded timely to IMEA's request for changes. IMEA still had the option to file the PJM agreement unsigned at FERC with the changes, but may be restricted by auction deadlines. He stated that IMEA had signed the Upgrade Construction Services Agreement (UCSA) on February 5, 2018 and PJM had signed on February 9, 2018. ComEd has 15 business days from that date to complete the UCSA. IMEA staff has requested that PJM certify the Incremental Capacity Transfer Rights (ICTRs) in the Base Residual Auction (BRA) for 2021/22. The PJM certification is due 45 days before the auction (March 26, 2018). Staff will continue to work with consultant based on the latest models for technical screening. Fodor also reported that PJM has not submitted the System Impact Study which was due by the end of January 2018 for the backup ICTR project. IMEA can withdraw backup project if the current project is approved and ICTRs are gained.

NEW BUSINESS

Ordinance #18-02-811 – Adopting Revised Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2018 for the IMEA: CFO Bob Childers reviewed the revised budget pointing out the MWh sales are projected to be 3.4% lower than the original budget and the average cost to Participating Members is projected to be the same as the originally approved budget. Childers further reviewed the operating revenues & expenses as well as the capital budget. Tom Bruhl moved for approval of this ordinance, seconded by Tim Birk. The roll call vote showed unanimous approval.

Ordinance #18-02-812 – Adopting Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2019 for the IMEA: CFO Bob Childers gave an overview of the upcoming FY2018-19 budget to include total MWh sales projected to be 1.3% lower than the amended FY 2017/18 projection due to the expiration of the RECC contract on December 31, 2017. The average cost to participating members for FY2018/19 is projected to be approximately 2.8% higher than the FY 2017/18 amended projection. Childers further explained the budget assumptions, operating revenues & expenses along with the capital budget. Dan Cook moved for approval of this ordinance, seconded by John Hodapp. The roll call vote showed unanimous approval.


CFO Bob Childers presented a chart outlining the Updated Financial Projections for FY2018-FY2022.

Resolution #18-02-813 – Authorizing Pilot Variations to IMEA Demand Response Program – Mike Genin discussed the specifics of the updated terms of the Demand Response Program and noted that a large industrial customer from Peru was very interested. Staff will follow up throughout the year with results from this program. The Resolution was moved for approval by Tom Bruhl, seconded by John Hodapp. The motion carried by unanimous roll call vote.

Capacity Payment Waiver for Carmi Unit #11 – Kevin Wagner gave background information on the history and maintenance of Unit #11. He explained that IMEA Operations had placed Unit 11 officially out of service on July 20, 2017. IMEA staff acknowledged Carmi's efforts to attempt repairs and their need for assurance that a waiver would be granted in order to commit additional significant funds for the unit's repair or replacement. John Hodapp moved that a waiver of Section 4(E) of the Capacity Purchase Agreement be granted that allows the City of Carmi an additional 12 months (starting July 20, 2018) to bring Unit #11 (or its replacement) back in service. This waiver shall be dependent on the City of Carmi making a bona fide financial commitment, prior to July 20, 2018, to timely repair or replace Unit #11. Dan Cook seconded the motion and the motion carried by a roll call vote with David Coston abstaining.

Chairman Greg Hazel asked for a motion to adjourn the meeting. The motion was made by Dick Simon, seconded by John Hodapp and carried unanimously. The meeting was adjourned at 4:05 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, FEBRUARY 21, 2018**

MEMBERS PRESENT

Carlyle	John Hodapp
Carmi	David Coston
Highland	Dan Cook
Metropolis	Rick Abell (via teleconference)
Rantoul	Greg Hazel
Rock Falls	Dick Simon
St. Charles	Tom Bruhl
Waterloo	Tim Birk

MEMBERS ABSENT

Peru	Mayor Scott Harl
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OTHERS PRESENT

Altamont	Larry Taylor
Breese	Dale Detmer
Cairo	Todd Ely
Chatham	Shane Hill
Flora	Bob Coble (via teleconference)
Marshall	Cory Sheehy (via teleconference)
Red Bud	Josh Eckart (via teleconference)
Winnetka	Brian Keys
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Bob Childers
IMEA	Alice Schum
IMEA	Mike Genin
IMEA	Staci Wilson
IMEA	Kevin Wagner
IMEA	Shadi Ahanchi
IMEA	Rakesh Kothakapu
IMEA	Cindy Evans
IMEA	Rodd Whelpley
IMEA	Glenn Cunningham
IMEA	Chris Jewell
IMEA	Tammy Hall