

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, NOVEMBER 4, 2016

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 November 4, 2016.

Chairman Greg Hazel called the meeting to order at 1:00 p.m. and roll call was taken which showed a quorum was present.

The Report of September 28, 2016 was moved for approval by Mayor Scott Harl seconded by John Hodapp. The motion was carried by unanimous voice vote.

Opportunity for Public Comment: CEO Kevin Gaden 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 Kevin Gaden recognized guests of the meeting: Bob Clutter from Fairfield, Mayor Billy McDaniel from Metropolis and Mayor Bill Wescott, Robbin Blackert, George Logan, Jim Schuneman and Glen Kuhlemier from Rock Falls.

OLD BUSINESS

Update on PJM Capacity Market Issues – General Counsel Troy Fodor reported that PJM made the decision to model the ComEd zone as a separate delivery area. This led to price separation for the 2018/2019 and 2019/2020 capacity auctions meaning IMEA will pay more for capacity. He stated that conversations are ongoing with PJM senior management staff and they are not willing to accept IMEA's suggestion to increase capacity transfer from Ameren into the ComEd zone or make changes to its base model. Fodor described other solutions that include a transmission line between one of IMEA's resources and the interface point with the ComEd system to make it an internal ComEd resource or a Merchant Network upgrade to fix a constraint on the system. Staff worked with IMEA's consultant, Customized Energy Solutions (CES) to develop and submit a transmission improvement project into the PJM Merchant Network Upgrade Process. The benefit of this project to IMEA if accepted by PJM and funded by IMEA would eliminate the impact of the price separation. Work will continue on this effort by staff.

Rating Agency Visits – Bob Childers reported on staff's visit to the rating agencies in New York the week of October 17th to provide them with an update. The main topics discussed were the improvement of credit quality, the increased debt coverage targets due to the rate adder and the improved generation performance of Prairie State and Trimble County. Staff expects a full rating review published by all three rating agencies by spring of 2017. Childers gave an overview of IMEA's financial projections for the upcoming 5 years to include member revenues, operating expenses, debt service, projected coverage and the unused portion of the liquidity line.

There being no new business, Chairman Greg Hazel asked for a motion to adjourn the meeting. The motion was made by John Hodapp, seconded by Mayor Scott Harl and carried unanimously. The meeting was adjourned at 1:28 pm.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
FRIDAY, NOVEMBER 4, 2016**

MEMBERS PRESENT

Carlyle	John Hodapp
Flora	Bob Coble
Metropolis	Rick Abell
Naperville	Mark Curran
Peru	Mayor Scott Harl
Rantoul	Greg Hazel
Rock Falls	Dick Simon
St. Charles	Tom Bruhl
Waterloo	Tim Birk

MEMBERS ABSENT

OTHERS PRESENT

Altamont	Larry Taylor
Breese	Dale Detmer
Carmi	David Coston
Highland	Dan Cook
Marshall	Cory Sheehy
Oglesby	Dom Rivara
Princeton	Jeff Mangrich
Roodhouse	Mayor Tom Martin
Sullivan	Mayor Ann Short
Winnetka	Brian Keys
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Bob Childers
IMEA	Alice Schum
IMEA	Mike Genin
IMEA	Doc Mueller
IMEA	Staci Wilson
IMEA	Cindy Evans
IMEA	Kevin Wagner
IMEA	Shadi Ahanchi
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Chris Jewell
IMEA	Rodd Whelpley
IMEA	Ed Cobau
IMEA	Tammy Hall