

# 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 10<sup>th</sup> 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 10<sup>th</sup> and due on July 22<sup>nd</sup>. 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 3<sup>rd</sup> 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 4<sup>th</sup> which covered the IMEA emergency communications and preparation considerations for Member communities.

Ripperda reported that URGE testing began on June 3<sup>rd</sup> 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 16<sup>th</sup> 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 4<sup>th</sup> 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 16<sup>th</sup> 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 16<sup>th</sup> 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 6<sup>th</sup> 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 2<sup>nd</sup> 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 20<sup>th</sup> 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 20<sup>th</sup> 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 13<sup>th</sup> 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 28<sup>th</sup> 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 6<sup>th</sup> 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 17<sup>th</sup> 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