

# ILLINOIS MUNICIPAL ELECTRIC AGENCY

## REPORT OF BOARD OF DIRECTORS MEETING

THURSDAY, OCTOBER 24, 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 October 24, 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 Brian Keys, moved for approval of the minutes of August 29, 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 August 2024 financials stating that actual member power costs are 2.1% under original budget, year to date, and the MWh sales to members is 2.5% below original budget. Wise reported that the September 2024 invoices had been sent out on October 9<sup>th</sup> with the average cost being 1.0% below budget. He also discussed the October 2024 preliminary invoice estimates stating that those invoices would be sent out on November 12<sup>th</sup> and due on November 22<sup>nd</sup>. Wise stated that IMEA ratings remain high and stable. He reported that Fitch had updated IMEA's rating on September 26, 2024 and affirmed the AA- rating with stable outlook. With there being no questions, Brian Groth moved to approve the Treasurer's Report, seconded by Brian Keys. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden welcomed Kevin Minnick, the Electric Operations Manager from Peru to represent the City as their new IMEA Board Member. He also welcomed J.R. Landeck from Waterloo and Nick Narhi from Winnetka to replace Tim Birk and Brian Keys, respectively, upon their upcoming retirements. Gaden thanked the IMUA members for responding to the national mutual aid event from Hurricanes Helene and Milton. He also announced that IMUA was conducting an Arc Flash workshop today through the Tennessee Valley Public Power Association and that a Vendor Fair will be held later today showcasing IMUA Associate Members' products and services.

CEO Gaden announced that Ellen Woehrmann had begun her employment with IMEA on September 16<sup>th</sup>, however, was not present at the meeting due to a previously scheduled commitment. 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. He also stated that advertising was ongoing for a replacement for Bob Kosner's position, Manager of Energy Markets, as Bob is planning to resign at year's end.

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 August. These include completing successful negotiations on the 150MW solar Power Purchase Agreement, updating resource planning models, planning for the Spring 2025 IMEA bond refinancing, making plant decommissioning fund plans, finalizing the IMEA Risk Management Policy, reviewing considerations of changes to member generation compensation and preparing for the IMEA Board's consideration and approval of the IMEA Energy Efficiency Program extension this year.

Legislative & Regulatory Update – Staci Wilson reported that the Spring Session had concluded with no vetoes issued. She explained that the Fall Veto Session dates are November 12-14 and November 19-21, a lame duck session is likely to be held sometime between January 2-7, 2025 and the inauguration of the new General Assembly will be held on January 8. She explained that Net Metering discussions continue. Wilson stated that, at the federal level, tax exempt municipal bonds are potentially at risk in 2025. APPA is urging members to fill out the map of projects built with tax exempt municipal bonds at Public Finance Network #BuiltbyBonds.

Wilson reported that the ICC had approved an expanded timeline for Phase 2 of the ICC “Future of Natural Gas” at its September 26<sup>th</sup> Open Meeting. She explained that the ICC Initiating Order in March 2024 had directed the workshops to conclude by July 1, 2025. This approved timeline extends the process to conclude in February 2026 and will be convened in three subphases.

## **OLD BUSINESS**

Operations – Mandy Ripperda gave an update on the PJM 2025/2026 auction results stating that the clearing prices were much higher than in recent history. She stated that PJM had notified stakeholders that they were planning to ask FERC to delay the PJM 2026/2027 auction scheduled for December 4, 2024 by six months, although there are no additional details at this time. In a recent statement by PJM, their concerns are about increasing demand, continuing generator outages and the slow pace at which new projects are expected to come online.

Ripperda discussed data collection efforts for the upcoming MISO 2025/2026 Planning Resource Auction which will include peak and energy forecasts and URGE test data. The window for this auction opens next March. She reported that the MISO Long Range Transmission Planning Tranche 2.1 is final and will be recommended to the MISO Board for approval in December. This tranche consists of 24 projects with an estimated cost of \$21.8 billion and estimated in-service dates between 2032-2034. She presented a quote from The Power Bureau's 2024 paper titled “Cost and Benefit Analysis of Energy Storage Resource Deployment in Illinois.” It stated that the outlook for power grid reliability in Illinois is uniformly negative and that federal, regional and state energy regulators all identify that capacity shortages will occur in Illinois. Ripperda stated that IMEA already has a plan to consider and add battery storage as IMEA transitions to carbon-free.

Regarding IMEA Operations, Ripperda reported that IMEA generating units ran 11 times this summer and hit all 5 of the top peak days in PJM and 4 of the peak days in ComEd. The MISO generators were all called at the same time during a summer drill and the results were very positive. She presented a graph showing comparisons of average Locational Marginal Pricing (LMPs) from May to September from 2023 and 2024. The graph shows that spikes are increasing in frequency and magnitude from last year to this year. Ripperda informed members that Operations is planning a winter drill this year for all generators and reminded members to review their winterization plans.

Ripperda then discussed that Distributed Energy Resources (DERs) are small generation units located on the customer's side of the meter such as rooftop solar or small customer-owned wind units. IMEA Staff is now required to provide data to Ameren annually per the new Ameren WCAs and will be requesting this information from all members each spring. She stated that there will be a webinar scheduled soon to further discuss this topic.

Manager of Energy Markets and Settlements, Bob Kosner, reported on PJM's and MISO's Auction Revenue Rights (ARR) allocation highlights. He explained that ARRs are credits given to long-term network customers to compensate a share of the FTR auction since transmission charges have been paid. Regarding PJM, the ARR allocation levels in the ComEd zone were slightly higher compared to last year. He reported that due to higher clearing prices in the FTR auction and higher allocation levels, revenue increased by \$500,000 from last year. Regarding MISO, Kosner then reported that the ARR revenue was down almost 25% compared to last year. Over the past 3 years, IMEA has been ahead on FTRs purchased in the monthly process. He stated that IMEA did not convert any ARRs to FTRs this past year, but continued to participate in the Market Participant monthly auction. IMEA Staff will continue to evaluate opportunities in monthly and seasonal auctions.

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 September 2024 shows the EAF was  $\approx 91.00\%$  and the EFOR was  $\approx 3.53\%$ , both year to date. Unit 1 had forced outages and one tube leak repair maintenance outage in September. Unit 2 had one forced outage due to low feedwater flow and a few derates due to forced draft fan issues. The planned outage for Unit 2 is underway with high energy piping tee replacement and turbine blade repairs. This outage will likely be extended by about one week. TC Staff continues to work towards the power plant stack replacement. The project is currently in the front-end engineering phase and the site prep work is underway. The project is scheduled to be completed in 2027-2028.

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 September 2024 showed the EAF was  $\approx 92.8\%$  and the EFOR was  $\approx 7.2\%$ , both year to date. Unit 1 had an outage due to a tube leak and a derate due to a main boiler feed pump replacement. Unit 2 had a brief derate and outage due to pulverizer and coal feeder related issues. Planned outages in November through early December include a maintenance outage for Unit 1 for reheat tee and boiler inspections and the Unit 2 outage will include main steam tee inspection, boiler feed pump overhaul, ID fan overhaul and air heater cold end basket replacement.

PSGC Staff continues due diligence on carbon capture and is exploring the US Dept. of Energy Office of Clean Energy Demonstrations for funding for carbon capture technology. There is currently no commitment from PSGC or the owners.

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. Ameren provided a preliminary draft Joint Ownership Agreement between ATXI and IMEA. IMEA met with representatives from Princeton and Peru along with Ameren this week to discuss ownership options and next steps. Project completion is projected to be 2028-2029.
- Carmi Unit #12 Generator Retirement – On November 29, 2023, Carmi's Unit #12 suffered an engine fire and forced it out of service. The Unit has not received any capacity payments since the event. The City assessed its options and decided not to proceed with the repair and has provided IMEA with a formal 30-day notice. The Unit will be retired as of November 15, 2024.
- Construction Agreement with Oglesby – The Construction Agreement for the new second delivery point has been filed by MISO for FERC approval. The timeline of this project completion depends on long lead time for components, switchgear and meter equipment.
- Mascoutah's Second Delivery Point – The switchgear has been delivered and the City is currently installing it. Targeting the end of November 2024 to energize the line.
- Fairfield – Ameren is working on a major construction project in its Albion Substation which required Fairfield to be disconnected from their 138kV feed for ≈3 weeks. IMEA Staff worked with Fairfield and Hoosier to obtain a temporary agreement to serve Fairfield. This agreement allowed Fairfield to connect to Hoosier's system during the Ameren outage. Fairfield currently has a back-up agreement with SIPC and will likely keep this same arrangement for back-up services for future outages.
- MISO Load Modifying Resources (LMRs) Changes –MISO staff is likely to make a filing at FERC in December to implement new rules utilizing a phased approach with full implementation in 2028-2029. The proposed change requires a 30-minute maximum notification for Load Modifying Resources (LMRs) to be available for full accreditation of capacity (called only for EEA3-One step before load shed). The alternate approach is a 6-hour maximum notification with MISO or IMEA pre-scheduled resources in anticipation of an emergency. The resources with the longest lead time are called first. The notification time and response will be critical to maximize capacity value and must be available for all capacity advisories and perform when needed. There will likely be a penalty structure for Demand Response resources for failing to perform. IMEA Staff is working with other stakeholders and transmission owners including Ameren.

Update on Solar Projects – Eric Weinant reported that all of the solar panels have been installed at Marshall and Princeton. The electrical wiring is nearly done and switchgear deliveries are scheduled for November. The projects in Marshall and Princeton are on track for commercial operation by the end of 2024. He stated that installation of the racking is underway in Oglesby and the project is expected to be online by Spring of 2025.

Eric Weinant reported that IMEA is partnering with SolAmerica to take advantage of USDA PACE partially forgivable loans for behind the meter solar projects in Carmi, Highland and Metropolis; however, negotiations continue between SolAmerica and the USDA regarding funding commitments. He stated that the Board had approved moving forward with these projects at the August Board

meeting, although a funding commitment from USDA is required to execute the Power Purchase Agreements. IMEA Staff is working with another member for an alternative site to the Rantoul site which was deemed unfeasible and Lease Agreement negotiations between the member and SolAmerica are underway. He explained that SolAmerica would pay for the Interconnection Study to determine the site's feasibility, and if it is, IMEA Staff would then seek the Board's approval to move forward. Weinant emphasized that these projects are dependent upon USDA funding.

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

- Sierra Club v. 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 PSGC filed an Answer on September 23, 2024. The PSGC Legal team is proceeding with discovery in this case.
- Prairie State Generating Company LLC v. Illinois Environmental Protection Agency (PCB No. 25-11) – PSGC filed a Permit Appeal with the Illinois Pollution Control Board on August 30, 2024 based on the IEPA's failure to take final action on Prairie State's Clean Air Act Permit Program application. The IEPA filed an Answer on October 4, 2024. Awaiting the outcome.
- North Dakota, et al. v. EPA (Case No. 24-1119) – Several States' Attorneys General's offices along with industry groups challenged the EPA's April 25<sup>th</sup> greenhouse gas/hazardous air pollutant emissions rules. The DC Circuit Court rejected an emergency stay for the rules and an emergency appeal was filed with the U.S. Supreme Court. The U.S. Supreme Court denied the emergency appeal on October 4, 2024.
- West Virginia, et al. v. EPA (Case No. 24-1120) – A number of States' Attorneys Generals' offices, several trade associations, IOUs, co-ops, generator owners and labor unions challenged the EPA's baseload coal plant emissions rule. An Amicus Brief by MISO, PJM, SPP and ERCOT supporting the Petitioners was filed in the DC Circuit Court on September 13, 2024. An emergency appeal for the initial Applications for Stay was denied by the Supreme Court on October 16, 2024. Litigation over the rule itself continues in the DC Circuit Court.
- Public Citizen, Inc. et al. v. Midcontinent Independent System Operator, Inc. et al. (Docket No. EL 15-70-003 et al.) – This case involved the MISO's 2015/2016 auction results for Zone 4 and Dynegy's alleged market manipulation. FERC found that the Zone 4 clearing price was higher than expected, but not unjust and unreasonable in 2021. The DC Circuit Court remanded FERC's finding because FERC did not adequately explain why the clearing price was just and reasonable as it related to Dynegy's conduct. Dynegy requested a rehearing of FERC's 2022 Remand Report and FERC denied the request. FERC ordered settlement procedures which are currently ongoing. IMEA is closely monitoring the settlement negotiations.
- MISO Filing to Reform Resource Accreditation Requirements (Docket No. ER24-1638) – MISO proposed to change how it accredits resources due to a changing resource mix and changing load profiles in the MISO region. IMEA intervened and filed a Limited Protest against MISO's accreditation methodology in April 2024. FERC issued a Deficiency Letter requiring MISO to respond to IMEA and others' concerns in July 2024. MISO submitted a compliance filing answering the Deficiency Letter in August 2024. Currently awaiting FERC response/approval.
- MISO Filing Regarding Wholesale Connection Agreement (WCA) and Construction Agreement (CA) between Ameren Illinois Company, IMEA and the City of Oglesby (Docket No. ER24-3036) – MISO filed the WCA and CA on behalf of Ameren with FERC which establishes the terms and

conditions for the wholesale interconnection between Ameren, IMEA and Oglesby. IMEA intervened on October 2, 2024.

- Commonwealth Edison Filing Revising its Attachment H-13 (Docket No. ER24-2890) – Filed August 28, 2024, ComEd proposes to designate co-located load as Network Load if it does not have a Point-to-Point Transmission Service arrangement. ComEd’s filing is identical to tariff changes proposed and filed across all of Exelon’s regulated utilities. The Distribution utility/Load Serving Entity will be required to install metering equipment on co-located, end-use customers to measure gross load. Several protests were filed by industrial and labor groups. IMEA intervened, but did not protest on October 2, 2024.
- PJM Filing Regarding Energy Efficiency Participating in Capacity Market (Docket No. ER24-2995) – Filed September 6, 2024, PJM proposes to remove Energy Efficiency Resources (EERs) from its capacity market. PJM’s rationale was that EERs provide no meaningful load benefit worth being paid for by PJM customers. Several comments and protests were filed by IMM, PJM Market Participants, distributed energy providers and environmental groups. IMEA intervened, but did not protest on September 27, 2024.
- PJM Filing to Delay Capacity Auction (Docket No. ER25-118) – On October 15, 2024, PJM filed a request for waiver to delay its upcoming auctions which will affect the next 4 delivery years.
- FERC Final Rule on Compensation for Reactive Power (Docket No. RM22-2; Order No. 904) – FERC entered an Order on October 17, 2024 to eliminate charges by transmission providers and payments to generators for reactive power in the standard power factor range. MISO has already eliminated these charges. This will net positively affect IMEA costs and revenues related to reactive power in PJM.
- Ameren Illinois 2025 Transmission Rates – The Ameren Net Plant increased by over \$500 million. Ameren Total Expenses are up 23% and the Net Revenue Requirement is up 18.9%. Other transmission owners in the Ameren Pricing Zone had increases. The Net Result equates to a 20.9% increase for Ameren Pricing Zone starting January 1, 2025.
- Return on Equity (ROE) Case for MISO Transmission Owners – On October 17, 2024, FERC entered its Order on Remand from the US Court of Appeals which eliminated the Risk Premium model from its Return on Equity methodology. This reduces Ameren’s ROE from 10.02% to 9.98%. Refunds will go back to November 2013 and are to be paid by December 1, 2025.
- Chatham SERC Registration – Chatham’s Transmission Owner (TO) registration documents and IMEA’s deregistration as Distribution Provider (DP) documents were submitted to SERC. Receipt was confirmed by SERC on September 15, 2024. The first round of SERC Data Requests was received October 2, 2024 and IMEA Staff will work with Chatham and its consultant to provide the required responses.

## NEW BUSINESS

Altorfer’s Request to Assign St. Charles and Rantoul #1 Solar PPA’s – General Counsel Troy Fodor reported that Altorfer Corporation is the owner/contract counterparty on the Behind the Meter (BTMG) solar projects in St. Charles and Rantoul. He stated that Altorfer had advised IMEA Staff that it would like to move the St. Charles and Rantoul #1 (the Rantoul #2 project is not yet eligible) off its books to free up capital either by IMEA exercising its option to purchase or by assigning the projects and PPAs to another counterparty. IMEA Staff analyzed the cost of the buy-out option along with anticipated maintenance and replacements costs and decided not to pursue the buy-out option at this time. Fodor explained that Altorfer proposed assigning the projects to HWS Energy Holding LLC. IMEA Staff

will support this assignment if the PPAs were amended to provide for collateral posting by both Altorfer and HWS and for Altorfer to remain liable for the PPAs if Altorfer's assignee breached. He stated that after the final details are worked out, IMEA Staff intends to amend the PPAs and then consent to the assignment.

Resolution #24-10-929 – Approving the Form of Wholesale Connection Agreement with Ameren Illinois for IMEA Members Interconnected to the Ameren Illinois System – Rakesh Kothakapu reported that the Wholesale Connection Agreement (WCA) for Oglesby was filed at FERC and work continues to get WCA's completed for all IMEA's other members connected to Ameren. Ameren provided 10 draft WCAs for members first with members that have one delivery point. Those members are in the process of reviewing the agreements and seeking approval from their city councils. He explained that Ameren is requiring a separate WCA with each of the IMEA members whose electric distribution system is directly connected to Ameren's wholesale distribution system. The form of Oglesby's WCA which was approved in the April 2024 IMEA Board meeting will be the same for all IMEA members connected to the Ameren wholesale distribution system except for members' individual distribution system configurations and characteristics. He explained that as a bundled power and delivery service provider, IMEA is also a signatory of these agreements. This Resolution accepts and approves the form of the WCA Agreement with Ameren that IMEA previously accepted, approved and authorized for execution with the City of Oglesby. Jake McCoy moved to approve Resolution #24-10-929, seconded by Tim Birk. The roll call vote showed all in favor.

Waiver of Section 4(E) of the Capacity Purchase Agreement for Rantoul Generating Units #15 and #16 – CEO Gaden explained the circumstances leading up to this waiver request which began in November 2023 and included multiple attempts by the Village to remedy the situation by fixing its transformer over the past year which is the reason its two dedicated generators have been unavailable. He explained that the Village of Rantoul is asking the IMEA Board for a waiver of the 12-month penalty provision in Section 4(E) of the Capacity Purchase Agreement to allow time to replace the transformer necessary for Units #15 and #16 to run. IMEA Staff recommends this Waiver be granted allowing the Village of Rantoul an additional 12 months starting November 15, 2024 to bring Units #15 and #16 back in service by replacing the transformer. Brian Keys made a motion to approve Rantoul's Waiver of Section 4(E) of the Capacity Purchase Agreement for Units #15 and #16. The motion was seconded by Dan Cook. This motion carried by unanimous roll call vote with the exception of the abstention by the representative from Rantoul.

Compensation Recommendations from IMEA Generation Committee Meeting – Rakesh Kothakapu gave an overview regarding capacity credits for member-owned Behind the Meter Generation (BTMG). He reported on the results from the IMEA Generation Committee Meeting which was held on September 25, 2024 and the recommendations which were unanimously approved are as follows: (1) Adjusting the production component to \$2.20/kW month over time, phased in with increments of \$0.20/kW-month over 5 years for non-steam units starting in FY2026 and adjusting the production component to \$3.60/kW month over time, phased in with increments of \$0.20/kW-month over 8 years starting in FY2026 for steam units. (2) Adding the base component of \$2.00/kW-month for dedicated resources currently not receiving it over time, phased in with \$0.40/kW-month increments starting in FY 2026 over 5 years ending in 2030. (3) Allowing new/existing resources to become dedicated resources up to the Member's peak amount. (4) Create a program for additional compensation for members with Quick Start, Dual Fuel and High Efficiency fully-staffed units that would get paid an

additional incentive beyond the base component due to higher dispatchability inside the marketplace. Upon approval of these recommendations, IMEA Staff will update the IMEA Member Generation Policy to include these recommendations and seek approval of an updated IMEA Member Generation Policy from the IMEA Board at an upcoming meeting and prepare to budget for these changes in the IMEA FY25/26. Dan Cook made a motion to approve these four recommendations as presented. Mike Kirk seconded the motion and the roll call vote was unanimous.

Kothakapu then discussed the differences in dispatch protocols between MISO and PJM resources primarily due to differing RTO requirements, how they are processed, what the RTOs define as capacity and why PJM units are called more often than in MISO. He reported on a recent ComEd filing that would require all generation must be reported to PJM for billing purposes. In anticipation of the outcome of this filing and in order to recognize and compare the differences, IMEA Staff is considering an adjustment to the fixed production adder based on the difference in dispatch between MISO and PJM resources. Kothakapu explained that since the number of dispatches are not known until the end of the fiscal year, the compensation would be adjusted the following fiscal year to avoid retroactive payments. He stated that IMEA Staff is only recommending this as a concept and will explore additional details regarding compensation levels based on the outcome of the ComEd filing. Brian Keys from Winnetka requested that IMEA Staff move forward with this consideration as expeditiously as possible.

Resolution #24-10-930 – Approving Baker Tilly US, LLP to Perform Audit of Fiscal Year Ending April 30, 2025 – Chris Wise stated that Baker Tilly’s engagement letter shows less than a 3% increase over last year’s audit fee and stated this amount continues to be very low compared to fees paid by other joint action agencies. Baker Tilly will also perform IPEA’s audit (subject to IPEA’s approval) at the same time as IMEA’s audit. Brad Myers moved to approve this Resolution, seconded by Brian Groth. The Resolution was approved by unanimous roll call vote.

Annual Review of Revenue Requirements for IMEA Rate Schedule B – CFO Chris Wise stated that IMEA reviews the Schedule B rates annually to ensure revenue sufficiency. He reviewed the steps involved in the annual review process to include reviewing Debt Service coverage obligations, operating cash needs, transmission increases and the need to collect transmission costs through the transmission rate and not the energy cost adjustment. Wise reported that the outcome of this review demonstrated that the Debt Service Coverage and level of operating cash are sufficient, and both remain above the targeted level, although the transmission charges need to be adjusted to reflect current transmission costs. Wise recommended that the DSC in Rate Schedule B be increased to recover the transmission rate increases by Ameren and ComEd for 2025 as well as the increase necessary to account for the transmission cost increases from the previous year that were not sufficient. He presented the proposed Delivery Service Charge (DSC) changes for delivery at less than 100 kV and above along with a kW-month breakdown of the increase. Wise presented charts showing the rise in IMEA’s transmission costs over the past 10 years, a bar chart reflecting the effect of transmission on Member average cost along with a chart detailing dollar amounts and percentages of member average cost increases.

Ordinance #24-10-931 – Chris Wise reported that the proposed Rate Schedule B reflects an increase to the Delivery Service Charge. This will adjust the rate to account for Ameren and ComEd pricing zone increases and ensures that current transmission costs are collected through the Delivery Service Charge



and not the IMEA cost adjustment mechanism. This will also update Rate Schedule B to add language to establish and begin the collection of a decommissioning fund. Dan Cook moved to approve this Ordinance, seconded by Jake McCoy. A unanimous weighted roll call vote showed all in favor.

Ordinance #24-10-932 – Approval of Extension of Economic Development Rate Schedules B-2, B-6 and B-7 and Continuing the Suspension of Load Retention Rate B-4 – Jon Wygant explained that IMEA’s Economic Development and Load Retention rates are reviewed by staff annually and approved by the Board each year. IMEA Staff takes into consideration the balancing of current market conditions along with the long-term value of adding new electric loads to the IMEA portfolio. IMEA Staff is recommending the 2025 economic development rate offerings remain the same as the approved 2024 rates. He explained that any customer already receiving an approved economic development rate will remain subject to the terms of their approved rate agreement. Each year, the new Board-approved economic development rates only apply to those new or expanding customers who are approved for an economic development rate that year. Wygant reviewed the existing economic development rates as follows:

Schedule B-2 applies to new or expanding commercial/light industrial loads with a minimum monthly Peak Demand level of 200 kW and above and a monthly load factor of 60% or greater.

Schedule B-4 (when available) is available for use with existing “at risk” electric customers with demands of over 1,000 kW. Staff recommends this rate continue to remain suspended for 2025.

Schedule B-6 applies to new or expanding large demand medium load factor loads with a minimum monthly Peak Demand level of over 1,000 kW and a monthly load factor level of 60% or greater. Customers are required to prove the creation of a minimum of 20 new full-time equivalent jobs in the participating member community. The discount rate is limited to a maximum monthly peak demand level of 25,000 kW or less for the qualifying loads. Large electric demand customers above that level might require special energy/capacity considerations in order to serve and would be subject to Board approval.


Schedule B-7 is available to new or expanding very large demand high load factor loads with a minimum monthly peak demand level of 3,000 kW or greater and a monthly load factor level of 80% or greater. Customers are required to create a minimum of 20 new full-time equivalent jobs. A maximum monthly peak demand level of 25,000 kW or less is required. Pat McCarthy made a motion to approve Ordinance #24-10-932 to continue offering IMEA economic development rates and the continued suspension of the load retention rate for 2025. The motion was seconded by Josh Eckart and the motion carried by unanimous weighted roll call vote. There was an abstention from the representative from Naperville due to his absence from the room when the voting occurred.

Resolution #24-10-933 – Authorizing Execution of Contract for Power Supply from New 150 MW Solar Project – 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. He reported that after very detailed and complex PPA negotiations, IMEA Staff and the vendor were able to reach an agreement on the issues and terms of this project. The vendor is recommending approval at its Board meeting this month as well. Brian Groth moved to approve Resolution #24-10-933. The motion was seconded by Dan Cook and the motion carried by unanimous weighted roll call vote.

IMEA Resource Portfolio Planning – CEO Gaden discussed the highlights of IMEA’s resource portfolio planning. He explained that within the 2025-2030 timeframe, low-cost resources have been adequately planned for and Staff is currently procuring a certain threshold of needed load beyond the year 2035. He reported that during the early 2030’s planning timeframe, finalizing the member contract extensions is necessary to ensure that the Agency’s future resource planning matches the members’ load requirement and IMEA is not needlessly securing excess resources that may not be necessary beyond the year 2035. Gaden stated that more options will be available to adjust to changes in State and Federal policy and dynamic energy market conditions during the 2035-2050 timeframe as IMEA transitions to net-zero 2050. He reported that the RTOs impose capacity obligations which are based on peak load plus reserves determined by the RTO. RTOs do not base the value of a resource on its nameplate capacity. He displayed a chart showing the difference between the nameplate value of IMEA’s resources versus the projected accredited capacity value. In order to transition IMEA’s portfolio into the future, Gaden explained that IMEA will need to purchase a greater number of nameplate megawatts than peak load to meet capacity obligations. He then presented graphs showing nameplate capacity and accredited capacity in megawatts along with the energy mix in megawatt hours from 2015 to 2050.

Chairman Cory Sheehy asked for a motion to adjourn the meeting. The motion was made by Brian Keys, seconded by Dan Cook and carried unanimously by voice vote. The meeting was adjourned at 12:43 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY  
BOARD OF DIRECTORS  
THURSDAY, OCTOBER 24, 2024**

**MEMBERS PRESENT**

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Carlyle	Brad Myers
Chatham	Patrick McCarthy
Flora	Bob Coble
Highland	Dan Cook
Marshall	Cory Sheehy
Mascoutah	Cody Hawkins
Metropolis	Michael Gentry
Naperville	Brian Groth
Peru	Kevin Minnick
Red Bud	Josh Eckart
Rantoul	Jake McCoy
Rock Falls	Larry Hanrahan
Roodhouse	Rich Wallis
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	Tim Birk
Winnetka	Brian Keys

**MEMBERS ABSENT**

Bushnell	Joe Fosdyck
Cairo	Mayor Thomas Simpson
Carmi	David Coston
Casey	Shelby Biggs
Fairfield	Mayor Gary Moore
Farmer City	Adam Turpen
Freeburg	John Tolan
Greenup	Mike Ryder
Ladd	Pat Barry
Oglesby	Rich Baldridge
Princeton	Jeff Mangrich
Riverton	Jim Mileham

**OTHERS PRESENT**

IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Staci Wilson
IMEA	Bob Kosner
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Danny Chung
IMEA	Eric Weinant
IMEA	Jonathon Wygant
IMEA	Tammy Hall
Guest	Terry Ross (Roodhouse)
Guest	Raheel Arshed (Naperville)
Guest	Giovanni McLean (St. Charles)
Guest	J.R. Landeck (Waterloo)
Guest	Nick Narhi (Winnetka)

**LISTEN ONLY VIA WEBINAR**

Carmi	David Coston
Ladd	Pat Barry
Oglesby	Rich Baldridge
Princeton	Jeff Mangrich
Guest	Greg Hubert (Naperville)
Guest	Debi Mader (St. Charles)
Guest	Albert Karvelis (Naperville)
Guest	Fernando Arriola (Naperville)
Guest	Jean Korte (Highland)
Guest	Ted Bourlard (Naperville)
Guest	William Koehl (Naperville)
Guest	Maureen Stillman (Naperville)
IMEA	Shadi Ahanchi
IMEA	Rodd Whelpley