

**ILLINOIS PUBLIC ENERGY AGENCY
BOARD OF DIRECTORS MEETING
WEDNESDAY, DECEMBER 11, 2024**

A meeting of the Board of Directors of the IPEA was held pursuant to proper notice at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois, on December 11, 2024. Chairman Bob Coble called the meeting to order at 12:00 p.m. Roll call was taken which showed a quorum was present.

Jake McCoy made a motion to approve the minutes of August 28, 2024, seconded by Joe Fosdyck. The roll call vote showed all in favor.

Opportunity for Public Comment: Chairman Coble stated that pursuant to the Open Meetings Act, anyone in attendance in person shall be permitted an opportunity to comment. He then asked if anyone would like to make a comment and hearing none, the meeting continued.

Treasurer's Report - The financials for October 2024 were presented by Katherine Nelson. She reported the cash balance was \$593,166 compared to \$573,313 last October. She stated that gas revenue for October had decreased by 18% from the previous year, the price per Dth average had decreased by \$0.12 from the previous year and Dth sales had decreased by 16% from the previous year. She explained that the City of Fairfield did not take gas supply after March of 2023. With there being no questions, Joe Fosdyck made a motion to approve the Treasurer's Report, seconded by Jake McCoy. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden welcomed Mike Casper from JCE Co-op and Mayor Robert Lovell from Martinsville. He then gave an update on staffing transitions which included the hiring of Ellen Woehrmann as the Communications & Legislative Specialist who started on September 16, 2024. He explained that Mike Genin will retire in early 2025 and Staci Wilson will take over leadership in the Member Services Department. He stated that Bob Kosner will resign from IMEA at the end of the calendar year and staff is in the process of filling the Manager of Energy Markets and Settlements position. Staff will continue to assess the needs in the Member Services area over the next 6-9 months. Gaden reported that it was 20 years ago this month that IPEA began its formational meeting which led to the State recognizing IPEA's organizational status as an Illinois entity on December 28, 2004. He congratulated the members on 20 years of partnership creating huge value to your communities.

CEO Gaden reported that some states/communities are finding innovative ways to regulate the use of natural gas, one of which was utilizing the Fall 2024 state and local elections. He stated that Berkeley, California had a ballot measure in November to consider a "carbon fuel usage tax" due to new gas installs being stopped by a California court which resulted in the ballot measure failing 60% to 31%. He explained that in a ballot measure that sought protection for the usage of natural gas, Washington State sought to prohibit cities or counties from barring penalization from the use of natural gas in homes and businesses. The ballot measure passed 51% to 49% so the cities and counties in Washington State cannot ban the usage of natural gas.

CEO Gaden stated that the recent adoption of the ICC study of "Future of Natural Gas" will likely have significant impacts on members' systems and encouraged members to be prepared to address customers' and legislators' questions.

CEO Gaden thanked Mike Genin for his 29 years of service and pointed out several specific instances of how Mike has helped the members over the years which has created long-term value for their communities. Mike Genin expressed his appreciation of the staff and membership.

Market Update – Brandon Fong from Constellation gave an overview of the natural gas market reporting that natural gas prices had established a \$3/MMBtu floor primarily due to no strong/significant sustainable cold December weather expected yet. He stated that production has begun to increase as seasonable heating demand elevates. Fong explained that the withdrawal season has begun with the highest storage since 2016 – about 8% above the five-year average and as temperature forecasts create volatility in the market, sufficient storage inventories should keep prices down. He presented the annual NYMEX Henry Hub natural gas forward price curve which indicated more LNG exports and permitting along with the Henry Hub natural gas historic calendar strips. Regarding the winter outlook, Fong stated that temperatures will be higher than normal and no historic storms are expected. He reported on the best opportunities during the year to buy natural gas based upon historic pricing patterns.

Resolution #24-12-194 – Approving Baker Tilly US, LLP to Perform Audit of Fiscal Year Ending April 30, 2025 – Katherine Nelson stated that the letter agreement had been received from Baker Tilly to provide next fiscal year’s audit for a cost of \$10,750 which is an increase of 4.8% over last year. Baker Tilly will perform the audit of IMEA at the same time as IPEA subject to the approval of both Boards. Jake McCoy moved to approve Baker Tilly to perform the audit of fiscal year ending April 30, 2025, seconded by Shannon Risley. The roll call vote showed all in favor.

Resolution #24-12-195 – Designating Authorized Signatories on the Accounts of the Illinois Public Energy Agency – Chris Wise explained that this Resolution designates authorized signatories on the accounts of the IPEA. This Resolution removes the Chief Operating Officer and the Vice President of Member & Energy Services as signors due to retirements/departures from those positions and replaces them with Staci Wilson and Rakesh Kothakapu as Vice President, Government Affairs & Member Services and Vice President, Engineering & Energy Markets, respectively. The CEO and CFO will remain as the primary signatories and at least one of their signatures will be required on each check. Joe Fosdyck moved to approve the Resolution, seconded by Todd Shaffner. The roll call showed all in favor.

Legislative & Regulatory Update – Staci Wilson reported that the Fall Veto Session had not produced any legislation which affected municipal electric or natural gas systems. A lame duck session is scheduled to be held on January 2-7, 2025 and the inauguration of the new General Assembly will be held on January 8. The lame duck session is important because the threshold for voting goes back to a simple majority after the calendar year begins and those legislators who did not get re-elected will still be able to vote. She stated that there is a potential for omnibus energy legislation which could include electric transmission construction right of first refusal, battery storage incentives, net metering and the Municipal Utility Transparency legislation.

Regarding Federal issues, Wilson discussed new nominations from the Trump Administration which include Chris Wright as Energy Secretary, Lee Zeldin (former Representative from New York) will now work for the EPA and Doug Burgum (Governor of North Dakota) will become the Energy Czar in the Cabinet. She reported that APGA has submitted comments on the Consumer Water Heaters Energy Conservation Standards through the Department of Energy which would limit consumer choices. Wilson stated that this rule had been sent to the Office of Management and Budget with a 90-day time frame scheduled.

Wilson then discussed the Furnace Rule which potentially requires significant home renovations. This interpretive rule is now being challenged in Federal court and could ultimately have an overall impact on natural gas appliance policies in the future. She explained that there is an update to the Pipeline Safety Management System standards. These are voluntary and APGA expects an annex specifically geared toward small operators. More information is expected in the first quarter of 2025.

Wilson urged members to again protect tax exempt municipal bonds by providing projects in your communities in which tax exempt municipal bonds have been utilized on a map via the link provided. This information will be used when speaking with legislators to defend the use of these tax exempt bonds.

Jonathon Wygant gave an update on the ICC “Future of Natural Gas” hearings stating that the Phase 1 Workshop series was completed in May 2024. He stated that the Phase 1 Workshop series identified issues on all relevant topics related to the future of natural gas distribution and decarbonization goals. The facilitator drafted an initial report with an opportunity for comments. IPEA jointly with IMUA submitted comments; a final draft report was released on July 29, 2024. He stated that the ICC had accepted IPEA and IMUA’s comments and recommendations to implement in Phase 2. The Phase 2 Workshop series began on August 28, 2024. Wygant reported that 14 workshop hearings were completed in 2024 with over 800 individual participants representing over 300 interest groups attending. There are four additional meetings scheduled into 2025. He explained that these hearings were originally scheduled to conclude in July 2025, however the final report is now due in February 2026. Staff will continue to monitor and report back to the Board. Wygant stated that the next workshop will be held next Monday, December 16th which he will attend and send out an informational update.

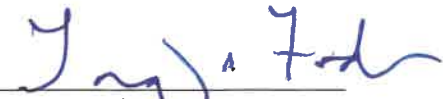
Member Competitive Position – Wygant discussed the low-income discount program filings by the IOUs to the ICC which took effect in October of 2024 to recover the costs of these programs up to 300% of the Federal poverty level. The stated goal is to reduce all monthly utility costs to below 5% of monthly income which combines electric, gas, water and sewer. He reported the low-income credit adjustments per residential customer per month from AmerenIL, North Shore Gas and Peoples Gas, Light & Coke.

Wygant reported that two IPEA members are hedged into 2029, two members hedged into 2028, four members hedged through 2027, two members hedged into 2026 and two members are hedged into 2025 with one member on a Discount to Index program. IPEA/Constellation will be sending updates regularly with price quotes.

Wygant then gave an update on IPEA Member Addendums. He stated that seven members have opted to have one-year Member Addendums with the initial pricing from Constellation which went out on November 22nd. Staff is currently in the process of scheduling meetings. Wygant explained that the current addendums expire on March 31, 2025 with the updated versions taking effect on April 1, 2025 and extending through the option selected. IPEA Staff and Constellation will then send the updated documents for signature to execute. He also reported that hedging limits volumes that are subject to addendum pricing indices. Going forward, addendums will be revisited annually in August/September going forward.

There being no further business, the meeting was adjourned at approximately 1:05 p.m. by a motion from Mike Kirk. Jake McCoy seconded the motion and it was unanimously approved by voice vote.

Respectfully submitted,


Secretary/Treasurer

Assist.

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MEMBERS PRESENT

Bethany	Shannon Risley
Bushnell	Joe Fosdyck
Flora	Bob Coble
Greenup	Mike Ryder
Marshall	Cory Sheehy
Martinsville	Todd Shaffner
Rantoul	Jake McCoy
Sullivan	Mike Kirk

MEMBERS ABSENT

Casey	Shelby Biggs
Edinburg	Mike Lebshier
Roodhouse	Terry Ross

OTHERS PRESENT

Constellation	John Jambois (via webinar)
Constellation	Brandon Fong (via webinar)
JCE Co-op	Mike Casper
IPEA	Kevin Gaden
IPEA	Mike Genin
IPEA	Staci Wilson
IPEA	Chris Wise
IPEA	Jonathon Wygant
IPEA	Rodd Whelpley
IPEA	Katherine Nelson
IPEA	Ellen Woehrmann
IPEA	Danny Chung
IPEA	Tammy Hall
Guest	Mayor Robert Lovell (Martinsville)