

# ILLINOIS MUNICIPAL ELECTRIC AGENCY

## REPORT OF BOARD OF DIRECTORS MEETING

**THURSDAY, OCTOBER 23, 2025**

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 23, 2025. Chairman Dan Cook 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.

Brian Groth, seconded by Jake McCoy, moved for approval of the minutes of August 21, 2025. The motion carried by unanimous roll call vote.

Opportunity for Public Comment – Chairman Cook 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 none, Chairman Cook then proceeded with the meeting.

Treasurer's Report – Tia Horn reported on the August 2025 balance sheet stating that actual member power costs are 0.2% over original budget, year to date, and the MWh sales to members is 1.4% above original budget. She reported that the September 2025 invoices had been sent out on October 9<sup>th</sup> with the average cost being 0.2% under budget for the month. She explained that purchased power expenses were lower than anticipated due to reliable output from IMEA's baseload units. She also discussed the October 2025 preliminary invoice estimates stating that those invoices would be sent out on November 10<sup>th</sup> and due on November 20<sup>th</sup>. Horn reported that IMEA members had been billed for 5 months of FY2026 for the decommissioning fund and as of September 30, 2025, the cash balance in the fund is \$727,610. She then announced that the bond closing had been successfully completed on September 9, 2025. Brian Groth from Naperville asked a number of questions which were responded to by IMEA Staff. With there being no additional questions, Brad Myers moved to approve the Treasurer's Report, seconded by Jason Deering. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden informed the Board of the passing of Ron Earl who served as CEO at IMEA from 1998 to 2011 and also Scott Robison who was employed at IMEA from 1998 to 2010 in the Engineering Department. He then announced that Jason Reisner will be the new IMEA Board Member for the Village of Greenup due to the resignation of Mike Ryder in June and Lance Holsapple, Gas Lead for Greenup, will be the new IPEA Board member. Gaden also reported that Larry Klein, former CPUC President/GM, would become the new IMEA Board member from Cairo later this month, noting that Mayor Simpson resigned his position from the IMEA Board earlier this month. He announced that Matt Trout would become the next IMEA Board member from Freeburg due to John Tolan's retirement at the end of the year and Ryan Staley would become the next IMEA Board member from Casey due to Shelby Bigg's upcoming retirement. Gaden welcomed Lucas Ryan as the new Electric

Operations Analyst in the Operations Department. Lucas is a Chatham native and began his employment at the beginning of September. He recently graduated from Millikin University in Decatur, Illinois with a Bachelor of Science degree in Finance and a Masters of Business Administration (MBA) with a focus on Data Analytics. He explained that Lucas will assist Operations Management with energy scheduling and optimization efforts with more intermittent resources and help with load projections and resource output based on weather data. Gaden reported that all closing documents have been completed for the 2025A Bond Refinancing. He stated that \$33.6M in total savings were shared by all members for the remainder of the IMEA power system debt obligations. He also announced that IMUA was conducting an Advanced Lineman training workshop through the Tennessee Valley Public Power Association and that a Vendor Fair will be held later today showcasing IMUA Associate Members' products and services.

Regarding other Agency updates, CEO Gaden reported that negotiations with Ameren on the Peru-Princeton 138kV line were completed and a resolution is on the agenda for approval. He stated that work continues on contract efforts for a larger MISO project proposal. He explained that work also continues on the IMUA Emergency Equipment Sharing Grant and that the IMUA Board gave the approval to proceed at a Special IMUA Board meeting on October 9. He reported that negotiations with Naperville continue based on their request for contract amendments and IMEA Staff expects to be able to provide more details at the December 2025 Board meeting. Gaden reported that Lanie Mycoff from Mycoff Fry Partners will later be in attendance today to discuss next steps regarding the recruitment of a new President & CEO.

CEO Gaden discussed the status of the Integrated Resource Planning (IRP) efforts and explained that IMEA Staff is tracking the Illinois Energy Omnibus Bill to determine what its final terms may require. It is staff's recommendation to begin preparation of an RFP seeking IRP consultants, but wait to finalize until the exact requirements of the law are known. Gaden explained that IMEA Staff plans for the IRP to include 32 members' load obligations through September 2035 and the current 29 contract holders from October 2035-May 2055, unless and until any new loads are signed up beyond 2035.

Regarding a National update, CEO Gaden announced that the U.S. Senate confirmed Laura Swett and David LaCerte as new FERC Commissioners on October 7. He discussed that with fewer federal tax subsidies, there will be less interest in investing in projects just for tax savings, however, utilities and states will still have local/regional goals or mandates. He noted that over the long term, municipal utilities may look to develop, own and operate their own generation instead of buying under a PPA.

Legislative & Regulatory Update – Communications & Legislative Specialist, Ellen Woehrmann reported that the Illinois legislature had completed the first week of the veto session and next week will conclude the fall veto session. She explained that the status of the energy omnibus legislation is very fluid, with the potential for this issue to be kicked to the Spring session rather than addressed in the veto session. This bill includes the municipal utility integrated resource planning requirements that IMUA negotiated extensively last spring. Woehrmann stated that IMUA is neutral on the final negotiated language and there are no newly proposed changes to provisions that impact municipalities in the current proposed legislation. She reported that both the Senate and the House had conducted hearings earlier this month and IMUA testified at a Senate hearing. Staff will continue to monitor these issues throughout the veto session.

Woehrmann reported that CEJA had required the ICC, IEPA and the IL Power Agency to conduct a Resource Adequacy study with the first one being due December 15, 2025. She stated that the Agencies had hired a consultant called E3 (Energy+Environmental Economics) and they gave a presentation at a workshop earlier this month. The consultant reviewed their approach which included loss of load probability modeling, consideration of planning reserve margins and the reliability value of variable resources. She explained that E3 will now develop scenario analysis to examine portfolio of resources needed to fill the remaining resource adequacy needs under different cost and availability assumptions. They expect a draft report by November with the final study due in December. If the study reveals a resource shortfall, they will review options, conduct workshops and offer changes to the system to ensure reliable operations in the state.

Woehrmann announced that IMUA had received approval to receive the Emergency Equipment Share Grant from the Department of Energy & IL Finance Authority for an award value of \$475,376. IMUA held a special meeting to authorize signing the grant agreement and the implementation process will begin soon.

## **OLD BUSINESS**

Operations – Mandy Ripperda discussed the PJM Base Residual Auction results for Delivery Year 26/27 which were posted in July that utilized the price cap for the entire PJM RTO footprint. She explained that the PJM Base Residual Auction for Delivery Year 27/28 will be held in December 2025 and the PJM-negotiated price cap will remain in effect for that auction as well. She reported that the Third Incremental Auction for Delivery Year 26/27 will be held in February 2026 and according to the latest schedule from PJM, the auction schedule should be back to normal by May 2027 for Delivery Year 30/31.

Ripperda reported that the MISO Planning Resource Auction for Planning Year 26/27 will be held in April 2026 and Operations Staff has already provided load and resource forecasts to MISO. She stated that MISO had recently discovered a “software coding error in a third-party tool” that is used to calculate Loss of Load Expectation that sets reserve margins in the Planning Resource Auctions. She explained that this error has existed since the software was introduced in 2017. MISO estimated the impact to be ≈\$280 million in additional costs which is to be refunded for the current planning year. MISO will not rerun or resettle the auction for Planning Year 25/26, but will make adjustments to the Market Participant settlement statements for up to one year backward from when the error was discovered. She reported that IMEA expects to receive a credit of ≈\$580,000 as a result of this error and IMEA will provide these credits on member bills as a credit to demand costs when they are paid out by MISO over the coming year.

Ripperda reported that the summer of 2025 saw hotter temperatures and higher than projected peaks for PJM which triggered alerts, demand response and coordination with generation. She stated that MISO had an increased number of unplanned outages and higher peak demands due to the hotter temperatures this summer with an increase in frequency of operational declarations and emergency measures. Ripperda explained that in both PJM and MISO, there is an increasing number of price spikes around sunrise and sunset which results in the need to call on generation during these hours. She provided a graph showing the Real-Time 5-minute LMPs for the months of June-September 2024 and 2025 indicating that price spikes are happening more frequently and at increased levels.

Ripperda stated that Operations is planning a winter drill again this year unless an actual event happens first and reminded members to review their generation winterization plans. She discussed an “Operations 101” webinar that will be held on Thursday, November 6<sup>th</sup> at 9:00 am and encouraged all members and plant operators to attend. The topics will be what Operations does on a daily basis to include how resources are scheduled and how the decision is made whether or not to call on member generation.

Trimble County (TC): Rakesh Kothakapu reported the following:

- There was one minor reportable incident involving an employee of a contractor. The plant performance through September 2025 shows the EAF was 86.38% and the EFOR was 3.12%, both year to date. Unit 1 did not have an outage in September, however, the unit tripped twice for a few hours in late August due to failure of the baghouse transformer and loss of coal mills. Unit 1 had a planned 2-week outage in October to inspect and perform targeted repair on boiler tubes and is currently available for full load. TC Unit 2 did not have an outage in September, however, the unit tripped in late August due to a master fuel trip. Unit 2 is currently undergoing a 5-week outage for the boiler feed pump overhaul, ID fan overhaul, air heater cold end basket replacement and to replace SCR catalyst. TC Staff continues to work towards the power plant stack refurbishment. The engineering design details are complete and construction is expected to begin on Unit 1 in 2026 and Unit 2 in 2027 and be completed by the end of 2027. The procurement of stack liner material and fabrication is underway and the TC1 stack liner will be replaced during the Spring 2026 Unit 1 outage.

Prairie State (PSGC): Rakesh Kothakapu reported the following:

- There were a couple of minor reportable incidents involving employees of a contractor which resulted in no lost time. Plant performance through September 2025 shows that the EAF was 87.5% and the EFOR was 8.12%, both year to date. Unit 1 had one unplanned outage at the end of August due to a tube leak. Unit 1 completed its scheduled outage on October 3<sup>rd</sup> and is currently available for full load. Unit 2 had not had an outage since June. Unit 2 was taken offline on October 5<sup>th</sup> for its planned 10-day maintenance outage. Planned fall outages are now complete for both units and they are available for full load.

Local Transmission and Generation – Rakesh Kothakapu reported on the following:

- MISO Load Modifying Resources (LMR) Rules – MISO made this filing to FERC in early April 2025 proposing to change the accreditation calculations using a new methodology which will begin the summer of 2027 in preparation for the 2028-29 capacity auction. This filing includes significant changes to LMR’s Demand Response in MISO. IMEA filed a limited protest in May 2025. FERC has not yet ruled on this filing. To potentially mitigate any potential impacts of these changes, staff is working with Ameren to allow exports back onto the higher voltage distribution and transmission systems.
- Ameren Export Study – Staff is working with Ameren to complete studies that will allow members to use excess generation for additional capacity accreditation. Five study agreements have been executed and are under review by Ameren. Staff is working on finalizing two more study agreements with Ameren and one with SIPC. Staff will coordinate the results and next steps with the members. These study results could allow additional IMEA member dedicated capacity for the 2026-27 MISO

auction. If the results are positive, IMEA Staff will seek a recommendation from the Generation Committee to dedicate additional accredited resources from members and would then require Board approval in February prior to the MISO capacity auction in late March.

- Wholesale Connection Agreement (WCA) – FERC has approved several WCAs and Ameren is in the process of issuing drafts for members with 138KV delivery points. Many of them have back-up facilities at voltages less than 100kV and staff is trying to remove certain provisions that are already in the MISO tariff. These agreements will take additional time as the members preserve long-term options on issues not related to the WCA.
- Waterloo – The turbine was delivered in September. The pre-work is complete for the foundation and fuel delivery system and commercial operation is anticipated in January 2026. The high-pressure gas main has been completed and tested successfully. IMEA staff will work with the City to comply with all MISO capacity requirements for accreditation for the upcoming auction.
- Fairfield – The City wants to relocate its delivery point to the Fairfield 69KV substation from the current Ameren Albion 138KV substation. Through a bilateral arrangement with Fairfield, Hoosier is responsible to operate and maintain the 138KV line from the Ameren Albion Substation to the City's 69KV substation. Subject to MISO approval, Hoosier is planning to run the 138KV line and certain of its and Ameren's 69kV facilities as a network asset to serve other Hoosier load in the area. Staff is working on a 3-party agreement that will establish the terms of any future arrangements.
- Winnetka – The Village is in the process of design and permitting to replace 9MW of steam being retired and may be seeking IMEA's consideration for a small addition to their current approved capacity. Staff recently received an inquiry regarding this concept and will work with the Village to evaluate the potential for an additional 1 MW of capacity. Staff will provide feedback and may request approval in an upcoming Board meeting.
- IMEA-Flora Generator Upgrades – IMEA has entered into an agreement with VI Power to upgrade the IMEA-Flora generation control system and switchgear. Altorfer will supply the required Caterpillar parts for the controls and interface. The targeted completion of this project is Spring 2026. Staff is working with a local vendor to refurbish the fuel system with a plan to complete this work by Spring 2026.
- City of Flora's Units – The City is currently upgrading their switchgear, controls and distribution system which is scheduled to be completed by mid-November. This project will allow IMEA Staff to define export parameters and work on an export study with Ameren.
- Princeton/Peru 138kV Project – The second round of open houses are now complete and well attended with a third round scheduled for November 5 and 6. Ameren plans to file a Certificate of Public Convenience and Necessity application at the ICC. The Lima (Peru) substation project is on City-owned property and Peru is working with Ameren to get the site construction ready. The land purchase agreement is in progress between Peru and Ameren and site construction planned for October 2026. The preliminary site design is underway for the Princeton substation project.

Update on Solar Projects – Eric Weinant reported that Geronimo Power announced that Burns & McDonnell has begun construction on the Bee Hollow project. He stated that the Ameren Substation expansion to interconnect the project should be completed by June 2026 and is expected to be synchronized for testing in late summer 2026 or early fall. The project is anticipated to begin operation in late 2026.

Regarding the USDA Pace loans being sought by SolAmerica to develop Illinois solar projects, Weinant explained that the current Federal Administration is causing significant uncertainty by terminating

projects and pulling back funding in late stages. He reported that since the project must be completed before any PACE funding is distributed, initial financing could be difficult, expensive or nearly impossible due to the risk of cancellation. IMEA Staff and SolAmerica will continue to monitor this situation, however, staff is tracking vendors seeking quicker off-take agreements to safe harbor tax credits. Weinant explained that recent tax legislation had accelerated the expiration of tax credits and notional prices of wind and solar have increased. He stated that prices are expected to increase even more once tax credits are no longer available.

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

- MISO Filing to Revise Tariff to Implement Demand Response and Emergency Resource Reforms (Docket No. ER25-1886 – Filed April 4, 2025, MISO proposed to accredit Demand Response and Emergency Resources based on availability during emergencies. IMEA intervened and protested the proposal because it would negatively impact IMEA's use of member behind-the-meter generation to meet LSE obligations. FERC issued a Deficiency Letter on September 8, 2025, however, it did not address the IMEA protest. MISO responded September 26, 2025. Awaiting FERC decision and order.
- Commonwealth Edison Company filing to Amend Attachment H-13A (Docket No. ER25-2129, then EL25-94-000) - On May 1, 2025, ComEd filed tariff revisions which included Asset Retirement Obligations. FERC initiated settlement procedures because the inclusion could be unjust and unreasonable. IMEA intervened and is participating in the settlement process. Parties have held a settlement conference, exchanged data requests and responses and also had a Technical Conference on October 8, 2025.
- MISO Filing to Revise Tariff to Redefine Loss of Load Expectations (Docket No. ER25-3307) – Filed August 27, 2025, MISO wants to change the definition of Loss of Load Expectations from daily peak hours to all hours of a day. This filing would affect IMEA's Load Serving Entity obligations and future auction clearing prices. IMEA intervened and filed comments on September 17, 2025.
- DOE Order 202-25-7 – Issued August 20, 2025, the Department of Energy extended J.H. Campbell Power Plant's mandate to continue running. This Order directed Campbell to run until November 19, 2025, although further extensions are possible. In response, Consumers Energy Company v. MISO was filed on June 6, 2025 and accepted by FERC Order on August 15, 2025. Some parties are requesting rehearing and filing appeals.
- DOE Order 202-25-8 – Issued August 27, 2025, the Department of Energy extended Eddystone Generating Station Units' mandate to continue running. This Order directed the Eddystone units to run until November 26, 2025, although further extensions are possible. In response, PJM Proposal to Allocate Costs Required to Implement US Department of Energy (Order No. ER25-2653) was filed on June 26, 2025 and accepted by FERC Order on August 15, 2025. Some parties are requesting rehearing and filing appeals.

Fodor reported that there are no significant changes to the pending matters listed below. All are awaiting FERC decisions.

- North Carolina Electric Membership Corporation v. PJM Interconnection LLC (Docket No. EL25-79-000) – Filed May 8, 2025, North Carolina Co-op Complaint against PJM for pseudo-tie price separation practice.

- Constellation Energy Generation, LLC et al. v. PJM Interconnection, LLC (Docket Nos. EL 25-20-000) – Filed February 20, 2025, FERC initiated Section 206 proceeding. Constellation Complaint against PJM for lack of co-location rules for interconnected generators.
- MISO Filing to Revise Tariff for Expedited Resource Addition Study Process (Docket No. ER25-1674) – Filed March 17, 2025, MISO proposed to fast-track eligible generators in a separate, temporary interconnection process on a “first-come first-served” basis.
- Voltus, Inc. v. Midcontinent Independent System Operator, Inc. (Docket No. EL25-52-000) – Filed January 24, 2025, Voltus Complaint against MISO for changes to LMR testing rules.
- Ameren Illinois Petition for Declaratory Order (Docket No. EL25-105) – Filed July 24, 2025, Ameren requested that FERC recognize Illinois’ “first in the field” doctrine as a granting of a “right of first refusal” so that the two Tranche 2.1 transmission projects in Ameren’s control area in Illinois are reclassified as Illinois-jurisdictional projects, rather than as competitive bid projects.

Fodor reported on the following completed matters:

- Public Citizen, Inc. et al. v. Midcontinent Independent System Operator, Inc. et al. (Docket No. EL 15-70-003 et al., then ER25-3069) – Filed May 28, 2015 in response to MISO’s 2015/2016 Planning Resource Auction results for Zone 4 and Dynegy’s alleged market manipulation. FERC approved the Settlement Agreement via Letter Order on August 27, 2025. Dynegy paid out \$38 million and IMEA received payment of \$1.33 million on September 15, 2025. The settlement payment will flow through to IMEA members using normal adjustment provisions.
- PJM Filing to Revise Tariff to Recover Black Start Service Costs (Docket No. ER25-2123-000) – Filed April 30, 2025, PJM proposing to change Black Start Service revenue requirement from a formula rate to a fixed rate. FERC accepted PJM’s Tariff revisions on August 28, 2025.

## NEW BUSINESS

Resolution #25-10-961 – Establishing IMEA Transmission System; Approving Program for the Participation, Acquisition, and Ownership of Transmission Facilities; Authorizing Joint Ownership Agreement with Ameren Transmission Company of Illinois - CEO Gaden reported that contract negotiations have been completed with Ameren Transmission Company of Illinois (ATXI) to become co-owners of a 23-mile 138kV transmission line between Princeton and Peru. He stated that IMEA will become a 25% owner of the transmission line project and fund this project roughly 6 months before the expected commercial operations. Gaden explained that IMEA will have the option to fund the project all the way until 180 days before the ATXI proposed closing date. IMEA will either file to become a Transmission Owner at MISO and file Attachment O statements to MISO to gain recovery of the investment and cover expenses or IMEA may seek a Transmission Bill Credit of Cost Recovery through an Ameren billing credit to offset other costs paid to Ameren by IMEA. Gaden stated that both owners (ATXI and IMEA) will be tenants in common and will mutually agree on the operations and maintenance plans for the long-term operation of the facilities. He noted that the contract allows that if the planned project facilities are used as part of future MISO system upgrades, IMEA has the right, but not the obligation to expand the ownership of the facilities under a separate arrangement. Brian Groth from Naperville asked a number of questions which were responded to by IMEA Staff. Pat McCarthy moved to approve Resolution #25-10-961. The motion was seconded by Cory Sheehy and carried on a unanimous weighted roll call vote.

Resolution #25-10-962 – Approving Second Addendum to the Power Sales Contract with Village of Riverton – General Counsel Troy Fodor reported that IMEA Staff has prepared an Addendum to Riverton’s Power Sales Contract to fix a glitch in the premium provision. He stated that a premium was developed for Naperville in late 2006 to recover estimated costs of Prairie State. Rural Electric Convenience Cooperative (RECC) signed up as a non-member purchaser in August 2008. The same premium was charged, but there was no end date for the premium. Fodor explained that Riverton signed the IMEA Power Sales Contract on December 4, 2008 as a non-member of IMEA with the same premium as RECC and no end date because Riverton was a non-member at that time. He explained that it was always the intention to change the end date of the rate premiums after Riverton rejoined as a member. He stated that Red Bud signed up on April 30, 2009 with the same premium as Naperville and with the December 31, 2025 end date because it was already a member.

Fodor reported that Riverton was a member when IMEA was created in 1984, but withdrew at the end of 2006 upon request from IMEA due to the city not planning to purchase power from IMEA. Fodor explained that in 2009, Riverton became a full IMEA member and continues to be actively engaged in IMEA efforts. He stated that this change could have been corrected in 2009. Riverton has signed the same new IMEA Power Sales Contract as 28 other members. Brian Groth from Naperville asked a number of questions which were responded to by IMEA Staff. Larry Hanrahan moved to approve Resolution #25-10-962. The motion was seconded by Jake McCoy and carried on a unanimous weighted roll call vote except for the abstention of the representative from Riverton.

Resolution #25-10-963 – Approving Baker Tilly US, LLP to Perform Audit of Fiscal Year Ending April 30, 2026 – CFO Chris Wise stated that Baker Tilly’s engagement letter shows a 4% increase over last year’s IMEA financial 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. Brian Groth moved to approve Resolution #25-10-963, seconded by Rich Wallis. The motion carried on a 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 at the targeted level, although the transmission charges need to be adjusted to reflect current transmission costs. Wise recommended that the Delivery Service Charge in Rate Schedule B be increased to recover the transmission rate increases by Ameren and ComEd for 2026. He presented the proposed 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 that would be increased if the new Rate Schedule B transmission charges are approved.

Ordinance #25-10-964 – Chris Wise reported that the proposed Rate Schedule B reflects an increase to the Delivery Service Charge (DSC). This will adjust the rate to account for Ameren and ComEd pricing zone



increases and ensures that current transmission costs are collected through the DSC and not the IMEA cost adjustment mechanism. This will also update Rate Schedule B to eliminate the Premium Credit Adjustment no longer being collected after December 31, 2025. Mayor Gary Moore from Fairfield asked a number of questions which were responded to by IMEA Staff. Bob Coble moved to approve Ordinance #25-10-964, seconded by Dan Cook. A weighted unanimous roll call vote showed all in favor except for the representative from Fairfield voting in the negative.

Ordinance #25-10-965 – 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 – Energy Services Representative, 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 2026 economic development rate offerings for B-6 and B-7 be adjusted due to market conditions. 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. There is no change to the proposed rate values for 2026.

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 2026.

Schedule B-6 applies to new or expanding large demand with 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 15,000 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. Staff recommends reducing the discount by \$0.50 for all years.

Schedule B-7 is available to new or expanding very large demand with 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 15,000 kW or less is required. Staff recommends reducing the discount by \$0.50 for all years. Mike Kirk made a motion to approve to continue offering IMEA economic development rate B-2, a reduced offering of the B-6 and B-7 rates by \$0.50, a reduced cap on load maximums to 15MW for the B-6 and B-7 and the continued suspension of the B-4 load retention rate for 2026. The motion was seconded by Jake McCoy and the motion carried by weighted unanimous roll call vote.

Resolution #25-10-966 – Approving New Delivery Point for the City of Mascoutah – Jon Wygant stated that the School District in Mascoutah has requested to install combined 1.92MW solar arrays on the middle and high school which exceeds Mascoutah’s 25kW net metering ordinance and falls under PURPA guidelines for interconnection. He explained that Mascoutah has an approved FERC waiver to allow IMEA to negotiate and contract directly with the generator/customer to buy output of local renewable generation. He explained that the Interconnection Agreement was approved by Mascoutah on

October 20<sup>th</sup> and the School Board approved it last night. IMEA staff will finalize the contract terms and operational plans/logistics to allow the customer to provide excess energy to the City distribution system when generation exceeds the customer load at the same meter location. Wygant stated that the monthly payment process will begin the first month after all the Agreements are signed. IMEA will analyze and provide an electronic payment directly to the customer's bank account and verify with the City. IMEA staff recommends approval of Resolution #25-10-966 authorizing the CEO to finalize and execute the agreement between IMEA, Mascoutah and the retail customer and also to approve this solar output as a new City delivery point. Brian Groth moved to approve Resolution #25-10-966, seconded by Jason Deering. The motion carried by a weighted unanimous roll call vote.

Resolution #25-10-967 – Approving New Delivery Point for the City of Rock Falls – Jon Wygant stated that East Coloma-Nelson School in Rock Falls has requested to install a 120kW solar array which exceeds Rock Falls' 25kW net metering ordinance and falls under PURPA guidelines for interconnection. He explained that Rock Falls has an approved FERC waiver to allow IMEA to negotiate and contract directly with the generator/customer to buy output of local renewable generation. IMEA staff will finalize the contract terms and operational plans/logistics to allow the customer to provide excess energy to the City distribution system when generation exceeds the customer load at the same meter location. Wygant stated that the monthly payment process will begin the first month after all the Agreements are signed. IMEA will analyze and provide an electronic payment directly to the customer's bank account and verify with the City. IMEA staff recommends approval of Resolution #25-10-967 authorizing the CEO to finalize and execute the agreement between IMEA, Rock Falls and the retail customer and also to approve this solar output as a new City delivery point. Pat McCarthy moved to approve Resolution #25-10-967, seconded by Brian Groth. The motion carried by a weighted unanimous roll call vote with the exception of the representative from Rock Falls abstaining.

Update on Conservation Voltage Reduction Program – Technical Programs Manager, Hubert Murray reported that as part of the IMEA Sustainability Plan goals, IMEA Staff is exploring a Member Distribution Voltage Optimization Predevelopment Study to evaluate the potential of Conservation Voltage Reduction (CVR) as a cost-effective, system-wide efficiency measure. He explained that the study will evaluate the requirements for implementing a Voltage Optimization project in multiple IMEA member communities with the objective of reducing energy consumption and peak demand without requiring direct participation from end-use customers. Murray discussed the outcomes from this study to include developing strategy to reduce energy consumption and peak demand by lowering feeder voltage, generating actionable insights into operational, economic and customer impacts, potentially establishing a replicable model for the IMEA Board to consider and to seek to generate savings that can be shared by both the participating utility and the broader IMEA membership. He discussed that CVR benefits would include energy savings, peak demand reduction and environmental gains and key considerations would be load type matters, customer comfort and quality control. Murray provided a potential timeline for the CVR Program.

Update on Smart Thermostat Residential Demand-Side Management Program – Hubert Murray reported that IMEA Staff is currently working with 3 vendors to assess program models; evaluate impacts on costs, member participation and operational benefits; explore rebate and optimization models and align with PJM and MISO demand-management structures. He provided device count opportunities in IMEA member communities in PJM and MISO along with a tentative timeline to launch this program.

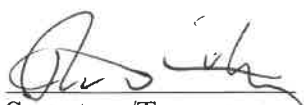
Update on Battery Storage Study – VP of Engineering & Energy Markets, Rakesh Kothakapu stated that in December 2024, the IMEA Board had directed staff to conduct a study on Battery Energy Storage Systems (BESS) in support of IMEA’s Sustainability Plan. He explained that the comprehensive study will focus on the advantages, disadvantages and feasibility of adding BESS to the IMEA portfolio and the key points of emphasis include technology, safety best practices, cost benefit analysis and industry trends. Kothakapu stated that if deemed economically feasible, implementation of a Battery pilot installation would occur no later than 2030. IMEA Staff is seeking assistance from national consultants and will continue to engage various vendors to gain indicative pricing and project opportunities. He stated that demand peaks in PJM and MISO continue to grow in duration and shift to hours during which wind and solar resources may not be available and while limited, BESS could help address the gap in generation and reinforce reliability. Kothakapu reported that battery economics largely revolve around RTO rules especially associated with capacity accreditation and energy price volatility. He discussed the key variables pertinent to BESS include the type of battery, size, duration, location, ownership structure and revenue streams. This study will be centered on utility scale systems (greater than 1 MW), behind-the-meter, lithium-ion systems as this avoids lengthy generation interconnection queues and utilize technology that is highly efficient and has an established track record. Kothakapu provided a timeline for the remainder of 2025 and in 2026 and stated that the Board would decide the next steps once the analysis and options are vetted.

Update on Status of Executive Recruitment - CEO Gaden stated that the Executive Recruitment Proposal was approved at the August 2025 Board meeting and that formal retirement announcements had been made. He reported that ongoing executive recruitment efforts have been ongoing and Lanie Mycoff is in attendance today to update the Board on the progress and seek additional guidance from Board members. He reported that candidate interviews will be conducted in the upcoming months and plan to provide an offer to a final candidate in December. Staff recommends going into Closed Session regarding specifics of this recruitment effort, although no action will be taken today.

At that time, Chairman Cook asked for a motion to go into Executive Session for the discussion of personnel matters. Shelby Biggs moved to go into closed session, seconded by Cory Sheehy. Roll call vote showed all in favor. The meeting was closed to the public pursuant to Section 2(c)(1) of the Open Meetings Act for personnel matters at 12:35 p.m. The meeting was returned to Open Session at 12:45 p.m. by a motion from Brian Groth. The motion was seconded by Larry Hanrahan and the roll call vote was unanimous.

Chairman Dan Cook asked for a motion to adjourn the meeting. The motion was made by Bob Coble, seconded by Brian Groth and carried unanimously by voice vote. The meeting was adjourned at 12:47 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY  
BOARD OF DIRECTORS  
THURSDAY, OCTOBER 23, 2025**

**MEMBERS PRESENT**

Bethany	Shannon Risley
Breese	Jason Deering
Bushnell	Joe Fosdyck
Carlyle	Brad Myers
Casey	Shelby Biggs
Chatham	Pat McCarthy
Fairfield	Mayor Gary Moore
Farmer City	Adam Turpen
Flora	Bob Coble
Highland	Dan Cook
Marshall	Cory Sheehy
Metropolis	Michael Gentry
Naperville	Brian Groth
Princeton	Jeff Mangrich
Rantoul	Jake McCoy
Red Bud	Josh Eckart
Riverton	Jim Mileham
Rock Falls	Larry Hanrahan
Roodhouse	Rich Wallis
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	J.R. Landeck
Winnetka	Nick Narhi

**MEMBERS ABSENT**

Altamont	Larry Taylor
Cairo	Vacant
Carmi	David Coston
Freeburg	John Tolan
Greenup	Jason Reisner
Ladd	Pat Barry
Mascoutah	Cody Hawkins
Oglesby	Rich Baldridge
Peru	Kevin Minnick

**OTHERS PRESENT**

IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Eric Weinant
IMEA	Rakesh Kothakapu
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Jaken Hicks
IMEA	Danny Chung
IMEA	Jonathon Wygant
IMEA	Tia Horn
IMEA	Rodd Whelpley
IMEA	Tammy Hall
IMEA	Ellen Woehrmann
IMEA	Hubert Murray
IMEA	Shadi Ahanchi
IMEA	Lucas Ryan
Guest	Mayor Thomas Simpson (Cairo)
Guest	Ryan Staley (Casey)
Guest	Matt Trout (Freeburg)
Guest	Giovanni McLean (St. Charles)

**LISTEN ONLY VIA WEBINAR**

Carmi	David Coston
Ladd	Pat Barry
Peru	Kevin Minnick
Guest	Greg Hubert
Guest	Ted Bourlard