

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF BOARD OF DIRECTORS MEETING

THURSDAY, DECEMBER 4, 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 December 4, 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 Larry Hanrahan, moved for approval of the minutes of October 23, 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 – Chris Wise reported on the September 2025 balance sheet stating that actual member power costs are 0.1% over original budget, year to date, and the MWh sales to members is 1.4% above original budget. He reported that the October 2025 invoices had been sent out on November 7th with the average cost being 0.8% under budget for the month. He explained that purchased power expenses were lower than anticipated due to a favorable energy market and reliable output from IMEA's baseload units. He also discussed the November 2025 preliminary invoice estimates stating that those invoices would be sent out on December 10th and due on December 22nd. He reported that the projected average cost is 1.6% under budget, energy is projected to be 0.7% under budget and demand to be 17.3% under budget.

Wise reported that IMEA members had been billed for 6 months of FY2026 for the decommissioning fund and as of September 30, 2025, the cash balance in the fund is \$911,335. He explained that there had been no change to the rating agency update from the last Board meeting. With there being no questions, Cory Sheehy moved to approve the Treasurer's Report, seconded by Brian Groth. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden 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, is the new IMEA Board member from Cairo, noting that Mayor Simpson had previously resigned his position from the IMEA Board. He announced that Matt Trout is the new 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 also noted that Jake McCoy has announced that he will be leaving the Village of

Rantoul in February 2026. He then reported that Grey Brand had accepted the Administrative Assistant position. She will be at the front desk beginning this Friday morning and is Sarah Cody's replacement due to Sarah resigning at the end of last month. Grey has a Graphic Design degree from Illinois State University along with an Associate's Degree from Lincoln Land Community College in Digital Multimedia Design.

Regarding other Agency updates, CEO Gaden reported that a contract has been signed with Ameren on the Peru-Princeton 138kV line. Ameren staff is leading the efforts for all necessary approvals from the state and MISO and the online date is planned for summer of 2029. IMEA Staff will address the status of the large Tranche MISO 2.1 development opportunity later in the agenda. 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 in mid-October. He stated that work on the site development and equipment procurement planning is underway. Gaden 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 February 2026 Board meeting. Gaden thanked the CEO Search Working Group and Mycoff Fry Partners for all their efforts to select the next President and CEO of IMEA/IPEA and IMUA. He congratulated Doug Brown from Springfield CWLP on his appointment to the position which will be considered later in this meeting.

CEO Gaden discussed the status of the Integrated Resource Planning (IRP) efforts and explained that the Illinois Legislature approved the Illinois Energy Omnibus Bill known as the Clean and Reliable Grid Affordability (CRGA) Act in the veto session in late October. He stated that IMEA Staff anticipates hiring a consultant in mid-late calendar year 2026 to begin the formal process. 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.

Legislative & Regulatory Update – Staci Wilson reported that the Energy Omnibus Bill (SB 25) referred to as the Clean and Reliable Grid Affordability Act (CRGA) had passed during the Veto Session and, assuming it is signed by the Governor, goes into effect on June 1, 2026. She explained that the bill creates or amends multiple different programs. She reported that there is a requirement for municipally-owned electric utilities and co-ops to conduct Integrated Resource Plans (IRP) every five years and must be initiated on or before January 1, 2027 with a preliminary draft due the year after. She reported that in this bill there are net metering provisions for municipals and coops. She also noted a change to the Open Meetings Act for electric or gas utilities with an exception to Closed Session meetings.

She stated that there is also a statewide Integrated Resource Plan (IRP) process being put in place for investor-owned customers through State agencies every four years. These are on a different timeframe than the municipal IRPs and the IOU's first one is due on November 15, 2026. Wilson reported that this bill also creates new battery energy storage incentives with an initial procurement of 1,038 MW by August 26, 2026 for commercial operation on or before December 31, 2029 to reach a cumulative 3,000 MW by December 31, 2030.

OLD BUSINESS

Operations – Mandy Ripperda reported that the PY27/28 Base Residual Auction opened today with results published around December 17th. She stated that the price cap will remain in effect for this auction per the PJM settlement agreement. The PY26/27 Third Incremental Auction will open in February 2026. Ripperda reported that PJM released its winter outlook in early November and is expecting to have almost 181,000 MW of operational capacity for this upcoming winter. The estimated peak demand is 145,700 MW which would be a new winter record. She noted that PJM has been taking extra action to prepare for the winter season. These actions include requiring generators to complete Cold Weather Preparation Guidelines and checklists, requesting extreme cold weather temperature data to build databases and PJM will perform unannounced operational tests for generators that have not run for several weeks.

Ripperda reported that the MISO PY26/27 auction will be held in April 2026. IMEA Staff is planning to participate in the Spring 2027 auction with Bee Hollow since it is targeted to be online by the end of 2026. She stated that MISO held a Winter Readiness Workshop that Ops participated in. MISO is projecting sufficient capacity to cover the winter peaks, however, Ripperda reminded members to be ready for calls and follow dispatch if called. 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.

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

- There have not been any reportable safety incidents. Plant performance through October 2025 shows that the EAF was 82.97% and the EFOR was 3.21%, both year to date. Unit 1 had one scheduled maintenance outage at the beginning of October for a reheater inspection and one outage in mid-October due to a tube leak. Unit 2 had a planned outage due to overhauling a boiler feed pump, boiler inspections and other generation maintenance in October and a small derate due to a delay in the boiler feed pump. Both units are currently online. TC Staff continues to work towards the power plant stack refurbishment. The Engineering, Procurement and Construction (EPC) contractor has mobilized crew for the prep work and the material delivery in winter will support the spring construction schedule. There will be an extended outage of Unit 1 to support this project.

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

- There have not been any reportable safety incidents. Plant performance through October 2025 shows that the EAF was 85.8% and the EFOR was 8.4%, both year to date. Unit 1 had one unplanned outage in mid-October due to a tube leak and one at the beginning of November due to a tube leak at the lower slope tube connection to the main header. Unit 2 was taken offline on October 5th for its planned 10-day maintenance outage to support continuous operation for winter. The unit had one unplanned outage in mid-October due to a tube leak and another outage the beginning of November due to a tube leak in the back pass of the boiler. PSGC Staff is exploring additional opportunities to sell CCR material.

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

- Ameren Export Study – Staff is still waiting for Ameren to issue the results from the export study and have addressed more questions from Ameren regarding metering and MISO requirements. Staff is waiting on Ameren to confirm the scope of the study to submit a formal request. Staff is working with SIPC to review the Red Bud generators as well.
- Waterloo – The development contractor is in the final stages of releasing the turbine and generator equipment from testing. The installation and electrical work is mostly complete and staff anticipates commercial operation in January 2026. IMEA Staff will work with Waterloo to comply with all the MISO capacity requirements for accreditation.
- 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 for operating and maintaining the 138KV line from the Ameren Albion Substation to the City's 69KV substation. Staff is working on a 3-party agreement that will establish the terms of this arrangement. Fairfield will pay a higher rate to IMEA due to the change in delivery voltage. Hoosier and Fairfield will be responsible for additional Wholesale Distribution Service (WDS) costs from Hoosier and/or Ameren. As a Load Serving Entity (LSE), IMEA will be responsible for the payment of all network and WDS charges to be reimbursed by Fairfield.
- Breese – The City desires to obtain a second delivery point by interconnecting to the Clinton County Electric Cooperative line, therefore, the City needs to request a study from Ameren to approve such interconnection. Ameren is currently reviewing the delivery point study and the export study which IMEA Staff prepared. The City will coordinate with the Co-op for commercial terms after receiving Ameren's approval.
- Oglesby Back-up Facility – Most of the substation assembly is complete on the City side. The interior control house wiring has been completed and work continues on the 34.5 kV underground feed. The interconnection on the Ameren side is not yet complete.
- Princeton/Peru 138kV Project – The third and final round of open houses are now complete and were well attended. 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 substation construction is planned for October 2026. The preliminary site design is underway for the Princeton substation project.
- Generation Committee – Staff is requesting to schedule a Generation Committee meeting on January 21st immediately following the IMEA Executive Board meeting. Topics to be discussed are Winnetka's request to add 1 MW of additional capacity from the 9 MW replacement of capacity previously approved by the Board and dedicating non-dedicated units available at Altamont and Marshall subjected to Ameren's Export Study.

Update on Solar Projects – Eric Weinant reported that IMEA Staff had been pursuing the opportunity for USDA PACE loans being sought by SolAmerica to develop Illinois solar projects since early 2023. Since the Federal Administration is canceling funding for similar projects causing uncertainty of these projects, SolAmerica along with IMEA Staff sees no path forward involving PACE funding. He explained that IMEA Staff and SolAmerica are discussing proceeding on these projects without PACE funding, although without this funding, the cost of the power from the projects is much higher. Weinant reported that the 150 MW Bee Hollow Solar project is still on track to begin operations in late 2026. He also stated that developers of other wind and solar projects are looking for off-takers to take advantage of expiring wind

and solar tax credits. IMEA Staff is unable to entertain most offers based upon future load projections of the 29 members that approved the new contract going forward. He noted that the Lee Dekalb wind contract expires in 2030 and IMEA is missing an opportunity to lock in pricing with tax credits.

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

- PJM Filing to Revise Tariff to Eliminate First Use (Docket No. ER26-5-000) – On October 1, 2025, PJM filed revisions to its generator interconnection process so that all distribution and sub-transmission-level interconnections would be handled at the state/local level. This would affect PJM member towns if generators wanted to interconnect to their distribution systems. IMEA intervened on October 22, 2025 and is closely monitoring the case.
- PJM Filing to Allocate Costs Required to Implement DOE Section 202(c) Orders (Docket No. ER-26-39-000) – On October 6, 2025, PJM filed proposed revisions to its Reliability Assurance Agreement so that it can apply a cost allocation methodology to all PJM Load Serving Entities for units ordered by the Department of Energy to continue to be available to run under Section 202(c) of the Federal Power Act. This filing is supported by Constellation Energy and opposed by the State of Kentucky as well as East Kentucky Power Cooperative. This would affect IMEA if DOE orders any more PJM units to keep running under the Federal Power Act Section 202 (c). IMEA is closely monitoring the case.

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

- 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.
- 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. This would impact BTM generation. IMEA protested. MISO refiled under ER25-1886-001 on September 26, 2025.
- North Dakota Public Service Commission et al. v. MISO (EL25-109-000) – A number of state public service commissions filed a Complaint against MISO on July 30, 2025 alleging that MISO misstated the regional value of its Tranche 2.1 transmission expansion project. Comments were filed by transmission developers, transmission customers, activist groups and elected officials among others.

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

- 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. This is a Constellation Complaint against PJM for lack of co-location rules for interconnected generators.
- North Carolina Electric Membership Corporation v. PJM Interconnection LLC (Docket No. EL25-79-000) – Filed May 8, 2025, North Carolina Co-op Complained about PJM’s price separation practice in light of the PJM 25/26 auction clearing prices.
- 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 settlement negotiations remain ongoing.

- 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. FERC rejected the initial filing, but accepted MISO’s refiling on September 4, 2025.
- MISO Filing to Revise Tariff for 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. FERC accepted MISO’s revision on October 24, 2025.
- 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 MISO Tranche 2.1 transmission projects in Ameren’s control area in Illinois are reclassified as Illinois-jurisdictional projects, rather than as competitive bid projects.

NEW BUSINESS

Resolution #25-12-968 – Approving Participation in Joint Proposals for and Joint Ownership of Competitive Transmission Projects in MISO Long-Range Transmission Plan Tranche 2.1 Portfolio - CEO Gaden reported that IMEA has been considering transmission opportunities for quite some time and this topic has been discussed in every Board meeting for the past year. He stated that the cost of transmission has escalated considerably over the last ten years so owning transmission lines would help mitigate these costs and bring significant savings to the members. Gaden explained that MISO recently decided to proceed with several projects to be executed in Tranche 2.1 and two of those projects are in Illinois. IMEA Staff has worked with Ameren and two other regional transmission owners to submit a joint development offer through the MISO long-term transmission planning process. MISO will select the developer through a competitive bidding process starting in January 2026. He stated that the current projected timeframe for selection of the developer is Q3 of 2026, although construction of these projects are at least 8-9 years away. Gaden reported that IMEA Staff is seeking Board approval to enter into development of a final proposal that authorized IMEA to become a 3% share owner of the planned facilities which totals roughly a \$50-70 million investment from IMEA. He stated that the total of both line extensions is forecasted to be \$1.653 billion in 2024 dollars based on MISO estimates. Ameren subsidiary and NextEra Energy subsidiary Gridliance Heartland would split ownership of 86% of the line; Dairyland Electric Cooperative from Wisconsin will be an 11% owner of the line with IMEA owning 3%. Gaden explained that IMEA has no cost obligations to help to develop the proposals to be submitted to MISO in January 2026 and the ownership would be similar to the Peru/Princeton 138 kV line as tenants in common that would be governed under the Joint Ownership Agreement.

At that time, CEO Gaden asked for a motion to go into Executive Session for discussion of the purchase, sale or delivery of electricity. Bob Coble moved to go into closed session, seconded by Larry Taylor. 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 11:08 a.m. The meeting returned to open session at 11:43 a.m. by a motion from Brian Groth, seconded by J.R. Landeck. The motion carried by unanimous voice vote.

CEO Gaden stated that IMEA would not need to add additional staff to exclusively manage these efforts. He explained that this project would allow IMEA to gain a net margin on the rate of return on equity. Gaden reported that the final terms of the proposal are still being determined and the final terms of the Joint Ownership Agreement (JOA) are still being completed. He stated that he would consult with the IMEA officers prior to signing the JOA. IMEA Staff recommends approval of Resolution #25-12-968 to allow IMEA to take part in this larger new transmission project. Pat McCarthy moved to approve Resolution #25-12-968. The motion was seconded by Dan Cook and carried on a unanimous weighted roll call vote.

Ordinance #25-12-969 – Approving Industrial Discount for Cairo Public Utility Company for the Load of Bunge Corporation – Jon Wygant reported that in 1992, IMEA and CPUC developed a co-generation deferral rate for Bunge. He stated that Bunge has a high load factor of 75-80% which creates significant load and jobs benefit to the City of Cairo. A loss of this load would create higher average cost to IMEA and its members. Wygant explained that this industrial rate discount to Bunge Corporation was set in place in 1992 and has been extended several times by the IMEA Board. This industrial discount is available to any member and is considered by the IMEA Board on a case-by-case basis. He explained that the current retention rate for Bunge expires on February 28, 2026 and the proposed extension would begin on March 1, 2026 for five years. Wygant stated that this is a \$2.50/kW discount on 75% of load at the time of CPUC’s peak hour of the month. IMEA Staff recommends approval of Ordinance #25-12-969 approving the industrial discount for CPUC for the load of Bunge North America, Inc. David Coston moved to approve Ordinance #25-12-969. The motion was seconded by Jake McCoy and carried on a weighted unanimous roll call vote with the exception of the abstention of the representatives from Breese and Red Bud who were not in the room at the time of the vote.

Annual Demand Response and Load Management Initiative Offer Prices – Jon Wygant reported that IMEA is currently in its 7th year of offering demand response programs which provides the opportunity for commercial, industrial or governmental end-use customers of Members to participate (through IMEA) in PJM or MISO capacity markets. These programs have continued to expand throughout the RTOs as capacity becomes limited. Wygant explained that the DR Program is divided into two parts: Direct participation in the MISO/PJM Capacity Auction and the IMEA Load Management Initiative. The incentive price for direct participation in the MISO/PJM Capacity Auction is established by the auction clearing price. Members are compensated whether or not they are called upon by the RTO to reduce load; however, there are penalties from the RTO for customer non-performance. In the alternative, for any auction, if an end-use customer wants to share the capacity pricing and the policy risk, the IMEA Demand Response (DR) Program allows for a percentage share of the revenue received from the RTO to be split, up to 75% to the Member/Customer with the remainder to IMEA to operate the program.

Wygant stated that the Load Management Initiative allows IMEA to call on the committed resource to reduce load at high usage times to reduce future capacity costs to IMEA. The incentive price is typically based on the 75% customer/25% agency split of expected agency capacity savings in the next RTO capacity auction. There is not a penalty from the RTO for non-performance, however there is no compensation if the customer does not perform.

Wygant stated that IMEA staff is proposing the following compensation under the DR Program including Load Management Initiative pricing: Fixed price offers up to \$6.38/kW-month for PJM 2026/2027 Planning Year. He explained that the demand response would be bid directly into the PJM Base Residual

Auction. Planning Year 2027/28 is currently scheduled for December 2025. He reported that the 75%/25% revenue share is subject to the Demand Response clearing the auction at or above the Minimum Offer Price Rule (MOPR) floor price for its type of resource. The member/customer assumes all risk of penalty. Wygant reported that IMEA Staff is proposing the following compensation under the Demand Response Program, including Load Management Pricing for MISO: The fixed price offers for each capacity season are as follows: Summer 2026 is \$7.60/kW-month, Fall 2026 is \$1.52/kW-month, Winter 2026-2027 is \$2.43/kW-month and Spring 2027 is \$2.43/kW-month. The MISO voluntary Load Management Pilot pricing to potentially lower the IMEA coincident peaks will be \$7.60/kW-month for Summer 2026 only. Mike Kirk moved to approve the Demand Response and Load Management Initiative Offer Prices as presented, seconded by Brian Groth. The motion carried by unanimous roll call vote.

Resolution #25-12-970 – Approving Replacement Renewable Energy Credits for the Energy Output of the Big River Solar Project – Rakesh Kothakapu reported that during REC Planning Year 2025, IMEA produced a total of 353,114 RECs. Consistent with the policy set forth in IMEA Resolution #20-06-851 which was approved by the IMEA Board on June 18, 2020, IMEA retired 353,114 RECs – 243,480 from Illinois and 109,634 from neighboring states.

He presented a chart showing historical REC market conditions from August 2019 to June 2025. He explained that the IMEA RECs generated in ComEd are PJM qualified and currently trade at higher prices than RECs generated in Ameren territory in MISO and at national levels. This creates an opportunity for IMEA to sell the PJM qualified RECs and replace them with MISO and national RECs. This method saved the Agency \$10.9 million for Planning Year 2024/25. This opportunity may not exist in future years. Kothakapu stated that IMEA retired 1,600 RECs under the Green Power Choices program on behalf of the members and participating customers, which is in addition to the RECs already held by IMEA.

Next, Kothakapu stated that Big River Solar has already sold their RECs to the Illinois Power Agency (IPA). IMEA has the option to buy IMEA's share of Big River's RECs for rest of term when the IPA agreement expires. He explained that it is appropriate that IMEA purchase and retire the RECs in the quantity of the energy production from IMEA's 25 MW share of Big River's output to support the growth of renewable generation. Kothakapu stated that this would be done via replacement RECs until the option to buy the project's RECs becomes available. The project RECs price is currently an attractive price so IMEA wants to exercise the option when it becomes available. He explained that this Resolution authorizes the President & CEO to purchase and retire replacement RECs in the quantity of IMEA's share of Big River's output each year beginning with the production from June of 2025. Larry Taylor moved to approve Resolution #25-12-970, seconded by Larry Hanrahan. The motion carried by a unanimous weighted roll call vote.

Update on IMEA Sustainability Plan – Staci Wilson stated that IMEA has committed to provide an annual end of year update of the goals of the IMEA Sustainability Plan. She explained the progression of these goals by principle which are listed below:

- 1) Provide an affordable, reliable and sustainable power supply to member communities: (a) This goal was exceeded with the addition of 25 megawatts of utility-scale solar starting in 2025 from the Big River Solar Farm; 150 megawatts of new utility-scale solar starting late 2026/early 2027

from Bee Hollow Solar Project and adding 3 new behind the meter solar projects to IMEA Municipal Solar Program in Oglesby, Princeton and Marshall. Staff worked on four additional behind the meter solar projects through USDA PACE loans in conjunction with SolAmerica, however, this loan program does not appear to have a path forward with PACE funding. IMEA continues discussions on ways to reach agreement with the developer for these projects without PACE funding. (b) The goal to study the feasibility of installing utility-scale behind the meter battery storage on member distribution systems by 2030 and to research new technologies to reduce the current resource carbon footprint is ongoing. Rakesh Kothakapu will give a status update later in today's meeting and staff anticipates that the battery study will be available in February with a presentation at the IMEA February Board meeting. (c) The Sustainability Plan has a goal that IMEA will utilize a member stakeholder process on a 3-year review cycle and IMEA will update the plan on an annual basis and will report to the Board on the progress of the Sustainability Plan. This goal has been attained. This is the annual report to the Board and next year will be the 3-year review. Staff will develop a working group to guide the process of update the plan itself. It would be the intent to better utilize the timing of the Integrated Resource Plan and the Sustainability Plan review.

- 2) Design and facilitate energy conservation programs in support of the concept that the most sustainable watt is the watt not generated: This goal was attained and is ongoing with the incentive funding by the IMEA Electric Efficiency and Conservation Program and the documented kilowatt/hour annual savings in the programs. The goal to regularly review technology developments to determine new energy saving measures has been attained by IMEA adding two new refrigeration measures in FY 2025/26. The Electric Efficiency and Conservation Committee will meet in early 2026 to review the 2026 Illinois Statewide Technical Reference Manual to determine whether there are feasible new measures to add to IMEA's FY2026-27 program beginning on May 1, 2026. The goal to explore a Conservation Voltage Reduction (CVR) Program is ongoing. IMEA Staff has begun putting together a CVR pilot program plan. Staff is preparing a Request for Proposal (RFP) to be issued in the spring of 2026. The RFP will determine the interest of member cities with essential electric distribution system configuration and the appropriate load profile to host the pilot. Costs for this pilot program will be included in the IMEA FY26/27 budget. Hubert Murray will provide a status update later in the meeting.
- 3) Offer flexible programs to mitigate peak loads, increase reliability and better integrate clean energy potential: This goal was attained and is ongoing by offering Demand Response directly into the MISO capacity market, but IMEA guarantees pre-determined offer prices to customers. A pilot summer program to offer a fixed price for the FY26/27 is available. This will lower load forecast and coincident peak which in turn increases the potential of lowering capacity needs in future years. The summer program goal is to lower the capacity requirement, improve overall capacity factor and save member costs. The goal to pursue federal grant opportunities to deploy an Optimized Charging Operations Center (OCOC) has been partially achieved by IMEA coordinating extensively with the Illinois Finance Authority to apply for a Grid Resilience & Innovation Partnership grant that would have funded the deployment of an OCOC. Illinois did not receive this grant funding from the federal government. Staff is putting together a residential thermostat incentive program to incentivize customers to conserve energy usage during times of peak demand. Staff anticipates seeking Board approval of the program in 2026.
- 4) Enable, accelerate and integrate electric vehicles and accompanying charging infrastructure: This goal has been attained by the results of the ongoing IMEA Electric Vehicle Charging Station and Electric Vehicle Program. These results include incentivizing 459 private sector charging stations,

9 municipally owned or leased charging stations and 2 municipally owned or leased EVs by this IMEA program since FY2019/20.

- 5) Maintain and support a sustainable workplace: IMEA's office facility is a model for other businesses due to the LEED design; the heating and cooling system with 100% high efficiency geo-thermal heat pump and no natural gas; low-E windows; LED motion activated lighting; 10KW solar array; an EV charging station and an EV as part of our fleet of vehicles. This goal was attained by creating a new job position and hiring a Technical Program Manager to assist in new and expanding customer energy savings programs and IMEA installed new LED energy efficient parking lot lights.

Update on Conservation Voltage Reduction Program – 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 provided a potential timeline for the CVR Program and stated that staff is preparing a preliminary budget range to support the feasibility study and potential next steps. Murray explained that the costs will vary depending on the selected member city and will be refined through a feasibility study to determine the cost benefit.

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 a strategy to reduce energy consumption and peak demand by lowering distribution 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, customer comfort and quality control.

Update on Battery Storage Study – Rakesh Kothakapu stated that the IMEA Board had directed staff to conduct a study on the feasibility of utility-scale behind-the-meter battery storage on member distribution systems in support of IMEA's Sustainability Plan. Staff is in the process of finalizing the draft report and plans to review the full report in the February Board meeting. He explained that the study focuses on lithium-ion, the current market leader, while also covering alternative technologies; an in-depth safety review to alleviate concerns regarding thermal runaway (fires) and the training needed for host communities; to own or utilize an offtake agreement regarding capital and operating costs, tariffs and tax credit considerations and revenue streams along with a financial analysis. Kothakapu discussed that the cost of batteries has decreased, although off-take indicative offers from vendors show a wide range of expectations as well as the price depends on the size of the system. He explained that Foreign Entity of Concern rules, tariffs and expiring tax credits put pressure on costs and revenue streams are filled with uncertainty and potential reductions. He reported that the cost benefit analysis will depend upon Power Purchase Agreement (PPA) pricing and the size of projects. IMEA will likely not experience an immediate net financial benefit, however, PPA batteries are destined to be an integral part of a future Illinois resource mix, Therefore, IMEA needs to gain experience while also balancing exposure. Kothakapu then explained the economics regarding batteries in PJM and MISO along with the criteria necessary to host this pilot program. Next steps include finalizing the study, presenting it to IMEA Board in February and then seeking feedback from the members on potential sites.

Update on the IMEA Energy Efficiency Program – Staci Wilson gave an update on this value-added service in which IMEA budgets \$1 million each year to pay incentive rebates directly to retail customers for qualified electric efficiency projects. These funds are divided among municipalities based on the member’s individual percentage the total forecasted energy load for IMEA for that year. She noted that this year the program paid out its 13 millionth incentive dollars. She explained that this program is authorized in 3-year increments in which FY25/26 is the first year of the current 3-year term. Wilson reported that municipalities could carry no more than one year’s worth of funding to FY25-26 and those funds must be designated for incentives for electric efficiency projects by April 30, 2026 or those funds will be transferred to the IMEA Rate Stabilization Fund.

Wilson then gave an update on the EV Charging Station & EV Program. She reported that each year, IMEA makes \$250,000 available for incentives for qualified Electric Vehicle Chargers and Electric Vehicles. Funds are divided among municipalities on a load share basis based on the member municipality’s individual percentage of the total forecasted energy load for the year. She explained that this program is authorized in 3-year increments in which FY25/26 is the first year of the current 3-year term. Wilson stated that members can use the funds for up to 100% of the cost for the municipality to own or lease qualified EV charging stations made available for public use or up to 100% of the cost for the municipality to own or lease qualified EVs for City or Electric Department use. These funds can also be used to establish a municipally managed EV Charging Station Program to provide incentives for retail customers to install qualified EV charging stations at business and homes or to transfer to the Electric Efficiency Program for rebates for lighting, motors, etc. Wilson reported that municipalities could carry no more than one year’s worth of funding to FY25-26 and those funds must be designated for incentives for electric efficiency projects by April 30, 2026 or those funds will be transferred to the IMEA Rate Stabilization Fund.

Wilson stated that an Energy Efficiency and Conservation Committee (E2C2) meeting will be scheduled for early 2026 to review the performance of the Electric Efficiency Program and the Electric Vehicle Charging Station & EV Program, review the 2026 Illinois Statewide Technical Reference Manual for Energy Efficiency Version 14.0 and assess any new laws to determine how these programs compare with any new requirements imposed on the IOU programs.

Resolution #25-12-971 – Approving the Next IMEA President & CEO of Illinois Municipal Electric Agency – Chairman Cook reported that President & CEO Kevin Gaden is retiring from IMEA on March 31, 2026 after more than 14 years of service and thanked Kevin for his service to the Agency. He stated that the IMEA Board had authorized the engagement of a recruiting firm to conduct a nationwide search for the best candidate in August 2025. Cook explained that a Working Group of IMEA Board members had reviewed the potential candidates and held interviews. He stated that a Special meeting of the IMEA Board was held on November 19, 2025 to discuss and consider the candidates, although no action was taken at that time. Based on the results of that meeting, the IMEA Chairman negotiated a contract with Douglas Brown to be the next President & CEO of IMEA beginning on April 1, 2026. Chairman Cook recommended approval of Resolution #25-12-971 authorizing the Chairman to finalize and execute an employment contract and take all necessary steps to implement and administer the hiring of the next President & CEO of IMEA. Larry Hanrahan moved to approve Resolution #25-12-971, seconded by Pat McCarthy. The motion carried by unanimous roll call vote.

Chairman Dan Cook asked for a motion to adjourn the meeting. The motion was made by Bob Coble, seconded by Cory Sheehy and carried unanimously by voice vote. The meeting was adjourned at 12:44 p.m.

Respectfully submitted,

Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
BOARD OF DIRECTORS
THURSDAY, DECEMBER 4, 2025**

MEMBERS PRESENT

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Carmi	David Coston
Casey	Shelby Biggs
Chatham	Pat McCarthy
Farmer City	Adam Turpen
Flora	Bob Coble
Freeburg	Matt Trout
Highland	Dan Cook
Marshall	Cory Sheehy
Mascoutah	Cody Hawkins
Metropolis	Michael Gentry
Naperville	Brian Groth
Peru	Kevin Minnick
Princeton	Jeff Mangrich
Rantoul	Jake McCoy
Red Bud	Josh Eckart
Riverton	Jim Mileham
Rock Falls	Larry Hanrahan
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	J.R. Landeck

MEMBERS ABSENT

Bushnell	Joe Fosdyck
Cairo	Larry Klein
Carlyle	Brad Myers
Fairfield	Mayor Gary Moore
Greenup	Jason Reisner
Ladd	Pat Barry
Oglesby	Rich Baldrige
Roodhouse	Rich Wallis
Winnetka	Nick Narhi

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	Staci Wilson
IMEA	Danny Chung
IMEA	Jonathon Wygant
IMEA	Tia Horn
IMEA	Tammy Hall
IMEA	Ellen Woehrmann
IMEA	Hubert Murray
IMEA	Shadi Ahanchi
Guest	Ryan Staley (Casey)
Guest	Giovanni McLean (St. Charles)
Guest	Phil Calderone (Naperville)
Guest	Matt Caldwell (Rantoul)

LISTEN ONLY VIA WEBINAR

Cairo	Larry Klein
Carlyle	Brad Myers
Ladd	Pat Barry
IMEA	Charlie Robling
Guest	Ted Bourlard
Guest	Greg Hubert
Guest	Jean Korte
Guest	Debi Mader