

ILLINOIS MUNICIPAL ELECTRIC AGENCY

REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, FEBRUARY 18, 2026

A regularly scheduled meeting of the Executive Board 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 February 18, 2026. Chairman Dan Cook called the meeting to order at 2:00 pm. 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.

The Report of January 21, 2026 was moved for approval by Brian Groth and seconded by Pete Suhr. The motion carried by unanimous roll call vote.

Opportunity for Public Comment: Chairman Dan Cook stated that pursuant to the Open Meetings Act, any person attending this meeting shall be permitted an opportunity to comment. Questions during the rest of the meeting are reserved for Board members. He then asked if anyone from the public would like to make a comment. Hearing none, Chairman Cook proceeded with the meeting.

OLD BUSINESS

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 similar projects, initial financing is unattainable. SolAmerica along with IMEA Staff sees no path forward involving PACE funding. He explained that IMEA Staff and SolAmerica are continuing discussions on these projects without PACE funding, although without this funding, the cost of the power from the projects is much higher. Weinant reported that SolAmerica has introduced a new potential partner that has added experience and capital.

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

- ATXI Tariff Filing for Joint Ownership Agreement between ATXI and IMEA (Docket No. ER26-745-000) – On December 12, 2025, Ameren Transmission Company of Illinois (ATXI) filed the Joint Ownership Agreement (JOA) for the Peru-Princeton project with FERC. This JOA covers the construction, financing and owner/operator relationship terms and conditions of the project. FERC accepted the JOA on February 2, 2026.
- Coalition of Midwest Power Producers, Inc. et al. v. Midcontinent Independent System Operator, Inc. (Docket No. EL26-35-000) – Filed on December 15, 2025, MISO had a computer software issue that caused the clearing price for Planning Year 2025/26 to be too high. MISO corrected the error and refunded the over-collected money to Load Serving Entities. To do that, MISO had to collect the overpayment back from the generators that were paid based on the auction clearing price that was too high. Since IMEA is both a generator and a Load Serving Entity, the impact on IMEA

was minimal. IMEA has received a credit of ≈\$432,000 so far with more to come. A group of MISO generators filed a Complaint against MISO over the revenue redistribution. IMEA intervened on January 5, 2026. Complainants allege that MISO's actions were unjust and unreasonable and requests that FERC reverse MISO 2025/26 PRA clearing price adjustment. IMEA may need to return its MISO refunds if FERC grants the Complainants' request.

- DOE 202(c) Orders – US Dept. of Energy issued twenty 202(c) Orders in response to Winter Storm Fern-related emergencies. One Order allowed all PJM-Region electric generating units to run at max capacity notwithstanding air permit limitations/fuel shortages through January 31. Another Order allowed PJM to call on large load backup generation prior to/during load shed through January 31. Other Orders allowed ERCOT, NYISO, ISO-NE, Duke and Florida utilities to call max generation regardless of air permit or other regulatory limitations.
- DOE Orders 202-25-12 and DOE Order 202-25-13 – Issued on December 23, 2025, the US Dept. of Energy directed MISO and CenterPoint Energy to keep F.B. Culley Generating Station Unit 2 and NIPSCO to keep Schahfer Generating Station Units 17 and 18, all in Indiana, running until March 23, 2026.
- MISO Transmission Owner (TO) Tariff Filing on Reactive Revenue (Docket No. ER23-523) – This filing eliminated monthly fixed compensation for qualified generators under Schedule 2 of the MISO Tariff for the ability to provide reactive support to the grid within the standard power factor range (95% leading or lagging). This eliminated revenue to IMEA for reactive power from Prairie State and Big River Solar. This filing also eliminated the MISO charges to network and point-to-point transmission service customers for reactive service which eliminated costs to IMEA. This was a net benefit to IMEA by lowering transmission costs. On January 27, 2023, a FERC Order was issued accepting the filing with a retroactive effective date of December 1, 2022. On September 26, 2025, the Appellate Court set aside FERC's Order and remanded the matter for further proceedings. The Court noted that its decision does not trigger reinstatement of the pre-amendment MISO tariff because FERC has entered a separate Order ending reactive-power compensation nationwide which is under review in the Fifth Circuit.

Fodor reported that there are no significant changes to the pending 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, environmental groups and elected officials among others.
- Commonwealth Edison Company filing to Amend Attachment H-13A (Docket No. ER25-2129, then EL25-94-000) - Filed May 1, 2025, this Section 206 hearing is regarding ComEd's alleged,

unauthorized inclusion of Asset Retirement Obligations in its rate case. The settlement process is ongoing.

Fodor reported that these matters have been completed.

- Constellation Energy Generation, LLC et al. v. PJM Interconnection, LLC (initial Docket No. EL25-20-000 filed on November 22, 2024), consolidated via FERC-initiated Section 206 proceeding with other similar filings under EL25-49-000 which was filed February 20, 2025. This is a Constellation Complaint against PJM for lack of co-location rules for interconnected generators. Transmission Owners, data centers, and large generators disputed whether co-located generators/data centers should pay transmission network costs. On December 18, 2025, FERC found that absence of large load co-location rules in the PJM Tariff are unjust and unreasonable. FERC ordered PJM to revise its Tariff to require co-located load to secure firm transmission service. IMEA Staff will continue to monitor subsequent filings and dockets. PJM compliance filing is expected sometime in mid-February 2026.
- 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. IMEA intervened on June 4, 2025. FERC denied North Carolina Co-op’s Complaint on December 5, 2025.
- PJM Filing to Allocate Costs Required to Implement DOE Section 202(c) Orders (Docket No. ER26-39-000) – 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 DOE Section 202(c) Orders. FERC accepted PJM’s revisions on December 5, 2025.
- 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. PJM also requested FERC to decline its jurisdiction over distribution and sub-transmission facilities. IMEA intervened on October 22, 2025 and FERC accepted PJM’s revisions on December 4, 2025.

NEW BUSINESS

Resolution #26-02-972 – CEO Gaden stated that Winnetka had retired its 8,700 kW steam turbine (Unit 4) in early 2024 due to significant equipment failure. The Village notified IMEA of their intent to replace Unit 4 and sought a waiver of the one-year replacement deadline which was approved by the IMEA Board on August 29, 2024. Gaden reported that in October 2025, the Village notified IMEA staff that it desired to replace Unit 4 with approximately 10,000 kW of generation (≈1.3 MW more than the retired unit being replaced). He explained that the Capacity Purchase Agreement and the IMEA Member Generation Policy provide that members are permitted to add capacity to its system and receive compensation only if approved by the IMEA Board. The IMEA Generation Committee unanimously recommended Winnetka’s replacement units as Dedicated Capacity Additions on January 21, 2026. All costs incurred would be the sole responsibility of the Village. David Coston moved to approve Resolution #26-02-972, seconded by Larry Taylor. The motion carried by unanimous roll call vote.

CEO Gaden explained that due to the challenges of navigating Storm Fern and numerous urgent projects such as negotiation for the JOA for transmission contract and negotiations for the Bee Hollow solar project, has caused the delay of the release of the draft of the Battery Study. IMEA Staff will be forwarding this study to Board members in the coming weeks.

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. He explained that the study focuses on battery characteristics, safety concerns for lithium-ion fires, ownership vs. offtake agreement, energy arbitrage, capacity revenue and transmission netting potential. 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 PPA pricing and the size of projects. IMEA will likely not experience an immediate net financial benefit, however, batteries will likely 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. Kothakapu explained that the first step is to issue a Member RFP to host a BESS project, ideally one in MISO and one in PJM. He then presented a proposed timeline and the actions required. Mike Kirk made a motion to authorize the development of an RFP to solicit an interested member site to host a Battery Pilot Demonstration Project. Pete Suhr seconded the motion and it carried by unanimous roll call vote.

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 had established 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 the 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. Key considerations would be load type, customer comfort and quality control. Cory Sheehy made a motion to develop and issue an RFP to solicit IMEA members’ interest to host a demonstration project starting with an outside Engineering Study to determine the most cost-effective means to complete a project. Larry Taylor seconded the motion and it carried by unanimous roll call vote.

Update on Smart Thermostat Residential Demand-Side Management Program – Hubert Murray provided an overview of the potential program. He reported that this program would be co-branded so each community could present it as their own offering. He explained that enrollment would begin on an IMEA-managed microsite that members could link from their websites or social platforms. Member utility staff would assist with verifying enrollments to ensure participants are active electric customers. He stated that customers that initially enroll would receive a one-time \$50 gift card and the first-year enrollment would be limited to a maximum of 750 devices. IMEA Staff would obtain authorization from member utilities to enable customer participation in their respective service areas. Murray then presented an acquisition flow chart showing the process from start to finish.

Ordinance #26-02-973 – Adopting Revised Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2026 for the IMEA - CFO Chris Wise reviewed the revised FY2025/26 budget pointing out that the MWh sales are projected to be 1.7% higher than the original budget and the average cost to Participating Members is projected to be 0.2% lower than the original budget. Wise further reviewed the operating revenues & expenses and the capital budget. Mike Kirk moved for approval of this Ordinance, seconded by Pete Suhr. The roll call vote showed unanimous approval.

Ordinance #26-02-974 – Adopting Operating & Capital Budget and Appropriations Therefore for the Fiscal Year Ending April 30, 2027 for the IMEA - CFO Chris Wise gave an overview of the upcoming FY2026/27 budget to include total MWh sales projected to be 1.8% lower than the revised FY2026 projection. The average cost to participating members is projected to be approximately 4.6% higher than the FY2026 original budget and 4.8% higher than the FY2026 revised budget. Wise further explained the budget assumptions, operating revenues & expenses and the capital budget. Cory Sheehy moved for approval of this Ordinance, seconded by David Coston. The roll call vote showed unanimous approval.

CFO Chris Wise presented a chart outlining the Updated Financial Projections for FY2024-FY2030. He also presented a graph showing the effect that transmission costs have had on member average costs specifically the actual cost from years 2014-2025 and the projected cost from years 2026-2030.

Approval of Bee Hollow Solar Project Contract Amendment - CEO Gaden reported that construction progress continues to be on track to be completed by November 2026. He explained that the physical construction of the solar panels are only a portion of the full project scope. Gaden stated that in early December, IMEA was notified that a transmission upgrade project that is required had been delayed and it is a condition of the contract for the PPA to begin under the agreed terms. He reported that IMEA Staff has been working with Geronimo Power Management to find mutually satisfactory outcomes for the delay. He explained that the proposed amendment is intended to ensure that IMEA is held whole from any delay in the project from gaining firm status in the MISO planning system if IMEA agrees to allow the project to become commercial before the transmission system upgrade is complete. Gaden reviewed the specific conditions of the amendment to include damage caps, equitable treatment for energy compensation if there are energy curtailments caused by the delay, compensation for loss of any RECs, an agreement to work together to solicit MISO to approve Bee Hollow solar as a firm resource and compensation to assist IMEA to procure FTRs to mitigate the risk of congestion. He stated that the amendment also extends the agreement by five plus years on the same terms and

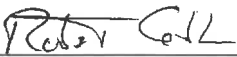
conditions. Geronimo agreed to sync up the end of the contract term with the last day of the MISO planning year which is May 31 each year.

IMEA Staff recommends the continuation of the authority given in Resolution 24-10-933 and to authorize the President & CEO to finalize and execute the amendment to the Solar Energy Purchase Agreement with Bee Hollow Solar, LLC described in Staff's presentation, including extending the term of the agreement from 20 years after the Commercial Operations Date by approximately 5 years to the first May 31st following the 25th anniversary of the Commercial Operations Date. Larry Taylor moved to approve this recommendation as presented, seconded by Mike Kirk. The roll call vote showed unanimous approval.

Travel Expenditures for APPA Legislative Rally Participants – Staci Wilson stated that pursuant to the Local Government Travel Expense Control Act, member expenses must be approved by a roll call vote at an open meeting of the governing board. The estimated travel, lodging and food expenses (maximum amount of \$2,570 per person) for the APPA Legislative Rally were read aloud and are attached. Pete Suhr moved for approval of the travel expenditures for the APPA Legislative Rally participants, seconded by Cory Sheehy. The roll call vote showed unanimous approval.

Chairman Dan Cook asked for a motion to adjourn the meeting. The motion was made by Brian Groth, seconded by Cory Sheehy and carried unanimously by voice vote. The meeting was adjourned at 3:30 p.m.

Respectfully submitted,


Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
EXECUTIVE BOARD MEETING
WEDNESDAY, FEBRUARY 18, 2026**

MEMBERS PRESENT

Altamont	Larry Taylor
Carmi	David Coston
Highland	Dan Cook
Marshall	Cory Sheehy
Naperville	Brian Groth
St. Charles	Peter Suhr
Sullivan	Mike Kirk

MEMBERS ABSENT

Flora	Bob Coble
Chatham	Pat McCarthy

OTHERS PRESENT

Winnetka	Nick Narhi
IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Mandy Ripperda
IMEA	Staci Wilson
IMEA	Rakesh Kothakapu
IMEA	Eric Weinant
IMEA	Glenn Cunningham
IMEA	Adam Baker
IMEA	Jaken Hicks
IMEA	Jonathon Wygant
IMEA	Ellen Woehrmann
IMEA	Hubert Murray
IMEA	Shadi Ahanchi
IMEA	Rodd Whelpley
IMEA	Tammy Hall
Guest	Doug Brown
Guest	Gio McLean (St. Charles)

LISTEN ONLY VIA WEBINAR

Flora	Bob Coble
Freeburg	Matt Trout
Peru	Kevin Minnick
Princeton	Jeff Mangrich
Red Bud	Josh Eckart
Waterloo	J.R. Landeck
Guest	Greg Hubert
Guest	Debi Mader

TRAVEL, MEAL AND LODGING EXPENSE REIMBURSEMENT REQUEST FORM
Pursuant to Resolution 17-02-797

The following documentation is submitted to the corporate authorities of the Illinois Municipal Electric Agency for approval of travel expenses as per the requirements of Public Act 99-0604:

- (1) The name of the individual who received or is requesting the travel, meal, or lodging expense and the individual's job title or office.

Name of Employee or Officer

Job Title/Office

- (2) The date or dates and nature of the official business in which the travel, meal, or lodging expense was or will be expended.

- | | | |
|-----|-------------------------------|--|
| (3) | <u>APPA Legislative Rally</u> | <u>February 23 – February 25, 2026</u> |
| | Name of Event or Program | Date(s) of Event or Program |
| | <u>Washington, D.C.</u> | <u>Advocacy</u> |
| | Location of Event or Program | Purpose of Event or Program |

- (4) Cost of travel (estimate): \$700.00
- Cost of meals (estimate): \$220.00
- Cost of lodging (estimate): \$1,650.00

Basis for the estimate: Estimate based on known cost of events and previous similar travel.

Signature

Date

2026 Washington, D.C. Participants

L&R Committee members shows in **bold**

Jason Deering	Breese
Tim Schleper	Breese
Hon. Kevin Timmermann	Breese
Hon. Scott Testory	Farmer City
Adam Turpen	Farmer City
Hon. Seth Speiser	Freeburg
Matt Trout	Freeburg
Dan Cook	Highland
Chris Conrad	Highland
Pat Barry	Ladd
Cody Hawkins	Mascoutah
Julia Hawkins	Mascoutah
Hon. Gregg Jeffords	Metropolis
Natalie Harris	Metropolis
Josh Eckart	Red Bud
Blake Toliver	Rochelle
Larry Hanrahan	Rock Falls
Peter Suhr	St. Charles
Giovani McLean	St. Charles
Kyle Buettner	Waterloo
Hon. Stanley Darter	Waterloo
J.R. Landeck	Waterloo
Kevin Gaden	IMUA
Doug Brown	IMUA
Jon Wygant	IMUA
Staci Wilson	IMUA
Ellen Woehrmann	IMUA