

# ILLINOIS MUNICIPAL ELECTRIC AGENCY

## REPORT OF BOARD OF DIRECTORS MEETING

THURSDAY, DECEMBER 7, 2023

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 7, 2023. Chairman Cory Sheehy called the meeting to order at 10:00 am and all attendees participated in the Pledge of Allegiance. Roll call was taken which showed a quorum was present. Participation in this meeting was available in person only for both members and the general public, however, as an accommodation to members that could not physically attend and the general public, a webinar broadcast of the meeting was made available live in listen-only mode.

Sue McLaughlin, seconded by Jake McCoy, moved for approval of the minutes of October 26, 2023. The motion carried by unanimous roll call vote.

Opportunity for Public Comment - Chairman Sheehy stated that pursuant to the Open Meetings Act, any person attending this meeting in person shall be permitted an opportunity to comment. He then asked if anyone from the public would like to make a comment. Hearing no requests for public comment, Chairman Sheehy proceeded with the meeting.

Treasurer's Report – Chris Wise reported on the September 2023 financials stating that actual member power costs are 3.1% under budget, year to date, and the MWh sales to members is 5.8% below budget. He reviewed October invoices and gave projections regarding the November invoices that will be sent out on December 11<sup>th</sup>. Regarding a Rating Agency update, Wise stated that IMEA is currently an A1 rating with a stable outlook with Moody's. Moody's is currently updating IMEA's rating. Fitch's review of October 10, 2023 affirmed an AA- rating with a stable outlook and Standard & Poor's review was completed on October 10, 2023 as well with an affirmation of an A rating with a stable outlook. With there being no questions, Dan Cook moved to approve the Treasurer's Report, seconded by Jake McCoy. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden welcomed Katherine Nelson as the new Staff Accountant. Katherine has previous experience in tax accounting at a local accounting firm, received her Master of Accountancy degree one year ago and is currently sitting for the CPA exam. Katherine will take Tia Horn's current position when Tia replaces Cindy Evans as Senior Accountant when Cindy retires in the spring of 2024. Gaden stated that interviews for the Energy Services Representative position are ongoing with second interviews scheduled next week. This person will take Sean McCarthy's current position as Sean transitions to Manager of Electric Operations.

CEO Gaden reported that IMEA Staff had met with the City of Newton, Illinois regarding IMEA membership. Newton has been an independent municipal system purchasing from Ameren and its successor owners of the local Newton baseload plant which is scheduled to close in 2027. Staff offered Newton the same terms of membership with the premium rate adder similar to the others that signed up in 2007 or later. If accepted the contract would run from June 1, 2024 to September 30, 2035. He stated that IMEA is one of the finalists for that contract award and will know more in early 2024.

Regarding the BTM solar projects in Marshall, Oglesby and Princeton, Gaden explained that IMEA Staff has worked with Sol Customer Solutions (SCS) for almost a year to seek a workable solution to resolve the financial situation. SCS indicated that they were pursuing financing for the projects, although they have not communicated with IMEA Staff since the end of June. IMEA Management has now officially ended consideration of SCS for these BTM solar projects. IMEA Staff is still interested in completing these projects and will report recommendations later in the meeting.

CEO Gaden discussed the IMEA/Member Power Sales Contract considerations and thanked the Contract Working Group and the Sustainability Plan Working Group for their excellent work products. He stated that in order to acquire future energy resources cost effectively, IMEA Staff needs to know the amount of load needed to be served. Resources will also need to be procured to replace the renewable projects that are expiring. He explained that the contract form would be reviewed today and Staff will ask the Board to approve that contract form at the February 2024 Board meeting.

CEO Gaden reminded members to contact DeeDee Bunch if they plan to attend the APPA Legislative Rally which will be held February 26-29, 2024 in Washington D.C. – the hotel deadline is December 15. At that time, Gaden thanked Shane Hill for his 37 years of service to IMEA and to the Village of Chatham. He also stated that Chatham is recognizing December 8 as “Shane Hill Day” and named their Independence Street substation the “Shane Hill” substation in his honor.

Legislative & Regulatory Update – Staci Wilson stated that HB 2474 ends the moratorium on new construction of nuclear power plants. She explained that this is in response to the Governor Veto of a similar bill in the spring (SB 76). This legislation limits construction to 300MW or smaller and adds State regulatory oversight at the IEMA Homeland Security. She reported that the Utah Association of Municipal Power had pulled out of the first planned small modular reactor project due to significant cost increases. Wilson discussed SB 1699. The Governor amendatorily vetoed HB 3445 which authorized a Right of First Refusal (ROFR). This would have allowed incumbent electric transmission owners to have the first right to build, maintain and own certain transmission lines (over 100 kilovolts) unless they forfeit that right. Wilson stated that the Governor had vetoed only the ROFR portion of the bill by an amendatory veto. She reported that the veto was not considered for a vote, but the legislature passed SB 1669 to require policy studies on various technologies. These studies include ICC workshops on thermal energy networks and on Illinois Power Agency (IPA) studies on off-shore wind, a procurement plan for investor-owned utilities to purchase energy storage credits and the high voltage direct current (SOO Green) transmission line studies which are due on March 1, 2024. Wilson explained that the first draft of the study is expected on January 21, 2024 for public comment and the IPA has engaged Levitan & Associates to undertake the modeling and analysis.

Wilson reported that staff had worked with the Illinois Finance Authority (IFA) to prepare a grant proposal along with IMUA and the Association of Electric Cooperatives to be a sub-grantee of the proposal for the Grid Resilience Formula grant. The IFA did receive those funds. She explained that the funds available are a total of \$40 million over a 5 year period. The State is required to set aside at least \$1.8 million of that first year’s funding for utilities with sales of less than 4 million mWh which applies to all members. She stated that the purpose of this federal grant is to implement resilience measures and requires 48% cost share. Wilson explained that the IFA, as part of this grant, has a priority for an emergency equipment share program to support efforts of small municipal and co-op utilities to prepare for and quickly recover from storms by creating a hub of essential equipment that otherwise has long lead times. IMUA has created a working group to assist with the development of

this type of program. The IFA will be releasing a Request for Information by December/January with an RFP to follow in February/March.

Wilson reported on the Grid Resilience and Innovation Partnership Plan (GRIP) grant which Staff worked with the IFA to acquire. This project funded by the grant would have sent market signals to aggregate and incentivize smart thermostats and EV charging infrastructure and other DR programs to reduce congestion to assist with peaks. Wilson reported that the State did not receive that grant. She explained that Staff had met with the IFA and it's likely that IMEA will re-apply for that grant in the next round. Staff will continue to update the Board going forward.

## **OLD BUSINESS**

Operations – Alice Schum gave an update on the PJM Regional Transmission Organization and stated that the 2024/2025 Planning Year begins on June 1, 2024 and ends on May 31, 2025. She explained that the 3<sup>rd</sup> Incremental Auction is scheduled to begin on February 27, 2024 and end on March 4, 2024 with results posted on March 11, 2024. She stated that the EFORd rates for generating resources were finalized on December 1, 2023 and due to decreasing EFORd rates, IMEA will be able to utilize an additional 10MW of generation to offer into the markets. Schum reported on the 2025/2026 Planning Year timelines and that January 29<sup>th</sup> is the last day to request winter capacity injection rights. June 9<sup>th</sup> is the deadline to register behind the meter generation as Demand Response in PJM. The Base Residual Auction is scheduled to start on June 12, close on June 18<sup>th</sup> with the results scheduled to be posted on June 25<sup>th</sup>. IMEA submitted the data for the Non-Retail Behind the Meter generation output during Winter Storm Elliott, as requested by PJM and the 2022/2023 initial estimated peak shaving savings look positive.

Schum gave an update on the MISO Regional Transmission Organization stating that the 2024/2025 Planning Year begins on June 1, 2024. She explained that this is the 2<sup>nd</sup> year of the MISO Planning Resource Auction (PRA) as a seasonal capacity auction and that the auction is conducted on the last three business days of March with results posted on April 26<sup>th</sup>.

Schum identified behind the meter generation changes in the upcoming few years. IMEA may be required to register at individual pricing nodes instead of combining into one large pricing node. IMEA utilizes the Demand Side Resource Interface (DRSI) tool to report behind the meter generation availability every hour of every day. This includes removing units from availability that are out of service or load limited areas. She stated that MISO has proposed using the 3-year average of this data to determine what accreditation may be in the future. Schum reported that additional security for data connections may be required and that MISO could reduce notification times to as little as 30 minutes to 2 hours. There would be less accreditation for longer lead time units. IMEA is already registered for a 2-hour notification time so this may not have an impact on IMEA.

Schum reminded the behind the meter generating members that the winter peak starts on January 2, 2024. Per the Board approved Generation Policy, 25% of units located in a region can be out of service at the same time without capacity payment retention if the Outage was classified as a Scheduled 45-day notice. The Grace period for this type of outage is 1 day before the Production component is retained and 10 days before the Base component is retained. She stated that if no emergency events are called this winter, IMEA may schedule an Agency dispatch, and she strongly encouraged members to take steps to ensure their units were prepared to operate in the cold weather. She stated that discussions continue with SIPC and Hoosier regarding backup service for both Fairfield and McLeansboro.

Manager of Energy Markets and Settlements, Bob Kosner, reported on PJM's and MISO's Auction Revenue Rights (ARR) allocation highlights. He explained that ARRs are credits given to long-term network customers to compensate a share of the FTR auction since transmission charges have been paid. Regarding PJM, the ARR allocation levels in the ComEd zone were slightly higher compared to last year. He reported that due to higher clearing prices in the FTR auction and higher allocation levels, revenue increased by \$100,000 from last year. Regarding MISO, Kosner then reported that the ARR revenue was also up by \$1 million from 2021/22. IMEA is ahead on FTRs purchased in the monthly process. He stated that IMEA did not convert any ARRs to FTRs this past year, but continued to participate in the Market Participant monthly auction. IMEA's active transmission congestion management continues to save members money on their power bills.

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

- There have not been any new recordable injuries reported since the last Board meeting. Plant performance through November was excellent with an EAF of  $\approx 82.7\%$  and an EFOR of  $\approx 0.94\%$ , both year to date. The TC1 fall outage was completed on schedule and TC Staff continues to evaluate options for the stack liners which is tentatively planned for 2026. There are complexities associated with replacing the liners. The construction and the overall age of the existing liners is a concern. LG&E Management has been in the process of negotiating union labor contracts for some of its operators and an agreement was reached between the union and management. The union ratified the agreement this week.

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

- There have not been any new recordable injuries reported since the last Board meeting. Regarding plant performance through November, the EAF was  $\approx 88.3\%$  and the EFOR was  $\approx 6.1\%$ , both year to date. Unit 1 is back from its planned outage ahead of schedule and Unit 2 took a short outage to prepare for winter. A preliminary study was completed regarding decommissioning costs for long-term planning purposes. The PSGC Board will evaluate options and IMEA Staff will report the findings.
- There are on-going discussions with a consortium of companies that have an interest in building a carbon capture system. Prairie State is working with these entities to see if a Memorandum of Understanding (MOU) outlining the basic framework of a potential transaction can be reached, but currently there is no PSGC commitment to proceed with any project. The University of Illinois submitted an application for a \$350M grant from the Department of Energy (DOE) in May with a decision that was expected in September 2023. To date, there has been no update from the DOE on the status of this grant.

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

- Mascoutah – North Tie Line – Project is behind schedule due to equipment supply issues for metal clad switchgear. The City's portion of the construction will not be completed before June 2024 or later, but Ameren's portion of the work was completed the first week of November.
- Roodhouse – Ameren has not installed the meter yet due to incoming cold weather and the risk of a long outage. Ameren will install a temporary pole to bypass the meter section of the span to allow for meter installation without a major supply outage.
- Peru/Oglesby – IMEA Staff is working with Ameren and City's consultant to coordinate the technical aspects of the upcoming projects while anticipating major delays in equipment.



- Wholesale Connection Agreement (WCA) – Staff continues to work with Ameren and is seeking clarification on two issues: Load forecast by delivery point and how adding back solar output may increase IMEA’s charge on transmission.
- Customer Power Quality Issues – An IMEA member requested assistance with one of their customer’s power quality, specifically concerning a voltage and harmonic disturbance causing equipment to trip. IMEA Staff installed quality meter equipment and based on data from those recorders, IMEA Staff narrowed down the disturbance on the customer side. The end use customer has replaced a faulty network switch and the outages and disturbances have now ended.

Update on Solar Projects – Eric Weinant reported that IMEA Staff is working with SolAmerica for projects in Highland, Carmi, Metropolis and Rantoul. He stated that applications for PACE loans are due to the USDA by December 15, 2023. The Interconnection Studies in each town have been completed and PPA language, Interconnection Agreements and Siting Agreements are in progress. He explained that timing will be heavily dependent upon the USDA and the US EPA environmental review.

U.S. Supreme Court Appeal of Build America Bonds Case – CEO Kevin Gaden reported that two weeks ago, the U.S. Supreme Court denied the Writ of Certiorari to have the BAB’s appeal heard in the next session of the Court. He stated there was no explanation of why this was denied. Gaden explained that IMEA and the partners at Prairie State have exhausted all possible avenues to seek and gain relief from Congress taking away the long-term support they had pledged in the American Recovery and Reinvestment Act (ARRA) in February of 2009. At this time, it appears that this reduction will be in place until all the IMEA bonds are paid in 2035 and Gaden stated that IMEA stands to lose over \$8.8 million in total savings that were promised.

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

- PJM Offer of Settlement (Docket No. ER23-2975) – Filed by PJM on September 29, 2023 to resolve the Winter Storm Elliott complaints. A protest was made by Chief Companies who intervened late and did not participate in the settlement process. There have been numerous filings back and forth between PJM, the Settling Parties and Chief Companies. The FERC trial staff filing argued that settlement cannot be approved under the existing precedent based on the protest by Chief Companies. FERC has not yet ruled on this matter.
- Ameren Illinois Depreciation Filing (Docket Nos. EL23-2445) – Filed July 20, 2023, Ameren is changing individual line-item depreciation rates. If approved, this will result in a 9.66% increase in depreciation expense over and above other increases in new transmission facilities. A small Illinois cooperative group protested and IMEA intervened. FERC accepted the protest and set the matter for trial, but suspended the trial phase for settlement negotiations. The settlement phase is ongoing and IMEA Staff will monitor the proceedings.
- PJM Capacity Market Filing (Docket Nos. ER24-98 & ER24-99) – Filed October 13, 2023, PJM proposes enhancements to tariff provisions governing the Capacity Market rules such as the market seller offer cap, performance payment eligibility and forward energy and ancillary service revenues. IMEA participates annually in the PJM capacity auction and will be affected by this outcome. IMEA intervened, but did not protest. There were numerous filings supporting and protesting and the FERC Staff issued Deficiency Letters to PJM.
- MISO Resource Adequacy Filing (Docket No. ER23-2977) – Filed September 29, 2023, MISO proposed changes to the Resource Adequacy construct to include a reliability-based demand curve. This would be a transition from a vertical demand curve to a sloping demand curve and could

affect clearing prices of capacity. IMEA intervened, but did not protest. There were numerous filings supporting and protesting and the FERC Staff issued Deficiency Letters to MISO.

- PJM ComEd Cost of New Entry Filing (Docket ER24-462) – Filed November 21, 2023, PJM proposed establishing new Cost of New Entry area for ComEd Illinois with a proposed effective date of January 22, 2024. It will increase the Cost of New Entry (CONE) in ComEd over what it is currently and what it is for other zones because the amortization period will be shortened to account for the fact that the Illinois CEJA only allows new natural gas generators to run until 2045. The increase will be phased in over a number of years; 3% higher for 2027/28, 5% higher for 2028/29 and 8% for 2029/30. It could affect whether the ComEd zone and the Rest of System price separate in the auction and could cause higher clearing prices for capacity in ComEd if the prices separate in the auction. IMEA intends to intervene.
- Chatham SERC Registration – IMEA Staff has been working with Chatham, its consultant and CWLP on reliability compliance documentation to support Chatham’s registration with SERC as a Transmission Owner. At this time, Chatham has approved the Coordination Agreement with CWLP and is awaiting CWLP’s confirmation of approval. Chatham is awaiting review of the PRC-002 standard from their outside consultant and has not yet registered as a Transmission Owner.

## NEW BUSINESS

Resolution #23-12-892 – Approving New Developer/Vendors or in the Alternative New Request for Proposals for Solar Generation Projects in the Cities of Marshall, Oglesby and Princeton – Eric Weinant reported that IMEA had signed agreements with subsidiaries of Sol Customer Solutions (SCS) and not long after that SCS demanded a 30% price increase. Since that time, those contracts have been terminated. IMEA Staff reached out to the remaining RFP bidders and they were either unresponsive or their bids had significantly increased. IMEA Staff sought alternative vendors and is currently in negotiations with Altorfer, Inc., Tangent Development and Madison Energy Holdings. Weinant explained that if these negotiations are unsuccessful, IMEA Staff would request issuing a new RFP. IMEA Staff recommends that the Board authorize the selection of a new location in Princeton, enter into PPAs with alternate vendors or issue a new RFP if the Agency is unable to finalize agreements with the alternate vendors. He explained that if a new RFP would need to be issued, IMEA Staff would seek the Board’s approval before contracting with a new vendor. Brian Groth moved to approve this Resolution, seconded by Pat Barry. The roll call vote showed all in favor.

Resolution #23-12-893 – Approving and Retaining HeplerBroom LLC as Environmental Counsel – General Counsel Troy Fodor reported that from time to time, IMEA requires professional legal services from qualified attorneys to represent IMEA in connection with general air permitting and other environmental matters in the State of Illinois. He reported that IMEA has had a long-standing relationship with the law firm of Hodge and Dwyer and its successor firms dating back to 1994. That law firm merged into HeplerBroom and retained the attorneys who specialize in environmental law with whom IMEA has an ongoing relationship. IMEA Staff recommends approval of this Resolution as a standing resolution retaining HeplerBroom LLC as IMEA’s environmental counsel. Sue McLaughlin moved to approve this Resolution, seconded by Josh Eckart. The roll call vote showed all in favor.

Resolution #23-12-894 – Authorizing Execution of a New Contract for Management Services with Illinois Municipal Utilities Association – CEO Gaden explained that IMEA has provided Management Services to IMUA since November 2004. He stated that the current agreement ends on December 31, 2024. He stated that IMUA and IMEA have stated their intent and desire to extend the services provided by IMEA for ten additional years from January 1, 2025 to December 31, 2034. IMEA Staff

recommends the approval of this Resolution to authorize the IMEA CEO to execute the new Services Agreement. Gaden stated that Staff will be recommending that the IMUA Board approve this Agreement later today. Larry Taylor moved to approve this Resolution, seconded by Mayor Jason Curran. The Resolution was approved by unanimous roll call vote.

Resolution #23-12-895 – Adopting IMEA 2024 Sustainability Plan – Staci Wilson explained that this Plan is an organizational vision for reducing the power supply carbon emissions delivered to member municipalities to net zero by 2050. She discussed how IMEA anticipates this transition to include targeting reductions in greenhouse gases, increasing renewable generation resources to replace current resources, allowing the flexibility needed for changes in technology, expanding energy efficiency program incentives, accelerating demand response option to reduce resource capacity needs and advancing electric vehicles and EV infrastructure. Wilson then provided details on the five sustainability principles and stated that IMEA Staff will review the plan progress annually and update the plan on a three-year cycle.

At that time, Brian Groth from Naperville thanked the Agency and the Working Group for setting a vision and policy to formally begin the transition to net zero emissions energy supply for IMEA communities. He stated that it is clear that there is no simple solution and that there is a lot of planning and work to be done by the Agency in the coming years. Since this is an ongoing document and will be reviewed annually, the City of Naperville will be bringing ideas, as they are identified, to the Agency and the Board for continued discussion. David Coston moved to adopt the IMEA 2024 Sustainability Plan, seconded by Josh Eckart. This Resolution was approved by unanimous roll call vote.

New IMEA Power Sales Contract and Related Documents – CEO Gaden thanked the members of the Contract Working Group and reviewed the concepts that were discussed at their meetings. He discussed long-term planning for the Agency and emphasized the importance of completing these contracts with the members. These contracts are necessary to ensure firm commitments from the members in order for IMEA Staff to procure the necessary resources for member power needs. Gaden explained that IMEA cannot contract for any member power needs beyond 2035 without contracts to ensure obligations by both parties (IMEA members and suppliers). He presented the form of the contract which is a similar format to the existing contract and identified the contract length from October 1, 2035 to May 31, 2055. The reason for the May 31 date is that it matches up with the end of the RTO planning years. As he reviewed several provisions proposed in the new contracts, Gaden explained an option for Member Directed Resources (MDR). Specific criteria would be required to allow MDR if the proposed project matches program authorizations and other members are held harmless from loss or risk. He explained that an MDR resource would be given full credit as then currently available from either PJM or MISO and the member can either self-retire the Renewable Energy Credits or provide IMEA the opportunity to purchase the RECs at market prices. He identified a provision for a self-directed carbon-free resource opportunity if a member desired an added portion of self-controlled, locally developed source as a portion of that member's needs. Gaden explained that the Board would consider the forms for the new IMEA contracts at the February 2024 Board meeting and starting March 1, 2024, IMEA Staff would offer presentations to members' councils. The time frame for member councils to approve and execute these new IMEA contracts is March 1, 2024 through April 30, 2025 which allows the IMEA Board to complete contract approvals until the June 2025 Board meeting. Gaden stated that resource transitioning should start soon as some IMEA resource agreements are near expiration and will need to be replaced. He explained that in order to maintain a reliable, affordable position requires locking in resources now because long-term deals are lower priced, but it's impossible to plan if IMEA does not know how much power to buy. Gaden then



reviewed the terms of the new Capacity Purchase Agreement which included pricing, compensation and notice requirements.

IMEA Renewable Energy Credit (REC) Program – Eric Weinant reported on the Green Power Choices Program explaining that although IMEA Staff had received a substantial number of commercial customer inquiries, there was not a significant offtake due to the inflationary environment. Participation in this program requires continued flexibility to meet member needs and IMEA Staff will continue to work with members on customizations. He reported that IMEA will retire 1,100 RECs under this program on behalf of the members and participating customers which is in addition to the RECs already held by IMEA. Weinant then gave an update on the REC Program including the number of RECs produced and retired and stated that Illinois RECs are limited due to corporate REC purchases and the IPA Program to meet the State’s renewable goals. He explained that RECs generated in ComEd are PJM qualified and RECs generated in Ameren trade at MISO and national prices. This creates an opportunity for the members to sell the PJM qualified RECs and replace them with MISO and national RECs. This method has saved the Agency \$7.86 million for Planning Year 2022/23. This opportunity may not exist in future years due to changing federal policy and changing renewable resources fed by offshore wind in PJM.

Annual Demand Response and Load Management Initiative Offer Prices – Sean McCarthy reported that the Board had previously approved the current Demand Response Program beginning in 2019 which provided the opportunity for commercial, industrial or governmental end-use customers of Members to participate (through IMEA) in PJM or MISO capacity markets. He reviewed the default compensation rates that the Board approved which are incorporated each year unless the Board approves different rates. 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. McCarthy explained that the DR Program was 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.

McCarthy stated that the Board had previously approved the pilot Load Management Initiative under the PJM Demand Response Program for Delivery Years 2020/2021, 2021/2022, 2022/2023 and renewed the program for 2023/2024. This program allows IMEA to call on the committed resource to reduce load at high usage times to reduce future capacity costs to IMEA. For 2023/2024, Naperville participated with 2 customers enrolled. 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. The Agency called on participants to reduce on 9 occasions for a total of 18 possible reduction opportunities, although participants only actually reduced load 4 times.

McCarthy stated that IMEA staff is proposing the following compensation under the DR Program including Load Management Initiative pricing and Rock Falls non-dedicated generation: Fixed price offers up to \$1.83/kW-month for PJM 2024/2025 Planning Year. McCarthy reported that MISO now holds an annual capacity auction with separate seasonal clearing prices. Therefore, Demand Response participants can choose which seasons to participate in. He explained that because the seasonal capacity construct is a new concept and MISO is still making rule changes, IMEA Staff is



recommending all MISO DR customers be bid into the MISO capacity auction directly for the upcoming year. This means that any enrolled customer that clears the auction for the chosen season will receive the Board-approved payment through the program and the customer must respond to all MISO called events and assumes 100% of the penalty risk involved with non-participation in a called event. McCarthy stated that IMEA Staff developed an initial concept for a program similar to the IMEA Load Management Program used in PJM and is seeking pilot candidates to study its effectiveness before an agency-wide rollout. He reviewed the pricing recommended by Staff for customer loads bid into the MISO auction as DR resources for 2024/2025 (Summer \$3.04/kW-month, Winter \$2.43/kW-month, Fall and Spring \$1.52/kW-month) and reminded members that customers must respond to a minimum of 5 interruptions in summer and winter and a minimum of 3 interruptions in spring and fall if called by MISO.

Brian Keys 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.

Energy Efficiency & Conservation Program and Electric Vehicle & Electric Vehicle Charging Station Program – Rodd Whelpley gave an overview of the results of both of these programs and reminded members of incentivized measures that could be used for these programs. He reported that CLEAResult analyzes IMEA’s current program offerings along with the latest version of the Illinois Statewide Technical Reference Manual (TRM). CLEAResult determined that there were no new feasible measures to add for FY2024/25, but recommended discontinuing the light bulb giveaway measure due to a change in the TRM making the measure impractical. Whelpley stated that he will explore a new smart socket measure to replace the light bulb giveaway measure and also reported that lighting incentives will be adjusted (if needed) to match the higher of the ComEd or AmerenIL standard incentive. The Energy Efficiency and Conservation Committee (E2C2) will meet in the coming year to explore new measures for both of these programs.

CEO Gaden wished the IMEA Members a very Merry Christmas and Happy New Year. Chairman Cory Sheehy asked for a motion to adjourn the meeting. The motion was made by Dick Simon, seconded by Dan Cook and carried unanimously by voice vote. The meeting was adjourned at 12:35 p.m.

Respectfully submitted,



Secretary/Treasurer

**ILLINOIS MUNICIPAL ELECTRIC AGENCY  
BOARD OF DIRECTORS  
THURSDAY, DECEMBER 7, 2023**

**MEMBERS PRESENT**

Altamont	Larry Taylor
Bethany	Shannon Risley
Breese	Jason Deering
Carlyle	Brad Myers
Carmi	David Coston
Farmer City	Sue McLaughlin
Flora	Bob Coble
Freeburg	John Tolan
Greenup	Mike Ryder
Highland	Dan Cook
Ladd	Pat Barry
Marshall	Cory Sheehy
Metropolis	Michael Gentry
Naperville	Brian Groth
Oglesby	Mayor Jason Curran
Rantoul	Jake McCoy
Red Bud	Josh Eckart
Riverton	Jim Mileham
Rock Falls	Dick Simon
St. Charles	Peter Suhr
Sullivan	Mike Kirk
Waterloo	Tim Birk
Winnetka	Brian Keys

**MEMBERS ABSENT**

Bushnell	Joe Fosdyck
Cairo	Vacant
Casey	Shelby Biggs
Chatham	Patrick McCarthy
Fairfield	Mayor Gary Moore
Mascoutah	Jesse Carlton
Peru	Eric Carls
Princeton	Jeff Mangrich
Roodhouse	Vacant

**OTHERS PRESENT**

IMEA	Kevin Gaden
IMEA	Troy Fodor
IMEA	Chris Wise
IMEA	Alice Schum
IMEA	Staci Wilson
IMEA	Mike Genin
IMEA	Rakesh Kothakapu
IMEA	Adam Baker
IMEA	Danny Chung
IMEA	Sean McCarthy
IMEA	Tammy Hall
IMEA	Rodd Whelpley
IMEA	Eric Weinant
IMEA	Cindy Evans
IMEA	Bob Kosner
IMEA	Tia Horn
IMEA	Katherine Nelson
Guest	Shane Hill (Chatham)
Guest	Giovanni McLean (St. Charles)

**LISTEN ONLY VIA WEBINAR**

IMEA	Shadi Ahanchi
Guest	Maureen Stillman (Naperville)
Guest	Jean Korte (Highland)
Guest	Greg Hubert (Naperville)
Guest	Kay Ahaus (Highland)
Guest	Tess Kenny (Chicago Tribune)