

**ILLINOIS PUBLIC ENERGY AGENCY
BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 18, 2026**

A meeting of the Board of Directors of the IPEA was held pursuant to proper notice at the IPEA headquarters building, 3400 Conifer Drive, Springfield, Illinois, on February 18, 2026. Chairman Shannon Risley called the meeting to order at 12:00 p.m. 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.

Cory Sheehy made a motion to approve the minutes of December 3, 2025, seconded by Mike Kirk. The roll call vote showed all in favor.

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

Treasurer's Report - The balance sheet for December 2025 was presented by Katherine Parrish. She reported that the cash balance was \$635,284 compared to \$601,942 last December. She also stated that gas revenue for December increased by 29% from the previous year, the price per Dth average increased by \$0.66 from the previous year and Dth sales increased by 13.5% from the previous year. With there being no questions, Joe Fosdyck made a motion to approve the Treasurer's Report, seconded by Cory Sheehy. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden announced that Matt Walton, General Superintendent, is the new IPEA Board member from Edinburg due to Mike Lebshier's retirement at the end of this month and Ryan Staley, new Director of Public Works, is the new IMEA and IPEA Board member from Casey due to Shelby Bigg's retirement at the end of 2025. Gaden also noted that Jake McCoy announced that he will be leaving the Village of Rantoul at the end of February. Jay Schroeder, Chief of Operations, will be the new IPEA Board member for Rantoul and Matt Caldwell, Administrative Line Foreman, will be the new IMEA Board member. Gaden thanked Mike Lebshier, Shelby Biggs and Jake McCoy for all their years of service.

CEO Gaden stated that he will be retiring as of March 31, 2026 after 14 years of service at IMEA, IPEA and IMUA. He reminded the Board members that natural gas pricing is volatile and pipeline transport rights are important as coal plants retire and new gas generation is installed to replace the capacity and energy production. He also discussed monitoring Maximum Daily Quantity (MDQ) on transport and hedging gas for future volatile periods. Gaden recommended that members watch the gas market to lock-in gas for future needs and contact John Jambois from Constellation and/or Jon Wygant from IPEA for assistance.

Market Update – Lisa Decoteau from Constellation reported on the price spikes during Storm Fern due to cold weather and system reliability issues along with a record storage draw and reduced renewable output. She stated that current natural gas prices are currently below \$3 in response to the warmer weather and improving production. She reported that forecasts are predicting warmer than normal temperatures for the upcoming months in the central US with only a limited risk of sustained cold heat

demands. Regarding storage, Decoteau reported on the highest record withdrawal ever recorded at the end of January due to Storm Fern which was 89% larger than the 5-year withdrawal for the same week. She explained that even with the decrease in storage surplus, the end of the season storage outlook is projected to be at 1.9 TCF which is above the 5-year average. Decoteau stated that Storm Fern lowered about 3% of gas production; however, gas production is currently averaging about 109 Bcf/day which is up 2%. She stated that production is projected to increase 2% in 2026 and another 1% in 2027 which would become new record levels. That growth is being driven by an increase in production in the Permian region with new pipelines being built along with the production of dry gas in the Haynesville region which is more expensive. Decoteau then reviewed NYMEX natural gas forward calendar strips. She explained that shorter term gas prices fell due to weather conditions improving; however, with larger LNG demands, the expected power demand growth and production growth at record levels, gas prices will be elevated going forward. She also reported that 7 Bcf/day of new LNG capacity is expected to be added from 2025 to 2027.

Legislative & Regulatory Update – Regarding a State update, Staci Wilson reported that HB 4272/SB 3974 requires warning labels on all new non-externally vented gas appliances and HB 5366 creates the Illinois Appliance Standards Act whereby the IEPA adopts minimum efficiency standards for common appliances along with appliance standards for electric heat pump water heaters. She stated that HB 4887 requires builders for newly constructed residential buildings to conduct an energy audit to receive a Home Energy Rating System Index score and SB 2979 provides that a municipality or county may not adopt any regulation that prohibits the use of natural gas in new construction without requiring a referendum.

Wilson reported that the IEPA had received approximately \$80M from the Climate Solution Reduction Grant and anticipate it could be available specifically for customers of electric municipal systems to encourage conversion to heat pumps and heat pumps with water heaters. They are in the process of developing a program to possibly run through IMUA's Energy Efficiency Program or through local action agencies that run LIHEAP programs. She explained that there will be incentives in the coming year to move away from natural gas to electrification.

Wilson reported that Jon Wygant continues to monitor the ICC Future of Gas workshops. She explained that Phase 2C of these workshops has begun and includes exploring legislative, regulatory and policy options for the decarbonization of the gas distribution system in Illinois. She stated that 79 proposals had been submitted from various groups and the ICC is in the process of hearing comments. The ICC will hold a docket on this topic. Wilson explained that the Future of Gas workshops will continue throughout early May with a report anticipated by June. She noted that customer webinars will follow.

On a Federal level, Wilson reported that IPEA had signed the National Energy and Utility Affordability Coalition's Open Letter to the Senate and House Committees on Appropriations urging Congress to continue to provide funding for LIHEAP in Federal FY 2027. She explained that she had been scheduled to attend the APGA Legislative Summit in Washington DC last month; however, it was cancelled due to Winter Storm Fern. Wilson then stated that in late January, APGA had filed a petition asking the U.S. Supreme Court to re-consider a decision from the U.S. Court of Appeals for the District of Columbia Circuit Court which had sided with a ruling blocking the sale of non-condensing natural gas furnaces and commercial water heaters. She reported that APGA's argument is that non-condensing furnaces cannot be replaced by other furnace types and their removal from the market would cause expensive renovation costs and possibly eliminate gas as a home heating option for some households.

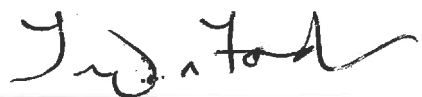
Panhandle Rate Case – General Counsel Troy Fodor gave an overview of the background regarding the Panhandle Rate case which eventually lead to a FERC Opinion being issued on December 16, 2022 approving a 4% increase to Panhandle’s rates and ordering Panhandle to pay refunds. He stated that the Panhandle members of Bushnell, Edinburg and Roodhouse received their refunds in November 2023 and June of 2024. Panhandle has appealed FERC’s various orders to the Court of Appeals for the DC Circuit. IPEA Staff has been in contact with these 3 municipals and the legal team that previously represented them in this matter along with 21 other Illinois municipal systems in the FERC proceedings. Fodor stated that a call on January 26, 2026 with all involved in this case had been held to discuss the issues being raised by Panhandle and the financial implications going forward. He stated that it was the consensus of the group to join the other intervenors in filing a joint brief. IPEA will assist as appropriate and continue to monitor these proceedings.

Member Competitive Position – Jon Wygant reported on the recent cold weather event, Storm Fern, which caused significant price spikes during the latter part of January. He explained that Constellation must lock-in additional volumes and pricing on Fridays to cover usage through the weekend, as well as Monday, to ensure that members are not charged penalties for short scheduling. He discussed that the Operational Flow Order penalties for under-scheduling or exceeding MDQ are severe. Wygant reported on the considerations of increased winter volume hedging to cover the risk from “price spike events” and the concerns of selling back at a loss through the month increasing the risk of exposure.

Wygant then explained that four IPEA members are hedged into 2029, one member hedged into 2028, five members hedged through 2027, one member hedged into 2026 and one member on a Discount to Index program. He reminded members that IPEA/Constellation can send updates regularly with price quotes that expire at 3 pm CST on the day provided and would need to be refreshed the next day to procure.

There being no further business, the meeting was adjourned at approximately 12:56 p.m. by a motion from Cory Sheehy. Joe Fosdyck seconded the motion and it was unanimously approved by voice vote.

Respectfully submitted,



Arist Secretary/Treasurer

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MEMBERS PRESENT

Bethany	Shannon Risley
Bushnell	Joe Fosdyck
Marshall	Cory Sheehy
Martinsville	Todd Shaffner
Rantoul	Jay Schroeder
Sullivan	Mike Kirk

MEMBERS ABSENT

Casey	Ryan Staley
Edinburg	Matt Walton
Flora	Bob Coble (webinar)
Greenup	Lance Holsapple
Roodhouse	Terry Ross

OTHERS PRESENT

Constellation	Lisa Decoteau (via webinar)
IPEA	Kevin Gaden
IPEA	Troy Fodor
IPEA	Staci Wilson
IPEA	Chris Wise
IPEA	Jonathon Wygant
IPEA	Katherine Parrish
IPEA	Hubert Murray
IPEA	Tammy Hall
IPEA	Ellen Woehrmann
IPEA	Rodd Whelpley
IPEA	Adam Baker
Guest	Jake McCoy (Rantoul)
Guest	Doug Brown