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**ILLINOIS PUBLIC ENERGY AGENCY  
BOARD OF DIRECTORS MEETING  
JUNE 28, 2023**

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 June 28, 2023. Chairman Bob Coble called the meeting to order at 12:00 p.m. Roll call was taken which showed a quorum was present.

CEO Kevin Gaden welcomed Mike Kirk, Electric Commissioner, as the new Board Member from Sullivan. Shannon Risley made a motion to approve the minutes of April 26, 2023, seconded by Mike Ryder. The roll call vote showed all in favor.

Opportunity for Public Comment: Chairman Coble stated that pursuant to the Open Meetings Act, any one 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 Treasurer's Report for April 2023 was presented by Tia King. She reported that the cash balance was \$560,442 compared to \$535,255 last April. She also stated that gas revenue for April had decreased by 53% from the previous year and the price per Dth average had decreased by \$2.36 from the previous year. She reported that gas revenue for FY 2023 had increased by 10% from FY 2022; total Dth sales had decreased by 3% and the price per Dth average had increased by \$0.68 from FY 2022. With there being no questions, Mike Ryder made a motion to approve the Treasurer's Report, seconded by Joe Fosdyck. The roll call vote showed all in favor.

President & CEO Report – CEO Gaden reported that IPEA had hosted the CEO and management team of the American Public Gas Association (APGA) on June 8<sup>th</sup>. The key advocacy issues of APGA discussed were the Natural Gas Act Section 5 (refund authority for FERC), furnace rules, emergency pricing circuit breakers and PHMSA funding opportunities, along with a roundtable discussion about local concerns and challenges.

Regarding a National update, CEO Gaden reported that the State of New York did pass the “All Electric Building Act” as part of their 2023 Budget Agreement. This legislation bans gas installations in most new buildings under 7 stories high starting at the end of 2025 and almost all new buildings by the end of 2028 “unless deemed infeasible . . .” He explained that the 2023/24 New York State budget bill also included \$400 million for relief to people experiencing high electric bills.

Market Update – Bill Sticka from Constellation gave an update on factors that affect a balanced market regarding supply and demand. These factors include production, storage, pipeline capacity, coal supply, pipeline imports and exports, government regulation, weather, economy, fuel switching, coal retirements and generation outages. He stated that significant changes to either supply or demand can result in an imbalance which presents energy buyers with both upside risk and downside buying opportunities. Sticka gave an overview of the energy market noting that U.S. natural gas futures were back up to \$2.77/MMBtu and gas production remains at 100.4 Bcf/day. He reported that working gas in storage is currently 27% higher than last year at this time and 15% above the five-year average. Sticka explained that natural gas prices have rallied back due to lower production, increased temperature and stronger exports. Sticka presented a NYMEX 12-month rolling strip from November through October, natural

gas forward calendar strips and compared NYMEX current forwards versus last year. He reported that the NYMEX forward curve through 2030 has moved lower from the levels reached a year ago as the market flipped from supply lagging demand to one where supply is currently outpacing demand.

Legislative & Regulatory Update – Staci Wilson reported that the outcome of this Spring session had produced the Energy Omnibus bill which includes a Right of First Refusal (ROFR). This would allow incumbent electric transmission owners to have the first right to build, maintain and own transmission lines (over 100 kilovolts) unless they forfeit that right. This applies only to MISO transmission plans adopted between January 1, 2022 through December 31, 2024 and does not apply to PJM (ComEd). Wilson explained that this ROFR has language to protect the rights of municipal electric utilities to ensure the opportunity for joint ownership of transmission. Another item included in the Energy Omnibus bill is a study which will be conducted by the Illinois Power Agency (IPA). This study will review a potential off-shore wind project in Lake Michigan (Rust Belt to Green Belt), consider incentives towards large and small-scale energy storage and consider the procurement of a high-voltage direct current line (SOO Green) for the delivery of renewable energy credits. She stated that this study will be completed March 1, 2024 and there is a 20-day window for public comment. Wilson reported on another piece of the Energy Omnibus bill which the ICC will investigate called Thermal Energy Networks. The bill also extended solar incentives to higher education and revised language on wind and solar siting rules concerning drainage tiles. Wilson stated that the Governor may veto the ROFR part of the bill while retaining all other provisions of this legislation. Final outcome would occur in the Veto Session this fall.

Wilson reported on HB 1541 which states that if gas or electricity is used as the only source of space cooling, an investor-owned utility (IOU) may not terminate a residential user for nonpayment of bills if temperature forecasts above 90 degrees (previously 95 degrees) or if the National Weather Service issues an excessive heat watch, heat advisory or excessive heat warning. She also reported on HB 3340 which would amend the Municipal Code making it easier for municipalities to borrow money from the Illinois Finance Authority (IFA) in emergency situations. The IFA will have a new Green Bank and grant programs for municipals to participate in.

Regarding a Federal update, Wilson thanked the Members who attended the APGA summer tour stop at the IPEA Headquarters on June 8<sup>th</sup> and presented APGA member resources along with a list of committees for those who want to participate. She discussed the Leak Detection & Repair Rule that is part of the PIPES Act which passed on December 11, 2020. The Notice of Proposed Rulemaking Comment period closes on July 15, 2023. APGA is working on details/responses and has requested additional time. She explained that the final ruling is estimated for June of 2024 with implementation estimated to be January of 2025. IPEA Staff will continue to update the Board as this rule progresses. Wilson also reported that negotiations continue regarding the debt ceiling compromise which expedites the environmental review process for energy-related projects.

Interstate Transmission Pipeline Delivery Charges – Mike Genin reminded the Board that Panhandle Eastern Pipeline (PEPL) had filed for a 300-400% rate increase in late summer of 2019 impacting Bushnell, Edinburg and Roodhouse. Since that time, these municipalities have been paying new transportation rates, subject to refund. FERC has issued a final order which would result in rate reductions and refunds for affected shippers, like Bushnell, Edinburg and Roodhouse. Panhandle filed a rehearing request in January and a compliance filing was made on February 14. Genin stated that new rates were posted for March, but PEPL will not have to make any refunds until all appeals are exhausted.

Member Competitive Position – Genin stated that Ameren had filed \$6-\$7/month residential natural gas distribution rate increase and Nicor had filed a \$9/month residential natural gas distribution increase, both starting in 2024. He explained that the investor-owned utilities will begin implementing discounted rates for certain low-income LIHEAP-eligible customers and based on an ICC ruling, will raise rates to other rate classes to cover that discount. He reported that almost all IPEA members are hedged into the 2023-2027 time period with one member on a Discount to Index program. IPEA/Constellation will be sending updates regularly with price quotes.

Resolution #23-06-189 – Approving Model Natural Gas All-Requirements Sales Agreement for Illinois Public Energy Agency - CEO Gaden reported that the IPEA Staff had completed a new 5-year Supply Agreement between IPEA and Constellation and then reviewed terms of the IPEA/Member Contract. He stated that IPEA shall offer Member total requirements system needs for a five-year term. Gaden explained that within this contract, the Member continues to hold the transportation and storage rights and IPEA or supplier will assist in utilizing such rights. IPEA will continue to offer hedging opportunities to Members and total gas charges at cost with the existing administrative fee. He stated that the billing/payment forms remain the same and the Member holds the “title to gas” once it touches the pipeline that the Member holds the rights to. Gaden stated that IPEA Staff prepared governing body talking points as well as formal presentations should any Member/Co-op request IPEA staff members to be available for council meetings. He noted that the contracts and attachments will be mailed out the week of July 3, 2023. Shannon Risley moved to approve this Resolution, seconded by Mike Ryder. Roll call vote showed all in favor.

There being no further business, the meeting was adjourned at approximately 12:55 p.m. by a motion from Mike Ryder. Shannon Risley seconded the motion and it was unanimously approved by voice vote.

Respectfully submitted,



*Amor*  
Secretary/Treasurer

**ILLINOIS PUBLIC ENERGY AGENCY  
BOARD OF DIRECTOR'S MEETING  
June 28, 2023**

**MEMBERS PRESENT**

Bethany	Shannon Risley
Bushnell	Joe Fosdyck
Flora	Bob Coble
Greenup	Mike Ryder
Martinsville	Todd Shaffner
Rantoul	Jake McCoy
Sullivan	Mike Kirk

**MEMBERS ABSENT**

Casey	Shelby Biggs
Edinburg	Mike Lebshier
Fairfield	Mayor Gary Moore
Marshall	Cory Sheehy
Roodhouse	Mayor Tom Martin

**OTHERS PRESENT**

Constellation	John Jambois & Bill Sticka (via teleconference)
IPEA	Kevin Gaden
IPEA	Troy Fodor
IPEA	Gary Stephenson
IPEA	Mike Genin
IPEA	Staci Wilson
IPEA	Tia King
IPEA	Chris Wise
IPEA	Tammy Hall
IPEA	Rodd Whelpley
IPEA	Sean McCarthy
IPEA	Daniel Chung
IPEA	Ed Cobau
Guest	Brian Keys (Winnetka)