



**Board Meeting
Thursday, March 23, 2023**

The Northern Illinois Municipal Power Agency (NIMPA) met on Thursday, March 23, 2023 at Geneva Public Works, 1800 South Street, Geneva, Illinois.

1. Call to Order and Roll Call:

President Holm called the meeting to order at 10:05 a.m.

Present at the meeting:

Rich Babica, City of Geneva	Gary Holm, City of Batavia
Aaron Holton, City of Geneva	Steve Allen, City of Batavia
Jennifer Shelley, City of Geneva	members of the public

Present via teleconference:

Richard Heinemann, General Counsel	Rahat Bari, City of Batavia
David Niles, Avant Energy	Joe Fulliero, Avant Energy
Noah Hansen, Avant Energy	Jeff Fiegenschuh, City of Rochelle

2. Approval of Regular Session Meeting Minutes February 23, 2023:

MOTION:	To present for approval the regular session meeting minutes of February 23, 2023.
MAKER:	Aaron Holton
SECOND:	Gary Holm
ROLL CALL:	All in favor-Aye The Motion Passed.

3. Administrative Report:

a. Monthly Financials (January, 2023)

Mr. Niles reviewed the financials of January, 2023 with the NIMPA board members. NIMPA's rate to members was \$11.71 per MWh lower than budget for January. This variance was the result of significantly lower than budgeted purchase power expense.

b. Credit Facility / LOC Status Update

Mr. Niles reported on the status of NIMPA's credit facility and Letter of Credit. At the end of January, NIMPA had a Credit Facility of \$15 million with PNC Bank and a \$2.5 million Letter of Credit with PJM, leaving \$12.5 million of the Credit Facility unused.

c. Year-to-Date Budget, ECA and Capital Reserve Fund Status Update

Mr. Niles stated the ECA payable to members increased by \$1.3 million in January. This was a combination of a budgeted increase of \$248,000 and lower costs than budget of approximately \$1 million. Mr. Niles reported on the year-to-date budget performance and ECA funds with January ending with an ECA balance of approximately \$3.5 million.

Mr. Niles continued with a review of the Capital Reserve Fund. NIMPA's capital adder funds ended in January at an approximate balance of \$10.6 million. This represents more than four years of NIMPA's share of projected capital costs based on PSGC's projected capital expenditures for the next five years.

d. Investment Report

Mr. Niles reviewed the cash and investment report with the NIMPA board members. NIMPA's total cash and investments was at a total of \$63.2 million; with a total of \$34.7 million related to debt service reserves and debt service. NIMPA's operating account balance was \$11 million at the end of January.

MOTION: To approve the monthly financials of January 2023 as presented.
MAKER: Gary Holm
SECOND: Aaron Holton
ROLL CALL: All in favor-Aye
The Motion Passed.

e. Monthly Management/Operations Report – January, 2023

Mr. Hansen provided a review of the January 2023 monthly management report with the NIMPA board members. Mr. Hansen reviewed the PJM & MISO market activities for the month.

Mr. Hansen continued with a review of PSGC plant performance for the month. During the month of January, PSGC had 81,500 MWh of generation for \$2.7 million in revenue in PJM.

PSGC also generated 500 MWh in MISO for the month to cover the station service needs for a revenue of \$15,500. PSGC Unit 2 had several forced outages during the month lasting one to two days per event for a total of approximately six days. Overall plant capacity factor for the month was about 89%. In comparison to the budget, total generation including PJM and MISO generation at PSGC, was favorable to budget by about 1,000 MWh or 1.3% greater than budget on a volume basis.

Mr. Hansen continued reporting NIMPA's member deliveries for the month were about \$2.9 million. NIMPA's FTRs had a loss of \$195,000 for the month of January. Overall, PJM had an ISO cost of \$160,500 for the month of January on the PJM side.

Mr. Hansen presented a review of the variance reports for January 2023 actual vs budget. In summarizing the overall performance, January ended with a favorable variance compared to budget. This favorable variance is primarily due to the strong PSGC generation and the energy cost, or LMP's, for January which were substantially less than budget. Mr. Hansen recounted that the budget was completed back in

October and November of 2022 when NIMPA was faced with very high natural gas prices and anticipated energy prices which have since fallen considerably over the last few months.

Mr. Hansen continued reporting MISO congestion costs in January were a revenue of \$40,700 for NIMPA. The loss costs were a cost to NIMPA of \$105,000. In comparison to budget, the congestion costs were \$150,000 better than budget and the loss costs were \$15,000 favorable to budget. Adding everything on the MISO side, NIMPA had an overall revenue, for January for ISO activities, of \$430,000 which is \$97,000 favorable to budget on the MISO side. Overall NIMPA had a total ISO revenue for the month of \$270,000 and this a favorable variance to budget of about \$780,000. That favorable variance is primarily attributable to the strong PSGC production, overall lower energy prices, and the lower than budgeted congestion costs on the MISO side.

f. General Counsel Update

Attorney Heinemann discussed a decision just received by NIMPA from the Public Access Counselor's office of the Attorney General with respect to a complaint that was filed by a member of the public. The complaint alleged that NIMPA had violated the Open Meetings Act primarily due to its regular practice of closing meetings to have discussions pertaining to the Prairie State Project. Attorney Heinemann indicated he had not yet had a chance to review the decision in detail but provided a summary of the decision and discussed some of the adjustments that NIMPA would likely be making moving forward.

The first allegation is that NIMPA is closing meetings to discuss items that are not properly exempted under the Open Meetings Act, such as discussions about lobbying activities. The agenda for today's meeting has been changed to include that discussion in open session.

The second allegation regards the form of NIMPA's executive session minutes. NIMPA has already taken steps to correct this practice.

The third allegation concerns the extent to which the general counsel updates in closed session are consistent with the actual or pending litigation exception under the Open Meetings Act. Attorney Heinemann indicated that his updates generally *are* consistent with the exception, but that we will need to make sure that is made more explicit going forward.

The fourth allegation concerns the exception to the Open Meetings rule that allows the NIMPA board to close meetings when the discussion involves contracts that relate to the purchase, sale or delivery of electricity. In NIMPA's case, that means the Prairie State power sales agreements. While it is absolutely warranted for the Board to discuss Prairie State matters in closed session when they relate to the Power Sales Agreements, we will need to make sure those discussions are restricted to matters that directly pertain to the contracts. Otherwise, Prairie State-related matters more than likely will either need to be discussed in open session or not discussed at all.

President Holm clarified that because NIMPA received notice of the PAC decision less than 24 hours ago, we have not had time to consider whether items in the Management Committee, External Affairs Committee and Finance Committee updates are appropriately considered in Executive Session. Therefore, it is proper for today's meeting to amend the agenda to eliminate Executive Session items a. Management Committee Update, b. External Affairs Committee Update, and d. Finance Committee Update. The NIMPA board will not be discussing those in Executive Session.

Attorney Heinemann reiterated that NIMPA takes these matters seriously and that it will be important to provide a written response to the PAC that explains why we believe it is appropriate for us to invoke the power contract exception or the litigation exception to discuss sensitive Prairie State-related matters and what steps we might take to ensure compliance with OMA in the future.

President Holm stated that today's Agenda item 5. EXECUTIVE SESSION for consideration of contracts for sale, purchase, or delivery of electricity is one of the specific items that permit the Board to enter into Executive Session for discussion. President Holm continued that NIMPA will also be discussing legal matters and Attorney Heinemann confirmed that the executive session discussion would include specific pending litigation pertaining to Prairie State.

4. Authorization to prepare an agreement for lobbying services.

President Holm stated that he placed this item on the agenda in order to prompt a discussion of whether or not we would like to prepare an agreement for lobbying services with Van Buren Consulting Group. President Holm expressed his opinion in the affirmative. Mr. Holton also expressed his concurrent opinion and stated he feels it is prudent to move forward at this time. President Holm requested a motion to authorize Attorney Heinemann to work together with President Holm to draft and prepare an agreement for lobbying services with Van Buren Consulting Group. That agreement will come back to NIMPA board at a future date.

MOTION: To authorize Attorney Heinemann to work together with President Holm to draft and prepare an agreement for lobbying services with Van Buren Consulting Group
MAKER: Gary Holm
SECOND: Aaron Holton
ROLL CALL: All in favor-Aye
The Motion Passed

5. Executive Session: (Consideration of contracts for sale, purchase or delivery of electricity) (Consideration of matters of litigation with respect to actions that have already been filed, or are pending, or are imminent)

MOTION: To move into Executive Session at 10:31 a.m.
MAKER: Aaron Holton
SECOND: Gary Holm
ROLL CALL: All in favor-Aye
The Motion Passed.

Regular Session returned at 11:18 a.m.

6. Action Items from Executive Session: None

7. Old Business: None

8. New Business: None

9. Comments: *a. Board* - None
b. Public - None

10. Motion to adjourn the meeting at 11:18 a.m.

MAKER: Aaron Holton
SECOND: Jeff Fiegenschuh
ROLL CALL: All in favor-Aye
The Motion Passed.

Minutes submitted by: Jennifer Shelley