



**Board Meeting
Thursday, June 22, 2023**

The Northern Illinois Municipal Power Agency (NIMPA) met on Thursday, June 22, 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 8:34 a.m.

Absent: Jeff Fiegenschuh, City of Rochelle

Present at the meeting:

Gary Holm, City of Batavia	Richard Babica, City of Geneva
Aaron Holton, City of Geneva	Jennifer Shelley, City of Geneva
Steve Allen, City of Batavia	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	

2. Approval of Regular Session Meeting Minutes from April 27, 2023:

MOTION: To present for approval the regular session meeting minutes of April 27, 2023.
MAKER: Aaron Holton
SECOND: Gary Holm
VOICE VOTE: AYES: 2 (Holton, Holm)
NAYS: 0
ABSENT: 1 (Jeff Fiegenschuh)
The Motion Passed.

3. Administrative Report:

a. Monthly Financials (March and April, 2023)

Mr. Niles reviewed the financials of March, 2023 with the NIMPA board members. NIMPA's rate to members was \$10.24 per MWh lower than budget for March. Primarily resulting from lower than budgeted purchase power cost, fuel production and maintenance expenses. These were somewhat offset by higher than budgeted other operating costs that had to do with the retirement of a piece of equipment at the plant. Interest income is continuing to be significantly higher than budget with higher interest rates.

Mr. Niles stated the ECA payable to members increased by \$1.3 million during the month of March. NIMPA's capital adder fund had a balance of about \$11 million at the end of the month. NIMPA's total

cash was at \$71.4 million and \$40.3 million of that was related to debt service reserves and debt service. NIMPA's operating account balance was \$13.1 million at the end of March.

Mr. Niles continued with a review of the financials for April, 2023. NIMPA's rate to members was \$13.88 per MWh lower than budget for April. Again, resulting from lower than budgeted purchase power cost as energy prices have come down significantly since the time of budget as natural gas prices have decreased. Production of fuel expenses were also lower than budget slightly offset by higher than budgeted maintenance expense and interest income continued to be higher than budget.

Mr. Niles reported on the status of NIMPA's credit facility and Letter of Credit. 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.

Mr. Niles stated the ECA payable to members increased by another \$2 million in April. This was a combination of a budgeted increase of \$839,000 and lower costs than budget of \$1.2 million. At the end of April the ECA balance was \$8.6 million.

NIMPA's capital adder fund had a balance of \$10.6 million at the end of April. This continues to represent more than four years of NIMPA's share of projected capital costs based on PSGC's projected capital expenditures over the next five years. NIMPA's total cash was at \$75.6 million at the end of April and \$43.1 million of that was related to debt service reserves and debt service. NIMPA's operating account balance was \$14.6 million at the end of April.

b. Discussion: Request for Proposals for Audit Services

Mr. Niles explained the Board asked to conduct an RFP for audit services. Forvis, formerly BKD, has been NIMPA's auditor for six financial statement audits since replacing Price Waterhouse Cooper. Mr. Niles sent a proposed audit RFP to everyone on the Board. The plan is to release it on Monday if there are no substantial comments or edits from the Board. Mr. Niles has worked to develop a list of about eight or nine bidders including a mix of national and local Illinois firms. Mr. Niles stated his hope is to make a decision in one Board meeting in August but that schedule can be adjusted. Mr. Holton stated he looked it over and thought it looked good. President Gary Holm advised Mr. Niles to proceed with release.

MOTION: To approve the monthly financials for March and April, 2023 as presented.
MAKER: Aaron Holton
SECOND: Gary Holm
VOICE VOTE: AYES: 2 (Holton, Holm)
NAYS: 0
ABSENT: 1 (Jeff Fiegenschuh)
The Motion Passed.

4. Management/ Operations Report:

a. Monthly Reports from March and April, 2023

Mr. Hansen provided a review of the March 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 March, PSGC had 80,600 MWh of generation for \$2.1 million in revenue in PJM. PSGC also generated 936 MWh in MISO to cover station service for a revenue of \$23,500.

Each PSGC unit had an approximate two day outage for a boiler tube leak so the overall plant capacity factor for the month was 88.4%. In comparison to the budget, the total generation for the month at PSGC, including PJM and MISO, was favorable to budget by 730 MWh or about 0.9% greater than budget on a volume basis.

Mr. Hansen continued reporting NIMPA's member deliveries for the month were \$2 million. NIMPA's FTRs had a loss of \$303,000 for the month of March. Mr. Hansen also pointed out that this report showed the first performance assessment bonus NIMPA received associated with winter storm Elliott in the amount of \$247,000. Overall, PJM had an ISO revenue of \$108,000 for the month of March which is \$688,000 favorable as compared to budget. That favorable variance is due to the almost \$250,000 performance assessment bonus, overall strong PSGC generation and energy costs that were substantially less than budget.

Mr. Hansen continued reporting MISO congestion costs for the month were a cost of \$155,000 for NIMPA. The loss costs were a cost of \$63,000. In comparison to budget, congestion costs were in line with budget and loss costs were \$67,000 favorable. Adding everything on the MISO side, NIMPA had an overall revenue for the month of \$152,000 which is \$110,000 unfavorable to budget on the MISO side. Looking at the PJM and MISO side together, overall NIMPA had a total ISO revenue for the month of about \$260,000. This is a favorable variance to budget of \$578,000 for the month of March.

Mr. Hansen continued with a review of PSGC plant performance for the month of April. During the month of April, PSGC had 77,700 MWh of generation for about \$1.8 million in revenue in PJM. PSGC also generated 65 MWh in MISO to cover station service for a revenue of \$400, which kept PSGC from being assessed any transmission costs on the MISO side.

PSGC Unit 2 had an approximate two day outage for a generator protection trip near the end of the month. Overall plant capacity factor for the month was 87%. In comparison to the budget, the total generation for the month at PSGC, including PJM and MISO, was favorable to budget by 384 MWh or 0.4% greater than budget on a volume basis.

Mr. Hansen continued reporting NIMPA's member deliveries for the month of April were \$1.6 million. NIMPA's FTRs had a loss of \$287,000 for the month of April. Similar to March, PSGC LMP's were higher than member delivery prices. Mr. Hansen reported another performance assessment bonus NIMPA received associated with winter storm Elliott in the amount of \$337,000. Overall, PJM had an ISO revenue of \$324,000 for the month of April which is about \$800,000 favorable as compared to budget. That favorable variance is due to the almost \$340,000 performance assessment bonus, overall strong PSGC generation and energy costs that were substantially less than budget.

Mr. Hansen continued reporting MISO congestion costs for the month of April were a cost of \$110,000 for NIMPA. The loss costs were a cost of \$84,000. In comparison to budget, congestion costs were greater

than budget and loss costs were \$130,000 favorable. Adding everything on the MISO side, NIMPA had an overall revenue for the month of \$150,000. Looking at the PJM and MISO side together, overall NIMPA had a total ISO revenue for the month of about \$472,500. This is a favorable variance to budget of \$586,000 for the month of April.

b. Discussion – Potential revisions to report format/content?

President Holm recalled at the last meeting he had raised the topic of any potential revisions to the monthly report format and content. President Holm stated Jeff Fiegenschuh is not in the meeting today and therefore a final decision may not be made today. Aaron Holton stated he does not have any suggested changes. President Holm stated he will circle back one last time when Mr. Fiegenschuh is on the line next month until then Mr. Hansen can continue reporting as he has been.

c. Discussion – PJM Capacity Auction Calendar delay/update

Mr. Hansen stated that on June 9, 2023, FERC accepted PJM's request delaying the upcoming capacity auctions for delivery years 2025-2026 through 2028-2029. FERC decided the scope and magnitude of what PJM wanted to look at for capacity market reform was sufficient enough to delay those auctions so PJM and FERC would have an opportunity to act on any of the proposals after the stakeholder process. The PJM Board requested delaying these auctions so they could look at enhanced risk modeling, evaluating potential modifications to the capacity performance construct, alignment of the permitted offers to the risk taken by suppliers, looking at improved accreditation, and synchronizing the RPM and fixed resource requirement rules and making sure everyone was treated the same. The proposed auction timelines that were accepted delay the 2025-2026 auction from June of this year to June of 2024 and future years every six months thereafter.

5. General Counsel Update

Attorney Heinemann provided a quick update on the BAB litigation regarding the request for extension of the deadline to actually file the petition for certiorari that NIMPA and the other petitioners had requested and it was granted. The petition for certiorari review of the appellate court's rejection of the initial petition is now due to be filed with the US Supreme Court on July 13, 2023. In the interim, the only remaining item is nailing down a proposed list of potential amici which some of the other petitioners are actively engaged in doing.

Attorney Heinemann reported that President Holm had requested some potential options be considered for addressing the limitations discussed at April's meeting regarding the challenges NIMPA faces as a small agency with a three member Board without its own staff and the necessity of having an ability to discuss confidential matters as they pertain to PSGC while adhering to its obligations under the Open Meetings Act. A number of potential options were listed, including amending the Agency Agreement and creating an advisory committee. Discussion followed and the consensus was to maintain the status quo, which is to continue discussing Prairie State issues in closed session as long as they directly relate to the Power Sales Agreements or relate to pending or anticipated litigation.

6. Update on lobbying services provided by Van Buren Consulting Group, LLC

President Holm has asked Van Buren Consulting Group, LLC to attend further meetings and Dominic will probably be the representative. In the meantime, Attorney Dominic Lanzito has had conversations with Attorney Heinemann regarding the range of likely lobbying services. Also, Dominic has reached out to Stacy Wilson with the IMUA to inform her that Van Buren Consulting Group, LLC has been retained by NIMPA. Dominic and Stacy have pledged to work together on the creation of education materials for state legislators. The hope being to work with legislators over the summer on various education and outreach efforts.

7. Discussion: Administrative Assistance for Agency

President Holm opened a discussion regarding the idea of hiring administrative assistance for NIMPA. President Holm stated it would be someone who could strictly attend these meetings, take meeting minutes, and provide any other administrative assistance for the agency. President Holm stated he has a few names and is willing to hear any other names anyone may have. Aaron Holton asked how NIMPA is proposing to pay this person and if anyone had any information on rates for this type of work and a discussion followed. Mr. Holm agreed to follow-up with additional information at the next meeting.

8. Discussion: Prairie State CEO annual update

President Holm stated every year the CEO makes an update to the NIMPA board and right now it is scheduled in August or September. President Holm stated Mr. Holton suggested that the CEO come to one of these regular NIMPA meetings and present information. President Holm asked if anyone had any objections. None were noted and President Holm said he will notify the CEO that he can attend in August or September based on his schedule availability.

9. Executive Session: (Discussion of contracts relating to the purchase, sale or delivery of electricity from the Prairie State Project; Pending Litigation related to the Prairie State Generating Company)

MOTION: To move into Executive Session at 9:24 a.m.
MAKER: Aaron Holton
SECOND: Gary Holm
ROLL CALL: AYES: 2 (Holton, Holm)
The Motion Passed.

Regular Session returned at 9:47 a.m.

10. Action Items from Executive Session: None

11. Old Business: None

12. New Business: None

13. Comments: a. Board - None

b. Public - Yes, a member of the public stated she and President Holm have previously discussed carbon capture. She asked when Prairie State will be choosing their third party

investor. President Holm stated he does not have any information on when that will happen. She then asked, when that does happen, will this NIMPA Board have the opportunity to review the contracts before making a vote. President Holm answered "Yes" and brief discussion followed.

14. Motion to adjourn the meeting at 9:52 a.m.

MAKER: Aaron Holton
SECOND: Gary Holm
VOICE VOTE: AYES: 2 (Holton, Holm)
NAYS: 0
ABSENT: 1 (Jeff Fiegenschuh)
The Motion Passed.

Minutes submitted by: Jennifer Shelley