

RESOLUTION 2024-1

AUTHORIZING INVESTMENT OF PLANT CLOSURE FUND

WHEREAS, the Northern Illinois Municipal Power Agency ("NIMPA"), is authorized and empowered by the provisions of the Joint Municipal Power Act (65 ILCS 5/Art. 11 Div. 119.1) (the "Act") to acquire, hold, use and dispose of income, revenues, funds and money and to invest money of the agency not required for immediate use, in obligations, securities and other investments in accordance with applicable law and the agency's investment policy, as approved by the Board of Directors on March 25, 2020 ("Investment Policy");

WHEREAS, NIMPA owns a 7.6% interest in the Prairie State Generating Campus, a mine mouth, pulverized coal-fueled power generating facility located in Washington County, Illinois ("Prairie State Project") and sells electric capacity and energy from the Prairie State Project to the City of Batavia, the City of Rochelle and the City of Geneva, each of which are NIMPA members, pursuant to identical power sales agreements, each of which provides for power charges through an annual budget that includes an "Energy Cost Adjustment"; and

WHEREAS, to ensure that adequate funds are available to finance NIMPA's share of closure costs of the Prairie State Project when the plant and mine are at or near the end of their anticipated useful life on or about 2045, the Board of Directors at its meeting of December 14th, 2023, authorized the transfer of \$5 million from Energy Cost Adjustment funds to create an asset retirement fund known as the "Plant Closure Fund";

WHEREAS, at the direction of the Board of Directors, the Agency's financial management service provider, Avant Energy ("Avant"), has examined various alternatives for investing the Plant Closure Fund and recommended that (i) NIMPA open an account with PNC Capital Markets and invest the Plant Closure Fund in a short-term government money market fund; and (ii) that Avant monitor the investment monthly, with the intention of moving funds to a longer-term government security when market conditions warrant such transfer;

WHEREAS, the Board of Directors approved these recommendations at its meeting on March 21, 2024;

WHEREAS, implementation of these recommendations will require that the Agency enter into a number of agreements with PNC and complete various forms, including, but not limited to, a Customer Agreement, an E-Signature Certificate; an Institutional Suitability Certificate; a PNCCM Master Resolution and Authorization; and E-Delivery Authorization Form; and a Municipal Advisor Rule Questionnaire (together, the "PNC documents");

WHEREAS, the Board of Directors now desires to pass this resolution to ensure that the final form of the policy is adopted and considered part of the permanent proceedings of the Agency:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS AS FOLLOWS:

1. The President and the Secretary of NIMPA, as well as other designated NIMPA representatives, are hereby authorized, empowered and directed to execute and deliver the PNC Documents and to take any and all such actions as may be necessary to implement the intent of this Resolution in the name and on behalf of NIMPA, with such changes therein as shall be approved by the officers and/or designated NIMPA representatives of NIMPA executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the PNC Documents hereby approved.
2. Authorize Avant to monitor the investment on a monthly basis, with the intention of moving funds, upon prior notice to the Board of Directors, to a longer-term government security, when the market conditions warrant such transfer.

PASSED this day of April 18th, 2024.

APPROVED this day of April 18th, 2024.

Ayes: _____

Nays: _____

Absent: _____

President

ATTEST:

Secretary