



Board Meeting December 5, 2024

The Northern Illinois Municipal Power Agency (NIMPA) held a Board Meeting on Thursday, December 5, 2024, at 10:30 AM, at the City of Batavia Government Center, 100 N. Island Avenue, Batavia, IL.

1. Call to Order and Roll Call:

President Holton called the meeting to order at 10:32am

NIMPA Members present at the meeting:

Aaron Holton, City of Geneva
Rahat Bari, City of Batavia
Steve Allen, City of Batavia
Gary Holm, City of Batavia

Present via teleconference:

Richard Heinemann, General Counsel
Jeff Fiegenschuh, City of Rochelle
Blake Toliver, City of Rochelle
David Niles, Avant Energy
Noah Hansen, Avant Energy
Joe Fulliero, Avant Energy
Dominick Lanzito, Van Buren Consulting
Elizabeth Zrelak, Administrative Support
Susan Russo, public participant

2. Approval of Regular Session NIMPA Meeting Minutes from October 17, 2024

MOTION: To approve the general session NIMPA meeting minutes
From October 17, 2024

MAKER: Rahat Bari

SECOND: Jeff Fiegenschuh

AYES: 3 (Bari, Fiegenschuh, Holton)

NAYS: 0

The motion passed

3. Van Buren Consulting Group Update

Mr. Lanzito provided a brief legislative update. After the holidays, Mr. Lanzito indicated that an Illinois legislative veto session would be called to address some of the matters in regard to the new White House administration. Mr. Lanzito will present informational updates to all legislatures and will remain vigilant and report back quickly if necessary.

Mr. Lanzito exits the meeting

4. Financial Report – Review of September & October Financials 2024

- a. Mr. Niles indicated that NIMPA's rate to members was \$37.03/MWh, lower than budgeted for September. The large variance was due to the result in the timing of the fall 2024 outage, resulting in lower than budgeted maintenance and purchase power costs, partially offset by higher than budgeted fuel and production costs. NIMPA's rate to members was 9.57/MWh lower

than budget for October. This variance was the result of lower than budgeted maintenance and purchase power expense and higher than budgeted interest income, partially offset by higher than budgeted fuel expense.

- b. At the end of October, NIMPA had a \$15M credit facility with PNC Bank, a \$2.5M letter of credit with PJM around FTR activities, and \$12.5M of the credit facility, which remains unused.
- c. The ECA payable to members increased by \$84,000 in September due to a combination of a budgeted decrease of \$2.6M, which is typically observed during an outage, lower cost than budget of \$3.2M due to the delay of the outage, and the return of \$0.5 million of ECA funds to members. At the end of September, the ECA balance was \$12.8M. The ECA payable to members decreased by \$493,000 in October due to a combination budgeted decrease of \$838,000, lower cost than budget of \$854,000, and the return to members of \$508,000. At the end of October, the ECA balance was \$12.3M.
- d. Capital Adder Fund:
NIMPA's Capital Adder Fund had a balance of approximately \$11.1M at the end of October. The fund balance continues to represent more than four years of NIMPA's share of projected capital costs based on Prairie State's projected capital expenditures over the next five years.
- e. Cash Investment Report:
NIMPA has a total of \$93.2M of cash and investments of which \$53.6M is related to debt service reserves and debt service. NIMPA's operating account balance was \$15.7M at the end of October.

MOTION: To approve NIMPA monthly financials from September & October 2024

MAKER: Rahat Bari

SECOND: Jeff Fiegenschuh

AYES: 3 (Bari, Fiegenschuh, Holton)

NAYS: 0

The motion passed

5. Management and Operations Report: September & October 2024; YTD Summaries

Mr. Hansen indicated that during the 2024 budget process that occurred in fall 2023, a planned fall 2024 outage for Unit 2 was scheduled, which was 28 days in duration. This outage was originally planned for 24 days in September and 4 days in October. In spring 2024, due to craft labor availability, the outage was shifted and occurred October 26 – November 23, 2024. No outage impacts for September, and the outage impact in October will be similar to budgeted.

Mr. Hansen reviewed the September & October operations reports.

For September results: NIMPA's share of Prairie State generated 79,500 MW for the month for approximately \$1.9M in revenue in PJM. Prairie State also generated 190 MW in MISO for the month for NIMPA to cover station service for a small revenue in MISO. Prairie State had a number of short duration derates throughout September for coal feeder, pulverizer, and deslagging issues. Prairie State also had a four day outage for a boiler tube leak. Overall capacity factor for the plant for the month of September was approximately 89.3%. As a result of that shift in timing of the fall outage, total generation for the month of September was greater than or favorable to budget by 31,500 MWh on a volume basis. This will be mostly impactful in November's report.

In September, NIMPA's delivery costs to members was approximately \$2.25M.

NIMPA's FTRs had a margin of \$253,000 for the month of September. Prairie State prices were lower than member city delivery points on average, which resulted in the FTR daily revenues for the delivery path to the member cities. The average Prairie State price was approximately \$24/MWh of

generation, compared to \$25.95/MWh for member deliveries. Mr. Hansen indicated that the FTRs functioned as designed and aligned with the generation of the agency's deliveries to members.

ISO Miscellaneous charges were \$11,600.

RPM Auction revenues were \$102,000 for September.

Overall, NIMPA had a PJM ISO revenue of \$10,700 for the month of September, which is \$1.2M favorable compared to budget, which assumed a PJM ISO cost of \$1.18M. This favorable variance to budget is primarily due to greater than budgeted Prairie State production as a result in the change of the timing of the outage.

MISO congestion costs in September were at cost of \$99,0500, which is \$101,000 unfavorable to budget, again due to the outage shift. Loss costs were at cost to NIMPA of \$57,000, which is \$13,000 favorable compared to budget.

ARRs – Revenue of \$59,000.

ISO miscellaneous costs were \$15,900.

MISO - NIMPA had an overall cost for September of approximately \$111,000, which is approximately \$11,500 unfavorable to budget.

PJM and MISO – NIMPA had ISO cost for the month of September of \$101,000, a favorable variance to budget of approximately \$1.18M in total for the month of September, all due to the shift in timing from the outage and offset by smaller amount for typical variations.

For October results:

NIMPA's share of Prairie State generated 67,200 MWh for the month for approximately \$1.63M in revenue in PJM. Prairie State also generated 66 MWh in MISO for the month for NIMPA to cover station service. Prairie State had a number of small, short duration derates throughout October for pulverizer availability issues. Unit 2 and Unit 1 each had a 2.5 day outage for boiler tube leaks, too. Unit 2 started its planned fall outage on October 26, 2024, for 5 days of outage, 4 of which were planned and budgeted. Overall, NIMPA had a unit on outage for 11.5 equivalent days in the month of October, resulting in a capacity factor for the month of 72.9%. Total generation for the month of October, including PJM and MISO at Prairie State, was greater than, or favorable to budget, by 4,200 MWh, or 6.6% greater than budget on a volume basis. The fall outage will be most impactful in November 2024, but the budget did originally include four days of outage in October for a much narrower margin of difference in generation volumes for October.

In October, NIMPA's delivery costs to members was approximately \$2.2M.

NIMPA's FTRs had a revenue, or margin, of \$325,000 for the month of October. Prairie State prices were lower than member city delivery points on average, which resulted in the FTR daily revenues for the delivery path to the member cities. The average Prairie State price was approximately \$24.29/MWh of generation, compared to \$24.73/MWh for member deliveries, resulting in the FTR revenue.

ISO Miscellaneous Charges were \$26,000.

RPM Auction revenues were \$105,000 for October.

Overall, NIMPA had a PJM ISO revenue of \$170,500 for the month of October, \$375,000 favorable compared to budget, which assumed a PJM ISO cost of \$547,000. This favorable variance to budget is primarily due to greater than budgeted Prairie State production, stronger Prairie State prices relative to member deliveries and actual, as compared to the spread that was budgeted, and overall lower energy prices, which benefit NIMPA, as it has a greater delivery obligation to its members. The spread between Prairie State and the average member delivery price was a \$2.18 discount in the budget, and in actual the spread was only \$0.50.

MISO congestion costs in October were at cost of \$234,000, which is \$215,000 unfavorable to budget. Loss costs were at cost to NIMPA of \$59,600, which is \$42,000 favorable compared to budget.

ARRs – Revenue of \$59,000.

ISO miscellaneous costs were \$13,700.

MISO - NIMPA had an overall cost for October of approximately \$249,000, which is approximately \$109,000 unfavorable to budget.

PJM and MISO – NIMPA had ISO cost of \$419,000, a favorable variance to budget of approximately \$267,000 in total for the month of October, primarily attributable to strong Prairie State generation, as compared to budget, and the lower member delivery costs and higher FTR revenues, offset partially by higher congestion costs.

YTD: Mr. Hansen highlighted the first ten months for 2024 YTD and prefaced the report by indicating that there will be some larger variances due to the shift in fall outage timing.

2024 YTD: NIMPA has an overall favorable variance to budget of approximately \$4.3M. NIMPA has 43,900 MWh greater than budget in generation volume on the PJM side, and approximately 4,200 hours greater on the MISO side, for a total generation volume of approximately 48,000 MWh greater than budget for the first ten months, due to the change in outage timing. Prior to the September/October shift, NIMPA was only 8,000 MWh greater than budget. Mr. Hansen indicated that November's report will be much closer to budget.

According to Prairie State, the EFOR is approximately 7.5% through October 2024, compared to the budget assumption of 8.5%. NIMPA has an unfavorable variance in generation resource revenues of \$5M. Delivery costs to members are coming in favorable by \$9.1M. Overall, FTRs have been unfavorable to budget by \$845,000. Overall, PJM ISO activities have had an overall favorable variance to budget of \$3.1M through the first ten months of 2024. MISO congestion costs are coming in under budget YTD by approximately \$500,000. Loss costs are coming in under budget and have a favorable variance of \$450,000. ARR's have a favorable variance to budget of \$167,000. Overall, MISO activities have a favorable variance to budget of approximately \$1.2M. A total favorable variance for NIMPA for all ISO activities of just under \$4.3M.

Mr. Holton commented that when comparing the monthly management report versus the detailed report for October, the MISO generation and the report do not align. Mr. Hansen will review the MWh discrepancy and revert.

6. General Counsel Update

Attorney Heinemann indicated that he had no updates.

7. Executive Session

MOTION: To move into Executive Session for the purpose of Discussion of contracts relating to the purchase, sale, or delivery of electricity from the Prairie State Project; Litigation related to the Prairie State Generating Company @ 10:55am
MAKER: Jeff Fiegenschuh
SECOND: Rahat Bari
ROLL CALL: AYES: 3 (Fiegenschuh, Bari, Holton)
NAYS: 0
The motion passed

Return to Regular Session at 11:39am

8. Action Items from Executive Session: None

9. Old Business: None

10. New Business: None

11. Comments: Mr. Holm wanted to acknowledge a former Batavia City Council member and one of the original NIMPA members, Mr. Eldon Frydendall, passed away.

12. Motion to adjourn:

MOTION: To adjourn the NIMPA December 2024 Board Meeting @ 11:41am
MAKER: Rahta Bari
SECOND: Jeff Fiegenschuh
VOICE VOTE: All in favor, motion carried

Respectfully submitted: Elizabeth Zrelak