ORDINANCE NO. 2026-1

AN ORDINANCE PROVIDING FOR THE ISSUANCE BY THE NORTHERN ILLINOIS MUNICIPAL POWER AGENCY OF ITS THIRD AMENDED AND RESTATED COMMITTED LINE OF CREDIT NOTE (2026 TAXABLE SUBORDINATED BOND REVENUE NOTE), IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $15,000,000 AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH AND RELATED MATTERS.

WHEREAS, the Northern Illinois Municipal Power Agency ("NIMPA"), a body politic and corporate, a municipal corporation and a unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, is authorized and empowered by the provisions of the Joint Municipal Power Act (65 ILCS 5/Art. 11 Div. 119.1) (the "Act") to plan, finance or refinance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate in, individually or jointly with other persons, public utilities, eligible utilities or other entities of any type, one or more projects, proposed, existing or under construction, within or without the state of Illinois; and

WHEREAS, the Prairie State Project ("Prairie State Project") is an approximately 1620-megawatt mine mouth coal fired generation facility located in Washington County, Illinois, that is producing reliable, low cost and environmentally safe power and energy, of which NIMPA owns an undivided 7.6% interest; and

WHEREAS, pursuant to substantially similar power sale agreements, NIMPA 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 under the Northern Illinois Municipal Power Agency Agreement; and

WHEREAS, payments under such power sales agreements are pledged (the "Pledged Revenues") in order to support NIMPA's revenue bonds, notes or other obligations issued by NIMPA to finance its ownership interest in the Prairie State Project; and

WHEREAS, the City of Batavia, the City of Rochelle and the City of Geneva have each executed and delivered to NIMPA separately such duly authorized power sales agreements (together with all amendments thereto to date, the “Prairie State Project Power Sales Agreements”); and

WHEREAS, the City of Batavia, the City of Rochelle and the City of Geneva also have each executed and delivered to NIMPA the Amended and Restated Prairie State Project Committee Agreement, dated December 20, 2006, which establishes procedures and rules for NIMPA’s ongoing participation in the Prairie State Project on behalf of the City of Batavia, the City of Rochelle and the City of Geneva (“Amended and Restated Prairie State Project Committee Agreement”); and

WHEREAS, on August 1, 2007 the NIMPA Board of Directors adopted Ordinance No. 2007-2 authorizing the issuance of the Power Project Revenue Bonds, Series 2007A (Prairie State Project) (the “Series 2007A Bonds”) and the Power Project Taxable Revenue Bonds, Series 2007B (Prairie State Project) (the “Series 2007B Bonds,” and together with the Series 2007A Bonds, the “2007 Bonds”) pursuant to the Act for the purposes of providing funds to (a) finance a portion of the cost of its ownership interest in the acquisition and construction of the Prairie State Project; (b) fund capitalized interest with respect to the bonds; (c) fund a debt service reserve with respect to the bonds and (d) pay costs of issuing the bonds, including obtaining credit enhancement; and

WHEREAS, on July 7, 2009, the NIMPA Board of Directors adopted Ordinance No. 2009-1 authorizing the issuance of the Power Project Taxable Revenue Bonds, Series 2009B (Prairie State Project) (the “Series 2009B Bonds”) and the Power Project Taxable Revenue Bonds, Series 2009C (Prairie State Project Build America Bonds – Direct Payment) (the “Series 2009C Bonds,” and together with the Series 2009B Bonds, the “2009 Bonds”) pursuant to the Act for the purposes of providing funds to (a) finance a portion of the cost of its ownership interest in the acquisition and construction of the Prairie State Project; (b) fund capitalized interest with respect to the bonds; (c) fund debt service reserves with respect to the bonds and (d) pay costs of issuing the bonds; and

WHEREAS, on November 17, 2010, the NIMPA Board of Directors adopted Ordinance 2010-1 authorizing the issuance of Power Project Taxable Revenue Bonds, Series 2010A (Prairie State Project Build America Bonds-Direct Payment) (the " 2010 Bonds") pursuant to the Act for the purposes of providing funds to (a) finance additional costs of its ownership interest in the acquisition and construction of the Prairie State Project; (b) fund capitalized interest with respect to the bonds; (c) fund a debt service reserve with respect to the bonds and (d) pay costs of issuing the bonds; and

WHEREAS, on June 6, 2012, the NIMPA Board of Directors adopted Ordinance No. 2012-1 authorizing the issuance of subordinated revenue bonds pursuant to the Act in the form of the Committed Line of Credit Note (2012 Taxable Subordinated Bond Revenue Note) (the "2012 Note") to fund the costs NIMPA incurred in connection with the Prairie State Project, including working capital, additional capital costs, and posting collateral under power trading agreements; and

WHEREAS, construction of the Prairie State Project was completed in 2012; and

WHEREAS, on July 27, 2016, the NIMPA Board of Directors adopted Ordinance 2016-1 authorizing the issuance of Power Project Revenue Refunding Bonds, Series 2016A (Prairie State Project) (the "2016 Bonds") pursuant to the Act for the purposes of providing funds to (a) advance refund the Series 2007A Bonds; (b) fund a debt service reserve with respect to the bonds and (c) pay costs of issuing the bonds; and

WHEREAS, on March 15, 2017, the NIMPA Board of Directors adopted Ordinance No. 2017-1 authorizing the amendment and restatement of the 2012 Note with the Amended and Restated Committed Line of Credit Note (2017 Taxable Subordinated Bond Revenue Note) (the "2017 Note"), to continue to fund the costs NIMPA incurred in connection with the Prairie State Project, including working capital, additional capital costs, and posting collateral under power trading agreements; and

WHEREAS, on October 21, 2021, the NIMPA Board of Directors adopted Ordinance No. 2021-1 authorizing the amendment and restatement of the 2017 Note with the Second Amended and Restated Committed Line of Credit Note (2021 Taxable Subordinated Bond Revenue Note) (the "2021 Note"), to continue to fund the costs NIMPA incurred in connection with the Prairie State Project, including working capital, additional capital costs, and posting collateral under power trading agreements; and

WHEREAS, the NIMPA Board of Directors has determined that it is advisable and in the best interests of NIMPA to amend and restate the 2021 Note pursuant to the Act to continue to fund the costs NIMPA incurred in connection with the Prairie State Project, including working capital, additional capital costs, and posting collateral under power trading agreements; and

WHEREAS, the amended and restated 2021 Note will be designated the "Third Amended and Restated Committed Line of Credit Note (2026 Taxable Subordinated Bond Revenue Note)" (the "2026 Note"), and will be issued as Subordinated Bonds (as defined in the hereinafter defined Indenture) under a Trust Indenture dated as of August 1, 2007 (as supplemented and amended to the date hereof, the "Trust Indenture"), between NIMPA and Wells Fargo Bank, National Association (the "Trustee"), as supplemented and amended, including as supplemented by the Supplemental Trust Indenture No. 11, between NIMPA and Computershare Trust Company, N.A., as successor to the Trustee (the "Supplemental Indenture" and such Supplemental Indenture referred to collectively with the Trust Indenture as the "Indenture"); and

WHEREAS, the 2026 Note and interest thereon will be special limited obligations of NIMPA and will be secured under the Indenture together with any other Subordinated Bonds issued under the Indenture from time to time, in accordance with the terms and provisions of the Indenture; and

WHEREAS, the 2026 Note will be issued to PNC Bank, National Association (the "Noteholder"), pursuant to the terms of the Letter Agreement – Committed Line of Credit between

NIMPA and the Noteholder, as amended by the Amendment to Loan Documents between NIMPA and the Noteholder, by the Second Amendment to Loan Documents between NIMPA and the Noteholder, and by the Third Amendment to Loan Documents between NIMPA and the Noteholder (together, the "Letter Agreement");

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

Section 1. The funding of the costs NIMPA incurred in connection with the Prairie State Project, including working capital, additional capital costs, and posting collateral under power trading agreements through the issuance of the 2026 Note in accordance with the terms of the Indenture and pursuant to the Act, is hereby authorized and approved.

Section 2. (a) The form, terms and provisions of the proposed Supplemental Indenture, the 2026 Note and the Letter Agreement (the "Documents") are in all respects approved in substantially the forms presented to the NIMPA Board of Directors for this meeting.

(b) The President and the Secretary of NIMPA are hereby authorized, empowered and directed to execute and deliver the Documents in the name and on behalf of NIMPA, with such changes therein as shall be approved by the officers 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 Documents hereby approved.

(c) From and after the execution and delivery of the Documents, the officers, agents and employees of NIMPA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Documents as executed.

(d) The Documents shall constitute and are hereby made a part of this Ordinance and a copy of the Documents shall be placed in the official records of NIMPA, and shall be made available for public inspection.

Section 3. (a) The issuance of the 2026 Note, subject to prepayment in accordance with the terms and provisions of the Indenture, as executed, maturing not more than 5 years from the date of issuance, in the aggregate principal amount not to exceed $15,000,000 and bearing interest at the interest rate calculated as described in the Documents is hereby approved. The designation above for the 2026 Note may be modified by NIMPA and the modified series designation shall be as set forth in the Supplemental Indenture.

(b) The President and the Secretary of NIMPA are hereby authorized, empowered and directed to cause to be prepared the 2026 Note in the form and having the other terms and provisions specified in the Documents relating to the 2026 Note (as executed and delivered). The 2026 Note shall be executed in the name of NIMPA with the manual or facsimile signature of its President and the manual or facsimile signature of its Secretary. The form of the 2026 Note submitted to this meeting is approved, and when the same shall be executed on behalf of NIMPA in the manner contemplated by the 2026 Note, the Indenture and this Ordinance, it shall represent the approved form of the 2026 Note of NIMPA.

Section 4. The 2026 Note is issued under and in accordance with the Act.

Section 5. The 2026 Note and interest thereon shall be special limited obligations of NIMPA and, except to the extent payable from proceeds of the 2026 Note or moneys from the investment thereof, shall be payable out of and is secured by a pledge of the amounts held in the Series 2026 Subordinated Bond Account of the Subordinated Bond Fund as may from time to time be available therefor; provided, however, that any such payment or pledge is expressly subordinate and junior in all respects to the pledge and lien in the Trust Estate created under the Indenture as security for the Bonds (as defined in the Indenture). The 2026 Note and interest thereon shall not be deemed to constitute an indebtedness or a general obligation of NIMPA, the NIMPA members, the State of Illinois or any political subdivision thereof within the meaning of any constitutional or statutory provision (other than a special limited obligation of NIMPA) or a charge against the general credit or taxing powers, if any, of NIMPA, the NIMPA members, the State of Illinois or any political subdivision thereof. No taxing powers of NIMPA, the NIMPA members, the State of Illinois or any political subdivision thereof are available to pay the 2026 Note or interest thereon. The special limited nature of the obligation represented by the 2026 Note is more fully set forth in the 2026 Note and Indenture, which provisions are incorporated herein by reference.

Section 6. The issuance of the 2026 Note to the Noteholder pursuant to the Letter Agreement is hereby in all respects authorized and approved.

Section 7. From and after the execution and delivery of the 2026 Note and the Documents, the proper officials, agents and employees of NIMPA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the 2026 Note and the Documents as executed and to further the purposes and intent of this Ordinance, including the preamble hereto. The President and the Secretary are authorized and directed for and on behalf of NIMPA, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of the authority conferred by this Ordinance or to evidence said authority, including without limitation changes in the documents approved hereby as approved by the officials of NIMPA executing the same, and to exercise and otherwise take all action necessary to effectuate the full realization of the rights, accomplishments and purposes of NIMPA under the Documents and to discharge all of the obligations of NIMPA thereunder. A Vice President or any other officer of Avant Energy, Inc.

("Avant") or Avant's successor, acting as agent on behalf of NIMPA, is hereby authorized to make requisitions for advances of funds under the 2026 Note and Letter Agreement.

Section 8. (a) Each of the President and the Secretary of NIMPA and a Vice President or any officers of Avant, acting as agent on behalf of NIMPA, are hereby authorized to enter into agreements with the Noteholder pertaining to treasury management financial services and products with financial institutions for purposes of transacting NIMPA business, and to take any other action as may be necessary or desirable to effect the foregoing.

(b) Each of the President and the Secretary of NIMPA and a Vice President or any officers of Avant, acting as agent on behalf of NIMPA, or any person designated in writing by the President and the Secretary of NIMPA, is hereby authorized to perform all actions and to execute all documents on behalf of NIMPA as are necessary for the administration of the employee credit card programs and treasury management financial services and products contemplated by the foregoing resolutions, following the execution of the definitive documents establishing such programs services and products.

Section 9. All acts and doings of the officials of NIMPA which are in conformity with the purposes and intent of this Ordinance and in furtherance of the issuance of the 2026 Note and the financing of costs related to the Prairie State Project are, in all respects, approved and confirmed.

Section 10. The 2026 Note shall be issued in compliance with and under the authority of the provisions of the Act, this Ordinance and the Documents.

Section 11. The provisions of this Ordinance are hereby declared to be separable, and if any section, phrase or provision shall, for any reason, be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.

Section 12. This Ordinance shall be in full force and effect from and after its passage and approval, in accordance with law.

PASSED this _____ day of July, 2026.

APPROVED this _____ day of July, 2026.

AYES: ___________________

NAYS: ___________________

ABSENT: _________________

____
President

ATTEST:

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Secretary