Board Meeting
July 16, 2026

The Northern Illinois Municipal Power Agency (NIMPA) held a Board Meeting on Thursday, July 16, 2026, at 10:30am, at the City of Batavia Government Center, 100 N. Island Avenue, Batavia, IL.

1. **Call to Order and Roll Call:**
   President Aaron Holton called the meeting to order at 10:31am

   NIMPA Members present at the meeting:
   Aaron Holton, City of Geneva
   Rich Babica, City of Geneva
   Andrea Podraza, City of Batavia
   Blake Toliver, City of Rochelle

   Present via teleconference:
   Attorney Richard Heinemann, General Counsel
   Zeke Jackson, City of Rochelle
   David Niles, Avant Energy
   Noah Hansen, Avant Energy
   Joe Fulliero, Avant Energy
   Kevin Carpenter, Avant Energy
   Chad Kustermann, Avant Energy
   Trevor Smith, Avant Energy
   Elizabeth Zrelak, Administrative Support
   William Koehl, Member of the Public
   Susan Russo, Member of the Public

   President Holton indicated that Mr. Steve Allen of Batavia would not be in attendance.

2. **Approval of June 18, 2026, NIMPA Meeting Minutes**
   The minutes of the June 18, 2026, NIMPA Board Meeting were presented for approval.

   Approval of Regular Session NIMPA Meeting Minutes from June 18, 2026

   MOTION: To approve the general session NIMPA meeting minutes from June 18, 2026.
   MAKER: Blake Toliver
   SECOND: Andrea Podraza
   AYES: 3 (Toliver, Podraza, Holton)
   NAYS: 0
   The motion passed

3. **Brentwood Consulting, LLC Update –** President Holton indicated that Attorney Lanzito would not be in attendance for today's meeting.

4. **Financial Report – Review of May 2026 Financials**
   - **a.** Mr. Niles indicated that NIMPA's rate to members was $0.68/MWh higher than budget for May. This variance was the result of higher than budget purchase power cost, partially offset by lower than budget production, fuel, and transmission costs.
   - **b.** At the end of May, NIMPA had a $15M credit facility with PNC Bank. As in prior months, $4.5M is being used with a letter of credit with PJM supporting NIMPA's FTR activities, leaving $10.5M of the credit facility unused.
   - **c.** The ECA payable to members increased by $270,000 in May due to a combination of a budgeted ECA increase of $636,000, higher cost than budget of $60,000, and the return to members of $306,000. At the end of May, the ECA balance was $6.5M.
   - **d.** Capital Adder Fund:
     NIMPA's Capital Adder Fund had a balance of approximately $11.4M at the end of May. The represents 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 $83.5M of cash and investments of which $48.6M is related to debt service reserves and debt service. NIMPA's operating account balance was $9.5M at the end of May.

MOTION:	To approve NIMPA monthly financials from May 2026
MAKER:	Aaron Holton
SECOND:	Andrea Podraza
	AYES: 3 (Holton, Podraza, Toliver)
	NAYS: 0
	The motion passed

5. **Refunding of Series 2016A Bonds**

Mr. Niles indicated that the NIMPA Bond Financing Team met again on July 9, 2026. The main topics of discussion were the financing schedule and the status of the official statement(the bond offering document). He stated that bond pricing is anticipated in early September with closing in early October. To support this plan, Avant anticipates that NIMPA will meet in early August with rating agencies. Expected participants of that meeting include Blake Toliver, Kevin Carpenter, and David Niles from Avant, and NIMPA's lead underwriter from BofA. President Holton is on holiday and will not be in attendance. The expectation is that the Board will be asked to approve the financing within certain parameters at next month's meeting on August 20th.

Mr. Niles reported that the official statement is well underway, with a second draft circulated to the NIMPA financing team last week. The Avant Team believes the official statement is sufficiently developed that NIMPA should be able to remain on the laid out schedule. All necessary information from Prairie State, Batavia, and Geneva has been received, and Avant expects Rochelle's information shortly.

Mr. Niles continued that earlier this week, President Holton signed BofA's G-17 letter, a set of disclosures required by underwriters by the Securities & Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB). He furthered that Avant will not be asking for approval today of the document circulated yesterday via email and posted to NIMPA's website, because it also references the Series 2009C and Series 2010A bonds. As a reminder, these are the Build America Bonds. At last month's NIMPA Board Meeting, it was discussed that bond counsel and the trustee signed off on NIMPA's ability to refinance individual maturities of these bonds rather than an all or nothing approach, but the posted agenda for today's meeting inadvertently only referenced the Series 2016 bonds. Avant will change the agenda description for next month to reference the new financing of the Series 2026 bonds. As part of a whole group of documents that the Board will be

asked to approve next month, including the document shared yesterday, will be posted on NIMPA's website.

President Holton shared that an email was received by Ice Miller immediately before this meeting requesting disclosures from members and anticipates that Batavia and Rochelle will also receive. The deadline is July 30, 2026, for this information.

6. **Renewal of NIMPA Credit Facility with PNC Bank**

Mr. Niles reported that NIMPA and PNC have negotiated a renewal and an amendment of the agency's credit facility, which is currently set to expire in November. The credit facility was established in 2012 and is currently in the amount of $15M. The credit facility supports NIMPA's liquidity needs, credit needs with PJM for FTR activity, and NIMPA's bond ratings, as the rating agencies look at the total available liquidity to NIMPA, which includes cash and its ability to draw on cash through credit facilities. PNC proposed amending the facility in substantially the same form for another five years, taking NIMPA through the middle of 2031. The fee structure is the same as the current agreement with no increases in commitment fees on the letter of credit that is outstanding. The largest change is with the transition of the reference rate on which borrowings bear interest. The current agreement utilizes the Bloomberg Short Term Bank Yield Index (BSBY), which was discontinued last year, so the reference rate will transition to Secured Overnight Financing Rate (SOFR), which are fairly similar in risk profiles.

Mr. Niles reviewed five (5) documents included for this meeting:

a. Agency Ordinance: Approving the extension and amendment of the credit facility.
b. Third Amendment to the Loan Documents
c. Third Amendment to the Note
d. Eleventh Supplemental Indenture: Executed with the trustee.
e. Supporting Certificates: A series of certificates supporting the transaction.

These documents have been reviewed by NIMPA's Bond Counsel, Ice Miller, NIMPA's General Counsel, Attorney Richard Heinemann, the Bond Trustee, which is now Computershare, as well as Avant. Mr. Niles explained that while the credit facility does not expire until mid-November, approving it now ensures ongoing liquidity support and strengthens NIMPA's bond rating ahead of upcoming meetings with rating agencies, which are scheduled for the week of August 3. The proposed closing date is July 29. Both Avant, as NIMPA's municipal advisor, as well as the underwriters, believe it will be beneficial to NIMPA to present an executed five year extension of the credit facility to the rating agency.

He noted that there are a number of closing documents that will require execution and coordination among member communities, Avant, and legal counsel over the coming week, and he will notify each NIMPA member as execution documents are finalized and FedEx is engaged for delivery.

President Holton questioned and Mr. Niles confirmed that the action is a simple continuation of NIMPA's existing line of credit for five years and not additional debt.

Mr. Niles noted that three to five years is industry standard for agreements. Some of the changes in banking regulations in past years have made banks tend to desire shorter terms, rather than longer, because of capital requirements. If they issue a credit facility to a customer, certain deposits must be maintained. A few years ago, during discussion, PNC stated that NIMPA may have to move back to a three-year term, and Avant lobbied to keep NIMPA's term at five years, which is a good outcome for NIMPA. Locking in a five year extension avoids the more frequent $15,000 closing/administration fees associated with each credit facility amendment and extension, and banks do not prorate that fee downward. The ability to access that credit for a longer period of time is beneficial to NIMPA.

He further noted that approving the credit renewal ensures NIMPA will not need to post alternative collateral with PJM under the letter of credit previously extended through mid-November, allowing that arrangement to continue on its annual renewal cycle.

President Holton stated there was an ordinance that was included in the packet, and a motion to approve Ordinance number 2026-1, which is an ordinance providing for the issuance by the Northern Illinois Municipal Power Agency of its Third Amended and Restated Committed Line of Credit Note, in the aggregate principal amount, not to exceed $15M and authorizing the execution and delivery of certain documents in connection therewithin and related matters.

MOTION:	To approve Ordinance number 2026-1, which is an ordinance providing for the issuance by the Northern Illinois Municipal Power Agency of its Third Amended and Restated Committed Line of Credit Note, in the aggregate principal amount, not to exceed $15M, and authorizing the execution and delivery of certain documents in connection therewithin and related matters.
MAKER:	Blake Toliver
SECOND:	Andrea Podraza
	AYES: 3 (Batavia, Rochelle, Geneva)
	NAYS: 0
	The motion passed

7. NIMPA Directors and Officers Insurance Renewal

Mr. Niles indicated that it is time to renew NIMPA's Directors and Officers insurance. NIMPA has engaged Marsh for a number of years as their insurance broker. He reminded the Board that last year, NIMPA marketed the program, switched insurance carriers, and received some expanded coverage, while the annual premium decreased from roughly $31,000 to $18,000.

In conversations with Marsh, Avant's recommendation is not to market the insurance program out to all carriers this year, as that is typically not done annually. The current insurer offered a flat renewal on the same terms and the same amount of coverage for the same $18,000 premium. Avant recommended proceeding with the renewal with the existing carrier at terms that remain significantly better than where NIMPA was just over a year ago.

Ms. Podraza confirmed the rate for the upcoming year was $18,000, and Mr. Niles confirmed the premium remains $18,000. President Holton and Board members concurred that since the program was taken to market last year, marketing it again this year is unnecessary, and the Board agreed to proceed with the flat renewal.

8. Audit RFP

Mr. Trevor Smith reported that, as discussed at Board meetings in April and June, NIMPA's current audit firm, Forvis Mazars, completed its tenth annual audit engagement with the 2025 financial statements. The Board has previously directed Avant to conduct a competitive selection process for a new independent audit firm.

The request for proposals (RFP) is scheduled for release in July 2026, with proposals due in late August, and a recommendation for a selected audit firm anticipated for Board consideration in September 2026.

Based on the limited response received during the 2023 RFP process, Avant expanded the proposed distribution list to include firms with governmental, public power, municipal utilities, and energy related organizations with audit experience, and welcome any additional recommendations from the Board prior to distribution of the RFP. Currently, the RFP is slated to be sent to 11 firms with consideration given to firms with GASB reporting, FERC accounting, and a strong presence in Illinois or the Midwest.

Prior to distribution, Avant staff has contacted each potential firm to identify the partner or practice leader responsible for governmental and utility audit engagements. This outreach is intended to ensure the RFP is delivered directly to the appropriate decision maker and to maximize participation from qualified firms.

President Holton noted that the RFP was posted as part of the agenda to the NIMPA website and NIMPA members agreed that no additions or edits are required and approved the RFP as presented.

Board members appreciate Avant's due diligence in expanding the RFP distribution to ensure NIMPA receives the best possible response.

9. Management/Operations Report: May 2026

Mr. Hansen indicated that Prairie State experienced several derate events associated with boiler deslagging and pulverizer issues in the month of May. Unit 1 experienced two forced outages for boiler related issues, and Unit 2 was on outage for approximately three days for a boiler tube leak. Due to these events, Prairie State generation was below budget for the month of May.

Financial Operating Results:

PJM Market Activities: NIMPA's share of Prairie State generated approximately 78,500 MWh for the month of May, resulting in approximately $2.75M of generation revenue in PJM.

Member delivery costs were approximately $2.45M.

FTR settlements were a net cost of approximately $247,000, due to pricing differences between Prairie State and member delivery locations.

RPM auction revenues were approximately $800,000.

On the MISO side, pseudo-tie congestion and loss charges resulted in a net cost of approximately $169,000, partially offset by $37,000 of ARR revenues.

Overall, combining PJM & MISO activities, NIMPA recorded an overall net ISO revenue of approximately $687,000.

Summary of ISO market congestion:

In PJM, the congestion, including FTR settlements and FTR auction revenue, was approximately $208,000 of net revenue. In MISO, the congestion of ARR revenues resulted in approximately $43,000 of net congestion cost.

YTD Dashboard Review through May 2026

1. **Plant Output**: Essentially in line with budget of 392,000 MWh
2. **Prairie State Revenues**: Performing significantly above budget with a favorable variance of $4.8M

3. **NIMPA's Load Cost**: Favorable to budget by $102,000
4. **FTR and Other Costs**: FTRs and other costs are unfavorable to budget by $4.6M.
5. **Net PJM Impact**: When netting the three numbers together, as a portfolio, NIMPA has a favorable variance to budget for PJM activities of $276,000.
6. **MISO Operations**: MISO operations are limited and are aggregated together on the dashboard. MISO costs are coming in under budget, a favorable variance of approximately $144,000 through May 2026.
7. **Net Basis for PJM and MISO Activities**: NIMPA is approximately $420,000 favorable to budget.

10. Operations Update

Mr. Hansen stated that the 2028/2029 PJM Base Residual Capacity Auction completed and results were recently posted. The auction took place over June 30 – July 7, 2026.

All zonal prices cleared at the auction cap of $325/MW-day, continuing on the trend of the last three auctions that cleared at the price cap in the current capacity market collar format. As a pseudo-tied resource, NIMPA's Prairie State capacity position receives the RTO Zonal Clearing price. The ComEd Zone, which is the zone where NIMPA members procure their capacity, also cleared unconstrained and equal to the remaining zonal prices, $325/MW-day.

The 2028/2029 Base Residual Auction report can be viewed on the public PJM website under the RPM Market Page.

Mr. Hansen indicated that similar to other recent auctions, RTO failed the market structure test, and market power mitigation measures were applied. PJM ran an independent clearing simulation without the price cap and floor enforced, and without those restrictions, the RTO clearing price would have been $554.72/MW-day, an approximately $230 increase. All prices would have cleared at $554.72/MW-day except for the ComEd LDA, which would have cleared at $776.69. The Board may recall, this auction had the same market constructs of a price floor and a price collar.

A discussion ensued regarding the ComEd zone capacity and price collars.

President Holton inquired about the next upcoming BRA and the anticipated timeline. Mr. Hansen responded that the next auction for 2029/2030 opens on December 9 and closes on December 15, with results posted on December 22, 2026. Avant has already begun preliminary activities, including confirming offer caps. Mr. Hansen confirmed that this schedule returns PJM to conducting auctions once per year under its three-year advance planning format.

11. General Counsel Update:

Attorney Heinemann shared that he had no updates.

12. Open Meetings & Compliance Policy

President Holton introduced the proposed Open Meetings Act (OMA) Compliance Policy to guide current and future Board members.

General Counsel Richard Heinemann reviewed the policy, noting it was developed following an Office of the Attorney General (OAG) determination to establish clear agency guardrails. The policy centers on the amended Section 2(c)(23) exception regarding power, energy, and trade secret matters, emphasizing narrow statutory interpretation and required consultation with general counsel during agenda preparation.

Attorney Heinemann outlined that Section 3 details allowable closed session topics, such as confidential auction bidding strategies and proprietary vendor data, while Section 4 affirms that Prairie State Generating Company (PSGC) operational and financial matters will be discussed in open session.

Ms. Podraza requested that a date be added to the policy. President Holton shared that owners will review the policy this month, and it will be brought back to the Board for formal adoption next month.

13. **Executive Session (Approval of Executive Session Minutes from January through June 2026; Semiannual Review of Executive Session Minutes pursuant to 5 ILCS 120/2(c)(21))**

MOTION:	To move into Executive Session for the approval of executive session minutes from January through June 2026; Semiannual review of executive session minutes as provided for in 5 ILCS 120/2(c)(21) @ 11:16am
MAKER:	Blake Toliver
SECOND:	Andrea Podraza
ROLL CALL:	AYES: 3 (Rochelle, Geneva, Batavia) NAYS: 0 The motion passed

Return to Regular Session at 11:44am

14. **Action Items from Executive Session:** Release NIMPA Executive Session Meeting Minutes from March 20, 2025, January 15, 2026, and June 18, 2026.

MOTION:	To release NIMPA Executive Session Meeting Minutes from March 20, 2025, January 15, 2026, and June 18, 2026
MAKER:	Blake Toliver
SECOND:	Aaron Holton
VOICE VOTE:	All in favor, motion carried

15. **Old Business:** None

16. **New Business:** None

17. **Comments:** None

18. **Motion to Adjourn:**

MOTION:	To adjourn the NIMPA July 2026 Board Meeting @ 11:46am
MAKER:	Andrea Podraza
SECOND:	Blake Toliver
VOICE VOTE:	All in favor, motion carried

Respectfully submitted: Elizabeth Zrelak