ORDINANCE NO. 2026-2

AN ORDINANCE PROVIDING FOR THE ISSUANCE BY THE NORTHERN ILLINOIS MUNICIPAL POWER AGENCY OF ITS POWER PROJECT BONDS (PRAIRIE STATE PROJECT) IN ONE OR MORE SERIES, IN THE COMBINED AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $325,000,000 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 identical power sales 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 Agency Agreement, dated May 24, 2004; 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 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 No. 2010-1 authorizing the issuance of the 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 debt a service reserve with respect to the bonds and (d) pay costs of issuing the bonds; and

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

WHEREAS, on July 23, 2016, the NIMPA Board of Directors adopted Ordinance No. 2016-1 authorizing the issuance of the Power Project Revenue Refunding Bonds, Series 2016A (Prairie State Project) (the "2016A Bonds") pursuant to the Act for the purposes of providing funds to (a) advance refund certain outstanding bonds of NIMPA; (b) fund capitalized interest with respect to the bonds; (c) fund debt a service reserve with respect to the bonds and (d) pay costs of issuing the bonds; and

WHEREAS, on July 16, 2026, the NIMPA Board of Directors adopted Ordinance No. 2026-1 authorizing the issuance of subordinated revenue bonds pursuant to the Act in the form of the Third Amended and Restated Committed Line of Credit Note (2026 Taxable Subordinated Bond Revenue Note) (the "2026 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, the NIMPA Board of Directors, acting as the Prairie State Project Committee in accordance with the Amended and Restated Prairie State Project Committee Agreement, has determined that it is advisable and in the best interests of NIMPA to issue additional revenue bonds pursuant to the Act for the purposes of providing funds to (a) refund all or a portion of the 2009 Bonds, 2010 Bonds and 2016A Bonds (collectively, the "Refunded Bonds"); (b) fund a debt service reserve with respect to the bonds; and (c) pay costs of issuing the bonds, including obtaining credit enhancement, if any; and

WHEREAS, the bonds will be designated "Power Project Revenue Refunding Bonds, Series 2026A (Prairie State Project)" (the "Bonds") and will be issued under a Trust Indenture

dated as of August 1, 2007 (as supplemented and amended to the date hereof, the "Trust Indenture"), between NIMPA and Computershare Trust Company, N.A. (successor to Wells Fargo Bank, National Association), as trustee (the "Trustee"), as supplemented and amended, including as supplemented by the Supplemental Trust Indenture No. 12, between NIMPA and the Trustee (the "Supplemental Indenture" and such Supplemental Indenture referred to collectively with the Trust Indenture as the "Indenture"); and

WHEREAS, the Bonds and interest thereon will be special limited obligations of NIMPA and will be secured by the Trust Estate (as such term is defined in the Indenture), which includes the Net Revenues (as such term is defined in the Indenture); and

WHEREAS, the Bonds will be sold to BofA Securities, Inc., or an affiliate thereof, as representative of itself and the other underwriters named in a bond purchase agreement (collectively, the "Purchaser"), between NIMPA and the Purchaser (the "Purchase Agreement") pursuant to the Purchase Agreement; and

WHEREAS, the Purchaser will utilize an Official Statement (the "Official Statement") to offer the Bonds; and

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

Section 1. The financing of (a) the refunding of the Refunded Bonds, (b) the funding of a debt service reserve with respect to the Bonds and (c) costs of issuing the Bonds, including obtaining credit enhancement, if any, each through the issuance and sale of the Bonds 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, Bonds, Official Statement, Continuing Disclosure Undertaking to be entered into in

compliance with Rule 15c2-12 of the Securities and Exchange Commission, Purchase Agreement and Escrow Deposit Agreement regarding the defeasance of the Refunded Bonds (collectively, the "Bond 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 such Bond 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 Bond Documents hereby approved.

(c) From and after the execution and delivery of such Bond 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 such Bond Documents as executed.

(d) The Bond Documents shall constitute and are hereby made a part of this Ordinance and a copy of such Bond 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 Bonds, subject to redemption in accordance with the terms and provisions of the Indenture, as executed, maturing not more than 30 years from the date of issuance, in the aggregate principal amount not to exceed $325,000,000 with the yield on the Bonds for arbitrage purposes not to exceed 5.0% per annum, is hereby approved. The designation above for the Bonds 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 Bonds in the form and having the other terms and

provisions specified in the Bond Documents relating to the Bonds (as executed and delivered). The Bonds 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 Bonds submitted to this meeting are approved, and when the same shall be executed on behalf of NIMPA in the manner contemplated by the Bonds, the Indenture and this Ordinance it shall represent the approved form of the Bonds of NIMPA.

Section 4. The Bonds are issued under and in accordance with the Act.

Section 5. The Bonds and interest thereon shall be special limited obligations of NIMPA and, except to the extent payable from proceeds of the Bonds or moneys from the investment thereof, shall be payable solely from Net Revenues. The Bonds 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 Bonds or interest thereon. The special limited nature of the obligation represented by the Bonds is more fully set forth in the Bonds and Indenture, which provisions are incorporated herein by reference.

Section 6. The sale of the Bonds to the Purchaser pursuant to the Purchase Agreement at a premium and/or a discount is hereby in all respects authorized and approved.

Section 7. From and after the execution and delivery of the Bonds and the Bond 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 Bonds and the Bond 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 Bond Documents and to discharge all of the obligations of NIMPA thereunder.

Section 8. The terms of the investment policy adopted by NIMPA on November 21, 2007, as amended from time to time, shall apply to the investment of the proceeds of the Bonds and the investment of the proceeds of the Bonds pursuant to the terms thereof is hereby approved.

Section 9. All acts and doings of the officials of NIMPA that are in conformity with the purposes and intent of this Ordinance and in furtherance of the issuance and sale of the Bonds and the refinancing of the Prairie State Project are, in all respects, approved and confirmed.

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

APPROVED this _____ day of _____, 2026.

AYES: _____

NAYS: _____

ABSENT: _____

_____
President

ATTEST:

_____
Secretary