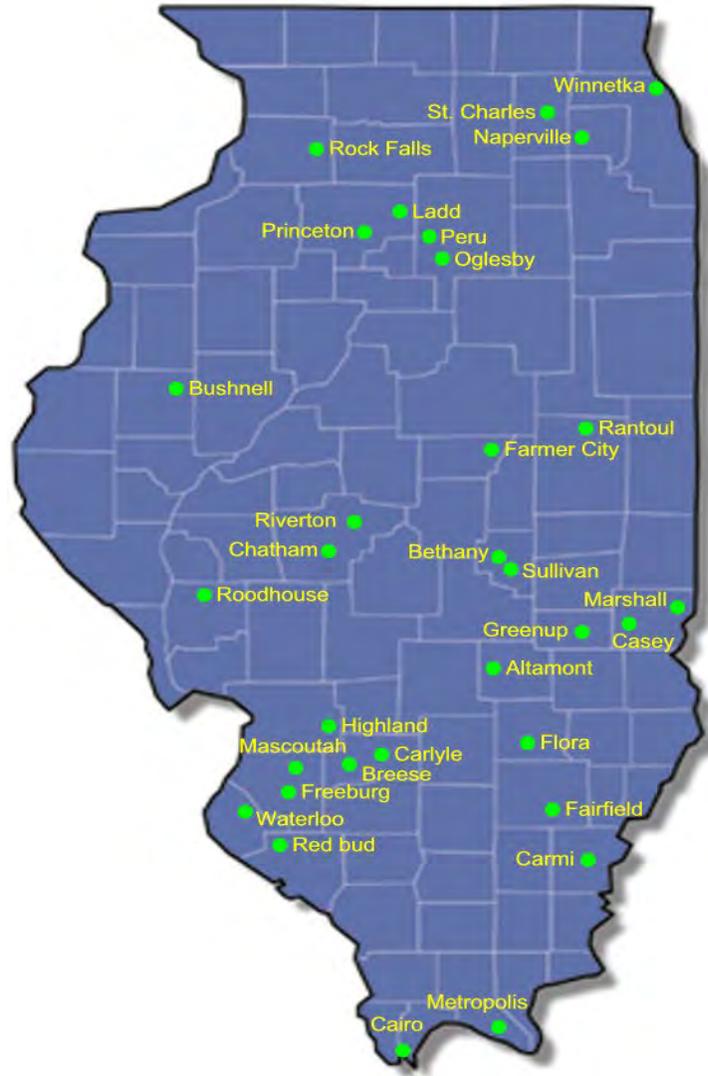




Illinois Municipal Electric Agency



Why IMEA? Proven Success



IMEA has delivered on our promise to Winnetka for over forty years

- IMEA is a nonprofit Municipal Joint Action Agency formed by and run by its members.
 - ✓ Winnetka was one of IMEA's founders in 1984
 - ✓ Winnetka has a direct voice in power supply through your board member
- IMEA works every day to deliver reliable power at a cost lower than our peers
- We are diversifying the way we supply power, investing in wind and solar as we also move towards battery storage for the future
- Partnering with other communities, IMEA's members receive specialized services and support with a range of professional services such as: power supply scheduling, energy market insight, Green Power Choices REC program, legal and regulatory compliance, as well as energy efficiency & EV incentives
- Well positioned to address power demand growth expected through end of decade and beyond; keeping bills low while serving any growing customer demand



IMEA Power Supply Resources



1007 MW

of resources

** includes 296 MW back up member generation*



262 MW

of carbon-free resources
in portfolio

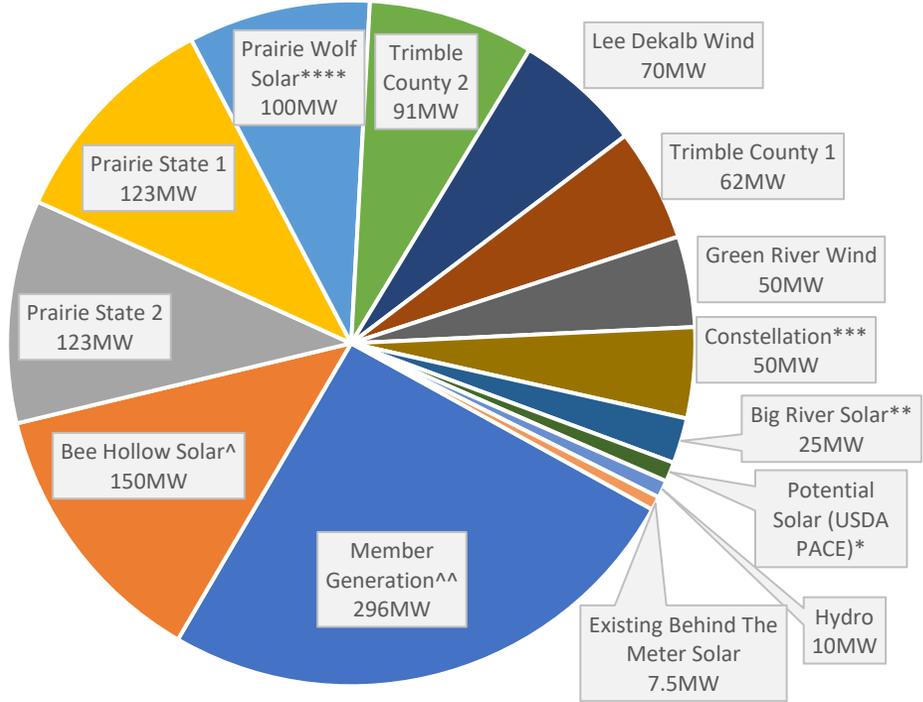


161 MW

of carbon-free resources
under development



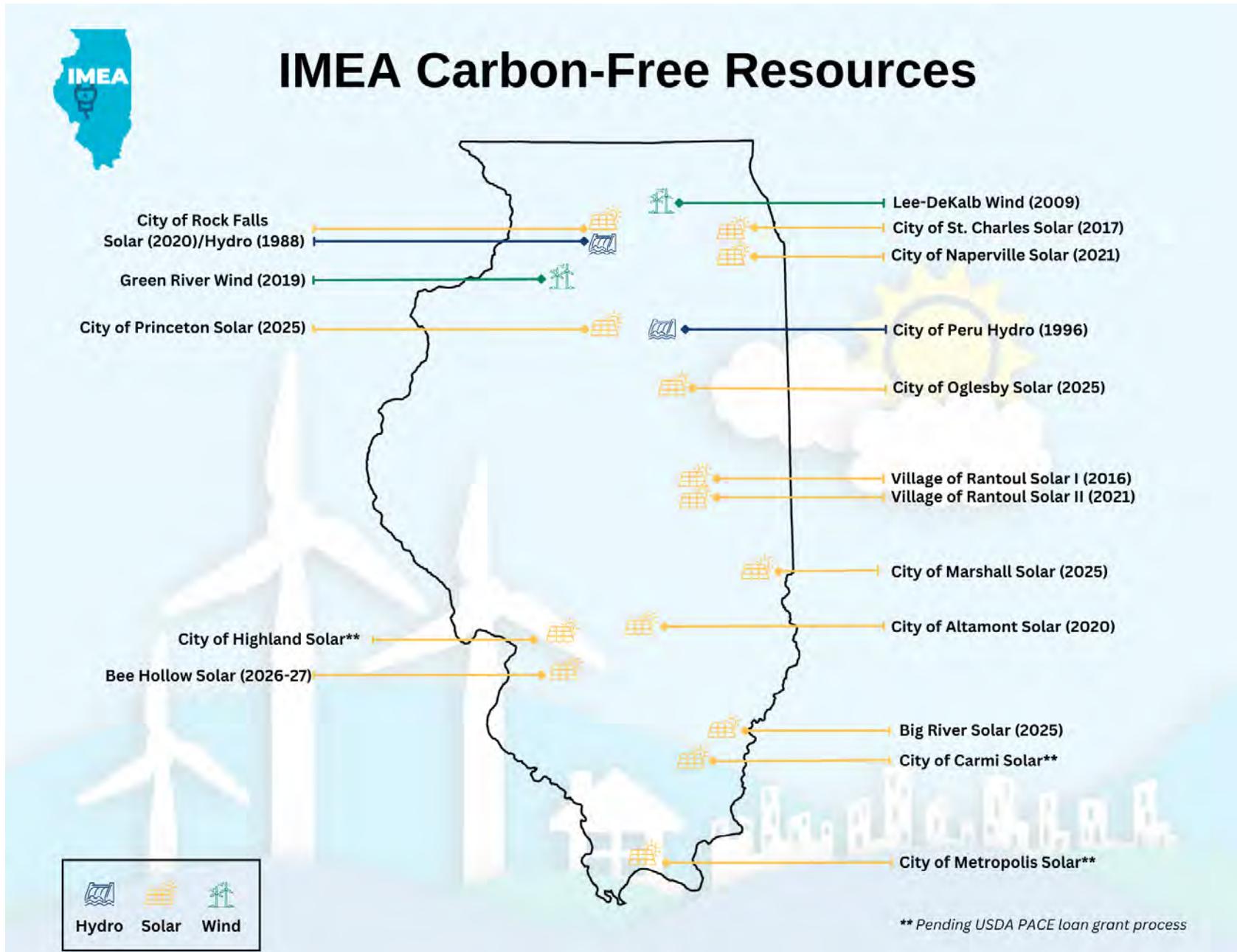
IMEA Resources
(Listed by Nameplate)



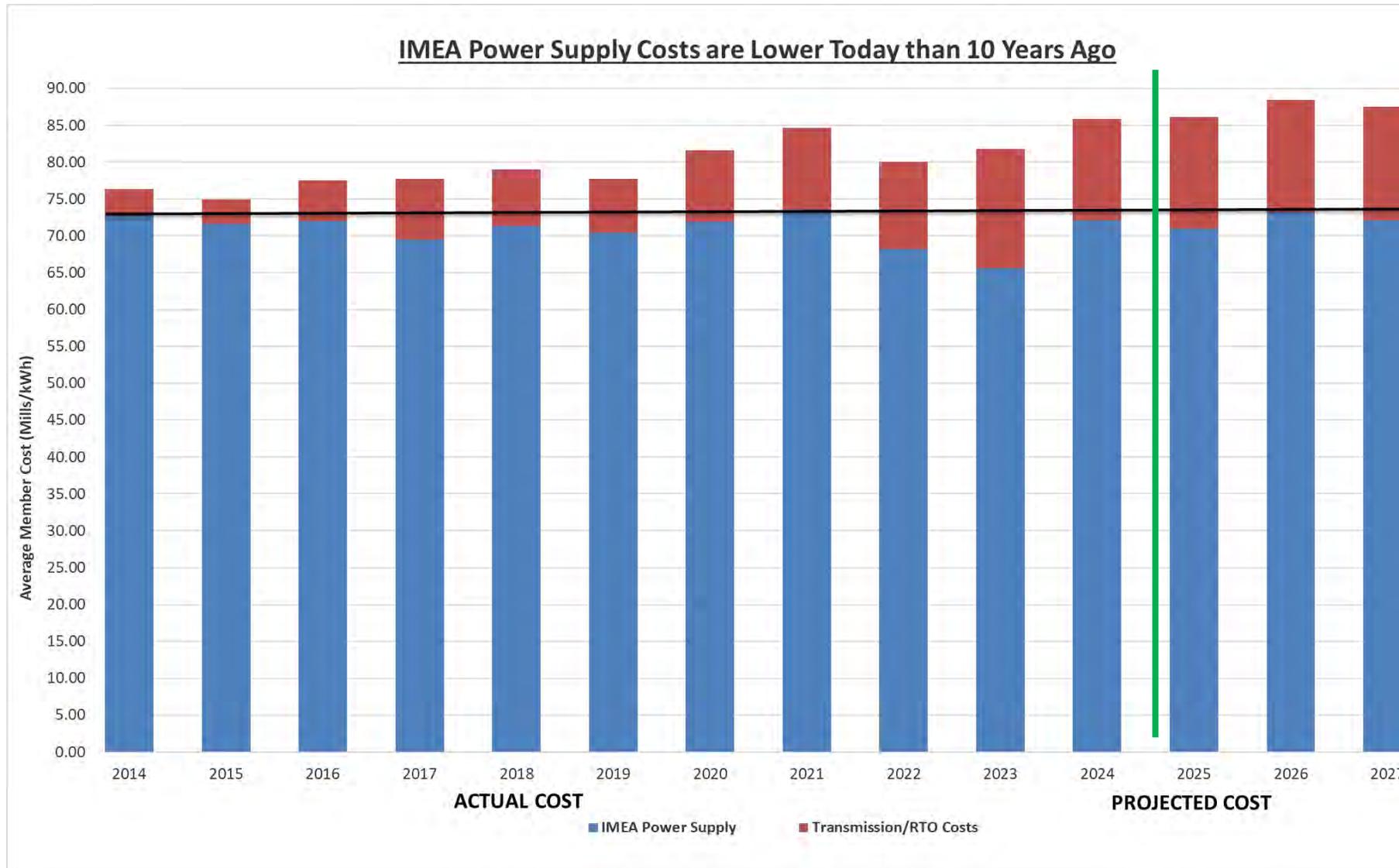
*IMEA awaiting USDA PACE loans to add nearly 11MW of solar in three of our member towns
 **Big River Solar 25MW starts in 2025
 ***Constellation 50MW Capacity Only currently expires in 2026
 ****Prairie Wolf Solar 100MW Nameplate Solar equates to 50MW of Capacity Only currently expires in 2027
 ^Bee Hollow Solar 150MW starts in late 2026/early 2027
 ^^Member Generation normally produces less than 1% of our energy needs



Diverse portfolio to protect against market volatility



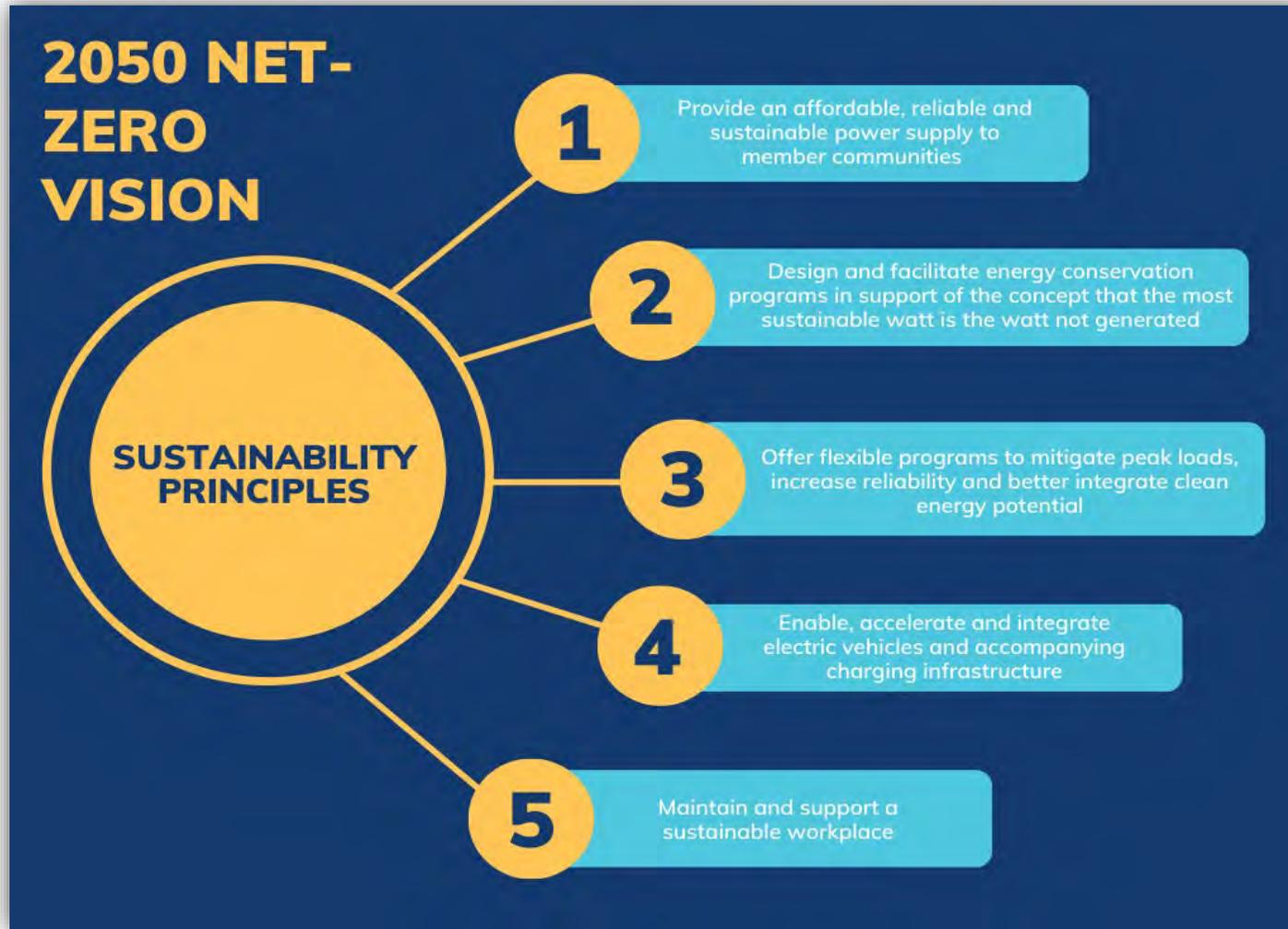
Affordable & Reliable Costs



IMEA rates to Winnetka remain flat over the previous 10-year period, and are projected to continue to remain flat, thanks to agency-owned resources and long-term contracts



Transitioning to Our Energy Future

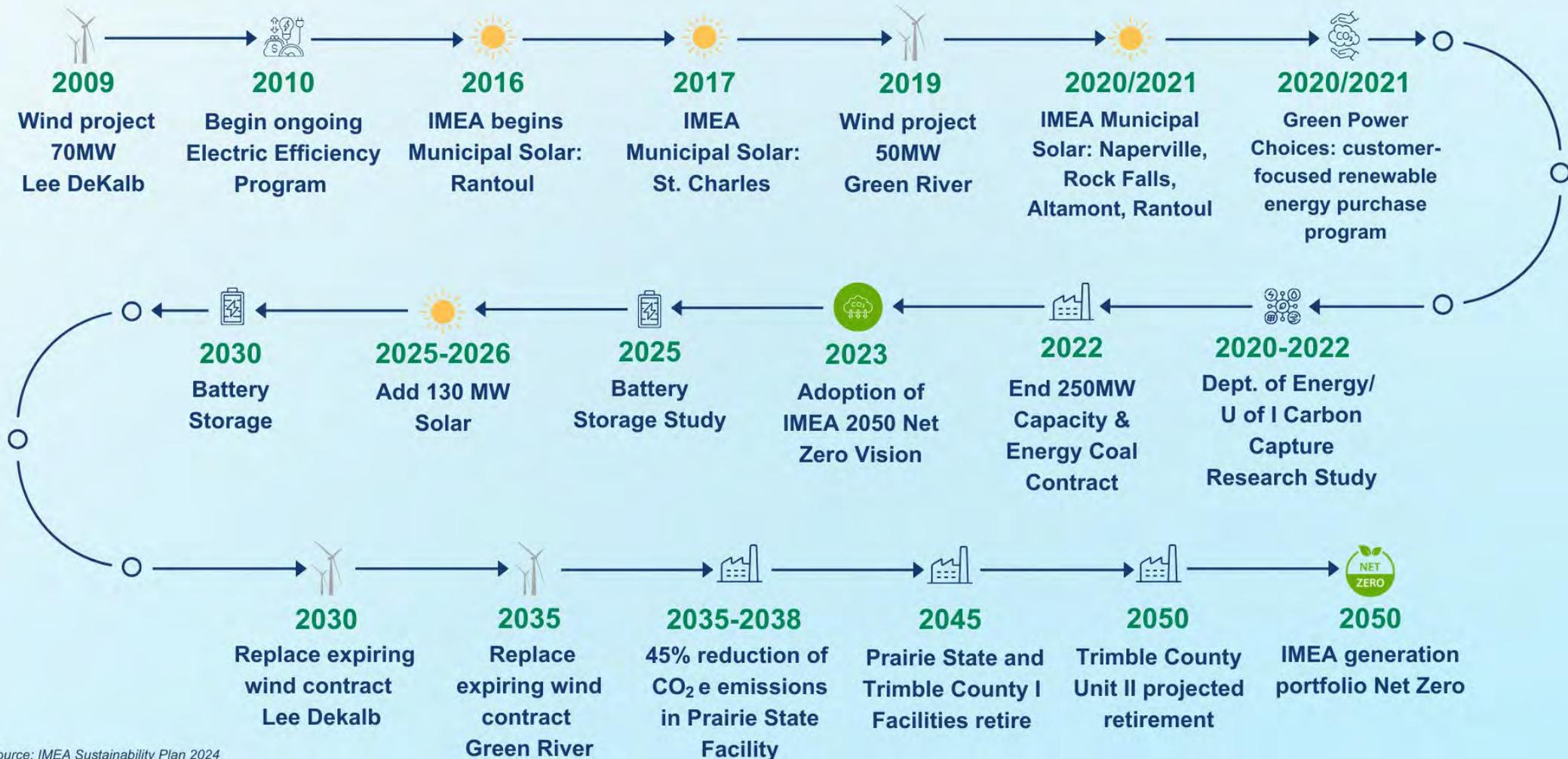


Roadmap Forward:

- Target reductions in greenhouse gases
- Increase our renewable generation resources to replace current resources, including Member Directed Resources (MDR)
- Allow the flexibility needed to embrace changes in technology, such as battery storage
- Continue and expand energy efficiency program incentives to our communities and their residents
- Reduce resource capacity needs by accelerating our demand response options
- Advance electric vehicles and EV infrastructure

Key Dates for Agency & Members' Power Supply Needs

IMEA PORTFOLIO TRANSFORMATION & DECARBONIZATION



Source: IMEA Sustainability Plan 2024



Sustainability: Vision for Success

IMEA is committed to a carbon-free portfolio

- Climate change is a critical issue for customers, member communities and the nation
- Our Plan was created and approved by our Board
- Details action IMEA plans to take in the future
- IMEA will review the plan annually, reporting back to the Board on progress toward goals
- Plan will be updated on a three-year review cycle, ensuring that goals remain current to membership
- Utilize a member governing body stakeholder process to update the plan

IMEA is committed to efforts to combat climate change and create a sustainable energy future by providing stable-priced, reliable and cleaner power that ensures our members and their residents a higher quality of life for future generations.



Sustainability: Powering our Energy Future

Meeting and Exceeding Goals

-  Provide an affordable, reliable and sustainable power supply.
-  Design and facilitate energy conservation programs.
-  Offer flexible programs to mitigate peak loads, increase reliability and better integrate clean energy potential.
-  Enable, accelerate and integrate electric vehicles and charging infrastructure.
-  Maintain and support a sustainable workplace.

GOAL - ADD 130 MEGAWATTS (MW) OF SOLAR



Big River
Contracted
25 MW of
utility-scale
solar starting
in 2025.



Bee Hollow
Contracted
150 MW of
utility-scale
solar starting in
late 2026-27.



**Muni Solar
Projects**
3 new behind the
meter solar projects
totaling **2.5 MW**
in member
communities.



**Pending Muni
Solar Projects**
Working on
adding 3 behind
the meter solar
projects.
(Pending USDA approval)

= 177+ MW

Powers ~**50,000**
homes for 1 year.

GOAL - BY THE END OF 2025, STUDY THE FEASIBILITY OF INSTALLING UTILITY-SCALE BEHIND THE METER BATTERY STORAGE ON MEMBER DISTRIBUTION SYSTEMS



- Met with 10 developers.
- Planning Study parameters- financing; implementation timelines; grant opportunities; effective location; operational and safety concerns; and member rate impact.

Blueprint to meet Net-Zero Future

Highlights

Short-Term Immediate Future (2025-2030)

- IMEA's existing and contracted **low-cost resources have been adequately planned for**. Thus, they are largely already in place for this time frame.
- This planning foundation allows IMEA to maximize the value of existing generating assets and ensure continued reliable and affordable energy, while also continuing to diversify the portfolio with renewable resources as new sources are needed.
- To pursue utility scale solar, such as the Bee Hollow 150MW solar contract, it was **necessary for the IMEA to secure a certain threshold of needed load beyond the year 2035**, this was done via an extension of members' wholesale power supply contracts with the agency.



Blueprint to meet Net-Zero Future

Highlights

Mid-Future (Early 2030s)

- **This time frame provides an increased range of options.**
- IMEA has all the resources it needs to reliably serve members needs in the short-term, but several existing generation resource terms expire in this mid-future time frame.
- Therefore, it is critical to begin preparing as quickly as possible to better establish a full strategy for transitioning to carbon-free resources by continuing to increase renewables, add battery storage, and ensure IMEA can meet customer loads reliably, affordably and sustainably.
- IMEA is in the midst of extending power supply agreements with its member municipalities, currently scheduled to expire in the year 2035. **Finalizing these member contract extensions is necessary to ensure the agency's future resource planning matches members' load requirements.** IMEA needs to know how much power to supply beyond 2035 in order to fully begin planning for this mid-future time frame.
- This protects the IMEA membership by ensuring **IMEA is not needlessly securing excess resources that may not be necessary beyond the year 2035.**
- Future planning cycles will allow for analyzing multiple options, modifying and adjusting these resource decisions with the IMEA Board of Director's review and approval.



Blueprint to meet Net-Zero Future

Highlights

Latter Half of Planning Period (2035 – 2050)

- This latter planning time frame includes more available options with the ability to adjust to changes in state and federal policy and changes in dynamic energy market conditions.
- There may also be more opportunities to benefit from enhanced clean energy technologies that are developing.
- Therefore, this latter-half timeframe includes uncertainty around planning factors, particularly including whether all members extend contracts beyond year 2035.
- It is important to monitor technology improvements and breakthroughs that may substantially influence the energy transition so that IMEA members can benefit from new proven technologies.
- Long-range planning allows for multiple planning cycle opportunities to check and adjust the plan based upon the best overall available resources, cost of resource options, and market conditions with the IMEA Board of Director's review and approval.



Resource Planning

Key Assumptions

- All members extend contracts to 2055
- Big River contract (25MW solar) extends to 2050
 - ✓ Contingent on 667MW of member contract extensions
- Historic load growth assumed
- Prairie State and Trimble County MWH based on historical
- Prairie State CEJA reductions are implemented and retires in 2045
- Trimble County 1 retires in 2045, Trimble County 2 retires in 2050
- Prairie State and Trimble County potentially subject to future US EPA compliance
- Member generation MWH normally called upon only during extreme grid operations or volatile market prices
- Future resources will be purchased or acquired to meet member load obligations over time
- Energy Efficiency and Demand Response program impact included in member load projections (anticipated continued reduction of electricity demand and usage through energy efficiency and demand response programs)



IMEA Resource Planning

Nameplate vs. Accredited Capacity

- As utilities transition their portfolios into the future and increase intermittent resources, they will **need to purchase a greater number of nameplate MWs than peak load to meet capacity obligations.**
- PJM and MISO, as the Regional Transmission Organizations (RTOs), impose capacity obligations on utilities.
- The amount of capacity obligation a utility must meet is based on a **utility's peak load, plus reserves determined by the RTO.** This capacity obligation is satisfied with qualified generating resources.
- **RTO's do not base the value of a resource on its nameplate capacity.** Instead, they value it based on their calculated Accredited Capacity (for example PJM calls it Effective Load Carrying Capability (ELCC)).
- This **chart shows the difference between the nameplate value of IMEA's resources versus the projected accredited capacity value.**

Nameplate vs Projected Accredited Capacity

Projected PY25/26*	Nameplate Capacity (MW)	Summer Accredited Capacity (MW)
Prairie State	246	224
Trimble County Member	153	145
Generation**	296	290
Wind	120	30
Solar	33	16
Hydro**	10	10
Bilateral Purchases***	150	100
Total	1007	815

Totals may not sum due to rounding
 Accreditation in PJM and MISO are different,
 PJM's is ELCC, MISO's is DLOL

*Final accreditation values are subject to the determination of each RTO prior to the delivery year.

**Behind The Meter resources get a higher accreditation based on the current RTO rules that allow for adjustments (losses and reserves).

***Prairie Wolf Solar 100MW Nameplate equates to 50MW of accredited capacity



PJM Accreditation for Resources

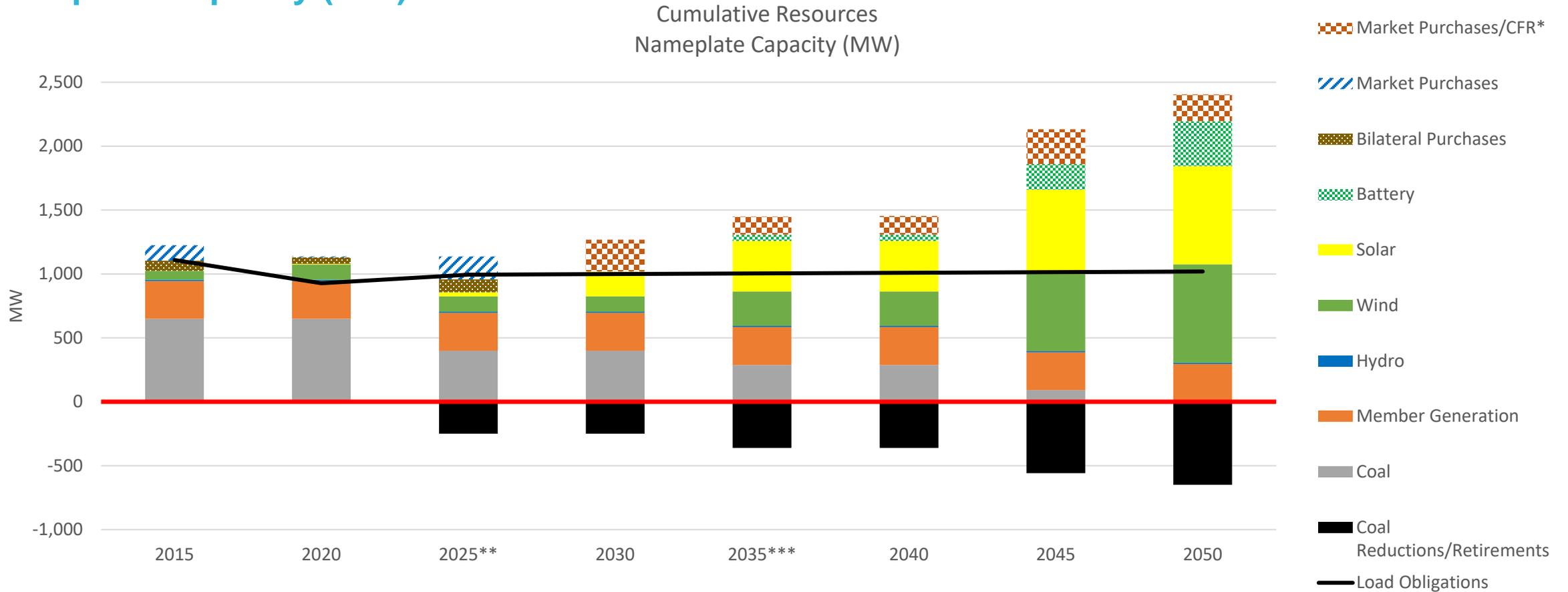
ELCC Class	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Onshore Wind	35%	33%	28%	25%	23%	21%	19%	17%	15%
Fixed-Tilt Solar	7%	6%	5%	5%	4%	4%	4%	4%	3%
Tracking Solar	11%	8%	7%	7%	6%	5%	5%	5%	4%
4-hr Storage	56%	52%	55%	51%	49%	42%	42%	40%	38%
6-hr Storage	64%	61%	65%	61%	61%	54%	54%	53%	52%
Nuclear	95%	95%	95%	96%	95%	96%	96%	94%	93%
Coal	84%	84%	84%	85%	85%	86%	86%	83%	79%
Gas Combined Cycle	79%	80%	81%	83%	83%	85%	85%	84%	82%
Gas Combustion Turbine	61%	63%	66%	68%	70%	71%	74%	76%	78%
Gas Combustion Turbine Dual Fuel	79%	79%	80%	80%	81%	82%	83%	83%	83%
Diesel Utility	92%	92%	92%	92%	92%	93%	93%	93%	92%

**2024 Preliminary ELCC Class Rations DY26/27 through DY34/35. PJM. <https://www.pjm.com>*

The Bee Hollow solar project has a 150 MW nameplate capacity. PJM would credit that resource with only 10.5 MW of capacity in 2026 down to 4.5 MW of capacity in 2035.

Net-Zero Strategy

Nameplate Capacity (MW)



*Market Purchases or Potential Carbon Free Resources

**Vistra Cost-Based Coal Contract Ended May 31, 2022

***2035 Coal Nameplate Reduction is Equivalent Representation Per CEJA

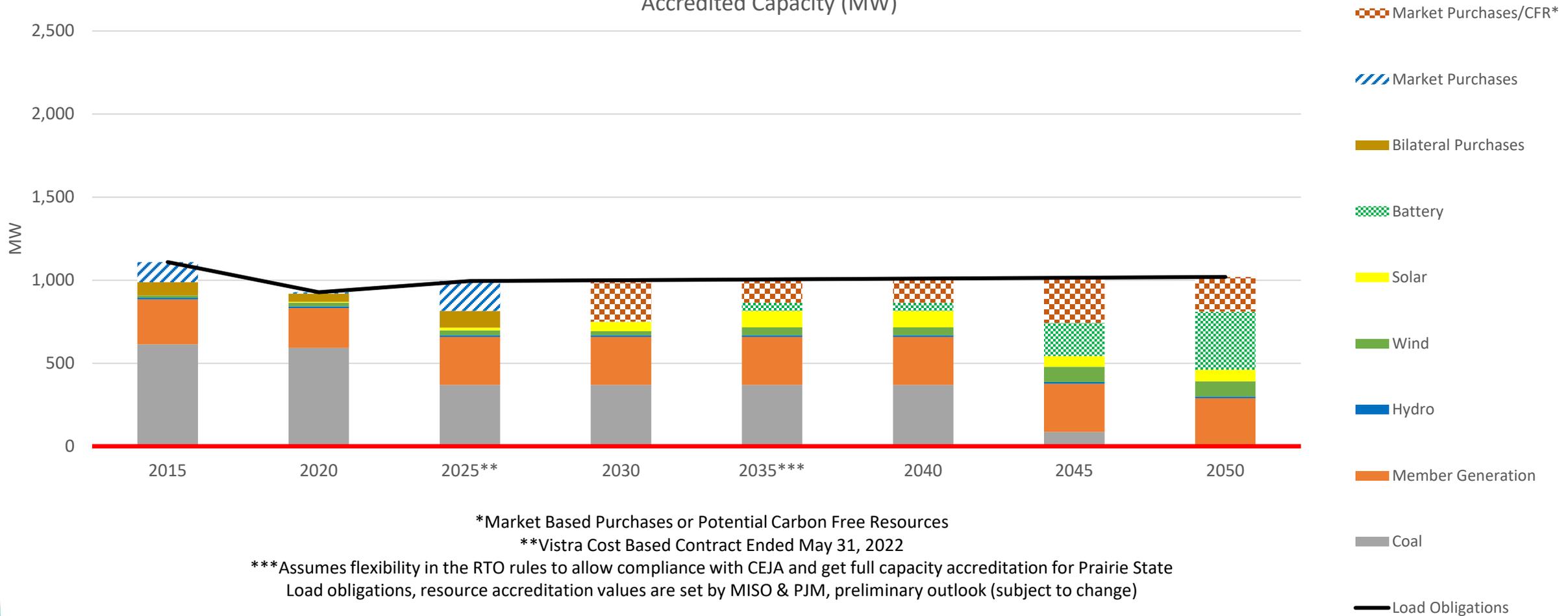
Resource Plan will be impacted based on future load obligation, resource availability and cost, technology, and other factors.



Net-Zero Strategy

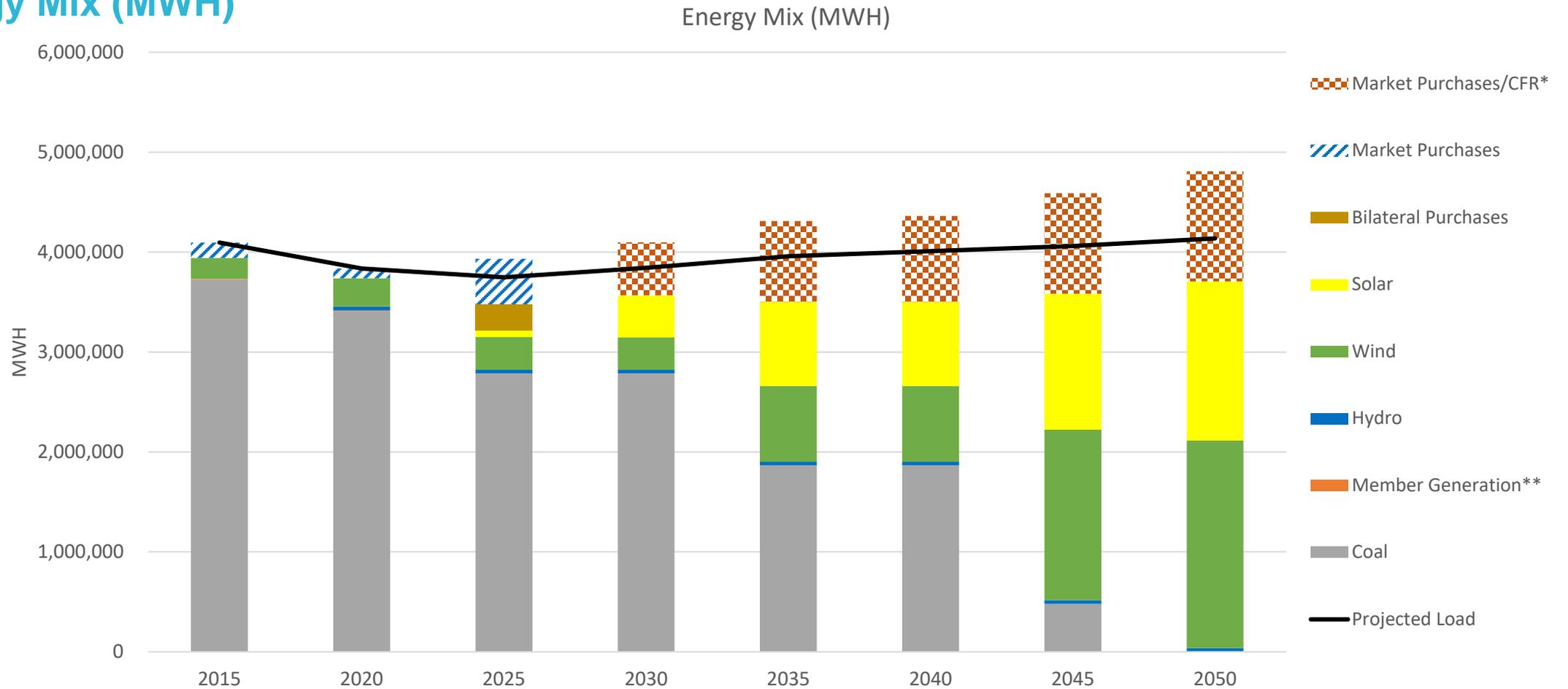
Accredited Capacity (MW)

Cumulative Resources
Accredited Capacity (MW)



Net-Zero Strategy

Energy Mix (MWH)



*Market Based Purchases or Potential Carbon Free Resources

**Member Generation is normally less than 1%

Note: Battery charging/discharging actions reducing market exposure



Benefits of Contract



New IMEA Contract – Why Now?

Resource Transitioning Has Started!

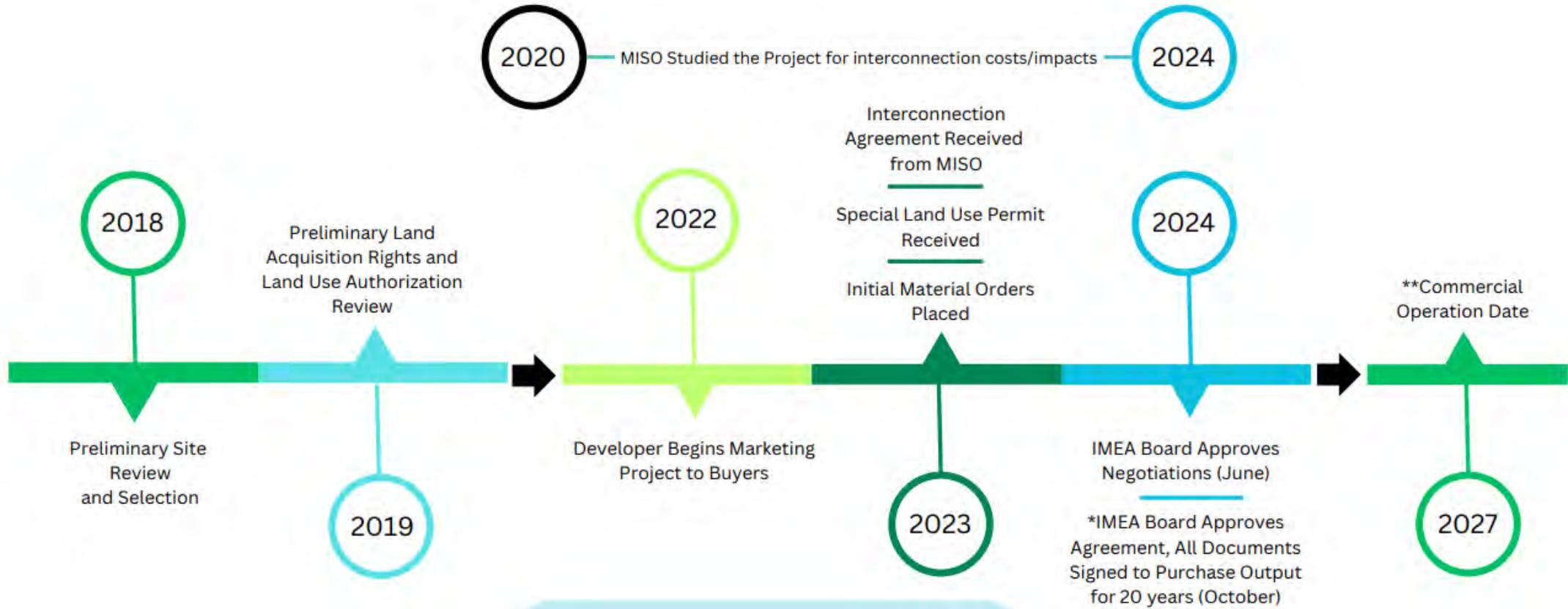
- IMEA needs to work NOW to transition and replace resources that are going offline between now and 2035, with a goal of net-zero energy production by 2050
- Without extensions, IMEA can't make agreements to procure power for members beyond 2035
- Some IMEA resource agreements are near expiration, and we must act to replace that power supply soon
- Maintaining our reliable, affordable position requires locking in new resources now for the long-term
 - ✓ Long-term deals are lower-priced
- IMEA needs to know how much new power to acquire to serve long term member needs beyond 2035, so the agency needs to know who those members will be

Impossible to plan if we do not know how much power to buy!



150MW Resource Acquisition Project with IMEA Timeline – 9 Year Timeframe

IMEA worked with the project developer for several years to ensure that this project would be achieved with reasonable terms, while also tracking the progress to meet all of IMEA Members' needs and criteria.



****Projected Timeline for Completion**

- Q1 2025: Final Interconnection Costs Received
- Q3 2025: Materials Delivered, Begin Construction
- Q4 2026: Early Commercial Operation Date (COD)
- Q2 2027: Expected COD
- Q4 2027: Outside COD

**A project isn't "derisked" until it has site control, permit, interconnection rights and sale agreement to buyer – lots of moving parts*

Locally Driven Renewable Resource Opportunity

Member Directed Resources

- ✓ With IMEA Board approval, the Village can locally subscribe up to 10% of peak demand in qualified Member Directed Resources (e.g. \approx 3.7MW of wind, solar, biomass).
- ✓ Opportunity for an even higher percentage, if IMEA Board approved.
- ✓ Process can begin as soon as Village extends contract – no need to wait until 2035!
- ✓ Resource does not need to be in the Village. However, it must be in Illinois.
 - Village will get full credit from the RTO that the generator is located in with capacity and energy markets payment (either PJM or MISO)
 - Energy produced will be valued at MDR locational marginal price as determined by the regional market organization that the generator is located within
- ✓ IMEA will manage the resource scheduling and markets settlements on the Village's behalf for its regional grid operator (PJM) requirements
- ✓ MDR option is designed to allow local renewable development and hold all other members harmless from costs and risks



Why IMEA?

Powering with Purpose.

- IMEA is the proven power supply partner with the Village since 1984
- We supply low-cost, reliable and sustainable power
- IMEA is committed to pursuing a net-zero portfolio by 2050
- We offer value-added services tailor-made for municipal electric systems
- You have a direct voice in decision making
- We share your long-term obligation to serve
- We are nonprofit, focused on serving **YOU** - not Wall Street



Questions? Thank you!

