Illinois Municipal Electric Agency (IMEA) Power Sales Contract – Sustainability Plan

CITY OF ST. CHARLES
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IMEA Sustainability – Transitioning to Our Energy Future

2050 Net-Zero Vision

The Illinois Municipal Electric Agency (IMEA) Board of Directors sets forth this organizational vision for reducing to net-zero our power supply carbon emissions delivered to our Member municipalities by 2050.

IMEA's Member communities are committed to working together in the coming years as the transitional journey progresses, while also holding paramount the Agency's mission of providing a reliable and affordable wholesale power supply to Members' residents.

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ROADMAP FORWARD:

- *Target reductions in greenhouse gases*
- *Increase our renewable generation resources to replace current resources*
- *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*

The Board acknowledges that to attain its 2050 vision of a net-zero portfolio, industry innovation, developments, commercialization, and implementation must occur. Examples include the development of dispatchable emission-free resources, increased availability of economic energy storage solutions or similar new technologies, transmission upgrades to deliver new renewable generation to residents, increased integration of distributed generation, and economic exit strategies or emission reduction technologies for existing fossil-fueled resources.

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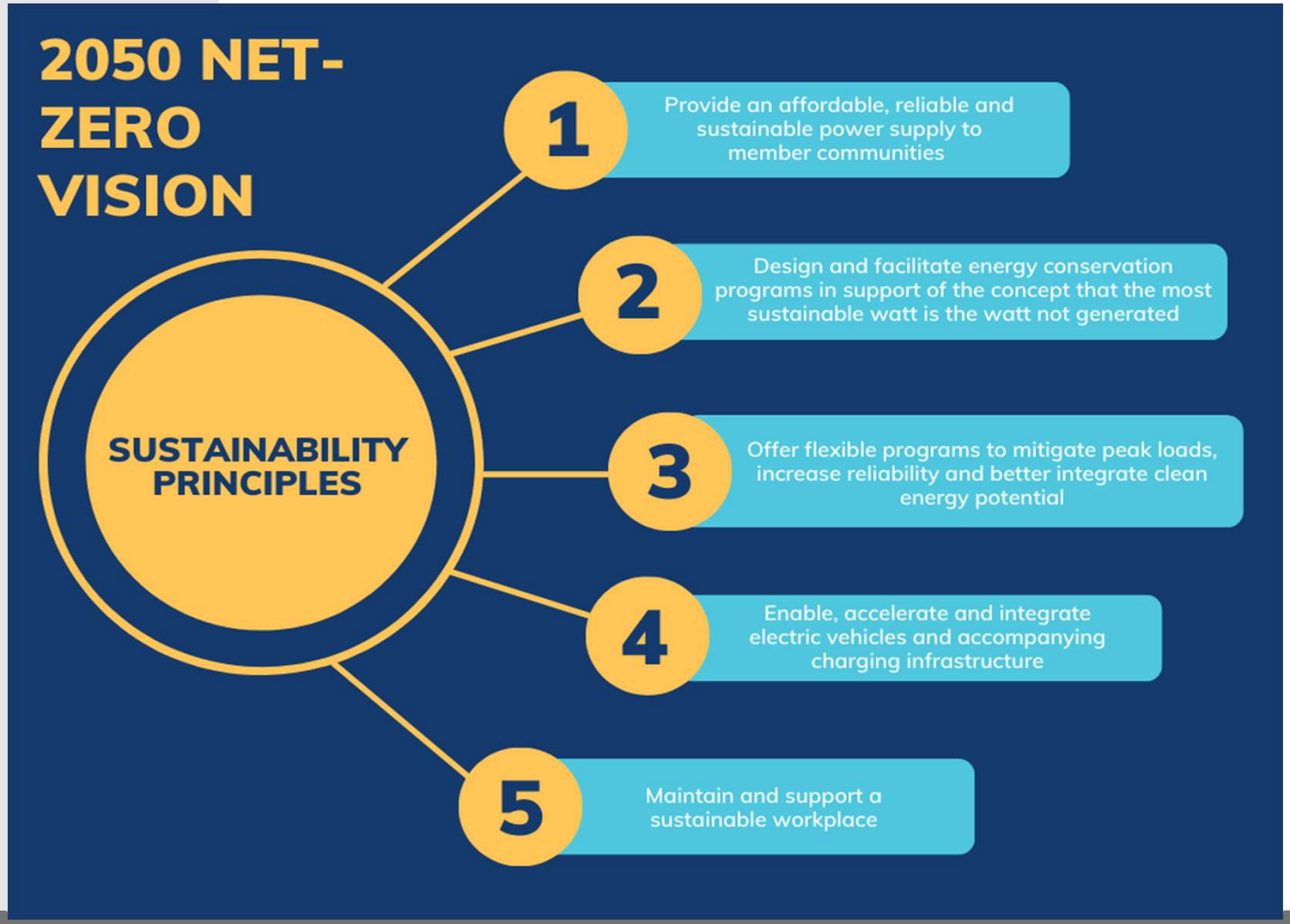
Climate and Equitable Jobs Act (CEJA) Bill

- **CEJA was passed by the Illinois General Assembly & Signed into law by Governor Pritzker on September 15, 2021**
  - Phase out carbon emissions from the energy & transportation sectors
  - Promote/ establish grant programs for electric vehicles & charging stations
  - Phase out fossil fuel-fired electrical generation units
- **IMEA Compliance with CEJA**
  - Currently, IMEA Meets & Exceeds Compliance with CEJA
  - 45% Reduction of CO_2 Emissions between 2035 – 2038
  - Net-Zero Carbon Emissions between 2045 - 2050

IMEA Sustainability



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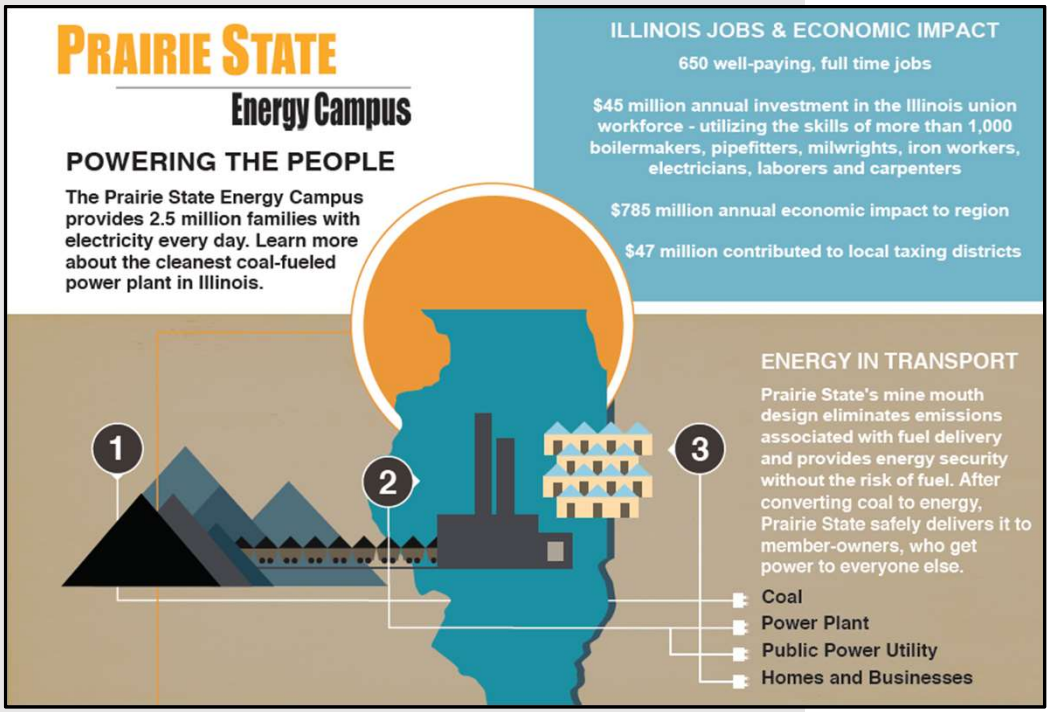
What We've Accomplished Already!

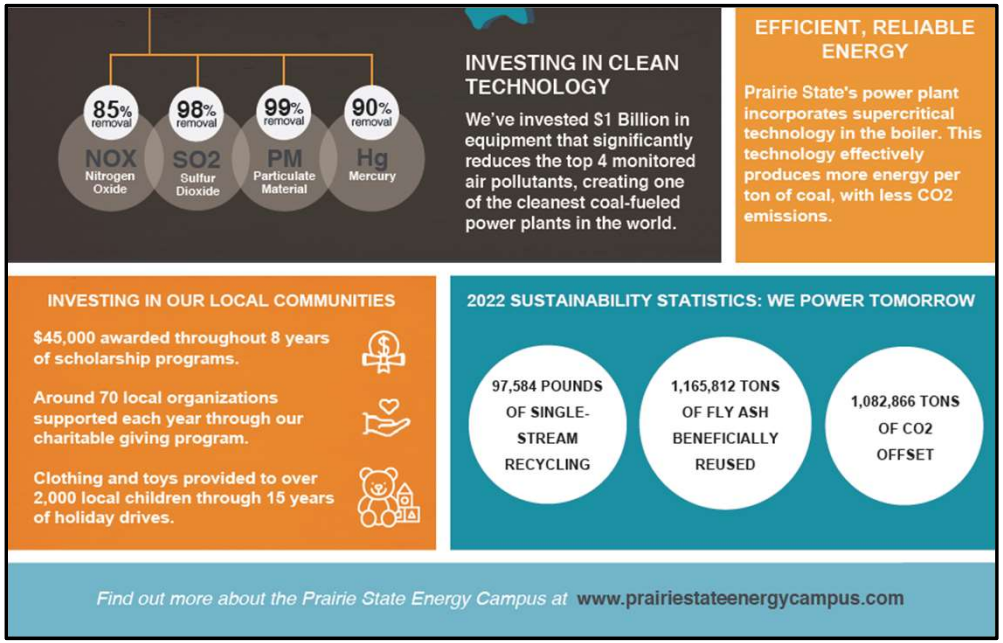
11% of our current energy is coming from non-carbon emitting generation sources!

(Compared to the Illinois State Renewable Portfolio Standard which is only at 7-8% Renewable Energy)

- **IMEA Municipal Solar**
  - Power agreements for nine solar arrays in St. Charles, Altamont, Oglesby, Princeton, Marshall, Naperville, Rantoul (2), and Rock Falls
- **Wind**
  - Generation contracts with Lee-DeKalb Wind Farm and Green River Wind Farm
- **Hydro**
  - Two municipally owned hydro power plants in Peru and Rock Falls

IMEA Sustainability





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Provide an affordable, reliable and sustainable power supply to member communities

We **seek to add 130 megawatts** of solar as follows:

- IMEA has **contracted to add 25 megawatts of utility-scale solar starting in 2025.** IMEA reached an agreement to purchase solar-generated electricity from the Big River Solar Farm located in White County, Illinois;
- IMEA will pursue **adding 100 megawatts of new utility-scale solar** to our portfolio to be energized over the time frame of 2025-2026;
- IMEA seeks to **add 5 megawatts of behind the meter solar projects to our IMEA Municipal Solar Program** in our member communities by 2025**.**

By the end of 2025, IMEA will study the feasibility of **installing utility-scale behind-the-meter battery storage on member distribution systems.** If deemed economically feasible**,** implementation would occur no later than 2030.

Provide an affordable, reliable and sustainable power supply to member communities

IMEA commits to researching and exploring new and innovative technologies to reduce our current resource carbon footprint. IMEA and our power resource partners will regularly review our options to cost effectively improve system efficiencies.

IMEA will utilize a member governing body stakeholder process on a three-year review cycle and update the sustainability plan. On an annual basis, IMEA staff will report to the Board on the progress of the Sustainability Plan and provide any recommended revisions to the Board of Directors

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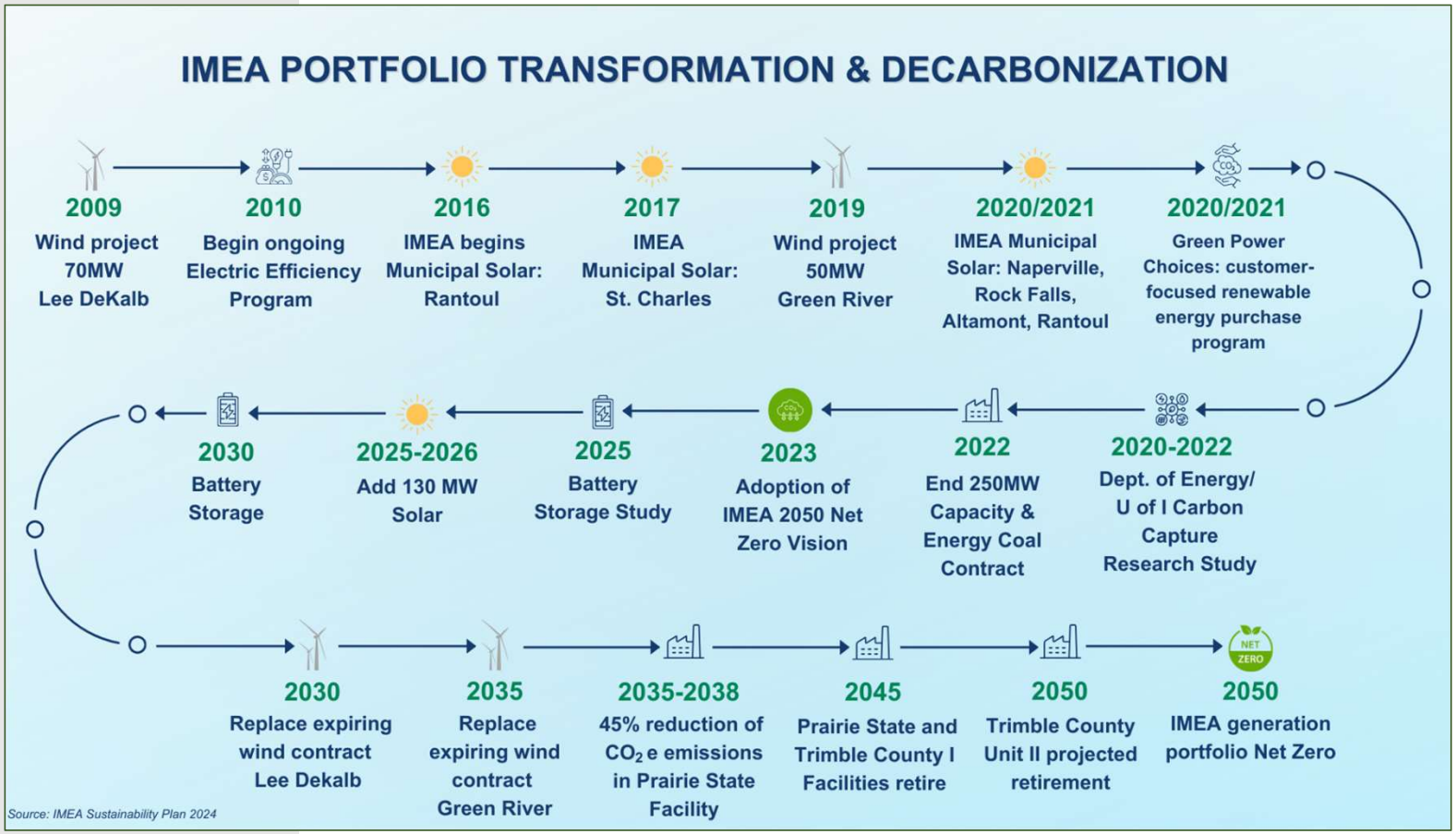
Provide an affordable, reliable and sustainable power supply to member communities



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Design & facilitate energy conservation programs in support of the concept that the most sustainable watt is the watt not generated

Future Targets & Strategies

- IMEA recently expanded our electric efficiency program to allow municipal members to include new residential options. These options include incentivizing smart thermostats and the installation of higher efficiency central air conditioning and air source heat pumps. Thus far, we have incentivized nearly 1,700 thermostats. **We seek to encourage more members to offer these local options.**
- IMEA's board **will regularly review technology developments to determine whether new energy saving measures can be added** to our energy efficiency programs.
- By the end of 2025, **IMEA commits to explore a Conservation Voltage Reduction (CVR) program** to achieve energy and demand reductions for customers.
- As technology evolves, IMEA will continue to **review the potential of the appropriate additions and increased funding** for our energy efficiency program.

Offer flexible programs to mitigate peak loads, increase reliability and better integrate clean energy potential

Future Targets & Strategies

- **Expand our current Demand Response (DR) program by offering more options to commercial/industrial customers in the MISO (central and southern Illinois) regional transmission organization territory.** This will provide additional opportunities to reduce peak loads and avoid high-cost market purchases.
- Pursue federal grant opportunities to **deploy an Optimized Charging Operations Center** (OCOC) to complement the growing level of energy management sophistication within member utilities and the communities they serve. The OCOC would seek to develop a methodology to provide visibility into times of grid congestion and establish effective real-time consumer communications, **enabling informed customer consumption decisions**. The grant could also offer the opportunity for effective customer enrollment incentives to encourage end-use customer participation in the program.
- Explore **residential demand-side management measures**, potentially using the platform developed by the OCOC.

Enable, accelerate and integrate electric vehicles and accompanying charging infrastructure

Future Targets & Strategies

- IMEA Board of Directors voted to significantly increase the scope and funding of the EV Charging Station Initiative. Over the ensuing three years, the Agency will make a total of $750,000 available for municipal members to:
  - ✓ Own or lease EV charging stations for public use,
  - ✓ Own or lease electric vehicles for city use, or
  - ✓ Incentivize retail customers to install EV charging stations.
- IMEA, through our affiliate IMUA, is working to support IDOT's National Electric Vehicle Infrastructure Formula Program (NEVI). IMEA and IMUA will continue to **work with regulatory agencies to pursue funding opportunities to increase the number of EVs and charging infrastructure in our member communities.**
- IMEA, through our affiliate (IMUA), will **pursue federal grant opportunities to seek to implement a newly developed Optimized Charging Operations Center (OCOC) to establish an effective agency, and member-managed electric vehicle charging program.** This program could provide signals to Level 2 charging customers to **shift patterns of demand in ways that provide grid operations and stability benefits.** The grant may provide the opportunity for enrollment incentives and on-going rewards to participants with verified performance. If this grant opportunity becomes available, IMEA will target an implementation date of the program within 3 to 5 years.

Maintain and support a sustainable workplace

IMEA strives to be a leader in the region by making our facilities a model for other green businesses. We want to provide a workplace demonstrating our long-term commitment and vision to a sustainable culture.

Leading by Example

- The IMEA office building was the first commercial building built in the Springfield region to receive the United States Green Building Council's Silver Certification for Leadership in Energy and Environment Design (LEED) in 2008. Our building was constructed in an eco-friendly manner to achieve a top level of design and execution with energy efficiency and sustainability in mind.
  - Our facility is heated and cooled with a 100% geo-thermal heat pump system with no natural gas.
  - IMEA invested in Low-E windows to reduce infrared and ultraviolet light.
- We updated our facility with all LED motion activated lighting.
- IMEA installed a 10-kilowatt solar array at our headquarters to reduce our environmental footprint.
- IMEA installed an electric vehicle charging station at our headquarters for employees, board members and visitors.
- IMEA will continue to convert our small fleet of vehicles to electric vehicles as it becomes cost effective and practical.

IMEA Sustainability – Transitioning to Our Energy Future

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.

IMEA Sustainability – Transitioning to Our Energy Future

Climate change is a critical issue for our member electric utilities, their customers, and the nation. IMEA is committed to doing our part by transitioning our portfolio in a responsible fashion that ensures a reliable and affordable power supply for our member communities. Our owners, member municipalities throughout Illinois, have provided a clear vision that calls on IMEA for the following:

- ✓ **Accelerate its investments in renewable clean energy resources,**
- ✓ **Offer demand reduction opportunities and efficiencies to reduce future resource capacity needs,**
- ✓ **Advance electric vehicles and EV infrastructure, and**
- ✓ **Explore new technologies to support the changes needed for a clean future, such as battery storage.**

Our sustainability plan highlights our pathway toward future actions and acknowledges the actions we are taking today. We will review this plan annually and report to the IMEA Board on our progress towards the goals. IMEA will also update the plan on a three-year cycle. This will ensure that the goals remain current to the membership and that IMEA remains a strong organization going forward to help our member communities reach their collective goals for affordable, reliable and sustainable electricity.

We recognize that IMEA's success is our member communities' success and we look forward to continuing to be a partner in creating a more sustainable future for all of our member municipalities.

Tentative Schedule

Continued Discussions @ Government Service Committee Meetings (GSC)

- ✓April 01 GSC – Introduction
- ✓April 22 GSC – IMEA Sustainability Plan
- May 28 GSC – Other Options for St. Charles
- June 24 GSC – IMEA Presentation & Power Sales Contract Discussion
- July 22 GSC (& Beyond) – Additional Information/ Discussion as Needed

April 30, 2025 – IMEA Deadline

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Questions.....Comments ???????

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