



## August 2025 Board Highlights

**CEO Opening Comments:** Jeff Conrad reported efforts were made to make sure those co-ops that didn't have representation on the rates committee understood the proposed rate changes before today's resolution. The RUS loan application for the St. Joseph generation plant was filed on July 31, 2025. An open house was held July 28, 2025 for those in the study area of the Central Indiana Grid Expansion project, which went well. Discussions are ongoing with a potential partner on transmission projects.

**Holland Update:** Albert Taylor reported that the delay on the Holland spring outage continues; however, the steam turbine generator rotor is finally back on site. On July 15<sup>th</sup>, the rotor failed electrical testing after high-speed balancing resulted in compromised insulation between two of the copper coils. Toshiba subsequently performed a partial rewind and the rotor then passed all required electrical testing and validation. In the meantime, Holland was configured to operate on just the two gas turbines ("2X0") to mitigate capacity market impacts and was dispatched by MISO three times between June 29 to July 31<sup>st</sup>. Albert reported that Holland was recently placed back in a full plant outage from August 1<sup>st</sup> to the 20<sup>th</sup> to disassemble the temporary 2x0 configuration and reinstall the steam turbine generator rotor. Market impacts include lost energy margins from May 22 to August 20 and the anticipated 3-year forward capacity accreditation impact is estimated to be between 45 and 85 megawatts.

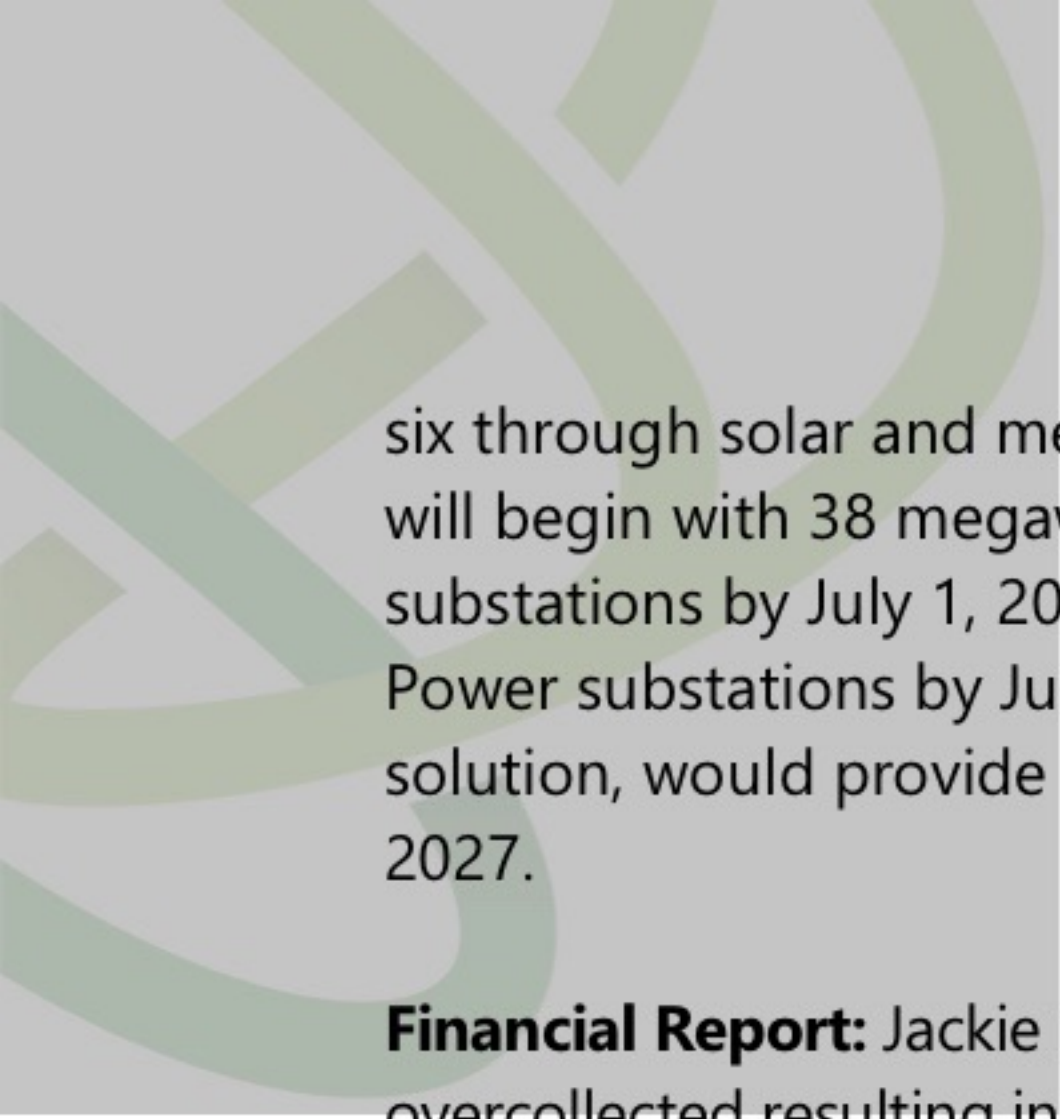
**AEP/I&M Contract Amendment:** The Board of Directors approved a resolution to amend the contract with AEP/I&M and execute the REC agreement.

**Lilly Contract:** The Board of Directors approved a resolution to execute an agreement with Eli Lilly to provide electric service for a term of five years.

**Power Supply:** Matt Moore noted the contract with Project Domino is substantially complete. All zones cleared at cap in the 2026/2027 PJM capacity auction, resulting in over \$38 million in revenue for its PJM related resources (primarily St. Joseph plant).

**Battery Storage:** Jeff Hume reported the microgrid PACE project will include 12 megawatts of summer capacity and seven megawatts of winter capacity in MISO's zone





six through solar and methane with battery for both. The Substation Battery Program will begin with 38 megawatts at nine sites in PJM at Noble, Jay and Heartland substations by July 1, 2026. Phase two includes 20 megawatts in MISO at two Hendricks Power substations by July 1, 2026. The third phase, a MISO battery energy storage solution, would provide about 58 megawatts in MISO with a target completion of April 2027.

**Financial Report:** Jackie Perius reported that the month of June ended \$13.3 million overcollected resulting in a \$7.8 million favorable variance to budget. In June, energy sales were 10.1% above budget while demand was 10.9% above budget.

**Rate Committee Recommendation/Decision:** The Board of Directors approved a resolution to change the rate structure as recommended by the Rate Committee and presented at the July Board meeting. The new rate will go in effect January 1, 2026.

**Formula Rate Tariff:** The Board of Directors approved a resolution to change the Formulary Rate Tariff to incorporate the Rate Committee recommendations, effective January 1, 2026.

**CEO Report:** Jeff Conrad thanked the Board for the support as the rate structure was reviewed. The September Board meeting will be on September 10<sup>th</sup>.

**Chairman's Report:** The Executive Board will meet September 9<sup>th</sup>, followed by a picnic with WVPA staff and the Board.