Wabash Valley
POWER ALLIANCE

July 2026 Board Highlights

CEO Opening Comments: Jeff Conrad thanked directors for their participation in the recent regional meetings, noting they provided valuable feedback and strengthened engagement with member systems. He also highlighted the success of WVPA's first Bring Your Family to Work Day.
Jeff updated the board on expected extreme heat across the PJM region and reported that WVPA's generation fleet remains well-positioned to meet demand. He emphasized that the cooperative is experiencing transformational load growth driven by projects such as Meta and the proposed Project Leprechaun, making discussions around future power supply, generation, and battery storage especially important.

Generation Report: Albert Taylor provided an update on several generation initiatives aimed at strengthening reliability and managing fuel supply risks. With natural gas supply contracts for Highland, Holland and Saint Joseph expiring in 2026, Wabash Valley has been proactively negotiating longer-term agreements and exploring strategies to secure fuel delivery capacity amid increasing competition from new generation development and large-load growth. A five-year agreement has already been executed for Highland, while negotiations continue for St. Joe and Holland. Staff are also evaluating a new fuel hedging strategy for Holland that would lock in a portion of winter natural gas needs in advance to reduce exposure to extreme price spikes and improve plant availability during severe weather events.

Brian Fatch provided an update on the generation siting study, a key 2026 strategic initiative designed to position Wabash Valley to make future generation decisions if needed to support load growth. Working with engineering consultant Sargent & Lundy, staff have narrowed thousands of potential Indiana locations using criteria such as access to natural gas pipelines, transmission infrastructure, water availability, environmental considerations and community impacts. The study will further refine the list to identify preferred sites and evaluate future generation technologies and costs.

Brian also provided an overview of existing natural gas plant located in our member's territory that is for sale. The dual-fuel plant can operate on either natural gas or fuel oil, providing additional flexibility during fuel supply disruptions. Staff have begun a due diligence process to evaluate the facility's operating history, maintenance records, contracts, equipment condition and long-term value before determining whether acquisition would support Wabash Valley's future capacity needs.

Power Supply Report: Vicki Myers provided details around Project Leprechaun and a draft Special Electric Services Agreement was presented for consideration in the future.

Jeff Conrad and Kyle Tierney presented two long-term strategic initiatives designed to strengthen Wabash Valley's power supply portfolio and position the cooperative for future growth.

Kyle and Jeff discussed restructuring an existing energy only contract by shifting a portion of its value from the 2027–2032 timeframe to 2034–2039. Wabash Valley currently has surplus energy in the near term, while the expiration of an existing long-term contract in 2034 creates a future need for additional resources. The proposed agreement would exchange 50 MW of near-term energy for 75 MW of energy over six years beginning in 2034 at a favorable price $, well below current forward market pricing. The contract would provide a valuable long-term hedge for Wabash Valley's PJM member load and help stabilize future wholesale rates. While the shift reduces near-term value by about $7 million annually, management believes the long-term benefits outweigh the short-term impact.

Kyle discussed the potential acquisition of a generating facility as described by Brian Fatch earlier in the meeting. The plant would provide approximately 160–165 MW of accredited capacity, closely matching Wabash Valley's expected capacity needs when its existing contract expires in 2034. Kyle noted that acquiring the existing generating facility is significantly less expensive than developing a comparable new generation resource, which could cost nearly $500 million and require several years of permitting, construction, and upfront capital commitments. The facility also includes an unfavorable existing capacity sales contract. The capacity sales contract expires in 2034 exactly when Wabash Valley needs the capacity for its member load.

The Board approved two resolutions:

1. **Energy Only Contract Realignment** – Authorizing management to finalize the long-term contract restructuring with an existing counterparty.
2. **Natural Gas Generating Plant Due Diligence Agreement** – Authorizing management to enter a non-binding 90-day exclusivity agreement to conduct due diligence and negotiate a potential purchase of the facility.

Thank you, Adrienne: The July 2026 meeting was Adrienne's last board meeting before she retires after nearly 22 years of dedicated service.

Strategic Electrification: Jeff Hume reported that Phase 1 of Wabash Valley Power Alliance's battery storage program is nearly complete, with eight of nine sites operational and 32 MW of battery capacity available for summer peak shaving. During recent testing and peak events, the batteries successfully reduced demand and exceeded expected output, demonstrating the value of the program during periods of high electricity use. Jeff noted that avoiding annual transmission and capacity peaks could save the Wabash portfolio an estimated $13 million annually. He also highlighted emerging opportunities for energy arbitrage in MISO as growing solar generation creates wider price swings in wholesale markets.

Todd Bartling of the National Renewables Cooperative Organization (NRCO) provided an update on Phase 3 of the battery program. NRCO is helping coordinate project development, stakeholder engagement, and site readiness to accelerate deployment. Phase 3 has been divided into projects with secured sites and those still finalizing site control, allowing work to advance more quickly where possible. Additional project managers have been added to support participating cooperatives, improve coordination, and streamline delivery as the program expands.

2026 PRS Report: John Ewing provided an overview of Wabash Valley's Power Requirements Study (PRS), a 20-year load forecast completed every three years and required by state regulators. The study combines forecasts from each member system into a systemwide outlook that helps guide power supply planning, budgeting, and long-term generation decisions. John explained that the forecast uses a regression-based modeling process and incorporates a wide range of data, including member sales information, weather trends, economic indicators, household growth, manufacturing activity, and member survey results. Recent enhancements include forecasting Regional Transmission Organization (RTO) and Local Balancing Authority (LBA) peaks to better understand future load growth patterns. He emphasized the importance of forecast accuracy, noting that overestimating load growth can lead to unnecessary investments in generation and infrastructure, while underestimating growth can leave WVPA reliant on more expensive market purchases. To maintain a conservative and reliable forecast, only confirmed projects (new loads) are included, while speculative developments such as potential data centers are excluded until service agreements are executed. Member co-ops will receive their forecasts in the coming days for review and validation. Feedback will be incorporated before the final Power Requirements Study is presented to the board for approval in August. John stressed that member engagement is critical to ensuring the forecast accurately reflects local growth expectations and supports informed planning.

Financial Report: Jackie Perius reported that the month of May ended $6.5 million over collected resulting in a $1.8 million unfavorable variance to budget. In May, energy sales were 1.8% above budget, capacity demand was 2.3% below budget and transmission demand was 10.8% below budget.

Tracker Committee: The Board of Directors approved a resolution to decrease rates beginning July 1st by 3.4% to return $9 million in overcollections.

Patronage Capital Retirement: The Board of Directors approved a resolution to return $11,732,000 in patronage capital on July 30, 2026 to current and former members to whom it has been allocated.

CEO Report: Jeff Conrad reminded the Board that the August board meeting will begin at 9 a.m. on Tuesday, August 4. Following the meeting, the Board will travel by bus to St. Louis and tour Prairie State on Wednesday, August 5. Jeff also shared that Don Taylor of Corn Belt Energy has announced his retirement and will be recognized for his contributions at a future meeting. To strengthen engagement with member cooperatives, Jeff will be conducting one-on-one virtual conversations with cooperative CEOs to gather feedback and discuss opportunities for improvement. He also expressed appreciation for WVPA employees and industry partners for their efforts supporting the battery storage program and related technology integrations. Jeff provided an update on WVPA's ongoing discussions with MISO regarding access to peak demand data needed for the organization's peak prediction efforts. MISO recently indicated it may have identified the requested data, and WVPA is working to verify its availability. Jeff also updated the Board on WVPA's evaluation of Rural Utilities Service (RUS) financing. After reviewing loan documents and discussing terms with industry peers, the organization has concerns about several provisions, including lender priority and operational restrictions. The team is consulting with financing experts to better understand the flexibility of RUS requirements. While RUS financing remains under consideration, WVPA is also evaluating private placement financing as an alternative. Any significant financing-related considerations will be brought back to the Board for discussion.