June 2026 Board Highlights

CEO Opening Comments: At the mid-year mark, Jeff Conrad provided an update on key 2026 priorities, noting steady progress across major initiatives. The transmission joint venture with Viridon—covering three projects totaling roughly $700–800 million—continues to move forward through regulatory approvals, with expectations to advance later this year. The organization remains well-positioned on generation capacity needs into the early-to-mid 2030s while continuing to evaluate future resource opportunities. Substation battery projects and DERMS implementation are on track for completion this year, enhancing operational flexibility and coordination. Financially, members are in a strong position, with highly competitive residential rates compared to Indiana IOUs and potential for continued stability, supported by discussions around a rate stabilization fund. Finally, load growth efforts are exceeding expectations, with significant interest across early-stage, negotiated, and contracted projects—highlighting both the opportunity and intensive effort required to support large new loads like data centers while aligning with member and community priorities.

Co-op Connection: NineStar was featured this month. A video about Director Jack Negley was presented and CEO Mike Burrow shared more about the cooperative.

Strategic Electrification: The Board approved updates to the demand response rider, which allows participation for commercial and industrial (C&I) members and clearer performance-based incentives, including prorated payments tied to actual load reduction during grid emergencies. The program is designed to provide shared savings for participants, co-ops, and Wabash while supporting long-term flexibility and future enhancements. Efforts are underway to streamline operations through improved metering integration, real-time data access, and enhanced communication systems. In addition, updates to payment processes will shift incentives to direct payments rather than bill credits. Separately, progress continues on the substation battery and microgrid initiatives, with projects advancing on schedule, strong early cost performance, and ongoing efforts to optimize tax credit eligibility and deployment strategy to maximize long-term member value.

Power Supply Report: Matt Moore briefed the Board on a potential energy swap strategy under negotiation with NextEra, which would shift a small portion of current excess energy into future years—trading 50 MW now for approximately 75 MW later—to better align with anticipated PJM energy needs after 2034. While the proposal would create a modest near-term cost impact, it offers long-term certainty and improved positioning as existing contracts expire. Matt also highlighted a new opportunity to acquire a peaking resource within the service territory, which could further strengthen future supply. Separately, an operational error at Gibson Unit 5 earlier this year was reviewed, resulting from a missed communication that left the unit off automatic control; although it produced a net financial loss opportunity, the issue has been self-reported to FERC. Enhanced monitoring, verification processes, and daily checks have since been implemented to prevent recurrence and strengthen operational oversight.

Financing Report: The Board received a financing update and approved two key actions supporting the Saint Joseph Energy Center acquisition and overall liquidity strategy. A six-month extension of the existing bridge loan was approved, extending its maturity to March 2027 to allow additional time to finalize the $335 million RUS loan currently in progress. The Board also approved amending and extending the organization's $400 million credit facility maturity date by four years, while increasing flexibility through a higher unsecured debt limit and future expansion capacity. Additionally, Nisha Harke reported on the routine re-tendering of tax-exempt bonds, which will maintain favorable interest rates through maturity, requiring no Board action.

Financial Report: Jackie Perius reported that the month of April ended $1.5 million under collected resulting in a $6.7 million favorable variance to budget. In April, energy sales were 2.4% above budget, capacity demand was 27.5% above budget and transmission demand was 2.9% above budget.

Patronage Capital Retirement: Jackie Perius presented the annual patronage capital recommendation, proposing a return of approximately $11.7 million to members while maintaining strong equity levels above required thresholds. The update highlighted the shift to retiring capital using an oldest-first methodology following recent bylaw changes. The plan also incorporates a separate early retirement of $8.6 million of patronage Citizens Electric, which was discounted down to a $4.5 million net payment to them, with the remaining $4.1 million balance being reallocated back to current members as additional value. A similar approach is planned for Tipmont REMC when their contract ends in 2032. The Board will consider formal approval next month, with distribution targeted for late July if approved.

Bylaw Policy Committee: The Board approved updates to nine governance policies as part of its regular review cycle, including establishing clearer timelines for records retention policy reviews, defining how remote meeting attendance is tracked on a calendar-year basis, adjusting the frequency of director compensation surveys from annual to biennial, and clarifying responsibilities between the CEO and COO for authorization limits and non-compliance reporting. These updates, along with broader modernization of language, are intended to strengthen governance practices and ensure policies remain clear, consistent, and aligned with current operations.

Board Committee: Theresa Young provided an update on board committee structure and governance processes, outlining improvements to committee tracking, documentation, and oversight following recent leadership changes. A revised committee roster will better document membership, term limits, governing policies, and staffing responsibilities, while ensuring compliance with requirements such as no duplicate representation from the same co-op. Theresa also proposed eliminating several committees—including Power Supply, Innovation, RUS, New ERA/IRA, and Transmission Reliability—whose responsibilities have either been fulfilled or are now more effectively handled at the full Board level or through existing committees. The Board will consider these changes next month, with updated structures and policies to follow if approved, aimed at simplifying governance and improving efficiency.

CEO Report: Jeff Conrad provided a brief update from the recent managers meeting, highlighting improved coordination with MISO following earlier communication challenges during emergency response events, with new processes aimed at ensuring consistent messaging during future grid situations. The team also shared early learnings from implementing the new rate structure, noting ongoing refinement—particularly around forecasting transmission peaks—while working with MISO to improve data quality. Additional reminders included opportunities for co-ops to capture station power revenue from renewable and storage projects in their territories, upcoming regional director meetings to encourage open dialogue, and planning for the August board meeting and Prairie State site visit. Jeff also introduced this year's intern class, emphasizing continued investment in workforce development and building a future talent pipeline.

Chairman's Report: The Board approved a resolution to appoint Charles Huebener as the delegate and Danny Gard as the alternate delegate at the 85th annual meeting of the Association of Illinois Electric Cooperatives.