



January 2026 Board Highlights

CEO Opening Comments: Jeff Conrad welcomed Steve Kahle, new Steuben County REMC CEO and Violet Sistovaris, interim Jasper County REMC CEO.

Co-op Connection: Miami-Cass REMC was featured this month. A video about Director Jim Savage was presented and CEO Rob Schwartz shared more about the cooperative.

State of the Co-op: Jeff Conrad spent time looking both back and ahead and he noted last year demonstrated the strength and resilience of our co-op, as we delivered on key initiatives that enhance reliability, affordability, and long-term value for members. Major accomplishments included closing on the Saint Joseph Energy Center, which required extensive due diligence and integration efforts and now provides a valuable asset for our portfolio. We also managed significant system growth—driven by projects like Domino and Eli Lilly—while maintaining protections to ensure benefits for all members. The board’s work on rate structure was another milestone, creating a framework that will serve us well for years to come. On the infrastructure front, we completed 11 transmission projects and have 30 more in progress, reinforcing reliability. Additionally, we implemented a new accounting system (IFS) after nearly three decades, adding functionality and efficiency.

Looking forward, our priorities remain clear: smart, sustainable growth; reliability; resource adequacy; cost and rate management; operational excellence; and strong risk stewardship. Key goals for 2026 include preparing for 400 MW of new load, advancing transmission projects—including a joint venture opportunity to preserve our balance sheet and improve returns—exploring development of our own generation assets, and delivering on the substation battery program to add 58 MW of storage across 11 sites. We will also implement a DERMS system to optimize battery usage, continue leveraging AI for operational efficiencies, and evaluate a rate stability fund to keep member costs predictable. Affordability remains a top focus, as external pressures like material costs persist, and we aim to differentiate ourselves from IOUs with competitive, stable rates over the next decade.



Power Supply: Matt Moore reported the recent PJM capacity auction delivered strong results for Wabash, creating significant revenue opportunities. The auction cleared 145,000 MW but fell short of reserve margin requirements, which is driving higher prices. With the current cap at \$333/MW-day—and estimates suggesting prices could reach \$540/MW-day without it—Wabash’s PJM assets stand to benefit substantially, generating approximately \$39 million now and potentially up to \$60 million if the cap is lifted in future years.

These market dynamics have prompted a re-evaluation of the timing for moving the Saint Joseph Energy Center from PJM to MISO. New capacity additions, including battery storage and Gibson 5, have changed Wabash’s position, and the goal is to optimize resources where they deliver the greatest value.

The company also reviewed its energy position, noting it is long on energy for the next several years. Options are being explored to shift excess energy value into future years for stability and better pricing.

Finally, a temporary power supply initiative was introduced to address large load challenges, such as data centers, by deploying mobile peaking resources to bridge transmission delays. This approach could enable faster project timelines and position Wabash competitively by offering flexible solutions to members’ growth needs.

Joint Transmission Partnership: The Board of Directors approved a resolution to partner with Viridon to form a joint venture, Wabash Valley Transmission Company, which will own transmission assets including LEAP Phase 1 and 2 and Elderberry-Stillwell projects. WVPA will retain responsibility to develop, operate and maintain these projects. Next steps include filing in February with the IURC and FERC with regulatory feedback this summer. Once approval is granted, the deal will close.

Strategic Electrification: Jeff Hume provided an update on the substation battery program, noting that the first set of batteries at Heartland will be energized around January 15 and enter commercial operation on February 23. These initial installations will serve as templates for future deployments, allowing faster implementation across additional sites. Key risks, including tax credit exposure, tariff risk, and financing concerns, have been successfully shifted to the vendor, Stella, ensuring no added risk for members. Phase 3 is



locked in for up to 140 MW, and the goal remains to install all 140 MW across approximately 50 sites, which will provide significant cost reduction benefits for Wabash's portfolio.

The DSR committee has been working on a redesign to the Demand Response program, with four major changes planned:

- Transition from summer-only to seasonal participation.
- Elimination of the 5–8 PM billing window.
- Removal of the "add-back" provision, allowing co-ops to retain savings and create their own customer incentives.
- Shift to performance-based assets instead of nameplate ratings, aligning with PJM and MISO market standards.

To maintain continuity, the Board approved a resolution extending the current DR rider through May 31, 2026, ensuring payments and portfolio stability until the new program launches on June 1.

Financial Report: Jackie Perius reported that the month of November ended \$12.4 million under collected resulting in a \$12.1 million unfavorable variance to budget. In November, energy sales were 1.7% above budget while demand was 0.3% above budget. The projection for 2025 is estimated to be at \$10 million over collected.

Bylaw/Policy & Risk Oversight Committee: The Board of Directors approved a resolution to amend policies B-16 Director Duties, Ethics, and Standard of Conduct and D-13 Enterprise Risk Management, presented at the December 2025 Board meeting.

CEO Report: Jeff reported the Power Requirement Study, which is conducted every three years, will begin shortly as part of the Integrated Resource Plan due later this year. Each member co-op will be contacted to review historical load data and discuss anticipated growth, with results expected to be shared with the board during the summer. Second, plans are underway for a two-day February board meeting, starting Tuesday morning February 3rd and continuing through Wednesday, February 4th, including a dinner and possibly a local field trip; more details will follow soon. Finally, Kevin Keiser, Steuben County REMC CEO was recognized at his last board meeting after 28 years of dedicated service, including over two decades on the Rate Committee. A retirement luncheon will be held on January 30 at Steuben County REMC from 11:00 AM to 2:00 PM to celebrate his career.