



## May 2026 Board Highlights

**CEO Opening Comments:** Jeff Conrad flagged three issues for later discussion: a FERC inquiry related to Winter Storm Fern, a Tipmont audit request, and renewed negotiations with NIPSCO on the grandfathered transmission agreement. The CEO also shared takeaways from the recent G&T managers meeting, including industry frustration with natural gas pricing and market misalignment during extreme weather events. Management reported it will contribute \$20,000 to the NRECA litigation fund and continue monitoring potential Illinois generation acquisition opportunities for co-ops and municipals.

**Co-op Connection:** Kankakee Valley REMC was featured this month. A video about Director David Janey was presented and CEO Scott Sears shared more about the cooperative.

**Government Relations Panel:** The government relations panel, including Nick Reitz, Association of Illinois Electric Cooperatives (AIEC) and Ryan Heater, Indiana Electric Cooperatives (IEC), outlined a difficult policy environment in Illinois, where CEJA and related climate mandates continue to pressure reliability and affordability, while Indiana remains more favorable politically but is seeing growing interest in deregulation and affordability-related legislation. Panelists emphasized that affordability is becoming the most effective way to frame co-op value in both states. Key Indiana developments included major primary election turnover, a new IURC chair and commissioners, and increased attention to utility bills.

**Economic Development:** Vicki Gardner reported 30 new leads in the first quarter, with data centers and manufacturing still leading activity despite local siting challenges in Indiana. Vicki noted staff coverage remains in place while the team fills an open role.

**Strategic Electrification:** Lauren Schuettler reviewed a proposed tariff update that would allow commercial and industrial participants to join the grid emergency program for the upcoming season. The program relies on manual curtailment and is intended to provide meaningful load reductions from larger sites. The tariff was also modified to make future program changes easier to administer. Lauren also presented a proposal for Wabash Valley to enter into a PPA with Corn Belt for two microgrid sites totaling 1.5 MWs of solar and 3.5 MWs of battery capacity. The project could improve reliability, support peak load management, and provide energy arbitrage value. **Decision pending:** both the revised tariff language and the Corn Belt microgrid proposal are expected to come back to the board in June for a vote.

**Power Supply Report:** Matt Moore Management provided an informational update covering market activity, resource strategy, and a potential large-load opportunity. Discussion included early-stage



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visibility into a large data center project, progress on the St. Joseph Energy Center transition, and results from the recent MISO Planning Resource Auction.

Matt discussed efforts to transition the St. Joseph Energy Center from PJM to MISO earlier than originally planned to maximize long-term value. St. Joseph is a critical asset intended to replace expiring Duke contracts in 2032–2033 and the planned retirement of Gibson Unit 5 in 2035. Accelerating the transition is driven by expected data center load growth in the 2029–2031 timeframe and substantially higher capacity value potential in MISO compared to PJM. While the transition involves regulatory, transmission, and coordination complexities, Wabash and Hoosier are aligned and have submitted requests for firm transmission and exemption from PJM’s must-offer requirements. If successful, the move to MISO could result in a significant increase in annual value relative to PJM.

Matt also provided preliminary awareness of an Illinois generation opportunity created by differing regulatory treatment for public power entities under state law. No commitments or decisions were discussed, and management emphasized the need for additional evaluation related to timing, regulatory considerations, and market participation before advancing further.

Results from the recent MISO Planning Resource Auction were reviewed. Despite continued industry messaging around tight capacity conditions, auction clearing prices declined year over year, particularly outside the summer season. Summer prices remain elevated but were lower than last year due in part to increased capacity offers, including imports. Wabash maintained a largely balanced position, limiting exposure to price volatility. Management noted that proactive bilateral sales executed prior to the auction cleared at prices significantly above auction levels, reflecting limited bilateral capacity availability. Auction pricing is primarily being used as a signal to support the strategic rationale for transitioning St. Joseph to MISO rather than increasing overall exposure.

Finally, Matt introduced Project Leprechaun, a large proposed data center development in Carroll White’s service territory, formerly known as Project Blue Ladder. A new, well-capitalized developer with significant activity in Indiana has expressed interest in moving quickly, including a desire to negotiate an Energy Services Agreement within approximately 60 days. Under the proposed structure, the developer would supply all required capacity, with Wabash serving solely as the market conduit and assuming no ownership or replacement obligation. The agreement would not include energy supply, significantly limiting financial exposure. Risk mitigations include frequent billing cycles, prepayment requirements, and termination rights if capacity is not delivered. Discussions are ongoing, and management will continue to update the Board as negotiations progress.



**Financing Report:** Nisha Harked noted as of March 31, total outstanding debt was approximately \$1.2 billion, with a weighted average interest rate of 4.74%. Fixed-rate debt is at 4.77% and variable-rate debt at 4.70%, with the variable rate declining by approximately 65 basis points over the past year, benefiting the St. Joseph bridge loan. CoBank continues to hold the largest share of debt at 40%, followed by CFC at 28%.

RUS issued a loan commitment approval on April 2, which moves the load to the loan document/negotiation stage. The current bridge loan matures in September, creating a tight timeline. Given the complexity and to allow additional time, management recommends exercising a 6-month bridge loan extension and will seek Board approval in June.

Nisha also discussed the \$400 million unsecured credit facility, which expires in July 2027. Due to favorable market pricing, management plans to amend and extend the facility through July 2031 and seek an increase to the unsecured debt limit to maintain financial flexibility amid uncertainty around future transmission investments. Board approval will be requested in June.

**Financial Report:** Jackie Perius reported that the month of March ended \$2.9 million over collected resulting in a \$3.9 million favorable variance to budget. In March, energy sales were 6.1% below budget, capacity demand was 0.1% below budget and transmission demand was 3.4% below budget. Off-setting these unfavorable variances were higher than budgeted margins from St. Joe and Holland.

**Bylaw Policy Committee:** Jackie Perius noted the Bylaw Policy Committee is in year two of a three-year rotation to review all board policies at least once every three years. At its most recent meeting, the committee reviewed nine policies and proposed mostly technical and modernization updates, along with several substantive changes. These include setting a five-year review schedule for records retention, clarifying that limits on remote board meeting participation reset annually, shifting director compensation surveys to every two years under the Board Development Committee, updating ethics oversight responsibilities to reflect current staffing, and streamlining contract signature authority by delegating approval to the CEO with Risk Oversight Committee oversight. Proposed changes were presented for review, with a vote planned for the June Board meeting.

**Transmission Committee:** Chris Daniels reported the Transmission Committee met and reviewed system reliability metrics and discussed whether to continue evaluating a potential withdrawal from the joint transmission system (JTS) with Duke Energy. Transmission reliability continues to trend positively over the long term despite a challenging weather year, with 2025 outage duration averaging 92 minutes and outage frequency averaging 0.66 events per member, largely influenced by severe storms in the Duke zone. WVPA has implemented a new outage analytics dashboard to support more detailed reliability tracking while continuing legacy metrics. The committee also



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reviewed early analysis of a potential JTS withdrawal, noting potential benefits related to asset alignment, operational control, and cost efficiency. While no decision is being requested, the committee supported continued evaluation, with the Committee planning to return later this year with additional analysis and options for Board consideration.

**CEO Report:** Jeff Conrad Management provided follow-up clarifications on budget, financing, and load management topics. Crypto load growth has been lower than originally forecast during last year's budgeting process; however, these loads are largely pass-through, meaning the primary rate impact is limited to the adder rather than total revenues or expenses. Jeff reiterated a preference to finalize the RUS loan to support favorable rates but noted that the documentation process is moving slowly, making a bridge loan extension a prudent step to ensure funding continuity. An update was also provided on peak load management under the new rate structure, with efforts focused on better aligning forecasts with PJM and MISO peak periods. Staff are working with ACES to improve forecasting accuracy and plan to roll out more frequent updates to members. Early results indicate combined capacity and transmission savings of approximately \$500,000 per month, or \$5–6 million annually, from participating loads. Additional updates included reminders to register for the May 27 managers' meeting and upcoming ACES conference, details on June regional director meetings, and appreciation expressed to Violet Sistovaris for her contributions and service at Jasper County REMC as the interim CEO.