



MANAGER'S MEMORANDUM

Prepared for: **Naperville City Council**
By: City Manager's office
1/29/2026

A. MANAGER'S MEMORANDUM

Source:	Subject:	Action:
1. Marcie Schatz, Assistant to the City Manager	Board and Commission Meeting Times	FYI
2. Brian Groth, Director - Electric Utility	IMEA January 2026 Executive Board and Generation Committee Meeting Summary	FYI

**CITY OF NAPERVILLE
MEMORANDUM**

DATE: January 29, 2025

TO: Doug Krieger, City Manager

FROM: Marcie Schatz, Assistant to the City Manager

SUBJECT: Board and Commission Meeting Times

Purpose:

The purpose of this memorandum is to share new meeting times for the Riverwalk Commission and Naper Settlement Museum Board.

Discussion:

Beginning in February, the Riverwalk Commission and Riverwalk Planning, Design, and Construction Committee meetings will begin at 8:15 a.m.

Beginning with their next meeting in March, the Naper Settlement Museum Board meetings will begin at 8:30 a.m.

These meeting time changes are being made to improve public access in consideration of building operating hours and security procedures. New meeting times are displayed on the City website and government meetings calendar.

CONCLUSION:

Please share this information through the Manager's Memorandum.

CITY OF NAPERVILLE MEMORANDUM

DATE: January 29, 2025

TO: Doug Krieger, City Manager

FROM: Brian Groth, Director – Electric Utility

SUBJECT: IMEA January 2026 Executive Board and Generation Committee Meeting Summary

Purpose:

The purpose of this memo is to provide an update on the Illinois Municipal Electric Agency Executive Board and Generation Committee Meetings that were held on January 21, 2026.

Discussion:

IMEA President and CEO Report:

The IMEA Executive Board received an update on various agency projects since the last board meeting. As approved at the December board meeting, the MISO Transmission Project Joint Ownership Agreements have been signed and proposals for both projects have been submitted for evaluation by MISO; a response is expected by summer.

Legislative and Regulatory Report:

The Climate and Equitable Jobs Act passed by the State of Illinois Legislature in 2021 required the Illinois Commerce Commission, Illinois Power Agency, and Illinois Environmental Protection Agency to produce a Resource Adequacy Study by December 2025. Energy and Environmental Economics, Inc was hired to support the process and develop the study, which was posted on December 15, 2025 and the general findings are as follows:

- PJM will need 22,000 – 28,000MW of capacity by 2030 with MISO needing 9,000 – 18,000MW in the same time frame
- Load growth is accelerating while coal, gas and oil powered generation units are planning to retire across the grid
- Natural gas-fired generation is slow to come online due to long equipment lead times as well as permitting and siting issues
- Renewables and batteries have lower effective capacity values than thermal resources requiring more resources to be put on the grid
- Long interconnection queues and transmission constraints are common for development of new generation projects

Due to the study's finding that neither the ComEd zone in PJM nor Zone 4 in MISO have enough resources to meet 2030 requirements it is likely that the State will become a net importer of power. There are concerns with this concept as PJM as a whole is projected to have a capacity shortfall in 2029 and MISO as a whole is projected to have a capacity shortfall in 2030, so it is possible that power will have to be imported from outside of PJM and MISO.

The study concluded that a diversified resource strategy can help the state meet its 100% clean energy goals through the development of wind, solar, batteries and utilizing thermal assets during the transition. Additionally, building new transmission lines to facilitate import of power from other states as well as development of new zero-emissions technologies will help.

The study and more information about the next steps, which includes a Resource Adequacy Plan Mitigation Workshop, can be found at the following location: <https://ipa.illinois.gov/electricity-procurement/resource-adequacy.html>

IMEA Operations Report:

Operations staff of the agency provided the board with an update on the latest PJM Base Residual Auction (BRA) results which were recently released. PJM Capacity prices for the Delivery Year (DY) 2027/2028 (June 1, 2027 – May 31, 2028) cleared at \$333.44/MWD; this is up 1.3% over the last auction and a record price for the third year in a row. This price included the FERC approved price cap, without this cap the estimated clearing price would have been \$542.80/MWD. This auction did not meet the PJM reliability requirement by 6,623MW and will result in a reduced reserve margin of 14.8%. Peak demand for the DY27/28 period was 5,250MW higher than the previous delivery year with 5,100 of that growth being attributed to data centers. From an energy perspective it was noted that day ahead, unweighted, Naperville Node Locational Marginal Price (LMP) and Realtime LMP averages for the calendar year 2024 were \$25.50/MWh compared with \$36.36/MWh for calendar year 2025, respectively.

Staff also provided an update on Trimble County and Prairie State operations. Trimble County units performed well with Unit 1 experiencing a brief outage on December 31st. Unit 2 at Trimble County had a four-day outage in December. Trimble County Unit 1 is expected to have an extended outage in spring of 2026 and Trimble County Unit 2 is expected to have an extended outage in spring of 2027 to support the previously planned and budgeted stack refurbishment project. Prairie State Unit 1 experienced no outages in December. Unit 2 at Prairie State experienced brief outage in early December to reset a valve. Prairie State finished 2025 with an Equivalent Availability Factor (EAF) of 87.6 and Trimble County finished 2024 with an EAF of 81.25, respectively. EAF is generally defined as the portion of the year in which the generating units were available without outage or derating.

IMEA Legal Report:

Staff informed the board that a net credit of \$432,000 has been received from MISO related to a computer software error in the MISO capacity auction for Planning Year 25/26. This error led to higher capacity prices and thus MISO collected the overpayment from generators and returned it to the Load Serving Entities.

The Department of Energy has issued two orders requiring three coal fired generating units in Indiana to remain open until March 23, 2026. All units to remain open were scheduled for closure at the end of December 2025.

Staff continues to monitor a FERC case between Constellation Energy and PJM interconnection which seeks clarity on how data centers built next to generating plants should be charged for transmission access. While co-located generation is running there is minimal impact to the transmission grid, however, in the event the generator is taken offline the data center would need to be powered by the grid and how the data center should pay for that access to grid connected services is the topic of this case.

IMEA Solar Project Updates:

Construction of the agency's Bee Hollow solar project remains on track with an estimated completion date of November 2026. In early December 2025, the agency was informed that a key transmission project required for the full capacity and energy contracted from this asset to be delivered to the grid has been delayed. The completion of this transmission project is a condition of contracting and IMEA staff are currently working with the vendor, Geronimo Power Management to find a mutually satisfactory outcome.

Closed Session:

The IMEA Executive Board went into closed session for both the discussion of personnel matters and the purchase and sale of electricity. After coming out of closed session, direction was provided to the President and CEO related to compensation of employees for the agency's 2026-2027 fiscal year which begins on May 1st. This will be included in the agency's budget, which is typically reviewed and approved by the board at its February meeting.

Generation Committee Meeting:

Immediately following the IMEA Executive Board meeting the IMEA Generation Committee met to review requests by Winnetka, Altamont and Marshall to build and/or dedicate more generation capacity to the agency. Formal proposals from each community will be presented to the IMEA full board at its February meeting.

Staff provided an update on PJM/MISO markets with respect to generation. Outage scheduling for generation units as well as enhanced procedures to ensure that generators are able to run when called upon were general topics brought up by both PJM and MISO. As member generators are being called to run more frequently and for longer durations to hedge high prices for the agency and/or when the grid needs additional generation, staff presented the board with proposed compensation changes for those generators that are required to run more frequently. No final action was taken in the generation committee meeting.

Recommendation:

Please include this response to the City Council request in the Manager's Memorandum.