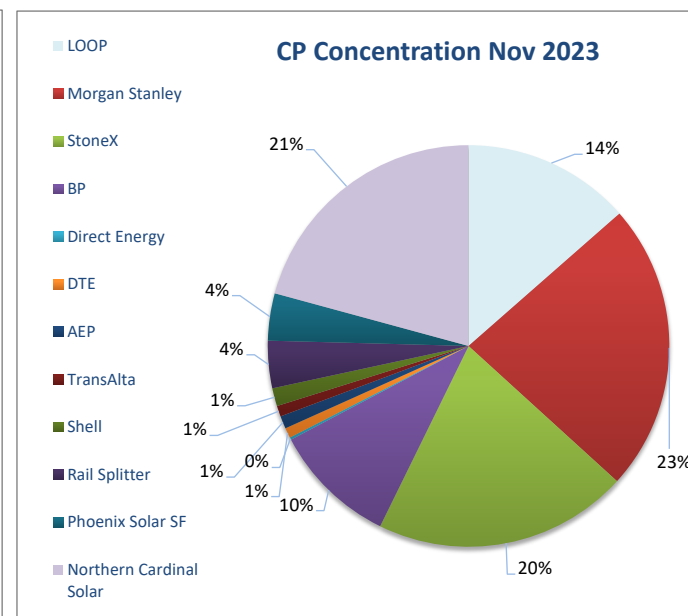
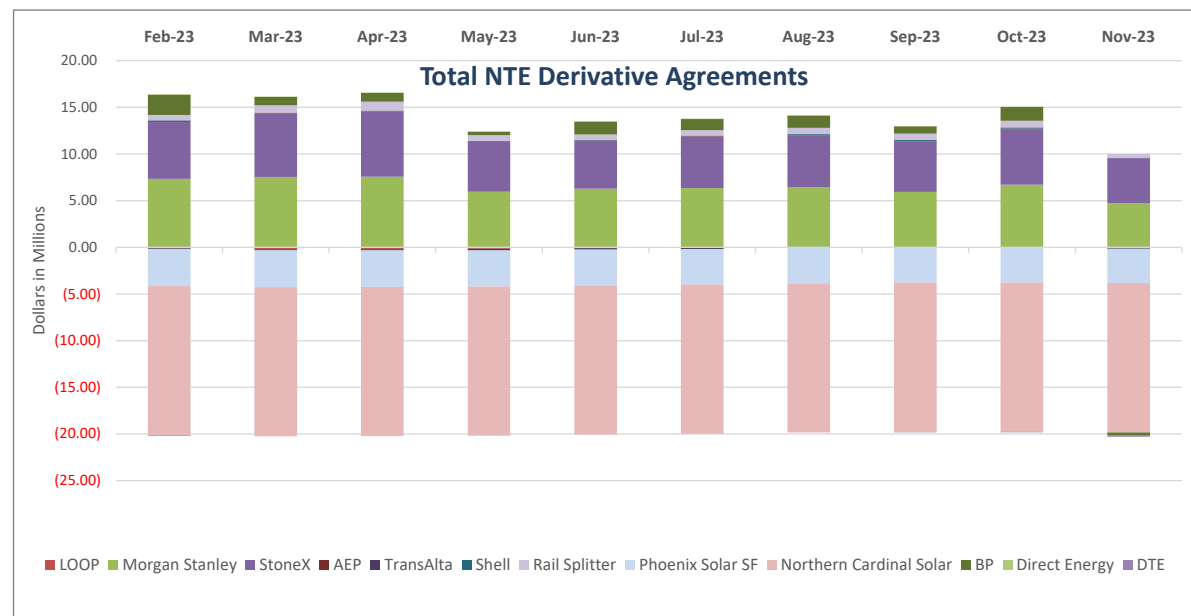


Policy Counterparty (CP) Requirements		Hedging Position Summary (In Millions)		Collateral Summary	
			Notional	NTE	
Reporting Requirements Met	Yes ^{(1) (2)}	Interest Rate Swaps	\$ 9.82	\$ (0.08)	Collateral Held by PEI on behalf of Counterparties:
CP Rating Qualification Met	Yes ^{(2) (3) (4) (7)}	Futures Contracts, Financial	14.86	4.84	
Within CP NTE Limits	Yes ^{(3) (6) (7)}	Forward Purchase, Physical ⁽⁵⁾	32.20	4.49	
Under CP Concentration Limits	Yes	Solar PPAs ^{(2) (4)}	17.82	(19.67)	
					Rail Splitter Wind (HSBC Bank LOC) \$ 2,500,000 TransAlta (Bank of Nova Scotia LOC) \$ 25,000 Northern Cardinal (Common Wealth Bank Australia LOC) \$ 1,000,000 Direct Energy/NRG (Deutsche Bank NY LOC) \$ 200,000
		Total	\$ 74.69	\$ (10.42)	Collateral Held by Counterparty on behalf of PEI:
					Margin Exposure on Futures \$ 541,721

Material Events Since Last Report	Counterparty (CP) Qualification Risk Management ^{(3) (4) (7)}	Counterparty (CP) NTE Risk Management ^{(3) (6) (7)}
<p>** PEI purchased 31,568 MWH's for UIC from Constellation Energy Generation, LLC totaling \$1,531,048 for the period 7/1/24 - 6/30/25.</p> <p>**PEI purchased 11,056 MWH's for UIUC from Constellation Energy Generation, LLC totaling \$600,009 for the period 7/1/27- 6/30/25.</p> <p>**PEI purchased 132,735 MMBTU's of Natural Gas Forwards for UIUC from BP totaling \$345,588 for the period 3/1/24-/31/24.</p> <p>**S&P upgraded Constellation on 11/22/23 to "BBB+" from "BBB" on Nuclear Production Tax Credits and Strong Financial Performance, Outlook Stable.</p>	<p>The energy industry necessitated action by the PEI Board of Directors to approve a policy accepting a lower credit rating than the System policy to qualify CPs for physical hedges (forward purchases). This exception has been approved by the U of I System CFO in accordance with the University Policy.⁽³⁾ Rail Splitter is not rated but has provided a \$2.5 million LOC from HSBC Bank. TransAlta's rating declined below acceptable limits, so they have provided a \$25,000 LOC from the Bank of Nova Scotia to meet policy qualifications. Direct Energy, through parent NRG, provided LOC from Deutsche Bank AG for \$0.2 million. Northern Cardinal is not rated but has PCG, LOC, and approved qualification exception.⁽⁴⁾ Counterparty Exception was approved by the PEI Treasurer 11/2/23 to qualify IGS as a supply counterparty for natural gas to 36 UIC Peoples accounts and removed NTE collateral requirement.⁽⁷⁾</p> <p>System and PEI policies require regular due diligence reviews of the financial strength of CPs by the hedging transaction originator ensuring compliance.</p>	<p>Exposure to a CP is determined by NTE value net of collateral and is limited based on CP credit rating. The PEI policy accepts a higher exposure limit on the BBB/Baa category than the university Policy; an approved policy exception.^{(3) (6)}</p> <p>BP, DTE, Constellation, and AEP provide recourse through Credit or Adequate Assurances provisions if reasonable grounds exist regarding unsatisfactory creditworthiness or performance. IGS has an approved exception from a NTE collateral requirement. It is incumbent upon PEI to monitor and request Performance Assurance if a rating change triggers the policy collateral requirements.</p> <p>The swap agreement was approved by the BOT and executed prior to the policy. The collateral requirements for the CP on the interest rate swap is more risk tolerant than the System policy, however the current NTE exposure amount is within Policy limits.</p>



Responsible Unit/Dept.	Counterparty (CP)	CSP Rated Entity/ Exchange	Bond Rating S&P / Moody's	Expires FY Range	Underlying Asset / Liability	Orig Contract	Current Notional / Contract In Millions	Market Value In Millions	*MTM or NTE (5)(6) In Millions	System Guarantee (Credit Limit) In Millions	PCG - LOC (Credit Limit) In Millions	CP Threshold (Collateral Requirements)
Financial Hedges		Qualifying Rating A- / A3										
System Interest Rate Swaps												
SO Capital Financing	Deutsche Bank AG	Deutsche Bank AG (CSP)	A- / A1	10/1/2026	HSFS 2008	\$ 40.88	9.82		(0.08)			Rating Triggers Predate Policy
PEI Energy Futures Contracts						SUBTOTAL	40.88	9.82	(0.08)			
SO Utilities Admin	StoneX Financial Inc.	InterContinental Exchange (ICE)	A- / A3	2024-2028	Natural Gas	15.66	14.86	19.70	4.84			None Exchange Traded
						SUBTOTAL	56.54	24.68	4.76			
Physical Hedges		Qualifying Rating (3) BBB-/Baa3 or BB+/Ba1 with LOC or PCG										
PEI Energy Forward Purchases												
SO Utilities Admin	BP Canada Energy Marketing Corp	BP Corporation North America, Inc. (PCG)	A- / A3	2024-2025	Natural Gas	10.70	7.26	6.98	(0.28)	10.00	1.00	Adequate Assurance
SO Utilities Admin	Direct Energy Business Marketing	Deutsche Bank AG, NY Branch (LOC)	A- / A1	2024	Natural Gas	0.21	0.14	0.14	0.00	2.50	0.20	LOC
SO Utilities Admin	DTE Energy Trading, Inc.	DTE Energy Company (PCG)	BBB+/Baa2	2024-2025	Natural Gas	0.59	0.59	0.39	(0.20)	5.00	5.00	Adequate Assurance
SO Utilities Admin	Interstate Gas Supply, LLC	(7)	NR NR	2024-2025	Natural Gas	0.08	0.07	0.05	(0.02)			
SO Utilities Admin	Morgan Stanley Capital Group, Inc.	Morgan Stanley (PCG)	A- / A1	2024-2027	Natural Gas	18.44	16.83	21.55	4.72	5.00	Unlimited	Rating Triggers
SO Utilities Admin	Shell Energy North America (US), L.P.	Shell Energy North America (US), L.P.	A / A2		Natural Gas	-	0.00	0.00	0.00	5.00		Rating Triggers
SO Utilities Admin	AEP Energy Partners Inc.	American Electric Power Co, Inc. (6)	A- / Baa2	2024-2025	Electricity	0.83	0.74	0.73	(0.01)	0.50	0.10	Credit Assurance
SO Utilities Admin	Constellation Energy Generation, LLC	Constellation Energy Generation, LLC	BBB+/Baa2	2025	Electricity	2.13	2.13	2.01	(0.12)	5.00	Unlimited	Credit Assurance
SO Utilities Admin	Morgan Stanley Capital Group, Inc.	Morgan Stanley (PCG)	A- / A1		Electricity	-	0.00	0.00	0.00	5.00	Unlimited	Rating Triggers
SO Utilities Admin	TransAlta Energy Marketing (US) Inc.	The Bank of Nova Scotia (LOC)	A+ / Aa2	2024	Electricity	1.45	0.63	0.57	(0.06)	2.50	0.03	LOC
SO Utilities Admin	Shell Energy North America (US), L.P.	Shell Energy North America (US), L.P.	A / A2	2024-2025	Electricity	1.62	1.05	1.04	(0.01)	5.00		Rating Triggers
SO Utilities Admin	Rail Splitter Wind Farm LLC	HSBC Bank USA, (LOC)	A+ / Aa3	2024-2027	Electricity Renewable	3.08	2.76	3.23	0.47	2.50	2.50	LOC
						SUBTOTAL	39.13	32.20	36.69	4.49		
Solar PPAs												
UIUC Energy Services - SF1	Phoenix Solar South Farms(2)			12/20/2025	Electricity Renewable	13.76	2.76		(3.68)			
SO Utilities Admin - SF2	Northern Cardinal Solar SCS IL 1, LLC (4)	Commonwealth Bank of Australia (LOC) CD Clean Energy and Infrastructure (PCG)	AA- / Aa2 NR NR	2/2021 - 2/2041	Electricity Renewable	15.91	15.06		(15.99)	16.00	4.00	LOC, \$1M
						SUBTOTAL	29.67	17.82	(19.67)			
Grand Total						GRAND TOTAL \$	125.34	74.69	(10.42)			

*Negative termination value, the System or PEI is obligated to the counterparty. (transaction is "underwater").

CP - Counterparty
CSP - Credit Support Provider
DUP - Derivatives Use Policy
LOC - Letter of Credit

NTE - Net Termination Exposure
PCG - Parental Company Guarantee
PEI - Prairieland Energy Inc.

PPA - Power Purchase Agreement
SO - System Offices
WR - Withdrawn Rating

Footnotes:

(1) Policy exceptions approved by the CFO for Agriculture Property Services (APS) forward grain sales include release from counterparty credit rating, contract form, and monthly reporting requirements. APS reported \$20,160 in outstanding forward sales contracts as of 11/30/2023.

(2) In Dec 2015, UIUC issued a Power Purchase Agreement (PPA) in conjunction with their Solar Farm I. ERM learned of the PPA in July 2019 and began reporting the derivative Oct 2019. Since there is no CP risk, a policy exception was approved by the CFO for (a) minimum counterparty credit rating requirement, (b) required parental guarantee or LOC, and (c) minimum market capitalization requirement.

(3) Policy exceptions approved by the CFO for PEI include less restrictive CP credit rating for forward purchases and corresponding collateral requirements. For physical transactions, allows for unrated CP to qualify with LOC.

(4) On 10/3/19, a CP Exception for Urbana Solar Farm 2.0 was approved by the PEI Treasurer qualifying Northern Cardinal Solar SCS IL 1, LLC (NCS) as a counterparty to be assigned the Power Purchase Agreement (PPA) for Solar Farm 2.0 from Sol Systems, LLC. This exception also qualified Capital Dynamics Clean Energy and Infrastructure VII JV, LLC as the guarantor for NCS. This exception also approved the PPA requirement for any unrated successor guarantor to qualify with \$100 million in tangible net worth. Contract term to 2/2/2041. CD Clean Energy and Infrastructure VII JV (InvestCo), LLC changed their name to "Arevon Energy InvestCo VII, LLC" and, notwithstanding such name change, all obligations of Guarantor under the Guaranty remain unchanged and in full force and effect.

(5) Contracted hedge prices on gas and electricity remain favorable to market prices overall. The natural gas storage balance increased due to a mild 22-23 winter, resulting in lower near term natural gas prices. Natural Gas prices remain elevated in outer years due to global impacts and forecasted demand. Due to the correlation of electricity prices to natural gas prices, electricity prices have also decreased in the near term, but remain higher in the outer years due to the expected cost of electric generation from natural gas and the forecasted increase in demand.

(6) Exposure to a CP is determined by the NTE value net of collateral and limited based on CP credit rating. The PEI policy accepts \$10M exposure on BBB/Baa category versus the University policy limit of \$0 on the same rating category. The PEI exposure limit difference to the university policy is an approved policy exception. All energy CPs in the BBB/Baa category currently have negative NTE, meaning the University would pay the NTE to the CP if the contract ended.

(7) Since counterparty risk is expected to be low, a Counterparty Exception was approved by the PEI Treasurer on 11/2/23 to qualify Interstate Gas Supply, LLC (IGS) as a supply counterparty for natural gas to thirty-six (36) Peoples gas accounts at UIC. Also approved a "no collateral requirement" to offset the University's NTE.