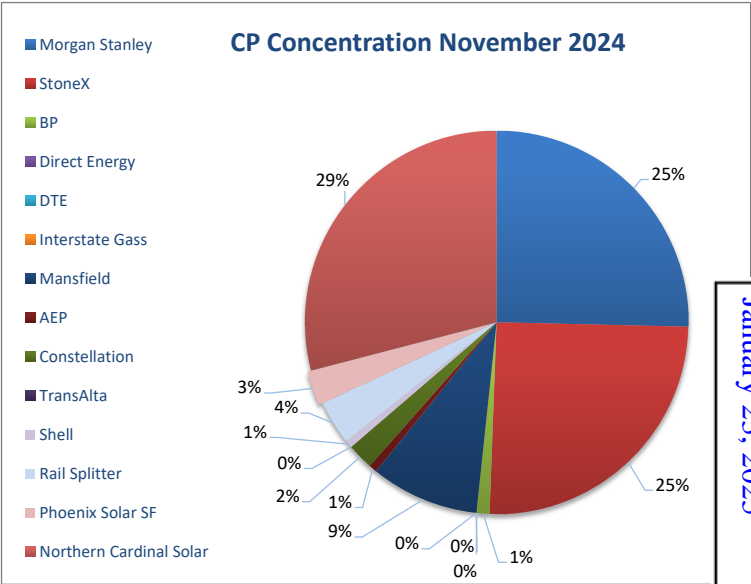
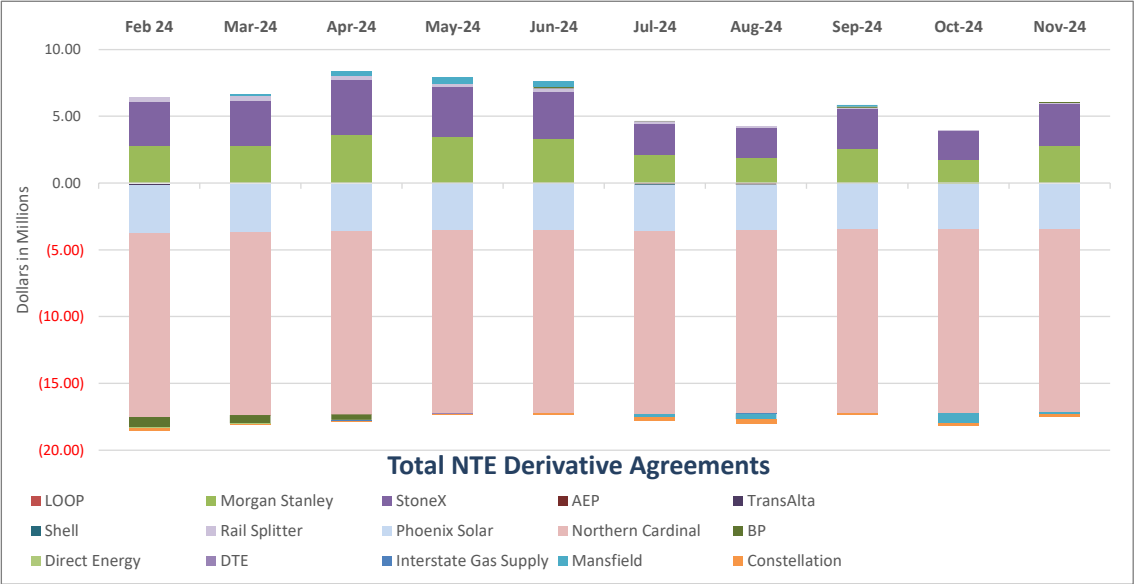


Policy Counterparty (CP) Requirements		Hedging Position Summary (In Millions)		Collateral Summary	
			Notional	NTE	
Reporting Requirements Met	Yes <sup>(1) (2)</sup>	Futures Contracts, Financial	\$ 12.27		<b>Collateral Held by PEI on behalf of Counterparties:</b> Rail Splitter Wind (HSBC Bank LOC) \$ 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 Mansfield Power (JPMorgan Chase Bank LOC) \$ 100,000
CP Rating Qualification Met	Yes <sup>(2) (3) (4)</sup>	Forward Purchase, Physical <sup>(5)</sup>	20.86		
Within CP NTE Limits	Yes <sup>(3) (6)</sup>	Solar PPAs <sup>(2) (4)</sup>	15.55	(17.08)	
Under CP Concentration Limits	Yes			3.18 2.48	
		Total	\$ 48.68	\$ (11.42)	<b>Collateral Held by Counterparty on behalf of PEI:</b> Margin Exposure on Futures \$ 254,966

Material Events Since Last Report	Counterparty (CP) Qualification Risk Management <sup>(3) (4)</sup>	Counterparty (CP) NTE Risk Management <sup>(3) (6)</sup>
<p>**The Interstate Gas Supply, LLC agreement expired on October 31, 2024 as well as the Counterparty Exception.</p> <p>**On 11/15/2024, S&amp;P upgraded JPMorgan Chase Bank N.A. to "AA-" from "A+", 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. <sup>(3)</sup> Neither Rail Splitter nor Mansfield is rated but has provided a \$2.5 million LOC from HSBC Bank and \$0.10 million LOC from JPMorgan respectively. 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. <sup>(4)</sup> 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. <sup>(3) (6)</sup></p> <p>BP, DTE, Constellation, and AEP provide recourse through Credit or Adequate Assurances provisions if reasonable grounds exist regarding unsatisfactory creditworthiness or performance. Others provided an LOC as collateral, noted in above Collateral Summary. It is incumbent upon PEI to monitor and request Performance Assurance if a rating change triggers the policy collateral requirements.</p>



Contractual Backlog												
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 <sup>(5)(6)</sup> In Millions	System Guarantee (Credit Limit) In Millions	PCG LOC (Credit Limit) In Millions	CP Threshold (Collateral Requirements)
Financial Hedges			Qualifying Rating A- / A3									
PEI Energy Futures Contracts												
SO Utilities Admin	StoneX Financial Inc.	InterContinental Exchange (ICE)	A- / A3	2025-2028	Natural Gas		14.53	12.27	15.45	3.18		None Exchange Traded
SUBTOTAL							14.53	12.27		3.18		
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- / A2	2025	Natural Gas		0.85	0.54	0.61	0.07	10.00	1.00 Adequate Assurance
SO Utilities Admin	Direct Energy Business Marketing	Deutsche Bank AG, NY Branch (LOC)	A / A1		Natural Gas		-	0.00	0.00	0.00	2.50	0.20 LOC Adequate Assurance
SO Utilities Admin	DTE Energy Trading, Inc.	DTE Energy Company (PCG)	BBB+/Baa2	2025	Natural Gas		0.10	0.00	0.00	0.00	5.00	5.00
SO Utilities Admin	Interstate Gas Supply, LLC		NR NR	2025	Natural Gas		0.01	0.00	0.00	0.00		
SO Utilities Admin	Mansfield Powers & Gas, LLC	JPMorgan Chase Bank, NA (LOC)	AA- / Aa1	2025-2026	Natural Gas		6.09	4.45	4.31	(0.14)	5.00	0.10 LOC
SO Utilities Admin	Morgan Stanley Capital Group, Inc.	Morgan Stanley (PCG)	A- / A1	2025-2029	Natural Gas		13.90	12.35	15.12	2.77	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.	Co, Inc. <sup>(6)</sup>	BBB+ / Baa2	2025	Electricity		0.70	0.34	0.29	(0.05)	0.50	0.10 Credit Assurance
SO Utilities Admin	Constellation Energy Generation, LLC	Constellation Energy Generation, LLC	BBB+/Baa1	2025	Electricity		2.13	1.08	0.90	(0.18)	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		Electricity		-	0.00	0.00	0.00	2.50	0.03 LOC
SO Utilities Admin	Shell Energy North America (US), L.P.	Shell Energy North America (US), L.P.	A / A2	2025	Electricity		0.71	0.30	0.27	(0.03)	5.00	Rating Triggers
SO Utilities Admin	Rail Splitter Wind Farm LLC	HSBC Bank USA, (LOC)	A+ / Aa3	2025-2027	Electricity Renewable		2.12	1.80	1.84	0.04	2.50	2.50 LOC
SUBTOTAL							26.61	20.86	23.34	2.48		
Solar PPAs												
UIUC Energy Services - SF1	Phoenix Solar South Farms <sup>(2)</sup>			12/20/2025	Electricity Renewable		13.76	1.41		(3.36)		
SO Utilities Admin - SF2	Northern Cardinal Solar SCS IL 1, LLC <sup>(4)</sup>	Commonwealth Bank of Australia, NY Br. (LOC) Arevon Energy InvestCo VII, LLC (PCG)	AA- / Aa1 NR NR	2/2021 - 2/2041	Electricity Renewable		14.99	14.14		(13.72)	13.80	4.00 LOC, \$1M
SUBTOTAL							28.75	15.55		(17.08)		
Grand Total					GRAND TOTAL \$		69.89	48.68		(11.42)		

\*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 \$75,201 in outstanding forward sales contracts as of 11/30/2024.
- (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 SCSIL 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 was 3,863 Bcf as of Friday, October 31, 2024, according to EIA estimates. Stocks were 107 Bcf higher than last year at this time and 178 Bcf above the 5-year average of 3,685 BCF, combined with a milder 2023-2024 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. DTE, AEP, and Constellation, all in the BBB/Baa category, currently have zero or negative NTE, meaning the University would pay the NTE to the CP if the contract ended.