University Of Illinois System

Derivatives Dashboard

05/31/2026

Policy CP Requirements		Hedging Position Summary (In Millions)	Notional	NTE	Collateral Summary	
Reporting Requirements Met	Yes (1) (2)	Futures Contracts, Financial	$5.42	$1.15	**CP Collateral Held by PEI:**	
CP Rating Qualifications Met	Yes (2) (3) (4)	Forward Purchase, Physical (5)	28.31	0.27	Rail Splitter Wind (HSBC Bank LOC)	$2,500,000
Within CP NTE Limits	Yes (3) (6)	Solar PPA (2) (4)	12.94	(12.42)	Northern Cardinal (Common Wealth Bank Australia LOC)	$750,000
Under CP Concentration Limits	Yes				NRG (Natixis Bank NY LOC)	$200,000
					Mansfield Power (JPMorgan Chase Bank LOC)	$100,000
		Total All Derivative Agreements	**$46.67**	**($11.00)**	**PEI's Collateral Held by CP:**	
					Margin Exposure on Futures	$314,813

Material Events Since Last Report

1) PEI purchased 86,392 MMBTU's of Natural Gas Forwards for UIS from NRG Business Marketing totaling $314,899 for the period July 1, 2026 - June 30, 2028. 2) PEI purchased 28,188 MMBTU's of Natural Gas Forwards for Rockford from NRG Business Marketing totaling $101,477 for the period July 1, 2026 - June 30, 2028. 3) PEI purchased 41,760 MMBTU's of Natural Gas Forwards for UIC's Small Peoples Gas accounts from Mansfield totaling $153,259 for the period July 1, 2026 - June 30, 2028. 4) With no forward purchase positions, TransAlta requested the $.25M LOC be cancelled. TransAlta will reissue an LOC to qualify as a vendor per the DUP for future transactions.

Reported to the Board of Trustees
July 16, 2026

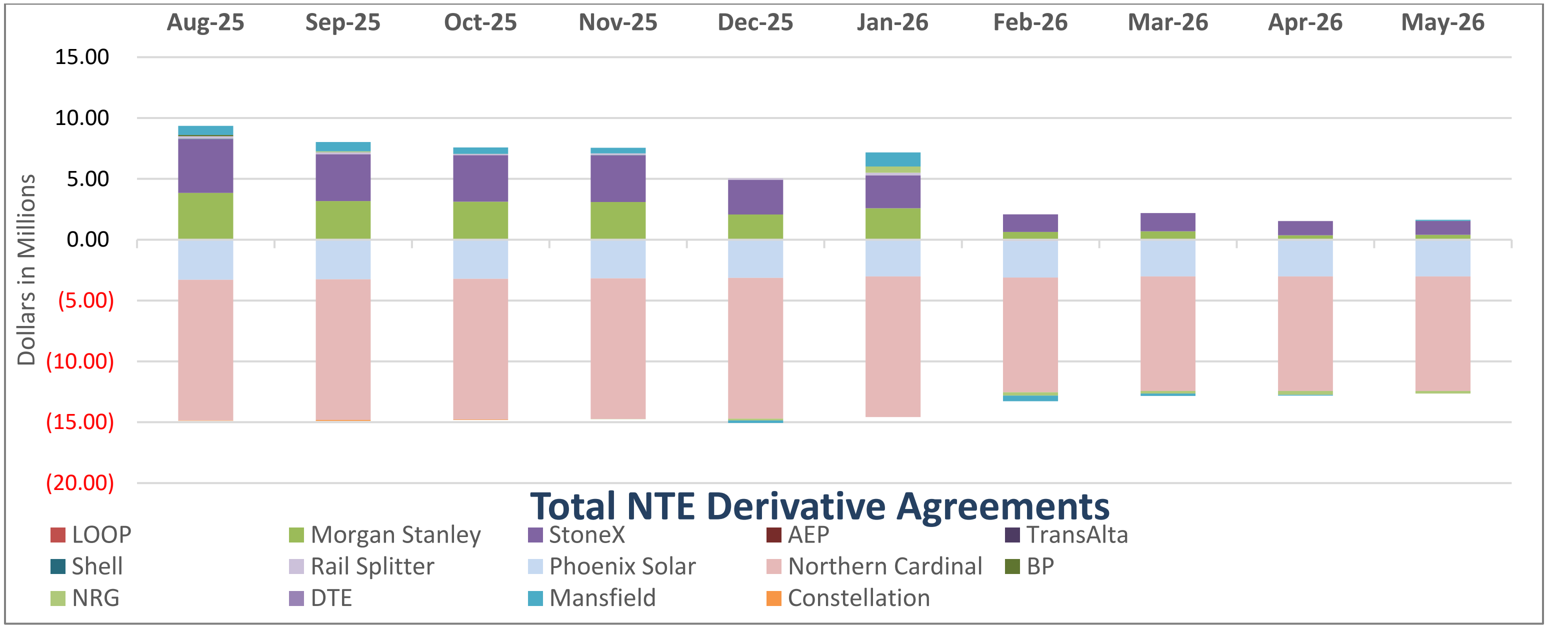
CP Qualification Risk Management (3) (4)

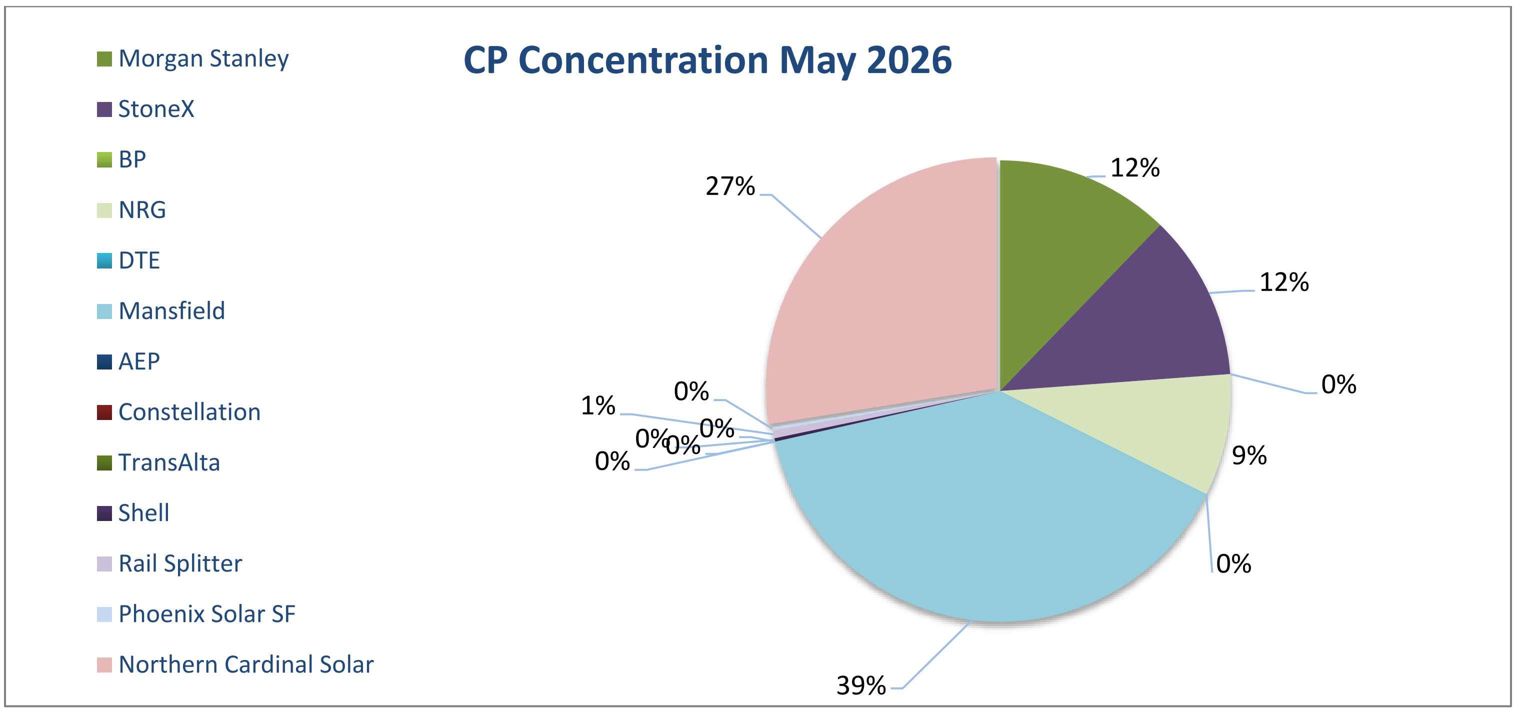
The energy industry necessitated action by the PEI Board of Directors to approve a policy accepting a lower credit rating than the System policy to qualify CPs for physical hedges (forward purchases). This exception has been approved by the U of I System CFO in accordance with the University Policy. (3) 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. NRG provided LOC from Natixis Bank NY for $0.2 million. Northern Cardinal is not rated but has PCG, LOC, and approved qualification exception. (4) System and PEI policies require regular due diligence reviews of the financial strength of CPs by the hedging transaction originator ensuring compliance.

Counterparty (CP) NTE Risk Management (3) (6)

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)

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.


Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26
15.00
10.00
5.00
0.00
(5.00)
(10.00)
(15.00)
(20.00)
Dollars in Millions
Total NTE Derivative Agreements
LOOP
Morgan Stanley
StoneX
AEP
TransAlta
Shell
Rail Splitter
Phoenix Solar
Northern Cardinal
BP
NRG
DTE
Mansfield
Constellation


CP Concentration May 2026
Morgan Stanley
StoneX
BP
NRG
DTE
Mansfield
AEP
Constellation
TransAlta
Shell
Rail Splitter
Phoenix Solar SF
Northern Cardinal Solar
12%
12%
0%
9%
0%
39%
0%
0%
0%
0%
1%
0%
27%

Responsible Unit/Dept.	Counterparty	CSPRated Entity/Exchange	Bond RatingS&P / Moody's	Expires / FY Range	Underlying Asset / Liability	Orig Contract	Current Notional / ContractIn Millions	Market ValueIn Millions	*MTM or NTE (5) In Millions	System Guarantee (Credit Limit)In Millions	PCG - LOC (Credit Limit)	Counterparty Threshold (Collateral Requirements)
FINANCIAL HEDGES			**Qualifying Rating A- / A3**									
PEI Energy Futures Contracts												
SO Utilities Admin	StoneX Financial Inc.	InterContinental Exchange (ICE)	A- / A3	2026-2028	Natural Gas	**9.98**	5.42	6.57	1.15			None Exchange Traded
					SUBTOTAL	**9.98**	**5.42**		**1.15**			
PHYSICAL HEDGES		**Qualifying Rating (3)**	**BBB-/Baa3 or BB+/Ba1 with LOC or PCG**									
PEI Energy Forward Purchases												
SO Utilities Admin	BP Energy Company	BP Corporation North America, Inc. (PCG)	A- / A2		Natural Gas	**0.00**	0.00	0.00	0.00	**10.00**	**1.00**	Adequate Assurance
SO Utilities Admin	NRG Business Marketing	Natixis Bank, NY Branch (LOC)	A+ / A1	2026-2028	Natural Gas	**6.25**	3.99	3.78	(0.21)	**2.50**	**0.20**	LOC
SO Utilities Admin	DTE Energy Trading, Inc.	DTE Energy Company (PCG)	BBB+ / Baa2		Natural Gas	**0.00**	0.00	0.00	0.00	**5.00**	**5.00**	Adequate Assurance
SO Utilities Admin	Mansfield Powers & Gas, LLC	JPMorgan Chase Bank, NA (LOC)	AA- / Aa1	2026-2030	Natural Gas	**23.46**	18.25	18.34	0.09	**5.00**	**0.10**	LOC
SO Utilities Admin	Morgan Stanley Capital Group, Inc.	Morgan Stanley (PCG)	A- / A1	2026-2029	Natural Gas	**9.59**	5.70	6.10	0.40	**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	0.00	**5.00**		Rating Triggers
SO Utilities Admin	AEP Energy Partners Inc.	American Electric Power Co, Inc.	BBB+ / Baa2		Electricity	**0.00**	0.00	0.00	0.00	**0.50**	**0.10**	Credit Assurance
SO Utilities Admin	Constellation Energy Generation, LLC	Constellation Energy Generation, LLC	BBB+ / Baa1		Electricity	**0.00**	0.00	0.00	0.00	**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	0.00	**5.00**	**Unlimited**	Rating Triggers

Responsible Unit/Dept.	Counterparty	CSPRated Entity/Exchange	Bond RatingS&P / Moody's	Expires / FY Range	Underlying Asset / Liability	Orig Contract	Current Notional / ContractIn Millions	Market ValueIn Millions	*MTM or NTE [5] In Millions	System Guarantee (Credit Limit)In Millions	PCG - LOC (Credit Limit)	Counterparty Threshold (Collateral Requirements)
SO Utilities Admin	TransAlta Energy Marketing (US)	The Bank of Nova Scotia (LOC)	BB+ /Ba1		Electricity	**0.00**	0.00	0.00	0.00	**2.50**		LOC
SO Utilities Admin	Shell Energy North America (US), L.P.	Shell Energy North America (US), L.P.	A / A2	2026	Electricity	**0.90**	0.11	0.10	(0.01)	**5.00**		Rating Triggers
SO Utilities Admin	Rail Splitter Wind Farm LLC	HSBC Bank USA, (LOC)	A+ / Aa3	2026-2027	Electricity Renewable	**1.16**	0.26	0.26	0.00	**2.50**	**2.50**	LOC
					SUBTOTAL	**41.36**	**28.31**		**0.27**			
Solar PPAs												
UIUC Energy Services - SF1	Phoenix Solar South Farms [2]			9/1/2026	Electricity Renewable	**13.83**	0.10		(3.00)			
SO Utilities Admin - SF2	Northern Cardinal Solar SCS IL 1, LLC [4]	Commonwealth Bank of Australia, NY Br. (LOC) Averon Energy InvestCo VII, LLC (PCG)	AA- / Aa1 NR NR	2/2021 - 2/2041	Electricity Renewable	**13.15**	12.84		(9.42)	**9.50**	**4.25**	LOC, $750K
					SUBTOTAL	**$26.98**	**12.94**		**(12.42)**			
Grand Total					**GRAND TOTAL**	**$78.32**	**46.67**		**(11.00)**			

If negative termination value, the System	CP - Counterparty	NTE - Net Termination Exposure	PPA - Power Purchase Agreement
or PEI is obligated to the CP.	CSP - Credit Support Provider	PCG - Parental Company Guarantee	SO - System Offices
(transaction is "underwater").	DUP - Derivatives Use Policy	PEI - Prairieland Energy Inc.	WR - Withdrawn Rating
Due to amounts payable to the	LOC - Letter of Credit		
counterparty for current energy			
transactions, the net termination			
settlement amount will differ from the			
net termination exposure amount.			

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 $0 in outstanding forward sales contracts as of 5/31/2026.

(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 CP credit rating requirement, (b) required parental guarantee or LOC, and (c) minimum market capitalization requirement. Since December 2025, amendments to the PPA have extended the notification period of the end of term option from January 10, 2026, to September 1, 2026.

(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, it 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 SCSI 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. According to EIA estimates, the natural gas storage balance was 2,483 Bcf as of Friday, May 22, 2026. Stocks were 21 Bcf higher than last year at this time and 144 Bcf above the 5-year average of 2,339 BCF. Natural gas and electricity prices continue to fluctuate due to increased demand and the conflict in the Middle East.

(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 no active forward purchase contracts with the University.