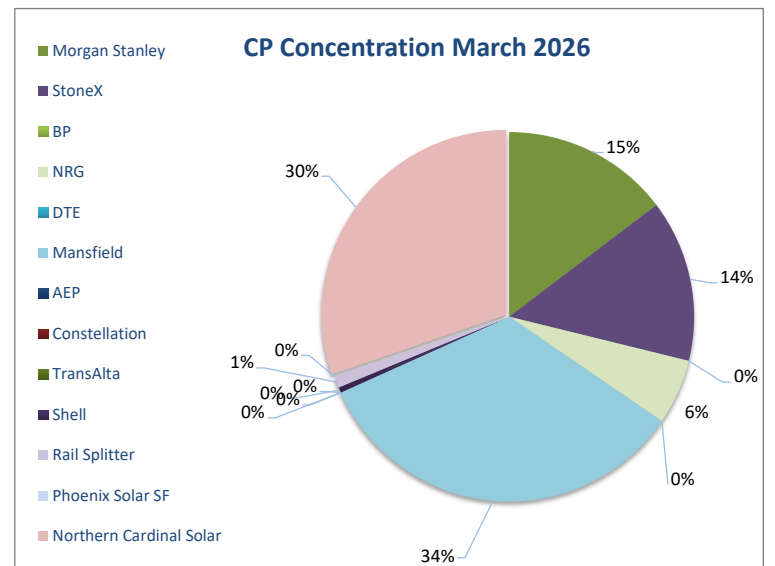
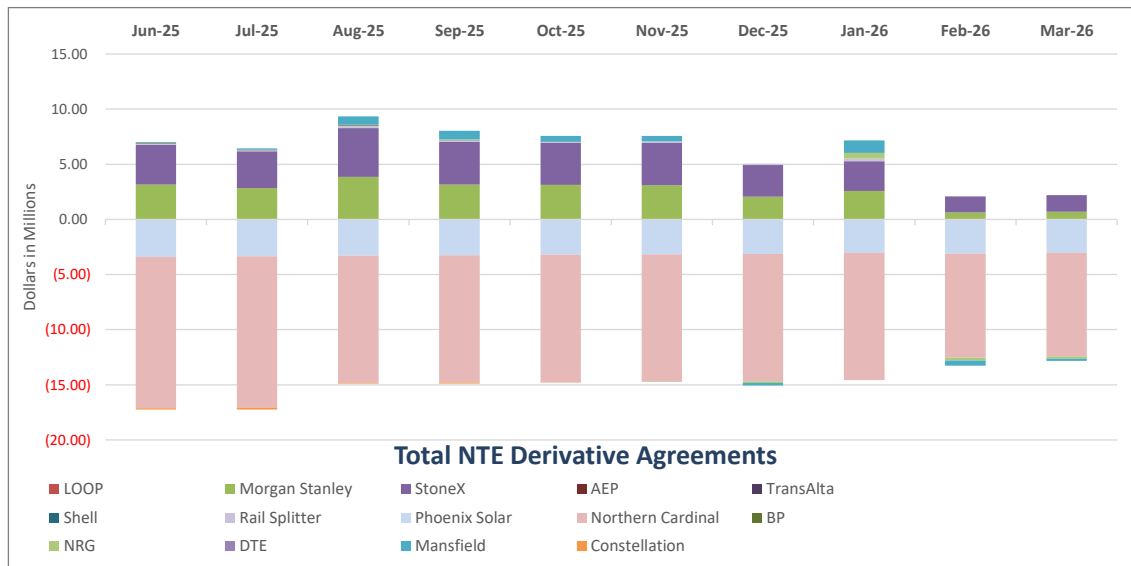


Policy Counterparty (CP) Requirements		Hedging Position Summary (In Millions)			Collateral Summary	
			Notional	NTE*		
Reporting Requirements Met	Yes ⁽¹⁾⁽²⁾	Futures Contracts, Financial	\$ 6.11	1.50	Collateral Held by PEI on behalf of Counterparties:	
CP Rating Qualification Met	Yes ⁽²⁾⁽³⁾⁽⁴⁾	Forward Purchase, Physical ⁽⁵⁾	23.94	0.27	Rail Splitter Wind (HSBC Bank LOC)	\$ 2,500,000
Within CP NTE Limits	Yes ⁽³⁾⁽⁶⁾	Solar PPAs ⁽²⁾⁽⁴⁾	13.03	(12.42)	TransAlta (Bank of Nova Scotia LOC)	\$ 25,000
Under CP Concentration Limits	Yes				Northern Cardinal (Common Wealth Bank Australia LOC)	\$ 750,000
					NRG (Natixis Bank NY LOC)	\$ 200,000
					Mansfield Power (JPMorgan Chase Bank LOC)	\$ 100,000
		Total	\$ 43.08	\$ (10.65)	Collateral Held by Counterparty on behalf of PEI:	
					Margin Exposure on Futures	\$ 244,777

Material Events Since Last Report	Counterparty (CP) Qualification Risk Management ⁽³⁾⁽⁴⁾	Counterparty (CP) NTE Risk Management ⁽³⁾⁽⁶⁾
<p>1) A credit rating correction that occurred on November 17, 2025 has been reflected on this report. Moody's upgraded JPMorgan Chase Bank N.A. Counterparty Risk to "Aa1" from "Aa2", outlook stable. 2) On March 30, 2026, Arevon Energy informed PEI that Solar Farm 2 would be sold to a new buyer by July 2026. PEI will monitor the sale to ensure the new owner is a qualified counterparty per the terms of the PPA.</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⁾ 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. 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.</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. 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>

Reported to Board of Trustees
May 21, 2026



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										
PEI Energy Futures Contracts													
SO Utilities Admin	StoneX Financial Inc.	InterContinental Exchange (ICE)	A- / A3	2026-2028	Natural Gas		9.98	6.11	7.61	1.50		None Exchange Traded	
SUBTOTAL							9.98	6.1		1.50			
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	10.00	1.00	Adequate Assurance
SO Utilities Admin	NRG Business Marketing LLC	Natixis Bank, NY Branch (LOC)	A+ / A1	2026-2027	Natural Gas		4.38	2.46	2.25	(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	5.00	5.00	Adequate Assurance
SO Utilities Admin	Mansfield Powers & Gas, LLC	JPMorgan Chase Bank, NA (LOC)	AA- / Aa1	2026-2030	Natural Gas		18.94	14.53	14.33	(0.20)	5.00	0.10	LOC
SO Utilities Admin	Morgan Stanley Capital Group, Inc.	Morgan Stanley (PCG)	A- / A1	2026-2029	Natural Gas		9.59	6.31	7.00	0.69	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.	BBB+ / Baa2		Electricity		-	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	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	2026	Electricity		0.90	0.21	0.20	(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	0.43	0.43	0.00	2.50	2.50	LOC
SUBTOTAL							34.97	23.94		0.27			
Solar PPAs													
UIUC Energy Services - SF1	Phoenix Solar South Farms ⁽²⁾			4/10/2026	Electricity Renewable		13.83	0.00		(3.00)			
SO Utilities Admin - SF2	Northern Cardinal Solar SCS IL 1, LLC ⁽⁴⁾	Commonwealth Bank of Australia, NY Br. (LOC) Arevon Energy InvestCo VII, LLC (PCG)	AA- / Aa1 NR NR	2/2021 - 2/2041	Electricity Renewable		13.15	13.03		(9.42)	9.50	4.25	LOC, \$750K
SUBTOTAL							26.98	13.03		(12.42)			
Grand Total						GRAND TOTAL \$	71.93	43.08		(10.65)			

*Negative termination value, the System or PEI is obligated to the counterparty. (transaction is "underwater"). Due to amounts payable to the counterparty for current energy transactions, the net termination settlement amount will differ from the net termination exposure amount.

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 \$78,150 in outstanding forward sales contracts as of 3/31/2026.
- (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 counterparty credit rating requirement, (b) required parental guarantee or LOC, and (c) minimum market capitalization requirement. In Dec 2025, an amendment to the PPA became effective that extended the notification period of the end of Term option from January 10, 2026 to April 10, 2026. As of March 31, 2026, the estimated notional value of the PPA was approximately \$9,100.
- (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 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 overall remain favorable to market prices overall. According to EIA estimates, the natural gas storage balance was 1,865 Bcf as of Friday, March 27, 2026. Stocks were 96 Bcf higher than last year at this time and 54 Bcf above the 5-year average of 1,811 BCF. Natural gas and electricity prices have increased due to the recent 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.