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message to members

The end of one year and beginning of another is always a time of reflection – on accomplishments, successes, and goals achieved. It is also a time to look forward – to identify future goals, develop plans, and set a course for action. In doing so, we also examine what we can do better – a chance to evolve our processes, engage in activities that serve to benefit our members, and empower the Agency and our members to impact the public power communities they serve.

The Indiana Municipal Power Agency saw a number of achievements come to fruition in 2023. Our portfolio continued to evolve and saw some significant changes on the renewable generation side, with the addition of seven solar parks in member communities. It is the largest number of solar parks that the Agency has completed in a single year, and included both our largest constructed solar park to date and our 50th solar park constructed in a member community. We also saw the long-awaited commissioning of the Alta Farms project, a new wind energy resource providing renewable energy to our portfolio through a power purchase agreement.

As we bolstered our portfolio, the industry faced questions of resource adequacy and preparedness. Frigid temperatures at the end of 2022 and summer peak loads that strained reserves made headlines for their impact on consumers. The processes by which regional transmission operators determine capacity adequacy have changed over the past year to a seasonal structure. While a clear path forward has not yet been determined, IMPA is working to adjust to these changes and determining how best to meet requirements while reliably serving members.

The past year also marked the extension of a power sales contract with another member community, meaning 60 members have extended their power supply relationship with the Agency. It is a testament to IMPA's historical performance and to the value IMPA brings to the public power communities we serve.

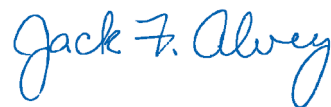
Severe storms targeted Indiana throughout the year, with destructive tornados and damaging winds impacting municipal electric communities throughout the state. The incidents allowed public power to shine, however, as neighboring communities and IMPA Service Corp's line crews safely and efficiently restored power to the impacted communities.

Our continued engagement with member communities led to several collaborations throughout the year. IMPA Service Corp extended its Dedicated Services Program to the community of Etna Green, bringing its total to 15 communities participating in the program. The AMI Program grew to 17 participants when Chalmers, Flora, and New Ross made the decision to move forward with the technology. Our federal government relations team worked to identify grant opportunities throughout the year that could benefit IMPA communities, and our member services team continued to engage with communities and provide support through services, workshops, and trainings.

Just as a new year is a time to reflect and look ahead, IMPA is taking this moment in time to appreciate our past successes while looking to the future. As we continue to evolve in this new and changing energy landscape, we will engage with our member utilities in determining the best pathway forward, empowering the Agency and our members with the ability to build a bright future for their customers.



Brent W. Slover, CHAIRMAN OF THE BOARD



Jack F. Alvey, PRESIDENT & CEO





evolve

While relying on best laid plans can serve as a strong foundation, successful organizations must evolve to keep up with the times. IMPA's rich history and strong foundation have paved the way for the organization's success, but future achievements will rely on the ability to keep up with changing times.

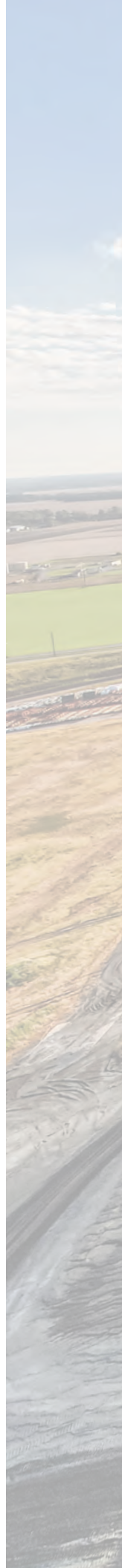
The Agency has seen significant changes in the makeup of its resource portfolio over the years. Even just ten years ago, IMPA's portfolio was comprised of 73 percent coal generation resources and only 4 percent renewable resources. By the end of 2023, IMPA reached a significant milestone in its power portfolio as it saw its coal percentage drop to 60 percent and renewable resources exceed 10 percent. The change is largely attributable to the Agency's addition of several solar projects and the welcoming of a wind resource into its portfolio.

IMPA had its most prolific year yet for its solar park program in 2023, as the Agency brought seven solar parks online in member communities. The communities of Knightstown, Ladoga, and Middletown all welcomed their first solar park, while three other communities welcomed additional parks to their service territories – Gas City, Richmond, and Washington. Richmond actually saw two more parks completed, now totaling seven IMPA solar facilities in the community. The Washington 2 park marked IMPA's largest solar park to date, with a rating of 9.9 megawatts (MW). Notably, IMPA also celebrated a milestone as the Agency's 50th solar park came online late in the year in Knightstown. From a small, idealistic program that started with three, 1 MW parks in 2014, the Agency's solar park program has grown exponentially in under 10 years. The Agency now has over 196 MW of solar power in member communities with the addition of these seven parks. Plans are already underway for four additional parks, and the Agency expects to surpass 209 MW of solar capacity by the end of 2025.

Historically throughout the Agency's solar park construction program, IMPA built solar parks in collaboration with an investor who could receive the federal investment tax credit. Under the agreements, IMPA would develop, build, and operate the parks and purchase 100% of the solar parks' production to achieve lower cost renewable energy in the process. The agreements IMPA entered into included an option to purchase the parks at a later time. At the end of 2023, IMPA was able to complete the purchase of four previously constructed parks: Anderson 2, Flora, Greenfield, and Spiceland. Under the terms of the purchase agreements, IMPA netted an approximate 15% cost savings from the original construction costs. Furthermore, with the passage of the Inflation Reduction Act (IRA) of 2022, IMPA has the opportunity to secure federal investment tax credits directly for the seven IMPA owned parks completed in 2023, rather than collaborating with a third-party investor.

Since the start of the Agency's solar park program, IMPA has also evolved in its methods for maintaining and monitoring the parks. IMPA saw completion of the implementation of monitoring systems at all of its solar parks in 2022 and was able to utilize the technology to the fullest in 2023. The program allows multiple assets to be reviewed at one time, and the technology allows for effective maintenance while increasing availability. Using the technology, each solar park is essentially a computer network equipped with a platform that communicates to all the devices and records data. The platform allows for the communication of real-time alerts for issues at the parks. IMPA's solar technicians and engineers can access any park anytime or anywhere, enabling the solar team to quickly and efficiently address issues throughout the 50 parks the Agency operates.

**A rich history
has built a
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will rely on the
ability to evolve.**







evolve

In 2023

**IMPA saw the addition
of a new power resource
through a long-term
power purchase contract
with a wind farm.**

Aside from solar, IMPA also saw the addition of a new power supply resource through a long-term power purchase contract with Enel North America's Alta Farms project. Alta Farms is a 200 MW wind farm located in DeWitt County, Illinois, and the IMPA contract ensures the Agency will receive 75 MW of its output. Interconnection was completed early in 2023 and the Agency began receiving power from the project in May. The output from Alta Farms enables IMPA to expand its diverse power supply portfolio to include wind energy while economically meeting the growing power needs of member communities.

Additionally, the Agency finalized a power purchase agreement (PPA) for 150 MW of solar energy, capacity, and renewable energy credits from the Ratts 1 Solar Project. An engineering, procurement, and construction (EPC) contractor was solidified in 2023 and the project is moving forward. Expected to be operational in mid-2025, Arevon is developing the project in Pike County, Indiana.

Just as IMPA's resource portfolio has evolved, other organizations within the industry found themselves and their processes evolving. In late 2022, the Midcontinent Independent System Operator (MISO) announced changes to its seasonal resource adequacy requirements rather than relying on a single summer peak. The planning resource auction assesses whether sufficient power supply is available from member utilities to meet demand for the upcoming year. The changes were proposed to address a significant increase in emergency events that were occurring year-round, largely due to a variety of factors including generation retirements, reliance on intermittent resources, and outages resulting from extreme weather events. IMPA provided feedback regarding the new seasonal construct, and continues to explore ways to best meet the new seasonal requirements.

IMPA also made a change to its credit facility, which enables the Agency to issue security or debt to finance business operations. In 2023, IMPA faced the expiration of the Agency's current credit facility with PNC Bank. Renewing or replacing a credit facility is a lengthy process and bondholders and rating agencies take notice if a credit facility nears expiration. IMPA sent requests for proposals (RFPs) and received six responses. Of the responses received, IMPA selected the Bank of America proposal as the best fit for the Agency's and members' needs. The Board of Commissioners approved the new three year credit facility with Bank of America in February, enabling the Agency to close on the credit facility in March.

As many areas of IMPA's operations evolve, the Agency and its members continue to find stability remaining in one area - rates. Despite the many changes facing the industry, IMPA successfully managed to maintain stable rates for its member communities in 2023. In today's world, maintaining stable rates does not mean that rates do not increase, but rather that they increase at a measured, non-volatile rate. While other utilities have seen double digit percentage increases, IMPA has successfully kept increases to a single digit level. In October, the Agency announced an average 2.55% increase in wholesale rates for 2024. While rate increases are never ideal, IMPA is proud of the staunch oversight of its financial decisions that enabled the increase to be limited to this small amount. Additionally, even with the increase, IMPA's member utilities will remain among the lowest cost providers in the state of Indiana.

As IMPA and other utilities navigate the energy transition, the ability to evolve is paramount to future success. IMPA and its members will continue to evolve the Agency's portfolio, processes, and goals to secure a reliable, low-cost, and environmentally-responsible energy future.



engage

IMPA plays a vital role in the success of its member communities, and remains engaged on a continual basis to ensure the Agency is keeping the best interests of its members in mind for the future. For an Agency celebrating 40 years of operations, it is imperative that the Agency's long-term planning and vision makes sense for its members. IMPA's stability and measured track record of success is one factor that drives engagement from member communities.

IMPA entered 2023 having extended the power sales contracts of 59 of its 61 member communities. The Agency was proud to add to this number during the year, as the city of Scottsburg made the decision to approve the extension to the power sales contract. The contracts provide the security and support the Agency needs when issuing bonds and seeking long-term financing opportunities. IMPA continuously looks ahead to plan and secure cost-effective resources where the cost of the investment can be spread over the life of the asset. With 60 of its member communities signed on, the extensions ensure the next generation of municipal electric customers continue to enjoy a low-cost, reliable, environmentally-responsible power supply.

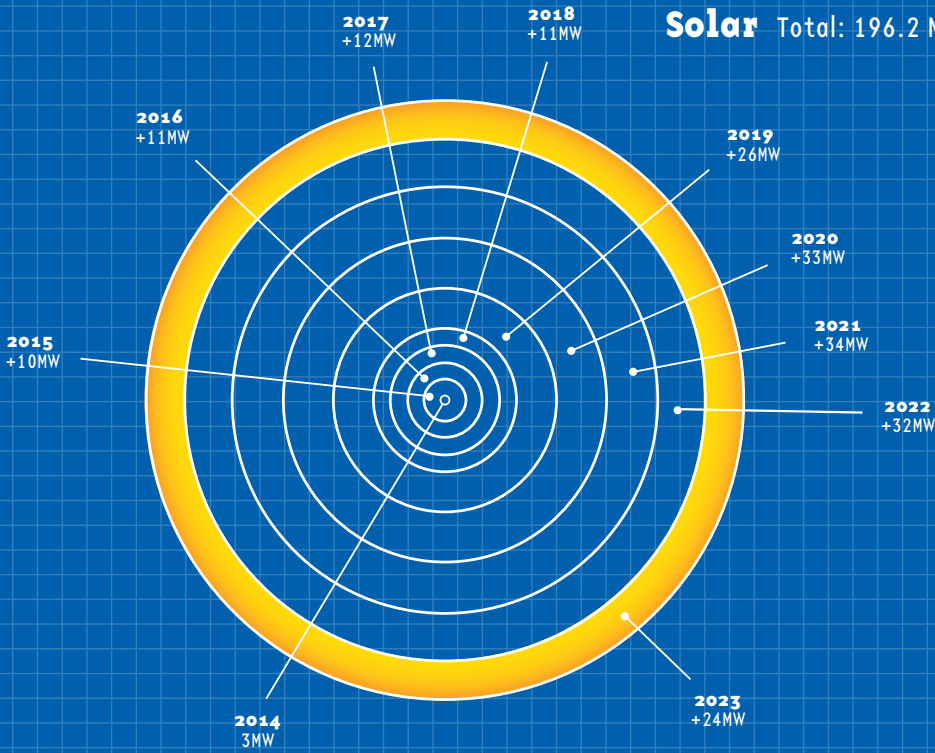
As IMPA prepares for future generation needs, the Agency engages its staff and member communities in evaluating the best possible fit for future success. Key to IMPA's changing portfolio is the Agency's efforts to develop multiple scenarios for future portfolios—a task IMPA undertakes every three years as part of the Integrated Resource Plan (IRP). The IRP, while required by state law, is also an excellent opportunity for IMPA to fully investigate future resource scenarios and determine pathways that are the most beneficial for IMPA's membership. The scenarios start with IMPA's current capacity position and take into account varying factors and rules that influence future resource opportunities and acquisitions. Each scenario also weighs associated risks with the pathways chosen as well as the financial impact. Above all, the scenarios adhere to the Indiana Utility Regulatory Commission's (IURC) Five Pillars of Utility Planning: reliability, affordability, resiliency, stability, and environmental sustainability. Following review and analysis of the IRP, IMPA submitted the finalized version to the IURC in early 2024.

The IRP process helps IMPA to identify potential shortfalls in capacity and evaluate opportunities to fill those gaps. IMPA must engage in action now to ensure resources are available to fill such gaps when they occur. For that reason, and in alignment with the IRP scenarios, the Agency is considering the addition of a resource to fill future capacity needs. IMPA issued an all-source RFP to determine the availability of long-term and short-term capacity options. While longer-term options that met the Agency's criteria were not available, a shorter-term option could be used to fill capacity needs until such time as a project would be complete. As with all of IMPA's generation projects, the Agency examines potential opportunities and will engage with its Board of Commissioners to make decisions for future capacity that best benefit the needs of all members.

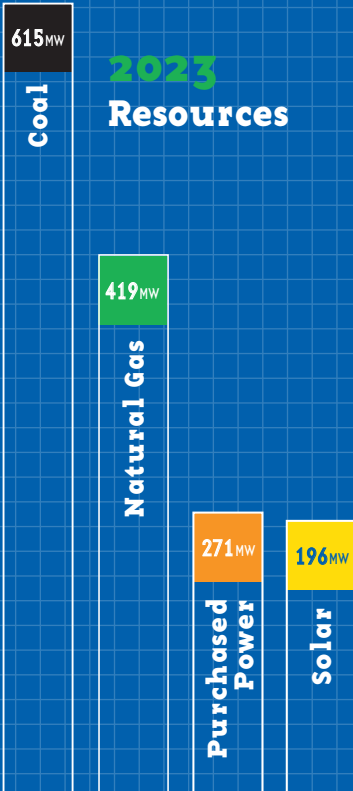
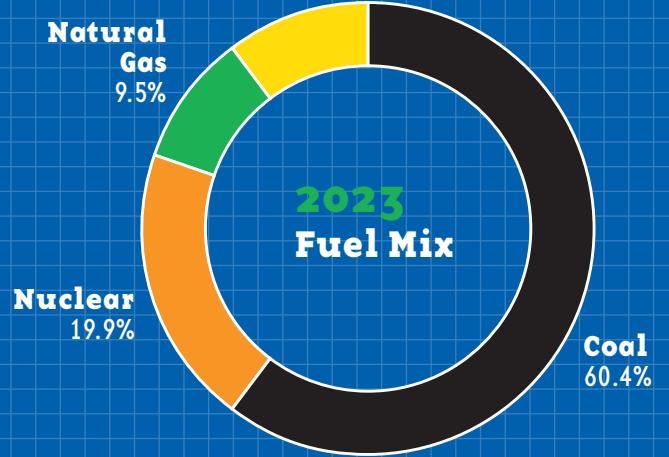
IMPA's engagement with its members shined in April when severe storms moved throughout the state, bringing tornados and high winds through municipal communities and damaging their local electric systems. In the late hours of April 1, heavy rain and high winds worsened into a tornadic event in south Bargersville, traveling northeast for nearly two miles and damaging the local electric distribution system. The Agency's engineering and operations subsidiary, IMPA Service Corp, was called to action. IMPA Service Corp line crews were on hand in Bargersville and the Whiteland area to provide support and ensure power was restored to customers as soon as possible. Just a few months later, crews responded yet again to communities in need following severe storms. Paoli was one of the hardest hit, experiencing three tornados in a matter of just a few hours. Winds of over 100 mph uprooted trees, destroyed

**IMPA's
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record of success is
one factor that
drives engagement
from member
communities.**

2023
Solar Total: 196.2 MW



Renewables
10.2%



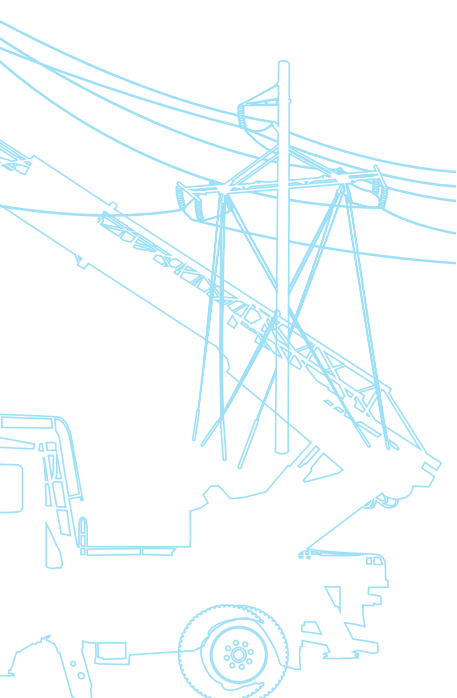
homes, damaged buildings, and downed power lines. While there were fortunately no serious injuries or deaths, the entire town was without power. One of the first calls made was to IMPA Service Corp to request assistance. Crews swiftly coordinated procedures and staffing requirements to restore electricity to local homes and businesses. Getting power restored was a collective effort from the IMPA Service Corp teams and local crews, who were able to reenergize half of the community within two days of the event and the remainder of the community just a day later. IMPA Service Corp's quick actions and engagement with communities in distress is a testament to the strong partnerships IMPA has with its member utilities.

As the summer approached, IMPA staff engaged in preparations to ensure power supply reliability to member communities. These preparations included fuel supply adequacy analysis, planned and maintenance outages, and additional system checks. With strategic planning and preparations underway, the Agency ensured its capacity position for the summer would provide sufficient coverage for each month through the season. The summer season was plagued by high temperatures and potential capacity shortages in the various regional transmission operator (RTO) areas. Even with the forecasted shortages across the RTO footprint, IMPA and its members were able to adequately meet the needs for the summer and supply customers responsibly. The IMPA staff has already planned ahead to ensure resource adequacy and safeguard the delivery of power to members throughout 2024.

Just as IMPA stood ready to assist members with field work and resource adequacy, the Agency's Member Services staff stood ready to communicate with members and ensure they had the most up-to-date information on emerging situations. IMPA implemented a notification system in 2022 that allows the Agency to quickly and efficiently notify contacts in member communities of important information via text, voicemail, or email. IMPA utilized the system in July when temperatures soared and resources were tight in the territory of one regional transmission operator. The system quickly notified communities of the need for voluntary conservation among customers, rapidly engaging community participation to help reduce loads on the grid. IMPA will continue to utilize the system as needed to impart timely and important information to members.

While keeping members engaged in activities related to power supply, IMPA also worked to keep members engaged in legislative and regulatory activities that impact their power supply and the overall health of their community. The Agency is keenly aware of the impact legislative and regulatory matters have on the operation of public power utilities in municipalities. As the electric industry overall continues to navigate the energy transition, IMPA utilizes its relationships with state and federal policymakers, as well as regulatory agencies, to educate and raise awareness of issues impacting IMPA. Engaging its member communities in such activities helps to mitigate potential legislatively-induced negative impacts on public power utilities throughout the state. Working together with its members, IMPA amplifies the voice of public power on both a state and national level.

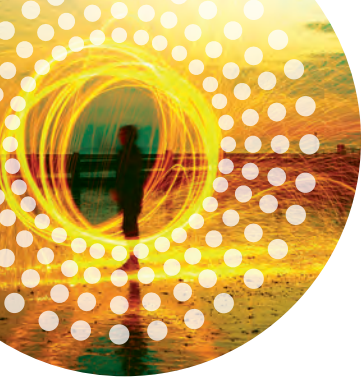
IMPA continued its efforts to identify grant opportunities for public power communities, a result of the Infrastructure Investment and Jobs Act of 2021. The Act seeks to invest in infrastructure support and improvements across the nation through funding and grant opportunities. As the year progressed, IMPA identified a few opportunities for members to potentially earn funding through various grant applications and worked with members to support them in their application efforts. The Agency continues to monitor grant opportunities – both through the Infrastructure Act and through smaller scale programs at the state and regional levels – to ensure the growth and well-being of member cities and towns.





IMPA Service Corp's
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member utilities.

engage



empower

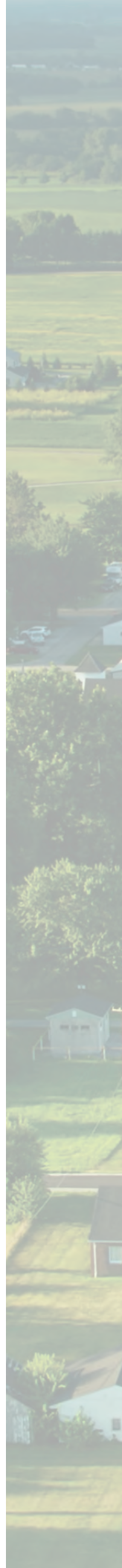
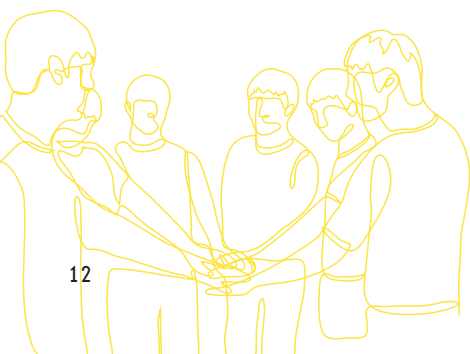
While IMPA evolves its processes and engages members in decisions regarding the future, the Agency also looks for opportunities to empower its members –to grow, to achieve, and to strengthen local utilities for the betterment of local communities. IMPA continued to increase its available services to members throughout 2023 to ensure members had access to opportunities to grow their skills and resources.

IMPA Service Corp’s Dedicated Services Program continued to provide invaluable assistance to the communities in its membership. In 2023, the group expanded services to the community of Etna Green in northern Indiana, joining the 14 other communities that were already part of the program. Etna Green will receive system maintenance, vegetation management, and emergency restoration services on a regular basis, promoting a healthy electric infrastructure and securing reliable service to customers. Etna Green joins the communities of Advance, Brooklyn, Centerville, Dublin, Dunreith, Frankton, Knightstown, Lewisville, New Ross, Rockville, South Whitley, Spiceland, Straughn, and Thorntown as part of the Dedicated Services program.

IMPA Service Corp also saw membership growth with its Automated Metering Infrastructure (AMI) Program. Late in the year, the communities of Chalmers, Flora, and New Ross made the decision to join the program. The AMI program was designed to help IMPA communities realize savings in their efforts to acquire the latest technology in smart metering. Communities who participate in the AMI program through IMPA Service Corp share the cost of software, server hosting, and startup training. Of the member communities with active meters at year end, over 34,000 electric meters and over 14,500 water meters had been installed and were being utilized. With the addition of the three communities, the planned meter count will rise to 35,500 electric meters and a total of 50,000 water and electric meters by the end of 2024. Chalmers, Flora, and New Ross join the communities of Advance, Argos, Bargersville, Blanchester, Coatesville, Frankton, Greenfield, Knightstown, Lawrenceburg, Lewisville, South Whitley, Straughn, Tipton, and Walkerton as participants in the program.

IMPA continued to host monthly workshops at its conference center in 2023. The workshops covered a variety of topics of importance to member utility personnel, ranging from disaster relief and rigging to human resources and customer service. Through continued workshops and education, IMPA helps to empower local public power employees to impact the communities they serve. The workshops were a great opportunity for personnel in member communities to not only gain education on varying topics, but also to connect with others with shared goals and situations.

Entering its third year, IMPA Service Corp’s Safety Program saw its most participants yet, as additional communities signed on for the opportunity to participate in monthly training sessions. The Agency partnered with Tennessee Valley Public Power Association (TVPPA) Education and Training to bring in knowledgeable and experienced trainers to guide participants through a pre-determined list of topics, including storm restoration safety, pole top and bucket rescue, personal protective equipment, and work zone safety. Communities participating in the safety program cost share in the expenses, with participants choosing the number of meetings they want to attend. The cost of the program to each community is reduced by the number of communities that participate. At year end, the slate of topics for 2024 had already been determined and communities made plans to prioritize safety and training at their utilities for the coming year. Through these programs, IMPA and IMPA Service Corp empower public power employees with the skills and resources needed to safely aid their communities.



An aerial photograph of a rural town. A main road runs vertically through the center. On either side are residential houses, some with green roofs, and several large barns. The background consists of vast green fields under a clear sky. The word "empower" is written in white lowercase letters in the upper right quadrant.

empower

IMPA Service Corp also continued to offer its Apprenticeship Program to its own personnel and line personnel throughout the state, in cooperation with TVPPA. Through the program, apprentices learn the hows and whys of the profession, including the basic tools and equipment used in everyday operations, as well as specific areas, such as underground distribution systems, transmission and distribution line maintenance, transformer connections, meter applications, and substation operations. The program combines in-class sessions along with field laboratories where knowledge is tested in application. At the end of the program, which can last up to five years, apprentices can earn their journeyman lineman certification.

While empowering individuals and utilities, IMPA also seeks to support and sustain the economic health of its member communities as a whole. When cities and towns are growing and prospering, IMPA is strengthened as well. The Agency continuously identifies opportunities to bolster economic development initiatives in member communities, whether it is through passing on leads for new businesses, providing support for expanding businesses, or assisting with questions from local economic development officials.

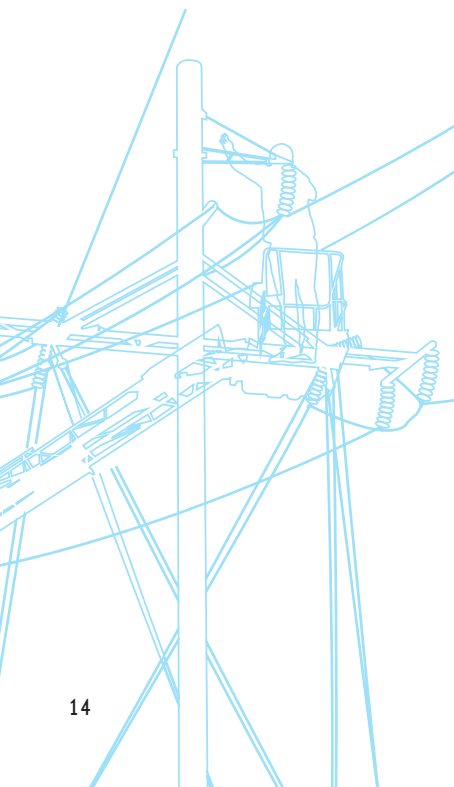
IMPA and its communities ended the year on a positive note, recognizing over \$900 million in investment in member communities across the state. Expansions were announced for two companies in member communities, both bringing large investments: Nestle in Anderson, with \$400 million in investment, and Blue Buffalo in Richmond, with a \$200 million investment. New companies were also welcomed, with one of the most notable being Liberation Labs in Richmond, who plan to invest over \$115 million in the community. The strong economic showing speaks to the engagement of IMPA's economic development personnel in member communities, as staff actively works to support cities and towns in their efforts. Of the 143 leads received for potential projects, IMPA staff were involved in 62 projects and 25 site visits.

Companies located in IMPA service areas already benefit from some of the lowest rates in the Midwest, but one incentive that actively draws attention is IMPA's Economic Development Rider. The Rider is a valuable tool for IMPA member communities to encourage the growth and success of existing companies in their service territory and to attract new businesses to their area. In order to qualify for the incentive, a member's customer must add 1 MW of new connected load and have a minimum \$1 million investment. Two customers qualified for the Economic Development Rider in 2023: Blue Buffalo and DAK Americas in Richmond.

IMPA also seeks to empower communities by involving them in economic development sales trips to out-of-state markets around the US. In 2023, IMPA staff joined with mayors and representatives from local and regional economic development organizations on trips to Atlanta, Georgia, and Chicago, Illinois. During these sales trips, IMPA's group met with site consultants and growing companies from target industries to share development opportunities in Indiana and IMPA's member communities. Through meeting with developers and companies, attendees marketed the benefits of working with Indiana communities, discussing local and statewide incentives, as well as the strength of IMPA as a wholesale utility. Meetings during the sales trips also helped attendees understand the direction that economic development is trending toward on a nationwide scale. The trips are just one more way that IMPA seeks to strengthen local economic development initiatives.

IMPA

**seeks to empower
individuals, utilities,
and communities
as a whole.**





Linemen Appreciation Event

In what has quickly become an annual tradition, IMPA was pleased to recognize the dedication of Indiana's public power lineworkers with the Agency's Linemen Appreciation Event, held on September 19. Over 100 community leaders and utility workers from IMPA member communities joined together to recognize and honor the individuals who provide the essential service of electricity to public power communities.

The day provided opportunities for linemen and utility personnel to gather in comradery and be celebrated for their continued impact on their municipal utilities and communities. Amongst the vendor fair, cornhole tournament, yard games, and axe throwing fun, participants also had the chance to network with personnel from other utilities. The day included a time to honor those in attendance. Apprentices of all levels were recognized for their commitment, and speakers shared their own personal experiences on the role a lineman plays in the community. The honors concluded with the presentation of the IMPA Kerry Vincent Distinguished Lineworker Award. The recognition was created in 2021 to honor the life and legacy of Kerry Vincent, a longtime employee of IMPA and an advocate for public power. The award recognizes a lineworker who exemplifies the characteristics of commitment, compassion, character, and community - traits that Kerry embodied in his everyday life.

**Recognizing
and honoring the
individuals who
provide
the essential service
of electricity.**



Randy Hendrickson
Pictured with his wife Donna.

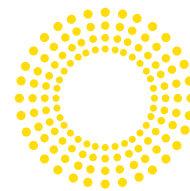
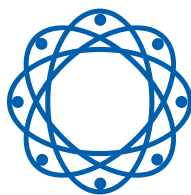
Randy Hendrickson, the recently retired Line Superintendent for Crawfordsville Electric Light and Power, was selected as the 2023 recipient of the award due to his qualifications in each criterion. Hendrickson served his community for 37 years prior to his retirement and continues his commitment to the industry by working as an instructor and educator with Tennessee Valley Public Power Association.



IMPA's continual focus on economic development garnered national attention yet again as the Agency was recognized by *Site Selection Magazine* as one of its Top 20 Utilities in Economic Development. It was the fourth time in five years that the Agency was selected for the distinction. Out of over 3,300 utilities nationwide, the 20 utilities chosen for the designation are determined by examining corporate end-user project investment and affiliated job creation in those utilities' territories the previous calendar year, evaluated on a cumulative and per-capita basis. They also consider economic development programs and incentives for business, including energy efficiency and renewable energy projects, marketing/outreach, and rates. IMPA was the only Indiana utility to be recognized.

IMPA and IMPA Service Corp continue to offer programs and services that benefit IMPA's municipal communities, empowering them with the knowledge and resources needed to continue providing customers with the reliable, hometown electric service they have come to expect.

IMPA's future path forward is built upon the Agency's strong historical foundation, but paved with possibility. As the Agency continues to determine its future, IMPA's evolution will be defined by the engagement of our members in the process, empowering the Agency to move confidently forward to a bright future.





2023 Board of Commissioners



Advance
Jim Caldwell



Anderson
Tony Pochard



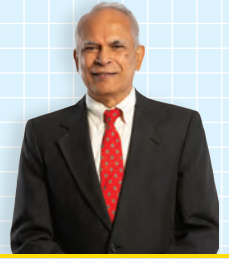
Argos
Jamie Lindstrom



Bainbridge
Nolan Ensor



Bargersville
Kevin Killinger



Blanchester
Ram Reddy



Columbia City
Shawn Lickey



Covington
Mayor Brad Crain



Crawfordsville
Allison Huenemann



Darlington
Brian Mullen



Dublin
Nathan Ulerick



Dunreith
Tim Martin



Greendale
Mayor Alan Weiss



Greenfield
Jane Webb



Huntingburg
John Reutepohler



Jamestown
Josh Hawkins



Jasper
Bud Hauerperger



Kingsford Heights
Kari Moss



Middletown
Ron Koons



Montezuma
Paul Bartlow



New Ross
Sherry Baird



Paoli
Danny Hickman



Pendleton
Craig Switzer



Peru
Josh Chance



Thorntown
Gary Moody



Tipton
Dick Klein



Troy
Bernard "Pudder"
Linne



Veedersburg
Ken Smith



Walkerton
Phil Buckmaster



Washington
Randy Ennis



Bremen
Ben Wright



Brooklyn
Mitch Moore



Brookston
Terry LaOrange



Centerville
Dan Wandersee



Chalmers
Pam Brown



Coatesville
Ron Slover



Edinburgh
Kevin Rubush



Etna Green
Keith Claassen



Flora
Trevor Ayres



Frankfort
Todd Corrie



Frankton
Lisa Corey



Gas City
Dick Justice



Knightstown
Sarah Ward



Ladoga
Mike Hubble



Lawrenceburg
Billy Kinnett



Lebanon
Ed Basquill



Lewisville
Jayana Posey



Linton
Brent Slover



Rensselaer
Mayor Stephen Wood



Richmond
Tony Foster



Scottsburg
Mayor Terry Amick



Spiceland
Jeff Lane



Straughn
Ruth Davidson



Tell City
Andy Hicks



Waynetown
Barry Lewis



Williamsport
Kevin Strickler



Winamac
Brad Zellers

Not pictured:

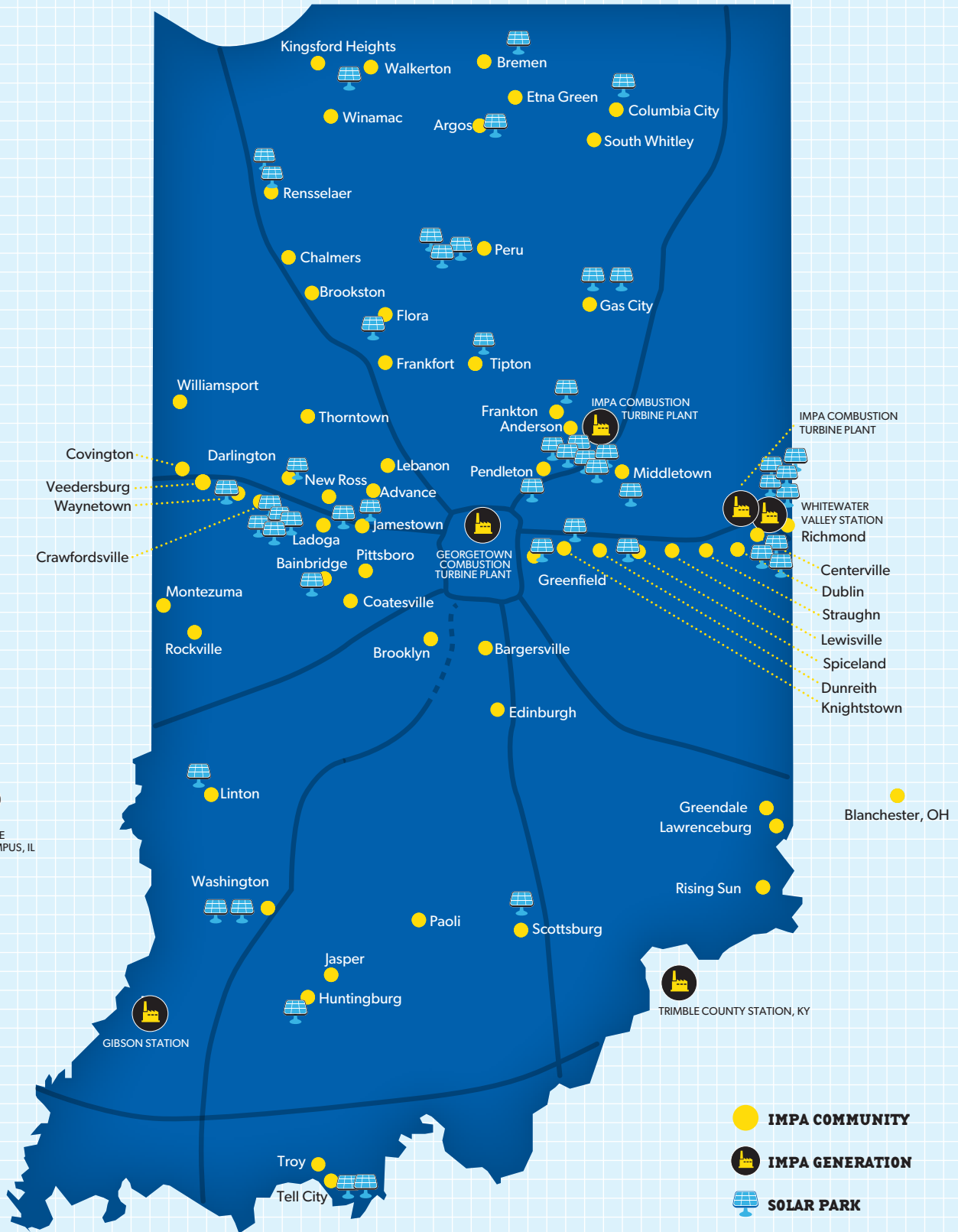
Pittsboro, Jason Love

Rising Sun, Brandon Cappel

Rockville, Keith Fischer

South Whitley, Randy Cokl

Member Communities





IMPA's 2023 Management Team

Chris Rettig, Executive Vice President and CFO

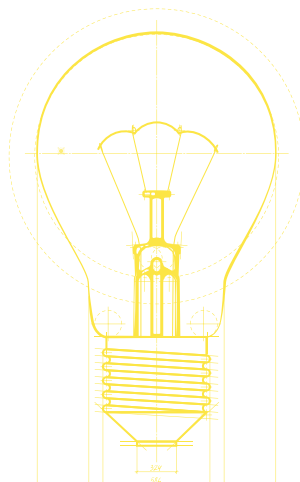
Peter Prettyman, Senior Vice President and General Counsel

Jane Hemmerlein, Vice President of Human Resources

Jack Alvey, President and CEO

Joe Schmidt, Executive Vice President, Electrical Engineering and Operations

Kyle Brouillette, Senior Vice President, Market Operations and Planning



2023 Annual Operating Results

Operating Revenues, which are composed of sales to municipalities and other revenues, decreased by approximately \$58.6 million (11.1%) compared to 2022. Milder temperatures and lower operating costs resulted in lower sales to municipalities by approximately 11.5% compared to 2022. The average accrued cost per kWh for 2023 was 7.74 cents, an approximate 8.0% decrease compared to 2022.

Total operating expenses decreased by approximately \$37.5 million (8.2%) compared to 2022. Lower purchased power, fuel and transmission costs were the primary drivers of lower operating expenses. Total non-operating expenses decreased by approximately \$25.1 million (64.9%) compared to 2022 primarily as a result of higher investment interest and investment tax credits earned in 2023.

Condensed Consolidated Statements of Revenues, Expenses and Changes in Net Position (\$ millions)

	2023	2022
Sales to municipalities	\$ 461.0	\$ 521.0
Other revenues	10.0	8.6
Total Operating Revenues	471.0	529.6
Purchased power, fuel and production expenses	246.5	286.2
Transmission and local facilities	51.4	58.6
Other operating expenses	122.4	113.0
Total Operating Expenses	420.3	457.8
Total Operating Income	50.7	71.8
Interest expense	61.9	60.0
Interest income	(22.5)	(11.9)
Other non-operating income	(25.8)	(9.4)
Total Non-Operating Expenses (Income)	13.6	38.7
Change in Net Position	37.1	33.1
Net Position at Beginning of Year	478.0	444.9
Net Position at End of Year	\$ 515.1	\$ 478.0

Utility plant decreased approximately \$25.2 million in 2023. 2023 Capital additions were approximately \$45.0 million. 2023 Retirements were approximately \$3.2 million. Depreciation expense was approximately \$67.0 million in 2023.

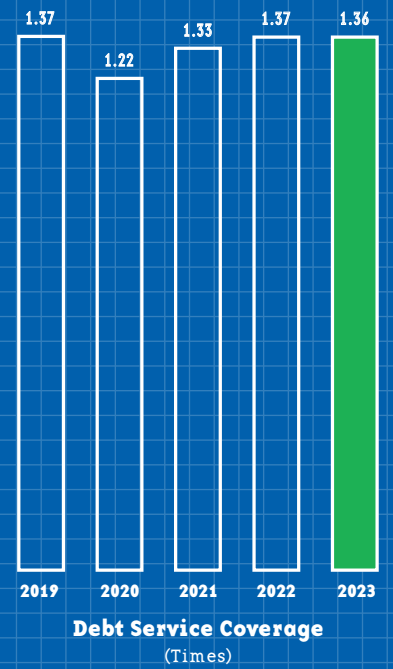
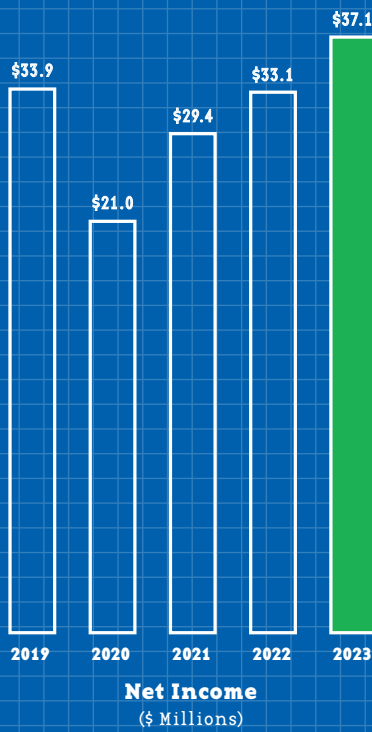
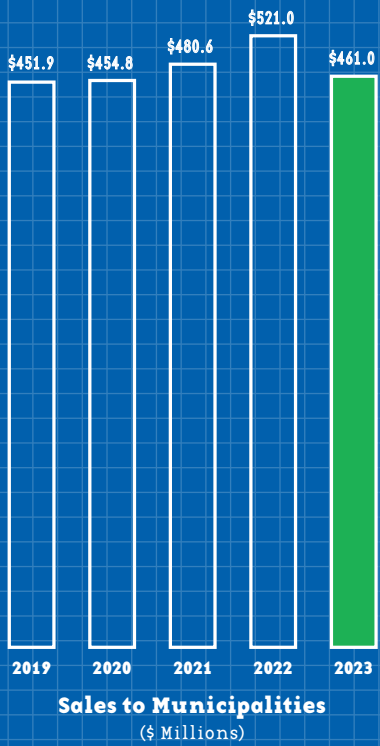
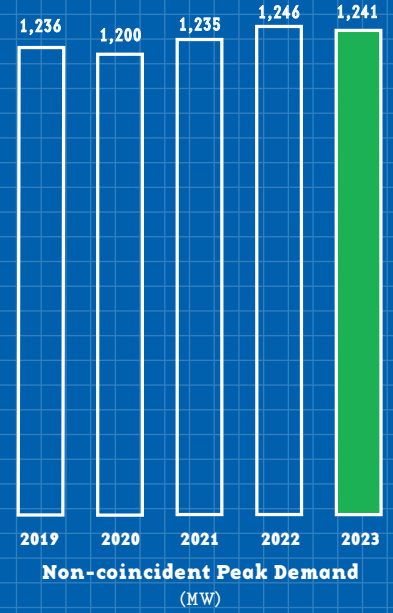
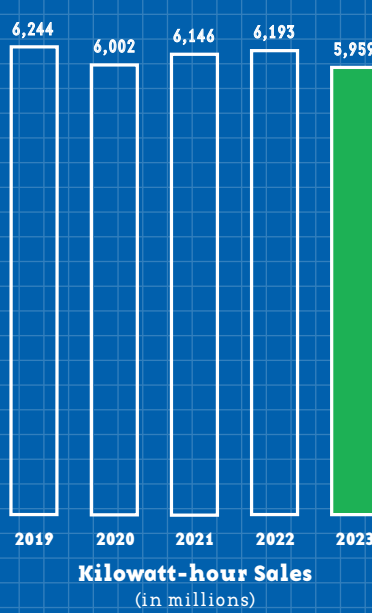
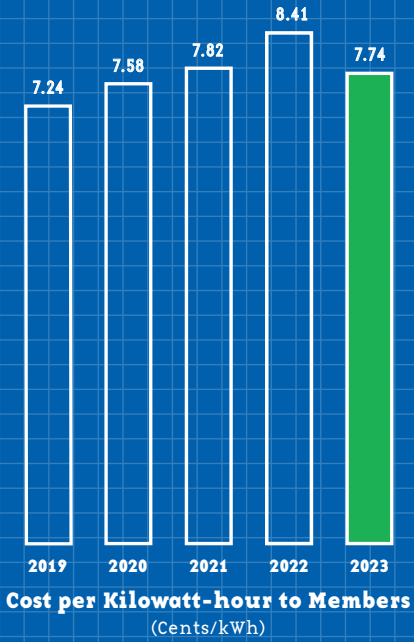
During 2023, total net position increased approximately \$37.1 million, reflecting IMPA's 2023 change in net position.

Debt service coverage for 2023 was 1.36 times. The Agency's bond resolution requires debt service coverage to be at least 1.10 times.

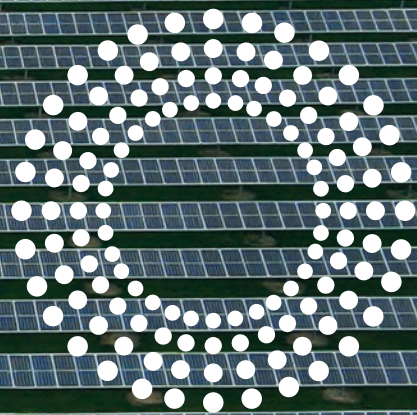
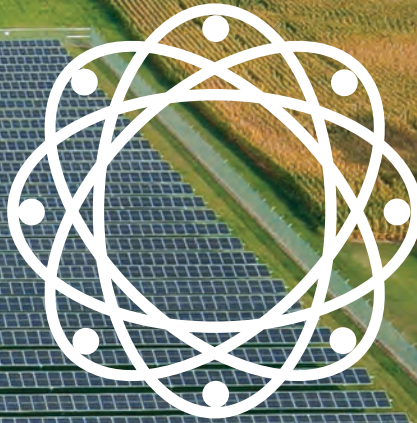
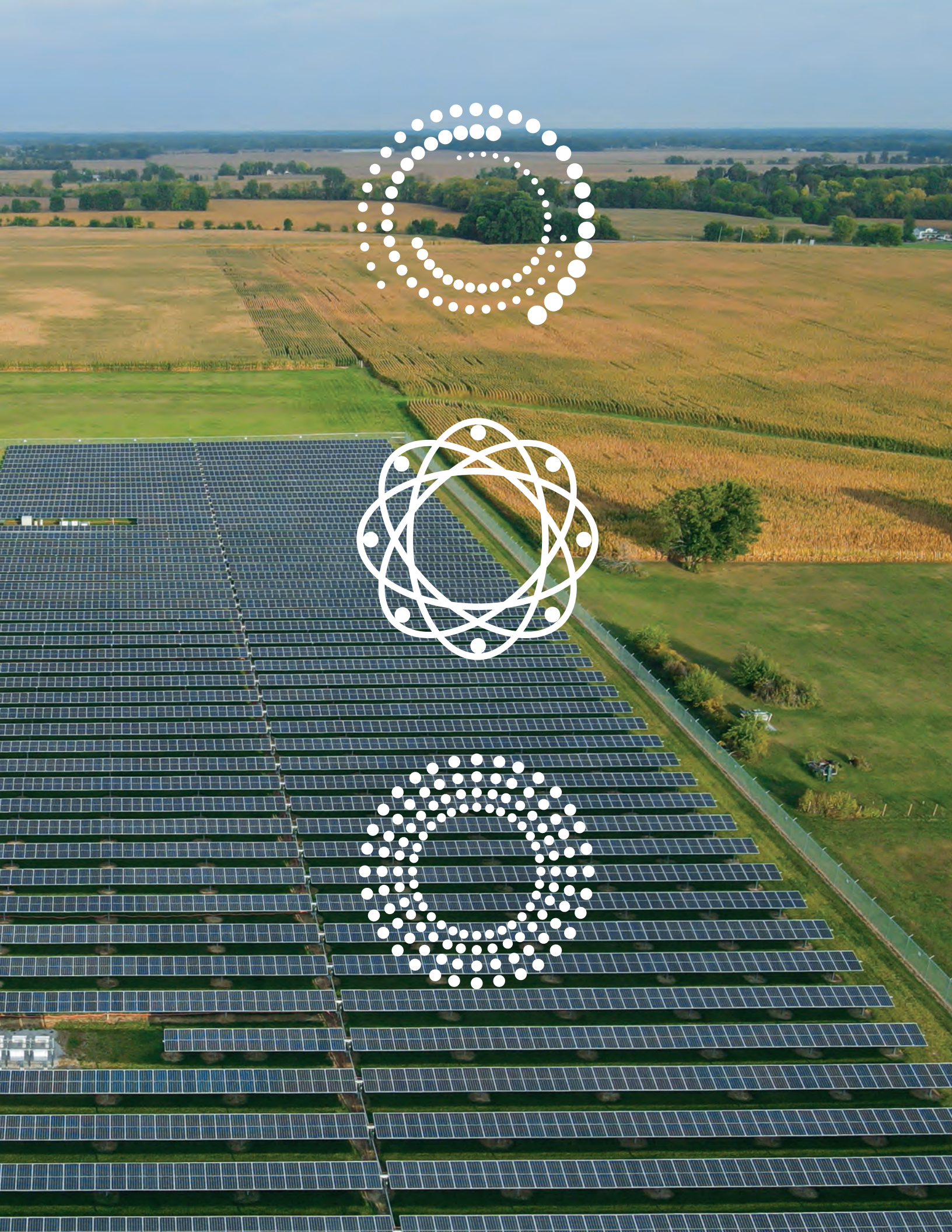
Condensed Consolidated Statements of Net Position (\$ millions)

	2023	2022
Utility plant, net	\$ 1,263.6	\$ 1,288.8
Cash and investments	407.9	386.3
Other current assets	161.5	197.5
Non-current assets and deferred outflow of resources	240.9	262.7
Total Assets and Deferred Outflow of Resources	\$ 2,073.9	\$ 2,135.3
Net investment in capital assets	(106.6)	(123.4)
Restricted	153.0	177.2
Unrestricted	468.7	424.2
Total Net Position	515.1	478.0
Current liabilities	115.3	161.0
Non-current liabilities and deferred inflow of resources	1,443.5	1,496.3
Total Liabilities	\$ 1,558.8	\$ 1,657.3
Total Net Position Liabilities and Deferred Inflow of Resources	\$ 2,073.9	\$ 2,135.3

Financial Highlights









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