



THE POWER OF PEOPLE

**Our journey to powering
Nebraska's future**
2024-2026 Strategic Plan



Nebraska Public Power District
Always there when you need us



A Message From the President

2024-2026 Strategic Plan

Strategic Plan Puts Customers First

Consider NPPD's vision, mission, and values as three legs on a stool; eliminate one leg, and the stool will fall over every time. To build a solid organizational foundation, NPPD cannot focus on only one or two of these legs. All three together give us purpose, direction and standards centered entirely on successfully powering customers' lives in an affordable, reliable, sustainable, and resilient manner. From them, we can create the right directives, corporate strategies and operating and business plans within our multi-year Strategic Plan that direct us closer to our strategic destination.

Our Strategic Plan also recognizes and accounts for several constantly evolving key drivers affecting our industry, guiding NPPD to always stay the course to put customers first while in pursuit of the right goals. Some of those evolving key drivers involve our customers, new generation capacity and financial opportunities.

We know our customers are diverse, with varying requirements and expectations that make serving them complex. Equally intricate is how we will meet new generation capacity needs as load growth increases, while factoring in financial opportunities from the Inflation Reduction Act and Infrastructure Investment and Jobs Act which will help manage our carbon business risk.

Of course, none of this can happen unless NPPD continues to build an engaged, skilled team who can drive current and future solutions toward everyday excellence in an agile manner which challenges the status quo. We understand workplace priorities are evolving and the job market is growing increasingly competitive, and we are committed to keeping NPPD a place where people want to work. NPPD's strategic priorities are instrumental in helping us successfully navigate these key industry drivers, and it's important they accurately reflect the industry change at hand. That's why you'll see updates to the names and details for four of the five priorities:

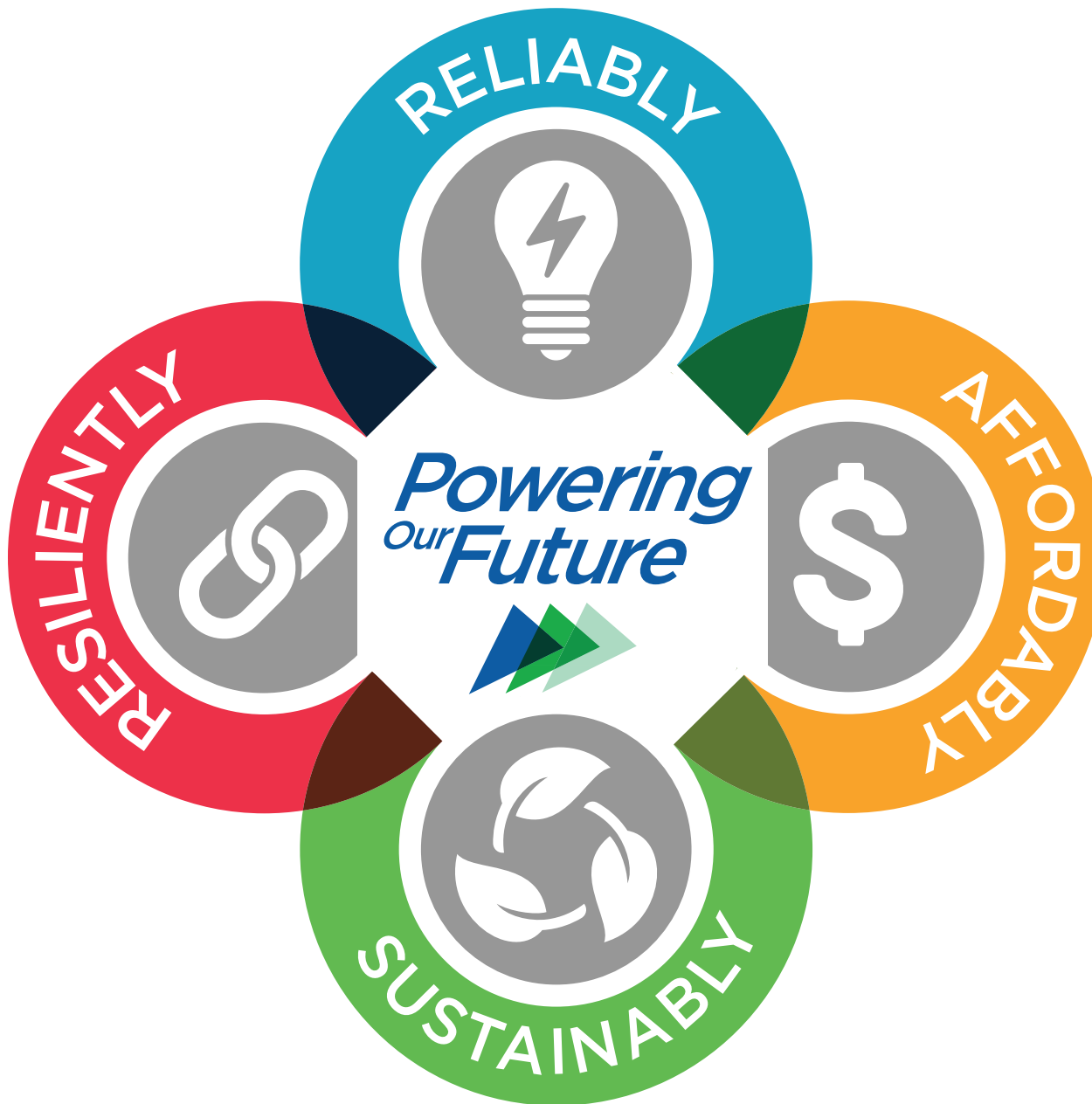
- Improve our Alignment and Relationship with Customers = **Enhance the Customer Experience**
- Decarbonize Our Resource Mix = **Carbon Business Risk and Resource Adequacy**
- Build Upon Workforce Engagement and Development = **Enhance the Teammate Experience**
- CFC Position and Cost Control = **Cost Competitiveness**

While we have teams diving into these priorities, it takes everyone within the NPPD family to effectively achieve these goals. May this Strategic Plan act as your first resource to guide your work in the coming years so we can be the provider of choice for customers, now and in the future.

A handwritten signature in black ink, appearing to read "Tom Kent".

Tom Kent
President & CEO





Staying focused on the mission of public power in Nebraska.

Public power has played a crucial role in the electrification of communities, the overall economic growth, and improving the quality of life in Nebraska for nearly a century. However, at no point in those years has the industry faced more fundamental changes spurred by government policies, emerging technologies, environmental issues, and customer needs than now. By staying true to these foundational priorities, everyone here at the District can remain focused on the mission of public power and respond to all challenges to power the future of Nebraska.



Electricity is the lifeblood of modern society and the economy.

Every one of us plays a critical role in ensuring it's available at the flip of a switch for customers, large or small. We are proud of public power's rich history of providing reliable and affordable electricity to Nebraskans. Yet, we are mindful that the state's energy future is defined by what we do every day. Our Strategic Insight Map guides us through what we need to do today and the days ahead to power a brighter future for generations to come.



Safely generate and deliver reliable, low cost, sustainable energy and related services, while providing outstanding customer service.



We are a premier energy provider bringing the best of public power to Nebraskans, powering everyday life and a brighter future.



Safety

We all share in the responsibility of making safety a top priority with every action we take at work and at home, and we achieve a fully interdependent safety culture by taking care of each other and staying healthy and safe.

Customer Focus

We create and deliver value-added services and products for our customers and put their diverse needs first when making decisions because they are our reason for being.

Environmental Stewardship

We each play a role in protecting our natural resources for current and future generations, and we work together to generate and deliver electricity in a balanced, sustainable and environmentally responsible manner.

Integrity

We prioritize doing what is right for our customers, communities and teammates by exhibiting honesty, accountability and high ethical standards that establish trust and transparency.



Employees & Teamwork

We eagerly collaborate with and support one another in the spirit of innovation, inclusivity and growth, celebrating individual, team and corporate achievements.

Excellence

We strive to be the best of the best in individual and industry performance.

Public Service

We are actively engaged in our local communities through volunteerism and business partnerships which yield positive environmental, economic and societal outcomes for all.

Diversity & Inclusion

We believe diversity makes our team stronger and more successful, and we are committed to creating a safe workplace where respect is non-negotiable, all are welcome, and everyone's contributions are valued.



Becoming the Best of the Best

Key Performance Indicators

Aligns with Strategic Directives:
SD-03, SD-07



We have a proud history of providing low cost reliable power to the customers of NPPD. Let's keep safety as our top priority, while we operate and maintain our assets so they perform better than our goals. That is how we continue being the best of the best.

— Art Wiese
VP Energy Production

How We Measure Everyday Excellence

- Reliability Indices, including:
 - System Average Interruption Duration Index
 - System Average Interruption Frequency Index
 - Transmission Index
 - Capability Factor
 - Equivalent Availability Factor
- Industry Performance Index
- Reactor Oversight Process Matrix
- Environmental Performance Index
- Load Forecast Accuracy



Becoming the Best of the Best

Key Performance Indicators

Aligns with Strategic Directives:
SD-03, SD-04



“As the winds of change transform our industry, our journey to becoming the energy leader of tomorrow will require our team to remain agile, committed, and innovative!”

— **Laura Kapustka**
VP & Chief Financial Officer

How We Measure Everyday Excellence

- Cooperative Finance Corporation (CFC) Rate Position
- Energy Information Administration (EIA) Rate Position
- CFC \$/MWh and EIA Ratio \$/kWh
- Days of Cash
- Debt-to-Equity Ratio
- Average Wholesale Production/Transmission Cost



Becoming the Best of the Best

Key Performance Indicators

Aligns with Strategic Directives:
SD-04, SD-06, SD-08, SD-09, SD-10, SD-11



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We must strengthen our communities through shared economic development goals. And, at the end of the day, we must also do what we do best – continue to provide them with affordable, reliable, and sustainable energy. This is how we will truly power everyday life and a brighter future for all.

— Courtney Dentlinger
VP of Cust. Serv. & Ext. Affairs,
& Chief Customer Officer

How We Measure Everyday Excellence

- Partner of Choice
 - Customer Satisfaction
 - Customer Trust
 - Customer Engagement
- Perception of NPPD's Products and Services
- Perception of NPPD's Value Creation



The public's perception of NPPD is one of our most important assets. We must regularly measure how our stakeholders perceive NPPD's performance. Our performance is reflected every day in our actions to safely, reliably, sustainably and resiliently provide low cost energy. Our regular measurement of these attributes helps us track our progress toward becoming the best of the best.

— John McClure
Executive VP External Affairs
& General Counsel

How We Measure Everyday Excellence

- NPPD's Reputation w/ Stakeholders
- Stakeholder Perception of
 - Reliability
 - Cost Competitiveness
 - Ethics/Fairness/Transparency
 - Environmental Stewardship



Becoming the Best of the Best

Key Performance Indicators

Aligns with Strategic Directives:
SD-02, SD-03, SD-04, SD-06



“Our teammates are the most important asset we have at NPPD so focusing on areas of recruitment, retention, and rewards is critical to our continued success.”

— Robyn Tweedy
VP & Chief Information Officer

How We Measure Everyday Excellence

- Employee Safety
 - Days Away, Restricted or Transferred (DART) Incident Rate
 - Recordable Incident Rate
 - Preventable Vehicle Accident Rate
- Employee Human Performance
 - Consequential Error Rate
 - Consequential Events
- Employee Engagement



3-5 Year Breakthrough Objectives

1. By 2027, NPPD will establish a culture in which teammates view external customers as a priority in all relevant work decisions
2. Structure NPPD to be the Partner of Choice as we evolve with Customers through increased responsiveness and agile, cross-departmental solutions and innovations by 2026
3. Be the energy leader of tomorrow by providing long-term value over the life of the Customer journey through enhanced products, services, and innovations to meet diverse, evolving customer needs by the end of 2026

Annual Objectives

- 2024**
- 1.1 Develop a strategy to influence teammate behavior with customers in mind
 - 2.1 Evaluate customer facing processes to ensure the customer is priority
 - 2.2 Establish customer profiles to determine what it means for us to be their Partner of Choice
 - 2.3 Continue to explore mutually beneficial contract solutions
 - 3.1 Improve the customer journey experience
 - 3.2 Helping the state capitalize on historic economic development opportunities
- 2025**
- 1.2 Implement a strategy to influence teammate behavior with the customer in mind
 - 2.4 Educate teammates on the new expectations for customer facing process improvements
 - 2.5 Implement actions on opportunities or risks
 - 2.6 Create mutually beneficial contract solutions
 - 3.3 Work with internal subject matter experts to identify, coordinate and pilot new products and services
 - 3.4 Close identified survey performance gaps for key customer metrics to achieve alignment on customer products and services
- 2026**
- 1.3 Use measurement data for any adjustments to the strategy for teammate behavior with customers in mind
 - 2.7 Demonstrate customer first behavior
 - 2.8 We are the Partner of Choice for all customers
 - 2.9 Incorporate mutually beneficial contract solutions
 - 3.5 Review product and service portfolio to measure customer and utility response

STRATEGIC DESTINATION

Providing best quartile rates while maintaining reliability/resiliency and pursuing decarbonization goals and strong, long-term customer relationships.



Key Performance Indicators of Progress

- Wholesale Customer Satisfaction
- Retail Customer Satisfaction
- Customer perception of NPPD's programs and services
- Customer adoption rate of programs and services



3-5 Year Breakthrough Objectives

1. Make the decision regarding Carbon Capture at Gerald Gentleman Station (GGS) Unit 2 by Q1 2026
2. Determine a strategy for long term operation of Sheldon Station (SS) by the end of 2025
3. Submit subsequent license renewal application to Nuclear Regulatory Commission (NRC) for Cooper Nuclear Station (CNS) by the end of 2027
4. Implement an expanded energy portfolio by the summer of 2026
5. Implement an expanded Capacity Plan in phases through summer of 2027

Annual Objectives

- 2024**
- 1.1 Evaluate potential new environmental requirements for GGS
 - 1.2 Evaluate the impact to GGS from the final carbon standard rule
 - 1.3 Complete Front-End Engineering Design (FEED) study with Baker Hughes by July
 - 2.1 Evaluate potential new environmental requirements for SS
 - 2.2 Evaluate the impact to SS from the final carbon standard rule
 - 2.3 Complete evaluation of SS Effluent Limitation Guidelines compliance options
 - 3.1 Secure Board authorization for subsequent CNS license renewal project
 - 4.1 Evaluate the market risks and opportunities
 - 4.2 Finalize the expanded energy portfolio strategy
 - 5.1 Manage the Generation Interconnect Filings as they go through the process
 - 5.2 Complete the Surplus Interconnect Filing for phase 1 capacity
 - 5.3 Establish capital projects and initiate procurement process for new capacity resources needed by 2026
- 2025**
- 1.4 Complete study of financing options by Q2 2025
 - 1.5 Evaluate potential new environmental requirements for GGS
 - 1.6 Complete evaluation of Trailblazer conversion to CO2 transport
 - 1.7 Complete the analysis of market IRA and operational benefits and risks
 - 2.4 Complete SS Effluent Limitation Guidelines project implementation and compliance demonstration by Q4 of 2025, or alternatively cease burning coal at the end of 2028
 - 2.5 Complete a report of alternative configurations for existing SS boilers by the end of Q4 2025
 - 3.2 Conduct analysis for CNS license application
 - 4.3 Initiate the expanded energy portfolio strategy
 - 5.4 Establish capital projects and initiate procurement process for new capacity resources needed by 2027
- 2026**
- 1.8 Make the decision regarding Carbon Capture at GGS Unit 2 by Q1
 - 3.3 Complete license application for CNS license extension
 - 4.4 Implement the expanded energy portfolio strategy
 - 5.5 Secure 150 MWs of capacity by summer of 2026

STRATEGIC DESTINATION

Providing best quartile rates while maintaining reliability/resiliency and pursuing decarbonization goals and strong, long-term customer relationships.



Key Performance Indicators of Progress

- Carbon emissions
- Carbon intensity



While new generating resource decisions are critical, the heart of managing carbon business risk is taking care of the coal and nuclear plants that are the base of our power supply, and major contributors to our fuel diversity.

— **Mick Spencer**
Executive VP
& Chief Operating Officer

3-5 Year Breakthrough Objectives

1. Be the Wholesale partner-of-choice by developing and implementing a long-term wholesale rate metric and financial plan by 2026 to mitigate rate pressure of new generation and load requirements and drive to the strategic destination of best quartile rates
2. Be the Retail partner-of-choice by developing and implementing a long-term rate metric and financial plan by 2026 to ensure we remain among the lowest 15% of providers within the EIA

Annual Objectives

- 2024**
 - 1.1 By Q1 2024, define a long-term metric to ensure wholesale rates consistently remain in the best quartile
 - 1.2 Develop rate outlook in 2024 for 2025-2030 by incorporating known: new load, new generation, IRP results, IRA/IIJA impacts, and other strategic directives by Q2 2024
 - 2.1 Develop rate outlook in 2024 for 2025-2030 by incorporating known: new load, IRA/IIJA, wholesale rates, and other strategic directives
- 2025**
 - 1.3 Implement process changes to provide for real-time modeling by 2025 which will support executive decision making
 - 2.2 Develop methodology to forecast NPPD EIA ranking in support of Retail rate setting and benchmarking.
- 2026**
 - 1.4 Incorporate changes from new wholesale power contracts by 2026
 - 2.3 Define a long-term rate metric to ensure the Retail rate position is among the lowest 15% of providers within the EIA.
 - 2.4 Develop a Retail rate and financing strategy to mitigate rate pressure

STRATEGIC DESTINATION

Providing best quartile rates while maintaining reliability/resiliency and pursuing decarbonization goals and strong, long-term customer relationships.

Key Performance Indicators of Progress

- CFC Wholesale Rate Position
- Projected Rate Impact
- Delta - CFC Projection vs. Rate Outlook
- Variance - Budget vs. Actual



As the demands of our industry evolve, our top priority is to provide safe, cost competitive and reliable power to our customers today, tomorrow and every day.

— John Dent

Executive VP & Chief Nuclear Officer



Enhance the Teammate Experience

District Strategic Priority

VP Owner:
Dallas Beshaler

Aligns with
Strategic Directives:
SD-02, SD-03, SD-04, SD-06

3-5 Year Breakthrough Objectives

1. Be the employer of choice as proven by our ability to recruit/retain talented teammates by 2026
2. Continue to build a comprehensive workforce development strategy which will ensure a culture of continuous improvement by 2026
3. Continue to build a sustainable total rewards program linking compensation/benefit programs with talent requirements by 2027

Annual Objectives

- 2024**
- 1.1 Use the 2024 employee engagement survey data to create actionable opportunities to improve employee retention
 - 1.2 Enact a consistent and comprehensive recruitment strategy by Q2 2024
 - 1.3 Implement an ongoing evaluation process for transitioning skills
 - 2.1 Create consistent training processes with governance and oversight
 - 2.2 Improve succession planning performance in order to increase the number of qualified “Ready Now” candidates
 - 2.3 Launch a process to incentivize early notification of retirement
 - 3.1 Develop total rewards strategies that improve employee retention and recruitment
 - 3.2 Optimize the payroll and time entry process for teammates by Q3 2024
 - 3.3 Modify and enhance the compensation benchmarking process
- 2025**
- 1.4 Complete all remaining actionable opportunities identified from the 2024 employee engagement survey
 - 1.5 Create a thorough and meaningful, post-recruitment, teammate journey
 - 1.6 Launch a framework to match transitioning worker potential to identified skill needs
 - 2.4 Establish a baseline for individual development plan quality
 - 2.5 Implement SAP training solution
 - 3.4 Explore benefit options that offset cost increases and improve the employee value proposition.
- 2026**
- 1.7 Consistently maintain best-in-class retention rate
 - 1.8 Explore Visa Sponsorship processes/legalities
 - 2.6 Increase the baseline by 5% for individual development plan quality
 - 2.7 Adopt a proficiency assessment model as a District expectation
 - 3.5 Evaluate total reward program impact to ensure competitiveness, recruitment and retention

STRATEGIC DESTINATION

Providing best quartile rates while maintaining reliability/resiliency and pursuing decarbonization goals and strong, long-term customer relationships.

Key Performance Indicators of Progress

- Employee Engagement
- Individual Development Plan (IDP) quality
- Individual Development Plan completion progress
- Percent of position with “ready now” candidates



Recruit. Reward. Retain. A focus on these 3 major themes will keep NPPD as an employer of choice and strategically prepare our teammates for the tremendous growth opportunities coming our way.

— Dallas Beshaler

VP Human Resources & Corporate Services



3-5 Year Breakthrough Objectives

1. Align Value Streams/BIT&C to support the achievement of initiatives which deliver the District Strategic Plan by the end of 2025
2. Maximize data driven decisions in performance areas by the end of 2027
3. Implement optimal work management processes across District operations by the end of 2026

Annual Objectives

- 2024**
- 1.1 Organize Value Stream Teams/BIT&C for Increased Alignment with Senior Management and the District Strategic Plan
 - 1.2 Implement processes to continuously ensure alignment of Value Stream Teams/BITC to Senior Management and the Strategic Plan
 - 2.1 Formulate an enterprise roadmap based on a variety of learnings intended to improve our use of data driven decisions
 - 3.1 Deliver the Work Management Unification Team charter; Discovery, Prepare, and Realize phases
 - 3.2 Assess the District's efficiency within SAP to identify opportunities for work management improvements
 - 3.3 Continually identify and optimize the non-SAP work management practices across the District by introducing automated work solutions
- 2025**
- 1.3 Improve the Value Stream Team and BITC Project planned vs actual performance
 - 2.2 Translate the enterprise data driven decision roadmap into action plans to improve performance
 - 2.3 Execute and Prioritize the Data Decision Roadmap and Opportunities based on their impact to the District Strategic Plan
 - 3.4 Continue utilizing the approved Work Management Unification Team charter with execution through the Deploy Phase
 - 3.5 Prioritize and implement action plans defined from the SAP work management efficiency assessment completed in 2024.
 - 3.6 Continue to identify and implement non-SAP work management solutions as we seek to eliminate all inefficient work practices
- 2026**
- 2.4 Implement a structure which increases the throughput of new data driven decision opportunities
 - 3.7 Complete the final Run Phase as defined in the Work Management Unification charter

STRATEGIC DESTINATION

Providing best quartile rates while maintaining reliability/resiliency and pursuing decarbonization goals and strong, long-term customer relationships.

Key Performance Indicators of Progress

- Value Stream/BITC Project Planned vs Actual Results
- Employee Perception of Change Culture per Engagement Survey
- Cumulative Hours Saved across all Transformation Projects



Alignment of our efforts is vital if we are to deliver on our strategic destination, implement solutions which maximize value and allow our teammates to perform at their best.

— Conrad Saltzgaber
VP Corporate Strategy & Innovation



Nebraska Public Power District
Always there when you need us

    | nppd.com

(877) ASK-NPPD