

MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
NEBRASKA PUBLIC POWER DISTRICT  
DECEMBER 7-8, 2022

(Marginal Index for Informational Purposes Only)

A meeting of the Board of Directors of Nebraska Public Power District was held at the Columbus General Office, Columbus, Nebraska, beginning at 1:30 p.m. on Wednesday, December 7, 2022.

In compliance with state law, legal notice announcing the date, hours, location, and availability of the agenda for the meeting was published on the District’s corporate website, nppd.com, and also in the following newspapers on or about December 1, 2022:

- (1) Columbus Telegram, Columbus, Nebraska;
- (2) Kearney Hub, Kearney, Nebraska;
- (3) Lincoln Journal Star, Lincoln, Nebraska;
- (4) Norfolk Daily News, Norfolk, Nebraska;
- (5) North Platte Telegraph, North Platte, Nebraska;
- (6) Omaha World-Herald, Omaha, Nebraska;
- (7) Scottsbluff Star-Herald, Scottsbluff, Nebraska;
- (8) York News-Times, York, Nebraska.

This notice was also e-mailed to each member of the Board of Directors.

Chair Chlopek called the regular meeting to order at 1:30 p.m. on Wednesday, December 7, 2022, and directed the roll be called:

Present: Jerry L. Chlopek, Melissa S. Freelend, Mary A. Harding, Bill C. Hoyt, William D. Johnson, Edward J. Schrock, Aaron D. Troester, Wayne E. Williams

Absent: Fred L. Christensen, Charlie C. Kennedy, Gary G. Thompson

constituting a quorum of the Board of Directors.

Chair Chlopek announced that there was a posting of the Open Meetings Act and copies of the Board agenda at the entrance of the conference room, for anyone wishing to examine those documents.

**It was moved by Director Harding and seconded by Director Freelend to excuse the absence of Fred Christensen from the December 2022 Board meeting, due to medical reasons. Votes were cast and recorded as follows:**

LEGAL NOTICE  
PUBLISHED PRIOR  
TO THE MEETING

ROLL CALL,  
1:30 P.M.,  
DECEMBER 7, 2022

ANNOUNCEMENT OF  
POSTING OF OPEN  
MEETINGS ACT AND  
AGENDA

**MOTION (CARRIED):  
EXCUSE ABSENCE  
OF DIRECTOR  
CHRISTENSEN,  
DECEMBER 2022  
BOARD MEETING**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Schrock, Troester, Williams  
 Voting Nay: None  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen, Kennedy, Thompson

Whereupon the Chair declared the motion carried.

President and Chief Executive Officer Thomas J. Kent provided an update on safety and system operations.

Directors Kennedy and Thompson entered the meeting during the report on system and safety status.

**It was moved by Director Williams and seconded by Director Johnson that the Board go into Executive Session at 1:41 p.m. to protect the public interest and discuss competitive and proprietary information, personnel matters, pending and potential litigation, and receive legal advice. Votes were cast and recorded as follows:**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
 Voting Nay: None  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen

Whereupon the Chairman declared the motion carried and restated the purpose of the Executive Session: to protect the public interest and discuss competitive and proprietary information, personnel matters, legal matters, pending and potential litigation, and receive legal advice.

Chair Chlopek announced the executive session was ended at 3:25 p.m., during which nothing was discussed beyond the items declared: competitive and proprietary information, personnel matters, pending and potential litigation, and receive legal advice.

After a short break, the Board meeting was reconvened at 3:31 p.m.

President and Chief Executive Officer Thomas J. Kent introduced the following four resolutions:

**RESOLUTION NO. 22-36**

WHEREAS, Melissa S. Freelend (Me Free) has well and faithfully served the public, the Nebraska Public Power District (NPPD), and the electric utility industry in Nebraska since January 5, 2017, when she was seated on NPPD’s Board of Directors; and

REPORT ON SYSTEM AND SAFETY STATUS

**MOTION (CARRIED): GO INTO EXECUTIVE SESSION AT 1:41 P.M. TO PROTECT THE PUBLIC INTEREST, DISCUSS COMPETITIVE AND PROPRIETARY INFORMATION, PERSONNEL MATTERS, PENDING AND POTENTIAL LITIGATION, AND RECEIVE LEGAL ADVICE**

EXECUTIVE SESSION ENDED AT 3:25 P.M.

**RESOLUTION NO. 22-36 (ADOPTED): RECOGNIZE DIRECTOR MELISSA S.**

**FREELAND**

WHEREAS, during Me Free's six years of service to NPPD as Director, she served as the Board's First Vice Chair in 2022, Second Vice Chair in 2021; and sat on various Board Committees, serving as Chair of the Board Governance Committee in 2019, and Chair of the Budget Committee in 2020, 2021, and 2022; and

WHEREAS, Me Free represented her constituents and customers in Subdivision 3, including the residents of Buffalo and Hall Counties in an exemplary manner, always focusing on NPPD's mission to safely generate and deliver reliable, low-cost, sustainable energy and related services, while providing outstanding customer service; and

WHEREAS, Me Free supported NPPD employees not only in her subdivision but across the state, and completed the necessary steps to obtain and maintain unescorted access at Cooper Nuclear Station, and was a champion for CNS and the nuclear industry; and

WHEREAS, Me Free brought to the NPPD Board sound business judgment; responsible, conscientious leadership; sage advice; provided a sense of youth and energy to the NPPD Board; always took the high road, continuously maintained a positive attitude, and kept things light with her smile, humor, and warmth; and is revered by her peers on the Board, NPPD employees, customers, and other elected and utility officials from across the state and nation; and

WHEREAS, Melissa's term of office on the NPPD Board of Directors expires in January 2023.

NOW, THEREFORE, BE IT RESOLVED that we, as individuals and as the Board of Directors of Nebraska Public Power District, do fondly express our deep and sincere appreciation and commendation to Melissa S. Freelend for her faithful service to NPPD during the past six years, for her staunch support of public power, and for the invaluable contributions she made to the electric utility industry in the State of Nebraska and to the public in doing her best to provide reliable, competitively-priced electricity to NPPD's customers; we hereby further express our sincere wish that she enjoy the utmost success in all endeavors that lie before her.

BE IT FURTHER RESOLVED that we convey our deepest appreciation to Mr. Justin Witte for his dedicated and unwavering support of his wife, Melissa, during her six years of service to NPPD.

**It was moved by Director Harding and seconded by Director Schrock that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye: Chlopek, Harding, Hoyt, Johnson, Kennedy,  
Schrock, Thompson, Troester, Williams  
Voting Nay: None  
Abstaining: Freeland  
Present But Not Voting: None  
Absent: Christensen

Whereupon the Chair declared Resolution No. 22-36 adopted.

**RESOLUTION NO. 22-37**

WHEREAS, William C. (Bill) Hoyt has well and faithfully served the public, the Nebraska Public Power District (NPPD), and the electric utility industry in Nebraska since January 5, 2017, when he was seated on NPPD's Board of Directors; and

WHEREAS, during Bill Hoyt's six years of service to NPPD as Director, he sat on various Board Committees, serving as Chair of the Board Governance and Strategic Planning Committee in 2020; and

WHEREAS, Bill Hoyt represented his constituents and customers in Subdivision 4, including residents in the southwestern corner of Nebraska in an exemplary manner, always focusing on NPPD's mission to safely generate and deliver reliable, low-cost, sustainable energy and related services, while providing outstanding customer service; and

WHEREAS, Bill Hoyt supported NPPD employees not only in his subdivision but across the state, especially those workers at Gerald Gentleman Station, who work tirelessly around the clock to maintain NPPD's largest electric generating facility and provide low-cost energy to thousands; and

WHEREAS, Bill Hoyt brought to the NPPD Board sound business judgment; responsible, conscientious leadership; sage advice; and is revered by his peers on the Board, NPPD employees, customers, and other elected and utility officials from across the state and nation; and

WHEREAS, Bill's term of office on the NPPD Board of Directors expires in January 2023.

NOW, THEREFORE, BE IT RESOLVED that we, as individuals and as the Board of Directors of Nebraska Public Power District, do fondly express our deep and sincere appreciation and commendation to Bill C. Hoyt for his faithful service to NPPD during the past six years, for his staunch support of public power, and for the invaluable contributions he made to the electric utility industry in the State of Nebraska and to the public in doing his best to provide reliable, competitively-priced electricity to NPPD's customers; we hereby further express our sincere wish that he enjoy the utmost success in all endeavors that lie before him.

**RESOLUTION  
NO. 22-37  
(ADOPTED):  
RECOGNIZE  
DIRECTOR BILL C.  
HOYT**

BE IT FURTHER RESOLVED that we convey our deepest appreciation to Mrs. Barbara Hoyt for her dedicated and unwavering support of her husband, Bill, during his six years of service to NPPD.

**It was moved by Director Schrock and seconded by Director Williams that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	Hoyt
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-37 adopted.

**RESOLUTION NO. 22-38**

WHEREAS, William D. Johnson has well and faithfully served the public, the Nebraska Public Power District (NPPD), and the electric utility industry in Nebraska since January 5, 2017, when he was seated on NPPD’s Board of Directors; and

WHEREAS, during Bill Johnson’s six years of service to NPPD as Director, he served as the Board’s First Vice Chair in 2020, Second Vice Chair in 2018 and 2019; and sat on various Board Committees, serving as Chair of the Nuclear Committee in 2020, 2021, and 2022, and Chair of the Budget Committee in 2019; and

WHEREAS, Bill Johnson represented his constituents and customers in Subdivision 10, including the residents of Antelope, Madison, Pierce and Stanton Counties in an exemplary manner, always keeping their best interests at the forefront; and

WHEREAS, Bill Johnson supported NPPD employees not only in his subdivision but across the state, and completed the necessary steps to obtain and maintain unescorted access at Cooper Nuclear Station, and was a champion for CNS and the nuclear industry; and

WHEREAS, Bill Johnson brought to the NPPD Board sound business judgment; responsible, conscientious leadership; sage advice; came prepared for every NPPD meeting or event he attended; and is revered by his peers on the Board, NPPD employees, customers, and other elected and utility officials from across the state and nation; and

**RESOLUTION  
NO. 22-38  
(ADOPTED):  
RECOGNIZE  
DIRECTOR  
WILLIAM D.  
JOHNSON**

WHEREAS, prior to serving on NPPD's Board of Directors, Bill Johnson oversaw the operations of Stanton County Public Power District and was the utility's General Manager/Chief Executive Officer for 27 years. Bill also spent 12 years on the National Rural Telecommunications Cooperative Board of Directors, and served our country as a United States Marine, doing a tour of duty in Viet Nam; and

WHEREAS, Bill's term of office on the NPPD Board of Directors expires in January 2023.

NOW, THEREFORE, BE IT RESOLVED that we, as individuals and as the Board of Directors of Nebraska Public Power District, do fondly express our deep and sincere appreciation and commendation to William D. Johnson for his faithful service to NPPD during the past six years, for his staunch support of public power, and for the invaluable contributions he made to the electric utility industry in the State of Nebraska and to the public in doing his best to provide reliable, competitively-priced electricity to NPPD's customers; we hereby further express our sincere wish that he enjoy the utmost success in all endeavors that lie before him.

BE IT FURTHER RESOLVED that we convey our deepest appreciation to Mrs. Darlene Johnson for her dedicated and unwavering support of her husband, Bill, during his six years of service to NPPD.

**It was moved by Director Hoyt and seconded by Director Kennedy that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freeland, Harding, Hoyt, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	Johnson
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-38 adopted.

### **RESOLUTION NO. 22-39**

WHEREAS, Gary G. Thompson has well and faithfully served the public, the Nebraska Public Power District (NPPD), and the electric utility industry in Nebraska since January 7, 1993, when he was seated on NPPD's Board of Directors; and

WHEREAS, during Gary Thompson's 30 years of service to NPPD as Director, he served as Board Chair in 2018 and 2019; First Vice Chair in 1997, 2012 and 2017; Second Vice Chair in 1998, 2008, 2010, 2011, and 2013; and sat on various Board Committees, serving as Chair of the Audit, Risk and Compliance Committee, Nuclear Committee, Benefits and Labor Committee, Customer Services Committee, Board Governance and Strategic Planning Committee, and Energy Supply Committee; and

**RESOLUTION  
NO. 22-39  
(ADOPTED):  
RECOGNIZE  
DIRECTOR GARY G.  
THOMPSON**

WHEREAS, Gary Thompson's 30 years on the NPPD Board of Directors make him the second longest serving Director in the District's history; and

WHEREAS, Gary Thompson supported NPPD employees not only in his subdivision but across the state, and completed the necessary steps to obtain and maintain unescorted access at Cooper Nuclear Station, and was a champion for CNS and the nuclear industry; and

WHEREAS, Gary Thompson brought to the NPPD Board sound business judgment; responsible, conscientious leadership; sage advice; and is revered by his peers on the Board, NPPD employees, customers, and other elected and utility officials from across the state and nation; and

WHEREAS, Gary's term of office on the NPPD Board of Directors expires in January 2023.

NOW, THEREFORE, BE IT RESOLVED that we, as individuals and as the Board of Directors of Nebraska Public Power District, do fondly express our deep and sincere appreciation and commendation to Gary G. Thompson for his faithful service to NPPD during the past 30 years, for his unwavering support of public power, and for the invaluable contributions he made to the electric utility industry in the State of Nebraska and to the public in doing his best to provide reliable, competitively-priced electricity to NPPD's customers; we hereby further express our sincere wish that he enjoy the utmost success in all endeavors that lie before him.

BE IT FURTHER RESOLVED that the Nebraska Public Power District's Board of Directors declares and bestows on Gary G. Thompson the designation of *Director Emeritus*. We, his peers on the Board of Directors, recognize and applaud Gary Thompson for his dedication and loyalty to NPPD for 30 years, and the extensive contributions he made to NPPD and to the utility industry over those three decades.

BE IT FURTHER RESOLVED that we convey our deepest appreciation to Mrs. Muriel Thompson for her dedicated and unswerving support of her husband, Gary, during his 30 years of service to NPPD.

**It was moved by Director Freelend and seconded by Director Harding that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Troester, Williams
Voting Nay:	None
Abstaining:	Thompson
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-39 adopted.

The meeting was recessed at 4:06 p.m., followed by a reception for outgoing Directors Freelend, Hoyt, Johnson, and Thompson. The meeting was scheduled to reconvene on Thursday, December 8, 2022, at the Columbus General Office.

MEETING  
RECESSED AT  
4:06 P.M.

**DECEMBER 8, 2022**

Chair Chlopek called the regular meeting to order at 9:32 a.m. on Thursday, December 8, 2022, and directed the roll to be called:

ROLL CALL,  
9:32 A.M.,  
DECEMBER 8, 2022

Present: Jerry L. Chlopek, Melissa S. Freelend, Mary A. Harding, Bill C. Hoyt, William D. Johnson, Charlie C. Kennedy, Edward J. Schrock, Gary G. Thompson, Aaron D. Troester, Wayne E. Williams

Absent: Fred L. Christensen

constituting a quorum of the Board of Directors.

Chair Chlopek announced that there was a posting of the Open Meetings Act and copies of the Board agenda at the entrance of the conference room, for anyone wishing to examine those documents.

ANNOUNCEMENT OF  
POSTING OF OPEN  
MEETINGS ACT AND  
AGENDA

Guests at the meeting included Jon Dockhorn, Burt County Public Power District; Doyle Hazen, North Central Public Power District; and James Henderson, Institute of Nuclear Power Operations.

GUESTS  
WELCOMED TO  
MEETING

Asset Health Engineering Supervisor Mark R. Fletcher, Director of Operations Support Matthew J. Gilliland, CNS Site Vice President Khalil M. Dia, Director of Infrastructure Technology Operations Daniel R. Vice, and Vice President of Energy Production Michael J. Spencer provided the annual update of the general condition of NPPD's physical assets, in support of Strategic Directive BP-SD-03, Reliability/Resiliency.

REPORT ON  
BP-SD-03,  
RELIABILITY/  
RESILIENCY, AND  
ANNUAL ASSET  
HEALTH UPDATE

General Manager of Retail Patrick M. Hanrahan provided a status update related to NPPD Retail's compliance with Strategic Directive BP-SD-04, Cost Competitiveness. NPPD's goal is to achieve and maintain a total retail base rate position among the lowest 15% of providers within the Energy Information Administration (EIA) nationwide. Mr. Hanrahan shared that for calendar year 2021, based on EIA data, NPPD ranked in the 7.7 percentile, and the State of Nebraska ranked 9<sup>th</sup> in total rate position compared to all other states based on the same data source.

BP-SD-04, RETAIL  
COST  
COMPETITIVENESS

Executive Vice President of External Affairs and General Counsel John C. McClure reviewed a proposed legislative and regulatory policy resolution, which would provide NPPD management with general direction during the 2023 legislative session. Action on a resolution would be requested of the Board at the January 2023 meeting.

2023 LEGISLATIVE  
POLICY DISCUSSION



During the time designated for public comments, Burt County Public Power District General Manager Jon Dockhorn wished the outgoing NPPD Directors well, and shared his appreciation for their service.

PUBLIC COMMENTS

Chair Chlopek asked for discussion of any consent agenda items, which included the following:

CONSENT AGENDA

- Minutes of November 9-10, 2022, Regular Board Meeting
- February 2023 Regular Board Meeting scheduled for February 8-9, 2023, in Columbus (January 2023 Regular Board Meeting previously scheduled January 11-12, 2023, in Columbus)
- Ratification/Confirmation of Signatures of Staff Members
- October 2022 Summary of Disbursements

Chair Chlopek asked whether any Directors desired any items on the consent agenda to be placed on the regular agenda and voted on separately. There were none.

**It was moved by Director Hoyt and seconded by Director Johnson that all items on the consent agenda be approved as listed above. Votes were cast and recorded as follows:**

**MOTION (CARRIED):  
APPROVE CONSENT  
AGENDA**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared the motion carried.

President and Chief Executive Officer Thomas J. Kent read an excerpt from NPPD's "Principles for Excellence in Corporate Performance" pocket guide.

President and Chief Executive Officer Thomas J. Kent provided an update on NPPD employee staffing levels, and presented the Report on Retirements and Former District Employee Rehires which is on file with the Assistant Secretary and attached and made a part of these minutes.

EMPLOYEE  
COUNTS,  
RETIREMENTS AND  
REHIRE FOR  
DECEMBER 2022

Retiree Jerry Horn was in attendance with his wife, Elaine, and briefly addressed the Board and commented on his NPPD career.

President and Chief Executive Officer Thomas J. Kent recommended the following resolution:

**RESOLUTION NO. 22-40**

WHEREAS, Gerald C. Meyerle, Director of Twin Valleys Rural Public Power District, Cambridge, Nebraska, has well and faithfully served the public and the electric utility industry in Nebraska for the past 60 years; and

WHEREAS, Gerald C. Meyerle was elected to serve as a Director at Twin Valleys Public Power District in 1961, and held the office for ten 6-year terms, totaling 60 years; and

WHEREAS, Gerald C. Meyerle has been very active in many organizations, including serving our country in the military for 3 years (1952-1954), a continued member of the Holbrook Lions club for 49 years, served on the Holbrook School board for 16 years, and continues to serve on one of the local bank's board for 28 years; and

WHEREAS, Twin Valleys Public Power District and Nebraska Public Power District have fostered an excellent working relationship, based on mutual trust and commonality of purpose in partnering to strengthen public power in Nebraska, due in part to the character, leadership, and professionalism embodied by Gerald C. Meyerle and his years of service to the electric utility industry in general, and to the model of public power in particular; and

WHEREAS, Gerald C. Meyerle retired as Director of Twin Valleys Public Power District effective December 2022, after having faithfully served the electric utility industry for 60 years, during which time he worked tirelessly to bring success to the customers of Twin Valleys Public Power District while always delivering the message of the great value inherent in the public power model.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Nebraska Public Power District, on behalf of its employees and the people in Nebraska whom it serves, hereby commends Gerald C. Meyerle for his extraordinary character, commitment to excellence and loyalty to the customers of Twin Valleys Public Power District; expresses its thanks for creating an outstanding model for management of an enterprise which is devoted to the good of public power; further expresses its appreciation for the friendship shown to NPPD, its Board of Directors, and its employees; and finally, conveys its sincere wish that Gerald C. Meyerle enjoy his retirement to which these years of successful service entitle him.

**It was moved by Director Schrock and seconded by Director Thompson that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

**RESOLUTION  
NO. 22-40  
(ADOPTED):  
RECOGNIZE TWIN  
VALLEYS PPD  
DIRECTOR GERALD  
MEYERLE**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
 Voting Nay: None  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen

Whereupon the Chair declared Resolution No. 22-40 adopted.

President and Chief Executive Officer Thomas J. Kent presented information on the 2023 Merit Pay Program, including a recommendation for merit funding of 6.0%, and pay structure movement of 4.0%.

**It was moved by Director Schrock and seconded by Director Williams that the Board approve the 2023 Merit Pay Program, at a funding level of 6.0%, and pay structure movement of 4.0%.**

**MOTION: APPROVE 2023 MERIT PAY PROGRAM, MERIT FUNDING OF 6.0%, PAY STRUCTURE MOVEMENT 4.0%**

**It was moved by Director Harding and seconded by Director Thompson to amend the original motion, and fund the 2023 Merit Pay Program at 7.0%. Votes were cast and recorded as follows:**

**MOTION (CARRIED): AMEND ORIGINAL MOTION, FUND 2023 MERIT PAY PROGRAM AT 7.0%**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
 Voting Nay: None  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen

Whereupon the Chair declared the motion carried to amend the original motion.

**It was moved by Director Freelend and seconded by Director Johnson that the Board approve the 2023 Merit Pay Program, at an amended funding level of 7.0%, and pay structure movement of 4.0%. Votes were cast and recorded as follows:**

**MOTION (CARRIED): APPROVE 2023 MERIT PAY PROGRAM, AMENDED MERIT FUNDING OF 7.0%, PAY STRUCTURE MOVEMENT 4.0%**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
 Voting Nay: None  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen

Whereupon the Chair declared the motion carried to approve the amended recommendation.

**It was moved by Director Harding and seconded by Director Williams that the Board approve salaries and compensation for NPPD Officers and Board Staff, as recommended by President and Chief Executive Officer Kent and discussed during the December 7 executive session of the Board; salaries to be effective January 1, 2023 for Timothy J. Arlt, Dallas M. Beshaler, John A. Dent, Jr., Courtney A. Dentlinger, Khalil M. Dia, Laura L. Kapustka, Thomas J. Kent, John C. McClure, Michael J. Spencer, Robyn A. Tweedy, and Arthur R. Wiese; and effective March 1, 2023, for Janette H. Modelski, Conrad L. Saltzgaber, and Donna J. Starzec. Votes were cast and recorded as follows:**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
Voting Nay: None  
Abstaining: None  
Present But Not Voting: None  
Absent: Christensen

Whereupon the Chair declared the motion carried.

**It was moved by Director Kennedy and seconded by Director Freelend to approve revisions to NPPD’s Corporate Energy Risk Management Policy (ERM), and to the Energy Risk Management Approved Products and Approved Limits Standard (ERM-ST-001) (confidential/proprietary document). Votes were cast and recorded as follows:**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
Voting Nay: None  
Abstaining: None  
Present But Not Voting: None  
Absent: Christensen

Whereupon the Chair declared the motion carried.

Pricing, Rates and Wholesale Billing Manager Todd S. Swartz presented information on proposed wholesale rate schedules for 2023, and recommended the following two resolutions:

**RESOLUTION NO. 22-41**

WHEREAS, the District has conducted a rate study of the costs and revenue requirements to provide wholesale power service under the General Firm Power Service (GFPS) Rate Schedule for the year 2023; and

**MOTION (CARRIED):  
APPROVE OFFICER  
AND BOARD STAFF  
SALARIES AND  
COMPENSATION**

**MOTION (CARRIED):  
APPROVE  
REVISIONS TO ERM  
POLICY AND  
ERM-ST-001**

**RESOLUTION  
NO. 22-41  
(ADOPTED):  
APPROVE  
WHOLESALE RATE**

WHEREAS, the District has developed proposed updates in the rate and billing provisions of its GFPS Rate Schedule, Economic Development Rate Schedule, Large Customer Interruptible Rate Schedule, and Large Customer Market-Based Rate Schedule, hereinafter referred to as 2023 Revised Wholesale Rate Schedules; and

WHEREAS, the District has received requests from customers to consider developing a new rate option that combines the provisions of the Large Customer Interruptible Rate Schedule and the Large Customer Market-Based Rate Schedule; and

WHEREAS, the District has developed rates, charges and billing provisions to provide service to wholesale customers that serve qualifying end-use customers with the ability to curtail energy usage upon notification by the District; and

WHEREAS, the Pricing and Rates Department and management of the District have prepared a proposed new wholesale Interruptible Market-Based Rate Schedule that implements said rates, charges and billing provisions; and

WHEREAS, the Pricing and Rates Department and management of the District have prepared and proposed rates for wholesale power service under the 2023 Revised Wholesale Rate Schedules and proposed Interruptible Market-Based Rate Schedule based on projected costs and revenue requirements which are expected to be experienced by the District in 2023; and

WHEREAS, the Pricing and Rates Department and management of the District have proposed that a Production Cost Adjustment (PCA) Factor be established at a level of \$(0.002761)/kWh and be in effect for service during the 12-month period of February 1, 2023, through January 31, 2024, in order to return approximately \$33.9 million of accumulated production rate stabilization account funds that are in excess of the allowable accumulation limit as of the end of the year 2021; and

WHEREAS, a summary of the rate study including the proposed 2023 Revised Wholesale Rate Schedules, the proposed Interruptible Market-Based Rate Schedule, and the proposed PCA Factor was provided to the wholesale power service customers taking service under the said GFPS Rate Schedule on September 21, 2022, and customers were provided 30 days to request a hearing pertaining to said wholesale rate proposal; and

WHEREAS, hearing requests were due October 21, 2022; and

WHEREAS, a hearing pertaining to said 2023 Revised Wholesale Rate Schedules, proposed Interruptible Market-Based Rate Schedule, and proposed PCA Factor was not requested by any wholesale power service customer of the District; and

**SCHEDULES  
EFFECTIVE 2-1-23:  
GFPS, ECONOMIC  
DEVELOPMENT,  
LARGE CUSTOMER  
INTERRUPTIBLE,  
LARGE CUSTOMER  
MARKET-BASED,  
AND NEW  
INTERRUPTIBLE  
MARKET-BASED  
RATE SCHEDULES;  
RETURN  
\$74.2 MILLION TO  
CUSTOMERS  
THROUGH A  
ONE-YEAR PCA**

WHEREAS, management has proposed and presented to and this Board of Directors has reviewed and duly considered with management the basis for the rates in said proposed 2023 Revised Wholesale Rate Schedules, the proposed Interruptible Market-Based Rate Schedule, and the basis for the proposed PCA Factor; and

WHEREAS, said proposed 2023 Revised Wholesale Rate Schedules and Interruptible Market-Based Rate Schedule are on file with the Pricing and Rates Department of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors finds and declares pursuant to Section 70-655 Nebraska Revised Statutes that said proposed 2023 Revised Wholesale Rate Schedules and Interruptible Market-Based Rate Schedule referred to above and incorporated into this resolution by reference and said proposed Production Cost Adjustment Factor of \$(0.002761)/kWh effective for service provided during the 12-month period of February 1, 2023, through January 31, 2024, are fair, reasonable and nondiscriminatory and so adjusted as in a fair and equitable manner to confer upon and distribute among the wholesale users and consumers of wholesale power commodities and services furnished and sold by the District the benefits of a successful and profitable operation and conduct of the business of the District.

BE IT FURTHER RESOLVED that said 2023 Revised Wholesale Rate Schedules, Interruptible Market-Based Rate Schedule, and said Production Cost Adjustment Factor of \$(0.002761)/kWh are hereby fixed, established, approved and adopted by this Board of Directors to be effective for service provided on and after February 1, 2023, and the existing rate schedules corresponding to said 2023 Revised Wholesale Rate Schedules shall be rescinded and superseded upon said 2023 Revised Wholesale Rate Schedules becoming effective as herein provided.

**It was moved by Director Freelend and seconded by Director Hoyt that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-41 adopted.

**RESOLUTION NO. 22-42**

WHEREAS, the District has reviewed the costs and revenue requirements to provide transmission service under the Transmission Service (T-2) Rate Schedule for the year 2023; and

**RESOLUTION  
NO. 22-42  
(ADOPTED):  
APPROVE  
TRANSMISSION**

**SERVICE (T-2) RATE  
SCHEDULE  
EFFECTIVE 2-1-23**

WHEREAS, the Pricing and Rates Department and management of the District have prepared and proposed rates for transmission service under the T-2 Rate Schedule based on projected costs and revenue requirements which are expected to be experienced by the District in 2023 and have proposed revisions to assure more effective and efficient administration of the District's provision of transmission service under said proposed T-2 Rate Schedule; and

WHEREAS, a summary of the rate study and the proposed T-2 Rate Schedule were provided to transmission customers taking service under the T-2 Rate Schedule on September 21, 2022; and

WHEREAS, management has proposed and presented to and this Board of Directors has reviewed and duly considered with management the basis for and the rates in said proposed T-2 Rate Schedule; and

WHEREAS, said proposed T-2 Rate Schedule is on file with the Pricing and Rates Department of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors finds and declares pursuant to Section 70-655 Nebraska Revised Statutes that said proposed Transmission Service Rate Schedule referred to above and incorporated into this resolution by reference is fair, reasonable and nondiscriminatory and so adjusted as in a fair and equitable manner to confer upon and distribute among the wholesale users and consumers of wholesale power commodities and services furnished and sold by the District the benefits of a successful and profitable operation and conduct of the business of the District.

BE IT FURTHER RESOLVED that said Transmission Service Rate Schedule is hereby fixed, established, approved and adopted by this Board of Directors to be effective for service provided on and after February 1, 2023, and that the Transmission Service Rate Schedule established by Resolution No. 21-56 and issued December 15, 2021, shall be rescinded and superseded upon said Transmission Service Rate Schedule becoming effective as herein provided.

**It was moved by Director Johnson and seconded by Director Hoyt that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-42 adopted.

Pricing and Rates Project Lead Amber D. Smeal presented information on proposed retail rate schedules for 2023, and recommended the following resolution:

**RESOLUTION NO. 22-43**

WHEREAS, the District conducted a review of projected costs and revenue requirements which are expected to be experienced by the District to provide certain retail electric services in 2023; and

WHEREAS, the Pricing and Rates Department and management of the District have conducted a review of the existing retail rate schedules and are proposing revisions to several rate schedules to better reflect current operating conditions and practices and to assure more effective and efficient administration of the District's provision of retail service under these rate schedules; and

WHEREAS, the Pricing and Rates Department and management of the District have proposed that a Retail Production Cost Adjustment (PCA) Factor be established at a level of \$(0.001961)/kWh and be in effect for service during the 12-month period of February 1, 2023, through January 31, 2024; and

WHEREAS, the Pricing and Rates Department and management of the District have proposed Large Industrial Service (LIS), Interruptible Service Rider (INT-Rider), Market-Based Rate Rider (MKT-Rider), Simultaneous Buy/Sell Service Rider (SI-Rider), Standby Service Rider (ST-Rider), Net Metering Service Rider (NM-Rider), General Customer Service Charges (CS), Electric Vehicle Public Charging Station (EV-PCS), Irrigation Service (IRRIG-1), Off-Peak Irrigation Service (IRRIG-2), Interruptible Irrigation Service (IRRIG-3), and Standby Irrigation Service Rider (SBIR-Rider) Rate Schedules, hereinafter referred to as 2023 Revised Retail Rate Schedules, to replace the existing retail rate schedules for these services to better reflect the costs, terms, conditions and specifications of providing service to each retail rate class; and

WHEREAS, the Pricing and Rates Department and management of the District have developed a new Interruptible Market-Based Rate Rider (IMB-Rider) Rate Schedule that combines the provisions of the Interruptible Service Rider and the Market-Based Rate Rider Rate Schedules; and

WHEREAS, management of the District has proposed and presented to and this Board of Directors has reviewed and duly considered with management the basis for and the rates, terms, conditions and specifications for service in said proposed 2023 Revised Retail Rate Schedules, the Interruptible Market-Based Rate Rider Rate Schedule, and the basis for the proposed Retail PCA Factor; and

**RESOLUTION  
NO. 22-43  
(ADOPTED):  
APPROVE RETAIL  
RATE SCHEDULES  
EFFECTIVE 2-1-23**



WHEREAS, said proposed 2023 Revised Retail Rate Schedules and the Interruptible Market-Based Rate Rider Rate Schedule are on file with the Pricing and Rates Department of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors finds and declares, pursuant to Section 70-655 of the Nebraska Revised Statutes, that said proposed 2023 Revised Retail Rate Schedules and the Interruptible Market-Based Rate Rider Rate Schedule referred to above and incorporated into this Resolution by reference and said proposed Retail Production Cost Adjustment Factor of \$(0.001961)/kWh effective for service provided during the 12-month period of February 1, 2023, through January 31, 2024, are fair, reasonable and nondiscriminatory and so adjusted as in a fair and equitable manner to confer upon and distribute among the users and consumers of commodities and services furnished and sold by the District the benefits of a successful and profitable operation and conduct of the business of the District.

BE IT FURTHER RESOLVED that said 2023 Revised Retail Rate Schedules, the Interruptible Market-Based Rate Rider Rate Schedule, and said Retail Production Cost Adjustment Factor of \$(0.001961)/kWh are hereby fixed, established, approved and adopted by this Board of Directors to be effective for service provided on and after February 1, 2023, and that the existing rate schedules corresponding to said 2023 Revised Retail Rate Schedules shall be rescinded and superseded upon said 2023 Revised Retail Rate Schedules becoming effective as herein provided.

**It was moved by Director Schrock and seconded by Director Thompson that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-43 adopted.

President and Chief Executive Officer Thomas J. Kent provided a look-ahead of upcoming items for the January 2023 Board meeting.

Executive Vice President of External Affairs and General Counsel John C. McClure discussed state and federal election results and consequential impacts, information on the 2023 session of the Nebraska Legislature and anticipated energy related legislation, and other items at the federal level, including energy policy issues.

A recess was taken from 11:23 to 11:37 a.m.

BOARD AGENDA  
LOOK-AHEAD

GOVERNMENTAL  
AFFAIRS UPDATE

RECESS

Director Kennedy was still out of the room when the meeting reconvened.

During the time designated for Directors' comments and questions, Directors Thompson, Freelend, Johnson and Hoyt commented on their experiences as NPPD Board members.

DIRECTORS' COMMENTS

The Nuclear Committee of the Whole, chaired by Director Johnson, met Thursday, December 8, 2022, from 11:43 a.m. to 12:20 p.m. during the Board of Directors meeting.

NUCLEAR COMMITTEE OF THE WHOLE

CNS Site Vice President Khalil M. Dia reviewed the following Capital Projects Report:

Report No. N-1	Capital Projects \$500,000 and above not specifically identified in the Budget that require approval by the Board for the period November 1, 2022, through November 30, 2022 – 2022 Capital Additions Budget.
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**It was moved by Director Chlopek and seconded by Director Hoyt that Capital Projects Report No. N-1 (2022 Budget) be approved for the period November 1, 2022, through November 30, 2022, which included Capital Project C/8768, Condenser "B" Extraction Steam Pipe Replacement (CNS). Votes were cast and recorded as follows:**

**MOTION (CARRIED): APPROVE CAPITAL PROJECTS REPORT NO. N-1 (2022 BUDGET)**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen, Kennedy

Whereupon the Chair of the Nuclear Committee declared the motion carried.

Director Kennedy entered the meeting room.

CNS Site Vice President Khalil M. Dia reviewed an engineer's certificate for the procurement of a control rod drive pump. Director Johnson, Chair of the Nuclear Committee, recommended the following resolution:

**RESOLUTION NO. 22-44**

WHEREAS, management has determined that it is in the best interest of the District to procure one spare Control Rod Drive (CRD) pump from Flowserve Corporation for Cooper Nuclear Station; and

**RESOLUTION NO. 22-44 (ADOPTED): APPROVE ENGINEER'S CERTIFICATE, CONTROL ROD DRIVE PUMP (CNS)**

WHEREAS, the District has determined, as certified by a competent engineer, that pursuant to Neb. Rev. Stat. Section 70-637 (6), the equipment being procured is proprietary to the original equipment manufacturer, making said manufacturer the sole source of the equipment.

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby approve the attached engineer's certification, which is on file with the Assistant Secretary and which states that the equipment being procured is being awarded pursuant to Neb. Rev. Stat. Section 70-637 (6).

BE IT FURTHER RESOLVED that management be and hereby is authorized and instructed to enter into and execute, for and on behalf of the District, after review and approval by legal counsel, a contract with Flowserve Corporation, for the procurement of one spare CRD pump in an estimated amount of \$754,000, plus performance bond costs, after first advertising notice pursuant to Nebraska law of its intention to enter into said contract.

**It was moved by Director Williams and seconded by Director Thompson that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair of the Nuclear Committee declared Resolution No. 22-44 adopted.

CNS Site Vice President Khalil M. Dia reviewed Contract No. 22-014, Z-Sump Concrete Flood Walls (CNS). Director Johnson, Chair of the Nuclear Committee, recommended the following resolution:

**RESOLUTION NO. 22-45**

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 22-014, Z-Sump Concrete Flood Walls, Cooper Nuclear Station, have been duly invited, received, opened, read, and tabulated; and

WHEREAS, management has studied and analyzed the bids and recommended acceptance of a certain bid as the lowest and best evaluated bid, as per data filed with the Board; and

**RESOLUTION  
NO. 22-45  
(ADOPTED): AWARD  
CONTRACT  
NO. 12-014, Z-SUMP  
CONCRETE FLOOD  
WALLS (CNS), TO  
MIDWEST  
INFRASTRUCTURE,  
INC., FIRM BASE BID  
PRICE OF \$7742,259**

WHEREAS, on the basis of evidence and information received, and after an analysis of the responsibility of the bidders, amounts and terms of the bids, delivery dates, and the needs of the District, this Board has determined and does hereby find that the bid of Midwest Infrastructure, Inc., Lincoln, Nebraska, is the lowest and best evaluated bid on Contract No. 22-014.

NOW, THEREFORE, BE IT RESOLVED that, subject to receipt and approval of a performance bond and certificate of insurance as herein provided, the following bid submitted on Contract No. 22-014 be accepted by the District:

Midwest Infrastructure, Inc., Lincoln, Nebraska, firm  
base bid price of \$742,259.

BE IT FURTHER RESOLVED that the President or a Vice President be, and each of them is hereby authorized and instructed to execute for and on behalf of the District, a Contract with the aforementioned bidder in accordance with the plans and specifications and on the form of Contract submitted to bidders.

BE IT FURTHER RESOLVED that the award of the Contract is contingent upon receipt and approval by the District of a performance bond and certificate of insurance from Midwest Infrastructure, Inc., as provided in the Contract.

**It was moved by Director Hoyt and seconded by Director Kennedy that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair of the Nuclear Committee declared Resolution No. 22-45 adopted.

CNS Site Vice President Khalil M. Dia reviewed dues for 2023 Institute of Nuclear Power Operations (INPO) membership. Director Johnson, Chair of the Nuclear Committee, recommended the following resolution:

**RESOLUTION NO. 22-46**

WHEREAS, Resolution No. 80-39, adopted March 27, 1980, authorized management to become a member of the Institute of Nuclear Power Operations (INPO); and

**RESOLUTION  
NO. 22-46  
(ADOPTED):  
APPROVE INPO  
MEMBERSHIP DUES  
FOR 2023**

WHEREAS, after having appraised the benefits the District has received and will continue to receive from membership in INPO, management has determined the best interest of the District will be served by continuing to participate as a member of INPO; and

WHEREAS, INPO has assessed the District's membership dues for the year 2023 in the amount of \$1,431,813, which represents a \$47,083 or 3.4% price increase over the 2022 membership dues.

NOW, THEREFORE, BE IT RESOLVED that management be and hereby is authorized and instructed to continue to participate as a member of INPO and to make payment to INPO for membership dues in an amount not to exceed \$1,431,813 for the year 2023.

**It was moved by Director Thompson and seconded by Director Freelend that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair of the Nuclear Committee declared Resolution No. 22-46 adopted.

CNS General Manager of Plant Operations Khalil M. Dia reviewed the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Nuclear), which included: 1) Agreement with GE-Hitachi Nuclear Energy Americas LLC, for 2023 Boiling Water Reactor Owners' Group membership fees; 2) Agreement with the Electric Power Research Institute (EPRI) for nuclear supplemental membership funding for 2023; and 3) Agreement with The Westwind Group, Inc., for supplemental operations training personnel (CNS).

**It was moved by Director Schrock and seconded by Director Freelend to approve the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Nuclear). Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

**MOTION (CARRIED):  
APPROVE REQUEST  
FOR APPROVAL OF  
PROCUREMENTS  
FOR SERVICES,  
EQUIPMENT AND/OR  
MATERIALS FOR  
ITEMS \$500,000 AND  
ABOVE (NUCLEAR)**

Whereupon the Chair of the Nuclear Committee declared the motion carried.

Executive Vice President and Chief Nuclear Officer John A. Dent, Jr., provided an update regarding Cooper Nuclear Station.

A lunch recess was taken from 12:20 to 1:05 p.m.

RECESS

When the meeting reconvened, Director Troester was still out of the room.

Director Harding, Chair of the Energy Supply Committee, reported that the Energy Supply Committee met Thursday morning, December 8, 2022.

ENERGY SUPPLY  
COMMITTEE  
REPORT

During the Energy Supply Committee meeting, Vice President of Energy Production Michael J. Spencer reviewed the following Capital Projects Report:

Report No. EP-1      Capital Projects \$500,000 and above not specifically identified in the Budget that require approval by the Board for the period November 1, 2022, through November 30, 2022 – 2022 Capital Additions Budget.

**It was moved by Director Harding and seconded by Director Schrock that Capital Projects Report No. EP-1 (2022 Budget) be approved for the period November 1, 2022, through November 30, 2022, which included: 1) Capital Project C/9759, Fuel Gas Valve Replacement, Combustion Turbine 1 (Beatrice Power Station); 2) Capital Project C/9760, Fuel Gas Valve Replacement, Combustion Turbine 2 (Beatrice Power Station); 3) Capital Project C/10266, Forced Draft Fan B-2 Motor Replacement (GGS); 4) Capital Project C/ 10450, Unit 2 Exciter Replacement (GGS); and 5) Capital Project C/10517, Unit 2 Primary Air Fan A-2 Motor Replacement (GGS). Votes were cast and recorded as follows:**

**MOTION (CARRIED):  
APPROVE CAPITAL  
PROJECTS REPORT  
NO. EP-1 (2022  
BUDGET)**

Voting Aye:                      Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Williams  
Voting Nay:                      None  
Abstaining:                      None  
Present But Not Voting:      None  
Absent:                              Christensen, Troester

Whereupon the Chair declared the motion carried.

Director Troester entered the meeting room.

Director Harding, Chair of the Energy Supply Committee, reported that the Committee also heard reports on the following matters: 1) Energy Supply monthly generation performance; 2) Energy Supply look-ahead for January 2023; 3) Water Supply; and 4) Renewable Projects.

ENERGY SUPPLY  
COMMITTEE  
REPORT

Director Williams, Chair of the Customer and Support Services Committee, reported that the Customer and Support Committee met Thursday morning, December 8, 2022.

CUSTOMER AND  
SUPPORT SERVICES  
COMMITTEE

Accounting Manager Joni J. Davis presented financial performance measures for October 2022, as well as the monthly financial report, which indicated that operating revenues from electric sales were \$9.3 million over budget for the month, and \$93.0 million over budget year to date. Firm electric sales were \$1.5 million over budget for the month, and \$38.6 million over budget year to date. Other electric sales were \$7.8 million over budget for the month, and \$54.4 million over budget year to date. Total operating expenses were under budget by \$2.0 million for the month, and \$7.1 million over budget year to date. The balance of the regulatory liability for unearned revenues as of October 31, 2022, was \$271.9 million. This balance represents surplus net revenues to be applied as credits against revenue requirements in future rate periods.

OCTOBER 2022  
FINANCIAL  
STATEMENTS

**It was moved by Director Williams and seconded by Director Freelend that the October 2022 Financial Statements be accepted, as presented. Votes were cast and recorded as follows:**

**MOTION (CARRIED):  
ACCEPT  
OCTOBER 2022  
FINANCIAL  
STATEMENTS**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared the motion carried.

Accounting Manager Joni J. Davis also shared preliminary financial results for November, reporting that the District experienced a surplus of \$3.2 million for the month, resulting in a year-to-date surplus of \$68.8 million.

PRELIMINARY  
FINANCIAL RESULTS  
FOR NOVEMBER  
2022

Director Williams, Chair of the Customer and Support Services Committee, recommended the following resolution:

**RESOLUTION NO. 22-47**

WHEREAS, the District has a Participation Power Agreement (PPA) with Omaha Public Power District (OPPD) for a 23.67 percent share of Nebraska City 2 (NC2); and

**RESOLUTION  
NO. 22-47  
(ADOPTED):  
APPROVE SURETY  
BOND FOR 2023  
OPERATIONS AND  
MAINTENANCE**

**COSTS, OPPD NC2  
POWER PLANT**

WHEREAS, said PPA requires the District to maintain security in favor of OPPD for the District’s payment of its percentage share of the annual budgeted operation and maintenance costs of NC2; and

WHEREAS, District management desires and intends to obtain a surety bond in the amount not to exceed \$21,000,000 to fulfill its security obligation for OPPD’s 2023 annual budget for NC2.

NOW, THEREFORE, be it resolved that District management be and hereby is authorized to enter into a payment surety bond for an amount not to exceed \$21,000,000 and the related indemnity agreement with an acceptable insurance company when the necessary instruments and agreements are in a form and substance satisfactory to management and legal counsel.

**It was moved by Director Williams and seconded by Director Kennedy that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-47 adopted.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Arthur R. Wiese reviewed the following Capital Projects Report:

Report No. ED-1	Capital Projects \$500,000 and above not specifically identified in the Budget that require approval by the Board for the period November 1, 2022, through November 30, 2022 – 2022 Capital Additions Budget.
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**It was moved by Director Williams and seconded by Director Harding that Capital Projects Report No. ED-1 (2022 Budget) be approved for the period November 1, 2022, through November 30, 2022, which included: 1) Capital Project 9437, Supplement No. 1, Design and Construct 345 kV Section (Olive Creek Substation); 2) Capital Project C/9440, Supplement No. 1, Design and Construct 115 kV Section (Olive Creek Substation); and 3) Capital Project C/9439, Supplement No. 1, Reroute Transmission Line L1180A (Monolith). Votes were cast and recorded as follows:**

**MOTION (CARRIED):  
APPROVE CAPITAL  
PROJECTS REPORT  
NO. ED-1 (2022  
BUDGET)**



Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson,  
Kennedy, Schrock, Thompson, Troester,  
Williams  
Voting Nay: None  
Abstaining: None  
Present But Not Voting: None  
Absent: Christensen

Whereupon the Chair declared the motion carried.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Arthur R. Wiese discussed an engineer's certificate for the procurement of a 230/115 kV 336 MVA Power Transformer for the Columbus East Substation. Director Williams, Chair of the Customer and Support Services Committee, recommended the following resolution:

**RESOLUTION NO. 22-48**

WHEREAS, management has determined that it is in the best interest of the District to procure a 230/115kV 336 MVA transformer that will be used to replace an existing 230/115kV 187 MVA transformer at the Columbus East Substation; and

WHEREAS, the District has determined, as certified by a competent engineer, that pursuant to Neb. Rev. Stat. Section 70-637 (4)(a)(ii), the equipment being procured is unique and technologically complex.

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby approve the attached engineer's certification, which is on file with the Assistant Secretary and which states that it is not in the public interest to comply with said Neb. Rev. Stat. Section 70-637 (2).

BE IT FURTHER RESOLVED that management be and hereby is authorized and instructed to enter into competitive negotiations, for and on behalf of the District, with vendors that may be capable of providing a 230/115kV 336 MVA transformer, after first advertising notice pursuant to Nebraska law of its intention to enter into said negotiations, and as a result of the negotiations, bring a contract for the procurement of the transformer back to the Board for approval, when the Contract is in a form acceptable to management and legal counsel.

**It was moved by Director Williams and seconded by Director Johnson that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

**RESOLUTION  
NO. 22-48  
(ADOPTED):  
APPROVE  
ENGINEER'S  
CERTIFICATE,  
230/115 kV, 336 MVA  
POWER  
TRANSFORMER**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson,  
Kennedy, Schrock, Thompson, Troester,  
Williams  
Voting Nay: None  
Abstaining: None  
Present But Not Voting: None  
Absent: Christensen

Whereupon the Chair declared Resolution No. 22-48 adopted.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Arthur R. Wiese discussed new Transmission Extension Policy. Director Williams, Chair of the Customer and Support Services Committee, recommended the following resolution:

**RESOLUTION NO. 22-49**

WHEREAS, the management of the District has proposed a Transmission Standard Extension Policy to reflect current operating conditions and practices and to assure more effective and efficient administration of the District’s provision of transmission facilities extension and service; and

WHEREAS, the District’s Transmission Standard Extension Policy establishes general conditions under which the District will make extensions to electric facilities and the general guidelines to be followed in determining a transmission customer’s contribution for extension costs; and

WHEREAS, management of the District has proposed and presented to and this Board of Directors has reviewed and duly considered with management the basis for and the rates, terms, conditions and specifications for facilities and service in said proposed Transmission Standard Extension Policy; and

WHEREAS, said proposed Transmission Standard Extension Policy is on file with the Pricing and Rates Department and the Energy Delivery System Planning and Transmission Business Department of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors finds and declares, pursuant to Sections 70-621 and 70-655 of the Nebraska Revised Statues, that said proposed Transmission Standard Extension Policy referred to herein and incorporated into this Resolution by reference is fair, reasonable and nondiscriminatory and so adjusted as in a fair and equitable manner to confer upon and distribute among the users and consumers of commodities and services furnished and sold by the District the benefits of a successful and profitable operation and conduct of the business of the District.

**RESOLUTION  
NO. 22-49  
(ADOPTED):  
APPROVE  
ENGINEER’S  
CERTIFICATE,  
230/115 kV, 336 MVA  
POWER  
TRANSFORMER**

BE IT FURTHER RESOLVED that said Transmission Standard Extension Policy is hereby fixed, established, approved, and adopted by this Board of Directors to be effective for service provided on and after January 1, 2023.

**It was moved by Director Williams and seconded by Director Freelend that the foregoing resolution be adopted. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-49 adopted.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Arthur R. Wiese discussed Southwest Power Pool (SPP) Notification to Construct (NTC) SPP-NTC-210682, related to the Monolith transmission projects.

**It was moved by Director Williams and seconded by Director Schrock to accept Southwest Power Pool notification to construct SPP-NTC-210682. Votes were cast and recorded as follows:**

Voting Aye:	Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared the motion carried.

During the Customer and Support Services Committee Meeting, Corporate Communications and Public Relations Manager Heidi J. Elliott reviewed the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Customer Services and External Affairs), which included an Agreement with Bozell, for media consulting services for 2023.

**It was moved by Director Williams and seconded by Director Kennedy to approve the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Customer Services and External Affairs), which included the Agreement with Bozell. Votes were cast and recorded as follows:**

**MOTION (CARRIED):  
ACCEPT SPP  
NOTIFICATION TO  
CONSTRUCT  
SPP-NTC-210682**

**MOTION (CARRIED):  
APPROVE REQUEST  
FOR APPROVAL OF  
PROCUREMENTS  
FOR SERVICES,  
EQUIPMENT AND/OR**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
 Voting Nay: None  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen

**MATERIALS FOR ITEMS \$500,000 AND ABOVE (CUSTOMER SERVICES AND EXTERNAL AFFAIRS)**

Whereupon the Chair declared the motion carried.

Director Williams, Chair of the Customer and Support Services Committee, reported that the Committee also heard reports on the following matters: 1) Transmission Projects; 2) Energy Delivery look-ahead for January 2023; and 3) Retail Business Unit performance.

**CUSTOMER AND SUPPORT SERVICES COMMITTEE REPORT**

Director Chlopek, Chair of the Audit, Risk and Compliance Committee, reported that the Audit, Risk and Compliance Committee met Thursday morning, December 8, 2022. Executive Vice President of External Affairs and General Counsel John C. McClure discussed state legislative issues. The Committee also and reviewed and discussed President and Chief Executive Officer Thomas J. Kent’s year-end performance.

**AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT**

Director Thompson, Chair of the Board Governance and Strategic Planning Committee, reported that the Board Governance and Strategic Planning Committee met Wednesday afternoon, December 7, 2022.

**It was moved by Director Thompson and seconded by Director Harding to approve the 2023 Strategic Plan. Votes were cast and recorded as follows:**

**MOTION (CARRIED): APPROVE 2023 STRATEGIC PLAN**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Schrock, Thompson, Troester, Williams  
 Voting Nay: None  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen

Whereupon the Chair declared the motion carried.

**It was moved by Director Thompson and seconded by Director Johnson to approve revisions to the NPPD By-Laws, to incorporate changes related to two-year officer terms. Votes were cast and recorded as follows:**

**MOTION (CARRIED): APPROVE REVISIONS TO NPPD BY-LAWS**

Voting Aye: Chlopek, Freelend, Harding, Hoyt, Johnson, Kennedy, Thompson, Troester, Williams  
 Voting Nay: Schrock  
 Abstaining: None  
 Present But Not Voting: None  
 Absent: Christensen

Whereupon the Chair declared the motion carried.

Chief Audit and Ethics Officer Conrad L. Saltzgaber provided a summary of the Board self-evaluation consultant recommendations, provided by Leading Resources, Inc.

Director Chlopek stepped down as Chair, and presented the gavel and gave control of the meeting to Director Thompson. There being no further business to come before the Board, Director Thompson declared the meeting duly adjourned at 1:52 p.m.

BOARD SELF-EVALUATION RECOMMENDATIONS

ADJOURNMENT  
1:52 P.M.

Minutes approved at  
the meeting of  
January 11-12, 2023

\_\_\_\_\_/s/\_\_\_\_\_  
Jerry L. Chlopek, Chair

\_\_\_\_\_/s/\_\_\_\_\_  
Aaron D. Troester, Secretary

**REPORT ON RETIREMENTS AND  
FORMER DISTRICT EMPLOYEE REHIRSES  
DECEMBER 2022 BOARD MEETING**

**RETIREMENTS**

1. Gerald E. Horn, Mechanical Engineering Supervisor, Cooper Nuclear Station, Brownville, was employed December 16, 1989, and is retiring as of December 31, 2022.
2. Judith C. Dush, Records Processing Team Leader, General Office, Columbus, was employed April 1, 1976, and is retiring as of February 28, 2023.

**REHIRSES**

None this month.