

MINUTES OF REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
NEBRASKA PUBLIC POWER DISTRICT  
JULY 13-14, 2022

(Marginal Index for Informational Purposes Only)

A meeting of the Board of Directors of Nebraska Public Power District was held at Gerald Gentleman Station, Sutherland, Nebraska, beginning at 1:00 p.m. on Wednesday, July 13, 2022. Prior to the meeting, GGS teammates joined the Board of Directors and Executive Staff for lunch, in celebration of the 40<sup>th</sup> anniversary for commercial operation of Gerald Gentleman Station Unit 2.

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 July 7, 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 1:00 p.m. on Wednesday, July 13, 2022, and directed the roll be called:

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.

LEGAL NOTICE  
PUBLISHED PRIOR  
TO THE MEETING

ROLL CALL,  
1:00 P.M., JULY 13,  
2022

ANNOUNCEMENT OF  
POSTING OF OPEN  
MEETINGS ACT AND  
AGENDA

Guests at the meeting included Rick Nelson, Custer Public Power District; Senator Mike Jacobson; Nebraska Department of Environment and Energy Director Jim Macy; former NPPD Directors Ralph Holzfaster and Larry Linstrom.

GUESTS  
WELCOMED TO  
MEETING

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

REPORT ON  
SYSTEM AND  
SAFETY STATUS

Lincoln Electric System Vice President and General Counsel Shelley Sahling-Zart and Manager of Resource and Transmission Planning Scott Benson discussed the Southwest Power Pool (SPP) Integrated Market and conducted an exercise to simulate how the market works in relation to various generating resource scenarios.

SPP MARKET  
SIMULATION

**It was moved by Director Hoyt and seconded by Director Schrock that the Board go into Executive Session at 2:38 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:**

**MOTION (CARRIED):  
GO INTO EXECUTIVE  
SESSION AT  
2:38 P.M. TO  
PROTECT THE  
PUBLIC INTEREST,  
DISCUSS  
COMPETITIVE AND  
PROPRIETARY  
INFORMATION,  
PERSONNEL  
MATTERS, PENDING  
AND POTENTIAL  
LITIGATION, AND  
RECEIVE LEGAL  
ADVICE**

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.

RECESS

Immediately following the vote, a recess was taken until 2:55 p.m.

Chair Chlopek announced the executive session was ended at 4:58 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.

EXECUTIVE  
SESSION ENDED AT  
4:58 P.M.

The meeting was recessed at 4:58 p.m., to reconvene on Thursday, July 14, 2022, at the Sandhills Convention Center in North Platte.

MEETING  
RECESSED AT  
4:58 P.M.

**JULY 14, 2022**

Chair Chlopek called the regular meeting to order at 9:45 a.m. on Thursday, July 14, 2022, at the Sandhills Convention Center in North Platte, Nebraska, and directed the roll to be called:

ROLL CALL,  
9:45 A.M., JULY 14,  
2022

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

Absent: Charlie C. Kennedy, Fred L. Christensen

constituting a quorum of the Board of Directors.

Director Kennedy entered the meeting shortly after roll call.

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 Darin Bloomquist, Nebraska Electric G&T; Gwen Kautz, Dawson Public Power District; Rick Nelson, Custer Public Power District; Bob Beatty, KBR Rural Public Power District; Ken Ham, Southwest Public Power District; former NPPD Director Larry Linstrom; Senator Mike Jacobson; and Michael Paulsen.

GUESTS  
WELCOMED TO  
MEETING

Mayor of North Platte Brandon Kelliher provided a welcome to the group and outlined several economic development projects and other happenings in North Platte, NPPD's largest wholesale municipal customer. Mayor Kelliher also commended NPPD on the 40<sup>th</sup> anniversary of GGS Unit 2, and shared his appreciation for the relationship between NPPD and the City.

WELCOME

Director of Generation Strategies and Research John H. Swanson provided an overview of several ongoing generation strategies initiatives, including small modular nuclear, Hydrogen Hub, CO<sub>2</sub> Carbon Dioxide Hub, and bubbling fluidized bed study work.

GENERATION  
STRATEGIES  
UPDATE

As a follow-up to the Southwest Power Pool Integrated Market (SPP IM) exercise facilitated on July 13 by Lincoln Electric System, Accounting Manager Joni J. Davis made a presentation to the Board regarding SPP IM transactions are translated and get recorded for NPPD's financial statements.

SPP MARKET  
TRANSACTIONS  
RELATED TO NPPD  
FINANCIAL  
STATEMENTS

During the time designated for public comments, Nebraska Electric G&T General Manager Darin Bloomquist extended his congratulations on Gerald Gentleman Station Unit 2's 40<sup>th</sup> anniversary, and briefly discussed the Zone 5 area.

PUBLIC COMMENTS

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

CONSENT AGENDA

- Minutes of June 8-9, 2022, Regular Board Meeting
- Minutes of June 23, 2022, Special Board Meeting

- September 2022 Regular Board Meeting scheduled for September 7-8, 2022, in Columbus (August 2022 Regular Board Meeting previously scheduled for August 10-11, 2022, in York/Columbus)
- Ratification/Confirmation of Signatures of Staff Members
- May 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 Harding that all items on the consent agenda be approved as listed above. 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.

President and Chief Executive Officer Thomas J. Kent read an excerpt from NPPD's "CNS Tools for Excellence" pocket guide.

A video depicting accomplishments achieved by the District during the second quarter of 2022 was shown.

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.

President and Chief Executive Officer Thomas J. Kent provided a look-ahead of upcoming items for the August 2022 Board meeting.

Executive Vice President of External Affairs and General Counsel John C. McClure provided an overview of federal and state legislative items.

During the time designated for Directors' comments and questions, Director Hoyt thanked the group for making the trip to North Platte and spending time in NPPD Subdivision 4. Director Freelend commended staff on the tour of NPPD's water system, conducted July 12 in and around

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

REPORT ON  
SECOND QUARTER  
2022  
PERFORMANCE

EMPLOYEE  
COUNTS,  
RETIREMENTS AND  
REHIRE FOR  
JULY 2022

BOARD AGENDA  
LOOK-AHEAD FOR  
AUGUST 2022

GOVERNMENTAL  
AFFAIRS UPDATE

DIRECTORS'  
COMMENTS

North Platte and Ogallala. Director Thompson requested a future update on artificial intelligence and how it's being used at NPPD.

The Nuclear Committee of the Whole, chaired by Director Johnson, met Thursday, July 14, 2022, from 10:54 to 10:59 a.m. during the Board of Directors meeting. Vice President and Chief Nuclear Officer John A. Dent, Jr., provided an update regarding Cooper Nuclear Station.

NUCLEAR  
COMMITTEE OF THE  
WHOLE

Director Harding, Chair of the Energy Supply Committee, reported that the Energy Supply Committee met Thursday morning, July 14, 2022.

ENERGY SUPPLY  
COMMITTEE  
REPORT

Director Harding, Chair of the Energy Supply Committee, recommended the following resolution:

**RESOLUTION NO. 22-25**

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 22-009, Ash Landfill Earthwork for Sheldon 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

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 estimated base bid of Tim Sisco Construction, LLC, Sterling, Nebraska, is the lowest and best evaluated bid on Contract No. 22-009.

**RESOLUTION  
NO. 22-25  
(ADOPTED): AWARD  
CONTRACT  
NO. 22-009, ASH  
LANDFILL  
EARTHWORK  
(SHELDON  
STATION), TO TIM  
SISCO  
CONSTRUCTION,  
LLC, ESTIMATED  
BASE BID PRICE OF  
\$140,202.50**

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. 22-009 be accepted by the District:

Tim Sisco Construction, LLC, Sterling, Nebraska,  
estimated base bid price of \$140,202.50.

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 Tim Sisco Construction, LLC, as provided in the Contract.

**It was moved by Director Harding 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. 22-25 adopted.

Director Harding, Chair of the Energy Supply Committee, reported that Canaday/Water/Renewable Energy Manager Kirk A. Evert discussed Amendment No. 2 to Contract No. 21-004, Keystone Diversion Dam South River Gate Rehabilitation, during the Energy Supply Committee meeting. The original Contract, awarded to OCCI, Inc., in June 2021, included installation of temporary cofferdams to control lake water during repairs, abrasive blasting and repainting of the existing radial arm gates, replacement of defective gate rivets, repair of defective components of the existing radial arm gates, and replacement of gate seals, installation of new trunnion pin covers. During the Fall 2021 outage, attempts to dewater the work area by installing cofferdams upstream of the gates were unsuccessful when water from Lake Ogallala undercut the cofferdams and scoured alongside and beneath the structure's existing concrete apron. With canal flow needing to resume in order to provide water to Sutherland Reservoir for GGS operations, OCCI was asked to demobilize and plan to remobilize to complete the project in 2022. Amendment No. 2 provided for remobilization and completion of Contract work.

**It was moved by Director Harding and seconded by Director Johnson to approve Amendment No. 2 to Contract No. 21-004, Keystone Diversion Dam South River Gate Rehabilitation), in the amount of \$412,533, bringing total Contract amendments to \$739,449, and the entire Contract amount to \$2,221,437. 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.

**MOTION (CARRIED):  
APPROVE  
AMENDMENT NO. 2  
TO CONTRACT  
NO. 21-044,  
KEYSTONE  
DIVERSION DAM  
SOUTH RIVER GATE  
REHABILITATION**

Director of Infrastructure Technology Operations Daniel R. Vice reviewed the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Enterprise Technology) during the Energy Supply Committee meeting. This Report included an Agreement Evolving Solutions, Inc., for subscriptions and support for Nutanix servers across the District, from August 2022 to June 2024.

**It was moved by Director Harding and seconded by Director Thompson to approve the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Enterprise Technology). 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.

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 August 2022; 3) and Water Supply.

Director Williams, Chair of the Customer and Support Services Committee, reported that the Customer and Support Committee met Thursday morning, July 14, 2022.

Accounting Manager Joni J. Davis presented financial performance measures for May 2022, as well as the monthly financial report, which indicated that operating revenues from electric sales were \$31.6 million over budget for the month, and \$33.8 million over budget year to date. Firm electric sales were \$4.7 million over budget for the month, and \$13.2 million over budget year to date. Other electric sales were \$26.9 million over budget for the month, and \$20.6 million over budget year to date. Total operating expenses were over budget by \$4.3 million for the month, and \$7.8 million under budget year to date. The balance of the regulatory liability for unearned revenues as of May 31, 2022, was \$267.0 million. This balance represents surplus net revenues to be applied as credits against revenue requirements in future rate periods.

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

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

ENERGY SUPPLY  
COMMITTEE  
REPORT

CUSTOMER AND  
SUPPORT SERVICES  
COMMITTEE

MAY 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.

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

**RESOLUTION NO. 22-26**

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 21-016A, Substation Control Building, 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

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 Sampson Construction Co., Inc., Lincoln, Nebraska, is the lowest and best evaluated bid on Contract No. 21-016A.

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 for Contract No. 21-016A be accepted by the District:

Sampson Construction Co., Inc., Lincoln,  
Nebraska, firm base bid price of \$1,304,155.

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, when the Contract is in a form acceptable to management and Legal Counsel.

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 Sampson Construction Co., Inc., as provided in the Contract.

**RESOLUTION  
NO. 22-26  
(ADOPTED): AWARD  
CONTRACT  
NO. 21-016A,  
SUBSTATION  
CONTROL BUILDING  
(OLIVE CREEK), TO  
SAMPSON  
CONSTRUCTION  
CO., INC., FIRM  
BASE BID PRICE OF  
\$1,304,155**



**It was moved by Director Williams 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, Thompson, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Christensen

Whereupon the Chair declared Resolution No. 22-26 adopted.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Arthur R. Wiese reviewed the need to authorize emergency Capital Project Nos. C/10452 and C/10454 for the repair three transmission lines as a result of overnight storms June 14 and 15, including: 1) Transmission Line TL3502B, Grand Island- McCool 345 kV Transmission Line; 2) Transmission TL1076A, York Southwest-McCool 115 kV Transmission Line; and 3) Transmission Line TL1253, Rising City-Seward 115 kV Transmission Line. Management requested that the Board ratify the actions taken to expedite repairs.

**It was moved by Director Williams and seconded by Director Johnson to ratify management's actions to expedite repairs on Transmission Lines TL3502B, TL1076A, and TL1253, and authorize the costs to be included in Capital Project Nos. C/10452 and C/10454. 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.

The monthly Transmission Projects Update was included in the electronic file provided to the Board.

Director Williams, Chair of the Customer and Support Services Committee, reported that the Committee also heard reports on the following matters: 1) Federal Price-Anderson Act, NPPD Financial Guaranty; 2) Energy Delivery look-ahead for August 2022; 3) Report on June 6-7, 2022, Storm Damage Procurements; and 4) Retail Business Unit performance.

**MOTION (CARRIED):  
RATIFY  
MANAGEMENT'S  
ACTIONS TO  
EXPEDITE REPAIRS,  
AUTHORIZE  
CAPITAL PROJECT  
NOS. C/10452 AND  
C/10454**

**TRANSMISSION  
PROJECTS UPDATE**

**CUSTOMER AND  
SUPPORT SERVICES  
COMMITTEE  
REPORT**

Director of Finance and Financial Planning Donna K. Starzec presented an overview of the 2023-2028 Rate Outlook. Key items discussed included key assumptions and changes, revenues and expenses, capital budget, management recommendations, and a proposed schedule.

BUDGET  
COMMITTEE  
REPORT

Preliminary recommendations for 2023 wholesale rates include no overall change in wholesale base rates, however various rates within wholesale may change as a result of updating rate studies. Also recommended is a wholesale Production Cost Adjustment (PCA) refund amount of approximately \$33.9 million. This results in no change to overall wholesale base rates for the sixth year in a row. For 2023 retail rates, the preliminary rate outlook indicates, for the tenth year in a row, that no overall increase in retail base rates will be required, however there may be changes to customer rate classes and individual customers will see impacts depending upon their usage characteristics. The 2023 retail PCA refund is recommended to be \$5 million, with the exception of the Large Industrial Service class, which will be adjusted to follow the wholesale PCA. For 2024 through 2028 of the current Rate Outlook, wholesale base rates are forecasted to remain stable.

There being no further business to come before the Board, the meeting was duly adjourned at 11:19 a.m.

ADJOURNMENT  
11:19 A.M.

Minutes approved at  
the meeting of  
August 10-11, 2022

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

\_\_\_\_\_/s/\_\_\_\_\_  
Wayne E. Williams, Secretary

**REPORT ON RETIREMENTS AND  
FORMER DISTRICT EMPLOYEE REHIRES  
JULY 2022 BOARD MEETING**

**RETIREMENTS**

1. Marjorie A. Zarek, Administrative Assistant I, General Office, Columbus, was employed May 1, 1981, and is retiring as of July 15, 2022.
2. Chad S. Kordich, Chemistry Technician, Cooper Nuclear Station, Brownville, was employed November 13, 2007, and is retiring as of August 31, 2022.
3. Robert E. Sjuts, Operations Contract Projects Coordinator, General Office, Columbus, was employed February 20, 1989, and is retiring as of August 31, 2022.
4. Brooke L. Vincent, Technical Training Support Specialist, Control Center, Doniphan, was employed October 16, 1997, and is retiring as of September 16, 2022.
5. Craig W. Vincent, Transmission System Coordinator, Control Center, Doniphan, was employed May 1, 1990, and is retiring as of September 16, 2022.
6. Mark K. Lammers, Safety and Human Performance Lead, Gerald Gentleman Station, Sutherland, was employed March 16, 1992, and is retiring as of September 30, 2022.
7. Gaylen R. Thomsen, Material Coordinator, Operations Center, York, was employed April 1, 1977, and is retiring as of September 30, 2022.

**REHIRES**

None this month.