

MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
NEBRASKA PUBLIC POWER DISTRICT
APRIL 12-13, 2023

(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 1:00 p.m. on Wednesday, April 12, 2023.

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 April 6, 2023:

- (1) Kearney Hub, Kearney, Nebraska;
- (2) Lincoln Journal Star, Lincoln, Nebraska;
- (3) Norfolk Daily News, Norfolk, Nebraska;
- (4) North Platte Telegraph, North Platte, Nebraska;
- (5) Omaha World-Herald, Omaha, Nebraska;
- (6) Scottsbluff Star-Herald, Scottsbluff, Nebraska;
- (7) 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, April 12, 2023, and directed the roll be called:

Present: Jerry L. Chlopek, Sue D. Fuchtman, David D. Gale, Mary A. Harding, Ronald J. Mogul, Jr., Derek S. Rusher, Edward J. Schrock, Aaron D. Troester

Absent: Wayne E. Williams

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.

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

It was moved by Director Mogul and seconded by Director Rusher to excuse the absence of Director Wayne Williams from the April 2023 Board meeting, due to illness. Votes were cast and recorded as follows:

LEGAL NOTICE
PUBLISHED PRIOR
TO THE MEETING

ROLL CALL,
1:00 P.M., APRIL 12,
2023

ANNOUNCEMENT OF
POSTING OF OPEN
MEETINGS ACT AND
AGENDA

REPORT ON
SYSTEM AND
SAFETY STATUS

**MOTION (CARRIED):
EXCUSE ABSENCE
OF WAYNE
WILLIAMS,**

Voting Aye: Chlopek, Fuchtman, Gale, Harding, Mogul,
Rusher, Schrock, Troester
Voting Nay: None
Abstaining: None
Present But Not Voting: None
Absent: Williams

**APRIL 2023
MEETING**

Whereupon the Chair declared the motion carried.

Audit, Risk and Compliance Committee Chair Jerry L. Chlopek reported that the Audit, Risk and Compliance Committee met with the District's external auditor and members of staff on Wednesday, April 12, 2023, to review the 2022 Audit Report and Annual Financial Report.

Chris Barello, PricewaterhouseCoopers (PwC) Engagement Partner, reviewed the results of the 2022 audit with the full Board. The PwC team would issue a final report on April 13, but Mr. Barello indicated that it was a clean audit and PwC received excellent support from NPPD staff.

It was moved by Director Schrock and seconded by Director Harding that the Board accept the PwC 2022 Audit Report and approve NPPD's 2022 Annual Financial Report. Votes were cast and recorded as follows:

Voting Aye: Chlopek, Fuchtman, Gale, Harding, Mogul,
Rusher, Schrock, Troester
Voting Nay: None
Abstaining: None
Present But Not Voting: None
Absent: Williams

**MOTION (CARRIED):
ACCEPT PwC 2022
AUDIT REPORT AND
APPROVE 2022
ANNUAL FINANCIAL
REPORT**

Whereupon the Chairman declared the motion carried.

It was moved by Director Harding and seconded by Director Mogul to approve the appointment of Director Sue Fuchtman to the position of Customer and Support Services (CSS) Committee Chair for the remainder of 2023; change the size of the CSS Committee until Director vacancies are appointed; and authorize the Board Chair to make committee assignments for the new Directors at his discretion. Votes were cast and recorded as follows:

Voting Aye: Chlopek, Fuchtman, Gale, Harding, Mogul,
Rusher, Schrock, Troester
Voting Nay: None
Abstaining: None
Present But Not Voting: None
Absent: Williams

**MOTION (CARRIED):
APPROVE
APPOINTMENT OF
DIRECTOR
FUCHTMAN TO CSS
COMMITTEE CHAIR
AND OTHER BOARD
COMMITTEE
MEMBERSHIP
MAKEUP/CHANGES**

Whereupon the Chair declared the motion carried.

Environmental Operations and Coordination

Supervisor Jason A. Vanek discussed regulatory impacts on GGS generation, and presented specific information on the Environmental Protection Agency’s (EPA) Regional Haze Rule, Affordable Clean Energy (ACE) replacement rule, National Ambient Air Quality Standard (NAAQS), Ozone NAAQS, and Mercury Air Toxics Standard (MATS), and NPPD’s evaluation and response to each regulation.

REGULATORY
IMPACTS ON GGS
GENERATION

Director of Corporate Security and Chief Security Officer Timothy S. Pospisil, and Market Research and Development Coordinator Jennifer M. Butler-Palu provided an update on the Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA), providing specifics on both programs and potential grants and funding that NPPD is considering pursuing.

IRA/IIJA UPDATE

Derek Rusher left the meeting at 1:46 p.m.

It was moved by Director Schrock and seconded by Director Troester that the Board go into Executive Session at 1:47 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
1:47 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, Fuchtmann, Gale, Harding, Mogul, Schrock, Troester
Voting Nay: None
Abstaining: None
Present But Not Voting: None
Absent: Rusher, Williams

Whereupon the Chair 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, pending and potential litigation, and receive legal advice.

Immediately following the vote to go into executive session, a recess was taken from 1:48 to 2:01 p.m.

RECESS

Chair Chlopek announced the executive session was ended at 3:26 p.m., during which nothing was discussed beyond the items declared: competitive and proprietary information, personnel matters, pending and potential litigation, security matters, and receive legal advice.

EXECUTIVE
SESSION ENDED AT
3:26 P.M.

The meeting was recessed at 3:26 p.m., to reconvene on Thursday, April 13, 2023, at the Columbus General Office.

MEETING
RECESSED AT
3:26 P.M.

APRIL 13, 2023

Chair Chlopek called the regular meeting to order at 10:40 a.m. on Thursday, April 13, 2023, and directed the roll to be called:

Present: Jerry L. Chlopek, Sue D. Fuchtman, David D. Gale, Mary A. Harding, Ronald J. Mogul, Jr., Derek S. Rusher, Edward J. Schrock, Aaron D. Troester

Absent: Wayne E. Williams

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.

Guests at the meeting included Darin Bloomquist, Nebraska Electric G&T; Jon Dockhorn, Burt County Public Power District; Mark Kirby, Butler Public Power District; Tom Rudloff, Elkhorn Rural Public Power District; and Chet McWhorter, Cuming County Public Power District.

Corporate Safety Manager Bradley J. Palu provided the annual review of Strategic Directive BP-SD-02, Safety, including a review of corporate documents that reiterate NPPD's commitment to safety and historical safety data with regard to OSHA Days Away Restricted Time (DART) rate, Recordable Incident Rate, and Preventable Vehicle Accident rate.

Mr. Palu also discussed NPPD's use of the DuPont Safety Perception Survey aimed at helping to measure safety performance and improve and enhance the District's overall safety culture, and announced safety awards that the District received for 2022 safety performance.

Environmental Operations and Coordination
Supervisor Jason A. Vanek discussed Strategic Directive BP-SD-05, Carbon Emissions Reductions. BP-SD-05 was approved by the Board of Directors in December 2021, and states the District's goal of achieving "net zero" carbon emissions from NPPD's generation resources by 2050. Mr. Vanek reviewed the process for calculating the District's annual carbon dioxide (CO₂) emissions and presented the carbon emissions of generating resources under NPPD "control" on both a total short tons of CO₂ emitted and CO₂ intensity (lbs. / MWh) basis including effects of offsets, etc. Figures for carbon intensity, CO₂ emissions, and NPPD's generation mix were presented for calendar year 2022, in relation to annual historical figures from 2014 to 2021.

ROLL CALL,
10:40 A.M., APRIL 13,
2023

ANNOUNCEMENT OF
POSTING OF OPEN
MEETINGS ACT AND
AGENDA

GUESTS
WELCOMED TO
MEETING

ANNUAL REVIEW OF
BP-SD-02, SAFETY

ANNUAL REVIEW OF
BP-SD-05, CARBON
EMISSIONS
REDUCTIONS

NPPD's 2016 Wholesale Power Contract requires that each year by May 1, NPPD report on several financial items to its customers. Executive Vice President and Chief Financial Officer Laura L. Kapustka presented this information to the Customer Services Committee and full Board prior to its distribution to customers.

2016 WHOLESale
POWER
CONTRACT – MAY 1
REPORTING
UPDATE

Vice President of Energy Production Michael J. Spencer provided an update on the Department of Energy (DOE) Carbon Capture Hub Funding Opportunity (FOA) Announcement. NPPD submitted a letter of intent to the DOE in March, and pre-front end engineering design, authorized by the NPPD Board in October 2022, is in progress; in May, the Board will be given another update to report the preliminary results of the pre-front end engineering design, and make a recommendation on whether or not to pursue the FOA full application.

UPDATE ON DOE
CARBON CAPTURE
HUB FOA

There were no public comments.

PUBLIC COMMENTS

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

CONSENT AGENDA

- Minutes of March 9-10, 2023, Regular Board Meeting
- June 2023 Regular Board Meeting scheduled for June 7-8, 2023, in Columbus (May 2023 Regular Board Meeting previously scheduled for May 10-11, 2023, in Columbus)
- Ratification/Confirmation of Signatures of Staff Members
- February 2023 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 Harding and seconded by Director Schrock 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, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

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.

A video depicting accomplishments achieved by the District during the first quarter of 2023 was shown.

REPORT ON FIRST QUARTER 2023 PERFORMANCE

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 REHIRS FOR APRIL 2023

Retiree Leo Parks and his wife, Carol, were in attendance.

President and Chief Executive Officer Thomas J. Kent asked for a moment of silence in honor of Director Fred Christensen of rural Lyons, who passed away March 31, and recommended the following resolution:

RESOLUTION NO. 23-16

RESOLUTION NO. 23-16 (ADOPTED): POSTHUMOUS RECOGNITION OF DIRECTOR FRED CHRISTENSEN

WHEREAS, Fred L. Christensen well and faithfully served the public, the Nebraska Public Power District, and the utility industry in Nebraska since January 2013, when he was seated on the District’s Board of Directors; and

WHEREAS, prior to being elected to NPPD’s Board, he served as Director of Burt County Public Power District, headquartered in Tekamah, for 15 years; and

WHEREAS, during Fred Christensen’s years of service to NPPD as a Director, he exemplified the qualities of a dedicated and hard-working Director and officer of the District, and provided sound business judgment; responsible, conscientious leadership; and a composed, even temperament during his 10 years on the NPPD Board; and

WHEREAS, Fred Christensen epitomized the Midwest work ethic and was a true characterization of “Nebraska Nice”; and

WHEREAS, words cannot adequately express our personal affection for Fred L. Christensen; and

WHEREAS, it is with deep sorrow that the Board of Directors of the Nebraska Public Power District marks the untimely passing of Fred L. Christensen, husband, father, grandfather, colleague and friend, on March 31, 2023.

NOW, THEREFORE, BE IT RESOLVED that we, as individuals and as the Board of Directors of Nebraska Public Power District, expresses its respect for and gratitude to Fred L. Christensen for his devotion of time and contributions to Nebraska Public Power District, to the State of Nebraska, and to the electric utility as a whole; and conveys its sympathy to the Christensen family on the loss of a true gentleman and devoted champion of public power.

BE IT FURTHER RESOLVED that this respect for and gratitude to Fred L. Christensen, and our sympathy to his family, be conveyed by transmission of a duly certified copy of this resolution to his wife, Sandi.

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

Voting Aye:	Chlopek, Fuchtmann, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared Resolution No. 23-16 adopted.

President and Chief Executive Officer Thomas J. Kent recommended the following resolution to recognize former Director Charlie Kennedy of Scottsbluff, who resigned effective February 28:

RESOLUTION NO. 23-17

WHEREAS, Charlie C. Kennedy served the public, the Nebraska Public Power District (NPPD), and the electric utility industry in Nebraska since January 3, 2019, when he was seated on NPPD's Board of Directors; and

WHEREAS, during Charlie Kennedy's four years of service to NPPD as Director, he sat on various Board Committees, serving as Chair of the Energy Supply Committee in 2021, and Chair of the Customer and Support Services Committee for a portion of 2023; and

WHEREAS, Charlie Kennedy represented his constituents in Subdivision 5, including residents in his hometown of Scottsbluff as well as the Nebraska Panhandle, in an commendable 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, Charlie Kennedy brought to the NPPD Board sound business judgment; responsible leadership; thoughtful advice; a dry wit and quick sense of humor; and is respected by his peers on the Board, NPPD employees, customers, and other elected and utility officials from across the state and nation; and

WHEREAS, Charlie resigned his Directorship effective February 28, 2023.

**RESOLUTION
NO. 23-17
(ADOPTED):
RECOGNITION OF
FORMER DIRECTOR
CHARLIE KENNEDY**

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 Charlie C. Kennedy for his service to NPPD during the past four years, for his true support of public power, and for the numerous 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 Gloria and Alena Kennedy for their dedicated and unwavering support of their husband and father, Charlie, during his four years of service to NPPD.

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

Voting Aye:	Chlopek, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared Resolution No. 23-17 adopted.

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

RESOLUTION NO. 23-18

WHEREAS, Tom Rudloff, Elkhorn Rural Public Power General Manager, has well and faithfully served the public and the electric industry in Nebraska for the past 33 years; and

WHEREAS, Tom Rudloff began his career as an electrician for Creighton Electric for 10 years, and then moved on to North Central Public Power District (North Central), working in the load control area and later becoming a journeyman lineman. Tom Rudloff also held positions of lineman, line crew chief, general foreman, supervisor of engineering services, and purchasing and operations manager in the 20 years with North Central. Tom also completed the National Rural Electric Cooperative Association's Management Internship Program, which helps to train future leaders for the electric utility industry. On January 2, 2009, Tom Rudloff began employment with Elkhorn Rural Public Power District (Elkhorn) as their General Manager, from where he will officially retire on May 12, 2023; and

**RESOLUTION
NO. 23-18
(ADOPTED):
RECOGNITION OF
ELKHORN RPPD
GENERAL
MANAGER TOM
RUDLOFF**

WHEREAS, after working decades in the public power industry, Tom Rudloff's philosophy was to ensure that the crews of Elkhorn come home safely and to focus on safe, low-cost, reliable energy; and throughout the years Tom Rudloff has created many paths of great opportunities for Elkhorn by helping employees develop skills and take more control of their safety, with option analysis and having decisions made at the work site. Tom Rudloff added services and building infrastructure when other districts were restricting these activities and has been an active manager within the rural electric community by serving on programs like, Speak Up Listen Up, Commitment to Zero, and created a partnership with a physical therapist to help decrease incidents and injuries within Elkhorn; and

WHEREAS, Elkhorn and Nebraska Public Power District have fostered an excellent working relationship, partnering to strengthen public power in Nebraska, due in part to the character, leadership, and professionalism embodied by Tom Rudloff and his years of service to the electric utility industry.

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 Tom Rudloff for his extraordinary character, commitment to excellence and loyalty to his employees and customers of Elkhorn Rural 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.

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

Voting Aye:	Chlopek, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared Resolution No. 23-18 adopted.

President and Chief Executive Officer Thomas J. Kent recommended that the Board confirm the appointment of Conrad L. Saltzgaber as Vice President of Corporate Strategy and Innovation, to replace Timothy J. Arlt, who retired.

It was moved by Director Rusher and seconded by Director Harding to confirm the appointment of Conrad L. Saltzgaber to the position of Vice President of Corporate Strategy and Innovation effective May 1, 2023, and set compensation. Votes were cast and recorded as follows:

**MOTION (CARRIED):
CONFIRM
APPOINTMENT OF
CONRAD L.
SALTZGABER AS**

Voting Aye: Chlopek, Fuchtmann, Gale, Harding, Mogul,
Schrock, Schrock, Troester
Voting Nay: None
Abstaining: None
Present But Not Voting: None
Absent: Williams

**VICE PRESIDENT OF
CORPORATE
STRATEGY AND
INNOVATION
EFFECTIVE 5-1-23**

Whereupon the Chair declared the motion carried.

President and Chief Executive Officer Thomas J. Kent provided a look-ahead of upcoming items for the May 2023 Board meeting, and also discussed an upcoming Governing Boards meeting at The Energy Authority (TEA) headquarters in Jacksonville.

**BOARD AGENDA
LOOK-AHEAD**

Executive Vice President of External Affairs and General Counsel John C. McClure provided a brief update on legislative affairs at the federal and state levels.

**GOVERNMENTAL
AFFAIRS
LEGISLATIVE
REPORT**

During the time designated for Directors' comments and questions, Director Schrock reported on the agricultural economy. Director Rusher shared that he was absent from a portion of the April 12 meeting to attend a ceremony, his daughter signed with Doane University to play basketball.

**DIRECTORS'
COMMENTS AND
QUESTIONS**

A lunch recess was taken from 12:03 to 12:48 p.m.

LUNCH RECESS

The Nuclear Committee of the Whole, chaired by Director Troester, met Thursday, April 13, 2023, from 12:59 to 1:07 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 March 1, 2023, through March 31, 2023 – 2023 Capital Additions Budget.
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It was moved by Director Harding and seconded by Director Gale that Capital Projects Report No. N-1 be approved for the period March 1, 2023, through March 31, 2023, which included Supplement No. 1 to Capital Project C/7221, 316(b) Environmental, Fish Return (CNS). Votes were cast and recorded as follows:

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

Voting Aye: Chlopek, Fuchtmann, Gale, Harding, Mogul,
 Rusher, Schrock, Troester
 Voting Nay: None
 Abstaining: None
 Present But Not Voting: None
 Absent: Williams

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

CNS Site Vice President Khalil M. Dia reviewed Contract No. 23-001, Vertical Submersible Fish Return Pumps (CNS). Director Troester, First Vice Chair of the Nuclear Committee, recommended the following resolution:

RESOLUTION NO. 23-19

WHEREAS, pursuant to and in accordance with law, the bid on Contract No. 23-001, Vertical Submersible Fish Return Pumps, Cooper Nuclear Station, has been duly invited, received, opened, read, and tabulated; and

WHEREAS, management has studied and analyzed the bid received and it was determined that the bid contained significant exceptions and is considered non-responsive, and

WHEREAS, it would be in the best interest of the District to reject the bid and negotiate a contract for the vertical submersible fish return pumps, pursuant to Neb. Rev. Stat. Section 70-637.

NOW, THEREFORE, BE IT RESOLVED that the bid submitted on Contract No. 23-001 hereby is rejected as being non-responsive to the bid documents, and that the bid security submitted by the bidder as evidence of good faith be returned to the bidder.

BE IT FURTHER RESOLVED that management be and hereby is authorized to negotiate with Sulzer Pumps, Inc., and vendors who have the capability to provide the vertical submersible fish return pumps and attended the pre-bid meeting under this Contract for the vertical submersible fish return pumps, as contemplated by Contract No. 23-001, in an amount not to exceed \$2,200,000, after review and approval by legal counsel.

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

**RESOLUTION
 NO. 23-19
 (ADOPTED): REJECT
 BIDS ON CONTRACT
 NO. 23-001,
 VERTICAL
 SUBMERSIBLE FISH
 RETURN PUMPS
 (CNS), AUTHORIZE
 MANAGEMENT TO
 NEGOTIATE**

Voting Aye: Chlopek, Fuchtmann, Gale, Harding, Mogul,
 Rusher, Schrock, Troester
 Voting Nay: None
 Abstaining: None
 Present But Not Voting: None
 Absent: Williams

Whereupon the First Vice Chair of the Nuclear Committee declared Resolution No. 23-19 adopted.

CNS Site Vice President Khalil M. Dia reviewed Contract No. 23-007, "B" Side Extraction Steam Pipe Upgrade (CNS). Director Troester, First Vice Chair of the Nuclear Committee, recommended the following resolution:

RESOLUTION NO. 23-20

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 23-007, "B" Side Extraction Steam Pipe Upgrade, 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

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 Westinghouse Electric Company, LLC, Cranberry Township, Pennsylvania, is the lowest and best evaluated bid on Contract No. 23-007.

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. 23-007 be accepted by the District:

Westinghouse Electric Company, LLC, Cranberry Township, Pennsylvania, firm base bid price of \$2,457,631.

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.

**RESOLUTION
 NO. 23-20
 (ADOPTED): AWARD
 CONTRACT NO.
 23-007, "B" SIDE
 EXTRACTION
 STEAM PIPE
 UPGRADE (CNS), TO
 WESTINGHOUSE
 ELECTRIC CO., LLC,
 FIRM BASE BID
 PRICE OF \$2,457,631**

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 Westinghouse Electric Company, LLC, as provided in the Contract.

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

Voting Aye:	Chlopek, Fuchtmann, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the First Vice Chair of the Nuclear Committee declared Resolution No. 23-20 adopted.

CNS Site Vice President Khalil M. Dia reviewed an amendment to the engineer's certificate for H₂/O₂ Primary Containment Monitoring System (CNS). Director Troester, First Vice Chair of the Nuclear Committee, recommended the following resolution:

RESOLUTION NO. 23-21

WHEREAS, the District's Board of Directors approved an Engineer's Certificate at the June 2022 Board Meeting under Resolution No. 22-21, which authorized the District to enter into a contract with Meggitt Safety Systems, Inc. (Meggitt), the successor to the original equipment manufacturer, for the design, manufacture, installation, and commissioning for new replacement remote electronic control chassis subcomponents for two primary containment atmosphere hydrogen and oxygen (H₂/O₂) monitors at Cooper Nuclear Station; and

WHEREAS, Resolution No. 22-21 approved funding for the original work scope contained in the Engineer's Certificate in an estimated amount of \$525,880, plus performance bond costs; and

WHEREAS, during the preparation of the final contract for performance of the work authorized under Resolution No. 22-21, Meggitt provided the District an increase in the cost to perform the work as their prices had changed due to increases in cost for their material and labor; and

WHEREAS, management has been provided a revised price proposal from Meggitt for supplying the design, manufacture, installation, and commissioning for new replacement remote electronic control chassis subcomponents for two primary containment atmosphere hydrogen and oxygen (H₂/O₂) monitors in the amount of \$715,196.80.

**RESOLUTION
NO. 23-21
(ADOPTED):
APPROVE
AMENDMENT TO
ENGINEER'S
CERTIFICATE FOR
H₂/O₂ PRIMARY
CONTAINMENT
MONITORING
SYSTEM, INCREASE
PROJECT FUNDING
IN THE AMOUNT OF
\$189,316.80**

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby authorize additional funding in the amount of \$189,316.80, plus performance bond costs, to complete the total scope of work for the design, manufacture, installation, and commissioning for new replacement remote electronic control chassis subcomponents for two primary containment atmosphere hydrogen and oxygen (H₂/O₂) monitors from Meggitt Safety Systems, Inc., for a total negotiated price of \$715,196.80, plus performance bond costs.

BE IT FURTHER RESOLVED that management be and hereby is authorized to enter into and execute, for and on behalf of the District, a contract with Meggitt Safety Systems, Inc., for the design, manufacture, installation, and commissioning for new replacement remote electronic control chassis subcomponents for two primary containment atmosphere hydrogen and oxygen (H₂/O₂) monitors in the amount of \$715,196.80, plus performance bond costs, when the contract is in a form approved by legal counsel.

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

Voting Aye:	Chlopek, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the First Vice Chair of the Nuclear Committee declared Resolution No. 23-21 adopted.

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

Director Troester, Chair of the Energy Supply Committee, reported that the Energy Supply Committee met Thursday morning, April 13, 2023.

During the Energy Supply Committee meeting, Vice President of Energy Production Michael J. Spencer reviewed the engineer's certificate to upgrade the control systems at Beatrice Power Station. Director Troester, Chair of the Energy Supply Committee, recommended the following resolution:

ENERGY SUPPLY
COMMITTEE

RESOLUTION NO. 23-22

WHEREAS, management has determined that it is in the best interest of the District to procure all labor, equipment, software, commissioning and testing services to upgrade the current Mark VI Distributive Control System (DCS) to a Mark VIe and upgrade the current Automatic Voltage Regulator (AVR) EX2100 to an EX2100e, and other associated components for Combustion Turbines Unit 1 and Unit 2 at Beatrice Power Station; and

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 and services 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 Nexus Controls LLC, a former subsidiary to the original equipment manufacturer, for the procurement of labor, equipment, software, commissioning and testing services to upgrade the current Distributive Control Systems, the current Automatic Voltage Regulators, and other associated components for Combustion Turbines Unit 1 and Unit 2 at Beatrice Power Station in an estimated amount of \$1,078,568, 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 Troester and seconded by Director Harding that the foregoing resolution be adopted. Votes were cast and recorded as follows:

Voting Aye:	Chlopek, Fuchtmann, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared Resolution No. 23-22 adopted.

During the Energy Supply Committee meeting, Vice President of Energy Production Michael J. Spencer reviewed the engineer's certificate to rebuild the A-2 Inducted Draft Fan Rotor at GGS. Director Troester, Chair of the Energy Supply Committee, recommended the following resolution:

**RESOLUTION
NO. 23-22
(ADOPTED):
APPROVE
ENGINEER'S
CERTIFICATE,
UPGRADE CONTROL
SYSTEMS (BPS)**

RESOLUTION NO. 23-23

WHEREAS, management has determined that it is in the best interest of the District to procure the materials and services necessary for the refurbishment of an induced draft fan rotor for Gerald Gentleman Station; and

WHEREAS, the District has determined, as certified by a competent engineer, that pursuant to Neb. Rev. Stat. Sections 70-637 (4)(a)(iv) and (6), the design drawings, procedures, specifications, and data necessary for refurbishing the induced draft fan rotor are proprietary to the original equipment manufacturer, TLT-Babcock, Inc., or the two known vendors, Howden USA Company and TLT-Turbo, Inc., with predecessor or successor relationships to TLT-Babcock, Inc., making said vendors the only sources of those materials and services for the maintenance and repair 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 materials and services are being awarded pursuant to Neb. Rev. Stat. Sections 70-637 (4)(a)(iv) and (6).

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 the two vendors that may be capable of providing the materials and services necessary for the refurbishment of an induced draft fan rotor for Gerald Gentleman Station, 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 back to the Board for its approval, after review and approval by legal counsel.

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

Voting Aye:	Chlopek, Fuchtmann, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared Resolution No. 23-23 adopted.

During the Energy Supply Committee meeting, Vice President of Energy Production Michael J. Spencer discussed an agreement on the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Energy Production), which provided for the rental, set up and removal of four 2000/1825 kVA generators with step-up transformers at each of two sites in Zone 5, at the Ainsworth 115 kV Substation and the Ainsworth Wind Energy Facility, for approximately 13 weeks during the summer irrigation season.

**RESOLUTION
NO. 23-23
(ADOPTED):
APPROVE
ENGINEER’S
CERTIFICATE, A-2
INDUCED DRAFT
FAN ROTOR
REBUILD (GGS)**

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

Voting Aye:	Chlopek, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared the motion carried.

Director Troester, Chair of the Energy Supply Committee, reported that the Energy Supply Committee also heard reports on the following matters: 1) Generating Capacity Addition; 2) Energy Supply monthly generation performance; 3) Energy Supply look-ahead for May 2023; and 4) Water Supply.

Director Fuchtman, member of the Customer and Support Services Committee, reported that the Customer and Support Services Committee met Thursday morning, April 13, 2023.

Accounting Manager Joni J. Davis presented financial performance measures for February 2023, as well as the monthly financial report, which indicated that operating revenues from electric sales were \$6.1 million under budget for the month, and \$5.4 million under budget year to date. Firm electric sales were \$0.2 million over budget for the month, and \$1.7 million under budget year to date. Other electric sales were \$6.3 million under budget for the month, and \$3.7 million under budget year to date. Total operating expenses were under budget by \$1.2 million for the month, and \$5.9 million under budget year to date. The balance of the regulatory liability for unearned revenues as of February 28, 2023, was \$258.4 million. This balance represents surplus net revenues to be applied as credits against revenue requirements in future rate periods.

It was moved by Director Fuchtman and seconded by Director Gale that the February 2023 Financial Statements be accepted, as presented. Votes were cast and recorded as follows:

Voting Aye:	Chlopek, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared the motion carried.

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

ENERGY SUPPLY
COMMITTEE
REPORT

CUSTOMER AND
SUPPORT SERVICES
COMMITTEE

FEBRUARY 2023
FINANCIAL
STATEMENTS

Accounting Manager Joni J. Davis also shared preliminary financial results for March, reporting that these results showed a surplus of \$6.9 million for the month, and a preliminary year-to-date forecasted surplus of \$14 million.

PRELIMINARY
FINANCIAL RESULTS
FOR MARCH 2023

During the Customer and Support Services Committee meeting, Transmission and Distribution Construction and Maintenance Manager Scott R. Walz discussed Contract No. 23-002, 69/34.5 kV 14 MVA Power Transformer (Hampton Substation). Director Fuchtman, Chair of the Customer and Support Services Committee, recommended the following resolution:

RESOLUTION NO. 23-24

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 23-002, 69/34.5 kV 14 MVA Power Transformer, have been duly invited, received, opened, read, and tabulated; and

WHEREAS, during the evaluation of the bids, the project that required the 69/34.5 kV 14 MVA power transformer was cancelled so the transformer is no longer needed; and

WHEREAS, it would be in the best interest of the District to reject the bids pursuant to Neb. Rev. Stat. Section 70-637.

NOW, THEREFORE, BE IT RESOLVED that the bids submitted on Contract No. 23-002 be and hereby are rejected and that the bid security submitted by the bidders as evidence of good faith be returned to the bidders.

BE IT FURTHER RESOLVED that management be and hereby is authorized to reject all bids.

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

Voting Aye:	Chlopek, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared Resolution No. 23-24 adopted.

**RESOLUTION
NO. 23-24
(ADOPTED): REJECT
BIDS ON CONTRACT
NO. 23-002, 69/34 kV
14 MVA POWER
TRANSFORMER
(HAMPTON
SUBSTATION)**

In accordance with the Political Subdivision Self-Funding Benefits Act, the Board of Directors must approve an annual report showing the beginning balance, deposits and expenses, and actuarially determined reserve needed to be maintained in the NPPD Hospital-Medical Plan (Plan). During the Customer and Support Services Committee, Total Rewards Manager Brenda M. Sanne reviewed the 2022 Plan income and expense summaries for NPPD's active plans and Other Post-Employment Benefit (OPEB) plans.

It was moved by Director Fuchtman and seconded by Director Mogul that the Board approve the 2022 NPPD Hospital-Medical Benefit Plan Annual Report, as presented. Votes were cast and recorded as follows:

Voting Aye:	Chlopek, Fuchtman, Gale, Harding, Mogul, Rusher, Schrock, Troester
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	Williams

Whereupon the Chair declared the motion carried.

Director Fuchtman, Chair of the Customer and Support Services Committee, reported that the Customer and Support Services Committee also heard reports on the following matters: 1) 2016 Wholesale Power Contract – May 1 Reporting requirement; 2) Regulatory Accounting for nuclear fuel, debt, and other costs; 3) 2022 CNS External Decommissioning Trust Fund performance; 4) 2023 Financing Plan; 5) Transmission Projects; 6) Energy Delivery look-ahead for May 2023; and 4) Retail Business Unit performance.

Director Troester, First Vice Chair of the Board Governance and Strategic Planning Committee, reported that the Board Governance and Strategic Planning Committee met Thursday morning, April 13, 2023.

Chief Audit and Ethics Officer Conrad L. Saltzgaber discussed proposed revisions to Board Governance Linkage Policy BP-BL-03, District Policies Overview.

It was moved by Director Troester and seconded by Director Fuchtman that the Board approve revisions to BP-BL-03, District Policies Overview, as presented. Votes were cast and recorded as follows:

**MOTION (CARRIED):
APPROVE 2022
HOSPITAL-MEDICAL
PLAN ANNUAL
REPORT**

**CUSTOMER AND
SUPPORT SERVICE
COMMITTEE
REPORT**

**BOARD
GOVERNANCE AND
STRATEGIC
PLANNING
COMMITTEE**

**MOTION (CARRIED):
APPROVE
REVISIONS TO
BOARD
GOVERNANCE
LINKAGE POLICY
BP-BL-03, DISTRICT
POLICIES
OVERVIEW**

Voting Aye: Chlopek, Fuchtman, Gale, Harding, Mogul,
 Rusher, Schrock, Troester
 Voting Nay: None
 Abstaining: None
 Present But Not Voting: None
 Absent: Williams

Whereupon the Chair declared the motion carried.

Director Troester, Chair of the Board Governance and Strategic Planning Committee, reported that the Board Governance and Strategic Planning Committee also heard reports on the following matters:
 1) Proposed updates to Strategic Directive BP-SD-04, Cost Competitiveness;
 2) Proposed updates to Human Resources (HR) Corporate Policy;
 3) Proposed new Board Policy Standard BP-ST-01, Board Annual Self-Evaluation; 4) Annual review of Board Governance Policies: a) BP-GP-01, Board’s Role and Responsibilities; b) BP-GP-02, Board Job Description; c) Agenda Planning; d) BP-GP-04, Election and Role of the Board Officers; and e) BP-GP-05, Board Member Behavior; and 5) Board Governance and Strategic Planning Committee 2023 Work Plan.

BOARD
GOVERNANCE AND
STRATEGIC
PLANNING
COMMITTEE
REPORT

There being no further business to come before the Board, the meeting was duly adjourned at 1:54 p.m.

ADJOURNMENT
1:54 P.M.

Minutes approved at
the meeting of
May 10-11, 2023

_____/s/_____
 Jerry L. Chlopek, Chair

_____/s/_____
 Aaron D. Troester, Secretary

**REPORT ON RETIREMENTS AND
FORMER DISTRICT EMPLOYEE REHIRES
APRIL 2023 BOARD MEETING**

RETIREMENTS

1. Dennis D. Jeanneret, Welder/Mechanic I, Cooper Nuclear Station, Brownville, was employed February 2, 1998, and is retiring as of April 12, 2023.
2. Jamie R. Becker, Distribution Supervisor, Operations Center, Kearney, was employed September 16, 1997, and is retiring as of May 17, 2023.
3. Leo A. Parks, Senior System Analyst, Cooper Nuclear Station, Brownville, was employed February 12, 1973, and is retiring as of May 31, 2023.

REHIRES

In accordance with the Board motion approved in February 1988, employees reemployed by the District within one year of their termination date (Including those rehired directly or indirectly as a consultant) require approval of the President. Pursuant to that Board motion, Mr. Kent has approved this rehire:

Geri Jasper was hired on December 17, 1990, and retired from the position of Finance and Cost Manager – Operations, Columbus General Office, effective March 31, 2023. Geri was rehired as a Temporary Finance and Cost Manager at Columbus effective April 1, 2023.