

MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
NEBRASKA PUBLIC POWER DISTRICT
MARCH 9-10, 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 1:06 p.m. on Thursday, March 9, 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 March 2, 2023:

- (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 1:06 p.m. on Thursday, March 9, 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

Absent: Fred L. Christensen, Charlie C. Kennedy, Aaron D. Troester, 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.

LEGAL NOTICE
PUBLISHED PRIOR
TO THE MEETING

ROLL CALL,
1:06 P.M., MARCH 9,
2023

ANNOUNCEMENT OF
POSTING OF OPEN
MEETINGS ACT AND
AGENDA

REPORT ON
SYSTEM AND
SAFETY STATUS

Charlie Kennedy, Director of NPPD Subdivision 5, submitted an e-mail to Chair Chlopek on February 28, stating his intent to resign from the NPPD Board meeting effective immediately due to health concerns.

It was moved by Director Fuchtmann and seconded by Director Schrock to accept the resignation of Charlie Kennedy effective February 28, 2023. Votes were cast and recorded as follows:

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

Whereupon the Chair declared the motion carried.

Executive Vice President of External Affairs and General Counsel John C. McClure indicated that he would work with the Governor's Office on the appointment of a replacement, per the provisions of Neb. Rev. Stat. 70-615.

General Manager of Retail Patrick M. Hanrahan provided an overview of NPPD's Retail Business Unit, and followed with a review of the provisions included in the Professional Retail Operations (PRO) Agreement that NPPD has in place with 79 communities. Mr. Hanrahan also discussed Operations and Maintenance (O&M) Agreements that NPPD holds with 9 communities, whereby the community owns their distribution system and facilitates rate-setting, billing, and customer service tasks, and contract with NPPD to design, operate, and maintain their system. NPPD's rank with regard to the Energy Information Administration (EIA) national database, as well as NPPD's regional rate position comparison, was also discussed.

General Manager of Retail Patrick M. Hanrahan led a discussion of NPPD's retail customer energy burden, defined as the percentage of household income spent on electricity costs. Mr. Hanrahan discussed factors affecting a customer's energy burden, average energy costs (including electric, gas, and other) in the United States, NPPD's average residential retail bill compared to median income, summary of NPPD's residential account data and aged debt, average monthly residential NPPD bill amount, data on disconnects for non-payment, information on assistance programs available, and an overview of NPPD services and incentives available to assist with energy efficiency, billing and rate options, etc.

It was moved by Director Harding and seconded by Director Mogul that the Board go into Executive Session at 1:45 p.m. to protect the public interest and discuss competitive and proprietary information, security matters, pending and potential litigation, and receive legal advice. Votes were cast and recorded as follows:

**MOTION (CARRIED):
ACCEPT
RESIGNATION OF
DIRECTOR CHARLIE
KENNEDY
EFFECTIVE 2-28-23**

**OVERVIEW OF PRO
AGREEMENT TERMS
AND CONDITIONS,
AND RETAIL
CUSTOMER
DEMOGRAPHICS**

**DISCUSSION OF
RETAIL CUSTOMER
ENERGY BURDEN**

**MOTION (CARRIED):
GO INTO EXECUTIVE
SESSION AT
1:45 P.M. TO
PROTECT THE
PUBLIC INTEREST,
DISCUSS**

Voting Aye: Chlopek, Fuchtmann, Gale, Harding, Mogul,
Rusher, Schrock
Voting Nay: None
Abstaining: None
Present But Not Voting: None
Absent: Christensen, Troester, 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, security matters, legal matters, pending and potential litigation, and receive legal advice.

A recess was taken from 2:57 to 3:07 p.m.

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, pending and potential litigation, security matters, and receive legal advice.

The meeting was recessed at 3:26 p.m., to reconvene on Friday, March 10, 2023, at the Columbus General Office.

MARCH 10, 2023

Chair Chlopek called the regular meeting to order at 11:26 a.m. on Friday, March 10, 2023, and directed the roll to be called:

Present: Jerry L. Chlopek, Fred L. Christensen, Sue D. Fuchtmann,
Mary A. Harding, Ronald J. Mogul, Jr., Derek S. Rusher,
Edward J. Schrock

Absent: Fred L. Christensen, David D. Gale, Aaron D. Troester,
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; Dirk Dietz and Jim Scheer, Howard Greeley Rural Public Power District.

Insurance and Risk Administrator Linda Mukusha made a presentation that provided an overview of the insurance protection maintained for Cooper Nuclear Station. The presentation included a review of NPPD's nuclear insurance coverage for property, liability, and accidental outage. Also

COMPETITIVE AND PROPRIETARY INFORMATION, SECURITY MATTERS, PENDING AND POTENTIAL LITIGATION, AND RECEIVE LEGAL ADVICE

RECESS

EXECUTIVE SESSION ENDED AT 3:25 P.M.

MEETING RECESSED AT 3:26 P.M.

ROLL CALL,
11:26 A.M.,
MARCH 10, 2023

ANNOUNCEMENT OF POSTING OF OPEN MEETINGS ACT AND AGENDA

GUESTS WELCOMED TO MEETING

2023 NUCLEAR PROPERTY AND LIABILITY INSURANCE

included was an overview of the Price-Anderson Act.

There were no public comments.

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

- Minutes of February 8-9, 2023, Regular Board Meeting
- May 2023 Regular Board Meeting scheduled for May 10-11, 2023, in Columbus (Board Retreat previously scheduled for April 11, 2023, in Columbus; April 2023 Regular Board Meeting previously scheduled for April 12-13, 2023, in Columbus)
- Ratification/Confirmation of Signatures of Staff Members
- January 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 Fuchtman and seconded by Director Schrock that all items on the consent agenda be approved as listed above. Votes were cast and recorded as follows:

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

Mr. Kent also provided information on the second Nebraska Advanced Nuclear Forum, scheduled for May 23-24, 2023, in Lincoln.

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.

Retirees Jim Florence and Tim Arlt addressed the Board and commented on their NPPD careers.

PUBLIC COMMENTS

CONSENT AGENDA

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

EMPLOYEE
COUNTS,
RETIREMENTS AND
REHIRES FOR March
2023

Chief Audit and Ethics Officer Conrad L. Saltzgaber reviewed proposed changes to six corporate policies and one District standard, and requested the Board's consideration of the recommended changes.

It was moved by Director Schrock and seconded by Director Rusher to approve recommended revisions to the following: 1) Corporate Nuclear Governance and Oversight (CNGO) Policy; 2) Electric Reliability Compliance Program (ERCP) Policy; 3) Energy Market Risk Management (EMRM) Policy and EMRM-ST-001, Energy Market Risk Management Approved Products and Approved Limits Standard (formerly ERM); 4) Enterprise Risk Management (ERM) Policy (formerly SRM); 5) Financial Management (FM) Policy; and 6) Nuclear Risk Management (NRM) Policy. Votes were cast and recorded as follows:

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

Whereupon the Chair declared the motion carried.

President and Chief Executive Officer Thomas J. Kent provided a look-ahead of upcoming items for the April 2023 Board meeting, and also discussed the upcoming Integrated Resource Plan (IRP) public meetings.

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

A lunch recess was taken from 12:22 to 12:57 p.m.

During the time designated for Directors' comments and questions, Director Schrock reported that he attended the 2023 Nebraska Statehood Dinner at the Capitol building. Directors Rusher and Chlopek commented on the 2023 National Rural Electric Cooperative Association (NRECA) Annual Conference, held in Nashville.

The Nuclear Committee of the Whole, chaired by Director Mogul, met Friday, March 10, 2023, from 12:59 to 1:07 p.m. during the Board of Directors meeting. Executive Vice President and Chief Nuclear Officer John A. Dent, Jr., provided a status update regarding Cooper Nuclear Station.

Director Harding, First Vice Chair of the Energy Supply Committee, reported that the Energy Supply Committee met Friday morning, March 10, 2023.

**MOTION (CARRIED):
APPROVE
REVISIONS TO
CORPORATE
POLICIES AND
STANDARDS**

BOARD AGENDA
LOOK-AHEAD

GOVERNMENTAL
AFFAIRS
LEGISLATIVE
REPORT

LUNCH RECESS

DIRECTORS'
COMMENTS AND
QUESTIONS

NUCLEAR
COMMITTEE OF THE
WHOLE

ENERGY SUPPLY
COMMITTEE

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 February 1, 2023, through February 28, 2023 – 2023 Capital Additions Budget.

It was moved by Director Harding and seconded by Director Mogul to approve Capital Projects Report No. EP-1, for the period February 1 through February 28, 2023, which included Capital Project C/10690, Add 34.5 kV Substation for Interconnection of Mobile Generators (Ainsworth Wind Energy Facility). Votes were cast and recorded as follows:

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

Whereupon the Chair declared the motion carried.

Neb. Rev. Stat. 70-637 requires a two-thirds majority vote of the Board for approval of an engineer's certificate. Due to a lack of the required number of Board members present for this vote, action on an engineer's certificate to upgrade the Beatrice Power Station control systems was postponed to the next Board meeting.

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

RESOLUTION NO. 23-14

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 23-008, Installation of Buried Fiber Optic Cable, have been duly invited, received, opened, read, and tabulated; and

WHEREAS, management has studied and analyzed the bids and recommended acceptance of certain bids as the lowest and best evaluated bids, 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 Anderson Underground, Inc., Sauk Rapids, Minnesota, as the lowest and best evaluated bid on

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

**POSTPONE ACTION
ON ENGINEER'S
CERTIFICATE,
UPGRADE CONTROL
SYSTEMS (BPS)**

**RESOLUTION
NO. 23-14
(ADOPTED): AWARD
CONTRACT
NO. 23-008,
INSTALLATION OF
BURIED FIBER
OPTIC CABLE (GGS-
OGALLALA), TO
ANDERSON
UNDERGROUND,
INC., ESTIMATED
BASE BID PRICE OF
\$1,162,667.80**

Contract No. 23-008.

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. 23-008 be accepted by the District:

Anderson Underground, Inc., Sauk Rapids,
Minnesota, estimated base bid price of
\$1,162,667.80.

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 Anderson Underground, Inc., as provided in the Contract.

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

Whereupon the Chair declared Resolution No. 23-14 adopted.

During the Energy Supply Committee meeting, three agreements included on the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Enterprise Technology) were discussed: 1) Corporate Technology Applications Manager Christopher J. Pelchat reviewed an agreement with EPI Use Digital for data migration and implementation services for the SAP Payroll, Time, Attendance, and Leave Management system; 2) Associate Financial Manager Crystal A. Harper discussed an agreement with Jump Analytics for services to configure and implement an SAP long-range financial planning module; and 3) Telecommunication Manager Matthew K. Holthe reviewed an agreement with OneNeck IT Solutions LLC, for a three-year renewal of maintenance support for Cisco Smartnet telecommunications hardware and software, as well as technical support.

It was moved by Director Harding and seconded by Director Fuchtman to approve the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Enterprise Technology), which included the two agreements as presented. Votes were cast and recorded as follows:

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

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

Whereupon the Chair declared the motion carried.

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

ENERGY SUPPLY
COMMITTEE
REPORT

Director Fuchtman, member of the Customer and Support Services Committee, reported that the Customer and Support Committee lacked a quorum and could not conduct official business. Action items were passed over for presentation to the full Board. Staff reviewed three reporting items: 1) Transmission Projects Update; 2) Energy Delivery look-ahead for April 2023; 3) Retail Business Unit performance; and 4) 2022 Retirement Trust Fund Committee Annual Report.

CUSTOMER AND
SUPPORT SERVICES
COMMITTEE

Accounting Manager Joni J. Davis presented financial performance measures for January 2023, as well as the monthly financial report, which indicated that operating revenues from electric sales were \$0.7 million over budget for the month. Firm electric sales were \$1.9 million under budget, and other electric sales were \$2.6 million over budget for the month. Total operating expenses were under budget by \$4.7 million for the month. The balance in the Unearned Revenues account as of January 31, 2023, was \$268.2 million; this balance represents surplus net revenues to be applied to revenue requirements in future rate periods.

JANUARY 2023
FINANCIAL
STATEMENTS

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

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

Whereupon the Chair declared the motion carried.

Accounting Manager Joni J. Davis also shared preliminary financial results for February, reporting that these results showed a deficit of \$3.4 million for the month, bringing the preliminary year-to-date surplus to \$3.4 million.

PRELIMINARY
FINANCIAL RESULTS
FOR
FEBRUARY 2023

Vice President of Energy Delivery Arthur R. Wiese discussed Contract No. 23-012, Transmission Line Conductor (Kearney and Scottsbluff 115 kV Transmission Line Projects), and recommended the following resolution:

RESOLUTION NO. 23-15

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 23-012, Transmission Line Conductor, have been duly invited, received, opened, read, and tabulated; and

WHEREAS, management has studied and analyzed the bids and recommended acceptance of certain bids as the lowest and best evaluated bids, 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 Wesco Distribution, Inc., Sioux City, Iowa, for Parts I and II are the lowest and best evaluated bids on Contract No. 23-012.

NOW, THEREFORE, BE IT RESOLVED that, subject to receipt and approval of a performance bond as herein provided, the following bids submitted on Contract 23-012 be accepted by the District:

Wesco Distribution, Inc., Sioux City, Iowa, base bid price of \$1,594,565.69 for Part I.

Wesco Distribution, Inc, Sioux City, Iowa, base bid price of \$552,868.40 for Part II.

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, Contracts with the aforementioned bidders 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 from Wesco Distribution, Inc., as provided in the Contract.

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

**RESOLUTION
NO. 23-15
(ADOPTED): AWARD
CONTRACT
NO. 23-012,
TRANSMISSION LINE
CONDUCTOR:
PART I TO WESCO
DISTRIBUTION, INC.,
BASE BID PRICE OF
\$1,594,565.69;
PART II TO WESCO
DISTRIBUTION, INC.,
BASE BID PRICE OF
\$552,868.40**

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

Whereupon the Chair declared Resolution No. 23-15 adopted.

Director Chlopek, Chair of the Audit, Risk and Compliance Committee, reported that the Audit, Risk and Compliance Committee met Thursday afternoon, March 9, 2023. Attendees discussed topics impacting the electric utility industry.

AUDIT, RISK AND
COMPLIANCE
COMMITTEE
REPORT

Director Schrock, Chair of Budget Committee, reported that the Budget Committee met Friday morning, March 10, 2023. Executive Vice President and Chief Financial Officer Laura L. Kapustka presented an update and recommendation on nuclear decommissioning fund collections in the development of the current rate outlook, as an updated analysis has shown that the decommissioning fund is underfunded.

BUDGET
COMMITTEE
REPORT

There being no further business to come before the Board, the meeting was duly adjourned at 1:29 p.m.

ADJOURNMENT
1:29 P.M.

Minutes approved at
the meeting of
April 12-13, 2023

_____/s/_____
Jerry L. Chlopek, Chair

_____/s/_____
Aaron D. Troester, Secretary

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

RETIREMENTS

1. James B. Florence, Simulator and Training Support Superintendent, Cooper Nuclear Station, Brownville, was employed January 16, 1984, and is retiring as of March 31, 2023.
2. Geri A. Jasper, Finance and Cost Manager – Operations, General Office, Columbus, was employed December 17, 1990, and is retiring as of March 31, 2023.
3. Mark L. Neil, Enterprise Technology Consultant, General Office, Columbus, January 5, 1984, and is retiring as of March 31, 2023.
4. Mark J. Powers, Substation Supervisor, Operations Center, York, was employed December 16, 1982, and is retiring as of April 30, 2023.
5. Kathleen A. Nelson, Settlement Analyst I, Control Center, Doniphan, was employed December 1, 1981, and is retiring as of May 16, 2023.
6. Glen L. Hadley, Engineer V, Cooper Nuclear Station, Brownville, was employed January 10, 2000, and is retiring as of May 18, 2023.
7. Alan J. Beiermann, Land Management Manager, General Office, Columbus, was employed July 16, 1983, and is retiring as of May 31, 2023.
8. Vernon G. Giboney, Heating/Ventilation/Air Conditioning / Electrical Building Maintenance Technician, Operations Center, Kearney, was employed March 28, 1988, and is retiring as of May 31, 2023.
9. Karla J. Porter, Finance, Cost and Procurement Manager, Cooper Nuclear Station, Brownville, was employed March 16, 1989, and is retiring as of May 31, 2023.
10. Timothy J. Arlt, Vice President of Corporate Strategy and Innovation, General Office, Columbus, was employed June 16, 1980, and is retiring as of June 15, 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:

David Van Der Kamp was hired on August 2, 1982, and retired from the position of Licensing Technical Specialist at CNS on May 31, 2022. David will be rehired as a Temporary Licensing Technical Specialist at CNS effective February 13, 2023.