

MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
NEBRASKA PUBLIC POWER DISTRICT
OCTOBER 11-12, 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 3:05 p.m. on Wednesday, October 11, 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 October 5, 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 3:05 p.m. on Wednesday, October 11, 2023, and directed the roll be called:

Present: Jerry L. Chlopek, Sue D. Fuchtman, Mary A. Harding, Rusty M. Kemp, Chris R. Langemeier, Ronald J. Mogul, Jr., Derek S. Rusher, Edward J. Schrock, Aaron D. Troester, Wayne E. Williams

Absent: David D. Gale

constituting a quorum of the Board of Directors.

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

It was moved by Director Harding and seconded by Director Langemeier that the Board go into Executive Session at 3:07 p.m. to protect the public interest and discuss competitive and proprietary information, contract negotiations, pending and potential litigation, and receive legal advice. Votes were cast and recorded as follows:

LEGAL NOTICE
PUBLISHED PRIOR
TO THE MEETING

ROLL CALL,
3:05 P.M.,
OCTOBER 11, 2023

ANNOUNCEMENT OF
POSTING OF OPEN
MEETINGS ACT AND
AGENDA

**MOTION (CARRIED):
GO INTO EXECUTIVE
SESSION AT
3:07 P.M. TO
PROTECT THE
PUBLIC INTEREST,**

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

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, contract negotiations, pending and potential litigation, and receive legal advice.

Chair Chlopek announced the executive session was ended at 5:31 p.m., during which nothing was discussed beyond the items declared: competitive and proprietary information, contract negotiations, pending and potential litigation, and receive legal advice.

The meeting was recessed at 5:33 p.m., to reconvene on Thursday, October 12, 2023, at the Columbus General Office.

OCTOBER 12, 2023

Chair Chlopek called the regular meeting to order at 10:30 a.m. on Thursday, October 12, 2023, and directed the roll to be called:

Present: Jerry L. Chlopek, Sue D. Fuchtman, David D. Gale, Mary A. Harding, Rusty M. Kemp, Chris L. Langemeier, Ronald J. Mogul, Jr., Derek S. Rusher, Edward J. Schrock, Aaron D. Troester, Wayne E. Williams

Absent: None

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; Mark Kirby, Butler Public Power District; Chet McWhorter, Cuming County Public Power District; Bob Beatty, KBR Rural Public Power District; and Matt Fritz, Niobrara Valley EMC.

**DISCUSS
COMPETITIVE AND
PROPRIETARY
INFORMATION,
CONTRACT
NEGOTIATIONS,
PENDING AND
POTENTIAL
LITIGATION, AND
RECEIVE LEGAL
ADVICE**

EXECUTIVE
SESSION ENDED AT
5:31 P.M.

MEETING
RECESSED AT
5:33 P.M.

ROLL CALL,
10:30 A.M.,
OCTOBER 12, 2023

ANNOUNCEMENT OF
POSTING OF OPEN
MEETINGS ACT AND
AGENDA

GUESTS
WELCOMED TO
MEETING

Electric Power Research Institute (EPRI) Senior Vice President of Energy Delivery and Customer Solutions Rob Chapman provided an overview of the EPRI organization and the services they provide. Mr. Chapman discussed challenges facing the utility industry and research areas that EPRI is focusing on, all while keeping an emphasis on clean energy and maintaining energy that is reliable, resilient, and affordable.

EPRI OVERVIEW

As a follow-up to Mr. Chapman's overview, Director of Projects and Capital Planning David P. Oshlo provided commentary on the benefits NPPD receives from its membership in EPRI. NPPD's current agreement with EPRI expires in 2023, and in November the Board will be asked to consider renewing the agreement and extending the membership for another three years through 2026.

EPRI 2024-2026
AGREEMENT
RENEWAL
OVERVIEW

Market Research and Development Coordinator Jennifer M. Butler-Palu discussed the Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA), and outlined the details of opportunities that the District is pursuing or planning to pursue. NPPD is working in cooperation with all wholesale customers to share information on programs that might be of interest to them. The NPPD team has also engaged consultants for grant-writing assistance and to understand and prepare for compliance requirements.

IRA/IIJA UPDATE

Vice President of Corporate Strategy and Innovation Conrad L. Saltzgaber discussed the Environmental Protection Agency (EPA) Solar for All Program, and coordination efforts with the Nebraska Department of Environment and Energy (NDEE), who is leading the state's effort along with a coalition of statewide electric utilities. EPA has earmarked \$7.5 billion from the Greenhouse Gas Reduction Fund for the program, which is targeted at disadvantaged communities and/or low and moderate income residences, and encourages residential rooftop, multi-family, and community solar installations. Following submittal of applications, announcement of funding awards is expected by EPA in March of 2024.

EPA SOLAR FOR ALL
PROGRAM

General Manager of Retail Services Patrick M. Hanrahan reviewed program availability for NPPD's customers not in Nebraska, and discussed use of the Powering Affordable Clean Energy (PACE) Program to support applications for the community of Pine Ridge, South Dakota, as part of a larger effort to support the Pine Ridge Reservation.

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 September 13-14, 2023, Regular Board Meeting
- December 2023 Regular Board Meeting scheduled for December 13-14, 2023, in Columbus (November 2023 Regular Board Meeting previously scheduled for November 8-9, 2023, in Columbus)
- Ratification/Confirmation of Signatures of Staff Members
- August 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 Williams 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, Gale, Harding, Kemp, Langemeier, Mogul, Rusher, Schrock, Troester, Williams
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	None

Whereupon the Chair declared the motion carried.

A lunch recess was taken from 11:36 a.m. to 12:30 p.m.

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

A video outlining accomplishments achieved by the District during the third quarter of 2023 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.

Mr. Kent recognized retirees Mike Moser and Bryan Seidl and their special guests, who were in attendance.

Chief Audit and Ethics Officer Donna K. Starzec reviewed proposed changes to Strategic Directive BP-SD-04, Cost Competitiveness, and Board-Staff Linkage Policy BP-BL-03, District Policies Overview.

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

LUNCH RECESS

**REPORT ON THIRD
QUARTER 2023
PERFORMANCE**

**EMPLOYEE
COUNTS,
RETIREMENTS AND
REHIRES FOR
OCTOBER 2023**

Director Gale stated his concern with linking BP-SD-04 to other strategic directives. Director Troester commented that while he is in agreement with adding language reflecting long-term cost competitiveness, he also believes the strategic directives should be stand-alone documents based on their individual subject and not comingled and inter-referenced with other strategic directives.

It was moved by Director Harding and seconded by Director Williams to approve revisions to BP-SD-04, Cost Competitiveness. Votes were cast and recorded as follows:

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

Whereupon the Chair declared the motion carried.

It was moved by Director Gale and seconded by Director Fuchtmann to approve revisions to BP-BL-03, District Policies Overview. Votes were cast and recorded as follows:

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

Whereupon the Chair declared the motion carried.

Pricing and Rates Supervisor R. Scott Jackson reviewed proposed changes to two rate schedules, Wholesale Pilot Program Demand Response Resource (DRR) Rate Schedule (Special Power Product No. 11), and Retail Pilot Program Demand Response Resource Rider Rate Schedule (DRR-Rider), and recommended the following two resolutions:

RESOLUTION NO. 23-45

WHEREAS, the District has developed a pilot program for a wholesale demand response rate which contains provisions that allow certain qualifying retail customers of wholesale power service customers of the District the opportunity to utilize the District and its designated Southwest Power Pool (SPP) Market Participant to bid their controllable load into the SPP market; and

**MOTION (CARRIED):
APPROVE
REVISIONS TO
BP-SD-04, COST
COMPETITIVENESS**

**MOTION (CARRIED):
APPROVE CHANGES
TO BP-BL-03,
DISTRICT POLICIES
OVERVIEW**

**RESOLUTION
NO. 23-45
(ADOPTED):
APPROVE
WHOLESALE PILOT
PROGRAM DEMAND
RESPONSE
RESOURCE RATE
SCHEDULE (SPP
NO. 11) EFFECTIVE
11-1-23**

WHEREAS, the Pricing and Rates Department and management of the District have developed rates, charges and billing provisions for said demand response rate in a wholesale Pilot Program Demand Response Resource Rate Schedule, hereinafter referred to as the DRR Rate Schedule; and

WHEREAS, the Pricing and Rates Department and management of the District have prepared and proposed revisions to said wholesale DRR Rate Schedule to incorporate changes to language related to metering and data communication equipment to make the District responsible for the first \$10,000 of said metering and data communication equipment costs necessary to take service under this rate and to better ensure said metering and data communication equipment meets the necessary requirements required for service under said proposed DRR Rate Schedule; and

WHEREAS, the proposed DRR Rate Schedule was provided on August 21, 2023, to the wholesale power service customers of the District and said wholesale customers were provided 30 days to request a hearing pertaining to said proposed DRR Rate Schedule; and

WHEREAS, hearing requests were due September 20, 2023; and

WHEREAS, none of said wholesale customers requested a hearing pertaining to said proposed DRR Rate Schedule; and

WHEREAS, management has proposed and presented to and this Board of Directors has reviewed and duly considered with management the basis for and the rates, charges, terms, conditions, and specifications for service in said proposed DRR Rate Schedule; and

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

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

BE IT FURTHER RESOLVED that said Pilot Program Demand Response Resource Rate Schedule is hereby fixed, established, approved, and adopted by this Board of Directors to be effective for service provided on and after November 1, 2023, and that the Pilot Program Demand Response Resource Rate Schedule established by Resolution No. 23-3 and issued January 18, 2023, shall be rescinded and superseded upon said Pilot Program Demand Response Resource Rate Schedule becoming effective as herein provided.

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

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

Whereupon the Chair declared Resolution No. 23-45 adopted.

RESOLUTION NO. 23-46

WHEREAS, the District has developed a retail Pilot Program Demand Response Resource Rider Rate Schedule which contains provisions that allow qualifying retail customers the opportunity to utilize the District and its designated Southwest Power Pool (SPP) Market Participant to bid their controllable load into the SPP market; and

WHEREAS, the Pricing and Rates Department and management of the District have prepared and proposed revisions to the rates, charges and billing provisions for said Pilot Program Demand Response Resource Rider Rate Schedule to align with provisions of the revised wholesale Pilot Program Demand Response Resource Rate Schedule; and

WHEREAS, management of the District has proposed and presented to and this Board of Directors has reviewed and duly considered with management the basis for and the rates, charges, terms, conditions and specifications for service in said proposed Pilot Program Demand Response Resource Rider Rate Schedule; and

WHEREAS, said proposed Pilot Program Demand Response Resource Rider Rate Schedule is on file with the Pricing and Rates Department of the District.

**RESOLUTION
NO. 23-46
(ADOPTED):
APPROVE RETAIL
PILOT PROGRAM
DEMAND RESPONSE
RESOURCE RIDER
RATE SCHEDULE
(DRR-RIDER)
EFFECTIVE 11-1-23**

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

BE IT FURTHER RESOLVED that said Pilot Program Demand Response Resource Rider Rate Schedule is hereby fixed, established, approved and adopted by this Board of Directors to be effective for service provided on and after November 1, 2023, and that the Pilot Program Demand Response Resource Rider Rate Schedule adopted by Resolution No. 23-4 and issued on January 18, 2023, shall be rescinded and superseded upon said Pilot Program Demand Response Resource Rider Rate Schedule becoming effective as herein provided.

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

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

Whereupon the Chair declared Resolution No. 23-46 adopted.

Pricing and Rates Supervisor R. Scott Jackson discussed additional proposed revisions to the wholesale and retail Pilot Program DRR Rate Schedule for 2024, in an effort to make the rate option more attractive and incent participation. Recommended changes to the wholesale Pilot Program DRR Rate Schedule include reducing the \$900/week minimum floor to \$0/week, and the recommended change to the retail DRR-Rider Rate Schedule proposes to reduce the \$900/week administrative charge to \$50/week. The proposed change to the wholesale Pilot Program DRR Rate Schedule will be discussed with wholesale customers at an upcoming customer meeting, and then be issued to wholesale customers in late October, with requests for a rate hearing due 30 days later; Board consideration of the revised wholesale and retail Pilot Program DRR rate schedules is scheduled for December 2023 and, if approved, would become effective for service on and after January 1, 2024.

DRR RATE
SCHEDULE FOR
2024

Director of Pricing, Rates and Wholesale Billing Todd S. Swartz discussed NPPD's Wholesale Economic Development Rate for 2024, which is available to wholesale customers for use with their qualifying end-use customers, and allows for a discounted production rate for up to five years. Each year, the Economic Development Rate must be recalculated to determine the Initial Production Energy Rate, which is essentially the Southwest Power Pool (SPP) energy market price. Mr. Swartz indicated that based on NPPD's forecasted 2024-2029 incremental production costs, the Economic Development Rate for 2024 would need to be increased to account for higher forecasted SPP market prices, and recommend a proposed increase of the initial production energy rate from \$30.75/MWh to \$31.69/MWh. Following discussion with customers and issuance of the proposed revised 2024 Economic Development Rate Schedule, the Board will be asked to consider approval of the revised rate in December, with an effective date of January 1, 2024.

WHOLESALE
ECONOMIC
DEVELOPMENT
RATE FOR 2024

Pricing and Rates Project Lead Amber D. Smeal reviewed proposed changes to retail rates for 2024. While NPPD does not plan to increase overall retail rates for the eleventh year, changes to individual customer rate classes will be proposed based on a cost-of-service study performed in 2023. Ms. Smeal provided an overview of rate adjustments for the impacted retail rates, and also stated that the Retail Production Cost Adjustment (PCA) would be phased out for all retail rate classes with the exception of the Large Industrial Service (LIS) Rate. The Board will be asked to consider changes to the affected retail rates in November and if approved, would become effective for service on and after January 1, 2024.

RETAIL RATE
UPDATE FOR 2024

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

BOARD AGENDA
LOOK-AHEAD

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

GOVERNMENTAL
AFFAIRS
LEGISLATIVE
REPORT

During the time designated for Directors' comments and questions, Director Schrock provided an update on the agricultural economy.

DIRECTORS'
COMMENTS AND
QUESTIONS

The Nuclear Committee of the Whole, chaired by Director Williams, met Thursday, October 12, 2023, from 1:40 to 1:53 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 September 1, 2023, through September 30, 2023 – 2023 Capital Additions Budget.

It was moved by Director Mogul and seconded by Director Fuchtmann that Capital Projects Report No. N-1 be approved for the period September 1, 2023, through September 30, 2023, which included Capital Project C/9129, Reheat/Stop Intercept Butterfly Valves (CNS). Votes were cast and recorded as follows:

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

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

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

CNS Site Vice President Khalil M. Dia reviewed an engineer's certificate for main turbine butterfly valves (CNS). Director Williams, Chair of the Nuclear Committee, recommended the following resolution:

RESOLUTION NO. 23-47

**RESOLUTION
NO. 23-47
(ADOPTED):
APPROVE
ENGINEER'S
CERTIFICATE, MAIN
TURBINE
BUTTERFLY VALVES
(CNS)**

WHEREAS, management has determined that it is in the best interest of the District to inspect, refurbish, repair, and upgrade two main turbine butterfly valves for Cooper Nuclear Station (CNS), and;

WHEREAS, the District has determined, as certified by a competent engineer, that pursuant to Neb. Rev. Stat. Section 70-637 (6), the labor and equipment being procured are proprietary to the original equipment manufacturer, making said manufacturer the sole source of the labor and 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 labor and equipment are 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 Siemens Energy, Inc., for the procurement of services and materials to inspect, refurbish, repair and upgrade two main turbine butterfly valves from CNS, in an amount not to exceed \$802,975, 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 Chlopek and seconded by Director Rusher that the foregoing resolution be adopted. Votes were cast and recorded as follows:

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

Whereupon the Chair of the Nuclear Committee declared Resolution No. 23-47 adopted.

CNS Site Vice President Khalil M. Dia reviewed a four-year agreement with Frahm Safety Products, Inc., for single use radioactive protection and fire-resistant clothing.

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

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

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

CNS Site Vice President Khalil M. Dia 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, October 12, 2023.

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

CNS MONTHLY
UPDATE

ENERGY SUPPLY
COMMITTEE

During the Energy Supply Committee meeting, Vice President of Energy Production Arthur R. Wiese reviewed Contract No. 23-017, Railcar Maintenance Services (GGs and Sheldon Station). Director Troester, Chair of the Energy Supply Committee, recommended the following resolution:

RESOLUTION NO. 23-48

WHEREAS, pursuant to and in accordance with law, bids on Contract No. 23-017, Railcar Maintenance Services for Gerald Gentleman Station and Sheldon Station, have been duly invited, received, opened, read, and tabulated; and

WHEREAS, only one bid was received; and

WHEREAS, management has studied and analyzed the bid 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 bidder, amounts and terms of the bid, delivery dates, and the needs of the District, this Board has determined and does hereby find that the bid of Progress Rail Services Corporation, Albertville, Alabama, for Parts I and II is the lowest and best evaluated bid on Contract No. 23-017.

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. 23-017 be accepted by the District:

Progress Rail Services Corporation, Albertville,
Alabama, base bid price of \$10,046,611.26 for
Part I.

Progress Rail Services Corporation, Albertville,
Alabama, base bid price of \$2,560,270.72 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, 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 Progress Rail Services Corporation, as provided in the Contract.

**RESOLUTION
NO. 23-48
(ADOPTED): AWARD
CONTRACT
NO. 23-017, RAILCAR
MAINTENANCE
SERVICES (GGS
AND SHELDON
STATION), TO
PROGRESS RAIL
SERVICES
CORPORATION:
PART I (GGS)
ESTIMATED BASE
BID PRICE OF
\$10,046,611.26;
PART II (SHELDON
STATION)
ESTIMATED BASE
BID PRICE OF
\$2,560,270.72**

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

Whereupon the Chair declared Resolution No. 23-48 adopted.

During the Energy Supply Committee meeting, Senior Technology Project M Kathleen M. Olson reviewed the following Capital Projects Report:

Report No. ET-1	Capital Projects \$500,000 and above not specifically identified in the Budget that require approval by the Board for the period September 1, 2023, through September 30, 2023 – 2023 Capital Additions Budget.
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It was moved by Director Troester and seconded by Director Rusher that Capital Projects Report No. ET-1 be approved for the period September 1, 2023, through September 30, 2023, which included Supplement No. 1 to Capital Project C/10107, SuccessFactors Payroll, Time and Attendance Management. Votes were cast and recorded as follows:

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

Whereupon the Chair declared the motion carried.

During the Energy Supply Committee meeting, Senior Technology Project M Kathleen M. Olson reviewed Amendment No. 4 to the Agreement with EPI-USE America, Inc., for project integration services for the SAP SuccessFactors Payroll, Time and Attendance Management module.

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

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

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

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) Energy Supply monthly generation performance; 2) Energy Supply look-ahead for November 2023; 3) Generating capacity addition; 4) Water supply; and 5) Preliminary 2024 Irrigation Water delivery and Storage Water Rate recommendations.

Director Fuchtman, Chair of the Customer and Support Services Committee, reported that the Customer and Support Services Committee met Thursday morning, October 12, 2023.

Accounting Manager Joni J. Davis presented financial performance measures for August 2023, as well as the monthly financial report, which indicated that operating revenues from electric sales were \$9.5 million over budget for the month, and \$31.3 million over budget year to date. Firm electric sales were \$3.8 million over budget for the month, and \$1.6 million over budget year to date. Other electric sales were \$5.7 million over budget for the month, and \$29.7 million over budget year to date. Total operating expenses were over budget by \$6.6 million for the month, and \$12.2 million under budget year to date. The balance of the regulatory liability for unearned revenues as of August 31, 2023, was \$274.7 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 Langemeier to accept the August 2023 Financial Statements, as presented. Votes were cast and recorded as follows:

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

**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

AUGUST 2023
FINANCIAL
STATEMENTS

**MOTION (CARRIED):
ACCEPT AUGUST
2023 FINANCIAL
STATEMENTS**

Whereupon the Chair declared the motion carried.

Accounting Manager Joni J. Davis also shared preliminary financial results for September, reporting a surplus of \$8.2 million for the month and a preliminary year-to-date surplus of \$66.1 million.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Scott R. Walz reviewed a project to construct 38-49 miles of 115 and 345 kV transmission line in Custer and Dawson Counties, for the Meadowlark Project in Gothenburg. Director Fuchtmann, Chair of the Customer and Support Services Committee, recommended the following resolution:

RESOLUTION NO. 23-49

WHEREAS, JWC Gburg LLC, plans to construct a fertilizer production facility (Meadowlark Project) near Gothenburg, Nebraska, to be served by the City of Gothenburg; and

WHEREAS, to serve the load, Nebraska Public Power District (District) needs to construct:

- 10-12 miles of 115 kV transmission line from the Gothenburg Industrial Substation to the new ETNA substation;
- 20-25 miles of 115 kV transmission line from the Gothenburg Industrial Substation to the Crooked Creek Substation;
- 4-6 miles extension of TL 1142A, 115 kV transmission line from the Jeffery Substation to the Gothenburg Industrial Substation;
- 4-6 miles of 115 kV transmission line from the Gothenburg Industrial Substation to the Gothenburg Substation;
- Less than ½ mile of 345 kV line to cut in the ETNA substation; and

WHEREAS, the District anticipates receiving a Notice to Construct (NTC) from the Southwest Power Pool (SPP) during the first or second quarter of 2024 for the project; and

WHEREAS, in order to meet the customer load connection requirements, management of the District is proposing that the public involvement process required to develop proposed line routes commence prior to receipt of the SPP NTC.

NOW, THEREFORE, BE IT RESOLVED that to meet the customer load connection requirements for these projects, management be and hereby is authorized to begin the necessary work to determine proposed locations for the line route, prior to receipt of the SPP NTC, and commence the public involvement process for the construction of 38 to 49 miles of new transmission line in the Gothenburg, Nebraska, area.

PRELIMINARY
FINANCIAL RESULTS
FOR
SEPTEMBER 2023

**RESOLUTION
NO. 23-49
(ADOPTED):
AUTHORIZE
MANAGEMENT TO
COMMENCE
ROUTING
ACTIVITIES FOR
NEW 115 AND 345 kV
TRANSMISSION
LINE,
MEADOWLARK
PROJECT
(GOTHENBURG)**

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

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

Whereupon the Chair declared Resolution No. 23-49 adopted.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Scott R. Walz reviewed a contract with POWER Engineers, Inc., for consulting services associated with construction of two transmission line projects, Project Meadowlark (Gothenburg) and Project East Central.

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

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

Whereupon the Chair declared the motion carried.

During the Customer and Support Services Committee meeting, Vice President of Energy Delivery Scott R. Walz reviewed a contract with Custom Truck Once Source LP, for the purchase of two current production year heavy haul semi-tractors.

It was moved by Director Fuchtman and seconded by Director Kemp to approve the Request for Approval of Procurements for Services, Equipment and/or Materials for Items \$500,000 and Above (Human Resources and Corporate Services), 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 (ENERGY DELIVERY)**

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

Voting Aye: Chlopek, Fuchtman, Gale, Harding, Kemp,
Langemeier, Mogul, Rusher, Schrock, Troester,
Williams

Voting Nay: None

Abstaining: None

Present But Not Voting: None

Absent: None

**CORPORATE
SERVICES)**

Whereupon the Chair declared the motion carried.

Total Rewards Manager Brenda M. Sanne presented management's proposed Employee Benefit Plan and outlined the following recommendations for 2024: 1) Increase employer cost share in hospital/medical plan funding from 85% employer and 15% employee, to 90% employer and 10% employee cost share by 2026 Plan Year; 2) Increase overall hospital/medical plan funding by 15.4%, with the employee share of the increase at 5.0%; 3) Increase overall dental plan funding by 5.6%, with the employee share of the increase at 5.0%; and 4) Increase employee deductibles for NPPD's Low Premium/High Deductible Health Plan, in order to meet mandated 2024 minimum Internal Revenue Service (IRS) deductible limits.

It was moved by Director Fuchtman and seconded by Director Rusher to approve the 2024 Employee Benefit Plan changes, as presented. Votes were cast and recorded as follows:

**MOTION (CARRIED):
APPROVE 2024
EMPLOYEE BENEFIT
PLAN CHANGES**

Voting Aye: Chlopek, Fuchtman, Gale, Harding, Kemp,
Langemeier, Mogul, Rusher, Schrock, Troester,
Williams

Voting Nay: None

Abstaining: None

Present But Not Voting: None

Absent: None

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) Transmission Projects; 2) Energy Delivery look-ahead for November 2023; 3) Retail Business Unit performance; and 4) Annual review of District Identity Theft Prevention Program Procedure.

**CUSTOMER AND
SUPPORT SERVICE
COMMITTEE
REPORT**

Director Chlopek, Chair of the Audit, Risk and Compliance Committee, reported that the Audit, Risk and Compliance Committee met Thursday morning, October 12, 2023. Reports were heard on the following topics: 1) Forvis audit engagement letter; 2) Potential external review of NPPD's Internal Audit area; and 3) Internal Audit activities and TRIAD Report.

**AUDIT, RISK AND
COMPLIANCE
COMMITTEE
REPORT**

Director Schrock, Chair of the Budget Committee, reported that the Budget Committee met Wednesday afternoon, October 11, 2023. Associate Financial Manager - Financial Planning Crystal A. Harper presented a summary of the preliminary 2024 Revenue and Expense, and Capital Projects Budgets. President and Chief Executive Officer Thomas J. Kent and other members of the senior management team provided the details of their respective area's 2024 proposed budgets with the Committee. The proposed budget reflected no overall change in wholesale base rates for the seventh year in a row, however various rates within wholesale may change as a result of updating rate studies. Also proposed was the use of approximately \$3 million of Transmission Rate Stabilization funds and a Wholesale Production Cost Adjustment (PCA) refund amount of approximately \$56.8 million. With regard to retail rates, there were no proposed changes to base rates for the eleventh year in a row, however there may be changes to customer rate classes, and individual customers will see impacts depending upon their usage characteristics. Also proposed is a one-year PCA, returning \$3.2 million to Large Industrial Service (LIS) customers, and the use of \$4.8 million of Retail Rate Stabilization funds. The 2024 budget will be presented to the full Board for their consideration of approval in November.

BUDGET
COMMITTEE
REPORT

There being no further business to come before the Board, the meeting was duly adjourned at 2:31 p.m.

ADJOURNMENT
2:31 P.M.

Minutes approved at
the meeting of
November 8-9, 2023

_____/s/_____
Jerry L. Chlopek, Chair

_____/s/_____
Aaron D. Troester, Secretary

**REPORT ON RETIREMENTS AND
FORMER DISTRICT EMPLOYEE REHIRS
OCTOBER 2023 BOARD MEETING**

RETIREMENTS

1. Nola S. Tooley, Travel Coordinator, General Office, Columbus, was employed March 25, 1985, and retired as of August 31, 2023.
2. Danny L. Havranek, Utility Service Technician II, O'Neill, was employed June 27, 2005, and is retiring as of October 19, 2023.
3. Scott L. Fosbinder, Material Handler, Gerald Gentleman Station, Sutherland, was employed November 7, 2000, and is retiring as of November 18, 2023.
4. Bryan D. Seidl, Engineer V, Cooper Nuclear Station, Brownville, was employed October 1, 1990, and is retiring as of December 31, 2023.
5. Michael J. Moser, Senior Line Technician – Distribution, Operations Center, York, was employed December 4, 1978, and is retiring as of January 4, 2024.

REHIRS

None this month.