

Hello, customers and teammates!

Vision. Drive. Aptitude. Led by our Board of Directors, teammates draw upon these admirable traits and more to get the job done every day at NPPD. While our future goals are well laid out and carefully pursued, we know that, like the weather, circumstances can change on a dime. Whether it's providing mutual aid to other public power utilities or tackling an unexpected plant emergency, teammates are quick to pull together and prove their resilience, solidarity and ability to problem solve.

Case in point. Last week, the Board approved an Emergency Declaration for Gerald Gentleman Station Unit 1 due to damage to the generating unit's stator during start up from its spring maintenance outage. The outage did not involve work on the equipment that failed. Teammates are working to identify options for potential temporary repairs that could allow the unit to run through the summer. Should the unit need to be off-line for an extended amount of time, the team will identify strategies to mitigate the impact of losing a low-cost unit the size of GGS Unit 1. The good news is operating in a large power market like the Southwest Power Pool increases options for addressing loss of a generating unit.

In addition to GGS Unit 1, Sheldon Station, Canaday Station and Beatrice Power Station all recently completed planned outages, and I want to thank the many teammates who work every day to ensure the continued safety and reliability of these plants. It is no small feat. In turn, due to severe storms in late April, several statewide transmission and distribution crews recently provided either mutual aid assistance to Omaha Public Power District, installation of a mobile generator for Howard Greeley Rural Public Power District, or led repair work on transmission lines between Albion and Spalding. You are a shining example of how public power always excels when helping others.

I echo these sentiments for our Energy Education team, which Board members learned engage Nebraska's youth with catalytic events meant to showcase the electrical utility sector's high-quality jobs while also promoting public power and our safety culture in collaboration with our wholesale customers. They show kids of all ages the opportunities available to them in areas of science, technology, engineering and math. Energy education is a long-term investment that creates a pipeline for homegrown engineers, line techs, chemists and more.

NPPD is committed to the health and safety of our teammates through a collective mindset that all injuries are preventable. We have numerous protocols, procedures and programs dedicated to keeping teammates safe. Yet, as realized after an incident involving an electrical contact where a teammate was not seriously injured, we all need to do more to prevent such events. We need to always hold ourselves and those around us fully accountable to prevent risks to our teammates. I encourage everyone to communicate openly with one another about potential risks before, during, and after all jobs. If you're in the middle of a task and feel uncomfortable or unsafe, it is OK to stop and reassess the situation. Likewise, we can identify many lessons

learned during a debrief. These lessons should be relayed across the organization to keep others safe from similar events in the future.

Next, Board members heard updates on strategic directives relating to NPPD's energy efficiency program, which have been in place for 17 years, and our electrification program, which was created in 2019. A balance of the two programs is necessary as load grows within our customer communities, both to reduce energy usage through energy efficiency, and to strategically add load through electrification. One way we promote this is by incentivizing time-of-use rates for off-peak, nighttime charging of electric vehicles.

The Board then approved a proposal for NPPD to begin studying geologic hydrogen in Nebraska and Kansas with the potential to both decarbonize and further diversify our fuel mix. Should a supply of geologic hydrogen be found, it could potentially be used as a carbon-free fuel source.

Finally, NPPD's financial performance for April resulted in a \$5.5 million surplus, and a year-to-date surplus of \$8.4 million.

Through my position within corporate strategy and transformation, I've witnessed time and time again the tenacity of our teammates and their ability to drive forward innovative solutions to both the everyday challenges we face in our business and the opportunities we have to satisfy our customers' diverse needs. The work you do highlights the immense value of our entire organization, and of public power.

Until next time, stay healthy, and stay safe.

Conrad