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# Wholesale Cost Competitiveness Strategic Directive BP-SD-04 Annual Review CFC Results for 2024

NPPD Board of Directors Meeting  
Strategic Business Matters  
August 2025

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Nebraska Public Power District

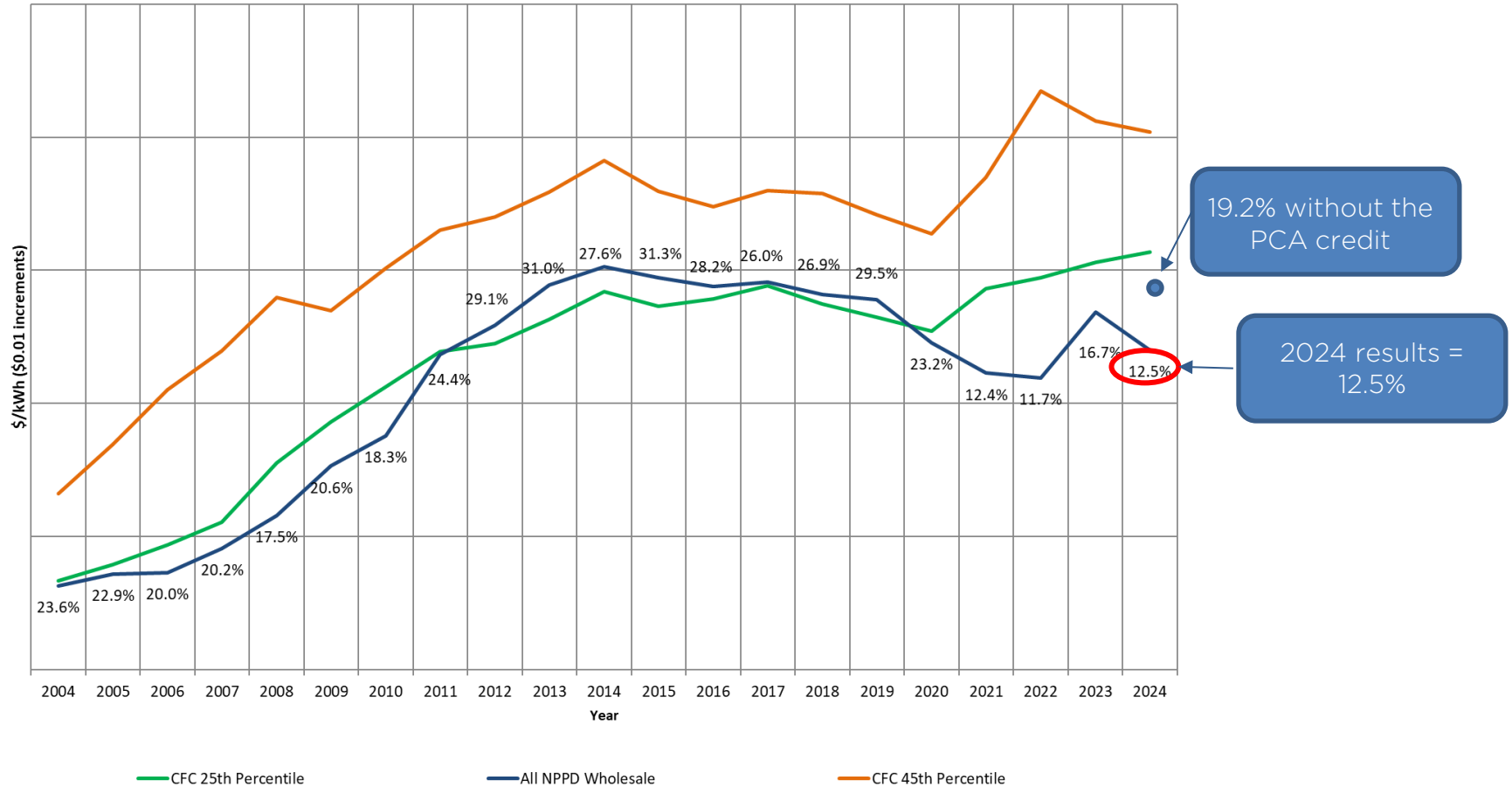
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# Board Strategic Directive (SD)

- BP-SD-04, Cost Competitiveness
  - The District's standard shall be to achieve and maintain wholesale\* rates in the best quartile of the CFC KRTA Ratio 88 "Cost per kWh Purchased" annual survey
- 2016 Wholesale Power Contract (WPC) Performance Standard
  - If rates exceed the 45<sup>th</sup> percentile, the WPC has exit provisions for customers
- The new 2026 WPC will provide a credit to a wholesale customers exit fee if rates exceed the 45<sup>th</sup> percentile (if the 2026 WPC was signed prior to October 31, 2025)

# CFC Survey (Ratio 88)

## Purchased Power Cost per kWh (Including Transmission and PCA)



# CFC Results for 2024

- Met the Strategic Destination goal of providing best quartile rates
- NPPD's average annual wholesale power cost decreased 5.0% in 2024 due to \$21M more in PCA credits and a 2.1% increase in native load sales compared to 2023. Results in both years reflect teammates continued focus on cost control.
- CFC 25<sup>th</sup> percentile increased 1.3% over the same time period while the 45<sup>th</sup> percentile decreased 1.1%
  - Increase in CFC 25<sup>th</sup> percentile believed to be due to rate pressures such as cost of purchased power, inflation, and supply chain
  - Decrease in CFC 45<sup>th</sup> percentile believed to be due to lower natural gas prices



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## Questions

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