

Hello everyone, and Happy New Year!

Each January, our president and CEO Tom Kent likes to choose a Word of the Year. This word sets the tone for where we're headed together. For 2026, that word is "momentum." Momentum is about moving forward with purpose. It's about building on the progress we've made and accelerating toward the opportunities ahead. And this year, we have plenty of reasons to keep that momentum going.

Today, I want to touch on three key areas where momentum plays an important role: engaging in legislative matters, building generation capacity, and furthering customer partnerships.

The Nebraska Legislature kicked off its session on Jan. 7, and as always, NPPD is prepared for what lies ahead in this 60-day session that runs through April. This month, the board adopted a legislative policy resolution to help guide our efforts with our mission and vision always at the forefront. In short, we will support legislation that sustains Nebraska's public power system and protects electric consumers. We will oppose mandates that don't account for local conditions or add unnecessary costs. And, we will advocate for policies that recognize the value of hydro and nuclear power, protect water resources, and allow us to invest in technologies that benefit Nebraska's economy.

It takes all of us – employees and customers, alike – to preserve the value of public power. We will continue to work closely with senators, especially through the Natural Resources Committee, to share what makes public power unique and essential.

Momentum also means preparing for the future. Our state is growing, and so is energy demand. To meet that need, we continue taking strategic steps in increasing our energy capacity and expanding our generation resources over the next several years.

To do so, we secured agreements for approximately 109 megawatts of capacity starting in 2027. This will help close a resource adequacy gap we've identified in 2028 and gives us margin for new load through 2034.

At Princeton Road Station, we're advancing with EPC, also known as engineering, procurement, and construction, activities to bring this new facility to life. The team has completed development of the engineering design basis, which sets the stage for completing design work. For site work, tree removal is occurring this month and grading activities will begin this spring. We're also working on a contract for combustion turbines at Beatrice Power Station, with plans to enter into a similar EPC contract by mid-year.

Finally, we signed a 35-year agreement with Loup Power District, which owns and operates a hydro system that includes Columbus and Monroe generating facilities. We're pleased to keep strengthening this trusted and highly valued relationship with Loup. Their hydroelectric resources can supply up to 52.5 megawatts of clean energy, as well as provide environmental attributes that strengthen our sustainability efforts. These projects ensure we have the resources to serve Nebraska reliably and affordably for decades to come.

So, what does all this mean? It means we're not standing still. In fact, we're doing things we haven't done in generations. We're building momentum through smart policy, strategic investments and strong partnerships. Thank you for being part of this journey. Your support and engagement make all the difference as we keep moving forward together.

Here's to a year of progress, innovation and momentum.

Until next time, stay healthy, and stay safe.

Conrad