Nebraska Public Power District
Always there when you need us

2027

Industrial Rate Overview

After more than a decade of minimal rate increases, the Nebraska Public Power District's board of directors approved an **average overall rate increase of 8.6%** beginning January 1, 2027.

WHY ARE NPPD'S INDUSTRIAL RATES INCREASING?

NPPD is adjusting to rising costs

The energy industry is capital-intensive, and operating costs are rising fast **due to higher material prices, supply chain constraints,** and ongoing workforce needs.

NPPD is investing in reliability

NPPD is strengthening the system **to meet today's needs and prepare for tomorrow,** building durable assets that will provide reliable capacity and energy for decades to come.

NPPD is meeting new capacity requirements

NPPD is adding new generation resources **to ensure reliable power is available the moment customers need it,** guided by updated reserve requirements and thoughtful planning for new and expected load growth.

HOW DO NPPD'S INDUSTRIAL RATES COMPARE?

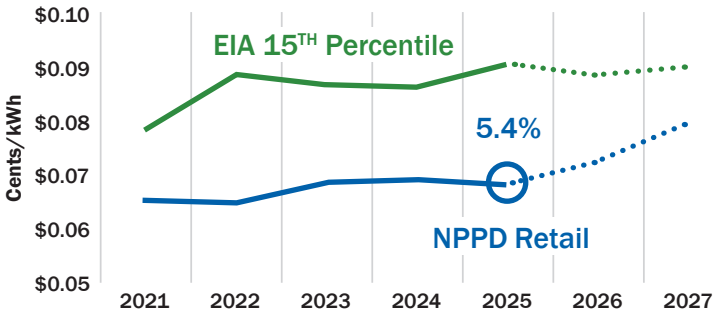
NPPD'S INDUSTRIAL ELECTRIC RATES ARE

48% LOWER
THAN THE NATIONAL AVERAGE

44% LOWER
THAN THE REGIONAL AVERAGE
Includes Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota

45% LOWER
THAN THE STATE AVERAGE

Energy Information Administration (EIA) Overall Rate Comparison



- NPPD's overall rate position **remains in the lowest 15th percentile among over 2,600 providers**, according to EIA data.
- NPPD's cumulative retail rates are projected to **stay approximately 7% below the rate of inflation** through 2032.
- NPPD held **base rates flat for 11 years** (2014–2024), with only modest adjustments in 2025 and 2026.

WHAT IS NPPD DOING TO

Control Costs?

- ✓ **Reducing Operations & Maintenance Spends** while remaining focused on service reliability
- ✓ **Reprioritizing Major Projects** while preserving essential reliability and compliance investments
- ✓ **Strategic Debt Refinancing** to capture low interest rates
- ✓ **Proactive Interest Strategies** by collecting interest payments in advance to reduce long-term debt
- ✓ **Leveraging Federal Tax Credits** to offset capital spending on major projects
- ✓ **Developing a Large Load Rate** designed to minimize cost shifts to existing customers and safeguard them if a large-load customer leaves

HOW DO NPPD'S OVERALL INDUSTRIAL RATES COMPARE NATIONALLY?

Average Industrial Cost Per Kilowatt Hour in Cents*

.0400 - .0715	.0716 - .0804	.0805 - .0866	.0867 - .1223	.1224+
.0584 New Mexico	.0726 South Carolina	.0809 Nevada	.0890 Florida	.1251 Maryland
.0614 Oklahoma	.0727 Mississippi	.0811 West Virginia	.0893 Wisconsin	.1378 New Jersey
.0617 Louisiana	.0758 North Dakota	.0820 Oregon	.0902 Colorado	.1481 D.C.
.0635 Texas	.0773 Alabama	.0824 Missouri	.0930 Minnesota	.1487 Maine
.0659 Tennessee	.0778 North Carolina	.0839 Ohio	.0934 Pennsylvania	.1681 New Hampshire
.0669 Arkansas	.0787 Georgia	.0845 Utah	.0949 Virginia	.1842 Connecticut
.0677 Kentucky	.0787 Idaho	.0851 Michigan	.0962 Delaware	.1904 Maine
.0700 Washington	**.0804 Nebraska**	.0865 Wyoming	.0963 Illinois	.1986 Alaska
.0702 Montana	.0804 Kansas	.0865 South Dakota	.0986 New York	.2096 California
.0715 Iowa	.0804 Arizona	.0866 Indiana	.1223 Vermont	.2140 Rhode Island
				.3145 Hawaii

NPPD $0.0445

U.S. Average $0.0851

NPPD's overall retail industrial electric rates provide customers with more than

$4.1 Million in Total Annual Savings*

compared to typical U.S. industrial customers using the same amount of electricity.

NATIONWIDE, RATES CHARGED BY PUBLIC POWER UTILITIES ARE

LOWER AND HAVE RISEN SLOWER

THAN RATES CHARGED BY INVESTOR-OWNED UTILITIES.

Source: Lawrence Berkley National Laboratory

WHAT ARE CUSTOMERS GETTING WITH THIS INCREASE?

- **Strengthened Reliability** to minimize outages and restore power faster when interruptions do occur
- **Increased Generation Capacity** to ensure reliability and to support growing communities, economic development, and future energy needs
- **Modernized Infrastructure** designed to be resilient and serve customers for many decades
- **Continued Focus** on providing superior service at the lowest cost we can
- **Fair Rates** that are designed to be stable, help us meet the diverse energy needs of our customers, and remain aligned with our board's strategic directive to be cost-competitive over the long term

WHAT ARE THE BENEFITS OF Public Power?

- **High Reliability** — Nebraska's energy infrastructure consistently ranks among the nation's most reliable year after year.
- **Low Rates** — Our bills stay low because utilities are not-for-profit and charge only cost-of-service rates.
- **Powered Locally** — Decisions are made locally, led by elected officials who live in communities within their respective service territories.
- **Responsible Electricity** — Nebraska's electric utilities take an all-of-the-above approach when it comes to meeting Nebraska's energy needs, while also protecting natural resources and supporting the state's economy.

SUMMARY

As a public power utility, we work hard to keep rates affordable and understand the cost pressures many households face. Our rates include no profit motive. They solely reflect the cost of operating the system, which is increasingly affected by external factors and supply chain challenges.

We've consistently focused on controlling expenses, but this adjustment is necessary to maintain system strength and avoid larger increases later. We remain committed to putting customers first while providing safe, reliable and affordable power, and we appreciate your continued trust.

*Source: U.S. Department of Energy - Energy Information Administration (EIA) 2025 Form EIA-861, Annual Electric Power Industry Report. Does not include service fees, lease payments, or taxes.