

# Public/Customer Outreach

NPPD Board of Directors Retreat  
November 3, 2021

Conrad Saltzgaber  
Chief Audit and Ethics Officer



**Nebraska Public Power District**

*Always there when you need us*

# ≡ Outreach Objective

- Obtain customer and public feedback around these three questions:
  - Do our constituents see carbon emissions as a business risk to NPPD?
  - What is the best structure for NPPD's carbon reduction goal?
  - What principles of electric service are most important to maintain or achieve as we reduce carbon emissions?
    - Reliability
    - Resiliency
    - Affordability
    - Environmental Impact

# Public Informational Forums

- Public Meetings Complete (attendance)
  - Norfolk – 125 (16 *Public Comments*)
  - Seward – 85 (17)
  - North Platte – 145 (16)
  - Scottsbluff – 45 (8)
  - Kearney – 145 (23)
- Customer Meeting on August 20
- Posted on NPPD.com
  - Educational Material
  - SD-05 Discussion Draft
  - Meeting Polling Results
- MSR summary and transcript report received (provided September 29)
  - Report includes emails and letters sent to Board member as of September 22
  - Additional letters and emails received after this date have been sent to the Board

# Online Survey

- Survey live from August 11<sup>th</sup> to September 1<sup>st</sup>
- Final Survey Count (post data cleansing)
  - End-users- 1,914
  - Wholesale Muni - 18
  - Wholesale Rural - 92
  - Retail - 7
  - Other - 2,210
    - Non-NPPD Customers - 1,144
    - Unvalidated Responses - 1,067
- EPRI analysis presentation received (provided October 5)
  - Technical briefing forthcoming

# Summary Results/Themes



**Nebraska Public Power District**

*Always there when you need us*

# Carbon Emissions Risks to NPPD

- MSR Report/Themes
  - Support for decarbonization and alternative energy is mixed
  - Climate change is an urgent matter for NPPD to address
  - Participants expect NPPD to take the lead in energy policy
  - Satisfaction with NPPD's energy management and leadership
  - Meeting polling showed that 30% or more (30-52%) of those who participated are not concerned about decarbonization
- EPRI Analysis
  - Decarbonization is a polarizing issue among End-users
  - Wholesale customers likely to see decarbonization as expensive and politics-driven
  - Wholesale rural most likely to see addressing decarbonization as unimportant
  - Retail leaders had split negative and positive impressions of decarbonization

# Carbon Emissions Risks to NPPD

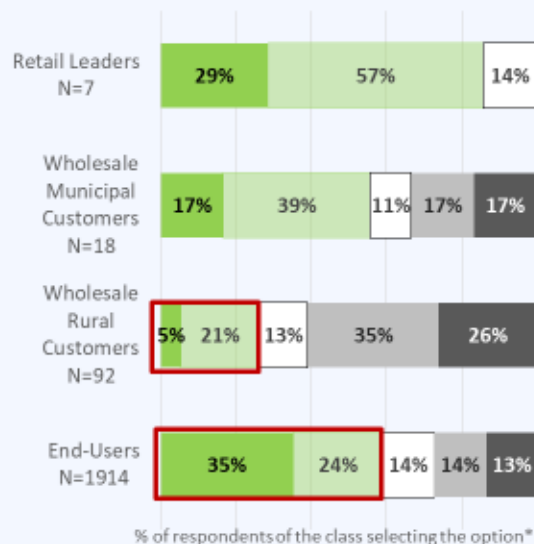
## Executive Summary (cont'd)

### 1. Do constituents view carbon emissions from generation as a business risk for NPPD?

- Attitudes towards decarbonization differ among NPPD's constituents. 59% of End-Users (retail customers) consider decarbonization very or somewhat important, compared to only 26% of Wholesale Rural Customers.
- However, constituents also perceive risks in pursuing decarbonization
  - Respondents in all four customer classes associate decarbonization as “expensive”
  - Wholesale rural customers are most likely to consider decarbonization as “unreliable” and leading to “more outages”

Q: In your opinion, how important is decarbonization?

■ Very Important      ■ Somewhat Important  
□ Neutral/No opinion      ■ Somewhat Unimportant  
■ Not Important at all



% of respondents of the class selecting the option\*

\*Statistical generalizability not guaranteed due to nonprobability sampling

# NPPD's Carbon Reduction Goal

- MSR Report/Themes
  - Climate change is an urgent matter for NPPD to address
  - Participants expect NPPD to take the lead in energy policy
  - Support for the need to re-evaluate power generation mix
  - Meeting polling showed that at least 30% (30-87%) of those who participated in polling think a 2050 net-zero goal is too ambitious
- EPRI Analysis
  - Most preferred goal among all customer segments was “net-zero”
  - Wholesale rural customers most likely to prefer neither a “net-zero” or “carbon-free” goal
  - Over half of customers across all classes state that they care very much about NPPD's decarbonization goals



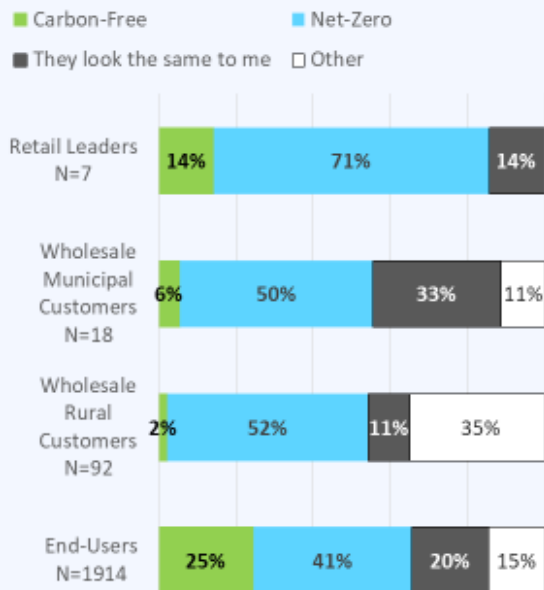
# NPPD's Carbon Reduction Goal

## Executive Summary (cont'd)

### 3. What type of carbon goal do constituents think is right for NPPD?

- Over half of customers (across all classes) care very much about NPPD's decarbonization goals
- This "caring" generally polarizes as support largely from retail customers and resistance from wholesale customers; very few are indifferent
- All customer classes prefer that NPPD frame its long-term decarbonization goal as "Net-Zero" rather than "Carbon-Free"
- But 25% of End-users (retail customers) prefer "Carbon-Free", the highest among the four classes
- Cost and feasibility are the two leading factors in deciding the type of decarbonization target (across all classes)
- Support for nuclear power appears decoupled from support for decarbonization
  - 73% of Wholesale Rural Customers support more nuclear power while only 26% of them consider decarbonization important
  - Only 45% of End-users (retail customers) support more nuclear power while 59% of them consider decarbonization important

Q: Which type of decarbonization target do you think is better for NPPD and its customers in the long term?



% of respondents of the class selecting the option\*

\*Statistical generalizability not guaranteed due to nonprobability sample

# Priority Principles of Electric Service

- MSR Report/Themes
  - Ensuring reliability/resilience is paramount
  - Importance of affordability
  - Climate change is an urgent matter for NPPD to address
  - Reliability/Resiliency polled the highest at all public meetings, cost was 2<sup>nd</sup> at five of the six meetings, and environmental impact was 3<sup>rd</sup> at all but one meeting (Scottsbluff)
- EPRI Analysis
  - End-users equally rank affordability or reliability & resiliency as their top two priorities, but have the highest likelihood of ranking sustainability first among the customer classes
  - Wholesale municipal and retail leaders rank affordability first, reliability & resiliency second, and sustainability last
  - Wholesale rural rank reliability & resiliency first, affordability second, and sustainability last
    - 92% rank sustainability as 3<sup>rd</sup> or lower

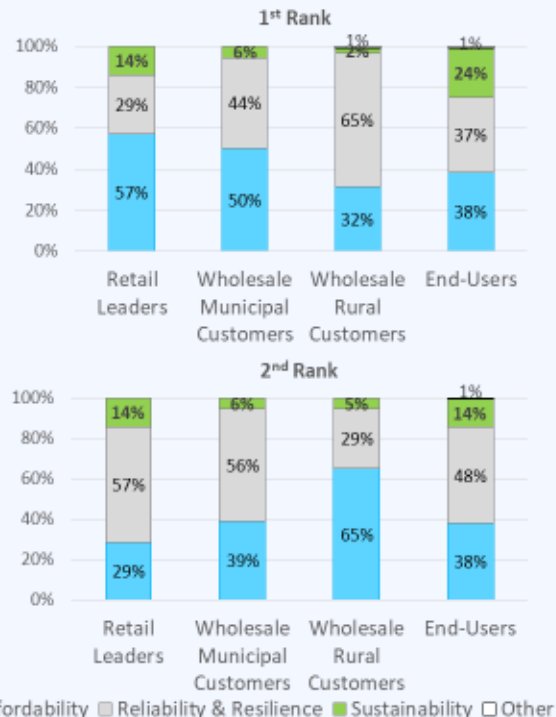
# Priority Principles of Electric Service

## Executive Summary (cont'd)

### 2. How do constituents prioritize the core principles of electricity service as NPPD pursues a carbon goal?

- Affordability is the most important priority for Retail Leaders and Wholesale Municipal Customers, while Reliability is most important to Wholesale Rural Customers
- Sustainability is a distant 3<sup>rd</sup> priority for wholesale customers and Retail Leaders
- Among End-users (retail customers) the spread is much less, with 24% ranking Sustainability as the highest priority
- End-users are nearly equally divided between Affordability and Reliability/Resilience as their highest priority

Q: How would you prefer that NPPD prioritize its efforts & resources in affordability, reliability & resilience, and sustainability?



# Questions?

Stay connected with us.



**Nebraska Public Power District**

*Always there when you need us*