

Public/Customer Outreach

NPPD Board of Directors Retreat
November 3, 2021

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Nebraska Public Power District

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≡ 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 11th to September 1st
- 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



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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

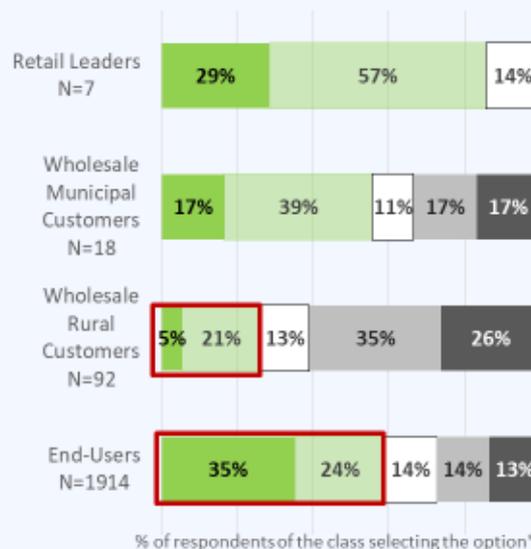
Executive Summary (cont'd)

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 sampling

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 2nd at five of the six meetings, and environmental impact was 3rd 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 3rd or lower

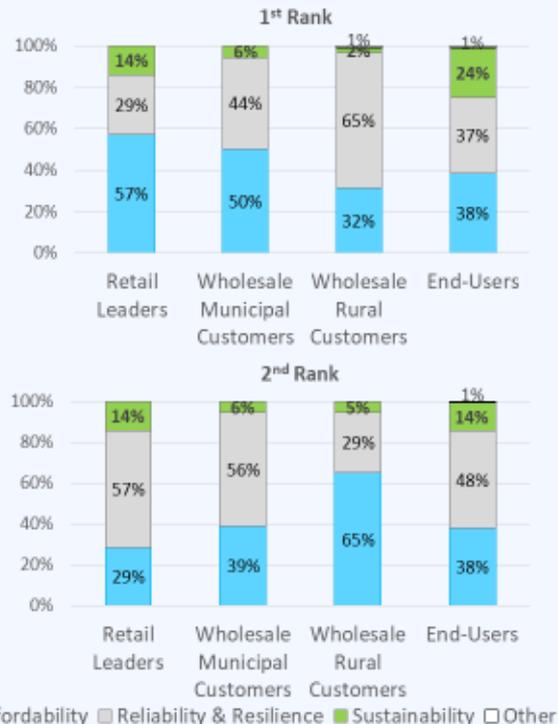
Priority Principles of Electric Service

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 3rd 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.



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