



OPPDP BOARD OF DIRECTORS

ALL COMMITTEE MEETING MINUTES

February 15, 2022

The regular committee meetings of the Board of Directors of the Omaha Public Power District (“OPPDP” or “District”) were held via Webex audio and video conference on Tuesday, February 15, 2022 at 8:00 a.m.

Present via Webex conferencing were Directors A. E. Bogner, M. J. Cavanaugh, S. E. Howard, J. M. Mollhoff, C. C. Moody, M. G. Spurgeon, E. H. Williams and R. M. Yoder. Also present via Webex were L. J. Fernandez, President and Chief Executive Officer, and Messrs. S. M. Bruckner and T. F. Meyerson of the Fraser Stryker law firm, General Counsel for the District. Chair A. E. Bogner presided and M. F. Hinners, Senior Corporate Governance Specialist, recorded the minutes. Executive leadership team members B. E. Adams, J. M. Bishop, K. W. Brown, S. A. Fanslau, S. M. Focht, K. S. McCormick, L. A. Olson, M. V. Pinder, B. R. Underwood, and T. R. Via also were present, along with several OPPD staff subject matter experts.

Committee Agenda Item 1: Board Chair Opening Statement

Chair Bogner gave a brief opening statement, including an announcement regarding public notice of meeting, which was publicized by notifying the area news media¹; by publicizing same in the Outlets newsletter and on OPPD.com; by displaying such notice on the Arcade Level of Energy Plaza since February 11, 2022; and by e-mailing such notice to each of the District’s Directors on that same date. She also provided reminders for using the Webex audio and video conferencing platform. She noted the Board would conduct a closed session this morning to discuss three topics: (i) Power with Purpose: Solar Update; (ii) Powering the Future to 2050 Update; and (iii) the appointment of a Vice President – Customer Service and compensation approval.

¹ News outlets that received OPPD Board meeting notification emails included: 1. KETV; 2. WOWT; 3. KMTV; 4. KPTM; 5. Telemundo Nebraska; 6. Nebraska Public Media (NET-TV); 7. NewsChannel Nebraska; 8. KFAB; 9. KOIL 1290 AM; 10. KIOS 91.5 FM – Nebraska Public Radio (Omaha); 11. Radio Lobo – 97.7 FM (Omaha); 12. Boomer Blair 97.3 FM (Blair); 13. KHUB 1340 AM/KFMT 101.5 FM (Fremont); 14. Sunny 101.3 FM (Falls City); 15. Omaha World Herald; 16. Washington County Enterprise & Blair Pilot Tribune; 17. Lincoln Journal Star; 18. Omaha Daily Record; 19. Omaha Star; 20. Douglas County Post-Gazette; 21. Papillion Times; 22. Bellevue Leader; 23. Midlands Business Journal; 24. Ralston Recorder; 25. Sarpy Guide and News; 26. Pawnee Republican; 27. Tecumseh Chieftain; 28. Ashland Gazette; 29. Wahoo Newspaper; 30. Nebraska City News Press; 31. Cassgram (Cass County online news publication); and 32. Associated Press. Public notice of meeting was published in the print version of the *Omaha World Herald* newspaper on February 8, 2022, and in the online version from February 8 through February 14, 2022.

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Committee Agenda Item 2: Closed Session

At 8:02 a.m., it was moved by Director Moody that the Board go into Closed Session. Director Moody stated as follows:

"I move that the Board go into closed session at this time (8:02 a.m.) to discuss three topics: (i) Power with Purpose: Solar Update; (ii) Powering the Future to 2050 Update; and (iii) the appointment of a Vice President – Customer Service and compensation approval.

With respect to the Power with Purpose generation resource project solar update, a closed session is necessary for the protection of the public interest because the discussion will involve competitively sensitive utility infrastructure information, including potential pricing that would create a competitive disadvantage for the District if known by its business competitors, and also would create a competitive disadvantage for the District if known by potential contractors and property owners that may be involved in the infrastructure projects. The update also may involve discussion of legal matters, including contract negotiation matters that are protected by the attorney-client privilege.

With respect to the Powering the Future to 2050 Update, the discussion of OPPD's strategic future business planning issues over the next 30 years, a closed session is necessary for the protection of the public interest because the discussion will involve competitively-sensitive information related to District assets and critical infrastructure and potential business strategy that would create a competitive disadvantage to the District if known by its business competitors or used in the energy marketplace. The discussion also is preliminary and any strategic plans or initiatives that are proposed by the Board or management for adoption or approval will be presented and discussed in future public meetings.

With respect to the Appointment of a Vice President – Customer Service and Compensation Approval, a closed session is necessary because the discussion will involve competitive and confidential compensation and retention information. A closed session discussion is necessary to prevent needless injury to the individual's reputation, and the individual has not requested a public meeting."

The motion was seconded by Director Cavanaugh.

Thereafter, the vote was recorded as follows: Bogner – Yes; Cavanaugh – Yes; Howard – Yes; Mollhoff – Yes; Moody – Yes; Spurgeon – Yes; Williams – Yes; Yoder – Yes. The motion carried (8-0).

Chair Bogner read the following:

"The motion to go into closed session has passed. This closed session will be limited to discussion regarding three topics: (i) Power with Purpose: Solar Update; (ii) Powering the Future to 2050 Update; and (iii) the appointment of a Vice President – Customer Service and compensation approval. No votes or other action will be taken."

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After confirming the Board members, President Fernandez, members of the executive leadership team, S. M. Bruckner and T. F. Meyerson, General Counsel, M. F. Hinnners and staff subject matter experts were present, the Webex Event was locked to prevent additional attendees from joining. The Board then conducted its closed session discussion of the Power with Purpose: Solar Update.

At 8:55 a.m., the Power with Purpose staff departed the meeting. R. Ryan of Next Generation Consulting and L. Azar of Azar Law LLC joined the meeting for the Powering the Future to 2050 Update.

At 9:39 a.m., R. Ryan, L. Azar, and all OPPD staff departed the meeting, except for President Fernandez, M. V. Pinder, M. F. Hinnners and attorneys S. M. Bruckner and T. F. Meyerson. President Fernandez and the Board then discussed the appointment of a Vice President – Customer Service and compensation recommendation.

At 9:50 a.m., the Board took a break. No further business was discussed. The Webex Event was unlocked to allow OPPD staff and the public to join.

At 10:00 a.m., a motion was made and seconded to reconvene the meeting in open session.

Thereafter, the vote was recorded as follows: Bogner – Yes; Cavanaugh – Yes; Howard – Yes; Mollhoff – Yes; Moody – Yes; Spurgeon – Yes; Williams – Yes; Yoder – Yes. The motion carried (8-0).

Chair Bogner stated:

“The motion to come out of closed session at (10:01 a.m.) is carried. This closed session was limited to discussion regarding three topics: (i) Power with Purpose: Solar Update; (ii) Powering the Future to 2050 Update; and (iii) the appointment of a Vice President – Customer Service and compensation approval. No votes or other board action were taken during the closed session.”

Committee Agenda Item 3: Public Session – Board Chair Opening Statement

Chair Bogner welcomed members of the public and gave an overview of the meeting agenda and reminders for using the Webex audio and video conferencing platform. She informed the public that per the Board’s Guidelines for Public Participation, the Board does not take public comment during the All Committees meeting. The Board will take public comments at the Board meeting on Thursday, February 17, 2022. With the prevalence of COVID-19 in our area, the Board meeting will be conducted remotely via Webex Events and will begin at 5:00 p.m. The public may attend remotely via Webex Events by going to oppd.com or they may come to the Omaha Douglas Civic Center to view the Webex.

Chair Bogner stated all board members were present via Webex, along with members of the executive leadership team and several attendees, consisting of OPPD employees and members of the public.

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Committee Agenda Item 4: Safety Briefing

President Fernandez provided physical and psychological safety reminders, including current safety focus reminders about: (i) walking, working and driving in winter conditions; (ii) sprains, strains and tears; and (iii) being intentional with hazard management.

Committee Agenda Item 5: Governance Committee

Governance Committee Chair Report

Director Moody reported the Governance Committee met on February 10, 2022 via Webex videoconference. A copy of the agenda for that meeting was made available in the Committee meeting materials for the Board to review. The Committee discussed the following topics: (i) appointment of a Vice President Customer Service and compensation; (ii) completion of OPPD redistricting and approval of the amendment to OPPD's petition for creation; (iii) non-substantive revisions to the OPPD Board Policies Binder; (iv) revised approach to the Board Work Plan; (v) pre-committee meetings intent and approach; (vi) confirmation of Governance Committee items on the Board Work Plan; and (vii) summary of Committee direction.

Supporting Data
Agenda

Appointment of Vice President Customer Service and Compensation Approval

President Fernandez presented the following information to support the appointment of T. D. McAreavey as Vice President Customer Service.

- a. Mr. McAreavey has more than 20 years of customer service, sales, marketing and leadership experience. Before joining OPPD as Director Supply Chain Management, he served in various leadership roles at Cabela's Inc., a Nebraska-based retail company.
- b. Mr. McAreavey holds a bachelor's degree in marketing from Regis University in Denver, CO.

Management recommended Board approval of the appointment of T. D. McAreavey to the position of Vice President Customer Service and compensation as set forth on Exhibit A, effective March 6, 2022. Board members expressed support for Mr. McAreavey and noted the importance of customer service and satisfaction. The Board was scheduled to vote on this matter at the February 17, 2022 meeting.

Supporting Data
Datasheet
Resolution
Exhibit A

Claim Settlement Report

S. M. Focht, Vice President – Corporate Strategy and Governance, provided the following report of a claim settlement in excess of \$50,000.

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- a. On or about May 31, 2020, a water main, owned and operated by Metropolitan Utilities District (MUD), broke in the intersection of 24th and Vinton Street resulting in the street collapse. The collapse compromised the District's duct line and manholes. The District sustained over \$300,000 in damages.
- b. Nebraska State Statute §84-713 requires a report to the Board of Directors for the settlement of any claim in excess of \$50,000.
- c. The District reduced its claim equal to the amount attributed to the manhole upgrades completed during repairs. The District and MUD reached a settlement in the amount of \$167,727.05 without any admission of liability by either party. The parties have entered into a written settlement of the claim.

Supporting Data

Datasheet

Committee Agenda Item 6: Finance Committee

Finance Chair Report

Director Yoder reported the Finance Committee met on February 4, 2022 via Webex videoconference. A copy of the agenda for that meeting was made available in the All Committee meeting materials for the Board to review. The Committee discussed: (i) potential revisions to SD-2: Rates policy; (ii) proposed plan for Board members to review rate design principles; (iii) draft 2022 Finance Committee work plan; (iv) confirmation of Finance Committee items on the Board Work Plan; and (vi) summary of Committee direction.

Supporting Data

Agenda

Rate Design Principle Process

J. M. Bishop, Vice President and Chief Financial Officer, presented the following proposal for a Rate Design Principle Process.

- a. In response to the Finance Committee's interest in continuing a robust conversation on rate principle refinement at the District, a conceptual process was presented and agreed upon by the Finance Committee.
- b. The objective of the process will be to align on principles and priorities that will guide future rate design.
- c. The process will include a two phase approach. Phase one will be approximately nine months and will include engaging with a third party to facilitate three comprehensive sessions intended to gain alignment on rate setting principles, cost of service analysis, and retail rate design, as well as time for customer engagement and outreach and rate design analysis. Phase two will be a multi-year effort of customer outreach, rate design, rate piloting, and implementation.
- d. A more detailed outline of the work to be included in the process along with an estimated timeline will be presented to the Finance Committee in March.

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Mr. Bishop presented the following proposal and timelines:

- Rate Design Principles Objective
- Proposal for Robust Two Phase Process
- Phase 1 (9 months total)
 - First 3 months – Determination of long term rate principles – 3 workshop sessions
 - Session 1 Objectives
 - Session 2 Objectives
 - Session 3 Objectives
 - Last 6 months – Customer outreach and rate design analysis
- Phase 2 (2+ years)
 - Conceptual tasks and timelines

The Board and management team discussed aspects of the proposal. Board members expressed general consensus for management to proceed with the proposal.

Supporting Data

Datasheet

Rate Design Review Proposal Presentation

Committee Agenda Item 7: System Management & Nuclear Oversight Committee

System Management & Nuclear Oversight Committee Chair Report

Director Williams reported the System Committee met on February 2, 2022 via Webex videoconference. A copy of the agenda for that meeting was made available in the All Committee meeting materials for the Board to review. The Committee discussed: (i) decarbonization presentation for the energy portfolio and customer work streams; (ii) Nebraska City Station Unit 2 selective catalytic reduction catalyst layer materials procurement; (iii) SD-9: Resource Planning potential revisions; (iv) Integrated Resource Plan (IRP) update; (v) confirmation of System Committee items on the Board Work Plan; and (vi) summary of committee direction.

Supporting Data

Agenda

Integrated Resource Plan (IRP) Engagement Update

L. L. Zagurski, Manager Stakeholder and Community Outreach, presented an update on the public engagement efforts related to the District's integrated resource plan (IRP).

The IRP is a process that outlines a utility's generation changes to meet customer demands over time. OPPD prepares, files, and publishes an IRP every five years with the Western Area Power Administration (WAPA) as required by OPPD's long-term contract to receive hydroelectric power from WAPA. OPPD posted the IRP for public review and comment from January 21 through February 20. The public also was invited to attend a virtual presentation of the IRP on February 3. OPPD will finalize and submit the IRP on February 28.

Ms. Zagurski presented the following information:

- Engagement Journey
- IRP Internal Communication, News Media and Social Media

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- IRP External Communication and Education

The Board and management team discussed outcomes and learnings from the engagement efforts.

Supporting Data
Presentation

Nebraska City Station Unit 2 (NC2) Selective Catalytic Reduction (SCR) Catalyst layer Materials – Engineer’s Certificate to Negotiate

T. R. Via, Vice President and Chief Operating Officer, presented the following to support Board of Directors approval of the Engineer’s Certification and authorization for management to negotiate and enter into a contract to procure materials and fabrication for the supply of catalyst modules for Nebraska City Station Unit 2.

- a. As part of the ongoing catalyst management plan, it has been determined that one catalyst layer of each SCR should be replaced approximately every two (2) years to meet nitrogen oxides (NOx) emissions limits.
- b. Installation of the catalyst modules is scheduled for a planned 2023 outage and will be performed under a separate labor contract.
- c. Although OPPD has used the statutory sealed bid process for past purchases of the catalyst, OPPD has experienced limits on the number of competitive bids with acceptable technical and commercial terms when using this process.
- d. The District’s engineer has certified that a publicly available Request for Proposal followed by negotiations will improve the competitive bid environment and likely result in a more cost effective procurement for the District. As part of these negotiations, OPPD Management will explore applicable options, including up to a six-year (three layer replacement) option, to obtain a contract with the best total cost of ownership for OPPD.

Management recommended Board of Directors approval of the Engineer’s Certification and authorization for management to negotiate and enter into a contract for procurement of SCR catalyst modules for the Nebraska City Station Unit 2 SCR system. The Board was scheduled to vote on this matter at the February 17, 2022 meeting.

Supporting Data

Datasheet
Letter of Recommendation
Engineer’s Certificate
Legal Opinion
Resolution
Photograph

Nuclear Oversight Committee Report

T. S. Uehling, Sr. Director FCS Decommissioning, reported the Nuclear Oversight Committee provides a regular oversight of items related to the Fort Calhoun Station (FCS) nuclear plant. In

addition to safe and secure dry cask storage of fuel, the required Preventative Maintenance tasks and Surveillance Tests, the following major decommissioning activities were conducted:

- Reactor vessel internal segmentation activities are progressing on schedule, with the specialty equipment continuing to achieve design cut rates. The segmented materials are being packaged in shipping containers designed for this type of material and shipments have begun.
- All work necessary prior to starting structural demolition of the Auxiliary Building has been completed. The shift to structural, mechanized, demolition has commenced. Shipment of the material for disposal will be conducted throughout the year.
- Removal of materials from the interior of the intake structure for recycling is progressing. Following these activities, the structural, mechanized, demolition of the structure will begin. In parallel, removal of interior components from the Turbine Building continues.

Supporting Data

Datasheet

Photo of FCS site

The Board took a break for lunch at 11:39 a.m. and reconvened at 12:10 p.m.

Pathways to Decarbonization – Energy Portfolio and Customer Update

B. R. Underwood, Sr. Director Systems Transformation, provided the following overview on the objectives, methodology, findings and recommendations on the Pathways to Decarbonization Energy Portfolio and Customer work streams for February 2022.

1. In November 2019, the Omaha Public Power District (“OPPD”) Board of Directors approved an overall commitment for OPPD to “Conduct all of its operations (including operations such as building services and transportation) in a manner that strives for the goal of net zero carbon production by 2050”. To identify various pathways to meet this goal, OPPD has embarked upon a Strategic Initiative titled “Pathways to Decarbonization”. The strategic initiative is broken into four separate work streams: Energy Portfolio, Internal Operations, Customer, and Community. In February 2022, the Energy Portfolio and Customer work streams will present their findings and recommendations and in March of 2022, Community & Internal Operations will do the same.
2. The Energy Portfolio was a broad study evaluating many technologies and timelines over an extended horizon. The outcome of the study was actionable pathways to eliminate or significantly reduce greenhouse gas emissions from OPPD’s energy portfolio, while ensuring system reliability. These pathways identified common solutions across the various pathways which serve as a foundation for future decision making.
3. The Customer work stream identified programs and products to help OPPD customers reduce their personal carbon footprint. In pursuit of program and product identification, OPPD conducted market analysis, technology exploration, benchmarking and developed a repeatable product prioritization framework focusing on decarbonization.

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4. This update communicates a summary of the objectives of the work streams, the methodology for executing the studies, key findings, recommendations, and next steps.

R. D. Stigge, Decarbonization Program Manager, presented the following:

- Introduction and Agenda

C. M. Kennedy, Manager Corporate Planning, presented the following:

- Decarbonization: Energy Portfolio Project
- Energy Portfolio Objective
- Study Scope
- Overview
- Energy Portfolio: Stakeholder Workshops
- Electrification is Central to Economy-wide Decarbonization and Impacts Electric Resource Needs
- OPPD Energy Portfolio Scenarios
- Effective Load Carrying Capability (ELCC) Modeling Approach
- New Resource Needs
- Key Findings
- Outcome
- Advanced Feasibility Studies

P. M. Fortney, Manager Product Development, presented the following:

- Decarbonization: Customer Project
- Objective
- Overview
- Key Findings – Customer Motivations
- Key Findings – Decarb Product Roadmap
- Next Steps

The Board and management team discussed a variety of issues and questions throughout the presentation, including, among others: risk management; customer programs; pace of technology adoption; energy efficiency; relationship between the IRP and the decarbonization strategic initiative; extreme weather events; OPPD's role in electrifying transportation; definition of resiliency; timing and stakeholder process for future generation resource projects; customer owned generation; customer education and community partnerships; and impact of decarbonization on employees.

Supporting Data

Datasheet

Presentation

The Board took a break at 1:58 p.m. and reconvened at 2:10 p.m.

Committee Agenda Item 8: Public Information Committee

Public Information Committee Chair Report

Director Mollhoff reported the Public Information Committee met on February 8, 2022 via Webex videoconference. A copy of the agenda for that meeting was made available in the All Committee meeting materials for the Board to review. The Committee discussed: (i) legislative

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and regulatory affairs update; (ii) potential revisions to SD-11: Economic Development policy; (iii) product development updates on energy education program and solar rebates; (iv) confirmation of Public Information Committee items on the Board Work Plan; and (v) summary of committee direction.

Supporting Data
Agenda

Legislative and Regulatory Update

L. A. Olson, Vice President – Public Affairs, provided an update on 2022 state and federal legislative matters and regulatory matters.

- a. Nebraska's 107th Legislature 2nd session began on January 5, 2022 and ends on April 20, 2022.
- b. The 117th Congress began on January 3, 2021 and is expected to end January 3, 2023.

T. R. O'Brien, Director Economic Development and External Relations, presented the following:

- State Legislative Update
 - 2022 Nebraska Legislative Calendar
 - Speaker Scheduling of Bills
 - 2022 OPPD Priority Bills
 - 2021 Carryover Bills
- Federal Legislative Update

The Board and management team discussed a variety of legislative issues throughout the presentation.

Supporting Data
Datasheet

Legislative Update Presentation
Legislative Bill Tracker

Committee Agenda Item 9: Other Business

Confirmation of Board Meeting Agenda

The Board members reviewed and confirmed the agenda for the Board meeting on Thursday, February 17, 2022, which will be conducted remotely via Webex audio and video conference at 5:00 p.m. The public may attend remotely by accessing the Webex meeting link on oppd.com or the public may watch the Webex at the Omaha Douglas Civic Center, 2nd Floor Legislative Chamber, which will be set up as the physical location to view the Webex.

Review of Board Work Plan

The Board members reviewed and discussed the topics on the Board Work Plan and process.

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Power with Purpose: Transmission and Substation Updates

T. R. Via, Chief Operating Officer and Vice President – Utility Operations, provided the following updates on the Power with Purpose projects for February 2022.

ENERGY DELIVERY FACTS

1. Easement negotiations for the Sarpy Southwest Transmission Project (SSWTP) are progressing with initial offers made to all property owners in early January. Signed easements have been acquired on approximately 10% of those offers and discussions continue with the remaining landowners.
2. Eight (8) proposals were received in response to the transmission construction Request for Proposal (RFP) and bids are under review. Anticipated award in early February with construction starting in March 2022.

D. D. Buelt, Director Engineering, presented the following information:

- Sarpy Southwest Transmission Project (SSWTP) Route Alignment
- SSWTP Structure Examples
- SSWTP Schedules and Milestones
- New Substation – 150th and Capehart Road
- Summary of Transmission and Distribution Projects Supporting Power with Purpose

Supporting Data

Datasheet
Presentation

There being no further business, the meeting adjourned at 2:49 p.m.

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S. M. Focht
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S. M. Focht
Vice President – Corporate Strategy and
Governance and Assistant Secretary

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M. F. Hinners
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Assistant Secretary of the Meeting