



## OPPDP BOARD OF DIRECTORS

### BOARD MEETING MINUTES

November 16, 2023

The regular meeting of the Board of Directors of the Omaha Public Power District ("OPPDP" or "District") was held on Thursday, November 16, 2023 at 5:00 p.m. at the Omaha Douglas Civic Center, 1819 Farnam Street, 2<sup>nd</sup> Floor Legislative Chamber, Omaha, Nebraska and via WebEx audio and video conference.

Present in person at the Civic Center were Directors A. E. Bogner, M. J. Cavanaugh, M. R. Core, S. E. Howard, C. C. Moody, M. G. Spurgeon and E. H. Williams. J. M. Mollhoff was absent. Also present in person were L. J. Fernandez, President and Chief Executive Officer, S. M. Bruckner and T. F. Meyerson of the Fraser Stryker law firm, General Counsel for the District, E. H. Lane, Sr. Board Operations Specialist, and other members of the OPPDP Board meeting logistics support staff. Chair E. H. Williams presided and E. H. Lane recorded the minutes. Members of the executive leadership team present in person included: J. M. Bishop, K. W. Brown, C. V. Fleener, K.S. McCormick, T. D. McAreavey, L. A. Olson, M. V. Purnell, and T. R. Via, and B. R. Underwood.

#### ***Board Agenda Item 1: Chair Opening Statement***

Chair Williams gave a brief opening statement, including reminders for using the WebEx audio and video conferencing platform.

#### ***Board Agenda Item 2: Safety Briefing***

Josh Clark, Manager Protective Services provided physical safety reminders. President Fernandez provided psychological safety reminders, including current safety focus reminders about: (i) Work area protection; (ii) Fighting fatigue; and (iii) Look out for each other.

#### ***Board Agenda Item 3: Guidelines for Participation***

Chair Williams then presented the guidelines for the conduct of the meeting and instructions on the public comment process in the room and using WebEx audio and video conferencing features.

#### ***Board Agenda Item 4: Roll Call***

Ms. Lane took roll call of the Board. All members were present in person, with the exception of J. M. Mollhoff.

#### ***Board Agenda Item 5: Announcement regarding public notice of meeting***

Ms. Lane read the following:

*"Notice of the time and place of this meeting was publicized by notifying the area news media; by publicizing same in the Omaha World Herald, OPPDP Outlets newsletter, oppd.com and social media; by displaying such notice on the Arcade*

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*Level of Energy Plaza; and by e-mailing such notice to each of the District's Directors on November 10, 2023.*

*A copy of the proposed agenda for this meeting has been maintained, on a current basis, and is readily available for public inspection in the office of the District's Corporate Secretary.*

*Additionally, a copy of the Open Meetings Act is available for inspection on oppd.com and in this meeting room."*

**Board Consent Action Items:**

6. Approval of the September 2023 Financial Report, October 2023 Meeting Minutes and the November 16, 2023 Agenda
7. SD-12: Information Management and Security Monitoring Report – Resolution No. 6604
8. Rescission of Resolution No. 5764 - Authority to Execute Right-of-Way Payments – Resolution No. 6605
9. 2023 COP Excess Expenditures Request – Resolution No. 6606
10. SD-11: Economic Development Monitoring Report – Resolution No. 6607
11. RFP No. 6094 - OPPD Galvanized Steel Transmission Structures – 5 Year Steel Manufacturing Alliance Contract – Resolution No. 6608
12. RFP No. 6096 - NW Omaha Transmission Construction – Resolution No. 6609
13. RFP No. 6091 - Substation Control Building – Resolution No. 6610

It was moved and seconded that the Board approve the consent action items.

Chair Williams noted the Board discussed the action items during the All Committees meeting held on Tuesday, November 14, 2023.

Chair Williams then asked for public comment. There was one comment from the public in attendance at the meeting.

Heath Mello, President of the Greater Omaha Chamber of Commerce, expressed his gratitude for OPPD and their partnership with the community and leadership on economic development and presented materials to the board which are attached to these minutes.

Chair Williams then asked for public comment online. There was one comment from the public via WebEx.

David Corbin, 1002 N. 49<sup>th</sup> St, provided comments on sustainability of new developments and smart growth in the community.

Thereafter, the vote was recorded as follows: Bogner – Yes; Cavanaugh – Yes; Core – Yes; Howard – Yes; Mollhoff – Absent; Moody – Yes; Spurgeon – Yes; Williams – Yes. The motion carried (7-0).

**Board Agenda Item 14: President's Report**

President Fernandez next presented the following information:

- October Baseload Generation

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- October Balancing Generation
- October Renewables
- Careers in Energy
- Corporate Partner of the Year
- Bark Park Volunteering Day
- Customer Owned Generation Update
- Energy Star Rebates
- In Memoriam – Walter Pond

**Board Agenda Item 15: Opportunity for comment on other items of District Business**

Chair Williams asked for comments from the public in the room on other items of District business. There were two comments.

Mr. David Begley, 4611 S. 96<sup>th</sup> Street, Omaha, provided comments on a potential solar energy site in York County, Nebraska and presented materials to the board which are attached to these minutes.


Mr. LaVerne Thraen, Omaha, NE, provided comments on small modular reactors, and presented materials to the board which are attached to these minutes.

Chair Williams asked for comments from members of the public on WebEx. There was one comment.


Mr. John Pollack, 1412 N. 35<sup>th</sup> Street, Omaha, provided a weather update.

There were no additional comments from the public in attendance at the meeting or via WebEx.

There being no further business, the meeting adjourned at 5:35 p.m.

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

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E. H. Lane  
Sr. Board Operations Specialist



Good evening, esteemed members of the OPPD Board of Directors.

My name is Heath Mello (H-E-A-T-H M-E-L-L-O) and I have the honor and privilege of serving as the President and CEO of the Greater Omaha Chamber of Commerce.

I'm here tonight to extend our strongest support for the economic development efforts undertaken by the Omaha Public Power District (OPPD) and your talented senior management and economic development teams.

The OPPD has been a cornerstone of our community, not merely as a utility provider, but as a visionary and proactive entity fostering both economic growth and sustainability. OPPD's commitment to delivering affordable, reliable, and sustainable energy has been instrumental in attracting new businesses to our region, thereby creating jobs and fostering a robust economic environment.

In our experience, OPPD doesn't just supply power; they empower our region's workforce, our businesses, and our communities. The Greater Omaha Chamber and the OPPD Economic Development team are fully integrated partners to help both organizations achieve economic growth for the region. Power is obviously a critical component of any project, whether an existing company expansion or a new-to-market project. The Greater Omaha Chamber and the OPPD team are in constant communication about these projects to ensure that utility needs are met, timelines for connections are accurate, and costs and rates are fully understood. The OPPD team is also part of our weekly project review meetings to align all follow-up between our organizations.

The OPPD Economic Development team is also a partner beyond specific project work. OPPD has been heavily involved in the GO Ready Site Certification program that creates virtual shovel-ready and fully development sites throughout the region. This program keeps submitted sites competitive in these regional and national site searches. OPPD and the Greater Omaha Chamber have also partnered to keep the LocationOne (LOIS) available site and building database present in both our websites up to date with over 1,600 buildings and sites.

Your leadership team's innovative strategies in energy production and management have lowered operational costs for businesses, making Greater Omaha an attractive location for startups and established corporations alike.

Moreover, their dedication to renewable energy and environmental stewardship reflects the value of sustainability and sets a precedent for responsible economic development. Their efforts align seamlessly with our goal at the Greater Omaha Chamber to promote a prosperous business climate while maintaining our commitment to the environment.

In conclusion, on behalf of the Greater Omaha Chamber of Commerce and our nearly three thousand members, I would like to express our gratitude to the Omaha Public Power District for your continued partnership and focus on strategic economic development. We commend your President & CEO, Javier Fernandez, and your entire team for their day-in and day-out work and recognize the substantial impact they have on driving our local economy. We look forward to continuing our partnership, fostering a brighter and more sustainable future for all of Omaha.

Thank you for your time and attention to this crucial matter.

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MIDLANDS VOICES

## Midlands Voices: OPPD needs to focus on low-cost, reliable power, not wind and solar

David D. Begley

Nov 5, 2023

**W**ould you buy a car or a computer knowing in advance that it would only work less than half the time — and sporadically at that — even if you felt (emphasis on the word “felt”) that your purchase would save the planet from burning up in the year 2100?

But the Omaha Public Power District has done exactly that with its August 2023 Near Term Generation resolution. The price tag today is \$2 billion. That, however, doesn't take into account that its engineers forced the OPPD board to first spend about \$450 million on two reliable natural gas-fired electricity production plants. These two new power stations are conveniently located very near to computer data centers that ostensibly only want renewable power. The prudent action, of course, would be not to waste \$2 billion on inefficient and unreliable wind and solar plants in the first place.

The wasteful and foolish spending of over \$2 billion by the OPPD board is also contrary to its statutory duties. Nebraska law imposes a twin mandate on public power: reliability and low cost. Solar and wind power

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OPPD is currently projecting that this spending spree will result in at least a 10% rate increase. Given OPPD's record regarding projections, the rate increase will certainly be more than 10%.

OPPD's directors believe that achieving net zero carbon by 2050 is essential to saving the planet from burning up in 2100. Little, tiny Omaha apparently has that power. In order to achieve the net zero carbon goal, OPPD has an ambitious plan to add 1,000 to 1,500 MW of solar and wind power. The belief is that carbon dioxide generated by coal-fired and natural gas-fired power plants emit carbon dioxide which causes global warming.

Statistics Norway, an official agency of the country of Norway, has poked a hole in the so-called scientific consensus. "We find ... that the effect of man-made CO<sub>2</sub> emissions does not appear to be strong enough to cause systematic changes in temperature fluctuations during the last 200 years." In other words, the Earth's climate has changed considerably over the millennia for reasons that are not fully understood. Therefore, the billions spent on wind and solar power generation now is an exercise in speculation about curing a possible future event. It's been a giant Keynesian ditch-digging scheme.

Mr. Corbin cites in his Oct. 15 **Midlands Voices piece** the federal funding available to Nebraska via the Inflation Reduction Act (IRA). This spending bill has fueled our record inflation that only benefits groups

People need to appreciate that the IRA creates federal income tax credits. That means that instead of corporations sending their tax money to the Treasury, the corporation gets a dollar-for-dollar credit to their federal tax bill. At a recent Berkshire Hathaway annual meeting in Omaha, CEO Warren Buffett acknowledged that MidAmerican Energy got a \$1 billion federal tax credit for its purchase of wind turbines. Mr. Buffett also said that if it wasn't for the federal tax credits, the wind turbines never would have been purchased. With the IRA, Wall Street will now be able to bundle and sell tax credits.

George W. Norris is the father of public power in Nebraska. He was spot on when he wrote: "Men are often biased in their judgment on account of their sympathy and interests."



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David E. Corbin



Midlands

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Pathways to

**Midlands Voices: Pathways to Decarbonization could harm Nebraska economy**

David D. Begley



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**Midlands Voices: OPPD should retire coal plants by 2030**

Aly Peeler



Newsletters Nov 7

### Concerns for the K-Junction Solar project

To the people of York County: My name is Dave Begley. I'm a life-long Nebraskan and Omaha attorney. I'm a critic of OPPD's net zero policy. That's because solar and wind power are unreliable and expensive. And it's easy to see why. Would you buy a truck or computer - knowing in advance - that they wouldn't work even 40% of the time and then sporadically at that? Of course not. But that's exactly what the OPPD Board is planning to do with its \$2 billion dollar plus spending plan for wind and solar power generation.

OPP D feels (emphasis on the word "feels") that it can save the planet from burning up in the year 2100 by achieving net zero carbon emissions by 2050. Its August resolution calls for acquiring 1,000 to 1,500 MW of solar and wind power generation. The K-Junction Solar project is rated at 310 MW.

If the K-Junction Solar project is approved, York County will be OPPD's dumping ground for more solar projects. That's because Saunders County is the only other county to approve a solar farm. The voters of Saunders County were so upset with that approval that the chairman of the County Board was recalled from office.

The fad for wind and solar power is driven by two things: extremely generous federal income tax credits and the religious belief by some people that man-made carbon dioxide emissions will overheat the planet and mankind will become extinct in 2100.

Warren Buffett's Berkshire-Hathway owns one of Iowa's electric utilities. At the annual meeting in Omaha, Mr. Buffett frankly admitted that his utility never would have spent \$1 billion on wind turbines but for the federal tax credits. If Uncle Sam is giving away free money, Uncle Warren will accept it.

Under the so-called Inflation Reduction Act, federal income tax credits generated by solar projects can now be bundled and sold like a commodity. It's my suspicion that OPPD is planning to do that with K-Junction and that's why it is developing the site on its own rather than through an outside developer.

One of OPPD's resolutions recites that it is "the scientific consensus" that global warming and man-made carbon dioxide emissions are correlated. That belief has just been blown up.

Both Statistics Norway and a Nobel prize winner in physics have debunked that notion. I've also told the OPPD Board that they have a twin statutory mandate to only build projects that are both low cost and reliable. Wind and solar are neither. The OPPD Board has acted in a lawless manner and contrary to the rule of law. York County has an opportunity to reign in the renegade OPPD Board.

The Center for the American Experiment has performed studies of the true cost of net zero. For the states of Minnesota and Wisconsin, the studies show that electric rates will triple and that there will be blackouts in the winter. No power on the Nebraska prairie in the winter is a bleak and deadly prospect.

Some might say: So what? Those dummies in Omaha elected that Board and let them pay the price. Here's the thing: NPPD has the same net zero policy as OPPD. If NPPD gets going on more wind and solar projects, your electric rates will triple. While some of your neighbors will get double or triple the rental rate for productive farm ground, the whole county might end up with much higher electric rates.

Finally, Nebraska has a natural economic advantage with some of the most productive agricultural property in the world. It economically makes no sense to trash that advantage and convert that land to electricity generation that is inherently unproductive.

Nebraska is proudly known as the Cornhusker State. Don't let OPPD turn Nebraska into the Chinese solar panel state.  
**David D. Begley**



“I love being in nature.”

Craig Moody, OPPD director,  
*Omaha Magazine*, Nov./Dec., 2023

“I love being in nature.”

Dave Begley, OPPD customer-owner

Then why does OPPD want to destroy thousands of acres of beautiful, productive, and natural Nebraska farmland in order to build ugly, inefficient, industrial electricity plants?

“When the facts change, I change my mind - what do you do, sir?”

John Maynard Keynes

“Men are often biased in their judgment on account of their sympathy and interests.”

George W. Norris

**RESOLUTION NO. 66xx**

**WHEREAS**, Statistics Norway has published a study establishing that man-made carbon dioxide emissions were not strong enough to have caused systemic changes in temperatures over the last 200 years; and

**WHEREAS**, Nobel Prize winner in physics Dr. John F. Clauser and over 1600 other scientists, members of the Global Climate Intelligence Group, have declared that there is no climate emergency; and

**WHEREAS**, there is no scientific consensus that carbon dioxide generated from human activity is changing the climate now or in the future; and

**WHEREAS**, OPPD is a political subdivision of the State of Nebraska and subject to the laws of Nebraska, Neb. Rev. Stat. Ch. 70; and

**WHEREAS**, the State of Nebraska has not adopted a law establishing that it is the public policy of Nebraska to pursue net zero carbon production or a climate action plan; and

**WHEREAS**, OPPD has a dual statutory mandate to provide OPPD customer-owners with low cost and reliable electric power, Neb. Rev. Stat. §§70-1001, 70-1301 and 70-1501; and

**WHEREAS**, solar and wind power are neither low cost or reliable.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Omaha Public Power District that the following resolutions are hereby repealed and revoked: 6347, 6434, 6525 and 6582.



Analysis SMRs (Small Modular Reactors) Nuclear Ratepayer Risk Subsidies Utility Trends  
United States Utah

# Eye-popping new cost estimates released for NuScale small modular reactor

## Key Findings

**NuScale and the Utah Associated Municipal Power Systems (UAMPS) announced costs of a 462-megawatt small modular reactor (SMR) have**

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As recently as mid-2021, the target price for power was pegged at \$58 per megawatt-hour (MWh); it's risen to \$89/MWh, a 53% increase.



The price would be much higher without \$4 billion federal tax subsidies that include a \$1.4 billion U.S. Department of Energy contribution and a \$30/MWh break from the Inflation Reduction Act.



The higher target price is due to a 75% increase in the estimated construction cost for the project, from \$5.3 to \$9.3 billion dollars.



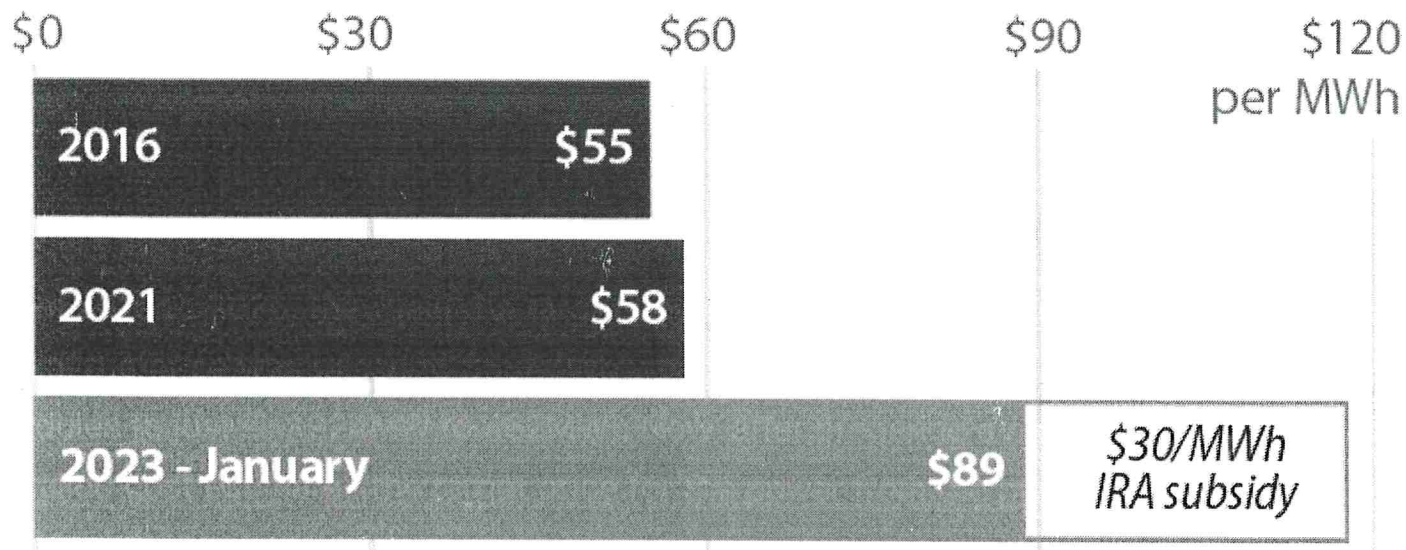
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From 2016 to 2020, they said the target power price was \$55/megawatt-hour (MWh). Then, the price was raised to \$58/MWh when the project was downsized from 12 reactor modules to just six (924MW to 462MW). Now, after preparing a new and much more detailed cost estimate, the target price for the power from the proposed SMR has soared to \$89/MWh.

### UAMPS NuScale SMR Target Price of Power



Sources: UAMPS statements; January 3, 2023 Talking Points IEEFA

Remarkably, the new \$89/MWh price of power would be much higher if it were not for more than \$4 billion in subsidies NuScale and UAMPS expect to get from U.S. taxpayers through a \$1.4 billion contribution from the Department of Energy and the estimated \$30/MWh subsidy in the Inflation Reduction Act (IRA).

It also is important to remember that the \$89/MWh target price is in 2022 dollars and substantially understates what utilities and their ratepayers actually will pay if the SMR is completed. For example, assuming a modest 2% inflation rate through 2030, utilities and ratepayers would pay \$102 for each MWh of power from the SMR—not the \$89 NuScale and UAMPS want them to believe they will pay.

The 53% increase in the SMR's target power price since 2021 has been driven by a dramatic 75% jump in the project's estimated construction cost, which has risen from \$5.3 billion to \$9.3 billion. The new estimate makes the NuScale SMR about as expensive on a dollars-per-kilowatt basis (\$20,139/kW) as the two-reactor Vogtle nuclear project currently being built in Georgia, undercutting the claim that SMRs will be cheap to build.

NuScale and UAMPS attribute the construction cost increase to inflationary pressure on the energy supply chain, particularly increases in the prices of the commodities that will be used in nuclear power plant construction.

For example, UAMPS says increases in the producer price index in the past two years have raised the cost of:

- Fabricated steel plate by 54%
- Carbon steel piping by 106%
- Electrical equipment by 25%
- Fabricated structural steel by 70%
- Copper wire and cable by 32%

In addition, UAMPS notes that the interest rate used for the project's cost modeling has increased approximately 200 basis points since July 2020. The higher interest rate increases the cost of financing the project, raising its total construction cost.

Assuming the commodity price increases cited by NuScale and UAMPS are accurate, the prices of building all the SMRs that NuScale is marketing—and, indeed, of all of the SMR designs currently being marketed by any company—will be much higher than has been acknowledged, and the prices of the power produced by those SMRs will be much more expensive.

Finally, as we've previously said, no one should fool themselves into believing this will be the last cost increase for the NuScale/UAMPS SMR. The project still needs to go through additional design, licensing by the U.S. Nuclear Regulatory Commission, construction and pre-operational testing. The experience of other reactors has repeatedly shown that further significant cost increases and substantial schedule delays should be anticipated at any stages of project development.

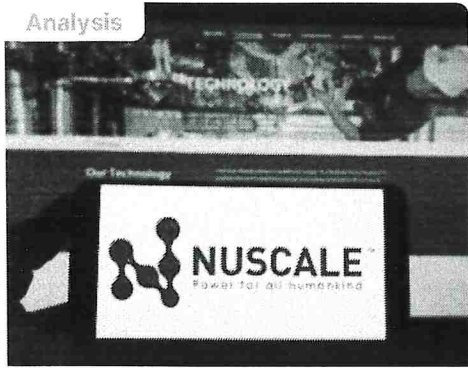
The higher costs announced last week make it even more imperative that UAMPS and the utilities and communities participating in the project issue requests for proposal (RFP) to learn if there are other resources that can provide the same power, energy and reliability as the SMR but at lower cost and lower financial risk. History shows that this won't be the last cost increase for the SMR project.

*David Schlissel ([dschlissel@ieefa.org](mailto:dschlissel@ieefa.org)) is IEEFA director of resource planning analysis*

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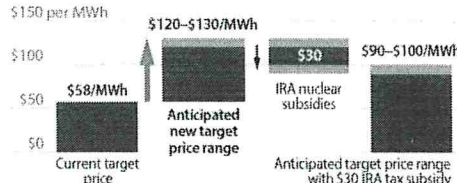




### Analysis

#### Disappearing Promise of Cheap Power From SMRs

Even new nuclear subsidy in the IRA cannot make up for shocking increases in estimated construction costs

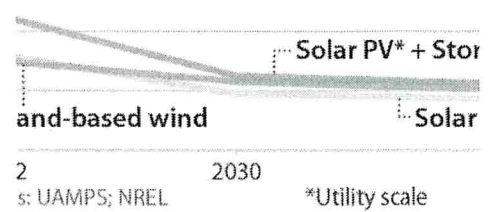


Sources: IEEFA, Community Power Board meetings IEEFA

### Press Release Target vs Renewable

Estimated price of power from its proposed SMRs is higher than the projected cost of alternatives

#### NuScale's Small Modular Reactor



Sources: UAMPS; NREL

## Geothermal resources offer an off-ramp from risky, costly nuclear project

January 10, 2023  
Dennis Wamsted

## Small Modular Reactor update: The fading promise of low-cost power from UAMPS' SMR

November 17, 2022  
David Schlissel

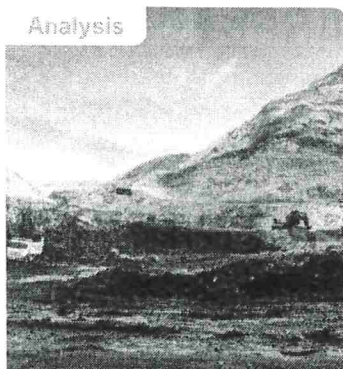
## IEEFA U.S.: Small modular reactor "too late, too expensive, too risky and too uncertain"

February 17, 2022

# David Schlissel

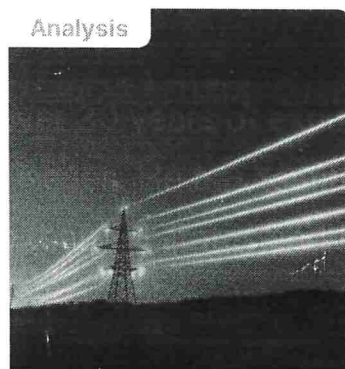
David Schlissel has over 30 years of experience as a regulatory attorney and consultant on energy and utility issues. He has testified as an expert witness before regulatory commissions in more than 35 states and before the U.S. Federal Energy Regulatory Commission and the Nuclear Regulatory Commission.

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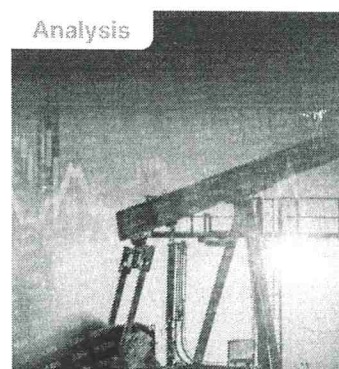
**Cost inflation underlines thermal coal miners' fragile profits and financing risks**

August 25, 2023  
Andrew Gorringer



**Government drives power sector reforms with key financial initiatives**

August 25, 2023  
Saloni Sachdeva  
Michael, Vibhuti Garg

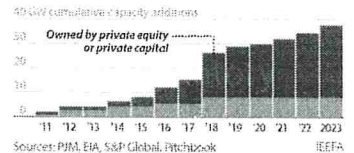


**SBTi steps up its game on net zero for finance**

August 24, 2023  
Connor Chung, Kevin Leung

Report

**Investment in Fossil Plants in PJM Power Sector**  
Private equity and capital have dominated new fossil-based capacity additions since 2016



**Private equity in PJM: Growing financial risks**

August 22, 2023  
Dennis Wamsted



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