

OPPD Board of Directors – All Committees Meeting
Tuesday, November, 15, 2022
PUBLIC SESSION 10:00 A.M.

Conducted virtually via Webex audio/video conference. Public may attend remotely by going to www.oppd.com/CommitteeAgenda to access the Webex meeting link or the public may watch the Webex at Energy Plaza, 444 S. 16th Street – Conf. Room A, Omaha, NE, which will be set up as a physical location to view the Webex.

	<u>TOPIC</u>	<u>TYPE</u>	<u>PRESENTER</u>	<u>TIME*</u>
1.	Chair Opening Statement		Bogner	10:00 A.M.
2.	Safety Briefing		Fernandez	10:05 A.M.
3.	Governance Committee			10:05 A.M.
	Governance Chair Report (11/09/2022)	Reporting	Moody	5 min
4.	System Management & Nuclear Oversight Cmte			10:10 A.M.
	SM&NO Chair Report	Reporting	Williams	5 min
	Nebraska City Station Unit 2 SDA Bottom Cone Replacement & Recoat – Labor Contract Award	Action	Via	10 min
	Installation/Removal of Customer Installed Ducted House Services	Action	Via	10 min
	Substation Control Building Enclosure	Action	Via	10 min
	Exciter Upgrades for Sarpy County Units 1 and 2, Jones Street Units 1 and 2 and North Omaha Units 4 and 5 – Engineer’s Certificate	Action	Via	10
5.	Public Information Committee			10:55 A.M.
	Public Information Chair Report (11/07/2022)	Reporting	Mollhoff	10 min
	Legislative and Regulatory Update	Reporting	Olson	10 min
	North Omaha Engagement Update	Reporting	Olson	10 min
	SD-11: Economic Development Monitoring Report	Action	Olson	20 min
	BREAK FOR LUNCH			
6.	Finance Committee			12:30 P.M.
	Finance Chair Report (11/11/2022)	Reporting	Yoder	10
	Third Quarter Retirement Fund Report	Reporting	Bishop	5
	Third Quarter Financial Report	Reporting	Bishop	5
	2023 Preliminary Corporate Operating Plan	Reporting	Bishop	90
7.	Other Business			2:20 P.M.
	Confirmation of Board Meeting Agenda	Action	Bogner	5 min
	Review of Board Work Plan	Discussion	Bogner	5 min
	Power with Purpose: Solar, Natural Gas and Transmission Update	Reporting	Via / Underwood	30 min

* All times and duration are estimates. Please use the link below to find board agendas, materials and schedules. Board governance policies and contact information for the board and senior management team also can be found at www.oppd.com/BoardMeetings.



Pre-Committee Agenda

GOVERNANCE PRE-COMMITTEE MEETING
WEBEX VIDEOCONFERENCE
November 9, 2022 3:00 – 4:00 P.M.

1. Safety Briefing (Pinder – 2 min)
2. Corporate Operating Plan 2023 (McAreavey – 20 min)
 - a. Objective: Provide the preview of Demand Side Management (DSM) and Customer Owned Generation (COG)
3. 2023 All Committee Meetings (Focht – 5 min)
 - a. Objective: Confirm approach to meeting location for 2023.
4. Board Work Plan (Focht – 2 min)
 - a. Objective: Committee members to review and confirm items on the Board Work Plan.
5. Summary of Committee Direction (2 min)
 - a. Objective: Executive Leadership Team liaison(s) to summarize direction provided by the committee.



Board Action

BOARD OF DIRECTORS

November 15, 2022

ITEM

Nebraska City Station Unit 2 Spray Dry Absorbers (SDA) Lower Cone Replacement, Internal Coating, and Maintenance Platform Installation and Materials

PURPOSE

Award labor and minor material services contract for the Nebraska City Station Unit 2 SDA lower cone replacement, internal coating, and maintenance platform installation.

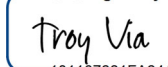
FACTS

- a. The SDAs are a required part of the emissions controls equipment. The existing SDA lower cones are at the end of their expected service life and require replacement. The remaining SDA middle cone and upper vessel walls require coating applications to protect from corrosion and degradation.
- b. New maintenance platforms will provide for improved material confinement and accessibility for personnel safety.
- c. The SDA work will be completed during the planned spring 2023 Unit 2 outage. Installation labor, coatings and minor materials are supplied under this contract. Other major material procurement (lower cones and platform materials) will be provided separate from this contract.
- d. Two bids were received and both were determined to be legally and technically responsive.

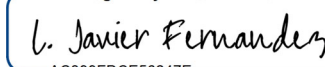
ACTION

Authorization by the Board to award a contract to Mandros Painting, Inc. for labor and material services to replace the Nebraska City Station Unit 2 SDA lower cones, internal coatings, and maintenance platform in the amount of \$3,740,520.

RECOMMENDED:


181107221FA24AE...
 Troy R. Via
 Vice President – Utility Operations
 And Chief Operating Officer

APPROVED FOR BOARD CONSIDERATION:


AC399FDCE56247E...
 L. Javier Fernandez
 President and Chief Executive Officer

TRV:sae

- Attachments: Letter of Recommendation
 Tabulation of Bids
 Legal Opinion
 Resolution

your energy partner.



Omaha Public Power District

MEMORANDUM

DATE: October 28, 2022

UO-2022-014

FROM: S. A. Eidem

TO: T. R. Via

SUBJECT: Nebraska City Station Unit 2 Spray Dry Absorbers (SDA) Lower Cone Replacement, Internal Coating, and Maintenance Platform Installation Labor and Materials

1.00 GENERAL

Request for Proposal (RFP) No. 5992 is for the labor services and material supply contract for replacement of the Nebraska City Unit 2 (NC2) SDA lower cones, internal coating of the SDA vessels, and installation of two maintenance platforms. The materials supplied under this contract are for the coating and minor materials. Major material supply contracts for the replacement cones and maintenance platforms will be awarded separately and are not governed by the sealed bid statutes. Installation is planned to occur during the scheduled unit outage in the spring of 2023.

Both SDA lower cones are at the end of their useful life and require replacement. The replacement cones will be made of stainless steel and incorporate improvements for operation, maintenance, and increased durability. New maintenance platforms will be installed under each SDA to improve accessibility and incorporate improved material containment features. Replacement labor for both SDA lower cones and installation of maintenance platforms is included in this contract.

The remaining SDA cones were coated in 2015 and require periodic inspection and repair which will be performed under this contract. The upper vessel walls were partially coated in 2013. The upper vessel walls and ceiling will be coated with similar coating applications used for the cones to prevent degradation and by the same supplier under this contract.

The contract was advertised on September 13, 2022. One letter of clarification was issued. Bids were received and opened on October 12, 2022. Two companies

submitted bids. The Engineers estimate for this work was \$3,100,000. The bid prices are as follows:

Process Barron – Southern Field	\$5,468,529
Mandros Painting, Inc.	\$3,740,520

2.00 COMPLIANCE WITH CONTRACT TERMS AND CONDITIONS

The proposals were referred to the District's legal counsel for review. The proposals received in response to the District's RFP No. 5992 may be considered by the District's Board of Directors for the award of this contract.

3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS


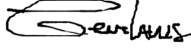
The two proposals received were determined to comply with the technical requirements and were economically evaluated. No proposal was found to be technically non responsive.

4.00 RECOMMENDATION

Based on compliance with legal and technical requirements of this specification, it is recommended the Board of Directors authorize award of Request for Proposal No. 5992 to Mandros Painting Inc for \$3,740,520.



S.A. Eidem, P.E.
Director, Engineering Services
Utility Operations

<p align="center">TABULATION OF BIDS Opened at 2:00 p.m., C.D.T., Wednesday, October 12, 2022, in Omaha, Nebraska</p>		<p align="center">REQUEST FOR PROPOSAL NO. 5992</p> <p align="center">Nebraska City Station Unit 2 Spray Dry Absorber (SDA) Lower Cone Replacement, Maintenance Platform and Vessel Coating</p>		<p align="right">DocuSigned by:  C171422F76EE422... Director</p> <p align="right">Supply Chain Management  5EC5B86907EE4F6 Compiled by and Certified Correct</p>	
<p align="center">Anticipated Award Date November 17, 2022</p>					
<p align="center">ENGINEER'S ESTIMATE</p> <p align="center"><u>\$3,100,000.00</u></p>					
<p align="center">BID ITEM</p>		BIDDER'S NAME & ADDRESS			
		<p align="center">Mandros Painting Inc * 4996 HWY 374 P.O.Box: 1090 Green River, WY 82935</p>	<p align="center">Process Barron SouthernField EEC 227 Industrial Parkway Luvern, AL 36049</p>		
		SUPPLIER'S BID	SUPPLIER'S BID	SUPPLIER'S BID	
1.	<p><u>Proposal Price(S)</u></p> <p>Lump Sum Firm Price for removing and replacing NC2 SDA Lower Cone and maintenance platform</p> <p>Lump Sum Firm Price for repairing and coating NC2 SDA Vessels</p>	<p><u>\$323,370.79</u></p> <p><u>\$3,417,148.87 **</u></p>	<p><u>\$398,779.00</u></p> <p><u>\$5,069,750.00</u></p>	<p>_____</p> <p>_____</p>	
2.	<p><u>Completion Guarantee(s)</u></p> <p>Complete Installation of the SDA Replacement cones, Maintenance platforms, and Vessel Coating: May 18, 2023, 1900 hour</p>	<p><u>Guaranteed Completion Date</u></p> <p><u>May 18, 2023</u></p>	<p><u>Guaranteed Completion Date</u></p> <p><u>May 18, 2023 1900 Hours</u></p>	<p><u>Guaranteed Completion Date</u></p> <p>_____</p>	

* This proposal was delivered to OPPD before the bid opening. It was misplaced in OPPD internal mailing system, and therefore was not read during the principal bid opening. It was found and publicly opened and read before witnesses after the principal bid opening.

** The value shown on the proposal which was read at the bid opening was \$3,740,519.66. The correct value based on the cost breakdown and which was confirmed by Mandros Painting Inc. in a Request of Clarification letter was \$3,417,148.87.

FRASER STRYKER

PC LLO

LAWYERS

500 ENERGY PLAZA
409 SOUTH 17TH STREET
OMAHA, NEBRASKA 68102-2663
TELEPHONE 402.341.6000
FAX 402.341.8290
WWW.FRASERSTRYKER.COM

STEPHEN M. BRUCKNER
DIRECT DIAL: 402.978.5225
SBRUCKNER@FRASERSTRYKER.COM

October 14, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Request for Proposal No. 5992 – Nebraska City Station Unit 2 Spray Dry
Absorber Lower Cone Replacement and Maintenance

Ladies and Gentlemen:

We have reviewed the two (2) proposals received in response to the District's RFP No. 5992.

The proposal of Mandros Painting, Inc. did not acknowledge receipt of the District's Letter of Clarification No. 1. Mandros Painting should provide a letter acknowledging receipt of the District's Letter of Clarification. Neither of the two bidders took exception to the District's contract documents.

Subject to the foregoing comments and the District's technical and economic evaluation, both proposals received in response to the District's RFP No. 5992 may be considered by the District's Board of Directors for the award of this contract. The form of performance and payment bond for the successful bidder also must be approved by the Board.

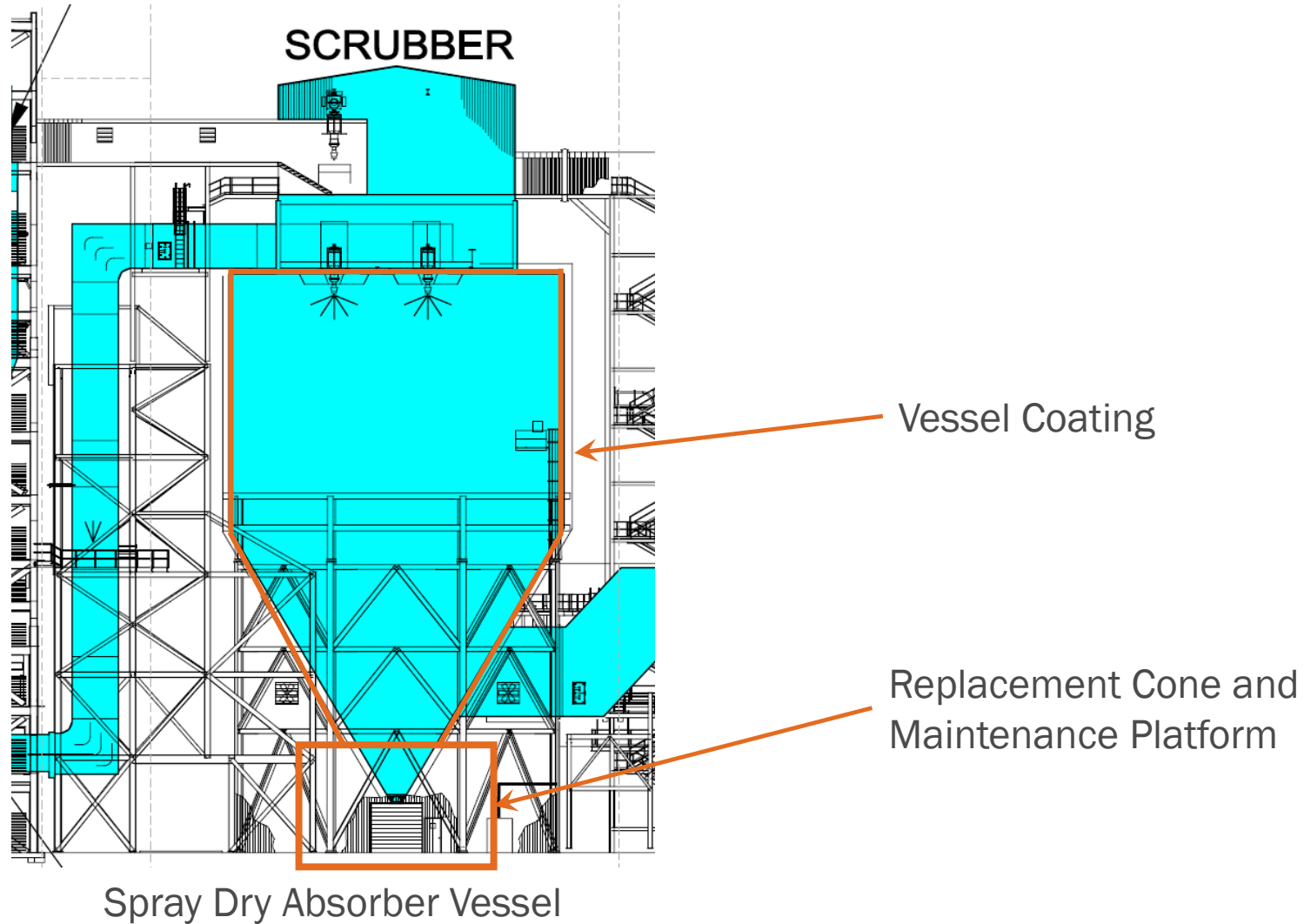
Very truly yours,



Stephen M. Bruckner
FOR THE FIRM

SMB/sac
2899505

Nebraska City Station Unit 2 Spray Dry Absorber (SDA) Lower Cone Replacement & Vessel Coating





Williams/Via

DRAFT
RESOLUTION NO. 6534

WHEREAS, sealed bids were requested and advertised, as required by law, for the following:

REQUEST FOR PROPOSAL (RFP) NO. 5992
NEBRASKA CITY STATION UNIT 2
SPRAY DRY ABSORBER (SDA) LOWER CONE
REPLACEMENT, MAINTENANCE PLATFORM AND VESSEL COATING

WHEREAS, bids were received and opened at the time and place mentioned in the published notices and the Director – Supply Chain Management supervised the tabulations, which have been submitted to this Board; and

WHEREAS, the Board of Directors has carefully considered the bids submitted, as well as the recommendations of the District’s Management and General Counsel.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the proposal of Mandros Painting Inc. in the amount of \$3,417,148.87 for labor and material services to replace the Nebraska City Station Unit 2 Spray Dry Absorber (SDA) lower cones, coat the SDA middle cone and upper vessel walls, and for new maintenance platforms pursuant to Request for Proposal No. 5992 is hereby accepted, and the form of payment and performance bond of such bidder is approved.



Board Action

BOARD OF DIRECTORS

November 15, 2022

ITEM

Install and Remove Customer Installed Ducted House Services

PURPOSE

Award a contract for construction services associated with the installation and removal of ducted house services.

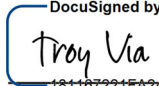
FACTS

- a. Contract provides additional construction labor to support significant customer load growth and to supplement the District’s resources.
- b. Contract is based on unit pricing.
- c. Contract offers a three (3) year initial term, with the option to renew three (3) additional (1) year terms based on Management’s assessment of the contractor’s performance and pricing.
- d. Three (3) proposals were received. All bids were determined to be legally and technically responsive.
- e. Superior Lighting’s proposal was evaluated to be the lowest and best bid.
- f. Installations and removals covered by this contract will begin December 2022.

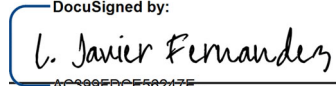
ACTION

Authorization by the Board to award a labor contract to Superior Lighting for an initial term of three (3) years, with an option to renew for up to three (3) additional one (1) year contract terms, for the procurement of construction services for the installation of new house services and removal of the associated temporary construction service. The projected work for the installations and removals associated with new house services during the first year, December 2022 to December 2023, is \$843,279.00.

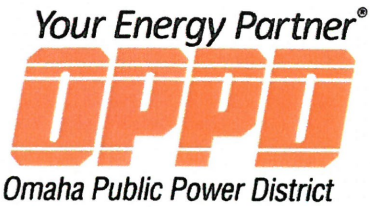
RECOMMENDED:

DocuSigned by:

 181187221FA24AE...
 Troy R. Via
 Vice President – Utility Operations
 And Chief Operating Officer

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

 AC389FDCE50247E...
 L. Javier Fernandez
 President and Chief Executive Officer

Attachments: Analysis of Proposals
 Tabulation of Bids
 Legal Opinion
 Resolution



MEMORANDUM

Date: November 15, 2022

From: L.D. O'Neal

To: T. R. Via

RFP No. 6000
"Install and Remove Customer Installed Ducted House Services"
Analysis of Proposals

1.00 GENERAL

RFP No. 6000 was advertised for bid on September 9, 2022.

This contract will procure construction services for the installation of new house services and removal of the associated temporary construction service.

Construction is scheduled to begin December 1, 2022 and conclude by December 1, 2028.

OPPD will award this contract for a three (3) year initial term, beginning in calendar year 2022. OPPD will have the option to renew the contract with three (3) additional one (1) year contract renewal terms.

No Addendums were issued.

One (1) Letter of Clarification was issued. Letter was sent to all bidders on October 4, 2022. The letter answered thirteen (13) general questions. All questions were submitted by the question submission deadline.

Bids were requested and opened at 2:00 p.m., C.D.T. Tuesday, October 11, 2022.

Three total proposals were received. The proposals received are summarized in the table below:

Bidder	Unit Pricing Total	Legally Responsive	Technically Responsive
Nielsen Construction Co.	\$1,238,900.00	Yes	Yes
Superior Lighting Inc.	\$843,279.00	Yes	Yes
Thompson Electric Company	\$2,511,210.00	Yes	Yes

2.00 COMPLIANCE WITH CONTRACT TERMS AND GENERAL REQUIREMENTS


The District's legal counsel noted that, subject to the District's technical and economic evaluation, the three (3) proposals received in response to the District's RFP No. 6000 may be considered by the District's Board of Directors for award of this contract.

3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

All proposals were deemed to be technically responsive.

4.00 RECOMMENDATION

On the basis of compliance with the legal and technical requirements of the specifications, cost evaluations performed and guaranteed completion dates, it is recommended that RFP No. 6000 "Install and Remove Customer Installed Ducted House Services" be awarded to Superior Lighting Inc. for an initial term of three (3) years, with an option to renew for up to three (3) additional one (1) year contract terms based on Management's assessment of the contractor's performance and pricing. The projected work for the installation of new house services and the removal of the associated temporary construction service during the first year, December 2022 to December 2023, is Eight Hundred Forty Three Thousand, Two Hundred Seventy Nine dollars (\$843,279.00).



Lee D. O'Neal
Senior Director Operations Support
Utility Operations

<p>TABULATION OF BIDS Opened at 2:00 p.m., C.D.T., Tuesday, October 11, 2022, in Omaha, Nebraska</p>	<p align="center">REQUEST FOR PROPOSAL NO. 6000 Install and Remove Customer Installed Ducted House Services</p> <p align="right">Page 1 of 1</p>			<p>DocuSigned by: <i>Steven Palmer</i> <small>C171422F76EE422</small> Director Supply Chain Management DocuSigned by: <i>Patrick Dralota</i> <small>8C118240D7844C01</small> Compiled by and Certified Correct</p>
<p>Anticipated Award Date November 17, 2022</p>				
<p>ENGINEER'S ESTIMATE \$1,100,000.00</p>				
<p align="center">BID ITEM</p>	<p align="center">BIDDER'S NAME & ADDRESS</p>			
	<p align="center">Nielsen Construction Co. 10120 S 148th St Omaha, NE 68138</p>	<p align="center">Superior Lighting Inc. 2121 S 24th St. Omaha, NE 68108</p>	<p align="center">Thompson Electric Company 3505 S 61st Ave. Cir. Omaha, NE 68106</p>	
<p>1. Price Proposal: 1.1 Sum Total Price of Unit Prices in Attachment A.</p>	<p align="center"><u>\$1,238,900.00</u></p>	<p align="center"><u>\$843,279.00</u></p>	<p align="center"><u>\$2,511,210.00</u></p>	



FRASER STRYKER

PC LLO

LAWYERS

500 ENERGY PLAZA
409 SOUTH 17TH STREET
OMAHA, NEBRASKA 68102-2663
TELEPHONE 402.341.6000
TELEFAX 402.341.8290
WWW.FRASERSTRYKER.COM

TROY F. MEYERSON
DIRECT DIAL: 402.978.5347
TMEYERSON@FRASERSTRYKER.COM

October 18, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Request for Proposal No. 6000 – Install and Remove Customer Installed Ducted House Services ("RFP No. 6000")

Ladies and Gentlemen:

We have reviewed the three (3) proposals received in response to RFP No. 6000 and provide the following opinion.

The proposal for Superior Lighting, Inc. does not contain any exceptions to the contract documents and is complete.

The proposal for Thompson Electric Company does not contain any exceptions to the contract documents and is complete.

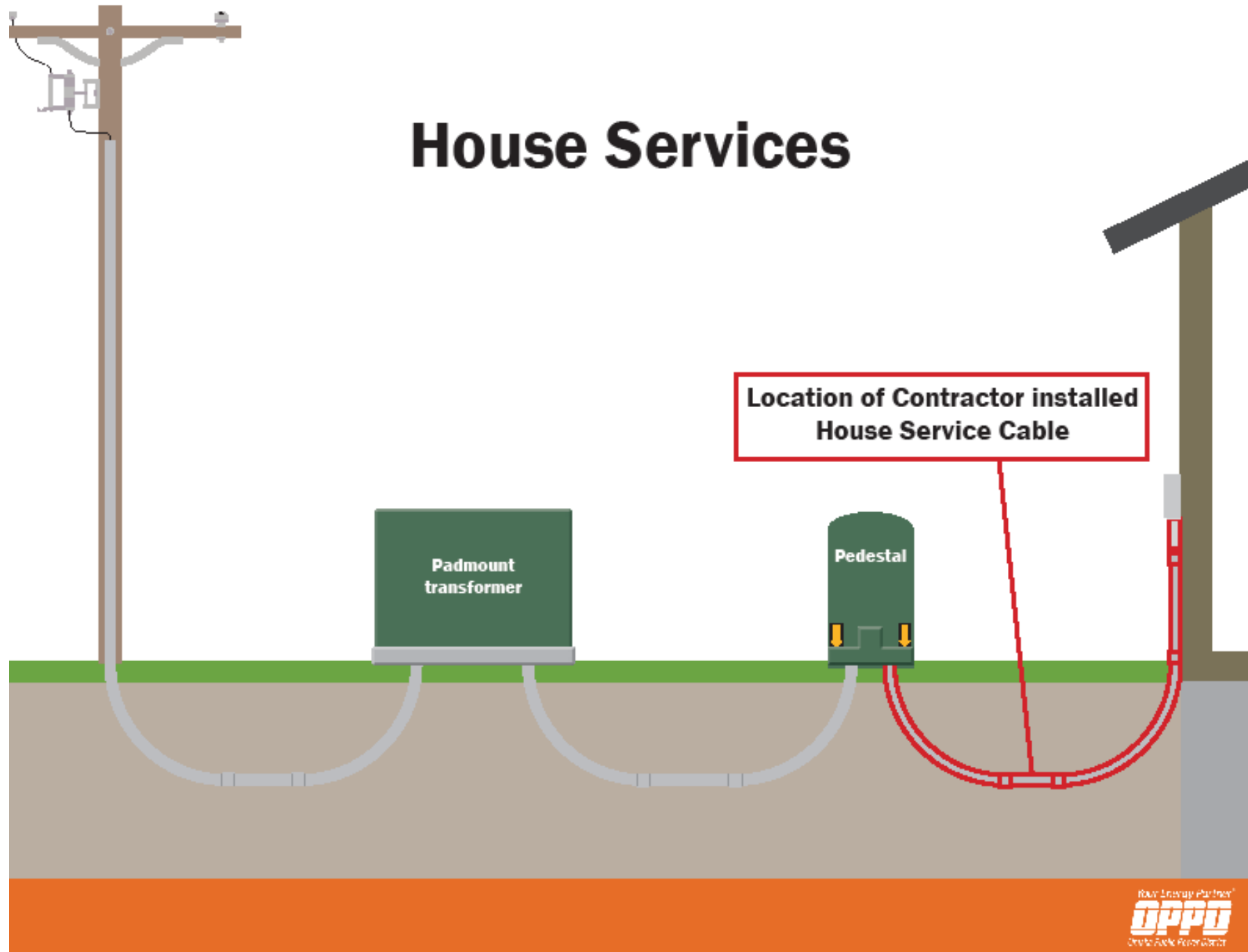
The proposal for Nielsen Construction does not contain any exceptions to the contract documents and is complete.

Subject to the foregoing comments and the District's technical and economic evaluation, all three (3) of the proposals received in response to RFP No. 6000 may be considered by the District's Board of Directors for the award of this contract. The bond of the successful bidder must be approved by the Board of Directors.

Very truly yours,

Troy F. Meyerson
FOR THE FIRM

House Services





Williams/Via

DRAFT
RESOLUTION NO. 6535

following: **WHEREAS**, sealed bids were requested and advertised, as required by law, for the

REQUEST FOR PROPOSAL (RFP) NO. 6000
INSTALL AND REMOVE CUSTOMER
INSTALLED DUCTED HOUSE SERVICES

WHEREAS, bids were received and opened at the time and place mentioned in the published notices and the Director – Supply Chain Management supervised the tabulations, which have been submitted to this Board; and

WHEREAS, the Board of Directors has carefully considered the bids submitted, as well as the recommendations of the District's Management and General Counsel.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the proposal of Superior Lighting Inc. in the amount of \$843,279.00 for construction services associated with the installation and removal of ducted house services pursuant to Request for Proposal No. 6000 is hereby accepted, and the form of payment and performance bond of such bidder is approved.



Board Action

BOARD OF DIRECTORS

November 15, 2022

ITEM

Substation Control Building Enclosure

PURPOSE

Award a contract to provide material and construction services for one (1) Substation Control Building Enclosure to support development of a new substation.


FACTS

1. Development of this substation supports load growth in the Douglas County area.
2. Substation control buildings house equipment to monitor, control, protect, operate, and maintain the energy delivery system.
3. One (1) proposal was received which is legally and technically responsive.
4. Desired delivery of the substation control building enclosure is September 2023.


ACTION

Authorization by the Board to award a contract for the Substation Control Building Enclosure to Electrical Power Products, Inc. in the amount of \$1,911,306.00.

RECOMMENDED:

DocuSigned by:

 181187221FA24AE...
 Troy R. Via
 Chief Operating Officer and
 Vice President – Utility Operations

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

 AC399FDCE56247E...
 L. Javier Fernandez
 President and Chief Executive Officer

TRV:jgb

- Attachments: Analysis of Proposals
 Tabulation of Bids
 Legal Opinion
 Resolution



DATE: November 1, 2022

FROM: D. D. Buel

TO: T. R. Via

RFP No. 5985
 “Substation Control Building Enclosure”

Analysis of Proposals

1.00 GENERAL

RFP No. 5985 was advertised for bid on September 13, 2022.

This contract will procure one (1) complete control building enclosure delivered to the substation as a full assembly which includes the control building enclosure, relay panels, batteries and other equipment for a new substation to support load growth and reliability in the Douglas County area.

Desired delivery of the substation control building enclosure is September 2023.

No Letters of Clarification (LOC) or Addendums were issued.

Bids were requested and opened at 2:00 p.m., C.D.T., Tuesday, October 11, 2022.

One proposal was received which is summarized in the table below:

Bidder	Lump Sum Firm Price	Legally Responsive	Technically Responsive
Electrical Power Products, Inc.	\$1,911,306	Yes	Yes

2.00 COMPLIANCE WITH CONTRACT TERMS AND GENERAL REQUIREMENTS

OPPD’s legal counsel noted that the bid received from Electrical Power Products, Inc. is legally responsive and may be considered by the Board of Directors for the award of this contract.

3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

The proposal received from Electrical Power Products, Inc. is deemed technically responsive. Although slightly higher than engineer’s estimate, the overall bid amount is in line with the volatility of the current market and impacts resulting from commodities and demand.

T.R. Via
November 1, 2022
Page 2 of 2

4.00 RECOMMENDATION

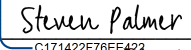

On the basis of compliance with the legal and technical requirements of the specifications, cost evaluations performed and guaranteed completion dates, it is recommended that RFP No. 5985, "Substation Control Building Enclosure" be awarded to Electrical Power Products, Inc. in the amount of One Million, Nine Hundred Eleven Thousand, Three Hundred Six Dollars (\$1,911,306.00).

DocuSigned by:

Dannie D. Buelt

6DD7614246BB4BE

Dannie Buelt, PE
Director Engineering
Energy Delivery

<p>TABULATION OF BIDS Opened at 2:00 p.m., C.D.T., Tuesday, October 11, 2022, in Omaha, Nebraska</p>	<p align="center">REQUEST FOR PROPOSAL NO. 5985 Prefab Substation Control Enclosure</p> <p align="right">Page 1 of 1</p>		<p>DocuSigned by:  C171422F76EE422 Director</p> <p>DocuSigned by:  BC16824697644C0 Supply Chain Management Complied by and Certified Correct</p>
<p>Anticipated Award Date November 17, 2022</p>			
<p>ENGINEER'S ESTIMATE</p> <p align="center">\$1,400,000.00</p>			
<p align="center">BID ITEM</p>	<p align="center">BIDDER'S NAME & ADDRESS</p>		
	<p align="center">Electrical Power Products, Inc. 4240 Army Post Road Des Moines, IA 50321</p>		
<p>1. <u>Price Proposal:</u></p> <p>1.1 Firm base price to furnish one (1) Sub 1358 Substation Control Building Enclosure as indicated on the drawings and detailed in the technical specifications.</p> <p>1.2 Firm base price to deliver, FOB foundation, to the delivery location and complete Sub 1358 Substation Control Building Enclosure installation, and completing and punch list items per drawings and as detailed in the technical specifications.</p> <p>Total lump sum price to furnish, deliver and install Sub 1358 Substation Control Building Enclosure. (Proposal Prices 1.1 + 1.2)</p> <p>2. <u>Completion Guarantee:</u></p> <p>Desired: September 11, 2023</p>	<p align="center">SUPPLIER'S BID</p> <p align="center">\$1,822,495.00</p> <p align="center">\$88,811.00</p> <p align="center">\$1,911,306.00</p> <p align="center"><u>Guaranteed Completion Date</u></p> <p align="center">46 weeks ARO</p>	<p align="center">SUPPLIER'S BID</p> <p align="center">\$ _____</p> <p align="center">\$ _____</p> <p align="center">\$ _____</p> <p align="center"><u>Guaranteed Completion Date</u></p>	<p align="center">SUPPLIER'S BID</p> <p align="center">\$ _____</p> <p align="center">\$ _____</p> <p align="center">\$ _____</p> <p align="center"><u>Guaranteed Completion Date</u></p>



FRASER STRYKER

PC LLO

LAWYERS

500 ENERGY PLAZA
409 SOUTH 17TH STREET
OMAHA, NEBRASKA 68102-2663
TELEPHONE 402.341.6000
TELEFAX 402.341.8290
WWW.FRASERSTRYKER.COM

TROY F. MEYERSON
DIRECT DIAL: 402.978.5347
TMEYERSON@FRASERSTRYKER.COM

October 31, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Request for Proposal No. 5985 - Substation Control Building Enclosure ("RFP No. 5985")

Ladies and Gentlemen:

We have reviewed the one (1) proposal received in response to the District's RFP No. 5985 and provide the following legal opinion.

The proposal of Electrical Power Products, Inc. ("EPP") includes commercial and technical exceptions that should be evaluated by the District including, but not limited to, a guaranteed delivery date that is a month or more later than the desired delivery date.

Subject to the foregoing and the District's technical and economic evaluation, the EPP proposal received in response to RFP No. 5985 may be considered by the District's Board of Directors for the award of this contract. The bond of the successful bidder must be approved by the Board of Directors.

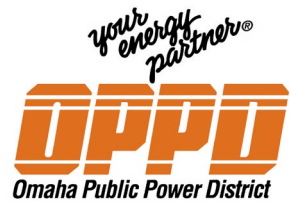
Very truly yours,

Troy F. Meyerson
FOR THE FIRM

Control Building Enclosures



Control Building Enclosures house equipment to monitor, control, protect, operate, and maintain the energy delivery system.



Williams/Via

DRAFT
RESOLUTION NO. 6536

following: **WHEREAS**, sealed bids were requested and advertised, as required by law, for the

REQUEST FOR PROPOSAL (RFP) NO. 5985
PREFAB SUBSTATION CONTROL ENCLOSURE

WHEREAS, bids were received and opened at the time and place mentioned in the published notices and the Director – Supply Chain Management supervised the tabulations, which have been submitted to this Board; and

WHEREAS, the Board of Directors has carefully considered the bid submitted, as well as the recommendations of the District's Management and General Counsel.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the proposal of Electrical Power Products, Inc. in the amount of \$1,911,306.00 for materials and construction services associated with the procurement of one complete prefab substation control building enclosure pursuant to Request for Proposal No. 5985 is hereby accepted, and the form of payment and performance bond of such bidder is approved.



Board Action

BOARD OF DIRECTORS

November 15, 2022

ITEM

General Electric Exciter Upgrades

PURPOSE

Upgrade exciter control components for Jones Street Station Units 1 and 2 (JS1&2), Sarpy County Station Units 1 and 2 (SC1&2), and North Omaha Station Units 4 and 5 (NO4&5).


FACTS

- a. The exciter controls hardware and software for JS1&2, SC1&2 and NO4&5 are no longer supported and available from the manufacturer. This will make obtaining spare parts difficult, challenging continued reliable operation of these generation units.
- b. Nexus Controls (formerly a division of General Electric), the original equipment manufacturer (OEM), is the sole source of an upgrade package to replace the controls equipment without the need for a complete and more costly exciter replacement.
- c. The District's engineer has certified that it is impractical and not in the public interest to utilize the statutory sealed bid process for this contract.

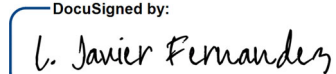
ACTION

Approval of the Engineer's Certification and authorization for Management to negotiate and enter into a contract with Nexus Controls for the procurement of EX2100e digital front end retrofits for the existing exciter control components on JS1&2, SC1&2 and NO4&5.

RECOMMENDED:

DocuSigned by:

 181107221FA24AE...
 Troy R. Via
 Chief Operating Officer and Vice
 President – Utility Operations

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

 AC389FDC56247E...
 L. Javier Fernandez
 President and Chief Executive Officer

TRV:sae

Attachments: Letter of Recommendation
Engineer's Certification
Legal Opinion
Resolution



MEMORANDUM

DATE: October 28, 2022

UO-2022-015

FROM: S. A. Eidem

TO: T. R. Via

SUBJECT: General Electric Exciter Upgrades

1.00 GENERAL

The General Electric EX2000 exciters installed at Jones Street Station Unit 1 (JS1) and Unit 2 (JS2), Sarpy County Station Unit 1 (SC1) and Unit 2 (SC2), North Omaha Station Unit 4 (NO4) and the EX2100 exciter installed on North Omaha Station Unit 5 (NO5) are obsolete. New components for the exciter control system will no longer be available to purchase from the manufacturer. Due to this obsolescence, the district must replace these critical electrical components to ensure continued reliable operation of those generation units. The Original Equipment Manufacturer (OEM) offers an upgrade package to retrofit the obsolete controls section while retaining existing components with more available spare parts, thus eliminating the need for a complete exciter replacement and associated redesign of the existing distributed control system integration resulting in an overall financial savings. Nexus Controls (formerly a division of General Electric) is the OEM and has specific knowledge of the existing exciter controls and equipment. The engineering and integration of the exciter control equipment is technically complex and the OEM is the sole source for this upgrade package. The district's evaluation has determined it is best to replace the controls section for JS1&2, SC1&2 and NO4&5 with the current EX2100e digital front end exciter retrofit as offered by the OEM.

2.00 RECOMMENDATION

An Engineer's Certification of the above has been prepared. Approval of the Certification is recommended. We request the Board of Directors to approve the Engineer's Certification and authorize management to negotiate and enter into contract to upgrade the exciters for JS1&2, SC1&2 and NO4&5 with the EX2100e digital front end retrofit.

S.A. Eidem, P.E.
Director, Engineering Services
Utility Operations

ENGINEER'S CERTIFICATION

The General Electric EX2000 generator exciters installed at the District's Jones Street Unit 1 (JS1), Jones Street Unit 2 (JS2), Sarpy County Unit 1 (SC1), Sarpy County Unit 2 (SC2), North Omaha Unit 4 (NO4) and the EX2100 exciter installed on North Omaha Unit 5 (NO5) are obsolete and new components for the front end control system will no longer be available to purchase new from the manufacturer. Due to this obsolescence, the District must replace these electrical components. A detailed technical and economic evaluation has determined that the optimal solution is to replace the controls section with the current manufacturer's EX2100e digital front end retrofit.

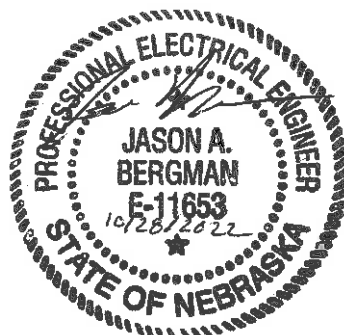
Pursuant to Nebraska Revised Statute Section 70-637(6), the undersigned professional engineer employed by the District certifies that Nexus Controls (formerly a division of General Electric) is the original equipment manufacturer (OEM) for the exciter equipment described above and is the sole available source of supply for the equipment and such sole source purchase would be in compliance with standards established by the Board of Directors. In support of this Certification, the undersigned further states as follows:

- The engineering and equipment integration for this project are technically complex and OEM upgrade is designed specifically to retrofit our existing exciters on the units specified above.
- By migrating to the EX2100e digital front end retrofit, only the control section would need to be replaced. The entire exciter would not need to be replaced, and this presents a cost savings for the District.
- The EX2100e digital front end retrofit would be able to reuse our existing Distributed Control System integration with the exciter and not need to be redesigned.
- Having the same control components on multiple exciters would reduce the amount of spare parts the District would be required to keep on hand. The District currently has multiple versions of the EX2000 exciter and not all components are compatible between the different versions.
- Nexus Controls, the OEM of the existing exciters, has specific knowledge related to the hardware and controls.

Pursuant to Section 70-637(6) of the Revised Statutes of Nebraska, the Board of Directors is requested to approve this Engineer's Certificate and authorize Management to negotiate and enter into a contract to Nexus Controls (formerly a division of General Electric) for the supply of EX2100e Digital Front Ends to retrofit the existing EX2000 and EX2100 exciters currently installed on NO4, NO5, SC1, SC2, JS1, and JS2 without compliance with the sealed bidding requirements of Sections 70-637 through 70-639 of the Nebraska Revised Statutes.

I, Jason A. Bergman (registered Professional Engineer in the State of Nebraska), certify the above to be true and correct to the best of my knowledge and belief.


Jason A. Bergman, P.E.



10/28/2022
Date

FRASER STRYKER

PC LLO

LAWYERS

500 ENERGY PLAZA
409 SOUTH 17TH STREET
OMAHA, NEBRASKA 68102-2663
TELEPHONE 402.341.6000
TELEFAX 402.341.8290
WWW.FRASERSTRYKER.COM

STEPHEN M. BRUCKNER
DIRECT DIAL: 402.978.5225
SBRUCKNER@FRASERSTRYKER.COM

October 28, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Engineer's Certification for replacement of exciter equipment on multiple generation units

Ladies and Gentlemen:

We have reviewed the Engineer's Certification of Jason A. Bergman, P.E., a professional engineer employed by the District. Mr. Bergman's Engineer's Certification explains that General Electric EX2000 generator exciters installed at the District's Jones Street Unit 1 (JS1), Jones Street Unit 2 (JS2), Sarpy County Unit 1 (SC1), Sarpy County Unit 2 (SC2), North Omaha Unit 4 (NO4) and the EX2100 exciter installed on North Omaha Unit 5 (NO5) are obsolete and new components for the front end control system will no longer be available to purchase new from the manufacturer. Due to this obsolescence, the District must replace these electrical components.

Mr. Bergmann certifies that Nexus Controls, formerly a division of General Electric Company, is the original equipment manufacturer for the exciter equipment described in the Certification and is the only available source of supply for the exciter equipment needed for the referenced generation units, and that sole source procurement would comply with standards established by the District's Board of Directors. He further certifies that the Nexus Control upgrade is designed specifically for retrofit of the existing exciters, and that utilizing the sole source approach will result in savings due to having to replace only a part of the existing exciters.

Section 70-637(6) of the Nebraska Revised Statutes authorizes the District to purchase replacement parts or services for generating units from original equipment manufacturers without advertising for sealed bids, upon appropriate certification by an engineer for the District. In our opinion, Mr. Bergman's Engineer's Certification meets the requirements of Section 70-637(6) and may be approved by the Board of Directors.

Section 70-637(6) requires that a written statement containing the Engineer's Certification and a description of the purchase from the original equipment manufacturer must be submitted to the District's Board of Directors for approval at the next scheduled meeting of the Board. After receipt of the Certification, but not necessarily before the Board review, the District must publish notice of such

October 28, 2022

Page 2

purchase once a week for at least three (3) consecutive weeks in one or more newspapers of general circulation in the District and in any other periodicals that may have been selected by the Board.

The District may proceed to complete this sole source purchase subject to compliance with Section 70-637(6) as outlined above. We recommend review and approval of the contract with the manufacturer by the District's General Counsel.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Stephen M. Bruckner". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephen M. Bruckner
FOR THE FIRM

SMB/sac
2907468

Jones Street Station Units 1&2, Sarpy County Station Units 1&2 and North Omaha Station Units 4&5 Exciter Control Upgrade

Representative Existing Exciter Hardware



New Exciter



EX2100e Control Cabinet (35 A Regulator System)



Williams/Via

DRAFT
RESOLUTION NO. 6537

WHEREAS, the General Electric EX2000 exciters installed at Jones Street Station Unit 1 (JS1) and Unit 2 (JS2), Sarpy County Station Unit 1 (SC1) and Unit 2 (SC2) and North Omaha Station Unit 4 (NO4) and the General Electric EX2100 exciter installed on North Omaha Station Unit 5 (NO5) are all obsolete and new components for the exciter control system will no longer be available to purchase from the manufacture; and

WHEREAS, due to the EX2000 Exciters and the EX2100 Exciter being obsolete, the District must replace these critical electrical components to ensure the continued reliable operation of these generation units; and

WHEREAS, Nexus Controls, formerly a division of General Electric Company, is the original equipment manufacturer for the exciter equipment and offers an upgrade package to retrofit the obsolete controls section while retaining existing components with more available spare parts, thus eliminating the need for a complete exciter replacement and associated redesign of the existing distributed control system integration and resulting in an overall financial savings; and

WHEREAS, the District's Engineer has certified that Nexus Controls, as the original equipment manufacturer, is the only available source of supply for the exciter equipment needed for the referenced generation; and

WHEREAS, pursuant to Nebraska Revised Statute Section 70-637 (as amended), District Management requests approval by the Board of Directors of the Engineer's Certification for the procurement of equipment and services to replace the exciter equipment as described in the Engineer's Certification.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that:

1. The Engineer's Certification for the sole source procurement of exciter equipment and services from Nexus Controls, the original equipment manufacturer, for the generation units described therein is hereby approved.
2. Management is hereby authorized and directed to negotiate and enter into the necessary contract or contracts to procure materials and services for the exciter equipment and services, subject to review and approval of the final contract(s) by the District's General Counsel.
3. The notice required by Nebraska Revised Statutes Section 70-637 shall be published in the Omaha World Herald, or other similar newspaper of general circulation.



Pre-Committee Agenda

PUBLIC INFORMATION PRE-COMMITTEE MEETING
WEBEX VIDEOCONFERENCE
Monday, November 7, 2022 4:00 – 5:00 P.M.

1. Safety Briefing (McAreavey – 3 min)
 - a. Objective: Promote awareness of current safety focus.
2. Corporate Operating Plan 2023 (McAreavey – 20 min)
 - a. Objective: Provide the preview of Demand Side Management (DSM) and Customer Owned Generation (COG)
3. Legislative and Regulatory Update (Olson – 15 min)
 - a. Objective: Provide brief update on state legislative and regulatory activities and draft plan.
4. North Omaha Engagement Outline (Olson – 10 min)
 - a. Objective: Provide brief update on engagement plan.
5. SD-11: Economic Development Monitoring Report (Olson – 15 min)
 - a. Objective: Provide brief update on monitoring report.
6. Board Work Plan – Public Information Committee Items (3 min)
 - a. Objective: Discuss Public Information Committee Items on the Board work plan.
7. Summary of Committee Direction (2 min)
 - a. Objective: Executive leadership team liaison(s) to summarize direction provided by the committee.



Reporting Item

BOARD OF DIRECTORS

November 15, 2022

ITEM

Legislative and Regulatory Update

PURPOSE

To provide an update on state legislative activities and draft overview for 2023.

ACTION

Reporting item

RECOMMENDED:

DocuSigned by:

Lisa A. Olson

40058A9ADE0A409...

Lisa A. Olson

Vice President – Public Affairs

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

L. Javier Fernandez

AC200FDCE66247E...

L. Javier Fernandez

President and Chief Executive Officer

LAO:jlm

Attachment:

Government Affairs Update



Government Affairs Update

11/15/22

Tim O'Brien, Director – Economic Development & External Relations



State Legislative Update



2022 Nebraska Legislature Elections

- 24 Legislative seats up for election, including 13 open seats in which the current Senator is either term-limited, or chose not to seek another term. 11 Senators are seeking a second term. The General Election will take place on Tuesday, November 8th.
 - Half of the seats up for election every other year, rotating even and odd numbered districts.
- Along with half of the members of the Legislature, the governorship is also an open seat as Governor Ricketts is term limited. Unlike the Legislature, the Governors' races are partisan, but have the same term lengths and limits.

2023 Nebraska Legislative Calendar

Nebraska's 108th Legislature, First Session

- 90-day session
- January 4th – First day of session
- January 18th – Last day of bill introduction
- Other key items TBD based on Speaker & Committee Appointments
- June 9th – Sine Die
 - The calendar is subject to revision by the Speaker of the 108th Legislature, but will be finalized and distributed before January 4th.

Interim Study Hearings

- LR 295 – study to monitor underfunded defined benefit plans administered by the political subdivisions as required by 13-2402. Hearing scheduled 11/22/22.
- LR 330 – study to determine what percentage should be used to forecast revenue when preparing fiscal notes and determine if state agencies or political subdivisions should use the same percentage. Hearing held 11/4/22.
- LR 401 – study to review the administration of the Nebraska Broadband Bridge Act. Hearing scheduled 12/13/22.
- LR 418 – study to examine the sales tax system in Nebraska with respect to exemptions provided to various industries. Tim O'Brien was invited to testify. Tim represented the Nebraska Economic Developers Association and OPPD. Hearing held 10/28/22.

2023 OPPD Legislative Bills

These issues have been brought to the forefront to have OPPD take a leading role to champion. We view this process as a 2-year journey.

- **Broadband** – Seek to repeal the dark fiber statutes to help expand broadband coverage across the state. This could also incorporate a repeal of the challenge of safe harbor rates under LB992.
- **Critical/essential utility workers** - seek to have defined as emergency personnel in declared emergencies in order to protect our communities while ensuring continuity of functions critical to public health and safety.
- **Weatherization funding** – seek state funding for weatherization efforts to upgrade more homes in order to lower utility bills permanently.

Next Steps

- Update legislative preview after elections
- Continue Senator and stakeholder meetings
- Nebraska Power Association (NPA) legislative subcommittee meetings and retreat
- Continue interim hearings



Federal Legislative Update



Federal Update

- Congress returns from mid-term elections/recess November 14th.
 - Several issues that must be addressed during the lame duck session include hurricane relief, government funding past December 16th, and the National Defense Authorization Act.
 - Other issues that may come up include permitting reform, electoral certification reform, tax break extensions, and Ukraine military aid.
- New rulemaking process continues for federal agencies tasked with implementing Inflation Reduction Act of 2022 programs and funding.
 - Most new programs and rules fall under Dept. of Treasury and IRS.
- 14,316 bills introduced in the 117th Congress as of November 2nd.



Reporting Item

BOARD OF DIRECTORS

November 15, 2022

ITEM

North Omaha Engagement Plan Update

PURPOSE

To provide an update on the NOS outreach and listening phase per board resolution 6518.

ACTION

Reporting item

RECOMMENDED:

DocuSigned by:

Lisa A. Olson

46058A9ADE8A409...
Lisa A. Olson

Vice President – Public Affairs

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

L. Javier Fernandez

AC399FDCE56247E
L. Javier Fernandez

President and Chief Executive Officer

LAO:jlm

Attachment:

NOS Outreach and Engagement



NOS Outreach and Engagement

Committee Update

November 15, 2022





Phase Updates at Monthly PI and Board Committee Meetings

Phase I (pre-August vote)

Inform and communicate local, regional and national challenges and changes to the electrical system landscape.

Various, internal communications, external 1:1s, videos, industry articles, Speakers Bureau, website education, FAQs, etc.

Phase II (Aug-Dec)

Engage with, consult and listen to local educational, public health, and community-led organizations.

Listening tour, data collection, employee community connections and retiree outreach, LB1024 hearings, NOS plant tour and community leader conversations.

Phase III (Jan-TBD)

Output of listening phase – plan to be developed based on feedback.

Likely to include continued engagement with LB1024 implementation and the North O business park, product development & marketing engagement, community conversation and events.

Outcomes and Community Conversations

To understand concerns, listen and gain insight, including the community's perceptions, wants and needs.

- Chamber and business leaders
- Public officials
- Public health
- Community leaders
- Community organizations
- DEI organizations
- Neighborhood associations



Listening and Learning



- **1:1 Meetings with Elected Officials and Community Leaders**
 - They understand need for Resolution; not hearing concerns; discussions around LB1024, weatherization, in support of continued education, etc.
- **North Omaha Station Tour**
 - Open to elected officials; presentation and discussion
- **MAPA Regional Planning Advisory Committee**
 - Update and educational information provided to community leaders representing Omaha Metro government agencies and non-profits, including representatives from Choice Neighborhoods
- **City of Austin - Austin Energy / Public Health**
 - Continued discussions around their plant extensions and experience in this area
- **Other**
 - Douglas County Health meeting with other area utilities and first responders regarding multi-lingual communications (equity)
 - Community and non-profit meetings to explore partnerships around energy assistance, energy efficiency education and other community needs/interests

Looking Forward

- Revisiting, reviewing feedback from board members
- Continued listening tour
- Beginning framework for long-range strategy and buckets of work, based on stakeholder feedback
 - To date, feedback varied but most is focused on affordability, safety, community development and energy assistance and education
 - Identifying our role in each bucket of work (partner, supporter, collaborator, convener, owner, etc.)
- Alignment with internal business partners to help support partnerships and education around areas of need (i.e. Customer Service)





Board Action

BOARD OF DIRECTORS

November 15, 2022

ITEM

SD-11: Economic Development Monitoring Report

PURPOSE

To ensure full Board review, discussion and acceptance of SD-11: Economic Development Monitoring Report.

FACTS

- a. The first set of Board policies was approved by the Board on July 16, 2015. A second set of Board policies was approved by the Board on October 15, 2015.
- b. Each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process.
- c. The Public Information Committee is responsible for evaluating Board Policy SD-11: Economic Development.
- d. The Public Information Committee has reviewed the SD-11: Economic Development Monitoring Report, as outlined on Exhibit A, and is recommending that OPPD be found to be sufficiently in compliance with the policy as stated.

ACTION

The Public Information Committee recommends Board approval of the 2022 SD-11: Economic Development Monitoring Report.

RECOMMENDED:

DocuSigned by:

Lisa A. Olson

Lisa A. Olson

Vice President – Public Affairs

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

L. Javier Fernandez

L. Javier Fernandez

President and Chief Executive Officer

LAO:jlm

Attachments:


Exhibit A – Monitoring Report
Resolution



Monitoring Report: SD11: Economic Development Public Information Committee

Lisa Olson, Vice President – Public Affairs

Significant Revisions Adopted by the Board June 2022

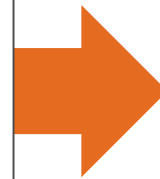
	OMAHA PUBLIC POWER DISTRICT Board Policy		Category: Strategic Direction
	Policy No. and Name: SD-11: Economic Development		Monitoring Method: Public Information Committee Board Report
			Frequency: Annually
	Date of Approval: July 16, 2015		Resolution No.: 6070


~~Economic prosperity is foundational to cultivating vibrant and thriving communities we serve. OPPD's strategic leadership and active participation in regional economic development initiatives will create a favorable environment to attract new business and help existing business customers to expand. Promoting economic growth and vitality through the production of affordable, reliable, and environmentally sensitive energy is key to the success of OPPD. Therefore, OPPD shall exercise strategic leadership and actively participate in regional economic development.~~

~~Specifically, Therefore, OPPD shall exercise leadership and participate in economic development to:~~

~~— Exercise leadership and participate in economic development to cultivate the growth.~~

- ~~• Attract, retain and expand business to generate revenue for in the District through the attraction of new business and the retention and expansion of existing business es, and by fostering economic growth in our communities.~~
- ~~• Align and maintain leadership with regards to economic development activities with local, regional, and statewide initiatives.~~
- ~~— Serve as a trusted partner to local leaders by providing leadership on local, regional and statewide initiatives and activities in economic development, including workforce and community needs~~
- ~~• Promote innovation while maintaining rate affordability, aligned with SD-2, by offering economic programs or rates.~~
- ~~• Offer, educate and promote innovative tools, resources, programs or rates to educate our business customer owners and that support economic growth, sustainability, cost savings or vitality.~~
- ~~• Assist with site development to plan or best optimize our energy system by carrying out site due diligence and marketing efforts for large businesses and industrial customer-owners.~~
- ~~• Give periodic updates to the Board on economic development projects.~~



	OMAHA PUBLIC POWER DISTRICT Board Policy		Category: Strategic Direction
	Policy No. and Name: SD-11: Economic Development		Monitoring Method: Public Information Committee Board Report
			Frequency: Annually
	Date of Approval: July 16, 2015 [insert date]		Resolution No.: 6070 65xx

Economic prosperity is foundational to cultivating vibrant and thriving communities we serve. OPPD's strategic leadership and active participation in regional economic development initiatives will create a favorable environment to attract new business and help existing business customers to expand.

Therefore, OPPD shall exercise leadership and participate in economic development to:

- Attract, retain and expand businesses
- Serve as a trusted partner to local leaders on local, regional and statewide initiatives and activities in economic development, including workforce and community needs
- Offer and promote innovative tools, resources, programs or rates to educate our business customer owners and support economic growth, sustainability, cost savings or vitality
- Assist with site development to plan or best optimize our energy system by carrying out site due diligence and marketing efforts for businesses and industrial customer-owners

SD11: Economic Development*

Economic prosperity is foundational to cultivating the vibrant and thriving communities we serve. OPPD's strategic leadership and active participation in regional economic development initiatives will create a favorable environment to attract new business and help existing business customers to expand. Therefore, OPPD shall exercise leadership and participate in economic development to:



Attract, retain and expand businesses.



Serve as a trusted partner to local leaders on local, regional and statewide initiatives and activities in economic development, including workforce and community needs.



Offer and promote innovative tools, resources, programs or rates to educate our business customer owners and support economic growth, sustainability, cost savings or vitality.



Assist with site development to plan or best optimize our energy system by carrying out site due diligence and marketing efforts for businesses and industrial customer-owners

Responding to business interests and needs



Field requests from brokers, site selectors, businesses (small, medium and large businesses, both new and existing customers), community leaders and economic development organizations



Provide information about workforce, utilities, real estate, logistics, supply chain, programs, incentives (local/state), and regulatory environment



Respond to real estate inquiries for commercial space, redevelopment, greenfield development, existing industrial buildings



Assist with challenges regarding available workforce and supply chain issues



Serving increased interest in OPPD's renewables portfolio



Provide infrastructure engineering and design information in coordination with Energy Delivery, Systems Transformation, Customer Sales & Service and Public Affairs teams

OPPD leading beyond energy delivery



Site selection assistance and real estate identification



Provide funding connections like grants and other funds to finish projects



Support programs & incentives to benefit statewide economic development



Consult on renewables



A Story of Expansion

Our Role:

- **OPPD's Economic Development team** collaborated with key partners to recruit these businesses years ago. We continue to provide resources and leadership to support continued growth.
- **OPPD's Customer Sales + Service team** maintains responsive, day-to-day service for these customers and their varied needs.

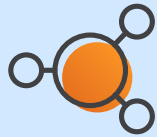




BY THE NUMBERS

Attract, retain and expand businesses

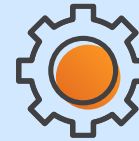
Sectors



Food processing



Data center



Manufacturing

Jobs



380+

Jobs landed

880

Overall jobs—total effect

\$145M

380+ new jobs brings additional production of goods and services

\$234M

880 new jobs brings additional production of goods and services

15K+

New additional jobs due to capital investment (mostly construction)

Return on Investment



\$1.03B

Direct capital investment

\$1.76B

Total economic impact

Economic Indicators across Service Territory



\$76,228

**Median Household
Income**

U.S. median household income = \$72,414



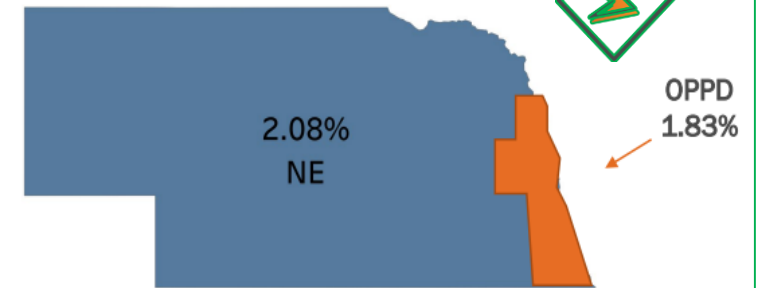
93

Wealth Index

U.S. Wealth Index = 100. Values less than 100 represent below-average wealth.

Residential Electricity Burden

Median Household Income Data from US Census, 2020 American Community Survey-5 year,
Electricity Data from EIA Annual Electric Utility Data



128

Housing Affordability Index

U.S. Housing Affordability Index = 113. An index greater than 100 suggests homes are easily afforded by the average area resident.



16.1%

Income for Mortgage

U.S. Income for Mortgage = 20.6%. Values below the U.S., identify areas where a lower share of median income is required.

*Community dashboard
in progress with key
community partner*



LEADERSHIP IN ACTION

Workforce + Education

Objective:

- Support workforce and education needs in partnership with communities and organizations and provide leadership within the energy industry

Examples of Outcomes to Date:



Launched OPPD's Energy Education Program with 185 students participating across 5 schools and 4 grade levels – 95% or above program satisfaction rating among students, teachers and parents



Partnered with Grow Sarpy to deliver construction safety kits to over 1,200 8th and 9th graders enrolled in skilled trade and technical sciences coursework to increase exposure to opportunities to schools in Sarpy and Omaha



Presented *Building an Energy Workforce During Utility Transformation* at Nebraska Power Association to provide expertise to energy industry



LEADERSHIP IN ACTION

Community Planning & Infrastructure Development

Objective

- Provide leadership related to community planning with a focus on long-term planning and partnership

Examples of Outcomes to Date:



Partnered on regional research on public transportation infrastructure, electrification and best practices with the **Metropolitan Area Planning Agency** and other partners



Collaborated with **Nebraska Association of County Officials** to promote community partnership in planning and developing regulations and electrical infrastructure to adequately and reliably serve growth



Identified and initiated federal funding opportunities for projects that could support reliability, grid modernization and security

LEADERSHIP IN ACTION

OPPD leading across key organizations



Executive Committee



Board Member



Board Member



Executive Committee



Certified Community Leadership



NEBRASKA DIPLOMATS, INC.

President



Board member



Board Member



**Board Member +
Target Advisory Group
Leads**



Executive Committee



Board Member



Board Member



Council of State Officials



Bio Nebraska

Board Member

...and Many More!



Responding to Community Needs

Objective:

- Provide leadership to key organizations and support community needs.

Examples of Community Outcomes to Date:

- **Nebraska City Area Economic Development Corporation** – Implemented key housing priorities including constructing the first of four units utilizing grant funds from the Nebraska Affordable Housing Trust Fund, promoted use of City of Nebraska City ARPA funds for ~30 acres of land for housing; and worked with Otoe County to commit \$300,000 in ARPA funds for a housing program
- **Gateway Development Corporation** - Partnered on the Dana campus project in receiving ARPA funds to refurbish two dorms that will provide 60 apartments, worked with Easter Seals to purchase 65 acres within the campus to build 20, year-round use cabins that will employ 150
- **Southeast Nebraska Development District** - Identified and secured \$15.8+ million in state and federal grant funds to renovate homes, assist downtown businesses, create new jobs, improve streets and sidewalks, and add staff to focus on broadband; grew loan programs by adding a \$1 million Economic Development Administration (EDA) Revolving Loan Fund



Responding to Community Needs

Objective:

- Provide leadership and support energy affiliated community needs

Examples of Energy Focused Outcomes to Date:

- Applied for and received five awarded sites from the Nebraska Department of Environment and Energy for Level 2 and DC Fast Chargers (North Bend, Blair, Syracuse, LaVista and Omaha)
- Delivered downtown revitalization/street light upgrades to North Bend, NE
- Provided **\$14,478,332M** total energy assistance funding (October 2021 to September 2022) - this represents a **\$3,450,065M** increase in assistance over the prior year
- Partnered on analysis and consultation on county/community regulations and planning efforts for charging stations and solar installations
- Formalized strategic partnerships with economic development corporations and chambers of commerce on energy technologies and site development



PRESIDENT OF NEBRASKA DIPLOMATS

Economic Development Leadership



Objective:

- Help build Nebraska's economy by supporting the Nebraska Department of Economic Development's efforts to assist the growth and expansion of existing business, attract new business to the State and improve Nebraska's business climate and competitiveness

Example of Outcomes to date:

- For the third time in four years, Nebraska has been recognized for growth and development taking place across the state. Area Development, a leading economic development publication, recently recognized Nebraska with a **2022 Silver Shovel Award** for achievements in attracting high-value investment projects that will create a significant number of jobs.



CHAIR OF OMAHA'S URBAN CORE COMMITTEE

Economic Development Leadership



Objective:

- Implement long-range vision to reaffirm and reinforce Omaha's urban core's historic role as the cultural, entertainment, residential and employment heart of the region



Examples of Outcomes to date:

- OPPD recognized for support in implementing **LB 1024** to benefit North and South Omaha
- Leading **business park planning** and external partnership development
- Leading **marketing subcommittee** and supporting housing subcommittee core work

LEADERSHIP IN ACTION

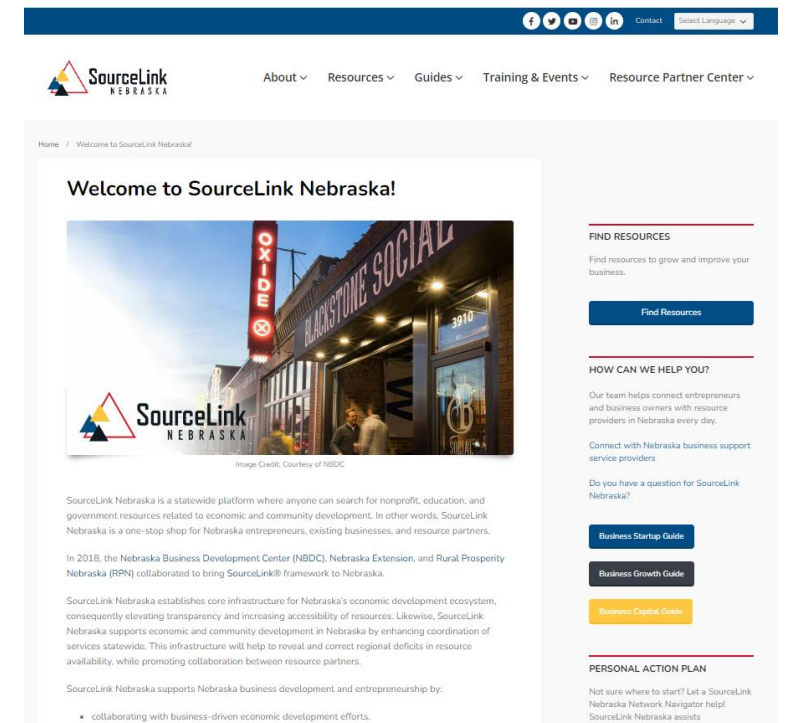
SourceLink

Objective:

- Identify a tool to connect businesses and entrepreneurs with comprehensive business assistance resources.

Examples of Outcomes to Date:

- Launched SourceLink in November 2021 as a founding partner and only utility representative
 - Includes 500+ organizations and 900+ resources
 - Over 5,500 individuals have visited sourcelinknebraska.com
- 76 businesses and start-ups contacted SourceLink navigators for assistance
- Promoted 300+ trainings or events
- The Nebraska Business Development Center's Omaha Small Business Development Center was awarded a grant to support building businesses in the communities of North and South Omaha



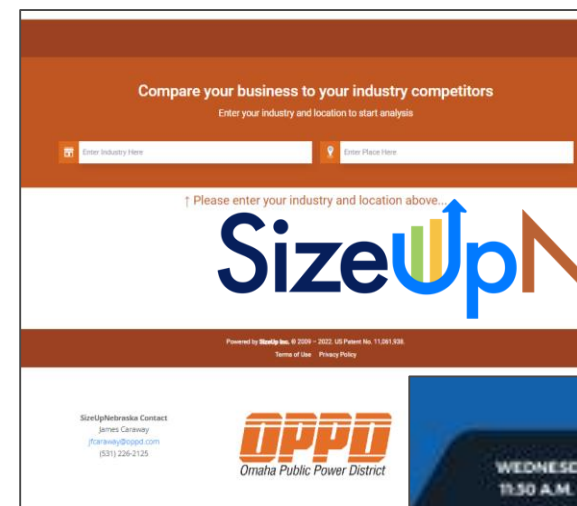
LEADERSHIP IN ACTION: SizeUp

Objective:

- Provide tools and resources to educate small business customer owners and support economic growth

Examples of Outcomes to date:

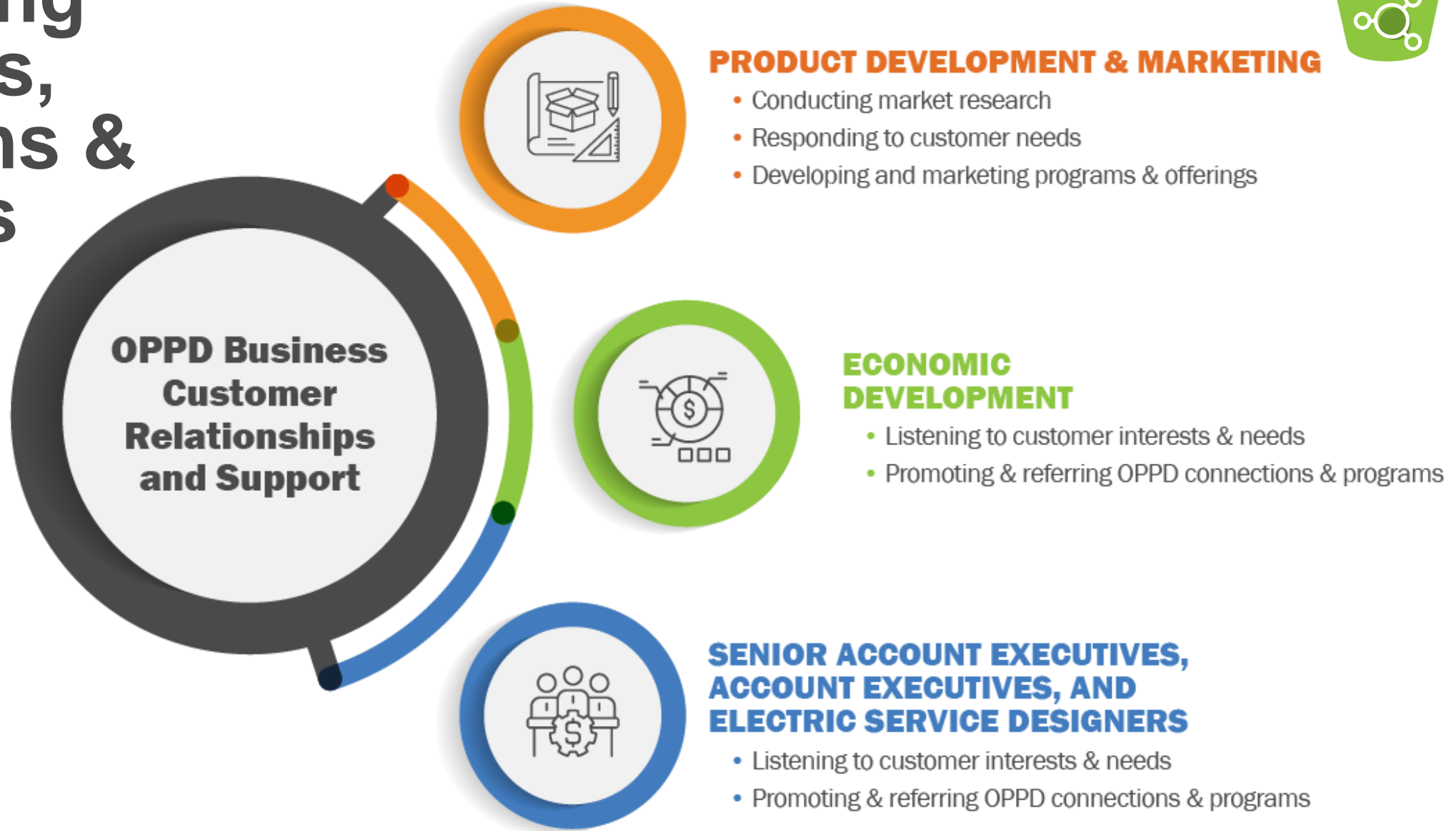
- 57,013 reports generated, 800+ users
- Hosted free training on SizeUp platform as part of OPPD's leadership with the Entrepreneurial Education Collaborative that brought together service providers, business owners, small business focused agencies and chamber organizations
- Provided leadership on procurement insight to small businesses



SizeUp Nebraska
Powered by OPPD

An event flyer for "SizeUp Nebraska" on Wednesday, September 21, from 11:30 A.M. to 12:30 P.M. The flyer features a photo of a man in a suit and tie. The text includes "No-Cost Market Research & Insights for Entrepreneurs" and the logo for the Entrepreneur's Education Collaborative. Under "ABOUT", there are three bullet points: "Measure Business Performance", "Find Customers, Suppliers, & Competitors", and "Maximize Advertising Efforts". Under "SPEAKER", it lists Mario Urbide, Director of Customer Success at SizeUp. Under "REGISTER", it provides the URL <https://bit.ly/eecseptember> and notes that the event is virtual and free. At the bottom, there are logos for various partners including Entrepreneur's Education Collaborative, SBA, and others.

Promoting Products, Programs & Services



LEADERSHIP IN ACTION

Products, programs and services



Charles Drew Health Center



Plasti Products



UNMC

ENERGY CONSULTING
ECO 24/7 CASE STUDY

Werner Enterprises

Data Center

Werner Enterprises is one of the largest trucking companies in the world. They have been devoted to reducing their carbon footprint since 2008. Their partnership with OPPD began when Werner investigated rebates to upgrade their inefficient lighting. Upon Werner's completion of conventional energy efficiency measures, they pursued multiple HVAC optimization projects through OPPD's ECO 24/7 Program. The Program allowed them to achieve an even higher level of energy efficiency.

Prior to 2020, OPPD helped Werner reduce their carbon footprint by the equivalent of 30 semi-trailer trucks and lowered their electricity use by 39%.

The latest ECO 24/7 project for Werner significantly reduced the electricity consumption of their data center. OPPD utilized industry-leading technology to optimize their water-cooled and DX Liebert units and maximize the efficiency for the air-cooled chillers. In addition, the project improved space thermal conditions and system operation.

Your Energy Partner[®]

Omaha Public Power District

Data Center Information

- 11,300 Square Feet
- One 5-ton DX Liebert Unit
- Three 10-ton DX Liebert Units
- Two 20-ton CHW Liebert Units
- Four 44-ton CHW Liebert Units
- Two 120-ton McQuay ACC

Annual Utility Savings

\$46,074

\$4.08/ft² per year

The demand reduction from this project of **54.9 kW** provided Werner a **\$27,450** rebate from OPPD.

Annual CO₂ Reduction

960,200 lbs

Electricity Savings

26%

Bes-Tech
Solving Energy Building Comfort



Preparing sites for future development

Objectives:

- Focus on site development to ensure we fully utilize all assets

Example of Outcomes to date:

- Partnered on electric infrastructure planning
 - **LB 977** which takes \$15 million from the cash reserve fund and transfers it to the Site and Building Expanding Electrical System Capacities and Enhancing Redundancy and Resilience Development Fund
 - **Falls City** Economic Development Growth and Enterprise - conducted master planning for large industrial speculative site development
- Actively leading site development and due diligence with economic development organizations
 - Provided leadership on seeking input and partnering with local economic development organizations to further understand and complete due diligence (all utilities, geotechnical, site control, environmental and more) on 10 key areas across OPPD's service territory
 - Chair, Douglas County Target Advisory Group and focused on identified greenfield and redevelopment opportunities alongside community partners
- Executed on Power with Purpose location analysis and process to support solar needs

Highlights of site development and planning



Washington County Area

2012 - present

Objective — Identify new areas for development in northern, rural parts of OPPD territory to be a catalyst for future economic development opportunities

Examples of Outcomes to date:

- Gateway Development Corporation partnership to attract significant prospect activity in 2022 with 13 leads and site visits
- Strong probability for landing key industrial projects with high skill, high wage positions in the near future

Sarpy County Area

2013 - present

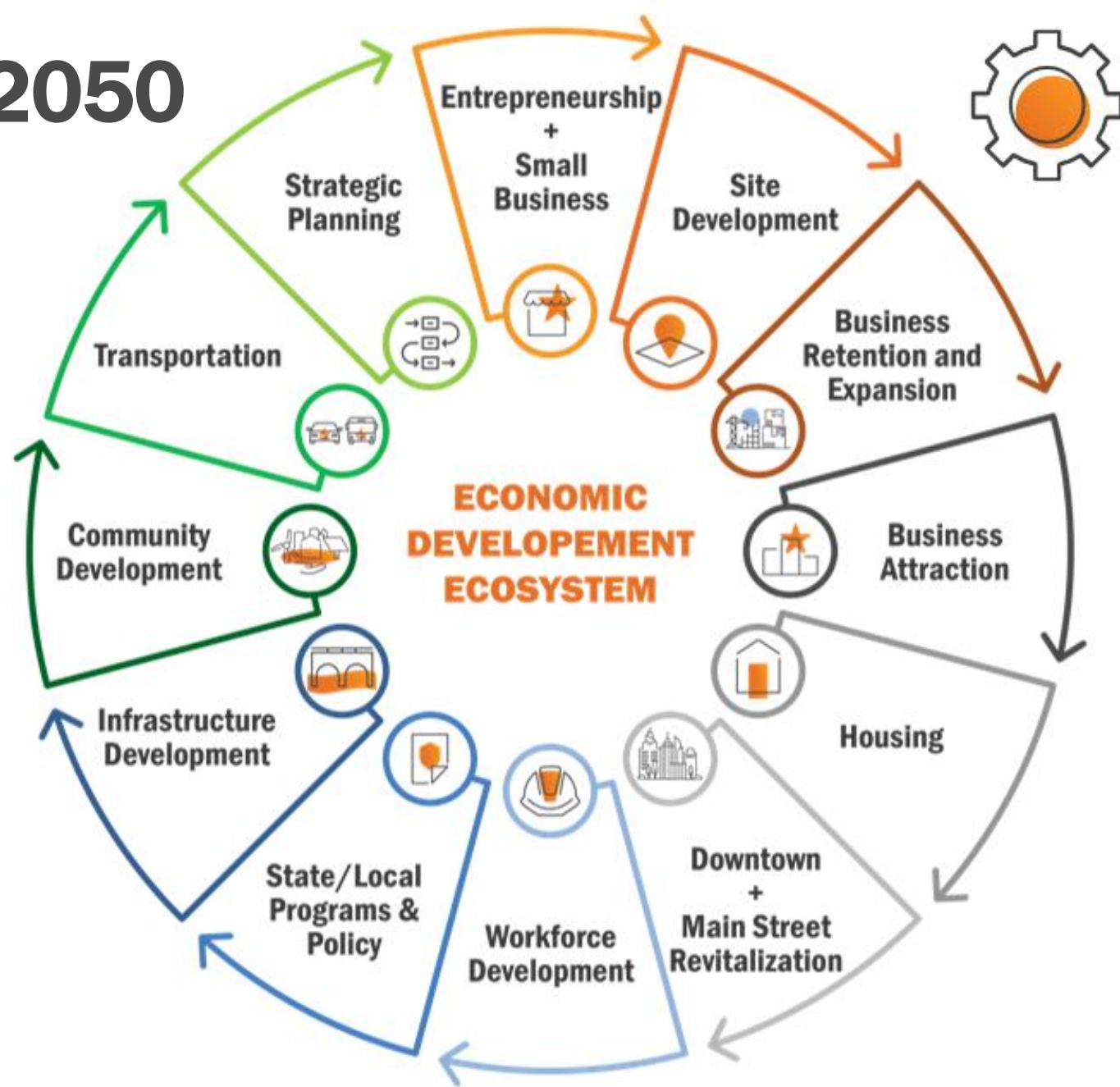
Objective — Identify new areas for development in southern Sarpy County that could be a catalyst for future economic development opportunities

Examples of Outcomes to date:

- Grow Sarpy partnership to attract key industrial projects that will bring high skill, high wage positions to the area
- 2022 investments continue including construction of new facilities

Powering the Future to 2050

- Cultivating the growth and well-being of vibrant and thriving communities
- Optimizing the value of our assets that serve our customers



Maturity Model



01 Initial

1980s
Economic development in focus; newly created department

02 Managed

1990s
Industrial recruitment focus and growing economic development team

Early 2000s
Increased focus on site development speculative planning and community development

03 Defined

2013
Economic development leadership roles and support across external organizations enhanced

2014-2015
Defined economic development as Strategic Directive

04 Quantitatively managed

2017 – 2018
Strategic focus on Integrated Energy Marketplace of business attraction

2020-2021
Benchmarking; expanded team and scope, including launch of small business resources platforms; align with partners on clear objectives and outcomes

05 Optimized

2022 - Future
Enhanced and refreshed strategic directive with focus on community and workforce needs; connection to Powering the Future to 2050



Recommendation

The Public Information Committee has reviewed and accepted this Monitoring Report for SD-11 and recommends that the Board find OPPD to be sufficiently in compliance with Board Policy SD-11.

Any additional reflections on
what has been
accomplished ... or
challenges or gaps






Pre-Committee Agenda

FINANCE PRE-COMMITTEE MEETING
 VIDEOCONFERENCE
 November 11, 2022 10:00 – 11:30 AM

1. Safety Briefing (Bishop – 3 min)
 - a. Objective: Promote awareness of current safety focus
2. Third Quarter Retirement Fund Report (Bishop)
 - a. Objective: Report on results of the retirement fund (Reporting)
3. Third Quarter Financial Report (Bishop – 15 min)
 - a. Objective: Review financial results through the third quarter of 2022 (Reporting)
4. 2023 Preliminary Corporate Operating Plan (Bishop – 50 min)
 - a. Objective: Preview the 2023 Preliminary Corporate Operating Plan that will be reviewed at the All Committees meeting (Reporting)
5. SD-2: Rates & SD-3: Access to Credit Markets Policy Revisions (Yoder – 18 min)
 - a. Objective: Refine and confirm language changes (Work Item)
6. Board Work Plan – Finance Committee Items (2 min)
 - a. Objective: Review Finance Committee Work Plan and process.
7. Summary of Committee Direction (2 min)
 - a. Objective: Executive leadership team liaison(s) to gain alignment and summarize direction provided by the Committee.

Finance Committee Agenda Outlook

NOVEMBER ALL COMMITTEES MEETING	TYPE	PRESENTER	TIME	MINS
Finance Pre-Committee (11/4/22)	Reporting	Yoder	10	min
Third Quarter Retirement Fund Report	Reporting	Bishop	5	min
Third Quarter Financial Report	Reporting	Bishop	10	min
2023 Preliminary Corporate Operating Plan	Reporting	Bishop	90	min
DECEMBER ALL COMMITTEES MEETING	TYPE	PRESENTER	TIME	MINS
Finance Pre-Committee (12/2/22)	Reporting	Yoder	10	min
2023 Final Corporate Operating Plan	Action	Bishop	20	min
Declaration of Anticipated 2023 Capital Expenditures Reimbursement	Action	Bishop	5	min

	OMAHA PUBLIC POWER DISTRICT Board Policy	Category:	Strategic Direction
	Policy No. and Name:	Monitoring Method:	Finance Committee Board Report
	SD-2: Rates	Frequency:	Annually
Date of Approval:	July 16, 2015 November 16, 2017 November 18, 2021 December XX, 2022	Resolution No.:	6070 6210 6471 XXXX

~~The Board of Directors shall establish a directional rate target of 20% below the West North Central Regional average published rates on a system average basis*.~~

~~OPPD shall strive to provide affordable energy services and set rates in order to achieve the long-term vision of the organization.~~

In implementing this ~~rate target directive~~, OPPD shall ~~adhere to these principles~~:


- Maintain fair, reasonable and non-discriminatory rates as stated in Nebraska Revised Statute § 70-655;
- Equitably assign costs across and within all customer classes;
- Monitor affordability indicators;
- Pursue rate process and structure changes to reflect the cost of energy when it is used;
- Offer flexibility and options; ~~and~~
- Be simple and easy to understand; ~~and~~.
- Pursue a directional rate target of 10% below average published rates of seven states in the North Central Region* on a system average basis*.

***TERMS AND DEFINITIONS**

Seven states in the North Central Region: Illinois, Iowa, Indiana, Kansas, Missouri, Nebraska, South Dakota.

System Average Basis: Total revenue billed to retail customers divided by total kWh sold to retail customers. The result is measured in cents per kWh or the average system basis.

~~*Defined in Glossary.~~

	OMAHA PUBLIC POWER DISTRICT Board Policy	Category:	Strategic Direction
	Policy No. and Name:	Monitoring Method:	Finance Committee Board Report
	SD-2: Rates	Frequency:	Annually
Date of Approval:	July 16, 2015 November 16, 2017 November 18, 2021 December XX, 2022	Resolution No.:	6070 6210 6471 XXXX

OPPD shall strive to provide affordable energy services and set rates in order to achieve the long-term vision of the organization.

In implementing this directive, OPPD shall:

- Maintain fair, reasonable and non-discriminatory rates as stated in Nebraska Revised Statute § 70-655;
- Equitably assign costs across and within all customer classes;
- Monitor affordability indicators;
- Pursue rate process and structure changes to reflect the cost of energy when it is used;
- Offer flexibility and options;
- Be simple and easy to understand; and
- Pursue a directional rate target of 10% below average published rates of seven states in the North Central Region* on a system average basis*.

***TERMS AND DEFINITIONS**

Seven states in the North Central Region: Illinois, Iowa, Indiana, Kansas, Missouri, Nebraska, South Dakota.

System Average Basis: Total revenue billed to retail customers divided by total kWh sold to retail customers. The result is measured in cents per kWh or the average system basis.



Reporting Item

BOARD OF DIRECTORS

November 15, 2022

ITEM

Retirement Plan – Third Quarter 2022

PURPOSE

To Report the Retirement Plan Fund's Third Quarter 2022 Performance Results

FACTS

- The Retirement Plan Fund market value at the end of the third quarter was \$1.01 billion. This compares to the market value at the beginning of the quarter of \$1.07 billion. During the quarter, employee contributions were \$4.67 million and OPPD contributions totaled \$14.15 million. Benefit payments totaled \$28.46 million and the investment market value (net of expenses) decreased by \$51.13 million.
- As of September 30, 2022, the Retirement Fund asset allocation was 50.8% Equity, 35.5% Fixed Income and 13.7% Alternative Assets, which is within the Investment Policy Guidelines approved by the Board.
- The Retirement Plan Fund sector performance (net of fees) was:

<u>Sector</u>	<u>Market Value</u>	<u>Quarterly Return</u>	<u>Index</u>
Domestic Equity	\$305,494,724	-4.4%	-3.8%
International Equity	\$208,160,338	-9.6%	-10.3%
Domestic Fixed Income	\$319,403,903	-4.2%	-4.4%
Global Fixed Income	\$39,533,250	-5.4%	-5.8%
Alternative Assets	\$138,042,741	0.9%	1.0%
Total	\$1,010,634,956	-4.8%	-5.4%

- The Domestic Equity Composite returned -4.4% where growth outperformed value while small cap slightly outperformed large cap. The International Equity Composite returned -9.6% as developed international stocks fell with the ongoing energy crisis and recession fears and emerging markets fell with heightened inflationary pressures, rising interest rates, and decreased external demand.

The Domestic Fixed Income Composite returned -4.2% with the Federal Reserve rate increases in July and September and indications of future rate increases in 2022. The Global Fixed Income Composite returned -5.4% as government yields rose in the quarter across most developed markets except for Japan. The U.S. dollar appreciated relative to the yen, British pound, and Euro.

The Real Estate Composite returned 0.9%. Real estate markets grappled with higher borrowing costs and struggled to re-underwrite near term rent growth.

RECOMMENDED:

Jeffrey Bishop
 Jeffrey M. Bishop
 Vice President and Chief Financial Officer

APPROVED FOR REPORTING TO BOARD:

L. Javier Fernandez
 L. Javier Fernandez
 President and Chief Executive Officer

JMB: jap

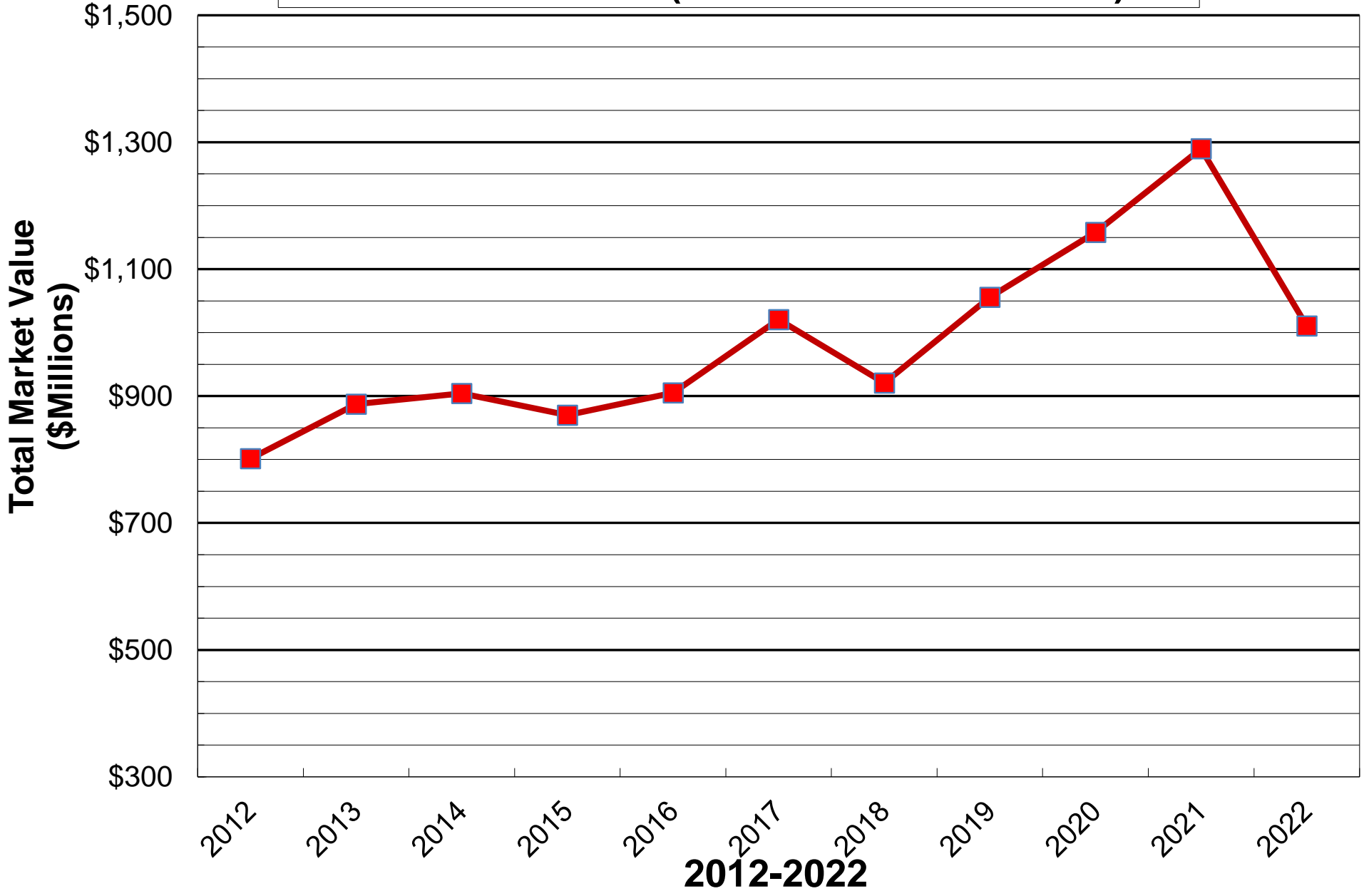
Attachments: Summary of OPPD Retirement Plan Assets
 OPPD Retirement Plan Total Assets – Annual Market Valuation Graph
 OPPD Retirement Plan Total Assets – Quarterly Market Valuation Graph

**SUMMARY OF OPPD RETIREMENT PLAN ASSETS
AS OF SEPTEMBER 30, 2022**

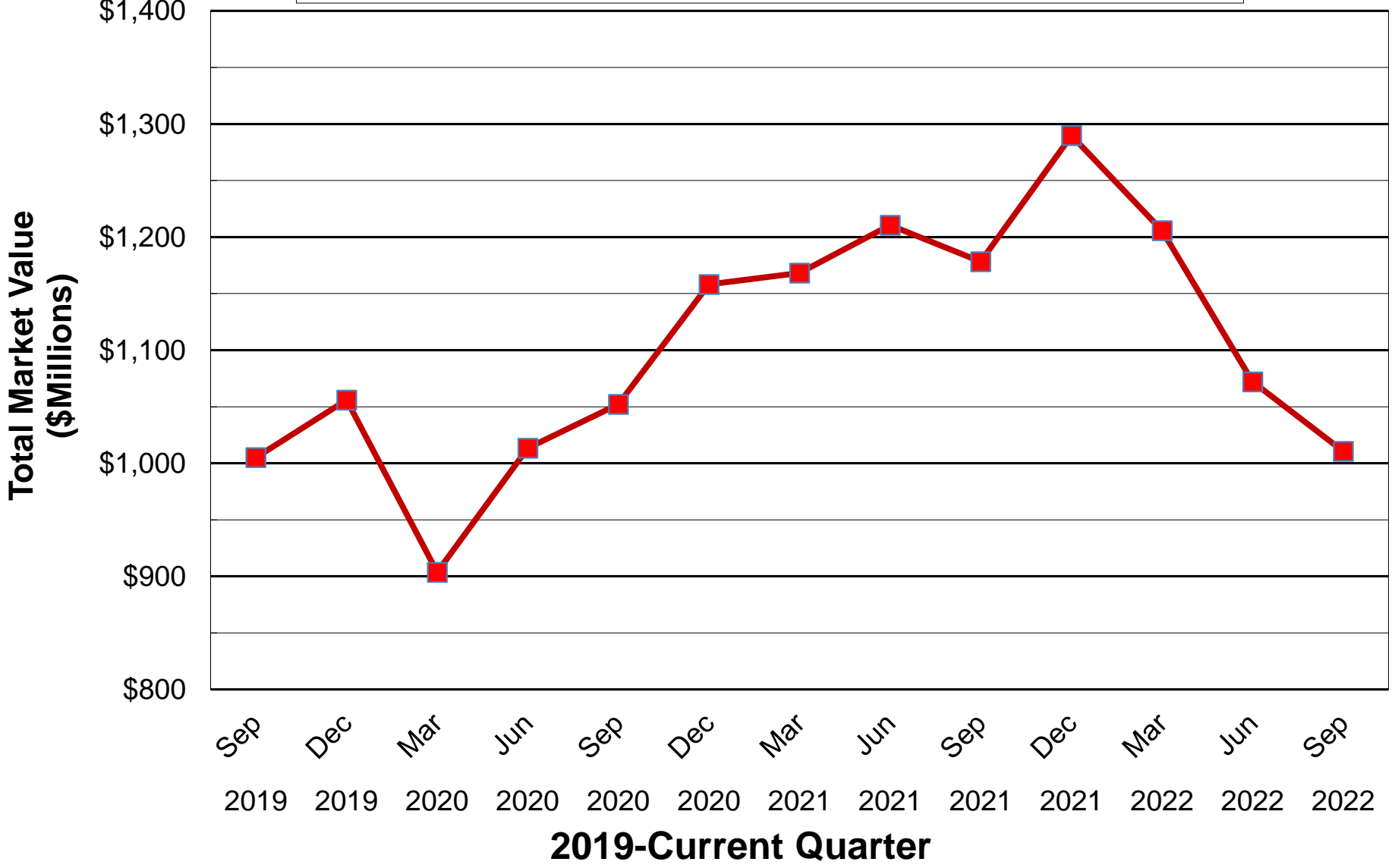
Manager Valuations, Distributions and Returns

	FUND TYPE	TOTAL VALUATION	PERCENT OF FUND	NET OF FEES RETURNS		DIFFERENCE ABOVE/(BELOW) YTD INDEX
				QUARTERLY	YEAR-TO-DATE	
<u>EQUITY MANAGERS:</u>						
Domestic Large Capitalization						
State Street Global Advisors Russell 1000	Index/Core Equity	189,241,589.37	18.7%	4.6%	-24.6%	0.0%
Domestic Middle Capitalization						
Wellington Management Company LLP	Core/Growth	61,381,600.80	6.1%	-4.8%	-30.1%	-8.6%
Domestic Small Capitalization						
LSV Asset Management	Small Capitalization Value	28,458,063.85	2.8%	-3.8%	-17.3%	3.8%
Frontier Capital Management	Small Capitalization Growth	26,413,470.00	2.6%	NA	NA	NA
International						
Global Alpha Fund	Small Cap. International	35,174,790.00	3.5%	-11.3%	-30.0%	2.1%
MFS International Equity	International Equity	76,026,174.89	7.5%	-8.4%	-26.2%	0.9%
OppenheimerFunds, Inc./Invesco	Emerging Markets	44,269,208.87	4.4%	-9.8%	-32.6%	-5.7%
Wells Capital Management	Emerging Markets	52,690,164.35	5.2%	-10.2%	-27.1%	0.1%
Subtotal Equity		\$ 513,655,062.13	50.9%			
<u>FIXED INCOME MANAGERS:</u>						
Domestic Bonds						
JP Morgan Investment Management	Investment Grade/Core	69,619,492.14	6.9%	-4.3%	-13.2%	1.7%
Neuberger Berman Fixed Income LLC	High Yield	33,659,396.02	3.3%	-0.4%	-15.2%	-0.8%
Reams Asset Management Company	Investment Grade/Core	72,180,598.31	7.1%	-5.6%	-14.8%	0.1%
State Street Global Advisors - Bond Market Index	Investment Grade Index/Core	80,328,763.76	7.9%	-4.7%	-14.6%	0.0%
State Street Global Advisors - TIPS Index	Investment Grade Index/TIPS	26,222,974.10	2.6%	-5.1%	-13.6%	0.0%
International Bonds						
Stone Harbor Investment Partners L.P.	Emerging Markets	39,526,573.93	3.9%	-4.8%	-27.8%	-5.6%
Cash						
Trustee Cash Management Account	Cash & Cash Equivalents	37,392,679.14	3.7%			
Subtotal Fixed Income		\$ 358,930,477.40	35.5%			
<u>ALTERNATIVE ASSET MANAGERS</u>						
Harrison Street Real Estate Capital	Private Real Estate	47,752,779.01	4.7%	2.1%	11.1%	-2.9%
PGIM Real Estate	Private Real Estate	50,274,572.57	5.0%	-0.1%	12.2%	-1.8%
Neuberger Berman Private Debt	Private Debt Fund	40,015,389.63	4.0%	NA	NA	NA
Subtotal Alternative Assets		\$ 138,042,741.21	13.6%			
TOTAL		\$ 1,010,628,280.74	100.0%	-4.8%	-19.7%	-0.2%
<u>Asset Allocation</u>						
EQUITY ALLOCATION		\$ 513,655,062.13	50.9%			
FIXED INCOME ALLOCATION		\$ 358,930,477.40	35.5%			
ALTERNATIVE ASSETS ALLOCATION		\$ 138,042,741.21	13.6%			
		\$ 1,010,628,280.74	100.0%			

OPPD Retirement Plan Total Plan Assets - Annual Market Valuation (2012 to Current Quarter)



**OPPD Retirement Plan Total Plan Assets - Quarterly
Market Valuation Prior 3 Years**





Reporting Item

BOARD OF DIRECTORS

November 15, 2022

ITEM

Third Quarter 2022 Financial Report

PURPOSE

Report the quarterly financial results to the Board of Directors

FACTS

- a. The third quarter 2022 financial results are attached for review.
- b. Retail Revenue for the third quarter 2022 was \$345.0 million, which was \$8.7 million over budget. Off-system Revenue was \$73.3 million, which was \$43.0 million over budget. Other Income was \$2.5 million, which was \$26.1 million under budget.
- c. Operations and Maintenance Expense (less Fuel and Purchased Power) for the third quarter 2022 was \$102.3 million, which was \$3.0 million under budget. Fuel and Purchased Power Expense was \$188.9 million, which was \$85.0 million over budget. Other Expense was \$110.1 million, which was \$0.5 million under budget.
- d. Operating Income for the third quarter 2022 was \$48.7 million, which was \$32.1 million under budget.
- e. Net Income for the third quarter 2022 was \$19.5 million, which was \$56.2 million under budget.

ACTION

Reporting item.

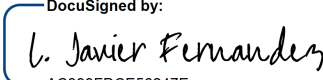
RECOMMENDED:

DocuSigned by:

65F902772CFE45A...

Jeff M. Bishop

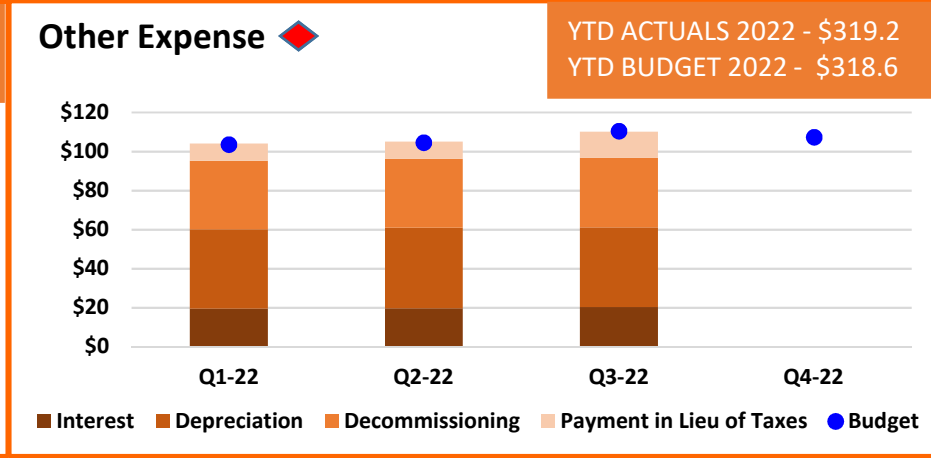
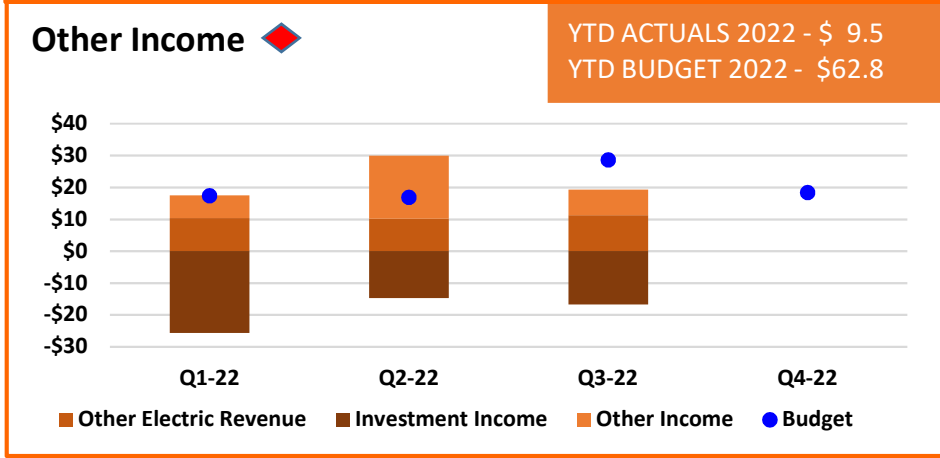
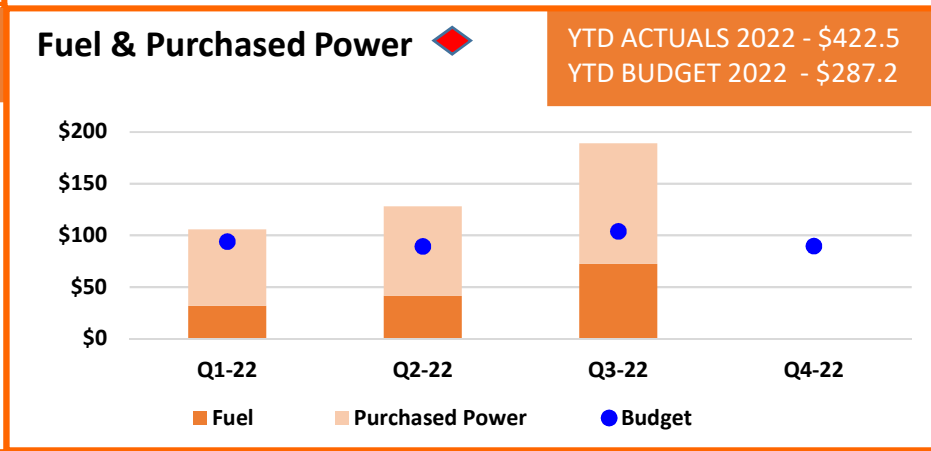
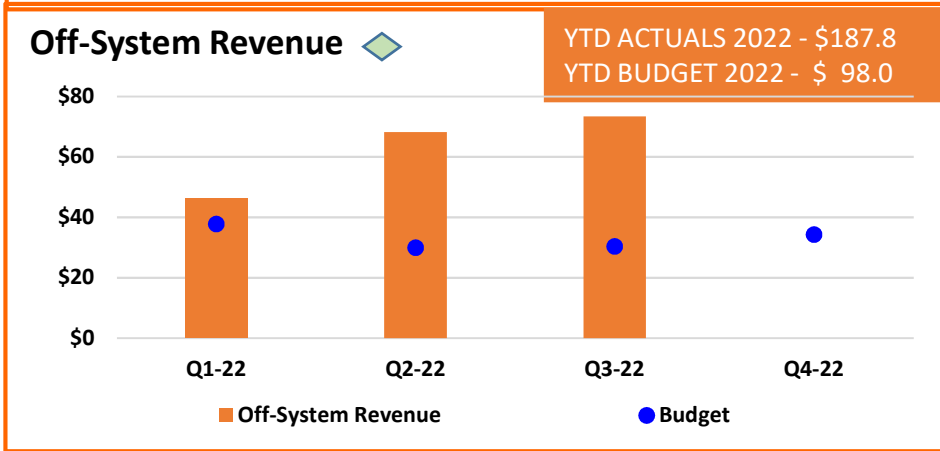
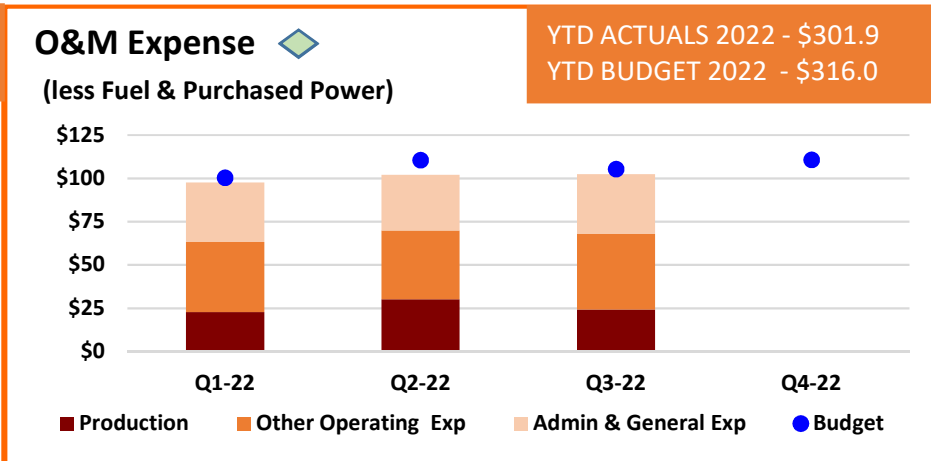
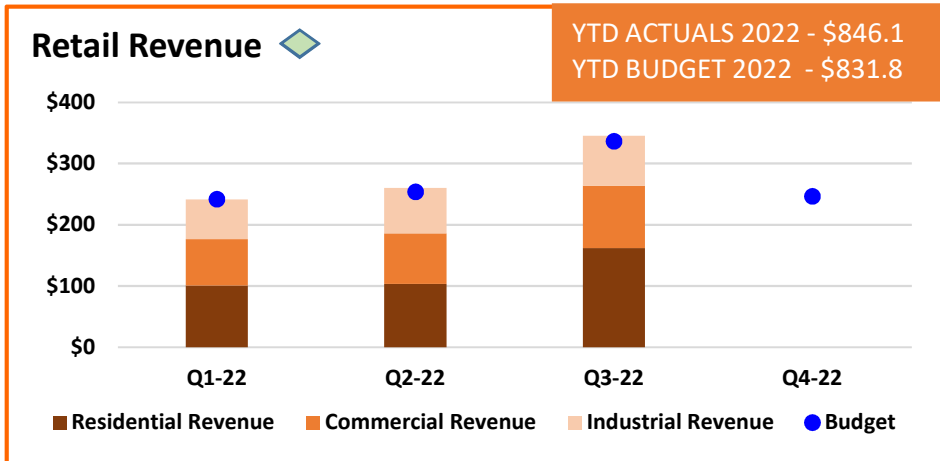
APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

AC399FD0E56247E...

L. Javier Fernandez

Attachments: Quarterly Financial Report (Graphs)

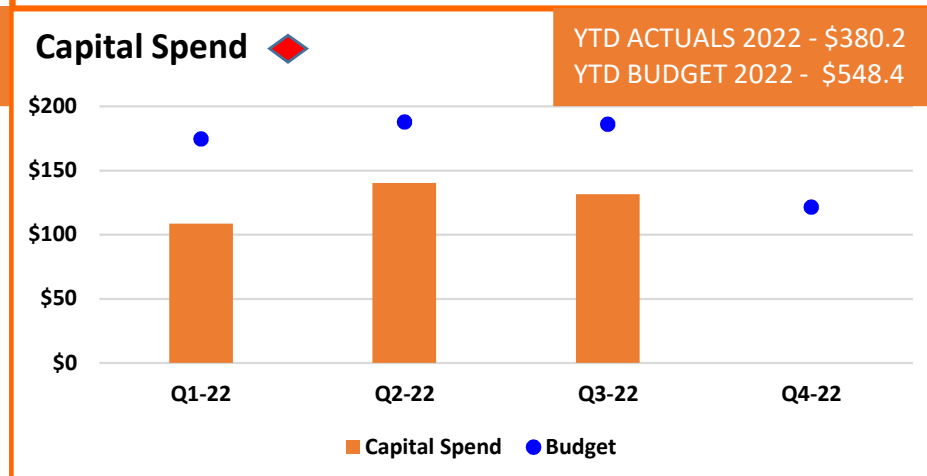
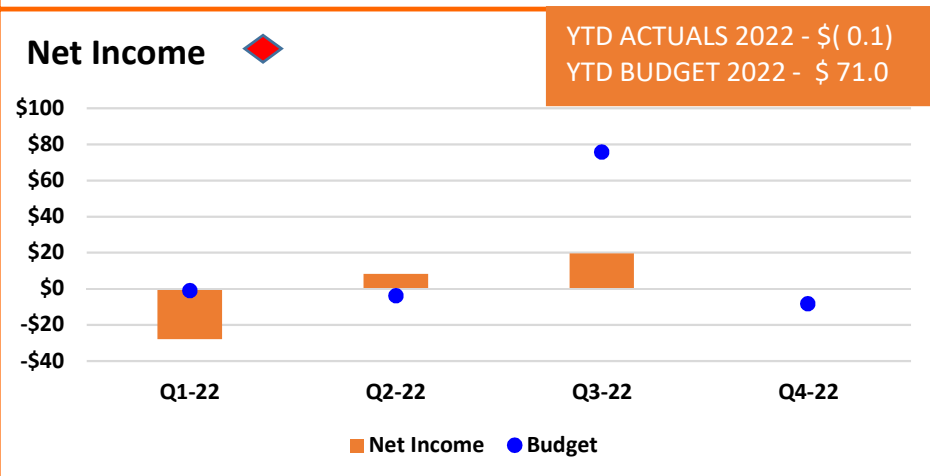
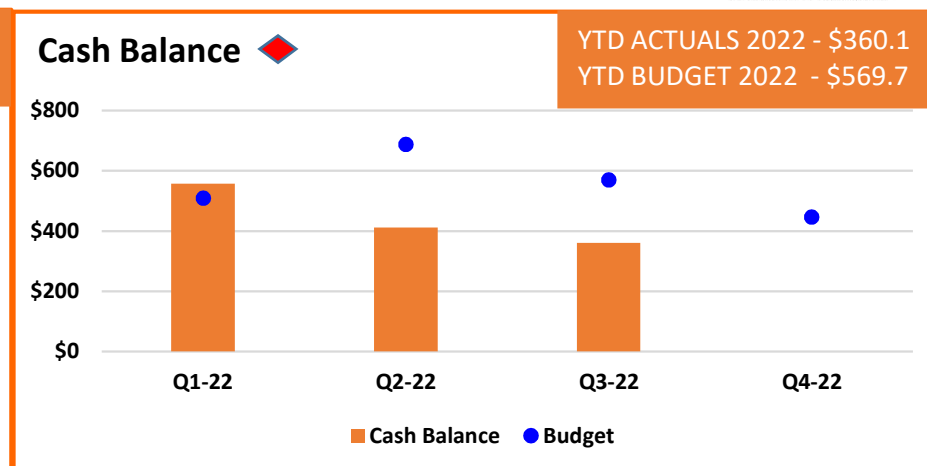
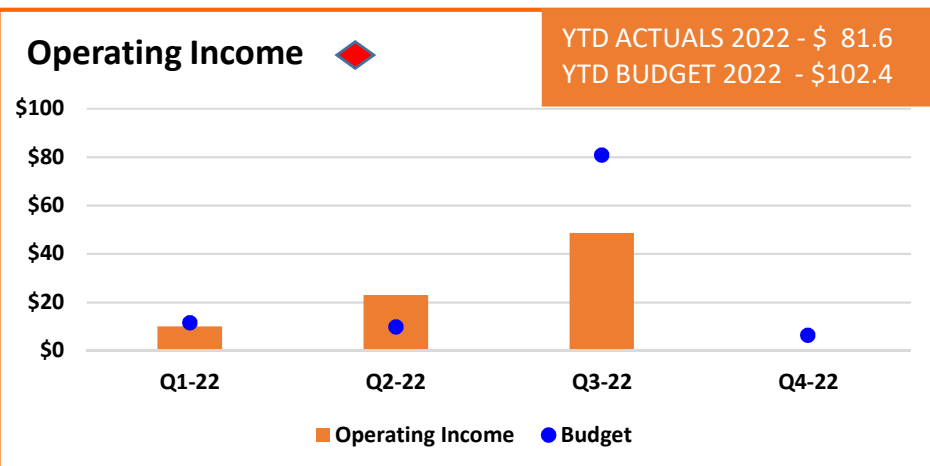
Q3 2022 Results (\$ Millions)



◆ - Favorable ◆ - Unfavorable

Unaudited results.

Q3 2022 Results (\$ Millions)



SD Impact:

* **SD-2 Rates** - The 2021 average retail rate was 8.7% below the regional retail average rates, based on 2021 EIA data.

* **SD-3 Access to Credit Markets** - The 12-month rolling debt service coverage ratio is 1.83 times through September 2022, and is forecasted at 2.0 times at year end. The District's days of cash on hand is 134 days as of September 30, 2022.

HIGHLIGHTS:

* Retail revenues were over budget year-to-date (YTD) by \$14.3 million, or 1.7% due to higher usage. Off-system sales were over budget YTD by \$89.8 million, or 91.6%, primarily due to higher than expected pricing in the marketplace.

* Fuel and purchased power expenses were over budget YTD by \$135.3 million, or 47.1%, primarily due to higher prices in the marketplace. Other O&M expenses were under budget YTD by \$14.1 million, or 4.5%, primarily due to lower production expenses from fewer than expected unplanned outages and lower than expected employee compensation expenses due to vacant positions.

* Net income/(loss) of \$(0.1) million YTD was under budget by \$71.1 million, primarily due to lower investment income from negative fair market value adjustments and the operating results addressed above, which was partially offset by FEMA recoveries.

* Capital expenditures were under budget YTD by 30.7%, or \$168.2 million, due to delayed spending primarily on Power with Purpose projects. While a portion of the underrun is projected to be made up in Q4, the District expects to be under budget at the end of the year.

* Cash at the end of the quarter was significantly below budget as the budget amounts anticipated a bond issuance in June. The bond issuance took place in October.

◆ - Favorable

◆ - Unfavorable

Unaudited results.



Reporting Item

BOARD OF DIRECTORS

November 15, 2022

ITEM

Preliminary 2023 Corporate Operating Plan

PURPOSE

The Preliminary 2023 Corporate Operating Plan, incorporating elements of the District's projected operations, capital expenditures, and fuel needs for the year, has been completed and is ready for discussion with the Board of Directors.

FACTS

- a. The Preliminary Corporate Operating Plan reflects no change in the general rate charged to customers. The Fuel and Purchased Power Adjustment factor (FPPA) reflects the pass through of commodity prices resulting in an average FPPA rate increase across customer classes of 2.9%.
- The current Fuel and Purchased Power factor is 0.186 cents per kWh
 - Due to increased purchased power costs and fuel costs, management will propose to change the Fuel and Purchased Power factor to 0.480 cents per kWh.
 - While the 2.9% is an average increase across all customer classes, the average increase at the customer class is as follows:

Customer Class	FPPA
Residential	2.5%
Commercial	3.4%
Industrial	4.4%
Lighting	0.8%
Wholesale	
Towns	4.1%
TOTAL	2.9%

- b. Total energy sales are budgeted to be 16,628 GWh which represents a 1.7% increase from the projected 2022 sales amount.
- Retail sales are budgeted to be 12,974 GWh which represents a 6.8% increase from the projected 2022 amount.
 - Wholesale revenues, excluding Nebraska City Station Unit 2 (NC2) participation sales, are budgeted to be 1,630 GWh which represents an 8.4% decrease from the projected 2022 amount.
 - NC2 participation sales for 2023 are budgeted to be 2,025 GWh, a 16.2% decrease from the projected 2022 amount.

- c. Total operating revenues are budgeted to be \$1,401.2 million. Total budgeted operating revenues are 0.6% higher than 2022 projections.
- Retail revenues are budgeted to be \$1,164.5 million, which is an increase of \$55.8 million above the 2022 projection.
 - Wholesale revenues, excluding NC2 participation revenues, are budgeted to be \$127.7 million, which is 28.0% lower than 2022 projected revenues.
 - NC2 participation revenues for 2023 are budgeted to be \$69.4 million, a 5.2% increase from the projected 2022 amount.
- d. Total operations and maintenance expenditures are budgeted to be \$944.7 million. Total operations and maintenance expenditures are \$15.7 million or 1.6% lower than the 2022 projected amount.
- Operations and maintenance expenditures (excluding fuel and purchased power) are estimated to be \$481.8 million, which is \$52.7 million or 12.3% higher than the amount projected for 2022.
 - Fuel expenses are budgeted to be \$165.3 million which is \$22.4 million or 11.9% lower than the amount projected for 2022, however, the 2023 budgeted amount is an increase of \$17.1 million or 11.5% when compared to the 2022 budget.
 - Purchased power expenses are budgeted to be \$297.6 million which is \$45.9 million or 13.4% lower than the amount projected for 2022 and \$69.1 million or 30.2% higher than the 2022 budgeted amount. The purchased power expenses include 972 megawatts of wind capability, as well as 5 megawatts of Fort Calhoun Community Solar capability, to support the District's renewable energy goal.
- e. Capital expenditures are budgeted at \$640.0 million for 2023 compared to \$585.0 million projected for 2022.

The 2023 capital expenditure plan provides for expansion and improvements to the existing production, transmission and distribution systems. Expenditures by classification include both approved and pending capital projects. Actual expenditures by classification will vary based on final project designs, corporate priorities, and pending project approvals.

Production Plant	\$ 256.3 million
Transmission and Distribution	286.9 million
General Plant, Removal & Salvage	<u>96.8 million</u>
TOTAL	\$640.0 million

- f. In 2023, additional funding for Nuclear Decommissioning is budgeted at \$95.2 million.
- g. Net income for 2023 is budgeted to be \$96.5 million compared to \$(2.2) million projected for 2022.
- h. The 2023 Corporate Operating Plan total expenditure amount equals \$1,919.8 million.
- i. Total debt service coverage is anticipated to be 2.0 times for 2023.

ACTION

The Preliminary 2023 Corporate Operating Plan is scheduled for review during the November 2022 Board of Directors' Committee meeting prior to being submitted for Board approval during the December 2022 Regular Board Meeting.

RECOMMENDED:

Jeffrey Bishop

65E902772CEE45A

Jeffrey M. Bishop
Vice President and Chief Financial Officer

APPROVED FOR REPORTING TO THE BOARD:

L. Javier Fernandez

AC399EDCE56247E

L. Javier Fernandez
President and Chief Executive Officer

JMB:bjs

Attachments: 2023 Preliminary Corporate Operating Plan
Letter from The Brattle Group – Financial Review
Letter from The Brattle Group – Rates Review

Preliminary 2023 Corporate Operating Plan

Power with Purpose



Your Energy Partner
OPPD
Omaha Public Power District

Table of Contents

Page

Management Letter	2
Strategic Planning and Enterprise Risk Management	4
Assumptions	9
Corporate Operating Plan	
Financial Statements	
Income Statement	14
Coverage Ratios	16
Debt and Financing Data	18
Cash Flow Analysis	20
Energy Sales	
Electric Energy Sales & Electric Customers	23
Operating Revenues	25
Average Cents/kWh	27
Net System Requirements	
Net System Requirements	30
Operation, Maintenance, and Decommissioning Expenses	
Operation, Maintenance and Decommissioning Expenses	33
Capital Expenditure Plan	
Capital Expenditures.....	36
Capital Expenditures Significant Project Descriptions and Highlights.....	38



Management Letter



Management Letter

Omaha Public Power District management and employees continue the work that leads us down the path to a utility of the future while continuing to provide our customer-owners with affordable and reliable energy services. In 2022, OPPD made progress on strategic initiatives that will help us on our transformative journey while still realizing our vision of leading the way we power the future.

Much of the utility's work has revolved around meeting customers' demands for modern solutions and personalized engagement with their electrical utility in ways that best benefit their needs. The past year saw progress made in the Power with Purpose project. The project will add up to 600 megawatts (MW) of solar generation with an additional 600 MW of modernized backup natural gas generation to OPPD's system.

Our 2023 Corporate Operating Plan (COP) recommends an average 2.9% rate increase, which reflects an increase to the Fuel and Purchased Power Adjustment (FPPA) and no change to the general rate. The increase to the FPPA is due to rising commodity prices and an increase in purchased power costs. FPPA is the mechanism OPPD uses to collect price fluctuations from year to year.

As OPPD continues working to adapt to an ever-changing energy landscape, work must be done on multiple fronts to continue delivering the reliable and affordable product our customers have relied on for generations. From two-way communication metering technology that will help us more quickly and accurately assess and restore outages, to OPPD's Technology Platform and Workplace Transformation initiatives, which will help our employees better serve our customers, important, transformative work at the utility continues. The Workplace Transformation initiative will develop a framework to ensure OPPD's workforce is ready for operational changes, as well as support OPPD's evolution to a digital utility. The Technology Platform initiative aims to create a sustainable and secure technology foundation for all of the future-focused work to come.

The future of OPPD is bright, and the work we are doing today will enable us to reach our long-term goals of being a digital utility, as well as meet our goal of net-zero carbon production by 2050.



L. Javier Fernandez
President and Chief Executive Officer





Strategic Planning and Enterprise Risk Management



Strategic Planning

Industry trends are accelerating transformational change, creating significant pressures on the traditional strategies and business models of electric utilities. Dynamic trends compel us to navigate through significant ambiguity and make courageous decisions for our future. While leveraging the legacy of traditional energy services, we must also embrace innovation, and continuously explore new and better ways to deliver affordable, reliable and environmentally sensitive energy services to our customers.



Strategic Direction

To provide clear and transparent direction on behalf of OPPD's customer owners OPPD's publicly elected Board of Directors established fifteen strategic direction (SD) policies to which OPPD is accountable. The policies guide OPPD's planning efforts to address current and future trends, mitigate risks, pursue strategic opportunities and prioritize resources to efficiently and effectively provide energy services to our customer owners.

Our Strategic Foundation (SD-1)

Mission: To provide affordable, reliable and environmentally sensitive energy services to our customers.

Vision: "Leading the Way We Power the Future"

In implementing this vision, OPPD shall adhere to these principles:

- Strengthen the public power advantage of affordable and reliable electricity;
- Exemplify fiscal, social and environmental responsibility to optimize value to our customer-owners;
- Proactively engage and communicate with our stakeholders;
- Act transparently and with accountability for the best interest of our customer-owners;
- Collaborate, when appropriate, with partners; and
- Leverage OPPD's leadership to achieve these goals.

Core Values

- We have a **PASSION** to serve
- We **HONOR** our community
- We **CARE** about each other

STRATEGIC PLANNING

The SD policies leverage industry benchmarks to drive performance as a top utility, and provide the basis for a scorecard to which the organization manages its performance.

Board Strategic Direction Policies & Strategic Goals			
Policy	Measure	Definition	Strategic Goal
Rates (SD-2)	% Below Regional Retail Average	Retail rate target of West North Central Regional average published rates on a system average basis.	20% *
Access to Credit Markets (SD-3)	Debt Coverage Ratio	Revenues less expenses divided by total annual senior and subordinate lien debt interest and principal payments.	2.0
Reliability (SD-4)	SAIDI	System Average Interruption Duration Index	< 90
	Equivalent Availability	Maintaining steam unit equivalent availability factor at or above 90% on a three-year rolling average	90%
Customer Satisfaction (SD-5)	Absolute Satisfaction Score	Customer satisfaction for similar-sized utilities in the region across customer classes	Top quartile
Safety (SD-6)	DART	Days Away, Restricted or Transferred	< 0.50
	PVIR	Preventable Vehicle Incident Rate	< 4.00
Environmental Stewardship (SD-7)	Net Zero Carbon	By year end 2027, achieve an approximate 3,500,000 ton annual reduction in CO2 emissions at the North Omaha Station site relative to OPPD's 2013 benchmark of 3,960,179 tons at the station	3.5 million tons/year
Employee Relations (SD-8)	Employee Engagement	Composite score of employee engagement	Top quartile
<i>For a full listing of the 15 Strategic Directives, which includes Integrated System Planning (SD-9), Ethics (SD-10), Economic Development (SD-11), Information Management & Security (SD-12), Stakeholder Outreach & Engagement (SD-13), Retirement Plan Funding (SD-14), Enterprise Risk Management (SD-15), please access the following link to the OPPD Board Policy document https://www.oppd.com/media/317205/oppd-board-policy-binder.pdf</i>			

*Board Strategic Direction Policies and Strategic Goals are initial estimates and are under review by the OPPD Board of Directors.

Powering the Future to 2050

The Vision is Clear - Perfect Power, Customer Freedom and Cleaner World enabled through a Digitally Driven, Purpose Driven Culture and Future Ready Posture mindset

In November of 2019, the Board of Directors revised SD-7: Environmental Stewardship and established the goal to conduct all of its operations in a manner that strives for the goal of net zero carbon production by 2050. In consideration of this revision, other SD policies, and transformational changes within and outside the industry, the Executive Leadership Team (ELT) created Powering the Future to 2050 (PF 2050), which provides a strategic vision for the organization through the year 2050.

PF 2050 was developed with the expressed intent to meet or exceed the fifteen SD policies. PF 2050 outlines a transformational journey:

- From an electric utility that uses technology, to a technology-focused organization that delivers essential energy services.
- From a traditional utility with one-way power and information flows, to a digital utility with two-way & multi-directional power and communication flows.
- From a reactive grid that bends and breaks from extreme wind and weather to a proactive grid that can predict, self-heal, back up, and communicate directly with customer-owners.
- From a company that monitors carbon emissions, to a company that eliminates carbon emissions.
- From a company that offers customer-owners limited options, to one that provides multiple options.
- From a company that adapts slowly, to a company more empowered by agile teams.

It leverages and aligns with the research and outcomes from the five strategic initiatives that OPPD has undertaken in recent years:

- Pathways to Decarbonization: To identify no regrets solutions across potential future pathways in generation, internal operations, customer, and community that strive to meet SD-7's goal of net zero carbon production by 2050.
- Customer Engagement for the Future: To better connect and engage with current and prospective customers in order to truly learn and understand what is important to and desired by them, and use that information to define, plan, and prioritize initiatives that help meet customers' changing expectations from their energy services provider.
- Electric System Evaluation & Modernization: To leverage technology, systems and data to enhance customer experience, modernize our grid, manage asset lifecycles, and optimize operational processes.
- Technology Platform: To create a sustainable and secure technology base that cultivates industry, customer, and employee confidence and directly aligns with the holistic goals of OPPD.
- Workplace Transformation: To develop a framework ensuring workforce readiness for changes related to the developing operations model, supports OPPD's evolution as a utility of the future, and promotes OPPD's position as an employer of choice in the region.

OPPD leveraged PF 2050 to guide planning, prioritization and resourcing decisions for this Corporate Operating Plan.

Enterprise Risk Management

Fundamental to effective planning is an understanding of the District’s enterprise level risks and the development and implementation of initiatives and mitigation plans to respond to those risks. The District’s Enterprise Risk Management (ERM) program specifies risk management standards, management responsibilities, and controls to help ensure risk exposures are properly identified and managed within agreed upon risk tolerance levels. Specific risk mitigation plans and procedures are maintained and reviewed periodically to provide focused and consistent efforts to mitigate various risk exposures. In support of its 2023 corporate planning efforts, OPPD leveraged risk assessments and mitigation plans to help prioritize resource allocation. The ELT has initiated and will continue to expand this effort by incorporating those critical trends identified and associated with PF 2050.

Theme	OPPD’s Risk Management Focus
Retail revenues & wholesale revenues	Persistently pursue customer and economic development to achieve economies of scale and strengthen the affordability of our rates. Optimize wholesale revenues and purchases to further benefit our customer-owners.
Resource Adequacy and Reliability	Acquire and maintain a high availability and diverse generation portfolio to serve a significantly growing customer demand.
Environmental sensitivity	Ensure the District is compliant with all environmental regulations, well-positioned to respond to new regulations, and able to minimize our environmental impact.
Fuel costs	Effectively manage the District’s fuel portfolio through numerous mitigation strategies to continue to ensure low cost and resilient generation.
Fort Calhoun Station Decommissioning	Realize the economic savings potential from ceasing operations at Fort Calhoun Station and effectively executing the decommissioning project. Ensure decommissioning funds are wholly adequate to return the facility to green field status.
Cyber & physical security	Vigorously defend customer information and District assets from all potential cyber and physical security threats inherent with national critical infrastructure.
Infrastructure investment	Optimally invest in transmission, distribution, substation, facility, and technology assets to ensure reliable and resilient energy services and supporting functions will meet the demands of our customer-owners.
Workplace safety	Continue promoting safety as a top priority to ensure every employee and contractor goes home as healthy as they came into work.
Community partnership	Honor and support the communities in which we operate and fulfill the promise of public power.



Assumptions



Assumptions

2023 Proposed Rate Action

OPPD's 2023 Corporate Operating Plan assumes no general rate increase and a 2.9% increase in the Fuel and Purchased Power Adjustment (FPPA) factor effective January 1, 2023.

General

2022 Projected

Revenues, operations and maintenance, capital and deferred expenditures reflect the 2022 actual values and forecast submitted through September 30, 2022.

Financing/Investing

Financing

Revenue bonds with net proceeds of \$478.9 million are included in the 2023 budget. The proceeds of these bonds are expected to be used for funding 74.8% of capital expenditures.

Average Earnings Rates on Funds

The average earnings rate used for all funds (including special purpose) for 2023 is 3.4% which is an increase of 2.0% from the prior year's rate of 1.4%.

Energy Sales/Revenues

Load Forecast

The plan assumes a 6.8% increase in retail energy sales (MWh) and a 1.0% increase in the number of customers in 2023, as compared to the 2022 projections.

Assumptions

Generation, Purchased Power, and Fuel Budget

Outages have been scheduled for the following base-load units in 2023:

1. Nebraska City Station Units Number 1 and 2
2. North Omaha Station Units Number 4 and 5

Additionally there are several shorter outages scheduled for other units. The purchased power budget includes generation supplied from 972 megawatts of wind capability, 80 megawatts of hydropower from the Western Area Power Administration, as well as 5 megawatts of Fort Calhoun Community Solar capability. In addition to OPPD's existing wind and solar portfolio, a future 81-megawatt utility-scale solar generation facility, Platteview Solar, is being constructed and expected to go operational in 2024.

Department Operation and Maintenance Budget

Department and division level budgets were proposed in August 2022 during the Resource Optimization Sessions. These plans were reviewed with the Executive Leadership Team for alignment with the strategic and operational objectives before submitting them to the Board in the 2023 Corporate Operating Plan for Board final approval.

Capital Budget Expenditures

The capital portfolio prioritization and allocation process continues to improve capital planning. The process enables better alignment with the strategic directives and provides more transparency of capital spending through improved project review and approval processes. The size of the 2023 capital budget is comparable to the 2022 plan as the District continues system expansion to provide reliable electric service to a growing community.

Total 2023 Budget

The total 2023 Budget is \$1.9 billion.

BUDGET SUMMARY
(DOLLARS IN THOUSANDS)

Total Budget

	BUDGET 2022	BUDGET 2023	INCREASE / (DECREASE)	% CHANGE
Fuel Costs and Purchased Power	\$376,734	\$462,867	\$86,133	22.9
Non-Fuel Operations & Maintenance	426,660	481,800	55,140	12.9
Total Debt Service and Other Expenses	144,429	164,149	19,720	13.7
Payments in Lieu of Taxes	38,709	42,065	3,356	8.7
Capital Expenditures*	670,000	640,000	(30,000)	(4.5)
Regulatory Amortization	14,838	13,602	(1,236)	(8.3)
Decommissioning Expenditures**	150,870	115,301	(35,569)	(23.6)
TOTAL BUDGET	\$1,822,240	\$1,919,784	\$97,544	5.4

*Capital Expenditures are shown net of Contributions in Aid of Construction.

**Decommissioning Expenditures represent expenditures related to Decommissioning activity, which differs from Decommissioning Funding (\$95.2 million) which is an expense and is reflected on the income statement.

Budget Component Comparison

	BUDGET 2022	BUDGET 2023	CHANGE
Fuel Costs and Purchased Power	20.7%	24.1%	3.4
Non-Fuel Operations & Maintenance	23.4%	25.1%	1.7
Total Debt Service and Other Expenses	7.9%	8.6%	0.6
Payments in Lieu of Taxes	2.1%	2.2%	0.1
Capital Expenditures*	36.8%	33.3%	(3.4)
Regulatory Amortization	0.8%	0.7%	(0.1)
Decommissioning Expenditures**	8.3%	6.0%	(2.3)
TOTAL BUDGET	100%	100%	0.0

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.

Fuel and Purchased Power Budget

	BUDGET 2022	BUDGET 2023	INCREASE / (DECREASE)	% CHANGE
Fuel Cost	\$148,243	\$165,301	\$17,058	11.5
Purchased Power	228,491	297,566	69,075	30.2
TOTAL BUDGET	\$376,734	\$462,867	\$86,133	22.9

Non-Fuel O&M Budget

	BUDGET 2022	BUDGET 2023	INCREASE / (DECREASE)	% CHANGE
Production	\$108,540	\$131,925	\$23,385	21.5
Transmission and Distribution	128,033	150,401	22,368	17.5
Customer Accounting and Services	45,922	47,881	1,959	4.3
Administrative and General	144,165	151,593	7,428	5.2
TOTAL BUDGET	\$426,660	\$481,800	\$55,140	12.9

Debt Service/Other Expenses

	BUDGET 2022	BUDGET 2023	INCREASE / (DECREASE)	% CHANGE
Bonds	\$152,212	\$169,510	\$17,298	11.4
Commercial Paper	719	8,750	8,031	1117.0
Other	(8,502)	(14,111)	(5,609)	66.0
TOTAL BUDGET	\$144,429	\$164,149	\$19,720	13.7

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.



Financial Statements



Financial Statements

Income Statement

Projected net income for 2022 is a loss of \$2.2 million, which is \$64.9 million under budget. The net loss is primarily due to Net Power Costs (Fuel, Purchased Power, Wholesale Revenues). Also contributing to the net loss is mark to market adjustments on invested securities, which do not impact debt service coverage. As OPPD typically holds investments to maturity, mark to market adjustments are rarely realized. Partially offsetting the net loss is improved FEMA reimbursements as well as lower debt service costs. It should be noted that OPPD does not set budgets and other forward looking plans on the basis of net income. The District uses a 2.0 Debt Service coverage ratio as the basis of annual budgets, which is based on SD-3 Access to Credit Markets.

Net income for 2023 is budgeted to be \$96.5 million, which is \$98.7 million higher than the 2022 projected net income. When compared to the 2022 budget, net income for 2023 is \$33.8 million or 53.8% higher. The District does not manage to a net income metric. OPPD's primary financial metrics are Total Debt Service and liquidity, which drive net income fluctuations.

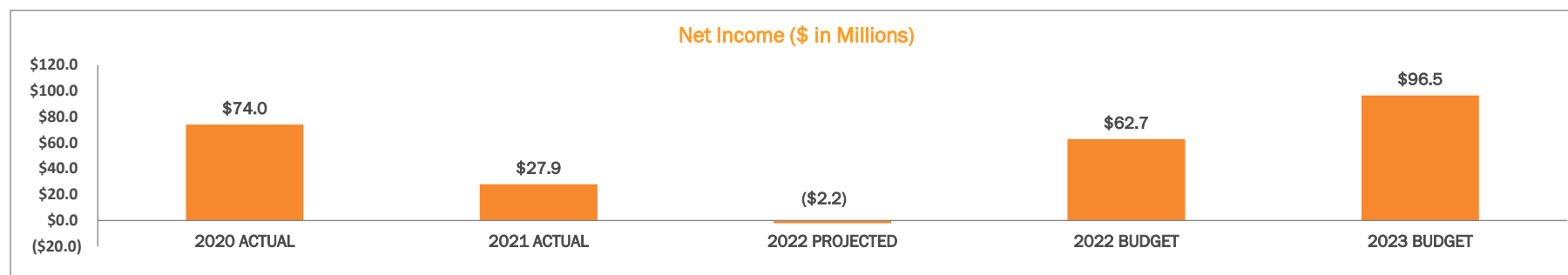
Major factors contributing to the change in 2023 operating and net income are:

1. Operating revenues are budgeted to be \$8.4 million higher than 2022 projections and \$153.0 million higher than the 2022 budget. The budget increase is primarily due to higher Commercial and Industrial Sales. Retail revenues are projected to increase \$55.8 million from 2022 projections and increase \$86.0 million when compared to the 2022 budget, which is related to year over year growth in the industrial and commercial customer classes. In addition, Wholesale Revenues are projected to increase by \$64.7 million compared to 2022 budget, driven by elevated market prices, partially offset by lower sales volumes. Wholesale Revenues are expected to decrease by approximately \$46.1 million compared to 2022 projections primarily due to decreased sales volumes.
2. Operations and maintenance expense is budgeted to be \$15.7 million lower than the 2022 projected amount and \$141.3 million higher than the 2022 budget amount. The 2023 budget is lower than the 2022 projected amount due to increased Purchased Power and Fuel expenses during 2022 resulting from elevated market prices and operating interruptions. The 2023 budget is higher than the 2022 budget primarily due to higher fuel and purchased power expenses, production outage costs and investments in the District's strategic priorities.
3. Other income for 2023 is \$61.1 million higher than the 2022 projected amount primarily due to the decrease in fair market value of investments in 2022. Other income budgeted for 2023 is \$15.1 million higher than the 2022 budget amount primarily due to increased investment income resulting from higher average earnings rates.
4. Total decommissioning funding, which is recognized as an expense of \$95.2 million in 2023, is \$48.8 million lower than 2022 projected.

**INCOME STATEMENT
(DOLLARS IN THOUSANDS)**

Income Statement

	ACTUAL 2020	ACTUAL 2021	PROJECTED 2022	BUDGET 2022	VARIANCE 2022	BUDGET 2023	23 BUDGET VS. 22 PROJ. \$ CHANGE	% CHANGE
OPERATING REVENUES	\$1,083,901	\$1,496,920	\$1,392,832	\$1,248,228	\$144,604	\$1,401,221	\$8,388	0.6
OPERATING EXPENSES								
O&M EXPENSE	\$686,086	\$1,093,592	\$960,318	\$803,394	\$156,924	\$944,666	(\$15,651)	(1.6)
PAYMENTS IN LIEU OF TAXES	35,438	38,555	40,628	38,709	1,919	42,065	1,437	3.5
DECOMMISSIONING EXPENSE	130,035	132,543	143,922	138,923	5,000	95,168	(48,754)	(33.9)
REGULATORY AMORTIZATION	14,836	14,836	14,841	14,838	3	13,602	(1,239)	(8.4)
DEPRECIATION EXPENSE	136,175	142,156	147,480	143,459	4,021	156,567	9,087	6.2
TOTAL OPERATING EXPENSE	\$1,002,569	\$1,421,682	\$1,307,189	\$1,139,323	\$167,866	\$1,252,068	(\$55,121)	(4.2)
OPERATING INCOME	\$81,331	\$75,238	\$85,644	\$108,905	(\$23,261)	\$149,153	\$63,509	74.2
INTEREST INCOME*	\$45,034	(\$3,286)	(\$43,836)	\$19,363	(\$63,199)	\$27,152	\$70,988	(161.9)
ALLOWANCE FOR FUNDS USED	8,404	9,772	17,872	8,095	9,777	25,369	7,497	41.9
PRODUCTS AND SERVICES - NET	2,511	1,830	2,248	3,365	(1,117)	3,400	1,153	51.3
MISC. NON OPERATING INCOME	7,542	12,931	21,558	13,000	8,558	3,000	(18,558)	(86.1)
TOTAL OTHER INCOME	\$63,492	\$21,247	(\$2,159)	\$43,822	(\$45,982)	\$58,921	\$61,080	(2,828.7)
TOTAL INCOME LESS OPERATING EXPENSE	\$144,823	\$96,485	\$83,484	\$152,727	(\$69,243)	\$208,073	\$124,589	149.2
INCOME DEDUCT. & INT. CHARGES								
INTEREST EXPENSE	80,883	78,800	98,568	98,487	81	125,671	27,104	27.5
AMORTIZATION	(11,816)	(12,210)	(14,514)	(10,206)	(4,307)	(15,316)	(803)	5.5
OTHER INCOME DEDUCTIONS	1,754	1,947	1,595	1,705	(110)	1,205	(390)	(24.5)
TOTAL INCOME DEDUCT. & INT. CHARGES	\$70,821	\$68,537	\$85,649	\$89,986	(\$4,337)	\$111,560	\$25,911	30.3
NET INCOME	\$74,002	\$27,948	(\$2,165)	\$62,741	(\$64,906)	\$96,513	\$98,678	(4,558.0)



NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.

* Included in Projected 2022 Interest Income are mark to market losses of approximately \$69.0M

Financial Statements

Coverage Ratios

The total debt service coverage ratio, which is the key metric viewed by credit rating agencies, is budgeted to be 2.00 times in 2023, as directed by SD-3 Access to Credit Markets.

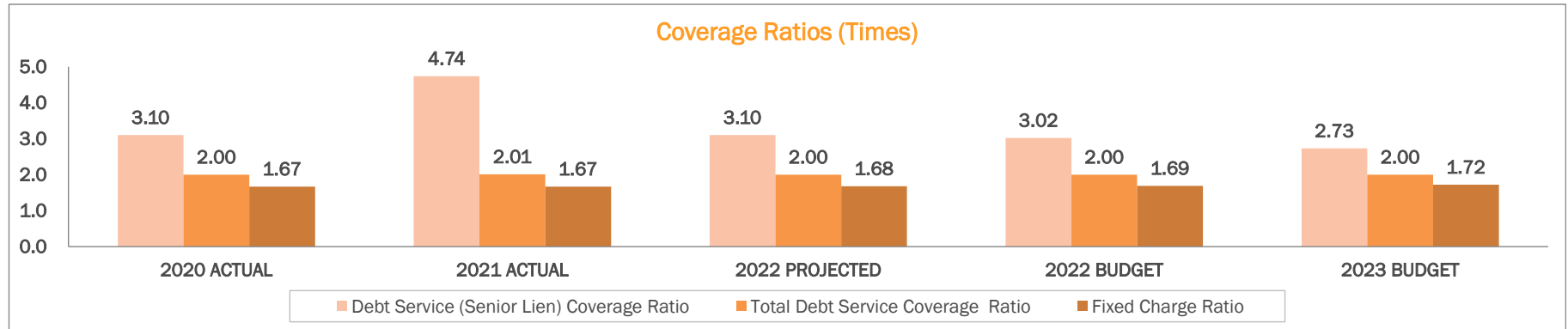
The fixed charge ratio is budgeted at 1.72 times in 2023, as compared to the projected 2022 of 1.68 times.

The Senior Lien debt service coverage ratio is projected to be 3.10 times in 2022 and 2.73 times in 2023. The decrease is driven by an increase in Senior Lien debt service requirements, partially offset by an increase in net receipts. Net receipts for 2023 are expected to increase by \$29.6 million or 8.2% from 2022 projected levels primarily due to decreasing Operations and Maintenance expenses. Senior Lien debt service requirements for 2023 are scheduled to increase by approximately \$26.7 million over 2022 projections as a result of the 2022 and 2023 bond issues.

**COVERAGE RATIOS
(DOLLARS IN THOUSANDS)**

Coverage Ratios

	ACTUAL 2020	ACTUAL 2021	PROJECTED 2022	BUDGET 2022	VARIANCE 2022	BUDGET 2023	23 BUDGET VS. 22 PROJ.	
							\$ CHANGE	% CHANGE
OPERATING REVENUES (EXCL. NC2)	\$1,018,067	\$1,426,672	\$1,326,854	\$1,188,647	\$138,207	\$1,331,828	\$4,974	0.4
INTEREST INCOME - BONDS RESERVE ACCOUNT	1,116	1,077	1,909	792	1,117	2,066	157	8.2
O&M EXPENSE (EXCL. NC2 PARTICIPANT SHARE)	(649,580)	(1,054,372)	(925,044)	(768,392)	(156,652)	(899,143)	25,901	(2.8)
PAYMENTS IN LIEU OF TAXES	(35,438)	(38,555)	(40,628)	(38,709)	(1,919)	(42,065)	(1,437)	3.5
NET RECEIPTS	\$334,165	\$334,822	\$363,091	\$382,338	(\$19,247)	\$392,686	\$29,595	8.2
DEBT SERVICE REQUIREMENTS (SENIOR LIEN)	\$107,795	\$70,582	\$116,947	\$126,267	(\$9,320)	\$143,690	\$26,743	22.9
DEBT SERVICE (SENIOR LIEN) COVERAGE RATIO	3.10	4.74	3.10	3.02		2.73		
<u>MEMO: OTHER COVERAGE RATIOS:</u>								
TOTAL DEBT SERVICE COVERAGE RATIO (DSC)	2.00	2.01	2.00	2.00		2.00		
FIXED CHARGE RATIO	1.67	1.67	1.68	1.69		1.72		



NOTES: Some columns may not foot exactly due to the method used for individual line item rounding. Total DSC as defined in OPPD's published Strategic Directive-3: Access to Credit Markets.

Financial Statements

Debt and Financing Data

Total Senior Lien revenue bonds outstanding at year-end 2023 are budgeted to equal \$2,394.0 million. The 2023 budget anticipates the issuance of approximately \$504.0 million of new Senior Lien revenue bonds and also includes Senior Lien revenue bond maturities and retirements of \$45.3 million.

Total subordinated bonds outstanding at year-end 2023 are budgeted to equal \$224.7 million and also includes subordinated bond maturities and retirements of \$2.6 million. The 2023 budget does not anticipate the issuance of new subordinated bonds.

Total commercial paper outstanding at year-end 2023 is budgeted to equal \$250.0 million. The 2023 budget does not anticipate the retirement or issuance of new commercial paper.

Total Separate System (NC2) revenue bonds outstanding at year-end 2023 are budgeted to equal \$193.7 million. The 2023 budget does not anticipate the issuance of new NC2 revenue bonds, but does have NC2 revenue bond maturities and retirements of \$4.0 million.

The total average interest rate on existing debt will be 3.90% at the end of 2022 and 4.10% at the end of 2023. The debt to capitalization ratio is budgeted to be 67% for 2023.

**DEBT AND FINANCING DATA
(DOLLARS IN THOUSANDS)**

Debt and Financing Data

	ACTUAL 2020	ACTUAL 2021	PROJECTED 2022	BUDGET 2022	VARIANCE 2022	BUDGET 2023	23 BUDGET VS. 22 PROJ. \$ CHANGE	% CHANGE
SENIOR LIEN REVENUE BONDS								
BALANCE - BEGINNING OF YEAR	\$1,256,030	\$1,208,640	\$1,524,630	\$1,508,855	\$15,775	\$1,935,320	\$410,690	26.9
MATURITIES / RETIREMENTS	(47,390)	(122,945)	(9,875)	(9,875)	0	(45,305)	(35,430)	358.8
NEW ISSUES	0	438,935	420,565	394,419	26,146	504,000	83,435	19.8
BALANCE - END OF YEAR	\$1,208,640	\$1,524,630	\$1,935,320	\$1,893,399	\$41,921	\$2,394,015	\$458,695	23.7
AVERAGE INTEREST RATE (END OF YEAR)	4.77%	3.76%	4.11%	4.14%		4.09%		
SUBORDINATED								
BALANCE - BEGINNING OF YEAR	\$254,665	\$229,775	\$229,775	\$229,775	\$0	\$227,225	(\$2,550)	(1.1)
MATURITIES / RETIREMENTS	(24,890)	0	(2,550)	(2,550)	0	(2,555)	(5)	0.2
NEW ISSUES	0	0	0	0	0	0	0	0.0
BALANCE - END OF YEAR	\$229,775	\$229,775	\$227,225	\$227,225	\$0	\$224,670	(\$2,555)	(1.1)
AVERAGE INTEREST RATE (END OF YEAR)	4.27%	4.24%	4.23%	4.23%		4.22%		
MINIBONDS								
BALANCE - BEGINNING OF YEAR	\$31,211	\$31,737	\$0	\$0	\$0	\$0	\$0	0.0
MATURITIES / RETIREMENTS	(150)	(32,344)	0	0	0	0	0	0.0
ACCRETED INTEREST	676	607	0	0	0	0	0	0.0
BALANCE - END OF YEAR	\$31,737	\$0	\$0	\$0	\$0	\$0	\$0	0.0
AVERAGE INTEREST RATE (END OF YEAR)	4.98%							
COMMERCIAL PAPER								
BALANCE - BEGINNING OF YEAR	\$230,100	\$250,000	\$325,000	\$325,000	\$0	\$250,000	(\$75,000)	(23.1)
MATURITIES / RETIREMENTS	0	0	(75,000)	(75,000)	0	0	75,000	(100.0)
NEW ISSUES	19,900	75,000	0	0	0	0	0	0.0
BALANCE - END OF YEAR	\$250,000	\$325,000	\$250,000	\$250,000	\$0	\$250,000	\$0	0.0
AVERAGE INTEREST RATE (END OF YEAR)	0.67%	0.16%	1.19%	0.29%		3.50%		
SEPARATE SYSTEM REVENUE BONDS (NC2)								
BALANCE - BEGINNING OF YEAR	\$208,645	\$205,150	\$201,495	\$201,495	\$0	\$197,680	(\$3,815)	(1.9)
MATURITIES / RETIREMENTS	(3,495)	(3,655)	(3,815)	(3,815)	0	(4,000)	(185)	4.8
NEW ISSUES	0	0	0	0	0	0	0	0.0
BALANCE - END OF YEAR	\$205,150	\$201,495	\$197,680	\$197,680	\$0	\$193,680	(\$4,000)	(2.0)
AVERAGE INTEREST RATE (END OF YEAR)	4.94%	4.95%	4.95%	4.95%		4.95%		
TOTAL AVERAGE INTEREST RATE (END OF YEAR)	4.20%	3.45%	3.90%	3.83%		4.10%		
TOTAL INTEREST EXPENSE (ON DEBT)	\$70,821	\$68,537	\$85,649	\$89,986	(\$4,337)	\$111,560	\$25,911	30.3
DEBT TO CAPITALIZATION RATIO	57%	61%	64%	63%		67%		

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.

Financial Statements

Cash Flow Analysis

Projected cash receipts for 2022 are \$1,491.6 million, which is \$214.6 million over budget. Cash disbursements are projected to be \$1,861.3 million in 2022 or \$64.5 million over the 2022 budget amount. Both receipts and disbursements are impacted by energy markets resulting from increased prices and higher fuel costs. Fuel costs are driven by increased commodity pricing, partially offset by lower volumes from unplanned outages.

In 2023, cash receipts are budgeted to decrease by \$56.2 million to \$1,435.4 million as compared to the 2022 projection. This decrease is primarily due to lower wholesale revenues, which is related to decreased sales volume.

Cash disbursements in 2023 are budgeted to increase by \$33.0 million to \$1,894.3 million as compared to the 2022 projection. Increases in cash disbursements include operation and maintenance expense of \$70.5 million, capital expenditures of \$55.0 million and debt service of \$30.9 million, partially offset by decreases in purchased power of \$56.1 million, fuel of \$23.1 million and decommissioning expense of \$33.4 million.

The budget values of cash receipts and disbursements result in a projected year-end cash balance of \$640.9 million in 2023.

**CASH FLOW ANALYSIS
(DOLLARS IN THOUSANDS)**

Cash Flow Analysis

	ACTUAL 2020	ACTUAL 2021	PROJECTED 2022	BUDGET 2022	VARIANCE 2022	BUDGET 2023	23 BUDGET VS. 22 PROJ. \$ CHANGE	% CHANGE
CASH BEGINNING OF PERIOD	\$356,508	\$366,157	\$636,681	\$602,644	\$34,037	\$620,910	(\$15,771)	(2.5)
RECEIPTS								
RETAIL REVENUES	\$977,771	\$1,034,029	\$1,154,704	\$1,067,540	\$87,164	\$1,160,884	\$6,179	0.5
WHOLESALE REVENUES (INCL. NC2)	142,663	310,228	244,575	136,340	108,235	201,247	(43,328)	(17.7)
OTHER ELECTRIC REVENUES	36,858	37,637	40,096	37,431	2,665	39,679	(417)	(1.0)
INTEREST INCOME	34,200	37,107	49,765	32,321	17,444	30,152	(19,613)	(39.4)
PRODUCTS & SERVICES	2,511	1,830	2,411	3,365	(954)	3,400	989	41.0
USE OF RESERVE ACCOUNTS	0	0	0	0	0	0	0	0.0
TOTAL RECEIPTS	\$1,194,002	\$1,420,830	\$1,491,551	\$1,276,997	\$214,554	\$1,435,362	(\$56,189)	(3.8)
DISBURSEMENTS								
O&M EXPENSE (W/O FUEL & PURCHASED POWER)	\$340,630	\$472,243	\$421,165	\$422,630	(\$1,465)	\$491,668	\$70,503	16.7
DECOMMISSIONING EXPENSE	130,035	132,543	128,583	138,923	(10,340)	95,168	(33,414)	(26.0)
PAYMENTS IN LIEU OF TAXES	35,438	38,555	38,337	35,847	2,490	40,540	2,203	5.7
DEBT SERVICE	134,004	116,972	133,578	154,544	(20,966)	164,486	30,908	23.1
CAPITAL EXPENDITURES	205,976	281,122	585,000	670,000	(85,000)	640,000	55,000	9.4
FUEL	145,059	203,944	189,080	147,365	41,715	165,934	(23,146)	(12.2)
PURCHASED POWER	192,588	395,399	352,656	227,493	125,163	296,525	(56,130)	(15.9)
CHANGES IN OTHER NET ASSETS	3,524	15,476	12,923	0	12,923	0	(12,923)	(100.0)
CONTRIBUTIONS TO RESERVE ACCOUNTS	17,000	0	0	0	0	0	0	0.0
TOTAL DISBURSEMENTS	\$1,204,253	\$1,656,254	\$1,861,321	\$1,796,802	\$64,519	\$1,894,322	\$33,000	1.8
NET OPERATING CASH FLOW	(\$10,251)	(\$235,424)	(\$369,771)	(\$519,805)	\$150,034	(\$458,960)	(\$89,189)	24.1
FINANCING	\$0	\$531,245	\$451,795	\$454,556	(\$2,761)	\$504,000	\$52,205	11.6
FINANCING COST / RESERVE AMOUNT	0	(25,297)	(22,795)	(15,867)	(6,928)	(25,060)	(2,265)	9.9
COMMERCIAL PAPER - NET	0	0	(75,000)	(75,000)	0	0	75,000	(100.0)
OTHER	19,900	0	0	0	0	0	0	0.0
TOTAL FINANCING	\$19,900	\$505,948	\$354,000	\$363,689	(\$9,689)	\$478,940	\$124,940	35.3
TOTAL CHANGE IN CASH	\$9,649	\$270,524	(\$15,771)	(\$156,116)	\$140,345	\$19,980	\$35,751	(226.7)
CASH END OF PERIOD	\$366,157	\$636,681	\$620,910	\$446,528	\$174,382	\$640,890	\$19,979	3.2
DECOMMISSIONING FUND	\$542,090	\$519,702	\$602,008	\$546,221	\$55,787	\$591,073	(\$10,935)	(1.8)

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.



Energy Sales



Energy Sales

Electric Energy Sales & Electric Customers

Retail energy sales are budgeted to be 12,973,856 MWh or 6.8% greater than 2022 projections, driven by load growth in the Commercial and Industrial classes. Wholesale revenues (including NC2 participation sales) are budgeted to decrease 539,971 MWh or 12.9% from 2022 projected levels. Total electric energy sales are budgeted to be 16,628,467 MWh or 1.7% more than the 2022 projected energy sales due to increased retail sales, particularly in the Industrial class, partially offset by decreased wholesale revenues.

In 2023, the average number of retail customers is budgeted to increase by 4,172 or 1.0% above 2022 projections.

ELECTRIC ENERGY SALES AND CUSTOMERS

Energy Sales and Customers

	ACTUAL 2020	ACTUAL 2021	PROJECTED 2022	BUDGET 2022	VARIANCE 2022	BUDGET 2023	23 BUDGET VS. 22 PROJ.	
							MWh CHANGE	% CHANGE
<u>ELECTRIC ENERGY SALES (MWh)</u>								
RESIDENTIAL	3,792,482	3,868,322	3,912,954	3,676,059	236,895	3,841,839	(71,115)	(1.8)
COMMERCIAL	3,529,531	3,668,742	3,788,136	3,783,785	4,350	3,839,630	51,495	1.4
INDUSTRIAL	3,683,609	4,014,243	4,451,876	4,719,585	(267,709)	5,286,601	834,725	18.7
UNBILLED SALES	83,316	(43,517)	(1,997)	(29,139)	27,142	5,785	7,782	(389.7)
RETAIL SALES	11,088,938	11,507,790	12,150,969	12,150,291	678	12,973,856	822,887	6.8
NC2 PARTICIPANT	1,861,619	1,937,894	2,415,381	2,316,838	98,542	2,024,921	(390,460)	(16.2)
OTHER	3,088,859	2,284,818	1,779,201	2,831,109	(1,051,908)	1,629,690	(149,511)	(8.4)
WHOLESALE REVENUES	4,950,477	4,222,712	4,194,582	5,147,948	(953,366)	3,654,611	(539,971)	(12.9)
TOTAL MWh SALES	16,039,416	15,730,502	16,345,550	17,298,238	(952,688)	16,628,467	282,916	1.7
<u>ELECTRIC CUSTOMERS (12 MONTH AVG.)</u>								
RESIDENTIAL	342,716	346,503	351,841	345,506	6,334	355,847	4,006	1.1
COMMERCIAL	47,461	48,781	49,532	48,095	1,436	49,689	157	0.3
INDUSTRIAL	144	141	137	146	(9)	145	8	5.9
TOTAL RETAIL CUSTOMERS	390,321	395,424	401,509	393,747	7,762	405,681	4,172	1.0
<u>kWh / CUSTOMER</u>								
RESIDENTIAL	11,066	11,164	11,121	10,640	482	10,796	(325)	(2.9)
COMMERCIAL	74,367	75,209	76,479	78,673	(2,194)	77,273	794	1.0
INDUSTRIAL	25,521,542	28,537,271	32,515,222	32,325,925	189,297	36,459,317	3,944,096	12.1
AVERAGE kWh / CUSTOMER	28,196	29,212	30,268	30,932	(664)	31,966	1,698	5.6

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.

Energy Sales

Operating Revenues

Total electric operating revenues for 2022 are projected to be \$1,392.8 million, which is \$144.6 million or 11.6% over the 2022 budget. The variance is primarily due to wholesale revenues which are \$110.9 million over budget for 2022 primarily due to energy market pricing and elevated congestion hedging revenues. Retail revenues are \$30.2 million over the budget for 2022 due to warmer weather and increased customer counts.

Total electric operating revenues for 2023 are budgeted to be \$1,401.2 million, which is \$8.4 million or 0.6% above the 2022 projected operating revenues. Retail revenues are \$55.8 million greater than 2022 projection due to Industrial of \$53.0 million and Commercial of \$15.7 million, driven by load growth of 18.7% and 1.4%, respectively. Wholesale revenues are \$46.1 million below the 2022 projected amount primarily due to decreased sales volume.

OPERATING REVENUES
(DOLLARS IN THOUSANDS)

Operating Revenues

	ACTUAL 2020	ACTUAL 2021	PROJECTED 2022	BUDGET 2022	VARIANCE 2022	BUDGET 2023	23 BUDGET VS. 22 PROJ.	
							\$ CHANGE	% CHANGE
ELECTRIC OPERATING REVENUES								
RESIDENTIAL	\$431,965	\$439,609	\$464,752	\$435,829	\$28,923	\$463,690	(\$1,061)	(0.2)
COMMERCIAL	315,787	324,790	337,836	340,470	(2,634)	353,539	15,704	4.6
INDUSTRIAL	225,078	276,265	298,283	298,957	(674)	351,251	52,968	17.8
FPPA RECEIVABLE AMORTIZATION	(\$45,917)	\$7,616	\$7,400	\$0	\$7,400	(\$7,400)	(\$14,800)	(200.0)
PROVISION FOR DABR	(21,000)	83,000	0	0	0	0	0	0.0
UNBILLED REVENUES/ADJUSTMENTS	3,847	(372)	371	3,186	(2,815)	3,396	3,026	816.6
TOTAL RETAIL SALES	\$909,761	\$1,130,907	\$1,108,641	\$1,078,442	\$30,200	\$1,164,477	\$55,836	5.0
NC2 PARTICIPANTS	\$65,834	\$70,248	\$65,978	\$59,581	\$6,397	\$69,393	\$3,414	5.2
OTHER	71,448	258,128	177,228	72,774	104,454	127,671	(49,557)	(28.0)
TOTAL WHOLESALE REVENUES	\$137,282	\$328,376	\$243,207	\$132,355	\$110,851	\$197,064	(\$46,143)	(19.0)
TOTAL SALES OF ELECTRIC ENERGY	\$1,047,043	\$1,459,283	\$1,351,848	\$1,210,797	\$141,051	\$1,361,541	\$9,693	0.7
OTHER ELECTRIC REVENUES								
LATE PAYMENT CHARGES	\$3,179	\$4,392	\$4,813	\$4,529	\$284	\$4,437	(\$376)	(7.8)
RENT FROM ELECTRIC PROPERTY	5,272	5,137	4,513	4,291	222	4,491	(22)	(0.5)
MISC. SERVICE REVENUE	4,391	4,423	5,451	4,571	880	4,074	(1,377)	(25.3)
TRANSMISSION WHEELING FEES	7,485	6,428	6,309	6,322	(13)	6,110	(200)	(3.2)
DISTRIBUTION WHEELING FEES	2,762	2,479	2,328	2,328	0	2,900	572	24.6
TRANSMISSION - SPP	13,768	14,777	17,569	15,389	2,180	17,667	98	0.6
TOTAL OTHER ELECTRIC REVENUES	\$36,858	\$37,637	\$40,984	\$37,431	\$3,553	\$39,679	(\$1,305)	(3.2)
TOTAL ELECTRIC OPERATING REVENUES	\$1,083,901	\$1,496,920	\$1,392,832	\$1,248,228	\$144,604	\$1,401,221	\$8,388	0.6

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.

Energy Sales

Average Cents/kWh

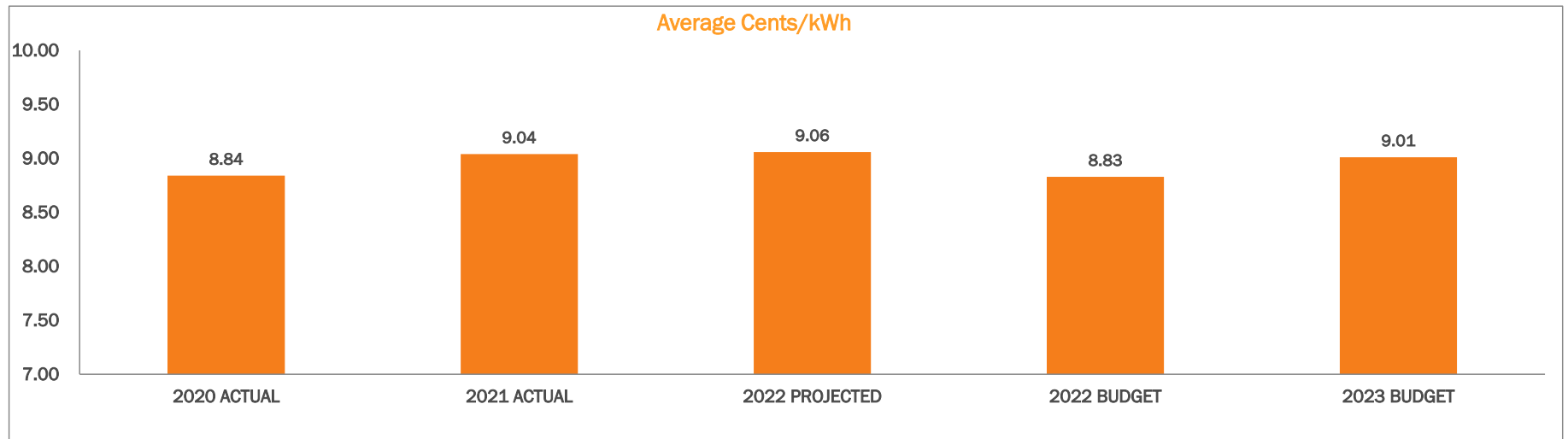
The 2022 average price per kWh for retail customers is projected to be 9.06 cents, which is 0.23 cents more than budget. The primary driver is due to the rate structure of 261M customers in the Industrial class, where customers pay market energy prices, which have been higher than budget. The price per kWh variance is the result of actual billings relative to energy sold as opposed to a rate change.

The average price per kWh for retail customers is budgeted to be 9.01 cents for 2023. This is 0.05 cents or a 0.5% decrease from 2022 projected amount. The Industrial class has offsetting changes. With market energy prices expected to move downward, 261M customers' average price per kWh is expected to decrease. However, the other Industrial class customers are subject to the FPPA factor, which will be increasing. The year-over-year budgeted increase for residential and commercial reflects the impact of the higher FPPA factor.

AVERAGE CENTS/kWh

Average Cents/kWh

	ACTUAL 2020	ACTUAL 2021	PROJECTED 2022	BUDGET 2022	VARIANCE 2022	BUDGET 2023	23 BUDGET VS. 22 PROJ.	
							\$ CHANGE	% CHANGE
RESIDENTIAL	11.39	11.38	11.88	11.86	0.02	12.07	0.19	1.6
COMMERCIAL	8.95	8.86	8.92	9.00	(0.08)	9.21	0.29	3.2
INDUSTRIAL	6.11	6.97	6.70	6.33	0.37	6.64	(0.06)	(0.8)
RETAIL AVERAGE *	8.84	9.04	9.06	8.83	0.23	9.01	(0.05)	(0.5)



NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.

* Average rates are from the revenue recognized on the Income Statement and do not incorporate accrued unbilled. These rates differ from customer billed rates and are calculated for benchmarking and illustrative purposes only.



Net System Requirements



Net System Requirements

Net system requirements (Total Retail Sales as shown on the next page) for 2023 are budgeted to be 13,712,613 MWh, an increase of 5.9% from the 2022 projected amount. The major components of net system requirements are below by sales and supply components.

Total sales are budgeted to increase 282,916 MWh or 1.7% from the 2022 projected amount. Retail sales are budgeted to increase 822,887 MWh from the 2022 projected amount. Wholesale revenues, excluding NC2 participation sales, are budgeted to decrease by 149,511 MWh or 8.4% from the 2022 projected amount.

Net generation is budgeted to increase 3.5% in 2023 to 10,031,682 MWh and firm/participation purchases are budgeted to decrease 9.9% from the 2022 projected amount. Wholesale purchases are budgeted to increase 320,145 MWh from the 2022 projected amount primarily due to load growth outpacing owned generation.

**Net System Requirements
Sales and Supply Components (MWh)**

	PROJECTED 2022	BUDGET 2023	INCREASE / (DECREASE)	% CHANGE
Sales Components				
Retail Sales	12,150,969	12,973,856	822,887	6.8
NC2 Participation Sales	2,415,381	2,024,921	(390,460)	(16.2)
Wholesale Revenues	1,779,201	1,629,690	(149,511)	(8.4)
Total	16,345,550	16,628,467	282,916	1.7
Supply Components				
Net Generation	9,694,284	10,031,682	337,398	3.5
Firm/Participation Purchases	4,398,781	3,962,377	(436,404)	(9.9)
Wholesale Purchases	3,053,020	3,373,165	320,145	10.5
Lost or Unaccounted For	(800,535)	(738,757)	61,778	(7.7)
Total	16,345,550	16,628,467	282,916	1.7

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.

NET SYSTEM REQUIREMENTS

Net System Requirements	ACTUAL	ACTUAL	PROJECTED	BUDGET	VARIANCE	BUDGET	23 BUDGET VS. 22 PROJ.	
	2020	2021	2022	2022	2022	2023	MWh CHANGE	% CHANGE
NET GENERATION (MWh)								
TOTAL NET GENERATION	9,737,662	9,008,256	9,694,284	10,865,661	(1,171,377)	10,031,682	337,398	3.5
FIRM/PARTICIPATION PURCHASES	4,272,471	4,070,852	4,398,781	4,070,247	328,535	3,962,377	(436,404)	(9.9)
WHOLESALE PURCHASES	2,476,198	3,139,174	3,053,020	2,990,113	62,907	3,373,165	320,145	10.5
TOTAL PURCHASES	6,748,670	7,210,026	7,451,801	7,060,360	391,441	7,335,542	(116,259)	(1.6)
TOTAL INPUT	16,486,332	16,218,282	17,146,085	17,926,020	(779,935)	17,367,224	221,139	1.3
WHOLESALE REVENUES								
NC2 PARTICIPANT	1,861,619	1,937,894	2,415,381	2,316,838	98,542	2,024,921	(390,460)	(16.2)
OTHER	3,088,859	2,284,818	1,779,201	2,831,109	(1,051,908)	1,629,690	(149,511)	(8.4)
TOTAL WHOLESALE REVENUES	4,950,477	4,222,712	4,194,582	5,147,948	(953,366)	3,654,611	(539,971)	(12.9)
NET SYSTEM REQUIREMENTS	11,535,854	11,995,569	12,951,504	12,778,073	173,431	13,712,613	761,109	5.9
TOTAL RETAIL SALES	11,088,938	11,507,790	12,150,969	12,150,291	678	12,973,856	822,887	6.8
ENERGY LOST OR UNACCOUNTED FOR	446,916	487,780	800,535	627,782	172,753	738,757	(61,778)	(7.7)
TOTAL RETAIL SALES	11,535,854	11,995,569	12,951,504	12,778,073	173,431	13,712,613	761,109	5.9

PEAK LOAD (MW)								
PEAK LOAD EXCLUDING DSM	2,554	2,509	2,592	2,786	(194)	2,686	94	3.6
DSM	162	170	185	185	0	195	10	5.4
PEAK LOAD INCLUDING DSM	2,392	2,339	2,407	2,601	(194)	2,491	84	3.5
LOAD FACTOR (%) - REFLECTS DSM	55.6	55.2	60.9	56.9	4.0	56.8	(4.1)	(6.7)

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding. DSM stands for Demand Side Management and includes Demand Response and Energy Efficiency components.



Operation, Maintenance, and Decommissioning Expenses



Operation, Maintenance, and Decommissioning Expenses

The District's 2023 total budgeted operations and maintenance (O&M) expense is \$944.7 million, which is \$15.7 million or 1.6% less than the 2022 projected amount. The 2023 budget is lower than 2022 projection largely due to increased market pricing in 2022 which increased both fuel and purchased power costs. Purchased power costs were also impacted by unplanned operating interruptions. 2023 is expected to have increased costs for planned outages, increased headcount as well as investments in strategic priorities, partially offsetting decreases in fuel and purchased power expenses.

Fuel expense represents 17.5% of total O&M expense. Fuel expense is budgeted at \$165.3 million for 2023, a decrease of \$22.4 million or 11.9% less than the 2022 projected amount primarily due to elevated prices in 2022, partially offset by unplanned outages consuming less fuel than expected.

Production expense represents 14.0% of the total and is budgeted to be \$131.9 million in 2023, which is \$25.4 million or 23.9% above the 2022 projected amount. The primary driver is scheduled outages.

Purchased power, including wind purchases, represents 31.5% of total O&M expense and is budgeted at \$297.6 million for 2023. This represents a decrease of \$45.9 million or 13.4% below the 2022 projected amount. The decrease from the 2022 projection is primarily due to greater energy purchases in 2022 due to unplanned outages.

Transmission and distribution expense represents 15.9% of total O&M expense and is budgeted at \$150.4 million, which is \$20.4 million or 15.7% more than the 2022 projected amount. The increase over the projected amount for 2022 is associated with increasing headcount as well as increased fees to the Southwest Power Pool.

Customer accounting and services expense represents 5.1% of total O&M expense and is budgeted at \$47.9 million for 2023. This represents an increase of \$1.1 million or 2.4% more than the 2022 projected amount. The primary contributor to the increase is demand side management incentives borne from the Pathways to Decarbonization strategic initiative.

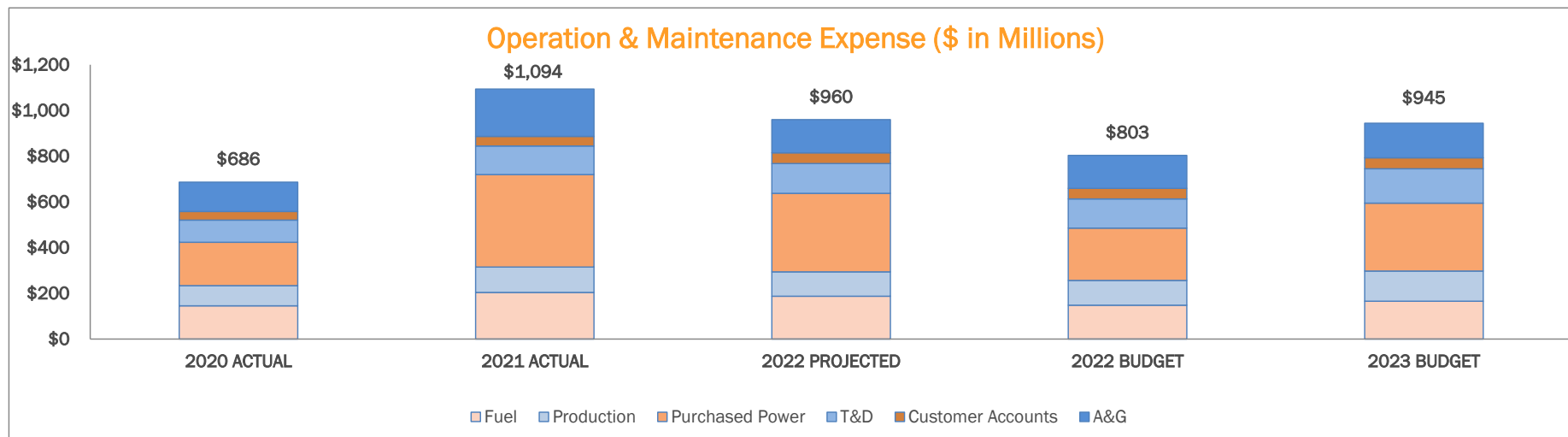
Administrative and general expense represents 16.0% of total O&M expense and is budgeted at \$151.6 million for 2023. This category reflects a increase of \$5.7 million or 3.9% more than the 2022 projected amount. The increase in 2023 is primarily related to the increased annual required contributions for the pension and other post-employment benefits, as well as, planned increases in medical expenditures.

Decommissioning expenses represent the annual funding of the decommissioning liability. The decommissioning funding for 2023 is budgeted to be \$95.2 million, which is \$48.8 million less than the 2022 projected amount.

OPERATION, MAINTENANCE, AND DECOMMISSIONING EXPENSES
(DOLLARS IN THOUSANDS)

Operation, Maintenance, and Decommissioning Expenses

	ACTUAL	ACTUAL	PROJECTED	BUDGET	VARIANCE	BUDGET	23 BUDGET VS. 22 PROJ.	
	2020	2021	2022	2022	2022	2023	\$ CHANGE	% CHANGE
FUEL	\$145,059	\$203,944	\$187,733	\$148,243	\$39,490	\$165,301	(\$22,432)	(11.9)
PRODUCTION	88,602	111,332	106,486	108,540	(2,054)	131,925	25,439	23.9
PURCHASED POWER	189,880	404,426	343,456	228,491	114,965	297,566	(45,890)	(13.4)
TRANSMISSION AND DISTRIBUTION	97,051	125,305	130,025	128,033	1,992	150,401	20,376	15.7
CUSTOMER ACCOUNTING AND SERVICES	37,229	41,175	46,773	45,922	851	47,881	1,108	2.4
ADMINISTRATIVE AND GENERAL	128,265	207,410	145,844	144,165	1,679	151,593	5,749	3.9
TOTAL O&M EXPENSE	\$686,086	\$1,093,592	\$960,318	\$803,394	\$156,924	\$944,666	(\$15,651)	(1.6)
DECOMMISSIONING EXPENSES	\$130,035	\$132,543	\$143,922	\$138,923	\$4,999	\$95,168	(\$48,754)	(33.9)



NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.



Capital Expenditure Plan



Capital Expenditure Plan

Capital Expenditures

Capital expenditures for 2023 are budgeted at \$640.0 million, which is \$55.0 million more than the 2022 projected capital expenditures.

Production Plant expenditures for 2023 are budgeted to be \$256.3 million, which is \$47.0 million or 15.5% less than the 2022 projected expenditures. The year over year change is primarily due to the Power with Purpose project.

Transmission and Distribution Plant expenditures for 2023 are budgeted to be \$286.9 million, which is \$88.3 million or 44.5% more than the 2022 projected expenditures primarily due to the expansion of our transmission and distribution infrastructure to provide reliable electric service to a growing community.

General Plant and Removal and Salvage for 2023 are budgeted to be \$96.8 million, which is \$13.6 million or 16.3% higher than the 2022 projected expenditures driven by business technology and facilities investments and upgrades.

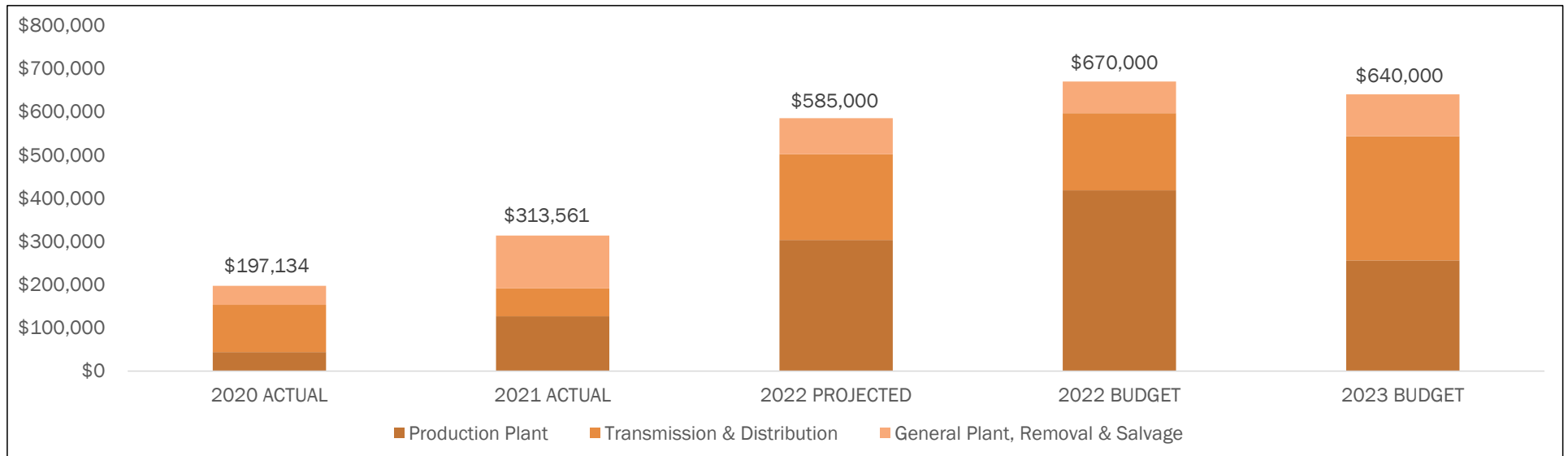
The 2023 Capital Budget total was derived by breaking investments into three categories, labeled sustain, strategic and expand. The sustain category includes routine capital projects that are aimed at maintaining and improving existing assets and is budgeted at a consistent level year over year. The strategic category includes capital projects that represent investments in the District's strategic priorities, such as Advanced Metering Infrastructure. The expand category is for new assets planned to be added to the District's asset base, such as the Power with Purpose project. The sustain, strategic and expand categorization helps to ensure that existing assets are still being invested in at sufficient levels while new assets are being added. For 2023, the sustain category accounts for 29.2% or \$187.2 million of the total capital budget, strategic accounts for 9.9% or \$63.1 million and the expand category accounts for 60.9% or \$389.7 million.

**CAPITAL EXPENDITURES
(DOLLARS IN THOUSANDS)**

Capital Expenditures

	ACTUAL	ACTUAL	PROJECTED	BUDGET	VARIANCE	BUDGET	23 BUDGET VS. 22 PROJ.	
	2020	2021	2022	2022	2022	2023	\$ CHANGE	% CHANGE
PRODUCTION PLANT	\$43,806	\$126,924	\$303,300	\$418,102	(\$114,802)	\$256,347	(46,953)	(15.5)
TRANSMISSION AND DISTRIBUTION PLANT	109,630	64,212	198,533	178,527	20,006	286,871	88,338	44.5
GENERAL PLANT	43,549	121,239	80,935	70,836	10,099	94,032	13,097	16.2
REMOVAL AND SALVAGE	149	1,186	2,232	2,535	(303)	2,750	518	23.2
TOTAL	\$197,134	\$313,561	\$585,000	\$670,000	(\$85,000)	\$640,000	\$55,000	9.4

NOTES: Some columns may not foot exactly due to the method used for individual line item rounding.



**2023 CAPITAL EXPENDITURES (DIRECT & INDIRECT)
SIGNIFICANT PROJECT DESCRIPTIONS AND HIGHLIGHTS
(Dollars in Thousands)**

RECOMMENDED PROJECTS:	2014-2021 Expenditures	2022 Projection	2023 Budget	2014-2023 Project Expenditures
Power with Purpose Support generation and transmission & distribution for Board Resolution No. 6351 approved on November 14, 2019.	\$123,587	\$316,810	\$305,123	\$745,520
Master Facilities Plan Investment and upgrades to various OPPD facilities, which are all over 30 years old with only minor enhancements throughout their life.	\$0	\$16,733	\$52,791	\$69,524
Circuit and Substation Upgrades Upgrade and replace multiple circuits and substations due to the expansion of our transmission and distribution infrastructure to meet the needs of a growing community.	\$54,715	\$16,053	\$39,449	\$110,217
Transformer Purchases and Replacements Procure transformers to replace aging equipment and support load growth.	\$69,583	\$16,463	\$26,524	\$112,570
Transmission and Distribution Street & Highway Project Relocation of OPPD transmission and distribution facilities that are located in public road right-of-way.	\$66,333	\$15,017	\$13,582	\$94,933
AMI - Smart Grid Technology to support AMI	\$0	\$0	\$12,623	\$12,623

**2023 CAPITAL EXPENDITURES (DIRECT & INDIRECT)
SIGNIFICANT PROJECT DESCRIPTIONS AND HIGHLIGHTS
(Dollars in Thousands)**

RECOMMENDED PROJECTS:	2014-2021 Expenditures	2022 Projection	2023 Budget	2014-2023 Project Expenditures
Transportation Fleet Replacement Routine replacement of OPPD-owned transportation equipment, including light, medium and heavy duty trucks and construction equipment.	\$48,076	\$7,446	\$11,177	\$66,699
Generation Station Intake Structure Environmental Upgrade Replace existing traveling screens (circulating water intake structure) at North Omaha and Nebraska City Fossil locations for renewal of the environmental permit.	\$0	\$499	\$10,975	\$11,474
Software Renewals Renew subscription based software used by the district to conduct business.	\$1,412	\$3,182	\$10,060	\$14,654
Transmission Distribution Improvement Program-Cable Replacement Replace the worst performing underground distribution cable on a performance driven basis.	\$64,256	\$11,778	\$9,386	\$85,420
Customer Service Commercial and Industrial Project Purchase and installation of underground or overhead infrastructure for commercial and industrial customers.	\$69,527	\$11,311	\$9,386	\$90,224
Customer Service Residential Project Purchase and installation of underground or overhead infrastructure to new residential developments.	\$91,308	\$18,043	\$9,261	\$118,613

**2023 CAPITAL EXPENDITURES (DIRECT & INDIRECT)
SIGNIFICANT PROJECT DESCRIPTIONS AND HIGHLIGHTS
(Dollars in Thousands)**

RECOMMENDED PROJECTS:	2014-2021 Expenditures	2022 Projection	2023 Budget	2014-2023 Project Expenditures
Substations and Control Centers Security Upgrades Security modifications required to address identified threats and vulnerabilities at various substation and control centers.	\$0	\$2,157	\$8,708	\$10,865
Transmission Distribution Improvement Program-Conductors Replace junk conductors on a performance driven basis.	\$8,573	\$5,035	\$5,119	\$18,727
Upgrade Customer Information System Information Technology upgrade to the enterprise customer information software that is used to manage and store customer information.	\$4,560	\$6,065	\$5,030	\$15,655
Nebraska City Unit 2 Air Preheater Baskets Replacement Replace of baskets and seals in both NC2 air preheaters during a scheduled maintance outage.	\$0	\$0	\$4,909	\$4,909
Ground Line Inspection and Treatment Pole Replacement Replace degraded wood poles and structures used for transmission and distribution.	\$22,367	\$7,699	\$4,687	\$34,753
Nebraska City Common Levee Certification Determine what physical improvements, operational requirements and maintenance activities are needed for the levee to be accredited and accepted by FEMA as providing 100 year flood protection and regain active status with the USACE PL84-99 Rehabilitation Program.	\$5,680	\$3,263	\$4,387	\$13,331

**2023 CAPITAL EXPENDITURES (DIRECT & INDIRECT)
SIGNIFICANT PROJECT DESCRIPTIONS AND HIGHLIGHTS
(Dollars in Thousands)**

RECOMMENDED PROJECTS:	2014-2021 Expenditures	2022 Projection	2023 Budget	2014-2023 Project Expenditures
Nebraska City 2 Partial Economizer Replacement Replacement the upper bank of the Nebraska City Unit 2 economizer during a scheduled maintenance outage.	\$0	\$692	\$3,565	\$4,257
13kv Line and Substation Transformers Overhead and surface mount transformers on the distribution system required due to failure or system expansion.	\$13,064	\$5,253	\$3,548	\$21,865
Transmission and Distribution Street Light Project Relocation of OPPD street lights facilities that are located in public road right-of-way.	\$22,910	\$4,198	\$3,236	\$30,344
Nebraska City Unit 2 Spray Dryer Absorber Vessel Coating Prepare and coat the vessel sidewalls and roof interior with an abrasion and acid resistant coating in order to protect the vessels carbon steel walls and roof.	\$0	\$0	\$3,082	\$3,082
Substation Equipment Replacement Replace substation equipment past useful life.	\$13,025	\$5,548	\$5,580	\$24,153
Substation Fiber Connections Expand the fiber network to remaining substations not included in the fiber project communications services.	\$0	\$2,066	\$2,794	\$4,860

**2023 CAPITAL EXPENDITURES (DIRECT & INDIRECT)
SIGNIFICANT PROJECT DESCRIPTIONS AND HIGHLIGHTS
(Dollars in Thousands)**

RECOMMENDED PROJECTS:	2014-2021 Expenditures	2022 Projection	2023 Budget	2014-2023 Project Expenditures
Transmission Distribution Improvement Program-Transmission Poles Replace distribution poles in conjunction with the ongoing Transmission and Distribution System Improvement Projects.	\$12,299	\$3,535	\$2,766	\$18,600
North Omaha Unit 4 Air Preheater Baskets Replacement Replacement of baskets and seals in the air preheaters during a scheduled maintenance outage.	\$0	\$0	\$2,352	\$2,352
Light Emitting Diode (LED) Streetlight Conversion The conversion of streetlights to a LED standard.	\$14,937	\$3,668	\$2,160	\$20,766

THE **Brattle** GROUP

Board of Directors
Omaha Public Power District
444 South 16th Street Mall
Omaha, Nebraska 68102-2247

Ladies and Gentlemen:

As requested by the Board of Directors and Management of the Omaha Public Power District (the District), **The Brattle Group (Brattle)** is to review the Preliminary 2023 Corporate Operating Plan prepared by the District for the following year. We have completed a preliminary review of the information available, including the Preliminary 2023 Corporate Operating Plan (2023 Corporate Operating Plan) prepared by the District and associated presentations. This preliminary letter updates the Board members on our review status. We have not completed our review of the 2023 Corporate Operating Plan as of the date of this letter. However, we received the 2023 Preliminary Corporate Operating Plan and thirteen presentations. The District made those presentations over nine meetings, allowing Brattle to ask questions. The data and information we reviewed seem reasonable, and we have not encountered any issues or areas of concern.

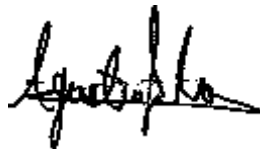
When Brattle has completed its review of the 2023 Corporate Operating Plan, we will forward our completed letter report to the Members of the Board.

We appreciate the opportunity to serve the District. If you have any questions concerning this preliminary review, we will gladly discuss them with you at your convenience.

Respectfully yours,



Philip Q Hanser
The Brattle Group
Principal Emeritus



Agustin J. Ros
The Brattle Group
Principal

November 4, 2022

Board of Directors
Omaha Public Power District
444 South 16th Street Mall
Omaha, Nebraska 68102-2247

Ladies and Gentlemen:

I. Background

The Omaha Public Power District collects the annual revenues required to cover the variable costs associated with power production and acquisition through its Fuel and Purchase Power Adjustment (FPPA) Base Rate ("Base Rate") and the FPPA Factor. The Base Rate aims to recover the fuel and purchased power costs associated with serving retail customers. The FPPA Factor adjusts each year to include the under (or over) recovered balance from prior years so that, ultimately, customers pay the actual cost of fuel and purchased power. Therefore, OPPD is proposing to increase the FPPA by an average of 2.9% across all customer classes.

In addition, OPPD proposes changing the language in rate schedule 261M. Currently, the rate includes but does not make explicit payments in lieu of taxes (PILOT). The rate will now include PILOT as a line item on customer bills.

II. Discussion

1. FPPA

OPPD is proposing a 2.9% increase in the FPPA. The District, like other utilities nationwide, has seen an increase in costs for fuel and power purchased on the energy market. In addition, the 2022 under-collected amount is due to unforeseen increases in fuel and market prices and interruptions to operations. Therefore, OPPD will leave the base rate unchanged at \$0.01606, and the FPPA will increase from \$0.00186 to \$0.0048.

ONE BEACON STREET, SUITE 2600, BOSTON, MA 02108

MAIN +1.617.864.7900 | FAX +1.617.507.0063 | WEB brattle.com

NORTH AMERICA EUROPE ASIA-PACIFIC

November 4, 2020

Page 2

2. Rate Schedule 261M

OPPD proposes changing language in rate schedule 261M regarding PILOT. The proposed language change recovers the 5% PILOT through a separate line item and decreases the demand charge to make the change revenue neutral. This change will reduce the risk of under- or over-collecting the amount for PILOT within the demand charge, which can result because of Rate 261M uniquely paying market energy prices.

III. Findings

We have reviewed the District's proposed rate changes. We find the proposed changes to be fair, reasonable, and non-discriminatory.

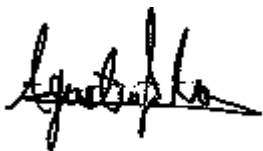
IV. Recommendation

We recommend the Board adopt the District's proposed rate revisions.

Respectfully yours,



Philip Q Hanser
The Brattle Group
Principal Emeritus



Agustin J. Ros
The Brattle Group
Principal



Agenda

**OPPD BOARD OF DIRECTORS
REGULAR BOARD MEETING
Thursday, November 17, 2022 at 5:00 P.M.**

*Conducted in person at the Omaha Douglas Civic Center, 1819 Farnam Street,
2nd Floor Legislative Chamber, Omaha, NE 68183*

*Public may attend in person at the Omaha Douglas Civic Center or remotely by going to
www.oppd.com/BoardAgenda to access the Webex meeting link and view materials.*

Preliminary Items

1. Chair Opening Statement
2. Safety Briefing
3. Guidelines for Participation
4. Roll Call
5. Announcement regarding public notice of meeting

Board Consent Action Items

6. Approval of the September 2022 Comprehensive Financial and Operating Report, October 2022 Meeting Minutes and the November 17, 2022 Agenda
7. Nebraska City Station Unit 2 SDA Bottom Cone Replacement & Recoat – Labor Contract Award – Resolution No. 6534
8. Installation/Removal of Customer Installed Ducted House Services – Resolution No. 6535
9. Substation Control Building Enclosure – Resolution No. 6536
10. Exciter Upgrades for Sarpy County Units 1 and 2, Jones Street Units 1 and 2 and North Omaha Units 4 and 5 – Resolution No. 6537
11. SD-11: Economic Development Monitoring Report – Resolution No. 6538

Board Discussion Action Items

- 14.

Other Items

15. President's Report (20 mins)
16. Opportunity for comment on other items of District business
17. Adjournment

Please use the link below to find all committee and board agendas, materials and schedules. Board governance policies and contact information for the board and senior management team also can be found at www.oppd.com/BoardMeetings.



Reporting Item

BOARD OF DIRECTORS

November 15, 2022

ITEM

Power with Purpose; Natural Gas Generation, Energy Delivery and Solar Updates

PURPOSE

Provide updates on Power with Purpose projects for November 2022.

TURTLE CREEK STATION & STANDING BEAR LAKE STATION FACTS

1. Engineering, procurement, and construction activities are in progress. Substation activities include grounding work, drilled piers, installation of concrete raceway, and substation component deliveries. At Standing Bear Lake Station, subcontractor vendor for the engine hall to commence activity in November as engine foundations complete. At Turtle Creek Station, focus continues on installation of underground piping and duct banks with major foundation pours upcoming.
2. The Turtle Creek Station is preparing to receive the first shipment of major equipment from Siemens Energy.

ENERGY DELIVERY FACTS

1. Foundation and structure erection are progressing well for the three (3) new transmission circuits associated with the Sarpy Southwest Transmission Project. All long lead material has now been received and only a few minor material items remain outstanding.
2. Commissioning work is now complete on the substation located near 144th Street and Capehart Road and the substation is now energized. Work continues at other substations supporting the interconnection of both generating facilities with below-grade construction progressing well.
3. Construction activities have begun in close coordination with the landowner and developer to ready the interconnect substation for the solar facility in Saunders County.

SOLAR FACTS

1. The 81-megawatt Platteview Solar facility in Saunders County continues to make progress. AES and OPPD are proceeding with facility design. Major equipment procurements are in progress to support the construction schedule. Construction is on track to begin at the site in the first quarter of 2023.
2. Staff continue to monitor, evaluate, and engage in federal policy activity related to solar deployment. The Department of Commerce is anticipated to make a preliminary ruling in the Auxin Solar petition on November 28th. Additionally, the Inflation Reduction Act (IRA), signed into law in August 2022, has significant implications to how OPPD may deploy future energy projects, including Power with Purpose solar. OPPD staff continue to work with industry experts, including financial, tax, legal, and suppliers, to further evaluate these policies in order to understand how to optimize the pursuit of solar deployment for customer owners.
3. The solar supply chain continues to feel impacts from the pandemic, federal import policy, and an increasing national demand. As OPPD develops plans to deploy solar, staff continue to build new and maintain existing relationships with both project developers and equipment suppliers. These key relationships ensure OPPD has the best information for sourcing in the very competitive solar market.

4. OPPD staff continue to engage with local jurisdictions to support the development of solar regulations and provide education on solar technology. In September and October, staff engaged with local policymakers in a variety of settings, including the Cass County Economic Development Corporation's Fall Meeting, the Nebraska Wind & Solar Conference, and ongoing discussions with local planning and zoning entities.

RECOMMENDED:

DocuSigned by:

Troy Via

484467221FA24AE...

Troy R. Via

Chief Operating Officer & Vice President
Utility Operations

TRV:maw

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

L. Javier Fernandez

AC399FDCE56247E...

L. Javier Fernandez

President and Chief Executive Officer



Power with Purpose Update Committee Meeting

November 15, 2022



Power with Purpose Update

Agenda

- Standing Bear Lake Station & Turtle Creek Station
- Transmission & Substation
- Solar

Standing Bear Lake Station & Turtle Creek Station



Power with Purpose Update

Standing Bear Lake Station

- Site Completion: 28%, January 2024
- Construction activities
 - Substation: grounding work, drilled piers, and installation of concrete raceway
 - Generation: commence engine hall activity with completion of engine foundations
 - Wartsila begin engine assembly



Facing West - Engine Foundations 1 & 2 on 10/9/2022



Facing East - Aerial view of generation area on 9/18/2022

Information as of November 1, 2022

Power with Purpose Update

Turtle Creek Station

- Site Completion: 31%, January 2024
- Construction activities
 - Substation: grounding work & drilled piers
 - Generation: underground piping/duct banks with major foundation pours in progress
- Siemens unit 1 combustion turbine and generator delivered to site



Unit 1 Siemens Combustion Turbine and Generator on rail car



Facing East – Aerial view of substation and production sites on 10/2/2022

Information as of November 1, 2022

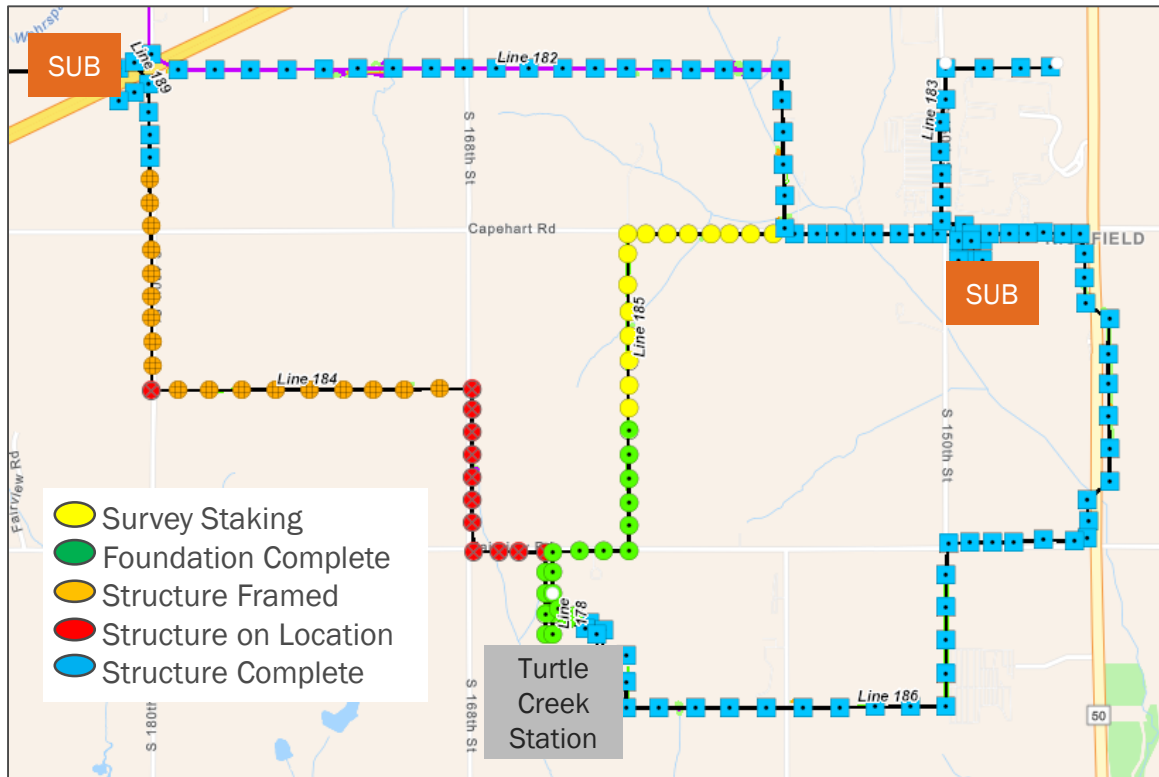
Transmission & Substation



Transmission and Substation

Power with Purpose

- Transmission
 - Structures: 60% Complete
 - Wire Stringing: 30% Complete
 - Material: 99% Received
- Substations
 - 144th & Capehart: 90% Complete
 - 180th & I-80: 90% Complete



Sarpy Southwest Transmission Project – Construction Status 11/1/2022



Single Circuit 161kV

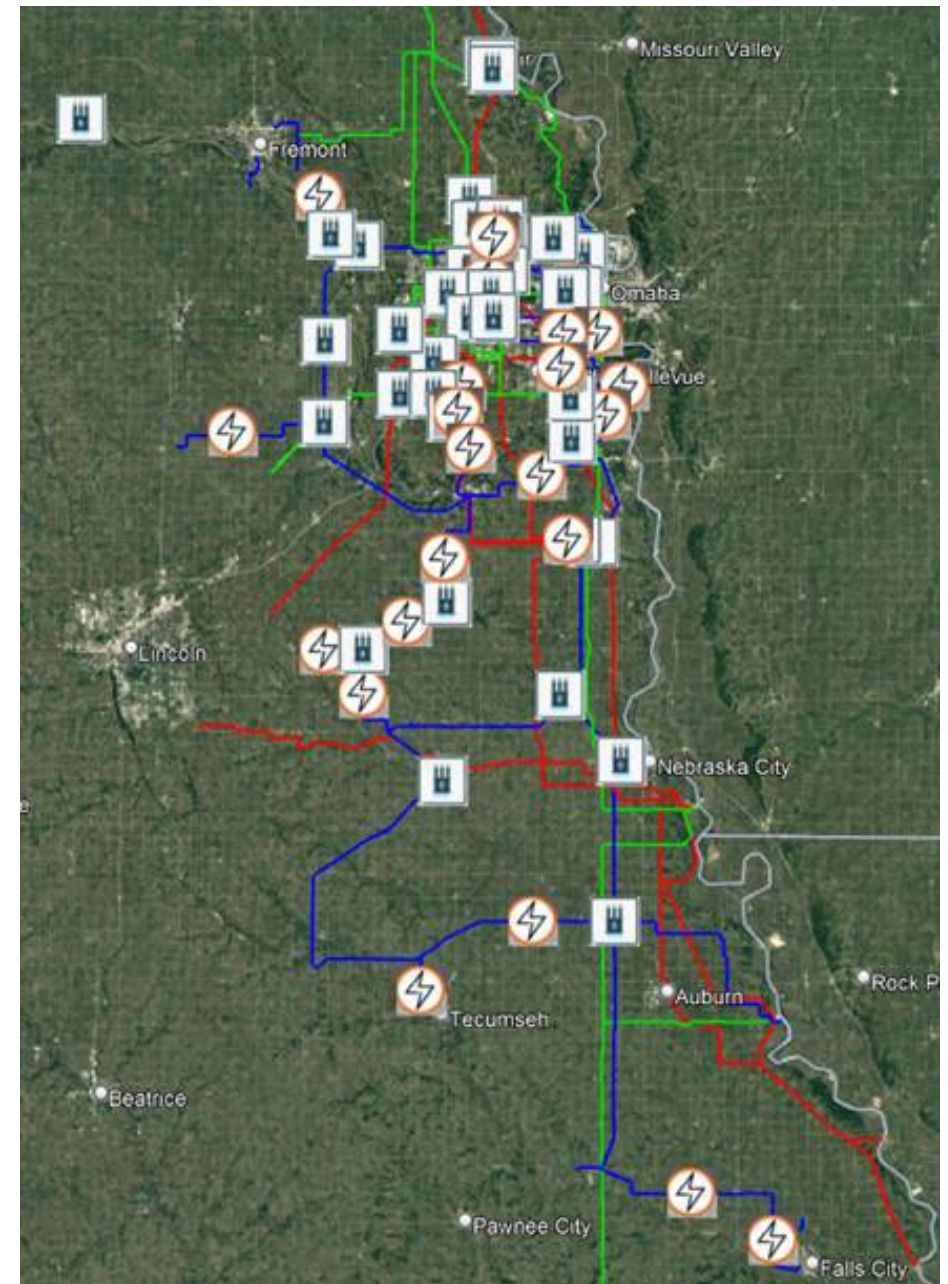


Double Circuit 345/161kV

Transmission and Substation

Reliability and System Expansion – 2022 through 2026

	Power with Purpose	Reliability Improvements	Load Growth
Substations (new)	2		3
Substations (expansion)	3	3	2
Substations (upgrades)		39	
*2023 Budget: Largest year ever for substation work, and almost 3x the yearly average.			
Transmission (new)	12.5 miles	29 miles	4 miles
Transmission (rebuids)	6.5 miles	7.5 miles	7 miles
Transmission (upgrades)		127 miles, 100 structures	
*2023 Budget: Second largest year ever for transmission, and 2x the yearly average.			



Power with Purpose Open Session November 2022 Solar Update

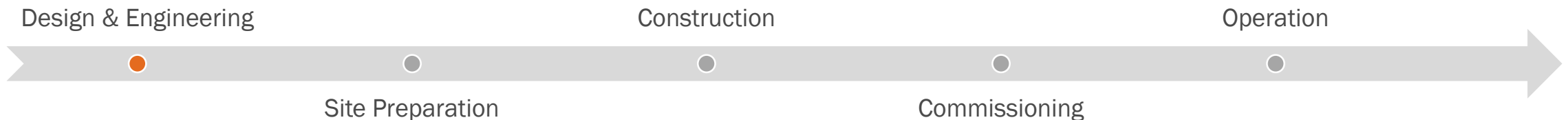
November 15, 2022

Platteview Solar

November Project Status Update

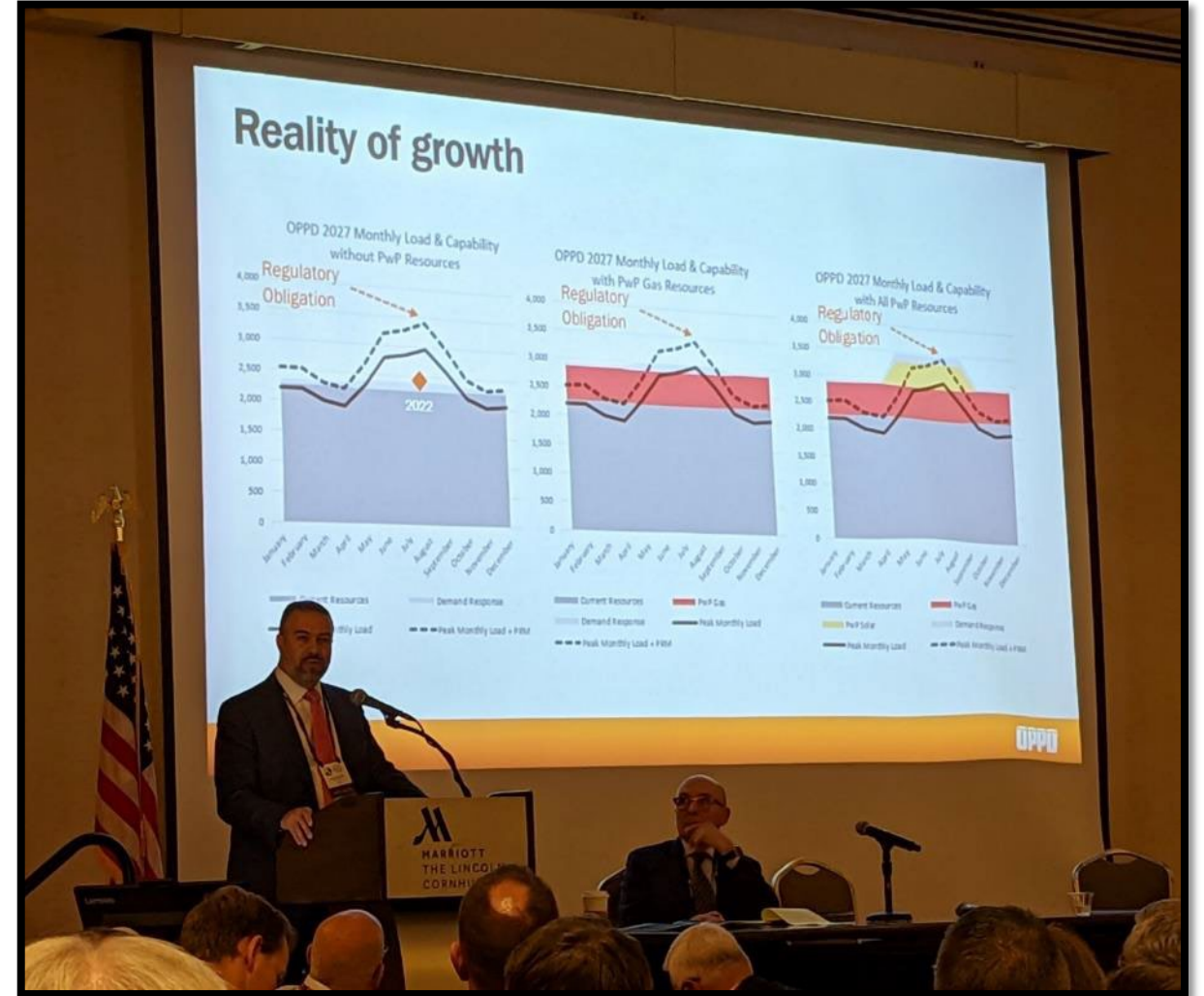
- Ongoing Activities

- Landowners are completing 2022 season harvest of their crops
- Moving center pivots off land as needed
- Procurement of major equipment
- Substation 69kV 60% Design Package
- Electrical, Civil and Structural 60% Design Packages
- Ongoing coordination with landowners and community



Engaging in Our Communities

- 15th Annual Nebraska Wind & Solar Conference in Lincoln
 - OPPD sponsorship and planning committee
 - Attendance by OPPD staff and Board of Directors
 - Supplier meetings
- Ongoing outreach and education
 - E.g. Cass County Economic Development quarterly meeting



Javier Fernandez provides an OPPD update at the panel of Utility CEOs at the Nebraska Wind & Solar Conference