



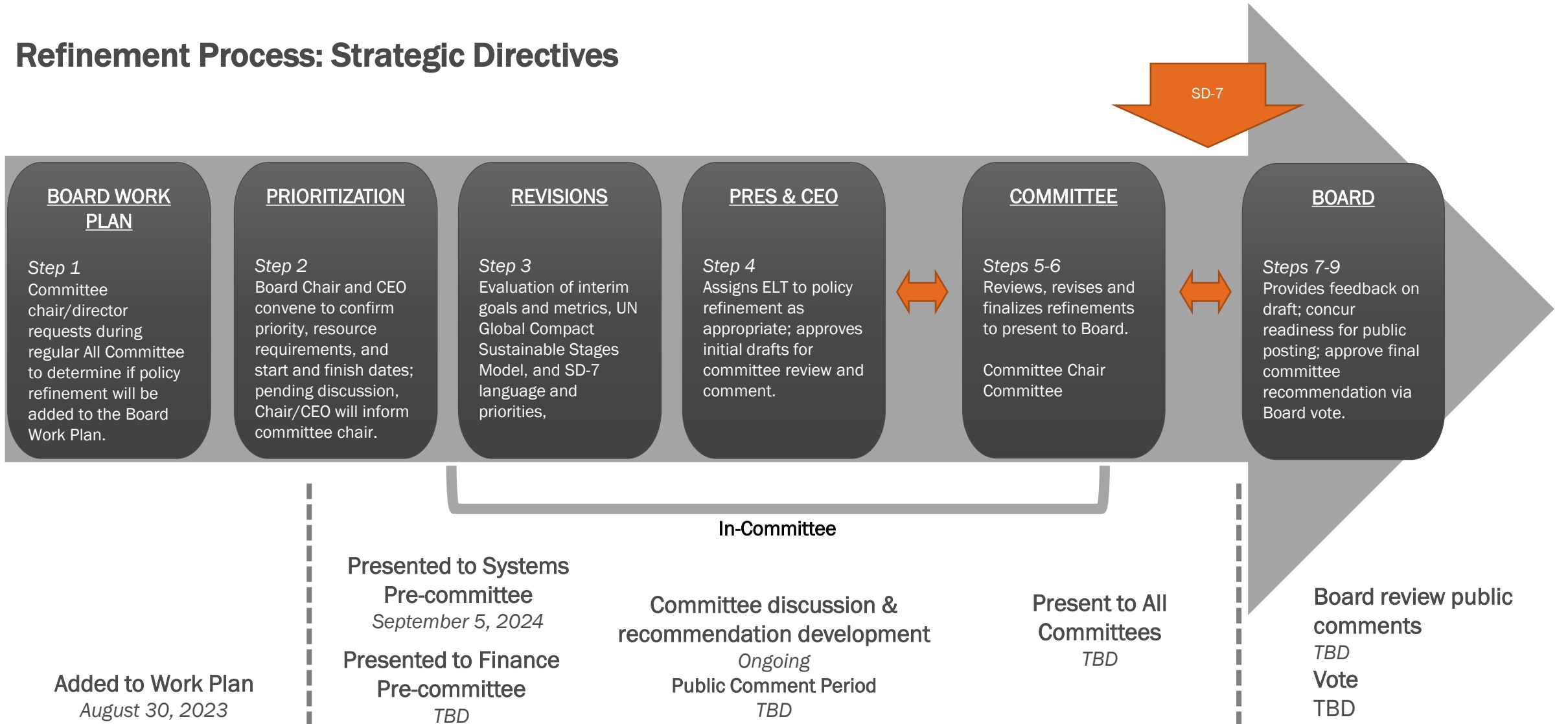
# Update: SD-7 Revisions and Interim Net Zero 2050 Goals.

September 17, 2024

“Governance exists in order to translate the wishes of an organization’s owners into organizational performance.”  
 - John Carver



## Refinement Process: Strategic Directives



# Actions to Date

- Extensive review and discussion of language changes and metrics.
- Discussed potential impacts to rates, reliability, supporting data and Integrated Resource Plan (IRP) process.
- Discussion of SD-7 update– Pre-Committees.
  - June 7<sup>th</sup> (Finance)
  - June 10<sup>th</sup> (SMNO)
  - July 31<sup>st</sup> (SMNO)
  - September 5<sup>th</sup> (SMNO)
- Discussion of SD-7 update– All Committees.
  - June 18<sup>th</sup>

# Powering the Future

## Our Path to Affordable, Reliable and Environmentally Sensitive Power

---

Adequate time and a disciplined methodical approach is necessary to properly establish goals that will help OPPD fulfill its mission.

Our Path has both challenges and opportunities.

- **Largest Asset expansion in history**
  - Hundreds of miles of transmission
  - Advanced Metering Infrastructure
  - Thousands of MWs of new generation
  - Systems Weather Hardening
  - Volume of work vs resource availability (internal & external)
- **Regulatory uncertainty**
  - Regional Transmission Organization requirements:
    - Generation retirement requests
    - New Generation Interconnection timing
    - Regional & Interregional Transmission Expansion
  - State requirements for generation retirements
  - Local planning and zoning regulations
  - Rapidly increasing Planning Reserve Margin to preserve grid reliability
- **Financial Uncertainty**
  - Sustained upward rate pressure
- **Grid Reliability Impacts**
  - NERC's top grid reliability risks: Energy Policy, Grid Transformation pace, Extreme Weather Events & Critical Infrastructure Interdependencies
  - Impacts to Essential Grid Reliability Services, Resource Adequacy, Energy Sufficiency
- **Load growth**
  - Very large power users
  - Electrification of economy
- **Emerging Technology readiness & costs**
  - Evolving inverter technology (solar, wind & battery)
  - Advanced nuclear
  - Long-duration storage

An Integrated Resource Plan is a strategic process that outlines a utility's generation changes to meet customer demands over time. The process aligns OPPD's resources with the Board's strategic directives.

# Current SD-7 Language

Managing its interactions with the environment is essential to OPPD's ability to serve customers, create value for stakeholders, and contribute to the well-being of the communities it serves and its employees. The OPPD Board of Directors recognizes the scientific consensus that climate change is occurring and that greenhouse gas emissions, including carbon dioxide, from human activity contribute to climate change impacts.

Therefore, OPPD shall:

- ~~• Operate in an environmentally responsible manner and strive for the continuous improvement of its environmental performance.~~
- ~~• Conduct all of its operations (including operations such as building services and transportation) in a manner that strives for the goal of net zero carbon production by 2050.~~
- Conduct its business in a manner that meets all environmental regulatory standards, and go beyond compliance where practical.
- ~~• Be transparent by measuring and reporting its environmental performance on OPPD's website.~~
- ~~• Engage customers and stakeholders to promote energy conservation and efficiency and minimize environmental impact.\*~~
- ~~• Advocate and educate local, state and federal governments to protect and advance OPPD's environmental interest.\*\*~~
- By year end 2027, achieve an approximate 3,500,000 ton annual reduction in CO<sub>2</sub> emissions at the North Omaha Station site relative to OPPD's 2013 benchmark of 3,960,179 tons at the station.

\*Addressed under SD-11 Economic Development

\*\*Addressed under BL-9 Delegation to the President and Chief Executive Officer- Local, State and Federal Legislation and Regulations

# In Progress SD-7 Language

Managing its interactions with the environment is essential to OPPD's ability to serve customers, create value for stakeholders, and contribute to the well-being of the communities it serves and its employees. The OPPD Board of Directors recognizes the scientific consensus that climate change is occurring and that greenhouse gas emissions, including carbon dioxide, from human activity contribute to climate change impacts. The board also understands that climate change is a significant issue that requires pragmatic solutions recognizing technology advancement, energy supply sufficiency, and climate resilience as co-equally important to carbon emissions reductions.

Therefore, OPPD shall:

- Strive to improve the efficient use of raw materials, energy, and water to reduce emissions, discharges and wastes in our operations and provision of our services.
- By year end 2027, achieve an approximate 3,500,000 ton annual reduction in CO<sub>2</sub>e\* emissions at the North Omaha Station site relative to OPPD's 2013 benchmark of 3,960,179 tons at the station.
- Strive to achieve net zero carbon equivalent (CO<sub>2</sub>e) emissions by 2050 relative to OPPD's 2013 benchmark.
- Harden our critical infrastructure to be resilient to the effects of climate change.
- Strive for an "early majority" posture when considering technology advancements when system planning.
- Collect data on our environmental performance and communicate progress periodically (at least annually) to the board and community.
- Recognize the importance of the principle of Environmental Justice\*\* in District decision making and strive toward the just treatment and meaningful involvement of all people, regardless of income, race, color, national origin, Tribal affiliation, or disability in impactful District decisions that may impact human health and the environment.
- Conduct its business in a manner that meets all environmental regulatory standards, and go beyond compliance where practical.

\*CO<sub>2</sub>e includes CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, and SF<sub>6</sub> greenhouse gas emissions

\*\*The EPA defines Environmental Justice as the fair treatment and meaningful involvement of all people, regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.



# Board Discussion

