

*Spurgeon/Underwood*

**RESOLUTION NO. 6661**

**WHEREAS**, the Federal Energy Regulatory Commission (FERC) issued Order No. 898, which revises FERC's Uniform System of Accounts (USofA) to add functional detail concerning the accounting treatment of wind, solar and energy storage technologies, and;

**WHEREAS**, the District's consideration and acceptance of the revisions to the USofA will require OPPD to amend its Formula-based Rate Template to calculate net Annual Transmission Revenue Requirements (ATRR) and Rates for the Southwest Power Pool Tariff to incorporate only those accounts that impact OPPD's Transmission Rate.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Omaha Public Power District Board hereby accepts and approves the amendments to the District's Formula-based Rate Template, which amendments are summarized on the attached Exhibit A.

## **Exhibit A**

FERC Order No. 898

### **New Guidance**

FERC issued Order No. 898 Final Rule on June 29, 2023 to amend the Uniform System of Accounts to account for rapid changes in technology and resource mix in the energy industry over recent decades.

For public utilities, changes include these four major activities:

1. Create new subfunctions and accounts for wind, solar and other renewable generating assets
2. Create a new functional class and accounts for energy storage assets
3. Create new accounts and codify the accounting treatment of environmental credits
4. Create new accounts for computer hardware, software, and communication equipment within existing functions that do not already include them.

This order is effective beginning January 1, 2025.

### **Creation of New Subfunctions and Accounts for Other Renewables**

FERC will create new Production Plant subfunctions and associated accounts specifically for Solar, Wind and other renewable generation.

**Solar** – separate accounts will be established for solar GSU (Generation Step-up Transformers), inverter and collector systems (including DC collector systems).

Accounts to be used for solar activity include the following:

- 338.1 – Land and Land Rights
- 338.2 – Structures and Improvements
- 338.4 – Solar Panels for Solar Production
- 338.5 – Collector System
- 338.6 – GSU
- 338.7 – Inverters
- 338.8 – Other Accessory Electrical Equipment
- 338.9 – Computer Hardware
- 338.10 – Computer Software
- 338.11 – Communication Equipment
- 338.12 – Misc Power Plant Equipment
- 338.13 - Asset Retirement Costs
  
- 558.1 – Operation Supervision & Engineering
- 558.2 – Solar Panel Generation & Other Plant Operating Exp (Major only)
- 558.4 – Rents
- 558.5 – Operations Supplies & Expenses (Nonmajor only)
- 558.6 – Maintenance Supervision & Engineering (Major only)
- 558.7 – Maintenance of Structures (Major only)
- 558.8 – Maintenance of Solar Panels (Major only)
- 558.9 – Maintenance of Collector Systems

- 558.10 – Maintenance of Generator Step-up Transformers (Major only)
- 558.11 – Maintenance of Inverter Expenses (Major only)
- 558.12 – Maintenance of Other Accessory Electrical Equip (Major only)
- 558.13 – Maintenance of Computer Hardware (Major only)
- 558.14 – Maintenance of Computer Software (Major only)
- 558.15 – Maintenance of Communication Equipment (Major only)
- 558.16 – Maintenance of Misc Solar Generation Plant (Major only)
- 558.17 – Maintenance of Solar Generation Plant (Nonmajor only)

**Wind** – separate accounts will be set up for wind towers, turbines, foundations, transformers and collector systems, as these different items with separate purposes and potentially distinct service lives.

Accounts to be used for wind activity include the following:

- 338.20 – Land and Land Rights
- 338.21 – Structures and Improvements
- 338.23 – Wind Turbines
- 338.24 – Wind Towers and Fixtures
- 338.26 – Collector System
- 338.27 – GSU
- 338.28 – Inverters
- 338.29 - Other Accessory Electrical Equipment
- 338.30 – Computer Hardware
- 338.31 – Computer Software
- 338.32 – Communication Equipment
- 338.33 - Misc Power Plant Equipment
- 338.34 - Asset Retirement Costs
  
- 558.20 - Operation Supervision & Engineering
- 558.21 – Wind Turbine Generation & Other Plant Operating Exp (Major only)
- 558.23 – Rents
- 558.24 - Operations Supplies & Expenses (Nonmajor only)
- 558.25 – Maintenance Supervision & Engineering (Major only)
- 558.26 – Maintenance of Structures (Major only)
- 558.27 – Maintenance of Wind Turbines, Towers & Fixtures (Major only)
- 558.29 – Maintenance of Collector Systems
- 558.30 – Maintenance of Generator Step-up Transformers (Major only)
- 558.31 – Maintenance of Inverter Expenses (Major only)
- 558.32 – Maintenance of Other Accessory Electrical Equip (Major only)
- 558.33 – Maintenance of Computer Hardware (Major only)
- 558.34 – Maintenance of Computer Software (Major only)
- 558.35 – Maintenance of Communication Equipment (Major only)
- 558.36 – Maintenance of Misc Wind Generation Plant (Major only)
- 558.37 – Maintenance of Wind Generation Plant (Nonmajor only)

### **Other Renewable Generation**

This category includes other types of renewable generation, such as biofuels, hydrogen, and geothermal.

Accounts to be used for Other Renewable generation include the following:

- 339.1 – Land and Land Rights
- 339.2 – Structures and Improvements
- 339.3 – Fuel Holders
- 339.4 – Boilers
- 339.6 - Generators
- 339.8 - Other Accessory Electrical Equipment
- 339.9 – Computer Hardware
- 339.10 – Computer Software
- 339.11 – Communication Equipment
- 339.12 - Misc Power Plant Equipment
- 339.13 – Asset Retirement Costs
  
- 559.1 - Operation Supervision & Engineering
- 559.2 – Other Misc Generation & Other Plant Operating Exp (Major only)
- 559.4 – Rents
- 559.5 - Operations Supplies & Expenses (Nonmajor only)
- 559.6 – Maintenance Supervision & Engineering (Major only)
- 559.7 – Maintenance of Structures (Major only)
- 559.9 – Maintenance of Boilers (Major only)
- 559.10 – Maintenance of Generating & Electric Equip (Major only)
- 559.12 – Maintenance of Computer Hardware (Major only)
- 559.13 – Maintenance of Computer Software (Major only)
- 559.14 – Maintenance of Communication Equipment (Major only)
- 559.15 – Maintenance of Misc Other Non-Hydro Renewable Generation Plant (Major only)
- 559.16 – Maintenance of Other Non-Hydro Renewable Generation Plant (Nonmajor only)

### **Creation of Energy Storage Function and Accounts**

FERC will structure the new Energy Storage Plant function similar to those for wind, solar and other renewable subfunctions above, as using the following accounts:

- 387.1 – Land and Land Rights
- 387.2 - Structures and Improvements
- 387.3 – Energy Storage Equipment
- 387.5 – Collector System
- 387.6 – Generator Step-up Transformers (GSU)
- 387.7 – Inverters
- 387.8 – Computer Hardware
- 387.9 – Computer Software
- 387.10 – Communication Equipment

387.11 – Misc Energy Storage Equipment  
387.12 – Asset Retirement Costs for Energy Storage

577.1 – Operation Supervision & Engineering  
577.2 – Operation of Energy Storage Equipment (Major only)  
577.3 – Storage Fuel  
577.4 – Rents  
577.5 – Operation Supplies & Expenses (Nonmajor only)  
578.1 – Maintenance Supervision & Engineering (Major only)  
578.2 – Maintenance of Energy Storage Equipment & Structures (Major only)  
578.3 – Maintenance of Computer Hardware (Major only)  
578.4 – Maintenance of Computer Software (Major only)  
578.5 – Maintenance of Communication Equipment (Major only)  
578.6 – Maintenance of Misc Other Energy Storage Plant (Major only)  
578.7 – Maintenance of Other Energy Storage Plant (Nonmajor only)



# Action Item

## BOARD OF DIRECTORS

September 17, 2024

### ITEM

FERC Transmission Tariff Formula Change

### PURPOSE

Incorporate accounts created by FERC Order 898, which revised the FERC Uniform System of Accounts (USofA), that will impact OPPD’s Formula-based Rate Template used to calculate OPPD’s net Annual Transmission Revenue Requirements and Rates.

### FACTS

- a. The FERC USofA was created in order to maintain uniformity, consistency and transparency in accounting amongst utilities.
- b. FERC will periodically issue orders to revise the USofA through the rulemaking process, as is the case with FERC Order 898, which is the first significant revision to the USofA since 2013.
- c. The purpose of the revisions to the USofA under FERC Order 898 is to accommodate changes in technology and resource mix in the energy industry, which adds functional detail for the accounting of wind, solar, battery storage, renewable energy credits, as well as hardware, software and communication equipment.
- d. OPPD is not a FERC-jurisdictional entity, but OPPD is a member of the Southwest Power Pool (SPP) and OPPD’s Formula-based Rate Template is part of SPP’s Open Access Transmission Tariff.

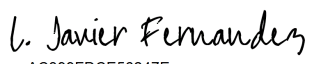
### ACTION

Board of Directors vote and approval of Formula-based Rate Template consistent with FERC Order 898.

RECOMMENDED:

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:  
  
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 Bradley R. Underwood  
 Vice President – Systems Transformation

Signed by:  
  
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 L. Javier Fernandez  
 President and Chief Executive Officer

BRU:rs

Attachment: Exhibit A  
Resolution