

RATE PROPOSAL SEEKS TO MEET SERVICE NEEDS, RISING COSTS

OPPD has unveiled a budget and rate proposal to help keep pace with surging demand for electricity, sharply rising costs and new regulations that will require even more generation.

The 2026 Corporate Operating Plan (COP) paves the way for infrastructure investments needed to maintain reliability and serve the enormous load growth in OPPD's service territory.

To help manage those expenses, the COP recommends a 6.3% average rate increase for all customer classes, composed of a 5.8% average general rate increase and a 0.5% increase to the Fuel and Purchased Power Adjustment (FPPA) factor, a line item on bills.

The new rates would go into effect on Jan. 1, 2026, pending approval by the utility's board of directors in December.

OPPD's rates are still lower, on average, than most other utilities. As of 2024, OPPD's average retail rate



was 30.2% below the national average and 2025 preliminary numbers indicate 30.2% below the national average, according to the U.S. Energy Information Administration.

Prices for steel, copper and concrete have soared so fast that they've outpaced the consumer price index, a common measure of inflation. As a result, transformers, power lines, generators and other equipment all cost much more than they did just a year ago.

An industry-wide labor shortage is driving up costs and wait times as well. Projects that once took three to

five years now take six to eight.

OPPD also faces new regulatory demands.

Starting in 2026, the Southwest Power Pool (SPP) will require OPPD and its other member utilities to maintain much larger reserves of electrical capacity to ensure reliable power during extreme weather in summer and winter. The SPP is a regional transmission organization (RTO) with member utilities that buy and sell power to one another to ensure regional reliability and competitive wholesale prices.

CASS TO SARPY PROJECT SUPPORTS RELIABILITY, COMMUNITIES

OPPD has entered the transmission building stage on what is likely the largest and most complex joint transmission-distribution project in the company's history.

The transmission build kicked

off recently, but distribution work on the Cass to Sarpy Transmission Project has been under way for the past several months. The line runs between OPPD's Cass County Station and the new Turtle Creek Station in

Sarpy County.

The new 23-mile, 345-kilovolt transmission line supports community growth. As part of the transmission build, OPPD had to move existing distribution lines

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OCTOBER BOARD MEETINGS

All-committee meeting: Tuesday, Jan. 13 (see oppd.com/BoardMeeting for details). Regular board meeting: Thursday, Jan. 15, 5 p.m. (see oppd.com/BoardMeeting for details). Hearing-impaired call 531-226-3515, 72 hours prior to request an interpreter. Agendas posted and meetings viewable on oppd.com/BoardMeeting.

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because they would conflict with construction of the transmission lines or they lacked the required clearances between transmission and distribution wires.

The project opened up an opportunity to create a comprehensive plan for the area to increase reliability and support long-term growth, including placing distribution wires within the transmission corridor - something OPPD hasn't traditionally done.

The communities in OPPD's service territory are thriving, and the utility is working to accommodate load growth across all types of customers.



PROPERLY INSULATED PIPES PAY OFF

Cooler temperatures are here and now is a great time to make sure your home is ready.

Good insulation slows the flow of heat and helps make your home energy efficient.

Water pipes can and should be insulated whenever they are exposed to an unconditioned space. Insulated pipes can deliver water 2-4 degrees Fahrenheit hotter than uninsulated pipes. This can mean a lower water heater tank setting and cost savings.

Steps you can take

Here are some tips for how and where to insulate exposed pipes.

- Use a minimum rating of R-4 for your pipe insulation. The most common type of pipe insulation is the tubular foam. You can cut this to length and miter the corners. Be sure the inside diameter of the insulation matches the diameter of the pipe you are insulating. When the foam is closed over the pipe, you

should not be able to see the pipe at all.

- Many water pipes run through unconditioned spaces (utility rooms, unfinished basements, etc.), and should be insulated.
- Insulate hot water pipes from the water heater to the fixtures that use hot water (bathroom, kitchen, etc.). Don't worry about lines you can't reach. Insulate what you can, within reason.
- Insulate cold water pipes for the first 5 feet of the cold water line starting at the water heater. You lose some heat in this area when in standby mode (when no one is home), since hot water circulates by convection up into the lines near the water heater on both your hot and cold sides.
- Safety tip: If pipes are close to a flue, fiberglass pipe-wrap without a facing and wired into place is the safest choice. The wrap should be at least 1 inch thick.

SPACE HEATER SAFETY TIPS

As the temperatures cool, you may be tempted to use space heaters to supplement your furnace. Here are some important safety tips:

- Select a space heater with a guard around the heating element. This will help keep children, pets and clothing away from the heat source.
- When selecting a space heater, look for a model that has been tested and certified by a nationally recognized testing laboratory. These heaters meet specific space heater safety standards and manufacturers are required to provide important use and care information to consumers.
- Buy a heater that is the correct size for the area you want to heat.
- Show everyone in your home how to use the heater properly.
- Never leave a space heater running when you go to sleep or leave the area. With fuel-fired heaters, dangerous levels of carbon monoxide can accumulate, and unmonitored burning could cause a fire.
- Note that mobile homes require specially designed heating equipment. Only electric or vented fuel-fired heaters should be used.

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