

Williams/Via

RESOLUTION NO. 6741

WHEREAS, the Nebraska City Station Unit 2 turbine and generator require maintenance and repairs including major re-alignment due to accelerated turbine pedestal settlement and the beforementioned pedestal settlement challenges continued reliable operation; and

WHEREAS, reliable operation of Nebraska City Station Unit 2 is required to meet both the energy demands and capacity requirements of the District; and

WHEREAS, the District's Engineer has certified that due to the complexity of the work scope, the repairs require experienced technical oversight specialized in conducting a full turbine and generator outage; and

WHEREAS, pursuant to Nebraska Revised State Statute Section 70-637 (as amended), and upon approval of the Engineer's Certification by the Board of Directors, the District may negotiate and enter into a contract or contracts related to such project without sealed bidding.

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

1. Management is hereby authorized and directed to negotiate and enter into the necessary contract or contracts for Nebraska City Station Unit 2 turbine and generator repair labor and technical services subject to review and approval of the final contract(s) by the District's General Counsel.

2. 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.



MEMORANDUM

Date: December 5, 2025

UO-2025-015

From: S.A. Eidem

To: T. R. Via

Subject: Nebraska City Station Unit 2 Turbine and Generator Alignment Labor and Technical Services

1.0 GENERAL

In the spring of 2023, Nebraska City Station Unit 2 (NC2) conducted a full turbine and generator outage to include realignment of the entire turbine train (the machine). In the summer of 2025, it was discovered the alignment was significantly out of design specifications. It was determined that the bearing pedestals had greater than anticipated settling contributing to machine degradation. Turbine/Generator alignment is normally not expected to be needed until approximately eight-years of operation after a full alignment.

Working with industry vendor experts, slight bearing adjustments were made to bring the alignment closer to specification, but still outside of design conditions. It was assessed at that time this adjustment would allow for safe reliable operation until the next scheduled planned outage in the spring of 2027. To bring the machine back into design alignment specification, a full turbine outage is required.

In October 2025, NC2 conducted a maintenance outage to reduce overall vibration of the machine. Vibration of the machine is a symptom of misalignment and primarily drives the need for re-alignment. During this maintenance outage window, further surveying was conducted and determined additional settling had occurred since July 2025. Additionally, post outage vibration data was still elevated. Based upon data trend review, It was determined to mitigate the risk of an inopportune forced outage that the station should plan for a 2026 outage to address the degradation.

The District already has a full fleet outage schedule for the spring and fall of 2026 scheduled with resources applied fully. Contracting the labor externally is optimal to efficiently conduct a full turbine and generator outage within the spring or fall 2026 and to not affect the schedules of other unit outages due to internal resource loading.

The use of the statutory sealed bidding process for this specific case, coupled with the urgency and complexity on the need to conduct a full machine alignment, may result in not having labor and technical services secured in time prior to the machine requiring repairs. This degrading condition has the potential to cause a significant unplanned outage duration if not proactively addressed. Therefore, to reduce the risk of an unplanned outage due to further accelerated machine degradation, it is in the District and public's best interest to forgo the sealed bidding process. Instead, competitive bids will be sought through publicly available RFP and negotiation process. The contract will be awarded to the vendor(s) with the most competitive bid and technical capabilities.

T. R. Via
Page 2 of 2
December 5, 2025

2.0 RECOMMENDATION

An Engineer's Certificate of the above facts has been prepared. Approval of that Certification is recommended. We request the Board of Directors to approve the Engineer's Certification and to authorize management to forgo the public sealed bidding process and negotiate and award a competitively bid contract or contracts to perform the necessary repairs on the NC2 turbine and generator.



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

ENGINEER'S CERTIFICATE

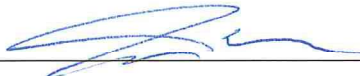
The alignment of the steam turbine at Omaha Public Power District's Nebraska City Station Unit 2 was inspected in Summer 2025 and found to be more misaligned than expected after two years of operation since the previous re-alignment in 2023. The unit was returned to service with minor adjustments to allow sub-optimal operation until a full turbine alignment could be completed during a scheduled outage in 2027.

After return to service, increased vibration of the turbine was observed due to the misalignment condition. District operations management have concluded that the turbine must undergo a re-alignment during 2026 to assure that the unit can be safely and reliably operated prior to the scheduled planned 2027 outage.

The undersigned professional engineer employed by OPPD certifies that the work needed to complete the required re-alignment in 2026 is highly complex and is an urgent need to avoid an unplanned outage and assure continued safe and reliable operation of the generation unit. It will be necessary for the District to negotiate detailed technical and risk management terms in the repair contract and there are limited contractors with the expertise needed to successfully and expeditiously complete the required work.

For the foregoing reasons, in accordance with Section 70-637 of the Nebraska Revised Statutes, the undersigned certifies, that it would be impractical and not in the public interest to utilize the statutory sealed bid process to repair the turbine misalignment at Nebraska City Station Unit 2. Therefore, District Management seeks approval by the Board of Directors of this Engineer's Certificate and authorization to negotiate and enter into a contract or contracts for the repair of this generating unit. The District will issue a request for proposal to obtain bids from qualified contractors to secure repairs.

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



Joseph K. Mise, P.E.



12/2/25

Date



Stephen M. Bruckner
ATTORNEY
402.978.5225
sbruckner@fraserstryker.com
fraserstryker.com

December 1, 2025

Omaha Public Power District
1919 Aksarben Drive
Omaha, NE 68106

RE: Nebraska City Station Unit 2 - Engineer's Certificate for Repair of Steam Turbine Misalignment

Ladies and Gentlemen:

We have reviewed the Engineer's Certificate of Joseph K. Mise, P.E., a registered professional engineer in the State of Nebraska employed by the District. Mr. Mise's certification states that the Nebraska City Station Unit 2 steam turbine was inspected and found to have misalignment that was temporarily repaired to effectuate continued operation. Following further engineering evaluation, District Management has concluded that the misalignment of the turbine must be fully repaired prior to a scheduled outage in 2027 to avoid an unplanned outage and assure continued safe and reliable operation of the generating unit. He further explains that the project is urgent and complex and requires a negotiated contractual process due to its technical nature and the need to assure risk mitigation. For these reasons, Mr. Mise certifies that it would be impractical and not in the public interest to use sealed bidding for this project.

Section 70-637 of the Nebraska Revised Statutes authorizes the District's Board of Directors, by a two-thirds vote, to approve an Engineer's Certificate for generating unit repair projects for which sealed bidding would be impractical and not in the public interest, and to authorize the District to enter into a contract to complete the project. The District is required to advertise its intention to enter into any such contract in three (3) issues of a newspaper of general circulation within the District's service area, with not less than seven (7) days between issues. The contract cannot be entered into sooner than twenty (20) days after the last advertisement.

It is our opinion that Mr. Mise's Engineer's Certificate complies with Section 70-637 and is in a form that is appropriate for approval by the District's Board of Directors. Therefore, the Board of Directors may approve the Engineer's Certification and authorize Management to negotiate and enter into the necessary contract(s) for the repair of the Nebraska City Station Unit 2 turbine. We recommend that any such contract be subject to review and approval by the District's general counsel.

Fraser Stryker PC LLO

500 Energy Plaza, 409 South 17th Street, Omaha, NE 68102 — TEL: 402.341.6000 — FAX: 402.341.8290

Page 2

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Stephen M. Bruckner', with a stylized, flowing script.

Stephen M. Bruckner
FOR THE FIRM

SMB:ecc



Action Item

December 16, 2025

ITEM

Nebraska City Station Unit 2 Turbine and Generator Labor and Technical Services

PURPOSE

Provide labor and services required to execute a 2026 outage work scope for the Nebraska City Station Unit 2 (NC2) turbine and generator.

FACTS

- a. The NC2 turbine and generator require maintenance and repairs, including major re-alignment, following accelerated turbine bearing pedestal settlement observed in 2025. This settlement challenges continued reliable operation, necessitating action earlier than previously assessed.
- b. Reliable operation of NC2 is required to meet both the energy demands and capacity requirements of the District.
- c. The needed work scope is complex and requires experienced technical oversight specialized in conducting a full turbine and generator outage.
- d. 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 project.

ACTION

Approval of the Engineer's Certification and authorization for Management to negotiate and enter a contract or contracts for Nebraska City Station Unit 2 turbine and generator repair labor and technical services.

RECOMMENDED:

Signed by:

Troy R. Via

Troy R. Via

Chief Operating Officer and
Vice President – Utility Operations

APPROVED FOR BOARD CONSIDERATION:

Signed by:

L. Javier Fernandez

L. Javier Fernandez

President and Chief Executive Officer

SAE

Attachments: Letter of Recommendation

Engineer Certificate

Legal Opinion

Resolution