

OPPD Board of Directors – All Committees Meeting
 Tuesday, June 14, 2022

CLOSED SESSION – 8:00 A.M. – 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	8:00 A.M.
2.	Closed Session			8:05 A.M.
	Enterprise Risk Management Quarterly Update	Reporting	Focht	45 min
	Security Awareness and Threat Assessment Discussion	Reporting	Brown	45 min
	BREAK – Open Webex to Allow Public to Join			9:45 A.M.
3.	Public Session – Chair Opening Statement		Bogner	10:00 A.M.
4.	Safety Briefing		Fernandez	10:05 A.M.
5.	Governance Committee			10:10 A.M.
	Governance Chair Report (6/9/22)	Reporting	Moody	10 min
	Corporate Officer Performance Reviews and Compensation Adjustments for K. W. Brown, S. M. Focht, L. A. Olson and T. R. Via	Action	Fernandez	5 min
	SD-15: Enterprise Risk Management Monitoring Report	Action	Focht	30 min
	Annual Health Plan Report	Action	Pinder	20 min
6.	Finance Committee			11:15 A.M.
	Finance Chair Report (6/3/22)	Reporting	Yoder	10 min
	Appointment of Small Cap Growth Investment Manager for Retirement Fund	Action	Bishop	10 min
	Appointment of Private Credit Investment Managers for Retirement Fund	Action	Bishop	10 min
	BREAK FOR LUNCH			11:45 A.M.
	Finance Committee (continued)			12:15 P.M.
	SD-2: Rates Monitoring Report	Action	Bishop	60 min
7.	System Management & Nuclear Oversight Cmte			1:15 P.M.
	SM&NO Chair Report (6/2/22)	Reporting	Williams	10 min
	SD-9: Resource Planning Policy Revision	Discussion	Underwood	60 min
	BREAK			2:25 P.M.
	System Management & Nuclear Oversight Cmte (continued)			2:30 P.M.
	Power with Purpose: Natural Gas and Transmission Updates	Reporting	Via	15 min
	Power with Purpose: Reliability	Reporting	Underwood	75 min
	Nuclear Oversight Committee Report	Reporting	Via	10 min

-- Continued Next Page --

* 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.

	<u>TOPIC</u>	<u>TYPE</u>	<u>PRESENTER</u>	<u>TIME*</u>
8.	Public Information Committee			4:10 P.M.
	Public Information Chair Report (6/7/22)	Reporting	Mollhoff	10 min
	SD-11: Economic Development Policy Revision	Action	Olson	30 min
9.	Other Business			4:50 P.M.
	Confirmation of Board Meeting Agenda	Action	Bogner	5 min
	Review of Board Work Plan	Discussion	Bogner	5 min



Pre-Committee Agenda

GOVERNANCE PRE-COMMITTEE MEETING
WEBEX VIDEOCONFERENCE
June 9, 2022 7:30 – 8:45 A.M.

1. Annual Health Plan Report (Pinder – 5 min)
 - a. Objective: Introduce report and field clarification-focused questions.
2. SD-15: Enterprise Risk Management Monitoring Report (Focht – 5 min)
 - a. Objective: Answer Committee's clarification-focused questions, affirm report includes the necessary information desired by the Committee, and confirm recommendation.
3. Power with Purpose: Reliability (Underwood – 45 min)
 - a. Objective: Discuss PwP and reliability.
4. Governance Practice: Decision Making (Yoder – 10 min)
 - a. Objective: To explore current approach/practice and potential refinements
5. Board Work Plan (Focht – 5 min)
 - a. Objective: Committee members to review and confirm items on the Board Work Plan.
6. Summary of Committee Direction (2 min)
 - a. Objective: Executive Leadership Team liaison(s) to summarize direction provided by the committee.



Action Item

BOARD OF DIRECTORS

June 14, 2022

ITEM

Compensation Adjustments for Corporate Officers

PURPOSE

Approve compensation adjustments for the following corporate officers:

- Kathleen W. Brown, Vice President & Chief Information Officer
- Scott M. Focht, Vice President – Corporate Governance & Strategy
- Lisa A. Olson, Vice President – Public Affairs
- Troy R. Via, Chief Operations Officer & Vice President – Utility Operations


FACTS

- a. Compensation adjustments for corporate officers are approved by the Board of Directors on an annual basis.
- b. The compensation adjustments recommended are identified on Exhibit A for the above named corporate officers.
- c. The adjustments for the above corporate officers are effective as identified on Exhibit A.

ACTION


Board approval of the compensation adjustments for certain members of the Executive Leadership Team, as shown on Exhibit A.

RECOMMENDED:

DocuSigned by:

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McKell V. Pinder
Vice President – Human Capital

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

AC399FDCE56247E...

L. Javier Fernandez
President and Chief Executive Officer

Attachments: Exhibit A
Resolution

**EXHIBIT A
 OMAHA PUBLIC POWER DISTRICT
 SALARY ACTION FOR CORPORATE OFFICERS
 APPROVAL DATE: JUNE 16, 2022**

<u>Officer</u>	<u>Present Salary</u>	<u>Proposed Salary</u>	<u>% Change</u>	<u>% of Midpoint</u>	<u>Effective Date</u>
Kate W. Brown Vice President & Chief Information Officer	\$387,227	\$404,652	4.50%	96%	January 4, 2022
Scott M. Focht Vice President – Corporate Strategy & Governance	\$303,731	\$317,399	4.50%	89%	December 1, 2022
Lisa A. Olson Vice President – Public Affairs	\$365,204	\$379,812	4.00%	106%	July 1, 2022
Troy R. Via Vice President – Utility Operations & Chief Operating Officer	\$407,392	\$425,725	4.50%	89%	October 31, 2022



Moody/Pinder

DRAFT
RESOLUTION NO. 65xx

WHEREAS, the Board of Directors of the Omaha Public Power District is required by law to establish the compensation of the District's corporate officers; and

WHEREAS, the Board of Directors of the Omaha Public Power District is opting to review and adjust compensation for corporate officers on July 1 during 2022 (opposed to each officer's anniversary date as an officer of the District) and for each subsequent year until the methodology is reviewed and changed.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the compensation adjustments for the following corporate officers: Kate W. Brown, Scott M. Focht, Lisa A. Olson, and Troy R. Via, as set forth on the Exhibit A attached hereto, be and hereby are approved.



Board Action

BOARD OF DIRECTORS

June 14, 2022

ITEM

SD-15: Enterprise Risk Management Monitoring Report

PURPOSE

To ensure full Board review, discussion and acceptance of the SD-15: Enterprise Risk Management Monitoring Report

FACTS

- a. The Board confirmed the Corporate Governance Initiative Charter in December 2014 in order to assess and refine OPPD's corporate governance infrastructure.
- b. 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.
- c. Each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process.
- d. The Governance Committee is responsible for evaluating Board Policy SD-15: Enterprise Risk Management on an annual basis.
- e. The Governance Committee has reviewed the SD-15: Enterprise Risk Management Monitoring Report and is recommending that OPPD be found to be sufficiently in compliance with the policy as stated.

ACTION

Board of Directors approval of the SD-15: Enterprise Risk Management Monitoring Report.

RECOMMENDED:

DocuSigned by:

Scott M. Focht

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Scott M. Focht

Vice President – Corporate Strategy and Governance

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

L. Javier Fernandez

AC309FDCE56247E...

L. Javier Fernandez

President and Chief Executive Officer

Attachments: Exhibit A – Monitoring Report
Resolution

SD-15: Enterprise Risk Management Monitoring Report

Scott Focht – Vice President Corporate Strategy & Governance

Dan Laskowsky – Director Risk Management & Compliance Governance

June 14, 2022

SD-15: Enterprise Risk Management

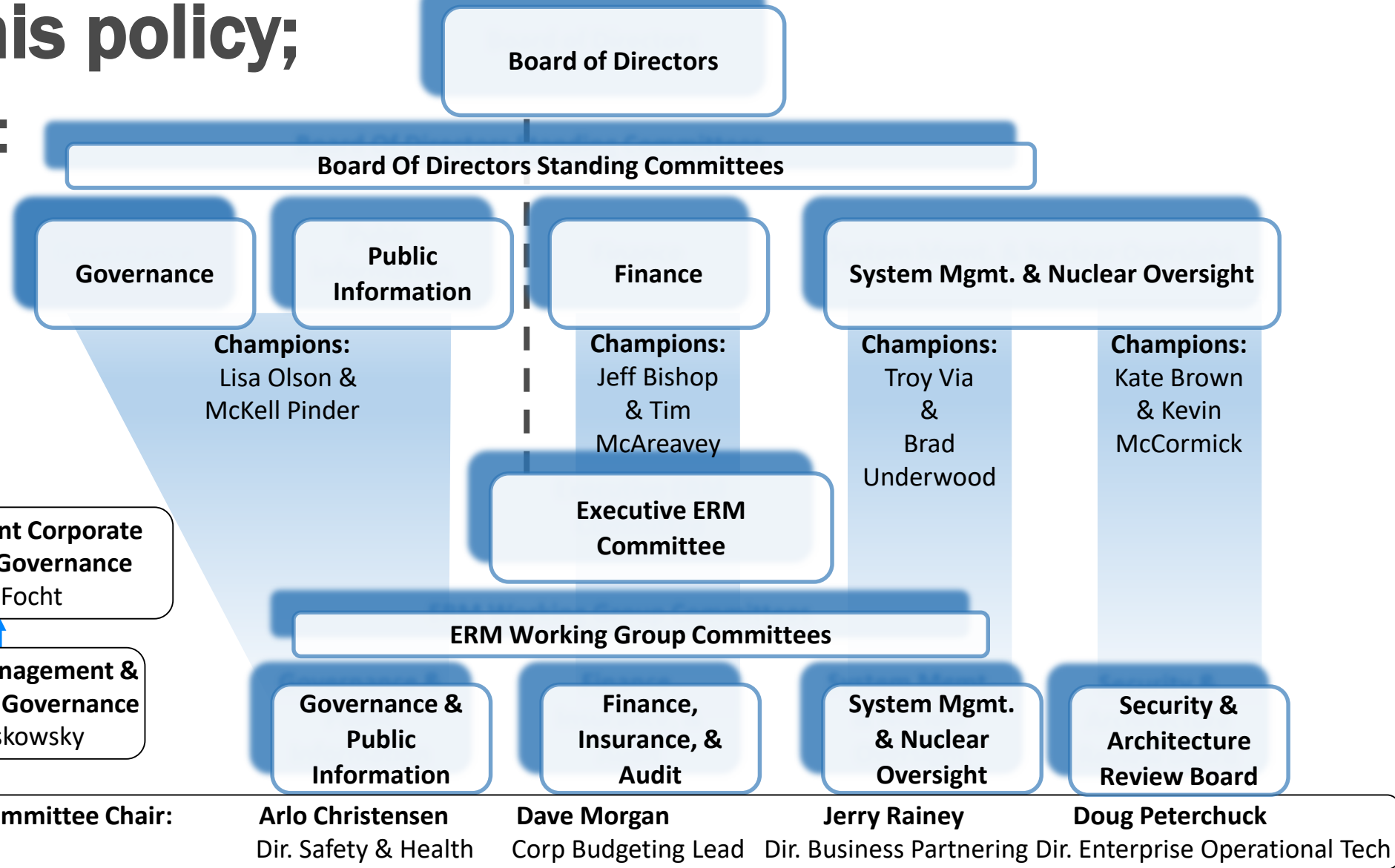
OPPD shall maintain an enterprise risk management (ERM) program to perform an independent oversight function of the District's risk management activities to ensure significant risks are identified, assessed, managed, and reported through organizational policies, procedures, and processes to maintain risk exposures within agreed upon risk tolerance levels.

The Board of Directors shall:

- Ensure the District is maintaining an ERM program that fulfills this policy.
- Review the District's most significant risks on a quarterly basis to validate assumptions and assess the impacts of changes since initial risk review.
- When necessary, request additional explanation of the risk from the corresponding member of OPPD's executive leadership team responsible for the risk or request additional expertise to supplement the review.
- Review additional ERM information, related risk activities, and strategies on an as-needed basis.

Ensure the District is maintaining an ERM program that fulfills this policy;

- ERM Structure:



Ensure the District is maintaining an ERM program that fulfills this policy;

- Board Policy SD-15 & ERM Policy guide responsibilities and procedures for managing risks
- Risk Identification & Oversight:
 - Monthly: All three ERM Working Group Committees meet to identify and assess risks and have at least one member from each Business Unit. The Security & Architecture Review Board also performs this role in addition to its other responsibilities.
 - Quarterly: Reports on the District's significant risks are provided to Executive ERM Committee and the Board of Directors. Executive Leadership affirms the following items:
 - Enterprise risks are identified, to a reasonable extent.
 - Significant enterprise risks are understood.
 - Mitigation strategies are understood, appropriate, and sufficient.

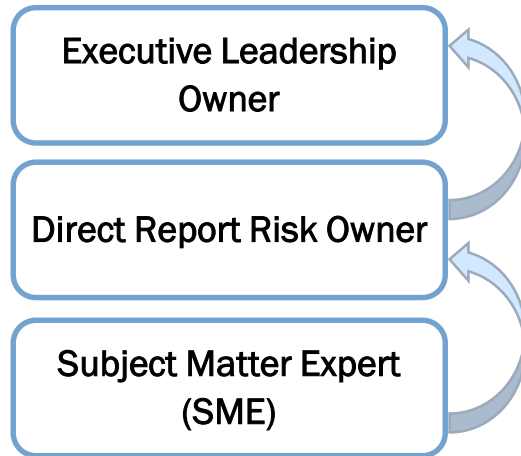
Review the District's most significant risks on a quarterly basis to validate assumptions and assess the impacts of changes since initial risk review;

- 3rd Quarter 2021 Report (Closed Session) - September 14, 2021
- 4th Quarter 2021 Report (Closed Session) - December 14, 2021
- 1st Quarter 2022 Report (Closed Session) - March 15, 2022
- 2nd Quarter 2022 Report (Closed Session) - June 14, 2022

Instructions:						Risk Likelihood (5 Years)				Risk Appetite Guidance		
1 - The severity text for each consequence is a representative, and not an exhaustive, list of the events that would fall under each level, use your best judgement to rank any consequences not explicitly listed. Determine the potential consequences of the risk being considered.						Theoretically Possible, Never Occurred at OPPD or in the Industry, <1%	Has Happened in the Industry, Potential to Occur at OPPD, 1% - 10%	Has Happened at OPPD, Multiple Occurrences in the Industry, Probable, 11% - 25%	Likely to Occur at OPPD, Multiple Occurrences at OPPD, Expected, 26% - 100%			
2 - The Risk Severity is determined by the highest severity level across all the consequences. If stuck between two levels for a specific consequence, choose the higher of the two levels to err on the side of caution. The [1] button above column 1 can hide the consequence section.												
3 - Choose the Risk Likelihood that best represents the best representation that the consequences chosen will occur within the coming 5 year period.												
Consequence						Risk Likelihood (5 Years)				Risk Appetite Guidance		
Safety	Financial	Reliability	Regulatory	Reputation	Technology	1	2	3	4			
Risk Severity	Death(s) or Multiple Major Injuries / Multiple SIFs or Nuclear General Emergency Declaration	Greater Than \$15 Million Loss in a Single Year and/or Greater Than \$60 Million Loss in a 5 Year Period	Destruction of Major Facility, Complete Service Territory Blackout, Long-Term Interruption of "Normal" Business	Environmental Major Contaminant or Radioactive Release Resulting in Criminal Fines against OPPD or Prison Time for Employees	Persistent International or National Concern, Governmental Inquiry, Permanent "Brand" Impact	Compromise of Any Network, Loss/Theft of Data, Primary and Backup Critical Systems Down or Severely Degraded for 2+ Days, or High Impact Bulk Electric System (BES) Cyber Systems and associated communication systems down or severely degraded for 12 hours. Compromise of Any Operational Network /System that materially jeopardizes plant safety or	4	Executive ERM Committee (Quarterly)	Board of Directors & Executive ERM Committee (Quarterly)	Board of Directors & Executive ERM Committee (Quarterly)	Board of Directors & Executive ERM Committee (Quarterly)	Unacceptable Risk Level Must Avoid or Mitigate to a lower level.
	Single Major Injury (Hospitalization) / SIF Case or Multiple DART Nuclear: Site Area Emergency Declaration	Greater Than \$10 Million Loss in a Single Year and/or Greater Than \$40 Million Loss in a 5 Year Period	Significant Damage to Major Facility, Load Shedding to Maintain Grid, Sustained Customer Outage for Portion of Service Territory	Significant Regulatory Violation Resulting in Greater than \$1 Million in Civil Penalties	Persistent National Media Scrutiny, Long Term "Brand" Impact, Negative Viral Social Media Impact	Critical Application, Data Server, Major Network Segment, Infrastructure Component Down or Severely Degraded for 1+ Day, or High Impact Bulk Electric System (BES) Cyber Systems and associated communication systems down or severely degraded for 2 hours. Compromise of Any Operational Network /System that could jeopardize plant safety or causes a forced	3	ERM WG Committee (Annually)	Executive ERM Committee (Quarterly)	Executive ERM Committee (Quarterly)	Board of Directors & Executive ERM Committee (Quarterly)	Undesirable Risk Level Avoid when possible, mitigate to a lower level if unable to avoid, accept only with 75% approval from Senior Management.
	Injury Requiring Treatment by Medical Practitioner / DART Nuclear: Alert Declaration	Greater Than \$5 Million Loss in a Single Year and/or Greater Than \$20 Million Loss in a 5 Year Period	Damage to an OPPD Facility, Several Circuit Lockouts, Orange Operating Condition - Fossil, Construction & Maintenance Halted	Regulatory Violation Resulting in Greater than \$50k in Civil Penalties	Persistent Local Media Scrutiny, Some Negative National Media Attention, Short Term "Brand" Impact, Negative Social Media Impact	Critical Application, Data Server, Network Segment, Infrastructure Component, or Operational Network/System Down or Severely Degraded for 2+ Hrs	2	ERM WG Committee (Biennially)	ERM WG Committee (Annually)	ERM WG Committee (Annually)	Executive ERM Committee (Quarterly)	Tolerable Risk Level Avoid when plausible, mitigate if possible, accept only with approval from ERM WG Committee with 75% approval
	First Aid Required or Nuclear: Notice of Unusual Event (NOUE) Declaration	Greater Than \$500k Loss in a Single Year and/or Greater Than \$2 Million Loss in a 5 Year Period	Some Circuit Lockouts, Yellow Operating Condition, Fossil, Significant Impact to Construction and Maintenance	Notice of Non-Compliance, Violation or Potential Violation Resulting in Less than \$50k in Civil Penalties	Negative Short Term Local Media Attention, Scrutiny by Senior Management, Negative Social Media Attention	Any Application, Data Server, Network Segment, Infrastructure Component, or Operational Network/System Down or Severely Degraded for 1+ Hrs	1	ERM WG Committee (Biennially)	ERM WG Committee (Biennially)	ERM WG Committee (Annually)	ERM WG Committee (Annually)	Acceptable Risk Level Accept, Mitigate only when prudent, Avoid only when risk is unnecessary.
	No Injuries and Impact would Not Lead to a Notice of Unusual Event (NOUE) Declaration	Less Than \$500k Loss in a Single Year and/or Less Than \$2 Million Loss in a 5 Year Period	Normal Operating Conditions, Outage Activity is Limited and Isolated, Construction and Maintenance Proceed as Planned	No Regulatory Impact	Limited or No Negative Press or Social Media Attention	Normal Operations, Any Issues can be Resolved in Less Than 1 Hour	0	Non-ERM Risk	Non-ERM Risk	Non-ERM Risk	Non-ERM Risk	Risk of Doing Business Accept, Maintain awareness and escalate to ERM if risk significantly changes.
							Division / Dept. Risk					

When necessary, request additional explanation of the risk from the corresponding member of OPPD's executive leadership team responsible for the risk or request additional expertise to supplement the review;

- Three levels of risk ownership:



Responsible For:



- Directors are able to request additional information from the corresponding Executive Leadership owner responsible for any significant risk.
- Directors can also request that Executive Leadership arrange for additional expertise to supplement the review of a specific significant risk.

Review additional ERM information, related risk activities, and strategies on an as-needed basis.

- Leverage ERM during Strategic Planning, Resource Planning, and Capital Project Prioritization
- ERM support of COVID-19 pandemic response and Polar Vortex After Action Review
- Business Decision Model includes risk assessment
- Recent Board recommendations have included risk-related information as part of the discussion. Some examples include:
 - Resolution No. 6351 - Power with Purpose (November 14, 2019 and Ongoing)
 - Resolution No. 6486 - Spring 2022 Transmission Construction (January 18, 2022)
 - Resolution No. 6481 - Approval of Corporate Operating Plan (December 14, 2021)

Recommendation

- The Governance Committee has reviewed and accepted this Monitoring Report for SD-15 and recommends that the Board find OPPD to be sufficiently in compliance with Board Policy SD-15.

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





Moody/Focht

DRAFT
RESOLUTION NO. 65xx

WHEREAS, the Board of Directors has determined it is in the best interest of the District, its employees, and its customer-owners to establish written policies that describe and document OPPD's corporate governance principles and procedures; and

WHEREAS, each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process; and

WHEREAS, the Board's Governance Committee (the "Committee") is responsible for evaluating Board Policy SD-15: Enterprise Risk Management on an annual basis. The Committee has reviewed the SD-15: Enterprise Risk Management Monitoring Report and finds OPPD to be sufficiently in compliance with the policy as stated.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Omaha Public Power District accepts the SD-15: Enterprise Risk Management Monitoring Report, in the form as set forth on Exhibit A attached hereto and made a part hereof, and finds OPPD to be sufficiently in compliance with the policy as stated.



Action Item

BOARD OF DIRECTORS

June 14, 2022

ITEM

Health Plan – 2021 Annual Report

PURPOSE

Provide an annual report on the District’s Health Plan


FACTS

- a. In 1991, the Board of Directors authorized the formation of a self-funded Administrative Services Only Health Plan (Health Plan). The Health Plan includes the health insurance programs and dental program offered by the District.
- b. The Health Plan is subject to the Political Subdivision Self-Funding Benefits Act, set forth in §13-1601 to §13-1626, Revised Statutes of Nebraska (Benefits Act). In order to comply with the Benefits Act, the District is required to prepare an annual report on the Health Plan and required reserves.
- c. Two funded reserves are maintained for the Health Plan in accordance with the Benefits Act. One reserve is to account for timing delays in claims filing and processing which is referred to as an Incurred But Not Presented Reserve. A second reserve ensures that funds will be available during each ensuing month and is called the Monthly Claims and Expenses Reserve.

ACTION


Review and approval of the Health Plan – 2021 Annual Report

RECOMMENDED:

DocuSigned by:


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 McKell V. Pinder
 Vice President – Human Capital

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:


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 L. Javier Fernandez
 President and Chief Executive Officer

MVP:gs

Attachments: Health Plan – 2021 Annual Report
Resolution

**Omaha Public Power District
Health Plan – 2021 Annual Report
May 25, 2022**

As required by the Benefits Act, the following is a report on the District's Health Plan for 2021 and required reserves.

HEALTH PLAN REPORT

	2021
Expenses - Gross	
Medical, dental and prescription claims	\$29,273,000
Other post-employment benefits-OPEB	\$14,400,000
Fees and reserve adjustments	\$3,484,600
Subtotal	\$47,157,600
Reduction of Expenses	
Employee and COBRA contributions	\$6,703,800
Prescription Rebates ⁽¹⁾	\$2,015,700
Stop Loss Reimbursements ⁽²⁾	\$197,300
MISC Refunds ⁽³⁾	\$200,400
Subtotal	\$9,117,200
Total	\$38,040,400

Note ⁽¹⁾ This represents prescription drug rebates issued by the drug manufacturers.

⁽²⁾ This represents reimbursements for claims that exceed the individual stop loss.

⁽³⁾ This represents reimbursements from BCBS, UMR, and other self-insurance refunds

RESERVES

	2021
Incurred But Not Presented	
Beginning balance	\$3,330,000
Activity	-\$71,000
Ending balance	\$3,259,000
Monthly Claims and Expenses	
Beginning balance	\$2,601,200
Activity	\$144,800
Ending balance	\$2,746,000

The reserve balances change based on annual projections and actuarial information received.



Moody/Pinder

DRAFT
RESOLUTION NO. 65xx

WHEREAS, the District maintains a Health Plan for its employees, retirees and their dependents; and

WHEREAS, the Board of Directors directed management to provide for self-funding of the District's Health Plan, as well as the use of Administrative Services Only providers, and to authorize such providers to issue payments and adjustments in settlement of such health benefits; and

WHEREAS, such arrangements were completed and the District's self-funded Health Plan is in effect; and

WHEREAS, State statutes require the Board of Directors to review and approve an annual report on the self-funded Health Plan and required reserves; and

WHEREAS, the Health Plan – 2021 Annual Report has been completed and indicates that the Health Plan was operated in accordance with the Board's directive and applicable State statutes.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the Health Plan – 2021 Annual Report on the District's self-funded Health Plan, a copy of which is attached hereto, is hereby approved.



Pre-Committee Agenda

FINANCE PRE-COMMITTEE MEETING
VIDEOCONFERENCE
June 3, 2022 8:00 – 9:30 AM

1. Safety Briefing (Bishop – 3 min)
 - a. Objective: Promote awareness of current safety focus
2. Chair Report (Yoder – 30 min)
 - a. Objective: Review status of Finance Committee work items
 - Schedule
 - “July” meeting – June 30
 - Other Topics
 - Cost of Living Adjustment – Working document update
 - SD-2: Rates Policy Revision
 - Discussion and direction on SD-2 goals (see attached)
3. SD-2: Rates Monitoring Report (Bishop – 15 min)
 - a. Objective: Seek consensus for recommendation to the full board for action.
 - Process: Report will be available prior to Finance Committee meeting. Time will be used to identify concerns and provide clarification.
 - “New” monitoring report process – reflection and relationship to the Rate Design Review Project.
4. Selection of Retirement Fund’s New Private Credit Managers (Bishop – 5 min)
 - a. Objective: Review management’s recommendation and answer questions from the Committee; develop recommendation for Board action.
 - Corbin Capital Partners and Neuberger Berman
5. Selection of Retirement Fund’s New Small Cap Growth Manager (Bishop – 5 min)
 - a. Objective: Review management’s recommendation and answer questions from the Committee; develop recommendation for Board action.
 - Frontier Capital Management
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.



Board Action

BOARD OF DIRECTORS

June 14, 2022

ITEM

Retirement Plan – Appointment of Investment Manager – Small Cap Growth

PURPOSE

Approve the appointment of an Investment Manager for the OPPD Retirement Plan

FACTS

- a. In December 2021, the District’s investment consultant, Segal Marco Advisors, downgraded to “Not Recommended” the Retirement Fund’s small capitalization growth manager, Voya. Due to this downgrade, the Trust Selection Committee (TSC), assisted by Segal Marco Advisors, initiated a search for a new small capitalization growth manager to replace Voya using criteria established by the Board of Directors (Board).
- b. The TSC reviewed the three leading candidates and held interviews with ArrowMark Partners, Frontier Capital Management, and Riverbridge Partners.
- c. After the interviews, Frontier Capital Management was selected for recommendation to the Board. Frontier Capital Management exceeds all of the Policy consideration criteria for an investment manager, and their performance ranks competitively in the small capitalization growth universe.
- d. The TSC recommends that the Board appoint Frontier Capital Management as a small capitalization growth manager for OPPD’s Retirement Plan.
- e. Attached is a letter from Segal Marco Advisors outlining the manager search process and concurring with the TSC’s recommendation in the selection of Frontier Capital Management as an OPPD Retirement Plan investment manager.

ACTION

Board’s consideration of a resolution appointing Frontier Capital Management as an investment manager for OPPD’s Retirement Plan.

RECOMMENDED:

DocuSigned by:

05F902772CFE45A...
 Jeffrey M. Bishop
 Vice President and Chief Financial Officer

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

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 L. Javier Fernandez
 President and Chief Executive Officer

JMB: jap

Attachments: Segal Marco Advisors Letter
Resolution

May 31, 2022

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

Subject: Research Process for OPPD's Actively Managed Domestic Small-Cap Growth Equity Manager Search.

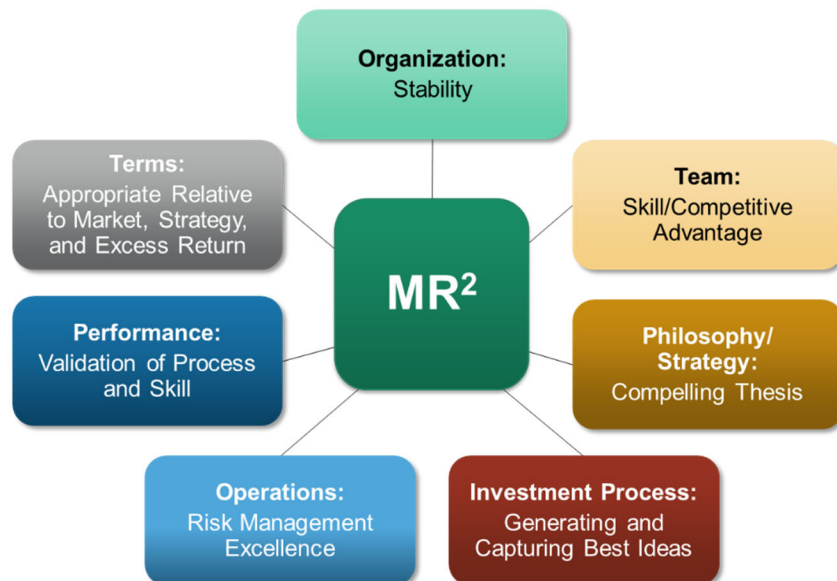
Dear Board of Directors:

We have detailed a description of the research process utilized by Segal Marco Advisors in the recommendation of Frontier Capital Management.

The process used was as follows:

1. Our research specialists employed a highly formalized process – Manager Research and Ranking Process (MR²) – to evaluate and select managers that were the “best in class”. Our process, consisting of three primary steps:
 - Identify managers from referrals, database screens, and publications
 - Meet with current and prospective managers
 - Perform in-depth due diligence on firms and their products
2. We reviewed the investment process of various managers' products as well as the organization of the firms to determine the long-term viability of their products and to detect the possibility of underperformance. MR² defines 34 success and risk factors within 7 categories.

Each manager was evaluated and scored based on these broad categories:



3. During each step, we applied a ranking system to measure and monitor a manager's history of adding value and the potential to add value in the future. We also looked at performance over time to determine whether objectives of risk and return had been met relative to peers/investment managers. Critical to our process was our evaluation of the three fundamental steps of investment management.
 - Collecting, processing, and refining information
 - Constructing portfolios
 - Analyzing trading costs
4. Using MR², we focused on the qualitative and quantitative evaluation of managers. Critical components of our qualitative assessment were: the quality of the investment professionals, the potential of the philosophy to deliver value-added results, the integrity and rigor of the investment management process, long-term performance record, and the potential fit of the products being recommended for OPPD's Retirement Plan. We used quantitative tools to identify a manager's risk profile, value, and returns attribution. Our rigorous quantitative assessment of managers also included performance relative to appropriate benchmarks and peers, risk-adjusted performance, and risk relative to benchmarks.
5. In the ranking process, we assessed the firms and products' long-term viability, to determine the sources of value-added and to detect factors that could result in consistent future out-performance or under-performance. Each manager was evaluated and scored based on these categories to ensure consistency across firms and products.

The following ratings were officially assigned to each manager:

- Recommended,
- Under Consideration,
- Not Recommended and
- Sell.

Segal Marco Advisors considers the manager rankings to be an evolving and dynamic process. Additionally, we are constantly evaluating new managers and reevaluating established ones with changes in rankings by our research staff made when appropriate.

6. Before selecting the three candidates for each OPPD manager search, Segal Marco Advisors proposed the following criteria for the manager search. All candidates needed to exhibit the following characteristics:

Organization

- Firms that have been managing assets for at least five years.
- Firms with a minimum of \$500 million under management.
- Firms with a relatively low level of personnel turnover.
- Firms with a relatively low level of client turnover and evidence of controlled business growth.
- Firms with competitive fees.

Management Styles

- An investment process that derives the majority of its value-added from security selection and portfolio construction.
- An investment style that exhibits a high correlation with the appropriate index and an investment focus consistent with each mandate.

Performance

- Verifiable track record that demonstrates adherence to the stated investment approach.
 - Historical risk and return data consistent with each investment mandate.
 - Firms with a performance history that is competitive over time when compared to appropriate peer groups and asset class benchmarks.
7. Based on the criteria, Segal Marco Advisors proposed three candidates for this mandate all of which were rated "Recommended". Segal Marco Advisors reviewed the candidates with the Trust Selection Committee on March 25th and the following firms were selected to provide in-person presentations on May 6th.

Domestic Small-Cap Growth Equity

ArrowMark Partners
Frontier Capital Management
Riverbridge Partners

8. Following the interviews, the Trust Selection Committee selected Frontier Capital Management to replace Voya as the manager of the actively managed domestic small-cap growth mandate for the OPPD Retirement Plan.
9. Based on the research process, Segal Marco Advisors supports the decision of the Trust Selection Committee in their recommendation to hire Frontier Capital Management.

If you have any questions about the research process for the selection of these managers, please feel free to call me at 770-541-4825.

Sincerely,



Jeffrey C. Boucek, CFA

cc: John Thurber



Yoder/Bishop

DRAFT
RESOLUTION NO. 64xx

WHEREAS, on December 17, 2021, the District's investment consultant, Segal Marco Advisors, downgraded to "Not Recommended" the Retirement Fund's small capitalization growth manager Voya; and

WHEREAS, in May 2022, the Trust Selection Committee, assisted by Segal Marco Advisors, initiated a search for a small capitalization growth manager for the Retirement Plan using criteria set by the Board of Directors; and

WHEREAS, the Trust Selection Committee reviewed the three leading candidates in this asset class resulting in interviews with all three investment managers; and

WHEREAS, Frontier Capital Management met all of the Statement of Investment Policy consideration criteria for an investment manager; and

WHEREAS, the Trust Selection Committee recommends the appointment of Frontier Capital Management as small capitalization growth manager for the OPPD Retirement Plan.

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

1. That Frontier Capital Management is hereby appointed as an investment manager for the OPPD Retirement Plan, subject to the execution of an acceptable contract.
2. That District officers are hereby authorized and directed to execute and attest all documents that are necessary and proper to complete the appointment of the new investment manager.



Board Action

BOARD OF DIRECTORS

June 14, 2022

ITEM

Retirement Plan – Appointment of Investment Managers – Private Credit

PURPOSE

Approve the appointment of two Investment Managers for the OPPD Retirement Plan

FACTS

- a. In January 2022, the Board approved an updated Statement of Investment Policy (Policy) for the OPPD Retirement Plan that removed one asset class, global fixed income, and added one asset class, private credit. Due to the addition of a new asset class, the Trust Selection Committee (TSC), assisted by Segal Marco Advisors, initiated a search for a private credit manager using criteria established by the Board of Directors (Board).
- b. The TSC reviewed the three leading candidates and held interviews with Corbin Capital Partners, First Eagle Alternative Credit, and Neuberger Berman.
- c. After the interviews, Corbin Capital Partners and Neuberger Berman were selected for recommendation to the Board. Corbin Capital Partners and Neuberger Berman exceed all of the Policy consideration criteria for an investment manager, and their performances rank competitively in the private credit universe.
- d. The TSC recommends that the Board appoint Corbin Capital Partners and Neuberger Berman as private credit managers for OPPD's Retirement Plan.
- e. Attached is a letter from Segal Marco Advisors outlining the manager search process and concurring with the TSC's recommendation in the selection of Corbin Capital Partners and Neuberger Berman as OPPD Retirement Plan investment managers.

ACTION

Board's consideration of a resolution appointing Corbin Capital Partners and Neuberger Berman as investment managers for OPPD's Retirement Plan.

RECOMMENDED:

DocuSigned by:

65F902772CFE45A...
Jeffrey M. Bishop
Vice President and Chief Financial Officer

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

AG390FDGE56247E...
L. Javier Fernandez
President and Chief Executive Officer

JMB: jap

Attachments: Segal Marco Advisors Letter
Resolution

May 31, 2022

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

Subject: Research Process for OPPD's Actively Managed Private Credit Manager Search.

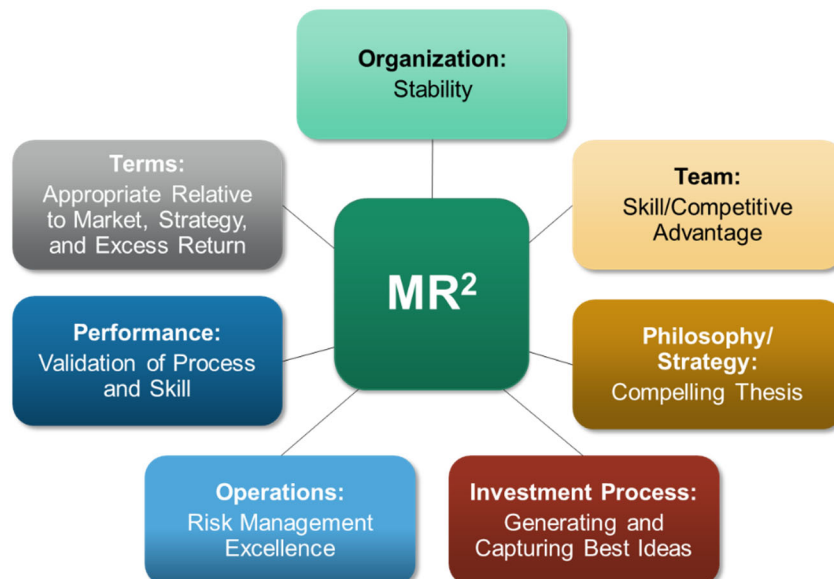
Dear Board of Directors:

We have detailed a description of the research process utilized by Segal Marco Advisors in the recommendation of Corbin Capital Partners and Neuberger Berman to manage the new allocation to Private Credit.

The process used was as follows:

1. Our research specialists employed a highly formalized process – Manager Research and Ranking Process (MR²) – to evaluate and select managers that were the “best in class”. Our process, consisting of three primary steps:
 - Identify managers from referrals, database screens, and publications
 - Meet with current and prospective managers
 - Perform in-depth due diligence on firms and their products
2. We reviewed the investment process of various managers' products as well as the organization of the firms to determine the long-term viability of their products and to detect the possibility of underperformance. MR² defines 34 success and risk factors within 7 categories.

Each manager was evaluated and scored based on these broad categories:



3. During each step, we applied a ranking system to measure and monitor a manager's history of adding value and the potential to add value in the future. We also looked at performance of prior

funds over time to determine whether objectives of risk and return had been met relative to targets/peers. Critical to our process was our evaluation of the three fundamental steps of investment management.

- Collecting, processing, and refining information
 - Constructing portfolios
4. Using MR², we focused on the qualitative and quantitative evaluation of managers. Critical components of our qualitative assessment were: the quality of the investment professionals, the potential of the philosophy to deliver value-added results, the integrity and rigor of the investment management process, long-term performance record, and the potential fit of the products being recommended for OPPD's Retirement Plan. We used quantitative tools to identify a manager's risk profile, value, and projected return expectations.
 5. In the ranking process, we assessed the firms and products' long-term viability, to determine the sources of value-added and to detect factors that could result in consistent future out-performance or under-performance. Each manager was evaluated and scored based on these categories to ensure consistency across firms and products.

The following ratings were officially assigned to each manager:

- Recommended,
- Under Consideration,
- Not Recommended and
- Sell.

Segal Marco Advisors considers the manager rankings to be an evolving and dynamic process. Additionally, we are constantly evaluating new managers and reevaluating established ones with changes in rankings by our research staff made when appropriate.

6. Before selecting the three candidates for each OPPD manager search, Segal Marco Advisors proposed the following criteria for the manager search. All candidates needed to exhibit the following characteristics:

Organization

- Firms that have been managing assets for at least five years.
- Firms with proven record of managing private credit funds and history of previous fund offerings.
- Firms with a relatively low level of personnel turnover.
- Firms that evidence-controlled fund offerings.
- Firms that offer funds with term lengths of 5-8 years.
- Firms with competitive fee structures.

Management Styles

- An investment process that derives the majority of its value-added from transaction selection and portfolio construction.
- An investment process that can be either a "fund of funds" approach or one of more direct lending. Additionally, transactions can be either "sponsored" or "non-sponsored".
- An investment process that is predominately focused on North America transactions.

Performance

- Verifiable track record with previous fund offerings.
 - Targeted net IRR range of 8% - 12%.
7. Based on the criteria, Segal Marco Advisors proposed three candidates for this mandate all of which were rated "Recommended". Segal Marco Advisors reviewed the candidates with the Trust Selection Committee on March 25th and the following firms were selected to provide in-person presentations on May 20th.

Private Credit

Corbin Capital Partners (Corbin)
First Eagle Alternative Credit (First Eagle)
Neuberger Berman

8. Following the interviews, the Trust Selection Committee selected commitments of 20% to Corbin Capital Partners and 80% to Neuberger Berman (for a combined 100%) as the managers of the new allocation to Private Credit for the OPPD Retirement Plan.
9. Based on the research process, Segal Marco Advisors supports the decision of the Trust Selection Committee in their recommendation to hire Corbin Capital Partners and Neuberger Berman in the stated commitment amounts.

If you have any questions about the research process for the selection of these managers, please feel free to call me at 770-541-4825.

Sincerely,



Jeffrey C. Boucek, CFA

cc: John Thurber



Yoder/Bishop

DRAFT
RESOLUTION NO. 64xx

WHEREAS, in January 2022, the Board of Directors approved an updated Statement of Investment Policy for the OPPD Retirement Plan that included the addition of one new asset class, private credit; and

WHEREAS, in May 2022, the Trust Selection Committee, assisted by Segal Marco Advisors, the District's investment advisor, initiated a search for a private credit manager for the Retirement Plan using criteria set by the Board of Directors; and

WHEREAS, the Trust Selection Committee reviewed the three leading candidates in this asset class resulting in interviews with all three investment managers; and

WHEREAS, Corbin Capital Partners and Neuberger Berman both meet all of the Statement of Investment Policy consideration criteria for an investment manager; and

WHEREAS, the Trust Selection Committee recommends the appointment of Corbin Capital Partners and Neuberger Berman as private credit managers for the OPPD Retirement Plan.

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

1. That Corbin Capital Partners is hereby appointed as an investment manager for the OPPD Retirement Plan, subject to the execution of an acceptable contract.
2. That Neuberger Berman is hereby appointed as an investment manager for the OPPD Retirement Plan, subject to the execution of an acceptable contract.
3. That District officers are hereby authorized and directed to execute and attest all documents that are necessary and proper to complete the appointment of the new investment managers.



Board Action

BOARD OF DIRECTORS

June 14, 2022

ITEM

SD-2: Rates Monitoring Report

PURPOSE

To ensure full Board review, discussion and acceptance of SD-2: Rates Monitoring Report.

FACTS

- a. The Board confirmed the Corporate Governance Initiative Charter in December 2014, in order to assess and refine OPPD's corporate governance infrastructure.
- b. 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.
- c. Each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process.
- d. The Finance Committee is responsible for evaluating Board Policy SD-2: Rates on an annual basis.
- e. The Finance Committee has reviewed the SD-2: Rates Monitoring Report and is recommending that OPPD be found to be sufficiently in compliance with the policy as stated.

ACTION


The Finance Committee recommends Board approval of the SD-2: Rates Monitoring Report.

RECOMMENDED:

DocuSigned by:

66F002772CFE45A...
Jeffrey M. Bishop
Vice President and Chief Financial Officer

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:

AC399FDCE50247E...
L. Javier Fernandez
President and Chief Executive Officer

JMB:bjs

Attachment: Exhibit A – Monitoring Report
Resolution

SD-2: Rates Monitoring Report

Jeff Bishop
Vice President & Chief Financial Officer
June 14, 2022



SD-2: Rates

Strategic Directive

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.

In implementing this rate target, 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.

SD-2: Rates

Directional Rate Target

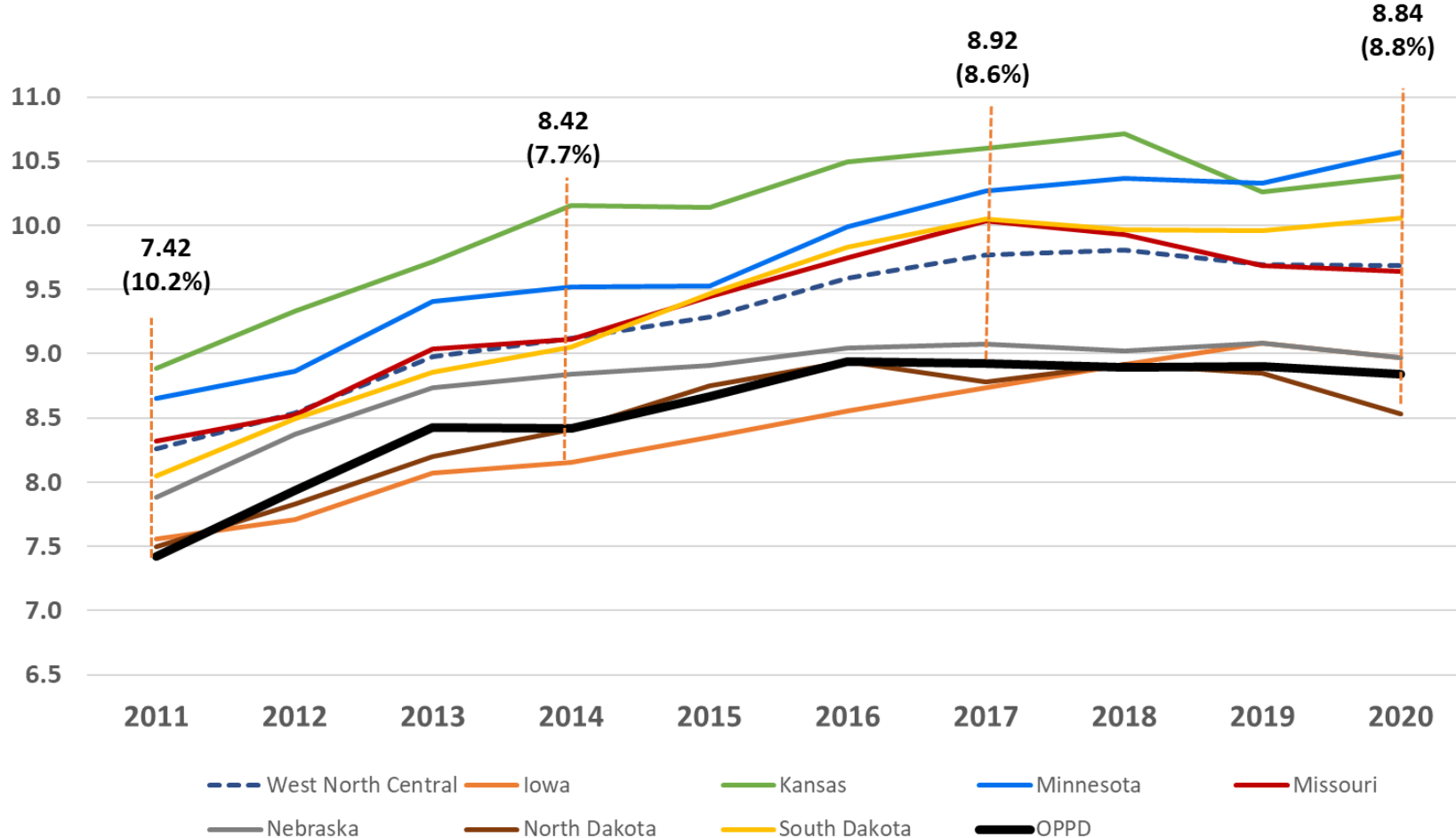
- **Directional goal of 20% below the West North Central (WNC) Region average published rates**
 - *The no general rate increase from 2017 – 2021 was an important step in pursuit of 20% below the WNC Regional average.*
 - *This presentation includes metrics from 2020. While the no general rate increase language was removed from SD-2, the metrics in the presentation are within the time period of the no general rate increase.*
- **Comparison against the WNC Region:**
 - *OPPD continues to measure against the states included in the Energy Information Administration's (EIA) WNC Region including North Dakota, South Dakota, Minnesota, Iowa, Missouri, Kansas, Nebraska.*

SD-2: Rates

Directional Rate Target

WNC Average Rates All Rate Classes (¢/kWh)

Data from EIA - Electric Sales, Revenue, and Average Price (Table T4 and T10)



SD-2: Rates

Directional Rate Target

- EIA calculates the average price (cents/kWh) utilizing consistent methodology to ensure comparability across states and utilities.
 - Average price per kWh calculation:
 - Utilizes the Annual Electric Power Industry Report (Form EIA-861)
 - Revenue by Sector – Residential, Commercial, Industrial, and Transportation.
 - Energy Sales by sector.
 - The formula is simply: $\frac{\text{Revenue}}{\text{Energy Sales}} = \text{average price.}$
 - Average price will not perfectly reflect the structure of rates
 - This methodology ensures comparability regardless of source of revenue – customer, demand, energy charge, etc.

SD-2: Rates

Load Factor

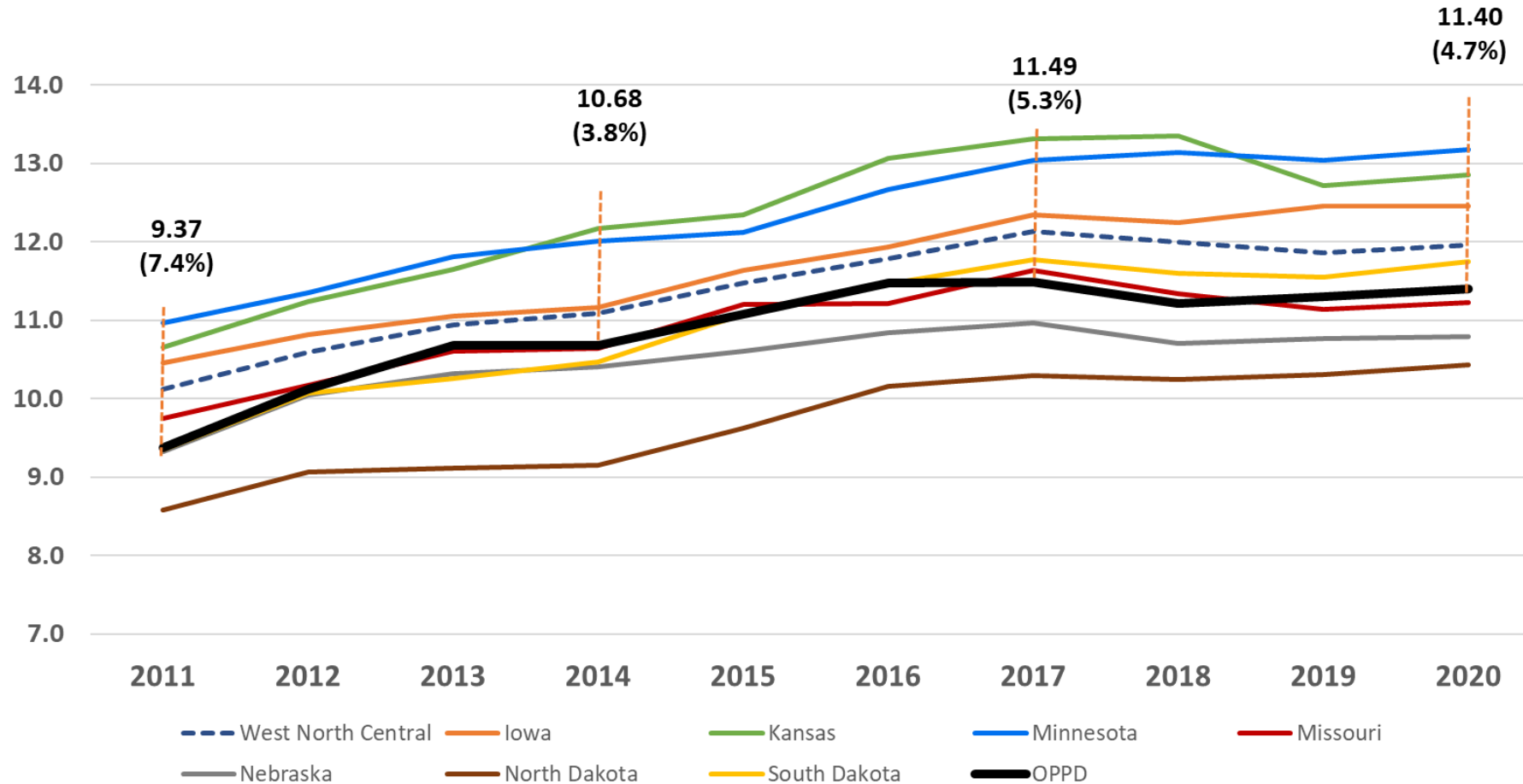
- Load factor, a measure of system utilization, ranges widely by customer class.
- High load factors indicate high utilization of system capacity:
 - *Customers with a higher load factor utilize the system more efficiently*
- High load factor customers often and appropriately translate into a lower average cost per kWh while still bearing an equitable amounts of system cost.

SD-2: Rates

Directional Rate Target

WNC Average Residential Rates (¢/kWh)

Data from EIA- Electric Sales, Revenue, and Average Price (Tables T4 and T6)

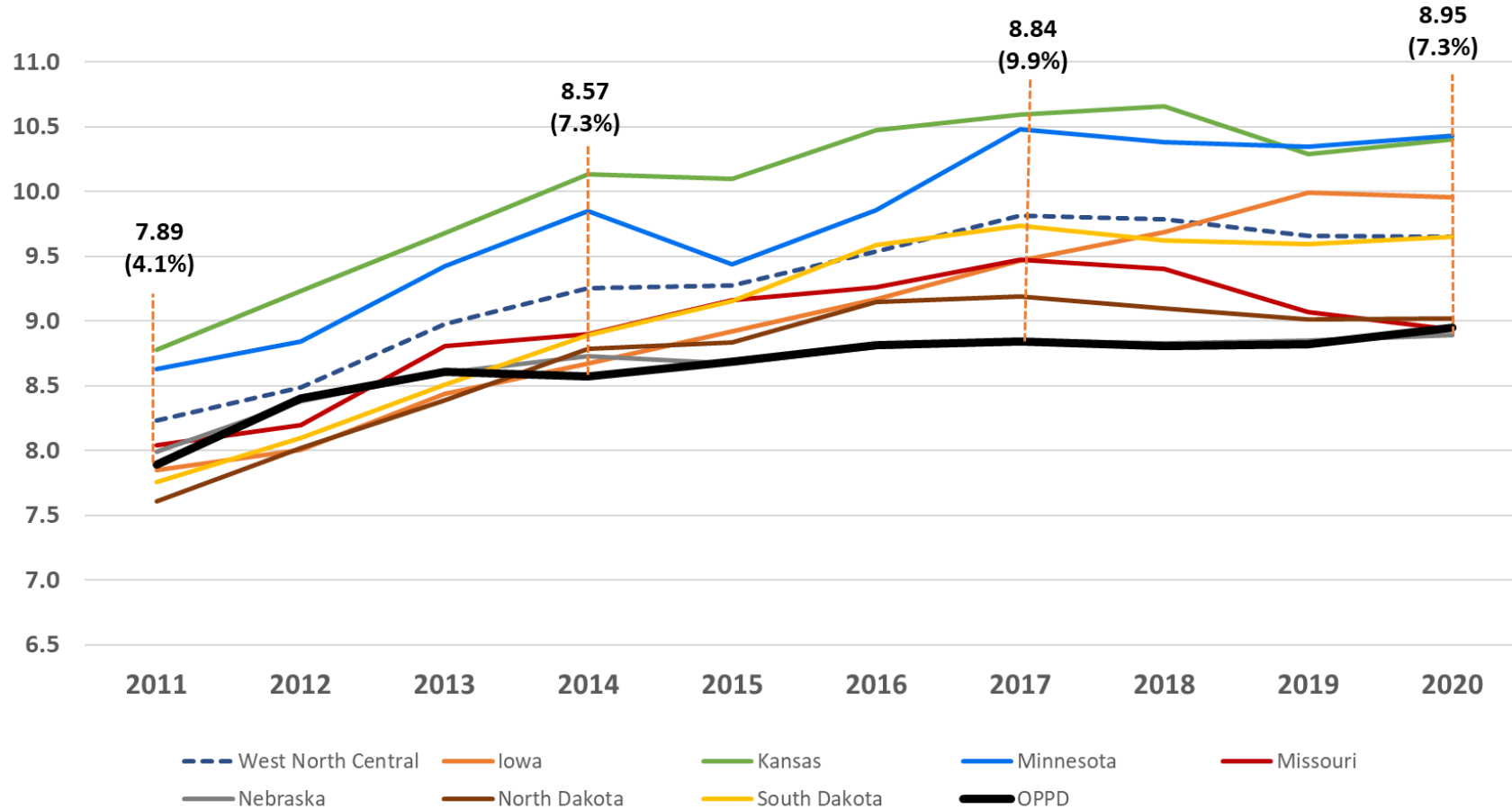


SD-2: Rates

Directional Rate Target

WNC Average Commercial Rates (¢/kWh)

Data from EIA- Electric Sales, Revenue, and Average Price (Tables T4 and T7)

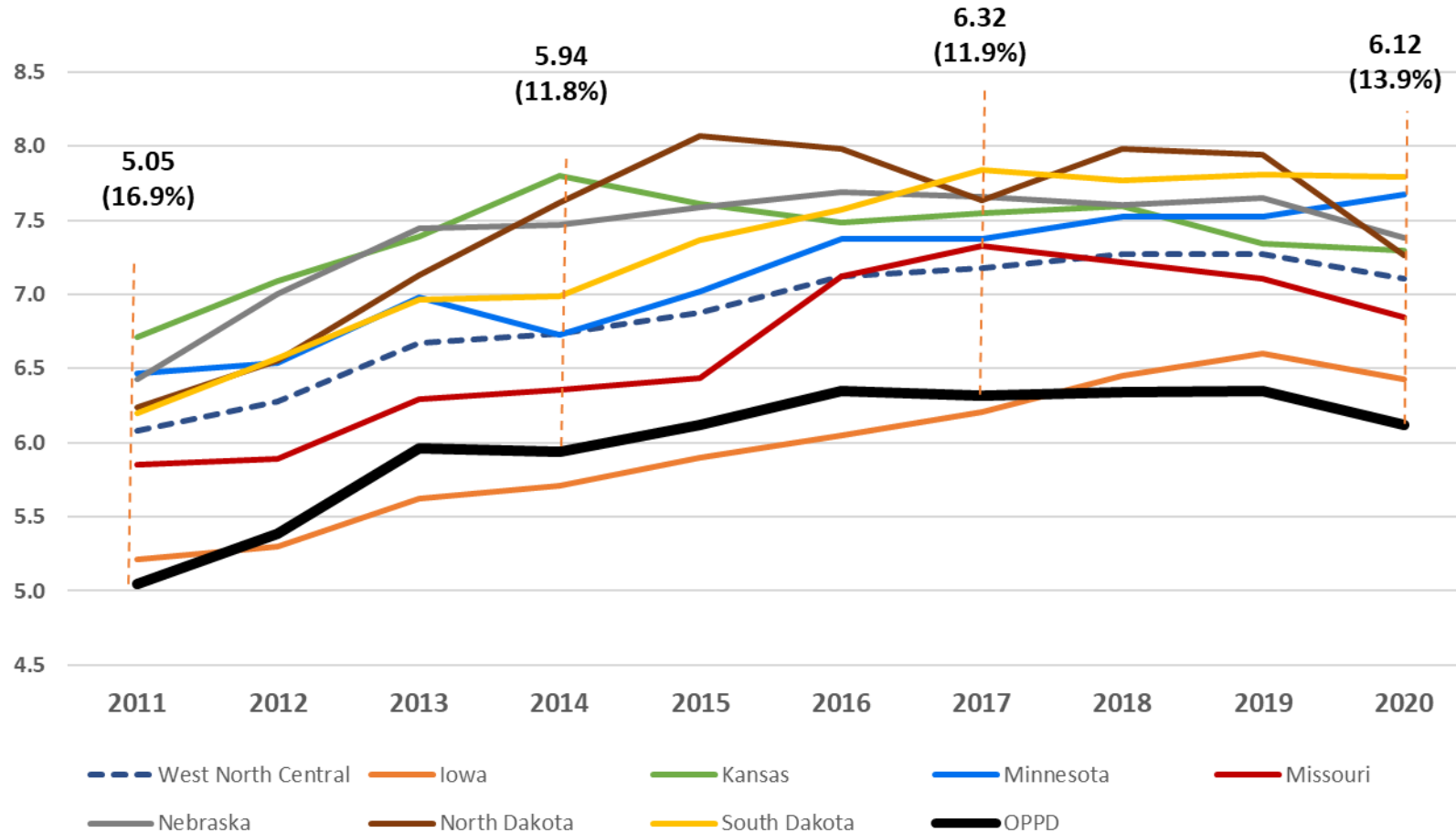


SD-2: Rates

Directional Rate Target

WNC Average Industrial Rates (¢/kWh)

Data from EIA- Electric Sales, Revenue, and Average Price (Tables T4 and T8)



SD-2: Rates

Fair, Reasonable, and Non-Discriminatory

- **Maintain fair, reasonable and non-discriminatory rates as stated in Nebraska Revised Statute 70-655**
 - *An industry standard Cost of Service Study (COSS) is completed to align rates with cost drivers.*
 - *In 2021, made structural improvements to the automation and functionality of the COSS to be able to produce the results in a fraction of the time allowing more time to work on the development of complex rate structures.*
 - *Costs are allocated across classes according to their unique energy usage characteristics.*
 - *The rate setting process is reviewed by an outside consultant (The Brattle Group).*

SD-2: Rates

Cost Assignment Across and Within Classes

- **Equitably assign costs across and within all customer classes.**
 - *Equitable assignment of costs within rate classes is dependent on rate structure, metering technology, and customer homogeneity.*
 - *The service charge increase and the energy charge decrease for small commercial and residential classes was a step toward more equitably assigning costs within those classes.*

	Industrial	Commercial	Residential
Customer Costs*	●	●	●
Energy Costs	●	●	●
Demand Costs*	●	Partial	Partial

**Service charge recovers a portion of the customer and distribution related costs for small commercial and residential rate classes*

SD-2: Rates

Monitor Affordability Indicators

- **Monitor affordability indicators**

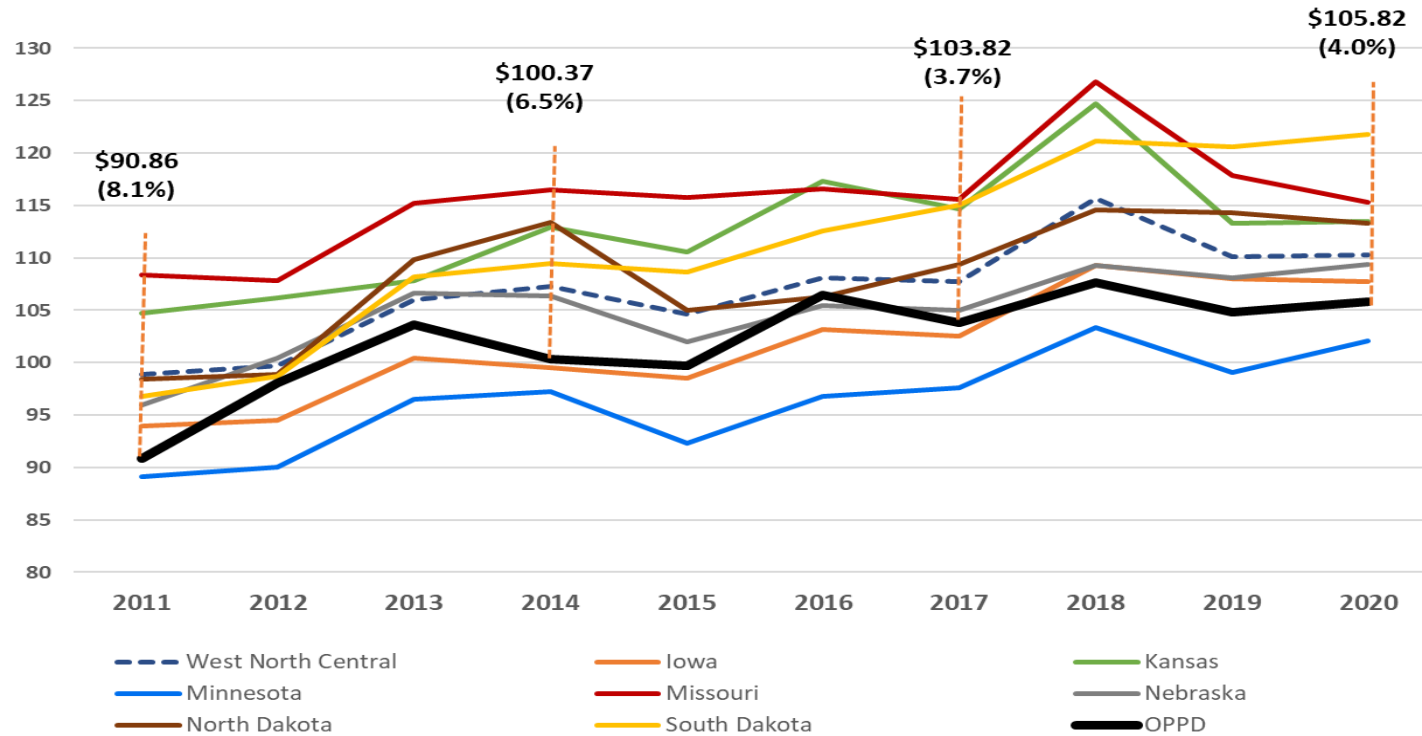
- *OPPD accesses a number of publicly available data points to monitor the overall affordability of its retail electric sales relative to income. Data sources include:*
 - *U.S. Energy Information Administration’s (EIA) “Electric Sales, Revenue, and Average Price” publications*
 - *“Median Household Income Data” from US Census publications*
- *Weather impacts, via Heating Degree Days (HDD) and Cooling Degree Days (CDD) are utilized to more accurately interpret and understand the affordability findings:*
 - *Define HDD: A measurement of how cold the temperature is relative to 65°F. For example, a day with a mean temperature of 40°F has 25 HDD. Two days with a mean temperature of 40°F would have a total of 50 HDD for the two-day period.*
 - *Define CDD: A measurement of how hot the temperature is relative to 65°F. A day with a mean temperature of 80°F has 15 CDD. If the next day has a mean temperature of 83°F, it has 18 CDD. The total CDD for the two days is 33 CDD.*

SD-2: Rates

Monitor Affordability Indicators

WNC Average Residential Bill (\$/Month)

Data from EIA- Electric Sales, Revenue, and Average Price (Tables T5a and T6)



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
OPPD	\$90.86	\$98.06	\$103.60	\$100.37	\$99.70	\$106.43	\$103.82	\$107.64	\$104.77	\$105.82
Below WNC	8.1%	1.7%	2.3%	6.5%	4.7%	1.6%	3.7%	7.0%	4.8%	4.0%

Percent Increase in Degree Days (Year Over Year)

	WNC	OPPD
Heating Degree Days (HDD)	-11%	-9%
Cooling Degree Days (CDD)	1%	0%

SD-2: Rates

Monitor Affordability Indicators

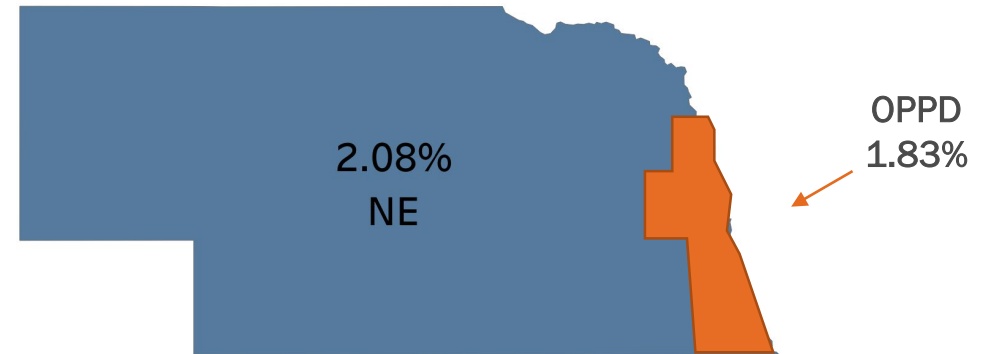
- Electricity Burden = $\frac{\text{Average Annual Electric Bill}}{\text{Annual Income}}$
- Energy burden is the burden from electricity, natural gas, and other heating sources.

Note: The US Census does not provide median household income for the OPPD territory.

A median household income for the OPPD territory was derived using a weighted average of the counties' estimated household median income and estimated population.

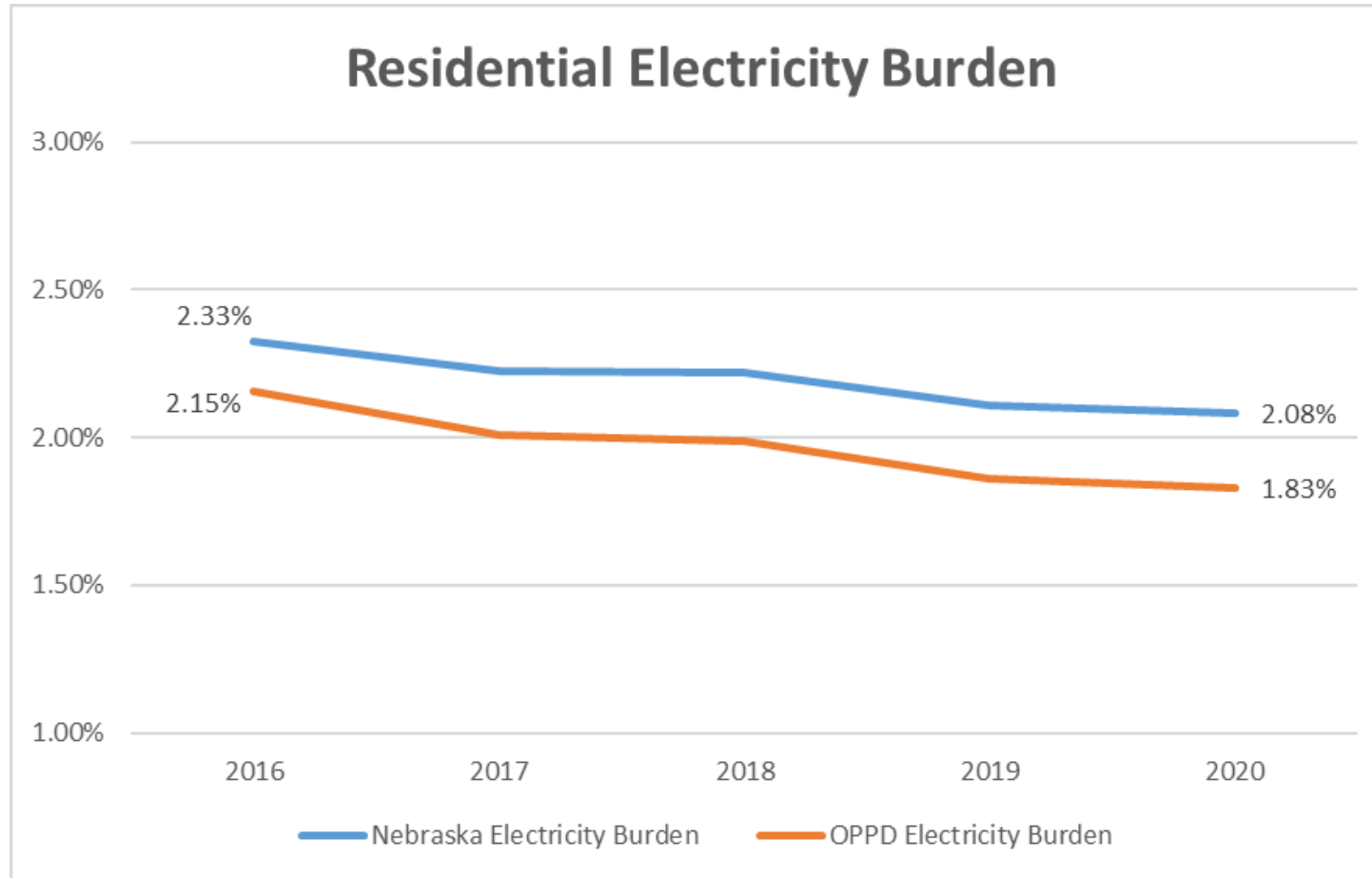
Residential Electricity Burden

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



SD-2: Rates

Monitor Affordability Indicators



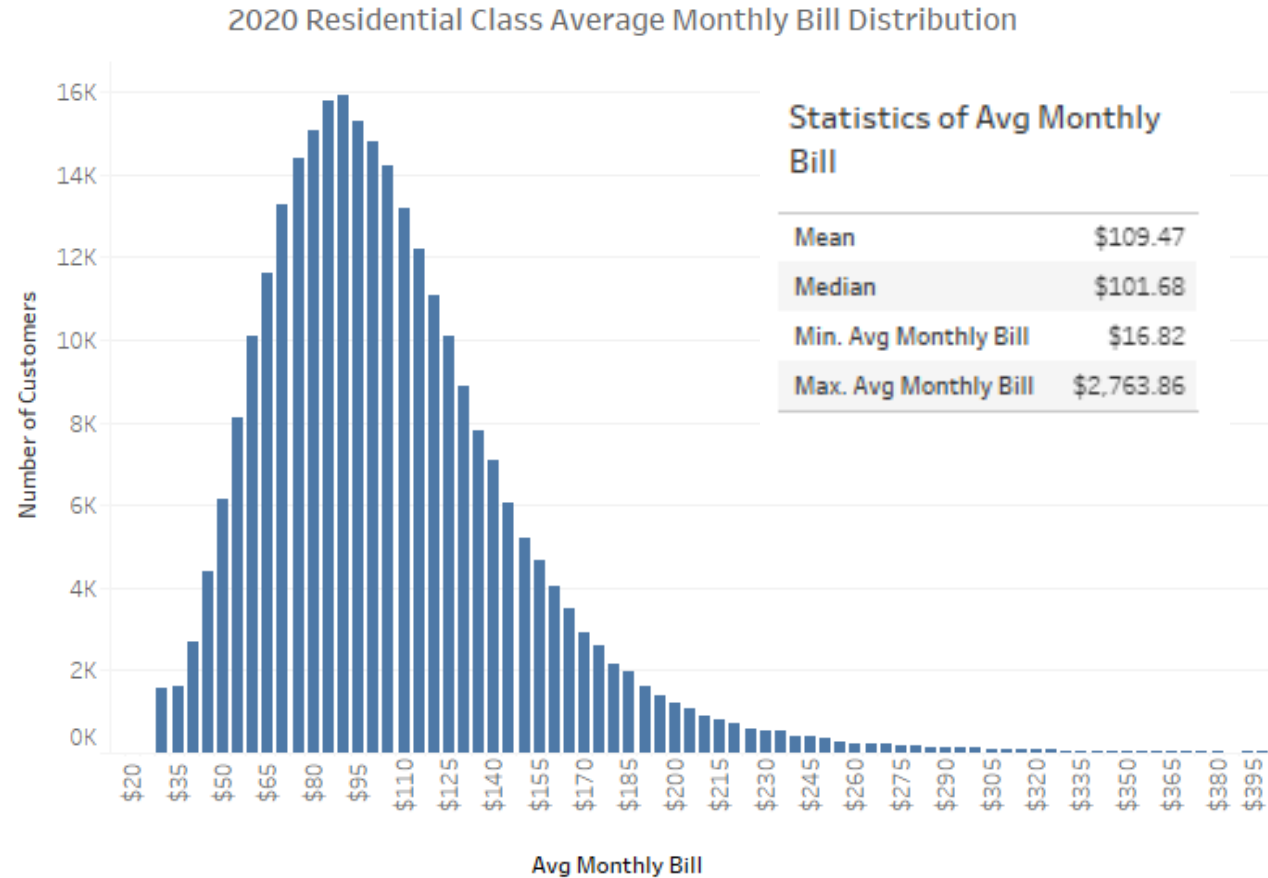
Median Household Income Data from US Census, ACS-5Y,
Electricity Data from EIA Annual Electric Utility Data

SD-2: Rates

Monitor Affordability Indicators

Distribution of OPPD's Residential Bill

- Distribution considers
 - Customers with at least 12 month of billing history, 2020 data.
 - Does not include taxes
 - Does not include adjustments (late payment fees or reconnect charges)
 - Does include discounts (LULI- Low Usage Low Income and EMC- Energy Management Credit)
- Approximately 58% of OPPD customers pay less than the mean customer bill.

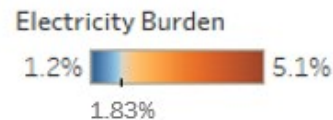
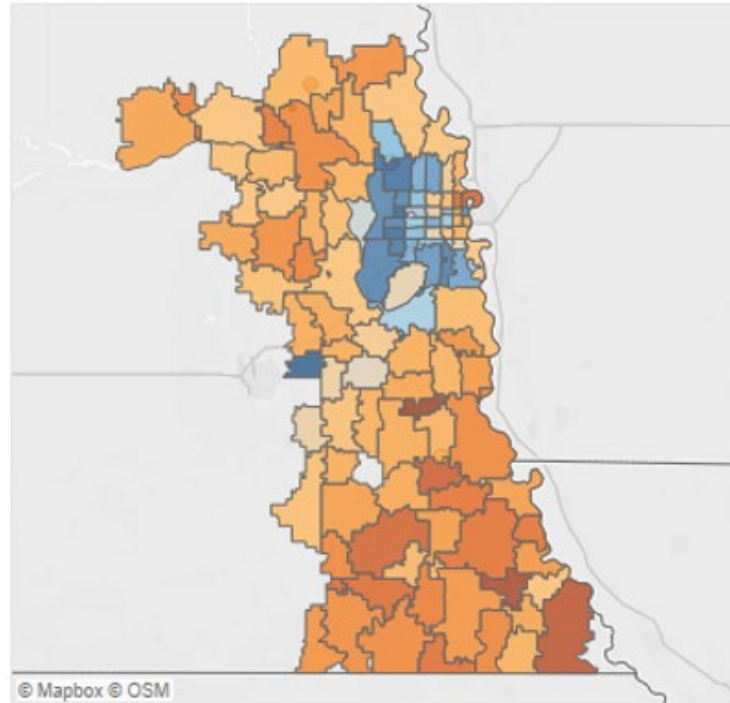


SD-2: Rates

Monitor Affordability Indicators - 2020

- Average Electricity Burden varies throughout our service territory and is also impacted by the population within a zip code, heating source, and the efficiency of the premise
- Understand that Electricity Burdens that otherwise look acceptable or below average have customers within those areas who have higher than average electricity burdens

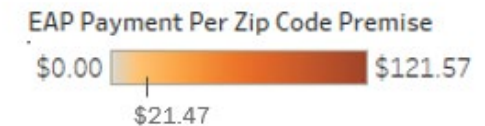
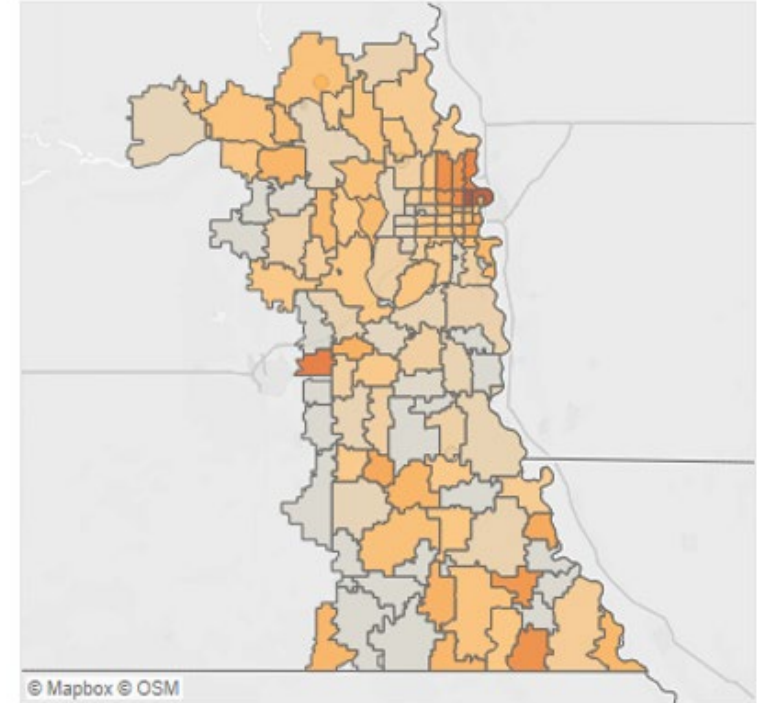
Electricity Burden



Electricity Burden:

- For customers with at least 12 month of billing history, 2020 data.
- Does not include taxes or adjustments
- Does include discounts (LULI and EMC)
- 2019 average electricity burden was 1.86%

Energy Assistance Payments



Energy Assistance Payments

- 2020 Energy Assistance Payments was \$9.4M, up from \$5.9M in 2019
- 2019 average EAP payment per zip code premise was \$15.76

SD-2: Rates

Cost of Energy When Used

- Pursue rate process and structure changes to reflect the cost of energy when it is used:
 - *Residential and Small Commercial Rates include a seasonal energy charge: Summer being June through September and Non-Summer being October through May.*
 - *Currently, time of use rates are available through Rider Schedule No. 469 - General Service- Time of Use.*
 - *Fuel and Purchase Power is calculated based on seasonal energy prices reflecting the cost of the energy when it is expected to be used.*
 - *OPPD continues to monitor for potential technology that would allow an increase in time of use offerings.*

SD-2: Rates

Flexibility and Options

- Offer flexibility and options

- *The following options exist to increase flexibility and options for interested and eligible customers.*
- *Pricing & Rates continues to collaborate with Product Development & Marketing to bring new offerings to market.*

Residential	General Service	
Heat Pump	261M	Standby Service*
Private Outdoor Lighting	Street Lights	Curtable*
Cogeneration and Small Power*	Cogeneration and Small Power*	Time of Use*
Surge Guard*	Surge Guard*	Green Sponsorship*
Net Metering*	Net Metering*	Supplemental Capacity*
Community Solar*	Community Solar*	Primary Service Discount*

* Denotes Rider

SD-2: Rates

Simple and Easy to Understand

- **Be simple and easy to understand**

- *In 2021, OPPD published the first Biennial Report on Rates. This report outlined the proposed rate changes for 2022 and in an effort to be more transparent with customers, the report also described:*

- *Rate Setting Principles*
- *Rate Fundamentals*
- *Changes in the Revenue Requirement*
- *Changes in Retail Rates*
- *OPPD's Future Focus*

- *In 2021, Corporate Communications began an Education Campaign that included educational videos on:*

- *Rate and Bill education*
- *The Rate Impact*
- *What the increase pays for*
- *Building a Utility of the Future*



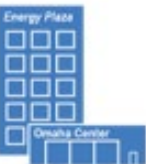
Generation
produces electricity to meet instantaneous energy demands



Transmission
transmits electricity long distances efficiently and creates a reliable electric network



Distribution
connects each customer to the electric system according to their demands



Workforce
provides administrative, planning, and customer support services

Recommendation

- The Finance Committee has reviewed and accepted this Monitoring Report for SD-2 and recommends that the Board find OPPD to be sufficiently in compliance with Board Policy SD-2.

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





Yoder/Bishop

RESOLUTION NO. XXXX

WHEREAS, the Board of the Directors has determined it is in the best interest of the District, its employees, and its customer-owners to establish written policies that describe and document OPPD's corporate governance principles and procedures; and

WHEREAS, each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process; and

WHEREAS, the Board's Finance Committee (the "Committee") is responsible for evaluating Board Policy SD-2: Rates on an annual basis. The Committee has reviewed the SD-2: Rates Monitoring Report and finds OPPD to be sufficiently in compliance with the policy as stated.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Omaha Public Power District accepts the SD-2: Rates Monitoring Report in the form as set forth on Exhibit A, attached hereto and made a part hereof, and finds OPPD to be sufficiently in compliance with the policy as stated.



Pre-Committee Agenda

SYSTEM MANAGEMENT & NUCLEAR OVERSIGHT
PRE-COMMITTEE MEETING
WEBEX VIDEOCONFERENCE
June 2, 2022, 4:00 – 5:00 P.M.

1. SD-9: Resource Planning Policy Update (Underwood – 40 min)
 - a. Objective: Discuss proposed language for SD-9 revision.
2. SD-7: Environmental Stewardship Policy Update (Underwood – 15 min)
 - a. Objective: Discuss anticipated timeline, milestones and potential interim metrics for SD-7 revision.
3. Summary of Committee Direction (Via – 5 min)
 - a. Objective: Executive leadership team liaison(s) to summarize direction provided by the committee.



Reporting Item

June 14, 2022

ITEM

Proposed revisions to SD-9: Resource Planning

PURPOSE


To ensure full board review, discussion and acceptance of SD-9: Resource Planning policy revisions.


FACTS

- a. The System Management and Nuclear Oversight Committee is responsible for evaluating and monitoring Board Policy SD-9: Resource Planning.
- b. The System Management and Nuclear Oversight Committee requested potential revisions to SD-9 be shared for Board consideration and public feedback.
- c. The attached exhibits reflect management's interpretation of feedback received from the System Management and Nuclear Oversight Committee.
- d. The System Management and Nuclear Oversight Committee is recommending that Board Policy SD-9: Resourcing Planning be renamed to SD-9: Integrated System Planning and revised as outlined on Exhibit B.

RECOMMENDED:

APPROVED FOR REPORTING TO BOARD:


DocuSigned by:

D76A6627FE154F8...
Brad Underwood
Vice President – Systems Transformation

DocuSigned by:

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L. Javier Fernandez
President and Chief Executive Officer

BRU:cmk

Attachments: Exhibit A – Redline Version of SD-9
Exhibit B – Clean Version of SD-9
Exhibit C – Policy Refinement SD-9

Exhibit A - Redline comparing current SD-9 to proposed

	OMAHA PUBLIC POWER DISTRICT Board Policy	Category:	Strategic Direction
	Policy No. and Name: SD-9: <u>ResourceIntegrated System Planning</u>	Monitoring Method:	System Management and Nuclear Oversight Committee
		Frequency:	Annually
	Date of Approval: October 15, 2015 April 21, 2022 <u>August XX, 2022</u>		Resolution No.:

~~The Board of Directors recognizes that the District will have to adapt to the rapidly changing electric utility business environment. The OPPD resource planning process will provide the resources and analytical capability to adequately assess OPPD's Integrated Resource Portfolio (or Supply and Demand Portfolio) to ensure reliable, competitive, cost effective and environmentally sensitive service for our customers.~~

To attain this goal, OPPD shall:

- ~~• Periodically assess, for strategic and integrated resource plans, OPPD's mix of generation assets, demand side management programs, purchased power agreements and renewable energy resources.~~
- ~~• Utilize multiple scenarios to properly evaluate the range of risks posed by varying future assumptions such as, but not limited to fuel costs, economic growth, regulations and emerging technologies.~~
- ~~• Ensure all integrated resource strategic plans support and align with OPPD's strategic direction policies.~~

~~Integrated System Planning is the ecosystem of planning processes used to efficiently integrate the transmission system, supply and demand side resources, and the increasingly complex distribution system. Through Integrated System Planning efforts, OPPD will continually plan for, adapt to, and enable both the needs of our customers as well as the rapidly transforming electric industry. Successful integration will ensure both a reliable electric system as well as the resiliency of the system and its components to prepare, withstand, respond, adapt and quickly recover following a non-routine event.~~


OPP D shall:

- Ensure that year-round supply-side and demand-side resource capacity exceeds forecasted load in compliance with resource adequacy and planning reserve margin requirements of the regional balancing authority.
- Ensure compliance with applicable planning related North American Electric Reliability Corporation Reliability Standards including consideration of Essential Reliability Services.

- Ensure planning accounts for potential extreme weather events, changes to demand and supply side regional resources as well as extended periods of low energy production by variable energy resources.
- Compute resource adequacy metrics that quantify the ability of OPPD's resources to meet its forecasted electric demand:
 - Measure the frequency with which a system's demand is expected to be met by system capacity over a period of time.
 - Measure the percentage of total energy that a system is projected to be able to serve over a period of time.
- Consider opportunities for supporting energy adequacy through resource design, fuel supply, and other infrastructure investments.

DRAFT

Exhibit B - Clean Proposed SD-9

	OMAHA PUBLIC POWER DISTRICT Board Policy	Category:	Strategic Direction
	Policy No. and Name: SD-9: Integrated System Planning	Monitoring Method:	System Management and Nuclear Oversight Committee
		Frequency:	Annually
	Date of Approval:	October 15, 2015 April 21, 2022 August XX, 2022	Resolution No.:


Integrated System Planning is the ecosystem of planning processes used to efficiently integrate the transmission system, supply and demand side resources, and the increasingly complex distribution system. Through Integrated System Planning efforts, OPPD will continually plan for, adapt to, and enable both the needs of our customers as well as the rapidly transforming electric industry. Successful integration will ensure both a reliable electric system as well as the resiliency of the system and its components to prepare, withstand, respond, adapt and quickly recover following a non-routine event.

OPPDD shall:

- Ensure that year-round supply-side and demand-side resource capacity exceeds forecasted load in compliance with resource adequacy and planning reserve margin requirements of the regional balancing authority.
- Ensure compliance with applicable planning related North American Electric Reliability Corporation Reliability Standards including consideration of Essential Reliability Services.
- Ensure planning accounts for potential extreme weather events, changes to demand and supply side regional resources as well as extended periods of low energy production by variable energy resources.
- Compute resource adequacy metrics that quantify the ability of OPPD's resources to meet its forecasted electric demand:
 - Measure the frequency with which a system's demand is expected to be met by system capacity over a period of time.
 - Measure the percentage of total energy that a system is projected to be able to serve over a period of time.
- Consider opportunities for supporting energy adequacy through resource design, fuel supply, and other infrastructure investments.

SD-9: Resource Planning Policy Refinement Discussion June 14, 2022

Brad Underwood
Vice President Systems Transformation

	OMAHA PUBLIC POWER DISTRICT Board Policy	Category:	Strategic Direction
	Policy No. and Name: SD-9: Resource Planning	Monitoring Method:	System Management and Nuclear Oversight Committee
		Frequency:	Annually
	Date of Approval:	October 15, 2015 April 21, 2022	Resolution No.:

The Board of Directors recognizes that the District will have to adapt to the rapidly changing electric utility business environment. The OPPD resource planning process will provide the resources and analytical capability to adequately assess OPPD's Integrated Resource Portfolio (or Supply and Demand Portfolio) to ensure reliable, competitive, cost-effective and environmentally sensitive service for our customers.

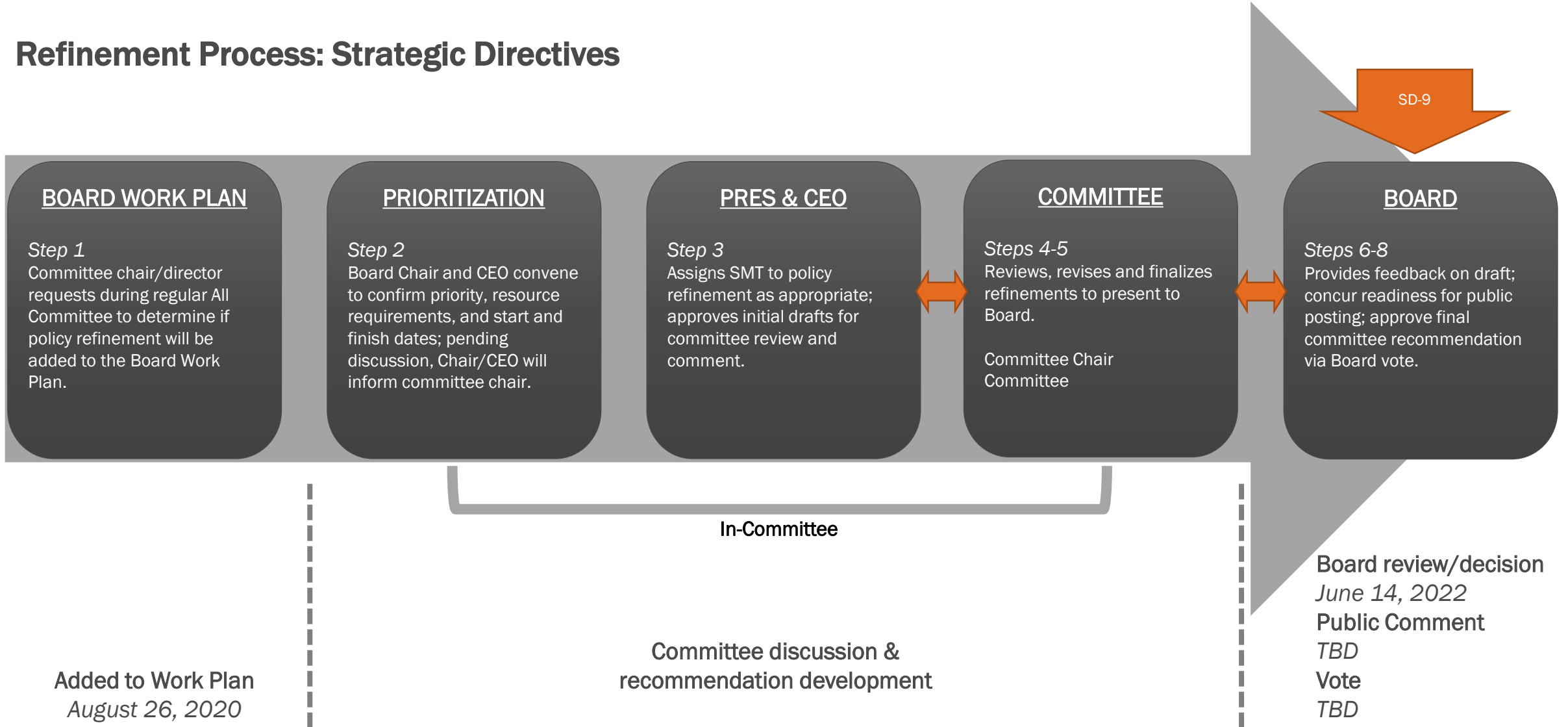
To attain this goal, OPPD shall:

- Periodically assess, for strategic and integrated resource plans, OPPD's mix of generation assets, demand-side management programs, purchased power agreements and renewable energy resources.
- Utilize multiple scenarios to properly evaluate the range of risks posed by varying future assumptions such as, but not limited to fuel costs, economic growth, regulations and emerging technologies.
- Ensure all integrated resource strategic plans support and align with OPPD's strategic direction policies.

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



Refinement Process: Strategic Directives




Today's Discussion

Is there anything that requires further clarification?

Is there anything you especially like?

Is there anything that you'd like the Committee to consider before moving this forward for public review and comment?

	OMAHA PUBLIC POWER DISTRICT Board Policy	Category:	Strategic Direction
	Policy No. and Name:	Monitoring Method:	System Management and Nuclear Oversight Committee
	SD-9: Integrated System Planning	Frequency:	Annually
Date of Approval:	October 15, 2015 April 21, 2022 August XX, 2022	Resolution No.:	6082 6494 XXXX

Integrated System Planning is the ecosystem of planning processes used to efficiently integrate the transmission system, supply and demand side resources, and the increasingly complex distribution system. Through Integrated System Planning efforts, OPPD will continually plan for, adapt to, and enable both the needs of our customers as well as the rapidly transforming electric industry. Successful integration will ensure both a reliable electric system as well as the resiliency of the system and its components to prepare, withstand, respond, adapt and quickly recover following a non-routine event.

OPPD shall:

- Ensure that year-round supply-side and demand-side resource capacity exceeds forecasted load in compliance with resource adequacy and planning reserve margin requirements of the regional balancing authority.
- Ensure compliance with applicable planning related North American Electric Reliability Corporation Reliability Standards including consideration of Essential Reliability Services.
- Ensure planning accounts for potential extreme weather events, changes to demand and supply side regional resources as well as extended periods of low energy production by variable energy resources.
- Compute resource adequacy metrics that quantify the ability of OPPD's resources to meet its forecasted electric demand:
 - Measure the frequency with which a system's demand is expected to be met by system capacity over a period of time.
 - Measure the percentage of total energy that a system is projected to be able to serve over a period of time.
- Consider opportunities for supporting energy adequacy through resource design, fuel supply, and other infrastructure investments.

Next Steps

- Option 1: Return to Committee for further refinement
- Option 2: Post for public comment/feedback before bringing to a Board for consideration and vote during August meeting



Reporting Item

BOARD OF DIRECTORS

June 14, 2022

ITEM

Power with Purpose; Natural Gas Generation and Energy Delivery Updates

PURPOSE

Provide updates on Power with Purpose projects for June 2022.


TURTLE CREEK STATION & STANDING BEAR LAKE STATION FACTS

1. Engineering and procurement activities are in progress and construction activities are commencing by Zachry Group, as the Engineer, Procure, and Construct (EPC) vendor for both the Turtle Creek and Standing Bear Lake Stations' generation facilities and substation infrastructure. Activities include mobilizing the substation subcontractor, initial foundation work, and preparations for major equipment deliveries.
2. Preliminary grading continues at both Turtle Creek Station and Standing Bear Lake Station.

ENERGY DELIVERY FACTS

1. Easement negotiations for the Sarpy Southwest Transmission Project (SSWTP) are complete with 96% of the easements achieving voluntary agreement and only one easement was acquired through the statutorily defined Eminent Domain Process.
2. Construction on both the transmission and substation work is progressing well with the 144th and Capehart Road Substation and the first transmission circuit targeting completion in August 2022.

RECOMMENDED:

DocuSigned by:

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 Troy R. Via
 Chief Operating Officer & Vice President
 Utility Operations

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

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

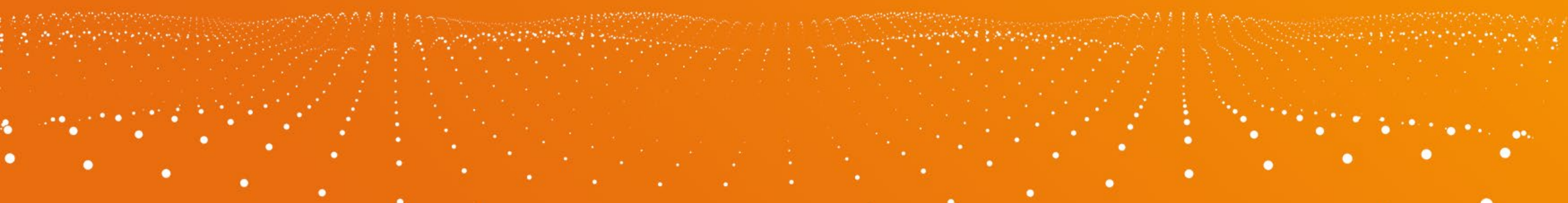
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Power with Purpose Update

June Committee Meeting

June 14, 2022



Power with Purpose Update

Agenda

- Turtle Creek Station & Standing Bear Lake Station
- Transmission & Substation
- Stakeholder Outreach & Communication

Power with Purpose Update

Turtle Creek and Standing Bear Lake Stations

- Standing Bear Lake Station
 - Preliminary grading continues, ~90% Complete
 - EPC activities
 - Auger piling foundations commenced
 - Substation mobilization (June 2022)
 - Wartsila equipment delivery (Fall 2022)
- Turtle Creek Station
 - Preliminary grading continues, ~90% Complete
 - EPC activities
 - Auger piling foundations commenced
 - Substation mobilization (May 2022)
 - Major equipment
 - Siemens Combustion Turbines, witness testing
 - Delivery to site (Fall 2022)



Standing Bear Lake Station (Looking South)



Information as of June 3, 2022 Turtle Creek Station (Looking South)

Power with Purpose Update

Turtle Creek and Standing Bear Lake Stations



SBL Station (auger piling setup)



Siemens Generator Witness Testing

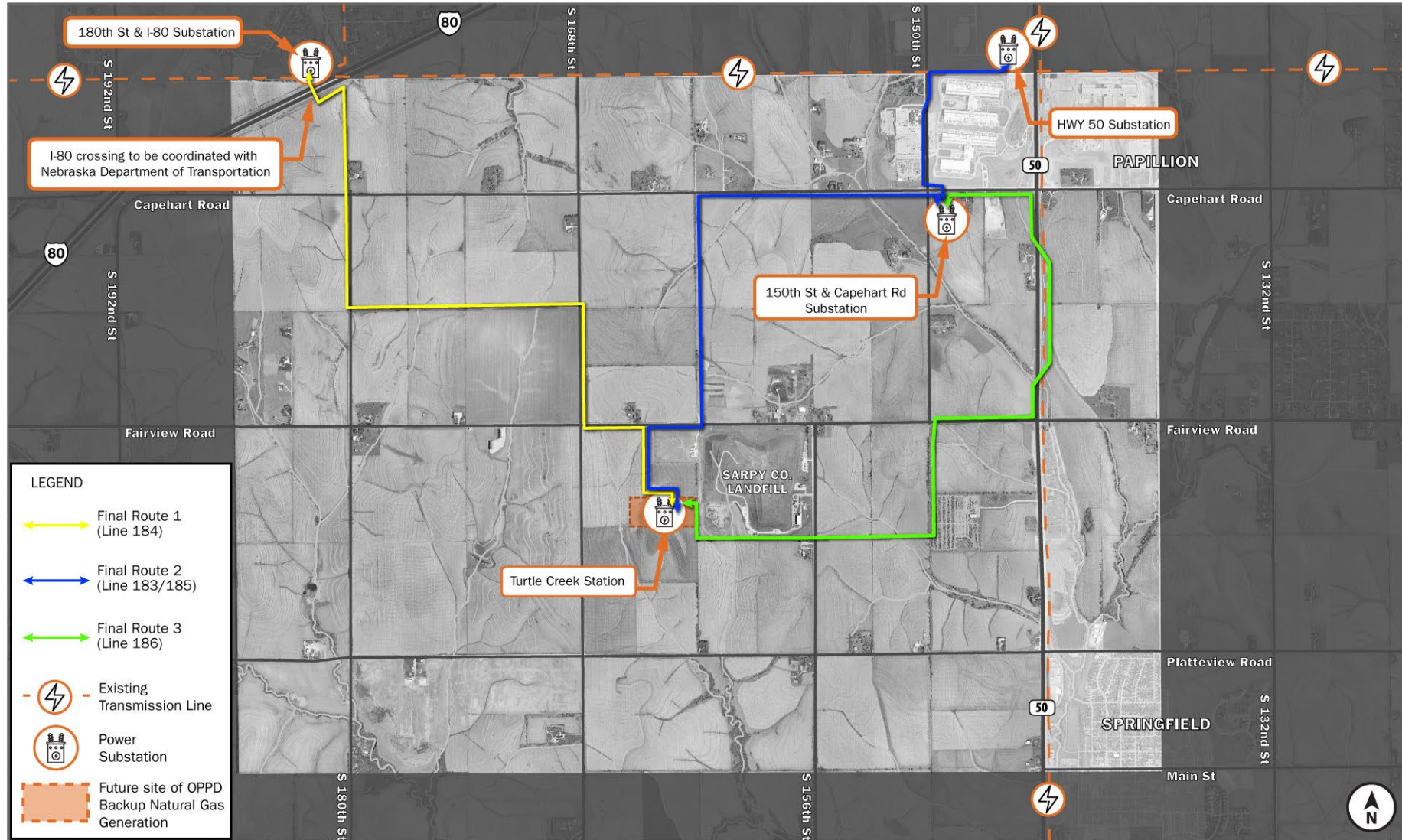


Turtle Creek Station (auger piling)

Information as of June 3, 2022

Power with Purpose Update

Sarpy Southwest Transmission Project



Sarpy Southwest Transmission Project

Final Route Alignments
September 2021

Power with Purpose Update

Transmission & Substation

- Sarpy Southwest Transmission Project
 - Easement acquisition complete (96% voluntary)
 - Right of way vegetation clearing complete
 - Foundations: ~18% complete
 - Material deliveries on schedule
- Remote End Substations
 - 144th and Capehart Substation (new)
 - Construction: ~90% complete
 - Commissioning: (Jun-Aug 2022)
 - 180th and I-80 Substation (expansion)
 - Foundations Complete
 - Above grade construction begins June 2022



SSWTP Laydown Yard



144th and Capehart Substation

Stakeholder Outreach and Communication

- OPPDCommunityConnect banners placed at each site
- OPPDCommunityConnect cards provided to onsite team for anyone approaching with questions
- OPPDCommunityConnect project page updates
 - Standing Bear Lake project page
 - Turtle Creek Station project page
 - Sarpy Southwest Transmission Project
- **1:1 touchpoints with MUD, HOAs and neighbors, as needed**



NEWS FEED

QUESTIONS

Summer 2022 Update

01 Jun 2022



OPPD's vendor, Zachry Group, continues to prepare laydown and storage areas for equipment, materials, and supplies in anticipation of approaching construction work.

A new entrance to the construction area is being placed east of the current entrance off Military Road.



Reporting Item

June 14, 2022

ITEM

Power with Purpose Reliability Update


PURPOSE

Provide reliability update on the Power with Purpose project for June 2022.


POWER WITH PURPOSE FACTS

1. The Power with Purpose generation project for new and modernized bulk natural gas generation and utility scale solar generation will support the District's growing communities, facilitate the District's generation retirement and refueling plans at North Omaha Station and maintain the District's system reliability and resiliency.
2. The schedule for the Power with Purpose project is critical for maintaining the District's reliability and resiliency.
3. As the District has been progressing with the Power with Purpose project, significant industry events and challenges have unfolded across the country which are impacting the original schedule for the District's Power with Purpose project.
4. Various mitigation measures have been undertaken by the District to resolve the Power with Purpose schedule impacts, but additional mitigation measures are needed.
5. In order to maintain system reliability and resiliency, the District is recommending a plan to mitigate the Power with Purpose schedule impacts.

RECOMMENDED:

DocuSigned by:

D76A6027FE154F8...
Brad Underwood
Vice President – Systems Transformation

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

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L. Javier Fernandez
President and Chief Executive Officer

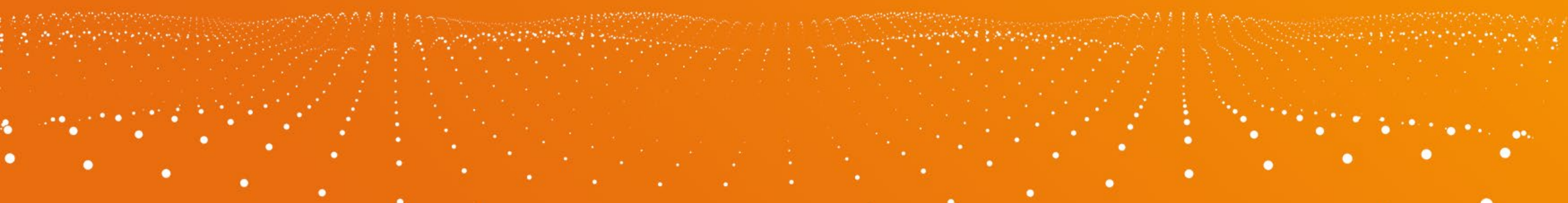
BRU: djl



Power with Purpose Reliability Update

June Committee Meeting

June 14, 2022



Agenda

- Power with Purpose Background
- Industry Events & Challenges
- Impacts on Power with Purpose
- Recommended Mitigation Plan
- Next Steps

Power With Purpose

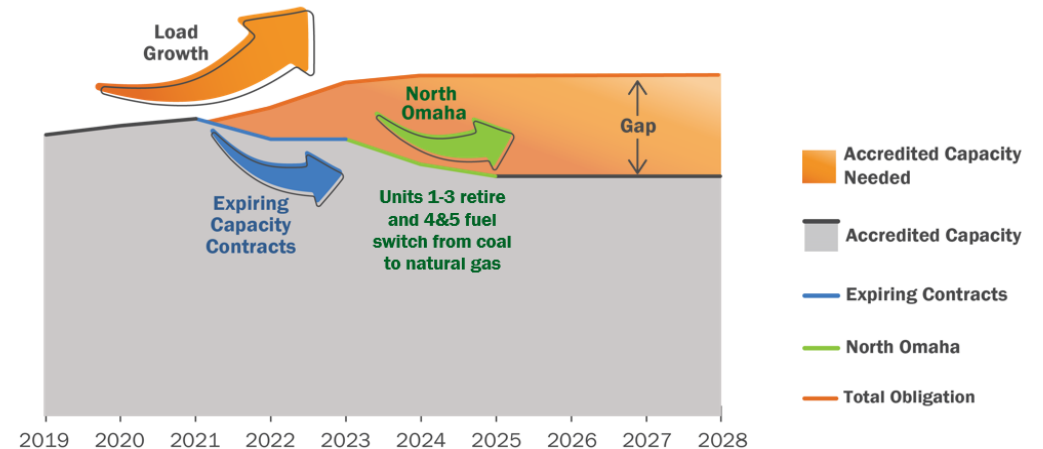
Background – Project Overview

- Power with Purpose (PwP) identified the need for both new natural gas and solar generation balancing affordability, reliability and environmental sensitivity
- The PwP projects:
 - Allow for the planned retirement of North Omaha (NO) Units 1-3 and refuel of NO Units 4 & 5 from Coal to Natural Gas
 - Facilitates large load growth
 - Maintains critical and historical reliability & resiliency
- Creates a scenario where a significant amount of bulk generation changes are set occur where the coordination of “in service” dates is critical for successful project outcomes and maintaining system reliability & resiliency

Working Towards Solutions



Why Now: Continued Capability to Serve Our Growing Communities



Power With Purpose

Background - Changing Generation Landscape & Grid Reliability Risk

The Federal regulator over Grid Reliability, North American Electric Reliability Corporation (NERC), identified the quickly changing generation landscape across the country as a top risk to grid reliability

Grid Reliability Requirements:

- Thermal Capacity
- Voltage Profile
- System Stability & Frequency Response
- Load Ramping & Balancing
- Resource Adequacy

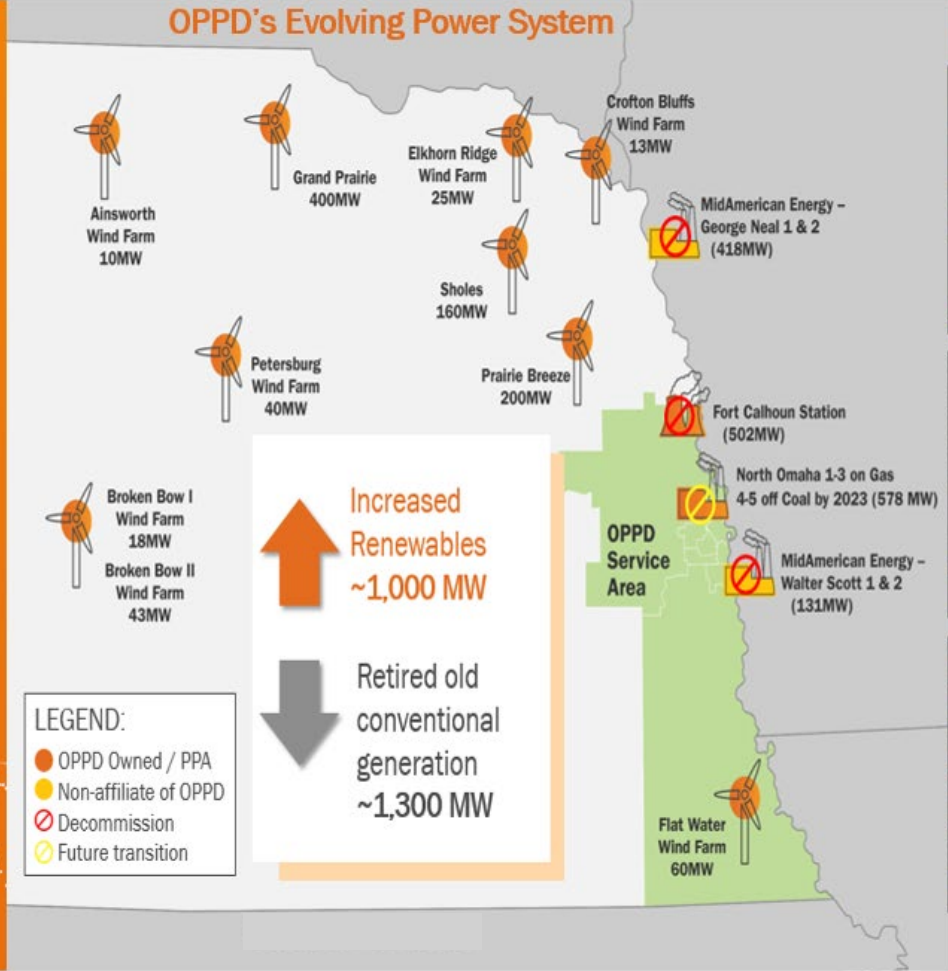
Solving for Reliability & Resiliency

Generation landscape has changed locally past 10 years

OPPD's system has maintained compliance with NERC **Reliability** Standards through these landscape changes.

OPPD experienced some extreme events which stress tested the **Resiliency** of our system.

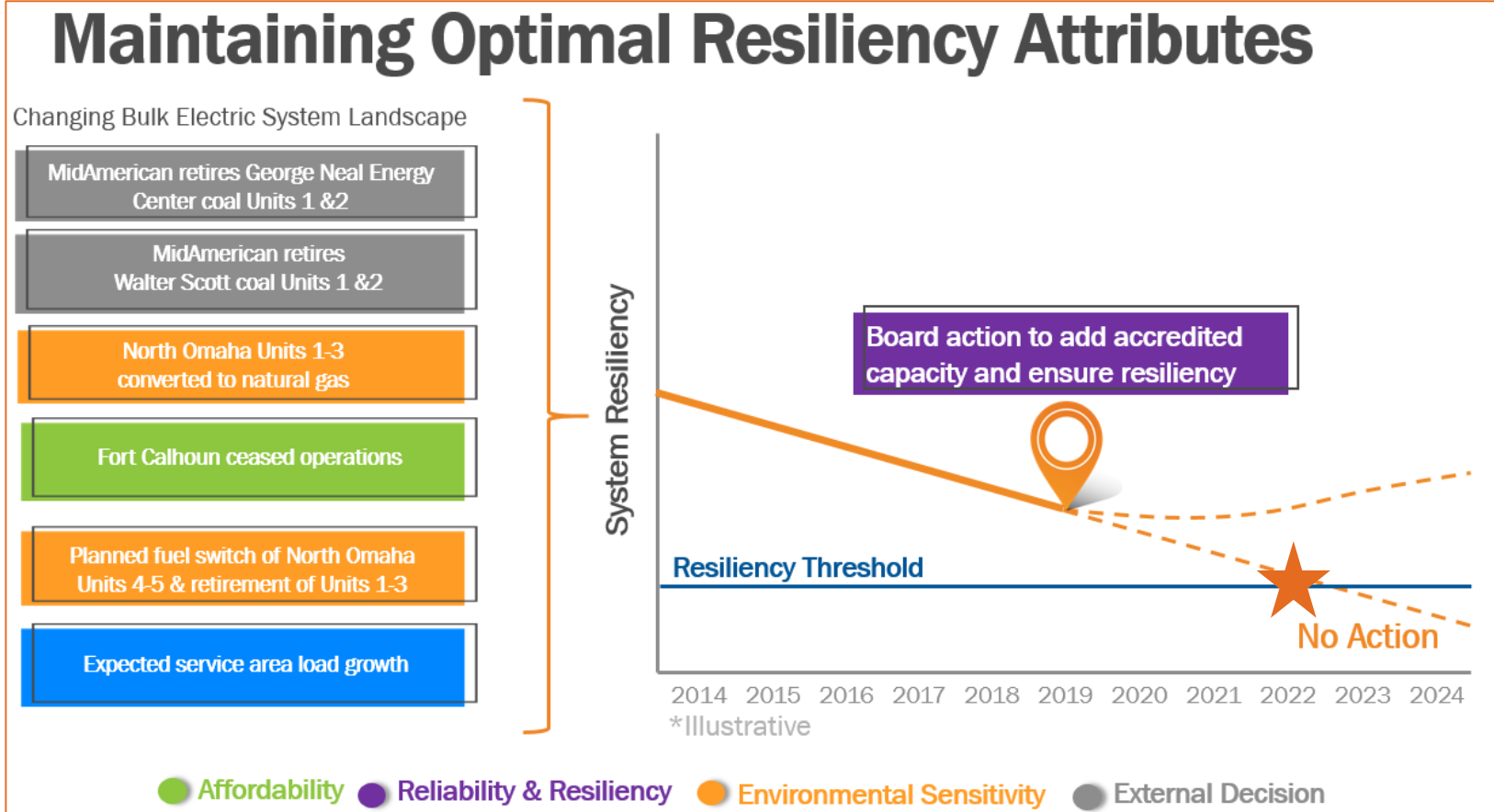
Our system passed these resiliency tests, however, our local resiliency margins have been impacted and are evolving...



Power With Purpose

Background - Maintains Reliability & Resiliency

- Changing Generation Landscape reduced OPPD’s local historic reliability & resiliency margins
- If left unmitigated, those reliability & resiliency margins would erode to unacceptable levels
- Power with Purpose maintains reliability & resiliency margins, supports load growth and facilitates North Omaha Station retirements / conversions



Industry Events & Challenges:

Changing Generation & Load Landscape

- Changing Resource Mix continues to remain the North American Electric Reliability Corporation's (NERC) top Grid Reliability Risk
 - NERC identified the Changing Generation Resource Mix as a top risk to grid reliability 3+ years ago, reaffirmed it as top risk in its recent annual assessment report and now this previously identified risk seems to be coming to fruition
 - OPPD's region, the Southwest Power Pool, forecasts sufficient regional generation supply for summer of 2022
 - Other Regional Generation Capacity markets across the country have generation supply concerns due to the Changing Resource Mix creating more bulk electric system risk
 - California (CAISO), Texas (ERCOT) & Midwest (MISO) regions all have concerns with generation deficiencies this summer, warning public of potential rolling blackouts

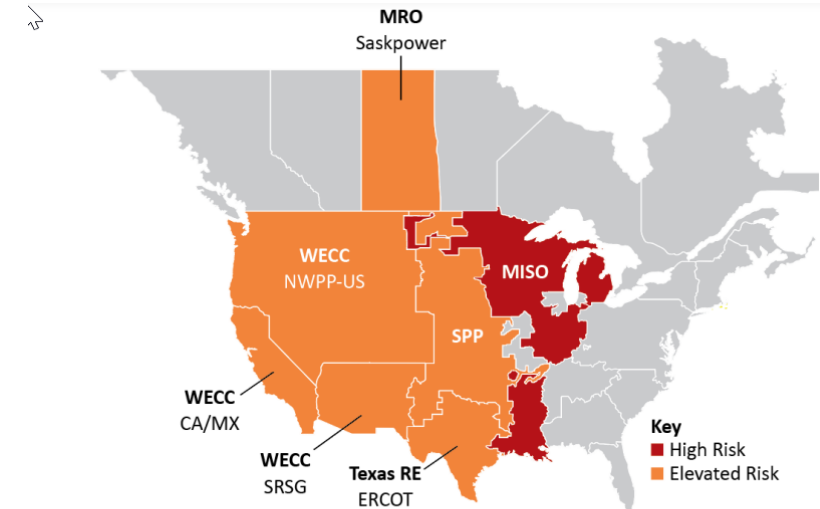
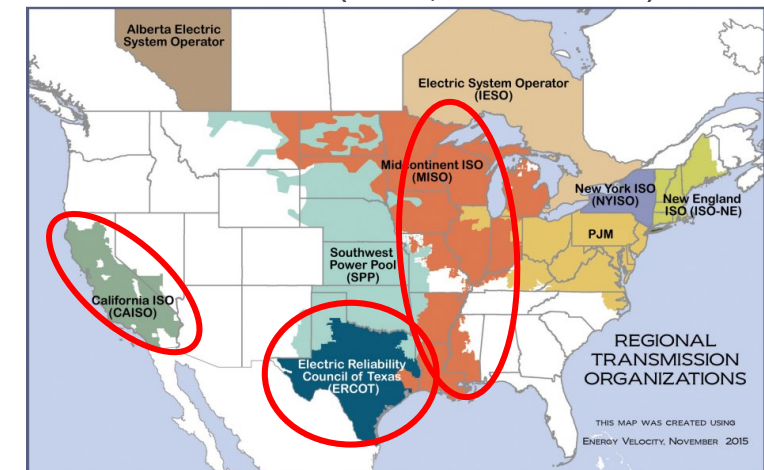


Figure 1: Summer Reliability Risk Area Summary

Seasonal Risk Assessment Summary	
High	Potential for insufficient operating reserves in normal peak conditions
Elevated	Potential for insufficient operating reserves in above-normal conditions
Low	Sufficient operating reserves expected

Projected Regional Generation Capacity Shortfalls: Summer 2022 (CAISO, ERCOT & MISO)

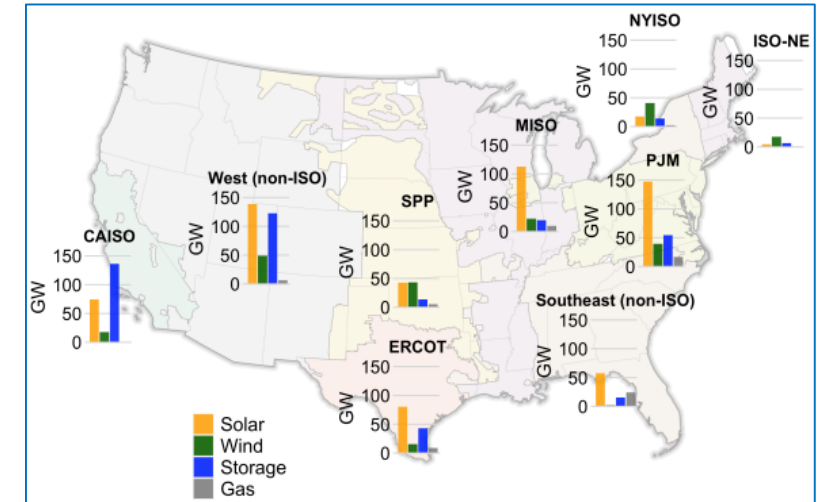


Industry Events & Challenges:

Regulated Grid Interconnection Study Backlogs

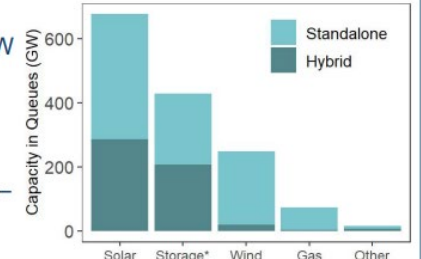
- Federally regulated Generation Interconnection (GI) request evaluation study process is backlogged across entire country
 - National landscape of interconnection queues shows exponential increase in new generation interconnections requests across the country
 - This has led to multi-year regional study backlogs which are becoming major impediments to adding new generation to the grid in a timely manner
 - These regulated grid reliability impact studies involve complex electrical engineering computer modeling simulations which determine transmission grid expansion requirements for any type of new generation
 - Interconnection request study processing durations have almost doubled from ~2yrs to ~4yrs in the last decade across the country and subsequent large transmission build out requirements becoming more commonplace

Regional Generation Interconnection Request Queues: Multi-Year Study Backlogs¹



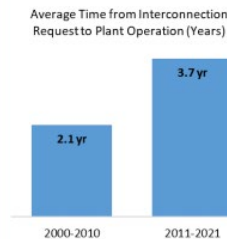
Developer interest in solar, storage, and wind is strong

- Over 1 TW (1000 GW) of generator capacity and 420 GW of storage currently seeking interconnection
- Most (~930 GW) proposed generation is zero-carbon
- Hybrids now comprise a large – and increasing – share of proposed projects



Completion rates are generally low; wait times may be increasing

- Only ~23% of projects that requested interconnection from 2000-2016 have reached commercial operations; 72% have withdrawn



- Completion rates are even lower for wind (20%) and solar (16%)
- For five regions¹ where data were available, the time projects spent in queues before being built increased from ~2.1 years for projects built in 2000-2010 up to ~3.7 years for those built in 2011-2021

¹ Berkeley Lab - Queued Up: Characteristics of Power Plants Seeking Transmission Interconnection As of the End of 2020, May 2021

Industry Events & Challenges:

Other Regulatory Challenges

- Federal government continues to focus on solar supply chain imports
 - Uncertainty around tariff impacts from Department of Commerce anti-circumvention investigation
 - Recent announcement on executive action aimed at providing some near-term relief
- Local zoning challenges for critical generation siting
 - Sustained challenges across multiple counties in Eastern Nebraska

As a result of these solar challenges, the changing resource mix impacts on grid reliability and the backlogs and delays in the regulated grid interconnection studies, there are numerous examples of electric utilities across the country deferring conventional generation retirement plans and generation expansion plans

- *“Eversource scales back plans to add solar power by 2024, will keep Lawrence plant partially open”*
 - Kansas Reflector, 9/23/2021
- *“NiSource cites Commerce Department solar investigation in plans to delay coal plant retirements”*
 - Utility Dive, 5/5/2022
- *“PNM seeks to extend life of coal plant for summer demand”*
 - Santa Fe New Mexican, 2/17/2022

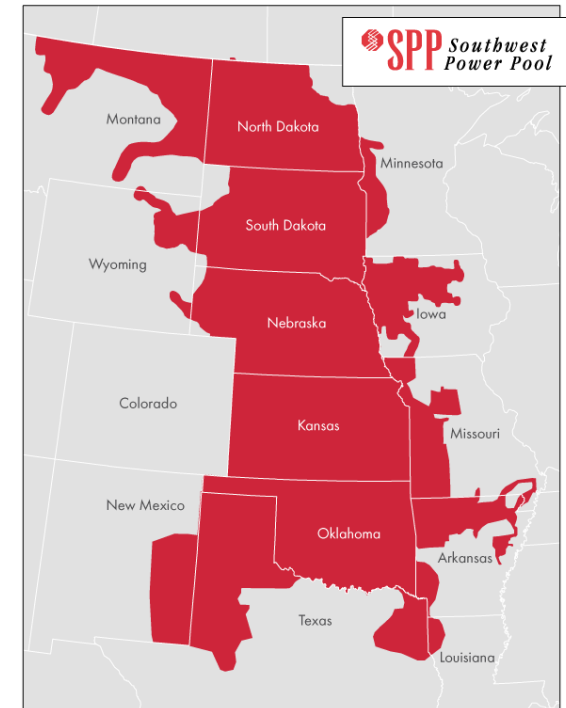
Industry Challenges Impact on Power With Purpose

OPPD's Generation retirement, refueling and expansion plans

- North Omaha Station units 1-3 retirements and conversion of units 4-5 from coal to natural gas set to occur by end of 2023 in accordance with previous Board resolutions
- Power with Purpose assets were originally targeted for commercial operation in Summer / Fall 2023 which would have been prior to North Omaha Station retirements and conversions

Outstanding Current Challenges

- Supply Chain and other project execution issues challenging construction of gas assets by end of 2023
- Zoning regulations and the federal focus on solar panel imports are challenging progress on solar assets
- Regulated Generation Interconnection (GI) multi-year study backlog poses most significant risk and impact to all of the PwP gas and solar generation
 - OPPD is part of the Southwest Power Pool Regional (SPP) Transmission Organization which is responsible for overseeing the regulated grid interconnection process in this region
 - Similar to every region across the country, SPP's GI process is significantly backlogged and delayed which is impacting our PwP generation in-service dates



Industry Challenges Impact on Power With Purpose

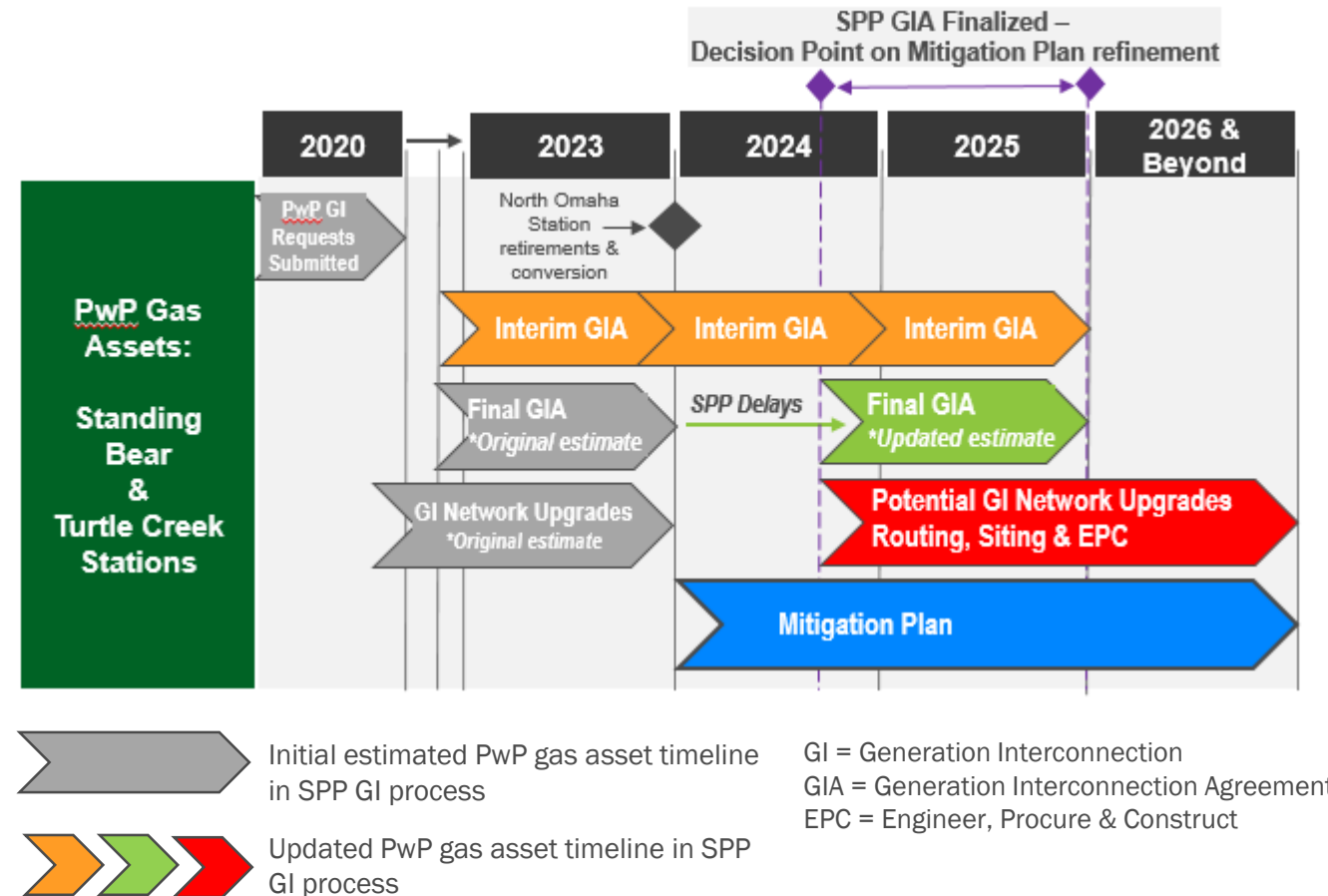
Generation Interconnection Backlog Mitigation Efforts

Numerous plans were put in motion to mitigate the federally regulated, SPP administered regional Generation Interconnection (GI) study backlog:

- Generation site selection criteria included optimizing existing transmission grid capacity
- Established GI queue positions in early 2020 with an estimated ~2.5 year SPP study duration
- SPP GI study backlog landscape drastically changed, request processing times doubled and massive regional transmission network upgrade buildout requirements being identified
- Interim interconnection service option being pursued for PwP but running into roadblocks
- Continued advocacy for regulatory policy reform at SPP and at the Federal Energy Regulatory Commission (FERC) by OPPD staff

Despite these mitigation efforts, the backlogged Generation Interconnection process has not been resolved for our PwP generation and a new mitigation plan needs to be considered

SPP Generation Interconnection Timeline for PwP Gas Assets



OPPD Impact of Power with Purpose Delay

System Reliability & Resiliency

- Power with Purpose (PwP) generation expansion plan was originally intended to largely be put in service by Fall 2023 to facilitate the North Omaha Station unit retirement / conversions, to support OPPD's growing communities and to maintain reliability & resiliency
- The same industry events and challenges that are impacting generation retirement and expansion plans across the country are also impacting OPPD's plans and causing delays with PwP
- In order to ensure OPPD's Reliability & Resiliency margins are preserved to help prevent large scale blackouts, a mitigation plan for PwP generation delays is recommended to be put in place
- Based on the magnitude of the generation portfolio changes and the local and national challenges, very few options are available

OPPD Impact of Power with Purpose Delay

Options Considered

- Option 1: Retire North Omaha Station (NOS) units 1-3 and convert NOS units 4-5 from coal to gas as previously planned by 12/31/2023
 - Beneficial environmental impact of reducing emissions from NOS
 - Voltage stability and import capability would reduce by approximately 60% of current levels leaving the OPPD system degraded and in unacceptable condition
- Option 2: Defer NOS retirement / conversion date until there is certainty for PwP gas generation grid injection and operation
 - Maintains grid reliability & resiliency
 - The district will need to make additional investments for extending operation at NOS that are estimated to be less than the market revenues

Recommendation

Mitigation Plan – Option 2 – Extend North Omaha Station

- To ensure grid reliability & resiliency, extend North Omaha Station (NOS) in its current capability until all conditions, including but not limited to transmission network upgrade requirements, as set forth in the executed Generation Interconnection and Transmission Service Agreements for Power with Purpose gas generation have been satisfied
 - NOS current capability: Units 1-3 primarily operate on gas and Units 4-5 primarily operate on coal
 - Southwest Power Pool (SPP) Transmission Service Agreements and SPP Generation Interconnection Agreements anticipated by 2024-2025
 - Will re-evaluate this NOS extension for potential termination or further extension pending final SPP transmission network upgrade requirements
 - For planning purposes, prepare for extension of NOS in its current capability until at least 12/31/2026
 - Balance environmental impacts and reliability needs by exploring the possible options to minimize NOS coal unit emissions if system conditions allow along with pursuing interim grid interconnection service for PwP generation
 - Continue advocacy for energy regulatory policy reform for new grid interconnections regionally and nationally
- Expand large customer demand response programs, primarily commercial and industrial customers
- Continue to pursue critical Power with Purpose utility scale solar resources

Extend North Omaha Station Refuel & Retirement Dates

Extensive Impact to Various Areas of the Organization

- Staffing
- Additional maintenance and capital improvement work
- Additional fuel acquisition
- Permitting considerations
- Stakeholder outreach

Extend North Omaha Station Refuel & Retirement Dates

Next Steps

- Initiate plans to prepare for North Omaha Station (NOS) extension in its current capability while pursuing options to address environmental impacts and reliability needs
 - Board Work Plan for Strategic Directive (SD) reviews:
 - SD-9 Resource Planning – Evaluating potential revisions to clarify how reliability and resiliency are considered in integrated system planning (Q3 2022)
 - SD-7 Environmental Stewardship – Evaluating potential revisions to incorporate interim metrics as OPPD pursues our net zero carbon goal by 2050 (Q4 2022)
 - SD-4 Reliability – Evaluating potential revisions to narrow this SD’s focus on operational reliability metrics pending the outcome of revising SD-9 (Q1 2023)
- Continue advocacy for energy regulatory policy reform for new grid interconnections
- Continue evaluation of interim interconnection service options for Power with Purpose generation along with expansion options for demand response program
- Stakeholder outreach efforts commence from now until August Board Meeting
- Mitigation plan recommendation to be voted on at August Board Meeting

Communication & Outreach

IAP2 Level: Inform

- **OBJECTIVE:** Communicate local, regional and national challenges and changes to the electrical system landscape.
- **MEASUREMENT:** Ensure stakeholders understand the problem(s) we are addressing.
- **TACTICS:** Various, internal communications, external 1:1s, videos, industry articles, Speakers Bureau, website education, FAQs, etc.

TIMELINE

- **Mon., June 13** Employee communication
- **Tues., June 14** Board Committee Meeting
- **June 14 – Aug. 12** - Stakeholder & Customer Outreach
- **Thurs., June 16** Board Meeting; Wire story posted
- **July** No Committee or Board Meeting
- **Tues., Aug. 16** August committee meeting
- **Thurs., Aug. 18** August board meeting—Board Action

Communication & Outreach

Key Takeaways

- 1) Reliability & Resiliency are important to OPPD, and we are taking the necessary actions locally to address a complex and industry-wide issue. OPPD is not alone in experiencing challenges around supply chain and grid interconnection—all utilities are facing at least some of these challenges.
- 2) OPPD remains committed to achieving our net zero decarbonization goal and building a cleaner world.
- 3) Visit [OPPDCommunityConnect.com](https://www.OPPDCommunityConnect.com) for more information.



BOARD OF DIRECTORS

Reporting Item

June 14, 2022

ITEM

Nuclear Oversight Committee Report

PURPOSE

The Nuclear Oversight Committee provides a regular oversight of items related to the Fort Calhoun Station (FCS) nuclear plant.

FACTS

In addition to safe and secure dry cask storage of fuel, the required Preventative Maintenance tasks and Surveillance Tests, the following major decommissioning activities were conducted:

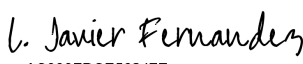
- Segmentation of the reactor vessel internal components and shipping of the segmented material remains on track for completion by the end of the year. Following the internal segmentation scope, the focus will shift to establishing the physical conditions required for vessel segmentation.
- Interior and structural demolition of site structures, and removal of the associated debris, continues. Several of the plant structures are expected to be demolished to grade by the end of the year.
- The Nuclear Regulatory Commission conducted another routine inspection with no findings or violations noted. In addition to document reviews, the inspector toured the site and observed work in progress. The frequency of on-site inspections has increased commensurate with the volume and nature of physical work being conducted this year.

RECOMMENDED:

DocuSigned by:

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Troy R. Via
Chief Operating Officer & Vice
President Utility Operations

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

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L. Javier Fernandez
President and Chief Executive Officer

TRV:tsu

February 2022



Containment

Turbine Building

Auxiliary Building

Processing Building

April 28, 2022



May 23, 2022



Formerly the
Processing Building



May 23, 2022



Pre-Committee Agenda

PUBLIC INFORMATION PRE-COMMITTEE MEETING WEBEX VIDEOCONFERENCE

Tuesday, June 7, 2022 4:00 – 5:00 P.M.

1. SD-11: Economic Development Policy Refinement (Olson – 15 min)
 - a. Objective: Committee to review and discuss the revisions of the policy.
2. Power with Purpose: Reliability (Underwood – 40 min)
 - a. Objective: Discuss PwP and reliability.
3. Board Work Plan – Public Information Committee Items (Focht – 3 min)
 - a. Objective: Discuss Public Information Committee items on the Board work plan.
4. Summary of Committee Direction (2 min)
 - a. Objective: Executive leadership team liaison(s) to summarize direction provided by the committee.



Board Action

June 14, 2022

ITEM

Revisions to SD-11: Economic Development Policy

PURPOSE

To ensure full board review, discussion and acceptance of SD-11: Economic Development policy revisions.

FACTS

- a. The Public Information Committee is responsible for evaluating and monitoring Board Policy SD-11: Economic Development.
- b. The Public Information Committee proposed revisions for Board consideration and public feedback on May 17, 2022. Public comments were accepted on OPPDCommunityConnect.com from May 19 to June 12, 2022.
- c. The Public Information Committee is recommending to the Board that Board Policy SD-11: Economic Development be revised as outlined on Exhibit A.

ACTION

Board of Directors approval of the revisions to SD-11: Economic Development.

RECOMMENDED:

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:
Lisa A. Olson
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Lisa A. Olson
Vice President – Public Affairs

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

LAO:mfh

Attachments:
Exhibit A – Proposed SD-11: Economic Development Policy
Resolution

SD-11: Economic Development Board Policy Refinement Discussion

Lisa Olson
Vice President – Public Affairs
June 14, 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

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.

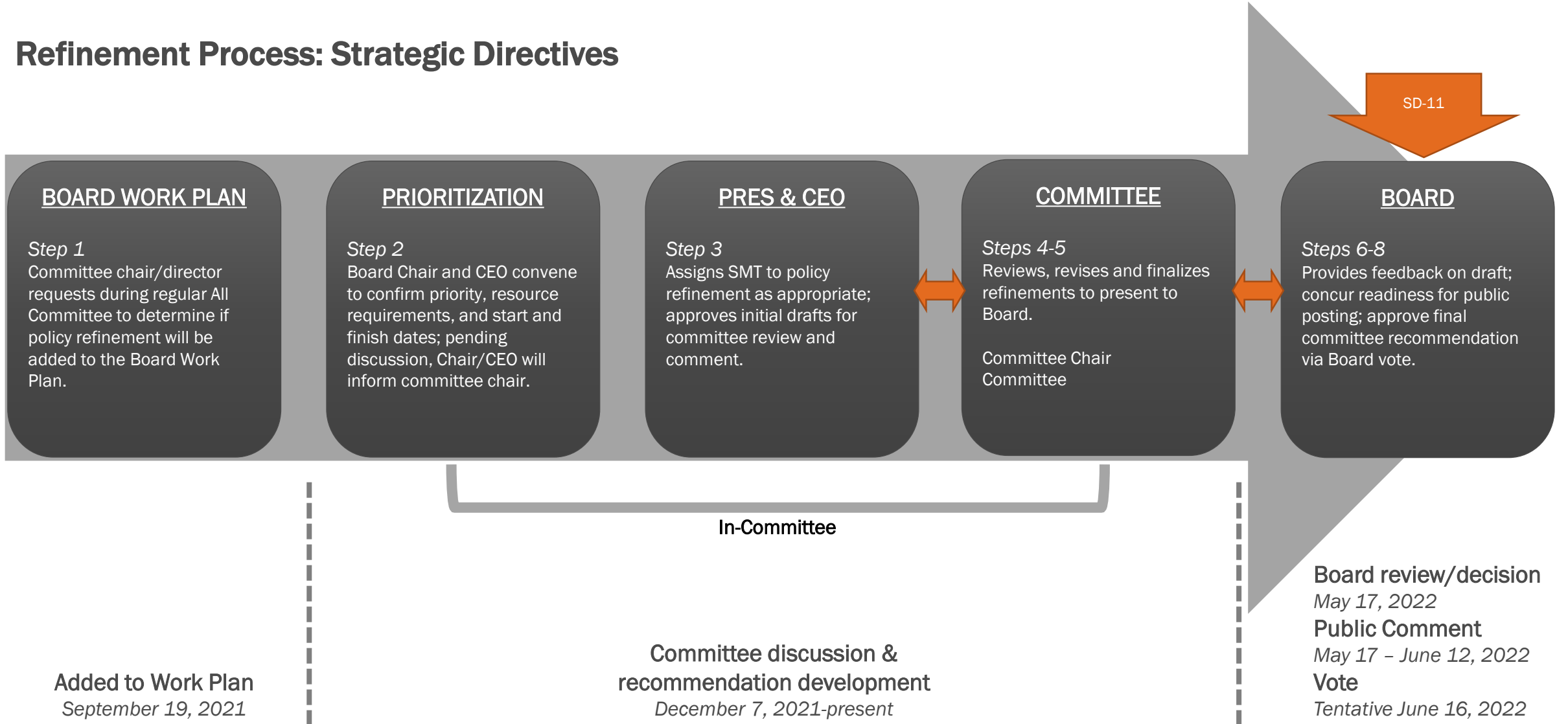
Specifically, OPPD shall:

- Create and retain revenue for the District through the attraction of new business, the retention and expansion of existing business, and by fostering economic growth in our communities.
- Align and maintain leadership with regards to economic development activities with local, regional, and statewide initiatives.
- Promote innovation while maintaining rate affordability, aligned with SD-2, by offering economic programs or rates.
- Assist with site development 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.

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



Refinement Process: Strategic Directives




All Committee Review: May 17, 2022

Is there anything that requires further clarification?

Is there anything you especially like?


Is there anything that you'd like the Committee to consider before moving this forward for public review and comment?

	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 <small>[insert date]</small>	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

	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.

SpecificallyTherefore, 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~~ Create and retain 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.

Feedback & Outreach – May 17 to June 12, 2022

Board Feedback

- Key themes from All Committee Review on May 17, 2022
 - No major revisions, suggested clean-up language
 - Highlight OPPD being a leader in the community
 - Adding in language involving products and services
 - With time, OPPD and the region's strengths change, and OPPD's economic development strategy should adapt and change accordingly to focus on advantages and maximize value for the region

Outreach Effort

- Posted on OPPD Community Connect May 19th
 - 7 public comments received
- Proactive outreach for awareness to organizations
 - Chambers
 - Regional and statewide organizations
 - Service providers

Today's Discussion

Is there any feedback that would warrant further changes to the policies or any additional actions?

Are you ready to move the recommendation to Board for a vote?

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 and support workforce and community needs. OPPD's economic development strategy will adapt and change to maximize value for the region as the utility and the region's advantages and opportunities evolve.

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

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

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 and support workforce and community needs. OPPD's economic development strategy will adapt and change to maximize value for the region as the utility and the region's advantages and opportunities evolve.

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

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

Next Step

- Option 1: Board Resolution & Vote

OR

- Option 2: Additional Committee Deliberation



Mollhoff/Olson

DRAFT
RESOLUTION NO. 65xx

WHEREAS, in May 2022, the Public Information Committee (the “Committee”) proposed, and the Board of Directors reviewed, a recommendation to revise Board Policy SD-11: Economic Development; and

WHEREAS, the proposed revisions were posted on OPPDCommunityConnect.com for public comment between May 19, 2022 and June 12, 2022, and the Board reviewed the public comments that were received.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the revised Board Policy SD-11: Economic Development be and hereby is approved, effective June 16, 2022, as set forth on the Exhibit A, attached hereto.



DRAFT Agenda

**OPPD BOARD OF DIRECTORS
REGULAR BOARD MEETING
Thursday, June 16, 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 April 2022 Comprehensive Financial and Operating Reports, May 2022 Meeting Minutes and the June 16, 2022 Agenda
7. SD-15: Enterprise Risk Management Monitoring Report – Resolution No. 65xx
8. Annual Health Plan Report – Resolution No. 65xx
9. Appointment of Small Cap Growth Investment Manager for Retirement Fund – Resolution No. 65xx
10. Appointment of Private Credit Investment Managers for Retirement Fund – Resolution No. 65xx
11. SD-2: Rates Monitoring Report – Resolution No. 65xx
12. SD-11: Economic Development Policy Revision – Resolution No. 65xx

Board Discussion Action Items

13. Corporate Officer Reviews and Compensation Adjustments – K. W. Brown, S. M. Focht, L. A. Olson and T. R. Via – Resolution No. 65xx
14. [to be determined]

Other Items

15. President's Report (___ 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.

Board Work Plan

