

LOUP POWER DISTRICT  
BOARD OF DIRECTORS  
April 23, 2024

The regular meeting of the Board of Directors of the Loup River Public Power District was held at the Loup Power District Board Room, Columbus, Nebraska on April 23, 2024.

Notification of the meeting was published in the Columbus Telegram and on the Loup Power District website.

Director Cerv presided as Chairman of the meeting and Assistant Secretary Angell Robak recorded the minutes.

**Roll call showed:**

**Present: Tooley, Donoghue, Zach, Fleming, Heesacker, Aerni, Drozd, Cerv**

**Absent: None**

**Staff Present: Neal Suess, Korey Hobza, Walt Williams, Dan Hellbusch, Todd Duren, Amanda Henry**

**Absent: None**

**Others: Dana Schultz**

Chairman Cerv reminded everyone of the open meetings law and stipulated this meeting would be conducted according to the Nebraska open meetings law. Chairman Cerv also stated he would be conducting the meeting based on Robert's Rules of Order.

President/CEO Suess welcomed Mr. Schultz to the meeting.

**The minutes of the March 26, 2024 meeting were approved.**

The following reports were presented to the Directors: the March 2024 Staff Operations Report – Exhibit 24-055; the March 2024 Bank Reconciliation Report – Exhibit 24-056; the March 2024 Vendor Payment Report – Exhibit 24-057. Additional reports presented to the Directors included various financial metrics of the District for March 2024 – Exhibit 24-058; selected financial information for March 2024 – Exhibit 24-059; and NPPD's Board of Directors Board Meeting Agendas for the April 10-11, 2024, NPPD Board Meeting – Exhibit 24-060.

**Executive Committee**

A letter addressing District Water Issues is filed as Exhibit 24-061.

President/CEO Suess indicated that management continues to work with the District's attorney to finalize a non-capacity license amendment to be filed with the Federal Energy Regulatory Commission (FERC). Mr. Suess stated that the District is waiting on the Nebraska Department of Environment and Energy (NDEE) to complete a revised Water Quality Certificate (WQC) for the District's planned changes to water flow in the Loup and Platte Rivers. This WQC was expected to be completed in March 2024; however, the District is still waiting for the NDEE to complete the WQC. After the WQC is completed, the District will finalize this non-capacity agreement and send it to FERC for approval. Mr. Suess added the final approval with FERC is expected to occur sometime in 2024.

President/CEO Suess indicated the District continues to hold in abeyance the Eighth Circuit Court of Appeals filing for review of the License Order, with the next filing expected to take place in early June 2024.

President/CEO Suess reiterated that the District continues to work with the Nebraska federal delegation on collecting money from the Federal Emergency Management Agency (FEMA) related to the mid-March 2019 storm event. Mr. Suess stated that a meeting was held with officials from the Nebraska Emergency Management Agency (NEMA) and with new NEMA consultants. Mr. Suess noted that some movement is occurring, although progress is slow.

Regarding damage and repair from the mid-March 2019 storm event, President/CEO Suess indicated that the final design drawings on the overflow structure were submitted to and approved by FERC. Mr. Suess noted that the District is waiting on FEMA/NEMA to approve this project before moving forward.

President/CEO Suess stated that there will be a hearing regarding the Interbasin Water Transfer case between the Platte River Basin and the Republican River Basin on May 23, 2024. Mr. Suess noted that, in October 2023, the Nebraska Supreme Court upheld the decision of the Department of Natural Resources (DNR) that the District and the other intervenors in the case had no standing and cannot object to this water transfer application.

Management and the Board discussed at length what action can be taken by the District in order to have its voice heard regarding standing in the future.

Management and the Board discussed several items related to the District's hydroelectric license and other State of Nebraska water issues.

### **Rates Committee**

A letter regarding a Discussion of Upstream Water Users is filed as Exhibit 24-062.

President/CEO Suess indicated that the District has a 1934 water right for water from the Loup River. Mr. Suess noted that, in 1972, a lawsuit with upstream water appropriators was settled, and payment was eliminated with those junior water right holders. Mr. Suess added that the District is working with an attorney and talking with the Department of Water Resources (DNR) to determine the best way to deal with junior water right holders upstream of the Headworks.

President/CEO Suess shared with the Board the following information on water right appropriations within the Loup River and its tributaries: 1) Total water appropriations – 1,021; 2) Water appropriations earlier than the District – 34; 3) Water appropriations along the Canal – 106; 4) Water appropriations between 1934 and 1972 – 514; and 5) Water appropriations after 1972 – 367. Mr. Suess noted that the District has contracts with 184 of these water appropriations.

President/CEO Suess indicated there are a number of water appropriations without contracts, and further discussion is needed with the attorney and the DNR to determine what action, if any, is warranted regarding this issue.

Management and the Board discussed details related to upstream water users.

### **Finance and Budget Committee**

A letter regarding Discussion of Customer Contribution-in-Aid of Construction is filed as Exhibit 24-063.

President/CEO Suess indicated that the current Customer Service Policy was revised in 2015 to update cost sharing between the District and developers. Mr. Suess noted that, prior to 2015, developers had little investment for electric service, and the revised Customer Service Policy created a fifty-fifty share of estimated costs.

President/CEO Suess stated that for large loads in excess of 100kW, the Customer Service Policy allows the District to determine contribution on a case-by-case basis.

President/CEO Suess indicated that there are several new loads in excess of 10,000kW being discussed with the District which include: 1) Tallgrass Pipeline – 25MW; 2) Project Hexagon – 50MW; and 3) Project Maverick (ADM) – 40 MW.

President/CEO Suess noted that these new loads will require upgrades and, possibly, new 34.5kV subtransmission lines, in addition to extending or building new 115kV/34.5kV transmission substations or 34.5kV/12.5kV subtransmission substations. Mr. Suess stated that management believes a fifty-fifty cost share of these upgrades is reasonable and added that management is evaluating how this fifty-fifty share should be determined and applied. Mr. Suess stated that management is considering the development of a revised Electric Service Agreement and Underground Service Agreement to account for these new loads.

Management and the Board discussed this issue at length.

### **Personnel, Safety, and Insurance Committee**

The Payroll Changes are filed as Exhibit 24-064.

Resolution No. 2024-03 regarding the retirement of Rick Prater is filed as Exhibit 24-065.

**Director Aerni made a motion to adopt Resolution No. 2024-03. Director Fleming seconded the motion and roll was called.**

**Aye: Tooley, Donoghue, Zach, Fleming, Heesacker, Aerni, Drozd, Cerv**

**Nay: None**

**Absent: None**

**The motion carried.**

### **Support Services Committee**

The Legislative Bill Watch letter is filed as Exhibit 24-066.

President/CEO Suess stated the 108<sup>th</sup> Legislature of the 2024 Nebraska Unicameral began on January 3, 2024, and ended on April 18, 2024. Vice President of Corporate Services Duren discussed with the Board various bills that were introduced by the State Senators, particularly

those related to the electric utility industry. Several bills were closely watched by organizations of which the District is a member, including the Nebraska Power Association (NPA), the Nebraska Economic Development Association (NEDA), and the Columbus and State of Nebraska Chambers of Commerce. Mr. Duren stated that there is a possibility that a special session will be called by Governor Pillen to discuss specific issues.

Management and the Board discussed further items related to the 2024 Nebraska Unicameral session.

A listing of the 2024-2025 Loup Scholarships is filed as Exhibit 24-067.

President/CEO Suess indicated Loup scholarships were awarded to students at Columbus High School, Scotus Central Catholic, Lakeview High School, Fullerton High School, Humphrey High School, Riverdale Public School, Schuyler Central High School, and Twin River High School. Mr. Suess stated management would like a Board member to present the Loup scholarships at the various schools' awards nights, if possible. Director Heesacker will present the scholarship at Humphrey High School; Director Fleming will present the scholarship at Scotus Central Catholic High School; Director Aerni will present the scholarship at Columbus High School; Director Donoghue will present the scholarship at Lakeview High School; and Stacy Wemhoff will present the scholarship at Schuyler Central High School.

At 10:37 A.M. the Board took a brief break and returned at 10:50 A.M.

At this time, Vice President of Accounting and Finance/CFO Williams presented his report to the Board, which included the financial report for March 2024, filed as Exhibit 24-068. Reports to the Board were also presented by Vice President of Engineering Hobza, Vice President of Operations Hellbusch, Vice President of Corporate Services Duren, and Human Resource Manager Henry.

The investment letter is filed as Exhibit 24-069.

**Director Aerni made a motion to approve the investment letter as presented. Director Heesacker seconded the motion and roll was called.**

**Aye: Tooley, Donoghue, Zach, Fleming, Heesacker, Aerni, Drozd, Cerv**

**Nay: None**

**Absent: None**

**The motion carried.**

The work order letter is filed as Exhibit 24-070.

**Director Donoghue made a motion to approve the work order letter as presented. Director Zach seconded the motion and roll was called.**

**Aye: Tooley, Donoghue, Zach, Fleming, Heesacker, Aerni, Drozd, Cerv**

**Nay: None**

**Absent: None**

**The motion carried.**

A memo requesting Permission to Order Circuit Switchers for the Creston 115kV Substation is filed as Exhibit 24-071.

President/CEO Suess requested that the Board grant approval for District management to order circuit switchers for the Creston 115kV substation.

**Director Donoghue made a motion to grant approval for District management to order circuit switchers for the Creston 115kV substation. Director Zach seconded the motion.**

President/CEO Suess indicated that the lead time to order circuit switchers has increased to 82 weeks, and the cost for the switchers has decreased from previous information used for the budget. Vice President Hobza would like to order the circuit switchers now, but the entire budget amount will fall in the year 2025, as they will not be delivered until 2025. Mr. Hobza noted the 2024 budget has been reduced by the cost of these circuit switchers. The PO amount will be \$187,306 for next year's delivery.

**The question was called.**

**Aye: Tooley, Donoghue, Zach, Fleming, Heesacker, Aerni, Drozd, Cerv**

**Nay: None**

**Absent: None**

**The motion carried.**

A memo requesting Permission to Order 34.5kV Vertical Break Line Switches is filed as Exhibit 24-072.

President/CEO Suess requested that the Board grant approval for District management to order 34.5kV vertical break line switches.

President/CEO Suess indicated that the District has been robbing Peter to pay Paul with faulty switches, and stated that three new switches at a price of \$15,420 per switch need to be ordered to replace those that are in bad repair. Mr. Suess stated the lead time does not allow delivery before January 2025. Vice President Hobza requested that the switches be ordered now for next year's delivery, and that these switches be added to the 2025 Construction Budget.

**Director Aerni made a motion to grant approval for District management to order 34.5kV vertical break line switches. Director Drozd seconded the motion and roll was called.**

**Aye: Tooley, Donoghue, Zach, Fleming, Heesacker, Aerni, Drozd, Cerv**

**Nay: None**

**Absent: None**

**The motion carried.**

The next regular Board meeting is set for Tuesday, May 28, 2024, at 9:00 A.M. at the General Office.

President/CEO Suess stated that discussions continue with NPPD on its new Wholesale Power Contract, New Load Queue process and Transmission Interconnection process, and noted that many changes are coming.

President/CEO stated that options for potential modifications for those wanting behind-the-meter generation greater than 25kW are being reviewed.

President/CEO Suess stated that management will present a resolution to include Lindsay Academy, which is currently a Cornhusker Public Power District customer, into Loup Power District's service area.

The Columbus Area Chamber of Commerce Annual Celebration is set for Thursday, April 25, 2024, at Ag Park beginning at 5:30 P.M. President/CEO Suess will be receiving the 2024 Archway Award.

NPPD's RRC/PRAB Customer Meeting is set for Wednesday, April 24, 2024, at Divots in Norfolk. An additional NPPD RRC/PRAB Customer Meeting is set for Thursday, May 16, 2024, in York, NE.

The APPA Annual Conference is set for June 7-12, 2024, in San Diego, CA.

President/CEO Suess stated the Board Retreat is set for July 31, 2024, at Dusters.

**Director Tooley made a motion to adjourn. Director Donoghue seconded the motion. The motion carried by voice vote.**

5/28/2024  
Date

Robert J. Lane  
Chairman of the Board

Angell Robak  
Assistant Secretary