

LOUP POWER DISTRICT  
BOARD OF DIRECTORS  
December 19, 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 December 19, 2024.

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

In the absence of Chairman Cerv, First Vice Chairman Donoghue presided as Acting Chairman of the meeting and Assistant Secretary Angell Robak recorded the minutes.

**Roll call showed:**

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

**Absent: Cerv**

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

**Absent: None**

**Others: Dana Schultz**

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

President/CEO Suess welcomed Mr. Schultz to the meeting and congratulated him on his election win.

**Director Aerni made a motion to excuse the absence of Chairman Cerv. Director Drozd seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Cerv**

**The motion carried.**

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

The following reports were presented to the Directors: the November 2024 Staff Operations Report – Exhibit 24-190; the November 2024 Bank Reconciliation Report – Exhibit 24-191; the November 2024 Vendor Payment Report – Exhibit 24-192. Additional reports presented to the Directors included NPPD's Board of Directors Board Meeting Agendas for the December 11-12, 2024 NPPD Board Meeting – Exhibit 24-193; and NPPD's RRC/PRAB/Customer Meeting Agenda and Presentations for the December 19, 2024 Meeting – Exhibit 24-194.

**Executive Committee**

The Board information sheet for 2025 is filed as Exhibit 24-195.

**Director Fleming made a motion to appoint Walt Williams Deputy Treasurer and Angell Robak Assistant Secretary to the Board for 2025. Director Aerni seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Cerv**

**The motion carried.**

President/CEO Suess reviewed the different committees with the Board, noting the chairman and members of each committee. President/CEO Suess indicated these committees were established in consultation with the incoming Board Chairman, Jim Donoghue.

**Director Zach made a motion to approve the 2025 Board committees as presented. Director Fleming seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Cerv**

**The motion carried.**

A letter addressing District Water Issues is filed as Exhibit 24-196.

President/CEO Suess reiterated that the non-capacity license amendment has been filed with the Federal Energy Regulatory Commission (FERC) and, if this filing is approved by FERC, the District will develop and file a new Operations Compliance Plan. Mr. Suess added that management is working with New Century Environmental (NCE) on year-end reports.

President/CEO Suess indicated the District continues to hold in abeyance the Eighth Circuit Court of Appeals filing for review of the License Order. A detailed discussion was held between Mr. Suess and the Board regarding several water issues included in the License Order, and Mr. Suess shared the District's attorney's opinions regarding these issues. The next filing date will be in mid-February.

President/CEO Suess indicated that District management continues to work with representatives from the Nebraska Emergency Management Agency (NEMA) regarding repairs made to the District's facilities due to the mid-March 2019 storm event, and stated that NEMA is trying to finalize the projects and get payment to the District.

President/CEO Suess stated that Midwest Infrastructure was selected to be the contractor for the Canal Overflow project, and they are preparing to begin construction in the spring of 2025, with completion planned for August 2025.

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 on the 2025 Wholesale Rates is filed as Exhibit 24-197.

President/CEO Suess reviewed the wholesale rate proposal with the Board and presented a chart showing the rate schedules which were discussed during the Rates Committee meeting on December 12, 2024.

President/CEO Suess recommended the Board approve the proposed LWS-1 and LWD-1 wholesale rates effective with service after January 1, 2025.

**Director Aerni made a motion to accept management's recommendation on the 2025 LWS-1 and LWD-1 wholesale rates effective with service after January 1, 2025. Director Heesacker seconded the motion and roll was called.**

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

**Nay: None**

**Absent: Cerv**

**The motion carried.**

A letter addressing the 2025 Retail Rates is filed as Exhibit 24-198.

President/CEO recommended the Board approve the 2025 retail rates as proposed and developed by management and as discussed with the Rates Committee.

**Director Fleming made a motion to approve the recommended 2025 retail rates as proposed and developed by management and discussed with the Rates Committee. Director Drozd seconded the motion.**

President/CEO Suess reviewed the retail rate proposal which was discussed in detail during the Rates Committee meeting held on December 12, 2024. Mr. Suess noted that the cost of service study has been completed, and a base retail rate change of 3.1 percent is being recommended, excluding ADM and the Economic Development Rates, which are both tied to NPPD wholesale rates and the District's delivery rates. Mr. Suess added this retail rate change will become effective with billing after January 16, 2025, which coincides with NPPD's wholesale rate change that becomes effective on January 1, 2025. Mr. Suess stated that the budgeted revenue projection will allow the District to maintain its reserve margin lower than previous years, and noted that water availability, license changes, the hydro sales contract and construction budget will affect the level of reserve margin. Mr. Suess added a bond issue is planned for early 2025.

President/CEO Suess stated that the cost of service reflects no overall change in wholesale purchased power costs; however, the production demand and energy rates and some ancillary service rates did change. Mr. Suess noted that the PCA refund is smaller than last year. President/CEO Suess indicated that, based on the latest data from APPA in 2022, the District remains one of the lowest costs utilities in the state, being 6.0 percent below the state average and 35.8 percent below the national average.

Management and the Board discussed additional items relating to the retail rates.

**The question was called.**

**Aye: Tooley, Zach, Fleming, Heesacker, Aerni, Drozd, Donoghue**  
**Nay: None**  
**Absent: Cerv**  
**The motion carried.**

**Personnel, Safety, and Insurance Committee**

The Payroll Changes are filed as Exhibit 24-199.

**At 10:10 A.M. Director Aerni made a motion to move into Executive Session to discuss the search for the new President/CEO. Director Drozd seconded the motion and roll was called.**

**Aye: Tooley, Zach, Fleming, Heesacker, Aerni, Drozd, Donoghue**  
**Nay: None**  
**Absent: Cerv**  
**The motion carried.**

**At 10:42 A.M. Director Aerni made a motion to return to regular session. Director Drozd seconded the motion and roll was called.**

**Aye: Tooley, Zach, Fleming, Heesacker, Aerni, Drozd, Donoghue**  
**Nay: None**  
**Absent: Cerv**  
**The motion carried.**

At 10:43 A.M. the Board took a brief break and returned at 10:55 A.M.

At this time, reports to the Board were presented by Vice President of Engineering Hobza, Vice President of Operations Hellbusch, Vice President of Corporate Services Duren, and Human Resource Manager Henry.

Vice President Hobza introduced the District's new Engineer, Zander Zietlow, to the Board.

The investment letter is filed as Exhibit 24-200.

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

**Aye: Tooley, Zach, Fleming, Heesacker, Aerni, Drozd, Donoghue**  
**Nay: None**  
**Absent: Cerv**  
**The motion carried.**

The work order letter is filed as Exhibit 24-201.

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

**Aye: Tooley, Zach, Fleming, Heesacker, Aerni, Drozd, Donoghue**  
**Nay: None**  
**Absent: Cerv**  
**The motion carried.**

The next regular Board meeting is set for Tuesday, January 28, 2025, at 9:00 A.M. at the General Office. A picture of the 2025 Board of Directors will be taken prior to the meeting.

New Director Orientation is set for Monday, January 20, 2025, beginning at 8:30 A.M. at the General Office.

President/CEO Suess wished everyone a Merry Christmas and a Happy New Year.

**Director Drozd made a motion to adjourn at 11:38 P.M. Director Aerni seconded the motion. The motion carried by voice vote.**

1/28/2025  
Date

Jim Donoghue  
Chairman of the Board  
Angell Robak  
Assistant Secretary