

LOUP POWER DISTRICT  
BOARD OF DIRECTORS  
January 24, 2023

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 January 24, 2023.

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

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

**Roll call showed:**

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

**Absent: None**

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

**Absent: None**

**Others: Hannah Schrodtt – Columbus Telegram**

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

President/CEO Suess welcomed Ms. Schrodtt to the meeting.

**The minutes of the December 28, 2022 meeting were approved.**

The following reports were presented to the Directors: the December 2022 Staff Operations Report – Exhibit 23-001; the December 2022 Bank Reconciliation Report – Exhibit 23-002; the December 2022 Vendor Payment Report – Exhibit 23-003. Additional reports presented to the Directors included NPPD's Board of Directors Board Meeting Agendas for the January 11-12, 2023 NPPD Board Meeting – Exhibit 23-004; and NPPD's RRC/PRAB/Customer Meeting Agenda and Presentations for the January 19, 2023 Meeting – Exhibit 23-005.

**Executive Committee**

President/CEO Suess indicated that the District has held several Board retreats in the past as it can be helpful and informative for the Directors; however, last year's retreat was the first one held in several years due to COVID-19. The consensus by the Board was to hold a Board retreat again this year. Mr. Suess recommended a Board Retreat Committee be formed to help management develop an agenda and set a date for the retreat. The Board agreed, and Chairman Heesacker asked for volunteers to serve on the Board Retreat Committee. Directors Fleming, Aerni, and Zach volunteered to serve on this committee, which will meet on February 28, 2023, prior to the February Board meeting.

A letter addressing District Water Issues is filed as Exhibit 23-006.

President/CEO Suess indicated that District management, along with the District's attorney, have completed a working draft of the non-capacity amendment to the District's license, which addresses, in addition to other items, the low water flow plan and water temperature issues in the lower Platte River. Mr. Suess stated that the District plans to file this non-capacity amendment with the Federal Energy Regulatory Commission (FERC) in early 2023, once management's consultation with the United States Fish and Wildlife Service (USFWS) and the Nebraska Game and Parks Commission (NGPC) is completed, and the District hopes to get a ruling from FERC sometime in 2023.

President/CEO Suess noted that District management is working with New Century Environmental to complete the remaining compliance activities/reports that are required to be filed in February 2023.

President/CEO Suess reiterated that, on December 12, 2022, the Department of Natural Resources (DNR) ruled that all Objectors to the interbasin water transfer case had no standing to intervene. Mr. Suess noted that the District was an Objector in a filing with the Central Platte Natural Resources District (CPNRD) and the Lower Loup Natural Resources District (LLNRD). Mr. Suess stated that, on January 9, 2023, the District, CPNRD, and LLNRD, as well as other Objectors, filed an appeal of the DNR's decision. Mr. Suess indicated that the DNR granted a stay to those Objectors who filed an appeal to the ruling until standing is decided.

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 March 2023.

Regarding damage and repair from the mid-March 2019 storm event, President/CEO Suess indicated that the final design drawings were submitted to FERC for review of the overflow structure. Mr. Suess noted that FERC Staff wants to hold a meeting to discuss these drawings and provide comments, including a review of the Potential Failure Mode Analysis (PFMA) for this project. Mr. Suess added that, once this meeting is completed, the District will work with its consultant to finalize the design and bid out next spring, with completion expected in late 2023 or early 2024.

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

A letter regarding Hydroelectric Generation in 2022 is filed as Exhibit 23-007.

President/CEO Suess indicated 2022 was a below average year for hydroelectric generation for the District, noting that generation was 109,182 MWh, approximately 21.0 percent below the annual average, and was mostly due to water availability. Mr. Suess stated that May was the peak month in 2022 with a generation of 13,828 MWh, despite limited flow during this month.

President/CEO Suess indicated that the District continues to operate under the flow restrictions contained in the District's License issued by the Federal Energy Regulatory Commission (FERC) which affects the amount of generation possible.

President/CEO Suess shared a table detailing the generation of the hydroelectric facilities from the commercial operation date in 1938 to the end of 2022, and presented a graph showing the monthly hydroelectric generation for the years 2010, 2019, and 2022, as well as maximum, minimum and average monthly generation.

Management and the Board discussed the information provided by President/CEO Suess. Mr. Suess reiterated that the Columbus Powerhouse operators continue to do an excellent job in using the shared market price forecast to determine pricing and develop their schedules of operation.

A letter regarding the Creston Ridge Wind Farm Generation is filed as Exhibit 23-008.

President/CEO shared with the Board tables and charts detailing monthly data from the Creston Ridge Wind Farm since both wind farms began commercial operation.

President/CEO Suess stated that District management continues to work with Bluestem to sell the renewable energy credits (REC's) being generated from the wind farm as they become available.

Management and the Board discussed various aspects of the wind farm project.

A letter regarding the Broadband Update is filed as Exhibit 23-009.

President/CEO Suess reiterated that District management has finalized the Request for Proposal (RFP) regarding broadband in unserved and underserved areas in Platte County, and this RFP was sent to private entities on November 18, 2022. Mr. Suess noted that the goal of the RFP is to determine how to best utilize the \$1 million commitment received from Platte County. Mr. Suess stated that responses to the RFP were due in mid-January 2023, and the District received responses from Stealth Broadband out of Norfolk, NE; Nextlink Internet out of Lincoln, NE; and ALLO Communications out of Lincoln, NE.

President/CEO Suess indicated that the District and Platte County will review and score the responses and award the contract near the end of March 2023, with construction beginning in June 2023. Mr. Suess stated that the District, Platte County, and NPPD have entered into an agreement with Universal Broadband Consulting (UBC) to assist with this effort and noted that NPPD is paying for half the costs of the consultants.

President/CEO Suess indicated that management has executed an agreement with the National Rural Telecommunications Cooperative (NRTC) regarding a Smart Grid Technology Planning Study for the District that will allow the District to see the potential benefits of a partial broadband system in smart grid development. Mr. Suess added that District management has an initial meeting with NRTC scheduled for February 14, 2023, and will be working to fulfill data requested from NRTC to begin this study.

Management and the Board discussed various items related to the rural broadband issue.

### **Rates Committee**

A letter regarding Discussion and Possible Action on the 2023 Canal Water Use Rates is filed as Exhibit 23-010.

President/CEO Suess discussed the current canal water use rates. Using the current cost-of-service study as a guide, management feels that maintaining the canal water use rate at the same level as 2022 would continue to slowly recover prior years' deficits and recommends no change to the current rate of \$10.00 per acre foot. After a lengthy discussion between management and the Board regarding allocation of the cost of service and recovery of past years' under-collections, the Board decided to accept management's recommendation and leave the canal water use rate at \$10.00 per acre foot for 2023.

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

The Payroll Changes are filed as Exhibit 23-011.

Resolution No. 2023-01 regarding the retirement of Robert (Scott) Snyder is filed as Exhibit 23-012.

**Director Aerni made a motion to adopt Resolution No. 2023-01. Director Drozd seconded the motion and roll was called.**

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

Resolution No. 2023-02 regarding the retirement of Chuck McCumber is filed as Exhibit 23-013.

**Director Aerni made a motion to adopt Resolution No. 2023-02. Director Drozd seconded the motion and roll was called.**

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

### **Support Services Committee**

The Legislative Bill Watch letter is filed as Exhibit 23-014.

President/CEO Suess stated the 108<sup>th</sup> Legislature of the 2023 Nebraska Unicameral officially began its long 90-day session on January 4, and this session is expected to end on June 9. The main focus in the Unicameral this year will be on tax reform and incentives, prisons and other budget concerns. Mr. Suess noted there is a large surplus of funds available.

Vice President of Corporate Services Duren discussed with the Board various bills that have been introduced by the State Senators, particularly those related to the electric utility industry. Several bills are being 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.

Management and the Board discussed further items related to the 2023 Nebraska Unicameral session.

At 10:49 A.M. the Board took a brief break and returned at 11:00 A.M.

At this time, Vice President of Accounting and Finance/CFO Williams presented a brief report to the Board. 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 work order letter is filed as Exhibit 23-015.

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

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

The next regular Board meeting is set for February 28, 2023, at 9:00 A.M. at the General Office.

The District Safety Banquet is set for Friday, February 17, 2023, in Columbus at the VFW. Cocktails begin at 6:00 P.M. with the dinner and program to follow at 7:00 P.M.

All Directors and officers of the District are required to file their NADC Form C-1 with the Nebraska Accountability and Disclosure Commission. The Directors were asked to let management know when their forms have been mailed. These forms can now also be submitted online and must be received by the State no later than March 1, 2023.

The APPA Annual Conference is set for June 16-21, 2023 in Seattle, WA.

President/CEO Suess briefly addressed the draft Integrated Resource Plan (IRP) which was discussed at NPPD's Board of Directors Meeting held on January 11, 2023.

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

15184  
January 24, 2023

Steve Heersack  
Chairman of the Board

2/28/23  
Date

Angell Robak  
Assistant Secretary