

LOUP POWER DISTRICT
BOARD OF DIRECTORS
July 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 July 23, 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.

Director Aerni made a motion to excuse the absences of Chairman Cerv. Director Fleming 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 June 25, 2024, meeting were approved.

The following reports were presented to the Directors: the June 2024 Staff Operations Report – Exhibit 24-109; the June 2024 Bank Reconciliation Report – Exhibit 24-110; the June 2024 Vendor Payment Report – Exhibit 24-111. Additional reports presented to the Directors included various financial metrics of the District for June 2024 – Exhibit 24-112; selected financial information for June 2024 – Exhibit 24-113; and NPPD's RRC/PRAB/Customer Meeting Agendas and Presentations for the June 27, 2024, Meeting and the July 18, 2024, Meeting – Exhibits 24-114 and 24-115, respectively.

Executive Committee

A letter addressing District Water Issues is filed as Exhibit 24-116.

President/CEO Suess indicated that management is finalizing the non-capacity license amendment to be filed with the Federal Energy Regulatory Commission (FERC). Mr. Suess stated that the District received a waiver on the Water Quality Certificate (WQC) from the Nebraska Department of Environment and Energy (NDEE) for the District's proposed changes to water flow in the Loup and Platte Rivers, and noted that management is working with FERC Staff to make sure all data is contained in the amendment, after which time it will be submitted to FERC.

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 August 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 FEMA/NEMA have provided letters to move forward with this project, and bidding and construction could begin yet in 2024.

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

President/CEO Suess provided the Board with the Board Retreat Agenda, filed as Exhibit 24-117. Mr. Suess stated the Board Retreat is set for Wednesday, July 31, 2024, at Dusters, beginning at 9:00 A.M. Mr. Suess noted that Don Blankenau, the District's water attorney, will attend in the morning to speak with the Board regarding District water rights and upstream water users. Mr. Suess added that the afternoon will include computer training and a travel overview of ADM, Tallgrass, Project Hexagon, and the Columbus Recharge Project.

Rates

A letter regarding NPPD's Preliminary Wholesale Rate Projection for 2025 is filed as Exhibit 24-118.

President/CEO Suess indicated that NPPD management provided a preliminary estimate of 2025 wholesale rates at the July 18, 2024, NPPD RRC/PRAB Wholesale Customer meeting, and no increases to overall transmission or base production rates are planned for 2025, although individual rates are changing.

President/CEO Suess stated that NPPD is planning on returning approximately \$53.0 million of excess funds in the Rate Stabilization Account (RSA) through a Production Cost Adjustment (PCA) to wholesale customers. Mr. Suess noted that the current PCA level is a negative \$0.004369/kWh, while the projected PCA level is a negative \$0.003694/kWh. President/CEO Suess indicated that wholesale customers will see an increase of approximately 1.2 percent on wholesale purchase costs based on the change in the PCA.

President/CEO Suess shared with the Board a table comparing the actual wholesale rate for 2024 and the preliminary 2025 wholesale rate proposal. Mr. Suess indicated the District will see an increase of approximately 1.0 percent in wholesale power costs from NPPD, including the PCA, adding that NPPD will provide final numbers to its wholesale customers in September. Mr. Suess stated that a decision will be made on filing for a wholesale rate hearing after the final numbers are received.

Management and the Board discussed at length NPPD's 2025 preliminary wholesale rate projections.

Personnel, Safety, and Insurance Committee

A letter regarding Discussion and Possible Action related to Adding an Additional Line Technician is filed as Exhibit 24-119.

President/CEO Suess asked that the Board accept management's recommendation to add an additional line technician and remove the utility arborist position.

Director Aerni made a motion to add an additional line technician and remove the utility arborist position. Director Drozd seconded the motion.

President/CEO Suess indicated that, in May 2022, management requested that the Board add the utility arborist position and eliminate the utilityman position because there had been increases in tree trimming costs, and the District had moved away from water heater maintenance. Mr. Suess noted that the utility arborist position was not required to be a line technician.

President/CEO Suess stated that, because the Columbus Division is growing in customer size and workload, an additional line technician is necessary. Mr. Suess noted that, since the utility arborist is not a line technician, he is unable to assist the line crew when needed; therefore, management believes the utility arborist position should be changed to line technician, given the additional workload in the Columbus area.

The question was called.

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

Nay: None

Absent: Cerv

The motion carried.

The Payroll Changes are filed as Exhibit 24-120.

At 9:55 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 10:44 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 10:45 A.M. the Board took a brief break and returned at 10:55 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 June 2024, filed as Exhibit 24-121. 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 24-122.

Director Zach made a motion to approve the investment letter 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.

The work order letter is filed as Exhibit 24-123.

Director Heesacker made a motion to approve the work order 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 next regular Board meeting is set for Tuesday, August 27, 2024, at 9:00 A.M. at the General Office.

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

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

The Columbus Days Coronation will be at the Elks Country Club on August 5, 2024.

The NPPD Annual Customer Meeting will be held in Norfolk, NE, on August 15-16, 2024.

Taste of Columbus will be held on October 12, 2024, at the Innovation Center in Columbus.

The NPA Annual Conference is scheduled for October 29-30, 2024, in Kearney, NE.

President/CEO Suess shared with the Board an exhibit from the NPPD Customer meeting regarding how energy rates are determined.

Director Drozd made a motion to adjourn at 11:08 A.M. Director Fleming seconded the motion. The motion carried by voice vote.

8-27-24

Date


Chairman of the Board


Assistant Secretary