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## BOARD OF DIRECTORS MEETING

*August 13, 2025*

The Board of Directors of Southern Public Power District met in regular session in the Boardroom of the District's corporate office at 4550 West Husker Highway, Grand Island, Nebraska, on August 13, 2025, at 9:00 a.m. pursuant to the mailed notice of the meeting sent to all Directors of the District and notice posted. Wayne Anderbery, Chairman of the District, called the meeting to order.

Directors present were as follows: Larry Benson, Courtney Retzlaff, Arlon Jacobitz, Lee Grove, Curtis Rohrich, Joe Gustafson, Joel Kuehn, Dean Klute, Justin Katzberg, Wayne Anderbery, Dana Meyer, Kevin Choquette and Bob Kieborz. President/CEO Chad Waldow and attorney Dave Jarecke were also present.

Director absent: Rick Bergman

Chairman Anderbery publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy in the room where the meeting was being held.

### **AGENDA**

There were no additions requested to the agenda.

### **NPPD CONTRACT NEGOTIATIONS**

A motion was duly moved by Director Klute, seconded by Director Benson, to adopt the following resolution:

#### RESOLUTION

*RESOLVED*, the Board of Directors of Southern Public Power District approves going into executive session at 9:02 a.m. for discussions pertaining to the NPPD Wholesale Contract.

Roll call vote: Yes 13, No 0, Absent 1 (Director Bergman)

A motion was duly moved by Director Grove, seconded by Director Choquette, to adopt the following resolution:

#### RESOLUTION

*RESOLVED*, the Board of Directors of Southern Public Power District approves coming out of execution session at 10:02 a.m.

Roll call vote: Yes 13, No 0, Absent 1 (Director Bergman)

**SAFETY MESSAGE/SYSTEM STATUS**

Safety Director Todd Bailey gave an updated message.

**BOARD MEETING MINUTES**

There were no revisions made to the minutes of the July 9, 2025 regular Board meeting.

A motion was duly moved by Director Choquette, seconded by Director Meyer, to adopt the following resolution:

**RESOLUTION**

*RESOLVED*, that the Board of Directors of Southern Public Power District approves the minutes of the July 9, 2025 regular Board meeting.

Roll call vote: Yes 11, No 0, Abstain 2 (Directors Retzlaff and Jacobitz) Absent 1 (Director Bergman)

**BILLS AND CLAIMS**

Management and staff answered questions regarding bills and claims.

A motion was duly moved by Director Grove, seconded by Director Klute, to adopt the following resolution:

**RESOLUTION**

*RESOLVED*, that the Board of Directors of Southern Public Power District approves all bills and claims.

Roll call vote: Yes 13, No 0, Absent 1 (Director Bergman)

**COMMENTS FROM THE PUBLIC**

There were no comments from the public.

**DIRECTOR REPORTS**

**DIRECTOR REPORTS:**

- Director Bergman attended the Department of Energy meeting in Washington, D.C. on July 29<sup>th</sup>.
- Director Kieborz attended the Lineman Rodeo in Broken Bow on July 18<sup>th</sup> and the NREA Quarterly meeting in Scottsbluff on August 6<sup>th</sup> and 7<sup>th</sup>.
- Director Anderbery attended the Wholesale Power Contract and NPPD Board meeting in Columbus on July 23<sup>rd</sup>, the Department of Energy meeting in Washington, D.C. on July 29<sup>th</sup> and the NREA Quarterly meeting in Scottsbluff on August 6<sup>th</sup> and 7<sup>th</sup>.

**MANAGEMENT REPORTS**

***President's Activities:***

- Mini Contract Power Contract at NPPD Board Meeting: NPPD held a special meeting on July 23<sup>rd</sup> to consider offering NPPD's redline version of the contract to its wholesale customers. At this meeting, Chad and six others spoke to the NPPD board and had different issues with the contract, but all seven agreed the timeline was not favorable and needed to be adjusted to allow more time.
- Village of Campbell: The Village has posted a 30-day notice to consider the "sale" of the electric system and generator. Dave Jarecke and the Campbell's village attorney have been working through the necessary documentation. Included in the package is a 99-year lease for the building for which the generator is housed in. The final step is to transfer the Campbell service territory

over to the District with the Power Review Board. The board will consider these documents in the September board meeting.

- Department of Energy Meeting in Washington DC: On July 29<sup>th</sup> Chad Waldow, Board President Wayne Anderbery and Director Rick Bergman attended a meeting at the DOE to discuss new nuclear technology. They were joined by Julie Bushell, Lead Economic Developer for DG Fuels and Rick Nelson, General Manager of NREA. The Big Beautiful Bill has funding for a new nuclear development to meet the needs of our growing economy. The idea was to pair SMRs with DG Fuels to provide a carbon-free source of electricity.
- NREA Quarterly Meeting in Scottsbluff: Meetings were held on August 6<sup>th</sup> and 7<sup>th</sup> in Scottsbluff. Southern was represented by Directors Anderbery, Meyer, Kieborz and CEO Chad Waldow. Some of the highlights include the following:

*Job Training & Safety (JT&S) Committee:*

- Discussed the process to fill an open instructor position for Region 2 that serves Southern.
- A rechargeable battery fire involving a Dewalt chainsaw was discussed. All batteries are not supposed to be stored in the tool. Manufacturers say they must be kept in the case. The battery caught fire overnight on the back of a digger truck.
- RESAP portal is open and can be accessed to update company information.

*Legislative Committee:*

- 2026 Legislative Session will be dominated by the \$100M shortfall in the budget. The low-hanging fruit is gone, and the next round of cuts may be painful. No new spending will get the time of day in this session.
- LR 234 is picking up traction. This study is looking at power generators in the state and the net-zero carbon goals. They are evaluating the impact of these goals for end-users. Hearing scheduled for September.
- Senator Bostar introduced AM 1553 and supported LB298, which sought to establish an Inspector General for Nebraska Public Subdivisions. This office would provide independent oversight, investigation, and review of concerns related to the operations of political subdivisions.
- Economic development and battery storage positions were discussed.

*Statewide Services Committee:*

- The 2026 proposed budget was discussed. This includes adding the full-time general manager position back in the budget. This required an 8% increase in dues.
- Employee compensation (excluding the GM) was 3.5% plus \$10,000 discretionary dollars to be spent to catch up two positions to the Lincoln market. This equates to an overall increase of 7.15%.
- Rick Nelson's evaluation was reviewed and his goals for 2026 include:
  - Strategic Plan for the association in 2026
  - JT&S Program review
  - Increase Economic Development efforts by connecting members with ED in Nebraska
  - Improve communication with its members

### **Additional Items:**

- Buildings and Grounds Committee: The District would like to offer a facility tour once again to kick off this committee's new duties.
- NREA Washington, D.C. Fly-In is October 19<sup>th</sup> -21<sup>st</sup>.

### **DEVIN BRUNDAGE – CENTRAL NE PUBLIC POWER & IRRIGATION DISTRICT**

Devin Brundage, from the Central Nebraska Public Power & Irrigation District, gave an update on the Perkins Canal Project showing the importance of how the canal and how irrigation water, various water systems and drinking water would be affected here in Nebraska.

***LUNCH RECESSED AT 12:00 P.M.,  
THE MEETING RECONVENED AT 12:30 P.M. IN OPEN SESSION.***

### **MANAGEMENT REPORTS (cont.)**

#### ***Financial Reports:***

- Summary of Revenues. CFO Peard provided a comparison of revenues between June 2024 and 2025. Year-to-date revenues through June 2025 amounted to \$50.4 million as compared to \$46.2 million in 2024.
- Power Costs. CFO Peard gave a summary of the power bill for June 2025 indicating a peak demand of 163,45 kW as compared to 207,486 kW recorded in June 2024. The District purchased 126.32 million kWh's in June 2025 as compared to 117.15 million kWh's in June 2024.
- Balance Sheet and Income Statement. CFO Peard provided a comparison of income statements from June 2025 and June 2024. Year-to-date net margins as of June 30, 2025 were \$1,349,421 as compared to \$3,718,061 as of June 30, 2024.
- Cash Flow Summary. CFO Peard provided a summary of the statements of cash flows. Cash and investments at June 30, 2025 were \$37.48 million compared to \$47.02 million at June 30, 2024.

#### **Customer Service and Collection Report:**

- The production cost adjustment reflected on customer's bills for June 2025 were (\$278,936).
- The District's disconnect day was Tuesday, July 29<sup>th</sup>. District personnel worked 27 accounts.

#### ***Operations Report:***

- Operations Manager Zeb Graham reported that crews continue to work on 2025 Budget projects, osmose poles, pad mount transformer inspections and the maintenance around the substations.
- The mechanics continue to work on small bucket trucks, repairing skid-steer attachments and repairing items that were found in the annual inspections.
- 28 poles were replaced due to the July 10<sup>th</sup> storms and the District sustained a major outage on a Sub-T line due to an insulator failure.
- The District has seen a decrease in the osmose pole reject rate (1.7%) with being halfway through the budgeted 10,000.

#### ***Energy Services Report:***

- Energy Service Manager Sam Reinke attended various meeting on the District's behalf.

- During the month of July, the District issued two (2) water heaters and provided incentives totaling \$18,054 to customers through the Energy Efficiency Program. Year-to-date Energy Efficiency incentives totaled \$77,910 and has provided \$10,590 in Efficient Electrification incentives during July.
- The irrigation department completed the third irrigation billing for the new billing process.
- The District controlled irrigation four days in the month of July, for a total of 16.9 hours.

***Communications and Public Relations Report:***

- Communications Manager Amanda Groff reviewed the District's upcoming social platform and marketing promotions for the month of August.
- Operation Round Up awarded nine out of 12 grants for Quarter 2, totaling \$18,149. Upcoming check presentations will be given to the Chapman Community Improvement Association, Wilcox Volunteer Fire Department and Aurora Child Care, Inc.

***Safety Report:***

- Safety Manager Todd Bailey reported on personnel and equipment claims that occurred during the month of July.
- Crew visits to each area were completed.
- Mock May Day events will take place at the Grand Island location during safety training August 26<sup>th</sup> and 27<sup>th</sup>.
- The Nebraska Lineman Rodeo took place in Broken Bow with District linemen placing in various events.

**CUSTOMER REPORTS:**

**DIRECTORS:**

- Director Katzberg stated that a customer dealt with several outage issues and expressed a concern with the afterhours call service. All outages were handled in a timely and effective manner.
- Director Benson appreciated the prompt service from a Southern lineman regarding a matter he had acquired at his residence.

**COMMITTEE REPORTS:**

**FINANCE COMMITTEE:**

- Director Rohrich reported that all funds were adequately covered by FDIC insurance and joint custody receipts.

**MOTIONS & RESOLUTIONS:**

***Charge Off Uncollectible Accounts***

CFO Peard provided a review of accounts recommended for charge-off. CFO Peard reported that the list of recommended charge-offs totaled \$974.56.

A motion was duly moved by Director Kieborz, seconded by Director Retzlaff to adopt the following resolution:

**RESOLUTION**

*RESOLVED*, that the Board of Directors of Southern Public Power District approves charge-offs of delinquent accounts totaling \$974.56 as recommended by management.

Roll call vote: Yes 13, No 0, Absent 1 (Director Bergman)

Large Power Service – Interruptible Service Rider Rate Schedule “INTR-RIDER”

CFO Peard indicated that this rate schedule requires adjustments for changes made by NPPD in splitting the rate into two different options with an increase on a customer charge in option 1 and additional funds in option 2.

A motion was duly moved by Director Grove, seconded by Director Jacobitz, to adopt the following resolution:

**RESOLUTION**

RESOLVED, that the Board of Directors of Southern Public Power District approves the updated changes to the Large Power Service – Interruptible Service Rider Rate Schedule “INTR-RIDER”.  
Roll call vote: Yes 13, No 0, Absent 1 (Director Bergman)

Worker’s Compensation Policy with Federated Rural Electric Insurance Exchange

CFO Peard state that the District has obtained a new policy due to the membership with NREA with the policy dates running from July 2025 through June 2026.

A motion was duly moved by Director Benson, seconded by Director Kuehn, to adopt the following resolution:

**RESOLUTION**

RESOLVED, that the Board of Directors of Southern Public Power District approves the new workers compensation policy with Federated Rural Electric Insurance Exchange, as requested by management.  
Roll call vote: Yes 13, No 0, Absent 1 (Director Bergman)

Change of September’s Board Meeting Date

CEO Chad Waldow requested a change of date for the September Board meeting from September 10<sup>th</sup> to September 11<sup>th</sup> due to a scheduling conflict.

A motion was duly moved by Director Klute, seconded by Director Katzberg, to adopt the following resolution:

**RESOLUTION**

RESOLVED, that the Board of Directors of Southern Public Power District approves the change of date of the September board meeting date to September 11<sup>th</sup>, as requested by management.  
Roll call vote: Yes 13, No 0, Absent 1 (Director Bergman)

**MISCELLANEOUS BUSINESS:**

NPPD Annual Customer Meeting/Appreciation Event: August 21<sup>st</sup> and 22<sup>nd</sup> in Gothenburg.


Safety Council Meeting will be held in Franklin on September 4<sup>th</sup>.

The next Board of Directors meeting will be held on September 11<sup>th</sup>, 2025 at 10:00 a.m.

There will be a Board Budget meeting held in Grand Island on October 27<sup>th</sup>.

There being no other business, the meeting was adjourned at 2:20 p.m.

  
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**Joel Kuehn, Secretary**

  
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**Wayne Anderbery, Chairman**