BOARD OF DIRECTORS MEETING

August 12, 2026

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 12, 2026, at 10:00 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: Dean Klute, Curtis Rohrich, Courtney Retzlaff, Arlon Jacobitz, Lee Grove, Joel Kuehn, Justin Katzberg, Larry Benson, Joe Gustafson, Rick Bergman, Dana Meyer, Kevin Choquette, Wayne Anderbery (left at 1:25 p.m.) and Bob Kieborz. President/CEO Chad Waldow and attorney Ellen Kreifels were also present.

Directors absent: None

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.

SAFETY MESSAGE/SYSTEM STATUS

Operations Manager Zeb Graham and CEO Chad Waldow presented the safety message and presented the system status.

BOARD MEETING MINUTES

There were slight revisions made to the minutes of the July 8, 2026, regular Board meeting.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the minutes of the July 8, 2026, regular Board meeting as amended.

Roll call vote: Yes 13, No 0, Abstain 1 (Director Choquette)

BOARD MEETING MINUTES

There were slight revisions made to the minutes of the July 23, 2026, Special Board meeting.

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 minutes of the July 23, 2026, Special Board meeting as amended.

Roll call vote: Yes 11, No 0, Abstain 3 (Directors Benson, Retzlaff and Choquette)

BILLS AND CLAIMS

Management and staff answered questions regarding bills and claims.

A motion was duly moved by Director Klute, seconded by Director Gustafson, 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 14, No 0, Abstain 0

COMMENTS FROM THE PUBLIC

There were no comments from the public.

DIRECTOR REPORTS

DIRECTOR REPORTS:

- Directors Jacobitz, Katzberg, Meyer, Rohrich, Kieborz, Klute, Anderbery, Gustafson, Kuehn and Grove attended the Special Board meeting in Grand Island on July 23, 2026.
- Director Meyer attended the NREA Committee/Board meetings on August 5th-6th, 2026.
- Directors Anderbery, Choquette, Kuehn and Rohrich attended an Executive Committee meeting on August 12, 2026.
- Directors Gustafson, Anderbery, Grove and Kieborz attended the Safety Council meeting on July 9, 2026.
- Directors Anderbery, Kuehn and Meyer attended a presentation by CEO Waldow for the KAAPA Ethanol Board meeting on August 21, 2026.

MANAGEMENT REPORTS

President's Activities:

- Safety Council Meeting: A Safety Council meeting was held at the Hasting office on July 9th. Directors Kieborz, Grove and Gustafson attended the meeting.
- NPA Meeting: This meeting was held at the LES Operations Center in Lincoln on July 15th. Topics included the future of the NPA, rebranding effort and Load and Capabilities Report.
- KAAPA Ethanol Board Presentation: Chad joined Directors Anderbery, Kuehn and Meyer at the KAAPA Board meeting on July 21st. Chad spoke about wholesale power supply, innovative energy solutions and future rates. The KAAPA board was very cordial and supportive of Southern PPD and appreciated the partnership over the years.

- Group4 Joint Board Meeting: Group4 Joint Board meeting was held in Grand Island on July 23rd.
- NREA Quarterly Meeting: The meeting was held on August 5th-6th in Scottsbluff. Director Meyer attended the meeting.

Additional Items:

- SPPD Rate Discussion: The District continues to work with UFS to develop a rate package to include the wholesale rate increase from NPPD and any required increase for SPPD and will also have to evaluate how to apply the increases to the various rate classes. A Wholesale Rate update was provided by the NPPD through 2039. This includes no increases for transmission beyond 2032 but may prove difficult to achieve. These numbers do not include an approximate 2.5% increase for a PCA reduction.
- Charter Amendment: Ellen Kreifels provided an updated resolution for consideration for the charter amendment process which will include consideration of Resolution Approving Charter Amendment #9.
- Engineering Recruitment and Retention Program: Amanda and Travis presented this program for board consideration. This is an effort to recruit and retain engineers at Southern PPD.
- Load Growth and Economic Development Projects: Chad updated the board on the new projects that SPPD added since 2024.
- Gerald Gentleman Station-Unit 1: GGS Unit 1 is in an outage and expected to be out until September. The plan was to replace a repaired stator with a new stator. When the work was complete, they began the process to bring it back online when they encountered additional problems.
- NPPD Financials: The May financial report was not available.
- Upcoming Meetings:
    - NPPD Annual Meeting, August 20-21 in York, NE
    - SPPD Board Meeting, September 9th
    - NREA DC Fly-in on September 22-23 in Washington DC
- Next Meeting:
    - NREA Update by Rick Nelson

Financial Reports:

- Summary of Revenues. CFO Peard provided a comparison of revenues between June 2025 and 2026. Year-to-date revenues through June 2026 amounted to $55.1 million as compared to $50.4 million in 2025.
- Power Costs. CFO Peard gave a summary of the power bill for June 2026 indicating a peak demand of 215,476 kW as compared to 163,425 kW recorded in June 2025. The District purchased 138.33 million kWh's in June 2026 as compared to 126.32 million kWh's in June 2025.
- Balance Sheet and Income Statement. CFO Peard provided a comparison of income statements from June 2026 and June 2025. Year-to-date net margins as of June 30, 2026, were $964,527 as compared to $1,349,421 as of June, 2025.
- Cash Flow Summary. CFO Peard provided a summary of the statements of cash flows. Cash and investments at June 30, 2026, were $48.21 million compared to $37.458 million at June 30, 2025.

Customer Service and Collection Report:

- The production cost adjustment reflected on customers' bills for July 2026 were $158,741.
- The District's disconnect day was July 29th. District personnel worked 36 accounts.

Operations Report:

- Operations Manager Zeb Graham stated that area offices have been working on budget projects, mowing sub, line inspections and maintenance.
- Construction Crew continues to work on the Marquette to Tyler Sub-T removal project and preparing for a Sub-T re-routing project.
- Mechanics continue truck maintenance, the transmission on a small bucket and working on attachments on skid steers.
- Osmose completed the 2026 distribution pole inspections. They inspected 11,876 poles and 283 poles were rejected, which is a 2.3% rejection rate.
- Graham gave an update on previous outages that occurred in July.
- CRC reported 1,070 customer calls during the month of July with an average wait time of 44 seconds. They dispatched 165 calls to District linemen.

Safety Report:

- Operations Manager Zeb Graham reported on vehicle, personal and near miss reports for the month of July.
- A total of 96,373 miles were driven in July with no reported damage or accidents.
- Hot-line demos were completed by the Franklin employees for various volunteer fire departments.
- A Safety Council meeting was held in the Hastings office on July 9th.
- Safety meetings were held in Grand Island on July 21st and 22nd.
- A Safety Survey was completed and a focus group will convene throughout the year to identify opportunities for training improvements.

Energy Services Report:

- Energy Service Manager Sam Reinke attended the NPPD Customer meeting in Norfolk.
- During the month of July, the District issued three (3) water heaters and provided incentives totaling $14,490 to customers through the Energy Efficiency Program. Year-to-date, Energy Efficiency incentives totaled $72,949 and has provided $2,057 in Efficient Electrification incentives during July.
- Sam gave updates on new services that were accrued and SPP events that took place in the month of July.
- The Irrigation Department had billable demand hours of control during the month of July; prepared the third billing of the 2026 irrigation season and disconnected 21 wells for non-payments in the month of July.

LUNCH RECESSED AT 12:00 P.M.,
THE MEETING RECONVENED AT 12:45 P.M. IN OPEN SESSION.

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 Upheld its quarterly meeting on July 14, 2026, in which 12 of 13 applications were awarded grants totaling $23,808.
- The Grand Island crew will conduct a hot-line demo at the State Fair on September 1st.

CUSTOMER REPORTS:

DIRECTORS:

- Director Kuehn was contacted by a customer with a well voltage concern. Kuehn forwarded that concern to Sam Reinke, who promptly addressed and resolved the issue.

MANAGEMENT:

- CEO Chad Waldow gave an update on economic development, stating information on the District's new loads with new billable peaks an projected load growth.

COMMITTEE REPORTS:

FINANCE COMMITTEE:

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

MOTIONS AND RESOLUTIONS:

Charter Amendment

Attorney Ellen Kreifels supplied the board with the new red-lined copy of the Charter Amendment and explained the principles regarding the charter amendment. Kreifels presented a Resolution Approving Charter Amendment #9.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the Resolution Approving Charter Amendment #9 and authorizes Chad Waldow and Ellen Kreifels to carry out requisite revisions to the District's Charter when necessary.
Roll call vote: Yes 14, No 0, Absent 0

Charge Off Uncollectible Accounts

CFO Peard provided a review of accounts recommended for charge-off. Peard reported that the list of recommended charge-offs totaled $1,580.82.

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 charge-offs of delinquent accounts totaling $1,580.82 as recommended by management.
Roll call vote: Yes 14, No 0, Absent 0

District Safety Manual

Operations Manager Graham explained the proposed changes to the District's Safety Manual as recommended by members of the Safety Council.

A motion was duly moved by Director Kieborz, member of the Safety Council, seconded by Director Grove to adopt the following resolution:

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the changes to the District's Safety Manual as recommended by the Safety Council.
Roll call vote: Yes 14, No 0, Absent 0

District Handbook Policy-611 Workplace Security

CEO Waldow and IT Director Doht explained the proposed updated changes to District Handbook - 611 Workplace Security Policy regarding security cameras with workplace security operational guidance language for employees.

A motion was duly moved by Director Bergman, seconded by Director Gustafson, to adopt the following resolution:

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the proposed changes to the District's Handbook Policy-611 Workplace Security as recommended by management.
Roll call vote: Yes 14, No 0, Absent 0

Worker's Compensation Policy with Federated Rural Electric Insurance Exchange

CFO Peard reported that the District worker's compensation insurance coverage expired on June 30, 2026, and recommends the District renew that annual coverage with Federated Rural Electric Insurance Exchange for the one-year period which started on July 1, 2026.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the proposal from Federated Rural Electric Insurance Exchange for the one-year period that started July 1, 2026.
Roll call vote: Yes 14, No 0, Absent 0

Engineering Recruitment and Retention Program – Leadership Project #2

Communications Manager Groff and Engineering Manager Dahlin described the District's new recruitment program for the Engineering Department for full-time employment.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the proposal of the District's Engineering Recruitment and Retention Program as recommended by management.
Roll call vote: Yes 13, No 0, Absent 1 (Director Anderbery)

MISCELLANEOUS BUSINESS:

NPPD Annual Customer Meeting/Appreciation Event in York
SPPD Board Meeting: September 9th at 10:00 a.m.
Safety Council Meeting: September 10th in Franklin at 10:00 a.m.
NREA D.C. Fly-In: September 22nd and 23rd
NRECA Region 7 Meeting: October 5th through 7th – Salt Lake City

There being no other business, the meeting was adjourned at 1:32 p.m.

Joel Kuehn, *Secretary*

Wayne Anderbery, *Chairman*