



BOARD OF DIRECTORS MEETING

January 8, 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 January 8, 2025, at 10:00 a.m. pursuant to the mailed notice of the meeting sent to all Directors of the District and notice posted. Dana Meyer, Chairman of the District, called the meeting to order.

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

Directors absent: Director Klute

Chairman Meyer 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

Safety Director Todd Bailey reported on safety and emergency protocols and CEO Chad Waldow gave an update on the current status of the SPPD system.

INSTALLATION OF ELECTED AND APPOINTED DIRECTORS AND OATH OF OFFICE

Attorney Dave Jarecke administered the Oath of Office to newly elected Board members Courtney Retzlaff, Robert Kieborz, Kevin Choquette, Lee Grove, Wayne Anderbery and Justin Katzberg.

REORGANIZATION OF THE BOARD FOR THE 2023-2024 TERM

Director Anderbery was nominated to the office of Chairman by Director Kieborz. A motion was made by Director Grove, seconded by Director Benson to cease the nomination and cast a unanimous ballot in favor of Director Anderbery for Chairman.

A roll call vote was taken to cease nominations and to cast a unanimous ballot in favor of Director Anderbery for office of Chairman.

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

Director Choquette was nominated to the office of Vice-Chairman by Director Benson. A motion was made by Director Anderbery, seconded by Director Kuehn to cease the nomination and cast a unanimous ballot in favor of Director Choquette for Vice-Chairman.

A roll call vote was taken to cease nominations and to cast a unanimous ballot in favor of Director Choquette for office of Vice-Chairman.

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

Director Kuehn was nominated to the office of Secretary by Director Benson. A motion was made by Director Bergman, seconded by Director Benson to cease the nomination and cast a unanimous ballot in favor of Director Kuehn for Secretary.

A roll call vote was taken to cease nominations and to cast a unanimous ballot in favor of Director Kuehn for office of Secretary.

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

The floor was open for office of Treasurer resulting in two nominations. A secret ballot was acquired resulting in Director Rohrich as the successful candidate for office of Treasurer.

MINUTES

There were no revisions made to the minutes of the December 11, 2024 regular Board meeting.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the minutes of the December 11, 2024 regular Board meeting.

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

BILLS AND CLAIMS

Management and staff answered questions regarding bills and claims.

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 all bills and claims.

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

COMMENTS FROM THE PUBLIC

There were no comments from the public.

DIRECTOR AND MANAGEMENT REPORTS

DIRECTOR REPORTS:

- Directors Choquette, Grove and Anderbery attended the DG Fuels Town Hall meeting in Holdrege on December 17th.
- Director Kieborz attended the S.I.D. meeting on January 8th.

MANAGEMENT REPORTS

President's Activities:

- DG Fuels Town Hall in Holdredge: There was a Town Hall held in Holdredge on December 17th to share information on the proposed DG Fuels project. It was very well attended by the public. Michael Darcy, founder of DG Fuels, gave some detail on the type of project, the environmental impacts and the feed stock required to supply the plant. The exact location and water usage was not discussed at this meeting. This new electric load would be the single largest load at Southern and in NPPD's footprint at 375MW. DF Fuels is expected to produce nearly 190M gallons of Sustainable Aviation Fuel (SAF) with a start date of 2030.
- NPPD Wholesale Customer Meeting in Grand Island: The meeting started off with a load queue update followed by a generation update with little or no new information. Laura then updated the group on NPPD's financials. NPPD has built a \$49.5M margin through October. This is primarily due to the month of October with \$25.8M in one month. However, they are projecting only a \$24.6M year-end surplus. We will be digging into these numbers to determine how they lost or reduced the margin at year's end. Jason Rosencranz also discussed the importance of load forecasting with the generation and transmission challenges. They are asking for communications of new loads greater than 1MW to ensure it is accounted for in the load calculations.

Additional Items

- The 109th Legislature, First Session will be convened on January 8, 2025. This is a long, 90-day session. Throughout the session, I will have updates coming in from multiple sources including NREA, NPPD and NPA. These three organizations align for the most part, but issues will arise throughout the session. I will work with our Legislative Committee to determine our position on bills that effect Public Power and need attention. For more information please check out the Nebraska Legislature website: www.nebraskalegislature.gov
- Conflict of Interest Disclosure Form will be provided to each director and employee of the District, per state statute. We will update these annually and keep them on file at the District. This file will be reviewed by the CEO and kept confidential.
- NPPD Financials: NPPD saw a very good month in October primarily due to O&M and Power Purchase/Off System Sales being more favorable than budget. The month of October saw a 25.8M surplus driving up the YTD surplus to 49.5M. NPPD is forecasting a much lower year-end number when the final two months are figured in.
- Strategic Planning scheduled for January 22nd at 9:00am in Kearney at the Great Platte River Road Archway. This will be a full day and I expect to have everyone out of there by 4pm.

Financial Reports:

- Summary of Revenues. CFO Peard provided a comparison of revenues between November 2023 and 2024. Year-to-date revenues through November 2024 amounted to \$95.2 million as compared to \$87.4 million in 2023.
- Power Costs. CFO Peard gave a summary of the power bill for November 2024 indicating a peak demand of 122,658 kW as compared to 130,930 kW recorded in November 2023. The District purchased 118.25 million kWh's in November 2024 as compared to 79.29 million kWh's in November 2023.

- Balance Sheet and Income Statement. CFO Peard provided a comparison of income statements from November 2024 and November 2023. Year-to-date net margins as of November 31, 2024 were \$9,683,740 as compared to \$8,527,123 as of November 31, 2023.
- Cash Flow Summary. CFO Peard provided a summary of the statements of cash flows. Cash and investments at November 30, 2024 were \$46.92 million compared to \$55.85 million at November 30, 2023.

Customer Service and Collection Report:

- The District's disconnect day was Monday, December 30th. District personnel worked 40 accounts.

Operations Report:

- CEO Chad Waldow reported that all areas are working on replacing Osmose poles, collecting data from the maps and finishing up budget projects.
- The Construction Crew is finishing up the Tyler Sub to North Hampton Tap project. A pre-construction meeting will be held discussing the next project of the North Hampton Sub to North Aurora Tap.
- The mechanics have been working on scheduled maintenance jobs, close to completing all the installations for the new telematics and have been reaching out to vendors on timeframes for trucks and equipment for the 2025 budget.

Energy Services Report:

- During the month of December, the District issued four (4) water heaters and provided incentives totaling \$45,894 to customers through the Energy Efficiency Program. Year-to-date Energy Efficiency incentives totaled \$211,348 and has provided \$8,899 in Efficient Electrification incentives during December.
- The Irrigation Department continues to work with customers on new and upgrading irrigation services and has begun working on items for the upcoming irrigation year.
- Sam gave an update on the new irrigation process.

Communications and Public Relations Report:

- Communications Manager Amanda Groff reviewed upcoming social platform promotions that are planned through the end of January.
- Customer magazine will be mailed out around January 21st; holiday greeting spots were had on various radio stations and winter weather radio spots are available if need be.
- The District's Employee Recognition party is slated for January 31st.

Safety Report:

- Safety Director Todd Bailey reported on personnel and equipment claims that occurred during the month of December.
- A Safety meeting was held in Grand Island with a representative from Statewide conducting training on lock-out/tag-out.
- Commitment to Zero Contacts 2.0 survey results were reviewed discussing future plans moving forward to address issues that need to be overcome.

IT Report:

- IT Manager Travis Doht gave a cyber tip of the regarding VPNs.
- The District is progressing with the winter data collection project and have audited over half of the District's accounts with load control switches.
- The IT Department has completed network maintenance and have replaced the old 10 year firewall with a new firewall.

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

CUSTOMER REPORTS:

DIRECTORS:

- There were no customer reports from the Directors.

MANAGEMENT:

CEO Waldow discussed Minden Mining's submission and approval of additional new load with no additional upgrades. Chad also reviewed last year's activities and progress out at Energy Park.

COMMITTEE REPORTS:

FINANCE COMMITTEE:

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

MOTIONS & RESOLUTIONS:

Authorizations for Operating Accounts due to Reorganization of the Board of Directors

CFO Peard stated that the District's bank requires the approval of authorized signatures of Board Chairman Wayne Anderbery and Board Treasurer Curtis Rohrich for operating accounts due to the reorganization of the Board.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves signature authorizations for Chairman Wayne Anderbery and Treasurer Curtis Rohrich for the operating accounts due to reorganization of the Board.

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

Resolution 2025-1 Affiliated Organizations

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves notifying NREA, NRECA, NPPD, CFC, Federated, NPA and NPAIT of the District's elected officers of the Board for 2025.

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

Resolution 2025-2 NRECA Voting Directors

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves Director Wayne Anderbery be the designated voting delegate and Chad Waldow be the designated alternate voting delegate to represent the District at various NRECA meetings.

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

Resolution 2025-3 NREA Voting Directors

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 Director Dana Meyer to be the designated voting delegate and Chad Waldow be the designated alternate voting delegate to represent the District at various NREA meetings.

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

Resolution 2025-3.1 NREA Mutual Aid

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves and ratifies the current NREA Mutual Aid Agreement as amended on April 25, 2023, and does agree to act and participate under the terms thereof.

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

Resolution 2025-4 CFC Voting Delegate

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves Director Wayne Anderbery to be the designated voting delegate and Chad Waldow be the designated alternate voting delegate to represent the District for any type of meetings that CFC may have.

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

Resolution 2025-5 Federated Voting Delegate

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves Director Wayne Anderbery to be the designated voting delegate and Chad Waldow be the designated alternate voting delegate to represent the District in any type of meetings that Federated may have.

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

Resolution 2025-6 NPA Voting Delegate

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves Chad Waldow to be the designated voting delegate and Director Wayne Anderbery be the designated alternate delegate to the NPA.

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

Resolution 2025-8 Associated Memberships

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District hereby pledges the support of the Aurora Area Chamber of Commerce, Aurora Development Corporation, Grand Island Area Chamber of Commerce, Nebraska Chamber of Commerce and the Phelps County Development Corporation for the year 2025.

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

2025 Board Meeting Dates

CEO Waldow provided a list of recommended Board meeting dates for each month of 2025. All meeting dates would be set for the second Wednesday of each month except for the month of March avoiding a scheduling conflict.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the 2025 Board meeting date schedule as presented.

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

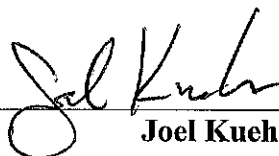
MISCELLANEOUS BUSINESS:

Strategic Planning Meeting will be on January 22nd, 2025 at Great Platte River Road Archway

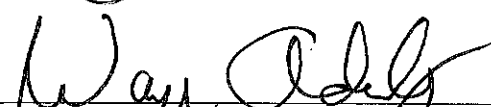
The next Board of Directors meeting will be held on February 12th, 2025 at 10:00 a.m.

NRECA Meeting will be held on March 7th-12th, 2025 in Atlanta, Georgia

There being no other business, the meeting was adjourned at 1:15 p.m.



Joel Kuehn, Secretary



Wayne Anderbery, Chairman