



BOARD OF DIRECTORS MEETING

July 9, 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 June 11, 2025, 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: Larry Benson, Lee Grove, Curtis Rohrich, Joe Gustafson, Joel Kuehn (left at noon), Dean Klute, Rick Bergman (left at noon), Justin Katzberg, Wayne Anderbery, Dana Meyer, Kevin Choquette and Bob Kieborz. President/CEO Chad Waldow and attorney Dave Jarecke were also present.

Directors absent: Arlon Jacobitz and Courtney Retzlaff

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.

Excused Absence for Director Jacobitz

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 excused absence of Arlon Jacobitz.

Roll call vote: Yes 12, No 0, Absent 2 (Directors Retzlaff and Jacobitz)

AGENDA

There were no additions requested to the agenda.

SAFETY MESSAGE/SYSTEM STATUS

CEO Chad Waldow gave an update on the current status of the SPPD system.

BOARD MEETING MINUTES

There were no revisions made to the minutes of the June 11, 2025 regular Board meeting.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the minutes of the June 11, 2025 regular Board meeting.

Roll call vote: Yes 12, No 0, Absent 2 (Directors Retzlaff and Jacobitz)

BILLS AND CLAIMS

Management and staff answered questions regarding bills and claims.

A motion was duly moved by Director Gufstason, seconded by Director Meyer, 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 12, No 0, Absent 2 (Directors Retzlaff and Jacobitz)

COMMENTS FROM THE PUBLIC

There were no comments from the public.

DIRECTOR REPORTS

DIRECTOR REPORTS:

- Several Directors attended the Executive Committee meeting held prior to the Board meeting on July 9th.

MANAGEMENT REPORTS

President's Activities:

- Mini Contract Meeting: The mini group met to discuss the final items of the redline. This meeting went similar to the other meetings supporting to push back on the terms and any suggestions given were often met with strict opposition. There are four board meetings left to make this decision and will begin breaking down the options this month in executive session.
- Campbell Generator Tour: Zeb, Amanda, Harley and Chad toured the Campbell generator facility on June 18th. Ron gave an overview of the facility and how it has worked over the last several years. There is a much better understanding of fuel supply, facility requirements and operational procedures to get this unit to run. It has great potential but needs some work to get this project up to our standards. This includes securing the facility, building an operator's manual and most importantly, a thorough cleaning.
- NPPD Wholesale Customer Meeting: There was an update on the Wholesale Power Contract, new load update, generation update and Rate Outlook for NPPD wholesale rates. Rate Outlook projects out six years and are looking at removing the PCA credit and taking a 14% wholesale (production and transmission) increase from 2026-2031. This is considering a new 35-year wholesale contract.

Additional Items:

- Update on Village of Campbell: We continue to work through the proposal to serve the Village of Campbell at Retail.
 - Village of Campbell has connected with an attorney to work through the process to transfer the system to Southern.
 - Oil sample returned significant fuel in the oil and our mechanics found leaking injectors. They will replace these injectors and change oil to resolve. The test showed

no metal fillings and looked clean, except for the fuel. Our mechanics also believe this would have been caught with annual an oil testing program.

- Clint Loving with Cypress Engine Accessories has the catalyst designed and parts found. He is waiting for our approval to move forward.
- Dave is working through the agreements and approvals to finalize the transition.

- NREA Committee seats are open.
 - NREA takes a small group to DC on October 19 – 21 and meets with District delegation.

Financial Reports:

- Summary of Revenues. CFO Peard provided a comparison of revenues between May 2024 and 2025. Year-to-date revenues through May 2025 amounted to \$38.1 million as compared to \$39.7 million in 2024.
- Power Costs. CFO Peard gave a summary of the power bill for May 2025 indicating a peak demand of 195,546 kW as compared to 118,170 kW recorded in May 2024. The District purchased 130.67 million kWh's in May 2025 as compared to 97.26 million kWh's in May 2024.
- Balance Sheet and Income Statement. CFO Peard provided a comparison of income statements from May 2025 and May 2024. Year-to-date net margins as of May 31, 2025 were (\$1,180,525) as compared to \$6,014,552 as of May 31, 2024.
- Cash Flow Summary. CFO Peard provided a summary of the statements of cash flows. Cash and investments at May 31, 2025 were \$35.45 million compared to \$45.08 million at May 31, 2024.

Customer Service and Collection Report:

- The production cost adjustment reflected on customer's bills for May 2025 were (\$178,598).
- The District's disconnect day was Thursday, June 26th. District personnel worked 54 accounts.

Operations Report:

- Operations Manager Zeb Graham reported that all areas continue to work on Budget projects, Osmose poles, new residential services and replacing broken poles due to recent storms.
- The District's annual DOT inspection and dielectric testing is completed.
- Osmose poles were inspected in Phelps County with 67 poles needing to be replaced.
- Landis & Gyr will be starting production on a new load control towards the end of the year.
- The District replaced the breaker and relay at the District's substation for Chief Ethanol as they have been experiencing random breaker operations.

Energy Services Report:

- Energy Service Manager Sam Reinke attended various meeting on the District's behalf.
- The District's System Peak was 233.9 MW on Friday, June 20th at 7:09 p.m.
- During the month of June, the District issued two (2) water heaters and provided incentives totaling \$8,064 to customers through the Energy Efficiency Program. Year-to-date Energy Efficiency incentives totaled \$59,855 and has provided \$9,442 in Efficient Electrification incentives during June.
- Reinke stated there was no load control in the month of June.
- The District has complete the second irrigation billing for the new billing process.

Communications and Public Relations Report:

- Communications Manager Amanda Groff reviewed the District's upcoming social platform and marketing promotions for the month of July, including upcoming parade participation, Nebraska State Fair booth and the Lineworkers Rodeo.
- Operation Round Up has received 12 applications for Quarter 2 with the next meeting being held on July 15th.
- The District's Family Fun Event will be held at Axe Holes in Grand Island on July 11th.

Safety Report:

- Safety Manager Todd Bailey reported on personnel and equipment claims that occurred during the month of June.
- Safety meeting were held in each area.
- Bailey attended the Quad States Safety seminar.
- Continued work on a May-Day event to take place in August.

IT Report:

- IT Manager Travis Doht spoke about current data breaches.
- New copiers will be installed at all locations in August and new firewalls have been deployed to every area office. A new reporting server has been delivering automated reports which significantly reduces time expenditure.

RICK NELSON – NREA

Rick Nelson, NREA General Manager, along with other NREA executive committee members, addressed the continuing efforts NREA sets forth and the broad range of activities that assist their member system. They also touched on the prolonged aspects of being a member of the NREA.

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

CUSTOMER REPORTS:

DIRECTORS:

- Director Gustafson reported that he has been asked by customers about continued guidance by the District regarding the safety steps related to contact accidents.

MANAGEMENT:

- CEO Waldow stated there is continued discussions regarding potential economic development.

COMMITTEE REPORTS:

FINANCE COMMITTEE:

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

MOTIONS & RESOLUTIONS:

There were no motions/resolutions for the month of July.

NPPD CONTRACT NEGOTIATIONS

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

RESOLUTION

RESOLVED, the Board of Directors of Southern Public Power District approves going into executive session at 12:49 p.m. for discussions pertaining to the NPPD Wholesale Contract.
Roll call vote: Yes 10, No 0, Absent 4 (Directors Retzlaff, Jacobitz, Bergman and Kuehn)

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

RESOLUTION

RESOLVED, the Board of Directors of Southern Public Power District approves coming out of execution session at 2:18 p.m.
Roll call vote: Yes 10, No 0, Absent 4 (Directors Retzlaff, Jacobitz, Bergman and Kuehn)


MISCELLANEOUS BUSINESS:

SPPD Safety Council meeting will be held on Wednesday, July 16, in Grand Island.

NREA Board and Committee meetings will be held in Scottsbluff on August 6th and 7th.

The next Board of Directors meeting will be held on August 13th, 2025 at 10:00 a.m.

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



Joel Kuehn, Secretary



Wayne Anderbery, Chairman