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## BOARD OF DIRECTORS MEETING

*June 11, 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, Courtney Retzlaff, Curtis Rohrich, Joe Gustafson, Joel Kuehn, Dean Klute, Rick Bergman, Arlon Jacobitz, Justin Katzberg, Wayne Anderbery, Dana Meyer, Kevin Choquette and Bob Kieborz. President/CEO Chad Waldow and attorney Dave Jarecke 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**

CEO Chad Waldow and Safety Manager Todd Bailey gave an update on the current status of the SPPD system.

### **BOARD MEETING MINUTES**

There were no revisions made to the minutes of the May 14, 2025 regular 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 May 14, 2025 regular Board meeting.

Roll call vote: Yes 14, No 0

### **BILLS AND CLAIMS**

Management and staff answered questions regarding bills and claims.

A motion was duly moved by Director Bergman, seconded by Director Gufstason 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

### **COMMENTS FROM THE PUBLIC**

There were no comments from the public.

### **DIRECTOR REPORTS**

#### **DIRECTOR REPORTS:**

- Directors Kieborz, Gustafson, Grove and Retzlaff attended Safety Council meeting in Central City on May 21<sup>st</sup>.

### **MANAGEMENT REPORTS**

#### ***President's Activities:***

- Eastern Manager's Meeting: This meeting was held in Lincoln and met with Senators Hughes and Senator Raybould whom both sit on the Natural Resources Committee but have a very different perspective.
- NPPD "Mini" Contract Meeting: Multiple meetings were held to discuss the new wholesale power contract. The negotiations have accelerated and there is a big push to reach consensus prior to NPPD's next credit rating review. This is the primary reason for the new contract.

#### ***Additional Items:***

- Village of Campbell: Negotiations continue with the proposal to serve the Village of Campbell at Retail.
  - Staff are working on the steps to transition the retail electric service over to Southern and will need to establish customer data including billing information, mapping and engineering data.
  - Clint Loving with Cypress Engine Accessories is putting together the final design of the catalyst to reach compliance on the generator.
  - The District is waiting on oil sample results from the engine to identify any issues that may be present.
  - Dave is working through the agreements and approvals to finalize the transition.
- NPPD Financials: NPPD is now forecasting a deficit for 2025. This is adjusted monthly and will likely change, but it has been a while since they have forecasted a deficit. Off-system sales and firm load are below budget affecting the overall outlook. Through March, NPPD had a surplus of \$3.5M.

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

- Summary of Revenues. CFO Peard provided a comparison of revenues between April 2024 and 2025. Year-to-date revenues through April 2025 amounted to \$27.1 million as compared to \$33.4 million in 2024.
- Power Costs. CFO Peard gave a summary of the power bill for April 2025 indicating a peak demand of 112,040 kW as compared to 115,103 kW recorded in April 2024. The District

purchased 109.68 million kWh's in April 2025 as compared to 91.45 million kWh's in April 2024.

- Balance Sheet and Income Statement. CFO Peard provided a comparison of income statements from April 2025 and April 2024. Year-to-date net margins as of April 30, 2025 were (\$3,777,148) as compared to \$6,594,468 as of April 30, 2024.
- Cash Flow Summary. CFO Peard provided a summary of the statements of cash flows. Cash and investments at April 30, 2025 were \$41.48 million compared to \$48.36 million at April 30, 2024.

#### Customer Service and Collection Report:

- The District's disconnect day was Thursday, May 29<sup>th</sup>. District personnel worked 51 accounts.

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

- Operations Manager Zeb Graham reported that the Construction Crew completed a five-mile Sub-T project in the Central City area and prepared the Chief Ethanol plant for a carbon sequestration project.
- Graham gave a safety improvement plan update, discussed the reporting of near-misses and the continued focus on RESAP.
- Altec is currently completing DOT inspections and dielectric testing for the District.
- Fifteen office staff have participated in the field visit option. These visits assist staff on the jobs the linemen are currently working on and some get a chance to speak with the linemen during the visits.

#### ***Engineering Report:***

- Engineering Manager Travis Dahlin reported on the Central City conversion project, the Minden Mining 7MW expansion and the Prosser Data Center.
- Dahlin gave an update on the various carbon sequestration projects.
- New upcoming projects for Construction Crew will be the Aurora 115 Substation 68kV conversion and the NDOT Hastings Southeast Project.

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

- Energy Service Manager Sam Reinke attended various meeting on the District's behalf.
- During the month of March, the District issued three (3) water heaters and provided incentives totaling \$1,081 to customers through the Energy Efficiency Program. Year-to-date Energy Efficiency incentives totaled \$8,763 and has provided \$8,725 in Efficient Electrification incentives during May.
- Reinke stated that the District initiated load control for two days in May.

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

- Communications Manager Amanda Groff reviewed the District's upcoming social platform and marketing promotions for the month of June.
- Groff attended the NRECA Connect Conference in Kansas City.
- The District's Family Fun Event will be held at Axe Holes in Grand Island on July 11<sup>th</sup>.

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

***Safety Report:***

- Safety Manager Todd Bailey reported on personnel and equipment claims that occurred during the month of May.
- NREA Safety Meetings were conducted in Grand Island on May 15<sup>th</sup> and 16<sup>th</sup>.
- A Safety Council meeting was held at the Central City office on May 21<sup>st</sup>.
- DOT Inspections and Dielectric Testing is currently taking place at the District.

**CUSTOMER REPORTS:**

**DIRECTORS:**

- Director Bergman stated customer concerns regarding an outage that took an extended amount of time due to a bird in substation.
- Director Retzlaff mentioned a customer experiencing an expired credit card expire on SmartHub. The issue was appropriately taken care of by Customer Service.
- Director Katzberg stated that after a customer was given permission, the customer was still apprehensive on the instructions on bypassing the lock to fix a water heater issue.

**MANAGEMENT:**

- CEO Waldow had an introductory call regarding a potential site 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:**

**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 \$204.17.

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

**RESOLUTION**

*RESOLVED*, that the Board of Directors of Southern Public Power District approves charge-offs of delinquent accounts totaling \$204.17 as recommended by management.

Roll call vote: Yes 14, No 0

**Amending District Policy "U" – Cash Reserve Policy**

CFO Peard explained the proposed changes to District Policy "U" for the annual cash reserves calculated based on the 2025 Budget.

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

**RESOLUTION**

*RESOLVED*, that the Board of Directors of Southern Public Power District approves the proposed changes to District Policy "U" for annual cash reserves calculated based on the 2025 Budget.

Roll call vote: Yes 14, No 0

Amendment to Union Agreement

CEO Waldow explained the proposed changes to the District's Union Agreement.

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

**RESOLUTION**

*RESOLVED*, that the Board of Directors of Southern Public Power District approves the amended changes to the District's Union Agreement.

Roll call vote: Yes 14, No 0

NPPD CONTRACT NEGOTIATIONS

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

**RESOLUTION**

*RESOLVED*, the Board of Directors of Southern Public Power District approves going into executive session at 11:43 a.m. for discussions pertaining to the NPPD Wholesale Contract.

Roll call vote: Yes 14, No 0

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

**RESOLUTION**

*RESOLVED*, the Board of Directors of Southern Public Power District approves coming out of execution session at 12:48 p.m.

Roll call vote: Yes 14, No 0


MISCELLANEOUS BUSINESS:

The next Board of Directors meeting will be held on July 9<sup>th</sup>, 2025 at 10:00 a.m.

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

There being no other business, the meeting was adjourned at 12:50 p.m.

  
Joel Kuehn, Secretary

  
Wayne Anderbery, Chairman