



BOARD OF DIRECTORS MEETING

October 8, 2025

The Board of Directors of Southern Public Power District met in regular session at the Quality Inn, 7838 US-281, Grand Island, Nebraska, on October 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. 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, Joel Kuehn, Dean Klute, Joe Gustafson, Justin Katzberg, Wayne Anderbery, Dana Meyer, Kevin Choquette and Bob Kieborz. President/CEO Chad Waldow and attorney Dave Jarecke were also present.

Director 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

Safety Manager Todd Bailey presented the safety message.

NPPD WHOLESALE CONTRACT DISCUSSION

Tom Kent, President/CEO of Nebraska Public Power District, along with four NPPD directors, Robin Hinrichs, Wayne Williams, Aaron Troester and Kirk Olson, discussed the parameters of the proposed Wholesale Power Contract. Open discussion was had following NPPD's overview.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District finds that the 2026 Contract does not satisfactory serve the best interest of Southern Public Power District and its customers and rejects the 2026 Wholesale Power Contract that was approved by the NPPD Board of Directors on July 23, 2025.

Roll call vote: Yes 14, No 0, Absent 0

COMMENTS FROM THE PUBLIC

Dirk Dietz, General Manager of Howard Greeley Rural Public and Brandon Lehman of Perennial Public Power each briefly spoke about their views and positions as it pertains to NPPD's Wholesale Power Contract and also shared their alignment with the District on these issues.

BOARD MEETING MINUTES

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

A motion was duly moved by Director Klute, 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 September 11, 2025 regular Board meeting.

Roll call vote: Yes 14, No 0, Absent 0

BILLS AND CLAIMS

Management and staff answered questions regarding bills and claims.

A motion was duly moved by Director Meyer, seconded by Director Grove, 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, Absent 0

DIRECTOR REPORTS

DIRECTOR REPORTS:

- Directors Bergman, Grove, Anderbery and Rohrich attended the Energy Park Committee meeting held prior to the board meeting on October 8th.

MANAGEMENT REPORTS

President's Activities:

- NPA Board Meeting: NPA met in Lincoln on September 17, 2025. The first item included an amendment to the by-laws giving Norris PPD a permanent seat on the board. This was due to a request by Bruce that Norris should be a stand-alone member of the NPA. Vote passed unanimously. The Legislative Sub-committee report was given by James Dukeesherer. This sparked some discussion around the battery storage bill. This bill has different implications for different entities. The main issue is private development must work through a PPD to build in Nebraska. NPA is hosting an Energy Summit with State Legislators. This summit is to provide education to the senators and offer an educational opportunity prior to the upcoming session.
- Economic Development and Energy Park: Overall economic development conversations have picked up the last few weeks. Chad will be going over some of the projects with the board. The Energy Park Committee met prior to this meeting to discuss lease/buy options for potential projects.

Additional Items:

- Legislative: There have been conversations around some industry topics for the next legislative session. Chad has had conversations with NPPD and several managers at the NREA Fall Manager's Meeting.

- LB 413-NPPD's bill to change the rate making guidance from "fair, reasonable and non-discriminatory" to "unduly discriminatory".
- Battery Storage is getting some attention by OPPD, NPPD and LES.
- NPPD Wholesale Power Contract: We welcomed Tom Kent, NPPD/CEO, and a few of his directors to today's board meeting.
- 2026 Rates-Wholesale and Retail Rate Increases: Shannon Peard will be presenting the outlook for the District. Chad hopes to provide time for discussion and take necessary action at the November meeting.
- NPPD Financials: YTD financials as of July show a surplus of \$20.8M with a loss of \$22.3M in native load and \$6.9M in Off-System Sales. The YE forecast shows only a surplus of \$9.9M. NPPD is currently sitting at \$550M in cash, 265 days of cash.

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

Financial Reports:

- Summary of Revenues. CFO Peard provided a comparison of revenues between August 2024 and 2025. Year-to-date revenues through August 2025 amounted to \$82.1 million as compared to \$72.8 million in 2024.
- Power Costs. CFO Peard gave a summary of the power bill for August 2025 indicating a peak demand of 323,203 kW as compared to 306,577 kW recorded in August 2024. The District purchased 202.17 million kWh's in August 2025 as compared to 179.88 million kWh's in July 2024.
- Balance Sheet and Income Statement. CFO Peard provided a comparison of income statements from August 2025 and August 2024. Year-to-date net margins as of August 31, 2025, were \$11,833,480 as compared to \$11,614,625 as of August 31, 2024.
- Cash Flow Summary. CFO Peard provided a summary of the statements of cash flows. Cash and investments at August 31, 2025 were \$43.84 million compared to \$39.68 million at August 31, 2024.

Customer Service and Collection Report:

- The production cost adjustment reflected on customer's bills for August 2025 were (\$387,192).
- The District's disconnect day was Thursday, September 25th. District personnel worked 76 accounts.

Operations Report:

- Operations Manager Zeb Graham reported that crews continue to work on 2025 Budget projects, osmose poles, and a few new house services. The Archer Substation conversion has been completed by the Grand Island and Central City crews. Construction Crew is working on the Sub-T removal project; KAPPA pole move; Aurora 115 Sub work and Chief Ethanol line relocation.
- Meters have been installed and a light audit was completed for the Village of Campbell. The mechanics met with the company that will be updating the catalyst on Campbell's generator. All customer information for the village has been updated and is available for CRC.

- Continued truck maintenance and repairs have been updated by the mechanics have been outfitting new trucks with lights and storage compartments.
- CRC received 594 customer calls and dispatched 58 calls to the linemen with an average wait time of around 62 seconds.
- Zeb attended the NISC MIC Conference in Kentucky.
- 7,769 poles have been inspected with 169 poles needing replaced. The average pole rejection rate is 2.2%.

Energy Services Report:

- Energy Service Manager Sam Reinke participated in Husker Harvest Days with the Customer Solutions Network booth and was a part of the NPPD Teams meeting discussing Interruptible Billing and Rates.
- During the month of September, the District issued two (2) water heaters and provided incentives totaling \$15,970 to customers through the Energy Efficiency Program. Year-to-date Energy Efficiency incentives totaled \$106,245 and has provided \$13,474 in Efficient Electrification incentives during August.
- The irrigation department continues to accept new irrigation service applications for the 2025-26 irrigation season.
- September irrigation billing will not have the Irr Run Hours printed due to the incorrect calculations in the billing system. The District will manually calculate and mail out the Irr Run Hours in a separate letter.

Communications and Public Relations Report:

- Communications Manager Amanda Groff reviewed the District's upcoming social platform and marketing promotions for the month of October.
- There were nine applications received for Quarter Three for Operation Round Up. The Operation Round Up board will meet in November to review those applications.
- An employee engagement survey will open this week and the employee recognition party is slated for January 30, 2026.

Safety Report:

- Safety Manager Todd Bailey reported on personnel and equipment claims that occurred during the month of September.
- The District used the hotline trailer to demo at Husker Harvest Days and then again in Funk and Franklin area.
- Safety meetings were held in Grand Island reviewing benefits, near misses and conducted fire extinguisher training.
- The District's annual inspection was completed by Federated Insurance.

IT Report:

- IT Manager Travis Doht spoke about cyber awareness month and the unexpected occurrences when it comes to answering/interacting with email, text messages and phone calls.
- Travis also contributed information relating to Cybersecurity Incident Response Planning.

CUSTOMER REPORTS:

DIRECTORS: None.

MANAGEMENT: None.

COMMITTEE REPORTS:

FINANCE COMMITTEE:

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

ENERGY PARK COMMITTEE:

- Director Bergman stated that the committee met prior to the board meeting reviewing potential interests in parcels and their costs out at the District's Energy Park. The committee has authorized Chad Waldow to obtain appraisals of those various parcels of land to ensure the District is prepared with sufficient answers to future buyers inquiries.

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 \$631.78.

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 charge-offs of delinquent accounts totaling \$631.78 as recommended by management.

Roll call vote: Yes 14, No 0, Absent 0

Transmission Facilities Construction Agreement – NPPD's Prosser Substation

CEO Chad Waldow described that this agreement came from NPPD in which the District had limited longevity and continued losing capacity in the Prosser substation. This agreement would be an upgrade to that substation with a purchase of a new sub to serve the load of Village of Prosser along with other irrigation growth. NPPD is seeking the District securitize the stranded cost from this project to support a new transformer which cannot be moved to another site.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves authorizing management and the District's attorney to work through and execute the Transmission Facility Construction Agreement (NPPD's Prosser Substation).

Roll call vote: Yes 14, No 0, Absent 0

MISCELLANEOUS BUSINESS:

NPPD Customer meeting will be on October 16th in Kearney

The NREA Washington, D.C., Fly-In will be October 20th-22nd

The District's Board Budget Committee meeting will be held on October 27th

The next Board of Directors meeting will be held on November 12th

NREA Annual Meeting and Director Training: December 3-5 in Kearney

NRECA PowerXchange Conference: March 8th – 11th in Nashville, TN

There being no other business, the meeting was adjourned at 2:10 p.m.


Joel Kuehn, *Secretary*


Wayne Anderbery, *Chairman*