



BOARD OF DIRECTORS MEETING

September 9, 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 September 9, 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 (left at 1:30 p.m.), Wayne Anderbery 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

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

BOARD MEETING MINUTES

No revisions were made to the minutes of the August 12, 2026, 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 August 12, 2026, 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 Klute, 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

Staff and Board members from NPPD (Chad Podolak, Wayne Williams, Rob Heinrichs and Chris Hegert) were present to discuss wholesale contract negotiations.

Janell Anderson Ehrke, Founder and CEO of GROW Nebraska, was in attendance and provided an update regarding her campaign for the District 38 legislative seat.

RICK NELSON

Rick Nelson, General Manager of NREA, along with James Dukesherer, Director of Government Relations for NREA, 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.***

MOTIONS AND RESOLUTIONS:

NRECA Insurance Plans for 2027

CFO Shannon Peard reported that the District has received the renewal billing rates from NRECA for the District's health insurance plan for 2027. The renewal results in an increase of 9.6% for the NRECA insurance family high deductible plan. Management recommends the Board of Directors approve the renewal of the insurance program with NRECA for 2027.

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 renewal of insurance coverage through NRECA and the health insurance options for 2027 as presented by management.

Roll call vote: Yes 14, No 0

Addition of Wholesale Power Supply to the duties of the Executive Committee

Chad Waldow stated Wholesale Power Supply duties will be assigned to the District's Executive Committee. This includes but is not limited to the Joint Coordination Committee, which was formed under the MOU between Southern PPD, Cornhusker PPD, Perennial PPD and Howard-Greely RPPD.

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

RESOLUTION

RESOLVED, that the Board of Directors of Southern Public Power District approves the addition of Wholesale Power Supply to the duties of the District's Executive Committee as presented by management.

Roll call vote: Yes 14, No 0

DIRECTOR REPORTS

DIRECTOR REPORTS:

- Directors Benson, Retzlaff, Anderbery, Meyer and Choquette attended the Labor Committee meeting in Grand Island on September 9, 2026.
- Director Anderbery attended a meeting with Nebraska State Senators in York on July 23rd.

MANAGEMENT REPORTS

President's Activities:

- Meeting with State Senators: Held a meeting with multiple State Senators and Board Chairman Anderbery in York. The discussion was very good and included power supply contracts, future bills and challenges they are facing in the upcoming legislative session.
- Phelps County Development Corporation Update: Chad met with Jeff Hofaker with PCDC and discussed the District's partnership. The District has been a long-standing supporter of this group and look for that to continue. They are working on their next five-year commitment from supporters and Jeff is willing to attend the October regular board meeting to give the District an update.
- Individual Meetings with Leadership Team: Chad spent a week sitting down individually with each member of the Leadership Team. This process is in lieu of the traditional "evaluation" discussing items on the District's radar, budget requests and projects the District will be working on over the next six months.
- Terri Palu: Terri has given notification that she will be leaving her role as Executive Assistant on September 11, 2026. She has worked with several employees and directors over her time at Southern, and she will be missed. Over the last couple of weeks, she has been working to wrap up some tasks and working on the transition. Please join me in thanking Terri for all she has done for Southern over her tenure and wish her good luck on the move to Lincoln!

Additional Items:

- Executive Committee and Wholesale Power Supply: The District's bylaws states the Board may delegate duties and responsibilities to the Executive Committee. Here is the language from the bylaws:

The Board of Directors may delegate to the Executive Committee whatever duties and responsibilities the directors may from time to time deem expedient, such as preparing annual agendas for Strategic Planning meetings and any recommended By Law reviews. Any action of the Executive Committee within the authority granted it by the Board of Directors shall constitute and be the action of the Board of Directors. All action by the Executive Committee shall be reported to the directors at the next meeting of the Board of Directors following the action.

A discussion was had adding Wholesale Power Supply (including Joint Coordination Committee appointments) to the duties of the Executive Committee. This action is in line with the other three Districts and the MOU we all signed.

- 2027 SPPD Rate Discussion: The District received the NPPD wholesale power supply rate increase information. The proposed impact for the District in 2027 is an overall increase of 6.15% for rate increase and a total of 9.8% with the reduction of PCA included. The overall rate yield is 6.43 cents/kwh, up from 5.85 cents/kwh last year. Our reduction in PCA is expected to be over \$2M next year. The District is working on rate adjustments for 2027 that will consider wholesale power supply increase, elimination of PCA credit and any adjustments necessary for operation and plan to have rate proposals to the board at the November meeting.
- NPPD Financials: The May and June financial reports were discussed at the August NPPD board meeting. Both months produced deficits totaling over \$11M. This has reduced the YTD surplus to \$13.8M. Off-system sales were mixed for the months of May and June. The cash balance is \$819M in June as compared to \$915M on December 31, 2025.
- NREA Annual Visit: Rick Nelson, along with an Executive Committee member, attended the meeting to present an annual update.
- Upcoming Meetings:
 - NREA DC Fly-in on September 22-23 in Washington DC
 - SPPD Board Meeting, October 14th at 10:00 a.m.
 - SPPD Budget Meeting, October 29th at 10:00 a.m.
 - NREA Director Education, December 1st in Kearney
 - NREA Committee and Annual Meeting, December 2-4 in Kearney
 - NRECA PowerXchange, February 14-17 in San Diego, CA
- Next Meeting:
 - PCDC's Jeff Hofacker will present to the Board at the October meeting

Financial Reports:

- Summary of Revenues. CFO Peard provided a comparison of revenues between July 2025 and 2026. Year-to-date revenues through July 2026 amounted to \$75.0 million as compared to \$65.4 million in 2025.
- Power Costs. CFO Peard gave a summary of the power bill for July 2026 indicating a peak demand of 364,532 kW as compared to 321,860 kW recorded in July 2025. The District purchased 226.58 million kWh's in July 2026 as compared to 171.70 million kWh's in July 2025.
- Balance Sheet and Income Statement. CFO Peard provided a comparison of income statements from July 2026 and July 2025. Year-to-date net margins as of July 31, 2026, were \$6,963,307 as compared to \$6,648,102 as of July, 2025.
- Cash Flow Summary. CFO Peard provided a summary of the statements of cash flows. Cash and investments at July 30, 2026, were \$48.21 million compared to \$37.458 million at July 31, 2025.

Customer Service and Collection Report:

- The production cost adjustment reflected on customers' bills for July 2026 were \$190,573.
- The District's disconnect day was August 27th. District personnel worked 47 accounts.

Operations Report:

- Operations Manager Zeb Graham stated that area offices have been working on budget projects, mowing subs, line inspections and replacing Osmose poles.
- Construction Crew finished a rebuild project at Chief Ethanol and retired the Sub-T line and Marquette Substation.
- Mechanics are working on outfitting new small bucket trucks.
- The final inspection of Sub-T poles has been completed with eight poles out of 144 being rejected. This is a 6.8% rejection rate on a seven-mile stretch.
- Graham gave an update on previous outages that occurred in the month of August.
- CRC reported 695 customer calls during the month of August with an average wait time of 57 seconds. They dispatched 121 calls to District linemen.

Safety Report:

- Operations Manager Zeb Graham reported on vehicle and personnel claims for the month of August.
- No near miss reports for the month of August.
- There were not near miss reports from crews that assisted at Howard-Greely and Loup Valley.
- Pole Top Rescue took place in each area for recertification and safety meetings were held during that time.
- Hot-Line demonstrations occurred during the Nebraska State Fair on September 1st.

Engineering Report:

- Engineering Manager Travis Dahlin gave an update on all the current District projects in regards to Sub-T projects, expansions, Sub-T line rebuilds, system conversions and new development projects.
- The engineering department's electrical engineering intern completed his internship at the District on August 20th and will start full-time with the District on January 4, 2027.

Energy Services Report:

- Energy Service Manager Sam Reinke attended a Customers Solution Network meeting.
- During the month of August, the District issued one (1) water heater and provided incentives totaling \$18,367 to customers through the Energy Efficiency Program. Year-to-date, Energy Efficiency incentives totaled \$91,317 and has provided \$2,485 in Efficient Electrification incentives during August.
- Sam gave updates on new services that were accrued and SPP events that took place in the month of August.
- The Irrigation Department had no billable demand hours of control during the month of August; prepared the fourth billing of the 2026 irrigation season and disconnected nine wells for non-payment in the month of August with seven remaining off.

Communications and Public Relations Report:

- Communications Manager Amanda Groff provided the board with the analytics for the District's website from January 2026 to present.
- Groff will be looking at new vendors to host the District's webpage due to NPPD dissolving their Website Hosting services.
- Customer Magazine will be sent out the week of September 14th.

- Groff will be participating in a Career Fair at the University of South Dakota School of Mines on September 15th and will so be attending the Grand Island Northwest High School Career Fair on September 29th.
- Farm Safety week promotions will run at the end of September.

CUSTOMER REPORTS:

There were no customer reports from the directors or management.

COMMITTEE REPORTS:

FINANCE COMMITTEE:

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

LABOR COMMITTEE:

- CEO Chad Waldow stated that the Labor Committee met prior to the Board meeting discussing ideas and issues regarding management's recommended salary adjustments for all Non-Union personnel which will become effective November 1, 2026.

MISCELLANEOUS BUSINESS:

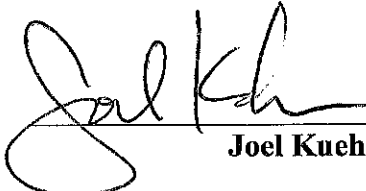
Safety Council Meeting: September 10th in Franklin at 10:00 a.m.

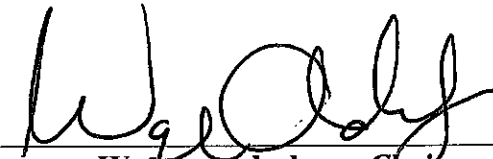
NREA D.C. Fly-In: September 22nd and 23rd

Board Meeting: October 14th at 10:00 a.m.

Board Budget Committee Meeting: October 29th

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


Joel Kuehn, *Secretary*


Wayne Anderbery, *Chairman*