



OPPDP BOARD OF DIRECTORS

ALL COMMITTEE MEETING MINUTES

September 15, 2020

The regular committee meetings of the Board of Directors of the Omaha Public Power District ("OPPDP" or "District") was held via Webex audio and video conference on Tuesday, September 15, 2020 at 8:15 a.m.

Present via Webex conferencing were Directors A. E. Bogner, M. J. Cavanaugh, T. W. Gay, A. L. McGuire, J. M. Mollhoff, C. C. Moody, E. H. Williams and R. M. Yoder. Also present via Webex were T. J. Burke, President and Chief Executive Officer, and Mr. S. M. Bruckner, General Counsel for the District. Chair C. C. Moody presided and M. F. Hinnens, Senior Corporate Governance Specialist, recorded the minutes. Other members of management present via Webex were: K. W. Brown, J. A. Comstock, L. J. Fernandez, M. J. Fisher, S. M. Focht, L. A. Olson, M. L. Sedky, and T. R. Via. Additionally, a number of other OPPD employees were present via Webex conferencing.

Committee Agenda Item 1: Board Chair Opening Statement

Chair Moody gave a brief opening statement, including an announcement regarding public notice of meeting and reminders for using the Webex audio and video conferencing platform. He noted the Board would conduct a closed session on two topics: (i) a quarterly update on enterprise risk management, and (ii) the corporate officer performance review of T. R. Via, Vice President – Energy Delivery.

Committee Agenda Item 2: Closed Session

At 8:16 a.m., it was moved by Director McGuire that the Board go into Closed Session. Director McGuire stated as follows:

"I move that the Board go into closed session at this time (8:16 a.m.) to discuss (i) a quarterly update on enterprise risk management, and (ii) the corporate officer performance review for vice president Troy Via.

With respect to the quarterly enterprise risk management update, a closed session is necessary because the discussion involves matters that are confidential and protected by the attorney-client privilege and attorney work product doctrine, including an update on potential litigation matters, and involve the discussion of security for District property and utility infrastructure information.

With respect to the corporate officer performance review, a closed session is necessary to prevent needless injury to the reputation of Mr. Via and he has not requested a public meeting."

The motion was seconded by Director Yoder.

Thereafter, the vote was recorded as follows: Bogner – Yes; Cavanaugh – Yes; Gay – Yes; McGuire – Yes; Mollhoff – Yes; Moody – Yes; Williams – Yes; Yoder – Yes. The motion carried (8-0).

Chair Moody read the following:

“The motion to go into closed session has passed. This closed session will be limited to discussion regarding (i) enterprise risk management quarterly update and (ii) corporate officer performance review for vice president Troy Via. No votes or other action will be taken.”

After confirming the appropriate Board, senior management team and OPPD staff and general counsel were present, the Webex Event was locked to prevent additional attendees from joining the closed session. Thereafter, the Board conducted its closed session discussion.

The Board took a break at 9:42 a.m. No further business was discussed. The Webex Event was unlocked to allow members of the public and OPPD staff to join the meeting.

At 10:02 a.m., a motion was made and seconded to reconvene the meeting in open session.

Thereafter, the vote was recorded as follows: Bogner – Abstain; Cavanaugh – Yes; Gay – Yes; McGuire – Yes; Mollhoff – Yes; Moody – Yes; Williams – Yes; Yoder – Yes. The motion carried (7-0).

Chair Moody stated:

“The motion to come out of closed session at (10:02 a.m.) is carried. This closed session was limited to discussion regarding (i) quarterly enterprise risk management update, and (ii) corporate officer performance review of vice president Troy Via. No votes or other board action were taken during the closed session.”

Committee Agenda Item 3: Public Session – Board Chair Opening Statement

Chair Moody welcomed members of the public and gave an overview of the meeting agenda and reminders for using the Webex audio and video conferencing platform.

Committee Agenda Item 4: Safety Briefing

President Burke gave the safety briefing, including a reminder from the Nebraska Department of Health and Human Services entitled “10 Actions for Every Nebraskan to be Taking Now to Slow Spread of COVID-19.” He encouraged everyone to wear a mask and reminded the public of OPPD’s policy requiring all employees, contractors and visitors to wear a mask.

Committee Agenda Item 5: Finance Committee

Finance Chair Report

Director Bogner reported the Finance Committee met on September 4, 2020 via Webex videoconference. She provided a brief report on the topics discussed, including: (i) block rate project update; (ii) 2020 year-to-date financial results and financial projections; (iii) rates blueprint; and (iii) retirement fund meeting debrief, including the placement of the retirement fund's international developed country equity manager, AQR, on watch. A copy of the agenda for that meeting was made available in the All Committee meeting materials for the Board to review.

Supporting Data
Agenda

Committee Agenda Item 6: System Management & Nuclear Oversight Committee

System Management & Nuclear Oversight Committee Chair Report

Director Mollhoff reported the System Committee met on September 3, 2020 via Webex videoconference. A copy of the agenda for that meeting was made available in the All Committee meeting materials for the Board to review. The Committee reviewed and discussed a draft of the SD-7: Environmental Stewardship Monitoring Report and received an update on Power with Purpose.

Supporting Data
Agenda

Nebraska City Station Unit 2 Cooling Tower Fill and Drift Layer Replacement

M. J. Fisher, Vice President – Energy Production and Nuclear Decommissioning, presented the following information to support Board of Directors authorization to award a contract for the procurement, removal, and installation of the cooling tower fill and drift layers for the Nebraska City Station Unit 2 cooling tower.

- a. The fill and drift layers of the Nebraska City Station Unit 2 cooling tower have been evaluated and should be replaced to maintain unit reliability.
- b. The District requested bids for the procurement, removal, and installation of replacement materials. Four bids were received with all bidders providing alternate material options. One bid was determined to be legally non-responsive and technically unacceptable.
- c. The cooling tower fill and drift layer materials are long lead delivery items. Replacement activities will be performed in the spring of 2021 during a scheduled unit outage.

Management recommended authorization by the Board of Directors to award a contract to Amertech Tower Services for the procurement, removal, and installation of fill and drift layer materials for the Nebraska City Station Unit 2 cooling tower. The Board was scheduled to vote on this matter at the September 17, 2020 meeting.

Supporting Data

Datasheet
Letter of Recommendation
Tabulation of Bids
Legal Opinion
Resolution
Diagram and Photos of NC2 Cooling Tower Fill Replacement

Nuclear Oversight Committee Report

M. J. Fisher, Vice President – Energy Production and Nuclear Decommissioning, reported the Nuclear Oversight Committee provides a regular oversight of items related to the Fort Calhoun Station (FCS) nuclear plant. In addition to safe and secure dry cask storage of fuel, the required Preventative Maintenance tasks and Surveillance Tests, the following major decommissioning activities were completed in August:

- Critical path for the deconstruction project remains the segmentation of the reactor vessel internal components. Planning and design for the project is going well, with the plan for cutting and packing the internals developed. These components will be disposed of as radioactive waste, with different components falling into different waste classifications. The classification of each package will define the requirements, and location, for disposal.
- Modifications to the site are in progress to support large-scale demolition activities. This includes, road improvements, preparation of processing areas for materials being transported off-site, and installation of additional rail spurs to supplement the current rail line.
- Radiological surveys of the open-land areas of the site are in progress to ensure these areas were not impacted by plant operation. This work informs development of the License Termination Plan, which will require approval from the Nuclear Regulatory Commission (NRC). In addition to the site's program, the NRC performs independent confirmatory surveys, providing another level of assurance prior to eventual release of the site license for these areas following completion of deconstruction activities.

Supporting Data

Datasheet

SD-7: Environmental Stewardship Monitoring Report

M. J. Fisher, Vice President – Energy Production and Nuclear Decommissioning, presented the following information to ensure full Board review, discussion and acceptance of SD-7: Environmental Stewardship Monitoring Report.

- a. The first set of Board policies was approved by the Board on July 16, 2015. A second set of Board policies was approved by the Board on October 15, 2015.
- b. Each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process.

- c. The System Management and Nuclear Oversight Committee is responsible for evaluating Board Policy SD-7: Environmental Stewardship.
- d. The System Management and Nuclear Oversight Committee reviewed the SD-7: Environmental Stewardship Monitoring Report as outlined on Exhibit A, and recommended that OPPD be found to be sufficiently in compliance with the policy as stated.

Ms. Fisher noted the SD-7 monitoring report is a corporate-wide environmental stewardship report. She then presented the following:

- SD-7: Environmental Stewardship Policy
- Examples of OPPD operating in an environmentally responsible manner and striving for the continuous improvement of its environmental performance
- Examples of OPPD conducting all of its operations in a manner that strives for the goal of net zero carbon production by 2050
- Examples of OPPD conducting its business in a manner that meets all environmental regulatory standards, and going beyond compliance where practical
- Examples of OPPD being transparent by measuring and reporting its environmental performance on OPPD's website
- Examples of OPPD engaging customers and stakeholders to promote energy conservation and efficiency and minimize environmental impact
- Examples of OPPD advocating and educating local, state, and federal governments to protect and advance OPPD's environmental interest

The Board and management team discussed a variety of issues throughout the presentation, including, among others: (i) timeline for public engagement for the Pathways to Decarbonization initiative; (ii) timing of emissions baseline assessment; (iii) demand side management program participation and megawatts saved; (iv) electric vehicle rebates and incentives; (v) customer owned generation; and (vi) inclusion of comparative environmental stewardship metrics or benchmarks in future SD-7 monitoring reports. The Board and management team acknowledged that this is the first monitoring report given under the SD-7 policy that was revised in November 2019 to include a goal of net zero carbon production by 2050.

The System Management and Nuclear Oversight Committee recommended Board approval of the 2020 SD-7: Environmental Stewardship Monitoring Report. The Board was scheduled to vote on this matter at the September 17, 2020 meeting.

Supporting Data

Datasheet
Exhibit A – Monitoring Report
Resolution

The Board took a break for lunch at 11:42 and reconvened at 12:15 p.m.

Committee Agenda Item 7: Public Information Committee

Public Information Committee Chair Report

Director Yoder reported the Public Information Committee met on September 8, 2020 via Webex videoconference. Topics discussed included: (i) continued Committee and management discussion about a draft legislative resolution related to BL-9: Delegation to President & CEO – Local, State and Federal Legislation; (ii) state and federal legislative and regulatory update; (iii) customer trends update; and (iv) customer engagement efforts; and (v) SD-11: Economic Development monitoring report preparation. A copy of the agenda for that meeting was made available in the All Committee meeting materials for the Board to review.

Supporting Data
Agenda

Legislative Resolution Discussion

Director Yoder reported that the draft legislative resolution will continue to remain with the Public Information Committee for further discussion and revision. He noted the collaborative process between OPPD staff and the Public Information Committee in revising the resolution, a copy of which was made available in the All Committee meeting materials for the Board and public to review. Director Yoder stated the intent of the resolution is to provide clarification about the Board's position on legislative issues. The Board and management team discussed a variety of issues, including, among other things: (i) the best way to publicly state the issues that are important to Board members without constraining OPPD's legislative team; (ii) possibly incorporating some concepts contained in the proposed resolution into a strategic directive policy; and (iii) inclusion of the development of a legislative resolution on the Board's work plan.

Supporting Data
Draft Legislative Resolution

Customer Trends Update

Ms. J. A. Comstock, Vice President – Customer Service, provided an update on customer trends during the COVID-19 pandemic.

1. In response to COVID-19 Directed Health Measures declared in March 2020, the Omaha Public Power District developed a Customer First Solutions Package, a variety of programs to assist customers during the COVID-19 pandemic.
2. The Board requested management provide regular reports on the progress of customer programs and trends.
3. Management provided an update on aged debt and related trends as of August 31, 2020.

Ms. Comstock presented information about OPPD's continuation of certain Customer First Solutions, implementation of the CARES Act utility assistance through Dollar Energy Fund, collaboration with school districts to support remote learning, and customer education campaigns. Ms. Comstock also presented a summary of aged debt and information about

energy assistance funding and distribution. The Board and management team discussed a variety of issues related to customer trends, collections, and energy assistance.

Supporting Data

Datasheet
Customer Trends Update Presentation

Legislative and Regulatory Update

L. A. Olson, Vice President – Public Affairs, provided an update on 2020 state and federal legislative matters and regulatory matters.

- a. Nebraska's 106th Legislature, second session, reconvened on July 20, 2020 and ended on August 13, 2020.
- b. The 116th Congress began on January 3, 2019 and is expected to end January 3, 2021.
- c. Regulations and various policies are under consideration for change.

Mr. T. R. O'Brien, Director – Economic Development and External Relations, presented the following information:

- State Legislative Update
 - General Overview of the 106th State Session
 - Legislation – Priority Status
 - Interim Studies
 - What is next until 107th session starts?
- Federal Legislative Update
 - Key items of interest for Capitol Hill and the White House
 - Congressional Outlook – 2020

Supporting Data

Datasheet
Legislative and Regulatory Update

The Board took a break at 1:25 p.m. and reconvened at 1:45 p.m.

Committee Agenda Item 8: Governance Committee

Governance Committee Chair Report

Director McGuire reported the Governance Committee met on September 10, 2020 via Webex videoconference. The Committee discussed the following topics: (i) Power with Purpose update; (ii) board governance workshop review and next steps; (iii) proposed revisions to board policies GP-4: Agenda Planning, BL-5: Unity of Control, and BL-7: Delegation to the President & CEO; (iv) SD-10: Ethics monitoring report; and (v) performance review and compensation adjustment for T. R. Via, Vice President – Energy Delivery. A copy of the agenda for that meeting was made available in the Committee meeting materials for the Board to review.

Supporting Data

Agenda

Revisions to Board Policies GP-4: Agenda Planning and BL-7: Delegation to the President and Chief Executive Officer

S. M. Focht, Senior Director – Corporate Strategy & Governance, presented the following information to ensure full Board review, discussion and acceptance of revisions to Board Policies GP-4: Agenda Planning and BL-7: Delegation to the President and Chief Executive Officer.

- a. The Governance Committee is responsible for evaluating and monitoring Board Policies GP-4: Agenda Planning and BL-7: Delegation to the President and Chief Executive Officer.
- b. The Governance Committee proposed revisions for Board consideration on September 15, 2020.
- c. The Governance Committee recommended to the Board that Board Policies GP-4: Agenda Planning and BL-7: Delegation to the President and Chief Executive Officer be revised, as outlined on Exhibit A.

Mr. Focht explained the proposed revisions were initiated by discussion at the Board Policy Workshop conducted on August 25 and 26. The revisions to GP-4: Agenda Planning clarify the process for the development of the Board's work plan. The revisions to BL-7: Delegation to the President and Chief Executive Officer clarify expectations with regard to communication from the CEO to the Board.

The Governance Committee recommended Board approval of the revisions to GP-4: Agenda Planning and BL-7: Delegation to the President and Chief Executive Officer. The Board was scheduled to vote on this matter at the September 17, 2020 meeting.

Supporting Data

Datasheet
Exhibit A – Proposed Revisions
Resolution

SD-10: Ethics Monitoring Report

M. L. Sedky, Vice President – Human Capital, presented the following information to ensure full board review, discussion and acceptance of the 2020 SD-10: Ethics Monitoring Report.

- a. The first set of Board policies was approved by the Board on July 16, 2015. A second set of Board policies was approved by the Board on October 15, 2015.
- b. Each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process.
- c. The Governance Committee is responsible for evaluating Board Policy SD-10: Ethics Monitoring Report.
- d. The Governance Committee reviewed the SD-10: Ethics Monitoring Report and recommended that OPPD be found to be sufficiently in compliance with the policy as stated.

Ms. Sedky presented the following:

- SD-10: Ethics Policy
- Require high ethical standards in all aspects of official conduct;
- Establish clear guidelines for ethical standards and conduct by setting forth those acts that may be incompatible with the best interests of OPPD and the public;
- Require disclosure and reporting of potential conflicts of interests; and
- Provide a process for: (i) reporting suspected violations of the Code and policies; (ii) investigating suspected violations of the Code and policies; and (iii) providing an annual report to the Board.

The Governance Committee recommended Board approval of the 2020 SD-10: Ethics Monitoring Report. The Board was scheduled to vote on this matter at the September 17, 2020 meeting.

Supporting Data

Datasheet
Exhibit A - Monitoring Report
Resolution

Committee Agenda Item 9: Other Business

Confirmation of Board Meeting Agenda

The Board members reviewed and confirmed the agenda for the Board meeting on Thursday, September 17, 2020.

Power with Purpose Update

M. J. Fisher, Vice President – Energy Production and Nuclear Decommissioning, provided the following updates on the Power with Purpose project for September 2020.

SOLAR FACTS

1. Conducted detailed technical and financial review of solar proposals.

NATURAL GAS FACTS

1. Continued evaluation of natural gas supply options to support gas generation facilities.
2. Continued development of gas generation assets Request for Proposal (RFP).
3. Conducted potential site stakeholder discussions.
4. Continued potential site technical assessments.
5. Continued development of materials in support of regulatory submittals.

Ms. Fisher presented the following information:

- Power with Purpose Overview
- Schedule
- Solar Progress Update
- New Gas Generation Sites and Technologies
- Papillion (Sarpy County South) Site Layout and Rendering Perspective I
- Papillion (Sarpy County South) Site Rendering Perspective II

- Military Road Site Layout and Rendering Perspective I
- Military Road Site Rendering Perspective II

L. A. Olson, Vice President – Public Affairs, next presented the following information:

- Stakeholder Outreach, including virtual public information meetings scheduled to be held on September 29 and 30

The Board and management team discussed a variety of issues throughout the presentation, including: (i) use of fuel oil as a backup fuel for resiliency purposes; (ii) use of alternative fuels, including methane, hydrogen, liquefied natural gas, or other mixtures; (iii) availability of information on the OPPDCommunityConnect.com website; (iv) stakeholder outreach for the transmission siting process; (v) relationships with key external partners, including HDR, Inc., Metropolitan Utilities District, Papio-Missouri River Natural Resources District, Noddle Companies, and the City of Papillion; and (vi) mitigation of noise concerns at the 120th & Military Road site.

President T. J. Burke concluded the presentation by summarizing the next steps, including: (i) launching the stakeholder campaign; (ii) completing the Nebraska Power Review Board filing and hearing; (iii) continuing solar sourcing activities; (iv) issuing natural gas equipment asset RFPs; (v) continuing natural gas fuel supply vendor discussions; (vi) initiating transmission and substation executing phase; and (vii) providing timely updates on progress.

There being no further business, the meeting adjourned at 3:20 p.m.

/s/ K. W. Brown

K. W. Brown
Assistant Secretary

/s/ M. F. Hinnars

M. F. Hinnars
Assistant Secretary of the Meeting