



OPPD BOARD OF DIRECTORS

ALL COMMITTEE MEETING MINUTES

October 13, 2020

The regular committee meetings of the Board of Directors of the Omaha Public Power District ("OPPD" or "District") was held via Webex audio and video conference on Tuesday, October 13, 2020 at 9:00 a.m.

Present via Webex conferencing were Directors A. E. Bogner, M. J. Cavanaugh, 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. Hinners, 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, K. S. McCormick, 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 to receive an update on the solar aspect of the Power with Purpose generation resource project.

Committee Agenda Item 2: Closed Session

At 9:02 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 (9:02 a.m.) to discuss a solar generation update on the Power with Purpose project.

With respect to the solar generation update on the Power with Purpose generation resource project, a closed session is necessary because the discussion will involve competitively sensitive utility infrastructure information, including potential pricing and types and locations of resources that would create a competitive disadvantage for the District if known by its business competitors, and also would create a competitive disadvantage for the District if known by potential contractors and property owners that may be involved in the infrastructure projects. The update also may involve discussion of legal matters that are protected by the attorney-client privilege and attorney work product doctrine."

The motion was seconded by Director Bogner.

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

Chair Moody read the following:

“The motion to go into closed session has passed. This closed session will be limited to discussion regarding a solar generation update on the Power with Purpose project. No votes or other action will be taken.”

Chair Moody noted Director Gay’s potential conflict of interest and stated Director Gay would not be present in the closed session. 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 9:52 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.

Director Gay joined the Webex meeting at 9:58 a.m.

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 – Yes; Cavanaugh – Yes; Gay – Yes; McGuire – Yes; Mollhoff – Yes; Moody – Yes; Williams – Yes; Yoder – Yes. The motion carried (8-0).

Chair Moody stated:

“The motion to come out of closed session at (10:03 a.m.) is carried. This closed session was limited to discussion regarding a solar generation update on the Power with Purpose project. 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.

Chair Moody noted that the Board meeting would be held in person on Wednesday, October 14, at the Omaha Douglas Civic Center. He encouraged members of the public to attend the Board meeting remotely via Webex.

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Committee Agenda Item 5: Finance Committee

Finance Chair Report

Director Bogner reported the Finance Committee did not meet this month. She noted the Committee received a status report on the block rate elimination project on October 2, and she met with external auditors, BKD, on September 30. She also noted the Committee would conduct its biannual audit subcommittee meeting on Thursday, October 15, with BKD, to review the annual audit.

Committee Agenda Item 6: System Management & Nuclear Oversight Committee

System Management & Nuclear Oversight Committee Chair Report

Director Mollhoff reported the System Committee met on October 7, 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 received a confidential presentation from District subject matter experts concerning generation unit economics and the process of self-commitment of generating units in the Southwest Power Pool.

Supporting Data
Agenda

Nebraska City Station Unit 1 Deaerator Dome Replacement Labor Contract Award

M. J. Fisher, Vice President – Energy Production and Nuclear Decommissioning, presented the following information to support Board of Directors authorization to award a labor contract for the removal and installation of the Nebraska City Station Unit 1 (NC1) deaerator.

- a. The Nebraska City Station Unit 1 deaerator has been evaluated and should be replaced to maintain unit reliability.
- b. The District requested bids for the removal and installation of replacement materials. Four bids were received. The lowest bid was determined to be legally non-responsive. Three bids were determined to be technically acceptable.
- c. Installation of OPPD-supplied materials procured under a previously awarded material contract will be performed in the spring of 2021 during a scheduled maintenance outage.
- d. Total-Western, Inc. provided the lowest and best evaluated bid.

Management recommended authorization by the Board of Directors to award a contract to Total-Western, Inc. for removal and installation of the Nebraska City Station Unit 1 deaerator.

The Board was scheduled to vote on this matter at the October 14, 2020 meeting.

Supporting Data
Datasheet
Letter of Recommendation
Tabulation of Bids

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Legal Opinion
Resolution

Nebraska City Station Unit 2 Reheater Upper Bank Replacement Labor Contract Award

M. J. Fisher, Vice President – Energy Production and Nuclear Decommissioning, presented the following information to support Board of Directors authorization to award a labor contract for the removal and installation of reheater upper bank tubing assemblies and the removal of furnace rear waterwall screen tube insulation panels for the Nebraska City Station Unit 2 (NC2) boiler.

- a. The upper bank of the reheater of the NC2 boiler has been evaluated and selected tubing assemblies should be replaced to maintain unit reliability.
- b. The furnace rear waterwall screen tubing insulation panels of the NC2 boiler have been evaluated and the panels should be removed to maintain unit reliability.
- c. The District requested bids for the removal and installation of replacement materials. Five bids were received. All of the bids were determined to be legally responsive and technically acceptable.
- d. Installation of OPPD supplied materials will be performed in the spring of 2021 during a scheduled maintenance outage.
- e. TEI Construction Services, Inc. was the lowest best evaluated bid. The lowest bidder was evaluated to lack experience for this type of work and to be of higher risk to the District.

Management recommended authorization by the Board of Directors to award a contract to TEI Construction Services, Inc. for removal and installation of reheater upper bank tubing assemblies and the removal of furnace rear waterwall insulation panels for the Nebraska City Station Unit 2 boiler.

The Board and management discussed the timing and duration of the outages for NC1 and NC2.

The Board was scheduled to vote on this matter at the October 14, 2020 meeting.

Supporting Data

Datasheet
Letter of Recommendation
Tabulation of Bids
Legal Opinion
Resolution

Jones Street Station Unit 1 Repair Parts and Services Request to Negotiate

M. J. Fisher, Vice President – Energy Production and Nuclear Decommissioning, presented the following information to support Board of Directors authorization for management to negotiate and enter into contract(s) for parts and services needed for the repair of Jones Street Station Unit 1 (JS1).

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- a. The Jones Street Station Unit 1 engine was inspected in the fall of 2019 and fall of 2020 and found to have degradation of the major components and is in need of repair.
- b. The engine is required to be disassembled and repaired in early 2021 to ensure unit reliability.
- c. The District's engineer has certified the complex nature of the work and that use of the sealed bid process is impractical and not in the public's best interest.

Management recommended Board of Directors approval of the Engineer's Certificate and authorization for management to negotiate and enter into contract(s) to achieve the best value for the replacement/refurbishing of parts and specialized services for repair of the Jones Street Station Unit 1 engine.

The Board was scheduled to vote on this matter at the October 14, 2020 meeting.

Supporting Data

Datasheet

Letter of Recommendation

Engineer's Certificate

Legal Opinion

Resolution

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 September:

- Critical path for the deconstruction project remains the segmentation of the reactor vessel internal (RVI) components. In preparation for this work, project teams are cutting and removing several components from containment to clear space for the RVI activities. This work led to the fire referenced below.
- Project teams continue the isolation and preparation of buildings for eventual demolition. To this point, four separate buildings have been physically isolated from all energy. The next step is to verify and disposition universal hazards (e.g. lead, asbestos) prior to building demolition.
- A small industrial fire occurred in the containment structure due to hot slag from cutting operations. Site personnel extinguished the fire utilizing fire extinguishers prior to off-site support arriving. Site safety stand-downs were conducted and each department was required to develop and implement a safety improvement plan prior to proceeding.

Ms. Fisher introduced T. S. Uehling, Senior Director – FCS Decommissioning, who presented the following information:

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- Agenda
- Major Accomplishments
 - Spent Nuclear Fuel Moved to Dry Storage
 - Independent Spent Fuel Storage Installation (ISFSI) Operations Facility
 - Legacy Steam Generator Shipment
 - Flood Protection
 - Diesel Generator Removal
 - Building Abandonment
 - Transformer Abandonment and Recycling
 - Deconstruction Power System Installation
 - Containment Tendon Removal
 - Year in Photos – Preparing for DECON
- Future Activities Timeline
- DECON Timeline Graphic
- Opportunities to Improve Performance
- Performance Successes
- Questions

The Board and management team discussed a variety of issues, including: (i) impact of COVID-19 pandemic on the decommissioning process timeline; (ii) employee and contractor staffing levels; (iii) physical characteristics of the reactor vessel internal components; (iv) use of specialized consultants; (v) safety stand down and (vi) risk reduction and savings associated with moving from SAFSTOR to DECON.

Supporting Data

Datasheet

FCS Decommissioning Update Presentation

The Board took a break at 11:10 a.m. and reconvened at 11:17 a.m.

Committee Agenda Item 7: Public Information Committee

Public Information Committee Chair Report

Director Yoder reported the Public Information Committee met on October 6, 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) SD-11: Economic Development monitoring report timing; (iii) state and federal legislative and regulatory update; and (iv) customer trends update. 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 presented a revised version of the draft legislative resolution. 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

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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; (iii) inclusion of the issues outlined in the revised legislative resolution in OPPD's annual legislative agenda; and (iv) concerns about governing by resolution and public perception of a resolution that does not pass unanimously.

The Board consensus was the legislative resolution would not be on the October 14, 2020 agenda.

Supporting Data

Draft Legislative Resolution

The Board took a break for lunch at 12:10 p.m. and reconvened at 12:42 p.m.

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 that 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 September 30, 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

Committee Agenda Item 8: Governance Committee

Governance Committee Chair Report

Director McGuire reported the Governance Committee met on October 8, 2020 via Webex videoconference. The Committee discussed the following topics: (i) executive compensation; (ii) policy refinement recommendation for Board Policy BL-5: Unity of Control; (iii) Board work plan development; (iv) 2021 Board meeting schedule; (v) Board governance workshop final

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report; and (vi) severance agreements related to Fort Calhoun Station decommissioning. A copy of the agenda for that meeting was made available in the Committee meeting materials for the Board to review.

Supporting Data
Agenda

Severance Agreements

M. L. Sedky, Vice President – Human Capital, presented the following report on severance agreements executed due to decommissioning of Fort Calhoun Station.

- a. OPPD's Board of Directors voted on June 16, 2016, to cease operations at Fort Calhoun Station (FCS).
- b. OPPD offers a severance program (for the purposes of Fort Calhoun Station Decommissioning) for exempt employees who stay with the District through their layoff date in exchange for a release of claims. IBEW Local 763, IBEW Local 1483, and IAWAM Local 31 entered into Memoranda of Understanding with OPPD, which include the same severance program.
- c. As of September 18, 2020, an additional thirty-seven (37) employees have been separated from OPPD as a result of FCS Decommissioning, and all executed separation agreements.
- d. Eight (8) severance agreements involve payments that exceed \$50,000 and therefore may be subject to the requirement for reporting settlement agreements under Section 84-713 of the Nebraska Revised Statutes. Those agreements are listed on the attachment.
- e. The severance agreements are available for inspection in the office of the corporate secretary.

Supporting Data

Datasheet

Attachment – List of Severance Agreements Exceeding \$50,000

SD-12: Information Management and Security Monitoring Report

K. W. Brown, Vice President and Chief Information Officer, presented the following information to ensure full board review, discussion and acceptance of SD-12: Information Management and Security 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-12: Information Management and Security.

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- d. The Governance Committee reviewed and accepted the SD-12: Information Management and Security Monitoring Report and found that OPPD is taking reasonable and appropriate measures to comply with the policy.

Ms. Brown presented the following:

- SD-12: Information Management and Security Policy
- Ensuring Compliance to SD-12
- Information Security
- Customer Privacy
- Records Management
- Compliance – Ongoing Controls
- Progress in 2020
- Recommendation

The Board and management team discussed a variety of issues, including: (i) the digitization of paper records; (ii) information sharing among public agencies; (iii) transition to working from home during the COVID-19 pandemic; and (iv) mitigating the District's technology debt.

The Governance Committee recommended Board approval of the 2020 SD-12: Information Management and Security Monitoring Report.

The Board was scheduled to vote on this matter at the October 14, 2020 meeting.

Supporting Data

Datasheet

Exhibit A – Monitoring Report

Resolution

The Board took a break at 2:03 p.m. and reconvened at 2:15 p.m.

Committee Agenda Item 9: Other Business

Confirmation of Board Meeting Agenda

The Board members reviewed and confirmed the agenda for the Board meeting on Wednesday, October 14, 2020.

Power with Purpose: Gas Project Stakeholder Outreach Update

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

SOLAR FACTS

1. Conducted technical and financial review of 71 solar proposals to develop short list of suppliers.
2. Form power purchase agreement (PPA) sent to selected developers to facilitate further discussions.

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NATURAL GAS FACTS

1. Continued evaluation of natural gas supply options to support gas generation facilities.
2. Voluntarily submitted documentation to the City of Papillion planning department in support of their process.
3. Issued Reciprocating Internal Combustion Engine Request for Proposal (RFP) to qualified suppliers.
4. Filed applications with the Nebraska Power Review Board for review.
5. Conducted site stakeholder discussions.

Ms. Fisher presented the following information:

- Power with Purpose – Where We Are
- Solar Generation Update
 - Solar Sourcing Recap
 - Solar Sourcing Update
 - What's Next?
- Natural Gas Generation Update
 - Natural Gas Generation Project Update
 - Natural Gas Generation Major Equipment Sourcing Progress

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

- Stakeholder Outreach
- Outreach Approach
- 1:1 Meetings and Speaking Engagements (2019 – Present)
- Power with Purpose (October – November 2019)
- State of the Utility (April – May 2020)
- Powering Through the Pandemic Campaign (May – August 2020)
- OPPDCommunityConnect.com (July 2020)
- Virtual Meetings (September 2020)
- What We Heard
- Photos and Site Renderings
- Various Ways to Engage and Stay Informed
- Next Steps (October 2020 into 2021)

The Board and management team discussed a variety of issues throughout the presentation, including: (i) pause in Sarpy County with respect to solar development; (ii) Metropolitan Utility District's (MUD) existing natural gas compression facility near 120th and Military Road; (iii) impact of the proposed natural gas facility near 120th & Military Road; and (iv) OPPD's response to stakeholder questions and concerns.

Director Gay departed the meeting at 2:58 p.m.

There being no further business, the meeting adjourned at 3:14 p.m.

DocuSigned by:

Juli A. Comstock

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J. A. Comstock
Assistant Secretary

DocuSigned by:

M. F. Hinners

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M. F. Hinners
Assistant Secretary of the Meeting