




Yoder/Thurber

**RESOLUTION NO. 6471**

**WHEREAS**, the Finance Committee (the "Committee") proposed, and the Board of Directors reviewed, a recommendation to revise Board Policy SD-2: Rates.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Omaha Public Power District that the revisions to Board Policy SD-2: Rates be and hereby are approved, effective January 1, 2022, as set forth on the Exhibit A, attached hereto.

## Exhibit A - Proposed Revisions

	<b>OMAHA PUBLIC POWER DISTRICT Board Policy</b>	<b>Category:</b>	Strategic Direction
	<b>Policy No. and Name:</b>  <b>SD-2: Rates</b>	<b>Monitoring Method:</b>	Finance Committee Board Report
		<b>Frequency:</b>	Annually
	<b>Date of Approval:</b>	July 16, 2015 November 16, 2017	<b>Resolution No.:</b>

The Board of Directors shall establish ~~a rate target of no general rate\* increases for a 5-year period starting January 1, 2017 and ending December 31, 2021, and~~ a directional rate target of 20% below the West North Central Regional average published rates on a system average basis\*.

In implementing this rate target, OPPD shall adhere to these principles:

- Maintain fair, reasonable and non-discriminatory rates as stated in Nebraska Revised Statute § 70-655;
- Equitably assign costs across and within all customer classes;
- Monitor affordability indicators;
- Pursue rate process and structure changes to reflect the cost of energy when it is used;
- Offer flexibility and options; and
- Be simple and easy to understand.

*\*Defined in Glossary.*

## Glossary

<b>DART</b>	<i>Days Away, Restricted or Transferred:</i> The rate is calculated by multiplying the number of DART cases times 200,000 divided by the hours worked.
<b>general rate</b>	OPPD general rates service retail customers. These are rates that are charged to all residential, commercial and industrial customers. These revenues exclude charges such as connection and service charges.
<b>liquidity</b>	Total cash and unrestricted funds available to meet ongoing daily cash requirements.
<b>nationally syndicated studies</b>	National customer satisfaction studies performed by an independent third party, regardless of OPPD's interest in participating, that provide objective measures by which electric utility companies can analyze their residential and commercial customer satisfaction relative to others in the industry.
<b>PVIR</b>	<i>Preventable Vehicle Incident Rate:</i> The rate is calculated by multiplying the number of PVIR cases times 1,000,000 divided by the miles driven.
<b>stakeholders</b>	Customer-owners, employees, community leaders, media, retirees, and any other person of interest or concern regarding OPPD business matters.
<b>system average basis</b>	Total revenue billed to retail customers divided by total kWh sold to retail customers. The result is measured in cents per kWh or the average system basis.
<b>total debt service coverage</b>	Revenues less expenses divided by total annual senior and subordinate lien debt interest and principal payments.



# Board Action

November 16, 2021

ITEM

Revision to SD-2: Rates

PURPOSE

To ensure full board review, discussion and acceptance of SD-2: Rates policy revision.

FACTS

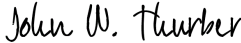
- a. The Finance Committee is responsible for evaluating and monitoring Board Policy SD-2: Rates.
- b. The Finance Committee proposed revisions for Board consideration.
- c. The Finance Committee is recommending to the Board that Board Policy SD-2: Rates be revised as shown on Exhibit A.


ACTION

The Finance Committee recommends Board approval of the SD-2: Rates policy revision as shown on Exhibit A.

RECOMMENDED:

APPROVED FOR BOARD CONSIDERATION:

DocuSigned by:  
  
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 John Thurber  
 Interim Chief Financial Officer

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 L. Javier Fernandez  
 President and Chief Executive Officer

Attachments: Exhibit A  
Resolution