

Reporting Item

BOARD OF DIRECTORS March 15, 2022

ITEM

Power with Purpose: Natural Gas Generation, Transmission, and Solar Updates

PURPOSE

Provide updates on Power with Purpose projects for March 2022.

FUEL SUPPLY FACTS

1. Metropolitan Utilities District (MUD) for Standing Bear Lake Station has initiated design and planning for gas supply infrastructure and installation of a portion of the pipeline is to occur near term in support of future site construction activities.

TURTLE CREEK STATION & STANDING BEAR LAKE STATION FACTS

- 1. Engineering and procurement activities are in progress and construction activities are being planned by Zachry Group, as the Engineer, Procure, and Construct (EPC) vendor for both the Turtle Creek and Standing Bear Lake Stations' generation facilities and substation infrastructure.
- 2. Preliminary grading continues at both Turtle Creek Station and Standing Bear Lake Station. Associated technical assessments of both project sites continue in parallel with the grading.
- 3. Zachry anticipates mobilizing substation subcontractor to Standing Bear Lake Station in May 2022 and to Turtle Creek Station in April 2022.

ENERGY DELIVERY FACTS

- 1. Easement negotiations for the Sarpy Southwest Transmission Project (SSWTP) are progressing well with approximately 65% of the easements reaching voluntary agreement to date. Final-offer letters for outstanding easements will be sent to landowners in early March 2022.
- 2. Brink Constructors has been awarded the transmission construction contract and began mobilizing to the job site the week of February 21, 2022. Material will begin being delivered to the laydown yard starting March 1, 2022 and construction activity is scheduled to begin in early March 2022.

SOLAR FACTS

 Researching and pursuing opportunities to mitigate key project risks, including the generation interconnection backlog, active tariffs on solar modules, equipment backlogs caused by global supply chain challenges, and local and national policy – either current or proposed – that impact the overall outcomes of the solar projects to meet Resolution 6351.

RECOMMENDED:

Bradley Underwood

Bradley R. Underwood

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Senior Director – Systems Transformation

APPROVED FOR REPORTING TO BOARD:

DocuSigned by:

L. Javier Fernandez

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President and Chief Executive Officer

TRV:maw



Board of Directors All Committees Meeting March 15, 2022

Agenda

- Turtle Creek Station & Standing Bear Lake Station
- Transmission & Substation
- Solar



Turtle Creek and Standing Bear Lake Station

- Standing Bear Lake Station
 - Preliminary grading continues
 - EPC mobilization at NW triangle (laydown): mid April 2022
 - EPC mobilization at substation: May 2022
 - Metropolitan Utilities District installing portion of gas pipeline now at site to coordinate ahead of EPC laydown area
- Turtle Creek Station
 - Preliminary grading continues
 - EPC mobilization at substation: April 2022



Standing Bear Lake Station



Turtle Creek Station



Information as of March 4, 2022

Transmission & Substation

- Easement Acquisition
 - 36 easements required (25 landowners)
 - ~65% of easements signed or pending signature
 - Issue Final Offer Letters: Week of March 7
- Sarpy Southwest Transmission Project
 - Contractor Mobilization: Week of February 21
 - Laydown yard preparation in progress
 - Material Delivery Begins: Week of March 7
- Network Upgrades
 - Construction progressing well at active substations
 - Scoping and sourcing in progress for substation and transmission upgrades that support PWP

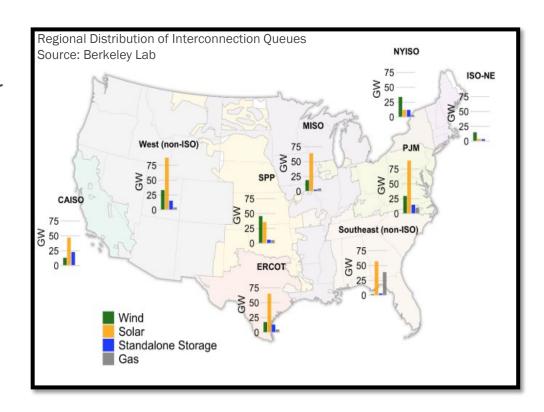
Stakeholder Schedule	Milestone (Past/Future)
Public Hearing	October 5, 2021 🗸
Initial Easement Offers	January 2022
Easement Final Offer Letters	March 2022
Condemnation Filings	March 2022
Easement Completion	May 2022

SSWTP Schedule	Milestone (Past/Future)
Laydown Yard Prep	February 2022
Material Delivery Begins	March 2022
Construction Begins	March 2022
Construction Complete	February 2023



Solar - Generation Interconnection

- Generation Interconnection Continues
 - National backlog continues to impede interconnection of all new generation, including solar
 - Backlog is a challenge for utilities and private developers
 - FERC and SPP have full attention on the issue to find solutions and OPPD is actively engaged
 - OPPD staff continues to work with SPP working groups on interconnection reform efforts as well as with industry advocacy groups at the national level
 - Topic discussed in-depth at the October 2021
 Committee meeting





Solar - Supply Chain

SOLPARIMENTO SECULA

- Department of Homeland Security's Withhold Release Order (WRO)
 - WRO issued in to ban silica from Xinjiang region in China
 - Applies to silica-based products made by Hoshine due to forced labor allegations
- Department of Commerce is currently reviewing an anti-circumvention case against solar cells assembled in Malaysia, Thailand, Vietnam, and Cambodia but still using components from China
- Globally, module suppliers working to find new sources of silica outside of Xinjiang region and even outside of China
 - Limited alternate supplier/equipment availability ongoing due to record demand for solar and pandemic
 - Continued commodity price increases and increased lead times



Solar - Community Outreach Ongoing

- Updates on OPPDCommunityConnect.com
 - Revised FAQs and solar education materials
- OPPD continues advocacy and education across the service territory
 - Pursuing favorable solar zoning regulations
 - Continue engagement in Nebraska legislature
 - Frequent meetings with local officials to answer questions and increase confidence and understanding in the development process



Solar + Natural Gas

Power with Purpose, OPPD's utilityscale solar project, including natural gas, is the largest renewable investment of this type in the region.

Read more



Solar - Project Development

- Solar or wind projects may be sited by a utility or a private solar developer
 - FERC's open access rules have allowed this for many decades
 - Solar developers work independently from a utility to develop projects.
- Project development steps include:
 - Securing lease options with willing landowners
 - Commencing the local regulatory processes with the appropriate jurisdiction (county and/or city)
 - Identifying a plan for interconnection to the grid
 - Conducting outreach and education for the project by attending public meetings
- OPPD does not officially endorse a solar project until there is a contract in place, however, OPPD may attend public meetings to support forward movement of the solar industry in its service territory





Solar – Future Focus for Success

- OPPD remains committed to the 2019 resolution
- Partnerships are critical for successful implementation
 - Industry experts to work through supply chain challenges
 - Suppliers and developers to bring creative solutions
 - Federal Energy Regulatory Commission (FERC) and Southwest Power Pool (SPP) to build solutions for Generation Interconnection backlog
 - Local planning and zoning authorities to permit projects
 - OPPD customer education on what solar technology is and isn't

