OPPD Board of Directors – All Committees Meeting  
Tuesday, August 16, 2022  
CLOSED SESSION – 9:00 A.M. – PUBLIC SESSION 10:00 A.M.  
Conducted virtually via Webex audio/video conference. Public may attend remotely by going to www.OPPD.com/CommitteeAgenda to access the Webex meeting link or the public may watch the Webex at Energy Plaza, 444 S. 16th Street – Conf. Room A, Omaha, NE, which will be set up as a physical location to view the Webex.

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>TYPE</th>
<th>PRESENTER</th>
<th>TIME*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Chair Opening Statement</td>
<td></td>
<td>Bogner</td>
<td>9:00 A.M.</td>
</tr>
<tr>
<td>2. Closed Session</td>
<td></td>
<td>Bogner</td>
<td>9:05 A.M.</td>
</tr>
<tr>
<td>CEO Performance Review and Compensation</td>
<td>Action</td>
<td>Bogner</td>
<td>30 min</td>
</tr>
<tr>
<td>Adjustment</td>
<td></td>
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<tr>
<td><strong>BREAK – Open Webex to Allow Public to Join</strong></td>
<td></td>
<td></td>
<td>9:45 A.M.</td>
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<tr>
<td>3. Public Session – Chair Opening Statement</td>
<td></td>
<td>Bogner</td>
<td>10:00 A.M.</td>
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<tr>
<td>4. Safety Briefing</td>
<td></td>
<td>Fernandez</td>
<td>10:05 A.M.</td>
</tr>
<tr>
<td>5. Governance Committee</td>
<td></td>
<td>Moody</td>
<td>10:10 A.M.</td>
</tr>
<tr>
<td>Governance Chair Report (8/11/22)</td>
<td>Reporting</td>
<td>Moody</td>
<td>5 min</td>
</tr>
<tr>
<td>CEO Performance Review and Compensation</td>
<td>Action</td>
<td>Bogner</td>
<td>5 min</td>
</tr>
<tr>
<td>Adjustment</td>
<td></td>
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<tr>
<td>Report on Severance Agreements</td>
<td>Reporting</td>
<td>Pinder</td>
<td>5 min</td>
</tr>
<tr>
<td>6. Finance Committee</td>
<td></td>
<td>Yoder</td>
<td>10:25 A.M.</td>
</tr>
<tr>
<td>Finance Chair Report (8/5/22)</td>
<td>Reporting</td>
<td>Yoder</td>
<td>5 min</td>
</tr>
<tr>
<td>Annual Report of the Interest Rate on Customer Security Deposits</td>
<td>Reporting</td>
<td>Bishop</td>
<td>5 min</td>
</tr>
<tr>
<td>Second Quarter Financial Report</td>
<td>Reporting</td>
<td>Bishop</td>
<td>15 min</td>
</tr>
<tr>
<td>Second Quarter Retirement Fund Report</td>
<td>Reporting</td>
<td>Bishop</td>
<td>5 min</td>
</tr>
<tr>
<td>7. System Management &amp; Nuclear Oversight Cmte</td>
<td></td>
<td>Williams</td>
<td>10:55 A.M.</td>
</tr>
<tr>
<td>SM&amp;NO Chair Report (8/3/22)</td>
<td>Reporting</td>
<td>Williams</td>
<td>5 min</td>
</tr>
<tr>
<td>RFP 5976 – Fall 2022 Transmission Construction</td>
<td>Action</td>
<td>Via</td>
<td>5 min</td>
</tr>
<tr>
<td>RFP 5977 – Nebraska City Station Unit 2 Air</td>
<td>Action</td>
<td>Via</td>
<td>10 min</td>
</tr>
<tr>
<td>Preheater Baskets – Materials Contract Award</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Power with Purpose: Solar, Natural Gas and Transmission Update</td>
<td>Reporting</td>
<td>Via / Underwood</td>
<td>45 min</td>
</tr>
<tr>
<td><strong>BREAK FOR LUNCH</strong></td>
<td></td>
<td></td>
<td>12:00 P.M.</td>
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<tr>
<td>System Management Cmte (continued)</td>
<td></td>
<td>Underwood</td>
<td>12:30 P.M.</td>
</tr>
<tr>
<td>Power with Purpose: Reliability / North Omaha Station Recommendation</td>
<td>Action</td>
<td>Underwood</td>
<td>80 min</td>
</tr>
<tr>
<td><strong>BREAK</strong></td>
<td></td>
<td></td>
<td>1:50 P.M.</td>
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<tr>
<td>System Management Cmte (continued)</td>
<td></td>
<td>Underwood</td>
<td>2:00 P.M.</td>
</tr>
<tr>
<td>SD-9: Resource Planning Policy Revision</td>
<td>Action</td>
<td>Underwood</td>
<td>30 min</td>
</tr>
<tr>
<td>Nuclear Oversight Committee Report</td>
<td>Reporting</td>
<td>Via</td>
<td>5 min</td>
</tr>
<tr>
<td><strong>Public Information Committee</strong></td>
<td></td>
<td></td>
<td>2:35 P.M.</td>
</tr>
<tr>
<td>Public Information Chair Report (8/9/22)</td>
<td>Reporting</td>
<td>Mollhoff</td>
<td>5 min</td>
</tr>
<tr>
<td>Customer Trends, Energy Burden and Customer Assistance Program Pilot</td>
<td>Reporting</td>
<td>McAreavey</td>
<td>30 min</td>
</tr>
</tbody>
</table>

* All times and duration are estimates. Please use the link below to find board agendas, materials and schedules. Board governance policies and contact information for the board and senior management team also can be found at www.OPPD.com/BoardMeetings.
<table>
<thead>
<tr>
<th>TOPIC</th>
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<th>TIME*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confirmation of Board Meeting Agenda</td>
<td>Action</td>
<td>Bogner</td>
<td>5 min</td>
</tr>
<tr>
<td>Review of Board Work Plan</td>
<td>Discussion</td>
<td>Bogner</td>
<td>5 min</td>
</tr>
<tr>
<td>Electric System Evaluation &amp; Modernization</td>
<td>Presentation</td>
<td>Via / A. Smith</td>
<td>30 min</td>
</tr>
<tr>
<td>Customer Engagement for the Future Strategic Initiative Update</td>
<td>Presentation</td>
<td>McAreavey</td>
<td>30 min</td>
</tr>
</tbody>
</table>
GOVERNANCE PRE-COMMITTEE MEETING
WEBEX VIDEOCONFERENCE
August 11, 2022 8:00 – 9:30 A.M.

1. CEO Performance Review and Compensation Adjustment (Pinder – 5 min)
   a. Objective: Confirm CEO adjustment for board approval.

2. Power with Purpose: Reliability/North Omaha Station Recommendation (Underwood – 30 min)
   a. Objective: Discuss PwP reliability and update on North Omaha Station.

3. 2022 Board Governance Workshop (Focht – 15 min)
   a. Objective: Align on alternative approach to a full-day workshop for 2022.

4. Strategic Direction Policy Monitoring Reports (Focht – 15 min)
   a. Objective: Clarify how to confirm and address Board expectations for future strategic direction monitoring reports.

5. Governance Practice: Decision Making (Yoder – 15 min)
   a. Objective: Explore current approach/practice and potential refinements.

6. Board Work Plan (Focht – 5 min)
   a. Objective: Committee members to review and confirm items on the Board Work Plan.

7. Summary of Committee Direction (5 min)
   a. Objective: Executive Leadership Team liaison(s) to summarize direction provided by the committee.
BOARD OF DIRECTORS

August 16, 2022

ITEM

Compensation Adjustment for Corporate Officer

PURPOSE

Approve compensation adjustment for the following corporate officer:

- L. Javier Fernandez, President and Chief Executive Officer

FACTS

a. Compensation adjustments for corporate officers are approved by the Board of Directors on an annual basis.

b. The compensation adjustment recommended is identified on Exhibit A for the above named corporate officer.

c. The adjustment for the above corporate officer is effective as identified on Exhibit A.

ACTION

Board approval of the compensation adjustment for L. Javier Fernandez.

RECOMMENDED AND APPROVED FOR BOARD CONSIDERATION:

McKell V. Pinder
Vice President – Human Capital

Attachments: Exhibit A
Resolution
## Salary Action for Corporate Officer

**Approval Date:** August 18, 2022

<table>
<thead>
<tr>
<th>Officer</th>
<th>Present Salary</th>
<th>Proposed Salary</th>
<th>% Change</th>
<th>% of Midpoint</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>L. Javier Fernandez</td>
<td>$695,000</td>
<td>$722,800</td>
<td>4.00%</td>
<td>80.4%</td>
<td>July 1, 2022</td>
</tr>
</tbody>
</table>
WHEREAS, the Board of Directors of the Omaha Public Power District is required by law to establish the compensation of the District’s corporate officers.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the compensation adjustment for the corporate officer, L. Javier Fernandez, President and Chief Executive Officer, as set forth on the Exhibit A attached hereto, be and hereby is approved.
Reporting Item

BOARD OF DIRECTORS

August 16, 2022

ITEM

Severance Agreements – Fort Calhoun Station Decommissioning

PURPOSE

Report on severance agreements executed due to decommissioning of Fort Calhoun Station.

FACTS

a. OPPD’s Board of Directors voted on June 16, 2016, to cease operations at Fort Calhoun Station.

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 August 19, 2022, additional employees have separated from OPPD as a result of FCS Decommissioning and executed a separation agreement.

d. This severance agreements involved payment 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. This agreement is listed on the attachment.

e. The severance agreements are available for inspection in the office of the corporate secretary.

ACTION

Reporting item

RECOMMENDED: 

McKell V. Pinder
Vice President – Human Capital

APPROVED FOR REPORTING TO BOARD:

L. Javier Fernandez
President and Chief Executive Officer

Attachment: List of August 2022 Severance Agreements Exceeding $50,000
## Attachment
### List of August 2022 Severance Agreements Exceeding $50,000

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Total Severance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beasley</td>
<td>Jerry</td>
<td>$101,929.34</td>
</tr>
<tr>
<td>Bessey</td>
<td>Kevin</td>
<td>$83,977.36</td>
</tr>
<tr>
<td>Horn</td>
<td>Kristi</td>
<td>$91,062.71</td>
</tr>
<tr>
<td>Neuhofel</td>
<td>Wayne</td>
<td>$74,873.33</td>
</tr>
<tr>
<td>Brinkman</td>
<td>Ryan</td>
<td>$54,253.11</td>
</tr>
<tr>
<td>Linstrom</td>
<td>Sean</td>
<td>$67,049.18</td>
</tr>
<tr>
<td>Cotarelo</td>
<td>Brandon</td>
<td>$115,085.91</td>
</tr>
<tr>
<td>Horst</td>
<td>Allan</td>
<td>$57,847.91</td>
</tr>
<tr>
<td>Beck</td>
<td>Cheryl</td>
<td>$137,271.21</td>
</tr>
<tr>
<td>Church</td>
<td>Richard</td>
<td>$95,261.14</td>
</tr>
<tr>
<td>Pier</td>
<td>Donald</td>
<td>$156,916.32</td>
</tr>
<tr>
<td>Shuck</td>
<td>Jerry</td>
<td>$97,056.25</td>
</tr>
</tbody>
</table>
Pre-Committee Agenda

FINANCE PRE-COMMITTEE MEETING
VIDEOCONFERENCE
August 5, 2022  8:00 – 9:30 AM

1. Safety Briefing (Bishop – 3 min)
   a. Objective: Promote awareness of current safety focus

2. External Auditor FORVIS (formerly BKD) Contract Extension (Focht – 5 min)
   a. Objective: Discuss management’s recommendation on contract extension for external auditor.

3. Annual Report of the Interest Rate on Customer Security Deposits (Bishop – 5 min)
   a. Objective: Review draft report and answer questions.

4. Second Quarter Financial Report (Bishop – 15 min)
   a. Objective: Briefly present and answer questions on the report of OPPD’s financial results for the quarter ended June 30, 2022.

5. Second Quarter Retirement Fund Report (Bishop – 5 min)
   a. Objective: Answer questions on the report of OPPD’s retirement fund results for the quarter ended June 30, 2022.

6. Power with Purpose: Reliability / North Omaha Station Recommendation – Technical Support Presentations (30 min)
   a. Objective: Representatives from US Environmental Protection Agency and the University of Nebraska Medical Center will present, respectively, information on an EPA risk impact screening tool and local public health-related research.

7. Board Work Plan – Finance Committee Items (2 min)
   a. Objective: Review Finance Committee Work Plan and process.

8. Summary of Committee Direction (2 min)
   a. Objective: Executive leadership team liaison(s) to gain alignment and summarize direction provided by the Committee.
BOARD OF DIRECTORS

August 16, 2022

ITEM

Annual Report of the Interest Rate on the Customer Security Deposits

PURPOSE

Review the formula for calculating the interest and report the current year’s rate

FACTS

a. The District sets the interest rate to be paid on Customer Security Deposits on an annual basis. The current interest rate of 0.75% has been in effect since September 1, 2021.

b. The interest rate is based on paying customers 90% of the one-year average earnings on these deposits rounded to the nearest quarter percent.

c. Applying the most current actual earnings rate to the approved formula provides an interest rate of 0.50%.

d. An annual interest rate of 0.50% will be applied to Customer Security Deposits beginning September 1, 2022.

RECOMMENDED:  

APPROVED FOR REPORTING TO THE BOARD:

Jeffrey M. Bishop  
Vice President and Chief Financial Officer

L. Javier Fernandez  
President and Chief Executive Officer

LJF:zjw
BOARD OF DIRECTORS

August 16, 2022

ITEM

Second Quarter 2022 Financial Report

PURPOSE

Report the quarterly financial results to the Board of Directors

FACTS

a. The second quarter 2022 financial results are attached for review.

b. Retail Revenue for the second quarter 2022 was $260.0 million, which was $6.2 million over budget. Off-system Revenue was $68.2 million, which was $38.3 million over budget. Other Income was $15.1 million, which was $1.7 million under budget.

c. Operations and Maintenance Expense (less Fuel and Purchased Power) for the second quarter 2022 was $102.0 million, which was $8.4 million under budget. Fuel and Purchased Power Expense was $128.1 million, which was $38.8 million over budget. Other Expense was $105.1 million, which was $0.5 million over budget.

d. Operating Income for the second quarter 2022 was $22.9 million, which was $13.0 million over budget.

e. Net Income for the second quarter 2022 was $8.3 million, which was $12.1 million over budget.

ACTION

Reporting item.

RECOMMENDED:

APPROVED FOR REPORTING TO BOARD:

Jeff M. Bishop
Vice President and Chief Financial Officer

L. Javier Fernandez
President and Chief Executive Officer

Attachments: Quarterly Financial Report (Graphs)
Q2 2022 Results ($ Millions)

**Retail Revenue**
- YTD ACTUALS 2022 - $501.1
- YTD BUDGET 2022 - $495.5

**Off-System Revenue**
- YTD ACTUALS 2022 - $114.5
- YTD BUDGET 2022 - $67.7

**Fuel & Purchased Power**
- YTD ACTUALS 2022 - $233.6
- YTD BUDGET 2022 - $183.3

**Other Income**
- YTD ACTUALS 2022 - $7.0
- YTD BUDGET 2022 - $34.2

**Other Expense**
- YTD ACTUALS 2022 - $209.1
- YTD BUDGET 2022 - $208.1

Unaudited results.
**Operating Income**

- **Q2 2022 Results ($ Millions)**

<table>
<thead>
<tr>
<th>Operating Income</th>
<th>YTD ACTUALS 2022 - $ 32.9</th>
<th>YTD BUDGET 2022 - $ 21.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>$20</td>
<td>$40</td>
</tr>
<tr>
<td>$60</td>
<td>$80</td>
<td></td>
</tr>
<tr>
<td>$100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Cash Balance**

- **YTD ACTUALS 2022 - $410.9**
- **YTD BUDGET 2022 - $687.1**

**Net Income**

- **YTD ACTUALS 2022 - $(19.6)**
- **YTD BUDGET 2022 - $(4.7)**

**Capital Spend**

- **YTD ACTUALS 2022 - $248.7**
- **YTD BUDGET 2022 - $362.3**

**SD Impact:**

* **SD-2 Rates** - The 2021 preliminary average retail rate was 8.9% below the regional retail average rates, based on preliminary EIA data.

* **SD-3 Access to Credit Markets** - The 12-month rolling debt service coverage ratio is 2.17 times through June 2022, and is forecasted at 2.0 times at year end. The District’s days of cash on hand is 162 days as of June 30, 2022.

**HIGHLIGHTS:**

* Retail revenues were over budget year-to-date (YTD) by $5.6 million, or 1.1% due to warmer weather during the second quarter. Off-system sales were over budget YTD by $46.8 million, or 69.1%, primarily due to higher than expected pricing in the marketplace.

* Fuel and purchased power expenses were over budget YTD by $50.3 million, or 27.4%, primarily due to higher prices in the marketplace. Other O&M expenses were under budget YTD by $11.1 million, or 5.3%, primarily due to lower production expenses from fewer than expected unplanned outages and lower than expected health care expenses.

* Capital expenditures were under budget YTD by 31.4%, or $113.6 million, due to delayed spending primarily on Power with Purpose projects. The Company expects spending to increase during the remainder of the year.

* Cash at the end of the quarter was significantly below budget as the budget amounts anticipated a bond issuance in June. The bond issuance will take place in the third quarter.

Unaudited results.
Reporting Item

BOARD OF DIRECTORS

August 16, 2022

ITEM

Retirement Plan – Second Quarter 2022

PURPOSE

To Report the Retirement Plan Fund’s Second Quarter 2022 Performance Results

FACTS

a. The Retirement Plan Fund market value at the end of the second quarter was $1.07 billion. This compares to the market value at the beginning of the quarter of $1.21 billion. During the quarter, employee contributions were $4.67 million and OPPD contributions totaled $14.15 million. Benefit payments totaled $26.72 million and the investment market value (net of expenses) decreased by $125.93 million.

b. As of June 30, 2022, the Retirement Fund asset allocation was 51.9% Equity, 39.1% Fixed Income and 9.0% Alternative Assets, which is within the Investment Policy Guidelines approved by the Board.

c. The Retirement Plan Fund sector performance (net of fees) was:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Market Value</th>
<th>Quarterly Return</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Equity</td>
<td>$325,390,187</td>
<td>-16.8%</td>
<td>-16.5%</td>
</tr>
<tr>
<td>International Equity</td>
<td>$230,229,814</td>
<td>-12.4%</td>
<td>-13.8%</td>
</tr>
<tr>
<td>Domestic Fixed Income</td>
<td>$308,348,777</td>
<td>-5.3%</td>
<td>-5.4%</td>
</tr>
<tr>
<td>Global Fixed Income</td>
<td>$111,120,246</td>
<td>-11.5%</td>
<td>-9.2%</td>
</tr>
<tr>
<td>Private Real Estate</td>
<td>$96,950,227</td>
<td>5.8%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Total</td>
<td>$1,072,039,251</td>
<td>-10.5%</td>
<td>-10.3%</td>
</tr>
</tbody>
</table>

d. The Domestic Equity Composite returned -16.8% where growth underperformed value and small cap slightly underperformed large cap. The International Equity Composite returned -12.4% as developed international stocks fell with war and recession fears and emerging markets fell with the stronger dollar and falling commodity prices.

The Domestic Fixed Income Composite returned -5.3% with the Federal Reserve rate increases in May and June and indications of future rate increases in 2022. The Global Fixed Income Composite returned -11.5% as government yields rose in the quarter across most developed markets, except for Japan. The U.S. dollar appreciated relative to the yen, British pound and Euro.

The Real Estate Composite returned 5.8%. Real estate markets have benefited from the inflationary environment and the continued strength in the multi-family and industrials sectors.

RECOMMENDED:

Jeffrey M. Bishop  
Vice President and Chief Financial Officer

APPROVED FOR REPORTING TO BOARD:

L. Javier Fernandez  
President and Chief Executive Officer

JMB: jap

Attachments:  
Summary of OPPD Retirement Plan Assets  
OPPD Retirement Plan Total Assets – Annual Market Valuation Graph  
OPPD Retirement Plan Total Assets – Quarterly Market Valuation Graph
## Manager Valuations, Distributions and Returns

### EQUITY MANAGERS:

**Domestic Large Capitalization**
- State Street Global Advisors Russell 1000
  - Index/Core Equity
  - Total Valuation: $203,232,572.49
  - Quarterly Return: -16.7%
  - Year-to-Date Return: -20.9%
  - YTD Index Return: 0.0%

**Domestic Middle Capitalization**
- Wellington Management Company LLP
  - Core/Growth
  - Total Valuation: $64,317,693.13
  - Quarterly Return: -18.1%
  - Year-to-Date Return: -26.6%
  - YTD Index Return: -7.1%

**Domestic Small Capitalization**
- LSV Asset Management
  - Small Capitalization Value
  - Total Valuation: $29,568,622.44
  - Quarterly Return: -12.3%
  - Year-to-Date Return: -14.1%
  - YTD Index Return: 3.2%
- Voya Investment Management
  - Small Capitalization Growth
  - Total Valuation: $28,271,298.58
  - Quarterly Return: -18.9%
  - Year-to-Date Return: -27.6%
  - YTD Index Return: 1.9%

**International**
- Global Apha Fund
  - Small Cap. International
  - Total Valuation: $39,670,960.00
  - Quarterly Return: -14.0%
  - Year-to-Date Return: -21.0%
  - YTD Index Return: 3.7%
- MFS International Equity
  - International Equity
  - Total Valuation: $82,986,317.67
  - Quarterly Return: -12.6%
  - Year-to-Date Return: -19.5%
  - YTD Index Return: 0.1%
- OppenheimerFunds, Inc.
  - Emerging Markets
  - Total Valuation: $49,059,220.17
  - Quarterly Return: -11.4%
  - Year-to-Date Return: -25.3%
  - YTD Index Return: -7.8%
- Wells Capital Management
  - Emerging Markets
  - Total Valuation: $58,513,316.17
  - Quarterly Return: -11.7%
  - Year-to-Date Return: -18.9%
  - YTD Index Return: -1.3%

**Subtotal Equity**
- Total Valuation: $555,620,000.65
- Quarterly Return: 19.0%
- Year-to-Date Return: 20.9%
- YTD Index Return: 0.0%

### FIXED INCOME MANAGERS:

**Domestic Bonds**
- JP Morgan Investment Management
  - Investment Grade/Core
  - Total Valuation: $72,694,647.50
  - Quarterly Return: -4.2%
  - Year-to-Date Return: -9.4%
  - YTD Index Return: 1.1%
- Neuberger Berman Fixed Income LLC
  - High Yield
  - Total Valuation: $33,730,156.71
  - Quarterly Return: -10.7%
  - Year-to-Date Return: -14.9%
  - YTD Index Return: -1.1%
- Reams Asset Management Company
  - Investment Grade/Core
  - Total Valuation: $76,430,066.25
  - Quarterly Return: -4.7%
  - Year-to-Date Return: -9.8%
  - YTD Index Return: 0.7%
- State Street Global Advisors - Bond Market Index
  - Investment Grade Index/Core
  - Total Valuation: $84,323,258.88
  - Quarterly Return: -4.7%
  - Year-to-Date Return: -10.4%
  - YTD Index Return: -0.1%
- State Street Global Advisors - TIPS Index
  - Investment Grade Index/TIPS
  - Total Valuation: $27,637,306.50
  - Quarterly Return: -6.1%
  - Year-to-Date Return: -8.9%
  - YTD Index Return: 0.0%

**International Bonds**
- Colchester Global Investors
  - Global
  - Total Valuation: $69,599,892.89
  - Quarterly Return: -9.2%
  - Year-to-Date Return: -14.0%
  - YTD Index Return: -0.1%
- Stone Harbor Investment Partners L.P.
  - Emerging Markets
  - Total Valuation: $41,520,352.84
  - Quarterly Return: -15.0%
  - Year-to-Date Return: -24.2%
  - YTD Index Return: -5.4%

**Cash**
- Trustee Cash Management Account
  - Cash & Cash Equivalents
  - Total Valuation: $13,533,340.80
  - Quarterly Return: 1.3%

**Subtotal Fixed Income**
- Total Valuation: $419,469,022.37
  - Quarterly Return: 6.8%
  - Year-to-Date Return: 14.9%
  - YTD Index Return: -1.1%

### ALTERNATIVE ASSETS MANAGERS

**Harrison Street Real Estate Capital**
- Private Real Estate
  - Total Valuation: $46,629,108.99
  - Quarterly Return: 4.3%
  - Year-to-Date Return: 6.2%
  - YTD Index Return: 8.8%
  - Alternative Assets: -4.1%

**PGIM Real Estate**
- Private Real Estate
  - Total Valuation: $50,321,116.26
  - Quarterly Return: 4.7%
  - Year-to-Date Return: 5.4%
  - YTD Index Return: 12.3%
  - Alternative Assets: -0.6%

**Subtotal Alternative Assets**
- Total Valuation: $96,950,227.25
  - Quarterly Return: 4.3%
  - Year-to-Date Return: 11.7%
  - YTD Index Return: -0.6%

**TOTAL**
- Total Valuation: $1,072,039,250.27
  - Quarterly Return: -10.5%
  - Year-to-Date Return: -15.7%
  - YTD Index Return: -0.8%

## Asset Allocation

**EQUITY ALLOCATION**
- Total Valuation: $555,620,000.65
  - Quarterly Return: 51.9%

**FIXED INCOME ALLOCATION**
- Total Valuation: $419,469,022.37
  - Quarterly Return: 39.1%

**ALTERNATIVE ASSETS ALLOCATION**
- Total Valuation: $96,950,227.25
  - Quarterly Return: 9.0%

**TOTAL**
- Total Valuation: $1,072,039,250.27
  - Quarterly Return: 100.0%
This graph is annual starting Jan of 10 yrs prior final value is the most recent quarter.

OPPD Retirement Plan Total Plan Assets - Annual Market Valuation (2012 to Current Quarter)
Pre-Committee Agenda

SYSTEM MANAGEMENT & NUCLEAR OVERSIGHT
PRE-COMMITTEE MEETING
WEBEX VIDEOCONFERENCE
August 3, 2022, 4:00 – 5:00 P.M.

1. Safety Briefing – (Pohl – 2 min)
   a. Objective: Promote awareness of current safety focus.

2. Power with Purpose: Reliability / North Omaha Station Recommendation – Technical Support Presentations (30 min)
   a. Objective: Representatives from US Environmental Protection Agency and the University of Nebraska Medical Center will present, respectively, information on an EPA risk impact screening tool and local public health-related research.

3. Power with Purpose: Reliability / North Omaha Station (Underwood – 10 min)
   a. Objective: Discuss the outreach efforts and requested August Board vote.

4. SD-9 Resource Planning Policy Revision (Underwood – 10 min)
   a. Objective: Discuss the final changes made to SD-9 since June Board meeting and the status of soliciting customer feedback.

5. Nuclear Oversight Update Cadence (Via – 3 min)
   a. Objective: Discuss the proposed revision of Nuclear Oversight Update frequency from monthly to quarterly.

6. Fall 2022 Transmission Construction (Via – 3 min)
   a. Discussion regarding approval of action item.

7. Summary of Committee Direction (Pohl – 2 min)
   a. Objective: Summarize direction provided by the committee.
BOARD OF DIRECTORS

August 16, 2022

ITEM
Award RFP No. 5976 Fall 2022 Transmission Construction

PURPOSE
Board of Directors authorization to reject the proposals received for RFP No. 5976 and for the District to negotiate and enter into contract(s) for transmission construction services including a transmission line relocation for a customer and replacement of fifty-one (51) structures that have reached the end of their useful life.

FACTS
a. Forty-nine (49) wood 69kV structures and two (2) 161kV double circuit lattice structures were identified to be near the end of their useful life and will be replaced.

b. Relocation of approximately 1 mile of 69kV and 161kV overhead transmission line is needed to support UNMC’s Saddlecreek development project.

c. Construction labor includes the following:
   1. Foundation construction, structure erection, and structure framing.
   2. Installation of conductor, shield wire, and fiber optic ground wire.
   3. Removal of existing structures, conductor, shield wires, and transmission line hardware.

d. Six (6) proposals were received. Six (6) proposals are legally responsive, and four (4) are technically responsive. All four (4) technically responsive proposals were determined to exceed the fair market value for the requested work.

e. Construction to begin in September 2022 and conclude first quarter 2023.

ACTION
Authorization by the Board to reject all proposals received for RFP No. 5976 – “Fall 2022 Transmission Construction” and allow District Management to enter into a negotiated contract or contracts.

RECOMMENDED:
Troy R. Via
Chief Operating Officer and
Vice President – Utility Operations

APPROVED FOR BOARD CONSIDERATION:
L. Javier Fernandez
President and Chief Executive Officer

Attachments:
  Analysis of Proposals
  Tabulation of Bids
  Legal Opinion
  Resolution
MEMORANDUM

Date: July 29, 2022
From: D. D. Buelt
To: T. R. Via

RFP No. 5976
“Fall 2022 Transmission Construction”
Analysis of Proposals

1.00 GENERAL

RFP No. 5976 was advertised for bid on June 12, 2022.

Contract scope of work includes; Forty-nine (49) wood 69kV structures and two (2) 161kV double circuit lattice structures were identified to be near the end of their useful life and will be replaced, and a relocation of approximately 1 mile of 69kV and 161kV overhead transmission lines west of Saddle Creek to facilitate a UNMC campus development project.

Construction is scheduled to begin September 5, 2022 and conclude first quarter 2023.

Two (2) Letters of Clarifications (LOC) and two RFP addendums were issued to provide clarification on the geotechnical information, outage schedules, and technical aspects of the project requested by the bidders.

Proposals were requested and opened at 2:00 p.m., C.D.T., Tuesday, July 12, 2022.

Engineer’s Estimate was $1,342,090.50.

Six (6) total proposals were received. The proposals received are summarized in the table below:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Lump Sum Firm Price</th>
<th>Legally Responsive</th>
<th>Technically Responsive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watts Electric Company</td>
<td>$1,498,877.75</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>L.E. Myers Company</td>
<td>$1,844,457.76</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Brink Constructors Inc.</td>
<td>$2,302,752.23</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Haugland Energy Group LLC</td>
<td>$3,003,804.05</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>5 Star Electric West LLC</td>
<td>$3,223,582.37</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Ward Electric Company Inc.</td>
<td>$6,549,533.20</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
2.00 COMPLIANCE WITH CONTRACT TERMS AND GENERAL REQUIREMENTS

OPPD’s legal counsel noted that 5 Star Electric West LLC deletes the requirement for a performance and payment bond. The 5 Star proposal also includes a revision to the contract document that are legally acceptable, but subject to District’s economic evaluation.

The Brink Constructors proposal includes clarifications and exclusions to the contract documents that must be evaluated by the District. In addition, there were missing acknowledgements to the letter of clarifications and addendums that would need to be clarified by Brink in order to award.

The L.E. Myers company proposal takes revisions and exceptions to contract terms, including indemnifications. The revisions do not render the proposal materially nonresponsive, but are subject to District’s evaluation.

The remaining proposals were legally responsive. Subject to the District’s technical and economic evaluation, all proposals could be considered by the District’s Board of Directors for the award of this contract.

Alternatively, OPPD’s legal counsel noted pursuant to Section 70-637(5) of the Nebraska Revised Statutes, the Board may reject all bids and enter into a negotiated contract for this procurement if the Board finds that no responsive bids were received or the bids are in excess of fair market value for the subject matter of the RFP.

3.00 COMPLIANCE WITH TECHNICAL REQUIREMENTS

The proposals received from Brink Constructors Inc., Haugland Energy Group LLC, 5 Star Electric West LLC, and Ward Electric Company Inc. were deemed to be technically responsive.

The proposal from Watts Electric Company will not meet the desired construction scheduled date and is deemed technically nonresponsive.

The proposal from L.E. Myers Company took several exceptions to the Technical Specifications and Special Conditions in the contract document. After evaluation, it was determined that those exceptions subjectively change the basis of the contract document to warrant the proposal to be deemed technically nonresponsive.

Of the four (4) remaining proposals that were deemed technically responsive, an economic evaluation was completed. Based on recent project experience, it was deemed that those proposals exceed the fair market value of the requested work.
4.00 RECOMMENDATION

On the basis of compliance with the legal and technical requirements of the specifications, cost evaluations performed, guaranteed completion dates, and historical performance with OPPD, it is recommended that all proposals received for RFP No. 5976 “Fall 2022 Transmission Construction” be rejected by the Board of Directors and that Management be authorized to enter into a negotiated contract or contracts for this project.

Dannie Buelt, P.E.
Director Engineering
Utility Operations
### TABULATION OF BIDS
Opened at 2:00 p.m., C.D.T., Tuesday, July 12, 2022, in Omaha, Nebraska

<table>
<thead>
<tr>
<th>Anticipated Award Date</th>
<th>August 19, 2022</th>
</tr>
</thead>
</table>

### ENGINEER'S ESTIMATE

| $1,342,090.50 |

### BIDDER'S NAME & ADDRESS

<table>
<thead>
<tr>
<th>BID ITEM</th>
<th>Watts Electric Company</th>
<th>The L.E. Myers Company</th>
<th>Brink Constructors, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>13351 Dovers Street</td>
<td>1405 Jackson St.</td>
<td>2950 N Plaza Drive</td>
</tr>
<tr>
<td></td>
<td>Waverly, NE 68462</td>
<td>Marshalltown, IA 50158</td>
<td>Rapid City, SD 57702</td>
</tr>
</tbody>
</table>

### BIDDER'S BID

<table>
<thead>
<tr>
<th>SUPPLIER'S BID</th>
<th>SUPPLIER'S BID</th>
<th>SUPPLIER'S BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,498,877.75</td>
<td>$1,844,457.76</td>
<td>$2,302,752.23</td>
</tr>
</tbody>
</table>

#### 1. Price Proposal:
- Lump Sum Firm Price (Contract Price) to perform all Work as specified.

#### 2. Delivery Guarantee(s):
- Guaranteed Delivery Date

<table>
<thead>
<tr>
<th>Desired Delivery Dates:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Installations: September 5, 2022</td>
</tr>
<tr>
<td>Complete all Installations: January 4, 2023</td>
</tr>
</tbody>
</table>
## Request for Proposal No. 5976

**Fall 2022 Transmission Construction**

| Anticipated Award Date | August 19, 2022 |

**Engineer’s Estimate**

$1,342,090.50


| Bidder’s Name & Address |

| Suppler’s Bid | Suppler’s Bid | Suppler’s Bid |

### 1. Price Proposal:

Lump Sum Firm Price (Contract Price) to perform all Work as specified.

| | $3,003,804.05 | $3,223,582.37 | $6,549,533.20 |

### 2. Delivery Guarantee(s):

**Guaranteed Delivery Date**

| Start Installations: September 5, 2022 | SEPT 5, 2022 | 9/05/2022 | 9/5/2023 |
| Complete all Installations: January 4, 2023 | JAN 4, 2023 | 1/04/2022 | 1/21/2023 |
July 15, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Request for Proposal No. 5976 – Fall 2022 Transmission Construction ("RFP No. 5976")

Ladies and Gentlemen:

We have reviewed the six (6) proposals received in response to RFP No. 5976 and provide the following legal opinion.

The proposal of 5 Star Electric West LLC deletes the requirement for a performance and payment bond. If the 5 Star proposal is to receive further consideration, the District must obtain a letter of clarification from this bidder stating that it will provide a performance and payment bond if selected for this contract. The 5 Star proposal also includes revisions to the contract document that are legally acceptable, but subject to the District's economic evaluation.

The proposal of Brink Constructors includes clarifications and exclusions related to the contract documents that must be evaluated by the District. Further, the Brink proposal does not acknowledge receipt of the District's letters of clarification 1 and 2. A letter should be obtained from Brink acknowledging receipt of those documents. Finally, although the proposal form does not include the guaranteed start and completion dates, those dates are set forth on page 2 of Brink's cover letter. Therefore, we deem this proposal responsive to the contract documents.

The proposal of L.E. Myers Company includes some revisions to contract terms, including indemnification. Although the provisions are legally acceptable, they are subject to the District's economic evaluation.

Subject to the foregoing comments and the District's technical and economic evaluation, all of the proposals received in response to the District's RFP No. 5976 may be considered by the Board of Directors for the award of this contract. The form of performance and payment bond for the successful bidder also must be approved by the Board.
Alternatively, pursuant to Section 70-637(5) of the Nebraska Revised Statutes, the Board may reject all bids and enter into a negotiated contract for this procurement if the Board finds that no responsive bids were received or the bids are in excess of fair market value for the subject matter of the RFP.

Very truly yours,

Stephen M. Bruckner
FOR THE FIRM
RESOLUTION NO. 65xx

WHEREAS, sealed bids were requested and advertised, as required by law, for the following:

REQUEST FOR PROPOSAL (RFP) NO. 5976
FALL 2022 TRANSMISSION CONSTRUCTION

WHEREAS, bids were received and opened at the time and place mentioned in the published notices and the interim Director – Supply Chain Management supervised the tabulations, which have been submitted to this Board; and

WHEREAS, the Board of Directors has carefully considered the bids submitted, as well as the recommendations of the District’s Management and General Counsel; and

WHEREAS, Section 70-637(5) of the Nebraska Revised Statutes authorizes the District’s Board of Directors to reject proposals if they are not responsive to the Request for Proposal or exceed the fair market value for the proposed scope of work, and to authorize Management to pursue a negotiated contract without compliance with the sealed bidding provisions of Section 70-637 through 70-639; and

WHEREAS, the Board of Directors concurs with Management’s recommendation that all six of the proposals received for RFP No. 5976 are technically non-responsive or exceed the fair market value for the proposed scope of work.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that all proposals received in response to Request for Proposal No. 5976 are rejected and Management is authorized to negotiate and enter into a contract or contracts for transmission construction services, including a transmission line relocation for a customer and replacement of fifty-one (51) structures that have reached the end of their useful life, subject to review and approval of the final contract(s) by the District’s General Counsel.
Board Action

BOARD OF DIRECTORS

August 16, 2022

ITEM

Nebraska City Station Unit 2 Air Preheater Basket and Seal Replacement Materials

PURPOSE

Issue contract for the purchase of air preheater basket and seal materials for installation in both Nebraska City Station Unit 2 air preheaters to maintain unit efficiency and reliability.

FACTS

a. The existing baskets and seals are at the end of their expected life. Recent inspection reports have confirmed replacement of the baskets and seals is needed.

b. The air preheater basket and seal work will be completed during the planned spring 2023 Unit 2 outage. Installation labor will be provided separate from this contract.

c. One bid was received which included two additional bid options in addition to the base bid. The base bid and alternates were determined to be legally and technically responsive with Alternate Bid 1 providing the most value.

ACTION

Authorization by the Board to award a contract to Arvos Ljungstrom LLC for the Nebraska City Station Unit 2 Air Preheater Basket and Seal Materials in the amount of $2,498,785.

RECOMMENDED:

Troy R. Via
Chief Operating Officer and Vice President – Utility Operations

APPROVED FOR BOARD CONSIDERATION:

L. Javier Fernandez
President and Chief Executive Officer

Attachments: Letter of Recommendation
Tabulation of Bids
Legal Opinion
Resolution
DATE: July 29, 2022                                                                                   UO-2022-006
FROM: S.A. Eidem                                                                                   T.R Via
TO: T.R Via

SUBJECT: Nebraska City Station Unit 2 Air Preheater Basket and Seal Materials

1.00 GENERAL

Request for Proposal (RFP) No. 5977 is for the material procurement contract for replacement baskets and seals utilized in the Nebraska City Unit 2 (NC2) air preheaters. The contract is for the supply of materials only and does not include installation. An installation contract is planned to be awarded later in 2022. Installation is planned to occur during the scheduled unit outage in the spring of 2023.

There are two layers of baskets within the two Nebraska City Station Unit 2 air preheaters. Recent inspections found normal wear and fouling on both layers consistent with their age therefore replacement is needed to maintain unit reliability and efficiency. Replacement baskets for both layers are included in this contract, along with the required seals.

The contract was advertised on June 14, 2022. No addenda or letters of clarification were issued. Bids were received and opened on July 13, 2022. One company submitted a bid which included two alternatives in addition to the specified base bid. The Engineers estimate for this work was $3,600,000. The bid prices are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Bid Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arvos Ljungstrom LLC (Base Bid)</td>
<td>$2,405,705</td>
</tr>
<tr>
<td>Arvos Ljungstrom LLC (Alternate Bid 1)</td>
<td>$2,498,785</td>
</tr>
<tr>
<td>Arvos Ljungstrom LLC (Alternate Bid 2)</td>
<td>$3,011,187</td>
</tr>
</tbody>
</table>

2.00 COMPLIANCE WITH CONTRACT TERMS AND CONDITIONS

The proposals were referred to the District’s legal counsel for review. The proposals received in response to the District’s RFP No. 5977 may be considered by the District’s Board of Directors for the award of this contract.
3.00  COMPLIANCE WITH TECHNICAL REQUIREMENTS

The proposals received were determined to comply with the technical requirements and were economically evaluated. Alternate Bid 1 featured a new basket design offering improved performance and durability with reduced pressure loss for gases flowing through the baskets and was determined to be the lowest, best bid.

Alternate Bid 2 featured the same design improvements as Alternate Bid 1 plus a ceramic coating on the cold end baskets for additional corrosion resistance. Alternate Bid 2 was determined to be un-economical as the cold end baskets have no history of significant corrosion.

4.00  RECOMMENDATION

Based on compliance with legal and technical requirements of this specification, it is recommended the Board of Directors authorize award of Request for Proposal No. 5977 to Arvos Ljungstrom LLC for $2,498,785 (Alternate Bid 1).

Scott A. Eidem
S.A. Eidem, P.E.
Director, Engineering Services
Utility Operations
# TABULATION OF BIDS
Opened at 2:00 p.m., C.D.T., Wednesday, July 13, 2022, in Omaha, Nebraska

## REQUEST FOR PROPOSAL NO. 5977
Nebraska City Station Unit 2 Air Preheater Replacement Baskets and Seals

## ENGINEER'S ESTIMATE

$3,600,000.00

## BIDDER'S NAME & ADDRESS

<table>
<thead>
<tr>
<th>BID ITEM</th>
<th>SUPPLIER'S BID</th>
<th>SUPPLIER'S BID</th>
<th>SUPPLIER'S BID</th>
</tr>
</thead>
</table>
| Arvos Ljungstrom LLC  
3020 Truax Road  
Wellsville, NY 14895 | Guaranteed Delivery Date | Guaranteed Delivery Date | Guaranteed Delivery Date |

1. **Proposal Price(S)**
   - **Total Base Bid**: $2,405,705.00

2. **Delivery Guarantee(s)**
   - **Desired Delivery Date**: April 7, 2023
     - **Guaranteed Delivery Date**: April 7, 2023
July 14, 2022

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Request for Proposal No. 5977 – Nebraska City Unit 2 air preheater baskets

Ladies and Gentlemen:

We have reviewed the single proposal of Arvos Ljungstrom LLC for RFP No. 5977 and provide the following legal opinion.

The Arvos proposal states that it is valid only for 30 days. In order to consider the Arvos bid, the District must obtain a letter of clarification from Arvos stating that the bid remains valid through the anticipated contract award date of August 18, 2022. Please also note that the Arvos proposal sets forth payment terms that differ from the District’s standard terms, and those payment terms need to be evaluated by the District. Finally, Arvos proposes to use a previously executed contract between Arvos and the District. The subject contract is a Master Procurement Agreement dated December 12, 2018. This approach is acceptable, although I recommend that the contract documents be conformed to make it clear that the proposal for RFP 5977 will be covered under the previously executed Master Procurement Agreement.

Subject to the foregoing comments and the District’s technical and economic evaluation, the Arvos proposal may be considered by the District's Board of Directors for the award of this contract. The form of performance and payment bond also must be approved by the District.

Very truly yours,

[Signature]
Stephen M. Bruckner
FOR THE FIRM

SMB/sac
2850782 v1
WHEREAS, sealed bids were requested and advertised, as required by law, for the following:

REQUEST FOR PROPOSAL (RFP) NO. 5977
NEBRASKA CITY STATION UNIT 2
AIR PREHEATER REPLACEMENT BASKETS AND SEALS

WHEREAS, bids were received and opened at the time and place mentioned in the published notices and the Director – Supply Chain Management supervised the tabulations, which have been submitted to this Board; and

WHEREAS, the Board of Directors has carefully considered the bids submitted, as well as the recommendations of the District’s Management and General Counsel.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the proposal of Arvos Ljungstrom LLC in the amount of $2,498,785.00 (Alternate Bid 1) for the supply of air preheater replacement baskets and seals for the Nebraska City Station Unit 2 boiler pursuant to Request for Proposal No. 5977 is hereby accepted, and the form of payment and performance bond of such bidder is approved.
ITEM

Power with Purpose: Natural Gas Generation, Energy Delivery and Solar Updates

PURPOSE

Provide updates on Power with Purpose projects for August 2022.

TURTLE CREEK STATION & STANDING BEAR LAKE STATION FACTS

1. Engineering, procurement, and construction activities are in progress 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. Activities include grounding work in the substations, underground piping, foundation work at the sites, and preparations for major equipment deliveries.

2. Preliminary grading concluded at both Turtle Creek Station and Standing Bear Lake Station. This activity (in part) has caused delays at both sites that will push the expected in service dates out.

3. Shipment of major equipment from Siemens Energy and Wärtsilä has commenced.

ENERGY DELIVERY FACTS

1. Construction on both the transmission and substation work has remained on target with the 144th and Capehart Road Substation fully commissioned and energization scheduled for August 2022.

SOLAR FACTS

1. The 81-megawatt Platteview Solar facility in Saunders County continues to make progress. OPPD signed a power purchase agreement with Community Energy, which is now part of Applied Energy Services (AES). AES will lead the construction, and will be the long-term owner and operator of the facility. Construction is expected to begin at the site in the first quarter of 2023.

2. In addition to Platteview Solar, OPPD continues to pursue the remaining solar generation previously approved in the 2019 Power with Purpose resolution. Supply chain issues, generation interconnection study backlogs and the United States Department of Commerce’s anti-circumvention investigation have caused national delays to solar projects across the country and have challenged OPPD’s efforts to date.

3. OPPD staff continues to monitor federal policy, work with local officials on solar regulations and pursue future sites that help to mitigate project risks.

RECOMMENDED:

Troy R. Via
Chief Operating Officer & Vice President
Utility Operations

Ted Cross
President and Chief Executive Officer

APPROVED FOR REPORTING TO BOARD:

Troy R. Via
Chief Operating Officer & Vice President
Utility Operations

L. Javier Fernandez
President and Chief Executive Officer

TRV:maw
Power with Purpose Update
Committee Meeting

August 16, 2022
Power with Purpose Update

Agenda

- Standing Bear Lake Station & Turtle Creek Station
- Transmission & Substation
- Solar
- Stakeholder Outreach & Communication
Standing Bear Lake Station & Turtle Creek Station
Power with Purpose Update
Standing Bear Lake Station

• Preliminary grading complete
• EPC full site control: June 24, 2024
• Wartsila equipment delivery: Q3 2022–Q1 2023
  – Engines to site September 2022
• Substation Completion: Q2 2023
• Site Completion: Early Q1 2024

Information as of August 4, 2022

(Wartsila Engines on vessel)
Power with Purpose Update
Turtle Creek Station

- Preliminary grading complete
- EPC full site control: June 24, 2024
- Siemens equipment delivery: Fall 2022
- Substation Completion: Q2 2023
- Site Completion: Early Q1 2024

Information as of August 4, 2022
Power with Purpose Update
SBLS/TCS Collaboration with Internal Stakeholders

Operations:
- Operations readiness planning: procedures, operating instructions, cold weather preps

Asset Management:
- Identify major maintenance schedules from Siemens & Wartsila

Training:
- Wartsila training (scope, schedule)
- Siemens training (scope, schedule)
- EPC training (scope, schedule)

Technology and Security
- Design transmittals and reviews
- Security

Maintenance
- Maintenance team members to observe major equipment assembly

Engineering
- Design transmittals and reviews

Operation Technology
- Coordination with Owner Furnished Equipment (OFE) Vendors and Engineer, Procure, Construct (EPC) Contractor
- Service agreements and cyber security

Project Management Office
- Project scheduling and metrics
- Project management standards and best practices
Transmission & Substation
Transmission and Substation

Transmission:
• 2 circuits (~4.5 miles) Construction Complete
• Energization: 8/8, 10/4

Remote End Substations:
• 144th and Capehart: Commissioned 7/29
• 180th and I-80: ~70% complete
Solar
Updates to Platteview Solar

• OPPD is excited to partner with AES, which will be responsible for the construction of the facility, and will be the long-term owner and operator of Platteview Solar
  – OPPD executed a PPA with the solar developer, Community Energy, which was then acquired by AES

Platteview Solar Project

• Size: 81 MW_{AC}
• Location: Saunders County, NE
• Planned operation date: Spring 2024
• OPPD Contract term: 20 years

Rendering of future solar site south of Yutan, Nebraska
Design, Engineering & Construction Preparation
Currently ongoing through early 2023

• Updated schedule
  – New anticipated operation date is Spring 2024
  – Supply chain delays (equipment lead times) and impacts from federal solar policy pushed the schedule
  – Continues to progress through SPP’s Generation Interconnection study backlog; has an executed Interim Generation Interconnection Agreement

• Activity at the site will begin early 2023
  – First visible activities will be site preparation and equipment deliveries
  – Allows time for 2022 harvest
Photovoltaic (PV) Solar Technology Components

- CENTRAL POWER INVERTER AND STEP UP TRANSFORMER
- INTERIOR ACCESS ROAD
- SINGLE AXIS TRACKER ROW
- PERIMETER SECURITY FENCE
- DRIVEN STEEL PILES
- PV PANELS
Major Equipment

Photovoltaic (PV) Solar Panel

- Aluminum Frame
- Tempered Glass
- Encapsulant - EVA
- Solar Cells
- Encapsulant - EVA
- Back Sheet
- Junction Box

Glass ~ 85%
Aluminum ~ 8%
Silicon ~ 6%
Wiring ~ 1%

OPPD's Fort Calhoun Community Solar

Piling

Single-Axis Tracking
Construction Phase: Civil, Mechanical & Electrical

Expected to begin early 2023 (after equipment deliveries to the site) through Fall 2023

- Driving Pile
- Installing Racking
- Installing Panels

Design & Engineering

Site Preparation

Construction

Commissioning

Operation

Photo courtesy of Solar Pile Driver LLC

Photo courtesy of Entergy

OPPD's Fort Calhoun Community Solar
OPPD Substation & Interconnection

Expected to begin in the Spring of 2023

In parallel to construction activity at the solar site, OPPD teams will work on interconnection facilities required to connect to OPPD’s 69 kV system.
Commissioning & Energization
Fall – Winter 2023
Commercial Operation

Expected Spring 2024

Pollinator and native habitat is planned and will take a couple of years to establish at the site.
Platteview Solar is powering economic activity in Saunders County

$100M+
capital investment in Saunders County

$2.5M
local economic impact annually

$75M
Local spend during project construction
150+ local jobs
Use local contractors (electrical, site work, landscaping)
Local spend for hotels, restaurants, entertainment

$300K+
Estimated annual new property tax revenue
$200K+ to local schools
$14K to local volunteer fire department
$50K to Saunders County

Impact data from: UNL Impact Study (IMPLAN), Baird Holm and Community Energy
Beyond Platteview Solar

• OPPD is still pursuing up to 600 MW of solar. This is needed to serve its customers with both accredited capacity and on-peak energy for its growing load

• The portfolio has experienced delays that are being experienced nationally
  – Generation Interconnection backlog is impacting ALL new generation to the transmission grid
  – Development and implementation of local solar zoning regulations
  – Supply chain challenges
  – Federal policy changes and focus on solar imports

• Engaged in local, state, and federal policies for impacts to solar projects
  – US Department of Commerce to announce anti-circumvention investigation decision in late August
  – Monitoring potential outcomes from the Inflation Reduction Act of 2022
  – Engaged with local jurisdictions to support regulation development

• Continuing to study sites and develop risk mitigation strategies for solar deployment
  – Progress on sourcing and specific sites will be announced in the coming months
Stakeholder Outreach & Communication
Stakeholder Outreach and Communication
SBLS/TCS

- OPPDCommunityConnect additional signage at each location

- OPPDCommunityConnect continued project page updates
  - Standing Bear Lake project page
  - Turtle Creek Station project page
  - Sarpy Southwest Transmission Project

- 1:1 touchpoints with M.U.D., HOAs, neighbors and stakeholders as needed
Solar Community Outreach – Ongoing

- OPPD continues advocacy and education to community leaders, customers and stakeholders across the service territory and on a statewide level
- Further development of outreach materials and education including a new video on our YouTube page
- These ongoing, coordinated efforts ensure OPPD is the best source of information
- Follow our journey at OPPDCommunityConnect.com
BOARD OF DIRECTORS

August 16, 2022

ITEM

Power with Purpose Reliability – North Omaha Station Extension

PURPOSE

Board of Directors Approval to Defer North Omaha Station Refuel and Retirement Dates

FACTS

1. The Board of Directors adopted Resolution No. 6006 on June 19, 2014, and Resolution No. 6122 on June 16, 2016, which direct the planned retirement of North Omaha Station (NOS) Units 1, 2 and 3 and the refueling of NOS Units 4 and 5 from coal to natural gas only, by the end of 2023.

2. On November 14, 2019, the Board adopted Resolution No. 6351, which authorizes the engineering, procurement and construction of the Power with Purpose solar and natural gas generation assets. These solar and natural gas generation assets are required to maintain system reliability and resiliency, serve growing customer load, and retire or refuel aging generation assets at the North Omaha Station.

3. The Power with Purpose natural gas generation assets, designated as Turtle Creek and Standing Bear Lake Stations, were scheduled to come online in fully accredited capability pursuant to Southwest Power Pool standards by the end of 2023, enabling the retirement and refueling of the NOS units.

4. Due to challenges with the federally-regulated generation interconnection process, supply chain, and other construction-related impacts to the Power with Purpose project, the District has experienced a delay in bringing online the Power with Purpose natural gas generation assets in fully accredited capability.

5. In accordance with the Board’s Strategic Directive 4, addressing system reliability, and to maintain compliance with applicable federal reliability standards and assure the continued reliability and resiliency of the OPPD system, Management of the District has determined that it is necessary and prudent to extend the retirement of NOS Units 1, 2 and 3 and delay the refueling of Units 4 and 5 until the Power with Purpose natural gas units are able to generate electricity, have executed the required agreements and completed any potential required infrastructure or other obligations set forth in both the Generation Interconnection Agreement and Transmission Service Agreements and are able to operate in an unconditional, fully accredited capability.

6. The District will expand partnerships with interested customers to make significant and incremental investments in Demand Side Management programs to mitigate its short term energy and capacity requirements.
ACTION

Board of Directors approval of an extension to the retirement of North Omaha Station Units 1, 2, and 3 and the refueling to natural gas of North Omaha Station Units 4 and 5 until the District’s Standing Bear Lake Station and Turtle Creek Station, currently under construction are completed, able to achieve full accreditation pursuant to achieving both the required executed agreements as well as satisfying all requirements of the Southwest Power Pool for generation interconnection and transmission service.

RECOMMENDED:

Brad Underwood
Vice President – Systems Transformation

APPROVED FOR BOARD CONSIDERATION:

L. Javier Fernandez
President and Chief Executive Officer

BRU:mfh
Power With Purpose: Reliability / North Omaha Station Recommendation

August Committee Meeting

August 16, 2022
Agenda

• June 2022 Board Committee Meeting Recap
• Customer Outreach & Feedback Summary
• Response to Customer Feedback
• Recommendation
June 2022 Board Committee Meeting Recap

Power with Purpose: Reliability Update
Power With Purpose

Background – Project Overview

• Power with Purpose (PwP) identified the need for both new natural gas and solar generation balancing affordability, reliability and environmental sensitivity

• The PwP projects:
  1. Allow for the planned retirement of North Omaha (NO) Units 1-3 and refuel of NO Units 4 & 5 from Coal to Natural Gas
  2. Facilitates large load growth
  3. Maintains critical and historical reliability & resiliency

• Creates a scenario where a significant amount of bulk generation changes are set to occur where the coordination of “in service” dates is critical for successful project outcomes and maintaining system reliability & resiliency

Working Towards Solutions

Problem:
- Changing generation landscape
- Supporting the needs of our growing communities
- Maintaining reliability and resiliency

Framework:
- OPPD’s Mission
  Affordable, Reliable & Environmentally Sensitive
- Strategic Directives
- Legal and Regulatory Obligations

Solution:
- Large utility scale solar with natural gas backup
- Modernized natural gas assets; replacement for North Omaha Units 1-3 retirements and Units 4 & 5 refuel to natural gas
- Voltage support device(s)
- Request for Proposal (RFP) results will finalize the modeling conclusions

Material from October 2019 OPPD Public Board Meeting
Industry Events & Challenges

- **Changing Resource Mix** continues to remain the North American Electric Reliability Corporation’s (NERC) top **Grid Reliability Risk** – growing concerns for potential of large scale blackouts

- **Solar generation challenges** – federal investigation into solar panel imports and zoning challenges for siting solar causing significant delays

- **Regulated Grid Interconnection Study Backlogs** - Federally regulated Generation Interconnection (GI) request evaluation study process is severely backlogged across entire country causing major multi-year delays in interconnecting new generation to the ‘open access’ transmission grid

Impacts on Industry

- As a result of these industry challenges, there are numerous examples of electric utilities across the country deferring conventional generation retirement plans and generation expansion plans in order to maintain grid reliability and resiliency

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1 Berkeley Lab - Queued Up: Characteristics of Power Plants Seeking Transmission Interconnection As of the End of 2020, May 2021
Numerous plans were put in motion to mitigate the federally regulated, SPP administered regional GI study backlog:

- OPPD submitted PwP generation interconnection requests to SPP in early 2020 and strategically sited those resources to help minimize transmission upgrades
- Since then, the SPP GI study backlog landscape drastically changed, request processing times doubled and massive regional transmission network upgrade buildout requirements are being identified
- Interim interconnection service option being pursued for PwP but running into roadblocks based on initial study results provided Q2 2022 and growing concerns with the availability of this short-term annual product year over year
- Despite these mitigation efforts, the backlogged GI process has not been resolved for our PwP generation and a new mitigation plan needs to be considered while our applications are pending evaluation

Regulated Generation Interconnection (GI) multi-year study backlog poses most significant risk and impact to the in-service dates for all of the PwP gas and solar generation:

- OPPD is part of the Southwest Power Pool (SPP) Regional Transmission Organization which is responsible for overseeing the regulated grid interconnection process in this region
- Similar to every region across the country, SPP’s GI process is significantly backlogged and delayed which is impacting our PwP generation in-service dates
- Interconnection to the grid cannot be denied, but it requires a grid reliability impact study be completed first

Industry Challenges Impact on Power with Purpose:

- North Omaha Station (NOS) unit retirements and fuel conversion from coal to natural gas were originally targeted by end of 2023, and Power with Purpose (PwP) generation assets were largely planned to be in service prior to these NOS changes occurring
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- Despite these mitigation efforts, the backlogged GI process has not been resolved for our PwP generation and a new mitigation plan needs to be considered while our applications are pending evaluation.
OPPD Impact of Power with Purpose Delay
Grid Reliability & Resiliency

• Power with Purpose (PwP) generation expansion plan was originally intended to largely be put in service by Fall 2023 to facilitate the North Omaha Station unit retirement / conversions, to support OPPD’s growing communities and to maintain reliability & resiliency.

• The same industry events and challenges that are impacting generation retirement and expansion plans across the country are also impacting OPPD’s plans and causing delays with PwP.

• In order to ensure OPPD’s Reliability & Resiliency margins are preserved to help prevent large scale blackouts, a mitigation plan for PwP generation delays is recommended to be put in place.

• Based on the magnitude of the generation portfolio changes and the local and national challenges, very few options are available.
OPPD Impact of Power with Purpose Delay
Options Considered

• Option 1: Retire North Omaha Station (NOS) Units 1-3 and convert NOS Units 4-5 from coal to gas as previously planned by 12/31/2023
   • Beneficial environmental impact of reducing emissions from NOS
   • Voltage stability and import capability would reduce by approximately 60% of current levels leaving the OPPD system degraded and in unacceptable condition susceptible to large scale blackouts

• Option 2: Defer NOS retirement / conversion date for a temporary period until there is certainty for PwP gas generation grid injection and operation
   • Defers reduction of emissions from NOS for a temporary period
   • Maintains grid reliability & resiliency
   • The district will need to make additional investments for extending operation at NOS that are estimated to be less than the market revenues
Recommendation
Mitigation Plan – Extend North Omaha Station for Temporary Period

• To ensure grid reliability & resiliency, extend North Omaha Station (NOS) in its current capability for a temporary period until all conditions and milestones, including but not limited to transmission network upgrade requirements, as set forth in the executed Generation Interconnection and Transmission Service Agreements for Power with Purpose gas generation have been satisfied
  – NOS current capability: Units 1-3 primarily operate on gas and Units 4-5 primarily operate on coal
  – For planning purposes, prepare for extension of NOS in its current capability until 12/31/2026, but the extension could be terminated earlier or extended further pending Southwest Power Pool (SPP) service agreement milestones
    • SPP Transmission Service Agreements and SPP Generation Interconnection Agreements anticipated by 2024-2025
    • Upon issuance of these service agreements, will re-evaluate this NOS extension for potential termination or further extension pending final SPP transmission network upgrade requirements
  – Balance environmental impacts and reliability needs by exploring the possible options to minimize NOS coal unit emissions if system conditions allow along with pursuing interim grid interconnection service for PwP generation
    • Continue advocacy for energy regulatory policy reform for new grid interconnections regionally and nationally
• Expand large customer demand response programs, primarily commercial and industrial customers
• Continue to pursue critical Power with Purpose utility scale solar resources
• In accordance with Powering the Future 2050, OPPD intends to engage with local education and community organizations to pursue efforts to improve overall impacts for Omaha residents.
Extend North Omaha Station For Temporary Period
Long-lead Time Items Require Near-Term Action

• Staffing
• Additional maintenance and capital improvement work
• Additional fuel acquisition
• Permitting considerations
External communications & customer feedback

June 13-August 14, 2022
Communication & Outreach
IAP2 Level: Inform

• OBJECTIVE: Communicate local, regional and national challenges and changes to the electrical system landscape.

• MEASUREMENT: Ensure stakeholders understand the problem(s) we are addressing.

• TACTICS: Various, internal communications, external 1:1s, videos, industry articles, Speakers Bureau, website education, FAQs, etc.

TIMELINE

- Mon., June 13 Employee communication
- Tues., June 14 Board Committee Meeting
- June 14 – Aug. 12 - Stakeholder & Customer Outreach
- Thurs., June 16 Board Meeting; Wire story posted
- July No Committee or Board Meeting
- Tues., Aug. 16 August committee meeting
- Thurs., Aug. 18 August board meeting—Board Action
External Communications

• Story on OPPDtheWire.com
  – 1,345 page views
  – 1,265 new visitors
  – Average time on post: 6 minutes, 7 seconds

• Media coverage
  – 23 media stories (TV, print and online outlets)

• OPPD Community Connect
  – One comment submitted

• In-person conversations
  – 1:1s with community, regulators, interest groups and elected officials.
Social media

• Posts and engagement
  • 14 organic posts on OPPD accounts
    Reach: more than 11,900
  • Impressions: more than 24,800
  • Link clicks: 238
  • Engagements: 789
  • 33 shares of OPPD posts by others

• Social media insights
  • Total mentions: 164
  • Total impressions: 1,700,000
  • Total reach: 363,000
Board contacts and livestreams

- 59 board contacts
  - Board contacts received from districts 2, 3, 4, 5, 6, 7 & 8
- Zero phone calls through the call center
- 1 email via customer service email

**Board meeting livestream attendance**
- June board meeting
  - Customers: 49
  - In-person customers: 3
- June all-committee meeting
  - Customers: 10
  - In-person customers: 0
Response to customer feedback

OPPD’s Commitment to Environmentally Sensitive Energy
Commitment to Environmentally Sensitive Energy
Past Performance

• Over the past decade, OPPD's generating fleet has significantly reduced emissions while maintaining reliability and affordability.

• During the last decade, OPPD has integrated over 1,000 MW of new wind energy into our portfolio, converted three of our oldest old coal units to natural gas and introduced new demand side management programs.

• OPPD will continue efforts to try and reduce emissions while adhering to market rules and system needs.

https://www.oppd.com/environment/environmental-reports/fleet-emissions/
OPPD has a goal of being Net Zero Carbon by 2050.

OPPD recently completed its Pathways to Decarbonization Energy Portfolio study in 2021 and these study results were incorporated into OPPD’s most recently published Integrated Resource Plan (IRP).

OPPD remains committed to a sustainable path, achieving our net zero carbon goal by 2050 and building a cleaner world while continuing to maintain reliability and affordability.

Key Findings from OPPD’s Pathways to Decarbonization: Energy Portfolio study:

1. OPPD can achieve net-zero while balancing affordability and reliability.
2. Cessation of coal generation and reduced use of fossil generation.
3. A mix of new low-carbon resources including renewable energy, energy storage and community-wide energy efficiency will be required.
4. Firm, dispatchable generation is needed to maintain resource adequacy.
5. Resources are consistent across a variety of pathways.
6. Absolute-zero emissions scenarios are substantially higher cost and very dependent on future technology development.
7. Accelerating decarbonization reduces cumulative emissions at a relatively low incremental cost, but poses implementation and integration challenges.
8. The changing resource mix will pose new resiliency challenges that must be evaluated, understood and mitigated.

https://www.oppdcommunityconnect.com
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<th>2018 and Prior</th>
<th>2019</th>
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Commitment to Environmentally Sensitive Energy
Net Zero Carbon by 2050: Demand Side Management
Future Board and Public Updates

• Periodic updates will be provided to the Board and public regarding:
  – Status of milestones in the SPP generation interconnection process for PwP gas assets, including the interim interconnection process
  – Any material SPP generation interconnection policy or process change which will impact the PwP gas assets
Summary

• Power with Purpose (PwP) generation expansion project is the key enabler to fulfill the transition plan at North Omaha Station (NOS) and must occur in the right technical sequence, at the right times in order to ensure grid reliability and resiliency is maintained to help avoid large scale blackouts.

• While the direction of net zero carbon remains unchanged as well as our intentions to refuel and retire the units at NOS, the timeliness of the generation changes is dependent upon variables not solely controlled by OPPD.

• Community feedback is they understand OPPD’s commitment to reliability but some are disappointed that we can’t make the change when we said. Accordingly, social media sentiment says 89% is neutral or positive regarding the recommendation. Additionally, in accordance with Powering the Future 2050, OPPD intends to engage with local education and community organizations to pursue efforts to improve overall impacts for Omaha residents.

• Updates will occur to the Board publicly on a monthly frequency during Power with Purpose project status meetings. The District will know more definitive timelines upon receipt of the generation interconnection study results published by the Southwest Power Pool, which is currently estimated in late 2024/early 2025.

• Staff’s recommendation is to extend NOS for a temporary period until the Power with Purpose gas assets have completed and fulfilled all the regulated grid interconnection and delivery milestones which is currently estimated by 12/31/2026.
BOARD ACTION

BOARD OF DIRECTORS

August 16, 2022

ITEM

Revisions to SD-9: Resource Planning

PURPOSE

To ensure full board review, discussion and acceptance of SD-9: Resource Planning policy revisions.

FACTS

a. The System Management and Nuclear Oversight Committee is responsible for evaluating and monitoring Board Policy SD-9: Resource Planning.

b. The System Management and Nuclear Oversight Committee proposed revisions for Board consideration and public feedback on June 16, 2022. Public comments were accepted on OPPDCommunityConnect.com from July 28 to August 14, 2022.

c. The System Management and Nuclear Oversight Committee is recommending to the Board that Board Policy SD-9: Resource Planning be renamed to SD-9: Integrated System Planning and be revised as outlined on Exhibit A.

ACTION

Board of Directors approval of the SD-9: Integrated System Planning policy, as outlined on Exhibit A.

RECOMMENDED:  

APPROVED FOR BOARD CONSIDERATION:

Brad Underwood  
Vice President – Systems Transformation

L. Javier Fernandez  
President and Chief Executive Officer

BRU:rak

Attachments: Exhibit A – Proposed SD-9: Integrated System Planning Policy  
Exhibit B – Presentation Resolution
Integrated System Planning is the ecosystem of planning processes used to efficiently integrate the transmission system, supply and demand side resources, and the increasingly complex distribution system. Through Integrated System Planning efforts, OPPD will continually plan for, adapt to, and enable both the needs of our customers and the rapidly transforming electric industry. Successful planning will ensure both a reliable electric system and the resiliency of the system and its components to prepare for, withstand, respond to, adapt to and quickly recover from a non-routine event.

OPPD shall:

- Ensure that year-round supply-side and demand-side resource capacity exceeds forecasted load in compliance with resource adequacy and planning reserve margin requirements of OPPD’s regional balancing authority.

- Ensure compliance with applicable planning related North American Electric Reliability Corporation Reliability Standards including consideration of Essential Reliability Services.

- Ensure planning accounts for potential extreme weather events, changes to demand-side and supply-side regional resources and extended periods of low energy production by variable energy resources.

- Compute resource adequacy metrics that quantify the ability of OPPD’s resources to meet its forecasted electric demand:
  - Measure the frequency with which a system’s demand is expected to be met by system capacity over a period of time.
  - Measure the percentage of total energy that a system is projected to be able to serve over a period of time.
SD-9: Resource Planning Board Policy Refinement Discussion

Brad Underwood
Vice President – Systems Transformation
August 16, 2022
The Board of Directors recognizes that the District will have to adapt to the rapidly changing electric utility business environment. The OPPD resource planning process will provide the resources and analytical capability to adequately assess OPPD’s Integrated Resource Portfolio (or Supply and Demand Portfolio) to ensure reliable, competitive, cost-effective and environmentally sensitive service for our customers.

To attain this goal, OPPD shall:

- Periodically assess, for strategic and integrated resource plans, OPPD’s mix of generation assets, demand-side management programs, purchased power agreements and renewable energy resources.
- Utilize multiple scenarios to properly evaluate the range of risks posed by varying future assumptions such as, but not limited to fuel costs, economic growth, regulations and emerging technologies.
- Ensure all integrated resource strategic plans support and align with OPPD’s strategic direction policies.
Refinement Process: Strategic Directives

**BOARD WORK PLAN**

**Step 1**
Committee chair/director requests during regular All Committee to determine if policy refinement will be added to the Board Work Plan.

**PRIORITIZATION**

**Step 2**
Board Chair and CEO convene to confirm priority, resource requirements, and start and finish dates; pending discussion, Chair/CEO will inform committee chair.

**PRES & CEO**

**Step 3**
Assigns SMT to policy refinement as appropriate; approves initial drafts for committee review and comment.

**COMMITTEE**

**Steps 4-5**
Reviews, revises and finalizes refinements to present to Board.
Committee Chair Committee

**BOARD**

**Steps 6-8**
Provides feedback on draft; concur readiness for public posting; approve final committee recommendation via Board vote.

---

**Owners’ Wishes**

**Impact/Outcome**

**In-Committee**

**Added to Work Plan**
August 26, 2020

**Committee discussion & recommendation development**
December 3, 2020-present

**Board review/decision**
June 14, 2022

**Public Comment**
July 28 – August 14, 2022

**Vote**
Tentative August 18, 2022

*“Governance exists in order to translate the wishes of an organization’s owners into organizational performance.”*

- John Carver

SD-9

3
Is there anything that requires further clarification?
Is there anything you especially like?
Is there anything that you'd like the Committee to consider before moving this forward for public review and comment?
Feedback & Outreach – July 28 to August 14, 2022

Board Feedback

• Alterations were made post All Committee Review on June 14, 2022 and prior to outreach
  – Linguistic alterations made to enhance clarity and flow
  – Modest content removal

Outreach Effort

• Proactive outreach for awareness
  – Multiple channels were used to create awareness and collect feedback
• Posted on OPPD Community Connect July 28th
  – 3 public comment received
Next Step

- Option 1: Board Resolution & Vote
  OR
- Option 2: Additional Committee Deliberation
WHEREAS, in June 2022, the System Management and Nuclear Oversight Committee (the “Committee”) proposed, and the Board of Directors reviewed, a recommendation to revise Board Policy SD-9: Resource Planning; and

WHEREAS, the proposed revisions were posted on OPPDCommunityConnect.com for public comment between July 28, 2022 and August 14, 2022, and the Board reviewed the public comments that were received.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the revised Board Policy SD-9: Resource Planning be and hereby is renamed SD-9: Integrated System Planning and the proposed revisions are approved, effective August 18, 2022, as set forth on the Exhibit A, attached hereto.
Reporting Item

BOARD OF DIRECTORS

August 16, 2022

ITEM

Nuclear Oversight Committee Report

PURPOSE

The Nuclear Oversight Committee provides a regular oversight of items related to the Fort Calhoun Station (FCS) nuclear plant.

FACTS

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 conducted:

- Segmentation of the reactor vessel internal components and shipping of the associated material continues to advance. Approximately 65% of the cuts necessary to complete segmentation by the end of the year are complete.

- Demolition of several site structures continues. Since the last update, the structural demolition of the Turbine building began and is progressing on schedule. The current focus is on demolition of the robust concrete turbine pedestal.

- The Nuclear Regulatory Commission (NRC) performed another routine inspection with no findings or violations noted. In addition to document reviews, the inspectors toured the site and observed work in progress. The NRC also conducted a public meeting in Blair to discuss the license termination plan for the site as part of the normal approval process.

RECOMMENDED: APPROVED FOR REPORTING TO BOARD:

Troy R. Via
Chief Operating Officer & Vice President Utility Operations

L. Javier Fernandez
President and Chief Executive Officer

TRV:tsu
Reactor Vessel Internal Segmentation

Upper Guide Structure – Upper Support Plate
Turbine Building Demolition

Turbine Building Ready for Structural Demo

Turbine Building Upper Portion Demo Begun
Pre-Committee Agenda

PUBLIC INFORMATION PRE-COMMITTEE MEETING
WEBEX VIDEOCONFERENCE
Tuesday, August 9, 2022  4:00 – 5:30 P.M.

1. Safety Briefing (McAreavey – 3 min)
   a. Objective: Promote awareness of current safety focus.

2. Power with Purpose: Reliability Update (Underwood – 30 min)
   a. Objective: Discuss PwP reliability and update on North Omaha Station.

3. Customer Engagement for the Future Update (McAreavey – 30 min)
   a. Objective: Present an update on the strategic initiative and answer questions from the Committee members.

4. Customer Trends and Customer Assistance Program Launch (McAreavey – 30 min)
   a. Objective: Provide an update on customer trends and information on the Customer Assistance Program launch and answer questions from the Committee members.

5. Board Work Plan – Public Information Committee Items (Focht – 3 min)
   a. Objective: Discuss Public Information Committee items on the Board work plan.

6. Summary of Committee Direction (2 min)
   a. Objective: Executive leadership team liaison(s) to summarize direction provided by the committee.
ITEM

Customer Trends, Energy Burden and Customer Assistance Program Pilot

PURPOSE

To provide an update on customer trends and energy burden solutions such as the new Customer Assistance Program (CAP) pilot.

FACTS

1. The Board requested that management provide regular reports on the progress of customer programs and trends.

2. Management will provide an update on aged debt, related trends, and energy burden solutions as of July 31, 2022.

3. The Customer Assistance Program (CAP) pilot will provide financial assistance in the form of a monthly bill credit and is designed to reduce an eligible and approved customer’s electric burden to a more affordable level, prevent service loss, and the threat of disconnection. The pilot is scheduled to begin on August 16, 2022 and will end on December 31, 2025.

RECOMMENDED:  

Timothy McAreavey  
Vice President – Customer Service

APPROVED FOR REPORTING TO BOARD:

L. Javier Fernandez  
President and Chief Executive Officer

TM:dm
Customer Trends, Energy Burden, and Customer Assistance Program Pilot

Presented to OPPD’s Board of Directors
by Donna Miner, Manager of Customer Operations
and Britton Gabel, Manager of Advocacy Solutions
on August 16, 2022
Customer Trends
## Summary of Aged Debt

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<th></th>
<th>Residential</th>
<th>LIHEAP Only Accounts</th>
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<tr>
<td></td>
<td>July 2022</td>
<td>June 2022</td>
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<tr>
<td>% of Accounts Current</td>
<td>90.1%</td>
<td>90.4%</td>
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<td>% of Accounts in Arrears</td>
<td>9.9%</td>
<td>9.6%</td>
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<tr>
<td>Total Aged Debt &gt; 30 days</td>
<td>$5.4</td>
<td>$4.8</td>
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<tr>
<td>Total Aged Debt 91+ Days</td>
<td>$0.6</td>
<td>$0.7</td>
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<tr>
<td>Total Service Agreement Count &gt; 30 Days</td>
<td>37.4</td>
<td>36.5</td>
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<tr>
<td>Total Service Agreement Count &gt; 91+ Days</td>
<td>6.4</td>
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TotalDisconnects for Non-Payvs. Number of Distinct Customers Disconnected

June 2021 – June 2022
Impact of Assistance – Arrears

EA Dollars to Accounts in Arrears vs Not in Arrears

Total $ payments received

- Total dollars to accounts in Arrears
- Total dollars to accounts not in Arrears
Energy Burden Solutions Project
Problem Statement and Goals

Problem Statement:
• Customers that have a higher percentage of their income going towards their utility bills are limited to short-term assistance funds to help pay their bill while long-term solutions to reduce their energy burden and prevent utility disruption are lacking.

Goals:
• Reduce the electric energy burden for the customer segment(s) that have high bills compared to their income.
• Solution will be easily accessible for all eligible Customers.
• Develop an innovative and strategic way to report on customers’ electric energy burden and what OPPD is doing to reduce it.
• Reduction in credit and collection related operating expenses.
Research and Outreach

- Understand best practices, customer values and goals
- Learn what factors are driving customer’s high electric energy burden
- Test product ideas that resonate most with customers
What is Energy Burden?

• The percentage of gross household income spent on energy costs
  – Annual energy bill divided by the household annual income (e.g.: $1,500/$50,000 = 3% energy burden)
  – Nationwide averages: high energy burden is above 6% and severe energy burden above 10%

• Annual energy bills include electricity, natural gas, and other heating fuels
  – The efforts of this project focus on the electric portion of a customers energy burden
  – OPPD’s average electric energy burden is 1.83%
  – OPPD customers with an electric burden greater than 4.26% are considered having a high electric burden

Sources: www.aceee.org and www.energy.gov
Drivers of Energy Burden

Physical
- Inefficient and/or poorly maintained HVAC systems
- Heating system and fuel type
- Poor insulation, leaky roofs and inadequate air sealing
- Inefficient large-scale appliances and lighting sources
- Weather extremes that raise the need for heating and cooling

Economic
- Inability or difficulty affording up-front costs of energy efficiency investments or qualifying for financing options
- Sudden economic hardship (e.g. severe health event or unemployment)
- Chronic hardship due to persistent low income

Policy
- Insufficient or inaccessible policies and programs for bill assistance, weatherization, energy efficiency and more
- Rate design may affect consumers ability to reduce utility costs

Behavioral
- Increased energy use due to age, household occupancy or disability
- Lack of knowledge about energy conservation measures
- Lack of trust towards necessary investments
- Barriers to information about bill assistance or energy efficiency programs

Sources: www.aceee.org and www.energy.gov
Affordability Indicators

Percent of Customers with 3+ Disconnect Notices

Average Electric Burden by Zip
Assistance Trends

3+ Disconnect Notices

Energy Assistance Payments

LIHEAP Eligible
Current State

- Energy Assistance Program (EAP)
- Low Income Home Energy Assistance Program (LIHEAP)
- **Customer Assistance Program Pilot**
- Pay Plan
- Gift of Energy
- Payment Installment Program

Addresses Bill Payment Options

Addresses Energy Usage

- Energy Efficiency Assistance Program (EEAP)
Energy Assistance July 2022 YTD

**Funding Source** | **July 2022 YTD** | **Average Benefit** | **Distinct Accounts** | **# of Payments** | **2021 Year End Total**
---|---|---|---|---|---
Energy Assistance Program | $203,871 | $318 | 642 | 642 | $261,850
LIHEAP | $7,862,339 | $404 | 8,376 | 19,440 | $5,048,322
Other Agencies Assistance | $2,394,503 | $318 | 6,131 | 7,524 | $3,285,045
Total | $10,460,713 | $379 | 13,809 | 27,606 | $10,096,726

*OPPD had distributed $1,501,509 in COVID-19 Utility Assistance benefits to 3,940 distinct customers in 2021. If a new OPPD energy assistance program is launched in 2022 the funding source chart will be updated accordingly. These funds are reflected in the year end total for 2021.
Coverage of the Electric Energy Burden Gap with Current Assistance Programs

- An estimated 25% of the projected $25 million Electric Energy Burden Gap is covered through current assistance programs.
- The availability of federal assistance funding has the most significant impact on Electric Energy Burden Gap since it typically accounts for 80% of the assistance applied to customer accounts.
- OPPD’s Energy Assistance Program is 100% funded through donations and traditionally only accounts for 1% of projected gap and 4.3% of all assistance.

Note:
- Assistance program percentages are based on a 5 year average.
- 2020 CARES Act funding not included since this was a one-time program.
Customer Assistance Program Overview

Product Description:
Provide financial assistance in the form of a monthly bill credit for households within the 13-county OPPD service area. Designed to reduce a customer’s electric burden to a more affordable level. Prevent service loss and the threat of disconnection.

Business Value
- Arrears management
- Reduction in operating expenses
- Increase Customer Satisfaction
- Promotes conservation

Customer Value
- Reduced energy burden
- Bill-pay behavior change
- Reconnect/collection fee mitigation
- Current standing with utility

Community Value
- Part of the solution to address utility affordability
- Innovative solution by providing reliability
- Housing security
Coverage of the Electric Energy Burden Gap with CAP

• Pilot budget amount is $1.2 million annually
  – 80% of the gap exists among OPPD customers in poverty (100% of the FPL).
• Determine if a Customers Assistance Program (CAP) is a viable investment through monitored program outcomes and value
• Full program investment would cost $5 million annually
Customer Assistance Program (CAP) Pilot

Program Requirements

• Household income must be at or below 100% of the Federal Poverty Level (FPL)
  – Households must apply and verify income
  – Households will recertify their income annually.

• Fixed monthly credit based on income ($40 or $30) to assist eligible income qualified customers
  – OPPD will cap enrollment at any given time to 4,000 customers during the pilot

• On-time payment required
  – Customers in arrears will be dismissed from the program
  – Customers can reenter the program after six months after dismissal
Application Process & Review

- Customer can apply **On-Line**, through a local **Partner Agency**, or **by Phone**
- Provide required documentation

- **Dollar Energy Fund** reviews documentation and makes eligibility decision based on customers account information with OPPD

- Eligible customers are enrolled automatically
- Customers must pay their bill to continue participation.
- Must **recertify** annually.

For more information and to apply visit: OPPD.com/EAP
CAP Pilot Goals & Projections

Product Goals

- 60% Customer Retention Rate
- 3,000 Customer Sign-Ups completed by December 31st
- 4,000 Customers Sign-Ups by end of 1st quarter 2023†
- 25% Reduction in residential customers more than 90 days past due
- 15% Reduction in residential customers more than 30 days past due
- 25% Decrease in residential customers contacts for participants

† Projection based on approved resources in 2023 Corporate Operating Plan
Electric Burden GAP Projections

12 2022  12 2023  12 2024  12 2025  12 2026

$0
$5,000,000
$10,000,000
$15,000,000
$20,000,000
$25,000,000
$30,000,000

Current Assistance Programs
Customer Assistance Program
CAP Pilot
Roadmap Projects
Electric Burden GAP Not Covered
Electric Burden Estimate
Energy Burden Solutions Roadmap

- Customers Assistance Program Pilot
- Energy Assistance Programs
- Energy Efficiency Programs
- Communications & Education
- Policy Efforts
- Refinement & Cross Promotion
Q&A
Appendix Slides
Industry Research Recap

- Deep-dive, customer-level analysis to understand what's driving energy burden is not common in the industry
- Program design is tailored to State and Local regulatory environment
- Utilities are offering solutions beyond one-time energy assistance programs to reduce customer energy burden

*See appendix for other utility program concepts*
Impact of Assistance – Arrears

EA Payments to Accounts in Arrears vs Not in Arrears

- # of payments received

To Accounts In Arrears
To Accounts not In Arrears
Energy Burden Analysis

• In-depth analysis to gain a better understanding of our customer-base
• Identified opportunities, correlations, validate assumptions and misconceptions
  – Impact of OPPD’s energy assistance solutions
  – Demographic characteristics that have a larger impact on our customers’ ability to pay
  – Dashboard tool to better understand customer behaviors at the zip code level

• Data quality assumptions:
  – Income is modeled to the customer using census data
  – Energy Burden and findings will vary as all-electric customers will have different electric energy burden thresholds (in the analysis all customers were treated the same)
  – Limited analysis to electric burden only
Key Findings across Service Territory

56%
Renters have a 56% higher electric energy burden than home owners

2x
Customers living in homes built pre-1980 have an electric energy burden 2x high than homes built post-1980

5x
LIHEAP eligible Customers have electric energy burden 5x higher than non-low income households

4x
Low Income Customers (200% of the FPL or less) have an electric energy burden over 4x higher than that of non-low income households

Data is representative of customers across OPPD's entire 13 county service territory.
OPPD BOARD OF DIRECTORS
REGULAR BOARD MEETING
Thursday, August 18, 2022 at 5:00 P.M.

Conducted in person at the Omaha Douglas Civic Center, 1819 Farnam Street,
2nd Floor Legislative Chamber, Omaha, NE 68183

Public may attend in person at the Omaha Douglas Civic Center or remotely by going to
www.oppd.com/BoardAgenda to access the Webex meeting link and view materials.

Preliminary Items

1. Chair Opening Statement
2. Safety Briefing
3. Guidelines for Participation
4. Roll Call
5. Announcement regarding public notice of meeting

Board Consent Action Items

6. Approval of the May and June 2022 Comprehensive Financial and Operating Reports, June 2022 Meeting Minutes and the August 18, 2022 Agenda
7. RFP 5976 – Fall 2022 Transmission Construction – Resolution No. 6514
8. RFP 5977 – Nebraska City Station Unit 2 Air Preheater Replacement Baskets and Seals – Materials Contract Award – Resolution No. 6515
9. Power with Purpose: Reliability / North Omaha Station Recommendation – Resolution No. 65xx
10. SD-9: Resource Planning Policy Revision – Resolution No. 65xx

Board Discussion Action Items

11. CEO Performance Review and Compensation Adjustment – Resolution No. 65xx
12. [to be determined]

Other Items

13. President’s Report (20 mins)
14. Opportunity for comment on other items of District business
15. Adjournment

Please use the link below to find all committee and board agendas, materials and schedules. Board governance policies and contact information for the board and senior management team also can be found at www.oppd.com/BoardMeetings.
Electric System Evaluation & Modernization Strategic Initiative Update

Board of Directors
All Committees Meeting
August 16, 2022
Today’s Update

Update the OPPD Board of Directors on the Electric System Evaluation & Modernization (ESE&M) Strategic Initiative.

To share:
- Progress since the last update
- AMI “soft launch” concepts
- AMI Ecosystem Evaluation and Roadmap
- Next steps

AMI = Advanced Metering Infrastructure
ESE&M Objective and Vision

**OBJECTIVE**

Develop a cross functional, integrated vision and roadmap for the modern OPPD electric system and supporting technologies that will deliver customer value, enable future products, services, and solutions, while increasing employee engagement and effectiveness by providing them the tools they will need.

**VISION**

Resilient, Digital Grid & Integrated Service Platform

Why ESE&M?

- Decarbonization
- Electrification of transportation
- Aging Electric Infrastructure
- Changing Customer Preferences
- Technology Advancements and Innovation
How We Get There

Resilient, Digital Grid & Integrated Service Platform enabling Enhanced Products & Services

Advanced Tech & Applications
- Data Analysis, Business Intelligence and Resiliency
- Outage Management & Mobile Workforce Technology
- Robust & Secure Communications Infrastructure

Distribution Automation & Advanced Apps
- Intelligent Grid Sensors/Devices & Advanced Distribution Management System (ADMS)
- Enterprise GIS

AMI Ecosystem (Core Technologies)
- 2-Way Advanced Metering Infrastructure (AMI)
- AMI Ecosystem (Core Technologies)
WHAT IS AMI?

- An integrated system of advanced meters, communications networks, and data management systems that enables two-way communication between utilities and customers.
Since our last update....

- Created detailed use cases and business cases for AMI through workshops with our strategic partner
- AMI 'war game' to uncover the interdependencies of the AMI ecosystem
- Deep dive on existing technology systems to determine AMI readiness
- Developed principles and conceptual scope for an AMI soft launch of approximately 10k AMI meters
- Established an AMI Ecosystem Roadmap to achieve the desired functionality for soft launch.
- Cross-SI and enterprise alignment
Principles for Soft Launch Scope

- Balance customer value with executability
- Make it meaningful for customers
- 12 months deployment & integration period for “soft launch”
- Build it to be reliable and sustainable
What customers will experience with the AMI ecosystem

“I received a text right after my power went out letting me know OPPD was on it. I got a second text letting me know the outage was caused by a vehicle accident and it should be restored in 30 minutes.”

“I love the new mobile app. It’s very easy to view and pay my bill. When I moved last year it was so easy to handle everything on the app.”

“I now know how much I’m using in near real-time so I can reduce my footprint and save money.”

“I like that OPPD communicates with me in the way I prefer”
What employees will experience with the AMI ecosystem

“Having the right data at my fingertips has made a huge difference in our asset management program”

“The user interface on my mobile device is so easy. Outage information can quickly get to customers so we are approached in the field less often”

“This will require lots of change management”

“AMI can warn us of safety hazards such as an improperly connected customer generator”
AMI Ecosystem Roadmap

Prerequisites: Years 1, 2 & 3

Upgraded Core
- Enterprise Geographic Information System (GIS)
- New Outage Management System (OMS)
- Mobile for Outage Management
- Meter Data Management System* (MDMS)
- Field Service Management* (FSM)
- Enterprise Asset Management* (EAM)
- Customer Information System (CC&B)

Foundational
- Data Governance
- Data Center Enhancement*

Customer Experience
- Customer Platform* (Web, Mobile, My Account, etc.)
- Voice of the District (VOD) Tool

People & Process
- Customer Education and Outreach
- Business process re-design

Soft Launch: Years 3-4

Meter Installation
- ~10k meters

Ecosystem Integration
- Deliver “optimal” capabilities

Full-scale Deployment: Years 4-6

Deploy & Integrate remaining meters
- ~380k AMI meters

Layer on advanced functionality

* - additional detailed scoping required
AMI Ecosystem – Outage Use Case Example

1. Meter loses power and automatically communicates “last gasp” to OPPD systems. 
   AMI Collector, AMI Backhaul, AMI Headend, Meter Data Management System

2. OPPD systems identify whose meter it is, pull customer data and identify exactly geographic location coordinates. 
   Customer Information System, Outage Management System, Distribution Management System, Geographic Information System

3. Customers are regularly updated with outage information and status updates. 
   Customer Platform

4. Crews dispatched to outage are provided real-time asset information including location and asset history. 
   Geographic Information System, Mobility, Field Service Management, Enterprise Asset Management

5. Electricity is restored and customer is notified. 
   Customer Platform
AMI Ecosystem Benefits

**Soft launch (near term)**
- Customers can use portal to view & understand energy usage
- Customers won’t need to call to report outages
- Multichannel outage updates
- Estimated Time of Restoration (ETR) notifications
- Expedited outage restoration
- Remote start/stop service
- Increased situational awareness for utility grid operators
- Enhanced safety for crews with AMI voltage sensing
- Expanded Field Service Management (FSM) capabilities
- Expedited major event analysis
- Grid edge sensing & computing

**Post full deployment (future)**
- Future rate options, products and services
- More customer control over energy use/spending through usage and bill alerts
- Reduced truck rolls and operating costs
- Load and DER Forecasting & Profiling
- Load Disaggregation
- Advanced Data Analytics and Asset Management
- Network Connectivity Analysis
- Optimized spending on system improvements with improved data
Next Steps

• Transition the AMI Roadmap into project plans
  - Deep dive on project scopes with minimum viable product (MVP) approach
  - Budget and resource requirements for the Corporate Operating Plan (COP)

• Develop the Distribution Automation philosophy (Target Q4 2022)
  - Outage impact minimization and grid self healing
  - Grid sensors for enhanced situational awareness
  - Operational tools for advanced grid management

• Evaluation of Engineering Design tools to support paperless workflow
  - End to end electronic information flow between engineering and the field
  - Automatic updates and one source of truth
CUSTOMER ENGAGEMENT FOR THE FUTURE
ADVOCACY IS THE ULTIMATE GOAL
PROJECT APPROACH

- Catalog of current-state OPPD operations
- Research and discovery of best-in-class engagement organizations, within the industry and broader
- High-level recommendation for OPPD moving forward.
THE ENVIRONMENT

We explored, a lot.

Other utilities, brands known for high customer engagements, industry experts, published studies and more.

This slide is illustrative and not meant to be an all-inclusive list. The slide conveys a number of organizations explored as part of the strategic initiative.
## WHAT WE STUDIED

### ORGANIZATIONAL READINESS
- Customer engagement playbook
- Change management
- Training
- Culture and accountability
- Organizational design, roles and responsibilities

### ADVANCED ANALYTICS AND TOOLS
- 360 customer view
- Data and insights repository
- Marketing and engagement technologies, including digital experience
- Segmentation models
- Metrics and corporate dashboards
- Data privacy, governance and regulations

### CUSTOMER INSIGHTS AND OUTPUTS
- Customer personas and segmentation strategies
- Voice of the District in varying scale and frequency
- Tailored messaging and personalized materials
- Customer engagement activities
OUR JOURNEY

Researched 84 companies
Generated 100+ engagement ideas
Mapped 30 processes
Created 2,226 PPT slides… and counting
Studied 31 customer moments

Explored 300+ tech capabilities
Surveyed 424 customers
Considered 203 cultural behaviors
Interviewed 70+ employees
Hosted 8 employee workshops

This slide is illustrative.
ENGGAGEMENT TACTICS

- Updated digital experience (DX) channels (website & related portals, mobile app)
- Online chats
- Website ‘pop-up’ surveys
- Outage notifications
- Billing notifications
- Education booth at school events
- Customer job shadow opportunities
- Museum exhibit
- Scholarships
- Elected youth to the Board (leadership development)
- Annual Energy summit (youth and regular)
- Trade ally events
- Energy ‘joke of the week’ / editorial cartoons
- Annual festival
- Holiday lights show
- Live reviews
- Blog – employee and customer contributions
- Usage alerts
- Online discussion forum
- Annual “Edison Awards” event
- OPPD ‘pop-up’ events
- Ask the Expert forum
- OPPD sponsored school clubs
- ‘Touch a Truck’ events
- Transactional surveys
- Customer product advisory council
- Lunch and learn events
- Social media polls & interactions
- Neighborly competitions
- Personalized annual energy report
- Energy consultations
- Gamification and other reward opportunities
- New customer welcome package
- College orientation booth
- Product attrition survey
- Personal check-in 30-60 days following start and/or transfer service
- Promotional incentive for a product review
- Energy challenges and competition
- Marketing toolkit for customer sharing
- Physical & virtual field trips
- Personal, handwritten notes
- Community event cross-sharing

This slide is illustrative and not meant to be an all-inclusive and/or checklist. The slide conveys a number of recommendations being made as part of the strategic initiative.
ENGAGEMENT IN ACTION

Average Joe

Issue Resolution
Product & Service Delivery
Billing & Payment
Youth Outreach
Education
Outage Experience

Text Message Alert
Live Chat
Proactive Product Recommendation
Website
Outage Map
Classroom Education
Energy Alert
Review
Informal Chat

Level 1: Strategic Goals
Level 2: Engagement Objectives
Level 3: Initiative Metrics

Persona
Moments that Matter
Journey Touchpoints
Measurement & Outcomes
A NEW VISION

CURRENT STATE

- Start service
- Billing
- Payment
- Account changes
- Service calls
- Outage response

- Trade allies
- Issue resolution
- Transfer service
- Stop service
- Energy use management
- Business customer management

FUTURE STATE

- Education
- Marketing Campaigns
- Live Events
- Field Trips
- Digital Interaction
- Transactional Interactions
- Discussion Forums
- Virtual Forums
- Casual Chats
- Self Service
- Program Participation
- Surveys
- Competitions
- Youth Outreach
- Workshops
- Community Sponsorships

START SERVICE

BILLING

PAYMENT

ACCOUNT CHANGES

SERVICE CALLS

OUTAGE RESPONSE

TRADE ALLIES

ISSUE RESOLUTION

TRANSFER SERVICE

STOP SERVICE

ENERGY USE MANAGEMENT

BUSINESS CUSTOMER MANAGEMENT

DIGITAL INTERACTION

LIVE EVENTS

FIELD TRIPS

TRANSACTIONAL INTERACTIONS

DISCUSSION FORUMS

VIRTUAL FORUMS

CASUAL CHATS

SELF SERVICE

PROGRAM PARTICIPATION

SURVEYS

COMPETITIONS

YOUTH OUTREACH

WORKSHOPS

COMMUNITY SPONSORSHIPS
NEXT STEPS

• Build a visual roadmap of all CEF recommendations and deliverables
• Roadmap to include all identified organizational, technology and engagement deliverables and the following:
  • Approximate timeframe to complete
  • Estimated budget
  • Expected internal and external resources
  • Known risks and dependencies

• Prioritize engagement ideas within each moment that matters and develop more detail and definition around the activity
• Execute on high-value foundational work (i.e. “no regret work”)
• Finish Youth Engagement Study
• Socialize internally with employees
• Conduct outreach with customers
• Begin the transition and project closure process
APPENDIX
Change Management, Culture, Training
ORG DNA FRAMEWORK

**FORMAL**
- Governance forums
- Decision rights
- Decision processes
- Decision analytics
- Monetary rewards
- Career models
- Talent processes
- KPIs & metrics
- Information flow
- Knowledge management Systems
- Organization design
- Roles & responsibilities
- Business processes

**INFORMAL**
- Values & standards
- Expectations & unwritten rules
- Behaviors
- Shared vision & objectives
- Individual goals & aspirations
- Sources of pride
- Identity, shared language & beliefs
- Assumptions & biases
- Mental methods
- Relationships & collaboration
- Teams & other working units
- Organizational influence

**DECISIONS**
- Governance forums
- Decision rights
- Decision processes
- Decision analytics

**MOTIVATORS**
- Monetary rewards
- Career models
- Talent processes

**INFORMATION**
- KPIs & metrics
- Information flow
- Knowledge management Systems

**STRUCTURE**
- Organization design
- Roles & responsibilities
- Business processes

**COMMITMENTS**
- Values & standards
- Expectations & unwritten rules
- Behaviors
- Shared vision & objectives
- Individual goals & aspirations
- Sources of pride

**MINDSETS**
- Identity, shared language & beliefs
- Assumptions & biases
- Mental methods

**NETWORKS**
- Relationships & collaboration
- Teams & other working units
- Organizational influence

How we make decisions
How we encourage people to perform
How we process data and knowledge
How we allocate work and responsibilities

How we do things around here
How we inspire people to contribute
How our people view the world and their work
How are people connect beyond the lines and boxes
CHANGE MANAGEMENT CURVE

AWARENESS
“I Heard It.” Individuals are aware of the basic scope and concept

UNDERSTANDING
“I Get It.” Individuals understand impacts to the organization, their functional area, and what’s in it for them (WIIFM)

ACCEPTANCE
“I Support It.” Individuals accept the change and are willing and able to embrace it

COMMITMENT
“I Live It.” Individuals shift their behaviors and begin developing the new capabilities required of the new ways of working

ADOPTION
“I Own It.” Individuals commit and adhere to the new ways of working

ORGANIZATIONAL COMMITMENT

TIME
A BEHAVIOR EVOLUTION

Katzenbach Center Methodology for Behavior Evolution

- Set your cultural compass
- Find your “critical few”
- Build a movement to drive behavior adoption
- Leverage E and O data to drive value
CRITICAL FEW BEHAVIORS

1. COLLABORATION AND CONSENSUS
   - Go the extra mile to delight customers.

2. IN SERVICE OF THE COMMUNITY
   - Proactively look for ways to involve others to improve the customer experience.
   - Rapidly anticipate and respond to changing customer needs by fearlessly experimenting to enhance the customer journey.

3. LIKE A FAMILY
   - Catch the baton and run with it – take ownership and accountability to fix the issue when you see it.

4. KEEP THE LIGHTS ON
   - Give your people the responsibility and authority to achieve results and help them overcome major obstacles.

5. SAFETY AND STABILITY THROUGH PROCESS
   - Widen the aperture: Find solutions with partners and others inside and outside the company.
An “Authentic Informal Leader” (AIL) is someone who influences and energizes others without relying on their title or formal position in the hierarchy to do so.

Authentic Informal Leaders typically exhibit a set of common traits regardless of the organization or its culture.

What is the value to the organization to have an AIL network?

- Spread Critical Few Behaviors (CFBs)
- Encourage adoption of CFBs through informal channels
- Adopt a tinkerer’s love to experiment with solutions
- Provide a “real” pulse of the organization to leadership

What problems do AILs help solve?

- Sounding board to help leadership make important team decisions
- Sharing proof points of culture evolution in action
- Mechanisms to spread behaviors (e.g., brainstorming how AILs could drive awareness & adoption of CFBs)
- AIL network engagement (e.g., stakeholder outreach, how to engage leaders)
TRAINING & GENERAL EDUCATION

**Experiential Learning**
- (8 lessons identified: understanding CE, creating CE, CE behaviors, CEF playbook/framework, CEF leadership, AIL specific training, Agile, Human Centered Design)
- These sessions will address “What is Customer Engagement?”, build awareness and understanding of the CEF Playbook, and drive adoption of CE behaviors.
- The target audience is specific and should include OPPD leaders across the organization, Authentic Informal Leaders, customer-facing stakeholders, and team members for future CE initiatives governed by the Council
- The goal is to rotate everyone through within the first 6-9 months, over multiple sessions, with involvement of an expanding Authentic Informal Leader network to help drive the sessions (i.e., train-the-trainer approach to amplify behavior adoption).

**Micro Learning**
- Includes things like podcasts, videos, interactive quizzes, infographics, and other engaging - and often interactive - digital content components.
- The target audience is the broadest set of stakeholders engaged in CE across the organization
- The goal is to reinforce and sustain the organization’s learning and support its ongoing cultural CE-central evolution.
- Content will help showcase and celebrate CE behaviors via stories and recognition of OPPD leaders and employees, while supporting ongoing awareness and upskilling for CE capabilities

**Skill / Role Based Learning**
- Provides content specifically around a skill used in their daily job. This helps them also connect their role to the broader CE strategy and success. Specific content will be developed and used to support the various roles and skill sets identified. This training can also include training of new processes or technologies acquired.

**Mobilization Training**
- These are additional just-in-time interactive training sessions in support of specific CE opportunity initiatives across moments that matter that will be prioritized over the roadmap (e.g., manage energy use, youth outreach, issue resolution, outage, etc.).
- The target audience are the individuals on each pilot team involved in a particular initiative. These sessions can be delivered regularly as teams are stood up.
- The goal is to deliver these sessions every three months as part of the pilot team’s ramp-up adoption of the CEF playbook and CE behaviors.
Communications and Surveys

Item library is configurable for all phases of a digital transformation addressing:

- Program satisfaction/impact
- User feedback
- Development process and cycles
- Team engagement/productivity

Real-time Dashboards

Real-time dashboards giving teams data they need to drive MoC across priority initiatives. Ability to see the adoption of cultural behaviors as progress along the change management journey.
CHANGE COMMUNICATIONS PLAN

- Identified highly-impacted stakeholder groups: Contact Center, Corporate Communications, Customer Sales & Service, Customer Experience, Economic Development & External Relations and Product Development & Marketing
- Crafted an overarching Change Statement for cross-BU leadership alignment
- Developed a structured communications plan for all stakeholder groups across 5 project phases
- Segmented stakeholders into 4 categories for customized approach to content, communications channels, and frequency
Organizational Design
## DESIGN GOALS

1. Define roles and responsibilities needed to achieve optimal customer engagement
2. Design for efficient operations, balanced between speed-to-market and quality
3. Create role clarity on operations supporting customer-facing operations
4. Commit to a level of focus on building a sustainable customer organization
ORGANIZATIONAL DESIGN STRATEGY

- Capability-Building and Upskilling
- Frequency and Comprehensiveness of Insights
Engagement Playbook
### CAPABILITY MODEL

**Activation Tactics & Enablement (AT&E)**
- Customer engagement and interaction tactics
- Personas, data and analytics for delivering targeted solutions
- Targeted journeys/lifecycles for developing engagement ideas and tactics

**Organization Readiness (OR)**
- Pilot and Scale teams design, including transitioning and accountability
- Process- and role-impact identification and management

**System of Change (SOC)**
- Change management and leadership modelling
- Training and upskilling
- Stakeholder engagement
- Experiential learning and storytelling

**Return on Engagement (ROE)**
- Program and initiative metrics and measurement
- Identifying Operational and Engagement data (RoE)
- Creating actionable insight and systems of action

**Enabling Technology (ET)**
- Assess and enhance CE solutions
- Procure and implement new solution
- Data and analytics (E and O data)
- Scorecarding and measurement
Further refinement/optimization of CE initiatives

Manage the portfolio of CE initiatives by optimizing ongoing CE initiatives and generating new ideas, prioritizing initiative ideas, and developing a roadmap for executing selected CE concepts.

Optimize ongoing customer engagement initiatives and executing an MVP with select features to pilot with a targeted base of customers to evaluate potential value of the initiative to scale.

Build scalable, integrated solution for OPPD Launch to target customers, and develop and run operating model (Organization, Change, Technology) to sustain the solution.

Refresh CE portfolio by collecting and defining new and existing CE initiative ideas.

Evaluate and prioritize CE initiatives, select initiative(s) for pilot development, and gain leadership approval to advance to pilot.

Plan key activities to be completed within an increment that will result in a useable and testable output (MVP) to aid in the determination of the value of the initiative.

Plan sprint (3-week time period), build and test sprint deliverable, groom backlog, and review sprint performance. Repeat this cycle until the MVP is ready to launch. Evaluate the Pilot and determine potential value of the pilot/initiative to scale.

Develop plan for building, running, and maintaining the solution at scale including determining features, customer segments/personas, technology platform, integrations, and operating model.

Further develop prioritized features and launch the solution to the target segments/personas with an interactive engagement experience and mature, integrated capabilities.

Implement performance and engagement/experience enhancements to sustain, optimize and grow the solution.

Rollout a repeatable solution. Analyze customer insights to inform future backlog prioritization while preparing for transition from CE Core Team to Maintenance Team.
THE PATH TO ADVOCACY

**AWARENESS**

A customer becomes aware of the brand, via marketing/advertising efforts or word of mouth.

**EDUCATION**

A customer begins to form opinions of the brand, via sustained interaction and/or continued interactions.

**ENGAGEMENT**

An ongoing relationship between brand and customer — necessary to gain brand advocates and ambassadors.

**ADVOCACY**

Customer has an affinity for the brand, developed over time via sustained engagement and exceptional experiences.

**EXAMPLES**

- Customer hears radio spot announcing that OPPD is providing free home energy assessments
- Customer is provided a free home energy assessment by OPPD; learns about better energy management in the home
- Customer subscribes to monthly OPPD newsletter with energy-saving tips; acts upon OPPD’s advice
- Satisfied customer encourages her friends and family to connect with OPPD to schedule home energy assessments of their own.
Customer 360 Framework
### OPPD Journey

<table>
<thead>
<tr>
<th>Step</th>
<th>Title</th>
<th>Activities</th>
</tr>
</thead>
</table>
| 1. | Identify the Customer | - Identify customer golden record  
- Track customer interactions across channels  
- Integrate customer data across platforms |
| 2. | Understand the Customer | - Define and build customer personas and segments  
- Understand their behaviors and channel preferences  
- Estimate their lifetime value  
- Understand loyalty drivers  
- Understand their needs and wants |
| 3. | Communicate with the Customer | - Determine best engagement channel  
- Provide personalized and relevant recommendations on next best product  
- Offer contextual digital offers across channels  
- Proactively anticipate and address their needs and concerns |
| 4. | Empower the Customer | - Provide an integrated view across lines of businesses & channels  
- Make it easy for them to interact and transact  
- Evoke an emotional response, and deliver on moments that matter |
| 5. | Optimize the Engagement | - Track results of engagement efforts and feedback  
- Improve the engagement approach through data and analytics  
- Refine customer personas and segments to improve individual personalization |

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**Journey to Achieving 360 View of Customers**
CUSTOMER GOLDEN RECORD

- **Physical**: Mailing address, service address, meter number, etc.
- **Party**: Traditional customers, non-traditional customers, business partners, community partners, governmental partners, 3rd party data partners
- **Contact**: Personal email, work email, junk email, home telephone, work phone, mobile phone/SMS
- **Social**: Twitter, pinterest, linkedin, YouTube, Facebook, Instagram
- **Web/mobile**: Web browser, search ad clicked, website visits, opened email offer, click-thru to site on mobile
- **Demographic/firmographic**: Household size, employment data, income level, age, gender, credit risk score, etc.
- **Transactional**: Cases, payments, bills, enrollments, complaints, subscriptions, products

- **Voice of the District**
  - Customer feedback, surveys collected across channels
  - Append lifestyle variables such as hobbies, interests, media preferences and marketing psychographics
  - AAID (Android), IDFA (iOS), IP address, IoT signals
  - Enrich your customer data by knowing the world they live in: roads, shopping areas, weather, traffic conditions

- **Psychographic**
  - Service and engage your customers at the right place and time by tracking mobile location activity
  - Planned, unplanned outage and field work, appointments, crew status, comments and feedback
  - Electric vehicles, solar, community solar, battery storage, microgrid
  - Energy usage, disaggregation insights, peak demands, usage patterns

- **Device**
  - Beyond the grid
  - Energy insights

- **Neighborhoods**
  - Physical
  - Party
  - Contact
  - Social
  - Web/mobile
  - Demographic/firmographic
  - Transactional

- **Geolocation**
  - Voice of the District
  - Psychographic
  - Device
  - Neighborhoods
  - Service and engage your customers at the right place and time by tracking mobile location activity
  - Planned, unplanned outage and field work, appointments, crew status, comments and feedback
  - Electric vehicles, solar, community solar, battery storage, microgrid
  - Energy usage, disaggregation insights, peak demands, usage patterns

- **Field services**
  - Physical
  - Party
  - Contact
  - Social
  - Web/mobile
  - Demographic/firmographic
  - Transactional

- **Beyond the grid**
  - Voice of the District
  - Psychographic
  - Device
  - Neighborhoods
  - Service and engage your customers at the right place and time by tracking mobile location activity
  - Planned, unplanned outage and field work, appointments, crew status, comments and feedback
  - Electric vehicles, solar, community solar, battery storage, microgrid
  - Energy usage, disaggregation insights, peak demands, usage patterns

- **Energy insights**
  - Physical
  - Party
  - Contact
  - Social
  - Web/mobile
  - Demographic/firmographic
  - Transactional

- **Secure and compliant with customer consent**
- **Harmonized and cleaned from different sources**
- **Matched, resolved from different identities into a unified customer profile**
- **Low latency and can be activated in real-time**
# A Holistic View of the Customer

## Integrate
- Customer listening, analytics and survey tool (new)
- Billing/collections system
- Customer Relationship Management tool (new)
- Other customer systems

## Enrich
- Cloud
- Cookies
- Energy Usage
- Online Activities
- Household
- Social Media

## Build

**Customer Profile Golden Record**

A single source of truth about a customer profile sourced from backend systems, engagement channels and devices

## Use
- Improve products and services
- Map customers to personas to identify needs, wants and pain points
- Personalize customer messaging
- Anticipate future needs in building products
- Resolve issues more quickly because of 360-view of customer
- Increase effectiveness and efficiency of staff
- Strategically capture feedback
Technology Recommendations
INVESTMENTS IN TECHNOLOGY

- Digital Experience (DX) Channels (website & related portals, mobile app)
- Customer Relationship Management (CRM)
- Content Management System (CMS)
- Customer Data Platform (CDP)
- Chatbots and Live Chat Software
- Marketing Automation System
- Consent and Preference Management
- Voice of the District Survey & Listening Tools
- E-Wallet and Digital Payment
- Knowledge Management System
- Text/SMS & Customer Notifications
- Data Configurations, Integrations & API's
- Digital Asset Management (DAM)
- Enterprise Listening
- Descriptive & Predictive Analytics
- Artificial Intelligence (AI)
- Data Visualization
- Cross-Channel Customer Identity
- Live Reviews
- Language Translation
- Blog
- Omni-Channel Marketing
- Work and Inventory Management
- Virtual Assistance & Voice Assistant
- Event Management and Hosting Software and Hardware
- Virtual Reality / Metaverse
- Ecommerce Marketplace
- Gamification and Rewards Management Platforms
- Proposal Management System
- Creative Design Tools
- Advanced Metering
- Asset Maps (outage, streetlight, etc.)

This slide is illustrative and not meant to be an all-inclusive and/or checklist. The slide conveys a number of recommendations being made as part of the strategic initiative.
Metrics and Dashboards
RETURN ON ENGAGEMENT

To create a sustainable competitive advantage, we need to understand, prioritize, and act on experience enhancement opportunities across the end-to-end customer journey.

Return On Engagement (ROE)

- Holistic View of CE Impact
  Build a more comprehensive view of the customer across their journey

- Combining E + O Data
  Compliment operational data with VOC to add speed and context to insights

- Establishing Experience Baseline
  Build internal and external experience benchmarks across the customer journey

- Driving Insights to Action
  Identify and act on opportunities to close loop with customers and associates
RETURN ON ENGAGEMENT
A system of metrics used for measuring, understanding, and accelerating progress towards business outcomes

Return on Engagement (RoE)
Combining VOD surveys with operational data to build insights and drive continuous improvement toward key outcomes.

Quality x Frequency of Interactions = VALUE

Engagement Data (E)
Improvement in specific CSAT scores from VOD surveys, social sentiment, text analytics.

Operational Data (O)
System driven to measure activity such as downloads, participation, prizes awarded, etc.

Outcomes
Demonstrate linkage between E and O data. This is our value reservoir. We can build insights and empower employees to drive the next best action. We can also leverage insights to drive continuous improvement.
CORPORATE MEASURES

ENGAGEMENT
We'll increase engagement across all OPPD channels, resulting in more successful campaigns and better insights.

TRUST
We'll engage with customers in a way that results in building our reputation as a trusted, credible, reliable and transparent brand.

SATISFACTION
We will meet or exceed customer expectations in all the moments that matter.
ENERGY BRANDING BENCHMARKING INDEX

DIFFERENTIATION
Measures how well the brand differentiates itself from its competitors. Questions relating to uniqueness, brand promise, product offer and the brand’s name and logo.

SEGMENTATION
Measures how well the brand divides its customers into segments and how well it appeals to each segment. Questions that identify segmenting trends such as age and price sensitivity.

PERCEPTION
Measures customer experience. Questions related to elements such as trust towards the brand, perceived experience and reliability, and the level of brand responsibility perceived by customers.

SUSTAINABILITY
Measures how the brand is considered to impact the environment and society. Strength of brand associations that relate to sustainability, the environment and corporate social responsibility.

1. Pinpoint key areas of brand growth through scientifically curated customer feedback
2. Differentiate from your competitors and grow your market share
3. Maximise your Marketing ROI
4. Build your Customer-centric Brand
5. Global Comparison of your brand positioning
Personas
WHAT’S DIFFERENT?

The team has identified specific data attributes from the data dictionary to map to the personas so we can continue to gather insights by actual behaviors and continuously optimize and expand in the future.
Segmentation & Personalization
PROCESS TO PERSONALIZED JOURNEYS

Moments that Matter
- Manage Energy Use
- Energy Savings
- Competition
- Marketing Outreach
- Integration

Data & Analytics
- Identify Engagement and Operational Data for:
  - Level 1 (Enterprise)
  - Level 2 (Stakeholder)
  - Level 3 (Initiative)
  (Including Transactional data, Energy usage data)

Customer Persona
- Established Emily
- Senior Sloan
- Elementary School
- Evelyn
- Etc.

Insights Gathered
- Identify processes and tools to act on data gathered and operationalize via:
  - Customer interactions across web, app, phone, traditional
  - Engagement with marketing campaigns
  - Voice of the District (VoD - Surveys, Focus groups)

Micro-Segmentation
- Channel Optimization
- Retargeting across partner sites
- Education
- Awareness
- Advertisement campaigns
- Call-to-action
- Download app

Optimize
- Return on Engagement (ROE) via:
  - Optimize Experience by Segment
  - A/B/N Testing
  - Business Goal Refinement
Engagement Prioritization
THE FUTURE OF ENGAGEMENT

This slide is illustrative and not meant to be an all-inclusive and/or checklist. The slide conveys how each potential engagement tactic has been prioritized.