RESOLUTION NO. 6538

WHEREAS, the Board of Directors has determined it is in the best interest of the District, its employees, and its customer-owners to establish written policies that describe and document OPPD’s corporate governance principles and procedures; and

WHEREAS, each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process; and

WHEREAS, the Board’s Public Information Committee (the “Committee”) is responsible for evaluating Board Policy SD-11: Economic Development on an annual basis. The Committee has reviewed the 2022 SD-11: Economic Development Monitoring Report and finds OPPD to be sufficiently in compliance with the policy as stated.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Omaha Public Power District accepts the 2022 SD-11: Economic Development Monitoring Report, in the form as set forth on Exhibit A attached hereto and made a part hereof, and finds OPPD to be sufficiently in compliance with the policy as stated.
BOARD OF DIRECTORS

November 15, 2022

ITEM

SD-11: Economic Development Monitoring Report

PURPOSE

To ensure full Board review, discussion and acceptance of SD-11: Economic Development Monitoring Report.

FACTS

a. The first set of Board policies was approved by the Board on July 16, 2015. A second set of Board policies was approved by the Board on October 15, 2015.

b. Each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process.

c. The Public Information Committee is responsible for evaluating Board Policy SD-11: Economic Development.

d. The Public Information Committee has reviewed the SD-11: Economic Development Monitoring Report, as outlined on Exhibit A, and is recommending that OPPD be found to be sufficiently in compliance with the policy as stated.

ACTION

The Public Information Committee recommends Board approval of the 2022 SD-11: Economic Development Monitoring Report.

RECOMMENDED:  
Lisa A. Olson  
Vice President – Public Affairs

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

Attachments:  
Exhibit A – Monitoring Report  
Resolution
Monitoring Report: SD11: Economic Development
Public Information Committee
Lisa Olson, Vice President – Public Affairs
Significant Revisions Adopted by the Board June 2022

Economic prosperity is foundational to cultivating vibrant and thriving communities we serve. OPPD’s strategic leadership and active participation in regional economic development initiatives will create a favorable environment to attract new business and help existing businesses to expand.

Promoting economic growth and stability through the production of affordable, reliable, and environmentally sensitive energy is key to the success of OPPD. Therefore, OPPD shall exercise strategic leadership and actively participate in regional economic development.

Therefore, OPPD shall exercise leadership and participate in economic development to:

- Attract, retain and expand businesses
- Serve as a trusted partner to local leaders on local, regional, and statewide initiatives and activities in economic development, including workforce and community needs
- Offer innovative tools, resources, programs or services to educate our business customers, partners, and support economic growth, sustainability, cost savings, and viability
- Assist with site development to plan or help optimize our energy system by carrying out site due diligence and marketing efforts for new businesses and industrial customers.

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SD11: Economic Development*

Economic prosperity is foundational to cultivating the vibrant and thriving communities we serve. OPPD’s strategic leadership and active participation in regional economic development initiatives will create a favorable environment to attract new business and help existing business customers to expand. Therefore, OPPD shall exercise leadership and participate in economic development to:

*Effective June 16, 2022, when the Board voted to approve this revised SD-11 policy.*
**Responding to business interests and needs**

- **Field requests** from brokers, site selectors, businesses (small, medium and large businesses, both new and existing customers), community leaders and economic development organizations
- **Provide information** about workforce, utilities, real estate, logistics, supply chain, programs, incentives (local/state), and regulatory environment
- Respond to **real estate inquiries** for commercial space, redevelopment, greenfield development, existing industrial buildings
- **Assist with challenges** regarding available workforce and supply chain issues
- Serving increased interest in OPPD’s renewables portfolio
- Provide infrastructure engineering and design information in coordination with Energy Delivery, Systems Transformation, Customer Sales & Service and Public Affairs teams

**OPPD leading beyond energy delivery**

- **Site selection assistance** and real estate identification
- **Provide funding connections** like grants and other funds to finish projects
- **Support programs & incentives** to benefit statewide economic development
- **Consult** on renewables
A Story of Expansion

Our Role:

• OPPD’s Economic Development team collaborated with key partners to recruit these businesses years ago. We continue to provide resources and leadership to support continued growth.

• OPPD’s Customer Sales + Service team maintains responsive, day-to-day service for these customers and their varied needs.
BY THE NUMBERS
Attract, retain and expand businesses

Sectors

- Food processing
- Data center
- Manufacturing

Jobs

- **380+** Jobs landed
- **880** Overall jobs—total effect

- $145M
  - 380+ new jobs brings additional production of goods and services

- $234M
  - 880 new jobs brings additional production of goods and services

- **15K+**
  - New additional jobs due to capital investment (mostly construction)

Return on Investment

- **$1.03B**
  - Direct capital investment

- **$1.76B**
  - Total economic impact
Economic Indicators across Service Territory

$76,228
Median Household Income
U.S. median household income = $72,414

93
Wealth Index
U.S. Wealth Index = 100. Values less than 100 represent below-average wealth.

128
Housing Affordability Index
U.S. Housing Affordability Index = 113. An index greater than 100 suggests homes are easily afforded by the average area resident.

16.1%
Income for Mortgage
U.S. Income for Mortage = 20.6%. Values below the U.S. identify areas where a lower share of median income is required.

Community dashboard in progress with key community partner

Residential Electricity Burden
Median Household Income Data from US Census, 2020 American Community Survey 5 year, Electricity Data from EIA Annual Electric Utility Data

OPPD 1.83%
2.08% NE

Statistics represent 13 county OPPD service territory utilizing ESRI data – see Appendix for definitions
LEADERSHIP IN ACTION
Workforce + Education

Objective:

• Support workforce and education needs in partnership with communities and organizations and provide leadership within the energy industry

Examples of Outcomes to Date:

Launched OPPD’s Energy Education Program with 185 students participating across 5 schools and 4 grade levels – 95% or above program satisfaction rating among students, teachers and parents.

Partnered with Grow Sarpy to deliver construction safety kits to over 1,200 8th and 9th graders enrolled in skilled trade and technical sciences coursework to increase exposure to opportunities to schools in Sarpy and Omaha.

Presented Building an Energy Workforce During Utility Transformation at Nebraska Power Association to provide expertise to energy industry.
LEADERSHIP IN ACTION
Community Planning & Infrastructure Development

Objective

• Provide leadership related to community planning with a focus on long-term planning and partnership

Examples of Outcomes to Date:

Partnered on regional research on public transportation infrastructure, electrification and best practices with the Metropolitan Area Planning Agency and other partners.

Collaborated with Nebraska Association of County Officials to promote community partnership in planning and developing regulations and electrical infrastructure to adequately and reliably serve growth.

Identified and initiated federal funding opportunities for projects that could support reliability, grid modernization and security.
LEADERSHIP IN ACTION
OPPD leading across key organizations

Executive Committee
Board Member
Board Member
Executive Committee
Board Member
Board Member

Certified Community Leadership
President
Board member
Board Member
Executive Committee
Board Member
Board Member

Board Member + Target Advisory Group Leads
Executive Committee
Council of State Officials
Bio Nebraska

...and Many More!
Responding to Community Needs

Objective:
• Provide leadership to key organizations and support community needs.

Examples of Community Outcomes to Date:
• Nebraska City Area Economic Development Corporation – Implemented key housing priorities including constructing the first of four units utilizing grant funds from the Nebraska Affordable Housing Trust Fund, promoted use of City of Nebraska City ARPA funds for ~30 acres of land for housing; and worked with Otoe County to commit $300,000 in ARPA funds for a housing program.

• Gateway Development Corporation - Partnered on the Dana campus project in receiving ARPA funds to refurbish two dorms that will provide 60 apartments, worked with Easter Seals to purchase 65 acres within the campus to build 20, year-round use cabins that will employ 150.

• Southeast Nebraska Development District - Identified and secured $15.8+ million in state and federal grant funds to renovate homes, assist downtown businesses, create new jobs, improve streets and sidewalks, and add staff to focus on broadband; grew loan programs by adding a $1 million Economic Development Administration (EDA) Revolving Loan Fund.
Responding to Community Needs

Objective:

• Provide leadership and support energy affiliated community needs

Examples of Energy Focused Outcomes to Date:

• Applied for and received five awarded sites from the Nebraska Department of Environment and Energy for Level 2 and DC Fast Chargers (North Bend, Blair, Syracuse, LaVista and Omaha)

• Delivered downtown revitalization/street light upgrades to North Bend, NE

• Provided $14,478,332M total energy assistance funding (October 2021 to September 2022) - this represents a $3,450,065M increase in assistance over the prior year

• Partnered on analysis and consultation on county/community regulations and planning efforts for charging stations and solar installations

• Formalized strategic partnerships with economic development corporations and chambers of commerce on energy technologies and site development
Objective:

- Help build Nebraska’s economy by supporting the Nebraska Department of Economic Development’s efforts to assist the growth and expansion of existing business, attract new business to the State and improve Nebraska’s business climate and competitiveness.

Example of Outcomes to date:

- For the third time in four years, Nebraska has been recognized for growth and development taking place across the state. Area Development, a leading economic development publication, recently recognized Nebraska with a **2022 Silver Shovel Award** for achievements in attracting high-value investment projects that will create a significant number of jobs.
CHAIR OF OMAHA’S URBAN CORE COMMITTEE
Economic Development Leadership

Objective:
• Implement long-range vision to reaffirm and reinforce Omaha’s urban core’s historic role as the cultural, entertainment, residential and employment heart of the region

Examples of Outcomes to date:
• OPPD recognized for support in implementing LB 1024 to benefit North and South Omaha
• Leading business park planning and external partnership development
• Leading marketing subcommittee and supporting housing subcommittee core work
LEADERSHIP IN ACTION

SourceLink

Objective:

• Identify a tool to connect businesses and entrepreneurs with comprehensive business assistance resources.

Examples of Outcomes to Date:

• Launched SourceLink in November 2021 as a founding partner and only utility representative
  – Includes 500+ organizations and 900+ resources
  – Over 5,500 individuals have visited sourcelinknebraska.com
• 76 businesses and start-ups contacted SourceLink navigators for assistance
• Promoted 300+ trainings or events
• The Nebraska Business Development Center’s Omaha Small Business Development Center was awarded a grant to support building businesses in the communities of North and South Omaha
LEADERSHIP IN ACTION:
SizeUp

Objective:
• Provide tools and resources to educate small business customer owners and support economic growth

Examples of Outcomes to date:
• 57,013 reports generated, 800+ users
• Hosted free training on SizeUp platform as part of OPPD's leadership with the Entrepreneurial Education Collaborative that brought together service providers, business owners, small business focused agencies and chamber organizations
• Provided leadership on procurement insight to small businesses
Promoting Products, Programs & Services

**OPPD Business Customer Relationships and Support**

**PRODUCT DEVELOPMENT & MARKETING**
- Conducting market research
- Responding to customer needs
- Developing and marketing programs & offerings

**ECONOMIC DEVELOPMENT**
- Listening to customer interests & needs
- Promoting & referring OPPD connections & programs

**SENIOR ACCOUNT EXECUTIVES, ACCOUNT EXECUTIVES, AND ELECTRIC SERVICE DESIGNERS**
- Listening to customer interests & needs
- Promoting & referring OPPD connections & programs
LEADERSHIP IN ACTION

Products, programs and services

Plasti Products

Werner Enterprises
Data Center

Werner Enterprises is one of the largest trucking companies in the world. They have been devoted to reducing their carbon footprint since 2008. Their partnership with OPPD began when Werner investigated relative to upgrade their inefficient lighting. Upon Werner’s completion of conventional energy efficiency measures, they aimed to utilize HVAC optimization projects through OPPD’s ECO 247 program. This program allowed them to achieve an even higher level of energy efficiency.

Prior to 2020, OPPD helped Werner reduce their carbon footprint by the equivalent of 30 tractor-trailer trucks and lowered their electricity use by 27%.

The latest ECO 247 project for Werner significantly reduced the electricity consumption of their data center. OPPD used industry-leading technology to optimize their water-cooled DX and VRF units and maximize the efficiency for the legacy wiring. In addition, the project improved space thermal conditions and system operation.

Annual CO2 Reduction 968,200 lbs 26%

Electricity Savings $46,074 $4.08/MWh per year

The demand reduction from this project of 54.3 kW provided Werner a $27,420 rebate from OPPD.
Preparing sites for future development

**Objectives:**

- Focus on site development to ensure we fully utilize all assets

**Example of Outcomes to date:**

- Partnered on electric infrastructure planning
  - **LB 977** which takes $15 million from the cash reserve fund and transfers it to the Site and Building Expanding Electrical System Capacities and Enhancing Redundancy and Resilience Development Fund
  - **Falls City** Economic Development Growth and Enterprise - conducted master planning for large industrial speculative site development

- Actively leading site development and due diligence with economic development organizations
  - Provided leadership on seeking input and partnering with local economic development organizations to further understand and complete due diligence (all utilities, geotechnical, site control, environmental and more) on 10 key areas across OPPD's service territory
  - Chair, Douglas County Target Advisory Group and focused on identified greenfield and redevelopment opportunities alongside community partners

- Executed on Power with Purpose location analysis and process to support solar needs
LEADERSHIP IN ACTION
Highlights of site development and planning

Washington County Area
2012 - present

**Objective** — Identify new areas for development in northern, rural parts of OPPD territory to be a catalyst for future economic development opportunities

**Examples of Outcomes to date:**
- Gateway Development Corporation partnership to attract significant prospect activity in 2022 with 13 leads and site visits
- Strong probability for landing key industrial projects with high skill, high wage positions in the near future

Sarpy County Area
2013 - present

**Objective** — Identify new areas for development in southern Sarpy County that could be a catalyst for future economic development opportunities

**Examples of Outcomes to date:**
- Grow Sarpy partnership to attract key industrial projects that will bring high skill, high wage positions to the area
- 2022 investments continue including construction of new facilities
Powering the Future to 2050

- Cultivating the growth and well-being of vibrant and thriving communities
- Optimizing the value of our assets that serve our customers
Maturity Model

01 Initial
1980s Economic development in focus; newly created department

02 Managed
1990s Industrial recruitment focus and growing economic development team

Early 2000s Increased focus on site development, speculative planning and community development

03 Defined
2013 Economic development leadership roles and support across external organizations enhanced

2014-2015 Defined economic development as Strategic Directive

04 Quantitatively managed
2017 – 2018 Strategic focus on Integrated Energy Marketplace of business attraction

2020-2021 Benchmarking; expanded team and scope, including launch of small business resources platforms; align with partners on clear objectives and outcomes

05 Optimized
2022 - Future Enhanced and refreshed strategic directive with focus on community and workforce needs; connection to Powering the Future to 2050
Recommendation

The Public Information Committee has reviewed and accepted this Monitoring Report for SD-11 and recommends that the Board find OPPD to be sufficiently in compliance with Board Policy SD-11.
Any additional reflections on what has been accomplished ... or challenges or gaps