

# **SD-2: Rates**

Jeff Bishop Chief Financial Officer

December 13, 2022

Your Energy Partner®	OMAHA PUBLIC POWER DISTRICT Board Policy	Category:	Strategic Direction
ADDA	Policy No. and Name:	Monitoring Method:	Finance Committee Board Report
Omaha Public Power District	SD-2: Rates	Frequency:	Annually
Date of Approval:	July 16, 2015 November 16, 2017 November 18, 2021	Resolution No.:	6070 6210 6471

The Board of Directors shall establish a directional rate target of 20% below the West North Central Regional average published rates on a system average basis\*.

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

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



<sup>\*</sup>Defined in Glossary.

### **Refinement Process: Strategic Directives**

# SD-2

#### **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.

#### In-Committee

Added to Work Plan
August 26, 2020

Committee discussion & recommendation development

April 2, 2021-present

Board review/decision

December 13, 2022

**Public Comment** 

Nov 28 - December 11, 2022

Vote

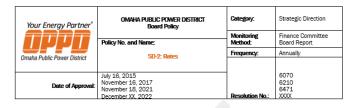
Tentative December 15, 2022



# All Committee Review: December 13, 2022

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 board action?

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Regional average put	olished rates on a system average basis*.		
ODDD aball atriva to a	provide affordable energy services and set re	oton in order to cobie	we the land term
vision of the organiza		ates in order to acris	eve the long-term
In implementing this	<del>rate target<u>directive,</u> OPPD shall-<del>adhere to t</del></del>	hese principles:	
<ul> <li>Maintain fair, rea 70-655;</li> </ul>	sonable and non-discriminatory rates as st	ated in Nebraska R	evised Statute §
Equitably assign (	costs across and within all customer classe	s;	
Monitor affordabi	ility indicators;		
Pursue rate proce	ess and structure changes to reflect the cos	t of energy when it i	s used;
Offer flexibility an	d options; <del>and</del>		
Be simple and ea	sy to understand <u>: and</u> -		
	nal rate target of 10% below average publis	hed rates of seven s	tates in the
North Central Reg	gion* on a system average basis*.		
*TERMS AND DEFINI	TIONS		
Seven states in the N	orth Central Region: Illinois, Iowa, Indiana,	Kansas, Missouri, N	lebraska, South
	<ul> <li>5: Total revenue billed to retail customers of it is measured in cents per kWh or the average.</li> </ul>		sold to retail
customers, me resu	ic is measured in cents per kwir or the aven	ugo system busis.	
*Defined in Glossary	:		



OPPD shall strive to provide affordable energy services and set rates in order to achieve the long-term vision of the organization.

In implementing this directive, OPPD shall

- Maintain fair, reasonable and non-discriminatory rates as stated in Nebraska Revised Statute § 70-655;
- Equitably assign costs across and within all customer classes;
- · Monitor affordability indicators;
- Pursue rate process and structure changes to reflect the cost of energy when it is used.
- · Offer flexibility and options;
- · Be simple and easy to understand; and
- Pursue a directional rate target of 10% below average published rates of seven states in the North Central Region\* on a system average basis\*.

#### \*TERMS AND DEFINITIONS

Seven states in the North Central Region: Illinois, Iowa, Indiana, Kansas, Missouri, Nebraska, South Dakota.

System Average Basis: Total revenue billed to retail customers divided by total kWh sold to retail customers. The result is measured in cents per kWh or the average system basis.

# Feedback & Outreach - November 28 - December 11, 2022

### **Board Feedback**

 No alterations were made post All Committee Review on November 15, 2022 and prior to outreach.

## **Outreach Effort**

- Proactive outreach for awareness
  - Multiple channels were used to create awareness and collect feedback
- Posted on OPPD Community Connect November 28<sup>th</sup> – December 11<sup>th</sup>
  - No public comments received



# **Next Step**

Option 1: Board Resolution & Vote
 OR

Option 2: Additional Committee Deliberation

