

Report of Management

The management of Omaha Public Power District (OPPD) is responsible for the preparation of the following financial statements and for their integrity and objectivity. These financial statements conform to generally accepted accounting principles and, where required, include amounts which represent management's best judgments and estimates. OPPD's management also prepared the other information in this Annual Report and is responsible for its accuracy and consistency with the financial statements.

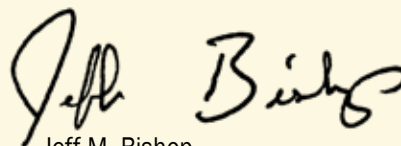
To fulfill its responsibility, management maintains strong internal controls, supported by formal policies and procedures that are communicated throughout the company. Management also maintains a staff of internal auditors who evaluate the adequacy of and investigate the adherence to these controls, policies and procedures. OPPD is committed to conducting business with integrity, in accordance with the highest ethical standards, and in compliance with all applicable laws, rules and regulations. A Code of Ethics has been adopted for the Executive Leadership Team and certain financial managers, stating their responsibilities and standards for professional and ethical conduct.

Our independent auditors have audited the financial statements and have rendered an unmodified opinion as to the financial statements' fairness of presentation, in all material respects, in accordance with accounting principles generally accepted in the United States of America. During the audit, they considered internal controls over financial reporting as required by generally accepted auditing standards.

The Board of Directors pursues its oversight with respect to OPPD's financial statements through the Finance Committee, which is comprised solely of non-management directors. The committee meets periodically with the independent auditors, internal auditors and management to ensure that all are properly discharging their responsibilities. The committee reviews the annual audit plan and any recommendations the independent auditors have related to the internal control structure. The Board of Directors, on the recommendation of the Finance Committee, engages the independent auditors who have unrestricted access to the Finance Committee.



L. Javier Fernandez
President and Chief Executive Officer



Jeff M. Bishop
Vice President and Chief Financial Officer



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Independent Auditor's Report

Board of Directors
Omaha Public Power District
Omaha, Nebraska

Opinions

We have audited the financial statements of the business-type activities and the fiduciary activities of Omaha Public Power District (OPPD), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise OPPD's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the fiduciary activities of OPPD, as of December 31, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of OPPD and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about OPPD's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OPPD's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about OPPD's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

FORVIS,LLP

Omaha, Nebraska
March 21, 2024

Management's Discussion and Analysis (Unaudited)

USING THIS FINANCIAL REPORT

The Financial Report for the Omaha Public Power District (OPPD or Company) includes the Management's Discussion and Analysis, Financial Statements, Notes to Financial Statements, Required Supplementary Information and Notes to Required Supplementary Information. The Financial Statements consist of the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; the Statement of Cash Flows; the Statement of Fiduciary Net Position; and the Statement of Changes in Fiduciary Net Position. The Financial Statements have been prepared in accordance with generally accepted accounting principles (GAAP) for governmental entities. Questions concerning any of the information provided in this report should be directed to Investor Relations at finfo@oppd.com.

Management's Discussion and Analysis (MD&A) – This unaudited information provides an objective and easily readable analysis of OPPD's financial activities based on currently known facts, decisions or conditions. In the MD&A, financial managers present both short-term and long-term analyses of the Company's activities. The MD&A should be read in conjunction with the Financial Statements, Required Supplementary Information and related Notes. This document contains forward-looking statements based on current plans.

Statement of Net Position – This statement reports resources with service capacity (assets) and obligations to sacrifice resources (liabilities). Deferrals result from outflows and inflows of resources that have already taken place but are not recognized in the financial statements as expenses and revenues because they relate to future periods. Net Position is the residual interest in the Company. On the Statement of Net Position, the sum of assets and deferred outflows equals the sum of liabilities, deferred inflows and net position. This statement facilitates the assessment and evaluation of liquidity, financial flexibility and capital structure.

Statement of Revenues, Expenses and Changes in Net Position – All revenues and expenses are accounted for in this statement. This statement measures the activities for the year and can be used to determine whether the revenues, rates, fees and other charges are adequate to recover expenses.

Statement of Cash Flows – This statement reports all cash receipts and payments summarized by net changes in cash from operating, noncapital financing, capital and related financing, and investing activities.

Statement of Fiduciary Net Position – This statement reports the financial resources available for pensions and other postemployment benefits (OPEB).

Statement of Changes in Fiduciary Net Position – This statement reflects the additions, deductions and changes in net position restricted for pensions and OPEB.

Notes to Financial Statements (Notes) – These Notes provide additional detailed information to support the financial statements.

Required Supplementary Information and Notes to Required Supplementary Information – This information provides additional detailed disclosures as required by the Governmental Accounting Standards Board.

ORGANIZATION

OPPD is a fully integrated, publicly owned electric utility governed by an elected board of eight directors. The Company serves an estimated population of 885,000 in a 13-county, 5,000-square-mile service area in southeast Nebraska.

FINANCIAL POSITION

The following table summarizes the financial position as of December 31 (in thousands).

Condensed Statements of Net Position	2023	2022	2021
Current Assets	\$ 1,261,923	\$ 1,212,506	\$ 1,274,531
Other Long-Term Assets and Special Purpose Funds	1,700,430	1,676,783	1,512,437
Electric Utility Plant	3,664,718	3,218,417	2,821,549
Total Assets	6,627,071	6,107,706	5,608,517
Deferred Outflows of Resources	457,246	226,902	282,026
Total Assets and Deferred Outflows	\$ <u>7,084,317</u>	\$ <u>6,334,608</u>	\$ <u>5,890,543</u>
Current Liabilities	\$ 535,571	\$ 532,158	\$ 410,408
Long-Term Liabilities	4,680,013	4,072,890	3,859,296
Total Liabilities	5,215,584	4,605,048	4,269,704
Deferred Inflows of Resources	324,255	369,982	272,466
Net Position	1,544,478	1,359,578	1,348,373
Total Liabilities, Deferred Inflows and Net Position	\$ <u>7,084,317</u>	\$ <u>6,334,608</u>	\$ <u>5,890,543</u>

2023 Compared to 2022

Total Assets and Deferred Outflows

Total Assets in 2023 increased \$519.4 million or 8.5% over 2022, primarily due to an increase in Electric Utility Plant from additional capital investments. There was also an increase in Other Long-Term Assets primarily due to an increase in Regulatory Assets – Other for Allowance for Funds Used During Construction (AFUDC) from increased capital spending. This was partially offset by a decrease in Special Purpose Funds from a reduction in the decommissioning funds balance due to additional decommissioning spending.

Deferred Outflows of Resources in 2023 increased \$230.3 million or 101.5% over 2022, primarily due to increases in the pension and OPEB investment losses.

Total Liabilities, Deferred Inflows and Net Position

Total Liabilities in 2023 increased \$610.5 million or 13.3% over 2022, primarily due to the issuance of new Electric System Revenue Bonds and an increase in the Pension and OPEB Liabilities based on the most recent actuarial results. This was partially offset by a decrease in the Decommissioning Liability as a result of work completed and a decrease in the outstanding Electric System Subordinated Revenue Bonds due to a defeasance.

Deferred Inflows of Resources in 2023 decreased \$45.7 million or 12.4% from 2022, primarily due to decreases in the unrealized pension and OPEB gains due to lower investment returns as a result of unfavorable market conditions, which was partially offset by an increase in the Fort Calhoun Station (FCS) decommissioning regulatory liability.

Net Position in 2023 increased \$184.9 million or 13.6% over 2022 based on results of operations.

2022 Compared to 2021

Total Assets and Deferred Outflows

Total Assets in 2022 increased \$499.2 million or 8.9% over 2021, primarily due to an increase in Electric Utility Plant from additional capital spending. There was also an increase in Other Long-Term Assets primarily due to the reestablishment of an asset for future spent fuel recoveries related to FCS decommissioning. This was partially offset by a decrease in both Other Long-Term Assets and Current Assets for the transition of the FCS decommissioning regulatory asset into a regulatory liability.

Deferred Outflows of Resources in 2022 decreased \$55.1 million or 19.5% from 2021, primarily due to decreases in the pension and OPEB contributions, which was partially offset by an increase for the changes in actuarial assumptions.

Total Liabilities, Deferred Inflows and Net Position

Total Liabilities in 2022 increased \$335.3 million or 7.9% over 2021, primarily due to the issuance of new Electric System Revenue Bonds and an increase in Accounts Payable due to additional capital and other operating expenditures. This was partially offset by a decrease in the Decommissioning Liability as a result of work completed and decreases in the Pension and OPEB Liabilities based on the most recent actuarial results.

Deferred Inflows of Resources in 2022 increased \$97.5 million or 35.8% over 2021, primarily due to the transition of the FCS decommissioning regulatory asset into a regulatory liability, which was partially offset by decreases in the unrealized pension and OPEB gains due to lower investment returns as a result of unfavorable market conditions.

Net Position in 2022 increased \$11.2 million or 0.8% over 2021 based on results of operations.

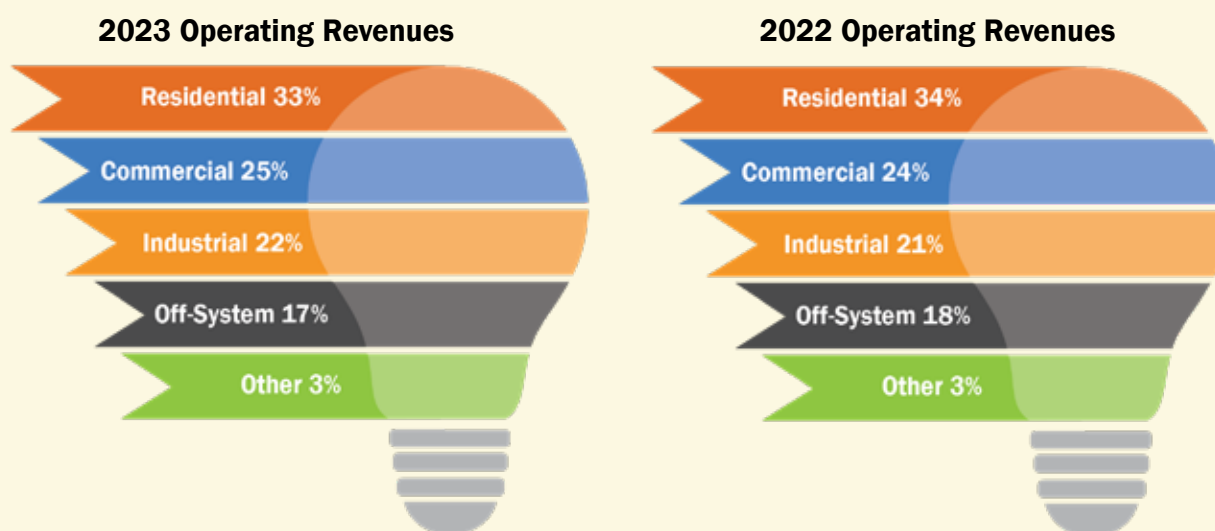
RESULTS OF OPERATIONS

The following table summarizes the operating results for the years ended December 31 (in thousands).

Condensed Statements of Revenues, Expenses and Changes in Net Position			
	2023	2022	2021
Operating Revenues	\$ 1,428,905	\$ 1,400,784	\$ 1,496,920
Operating Expenses	(1,250,562)	(1,309,747)	(1,421,682)
Operating Income	178,343	91,037	75,238
Other Income (Expenses)	6,557	(79,832)	(47,290)
Net Income	\$ <u>184,900</u>	\$ <u>11,205</u>	\$ <u>27,948</u>

Operating Revenues

The following charts illustrate 2023 and 2022 operating revenues by category and percentage of the total.



2023 Compared to 2022 – Total operating revenues were \$1,428.9 million for 2023, an increase of \$28.1 million or 2.0% over 2022 operating revenues of \$1,400.8 million.

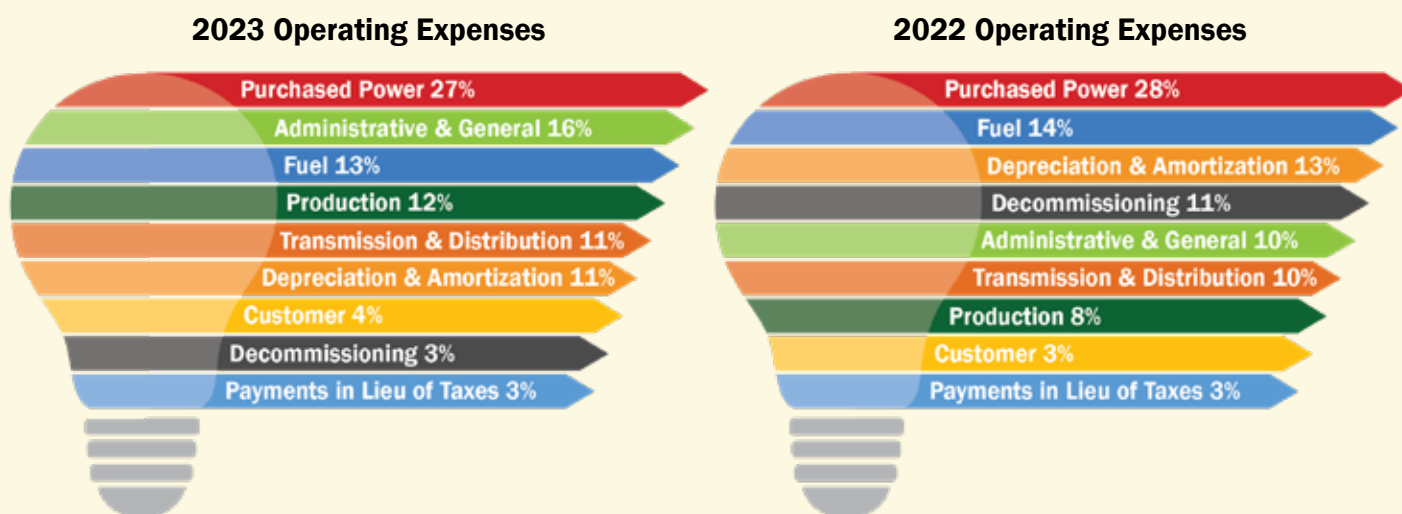
- Revenues from retail sales increased \$38.2 million or 3.5% over 2022, primarily due to an increase in the revenue across all customer classes due to higher usage and from the utilization of the Decommissioning and Benefits Reserve in 2023, which was partially offset by decreased revenue from the Fuel and Purchased Power Adjustment (FPPA) and a transfer to the Rate Stabilization Reserve.
- Revenues from off-system sales decreased \$12.9 million or 5.0% from 2022, primarily due to lower sales volumes.
- Other Electric Revenues include connection charges, late payment charges, leases, wheeling fees and miscellaneous revenues. These revenues increased \$2.8 million or 6.5% over 2022, primarily due to increases in transmission revenues.

2022 Compared to 2021 – Total operating revenues were \$1,400.8 million for 2022, a decrease of \$96.1 million or 6.4% from 2021 operating revenues of \$1,496.9 million.

- Revenues from retail sales decreased \$30.4 million or 2.7% from 2021, primarily due to a decrease in the revenue from the utilization of the Decommissioning and Benefits Reserve in 2021, which was partially offset by increased revenue across all customer classes due to higher usage.
- Revenues from off-system sales decreased \$71.9 million or 21.9% from 2021, primarily due to higher revenue from the 2021 Polar Vortex weather event.
- Other Electric Revenues include connection charges, late payment charges, leases, wheeling fees and miscellaneous revenues. These revenues increased \$6.2 million or 16.4% over 2021, primarily due to increases in transmission revenues.

Operating Expenses

The following charts illustrate 2023 and 2022 operating expenses by expense classification and percentage of the total.



2023 Compared to 2022 – Total operating expenses were \$1,250.6 million for 2023, a decrease of \$59.2 million or 4.5% from 2022 operating expenses of \$1,309.7 million.

- Fuel expense decreased \$22.1 million or 11.9% from 2022, primarily due to lower production volumes from longer maintenance outages.
- Purchased Power expense decreased \$28.0 million or 7.8% from 2022, primarily due to lower energy prices in the marketplace.
- Production expense increased \$47.3 million or 44.8% over 2022, primarily due to higher maintenance costs at Nebraska City Station Unit 2 (NC2) and North Omaha Station (NOS) from longer planned maintenance outages.
- Transmission and Distribution expense increased \$10.5 million or 8.0% over 2022, primarily due to increased fees to the Southwest Power Pool (SPP).
- Customer expense increased \$1.6 million or 3.7% over 2022, primarily due to increased professional service costs.
- Administrative and General expense increased \$64.4 million or 47.6% over 2022, primarily due to increased employee benefit costs from an additional pension contribution of \$50.0 million utilizing \$35.0 million of the Decommissioning and Benefits Reserve.
- Depreciation and Amortization expense decreased \$26.3 million or 16.0% from 2022, due to the implementation of new depreciation rates from a new depreciation study, which was partially offset by an increase in Depreciation and Amortization expense from additional electric utility plant assets.

- Decommissioning expense decreased \$108.6 million or 76.5% from 2022, primarily due to the discontinuation of funding from retail rates to the Decommissioning Trusts in April 2023.
- Payments in Lieu of Taxes expense increased \$2.0 million or 5.0% over 2022, due to higher retail revenues in incorporated areas of the service territory.

2022 Compared to 2021 – Total operating expenses were \$1,309.7 million for 2022, a decrease of \$112.0 million or 7.9% from 2021 operating expenses of \$1,421.7 million.

- Fuel expense decreased \$17.6 million or 8.6% from 2021, primarily due to higher fuel costs during the 2021 Polar Vortex weather event.
- Purchased Power expense decreased \$44.0 million or 10.9% from 2021, primarily due to higher purchased power costs during the 2021 Polar Vortex weather event.
- Production expense decreased \$5.8 million or 5.2% from 2021, primarily due to lower maintenance expenses as a result of fewer maintenance outages.
- Transmission and Distribution expense increased \$5.5 million or 4.4% over 2021, primarily due to increased fees to SPP.
- Customer expense increased \$2.7 million or 6.6% over 2021, primarily due to increased professional service costs, customer rebates, and an increase to the uncollectible accounts accrual.
- Administrative and General expense decreased \$72.0 million or 34.7% from 2021, primarily due to decreased employee benefit costs compared to the 2021 utilization of the Decommissioning and Benefits Reserve for additional pension contributions.
- Depreciation and Amortization expense increased \$7.9 million or 5.0% over 2021, primarily due to an increase in electric utility plant assets.
- Decommissioning expense increased \$9.4 million or 7.1% over 2021, primarily due to increased funding of the Decommissioning Trust.
- Payments in Lieu of Taxes expense increased \$1.9 million or 4.9% over 2021, due to higher retail revenues in incorporated areas of the service territory.

Other Income (Expenses)

2023 Compared to 2022 – Other income (expenses) totaled \$6.6 million in 2023, an increase of \$86.4 million over 2022 income (expenses) of (\$79.8) million.

- Interest Expense increased \$22.7 million or 26.7% over 2022, primarily due to higher interest rates and higher outstanding long-term debt.
- Investment Income, including Decommissioning Funds, increased \$114.6 million or 274.8% over 2022, primarily due to higher fair market value adjustments. OPPD typically holds investments to maturity and, therefore, will rarely realize fair market gains or losses.
- AFUDC increased \$16.7 million or 101.4% over 2022, due to higher construction balances subject to AFUDC.
- Products and Services – Net decreased \$0.8 million or 27.1% from 2022, due to fewer completed projects.
- Other – Net decreased \$21.4 million or 78.0% from 2022, primarily due to a decrease in revenue from grants from the Federal Emergency Management Agency (FEMA) for storm related costs.

2022 Compared to 2021 – Other income (expenses) totaled (\$79.8) million in 2022, an increase of \$32.5 million over 2021 income (expenses) of (\$47.3) million.

- Interest Expense increased \$16.3 million or 23.8% over 2021, primarily due to higher interest rates and higher outstanding long-term debt.
- Investment Income, including Decommissioning Funds, decreased \$37.1 million or 807.9% from 2021, due to lower fair market value adjustments.

- AFUDC increased \$6.7 million or 68.1% over 2021, due to higher construction balances subject to AFUDC.
- Products and Services – Net increased \$1.0 million or 56.7% over 2021, due to more completed projects.
- Other – Net increased \$13.2 million or 92.4% over 2021, primarily due to an increase in revenue from grants from FEMA related to the 2021 storm events.

Net Income

Net income was \$184.9 million for 2023 compared to \$11.2 million in 2022, primarily due to results of operations and adjustments to the Decommissioning and Benefits and Rate Stabilization reserves.

Net income was \$11.2 million for 2022 compared to \$27.9 million in 2021, primarily due to results of operations and adjustments to the Decommissioning and Benefits Reserve.

CAPITAL PROGRAM

The Company's electric utility plant includes production, transmission and distribution, and general plant facilities. The following table summarizes the balance of electric utility plant as of December 31 (in thousands).

	2023	2022
Electric utility plant	\$ 6,045,003	\$ 5,546,856
Accumulated depreciation and amortization	(2,380,285)	(2,328,439)
Total electric utility plant – net	<u>\$ 3,664,718</u>	<u>\$ 3,218,417</u>

Electric system requirements, including the identification of future capital investments, are reviewed annually to ensure current and future load requirements are serviced by a reliable and diverse power supply. Capital investments are financed with revenues from operations, bond proceeds, investment income and cash on hand.

The following table shows actual capital program expenditures for the last two years and budgeted expenditures for 2024 (in thousands).

Capital Program	Budget		Actual	
	2024	2023	2023	2022
Production	\$ 261,259	\$ 255,580	\$ 255,580	\$ 287,260
Transmission and distribution	356,176	230,381	230,381	197,344
General	109,565	88,647	88,647	66,428
Total	<u>\$ 727,000</u>	<u>\$ 574,608</u>	<u>\$ 574,608</u>	<u>\$ 551,032</u>

Actual and budgeted expenditures for 2022 through 2024 include the following:

- Production expenditures include equipment to maintain reliability, enhance efficiency, comply with environmental regulations and maintain a safe work environment. Actual and budgeted expenditures include costs for the Power with Purpose and Near-Term Generation initiatives that were approved by the Board of Directors in 2019 and 2023, respectively, to add new generation that will be required to maintain energy generation and capacity requirements. Budgeted expenditures have remained consistent as the Company continues to support the remaining scope of Power with Purpose projects and new Near-Term Generation projects.
- Transmission and distribution expenditures include various substation and transmission projects to facilitate load growth and reliability and improve substation security, as well as the Transmission Distribution Improvement Program, which focuses on cable, conductor, and pole replacements. Budgeted expenditures have increased primarily due to the expansion of our transmission and distribution infrastructure to provide reliable electric service to a growing community as well as supporting the Company's Near-Term Generation, Power with Purpose, and Two-way Communication or Advanced Metering Infrastructure efforts.

- General plant expenditures include facilities, fleet vehicles, construction equipment, technology equipment and software applications. Budgeted expenditures include business technology and facilities investments and upgrades.

Details of the Company’s electric utility plant asset balances and activity are included in Note 5 in the Notes to Financial Statements.

CASH AND LIQUIDITY

Financing

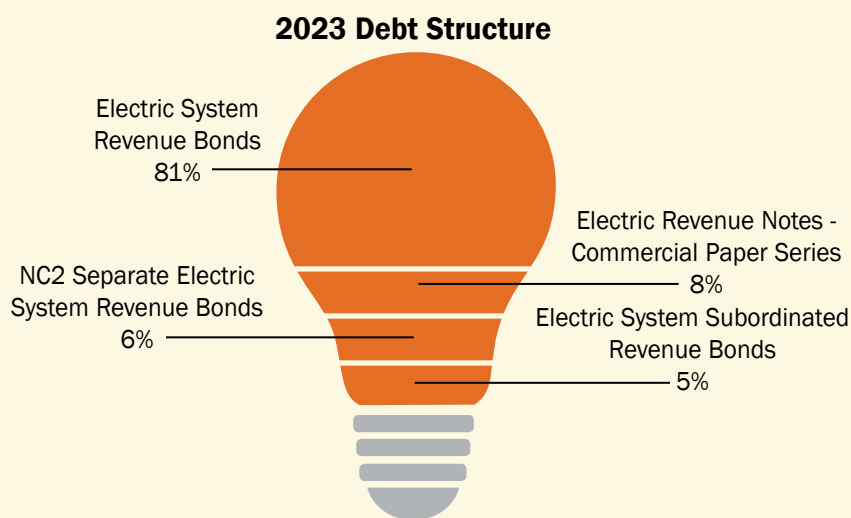
Sufficient liquidity is maintained to ensure working capital is available for normal operational needs and unexpected, but predictable, risk events. OPPD’s liquidity includes cash, marketable securities and lines of credit. Debt offerings also provide a significant source of liquidity for capital investments not funded by revenues from operations.

The financing plan optimizes the debt structure to ensure capital needs are financed, liquidity needs are achieved and the Company’s strong financial position is maintained. The 2024 financing plan anticipates the issuance of approximately \$449.0 million of new Electric System Revenue Bonds to support capital projects.

OPPD issued \$360.8 million of Electric System Revenue Bonds during 2023. The proceeds were used for future and reimbursable capital expenditures. OPPD also issued \$188.9 million of Electric System Revenue Bonds during 2023 to refund \$100.0 million of its Commercial Paper Notes, resulting in a decrease of its outstanding Commercial Paper from \$350.0 million to \$250.0 million, and to defease \$89.9 million of Electric System Subordinated Revenue Bonds. Before the Commercial Paper refunding, OPPD had increased its outstanding Commercial Paper from \$250.0 million to \$350.0 million during 2023 to reimburse capital expenditures. Repayments of \$45.3 million of Electric System Revenue Bonds, \$2.6 million of Electric System Subordinated Revenue Bonds, and \$4.0 million of NC2 Separate Electric System Revenue Bonds were made in 2023.

The Company has two Credit Agreements in place. The first Credit Agreement for \$250.0 million was executed on July 22, 2019 and extended on October 31, 2022, with an expiration date of January 1, 2026. The second Credit Agreement for \$200.0 million was executed on June 1, 2021, with an expiration date of May 31, 2024. Both Credit Agreements can be used to support the Commercial Paper Program, and both Credit Agreements provide additional sources of working capital, if needed. There were letters of credit issued against the Credit Agreements in the amount of \$30.3 million and \$0 as of December 31, 2023 and 2022, respectively. The letters of credit reduced the available Credit Agreement amount by \$30.3 million leaving an unused amount of \$419.7 million as of December 31, 2023. There were no amounts outstanding under either Credit Agreement as of December 31, 2022.

The following chart illustrates the debt structure and percentage of the total as of December 31, 2023.



Details of the Company’s debt balances and activity are included in Note 7 in the Notes to Financial Statements.

Debt Service Coverage for Electric System Revenue Bonds

Debt service coverage for the Electric System Revenue Bonds was 2.27 times and 3.09 times in 2023 and 2022, respectively. OPPD's senior lien bond indenture provides that additional bonds may not be issued unless estimated net receipts for each future year shall equal or exceed 1.4 times the debt service on all Electric System Revenue Bonds outstanding, including the additional bonds being issued. Transactions in 2023 and 2022 for the NC2 Separate Electric System were not included in the calculation because the Electric System Revenue Bonds are not secured by the revenues from the NC2 Separate Electric System. The Company is in compliance with all debt covenants.

Debt Ratio

The debt ratio is a measure of financial solvency and represents the share of debt to total capitalization (debt and net position). This ratio does not include the NC2 Separate Electric System Revenue Bonds since this debt is secured by revenues of the NC2 Separate Electric System. The debt ratio was 64.6% and 64.0% at December 31, 2023 and 2022, respectively.

Credit Ratings

High credit ratings allow the Company to borrow funds at more favorable interest rates. Both quantitative (financial strength) and qualitative (business and operating characteristics) factors are considered by the credit rating agencies in establishing a company's credit rating. The credit ratings received from S&P Global Ratings (S&P) and Moody's Investors Service (Moody's), independent bond rating agencies for the latest bond issues, were among the highest ratings granted to electric utilities and confirm the agencies' assessment of the Company's strong ability to meet its debt service requirements. S&P and Moody's affirmed OPPD's senior lien debt and subordinated ratings, and both have stable outlooks for OPPD's credit ratings.

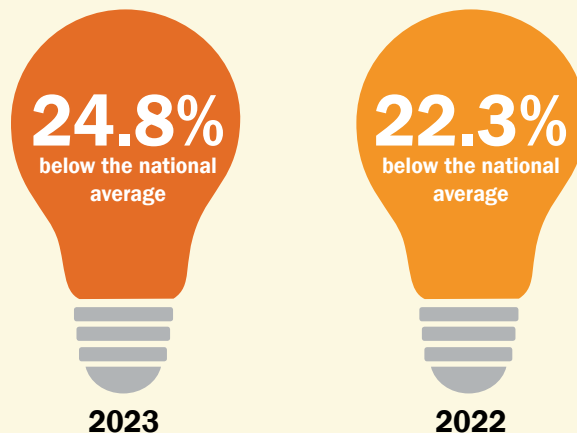
The following table summarizes credit ratings in effect on December 31, 2023.

	S&P	Moody's
Electric System Revenue Bonds	AA	Aa2
Electric System Subordinated Revenue Bonds	AA-	Aa3
Electric Revenue Notes - Commercial Paper Series	A-1+	P-1
NC2 Separate Electric System Revenue Bonds	A+	A1

COMPETITIVE AND REGULATORY ENVIRONMENT

Electric Rates

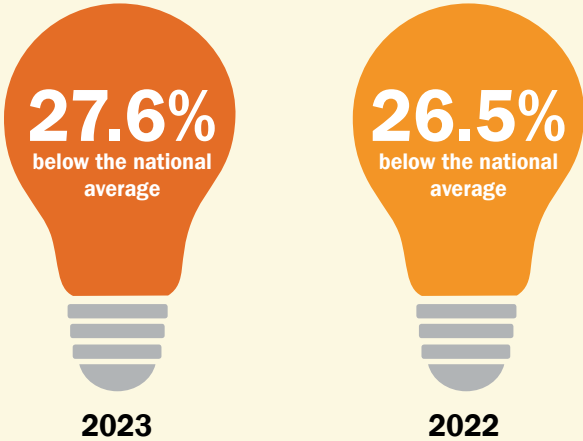
Electric rates - Residential



The Company strives to manage costs to align with the mission of providing affordable, reliable and environmentally sensitive energy services to our customers. Residential customers paid an average of 12.02 and 11.68 cents per kilowatt-hour (kWh) in 2023 and 2022, respectively. The national average residential

cents per kWh according to the Energy Information Administration (EIA), U.S. Department of Energy, was 15.98 for 2023 (preliminary year-to-date December 2023) and 15.04 cents per kWh for 2022. Based on the EIA data, OPPD residential rates were 24.8% and 22.3% below the national average for 2023 and 2022, respectively.

Electric rates – Retail



Retail customers paid an average of 9.21 and 9.08 cents per kWh in 2023 and 2022, respectively. The national average retail cents per kWh according to the EIA, was 12.72 for 2023 (preliminary year-to-date December 2023) and 12.36 cents per kWh for 2022. Based on the EIA data, OPPD retail rates were 27.6% and 26.5% below the national average for 2023 and 2022, respectively.

There was no general rate increase for 2023 but there was a 2.9% average increase due to a change in the FPPA factor that was implemented in January 2023 as a result of higher energy prices. In 2022, OPPD implemented a 2.5% average general rate increase for retail customers while the FPPA factor remained unchanged. In January 2024, OPPD implemented a 3.1% average general rate increase and a (0.6%) average decrease in the FPPA base rate and factor, for a total overall average rate impact of 2.5%.

Energy Risk Management

OPPD participates in the wholesale marketplace with other electric utilities and power marketers. The Company must be able to offer energy at competitive prices and maintain reliability to successfully compete in this market. Energy market prices may fluctuate substantially in a short period of time due to changes in the supply and demand of electricity, fuel and environmental-related commodities. Policies provide requirements for transacting in the marketplace with the intent to mitigate and monitor market risk. A cross-functional risk committee is responsible for identifying, measuring and mitigating various risk exposures related to power marketing and fuel purchase activities.

Fuel expense represents a significant cost and affects the ability to generate and market competitively priced power. To maintain a diverse portfolio of power supply, OPPD uses various fuel types for generation. Fuel policies mitigate volumetric and price risk associated with the forecasted use of fuel for OPPD’s generation.

Environmental Matters

Environmental matters can have a significant impact on operations and financial results. OPPD complies with all applicable local, state and federal environmental rules and regulations. The items mentioned below include proposed, enacted or enforceable laws, rules and regulations.

Carbon Dioxide (CO₂) Performance Standards – On May 23, 2023, the Environmental Protection Agency (EPA) published a new proposed rule which would establish CO₂ emission limits and emission guidelines for existing coal, oil, and natural gas-fired Electric Generating Units (EGUs), certain existing natural gas-fired turbines, and new natural gas turbines. The limits are based on the best system of emission reduction which the EPA considers to be carbon capture and sequestration/storage, low-greenhouse gas hydrogen co-firing, and natural gas co-firing. The final rule is expected to be issued in 2024, and due to its broad industry impact, it is expected

to be challenged in court by multiple stakeholders. OPPD continues to monitor the potential outcomes and impacts of this proposed rule.

Regional Haze Rule (RHR) – The RHR requires the states, in coordination with the EPA, the National Park Service, U.S. Fish and Wildlife Service (USFWS), the U.S. Forest Service, and other interested parties, to develop and implement air quality protection plans to reduce the pollution that causes visibility impairment. The cost of compliance is not expected to be material at this time.

Mercury and Air Toxics Standards (MATS) Rule – On April 3, 2023, the EPA proposed a rule to revise the MATS for coal and oil-fired steam EGUs that would potentially lower the filterable particulate matter limit and require all coal-fired EGUs to demonstrate compliance with the filterable particulate standard limit by using continuous emission monitoring systems, thereby eliminating the option to use quarterly stack tests. The rule is still in the process of being finalized.

Coal Combustion Residuals (CCR) – In April 2015, the EPA promulgated technical requirements for the CCR rule that impacted landfills and surface impoundments for the safe disposal of coal combustion residuals under Subtitle D of the Resource Conservation and Recovery Act. The regulation became effective in October 2015, and OPPD is in compliance with the requirements. The cost of compliance with the requirements of the CCR rule is expected to be minimal at this time.

On May 17, 2023, the EPA issued a proposal that would establish two new classes of regulated CCR units under the federal CCR rule and includes legacy CCR surface impoundments and CCR management units. The Company is evaluating the potential impact of this proposed rule, which may require a thorough prescriptive site assessment and additional review of historic site activities with potentially new groundwater monitoring requirements.

316(b) Fish Protection Regulations (316(b)) – In May 2014, the EPA issued the final rule under Section 316(b) Rule of the Clean Water Act, which went into effect in October 2014. Facilities are required to choose one of seven options to reduce fish impingement and to study the effects of entrainment and develop compliance strategies. All studies were previously completed, and the Company is currently working towards installation of Coarse Mesh Modified Traveling Screens with a Fish Return at the intake structures at both Nebraska City Station (NCS) and NOS Units 4 and 5, which is expected in 2025. The cost of compliance is expected to be \$18.7 million for NOS and NCS combined.

Effluent Limitations Guidelines (ELG) – ELGs are national standards developed under the Clean Water Act that apply to industrial wastewater discharges. In August 2020, the EPA finalized a rule revising the regulations for the Steam Electric Power Generating category of the ELGs, which eliminates the ability of operators to discharge Bottom Ash Transport Water. Although the 2020 rule was initially not applicable to NOS due to the planned cessation of coal generation at that facility, the extension of coal operations at NOS approved by the Board of Directors in August 2022 requires the Company to develop a compliance plan to meet this regulation. The Company is currently working towards installation of a high efficiency recycle system to be installed at NOS no later than December 31, 2025. The cost of compliance at NOS is expected to be \$13.9 million. NCS already meets the requirements of the 2020 ELG rule.

On March 8, 2023, the EPA released an additional proposed rule that establishes tougher ELGs for two categories of wastewater (effluent) from existing coal-fired EGUs: flue gas desulfurization wastewater and bottom ash transport water. The largest potential impact to OPPD would be at NOS due to the ash transport system at the facility, however the rule is not expected to be applicable until after the planned cessation of coal at NOS.

Northern Long-Eared Bat (NLEB) – In November 2022, the USFWS published a final rule to the Federal Register to change the listing status of the northern long-eared bat from threatened to an endangered species under the Endangered Species Act of 1973, as amended. On March 31, 2023, the final rule went into effect, and the USFWS is currently developing guidance documents to help understand impacts. The Company will continue to evaluate the impact as guidance documents are released.

RESOURCE PLANNING AND GENERATION UPDATE

Southwest Power Pool Integrated Marketplace and Transmission Planning

OPPD is a transmission-owning member of SPP, and all of OPPD's transmission facilities are under the jurisdiction of the SPP Open Access Transmission Tariff. In addition to tariff administration services, SPP also provides reliability coordination services, generation reserve sharing, energy market services, balancing authority services and planning authority services.

OPPD actively participates in the SPP energy markets. The market mechanism rewards low-cost, flexible and reliable providers of electricity. OPPD is in competition with other generation owners to serve load across the SPP footprint.

As the regional transmission expansion planning authority, SPP works with its members and stakeholders to develop transmission projects needed in the footprint to meet the reliability, economic, and public policy needs. In the OPPD service territory, transmission expansion has recently been focused in the Sarpy County and Cass County areas and will continue to occur in both counties for the next few years. This is part of a comprehensive expansion plan to reliably serve increasing electricity demand for the growing customer base in that area, along with accommodating the interconnection for OPPD's new Turtle Creek Station, which is part of OPPD's Power with Purpose generation expansion project further described in the Generation Update section below. A new high-voltage transmission line, known as the Sarpy Transmission Project (STP), and associated new interconnection high-voltage substation facilities were flagship components of the initial phase of the expansion plan and were energized in 2020. The next phases of the expansion plan began in 2021 and involve three new high-voltage transmission lines to be built in Sarpy County along with two new high-voltage substations and other area substation expansions to interconnect the three new transmission lines. This transmission expansion plan, known as the Sarpy Southwest Transmission Project (SSWTP), is an extension of the initial STP plan. It is anticipated the SSWTP will be completed in 2024.

In the fall of 2022, the SPP Board issued OPPD a notice to construct a new extra high-voltage transmission line that will run from OPPD's Cass County Station to an OPPD Substation in Sarpy County and will be integrated into OPPD's SSWTP expansion. This new line is intended to maintain grid reliability and enhance the grid for future load growth and generation expansion. It is anticipated that this line will be completed by the end of 2026.

In addition to the expansion in Sarpy County and Cass County, OPPD is also performing some transmission upgrades in Douglas County including rebuilding a high voltage transmission corridor in west-central Omaha to address aging infrastructure and increasing electric demand in the area. This project is anticipated to be complete by summer 2024. OPPD is also building three new high voltage substations and associated transmission line extensions to those new substations in north-central and northwest Omaha to accommodate both load growth and the interconnection of OPPD's new Standing Bear Lake Station, which is part of OPPD's Power with Purpose generation expansion project further described in the Generation Update section below. These projects are anticipated to be completed and phased in over a three-year horizon beginning in 2024.

OPPD will fund the upfront capital costs for all of these transmission projects, however, since significant portions of these transmission projects also provide benefit to the SPP region, those portions are cost allocated to SPP members for which OPPD will receive cost reimbursement over the life of these facilities.

In addition to regional transmission expansion planning, SPP also engages in interregional transmission expansion planning. SPP recently engaged with the Midcontinent Independent System Operator (MISO), a neighboring region to the east, in an interregional transmission expansion planning study called the Joint Targeted Interconnection Queue (JTIQ). Through collaboration between the SPP and MISO Regional Transmission Organizations, the study focused on mitigating transmission limitations restricting the opportunity to interconnect new generating resources near the SPP-MISO border.

The study identified five extra high voltage transmission expansion projects in the recommended JTIQ Portfolio with an estimated cost of \$1.7 billion, and portions of two of the five projects would interconnect and be built in the OPPD area at an estimated cost of \$350.0 million. The JTIQ Portfolio proposal recommends that constructing transmission owners fund the upfront capital costs of these projects with cost recovery from

prospective future generation asset interconnections. In addition, the Department of Energy announced estimated grant funding towards these projects of \$464.0 million. OPPD expects to receive a portion of this grant funding for the projects in the Company's area. Final transmission tariff language for these unique interregional projects is material to the Company and is currently being formulated by SPP and MISO with plans to file with the Federal Energy Regulatory Commission for approval in 2024, if approved by both region's Board of Directors.

Generation Update

In 2019, OPPD announced the Power with Purpose initiative to add new generation that supports anticipated load growth, the retirement of NOS Units 1, 2, and 3 and the conversion of NOS Units 4 and 5 to natural gas. The initiative recommended utility-scale solar of 400-600 megawatts (MW) with up to 600 MW of modernized natural gas generation.

The sourcing for the utility scale solar generation began in November 2019. In 2021, OPPD executed its first utility-scale solar Power Purchase Agreement (PPA) for Platteview Solar, which is an 81-MW solar facility in Saunders County, Nebraska. The Platteview Solar project began construction in 2023 and is expected to be online by spring 2024.

In September 2020, OPPD announced the locations and capacity of two natural gas generation facilities with onsite secondary fuel storage capability. The Standing Bear Lake Station in Douglas County is co-located with a Metropolitan Utilities District facility. This site will produce approximately 150 MW using reciprocating internal combustion engine assets. The Turtle Creek Station is located in Sarpy County. This second site will produce approximately 450 MW using two simple-cycle combustion turbine assets. The sourcing for these natural gas generation assets began in September 2020. In October 2020, the Nebraska Power Review Board unanimously approved the applications for these new natural gas generation facilities finding that they serve public convenience and necessity, are economical and feasible, and are without unnecessary duplication of facilities. Major equipment contracts were executed in May and June of 2021. In September 2021, OPPD selected Zachry Group as the engineer, procure, and construct vendor for both Standing Bear Lake and Turtle Creek Stations and their associated onsite substations. Construction is in progress with expected completion of both new natural gas generation sites in 2024. The supporting substations for both Turtle Creek Station and Standing Bear Lake Station became operational in late 2023.

In August 2022, the Board of Directors approved a resolution to extend NOS operations thus delaying the retirement of NOS Units 1, 2, and 3 and the refueling of Units 4 and 5 from coal to natural gas until both Turtle Creek Station and Standing Bear Lake Station are able to generate electricity, have executed the required generation interconnection and transmission service agreements along with fulfilling the conditions and obligations set forth in those agreements and are able to operate on a non-interim basis, fully accredited capability. This decision was made in order to maintain compliance with applicable federal reliability standards and regional transmission tariff requirements and assure the continued reliability and resiliency of the OPPD electric system.

In August 2023, the Board of Directors approved the Near-Term Generation Resource Plan to address unprecedented growth in energy demand. OPPD remains committed to its Power with Purpose generation expansion projects, which include Turtle Creek Station, Standing Bear Lake Station, and Platteview Solar facility. All new generation incremental to the aforementioned assets will now be added through this plan. This includes 1,000 to 1,500 MW of renewables (wind and solar), which includes Power with Purpose renewable generation that has yet to be sourced, approximately 125 MW of battery storage, 600 to 950 MW of generation from dual-fueled combustion turbines, 32 MW or more of demand response, and approximately 320 MW of added dual fuel capability through the addition of fuel oil storage at existing generation facilities.

In February 2024, OPPD announced the purchase of four combustion turbines (CT) with one CT to be located at Turtle Creek Station and three CTs to be located at Cass County Station. The expected increase in the SPP winter planning reserve margin guided the decision to add the four CTs, which will total 900 MW. The Company filed applications to construct the assets with the Nebraska Power Review Board, which were approved during

a hearing on the applications in March 2024. The CTs will be placed in service before 2030. In addition, various renewable energy and storage asset pursuits and studies are currently underway.

Renewable Capability including Purchased Power Contracts

Renewable portfolio standards are currently mandated in several states, but not in Nebraska. In 2019, the Board of Directors established a goal to conduct all of its operations in a manner that strives for net zero carbon production by 2050. OPPD completed its directional Pathways to Decarbonization Strategic Initiative in 2022, studying pathways to meet the 2050 goal and providing a foundation for resource planning into the future. OPPD's renewable generation resources includes a mix of wind, solar, hydro, and methane gas. As of December 31, 2023, the Company had 1,062.8 MW of renewable generation capacity primarily through purchase power agreements.

Fort Calhoun Station Decommissioning

In 2016, the OPPD Board of Directors approved a recommendation by management to cease operations at FCS. The station ceased operations on October 24, 2016 and began the decommissioning process. FCS is being decommissioned using the DECON process, which provides for the immediate decontamination and dismantling of the nuclear systems and structures. OPPD contracted with EnergySolutions LLC (ES) to provide technical support during the completion of the DECON process. OPPD retains the license and management responsibility for the facility, while benefitting from the advisory services provided by ES.

Progress was made on the key activities underway in 2023, including the segmentation of the reactor vessel, the demolition of buildings containing radioactive systems and buildings which did not contain radioactive materials, and the shipment of associated materials for disposal. In 2023, OPPD stopped contributions from retail rates to the Decommissioning Trust Fund. An analysis of the Decommissioning Trust Fund determined that there was sufficient funding to meet future projected expenditures. The key focus for 2024 will shift to removal of equipment and structures inside the containment shell.