



Bogner/Focht

RESOLUTION NO. 6748

WHEREAS, on October 17, 2024 the District's Board of Directors adopted the Risk Committee Charter for the Board's standing committee, and

WHEREAS, under the Charter, the Risk Committee completes an annual evaluation of its performance and shall submit an annual report to the Board regarding the evaluation, confirming that all responsibilities described in the Charter have been fulfilled, and

WHEREAS, the Risk Committee has reviewed its performance, resulting in the Risk Committee Annual Report for 2025 attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that the Board accepts the Risk Committee Annual Report for 2025 as shown in the attached Exhibit A as evidence of the performance of the committee's accountabilities.

**Omaha Public Power District
Risk Committee
Annual Report for 2025**

In 2025, the Risk Committee (the “Committee”) of the Omaha Public Power District (the “Company”) met five times and once in January 2026 to review Board reporting and action items. The Committee accomplished the following duties and responsibilities as outlined in the Committee Charter, adopted as of October 17, 2024. Copies of the 2025 Risk Pre-Committee meetings, All Committees and Board meeting agendas are maintained and readily available in the office of the District’s Corporate Secretary.

Duties and Responsibilities

1. The Committee is responsible for the review and monitoring of the following Board Policies, on an annual basis, to ensure compliance:

GP-13	External Auditor Relationship
GP-14	Board Expense Reimbursement – In September, the Committee presented policy revisions to the full Board for discussion and approval.
BL-2	Outside General Counsel Relationship – In October, the Committee presented policy revisions to the full Board for discussion and approval.
BL-3	Board – Corporate Audit Relationship
BL-11	Settlement of Claims and Litigation
SD-10	Ethics – In September, the Committee reviewed and the Board approved the SD-10: Ethics monitoring report and found OPPD to be sufficiently in compliance.
SD-12	Security and Information Management – In December, the Committee reviewed and the Board approved the SD-12: Security and Information Management monitoring report and found OPPD to be sufficiently in compliance.
SD-15	Enterprise Risk Management – In June, the Committee reviewed and the Board approved the SD-15: Enterprise Risk Management monitoring report and found OPPD to be sufficiently in compliance.

The board reviewed Board-Staff Linkage BL-3 and BL-11 and Governance Process policy GP-13 in connection with the Board Policy Governance Workshop conducted in August 2025.

2. Financial Reporting and Disclosure

- Review the integrity and accuracy of OPPD’s financial statements and disclosures, ensuring transparency and accountability to ratepayers, bondholders, and regulatory bodies.

- Oversee significant accounting practices, policies, and estimates, especially those specific to the public power sector, such as rate stabilization funds, capital improvements, and depreciation of utility assets.
- Review with management and auditors the annual reports before submission to the Board, ensuring compliance with public sector reporting standards.

The Committee reviewed the integrity and accuracy of OPPD's financial statements and disclosures to ensure transparency and accountability, oversaw significant accounting practices and policies specific to the public power sector, and reviewed annual reports with management and auditors prior to Board submission to confirm compliance with public sector reporting standards.

3. External Audit

- Oversee the selection, appointment, and performance of external auditors, ensuring they have expertise in public utilities and municipal auditing practices.
- Review the findings of external audits, including OPPD's compliance with Generally Accepted Government Auditing Standards (GAGAS) and other applicable public utility standards.
- Ensure external auditors remain independent, objective, and qualified to assess OPPD's financial and operational risks.
- Discuss audit scope, results, and any material weaknesses or significant findings with the external auditor. These discussions shall include consideration of the quality of the District's accounting principles as applied in its financial reporting, including review of estimates, reserves and accruals, review of judgmental areas, review of audit adjustments whether or not recorded and such other inquiries as may be appropriate.
- Provide the auditors full access to the Committee to report on all appropriate matters

The Committee oversaw the performance of external auditors Forvis-Mazars; reviewed audit findings for compliance with GAGAS and other applicable standards; ensured auditor independence and objectivity; discussed audit scope, results, and significant findings, including accounting principles and judgmental areas; and provided auditors full access to report on all appropriate matters.

Additionally, board members were provided the opportunity to speak with the external audit firm, independent of management, at the conclusion of each meeting.

4. Internal Audit

- Ensure the internal audit function remains independent, objective, and qualified to assess OPPD's financial and operational risks by reviewing the internal audit charter, audit plan and resources, authority and access to information.
- Regularly review the findings from internal audit reports and monitor the implementation of correction actions to ensure timely resolution of significant issues.
- Ensure internal audit contributes to maintaining the integrity and reliability of OPPD's financial reporting, compliance and control processes.

The Committee ensured the internal audit function remained independent, objective, and properly resourced; regularly reviewed audit findings and monitored corrective actions for timely resolution; and confirmed internal audit contributes to the integrity and reliability of OPPD's financial reporting, compliance, and control processes.

5. Internal Controls

- Review and assess the effectiveness of internal controls, particularly those related to revenue collection, rate setting, procurement, and energy trading.
- Ensure OPPD has appropriate controls in place for managing and maintaining infrastructure investments, including capital projects and long-term maintenance of critical assets like transmission lines and substations.
- Monitor significant deficiencies in internal controls, fraud risk, or control failures, and ensure appropriate corrective actions are taken.
- Discuss with Management, the internal auditors and the independent external auditors the quality and adequacy of the District's internal controls.

The Committee reviewed and assessed the effectiveness of internal controls related to revenue collection, rate setting, procurement, and energy trading; ensured appropriate controls for infrastructure investments and long-term asset maintenance; monitored deficiencies, fraud risks, and control failures with corrective actions; and discussed the quality and adequacy of internal controls with management, internal auditors, and external auditors.

6. Risk Management

- Oversee OPPD's risk management framework, ensuring it promotes the prudent identification and mitigation of key risks specific to the public power sector, such as regulatory risks, operational outages, environmental compliance, and cybersecurity threats to grid infrastructure.
- Review OPPD's processes for managing financial risks, including rate stabilization, fuel price volatility, energy procurement contracts, and insurance coverage for assets.
- Ensure disaster recovery and business continuity plans are in place to address potential service disruptions due to natural disasters, cyber-attacks, or other emergencies.
- Review OPPD's compliance programs to ensure compliance with federal, state, and local regulations, such as greenhouse gas emissions, renewable energy targets, and worker safety regulations.

The Risk Committee received Enterprise and Risk Management updates in March, June and September of 2025 and in January 2026. The committee oversaw OPPD's risk management framework, reviewed financial risk management processes, confirming disaster recovery and business continuity plans, and ensuring compliance with all applicable federal, state, and local regulations.

7. Compliance and Ethics

- Ensure OPPD adheres to laws, regulations, and policies governing public power utilities, including open meeting laws, public bidding procedures, and environmental regulations.

- Review significant reports of non-compliance, misconduct, or ethical violations, and recommend corrective actions.
- Promote a culture of transparency, accountability, and ethical behavior across all levels of the organization, emphasizing OPPD's mission of serving the public.

The Committee ensured OPPD's adherence to all applicable laws, regulations, and policies governing public power utilities, reviewed significant reports of non-compliance or ethical concerns and promoted a culture of transparency, accountability, and ethical behavior consistent with OPPD's mission.

8. Regulatory and Legislative Oversight

- Monitor changes in laws and regulations impacting public utilities, including federal and state energy policies, renewable energy standards, and municipal bond market regulations.
- Ensure the utility has strategies in place to comply with evolving regulatory requirements, including reporting to the public and bondholders, and implementing programs such as energy efficiency, conservation, and demand-side management.

The Committee monitored changes in laws and regulations impacting public utilities, ensured strategies are in place for compliance with evolving requirements, and supported programs such as energy efficiency, conservation, and demand-side management to meet regulatory obligations and serve the public effectively. The Committee received a report on the internal NERC compliance program and artificial intelligence governance and strategy in June.

9. The Committee shall make recommendations regarding the above matters to the full Board and executive management to achieve compliance with the Board Policies.

The Committee made recommendations to the full Board and executive management on the matters outlined above, ensuring alignment with and compliance to Board Policies.



Action Item

February 17, 2026

ITEM

Risk Committee Annual Report 2025

PURPOSE

To confirm that responsibilities described in the Risk Committee charter have been fulfilled.

FACTS

- a. On October 17, 2024, the Board of Directors adopted the Risk Committee charter.
- b. In compliance with the charter, the Risk Committee completes an annual evaluation of its performance and shall submit an annual report to the Board regarding the evaluation, confirming that all responsibilities described in the Charter have been fulfilled.
- c. The Risk Committee has reviewed its performance, resulting in the Risk Committee Annual Reports for 2025 attached as Exhibit A.

ACTION

The Risk Committee recommends that the Board accept the Risk Committee Annual Report for 2025 as shown in the attached Exhibit A as evidence of the performance of the committee's accountabilities.

RECOMMENDED:

Signed by:

Scott M. Focht

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Scott M. Focht
Vice President – Corporate Strategy and
Governance

APPROVED FOR BOARD CONSIDERATION:

Signed by:

L. Javier Fernandez

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L. Javier Fernandez
President and Chief Executive Officer

Attachments: Exhibit A – Risk Committee Annual Report for 2025
Resolution