2021 ANNUAL REPORT

POWERING THE FUTURE FOR 75 YEARS

Your Energy Partner®

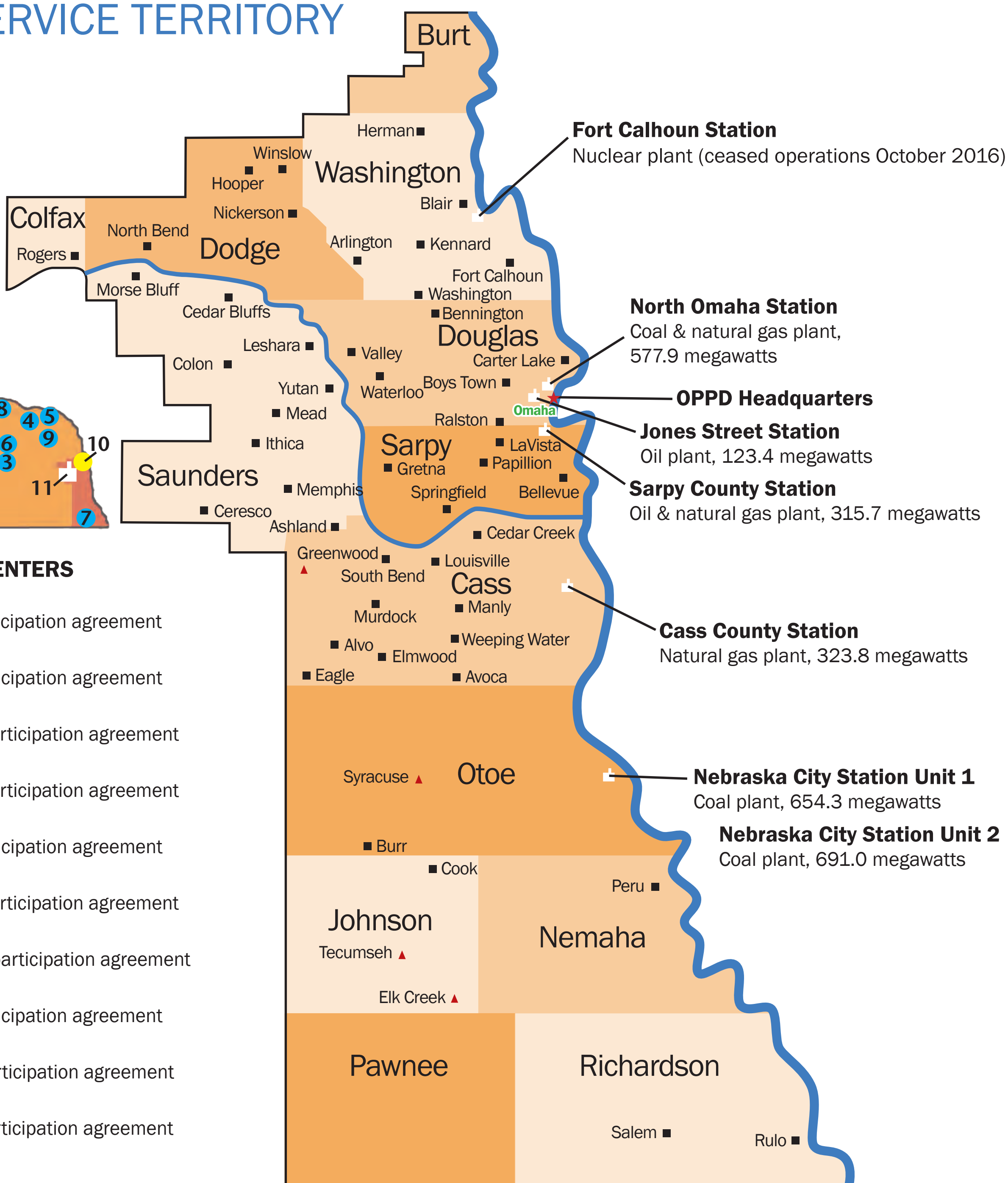
OPPD

Omaha Public Power District

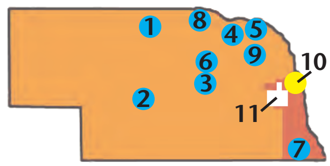
OPPD SERVICE TERRITORY

■ Served at Retail
▲ Served at Wholesale
Power Station*
● Wind Generation
● Solar Generation
★ OPPD Headquarters

* 2021 rated capability



Renewables



WIND ENERGY CENTERS

1. Ainsworth
10-megawatt participation agreement

2. Broken Bow I
18-megawatt participation agreement

Broken Bow II
43.9-megawatt participation agreement

3. Petersburg
40.5-megawatt participation agreement

4. Elkhorn Ridge
25-megawatt participation agreement

5. Crofton Bluffs
13.6-megawatt participation agreement

6. Prairie Breeze
200.6-megawatt participation agreement

7. Flat Water
60-megawatt participation agreement

8. Grande Prairie
400-megawatt participation agreement

9. Sholes
160-megawatt participation agreement

SOLAR

10. Fort Calhoun Community Solar Facility
5 megawatts

LANDFILL GAS

11. Elk City Station
6 megawatts

HYDRO

From Western Area Power Administration
81.3 megawatts

ABOUT OPPD

Omaha Public Power District is a publicly owned electric utility that serves an estimated population of 853,000 people, more than any other electric utility in the state. Operating since 1946, the public utility is governed by an elected board of eight directors. While its headquarters is located in Omaha, Nebraska, OPPD has several other locations in its 13-county, 5,000-square-mile service area in southeast Nebraska.

OPPD uses baseload power facilities fueled by coal and natural gas, peaking units fueled by natural gas and oil, and renewable energy, including wind, solar, landfill gas and hydro power.

POWERING THE FUTURE FOR 75 YEARS

Seventy-five years ago – amid the push to electrify rural Nebraska – OPPD was created, beginning a long, proud tradition of public power in Omaha and surrounding communities. Together, OPPD and the communities it serves have built a powerful partnership, one that still shines bright and strong today.

From the early days of OPPD, when employees sold electric appliances door to door, to the adoption of nuclear power, to our current digital age of mobile technology and changing customer expectations, OPPD continues to power the future. Whether it is working for customer-owners through inclement weather and historic weather events, or the day-to-day details of delivering reliable and affordable energy products, our employees are always focused on doing the right thing for our customer-owners and communities.

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BOARD CHAIR AND CEO MESSAGE

President and CEO
L. Javier Fernandez

Board Chair
Amanda E. Bogner, P.E.

2021 was a special year for Omaha Public Power District – our 75th anniversary. It was a time for our entire organization to reflect on all of the changes and challenges we have faced and look toward the future. We were able to celebrate this milestone with a company-wide gathering, while adhering to COVID-19 safety measures. It was a time to acknowledge the hard work and sacrifice of those who came before us to make OPPD the reliable and resilient energy partner it is today.

We also took time to look toward the future and have conversations around our strategic vision, Powering the Future to 2050. The components of this vision will shape the work OPPD does for our customer-owners for decades to come. At OPPD, we have been change-makers in our industry for decades and we will continue to embrace that role as we work to Power the Future.

Like everyone else, OPPD has had to adjust to the new normal of living and working during COVID-19. That has meant extra precautions and safety measures for our employees, especially critical, frontline employees, whose dedication ensures the power keeps flowing for our customers.

In 2021, our employees rose to the challenges of dealing with extreme weather situations. From Winter Storm Uri in February, which plunged much of the country into arctic conditions, to the historic July 10 storm, which caused the largest number of outages OPPD has endured, with more than 180,000 customers losing power. But with help from our mutual aid partners, we were able to restore power quickly and safely to our service territory in a matter of days.

We've worked with customers and stakeholders through a series of online town halls and other forums to engage with them on what the utility of the future looks like. Despite the measures and precautions we've taken with the pandemic, we continue to engage with the public around our Power with Purpose project and Pathways to Decarbonization initiative. Preliminary grading began in late 2021 on our two backup natural gas generating stations, which will support 400 to 600 megawatts (MW) of utility-scale solar.

In June, OPPD received its 500th customer-owned generation interconnection application, as more and more customers look to partner with OPPD to produce their own power. OPPD is also helping customers who want to transition to electric vehicles (EV) by unveiling an online guide to help customers make the right choice for them. Popular programs offering incentives and rebates around EVs continued in 2021, and more charging stations continue to be added around the OPPD service territory.

Our decommissioning work at our Fort Calhoun Nuclear Station continues, as work to dismantle the internal components of the reactor vessel begins, followed by the dismantling of the reactor itself.

In July, I took over as president and CEO of OPPD following the retirement of Timothy J. Burke. Prior to this role, I served as OPPD's chief financial officer. On a somber note, Mart Sedky, OPPD's vice president of Human Capital, passed away in September, leaving behind a legacy of care and excellence through her time with the organization.

Across 13 counties in Nebraska, our employees do their part to help our customers thrive, just as they have for the past 75 years and will continue to do so for generations to come. One constant OPPD's customers can count on is the promise of reliable, affordable and environmentally sensitive energy services yesterday, today and for many tomorrows to come.

L. Javier Fernandez
President and CEO

Amanda E. Bogner, P.E.
Chair of the Board

BOARD OF DIRECTORS

Amanda E. Bogner, P.E.
Chair of the Board
Business Owner

Eric H. Williams
Vice Chair of the Board
Natural Resources Planner

Rick M. Yoder, P.E.
Treasurer
Consultant (retired)

Janece M. Mollhoff
Secretary
U.S. Army Nurse Corps Colonel (retired)

Michael J. Cavanaugh
Board Member
Omaha Police Lieutenant (retired)
Security Contractor

Sara E. Howard
Board Member
Policy Advisor

Craig C. Moody
Board Member
Business Owner

Mary G. Spurgeon
Board Member
Educator (retired)

POWERING THE FUTURE FOR 75 YEARS

EXECUTIVE LEADERSHIP TEAM

L. Javier Fernandez
President & Chief Executive Officer

Jeff M. Bishop
Vice President & Chief Financial Officer
Assistant Secretary

Kate W. Brown
Vice President & Chief Information Officer
Assistant Secretary

Scott M. Focht
Vice President – Corporate Strategy & Governance
Assistant Secretary

Tim D. McAreavey
Vice President – Customer Service
Assistant Secretary

Lisa A. Olson
Vice President – Public Affairs
Assistant Secretary

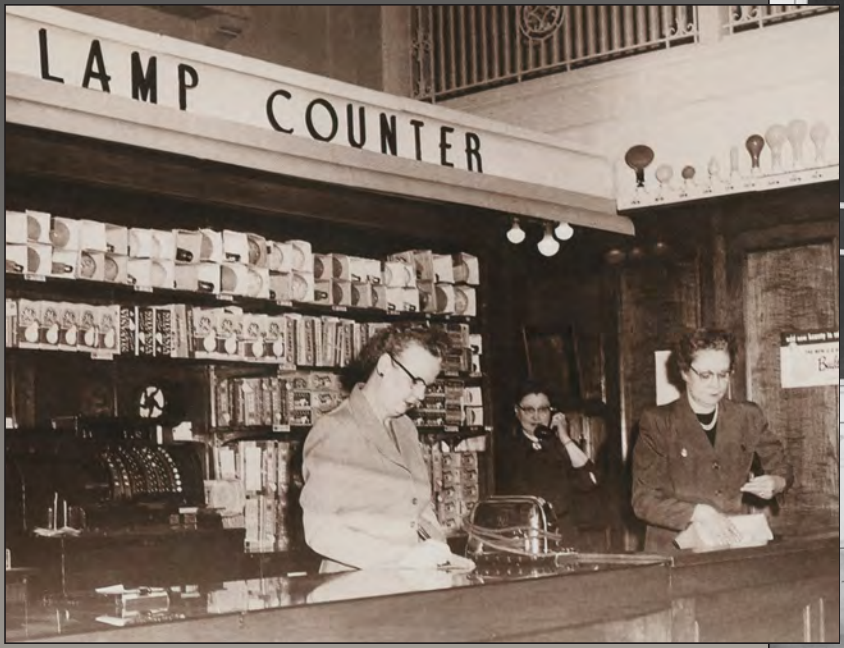
Troy R. Via
Vice President & Chief Operating Officer
Assistant Secretary

Kevin S. McCormick
Senior Director – Safety & Facilities

McKell V. Pinder
Senior Director – Human Capital

Bradley R. Underwood
Senior Director – Systems Transformation

OPERATIONS REVIEW



Above: OPPD employees work at the lamp counter at the utility's downtown Omaha store. There, customers could purchase the latest, electrified home appliances and light bulbs for their homes and businesses in the 1940s and '50s.

At right: A salesman for OPPD's predecessor, Nebraska Power Company, visits a customer to tell them how electricity can improve their lives.

Serving customers

The early days of OPPD featured door-to-door electric appliance sales, demonstrations of how to use the latest electric kitchen appliances, and other offerings that seem out of the norm today. But they were an early example of how OPPD has always been a change-maker. Then, like now, it comes down to helping our customers achieve their needs and meeting customers in the ways they want to be met. Today, this continues through OPPD's popular EV Rebate Program and increased interest in customer-owned generation. The creation of the OPPDCommunityConnect website features a new way for customers to interact with the utility through polls, surveys and forums, mapping tools and a place to share ideas. The feedback collected on the site gives OPPD valuable insight into what customers are thinking and helps the utility make the best decisions for customers.

OPPD's community solar program completed its second year, with 888 customers participating and 450 customers on the waiting list. The facility produced more than 9 million kilowatt-hours of renewable energy and was producing power during Winter Storm Uri in February.

YOUR ENERGY PARTNER

OPPD employees work to meet customer needs and demands through innovative programs like the OPPDCommunityConnect website, where connections and collaboration can thrive. Whether it's in-person or through technology, OPPD is a valued energy partner.

OPPD's Product Development & Marketing employees are able to show customers the latest offerings from the utility, including tips from energy consultants.

MAKING MEMORY

OPPD's first computer, installed in 1962, had 4,000 bytes of memory. Today's smart phones have more than 64 million bytes. That computer – the 1401 Data Processing System – was used to process and print postcard bills.

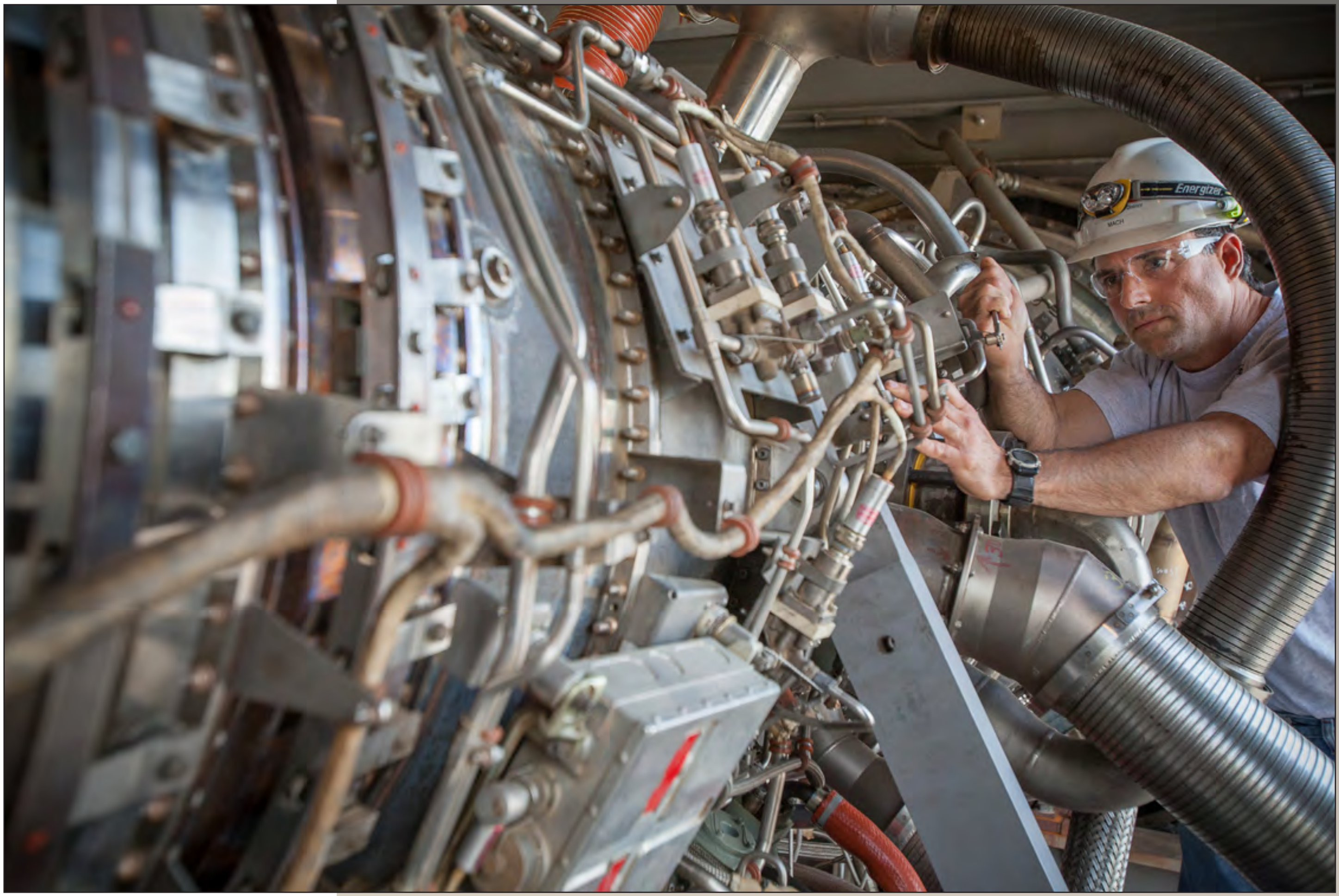
Improving technology

From the early meter-reading punch cards to the first computers, technology in the utility industry has evolved at lightning speed, and continues to evolve each year. At OPPD, that means employing smart technology and meeting our customers' changing expectations. OPPD's Technology Platform strategic initiative is building a sustainable foundation with a focus on mobility, asset management and business intelligence. Doing so will improve the way customers and employees interact with OPPD while ensuring that needed data is reliable and available.

OPPD is working on its first energy storage project – the Battery Research Innovation Guided by High-Potential Technologies (BRIGHT). The pilot is partially funded by a grant through the Nebraska Environmental Trust. The goal is to see how battery storage can reduce system load and associated costs during hours of peak demand. The approximately two-megawatt-hour battery storage device system is expected to be operational in fall 2022, and will be housed in an OPPD substation in Cass County.

OPPD personnel chat before heading out to the field in the early decades of the utility's history. Now, personnel use laptops and other technology to stay connected while serving customers in the field.

On Dec. 2, 1946, OPPD – a political subdivision of the state of Nebraska – purchased the properties of the Omaha Electric Committee Inc. for $43.7 million.

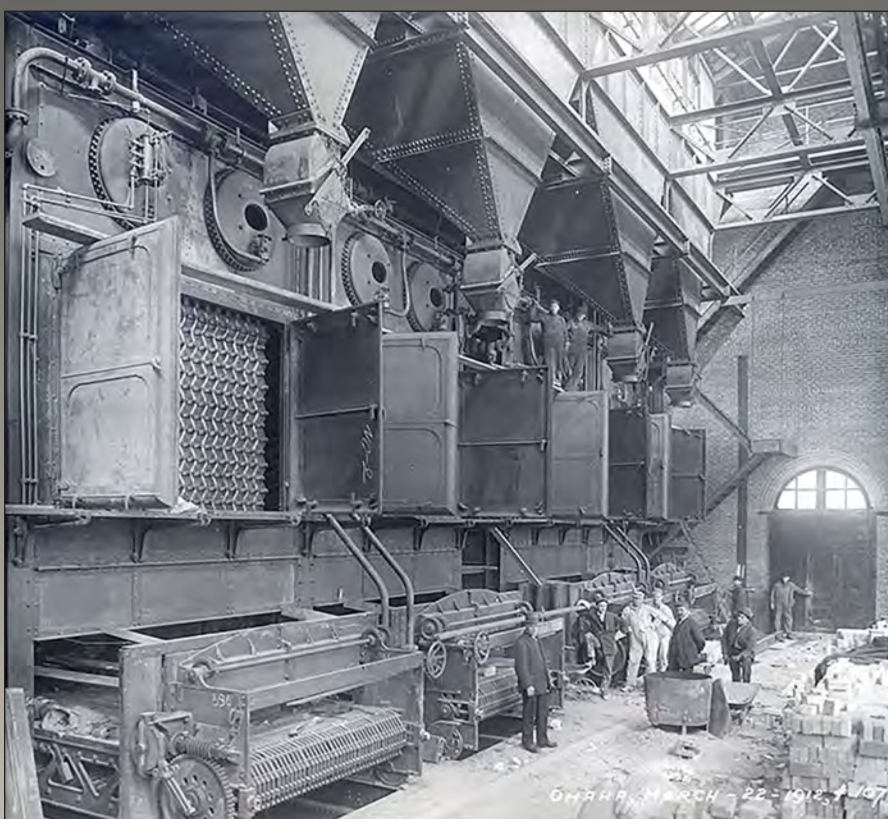


Employees at OPPD's generating stations are always ready to make sure the plants run smoothly and efficiently.

A small gristmill in Ashland, Nebraska, produced the first electricity in OPPD's service territory in 1873, a far cry from today's coal-powered generating stations and the wind and solar that powers the OPPD service territory.

Producing reliable power

OPPD's first generation stations were Jones Street Station and the South Omaha Steam & Electric Plant. The former is still in use as a peaking plant today. But as our communities grew, demand for energy also grew over the last 75 years, necessitating bringing more generating stations online. Now OPPD is powered with more and more renewable sources, while maintaining a diverse generation mix to ensure reliability and resiliency. OPPD announced its most recent renewable project in 2021; Platteview Solar is expected to be an 81-MW utility-scale facility



OPPD's Jones Street Station, located just south of what is now the Old Market, was one of the utility's earliest power generation plants. Today, the building has been repurposed into condominiums and apartments called The Breakers, though the plant is still operational as a peaking unit.

At right: A crew works on a distribution line in the 1960s.

in Saunders County capable of powering about 14,000 average homes when completed.

The facility is part of OPPD's Power with Purpose project, which includes adding up to 600 MW of utility-scale solar generation and adding two backup natural gas-fueled facilities to our generation portfolio. Preliminary grading on the two modern natural gas-fueled facilities began in late 2021 and continues in 2022. OPPD also proceeded with its Pathways to Decarbonization initiative, which will help the utility reach its goal of net-zero carbon production by 2050. As part of this effort, OPPD held several public workshops related to the initiative, where stakeholders could see first-hand the decarbonization proposals and offer their input.

POWER WITH PURPOSE

OPPD is building two modern backup natural-gas fueled facilities to serve as backup for the addition of utility-scale solar generation as part of OPPD's Power with Purpose project.

Here, a line crew used special equipment to access a pole in a customer's back yard following the July 10, 2021, storm. Extensive tree damage in yards necessitated complex and time-consuming repairs.

Providing electricity in Nebraska means dealing with nearly every kind of weather event, from tornadoes to floods to ice storms, and 2021 saw a little bit of everything.

The snowstorm of 1997 caused extensive damage because it occurred in October, when most of the trees still had their leaves. This made the limbs more vulnerable to breakage.

During the historic flooding of 2019, OPPD crews used nontraditional transportation to reach customers in need and educate them about electrical safety in floodwaters.

Taking care of business

Like so many times before in its 75-year history, OPPD employees dealt with extreme weather events in 2021. This past year saw severe thunderstorms and tornadoes in December, one of the most damaging storms in the utility's history in July, and the region-wide power disruptions caused by Winter Storm Uri in February. The July storm left 37% of the state without power, including more than 188,000 OPPD customers, the largest outage in OPPD's history.

But with each challenge, OPPD employees rose to the occasion and handled the disruptions with the skill and resources that have been the utility's hallmark for the past 75 years. As a public power utility, OPPD ensures revenue is reinvested into our infrastructure. This makes our system reliable and resilient for generations to come. Be it the extreme weather events of 2021, the historic flooding of 2011 and 2019, straight-line winds in 2008, or the winter ice storm of 1997, OPPD continues powering our region's past, present and future.

RIDING THE STORM OUT

OPPD's line workers have to be ready to react to all kinds of extreme weather to restore power at any time of the day or night. July saw the most damaging storm in OPPD's history in terms of power outages, but employees were ready to face the elements and get everyone back online.

Crews worked long hours during the historic July 10 storm, 2021, to restore power to those impacted during widespread outages.

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, 2021 and 2020, 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, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows 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 these 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.

BKD
CPAs & Advisors

- 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 as listed in the table of contents 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 auditing standards generally accepted in the United States of America, 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 audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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.

BKD, LLP

Omaha, Nebraska
March 17, 2022

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 pension 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 pension 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 853,000 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	2021	2020	2019
Current Assets	$ 1,274,531	$ 828,170	$ 745,334
Other Long-Term Assets and Special Purpose Funds	1,512,437	1,951,864	2,020,172
Electric Utility Plant	2,821,549	2,654,227	2,597,532
Total Assets	5,608,517	5,434,261	5,363,038
Deferred Outflows of Resources	282,026	216,438	307,043
Total Assets and Deferred Outflows	$ 5,890,543	$ 5,650,699	$ 5,670,081
Current Liabilities	$ 410,408	$ 404,704	$ 386,296
Long-Term Liabilities	3,859,296	3,623,490	3,860,436
Total Liabilities	4,269,704	4,028,194	4,246,732
Deferred Inflows of Resources	272,466	302,080	176,927
Net Position	1,348,373	1,320,425	1,246,422
Total Liabilities, Deferred Inflows and Net Position	$ 5,890,543	$ 5,650,699	$ 5,670,081

Total Assets and Deferred Outflows

Total Assets in 2021 increased $174,256,000 or 3.2% over 2020, primarily due to an increase in Current Assets from more Investments held as short-term, particularly from the proceeds of the 2021 bond issuance and an increase in Accounts Receivable primarily from a spent fuel cost reimbursement. There were also increases in Electric Utility Plant from additional capital spending. This was partially offset by a decrease in the Special Purpose Funds from fewer Investments held as long-term and a decrease in Other Long-Term Assets for the Fort Calhoun Station (FCS) decommissioning regulatory asset primarily as a result of additional funding and the pension and OPEB regulatory assets based on the most recent actuarial results.

Deferred Outflows of Resources in 2021 increased $65,588,000 or 30.3% over 2020, primarily due to increases in the unrealized pension contributions. This was partially offset by unrealized OPEB losses.

Total Liabilities, Deferred Inflows and Net Position

Total Liabilities in 2021 increased $241,510,000 or 6.0% over 2020, primarily due to the issuance of new Electric System Revenue Bonds and an increase in Commercial Paper. 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 2021 decreased $29,614,000 or 9.8% from 2020, primarily due to a reduction in the Decommissioning and Benefits Reserve, which was partially offset by increases in the unrealized pension and OPEB gains.

Net Position in 2021 increased $27,948,000 or 2.1% over 2020 based on results of operations.

RESULTS OF OPERATIONS

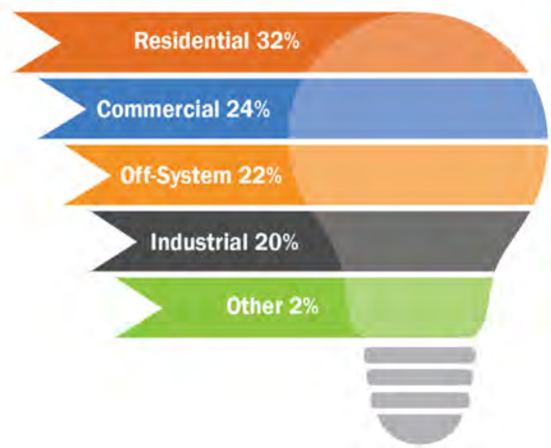
The following table summarizes the operating results for the years ended December 31 (in thousands).

Condensed Statements of Revenues, Expenses and Changes in Net Position	2021	2020	2019
Operating Revenues	$ 1,496,920	$ 1,083,901	$ 1,160,719
Operating Expenses	(1,421,682)	(1,002,569)	(1,047,274)
Operating Income	75,238	81,332	113,445
Other Income (Expenses)	(47,290)	(7,329)	(26,496)
Net Income	$ 27,948	$ 74,003	$ 86,949

Operating Revenues

The following chart illustrates 2021 operating revenues by category and percentage of the total.

2021 Operating Revenues



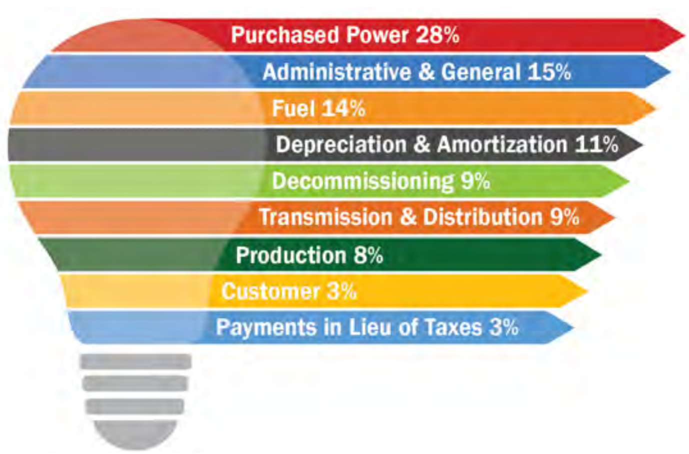
2021 Compared to 2020 – Total operating revenues were $1,496,920,000 for 2021, an increase of $413,019,000 or 38.1% over 2020 operating revenues of $1,083,901,000.

- Revenues from retail sales increased $221,146,000 or 24.3% over 2020, primarily due to an increase in the revenue related to Industrial customers, the Fuel and Purchased Power Adjustment (FPPA), and an increase from the utilization of $95,000,000 of the Decommissioning and Benefits Reserve, which was partially offset by a contribution of $12,000,000 to the Decommissioning and Benefits Reserve.
- Revenues from off-system sales increased $191,094,000 or 139.2% over 2020, primarily due to increased energy prices in the marketplace, particularly during the Polar Vortex weather event in February 2021.
- Other Electric Revenues include connection charges, late payment charges, leases, wheeling fees and miscellaneous revenues. These revenues increased $779,000 or 2.1% over 2020, primarily due to an increase in transmission revenues and late payment charges as these charges were temporarily suspended for part of 2020 to address customers' financial hardship resulting from the COVID-19 pandemic. This was partially offset by a decrease in revenue from rental income.

Operating Expenses

The following chart illustrates 2021 operating expenses by expense classification and percentage of the total.

2021 Operating Expenses



2021 Compared to 2020 – Total operating expenses were $1,421,682,000 for 2021, an increase of $419,113,000 or 41.8% over 2020 operating expenses of $1,002,569,000.

- Fuel expense increased $58,885,000 or 40.6% over 2020, primarily due to an increase in fuel costs, particularly during the Polar Vortex weather event in February 2021.

- Purchased Power expense increased $214,546,000 or 113.0% over 2020, primarily due to higher energy prices in the marketplace, particularly during the Polar Vortex weather event in February 2021.
- Production expense increased $22,730,000 or 25.7% over 2020, primarily due to higher maintenance expenses as a result of additional scheduled maintenance outages.
- Transmission and Distribution expense increased $28,254,000 or 29.1% over 2020, primarily due to increased outside services and payroll costs associated with storm events.
- Customer expense increased $3,946,000 or 10.6% over 2020, primarily due to increased outside services, customer rebates, and the installation of electric vehicle charging stations.
- Administrative and General expense increased $79,145,000 or 61.7% over 2020, primarily due to increased employee benefit costs from the utilization of the Decommissioning and Benefits Reserve for additional pension contributions of $95,000,000. This resulted in an increase to Administrative and General expense of approximately $72,522,000 while the remaining additional pension contribution was allocated to capital and decommissioning costs.
- Depreciation and Amortization expense increased $5,981,000 or 4.0% over 2020, primarily due to an increase in electric utility plant assets.
- Decommissioning expense increased $2,508,000 or 1.9% over 2020, primarily due to increased funding of the Decommissioning Trust.
- Payments in Lieu of Taxes expense increased $3,118,000 or 8.8% over 2020, due to higher retail revenues in incorporated areas of the service territory.

Other Income (Expenses)

2021 Compared to 2020 – Other income (expenses) totaled ($47,290,000) in 2021, an increase of $39,961,000 over 2020 income (expenses) of ($7,329,000).

- Interest Expense decreased $2,283,000 or 3.2% from 2020, primarily due to lower interest rates.
- Investment Income, including Decommissioning Funds, decreased $48,522,000 or 110.5% from 2020, due to lower fair market value adjustments. OPPD typically holds investments to maturity and, therefore, will rarely realize fair market gains or losses. OPPD also realized less interest income during 2021 primarily due to the historically low short-term rates.
- Allowances for Funds Used During Construction (AFUDC) increased $1,408,000 or 16.8% over 2020, due to higher construction balances subject to AFUDC.
- Products and Services – Net decreased $681,000 or 27.1% from 2020, due to fewer completed projects.
- Other – Net increased $5,551,000 or 63.9% over 2020, primarily due to an increase in revenue from insurance proceeds and grants from the Federal Emergency Management Agency (FEMA) related to the 2019 flood event.

Net Income

Net income was $27,948,000 for 2021 compared to $74,003,000 in 2020, 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).

	2021	2020
Electric utility plant	$ 5,011,756	$ 4,726,802
Accumulated depreciation and amortization	(2,190,207)	(2,072,575)
Total electric utility plant – net	$ 2,821,549	$ 2,654,227

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 2022 (in thousands).

	Budget	Actual	
Capital Program	**2022**	**2021**	**2020**
Production	$ 418,102	$ 139,240	$ 49,100
Transmission and distribution	178,527	139,475	106,861
General	73,371	34,846	41,172
Total	$ 670,000	$ 313,561	$ 197,133

Actual and budgeted expenditures for 2020 through 2022 include the following:

- Production expenditures include equipment to maintain reliability, enhance efficiency and comply with environmental regulations. Actual and budgeted expenditures included costs for the Power with Purpose initiative that was approved by the Board of Directors in 2019 to add new generation that will be required to maintain energy generation and capacity requirements. Power with Purpose projects accounted for the increases in this category.
- Transmission and distribution expenditures include various substation and transmission projects to facilitate load growth and reliability, such as the Fiber Network Expansion Project to upgrade the fiber optic networks for substation communications, Light Emitting Diode (LED) Street Light Conversion project, and the Transmission Distribution Improvement Program, which focuses on cable, conductor, and pole replacements.
- General plant expenditures include fleet vehicles, construction equipment, technology equipment and software applications. Budgeted expenditures include telecommunications equipment and technology 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.

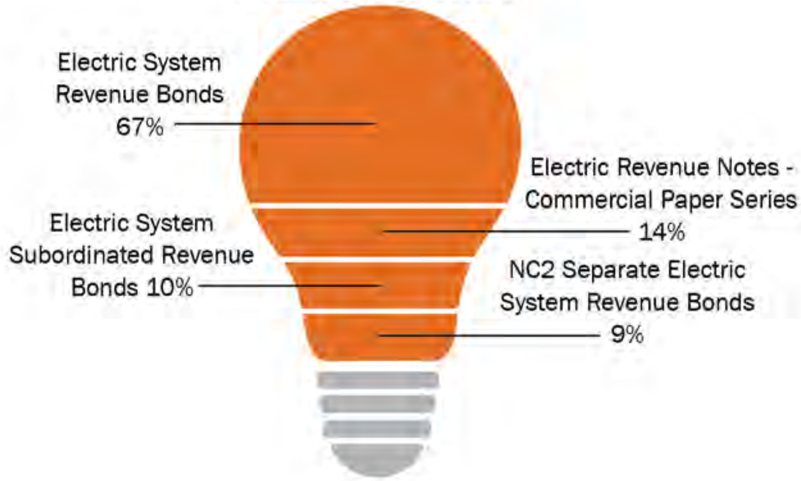
The financing plan optimizes the debt structure to ensure capital needs are financed, liquidity needs are achieved and the Company's strong financial position is maintained. The 2022 financing plan anticipates the issuance of approximately $394,400,000 of new Electric System Revenue Bonds to support capital projects and to refund a portion of the outstanding commercial paper.

OPPD issued $381,580,000 of Electric System Revenue Bonds during 2021. The proceeds were used for future and reimbursable capital expenditures. OPPD also issued $57,355,000 of Electric System Revenue Bonds during 2021 to fully refund its 2012 Series B Bonds. The Company also called and defeased all future maturities of the 2011 Series A and Series C Bonds totaling $8,160,000 using existing resources during 2021. OPPD increased its outstanding Commercial Paper from $250,000,000 to $325,000,000 in 2021. The proceeds of $75,000,000 were used to reimburse capital expenditures. Repayments of $50,360,000 of Electric System Revenue Bonds, $3,655,000 of Nebraska City Station Unit 2 (NC2) Separate Electric System Revenue Bonds and $32,344,000 of Minibonds were made in 2021. All Minibonds matured and were paid in full in 2021. There were no repayments on Electric System Subordinated Revenue Bonds in 2021.

The Company has two Credit Agreements in place. The first Credit Agreement for $250,000,000 was executed on July 22, 2019, with an expiration date of January 1, 2023. The second Credit Agreement for $200,000,000 was executed on June 1, 2021, with an expiration date of May 31, 2024. Both Credit Agreements support the Commercial Paper Program, and both Credit Agreements provide additional sources of working capital, if needed. There were no amounts outstanding under either Credit Agreement as of December 31, 2021 or 2020.

The following chart illustrates the debt structure and percentage of the total as of December 31, 2021.

2021 Debt Structure



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 4.74 times and 3.09 times in 2021 and 2020, 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 2021 and 2020 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 60.7% and 56.6% at December 31, 2021 and 2020, respectively.

Credit Ratings

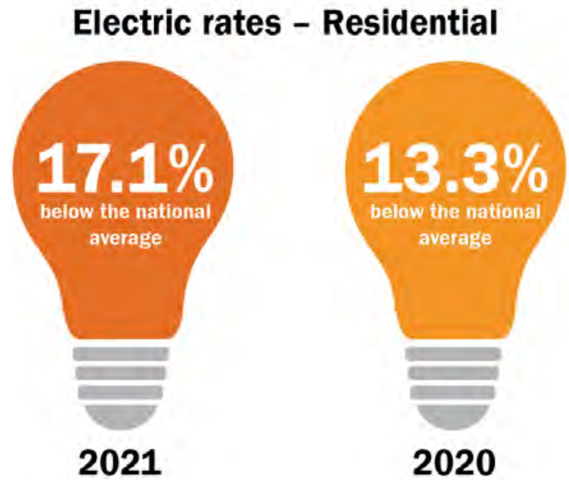
High credit ratings allow the Company to borrow funds at more favorable interest rates. Both quantitative (financial strength) and qualitative (business and operating characteristics) factors are considered by the credit rating agencies in establishing a company's credit rating. The credit ratings received from Standard & Poor's Ratings Services (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, 2021.

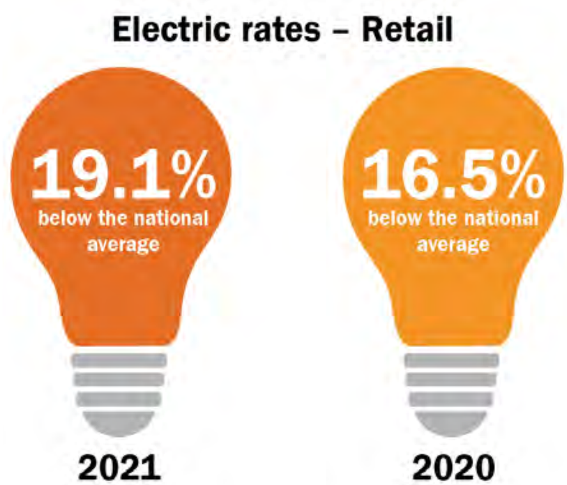
	S&P	Moody's
Electric System Revenue Bonds	AA	Aa2
Electric System Subordinated Revenue Bonds	AA–	Aa3
Electric Revenue Notes – Commercial Paper Series	A–1+	P–1
NC2 Separate Electric System Revenue Bonds	A+	A1

COMPETITIVE AND REGULATORY ENVIRONMENT

Electric Rates



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 11.38 and 11.40 cents per kilowatt-hour (kWh) in 2021 and 2020, respectively. The national average residential cents per kWh according to the Energy Information Administration (EIA), U.S. Department of Energy, was 13.72 for 2021 (preliminary year-to-date December 2021) and 13.15 cents per kWh for 2020. Based on the EIA data, OPPD residential rates were 17.1% and 13.3% below the national average for 2021 and 2020, respectively.



Retail customers paid an average of 9.04 and 8.84 cents per kWh in 2021 and 2020, respectively. The national average retail cents per kWh according to the EIA, was 11.18 for 2021 (preliminary year-to-date December 2021) and 10.59 cents per kWh for 2020. Based on the EIA data, OPPD retail rates were 19.1% and 16.5% below the national average for 2021 and 2020, respectively.

OPPD completed its five-year commitment to no general rate increases from 2017 through 2021. There were no general rate or FPPA rate adjustments in 2021 and 2020. There was a 2.5% average rate increase implemented in January 2022 for retail customers while the FPPA adjustment remained unchanged. The calculation for the FPPA adjustment was updated to include off-system sales beginning in January 2022.

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 were established to 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.

Coal Combustion Residuals (CCR) – In April 2015, the Environmental Protection Agency (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 regulations provide design criteria, operating criteria, groundwater monitoring requirements, closure requirements, and recordkeeping and notification requirements associated with CCR landfills and surface impoundments. The regulation became effective in October 2015, and OPPD is in compliance with the requirements. OPPD continues to assess and implement compliance strategies associated with this regulation by required dates, and will continue to monitor changes in the regulation and evaluate compliance options as new information is available. In May 2019, OPPD notified the Nebraska Department of Environment and Energy (NDEE) that it had initiated Assessment of Corrective Measures (ACM) for the North Omaha Station (NOS) landfill. Following hydrogeological modeling, groundwater monitoring, and engineering evaluations, OPPD proposed long-term groundwater monitoring and post-closure capping as a final remedy. After a public meeting and comment period, OPPD published a final Selection of Remedy report on December 13, 2021 and is in the process of seeking associated permitting for the selected final remedy. In December 2020, OPPD also entered ACM for the Nebraska City Station (NCS) landfill. Following hydrogeological modeling, groundwater monitoring, and engineering evaluations, OPPD has proposed source control through the application of a surface binder on the ash in the landfill, as well as operational changes in landfill construction (reduce the active area of the landfill to minimize dust) as a final remedy. After a public meeting and comment period, OPPD published a final Selection of Remedy report on November 15, 2021 and is in the process of seeking associated permitting for the selected final remedy. The cost of compliance with the requirements of the CCR rule is expected to be minimal at this time.

Regional Haze Rule (RHR) – The RHR requires the states, in coordination with the EPA, the National Park Service, U.S. Fish and Wildlife Service, 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 first state plans for regional haze were due in December 2007. Comprehensive periodic revisions to these initial plans are currently due in 2021, 2028, and every 10 years thereafter. OPPD received a Regional Haze information request from the NDEE in spring 2020 for use in their preparation of a State Implementation Plan (SIP) submittal. The information request asked OPPD to assess potential emission control technologies against four statutory factors for Nebraska City Station Unit 1. OPPD provided an initial response to the information request in November 2020 and a second response in February 2021. In response to a subsequent request for modeling information, OPPD provided a joint response with Nebraska Public Power District to the request in March 2021. OPPD continues engagement with NDEE as the agency works to prepare the Nebraska Regional Haze SIP for submittal to the EPA, now expected in mid-2022. The cost of compliance is not expected to be material at this time.

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. The final rule went into effect in October 2014. Facilities are required to choose one of seven options to reduce fish impingement. Facilities were also required to study the effects of entrainment and develop compliance strategies. All required studies were submitted to the NDEE in June 2019 for review. In June 2020, the NDEE agreed that the risk to endangered and threatened species and cost to benefit of entrainment reduction do not outweigh the cost of implementing the proposed technologies, including fine-meshed screens. The NDEE further agreed that the existing Cooling Water Intake Structure technology is the Best Technology Available (BTA) for entrainment. In December 2020, OPPD submitted to the NDEE the BTA determination for impingement as required under the 316(b) rule. This submittal stated that OPPD intends to install and operate Coarse Mesh Modified Traveling Screens with a Fish Return at NCS and NOS Units 4 and 5 intake structures. The BTA determination for entrainment and the compliance strategy and implementation timeline for impingement will be included in the renewed National Pollution Discharge Elimination System permits, now expected to be issued in 2022. The cost of compliance is expected to be $19,400,000 for NOS and NCS combined.

Legislative Update

H.R. 3684, the Infrastructure Investment and Jobs Act (IIJA), was passed by Congress late in 2021. The IIJA includes provisions for significant investments in energy infrastructure, including investments in electric vehicle supply equipment, transmission and distribution systems, cybersecurity, and new energy technology. The IIJA also contains provisions to fund programs to prevent outages and increase grid resiliency, deploy innovative smart grid technology, and increase appropriations for both the Weatherization Assistance Program and the Low Income Home Energy Assistance program to assist low-income families with their energy needs. OPPD will monitor for opportunities to utilize funds made available to Nebraska from the IIJA.

RESOURCE PLANNING AND GENERATION UPDATE

Southwest Power Pool Integrated Marketplace and Transmission Planning

OPPD is a transmission-owning member of Southwest Power Pool (SPP), and all of OPPD's transmission facilities are under 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 area and will continue to occur in Sarpy County 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 part of OPPD's Power with Purpose generation expansion project, which is further described in the Generation Update section below. A new 6.5-mile, 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 totaling approximately 12 miles 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 2023 with remaining ancillary expansion being completed in 2024.

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 new generation solution includes utility-scale solar of 400-600 megawatts (MW) with up to 600 MW of backup modernized natural gas generation.

The sourcing for the utility scale solar generation began in November 2019. In the spring of 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. In order to meet the remaining 400-600 MW of solar generation, OPPD intends to enter into multiple contracts for multiple solar sites in Eastern Nebraska.

In September 2020, OPPD announced the locations and capacity of two backup 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. Preliminary grading commenced at both sites in the fall of 2021 and continues into 2022.

Renewable Capability including Purchased Power Contracts

Renewable portfolio standards are currently mandated in several states but not in Nebraska. In 2019, the Company established a goal to conduct all of its operations in a manner that strives for net zero carbon production by 2050. OPPD is currently studying pathways to meet this goal as part of the Pathways to Decarbonization Strategic Initiative. OPPD's renewable generation resources includes a mix of wind, solar, hydro, and methane gas. As of December 31, 2021, the Company had 1,060.3 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. Key activities in progress include demolition of plant support structures, preparing to begin demolition of buildings containing radioactive plant systems, shipment of waste materials for disposal, and segmentation of the reactor vessel internals.

Omaha Public Power District
Statements of Net Position

as of December 31, 2021 and 2020

ASSETS	2021	2020
	(thousands)	
CURRENT ASSETS		
Cash and cash equivalents	**$ 37,424**	$ 26,157
Investments	**654,565**	361,521
Investments – separate electric system	**36,899**	36,574
Accounts receivable – net	**193,402**	118,966
Fossil fuels – at average cost	**33,735**	34,677
Materials and supplies – at average cost	**100,626**	88,786
Regulatory asset – FCS decommissioning	**138,923**	129,442
Regulatory assets – other	**15,428**	15,372
Other	**63,529**	16,675
Total current assets	**1,274,531**	828,170
SPECIAL PURPOSE FUNDS – at fair value		
Investments – net of current	**58,173**	115,193
Segregated funds	**127,092**	215,592
Decommissioning funds	**519,701**	542,090
Total special purpose funds	**704,966**	872,875
ELECTRIC UTILITY PLANT – at cost		
Electric utility plant	**5,011,756**	4,726,802
Less accumulated depreciation and amortization	**2,190,207**	2,072,575
Total electric utility plant – net	**2,821,549**	2,654,227
OTHER LONG-TERM ASSETS		
Regulatory asset – FCS decommissioning – net of current	**92,530**	240,127
Regulatory assets – pension	**347,539**	455,126
Regulatory assets – other postemployment benefits	**211,600**	224,416
Regulatory assets – other	**91,427**	94,861
Other	**64,375**	64,459
Total other long-term assets	**807,471**	1,078,989
TOTAL ASSETS	**5,608,517**	5,434,261
DEFERRED OUTFLOWS OF RESOURCES		
Unrealized pension contributions and losses	**182,067**	102,589
Unrealized OPEB contributions and losses	**31,598**	40,447
Unamortized loss on refunded debt	**55,860**	59,343
Other	**12,501**	14,059
Total deferred outflows of resources	**282,026**	216,438
TOTAL ASSETS AND DEFERRED OUTFLOWS	**$5,890,543**	$5,650,699

See notes to financial statements

Omaha Public Power District
Statements of Net Position
as of December 31, 2021 and 2020

LIABILITIES	2021	2020
	(thousands)	
CURRENT LIABILITIES		
Current maturities of long-term debt	**$ 12,425**	$ 90,257
Current maturities of long-term debt – separate electric system	**3,815**	3,655
Accounts payable and other current liabilities	**235,263**	179,732
Accrued interest payable	**34,317**	34,034
Decommissioning	**124,588**	97,026
Total current liabilities	**410,408**	404,704
LIABILITIES PAYABLE FROM SEGREGATED FUNDS	**70,960**	62,810
LONG-TERM DEBT		
Long-term debt – net of current	**2,066,980**	1,629,895
Long-term debt – net of current – separate electric system	**197,680**	201,495
Unamortized discounts and premiums	**220,928**	174,777
Total long-term debt – net	**2,485,588**	2,006,167
OTHER LIABILITIES		
Decommissioning – net of current	**629,574**	766,372
Pension liability	**451,145**	522,742
Net OPEB liability	**173,668**	214,708
Other	**48,361**	50,691
Total other liabilities	**1,302,748**	1,554,513
TOTAL LIABILITIES	**4,269,704**	4,028,194
DEFERRED INFLOWS OF RESOURCES		
Rate stabilization reserve	**50,000**	50,000
Decommissioning and benefits reserve	**32,000**	115,000
Unrealized pension gains	**77,199**	36,772
Unrealized OPEB gains	**69,255**	49,878
Leases	**40,302**	42,721
Other	**3,710**	7,709
Total deferred inflows of resources	**272,466**	302,080
NET POSITION		
Net investment in capital assets	**430,403**	671,486
Restricted	**206,890**	139,718
Unrestricted	**711,080**	509,221
Total net position	**1,348,373**	1,320,425
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	**$5,890,543**	$5,650,699

See notes to financial statements

Omaha Public Power District
Statements of Revenues, Expenses and Changes in Net Position
for the Years Ended December 31, 2021 and 2020

	2021	2020
	(thousands)	
OPERATING REVENUES		
Retail	**$ 1,130,907**	$ 909,761
Off-system	**328,376**	137,282
Other electric	**37,637**	36,858
Total operating revenues	**1,496,920**	1,083,901
OPERATING EXPENSES		
Operations and maintenance		
Fuel	**203,944**	145,059
Purchased power	**404,426**	189,880
Production	**111,332**	88,602
Transmission and distribution	**125,305**	97,051
Customer	**41,175**	37,229
Administrative and general	**207,410**	128,265
Total operations and maintenance	**1,093,592**	686,086
Depreciation and amortization	**156,992**	151,011
Decommissioning	**132,543**	130,035
Payments in lieu of taxes	**38,555**	35,437
Total operating expenses	**1,421,682**	1,002,569
OPERATING INCOME	**75,238**	81,332
OTHER INCOME (EXPENSES)		
Interest expense	**(68,537)**	(70,820)
Contributions in aid of construction	**19,056**	21,995
Reduction of plant costs recovered through contributions in aid of construction	**(19,056)**	(21,995)
Decommissioning funds – investment income (loss)	**(4,629)**	29,612
Investment income	**38**	14,319
Allowances for funds used during construction	**9,772**	8,364
Products and services – net	**1,830**	2,511
Other – net	**14,236**	8,685
Total other income (expenses) – net	**(47,290)**	(7,329)
NET INCOME	**27,948**	74,003
NET POSITION, BEGINNING OF YEAR	**1,320,425**	1,246,422
NET POSITION, END OF YEAR	**$ 1,348,373**	$1,320,425

See notes to financial statements

Omaha Public Power District
Statements of Cash Flows

for the Years Ended December 31, 2021 and 2020

	2021	2020
	(thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from retail customers	**$1,064,313**	$1,008,862
Receipts from collection of sales tax	**52,721**	48,332
Receipts from off-system counterparties	**179,769**	110,053
Receipts from other sources	**4,759**	11,048
Payments for sales tax	**(52,536)**	(48,359)
Payments to operations and maintenance suppliers	**(541,271)**	(432,750)
Payments to off-system counterparties	**(244,353)**	(141,112)
Payments to employees	**(146,280)**	(141,243)
Payments to pension and OPEB obligations	**(169,383)**	(75,384)
Payments for in lieu of taxes and other taxes	**(35,507)**	(35,031)
Net cash provided from operating activities	**112,232**	304,416
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from federal and state agencies	**487**	6,166
Net cash provided from noncapital financing activities	**487**	6,166
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from debt issuances	**514,349**	19,900
Principal reduction of debt	**(83,968)**	(75,925)
Interest paid on debt	**(90,225)**	(82,079)
Acquisition and construction of capital assets	**(325,356)**	(209,016)
Contributions in aid of construction and other reimbursements	**16,159**	18,390
Lease and other payments	**(3,575)**	(3,704)
Cash received from leases	**2,577**	2,049
Net cash provided from (used for) capital and related financing activities	**29,961**	(330,385)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	**(2,033,494)**	(1,288,369)
Maturities and sales of investments	**1,876,026**	1,284,610
Purchases of investments for decommissioning funds	**(451,721)**	(417,737)
Maturities and sales of investments in decommissioning funds	**457,896**	436,465
Investment income	**19,880**	29,640
Net cash provided from (used for) investing activities	**(131,413)**	44,609
CHANGE IN CASH AND CASH EQUIVALENTS	**11,267**	24,806
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**26,157**	1,351
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 37,424**	$ 26,157

See notes to financial statements

Omaha Public Power District
Statements of Cash Flows

for the Years Ended December 31, 2021 and 2020

The following table provides a reconciliation of the statements of cash flows from operating activities to operating income as of December 31.

	2021	2020
	(thousands)	
Operating income	**$ 75,238**	$ 81,332
Adjustments to reconcile operating income to net cash provided from operating activities:		
Depreciation and amortization	**142,057**	136,090
Changes in assets and liabilities:		
Accounts receivable	**(64,879)**	6,527
Fossil fuels	**942**	(4,203)
Materials and supplies	**(11,840)**	(8,277)
Accounts payable	**8,429**	10,259
Accrued payments in lieu of taxes and other taxes	**3,048**	407
Accrued payroll	**2,984**	5,101
SPP and other special deposits	**(4,854)**	8,229
Decommissioning and benefits reserve	**(83,000)**	21,000
Regulatory assets	**2,142**	(16,620)
Other	**41,965**	64,571
Net cash provided from operating activities	**$ 112,232**	$ 304,416

The following table summarizes the supplemental disclosure of noncash capital, financing and investing activities as of December 31.

	2021	2020
	(thousands)	
NONCASH CAPITAL, FINANCING AND INVESTING ACTIVITIES		
Bonds proceeds transferred directly to irrevocable trust to defease outstanding bonds	**$ 65,079**	$ -
Electric utility plant additions from outstanding liabilities	**39,348**	19,979
Net amortization of debt-related expenses, premiums and discounts	**12,210**	11,816
Allowances for funds used during construction	**9,772**	8,364
Changes in fair value of investments	**(22,725)**	15,159

See notes to financial statements

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Omaha Public Power District
Statements of Fiduciary Net Position

as of December 31, 2021 and 2020

	2021	2020
ASSETS	*(thousands)*	
Investments, at fair value	**$ 1,505,566**	$ 1,353,898
Receivables		
Accrued interest and dividend receivables	**564**	1,076
Receivable from broker	**521**	14,080
Other receivables	**668**	855
Total receivables	**1,753**	16,011
TOTAL ASSETS	**1,507,319**	1,369,909
LIABILITIES		
Payables		
Accrued management fees and administrative expenses	**637**	609
Payable to broker	**12,287**	20,702
Other liabilities	**230**	311
TOTAL LIABILITIES	**13,154**	21,622
NET POSITION RESTRICTED FOR PENSIONS AND OPEB	**$ 1,494,165**	$ 1,348,287

See notes to financial statements

Omaha Public Power District
Statements of Changes in Fiduciary Net Position

for the Years Ended December 31, 2021 and 2020

	2021	2020
ADDITIONS	*(thousands)*	
Contributions		
Employer	**$ 165,900**	$ 74,675
Employee	**15,645**	13,971
Total contributions	**181,545**	88,646
Investment income		
Interest and dividend income	**15,457**	14,451
Net appreciation in fair value of investments	**82,207**	147,401
Total investment income	**97,664**	161,852
Less: Investment expenses	**(8,000)**	(5,572)
Net investment income	**89,664**	156,280
Total additions	**271,209**	244,926
DEDUCTIONS		
Benefits paid to participants	**105,821**	102,515
Healthcare and life insurance premiums	**19,231**	18,729
Administrative and other expenses	**279**	251
Total deductions	**125,331**	121,495
NET CHANGE	**145,878**	123,431
NET POSITION RESTRICTED FOR PENSIONS AND OPEB		
Beginning of year	**1,348,287**	1,224,856
End of year	**$1,494,165**	$ 1,348,287

See notes to financial statements

Notes to Financial Statements

as of and for the Years Ended December 31, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Business – The Omaha Public Power District (OPPD or Company), a political subdivision of the state of Nebraska, is a public utility engaged in the generation, transmission and distribution of electric power and energy and other related activities. The Board of Directors is authorized to establish rates. OPPD is generally not liable for federal and state income or ad valorem taxes on property; however, payments in lieu of taxes are made to various local governments.

Reporting Entity – These financial statements present OPPD and its component units. The following component units are presented as fiduciary funds of OPPD: the Retirement Plan and the Other Postemployment Benefit Plans. OPPD's Board of Directors performs the duties of a governing board for each of these defined benefit plans, and OPPD has a financial burden to make contributions to each plan. Detailed financial statements and note disclosures for these fiduciary funds can be found in separately issued financial reports. These financial reports can be obtained by contacting Investor Relations at *finfo@oppd.com* or by visiting *oppd.com*. Additional information on these plans can also be found in Note 8.

OPPD has one component unit that is wholly-owned, funded and governed by OPPD. The component unit is used to purchase land for future use, which will eventually be transferred to OPPD. Although the component unit is legally separate from OPPD, it is blended into and reported as part of OPPD because of the nature and extent of its operational and financial relationship with OPPD. The only asset of the component unit is land of $4,976,000 and $14,161,000 as of December 31, 2021 and 2020, respectively, which is reported on OPPD's financial statements with Electric Utility Plant.

Basis of Accounting – The financial statements are presented in accordance with generally accepted accounting principles (GAAP) for proprietary funds of governmental entities. Accounting records are maintained generally in accordance with the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission (FERC) and all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

OPPD applies the accounting policies established in the GASB Codification Section Re10, *Regulated Operations*. This guidance permits an entity with cost-based rates to include costs in a period other than the period in which the costs would be charged to expense by an unregulated entity if it is probable that these costs will be recovered through rates charged to customers. This guidance also permits an entity to defer revenues by recognizing liabilities to cover future expenditures. The guidance applies to OPPD because the rates of the Company's regulated operations are established and approved by the governing board.

If, as a result of changes in regulation or competition, the ability to recover these assets and to satisfy these liabilities would not be assured, OPPD would be required to write off or write down such regulatory assets and liabilities unless some form of transition cost-recovery continues through established rates. In addition, any impairment to the carrying costs of deregulated plant and inventory assets would be determined. The Board of Directors approved the write-off of all Fuel and Purchased Power Adjustment (FPPA) under-recoveries for the year ended December 31, 2021 (Note 9). There were no other write-downs of regulatory assets for the years ended December 31, 2021 and 2020.

Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Classification of Revenues and Expenses – Revenues and expenses related to providing energy services in connection with the Company's principal ongoing operations are classified as operating. All other revenues and expenses are classified as non-operating and reported as other income (expenses) on the Statements of Revenues, Expenses and Changes in Net Position.

Revenue Recognition – Electric operating revenues are recognized as earned. Meters are read and bills are rendered on a cycle basis. Revenues earned after meters are read are estimated and accrued as unbilled revenues at the end of each accounting period.

Cash and Cash Equivalents – The operating fund account is called the Electric System Revenue Fund (Note 2). Highly liquid investments for the Electric System Revenue Fund with an original maturity of three months or less are considered cash equivalents.

Investments – Investments are reported at fair value. Realized and unrealized gains and losses for all investments except hedging derivative instruments are included in Investment Income on the Statements of Revenues, Expenses and Changes in Net Position.

Hedging and Investment Derivative Instruments – OPPD is exposed to market price fluctuations on its sales and purchases of energy. The Company may enter into energy financial futures contracts to buy or sell energy in order to manage the risk of volatility in the market price of anticipated energy transactions. The Company does not enter into derivative instruments for speculative purposes. Fair value is estimated by comparing contract prices to forward market prices quoted by independent third-party pricing services. In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, outstanding derivatives are evaluated and classified as either hedging derivative instruments (effective) or investment derivative instruments (ineffective), with the accumulated change in fair market value recognized as deferred inflows/outflows of resources on the Statements of Net Position or investment income/expense on the Statements of Revenues, Expenses and Changes in Net Position, respectively (Note 4).

Accounts Receivable – Accounts Receivable includes outstanding amounts from customers and an estimate for unbilled revenues. An estimate is made for the Reserve for Uncollectible Accounts for retail customers based on an analysis of Accounts Receivable, economic conditions affecting customers and historical write-offs net of recoveries. Additional amounts may be included based on the credit risks of significant parties. Accounts Receivable includes $52,731,000 and $53,103,000 in unbilled revenues as of December 31, 2021 and 2020, respectively. Accounts Receivable was reported net of the Reserve for Uncollectible Accounts of $2,200,000 and $2,100,000 as of December 31, 2021 and 2020, respectively.

Materials and Supplies – The Company maintains inventories that are valued at average cost. Fort Calhoun Station (FCS) materials and supplies are valued at the lower of cost or fair value.

Electric Utility Plant – Electric utility plant is stated at cost, which includes property additions, replacements of property units and betterments. Maintenance and replacement of minor items are charged to operating expenses. Costs of depreciable units of electric utility plant retirements are eliminated from electric utility plant accounts by charges, less salvage plus removal expenses, to the accumulated depreciation account. Electric utility plant includes both tangible and intangible assets. Intangible assets include costs related to regulatory licenses, software licenses and other rights to use property (Note 5).

Long-lived assets, such as property, plant and equipment, are periodically reviewed for impairment or whenever changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When the magnitude of the decline in service utility is significant and not part of the asset's normal life cycle, the asset is considered impaired. There were no impairments to utility plant for the years ended December 31, 2021 and 2020.

Leases – Leases are contracts that convey control of the right to use another entity's nonfinancial asset as specified for a period of time in an exchange or exchange-like transaction without the transfer of ownership of the asset. The lease term is the period of time where there is a noncancellable right to use the underlying asset (Note 5).

For lessor contracts, lease receivables and deferred inflows of resources are reported at present value using OPPD's incremental borrowing rate unless otherwise noted in the contract terms. Lease receivables are reported in Accounts Receivable – Net for the current portion and Other Long-term Assets – Other for the long-term portion on the Statements of Net Position. The amortization of the discount for lessor contracts is recorded as interest receivable in Current Assets - Other on the Statements of Net Position with the offset to interest income in Other – Net on the Statements of Revenue, Expenses and Changes in Net Position.

For lessee contracts, lease assets and liabilities are reported at present value using OPPD's incremental borrowing rate unless otherwise noted in the contract terms. Lease assets are reported in Electric Utility Plant and lease liabilities are reported in Accounts Payable and Other Current Liabilities for the current portion and Other Liabilities – Other for the long-term portion on the Statements of Net Position. The amortization of the discount for lessee contracts is reported as Accrued Interest Payable on the Statements of Net Position with the offset to Interest Expense on the Statements of Revenue, Expenses and Changes in Net Position.

Subscription Based Information Technology Arrangements (SBITA) – SBITAs are contracts that convey the control of the right to use software, alone or in combination with tangible assets, as specified in a contract for the subscription term in an exchange or exchange-like transaction. The subscription term is the period of time that OPPD has a noncancellable right to use the underlying asset (Note 5). SBITA assets and liabilities are reported at present value, using OPPD's incremental borrowing rate unless otherwise noted in the contract terms. SBITA assets are reported in Electric Utility Plant, and SBITA liabilities are reported in Accounts Payable and Other Current Liabilities for the current portion and Other Liabilities – Other for the long-term portion on the Statements of Net Position. The amortization of the discount is recorded as Accrued Interest Payable on the Statements of Net Position with the offset to Interest Expense on the Statements of Revenue, Expenses and Changes in Net Position.

Contributions in Aid of Construction (CIAC) – Payments are received from customers for construction costs, primarily relating to the expansion of the electric system. CIAC primarily includes payments for transmission, distribution and generating station assets. FERC guidelines are followed in recording CIAC. These guidelines direct the reduction of electric utility plant assets by the amount of contributions received toward the construction of electric utility plant. CIAC is recorded as other income and offset by an expense in the same amount representing the recovery of plant costs. This allows for compliance with GASB Codification Section N50, *Nonexchange Transactions*, while continuing to follow FERC guidelines.

Depreciation and Amortization – Depreciation for assets is computed on the straight-line basis at rates based on the estimated useful lives of the various classes of tangible property. Intangible assets are amortized over their expected useful life. Leased assets are amortized over the term of the contract. SBITA assets are amortized over the subscription term of the related contract. Depreciation expense for depreciable property averaged approximately 4.2% and 3.1% for the years ended December 31, 2021 and 2020, respectively. Depreciation is generally calculated using the following estimated lives:

• Generation	40 to 70 years
• Transmission and Distribution	15 to 75 years
• General	6 to 25 years

The FCS recovery costs incurred in 2012 and 2013 were deferred as a regulatory asset based on Board of Directors approval. These recovery costs continue to be amortized (and collected through retail rates) through 2023 as these costs benefit current and future ratepayers. This amortization was $14,836,000 for both of the years ended December 31, 2021 and 2020.

Asset Retirement Obligations (AROs) – AROs represent the best estimate of the current value of cash outlays expected to be incurred for legally enforceable retirement obligations of tangible capital assets, which is offset with a deferred outflow of resources. The cost is amortized over the asset's useful life, reducing the deferred outflow and increasing the depreciation and amortization expense. AROs are reported in current year dollars as Deferred Outflows – Other and Other Liabilities – Other on the Statements of Net Position (Note 6).

Nuclear Decommissioning – Based on the decommissioning plan established in 1983, the Board of Directors approved the collection of nuclear decommissioning costs using an independent engineering study of the costs to decommission FCS. The Company established a Decommissioning Funding Plan for FCS in 1990 in compliance with Nuclear Regulatory Commission (NRC) regulations. Its purpose is to accumulate funds to decommission the radiated portions of FCS as defined by the NRC. OPPD is no longer required to calculate a minimum funding amount. OPPD's annual financial submittal to the NRC must show that the Company has adequate funds to meet its decommissioning cost estimate. The Company established a Supplemental Decommissioning Funding Plan for FCS in 1992 to accumulate funds to fully decommission FCS. This includes funds for additional costs beyond the previously calculated NRC minimum that are needed to decommission the radiated plant, the fuel facility and the non-radiated plant. Decommissioning trust funds are reported at fair value.

The decommissioning liability is the estimated current cost to decommission the plant for the NRC-required obligations, which is based upon a third-party, site-specific cost study (Note 11). The decommissioning cost liability, which includes a current and long-term portion on the Statements of Net Position, is adjusted annually for inflation and any significant changes in the cost estimate.

The Board of Directors authorized the use of regulatory accounting to match decommissioning expense to the amount funded from both retail rates and realized decommissioning fund investment income.

Nuclear Fuel Disposal Costs – Permanent disposal of spent nuclear fuel is the responsibility of the federal government under an agreement entered into with the Department of Energy (DOE). The agreement required the federal government to begin accepting high-level nuclear waste by January 1998; however, the DOE does not have a storage facility. In May 1998, the United States Court of Appeals confirmed the DOE's statutory obligation to accept spent fuel by 1998, but rejected the request that a move-fuel order be issued. In March 2001, OPPD, along with a number of other utilities, filed suit against the DOE in the United States Court of Federal Claims, alleging breach of contract.

In 2006, the DOE agreed to reimburse OPPD for allowable costs for managing and storing spent nuclear fuel and high-level waste incurred due to the DOE's delay in accepting waste. Applications are submitted periodically to the DOE for reimbursement of costs incurred for the storage of high-level nuclear waste. OPPD has incurred unreimbursed spent fuel costs after beginning decommissioning, and the Company is currently pursuing reimbursement of those claims from the DOE. In February 2022, OPPD was notified that the Company would receive reimbursement for the majority of the claims for 2017 through 2019 that were previously denied by the DOE, which are reported in Accounts Receivable (Note 11).

Compensated Absences – OPPD accrues vacation leave when employees earn the benefit. OPPD does not accrue a liability for sick leave since there is no cash payment made for sick leave when an employee terminates or retires.

Pension – Information about the fiduciary net position of the OPPD Retirement Plan and changes to the fiduciary net position have been determined on the same basis as they are reported for purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense. Benefit payments are recognized when distributed in accordance with the benefit terms. Investments are reported at fair value (Note 8).

Other Postemployment Benefits (OPEB) – Information about the fiduciary net position of the OPPD OPEB Plans and changes to the fiduciary net positions have been determined on the same basis as they are reported for purposes of measuring the net OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense. Benefit payments are recognized when distributed in accordance with the benefit terms. Investments are reported at fair value (Note 8).

Regulatory Assets and Liabilities – Rates for regulated operations are established and approved by the Board of Directors. The provisions of GASB Codification Section Re10, *Regulated Operations*, are applied. This guidance provides that regulatory assets are rights to additional revenues or deferred expenses, which are expected to be recovered through customer rates over some future period. Regulatory liabilities are reductions in earnings (or costs recovered) to cover future expenditures (Note 9).

Ash Landfills – There is no current or proposed GASB statement providing accounting treatment for closure and postclosure care costs of ash landfills. The Company applies GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs* (GASB 18), as analogous authoritative literature since the accounting treatment for this situation is not specified in authoritative GAAP.

Although closure and postclosure care costs will be paid only near or after the date the landfills stop accepting ash, OPPD reports a portion of these closure and postclosure care costs as an operating expense in each reporting period based on landfill capacity used as of each period end. The remaining amount to be amortized over the remaining capacity of the landfills is reported as a Deferred Outflow – Other. The landfill closure and postclosure care liability represents the estimated liability to perform the required closure and postclosure care at the related landfills based on the regulatory requirements. The ash landfill liability is reported in current year dollars in Current Liabilities – Accounts Payable and Other Current Liabilities and Other Liabilities – Other on the Statements of Net Position. Actual closure and postclosure care costs may be higher or lower than the estimated amounts due to inflation, changes in technology, or changes in regulations (Note 6).

Pollution Remediation – GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (GASB 49), requires that a liability be recognized for expected outlays for remediating existing pollution when triggering events occur. The liability is estimated using the expected cash flow technique prescribed under GASB 49, and includes only amounts reasonably estimable. The pollution remediation liability is reported in current year dollars in Current Liabilities – Accounts Payable and Other Current Liabilities and Other Liabilities - Other on the Statements of Net Position (Note 6).

Net Position – Net position is reported in three separate components on the Statements of Net Position. Net Investment in Capital Assets is the net position share attributable to net electric utility plant assets reduced by outstanding related debt. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in this component of net position. Restricted is the share of net position that has usage restraints imposed by law or by debt covenants, such as certain revenue bond funds and segregated funds, net of related liabilities and deferred inflows of resources related to those assets. Unrestricted is the share of net position that is neither restricted nor invested in capital assets.

Comparative Data – Certain amounts presented in the prior year data have been revised in order to be consistent with the current year presentation. These revisions had no effect on net income or net position.

Recent Accounting Pronouncements, adopted – There were no GASB issued statements adopted in 2021.

2. FUNDS AND INVESTMENTS

Funds and investments of OPPD were as follows:

	2021	2020
	(thousands)	
CURRENT ASSETS		
Investments		
Electric system revenue fund	**$ 65,384**	$ 104,800
Electric system revenue bond fund	**63,730**	84,475
Electric system subordiated revenue bond fund	**6,399**	4,055
Electric system construction fund	**519,052**	168,191
Total investments	**654,565**	361,521
Investments – separate electric system		
NC2 separate electric system revenue fund	**16,741**	16,357
NC2 separate electric system revenue bond fund	**17,473**	17,736
NC2 separate electric system capital costs fund	**2,685**	2,481
Total investments – separate electric system	**36,899**	36,574
SPECIAL PURPOSE FUNDS		
Investments		
Electric system revenue fund – net of current	**14,890**	-
Electric system revenue bond fund – net of current	**43,283**	48,025
Electric system construction fund – net of current	**-**	67,168
Total investments	**58,173**	115,193
Segregated funds		
Segregated fund – rate stabilization	**50,000**	50,000
Segregated fund – decommissioning and benefits reserve	**-**	94,000
Segregated fund – other	**77,092**	71,592
Total segregated funds	**127,092**	215,592
Decommissioning funds		
Decommissioning trust – 1990 plan	**265,007**	337,757
Decommissioning trust – 1992 plan	**254,694**	204,333
Total decommissioning funds	**519,701**	542,090
Total funds and investments	**$1,396,430**	$1,270,970

The above table includes interest receivables for the Decommissioning Trusts of $1,022,000 and $1,212,000 for December 31, 2021 and 2020, respectively.

Electric System Revenue Fund and Nebraska City Station Unit 2 (NC2) Separate Electric System Revenue Fund – These funds are used for operating activities for their respective electric system. Cash and cash equivalents in the Electric System Revenue Fund are shown separately from Investments on the Statements of Net Position.

Electric System Revenue Bond Fund, Electric System Subordinated Revenue Bond Fund and NC2 Separate Electric System Revenue Bond Fund – These funds are used for the retirement of their respective revenue bonds and the payment of the related interest and reserves as required. Investments with maturity dates within the next year are designated as current.

Electric System Construction Fund and NC2 Separate Electric System Capital Costs Fund – These funds are used for capital improvements, additions and betterments to and extensions of their respective electric system.

Segregated Fund – Rate Stabilization – This fund is used to help stabilize rates through the transfer of funds to operations as necessary. Since there is no funding requirement for the Rate Stabilization Reserve, this fund also may be used to provide additional liquidity for operations as necessary.

Segregated Fund – Decommissioning and Benefits Reserve – This fund is used to help fund future decommissioning expenses beyond what was established in the current funding plan in any given year and future pension liabilities above the actuarially determined contribution (ADC). Since there is no funding requirement, OPPD decided not to fund the reserve in this separate account, rather the funds were transferred to the Electric System Revenue Fund during 2021.

Segregated Fund – Other – This fund represents assets held for payment of customer deposits, refundable advances, OPPD's self-insured health insurance plans (Note 8), and certain other liabilities.

The following table summarizes the balances of the Segregated Fund – Other as of December 31 (in thousands).

	2021	2020
Customer deposits and advances	$ 66,136	$ 59,022
Self-insurance	6,005	5,931
Other	4,951	6,639
Total	$ 77,092	$ 71,592

Decommissioning Trust Funds – These funds are used for the costs to decommission FCS. The Decommissioning Trust Funds are held by an outside trustee in compliance with the decommissioning funding plans approved by the Board of Directors.

Fair Value of Investments – Fair values in most cases are externally provided by the trustees that manage the funds. The trustees frequently utilize third-party pricing services to assist in their valuations (Note 3). The fair value of investments was as follows as of December 31 (in thousands).

	2021		2020	
Investment Type	**Fair Value**	**Weighted Average Maturity (Years)**	**Fair Value**	**Weighted Average Maturity (Years)**
Money market funds	$ 251,842	-	$ 132,258	-
U.S. government securities	650,446	0.8	537,510	1.1
Mutual funds	251,113	-	257,285	-
Commercial paper	44,945	0.5	-	-
Corporate bonds and other debentures	197,062	1.5	342,705	1.2
Total	$ 1,395,408		$ 1,269,758	
Portfolio weighted average maturity		0.6		0.8

The above table excludes interest receivables related to the Decommissioning Trusts of $1,022,000 and $1,212,000 for December 31, 2021 and 2020, respectively.

Interest Rate Risk – The investments in relatively short-term securities reduces interest rate risk, as evidenced by its portfolio weighted average maturity of 0.6 and 0.8 years as of December 31, 2021 and 2020, respectively. In addition, OPPD is generally a buy-and-hold investor, which further reduces interest rate risk.

Credit Risk – OPPD's investment policy complies with bond covenants and state statutes for governmental entities, which limit investments to investment-grade fixed income obligations. The Company was in full compliance with bond covenants and state statutes as of December 31, 2021 and 2020.

At December 31, 2021 and 2020, the Company's investments in money market funds were rated Aaa-mf by Moody's Investors Service (Moody's), and AAAm by Standard & Poor's Rating Services (S&P). At December 31, 2021 and 2020, the U.S. government securities were rated Aaa and AA+ by Moody's and S&P, respectively. The mutual fund investments are not rated. The commercial paper investments were rated P-1 and A-1 at December 31, 2021 by Moody's and S&P, respectively. There were no commercial paper investments at December 31, 2020.

The following tables summarize the ratings on the Company's investments in corporate bonds and other debentures as of December 31, 2021 (in thousands).

	Moody's			**S&P**	
	Amount	**Rating**		**Amount**	**Rating**
	$ 130,031	Aaa		$ 118,298	AAA
	2,507	Aa1		13,139	AA+
	3,467	Aa2		2,507	AA
	26,343	Aa3		27,156	AA-
	25,110	A1		25,110	A+
	9,604	A2		9,604	A
Total	$ 197,062			1,248	N/A
			Total	$ 197,062	

The following tables summarize the ratings on the Company's investments in corporate bonds and other debentures as of December 31, 2020 (in thousands).

	Moody's			**S&P**	
	Amount	**Rating**		**Amount**	**Rating**
	$ 168,383	Aaa		$ 163,476	AAA
	9,588	Aa1		13,110	AA+
	55,052	Aa2		28,091	AA
	40,661	Aa3		35,937	AA-
	43,576	A1		76,646	A+
	25,445	A2		25,445	A
Total	$ 342,705		Total	$ 342,705	

Custodial Credit Risk – Bank deposits were entirely insured or collateralized with securities held by OPPD or by its agent in OPPD's name at December 31, 2021 and 2020. All investment securities are delivered under contractual trust agreements.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the Company's investment with a single issuer. OPPD did not have any investments greater than five percent from a single issuer as of December 31, 2021. The concentration of credit risk greater than five percent from a single issuer was the investment in International Bank of Reconstruction and Development corporate bonds at 8.8% as of December 31, 2020.

3. FAIR VALUE MEASUREMENTS

OPPD accounts for fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72), which defines fair value, establishes methods for measuring fair value by applying one of three observable valuation approaches (market approach, income approach and cost approach) and establishes required disclosures about fair measurements.

Fair value is the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

GASB 72 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in an active market for identical assets or liabilities and the lowest priority to unobservable inputs. Financial assets and liabilities are classified in their entirety based on the lowest level input that is significant to the fair value measurement. The three levels of fair value hierarchy defined in GASB 72 are as follows:

Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs are other than quoted market prices in the active markets included in Level 1, which are either directly or indirectly observable for the asset or liability as of the reporting date. Level 2 inputs include the following:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Pricing inputs include significant inputs that are unobservable and cannot be corroborated by market data. Level 3 assets and liabilities are valued based on internally developed models and assumptions or methodologies using significant unobservable inputs.

The fair value of investments in most cases is externally provided by the trustees that manage the funds. The trustees frequently utilize third-party pricing services to assist in their valuations.

The following tables summarize, in accordance with the fair value hierarchy, the Company's assets and liabilities that are accounted for and reported at fair value on a recurring basis by level as of December 31, 2021 and 2020 (in thousands):

		2021		
Investment Type	**Total**	**Level 1**	**Level 2**	**Level 3**
Mutual funds	$ 133,162	$ 133,162	$ -	$ -
Money market funds	251,842	251,842	-	-
U.S. government securities	650,446	-	650,446	-
Corporate bonds and other debentures	197,062	-	197,062	-
Commercial paper	44,945	-	44,945	-
Total fair value measurement by level	**1,277,457**	**$ 385,004**	**$ 892,453**	**$ -**
Investments measured at net asset value (NAV)				
Mutual funds	117,951			
Total investments measured at fair value	**$1,395,408**			

There were no outstanding derivative instruments as of December 31, 2021.

Investment Type	Total	2020 Level 1	Level 2	Level 3
Mutual funds	$ 135,608	$ 135,608	$ -	$ -
Money market funds	132,258	132,258	-	-
U.S. government securities	537,510	-	537,510	-
Corporate bonds and other debentures	342,705	-	342,705	-
Total fair value measurement by level	**1,148,081**	**$ 267,866**	**$ 880,215**	**$ -**
Investments measured at NAV				
Mutual funds	121,677			
Total investments measured at fair value	**$1,269,758**			
Derivative instruments				
Hedging derivatives – futures contracts – asset	$ 93	$ -	$ 93	$ -
Total derivative instruments measured at fair value	**$ 93**	**$ -**	**$ 93**	**$ -**

VALUATION METHODOLOGIES

Mutual Funds Measured at Fair Value: Mutual funds are priced using active market exchanges, and sources include Interactive Data Pricing and Reference Data LLC. The fair values of shares in mutual funds are based on inputs that are quoted prices in active markets for identical assets and, therefore, have been categorized as Level 1 assets.

Money Market Funds: The fair value of shares in money market funds is valued with a NAV of $1, which approximates fair value. They are priced on inputs obtained from Bloomberg, a pricing service whose prices are obtained from direct feeds from exchanges that are either directly or indirectly observable. Money Market Funds are included as Level 1 assets.

U.S. Government Securities: The fair value of U.S. government securities is derived from quoted prices on similar assets in active or non-active markets, from other observable inputs such as interest rates, yield curves, or credit spreads, and inputs that are derived from or corroborated by observable market data. U.S. treasury and other federal agency securities are included as Level 2 assets.

Corporate Bonds and Other Debentures: For fixed-income securities, multiple prices and price types are obtained from pricing vendors whenever possible, which enables cross-provider validation in addition to checks for unusual daily movements. The fair values of fixed-income securities are based on evaluated prices that reflect observable market information, such as actual trade information of similar securities, adjusted for observable differences. Corporate bonds are included as Level 2 assets.

Commercial Paper: The fair value of commercial paper is priced according to recent transactions, as the carrying value of the commercial paper approximated its fair value due to the short maturity. Commercial Paper is included as a Level 2 asset.

Hedging and Investment Derivative Instruments: Energy financial futures contracts uses the market approach based on monthly quoted prices from an independent external pricing service using market quotes. The market is not active to the point where identical contracts are available on a regular basis. These derivative instruments are included as Level 2 assets.

Investments Measured at NAV – The following tables summarize the fair value measurement of investments calculated at NAV per share (or its equivalent) as of December 31 (in thousands).

2021	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Mutual funds	$ 117,462	none	daily	N/A
Mutual funds	489	none	daily	1 day
Total investments measured at NAV	**$ 117,951**			

2020	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Mutual funds	$ 118,519	none	daily	N/A
Mutual funds	3,158	none	daily	1 day
Total investments measured at NAV	**$121,677**			

Mutual Funds Measured at NAV: These mutual funds invest in fixed income securities including treasuries, agencies, corporate debt, mortgage-backed securities and some non-U.S. debt. The fair value of these investments has been determined using the NAV per share (or its equivalent) of the investment.

4. DERIVATIVES AND FINANCIAL INSTRUMENTS

Energy Futures Contracts – OPPD enters into financial futures contracts to hedge the volatility of the market price risk of electricity for anticipated off-system sales revenue or purchased power expense transactions. These transactions must comply with the risk management policy in place to control the volume of energy that can be hedged and the length of the contracts. The Company does not enter into derivative instruments for speculative purposes.

OPPD entered into energy financial future contracts with the Intercontinental Exchange (ICE) to hedge the expected cash flows associated with purchases and sales of energy due to market price volatility. By entering into these arrangements, OPPD will receive and make payments based on market prices without actually entering into the related commodity transactions. In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, outstanding derivatives are evaluated and classified as either hedging derivative instruments, or cash flow hedges (effective), or investment derivative instruments (ineffective), with the accumulated change in fair market value recognized as deferred inflows/outflows of resources on the Statements of Net Position or investment income/expense on the Statements of Revenues, Expenses and Changes in Net Position, respectively. The fair value and deferred cash flows, if any, for these contracts are determined by comparing the contract price to the forward market prices quoted by an independent external pricing service.

Realized gains or losses from hedging derivative instruments are recognized as either off-system sales revenue or purchased power expense on the Statements of Revenue, Expenses and Changes in Net Position in the month the contract expires. Gains or losses from investment derivative instruments are recognized immediately as investment income/expense. All derivative contracts are cash settled in the month subsequent to the period in which the contract expires.

There were no outstanding derivative instruments as of December 31, 2021.

The following table summarizes the outstanding contracts and related megawatt-hours (MWh) as of December 31, 2020.

	Effective Date	Maturity Date	Notional Amount	Volume
Energy futures contract	Oct. 2020	Jan. 2021	10,600	MWh
Energy futures contract	Oct. 2020	Feb. 2021	8,800	MWh
Total MWh hedged			**19,400**	

The following table summarizes the fair value, changes in fair value and notional amounts of energy financial future contracts, classified by type, outstanding as of December 31, 2020.

	Changes in Fair Value		Fair Value at December 31, 2020		
	Classification	**Amount**	**Classification**	**Amount**	**Notional**
Hedging derivative intruments:					
Commodity futures	Deferred inflow – other	$ 93,000	Current assets – other	$93,000	19,400 MWh

As a result of engaging in hedging activities, OPPD is subject to the following key risks:

- **Basis Risk** – Basis risk is the risk that arises when variable rates or prices of a hedging derivative instrument and a hedged item are based on different reference rates. OPPD is exposed to this risk due to a difference in commodity value between different generating sites and delivery points or between cash market prices and the pricing points used in the SPP financial market.
- **Credit Risk** – Credit risk is the risk that results when counterparties or the clearing agent are unable or unwilling to fulfill their obligations. OPPD addresses this risk with the counterparties by executing these contracts using an independent clearing agent, which requires collateral and will spread any unfilled obligations across all participants utilizing their services. The risk of default by the clearing agent is mitigated by their membership in the commodities clearing house, which requires collateral and guaranty funds by each clearing agent to be used to offset any socialized unfilled obligations between member clearing agents.

Auction Revenue Rights (ARRs) – ARRs are financial instruments that entitle the owner to a share of the revenues generated in the applicable Transmission Congestion Rights (TCR) auctions. ARRs are allocated during annual and/or incremental monthly auctions and have the option of being converted into a TCR. OPPD is entitled to these financial payments as a substitute for firm (physical) transmission service. ARRs are accounted for at cost as they are not readily convertible to cash and therefore do not meet the definition of a derivative. The balance of ARRs, reported in Current Liabilities – Accounts Payable and Other Current Liabilities, was $8,316,000 and $5,509,000 as of December 31, 2021, and 2020, respectively, on the Statements of Net Position.

Transmission Congestion Rights – TCRs are financial instruments that entitle the holder to an offset to congestion charges on the transmission grid that take place in the day-ahead market. The Company utilizes TCRs to hedge against congestion differentials between OPPD generators and OPPD load in the SPP Integrated Marketplace.

TCRs qualify for the normal purchases and sales exception under GASB guidance and are reported on a cost basis on the Statements of Net Position. The total notional amount of TCRs outstanding as of December 31, 2021 and 2020, was 4,800,398 MWh and 5,198,675 MWh, respectively. The balance of TCRs reported in Current Assets – Other was $2,313,000 and $2,245,000 as of December 31, 2021 and 2020, respectively.

5. ELECTRIC UTILITY PLANT

The following table summarizes electric utility plant balances as of December 31, 2020, activity for 2021 and balances as of December 31, 2021 (in thousands).

	2020	Increases	Decreases	2021
Nondepreciable electric utility plant:				
Land and improvements	$ 42,032	$ 450	$ (16)	$ 42,466
Construction work in progress	122,239	314,993	(149,526)	287,706
Electric utility plant held for future use	2,413	-	-	2,413
Total nondepreciable electric utility plant	166,684	315,443	(149,542)	332,585
Depreciable electric utility plant:				
Generation	1,981,565	40,088	(1,147)	2,020,506
Transmission and distribution	2,307,603	103,208	(24,189)	2,386,622
General plant	220,919	7,653	(7,725)	220,847
Intangible plant	42,213	6,097	(7,515)	40,795
Leases	154	-	-	154
SBITA	7,664	2,583	-	10,247
Total depreciable electric utility plant	4,560,118	159,629	(40,576)	4,679,171
Less accumulated depreciation and amortization	(2,072,575)	(148,516)	30,884	(2,190,207)
Depreciable electric utility plant, net	2,487,543	11,113	(9,692)	2,488,964
Net electric utility plant	$2,654,227	$326,556	$ (159,234)	$2,821,549

The following table summarizes electric utility plant balances as of December 31, 2019, activity for 2020 and balances as of December 31, 2020 (in thousands).

	2019	Increases	Decreases	2020
Nondepreciable electric utility plant:				
Land and improvements	$ 41,799	$ 285	$ (52)	$ 42,032
Construction work in progress	140,526	196,985	(215,272)	122,239
Electric utility plant held for future use	2,413	-	-	2,413
Total nondepreciable electric utility plant	184,738	197,270	(215,324)	166,684
Depreciable electric utility plant:				
Generation	1,963,273	28,585	(10,293)	1,981,565
Transmission and distribution	2,171,836	146,181	(10,414)	2,307,603
General plant	223,467	17,523	(20,071)	220,919
Intangible plant	43,676	470	(1,933)	42,213
Leases	-	154	-	154
SBITA	-	7,664	-	7,664
Total depreciable electric utility plant	4,402,252	200,577	(42,711)	4,560,118
Less accumulated depreciation and amortization	(1,989,458)	(140,196)	57,079	(2,072,575)
Depreciable electric utility plant, net	2,412,794	60,381	14,368	2,487,543
Net electric utility plant	$2,597,532	$257,651	$(200,956)	$ 2,654,227

OPPD engages in lease contracts, either as the lessor or the lessee, in the normal course of doing business.

Lessor – OPPD leases land, pole space and other assets to third parties. Lease terms range from 4 to 34 years. Several leases have an option to extend the lease term after completion of the contracted term. The lease receivable balance as of December 31, 2021 was $42,433,000, of which $1,384,000 is current and $41,049,000 is long-term on the Statements of Net Position. The lease receivable balance as of December 31, 2020 was $43,673,000, of which $1,273,000 is current and $42,400,000 is long-term on the Statements of Net Position. OPPD recognized revenue of $2,419,000 for both of the years ended December 31, 2021 and 2020, which is reported as Other Electric Revenues on the Statements of Revenues, Expenses and Changes in Net Position. There were no variable lease payments received in 2021 or 2020.

Lessee – OPPD leases antenna tower space from a third party and that contract terminates in 2027. OPPD reported lease assets totaling $154,000 as of December 31, 2021 and 2020. The associated accumulated amortization was $42,000 and $21,000 as of December 31, 2021 and 2020, respectively, which was included in Electric Utility Plant and Accumulated Depreciation and Amortization on the Statements of Net Position. There were no payments recorded in the current period that were not included in the measurement of the lease liability and no lease impairments as of December 31, 2021 and 2020.

The following table summarizes the lease principal and interest payments as of December 31, 2021 (in thousands).

	Principal	Interest	Total
2022	$ 19	$ 3	$ 22
2023	21	3	24
2024	22	2	24
2025	23	1	24
2026	24	1	25
2027	8	-	8
Total	$ 117	$ 10	$ 127

SBITA – OPPD reported SBITA assets totaling $10,247,000 and $7,664,000 as of December 31, 2021 and 2020, respectively. The associated accumulated amortization was $4,767,000 and $1,971,000 as of December 31, 2021 and 2020, respectively, which is included in Electric Utility Plant and Accumulated Depreciation and Amortization on the Statements of Net Position. OPPD has SBITAs for software-related assets with contract terms ranging from 1 to 5 years, when including applicable extensions. There were no payments recorded in the current period that were not included in the measurement of the SBITA liability and no SBITA impairments as of December 31, 2021 and 2020.

The following table summarizes the SBITA principal and interest payments as of December 31, 2021 (in thousands).

	Principal	Interest	Total
2022	$ 2,515	$ 44	$ 2,559
2023	171	5	176
Total	$ 2,686	$ 49	$ 2,735

6. ENVIRONMENTAL AND REGULATORY OBLIGATIONS

The following table summarizes the total balance as of December 31, 2020, activity for 2021, balances as of December 31, 2021, and the amounts due within one year (in thousands) for the Environmental and Regulatory Obligations included in Other Liabilities – Other and Current Liabilities – Accounts Payable and Other Current Liabilities:

	2020	Increases	Decreases	2021	Amounts due within one year
Ash landfill	$ 19,026	$ 467	$ (470)	$ 19,023	$ 87
Pollution remediation obligation	2,494	27	(2,096)	425	208
Asset retirement obligation	4,171	160	-	4,331	-
Total	$ 25,691	$ 654	$ (2,566)	$ 23,779	$ 295

The following table summarizes the total balance as of December 31, 2019, activity for 2020, balances as of December 31, 2020, and the amounts due within one year (in thousands) for the Environmental and Regulatory Obligations included in Other Liabilities – Other and Current Liabilities – Accounts Payable and Other Current Liabilities:

	2019	Increases	Decreases	2020	Amounts due within one year
Ash landfill	$ 24,206	$ 1,090	$ (6,270)	$ 19,026	$ 86
Pollution remediation obligation	10,629	2,043	(10,178)	2,494	583
Asset retirement obligation	3,935	236	-	4,171	-
Total	$ 38,770	$ 3,369	$ (16,448)	$ 25,691	$ 669

Ash Landfills – OPPD operates ash landfills at the North Omaha Station (NOS) and the Nebraska City Station (NCS) locations. State and federal laws and regulations require OPPD to place a final cover on its landfills at the NOS and NCS locations when they no longer receive ash and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Closure and postclosure care financial assurance information is provided to the Nebraska Department of Environment and Energy (NDEE) on an annual basis as required by law. OPPD is not required to restrict any funds for closure and postclosure care costs. At December 31, 2021, the total ash landfill liability in current-year dollars was $19,023,000 and recorded as $87,000 in Current Liabilities – Accounts Payable and Other Current Liabilities and $18,936,000 in Other Liabilities – Other on the Statements of Net Position. At December 31, 2020, the total ash landfill liability in current-year dollars was $19,026,000 and recorded as $86,000 in Current Liabilities – Accounts Payable and Other Current Liabilities and $18,940,000 in Other Liabilities – Other on the Statements of Net Position.

The following table summarizes the current estimated landfill closure date and the percentage of capacity used for each landfill as of December 31. Actual closure dates may be earlier or later than estimated.

Location	Estimated landfill closure date	Estimated percentage of capacity as of December 31, 2021	Estimated percentage of capacity as of December 31, 2020
NOS	2024	62%	49%
NCS unit 1	Closed	100	100
NCS unit 2 cell 1	Closed	100	100
NCS cells 2 & 3	2027	27	19

Pollution Remediation Obligations – The Coal Combustion Residuals (CCR) rule defines the requirements for the disposal and handling of coal combustion residuals for landfills or surface impoundments. The CCR states that an owner of the landfill must prepare an annual groundwater monitoring and corrective action report to summarize key actions completed, problems encountered and planned activities relating to the groundwater monitoring system.

OPPD published a notification on February 14, 2019, that concentrations of certain pollutants detected in groundwater monitoring wells at the NOS landfill resulted in statistically significant increases above Groundwater Protection Standards. The facility officially entered Assessment of Corrective Measures on May 1, 2019. On November 13, 2020, OPPD received correspondence from NDEE stating the contaminant levels currently present in the groundwater are not anticipated to negatively impact the water quality, proposing long-term groundwater monitoring and post-closure landfill capping as the final remediation. In 2021, OPPD formally selected this option and in November 2021 received notification from the NDEE that the proposed remediation actions had been approved. A separate pollution remediation obligation liability was not recorded as of December 31, 2021 as the cost for this remediation work is already represented in the ash landfill post-closure liability. OPPD does not anticipate any recoveries from any other parties and will be responsible for the monitoring and capping costs.

OPPD published a notification on April 24, 2020, that concentrations of certain pollutants detected in groundwater monitoring wells at the NCS landfill resulted in statistically significant increases above Groundwater Protection Standards. The facility officially entered Assessment of Corrective Measures on December 14, 2020. In 2021, OPPD formally selected a final remedy for this obligation and submitted a remedial action plan to the NDEE. In December 2021, the remedial action plan was approved by the NDEE. OPPD does not anticipate any recoveries from any other parties and will be responsible for the entire remediation cost, which is recorded as a pollution remediation obligation. At December 31, 2021, the total pollution remediation liability in current-year dollars was $425,000 and recorded as $208,000 in Current Liabilities – Accounts Payable and Other Accrued Liabilities and $217,000 in Other Liabilities – Other on the Statements of Net Position. At December 31, 2020, the total pollution remediation liability in current-year dollars was $2,494,000 and recorded as $583,000 in Current Liabilities – Accounts Payable and Other Current Liabilities and $1,911,000 in Other Liabilities – Other on the Statements of Net Position.

Asset Retirement Obligations – OPPD has several AROs related to certain generation, transmission, distribution and general building facilities. There are no legally required funding provisions, assurance provisions or restricted assets related to these items unless otherwise stated below.

Underground Fuel Storage Tanks – OPPD has underground fuel tanks housing fuel for vehicles at various locations. The Company is required by the NDEE to decommission the underground fuel storage tanks, consistent with its regulations. There is not adequate information to be able to estimate the costs to decommission the storage tanks; however, OPPD has provided guarantees and financial assurance to the NDEE in the amount of $1,000,000 associated with the storage tanks. The remaining lives of the storage tanks cannot be reasonably estimated and therefore the deferred outflow will not be amortized.

Nebraska City Sanitary Lagoons (NCS Lagoons) – OPPD uses sanitary lagoons as an integral part of the sewer system at NCS, supporting NCS Unit 1 (NC1) and NC2. When the use of the sanitary lagoons is discontinued, the Company is required by the NDEE to close the system, consistent with its regulations. The estimated remaining useful life as of December 31, 2021 is 48 years and is based on the remaining useful life of NC2, as this unit is expected to have a longer life than NC1. The estimated initial liability was determined by environmental subject matter experts. The liability is evaluated annually for the effects of general inflation and potential changes in relevant factors used in the initial calculation.

Elk City Station – OPPD owns equipment at this landfill site. The contract for the site states that OPPD is responsible for the costs to remove, dispose or restore the property to a similar condition in which the property was in prior to the contract commencing. The contract was initiated in 2005 and is a 20-year agreement with an automatic five-year extension unless either party opts to not pursue the extension. OPPD personnel do not expect to opt out of the automatic extension and have no reason to believe the other party will opt out. Based on these contract terms, the estimated remaining useful life as of December 31, 2021 is 9 years. The estimated initial liability was determined by engineering subject matter experts. The liability is evaluated annually for the effects of general inflation and potential changes in relevant factors used in the initial calculation.

Easements – OPPD has identified potential retirement obligations related to certain generation, transmission and distribution facilities. OPPD's non-perpetual land rights are renewed continuously because OPPD intends to utilize these facilities indefinitely. Since the timing and extent of any potential asset retirements are unknown, the value of any obligations associated with these facilities cannot be reasonably estimated. Accordingly, a liability has not been recorded.

The following table summarizes the ARO Liability recorded as Other Liabilities – Other on the Statements of Net Position as of December 31, 2021 and 2020 (in thousands):

	2021	2020
NCS lagoons	$ 2,864	$ 2,743
Underground fuel storage tanks	1,000	1,000
Elk City Station	467	428
Total	$ 4,331	$ 4,171

7. DEBT

The proceeds of debt issued are utilized primarily to finance the construction program.

The following table summarizes the debt balances as of December 31, 2020, activity for 2021, balances as of December 31, 2021, and the amounts due within one year (in thousands).

	2020	Additions	Retirements	2021	Amounts due within one year
Electric system revenue bonds	$ 1,208,640	$438,935	$(122,945)	$ 1,524,630	$ 9,875
Electric system subordinated revenue bonds	229,775	-	-	229,775	2,550
Electric revenue notes – commercial paper series	250,000	75,000	-	325,000	-
Minibonds	31,737	607	(32,344)	-	-
NC2 separate electric system revenue bonds	205,150	-	(3,655)	201,495	3,815
Total	**$ 1,925,302**	**$514,542**	**$(158,944)**	**$ 2,280,900**	**$ 16,240**

The following table summarizes the debt balances as of December 31, 2019, activity for 2020, balances as of December 31, 2020, and the amounts due within one year (in thousands).

	2019	Additions	Retirements	2020	Amounts due within one year
Electric system revenue bonds	$ 1,256,030	$ -	$ (47,390)	$ 1,208,640	$ 58,520
Electric system subordinated revenue bonds	254,665	-	(24,890)	229,775	-
Electric revenue notes – commercial paper series	230,100	19,900	-	250,000	-
Minibonds	31,211	676	(150)	31,737	31,737
NC2 separate electric system revenue bonds	208,645	-	(3,495)	205,150	3,655
Total	**$ 1,980,651**	**$ 20,576**	**$ (75,925)**	**$ 1,925,302**	**$ 93,912**

Electric System Revenue Bonds – These bonds are payable from and secured by a pledge of and lien upon the revenues of the Electric System, subject to the prior payment therefrom of the operations and maintenance expenses of the Electric System. The Electric System Revenue Bonds are Senior Bonds.

Electric System Subordinated Revenue Bonds – These bonds are payable from and secured by a pledge of revenues of the Electric System, subject to the prior payment of the operations and maintenance expenses of the Electric System and the prior payment of the Electric System Revenue Bonds.

Electric Revenue Notes - Commercial Paper Series – The Commercial Paper Notes mature at various dates, but not more than 270 days after the date of issuance. The average borrowing rate was 0.12% and 0.61% for the years ended December 31, 2021 and 2020, respectively. An OPPD Board of Directors' Resolution includes a covenant to retain drawing capacity under its Credit Agreements at least equal to the issued and outstanding amount of Commercial Paper Notes. The Company has two Credit Agreements in place. The first Credit Agreement for $250,000,000 was executed on July 22, 2019 and expires on January 1, 2023. The second Credit Agreement for $200,000,000 was executed on June 1, 2021, with an expiration date of May 31, 2024. Commercial Paper is classified as long-term debt due to the existence of this credit agreement, and OPPD's intent and ability to refinance Commercial Paper on a long-term basis.

Minibonds – Minibonds consisted of current interest-bearing and capital appreciation Minibonds. All Minibonds matured and were paid in full on October 1, 2021.

NC2 Separate Electric System Revenue Bonds – These bonds are payable from and secured by a pledge of and lien upon the revenues of the NC2 Separate Electric System, subject to the prior payment therefrom of the operations and maintenance expenses of the NC2 Separate Electric System. The general revenues of OPPD's electric system are not pledged for the payment of these bonds. Participation Power Agreements were executed with seven public power and municipal utilities for half of the output of NC2. The participants' rights to receive, and obligations to pay costs related to, half of the output is the "Separate System."

Credit Agreements – OPPD has two Credit Agreements. The first credit agreement is with the Bank of America, N.A., for $250,000,000, which was executed on July 22, 2019 and will expire on January 1, 2023. The second Credit Agreement is with Well Fargo Bank, N.A., for $200,000,000 that was executed on June 1, 2021 and will expire on May 31, 2024. There were no amounts outstanding under either Credit Agreement as of December 31, 2021 and 2020 leaving unused amounts of $450,000,000 and $325,000,000, respectively. An OPPD Board of Directors' Resolution includes a covenant to retain drawing capacity under its Credit Agreements at least equal to the issued and outstanding amount of Commercial Paper Notes.

Lien Structure – In the event of a default, subject to the terms and conditions of debt covenants, OPPD is required to satisfy all Electric System Revenue Bond obligations before paying second-tier bonds and notes, which are Electric System Subordinated Revenue Bonds, and Electric Revenue Notes – Commercial Paper Series.

Bond Restrictions – OPPD's bond indenture for the Electric System Revenue Bonds, amended effective February 6, 2015, provides for certain restrictions. The most significant of these was that additional bonds may not be issued unless estimated net receipts (as defined) for each future year equal or exceed 1.4 times the debt service on all Electric System Revenue Bonds outstanding, including the additional bonds being issued or to be issued in the case of a power plant (as defined) being financed in increments. The Electric System is required to be maintained by the Company in good condition. The Company is in compliance with all debt covenants.

The following tables summarize the outstanding Electric System Revenue Bonds, Electric System Subordinated Revenue Bonds, Minibonds, and NC2 Separate Electric System Revenue Bonds as of December 31, 2021 and 2020 (in thousands) and interest rates as of December 31, 2021.

Electric System Revenue Bonds

Issue	Final Maturity Dates	Interest Rates	2021	2020
2010 Series A	2041	5.431%	$ 120,000	$ 120,000
2011 Series A	*	3.125% - 5.0%	-	8,715
2011 Series C	*	5.0%	-	16,615
2012 Series B	**	3.75% - 5.0%	-	64,425
2015 Series A	2045	2.85% - 5.0%	93,005	93,005
2015 Series B	2039	2.0% - 5.0%	91,925	125,115
2015 Series C	2043	3.5% - 5.0%	94,145	94,145
2016 Series A	2039	3.0% - 5.0%	183,340	183,340
2017 Series A	2042	4.0% - 5.0%	220,195	220,195
2018 Series A	2039	3.25% - 5.0%	145,330	145,330
2019 Series A	2034	3.0% - 5.0%	137,755	137,755
2021 Series A	2051	3.0% - 5.0%	381,580	-
2021 Series B	2046	4.0% - 5.0%	57,355	-
Total			$ 1,524,630	$ 1,208,640

** All future maturities of these bonds were cash defeased on February 1, 2021*

*** These bonds were fully refunded with the 2021 Series B issuance on November 3, 2021*

Electric System Subordinated Revenue Bonds

Issue	Final Maturity Dates	Interest Rates	2021	2020
2014 Series AA	2036	4.0% - 5.0%	$ 121,380	$ 121,380
2014 Series CC	2038	4.0%	108,395	108,395
Total			$ 229,775	$ 229,775

Minibonds

Issue	Final Maturity Date	Interest Rates	2021	2020
2001 Minibonds	2021	5.05%	$ -	$ 31,737
Total			$ -	$ 31,737

NC2 Separate Electric System Revenue Bonds

Issue	Final Maturity Dates	Interest Rates	2021	2020
2015 Series A	2046	3.0% - 5.25%	$ 102,305	$ 104,765
2016 Series A	2049	3.25% - 5.0%	99,190	100,385
Total			$ 201,495	$ 205,150

The following table summarizes the bond payments as of December 31, 2021 for the Electric System Revenue Bonds, Electric System Subordinated Revenue Bonds, Minibonds, and NC2 Separate Electric System Revenue Bonds (in thousands).

	Electric System Revenue Bonds and Subordinated Revenue Bonds		NC2 Separate Electric System Revenue Bonds	
	Principal	**Interest**	**Principal**	**Interest**
2022	$ 12,425	$ 74,836	$ 3,815	$ 9,869
2023	47,860	77,963	4,000	9,674
2024	48,455	75,544	4,200	9,469
2025	52,150	73,011	4,415	9,253
2026	54,735	70,346	4,630	9,027
2027 - 2031	287,755	310,948	26,880	41,343
2032 - 2036	370,325	235,190	33,810	34,323
2037 - 2041	413,150	142,195	39,910	25,381
2042 - 2046	293,420	67,005	46,745	14,516
2047 - 2051	174,130	17,953	33,090	2,418
Total	$1,754,405	$1,144,991	$ 201,495	$165,273

Debt Issuances – OPPD issued $381,580,000 of 2021 Series A Electric System Revenue Bonds during 2021. The proceeds were used for future and reimbursable capital expenditures. OPPD increased its outstanding Commercial Paper from $250,000,000 to $325,000,000 in 2021. The proceeds of $75,000,000 were used to reimburse capital expenditures.

Debt Payments – Repayments of $50,360,000 of Electric System Revenue Bonds, $3,655,000 of NC2 Separate Electric System Revenue Bonds, and $32,344,000 of Minibonds were made in 2021. All Minibonds matured and were paid in full on October 1, 2021. There were no repayments on Electric System Subordinated Revenue Bonds in 2021. Repayments of $47,390,000 of Electric System Revenue Bonds, $825,000 of Electric System Subordinated Revenue Bonds, $3,495,000 of NC2 Separate Electric System Revenue Bonds, and $149,500 of Minibonds for the annual put option were made in 2020.

Debt Refunding – OPPD issued $57,355,000 of 2021 Series B Electric System Revenue Bonds during 2021 for the purpose of fully refunding the remaining $64,425,000 of the 2012 Series B Electric System Revenue Bonds. The refunding reduced the total debt service payments over the life of the bonds by $12,020,000 and resulted in an economic gain (difference between the present value of the old and new debt service payments) of $7,796,000.

OPPD issued an additional $19,900,000 of Commercial Paper in 2020. These proceeds and cash of $4,165,000 were used to fully refund the 2014 Series DD Electric System Subordinated Revenue Bonds. The series was callable on February 1, 2020. The refunding reduced the total debt service payments over the life of the bonds by $12,814,000 and resulted in an economic gain (difference between the present value of the old and new debt service payments) of $10,539,000 based on the OPPD Commercial Paper rate on February 1, 2020. As a result of Commercial Paper being regularly re-marketed, the economic gain resulting in this refunding is not fixed and is exposed to future interest rate fluctuations. An increase or decrease in Commercial Paper rates will affect the actual realized economic gain. This resulted in a net loss on reacquired debt of $1,144,000 that is included in Interest Expense on the Statements of Revenues, Expenses and Changes in Net Position.

Debt Defeasances – OPPD defeased all future maturities of the 2011 Series A and 2011 Series C Electric System Revenue Bonds totaling $8,160,000 on February 1, 2021 utilizing existing resources. OPPD notified bond holders of the defeasance on December 31, 2020, and as a result, this debt was classified as current as of December 31, 2020.

Electric System Revenue Bonds from the following series, with the aggregate outstanding principal of $513,065,000 as of December 31, 2021, were legally defeased: 2012 Series A, 2012 Series B and 2015 Series B. Electric System Revenue Bonds from the following series, with the aggregate outstanding principal of $668,850,000 as of December 31, 2020, were legally defeased: 2011 Series A, 2011 Series B, 2011 Series C, 2012 Series A, 2012 Series B and 2015 Series B. Defeased bonds are funded by government securities in irrevocable escrow accounts. Accordingly, the bonds and the related government securities escrow accounts are not included on the Statements of Net Position. At December 31, 2021 and 2020, OPPD had no outstanding defeased Electric System Subordinated Revenue Bonds or NC2 Separate Electric System Revenue Bonds.

8. BENEFIT PLANS FOR EMPLOYEES AND RETIREES

RETIREMENT PLAN AND SUPPLEMENTAL RETIREMENT PLAN

Plan Descriptions and Benefits Provided – The Omaha Public Power District Retirement Plan (Retirement Plan) is a single-employer, defined benefit plan, which provides retirement and death benefits to Plan members and their beneficiaries. The Retirement Plan covers all full-time employees as they are not covered by Social Security. The Retirement Plan was established and may be amended at the direction of OPPD's Board of Directors and is administered by the Company. Ad-hoc cost-of-living adjustments may be provided to retirees and beneficiaries at the discretion of the Board of Directors.

Generally, employees at the normal retirement age of 65 are entitled to annual pension benefits equal to 2.25% of their average compensation (as defined by the Plan document) times years of credited service (as defined by the Plan document) under the Traditional provision (as defined by the Plan document). Employees have the option to retire before the age of 65 if they meet eligibility requirements based on age and years of service. The Retirement Plan was amended as of January 1, 2008 to add a Cash Balance provision (as defined by the Plan document). Under the Cash Balance provision, members can receive the total vested value of their Cash Balance Account at separation from employment with OPPD. Effective January 1, 2013, all new employees are only eligible for the Cash Balance provision.

The Non-Qualified Plan is a single-employer, non-qualified defined benefit pension plan. The purpose of this plan is to allow certain current and former employees to retain the benefits to which they would have been entitled under the Retirement Plan, except for federally mandated limits. The benefits are derived from the Retirement Plan formula noted herein less amounts paid from the qualified Retirement Plan. The assets of this plan are held in an irrevocable trust but are not legally protected from creditors. Accordingly, the trust does not meet the criteria for GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (GASB 68). Typically, annuities are purchased in the participant's name at the time of retirement. The Non-Qualified Plan was established and may be amended at the direction of OPPD's Board of Directors and is administered by the Company. The Non-Qualified Plan was amended as of January 1, 2018 to address the compensation limits in Internal Revenue Code 401(a)(17).

The following table summarizes the employees covered by the benefit terms of the Retirement Plan as of January 1, the actuarial valuation date and measurement date.

	2021	**2020**
Retirees and beneficiaries receiving benefits	2,296	2,258
Terminated Retirement Plan members entitled to, but not receiving, benefits	527	522
Active Retirement Plan members*	1,788	1,796
Total	4,611	4,576

** There were 659 and 579 members with the Cash Balance provision at January 1, 2021 and 2020, respectively.*

The following table summarizes the employees covered by the benefit terms of the Non-Qualified Plan as of January 1.

	2021	2020
Active Non-qualified Plan members	6	7

Contributions – Employees contributed 8.3% and 7.7% of their covered payroll to the Retirement Plan for the years ended December 31, 2021 and 2020, respectively. The contribution rate for employees increased to 9.0% on January 1, 2022. Employee contributions are immediately 100% vested. An employee's deferred retirement allowance is 100% vested after five years of continuous service (as defined by the Plan document). The Company is obligated to contribute the balance of the funds needed on an actuarially determined basis and has met this funding requirement. The employer contribution was $151,500,000 and $59,093,000 for the years ended December 31, 2021 and 2020, respectively. The employer contribution for the year ended December 31, 2021 included $95,000,000 from the utilization of the Decommissioning and Benefits Reserve.

Employees do not contribute to the Non-Qualified Plan. The Company contributes the funds needed on an actuarially determined basis and has met this funding requirement. The employer contribution was $3,337,000 and $694,000 for the years ended December 31, 2021 and 2020, respectively. According to GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* (GASB 73), assets accumulated for non-qualified pension plan benefit payments are reported in OPPD's financial statements.

Actuarial Assumptions – Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The total pension liabilities in the January 1, 2021 and 2020 actuarial valuation were determined using the following actuarial assumptions applied to all periods included in the measurement.

The total pension liabilities must be determined using the Entry Age Normal (Level Percent of Pay) cost method per GASB 68 and 73. Under this actuarial method, an allocation to past service and future service is made by spreading the costs over an employee's career as a level percentage of pay. The actuarial value of the Retirement Plan assets was determined using a method which smooths the effect of short-term volatility in the market value of investments over approximately five years. Ad-hoc cost-of-living adjustments are provided to retirees and beneficiaries of both plans at the discretion of the Board of Directors and are amortized in the year for which the increase is authorized. Except for the liability associated with cost-of-living adjustments, if any, the unfunded actuarial accrued liability was amortized on a level basis (closed group) over 20 years. The mortality table used for healthy participants was the PUB-2010 General table projected using Scale MP-2019 with generational projection for 2021 and the PUB-2010 General table projected using Scale MP-2018 with generational projection for 2020.

The other actuarial assumptions for the valuations of both plans as of January 1, 2021 and 2020, were as follows:

- The average rate of compensation increase varies by age.
- There were no ad-hoc cost-of-living adjustments.
- The average rate of inflation was 2.5%.
- The investment rate of return for the Retirement Plan was 7.0%, net of pension plan investment expenses, including inflation.

The actuarial assumptions are based on a study of the experience of the covered group. The last actuarial experience study was performed during 2021.

Discount Rate – The discount rate used to measure the total pension liability for the Retirement Plan was 7.0% for both 2021 and 2020. The discount rate is determined using the expected long-term rate of return of each asset class, including inflation and additional yields due to active investment management. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that OPPD contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In accordance with the provisions of GASB 73, OPPD elected to use the Bond Buyer General Obligation 20-Bond Municipal Bond Index as the discount rate used to measure the total pension liability of the Non-Qualified Plan. The discount rate was 2.12% and 2.74% for 2021 and 2020, respectively.

The following table summarizes the Target Allocation and Long-term Expected Real Rate of Return, presented in geometric means, for each major Asset Class in the Retirement Plan.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Domestic equity	28.0%	6.3%
Domestic fixed income	23.0	0.4
International developed equity	14.0	7.0
Emerging markets equity	10.0	8.8
Global fixed income	7.5	0.5
Private real estate	7.5	3.5
Emerging markets fixed income	5.0	3.2
High yield fixed income	3.0	3.0
Treasury inflation protected securities	2.0	0.5
Total	100%	

** Based on 2021 forward-looking capital market assumptions.*

Total Pension Liability, Plan Fiduciary Net Position and Net Pension Liability – The total pension liabilities, plan fiduciary net position and net pension liability are determined in accordance with GASB 68 and 73, accordingly. The amounts are based on the results of an actuarial valuation measurement date of January 1, 2021.

The following table shows the Total Pension Liability, Plan Fiduciary Net Position, and Net Pension Liability for the Retirement Plan for the Measurement Period from January 1, 2020, to January 1, 2021, and the changes for the year ended December 31, 2021 (in thousands).

	Increase (Decrease)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
	(a)	(b)	(a-b)
Balance at 12/31/2020	**$ 1,572,753**	**$ 1,055,344**	**$ 517,409**
(Based on 1/1/2020 measurement date)			
Changes recognized for the fiscal year:			
Service cost	22,717		22,717
Interest on total pension liability	108,155		108,155
Difference between expected and actual experience	7,823		7,823
Changes of assumptions	(6,001)		(6,001)
Contributions from employer		59,093	(59,093)
Contributions from employee		13,971	(13,971)
Net investment income		132,006	(132,006)
Benefit payments, including refunds of employee contributions	(102,515)	(102,515)	-
Administrative expense		(146)	146
Net changes	30,179	102,409	(72,230)
Balance at 12/31/2021	**$ 1,602,932**	**$ 1,157,753**	**$ 445,179**
(Based on 1/1/2021 measurement date)			

The following table shows the Total Pension Liability, Plan Fiduciary Net Position, and Net Pension Liability for the Retirement Plan for the Measurement Period from January 1, 2019, to January 1, 2020, and the changes for the year ended December 31, 2020 (in thousands).

	Increase (Decrease)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
	(a)	(b)	(a-b)
Balance at 12/31/2019	**$ 1,504,787**	**$ 919,805**	**$ 584,982**
(Based on 1/1/2019 measurement date)			
Changes recognized for the fiscal year:			
Service cost	21,502		21,502
Interest on total pension liability	103,374		103,374
Difference between expected and actual experience	7,747		7,747
Changes of assumptions	36,067		36,067
Contributions from employer		59,201	(59,201)
Contributions from employee		12,506	(12,506)
Net investment income		164,636	(164,636)
Benefit payments, including refunds of employee contributions	(100,724)	(100,724)	-
Administrative expense		(80)	80
Net changes	67,966	135,539	(67,573)
Balance at 12/31/2020	**$ 1,572,753**	**$ 1,055,344**	**$ 517,409**
(Based on 1/1/2020 measurement date)			

	2021	2020
Plan fiduciary net position as a percentage of the total pension liability	72.23%	67.10%
Actuarially determined contributions	$56,547	$59,093

The following table shows the Total Pension Liability for the Non-Qualified Plan for the Measurement Period from January 1, 2020, to January 1, 2021, and the changes for the year ended December 31, 2021 (in thousands).

	Increase (Decrease) Total Pension Liability
Balance at 12/31/2020	**$ 5,333**
(Based on 1/1/2020 measurement date)	
Changes recognized for the fiscal year:	
Service cost	366
Interest on total pension liability	156
Difference between expected and actual experience	92
Changes of assumptions	19
Net changes	633
Balance at 12/31/2021	**$ 5,966**
(Based on 1/1/2021 measurement date)	

The following table shows the Total Pension Liability for the Non-Qualified Plan for the Measurement Period from January 1, 2019, to January 1, 2020, and the changes for the year ended December 31, 2020 (in thousands).

	Increase (Decrease) Total Pension Liability
Balance at 12/31/2019	**$ 4,126**
(Based on 1/1/2019 measurement date)	
Changes recognized for the fiscal year:	
Service cost	239
Interest on total pension liability	179
Difference between expected and actual experience	(3)
Changes of assumptions	792
Net changes	1,207
Balance at 12/31/2020	**$ 5,333**
(Based on 1/1/2020 measurement date)	

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued Retirement Plan financial report and can be reviewed by contacting Investor Relations at *finfo@oppd.com* or by visiting *oppd.com*.

Pension Liability – The following table shows the Pension Liability as reported on the Statements of Net Position as of December 31 (in thousands).

	2021	2020
Retirement Plan		
Total pension liability	$1,602,932	$ 1,572,753
Plan fiduciary net position	1,157,753	1,055,344
Net pension liability	445,179	517,409
Non-Qualified Plan		
Total pension liability	5,966	5,333
Pension Liability	**$ 451,145**	**$ 522,742**

Sensitivity – The following table illustrates the impact of interest rate sensitivity on the Total Pension Liability and Net Pension Liability as of December 31, 2021 (in thousands) if it were calculated using a 1% change in the discount rate as of the measurement date (1/1/2021). The information provided below is calculated based on the applicable governmental accounting standards, which require the presentation of the discount rate at the rate in effect as of the measurement date.

	1% Decrease	Discount Rate	1% Increase
Retirement Plan	**6.0%**	**7.0%**	**8.0%**
Total pension liability	$1,779,596	$1,602,932	$1,453,683
Plan fiduciary net position	1,157,753	1,157,753	1,157,753
Net pension liability	$ 621,843	$ 445,179	$ 295,930
Non-Qualified Plan	**1.12%**	**2.12%**	**3.12%**
Total pension liability	$ 6,786	$ 5,966	$ 5,281

The following table illustrates the impact of interest rate sensitivity on the Total Pension Liability and Net Pension Liability as of December 31, 2020, (in thousands) if it were calculated using a 1% change in the discount rate as of the measurement date (1/1/2020).

	1% Decrease	Discount Rate	1% Increase
Retirement Plan	**6.0%**	**7.0%**	**8.0%**
Total pension liability	$1,748,208	$1,572,753	$1,424,785
Plan fiduciary net position	1,055,344	1,055,344	1,055,344
Net pension liability	$ 692,864	$ 517,409	$ 369,441
Non-Qualified Plan	**1.74%**	**2.74%**	**3.74%**
Total pension liability	$ 6,104	$ 5,333	$ 4,692

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2021, OPPD recognized pension expense of $151,500,000 and non-qualified pension expense of $3,337,000. For the year ended December 31, 2020, OPPD recognized pension expense of $59,093,000 and non-qualified pension expense of $694,000.

The following table summarizes the reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources as of December 31, 2021 (in thousands).

	Deferred Outflows	Deferred Inflows
Retirement Plan		
Difference between expected and actual experience	$ 11,044	$ -
Changes of assumptions	18,168	8,240
Net difference between expected and actual earnings on pension plan investments	-	68,847
Contribution made in fiscal year ending December 31, 2021	151,500	-
Total	$180,712	$ 77,087
Non-Qualified Plan		
Difference between expected and actual experience	$ 750	$ 54
Changes of assumptions	605	58
Total	$ 1,355	$ 112
Total deferred outflows/inflows of resources	**$182,067**	**$ 77,199**

The following table summarizes the reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources as of December 31, 2020 (in thousands).

	Deferred Outflows	Deferred Inflows
Retirement Plan		
Difference between expected and actual experience	$ 11,679	$ 294
Changes of assumptions	30,133	7,695
Net difference between expected and actual earnings on pension plan investments	-	28,643
Contribution made in fiscal year ending December 31, 2020	59,093	-
Total	$100,905	$ 36,632
Non-Qualified Plan		
Difference between expected and actual experience	$ 994	$ 66
Changes of assumptions	690	74
Total	$ 1,684	$ 140
Total deferred outflows/inflows of resources	**$102,589**	**$ 36,772**

As of December 31, 2021, the Company reported $151,500,000 as deferred outflows of resources related to pensions resulting from the contributions made to the Retirement Plan subsequent to the measurement date. This amount will be recognized as a reduction in the net Pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Year	Qualified Plan	Non-Qualified Plan
2022	$(11,739)	$ 413
2023	6,894	413
2024	(31,331)	116
2025	(11,699)	94
2026	-	107
Thereafter	-	100

DEFINED CONTRIBUTION RETIREMENT SAVINGS PLANS – 401(k)/457(b)

OPPD sponsors a Defined Contribution Retirement Savings Plan – 401(k) (401k Plan) and a Defined Contribution Retirement Savings Plan – 457(b) (457b Plan). Both the 401k Plan and 457b Plan cover all full-time employees and certain part-time employees and allow contributions by employees that are partially matched by the Company. The Defined Contribution plans were established and may be amended at the direction of OPPD's Board of Directors and are administered by the Company. The 401k Plan's and 457b Plan's assets and income are held in an external trust account in each employee's name. The matching share of contributions was $5,910,000 and $5,885,000 for the years ended December 31, 2021 and 2020, respectively. The employer maximum annual match on employee contributions was $4,000 per employee for the years ended December 31, 2021 and 2020.

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

There are two separate plans for OPEB. OPEB Plan A provides postemployment healthcare and life insurance benefits to qualifying members. OPEB Plan B provides postemployment healthcare premium coverage for the Company's share to qualifying members who were hired after December 31, 2007. The OPEB Plans were established and may be amended at the direction of OPPD's Board of Directors and are administered by the Company.

OPEB Plan A

Plan Description and Benefits Provided – OPEB Plan A (Plan A) is a single-employer defined benefit OPEB plan administered by the Company. Plan A provides postemployment healthcare benefits to retirees, surviving spouses, and employees on long-term disability and their dependents and life insurance benefits to retirees and employees on long-term disability. The requirements for retirement eligibility under OPPD's Retirement Plan determines when Plan A members are eligible for medical benefits. OPPD is self-insured for healthcare benefits. Healthcare benefits are based on the coverage elected by Plan A members. Plan members are required to pay a premium based on the elected coverage and their respective premium cost share. When members are retired and eligible for Medicare benefits, coverage moves from OPPD's Medical Plans to OPPD's Medicare Advantage plan, which includes a Part D drug plan.

Life insurance coverage is purchased from a third-party and benefits are based on one and one-half times the participant's salary at the time of retirement until age 65. At age 65, the benefits are reduced to $20,000 if retired on or after June 1, 1996 or $15,000 if retired prior to June 1, 1996.

The following table summarizes the employees covered by the benefit terms of Plan A as of January 1.

	2021	2020
Inactive plan members currently receiving benefits	2,029	2,023
Active Plan A members	1,788	1,796
Total	3,817	3,819

Contributions – Plan A members are required to pay a monthly premium based on the elected coverage and the respective premium cost share. The Company contributes the balance of the funds needed on an actuarially determined basis. The employer contribution was $13,400,000 and $14,836,000 for the years ended December 31, 2021 and 2020, respectively.

Actuarial Assumptions – Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The total Plan A liability in the January 1, 2021 and 2020 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

The total Plan A liability must be determined using the Entry Age Normal (Level Percent of Pay) cost method per GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). Under this actuarial method, an allocation to past service and future service is made by spreading the costs over an employee's career as a level percentage of pay. The actuarial value of the Plan A assets was determined using a method which smooths the effect of short-term volatility in the market value of investments over approximately five years. The mortality table used for healthy participants was the PUB-2010 General table projected using Scale MP-2019 with generational projection for 2021 and the PUB-2010 General table projected using Scale MP-2018 with generational projection for 2020.

The other actuarial assumptions for the valuations as of January 1, 2021 and 2020, were as follows:

- The average rate of compensation increase varies by age.
- The average rate of inflation was 2.5%.
- The investment rate of return was 7.0%, net of OPEB plan investment expenses, including inflation.
- The pre-Medicare healthcare trend rates ranged from 6.3% immediate to 4.5% in 2021, and 6.8% immediate to 4.5% in 2020.
- The post-Medicare healthcare trend rates ranged from 8.3% immediate to 4.5% ultimate for 2021 and 11.6% immediate to 4.5% ultimate for 2020.
- Amortization for the initial unfunded actuarial accrued liability and OPEB Plan changes was determined using a period of 30 years and the increasing method at a rate of 3.0% per year.
- Amortization for all changes (including gains/losses, assumption and plan provisions) after the initial year were determined using a closed period of 15 years and the level-dollar method.

The actuarial assumptions are based on a study of the experience of the covered group. The last actuarial experience study was performed during 2021.

Discount Rate – The discount rate used to measure the total Plan A liability was 7.0% for both 2021 and 2020. The discount rate is determined using the expected long-term rate of return of each asset class, including inflation and additional yields due to active investment management. The projection of cash flows used to determine the discount rate assumed that OPPD contributions will be equal to the actuarially determined contribution rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan A investments was applied to all periods of projected benefit payments to determine the total OPEB Plan A liability.

The following table summarizes the Target Allocation and Long-term Expected Real Rate of Return, presented in geometric means, for each major Asset Class in the OPEB Plan A.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Global equity	50.0%	6.5%
Domestic fixed income	20.0	0.4
Real return	20.0	4.7
Private real estate	10.0	3.5
Total	100%	

**Based on 2021 forward-looking capital market assumptions.*

Total OPEB Plan A Liability, Plan Fiduciary Net Position and Net OPEB Plan A Liability – The total OPEB Plan A liability, plan fiduciary net position and net OPEB Plan A liability are determined in accordance with GASB 75. The amounts are based on the results of an actuarial valuation measurement date of January 1, 2021.

The following table shows the Total OPEB Liability, Plan Fiduciary Net Position, and Net OPEB Liability for Plan A for the Measurement Period from January 1, 2020, to January 1, 2021, and the changes for the year ended December 31, 2021 (in thousands).

	Increase (Decrease)		
	Total OPEB A Liability	**Plan Fiduciary Net Position**	**Net OPEB A Liability**
	(a)	(b)	(a-b)
Balance at 12/31/2020	**$ 378,799**	**$ 164,519**	**$ 214,280**
(Based on 1/1/2020 measurement date)			
Changes recognized for the fiscal year:			
Service cost	3,417		3,417
Interest on total OPEB liability	26,112		26,112
Difference between expected and actual experience	(22,453)		(22,453)
Changes of assumptions	(9,396)		(9,396)
Contributions from employer		14,836	(14,836)
Net investment income		23,733	(23,733)
Benefit payments	(18,685)	(18,685)	-
Administrative expense		(67)	67
Net changes	(21,005)	19,817	(40,822)
Balance at 12/31/2021	**$ 357,794**	**$ 184,336**	**$ 173,458**
(Based on 1/1/2021 measurement date)			

The following table shows the Total OPEB Liability, Plan Fiduciary Net Position, and Net OPEB Liability for Plan A for the Measurement Period from January 1, 2019, to January 1, 2020, and the changes for the year ended December 31, 2020 (in thousands).

	Increase (Decrease)		
	Total OPEB A Liability	**Plan Fiduciary Net Position**	**Net OPEB A Liability**
	(a)	(b)	(a-b)
Balance at 12/31/2019	**$ 399,018**	**$ 139,650**	**$ 259,368**
(Based on 1/1/2019 measurement date)			
Changes recognized for the fiscal year:			
Service cost	4,064		4,064
Interest on total OPEB liability	27,514		27,514
Difference between expected and actual experience	(43,551)		(43,551)
Changes of assumptions	12,163		12,163
Contributions from employer		20,621	(20,621)
Net investment income		24,706	(24,706)
Benefit payments	(20,409)	(20,409)	-
Administrative expense		(49)	49
Net changes	(20,219)	24,869	(45,088)
Balance at 12/31/2020	**$ 378,799**	**$ 164,519**	**$ 214,280**
(Based on 1/1/2020 measurement date)			

	2021	**2020**
Plan fiduciary net position as a percentage of the total OPEB Plan A liability	51.52%	43.43%
Actuarially determined contributions	$ 13,417	$ 14,836

OPEB Plan A Fiduciary Net Position – Detailed information about OPEB Plan A's fiduciary net position is available in the separately issued Plan A financial report and can be reviewed by contacting Investor Relations at *finfo@oppd.com* or by visiting *oppd.com*.

Sensitivity – The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability and Net OPEB Liability as of December 31, 2021 (in thousands) if it were calculated using a 1% change in the discount rate as of the measurement date (1/1/2021). The information provided below is calculated based on the applicable governmental accounting standards, which require the presentation of the discount rate at the rate in effect as of the measurement date.

	1% Decrease	Discount Rate	1% Increase
OPEB Plan A	**6.0%**	**7.0%**	**8.0%**
Total OPEB liability	$ 401,605	$ 357,794	$ 321,395
Plan fiduciary net position	184,336	184,336	184,336
Net OPEB liability	$ 217,269	$ 173,458	$ 137,059

The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability and Net OPEB Liability as of December 31, 2020 (in thousands) if it were calculated using a 1% change in the discount rate as of the measurement date (1/1/2020).

	1% Decrease	Discount Rate	1% Increase
OPEB Plan A	**6.0%**	**7.0%**	**8.0%**
Total OPEB liability	$ 426,441	$ 378,799	$ 339,357
Plan fiduciary net position	164,519	164,519	164,519
Net OPEB liability	$ 261,922	$ 214,280	$ 174,838

The following table illustrates the impact of healthcare cost trend rate sensitivity on the Total OPEB Liability and Net OPEB Liability as of December 31, 2021 (in thousands) if it were calculated using a 1% change in the healthcare cost trend rates as of the measurement date (1/1/2021).

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Pre-Medicare	5.3%-3.5%	6.3%-4.5%	7.3%-5.5%
Post-Medicare	7.3%-3.5%	8.3%-4.5%	9.3%-5.5%
Total OPEB liability	$ 322,290	$ 357,794	$ 400,538
Plan fiduciary net position	184,336	184,336	184,336
Net OPEB liability	$ 137,954	$ 173,458	$ 216,202

The following table illustrates the impact of healthcare cost trend rate sensitivity on the Total OPEB Liability and Net OPEB Liability as of December 31, 2020 (in thousands) if it were calculated using a 1% change in the healthcare cost trend rates as of the measurement date (1/1/2020).

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Pre-Medicare	5.8%-3.5%	6.8%-4.5%	7.8%-5.5%
Post-Medicare	10.6%-3.5%	11.6%-4.5%	12.6%-5.5%
Total OPEB liability	$ 340,186	$ 378,799	$ 425,470
Plan fiduciary net position	164,519	164,519	164,519
Net OPEB liability	$ 175,667	$ 214,280	$ 260,951

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Plan A – For the year ended December 31, 2021, OPPD recognized OPEB expense of $13,400,000. For the year ended December 31, 2020, OPPD recognized OPEB expense of $14,836,000.

The following table summarizes the reported deferred outflows of resources and deferred inflows of resources related to Plan A from the following sources as of December 31, 2021 (in thousands).

	Deferred Outflows	Deferred Inflows
OPEB Plan A		
Difference between expected and actual experience	$ 9,434	$48,650
Changes of assumptions	6,998	8,015
Net difference between expected and actual earnings on OPEB plan investments	-	11,787
Contribution made in fiscal year ending December 31, 2021	13,400	-
Total deferred outflows/inflows of resources	$29,832	$68,452

The following table summarizes the reported deferred outflows of resources and deferred inflows of resources related to Plan A from the following sources as of December 31, 2020 (in thousands).

	Deferred Outflows	Deferred Inflows
OPEB Plan A		
Difference between expected and actual experience	$14,589	$46,289
Changes of assumptions	9,581	735
Net difference between expected and actual earnings on OPEB plan investments	-	2,309
Contribution made in fiscal year ending December 31, 2020	14,836	-
Total deferred outflows/inflows of resources	$39,006	$49,333

As of December 31, 2021, the Company reported $13,400,000 as deferred outflows of resources related to Plan A resulting from the contributions made to the OPEB Plan subsequent to the measurement date. This amount will be recognized as a reduction in the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB Plan A will be recognized in OPEB expense as follows (in thousands):

Year	Amount
2022	$(16,512)
2023	(9,884)
2024	(16,481)
2025	(8,765)
2026	(378)

OPEB Plan B

Plan Description and Benefits Provided – OPEB Plan B (Plan B) is a single-employer defined benefit OPEB plan administered by the Company. Plan B provides postemployment healthcare premium coverage for the Company's share for retirees and surviving spouses and their dependents to qualifying members who were hired after December 31, 2007. Benefits are based on the coverage elected by the Plan B members and the balance in the member's hypothetical account, which is a bookkeeping account. The hypothetical accounts are credited with $10,000 upon commencement of full-time employment, $1,000 annually on the member's anniversary date and interest income at 5.0% annually. Plan B benefits are for the payment of OPPD's share of the members' healthcare premiums. Plan benefits will continue until the member and eligible spouse cease to be covered under the Company's medical plan, the member's hypothetical account is depleted or Plan B terminates, whichever occurs first. Benefits are forfeited for any member who fails to retire or who retires but does not immediately commence payments.

The following table summarizes the employees covered by the benefit terms of Plan B as of January 1.

	2021	**2020**
Inactive plan members currently receiving benefits	8	12
Active Plan B members	952	891
Total	960	903

Contributions – Funds are contributed, as needed, on an actuarially determined basis. Members do not contribute to Plan B. The employer contribution was $1,000,000 and $746,000 for the years ended December 31, 2021 and 2020, respectively.

Actuarial Assumptions – Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The total Plan B liability in the January 1, 2021 and 2020 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

The total Plan B liability must be determined using the Entry Age Normal (Level Percent of Pay) cost method per GASB 75. Under this actuarial method, an allocation to past service and future service is made by spreading the costs over an employee's career as a level percentage of pay. The actuarial value of the Plan B assets was determined using market value. The mortality table used for healthy participants was the PUB-2010 General table projected using Scale MP-2019 with generational projection for 2021 and the PUB-2010 General table projected using Scale MP-2018 with generational projection for 2020.

The other actuarial assumptions for the valuations as of January 1, 2021 and 2020, were as follows:

- The average rate of inflation was 2.5%.
- The investment rate of return was 5.25%, net of OPEB plan investment expenses, including inflation.
- Amortization for all changes (including gains/losses, assumption and plan provisions) after the initial year were determined using a closed period of 15 years and the level-dollar method.

The actuarial assumptions are based on a study of the experience of the covered group. The last actuarial experience study was performed during 2021.

Discount Rate – The discount rate used to measure the total Plan B liability was 5.25% for both 2021 and 2020. The discount rate is determined using the expected long-term rate of return of each asset class, including inflation. The projection of cash flows used to determine the discount rate assumed that OPPD contributions will be made equal to the actuarially determined contribution rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan B investments was applied to all periods of projected benefit payments to determine the total OPEB Plan B liability.

The following table summarizes the Target Allocation and Long-term Expected Real Rate of Return, presented in geometric means, for each major Asset Class in Plan B.

Asset Class	**Target Allocation**	**Long-term Expected Real Rate of Return***
Domestic fixed income	70.0%	0.4%
Global equity	30.0	6.5
Total	100%	

** Based on 2021 forward-looking capital market assumptions.*

Total OPEB Plan B Liability, Plan Fiduciary Net Position and Net OPEB Plan B Liability – The total OPEB Plan B liability, plan fiduciary net position and net OPEB Plan B liability are determined in accordance with GASB 75. The amounts are based on the results of an actuarial valuation measurement date of January 1, 2021.

The following table shows the Total OPEB Liability, Plan Fiduciary Net Position, and Net OPEB Liability for Plan B for the Measurement Period from January 1, 2020, to January 1, 2021, and the changes for the year ended December 31, 2021 (in thousands).

	Increase (Decrease)		
	Total OPEB B Liability	**Plan Fiduciary Net Position**	**Net OPEB B Liability**
	(a)	(b)	(a-b)
Balance at 12/31/2020	**$ 5,421**	**$ 4,993**	**$ 428**
(Based on 1/1/2020 measurement date)			
Changes recognized for the fiscal year:			
Service cost	706		706
Interest on total OPEB liability	321		321
Difference between expected and actual experience	115		115
Changes of assumptions	(112)		(112)
Contributions from employer		746	(746)
Net investment income		541	(541)
Benefit payments	(44)	(44)	-
Administrative expense		(39)	39
Net changes	986	1,204	(218)
Balance at 12/31/2021	**$ 6,407**	**$ 6,197**	**$ 210**
(Based on 1/1/2021 measurement date)			

The following table shows the Total OPEB Liability, Plan Fiduciary Net Position, and Net OPEB Liability for Plan B for the Measurement Period from January 1, 2019, to January 1, 2020, and the changes for the year ended December 31, 2020 (in thousands).

	Increase (Decrease)		
	Total OPEB B Liability (a)	**Plan Fiduciary Net Position** (b)	**Net OPEB B Liability** (a-b)
Balance at 12/31/2019 (Based on 1/1/2019 measurement date)	**$ 4,079**	**$ 3,857**	**$ 222**
Changes recognized for the fiscal year:			
Service cost	565		565
Interest on total OPEB liability	243		243
Difference between expected and actual experience	462		462
Changes of assumptions	81		81
Contributions from employer		625	(625)
Net investment income		568	(568)
Benefit payments	(9)	(9)	-
Administrative expense		(48)	48
Net changes	1,342	1,136	206
Balance at 12/31/2020	**$ 5,421**	**$ 4,993**	**$ 428**

(Based on 1/1/2020 measurement date)

	2021	**2020**
Plan fiduciary net position as a percentage of the total OPEB Plan B liability	96.72%	92.10%
Actuarially determined contributions	$987	$746

OPEB Plan B Fiduciary Net Position – Detailed information about OPEB Plan B's fiduciary net position is available in the separately issued Plan B financial report and can be reviewed by contacting Investor Relations at *finfo@oppd*.com or by visiting *oppd.com*.

Sensitivity – The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability and Net OPEB Liability as of December 31, 2021 (in thousands) if it were calculated using a 1% change in the discount rate as of the measurement date (1/1/2021). The information provided below is calculated based on the applicable governmental accounting standards, which require the presentation of the discount rate at the rate in effect as of the measurement date.

OPEB Plan B	**1% Decrease 4.25%**	**Discount Rate 5.25%**	**1% Increase 6.25%**
Total OPEB liability	$ 6,984	$ 6,407	$ 5,873
Plan fiduciary net position	6,197	6,197	6,197
Net OPEB liability/(asset)	$ 787	$ 210	$ (324)

The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability and Net OPEB Liability as of December 31, 2020 (in thousands) if it were calculated using a 1% change in the discount rate as of the measurement date (1/1/2020).

OPEB Plan B	**1% Decrease 4.25%**	**Discount Rate 5.25%**	**1% Increase 6.25%**
Total OPEB liability	$ 5,931	$ 5,421	$ 4,949
Plan fiduciary net position	4,993	4,993	4,993
Net OPEB liability/(asset)	$ 938	$ 428	$ (44)

The Net OPEB Liability is not affected by the healthcare cost trend rates, as the Plan only covers the monthly cost of OPPD's share of the premium. Increases or decreases in the healthcare trend rates do not impact the member's hypothetical account.

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plan B – For the year ended December 31, 2021, OPPD recognized OPEB expense of $1,000,000. For the year ended December 31, 2020, OPPD recognized OPEB expense of $746,000.

The following table summarizes the reported deferred outflows of resources and deferred inflows of resources related to Plan B from the following sources as of December 31, 2021 (in thousands).

	Deferred Outflows	Deferred Inflows
OPEB Plan B		
Difference between expected and actual experience	$ 694	$ -
Changes of assumptions	72	489
Net difference between expected and actual earnings on OPEB plan investments	-	314
Contribution made in fiscal year ending December 31, 2021	1,000	-
Total deferred outflows/inflows of resources	$ 1,766	$ 803

The following table summarizes the reported deferred outflows of resources and deferred inflows of resources related to Plan B from the following sources as of December 31, 2020 (in thousands).

	Deferred Outflows	Deferred Inflows
OPEB Plan B		
Difference between expected and actual experience	$ 618	$ -
Changes of assumptions	77	406
Net difference between expected and actual earnings on OPEB plan investments	-	139
Contribution made in fiscal year ending December 31, 2020	746	-
Total deferred outflows/inflows of resources	$1,441	$ 545

As of December 31, 2021, the Company reported $1,000,000 as deferred outflows of resources related to Plan B resulting from the contributions made to the OPEB Plan subsequent to the measurement date. This amount will be recognized as a reduction in the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB Plan B will be recognized in OPEB expense as follows (in thousands):

Year	Amount
2022	$ (70)
2023	(38)
2024	(107)
2025	(37)
2026	15
Thereafter	200

SELF-INSURANCE HEALTH PROGRAM

Employee healthcare and life insurance benefits are provided to substantially all employees. There were 1,623 and 1,614 employees with medical coverage as of December 31, 2021 and 2020, respectively. An Administrative Services Only (ASO) Health Insurance Program is used to account for the health insurance claims. With respect to the ASO program, reserves sufficient to satisfy both statutory and OPPD-directed requirements have been established to provide risk protection in the Segregated Fund – Other (Note 2). Additionally, private insurance has been purchased to cover claims in excess of 120% of expected aggregate levels and $450,000 per member.

Healthcare expenses for employees were $27,344,000 and $22,600,000 for the years ended December 31, 2021 and 2020, respectively.

The total cost of life and long-term disability insurance for full-time employees was $1,359,000 and $1,312,000 for the years ended December 31, 2021 and 2020, respectively.

The balance of the Incurred but Not Presented Reserve was $3,259,000 and $3,330,000 as of December 31, 2021 and 2020, respectively.

9. REGULATORY ASSETS AND LIABILITIES

Rates for regulated operations are established and approved by the Board of Directors. The provisions of GASB Codification Section Re10, *Regulated Operations*, are applied. This guidance provides that regulatory assets are rights to additional revenues or deferred expenses, which are expected to be recovered through customer rates over some future period. Regulatory liabilities are reductions in earnings (or costs recovered) to cover future expenditures.

REGULATORY ASSETS

The following table summarizes the balances of regulatory assets as of December 31, 2021 and 2020 (in thousands).

	2021	2020
Pension	$ 341,560	$ 453,142
FCS decommissioning	231,453	369,569
Other postemployment benefits	211,600	224,416
NC2	53,175	52,315
FCS recovery costs	28,435	43,271
AFUDC	18,239	8,436
Financing costs	7,006	6,211
Supplemental pension	5,979	1,984
Total	$ 897,447	$ 1,159,344

Pension Plan – The Company adopted the GASB accounting standards for the financial accounting and reporting of pension plans in 2015. These standards required the Company to recognize a liability for the net pension liability on the Statements of Net Position. In 2014, the Board of Directors authorized the use of regulatory accounting for pension costs to establish a regulatory asset to match the pension expense to the amounts funded and the cost recovery through rates (Note 8).

FCS Decommissioning – The Board of Directors authorized the use of regulatory accounting in 2015 to match decommissioning expense to the amounts funded from retail rates. In 2019, the Board of Directors authorized a revision to the regulatory accounting for decommissioning expense to match the expense to the amounts funded from both retail rates and realized decommissioning fund investment income starting in 2020 (Note 11).

Other Postemployment Benefits – The Company adopted the GASB accounting standards for the financial accounting and reporting of other postemployment benefit plans in 2018. These standards required the Company to recognize a liability for the net other postemployment benefit liability on the Statements of Net Position. In 2017, the Board of Directors authorized the use of regulatory accounting for other postemployment costs to establish a regulatory asset to match the other postemployment benefit expense to the amounts funded and the cost recovery through rates (Note 8).

NC2 – The station was placed in commercial operation in 2009. Half of the unit's output is sold under 40-year Participation Power Agreements (PPAs). Certain participants funded their share of construction costs with NC2 Separate Electric System Revenue Bonds. These participants are billed for the debt service related to these bonds. The amounts recovered for debt service for the electric utility plant construction and other costs are included in off-system sales revenues. The revenues related to principal repayment will equal related depreciation and other deferred NC2 expenses over the 40-year term of the PPAs. A regulatory asset was established to equate expenses and the amount included in off-system sales revenues for principal repayment in order to maintain revenue neutrality in the interim years. This regulatory asset will increase annually until 2026 when principal repayments begin exceeding depreciation and other deferred expenses. After 2026, the regulatory asset will be reduced annually by recognizing deferred depreciation and other deferred expenses until its elimination in 2049, which is the end of the initial term of the PPAs.

FCS Recovery Costs – The Board of Directors authorized the use of regulatory accounting in 2012 for significant, unplanned operations and maintenance costs at FCS incurred to address concerns from the NRC and enhance operations. These recovery costs are being amortized over a 10-year period that commenced in 2013, as they continue to benefit future ratepayers and are being collected through retail rates.

Allowances for Funds Used During Construction – In 2020, the Company adopted the GASB accounting standard that eliminated capitalized interest for governmental entities, except for those entities with regulated operations. As an entity with regulated operations, OPPD continues to record AFUDC as a regulatory asset, as allowed by GASB. Prior to January 1, 2020, AFUDC was capitalized as a component of the cost of electric utility plant. AFUDC approximates OPPD's current weighted average cost of debt and was computed at 2.8% and 3.0% for the years ended December 31, 2021 and 2020, respectively.

Financing Costs – The Board of Directors authorized the use of regulatory accounting for debt issuance costs in 2012 because of new accounting standards that would have required these costs to be expensed in the period incurred. These costs are amortized over the life of the associated bond issues consistent with the rate methodology.

Supplemental Pension Plan – The Company adopted the GASB accounting standards for the financial accounting and reporting of supplemental pension plans in 2017. These standards required the Company to recognize a liability for the total supplemental pension obligation on the Statements of Net Position. In 2017, the Board of Directors authorized the use of regulatory accounting for supplemental pension costs to establish a regulatory asset to match the supplemental pension expense to the amounts funded and the cost recovery through rates (Note 8).

REGULATORY LIABILITIES

The following table summarizes the balances of the regulatory liabilities reported as deferred inflows as of December 31, 2021 and 2020, (in thousands).

	2021	2020
Rate stabilization reserve	$ 50,000	$ 50,000
Decommissioning and benefits reserve	32,000	115,000
FPPA	-	7,616
Total	$ 82,000	$ 172,616

Rate Stabilization Reserve – This reserve was established to help maintain stability in OPPD's long-term rate structure. There were no transfers to the reserve in 2021 or 2020.

Decommissioning and Benefits Reserve – This reserve was established in 2016 to assist in funding future decommissioning expenses beyond what was established in the current funding plan in any given year and future pension liabilities above the actuarially determined contribution. The Company added $12,000,000 and $21,000,000 to the reserve in 2021 and 2020, respectively. The Company also decreased the reserve by $95,000,000 in 2021 to increase employer funding in the pension plan.

FPPA – FPPA was implemented in the retail rate structure in 2010. The Board of Directors authorized the use of regulatory accounting to maintain revenue neutrality by matching retail revenues attributed to fuel and purchased power costs with the actual costs incurred. This regulatory liability represents over-recoveries of fuel and purchased power costs, while an FPPA regulatory asset represents the rights to additional revenues based on incurred expenses due to under-recoveries of fuel and purchased power costs. The Board of Directors approved the write-off of all FPPA under-recoveries of $188,674,000, for the year ended December 31, 2021 resulting in no FPPA regulatory asset or liability.

10. RISK MITIGATION AND RECOVERIES

OPPD is exposed to various risks of loss related to general liability and property damage. The Company procures property and liability insurance, subject to certain limits and deductibles, to reduce the adverse effect on its financial position or operational capabilities from claims caused by such matters. There have been no significant changes to the Company's insurance portfolio. Claims have not exceeded the limits of property or liability insurance in any of the three preceding years.

The following table summarizes the total claims liability, comprising claims received and medical claims incurred but not presented, at December 31, 2021 and 2020 (in thousands).

	2021	2020
IBNP reserve	$ 3,259	$ 3,330
Workers' compensation reserve	5,595	5,352
Public liability reserve	1,001	856
Total	$ 9,855	$ 9,538

The following table summarizes the changes in the total claims liability during 2021 and 2020 (in thousands).

	2021	2020
Claims liability, beginning of year	$ 9,538	$ 10,088
Payments on claims	(35,268)	(28,912)
Claims and adjustments	35,585	28,362
Claims liability, end of year	$ 9,855	$ 9,538

OPPD is eligible for disaster assistance from the Federal Emergency Management Agency (FEMA) when a disaster is declared for damage in the Company's service area. FEMA declared disasters for events during 2021 (July storm), 2020 (COVID-19 Pandemic), 2019 (flood) and 2017 (storm). The receivable for the 2017 disaster, 2019 disaster and part of 2021 disaster was $9,959,000 and $1,107,000 at December 31, 2021 and 2020, respectively. There is no receivable from FEMA for the 2020 COVID-19 Pandemic event and most of the 2021 July storm projects as of December 31, 2021, as those grant agreements were not executed in 2021 and cannot be recognized in accordance with GASB guidance.

The 2019 flood event included flood prevention and repair activities that are also covered by OPPD's property insurance. OPPD filed a claim and received notification from the insurance carrier of a final settlement for the 2019 flood event in December 2021. The acknowledged total coverage for the event was $6,657,000 (or $4,157,000 net of the $2,500,000 deductible). Payments of $3,010,000 were received in 2020 and the remaining payments of $1,147,000 were received in early 2022, which was recorded as an outstanding receivable as of December 31, 2021.

During February 2021, a polar vortex resulted in persistent and extreme cold weather that covered most of the United States, including the SPP region. This weather event led to an increase in energy demand while generating facilities faced fuel-supply issues and equipment failures that stressed the bulk electric system. As a result, SPP declared an Energy Emergency Alert Level 3, signaling that operating reserves were below the required minimum, and member utilities were asked to implement controlled service interruptions. The market experienced extreme price volatility for utilities buying or selling energy during this weather event. As a result, off-system revenue, purchased power expense and fuel expense were significantly higher in 2021, however, the impact to OPPD's financial position was minimal.

11. FORT CALHOUN STATION DECOMMISSIONING

In 2016, the OPPD Board of Directors approved a recommendation by management to cease operations at FCS. As a result of the Board decision to cease operations, the FCS assets were impaired in 2016. 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.

The total estimated cost in current-year dollars to decommission FCS using the DECON methodology was $789,679,000 and $907,813,000 as of December 31, 2021 and 2020, respectively. The estimated cost to decommission the station in current-year dollars for the NRC-required obligations using the DECON methodology was $754,162,000 and $863,398,000 as of December 31, 2021 and 2020, respectively. This included $124,588,000 in Current Liabilities and $629,574,000 in Other Liabilities as of December 31, 2021 and $97,026,000 in Current Liabilities and $766,372,000 in Other Liabilities as of December 31, 2020, on the Statements of Net Position. The estimated costs were based on a third-party, site-specific cost study.

The major assumptions used in the cost estimate as the basis for the decommissioning liability for December 31, 2021 and 2020 were as follows:

- Costs are provided in current-year dollars.
- Costs based on Prompt DECON Decommissioning model.
- Personnel costs based on a single average salary for security and non-security staff, adjusted for headcount reductions.
- Overhead costs are for site and corporate support.
- Site facilities and systems data are based on current existing site drawings and data provided by OPPD combined with experience from ES to establish station systems and buildings inventories. These were used to generate labor hours, cost, and waste volumes and classifications.

The Board of Directors authorized the use of regulatory accounting for decommissioning expense to match the expense to the amounts funded from both retail rates and realized decommissioning fund investment income. The balance of the regulatory asset was $231,453,000 and $369,569,000 as of December 31, 2021 and 2020, respectively. This included $138,923,000 in Current Assets and $92,530,000 in Other Long-Term Assets as of December 31, 2021 and $129,442,000 in Current Assets and $240,127,000 in Other Long-Term Assets as of December 31, 2020, on the Statements of Net Position. The balance of the receivable for the reimbursement from the DOE for spent fuel costs incurred by OPPD was $45,399,000 and $0 for the years ended December 31, 2021 and 2020, respectively. OPPD is currently pursuing reimbursement of additional spent fuel costs from the DOE.

The balance of the decommissioning trust assets was $519,701,000 and $542,090,000 as of December 31, 2021 and 2020, respectively, and includes interest receivables of $1,022,000 and $1,212,000 as of December 31, 2021 and 2020, respectively. Investment income was $11,395,000 and $17,483,000 for the years ended December 31, 2021 and 2020, respectively. The fair value of the Decommissioning Trust Funds decreased $16,024,000 and increased $12,129,000 for the years ended December 31, 2021 and 2020, respectively.

The annual funding amount was $121,148,000 and $112,552,000 for the years ended December 31, 2021 and 2020, respectively. The Decommissioning Trust Funds were reduced by $138,908,000 and $149,191,000 for the years ended December 31, 2021 and 2020, respectively, for expenditures incurred during the decommissioning process at FCS.

Employees located at FCS or other locations, and terminated as a result of the decision to cease operations, are eligible for an employee severance package. The package includes a lump-sum payment to eligible employees with a base of 12 weeks of pay based on current salary, plus an additional week of pay for each year of service up to a maximum of 52 weeks. Employees enrolled in the Company's medical benefit plans are also eligible for a lump-sum payment of medical, dental and vision insurance coverage costs based on the number of weeks used in the severance calculation (as noted above). Retiring employees are only eligible for payment related to dental coverage. Employees did not receive severance payments in 2021. There were 42 employees that received severance payments totaling $1,679,000 in 2020.

Severance costs are accrued as the benefits are earned and recognized ratably over the future service period. Future severance costs beyond December 31, 2021, are estimated to be paid to approximately 106 employees in various waves of reductions through 2026. Severance costs were $944,000 and $1,990,000 as of December 31, 2021 and 2020, respectively.

In 2016, OPPD established a Key Employee Performance Plan (KEPP) to help ensure that key positions remained staffed for continued safe operations. As part of the KEPP, certain key positions at FCS are eligible for a performance incentive. Performance incentives are paid to employees based on attainment of certain milestone dates. There were no KEPP performance incentives paid in 2021. In 2020, 112 employees received performance incentive payments totaling $2,057,000. Future performance incentive costs beyond December 31, 2021, are estimated to be paid to approximately 14 employees. Performance incentive costs were $243,000 and $1,420,000 as of December 31, 2021 and 2020, respectively.

12. COMMITMENTS AND CONTINGENCIES

Commitments for the uncompleted portion of construction contracts were approximately $526,176,000 at December 31, 2021.

Power sales commitments that extend through 2027 were $10,653,000 as of December 31, 2021. Power purchase commitments, including capacity contracts were $253,085,000 as of December 31, 2021. These commitments extend through 2050 and do not include the PPAs for OPPD's commitments for wind energy purchases or NC2, which are separately disclosed below.

The following table summarizes OPPD's commitments for wind purchase agreements as of December 31, 2021.

	Total Capacity (in MW)	OPPD Share (in MW)	Commitment Through	Amount (in thousands)
Ainsworth*	59.4	10.0	2025	$ 6,875
Elkhorn Ridge**	80.0	25.0	2029	8,309
Total	139.4	35.0		$ 15,184

* *This PPA is on a "take-or-pay" basis and the Company is obligated to make payments for purchased power even if the power is not available, delivered or taken by OPPD. In addition, the Company is obligated, through a step-up provision, to pay a share of any deficit in funds resulting from a default at the Ainsworth facility. Included in this amount is OPPD's expected share of decommissioning costs.*

** *This PPA is on a "take-and-pay" basis and requires payments when the power is made available to OPPD. The commitment amount includes monthly fixed demand charges.*

There were no commitments for the solar or other wind PPAs.

There are 40-year PPAs with seven public power and municipal utilities (the Participants) for the sale of half of the net capacity of NC2. The Participants have agreed to purchase their respective shares of the output on a "take-or-pay" basis even if the power is not available, delivered to or taken by the Participants. The Participants are subject to a step-up provision, whereby in the event of a Participant default, the remaining Participants are obligated to pay a share of any deficit in funds resulting from the default. There is an NC2 Transmission Facilities Cost Agreement with the Participants that addresses the cost allocation, payment and cost recovery for delivery of their respective power.

OPPD has coal supply contracts with minimum future payments of $106,502,000 at December 31, 2021. The Company also has coal-transportation contracts with minimum future payments of $121,160,000 as of December 31, 2021. These contracts are subject to price adjustments.

The Company is engaged in routine litigation incidental to the conduct of its business and, in the opinion of Management, based upon the advice of General Counsel, the aggregate amounts recoverable or payable, taking into account amounts provided in the financial statements, are not significant.

Required Supplementary Information (Unaudited)

Schedule of Changes in Total Pension Liability, Net Pension Liability and Related Ratios

The following schedules show the history of changes in Total Pension Liability and Net Pension Liability as of December 31 using a January 1 measurement date (*in thousands*).

Retirement Plan	2021	2020
Total Pension Liability		
Service cost	$ 22,717	$ 21,502
Interest on total pension liability	108,155	103,374
Changes of benefit terms	-	-
Difference between expected and actual experience	7,823	7,747
Changes of assumptions	(6,001)	36,067
Benefit payments, including refunds of employee contributions	(102,515)	(100,724)
Net change in total pension liability	**30,179**	**67,966**
Total pension liability (beginning)	**1,572,753**	**1,504,787**
Total pension liability (ending) (a)	**$ 1,602,932**	**$ 1,572,753**
Plan Fiduciary Net Position		
Contributions from employer	$ 59,093	$ 59,201
Contributions from employee	13,971	12,506
Net investment income	132,006	164,636
Benefit payments, including refunds of employee contributions	(102,515)	(100,724)
Administrative expense	(146)	(80)
Net change in plan fiduciary net position	**102,409**	**135,539**
Plan fiduciary net position (beginning)	**1,055,344**	**919,805**
Plan fiduciary net position (ending) (b)	**$ 1,157,753**	**$ 1,055,344**
Net pension liability (ending) (a)-(b)	**$ 445,179**	**$ 517,409**
Plan fiduciary net position as a percentage of total pension liability	72.23%	67.10%
Covered payroll	$ 192,252	$ 187,099
Net pension liability as a percentage of covered payroll	231.56%	276.54%

Non-Qualified Plan Total Pension Liability	2021	2020
Service cost	$ 366	$ 239
Interest on total pension liability	156	179
Changes of benefit terms	-	-
Difference between expected and actual experience	92	(3)
Changes of assumptions	19	792
Benefit payments	-	-
Net change in total pension liability	**633**	**1,207**
Total pension liability (beginning)	**5,333**	**4,126**
Total pension liability (ending)	**$ 5,966**	**$ 5,333**
Covered payroll	$ 2,908	$ 2,726
Total pension liability as a percentage of covered payroll	205.20%	195.63%

Schedule is intended to show information for 10 years. Additional years will be displayed when available.

See notes to required supplementary information

	2019	2018	2017	2016	2015
	$ 21,156	$ 21,135	$ 23,406	$ 23,224	$ 22,492
	102,466	99,501	103,695	100,285	93,643
	-	909	-	1,268	-
	2,867	16,421	4,667	2,593	(5,328)
	(14,834)	(1,306)	42,537	-	54,712
	(97,375)	(91,372)	(85,752)	(81,441)	(79,681)
	14,280	**45,288**	**88,553**	**45,929**	**85,838**
	1,490,507	**1,445,219**	**1,356,666**	**1,310,737**	**1,224,899**
	$ 1,504,787	**$ 1,490,507**	**$ 1,445,219**	**$ 1,356,666**	**$ 1,310,737**
	$ 53,563	$ 53,073	$ 50,711	$ 46,568	$ 53,008
	11,417	10,890	11,957	12,375	11,720
	(68,088)	143,070	58,549	(11,465)	32,020
	(97,375)	(91,372)	(85,752)	(81,441)	(79,681)
	(98)	(95)	(134)	(111)	(193)
	(100,581)	**115,566**	**35,331**	**(34,074)**	**16,874**
	1,020,386	**904,820**	**869,489**	**903,563**	**886,689**
	$ 919,805	**$ 1,020,386**	**$ 904,820**	**$ 869,489**	**$ 903,563**
	$ 584,982	**$ 470,121**	**$ 540,399**	**$ 487,177**	**$ 407,174**
	61.13%	68.46%	62.61%	64.09%	68.94%
	$ 179,364	$ 179,607	$ 187,605	$ 200,905	$ 196,344
	326.14%	261.75%	288.05%	242.49%	207.38%

	2019	2018	2017
	$ 237	$ 275	$ 252
	183	223	211
	-	144	-
	(87)	1,966	765
	(82)	(28)	461
	(2,399)	(3,852)	-
	(2,148)	**(1,272)**	**1,689**
	6,274	**7,546**	**5,857**
	$ 4,126	**$ 6,274**	**$ 7,546**
	$ 2,292	$ 2,561	$ 1,305
	180.02%	244.99%	578.24%

Required Supplementary Information (Unaudited)

Schedule of Retirement Plan Contributions

The following table shows the history of Contributions for the Retirement Plan as of December 31, using a January 1 measurement date (*in thousands*).

	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2021	$ 56,547	$ 151,500	$(94,953)	$ 192,252	78.80%
2020	59,093	59,093	-	187,099	31.58%
2019	59,201	59,201	-	179,364	33.01%
2018	53,563	53,563	-	179,607	29.82%
2017	53,073	53,073	-	187,605	28.29%
2016	50,711	50,711	-	200,905	25.24%
2015	46,568	46,568	-	196,344	23.72%
2014	53,008	53,008	-	194,100	27.31%

Schedule is intended to show information for 10 years. Additional years will be displayed when available.

See notes to required supplementary information

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See notes to required supplementary information

Required Supplementary Information (Unaudited)

Schedule of Changes in Total OPEB Liability, Net OPEB Liability and Related Ratios

The following schedules show the history of changes in Total OPEB Liability and Net OPEB Liability as of December 31 using a January 1 measurement date (*in thousands*).

Plan A	**2021**	**2020**	**2019**
Total OPEB Liability			
Service cost	$ 3,417	$ 4,064	$ 4,171
Interest on total OPEB liability	26,112	27,514	27,717
Changes of benefit terms	-	-	(37,614)
Difference between expected and actual experience	(22,453)	(43,551)	24,899
Changes of assumptions	(9,396)	12,163	(1,255)
Benefit payments	(18,685)	(20,409)	(21,028)
Net change in total OPEB liability	**(21,005)**	**(20,219)**	**(3,110)**
Total OPEB liability (beginning)	**378,799**	**399,018**	**402,128**
Total OPEB liability (ending) (a)	**$ 357,794**	**$ 378,799**	**$ 399,018**
Plan Fiduciary Net Position			
Contributions from employer	$ 14,836	$ 20,621	$ 19,973
Net investment income	23,733	24,706	(11,695)
Benefit payments	(18,685)	(20,409)	(21,028)
Administrative expense	(67)	(49)	(168)
Net change in plan fiduciary net position	**19,817**	**24,869**	**(12,918)**
Plan fiduciary net position (beginning)	**164,519**	**139,650**	**152,568**
Plan fiduciary net position (ending) (b)	**$ 184,336**	**$ 164,519**	**$ 139,650**
Net OPEB liability (ending) (a)-(b)	**$ 173,458**	**$ 214,280**	**$ 259,368**
Plan fiduciary net position as a percentage of total OPEB liability	51.52%	43.43%	35.00%
Covered payroll	$ 192,252	$ 187,099	$ 179,364
Net OPEB liability as a percentage of covered payroll	90.22%	114.53%	144.60%

Schedule is intended to show information for 10 years. Additional years will be displayed when available.

See notes to required supplementary information

2018
$ 4,459
29,015
-
(31,210)
-
(20,017)
(17,753)
419,881
$ 402,128
$ 22,568
18,705
(20,017)
(121)
21,135
131,433
$ 152,568
$ 249,560
37.94%
$ 179,607
138.95%

See notes to required supplementary information

Required Supplementary Information (Unaudited)

Schedule of Changes in Total OPEB Liability, Net OPEB Liability and Related Ratios

The following schedules show the history of changes in Total OPEB Liability and Net OPEB Liability as of December 31 using a January 1 measurement date (*in thousands*).

Plan B	2021	2020	2019
Total OPEB Liability			
Service cost	$ 706	$ 565	$ 492
Interest on total OPEB liability	321	243	219
Difference between expected and actual experience	115	462	145
Changes of assumptions	(112)	81	(451)
Benefit payments	(44)	(9)	(17)
Net change in total OPEB liability	**986**	**1,342**	**388**
Total OPEB liability (beginning)	**5,421**	**4,079**	**3,691**
Total OPEB liability (ending) (a)	**$ 6,407**	**$ 5,421**	**$ 4,079**
Plan Fiduciary Net Position			
Contributions from employer	$ 746	$ 625	$ -
Net investment income	541	568	(133)
Benefit payments	(44)	(9)	(17)
Administrative expense	(39)	(48)	(35)
Net change in plan fiduciary net position	**1,204**	**1,136**	**(185)**
Plan fiduciary net position (beginning)	**4,993**	**3,857**	**4,042**
Plan fiduciary net position (ending) (b)	**$ 6,197**	**$ 4,993**	**3,857**
Net OPEB liability/(asset) (ending) (a)-(b)	**$ 210**	**$ 428**	**$ 222**
Plan fiduciary net position as a percentage of total OPEB liability	96.72%	92.10%	94.57%
Covered-employee payroll	$ 108,669	$ 85,679	$ 73,931
Net OPEB liability/(asset) as a percentage of covered-employee payroll	0.19%	0.50%	0.30%

Schedule is intended to show information for 10 years. Additional years will be displayed when available.

See notes to required supplementary information

2018
$ 459
182
57
-
(13)
685
3,006
$ 3,691
$ -
356
(13)
(36)
307
3,735
$ 4,042
$ (351)
109.52%
$ 55,747
(0.63%)

See notes to required supplementary information

Required Supplementary Information (Unaudited)

Schedule of OPEB Contributions

The following table shows the history of Contributions for the OPEB Plans as of December 31 using a January 1 measurement date (*in thousands*).

Plan A	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2021	$13,417	$13,400	$ 17	$192,252	6.97%
2020	14,836	14,836	-	187,099	7.93%
2019	20,621	20,621	-	179,364	11.50%
2018	19,973	19,973	-	179,607	11.12%

Plan B	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contribution as Percentage of Covered-Employee Payroll
2021	$ 987	$ 1,000	$ (13)	$108,669	0.92%
2020	746	746	-	85,679	0.87%
2019	625	625	-	73,931	0.85%
2018*	323	-	-	55,747	0.00%

* *Plan B was overfunded as of December 31, 2018, so no employer contribution was required, despite the actuarially determined contribution.*

Schedules are intended to show information for 10 years. Additional years will be displayed when available.

See notes to required supplementary information

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Notes to Required Supplementary Information (Unaudited)

Retirement Plan

Valuation Date: Actuarially determined contribution rates are calculated as of January 1, one-year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions used to Determined Contribution Rates

Actuarial Cost Method: Entry Age Normal with 20-year closed amortization period for unfunded liability

Asset Valuation Method: 5-year smoothing

Salary Increases: Varies by age

Investment Rate of Return: 7.00% for 2021 through 2016, 7.75% for 2015 and 2014

Retirement Rates: Varies by age and service

Mortality Rates: PUB-2010 General table projected using the most recent mortality improvement scale available for 2021 and 2020, RP-2014 Aggregate mortality table with generational projection using Scale MP-2014, and was updated annually as new actuarial tables were published for 2019 through 2014.

Non-Qualified Plan

OPPD contributes to a fund for the Non-Qualified Plan on an actuarially determined basis. The fund will be used to pay related benefits; however, it does not meet the criteria for GASB 68 as the assets are not legally protected from creditors. As such, assets were reported in the Company's financial statements and were not netted against the total pension liability.

Valuation Date: Actuarially determined calculations are as of January 1, one-year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions used to Determined Contribution Rates

Actuarial Cost Method: Entry Age Normal

Salary Increases: Varies by age

Retirement Rates: Varies by age and service

Mortality Rates: PUB-2010 General table projected using the most recent mortality improvement scale available for 2021 and 2020, RP-2014 Aggregate mortality table with generational projection using Scale MP-2014, and was updated annually as new actuarial tables were published for 2019 through 2017.

Notes to Required Supplementary Information (Unaudited)

OPEB Plan A

Valuation Date: Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions used to Determined Contribution Rates

Actuarial Cost Method: Entry Age Normal with 15-year closed amortization period for unfunded liability

Asset Valuation Method: 5-year smoothing

Salary Increases: Varies by age

Investment Rate of Return: 7.00% for 2021 through 2017

Retirement Rates: Varies by age and service

Mortality Rates: PUB-2010 General table with generational projection using the most recent mortality improvement scale available for 2021 and 2020. RP-2014 Aggregate mortality table with generational projection using Scale MP-2014, and was updated annually as new actuarial tables were published for years 2019 through 2017.

Healthcare Cost Trend Rates: The pre-Medicare healthcare trend rates ranged from 6.3% immediate to 4.5% ultimate in 2021, 6.8% immediate to 4.5% ultimate in 2020, 7.1% immediate to 4.5% ultimate in 2019, 7.1% immediate to 4.5% ultimate in 2018, and from 7.4% immediate to 4.5% ultimate in 2017. The post-Medicare healthcare trend rates ranged from 8.3% immediate to 4.5% ultimate in 2021, 11.6% immediate to 4.5% ultimate in 2020 and 2019, 8.0% immediate to 4.5% ultimate in 2018, and 8.6% immediate to 4.5% ultimate in 2017.

OPEB Plan B

Valuation Date: Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions used to Determined Contribution Rates

Actuarial Cost Method: Entry Age Normal with 15-year closed amortization period for unfunded liability

Asset Valuation Method: Market Value

Investment Rate of Return: 5.25% for 2021 through 2017

Mortality Rates: PUB-2010 General table with generational projection using the most recent mortality improvement scale available for 2021 and 2020. RP-2014 Aggregate mortality table with generational projection using Scale MP-2014, and is updated annually as new actuarial tables are published for years 2019 through 2017.

Statistics (Unaudited)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total Electric Utility Plant										
(at year end)										
(in thousands of dollars)	**5,011,756**	4,726,802	4,586,990	4,429,791	4,350,603	4,305,055	5,574,941	5,395,489	5,288,168	5,187,395
Total Indebtedness										
(at year end)										
(in thousands of dollars)	**2,280,900**	1,925,302	1,980,651	2,049,020	2,132,253	2,193,921	2,256,348	2,224,843	2,267,277	2,296,305
Operating Revenues										
(in thousands of dollars)										
Residential	**439,609**	431,965	423,574	431,199	409,272	410,957	383,051	379,986	385,171	362,105
Commercial	**324,790**	315,788	329,616	331,773	324,723	324,545	315,079	311,917	306,719	292,296
Industrial	**276,264**	225,078	215,765	213,606	214,580	210,912	201,805	207,649	213,742	197,225
Off-System Sales	**328,376**	137,282	147,509	183,714	163,761	175,506	195,512	223,055	118,268	123,191
FPPA Revenue	**7,616**	(45,917)	20,896	8,579	6,708	(6,115)	(19,166)	(20,147)	15,169	(3,237)
Unbilled Revenues	**(372)**	3,847	2,956	(2,532)	(1,049)	6,753	(976)	(1,800)	4,490	4,517
Provision for Rate Stabilization	**–**	–	–	(8,000)	(26,000)	25,000	(4,000)	–	–	–
Provision for Debt Retirement	**–**	–	–	–	–	–	–	17,000	17,000	–
Provision for Decommissioning & Benefits Reserve	**83,000**	(21,000)	(17,000)	(42,500)	(34,500)	–	–	–	–	–
Other Electric Revenues	**37,637**	36,858	37,403	33,094	28,806	29,918	30,930	29,798	29,654	54,900
Total	**1,496,920**	1,083,901	1,160,719	1,156,933	1,104,301	1,126,476	1,131,235	1,126,458	1,090,213	1,047,997
Operations & Maintenance Expenses										
(in thousands of dollars)	**1,093,592**	686,086	724,890	699,944	653,293	823,857	841,939	832,519	796,104	770,073
Payments in Lieu of Taxes										
(in thousands of dollars)	**38,555**	35,437	35,030	34,915	33,989	34,138	32,241	31,651	31,827	30,094
Net Operating Revenues before Depreciation, Amortization and Decommissioning										
(in thousands of dollars)	**364,773**	362,378	400,799	422,074	417,019	268,481	257,055	262,288	262,282	247,830
Net Income Before Special Item										
(in thousands of dollars)	**27,948**	74,003	86,949	68,734	79,168	25,750	32,322	51,925	55,276	54,829
Special Item										
(in thousands of dollars)	**–**	–	–	–	(1,972)	(959,575)	–	–	–	–
Net Income (Loss)										
(in thousands of dollars)	**27,948**	74,003	86,949	68,734	77,196	(933,825)	32,322	51,925	55,276	54,829
Energy Sales										
(in megawatt-hours)										
Residential	**3,868,322**	3,792,482	3,751,130	3,841,043	3,568,164	3,588,933	3,470,523	3,559,978	3,607,439	3,595,316
Commercial	**3,668,742**	3,529,531	3,735,317	3,765,727	3,675,829	3,683,821	3,630,557	3,638,193	3,561,707	3,492,745
Industrial	**4,014,243**	3,683,609	3,389,005	3,371,856	3,394,003	3,328,290	3,301,175	3,500,977	3,606,611	3,670,346
Off-System Sales	**4,222,712**	4,950,477	4,427,468	5,658,707	5,701,008	7,238,266	7,840,683	7,694,203	3,925,574	3,671,978
Unbilled Sales	**(43,517)**	83,316	44,351	(28,596)	(19,868)	63,638	(26,640)	(39,493)	26,221	28,558
Total	**15,730,502**	16,039,415	15,347,271	16,608,737	16,319,136	17,902,948	18,216,298	18,353,858	14,727,552	14,458,943
Number of Customers										
(average per year)										
Residential	**346,503**	342,716	337,517	333,567	328,576	323,784	319,501	315,705	311,921	308,516
Commercial	**48,780**	47,461	46,837	46,589	46,084	45,537	45,104	44,785	44,221	43,589
Industrial	**141**	144	147	151	157	164	174	177	193	210
Off-System	**13**	13	14	15	14	15	11	15	33	35
Total	**395,437**	390,334	384,515	380,322	374,831	369,500	364,790	360,682	356,368	352,350
Cents Per kWh (average)										
Residential	**11.38**	11.40	11.30	11.21	11.49	11.47	11.07	10.68	10.68	10.12
Commercial	**8.86**	8.95	8.82	8.81	8.83	8.81	8.69	8.57	8.61	8.40
Industrial	**6.97**	6.02	6.37	6.33	6.32	6.35	6.12	5.94	5.96	5.38
Retail	**9.04**	8.84	8.90	8.90	8.92	8.94	8.66	8.42	8.43	7.94
Generating Capability										
(at year end)										
(in megawatts)	**2,692.1**	2,691.5	2,690.8	2,691.4	2,645.7	2,490.1	3,080.3	3,232.1	3,237.0	3,208.8
System Peak Load										
(in megawatts)	**2,509.0**	2,384.0	2,436.1	2,363.7	2,426.9	2,354.4	2,315.1	2,291.1	2,339.4	2,451.6
Net System Requirements										
(in megawatt-hours)										
Generated	**8,977,573**	9,703,434	9,022,252	11,116,129	10,760,108	14,689,524	15,399,002	16,212,801	13,209,542	12,855,389
Purchased and Net Interchanged	**3,130,597**	1,950,971	2,414,090	367,609	395,288	(3,502,796)	(4,488,016)	(5,026,318)	(1,819,871)	(1,529,643)
Net	**12,108,170**	11,654,405	11,436,342	11,483,738	11,155,396	11,186,728	10,910,986	11,186,483	11,389,671	11,325,746

Investor Relations and Corporate Information

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Omaha, Nebraska

Financial Advisor
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New York, New York

Consulting Engineer
Brattle Group Inc.
Boston, Massachusetts

Independent Auditors
BKD LLP
Omaha, Nebraska

Bond Counsel
Kutak Rock LLP
Omaha, Nebraska

Commercial Paper Holders
Issuing and Paying Agent
The Bank of New York Mellon Trust Company, N.A.
New York, New York

Senior, Subordinate and Separate System Bondholders
You may contact OPPD with questions about OPPD debt at:

Treasury & Financial Operations
Omaha Public Power District
444 South 16th Street Mall
Omaha, Nebraska 68102-2247
Email: finfo@oppd.com
800-428-5584

The Trustee and Paying Agent on OPPD's Senior Lien Debt, Subordinated Revenue Bonds and Separate System Revenue Bonds is The Bank of New York Mellon Trust Company, N.A. You may contact The Bank of New York Mellon Trust Company, N.A. directly at:

The Bank of New York Mellon
Trust Company, N.A.
Global Corporate Trust
2 North LaSalle Street, Suite 1020
Chicago, Illinois 60602

Email:
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Bondholder Communications:
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Minibond Administrator
You may contact the Minibond Administrator at:

Minibond Administrator
Omaha Public Power District
444 South 16th Street Mall
Omaha, Nebraska 68102-2247
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Available Financial Information
In compliance with Securities and Exchange Commission Rule 15c2-12, information regarding OPPD is available through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System. Copies of its most recent annual reports and official statements also are available upon request at finfo@oppd.com or at the following address:

Treasury & Financial Operations Division
Omaha Public Power District
444 South 16th Street Mall
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Financial information in the annual report also is available at oppd.com

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