

Unapproved Minutes
Board of Directors Meeting
Municipal Energy Agency of Nebraska
Younes Conference Center – 416 W Talmadge Road, Kearney, Nebraska
May 18, 2023 – 9:00 a.m. (CT)

The Board of Directors of the Municipal Energy Agency of Nebraska (MEAN) met Thursday, May 18, 2023, at the Younes Conference Center South, 416 W Talmadge Rd, in Kearney, Nebraska, the designated public meeting site. Notice of the meeting was given to board members by e-mail, and the public was advised by publication in print and online in the Lincoln Journal-Star newspaper and website on May 3, 2023. The notice and agenda were posted upon issuance at the NMPP Energy office, 8377 Glynoaks Drive, Lincoln, Nebraska, and kept continually current and available for public inspection. Meeting information and the current version of the Nebraska Open Meetings Act were made available on NMPP Energy's Public Meeting Information website.

CALL TO ORDER

Chairman Tom Goulette called the meeting to order at 9:05 a.m. (CT). Pursuant to Section 84-1412 (8) of the Nebraska Open Meetings Act, a current copy of the Open Meetings Act was posted in the meeting room and made available to the public.

ROLL CALL

A quorum was declared with 34 of 55 Directors in attendance,

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| 1. Chris Brader - Pender, NE | 18. Jeff Kohrs - Nebraska City, NE |
| 2. Rod Brestel - Callaway, NE | 19. Matt Langhorst - Glenwood Springs, CO |
| 3. Bart Brinkman - Shickley, NE | 20. Andrew Lee - Curtis, NE |
| 4. Tyler Christoff - Aspen, CO | 21. Bob Lockmon - Stuart, NE |
| 5. Pat Davison - Imperial, NE | 22. Brent Nation - Fort Morgan, CO |
| 6. James DePue - Wray, CO | 23. Tom Ourada - Crete, NE (verbal response to roll call) |
| 7. Chris DesPlanques - Indianola, IA | 24. Mike Palmer - Sidney, NE |
| 8. Will Dowis - Gunnison, CO | 25. Doug Parker - Gering, NE |
| 9. Edward Dunn - Grant, NE | 26. John Prettyman - Yuma, CO |
| 10. Nathan Francis - Fairbury, NE | 27. Todd Rust – Chappell, NE |
| 11. Tom Goulette - West Point, NE | 28. Janine Schmidt - Morrill, NE |
| 12. Sandra Hendren – Mitchell, NE | 29. Adam Suppes - Delta, CO |
| 13. Bill Hinton - Kimball, NE | 30. Jeremy Tarr - Plainview, NE |
| 14. Duane Hoffman - Oxford, NE | 31. Blake Waldow - Broken Bow, NE (9:34 a.m. arrival.) |
| 15. Dave Hrabanek - Pierce, NE | 32. Darrel Wenzel - Waverly, IA |
| 16. Jim Kerr - Lyons, CO | 33. Randy Woldt – Wisner, NE |
| 17. Todd Kielkopf - Carlisle, IA | 34. Dana Youtz - Torrington, WY |

Board Members not in attendance: Keith Beck - Fleming, CO; Kirby Bridge - Alliance, NE; Ron Carpenter - Haxtun, CO; Dan Coolidge - Bayard, NE; Doug De Laune - Arnold, NE; CJ Duncan – Basin, WY; Larry Edgar - Blue Hill, NE; Larry Farley - Denver, IA; Bernard Gagne - Oak Creek, CO; Gene Horne – Red Cloud, NE; Grant Jorgensen - Beaver City, NE; Ray Luhning - Falls City, NE; Rhonda Martin - Breda, IA; Jeff Pohl - Burwell, NE; Kim Robb – Lyman, NE; Greg Nein - Julesburg, CO; Chris Rodman - Wall Lake, IA; James Summers - Benkelman, NE; Dallas Thomas – Ansley, NE; Mark Wickard - Bridgeport, NE; and Jon Winkel - Sergeant Bluff, IA

Others in attendance: Joe Dickman, Ron Doggett, Doug Hazzard, Mike Kalkwarf, Doug Linton, Robert Smith, Nancy Tellez, and Wendy Thomas.

NMPP staff in attendance: Beth Ackland, Carol Brehm, Tim Cerveney, Chris Dibbern, Bruce Doll, Rich Eymann, Brad Hans, Stacy Hendricks, Joe Hobelman, Brenda Hudecek, Kara Hunt, Jamie Johnson, Jill Jones, Sarah Jones, Kyle Kaldahl, Nicole Kubik, Michelle Lepin, Bob Poehling, Dave Russell, Armin Sehic, Robin Spady, and Kevin Wickham

PUBLIC COMMENT PERIOD

Presenter: Tom Goulette, MEAN Board Chair

The Public Comment Period was announced, and a review of the rules applicable to the public participation process at MEAN public meetings was provided. There were no public comments.

CHAIRMAN'S REMARKS

Presenter: Tom Goulette, MEAN Board Chair

The Chair announced this would be Darrel Wenzel's last meeting and thanked him for his participation on the MEAN Finance Committee and Board of Directors.

Award Presentation: Doug Hazzard of Glenwood Springs, Colorado was presented with the Rudy Hultgren Dedicated Service Award. The award is presented annually to an individual of a MEAN member utility who has displayed commendable efforts in promoting the use of public power and its ideals.

REPORTS

Bob Poehling, Executive Director/CEO

The one constant in life, and in NMPP Energy is change and with that change comes opportunity. A summary of several staffing changes, expanding roles, retirements and succession planning was provided along with an overview of the challenges that Nebraska Municipal Power Pool is experiencing.

Brad Hans, Director of Wholesale Electric Operations

An overview of MEAN's recent strategic planning process and a status update were provided. During a two-day workshop in February, goals were identified with emphasis in five areas: Power Supply, Utility Services, Member Satisfaction, Workforce, and Advocacy. Participants of the workshop identified several strategies to accomplish each goal and staff is now working to identify action items related to each strategy.

CONSENT AGENDA

Minutes

Minutes of the January 19, 2023, meeting were previously distributed and included as Attachment A of the meeting packet. There were no changes to the minutes.

Next Meeting

The next meeting of the MEAN Board of Directors will be held on August 17, 2023, at the Younes Conference Center South, located at 416 W. Talmadge Rd. in Kearney, Nebraska.

2023 Summer Season Load and Capability Report and Operational Readiness

Detailed information was previously distributed in the meeting packet for the Board's review.

Financial Report

Presenter: Jamie Johnson, Director of Finance and Accounting

MEAN's financial statements for December 2022, January 2023 and February 2023 were previously distributed. Summaries of preliminary fiscal year-end March 2023 results for the NMPP Energy organizations and MEAN were included in the meeting packet and were discussed in greater detail.

Consent Resolution

Motion: Edward Dunn moved to approve the following consent resolution. Dave Hrabanek seconded the motion, which carried unanimously on a roll call vote. (Blake Waldow did not vote)

CONSENT RESOLUTION

WHEREAS, certain business of the MEAN Board of Directors of the Municipal Energy Agency of Nebraska (MEAN) transpires on a regular and routine basis or is not of a controversial nature; and,

WHEREAS, roll call votes on each individual issue greatly extended the meeting time.

NOW, THEREFORE, BE IT RESOLVED BY THE MEAN Board of Directors that in the interest of economizing time, yet complying with the Open Meetings Act of the State of Nebraska, which requires roll call voting, the following issues are hereby consolidated in this Consent Resolution:

- 1. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the minutes of the January 19, 2023, meeting are hereby approved.*
- 2. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the next meeting will be held on Thursday, August 17, 2023, at the Younes Conference Center South, 416 W Talmadge Rd., Kearney, Nebraska.*
- 3. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the 2023 Summer Season Load and Capability Report is hereby approved.*
- 4. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the financial statements for December 2022, January 2023, and February 2023 are hereby accepted; and the preliminary year-end financial statements ending March 31, 2023 are hereby accepted.*

MIDCONTINENT INDEPENDENT SYSTEM OPERATOR (MISO) TRANSMISSION OWNERSHIP

Presenter: Bruce Doll, Manager of Resources, Planning & Transmission

MEAN has existing ownership in Walter Scott Energy Center Unit #4 (WSC4) transmission facilities as a non-transmission facilities owner. Over the past two years MEAN members have expressed a desire to pursue transmission facility ownership. The option of ownership was researched, and input received from outside experts. A summary of the findings was presented and included North American Electric Reliability Corporation (NERC) compliance for WSC4 would remain the responsibility of MidAmerican Energy Company (the operator), not MEAN. MEAN would convert its membership status in MISO from Non-Transmission Facilities Owner status to Transmission Facilities Owner status. The change in membership status could provide the potential for MEAN to participate in decision making, and costs incurred during the transition process can be recovered in the annual transmission revenue requirements .

Discussion ensued.

Motion: Darrel Wenzel moved to approve the following resolution. Edward Dunn seconded the motion, which carried on a 33-0-1 roll call vote.

Ayes: Chris Brader, Rod Brestel, Bart Brinkman, Tyler Christoff, Pat Davison, James DePue, Chris DesPlanques, Will Dowis, Edward Dunn, Nathan Francis, Tom Goulette, Sandra Hendren, Bill Hinton, Duane Hoffman, Dave Hrabanek, Jim Kerr, Jeff Kohrs, Matt Langhorst, Andrew Lee, Bob Lockmon, Brent Nation, Tom Ourada, Mike Palmer, Doug Parker, John Prettyman, Todd Rust, Janine Schmidt, Adam Suppes, Jeremy Tarr, Blake Waldow, Darrel Wenzel, Randy Woldt and Dana Youtz

Nays: None

Abstain: Todd Kielkopf

RESOLUTION

WHEREAS, the Municipal Energy Agency of Nebraska (MEAN) is a market participant in the Midcontinent Independent System Operator, Inc. (MISO) Integrated Marketplace and a Non-Transmission Facilities Owner Member in MISO based on its part ownership of Walter Scott Energy Center 4 located in MISO; and

WHEREAS, MEAN desires to become a Transmission Facilities Owner Member in MISO.

NOW THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors, that the Executive Director is hereby authorized to execute and deliver a MISO Membership Application for Transmission Facilities Owner and related agreements, subject to final legal and management review, and MEAN legal counsel is authorized to take any and all appropriate action to effectuate approval of such membership, including participation in any related MISO proceedings before the Federal Energy Regulatory Commission.

BE IT FURTHER RESOLVED BY the MEAN Board of Directors, that the Executive Director of MEAN is hereby authorized to do any and all things and to execute and deliver any and all documents which he deems necessary or advisable in order to consummate the change in membership in MISO. Notwithstanding any provision of this Resolution authorizing the Executive Director to take any action or execute any document to the contrary, in the absence of the Executive Director or in lieu of the Executive Director, the person designated in writing by the Executive Director, may take such action or execute such document with like effect as fully as though named in this Resolution instead of the Executive Director.

MEAN CHARTER AMENDMENT TO UPDATE GENERAL DESCRIPTION OF BUSINESS, AND THE LOCATION AND METHOD OF OPERATION OF THE PLANTS AND SYSTEMS OF THE AGENCY

Presenter: Michelle Lepin, General Counsel

MEAN has a Charter on file with the Nebraska Power Review Board that includes a narrow business description. Due to pending legislation that would authorize entities like MEAN to provide more services, staff recommended the Charter be amended to include language that would reflect MEAN's expanded authority. The proposed language is in line with language currently used in the Charters of many other Nebraska utilities and public power districts.

Discussion ensued and included clarification that Board approval would still be sought when expanding services.

Motion: Andrew Lee moved to approve the following resolution. Chris DesPlanques seconded the motion, which carried 32-1-0 on a roll call vote. (Todd Kielkopf did not vote.)

Ayes: Chris Brader, Rod Brestel, Bart Brinkman, Tyler Christoff, Pat Davison, James DePue, Chris DesPlanques, Will Dowis, Edward Dunn, Nathan Francis, Tom Goulette, Sandra Hendren, Bill Hinton, Duane Hoffman, Dave Hrabanek, Jim Kerr, Jeff Kohrs, Matt Langhorst, Andrew Lee, Bob Lockmon, Brent Nation, Tom Ourada, Mike Palmer, Doug Parker, John Prettyman, Janine Schmidt, Adam Suppes, Jeremy Tarr, Blake Waldow, Darrel Wenzel, Randy Woldt and Dana Youtz.

Nays: Todd Rust

Abstain: None

RESOLUTION

WHEREAS, the Charter of the Municipal Energy Agency of Nebraska (MEAN) includes the following description of the business in which the agency engages, and the location and method of operation of the plants and systems of the agency: To generate and supply electrical energy and engage in the ownership and operation of power projects as defined in the Municipal Cooperative Financing Act, within and without the State of Nebraska, and exercise all other powers granted by law relating to the above activities; and

WHEREAS, the MEAN Board of Directors desires to update the description of the business in which MEAN engages set forth in the MEAN Charter to accommodate an expansion of services by MEAN.

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that the following is approved as the description of the business in which the agency engages, and the location and method of operation of the plants and systems of the agency:

- The agency intends to engage in any business authorized by law for agencies which are formed pursuant to sections 18-2426 to 18-2434 of the Nebraska Municipal Cooperative Financing Act. The agency's business is primarily the generation and supply of electrical energy and ownership and operation of power projects as defined in the Municipal Cooperative Financing Act and the exercise of all other powers granted by law, and its method of operation will be to continue to serve municipalities, as defined in the Municipal Cooperative Financing Act, from its plants and systems within and without the State of Nebraska.*

BE IT FURTHER RESOLVED BY the MEAN Board of Directors that staff is authorized to do all things necessary to effectuate an amendment to the MEAN Charter to incorporate such revised description of the business in which the agency engages, and the location and method of operation of the plants and systems of the agency, including without limitation to prepare a petition to amend the Petition for Creation and MEAN's Charter, and to submit the petition to the Nebraska Power Review Board, and the agency's legal counsel is authorized to make any grammatical or non-substantive changes to the language in the Charter amendment application that are necessary to effectuate the purposes of this resolution.

BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the Board determines the proposed amendment to the MEAN Charter is in compliance with the statutory requirement set forth in the Municipal Cooperative Financing Act, Nebraska Revised Statutes Section 18-2433, that plants, systems, and works, the operation of the same, the exercise of powers, and the assumptions of duties and responsibilities of, or on the part of, such agency, do not nullify, conflict with, or materially affect those of any other district or a corporation organized under the provisions of Chapter 70, article 6 or 8 or the Electric Cooperative Corporation Act, or those of any part of such district or corporation.

REGIONAL TRANSMISSION ORGANIZATION (RTO) WEST COMMITMENT AGREEMENT

Presenter: Brad Hans, Director of Wholesale Electric Operations

Details of the Commitment Agreement for the Regional Transmission Organization (RTO) West were presented along with an overview of the differences between Southwest Power Pool (SPP) and RTO offerings, the expansion timeline, critical steps, considerations, and cost exposures. The commitment agreement was finalized earlier in the month with actual dollar amounts included. If the market development is successful and without delay the costs will be rolled into the administration fee for the entire SPP market. If the market implementation is delayed, standby costs will be assessed to certain parties that signed the commitment agreement (including MEAN). If the RTO West initiative is canceled by SPP, 50 percent of the implementation costs incurred by SPP will be assessed to parties that signed the commitment agreement. If MEAN withdraws from the RTO West initiative prior to market implementation, MEAN will owe its share of SPP's implementation costs. After market implementation, SPP's standard exit fees applicable to members

(including MEAN) would apply; any load or transmission facilities in the RTO West region that are removed from the SPP market would incur exit fees,

Motion: Adam Suppes moved to approve the following resolution. Bart Brinkman seconded the motion, which carried 33-0-1 on a roll call vote.

Ayes: Chris Brader, Rod Brestel, Bart Brinkman, Tyler Christoff, Pat Davison, James DePue, Chris DesPlanques, Will Dowis, Edward Dunn, Nathan Francis, Tom Goulette, Sandra Hendren, Bill Hinton, Duane Hoffman, Dave Hrabanek, Jim Kerr, Todd Kielkopf, Matt Langhorst, Andrew Lee, Bob Lockmon, Brent Nation, Tom Ourada, Mike Palmer, Doug Parker, John Prettyman, Todd Rust, Janine Schmidt, Adam Suppes, Jeremy Tarr, Blake Waldow, Darrel Wenzel, Randy Woldt and Dana Youtz.

Nays: None

Abstain: Jeff Kohrs

RESOLUTION

WHEREAS, the Municipal Energy Agency of Nebraska (MEAN) is a market participant and Member in the Southwest Power Pool (SPP) Integrated Marketplace and participates in the Western Energy Imbalance Service (WEIS) market; and

WHEREAS, MEAN desires to become a Participant in the SPP Regional Transmission Organization West (RTOW).

NOW THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors, that the Executive Director is hereby authorized to execute and deliver a Commitment Agreement for the RTOW and related agreements, subject to final legal and management review, and MEAN legal counsel is authorized to take any and all appropriate action to effectuate approval of MEAN's participation in the RTOW, including participation in any related SPP proceedings before the Federal Energy Regulatory Commission.

BE IT FURTHER RESOLVED BY the MEAN Board of Directors, that the Executive Director of MEAN is hereby authorized to do any and all things and to execute and deliver any and all documents which he deems necessary or advisable in order to consummate MEAN's participation in the SPP RTOW. Notwithstanding any provision of this Resolution authorizing the Executive Director to take any action or execute any document to the contrary, in the absence of the Executive Director or in lieu of the Executive Director, the person designated in writing by the Executive Director, may take such action or execute such document with like effect as fully as though named in this Resolution instead of the Executive Director.

MARKETS+ PHASE 1 FUNDING COMMITMENT AGREEMENT

Presenter: Brad Hans, Director of Wholesale Electric Operations

The background and evolution of Southwest Power Pool (SPP) Markets + was presented along with a summary of the Phase 1 Funding Commitment Agreement, MEAN's current estimated Phase 1 funding fee and monthly Run Rate. Southwest Power Pool has indicated other entities are likely to join which could lower MEAN's Phase 1 costs. Phase 2 implementation will begin following Federal Energy Regulatory Commission (FERC) approval.

GRANT OPPORTUNITIES

Presenter: Sarah Jones, Director of Corporate Services

An overview of recent grant opportunities was provided along with their status. To assist members in leveraging this funding NMPP Energy has developed a grant resources website that contains a summary of legislation, links to additional information, tools for searching community opportunities, state information, articles of relevance to communities, and how to get started.

Staff has been working to identify community needs and additional opportunities to assist members. Some of the opportunities identified include providing advocacy for challenges communities encounter, establishing relationships with State agencies to stay informed on local funding opportunities, and notifying members as soon as opportunities become available.

Staff is researching joint application opportunities on behalf of members and opportunities for NMPP Energy itself that might allow it to provide additional assistance to members in areas like cybersecurity, renewable resources located in member communities, or electric vehicle chargers.

Members were asked for feedback and input on their community needs and were encouraged to reach out to Sarah through the grant resources website.

Discussion ensued.

The MEAN Board of Directors recessed for a break at 10:59 a.m. The meeting resumed at 11:10 a.m.

COMMITTEE REPORTS AND RECOMMENDATIONS

The MEAN Power Supply, Governance Review, Services, and Finance Committees met on Wednesday, May 17, 2023.

Power Supply Committee

Presenter: Bruce Doll, Manager of Resources, Planning & Transmission

Meeting Summary. A summary of topics discussed at the May 17, 2023, committee meeting was presented and included:

- (a) Behind the Meter Generation (BTMG) Fleet Modernization: Benefits of modernization include remote operations, improved vendor support, improved heat rates, better performance, less operator interaction, lower costs to operate, increased responsiveness and reduced safety concerns. Other items to consider are performance-based accreditation, unit registration, demand response and system reliability.
- (b) Resource Portfolio Update: The Central Nebraska Public Power & Irrigation District (CNPPID) agreement is on track to be signed later this summer with a start date of January 2024. Other agreements in progress are an amendment to MEAN's Capacity and Energy Displacement Agreement with WAPA to add the Kansas City Board of Public Utilities (KCBPU) allocation for an additional 5 MW of energy and capacity beginning in January 2024; Aspen, Colorado's Ridgway Hydropower Project which is a potential ten-year PPA with a start date of October 2023; and a five-year natural gas PPA with Black Hills Energy. The 40 MW Solar project in Sidney, Nebraska has had some transmission issues that are being worked through, and there is a lot of work being done on the Sandhills Community Solar and MEAN Contracted Solar project PPAs.

Establish Exception to Moratorium and Lease Additional Member Generation from the City of Curtis, Nebraska

Presenter: Bruce Doll, Manager of Resources, Planning & Transmission

The City of Curtis, Nebraska, is pursuing the installation of 4MW of generation capacity. They have forecasted a fairly significant load increase due to an industrial facility, a new housing development adding over fifty homes, and a college expansion project that is expected to add 40 – 80 additional units. Contracting for this additional capacity would improve MEAN's position when mitigating high energy prices and would benefit a MEAN member as opposed to a third party.

At its May 17, 2023, meeting the Power Supply Committee recommended the MEAN Board of Directors approve an exception to the Moratorium and lease of the additional generating capacity by MEAN from the City of Curtis, Nebraska.

Motion: Edward Dunn moved to approve the following resolution. Duane Hoffman seconded the motion, which carried on a 30-0-1 roll call vote. (Todd Kielkopf, Matt Langhorst, and Dana Youtz did not vote)

Ayes: Chris Brader, Rod Brestel, Bart Brinkman, Tyler Christoff, Pat Davison, James DePue, Chris DesPlanques, Will Dowis, Edward Dunn, Nathan Francis, Tom Goulette, Sandra Hendren, Bill Hinton, Duane Hoffman, Dave Hrabanek, Jim Kerr, Jeff Kohrs, Bob Lockmon, Brent Nation, Tom Ourada, Mike Palmer, Doug Parker, John Prettyman, Todd Rust, Janine Schmidt, Adam Suppes, Jeremy Tarr, Blake Waldow, Darrel Wenzel, and Randy Woldt.

Nays: None

Abstain: Andrew Lee

RESOLUTION

WHEREAS, the City of Curtis, Nebraska, a MEAN Service Schedule M participant, intends to pursue the purchase and installation of 4 MW of behind the meter reciprocating internal combustion engine generation in their community to offset the city's forecasted load growth, and desires to commit to MEAN all of the generating accredited capacity of this new generator for pooling by MEAN; and

WHEREAS, the MEAN Board of Directors approved a moratorium effective January 20, 2005, on leasing any new or additional generation until such time peaking capacity generation is needed; and

WHEREAS, the MEAN Board of Directors desires to establish an exception to the moratorium to allow MEAN to lease an additional approximately 4 MW of generating capacity from the City of Curtis, Nebraska; and

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that an exception to the moratorium placed into effect January 20, 2005, shall hereby be established allowing MEAN to lease an additional approximately 4 MW of generating capacity from the City of Curtis, Nebraska to offset the city's forecasted load growth, contingent upon establishment of the necessary arrangements with the applicable transmission provider(s).

Establish Exception to Moratorium and Lease Additional Member Generation from the City of West Point, Nebraska

Presenter: Bruce Doll, Manager of Resources, Planning & Transmission

The City of West Point, Nebraska, is pursuing the installation of 6 to 8 megawatts of generation capacity for emergency generation. The City has approximately 4MW of existing contract capacity and a peak load of 11MW.

At its May 17, 2023, meeting the Power Supply Committee recommended the MEAN Board of Directors approve an exception to the Moratorium and lease of the additional generating capacity by MEAN from the City of West Point, Nebraska.

Motion: Adam Suppes moved to approve the following resolution. Tom Ourada seconded the motion, which carried on a unanimous roll call vote. (Chris DesPlanques, Sandra Hendren, Todd Kielkopf, Matt Langhorst, Randy Woldt, and Dana Youtz did not vote)

RESOLUTION

WHEREAS, the City of West Point, Nebraska, a MEAN Service Schedule M participant, intends to pursue the purchase and installation of 6 to 8 MW of behind the meter reciprocating internal combustion engine generation in their community to replace 4 MW generating capacity previously leased to MEAN but no longer in service, and desires to commit to MEAN all of the generating accredited capacity of this new generator for pooling by MEAN; and

WHEREAS, the MEAN Board of Directors approved a moratorium effective January 20, 2005, on leasing any new or additional generation until such time peaking capacity generation is needed; and

WHEREAS, the MEAN Board of Directors desires to establish an exception to the moratorium to allow MEAN to lease approximately 6 to 8 MW of generating capacity from the City of West Point, Nebraska; and

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that an exception to the moratorium placed into effect January 20, 2005, shall hereby be established allowing MEAN to lease an additional approximately 6 to 8 MW of generating capacity from the City of West Point, Nebraska to replace the 4 MW generating capacity previously leased to MEAN but no longer in service, contingent upon establishment of the necessary arrangements with the applicable transmission provider(s).

Waverly Utilities Request to Update Exhibit B List of Participant-Owned Capacity

Presenter: Bruce Doll, Manager of Resources, Planning & Transmission

Waverly, Iowa, completed decommissioning of its hydro-electric generators in September of 2022 due to generator age, lack of repair parts, and reduction in generation capacity due to lower river flows. Waverly is requesting to replace the 495kW hydro facility on its Exhibit B with a 495kW solar array. Waverly's current Exhibit B allows for three hydro-electric generators for a total of 495kW.

At its May 17, 2023, meeting the Power Supply Committee recommended the MEAN Board of Directors authorize the Executive Director to negotiate and execute a modification to the supplemental agreement with the City of Waverly, Iowa to accommodate this change.

Motion: Matt Langhorst moved to approve the following resolution. Andrew Lee seconded the motion, which carried on a 31-1-0 roll call vote. (Todd Kielkopf and Dana Youtz did not vote)

Ayes: Chris Brader, Rod Brestel, Bart Brinkman, Tyler Christoff, Pat Davison, James DePue, Chris DesPlanques, Will Dowis, Edward Dunn, Nathan Francis, Tom Goulette, Sandra Hendren, Bill Hinton, Duane Hoffman, Dave Hrabanek, Jim Kerr, Jeff Kohrs, Matt Langhorst, Andrew Lee, Bob Lockmon, Brent Nation, Tom Ourada, Doug Parker, John Prettyman, Todd Rust, Janine Schmidt, Adam Suppes, Jeremy Tarr, Blake Waldow, Darrel Wenzel, and Randy Woldt

Nays: Mike Palmer

Abstain: None

RESOLUTION

WHEREAS, Waverly Utilities, a municipal utility of the City of Waverly, Iowa, (“Waverly Utilities”), is a signatory to Service Schedule M, Total Power Requirements Power Purchase Agreement with MEAN; and,

WHEREAS, Waverly Utilities has previously entered into a Second Amended and Restated Supplemental Agreement with MEAN (“Supplemental Agreement”) under which Waverly Utilities and MEAN agreed that Waverly Utilities’ Monthly Supplemental Energy from MEAN under the Service Schedule M agreement would be reduced by the energy generated by certain hydroelectric and wind generating facilities listed within such Supplemental Agreement, which hydroelectric generating facilities were subsequently decommissioned due to the age of the generators, lack of available repair parts and reduction in generation capacity from lower river flows and,

WHEREAS, Waverly Utilities has requested that MEAN approve a modification to the Supplemental Agreement to allow Waverly Utilities to utilize 495 kW of nameplate capacity from yet-to-be-constructed solar-powered generating facilities in lieu of 495kW nameplate capacity from the now-decommissioned hydroelectric generating facilities.

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that the Executive Director is hereby authorized and directed to negotiate and execute a modification to the Supplemental Agreement between Waverly Utilities and MEAN setting forth the terms described above, subject to final legal and management review.

BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the Executive Director and agents of MEAN are, and each of them hereby is, authorized to do any and all things and to execute and deliver any and all documents which they or any of them deem necessary or advisable in order to consummate the execution and delivery of the modification to the Supplemental Agreement or any related agreement or document which is a requirement for execution of the modification to the Supplemental Agreement, subject to final legal and management review, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which MEAN has approved in this Resolution.

City of Holyoke, Colorado Total Power Requirements Power Purchase Agreement (Service Schedule M) and Corresponding Adjustments to Fixed Cost Recovery Charge Allocations for Service Schedules M, K, & K-1

Presenter: Michelle Lepin, General Counsel

Holyoke, Colorado is considering converting to a Service Schedule M (SSM) agreement. Holyoke’s current Service Schedule J agreement expires on September 30, 2023, and the Board is being asked to approve execution of the SSM with Holyoke and the corresponding adjustments to the Fixed Cost Recovery Charge allocations as recommended by the Power Supply Committee at its May 17, 2023 meeting.

Motion: Edward Dunn moved to approve the following resolution. Darrel Wenzel seconded the motion, which carried on a unanimous roll call vote. (Todd Kielkopf and Dana Youtz did not vote)

RESOLUTION

WHEREAS, the City of Holyoke, Colorado ("City of Holyoke"), is a signatory to a Supplemental Agreement for Firm Power Interchange Service with the Municipal Energy Agency of Nebraska ("MEAN") that is scheduled to expire September 30, 2023; and,

WHEREAS, the City of Holyoke intends to approve or has approved a Service Schedule M, Total Power Requirements Power Purchase Agreement, with MEAN for a term beginning October 1, 2023; and,

WHEREAS, MEAN desires to enter into the Service Schedule M with the City of Holyoke and to adjust the Fixed Cost Recovery Charge Allocations for Service Schedules M, K and K-1 accordingly, all to be effective October 1, 2023 to allow for the sixty (60) day advance notice required for Service Schedule M.

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that the Executive Director is hereby authorized and directed to execute the Service Schedule M, Total Power Requirements Power Purchase Agreement to be effective as of October 1, 2023 with the City of Holyoke, subject to timely receipt of all necessary documentation from the City of Holyoke.

BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the Attachment 1, Fixed Cost Recovery Charge Allocation, dated effective October 1, 2023 to the Schedule of Rates and Charges, Exhibit B to Service Schedule M, is hereby approved as presented, subject to timely execution of the Service Schedule M by and between MEAN and the City of Holyoke effective October 1, 2023.

BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the Attachment 1, Fixed Cost Recovery Charge Allocation, dated effective October 1, 2023 to the Schedule of Rates and Charges to Service Schedules K and K-1, is hereby approved as presented, subject to timely execution of the Service Schedule M by and between MEAN and the City of Holyoke effective October 1, 2023.

City of Lake View, Iowa Agreement for Firm Power Interchange Service (Service Schedule J)

Presenter: Michelle Lepin, General Counsel

Lake View, Iowa, is requesting to renew its Agreement for Firm Power Interchange Service (formerly known as a Service Schedule J (SSJ) supplemental agreement) that will expire on May 31, 2024. Staff proposed a modernized version of the agreement that would include many of the same terms proposed in the draft modernized Service Schedule M agreement.

At its May 17, 2023, meeting the Power Supply Committee recommended the MEAN Board of Directors authorize the Executive Director to negotiate and execute an agreement with the City of Lake View, Iowa.

Motion: Darrel Wenzel moved to approve the following resolution. Andrew Lee seconded the motion, which carried on a unanimous roll call vote. (Todd Kielkopf and Dana Youtz did not vote)

RESOLUTION

WHEREAS, the Agreement for Firm Power Interchange Service between the City of Lake View, Iowa, and MEAN expires May 31, 2024, and,

WHEREAS, the City of Lake View, Iowa, may pass or has passed an ordinance to approve a new Agreement for Firm Power Interchange Service with MEAN to be effective for a five-year term beginning June 1, 2024.

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that the Executive Director is hereby authorized and directed to negotiate and execute an Agreement for Firm Power Interchange Service between the City of Lake View, Iowa, and MEAN for a term of June 1, 2024 through May 31, 2029, subject to (i) final legal and management review, and (ii) timely receipt of all necessary documents from the City of Lake View, Iowa.

Governance Review Committee

Presenter: Michelle Lepin

Meeting Summary. A summary of the Modernization of Total Power Requirements Power Purchase Agreement (Service Schedule M) discussed at the April 20, 2023, and May 17, 2023, meetings was presented and included the half-day session that was held in April where the history of MEAN's formation and structure, current SSM structure, and modernized SSM terms and conditions were discussed.

A review of the principles of the Service Schedule M modernization initiative was presented. Successful modernization will allow MEAN to stay competitive and allows for a block approach to resource planning. Contract purchaser arrangements and responsibilities, a list of updated terms that have been reviewed by the committee since the Board meeting in January, and a review of the SSM modernization timeline was presented to the Board.

A draft copy of the modernized Service Schedule M agreement was previously distributed as Attachment F of the meeting packet. Education sessions will be offered for members and city attorneys in mid-2023 to provide a detailed overview of the modernized Service Schedule M agreement.

Discussion ensued.

Services Committee

Presenter: Tim Cervený, Manager of Assets and Utility Services

Meeting Summary. A summary of the items discussed at the May 17, 2023, meeting was presented and included services related strategies that were developed during the strategic planning process, a review of services included with various MEAN Service Schedule contracts and of value-added services MEAN provides as part of long-term power supply. Staff continues to evaluate additional services offerings to meet member needs.

Finance Committee

Presenter: Jamie Johnson, Director of Finance and Accounting

Meeting Summary. The Board was presented a summary of items discussed at the May 11, 2023, and May 17, 2023, meetings that included a review of the FORVIS pre-audit communication letter previously distributed as Attachment C of the meeting packet, and considerations related to preliminary Fiscal Year 2022-2023 financial results.

- (a) Rate Stabilization Account Transfers: At its May 17, 2023, meeting the Finance Committee recommended the MEAN Board of Directors approve resolution option A as shown in the meeting packet. A review of the language on the Rate Stabilization Account in Section 6 of MEAN's Financial and Administrative Policies and Guidelines was presented to the Board. Previously approved budget and allocation resolutions were reviewed and other considerations for the Energy, Fixed Costs and Other components was discussed.

Discussion ensued and it was requested it be noted in the minutes that \$1 million of the funds transferred into the Rate Stabilization Account – Other be considered for transfer into the Fixed Costs component in the future to help cover capital costs, if needed.

Motion: Edward Dunn moved to approve the following resolution. Andrew Lee seconded the motion, which carried on a 28-2-1 roll call vote. (Nathan Francis, Todd Kielkopf, and Dana Youtz did not vote)

Ayes: Chris Brader, Rod Brestel, Bart Brinkman, Tyler Christoff, Pat Davison, James DePue, Chris DesPlanques, Will Dowis, Edward Dunn, Tom Goulette, Sandra Hendren, Bill Hinton, Duane Hoffman, Dave Hrabanek, Jim Kerr, Matt Langhorst, Andrew Lee, Bob Lockmon, Brent Nation, Tom Ourada, Doug Parker, John Prettyman, Todd Rust, Janine Schmidt, Adam Suppes, Jeremy Tarr, Blake Waldow, and Randy Woldt.

Nays: Mike Palmer and Darrel Wenzel

Abstain: Jeff Kohrs

RESOLUTION – OPTION A

WHEREAS, MEAN's 2003 Bond Resolution establishes a rate stabilization account within the General Reserve Fund; and,

WHEREAS, the MEAN Financial and Administrative Policies & Guidelines provide that MEAN will annually evaluate its preliminary Fiscal Year change in net position upon closing of MEAN's annual financial records including all year end accruals and Fiscal Year transactions, and that after evaluation of preliminary results, MEAN may transfer a portion of its preliminary Fiscal Year change in net position into the rate stabilization account or from the rate stabilization account in order to meet MEAN's rate stabilization account funding objective, while maintaining debt service coverage ratios established by bond covenants; and,

WHEREAS, an evaluation of the preliminary Fiscal Year 2022-2023 change in net position indicates an increase in the amount of approximately \$3.1 million; and,

WHEREAS, the Budget for Fiscal Year 2022-2023 included amounts budgeted for transfer monthly into and from the Rate Stabilization Account equal to a total fiscal year transfer amount of \$2,865,045 from the Rate Stabilization Account consisting of \$1,865,045 from the energy component and \$1,000,000 from the fixed costs component, as set forth in the Approved Budget & Rates for Fiscal Year Ended March 31, 2023; and,

WHEREAS, the MEAN Board of Directors desires to modify the fiscal year Rate Stabilization Account transfer amount in order to meet MEAN's rate stabilization account funding objective, while maintaining debt service coverage ratios established by bond covenants.

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors to reverse the transfer of \$1,865,045 from the energy component based on the approved budget, maintain the transfer of \$1,000,000 from the fixed costs component based on the approved budget, transfer \$1,900,000 from the energy component into the other component of the Rate Stabilization Account, and transfer \$1,286,619 from Fiscal Year 2022-2023 operating revenues into the other component of the Rate Stabilization Account for a net reported Provision for Rate Stabilization of \$286,619.

- (b) Allocation of a Portion of Fiscal Year 2022-2023 Net Revenue to Participants: Based on the analysis of current year costs compared to current year rates and charges, staff did not recommend an additional charge, or a credit to Participants.

Modifications to Financial and Administrative Policies and Guidelines

Presenter: Jamie Johnson, Director of Finance and Accounting

Section 13: Contracts was revised as presented updating titles and revising the signatory order of individuals authorized to sign contracts when the Executive Director is out of the office.

Section 17: Rates and Charges was modified due to the recent implementation of the Green Energy Program. Sections 17.2 and 17.3 related to old wind and landfill gas rates was removed.

At its May 17, 2023, meeting the Finance Committee recommended the MEAN Board of Directors approve the modifications as presented.

Motion: Chris DesPlanques moved to approve the following resolution. Dave Hrabenek seconded the motion, which carried on unanimous roll call vote. (Nathan Francis, Todd Kielkopf, and Dana Youtz did not vote)

RESOLUTION

WHEREAS, the Municipal Energy Agency of Nebraska (“MEAN”) Board of Directors adopted the MEAN Financial and Administrative Policies and Guidelines; and

WHEREAS, proposed changes to the MEAN Financial and Administrative Policies were previously distributed to the MEAN Board of Directors for review.

NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that the modifications to the MEAN Financial and Administrative Policies and Guidelines are approved as presented.

UPDATES AND REPORTS

Market & Operations

Presenter: Brad Hans, Director of Wholesale Electric Operations

Load prices for April, Western Electricity Coordinating Council’s (WECC) forecasted forward curve, Western Energy Imbalance Service (WEIS) market growth, and a brief overview of possible options for evolving western markets was presented.

Cyber Security Pilot Project

Presenter: David Russell, Director of Digital Solutions

MEAN was awarded a \$30,000.00 grant to assess cybersecurity threats in member communities. Six communities participated in the pilot program. Four community assessments have been completed and the other two will be completed by the end of the month. A full summary of the project will be presented to the Board in August, and the final report will be delivered to the American Public Power Association (APPA) in October.

NMPP Energy has partnered with the Federal Bureau of Investigations (FBI), Department of Homeland Security (DHS), Cybersecurity and Infrastructure Security Agency (CISA), as well as Lincoln Electric System (LES), Nebraska Public Power District (NPPD), and Omaha Public Power District (OPPD) to stay well-informed of cyber and physical security innovations, activities, and threats.

Western Area Power Administration (WAPA)

Presenter: Carol Brehm, Member Relations Representative

Loveland Area Projects (LAP) and Upper Great Plains (UGP): There have been reports of the possibility of double-digit rate increases later this year on the energy side but no official notification has been received to date. Snowpack was above average this year and the current drought adder is expected to be adequate at this time although other inflationary pressures could have an impact. Notices of any changes will be sent out this fall.

Regional Transmission Organization West (RTOW): WAPA's Federal Register Notice was posted in April and a summary of the timeline presented.

Photos were presented chronicling the high flow experiment that was implemented to address what WAPA calls the "twenty-year mega drought", and national drought conditions were discussed.

Colorado River Storage Project (CRSP)/Salt Lake City Area (SLCA): Dates of scheduled customer rate meetings, monthly update calls, and the CRSP Management Center's Annual Customer meeting were presented.

GENERAL COUNSEL REPORT – CONTRACTS, SETTLEMENT AGREEMENTS, LEGISLATIVE AND LEGAL UPDATES

Presenter: Chris Dibbern, General Counsel

Information regarding the following agreements was included in the meeting packet:

Other Party	Agreement Name
MidAmerican Energy Company	JOU Confirmation Letter to Market Services Agreement (Walter Scott Unit 4 and Louisa share)
WAPA	Revised Exhibit A (Meters within WACM Balancing Area) to Agreement No. 20-RMR-3185 for Balancing Authority Services
WAPA	Contract No. 23-UGPR-75 to Transfer Renewable Energy Certificates to Municipal Energy Agency of Nebraska
Liberty Mutual Insurance Company, Black Hills Wyoming, LLC	Wygen I Reimbursement and Payment Bond (renewal of bond #6621399; credit assurance by Black Hills Wyoming, LLC)

Legislative and Regulatory Report:

IOWA: Iowa had a successful session, passing legislation that limits Iowa Utilities Board's (IUB) jurisdiction over municipal utilities in rate setting matters.

NEBRASKA: MEAN's Legislative Bill 289 will enhance MEAN's ability to expand services and provide services related to information technology, physical security, physical infrastructure management, regulatory reporting, and administration regarding publicly owned utility and municipal infrastructure systems. The bill is expected to pass and a vote is anticipated this week.

COLORADO: 300 bills were passed in the last three weeks of Colorado's legislative session. House Bill 23-1039 passed this session and requires electric load serving entities like MEAN to report on their resource adequacy and other matters regarding emission reductions. This reporting will not be required once MEAN enters an RTO.

WYOMING: Wyoming is looking at building a new nuclear power plant.

CLOSING COMMENTS

Bob Poehling thanked members for giving their time and attention to the governance of the organization.

ADJOURNMENT

There being no further business, the meeting adjourned at 12:12 p.m.

Prepared by:
Stacy Hendricks
Municipal Energy Agency of Nebraska

Submitted by:
Darrel Wenzel
Secretary/Treasurer
MEAN Board of Directors