

**MINUTES OF
BOARD OF DIRECTORS MEETING
PERENNIAL PUBLIC POWER DISTRICT
January 21, 2025**

The regular monthly meeting of the Board of Directors of Perennial Public Power District was called to order by President Jeff Obermier at 9:15 a.m., Tuesday, January 21, 2025, in the boardroom at the District office in York, Nebraska. The directors in attendance were Steve Wright, Dan Hendrickson, Matt Clark, Mark Becker, and Grant Schmidt. Also present at the meeting was Brandon Lehman, General Manager; Dave Jarecke, District Attorney; Mike Haumont, Manager of Finance and Accounting; Lisa Jacobsen, Manager of Customer Service; Jeff Burk, Manager of Purchasing & Warehouse; Steve Gerken, Manager of Operations; Jeremy Styskal, Manager of Operational Technology; Jared Hain, Financial Accountant; and Shayde Linabery, Journeyman Line Technician.

In compliance with state law, legal notice announcing the date, hour, location, and availability of the agenda for the meeting was published in advance in the York News-Times on January 17th, 2024.

President Obermier announced that there is a posting of the Nebraska Open Meetings Act on the back wall of the room that is available for viewing by the public, that copies of the Act are also available and will be provided to the public upon request, and that the District reserves the right to adjust the order of items on the Agenda and may act on any of the items. President Obermier turned control of the meeting over to Attorney Jarecke for the election of officers.

1. Oath of Office for Newly Elected Directors of the Board

Director Clark and Director Schmidt recited the Oath of Office under witness of those in attendance.

2. Election of Officers

Jarecke asked for nominations for the office of President. Wright nominated Mark Becker. Clark made a motion to cease nominations and asked that a unanimous ballot be cast for Becker. Hendrickson seconded the motion. By roll call vote, all Ayes. Motion carried. Mark Becker declared to be President.

Jarecke asked for nominations for the office of Vice President. Obermier nominated Steve Wright. Clark made a motion to cease nominations and asked that a unanimous ballot be cast for Wright. Hendrickson seconded the motion. By roll call vote, all Ayes. Motion carried. Steve Wright declared to be Vice President.

Jarecke asked for nominations for the office of Secretary. Wright nominated Matt Clark. Obermier made a motion to cease nominations and asked that a unanimous ballot be cast for Clark. Hendrickson seconded the motion. By roll call vote, all Ayes. Motion carried. Matt Clark was declared to be Secretary.

Jarecke asked for nominations for the office of Treasurer. Becker nominated Dan Hendrickson. Obermier made a motion to cease nominations and asked that a unanimous ballot be cast for Hendrickson. Wright seconded the motion. By roll call vote, all Ayes. Motion carried. Dan Hendrickson was declared to be Treasurer.

Jarecke turned control of the meeting back to President Becker, who then appointed the following people for committee assignments and voting delegate positions.

3. Election of Officers

President Becker announced the following appointments for the year 2025.

Committees

Safety Committee: Wright, Clark

Audit Committee: Schmidt, Obermier

Policy Review Committee: Hendrickson, Becker, Clark

Nebraska Rural Electric Association Delegates

Voting Delegate: Becker

Alternate Delegates: Schmidt, Lehman

4. Approval of December 17, 2024, Board Meeting Minutes

A motion was made by Obermier to approve the minutes of the December 17, 2024, meeting. Hendrickson seconded the motion. By roll call vote, 3 Ayes, 2 Abstain. Motion carried.

5. Public Comment Period

None

6. Take Action to Adopt Resolution No. 1-2025, a Resolution to Appoint a NEG&T Director and Alternate Director

A motion was made by Wright to approve Resolution No. 1-2025 with Obermier as the Voting Director and Lehman as the Alternate. Clark seconded the motion. By roll call vote, All Ayes. Motion carried.

RESOLUTION NO. 1 – 2025

APPOINT REPRESENTATIVE TO SERVE ON NEBRASKA ELECTRIC GENERATION AND TRANSMISSION COOPERATIVE, INC.

WHEREAS, Perennial Public Power District (“Perennial”) is a member of the Nebraska Generation and Transmission Cooperative, Inc. (“NEG&T”); and

WHEREAS, as a member of the NEG&T Perennial is authorized to appoint a representative Board of Director to service on the NEG&T Board of Directors; and

WHEREAS, at the Perennial public meeting held on January 21, 2025, Perennial unanimously voted to appoint _____ to serve as the NEG&T Director and for _____ to serve as the Alternate Director(s); and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Perennial Public Power District, hereby appoints _____ to serve as the NEG&T Director and for _____ to serve as the Alternate Director(s) effective January 21, 2025.

7. National Rural Telecommunications Cooperative, NRTC, Voting Delegate

Obermier made the motion to designate Becker as the voting delegate and Lehman as the alternate voting delegate. Wright seconded the motion. By roll call vote, All Ayes. Motion carried.

8. Acceptance of the November 2024 Financial Report

Haumont gave the financial report for the month of November 2024. Energy sales were \$11,014 above budgeted; and the overall margin was higher than expected for the month of November. Days of cash not including the PCA increased to 168 days, and with the PCA included is 211 days. A motion was made by Clark to accept the Financial Reports as presented. Wright seconded the motion. By roll call vote, all Ayes. Motion carried.

9. Management Reports

Jacobsen reported on the EnergyWise program with reimbursements of \$147,841 as of January 15th with the Heat Pump and Hog Mats being the leading incentives. Reimbursements in 2024 exceeded the Proportionate Contribution of the program by \$78,670. Jacobsen also reviewed active accounts with accumulated balances of 60 days or more which have a past-due total of \$3,781 with irrigation accounts contributing \$1,829 as of January 15, 2025. There were no uncollectable accounts to write off since the prior board meeting. Jacobsen noted there has been an increase in past due accounts given the colder temperatures.

Gerken reported Trees Down Tree Service has finished trimming trees in the Village of Waco and will move to Village of Exeter next. There are currently 6 pivot services, and 34 deep wells planned for the 2025 irrigation service. Crews will continue work on the Exeter—McCool three-mile project. Replacement of the Exeter substation reclosers has been completed. Gerken reviewed the Perennial’s SAIFI and SAIDI indices noting both are below the national average when including major event storms. Crews have worked 365 days without a lost time accident as of January 14, 2025. A safety meeting was held on December 4th covering the topic of Emergency Planning and Procedures.

Burk reported on the purchase of a spare Viper recloser in the event a component or an entire installation is damaged or destroyed.

Styskal reviewed the end-of-life notice from Eaton and quotation for the purchase of additional meter beyond the budgeted amount. A motion was made by Obermier and seconded by Clark to approve the purchase of the quoted meters, all ayes. Motion carried.

A break was taken at 10:35 and the meeting resumed at 10:55.

Lehman reviewed summary of rate changes to the respective rate classes from the 2024 Cost of Service Study completed by Utility Financial Solutions. Lehman presented the expected 2025 rate increases in comparison to neighboring utilities with the District rate increase still falling below the neighboring average. A cost comparison was made between the different irrigation rates provided by the District and alternative energies sources including natural gas, diesel, propane, and gasoline. With the proposed rate changes electric irrigation service is a competitive energy source for irrigation.

Lehman reviewed the agenda for the Strategic Planning session scheduled for March 18 and 19th and he also reviewed board and general manager expense reports since the previous board meeting. A motion was made by Obermier and seconded by Hendrickson to approve the expense reports, all Ayes. Motion carried

10. Take Action to Adopt Resolution 2-2025, Discontinue the Economic Development Rider Rate

A motion was made by Clark to adopt Resolution 2-2025 as presented. Wright seconded the motion. By roll call vote, all Ayes. Motion carried.

RESOLUTION NO. 2 – 2025

RESOLUTION TO DISCONTINUE ECONOMIC DEVELOPMENT RIDER RATE SCHEDULE

WHEREAS, Perennial Public Power District (“Perennial”) maintains an electric transmission and distribution system for the furnishing of electricity to residents, businesses and agricultural services in Perennial’s service territory; and

WHEREAS, Perennial’s Board of Directors are authorized to approve rates, rules and regulations for providing electric services; and

WHEREAS, Perennial adopted an Economic Development Rider rate schedule to pass through to end-use customers the benefits of the NPPD wholesale economic development discount rates; and

WHEREAS, in 2021 Perennial's wholesale power supplier, Nebraska Public Power District (NPPD), No longer offered an Economic Development Rate Program to offer discounted rates to its wholesale customers to attract long-term businesses that add value to Nebraska's economy; and

WHEREAS, Perennial industrial customers previously being served under the Economic Development Rider rate schedule no longer qualify for the given terms and conditions of the rate.

WHEREAS, NPPD no longer has the surplus capacity available to continue offering discounted economic development rates to additional end-use customers, and subsequently has stopped marketing economic development rates in all its promotional materials.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Perennial Public Power District, hereby discontinues its Economic Development Rider rate schedule effective January 21st, 2025.

11. Take Action to Adopt Resolution 3-2025, Update Retail Rate Schedule with Effective Date of October 1, 2025

A motion was made by Obermier to adopt Resolution 3-2025 as presented. Clark seconded the motion. By roll call vote, all Ayes. Motion carried.

RESOLUTION NO. 3 – 2025

RESOLUTION TO REVISE DISTRICT RETAIL RATE SCHEDULE

WHEREAS, the District conducted a retail cost-of-service study with a third-party consultant based on the projected costs and revenue requirements expected to be experienced by the District to provide retail electric service in 2025 and

WHEREAS, the management of the District conducted a review of the existing retail rate schedules and propose revisions to several rate schedules to better reflect current operating conditions and practices and to ensure more effective and efficient administration of the District's provision of retail service under these rate schedules; and

WHEREAS, management of the District has proposed Farm & Rural Residential Rate (01,03), Farm & Rural Residential—Electric Heat Rate (04,05), Crop Drying Rate (07), Irrigation—No Control Rate (13), Irrigation—One Day Control Rate (14), Irrigation—Anytime Control Rate (14), Irrigation—Three Day Control Rate (16), Irrigation—Pivot Wheels-Only Rate (17), Irrigation—Re-Use Pump Rate (18), Urban Residential Rate (20), Urban Residential—Heat Rate (23), Urban General & Public Service Demand Rate (24), Urban General & Public Service Rate (25), Urban General & Public Service—Municipal Rate (45), Urban General & Public Service—Municipal Pumping Rate (48), Rural General Service Rate (50), Urban General & Public Service Demand—Municipal Rate (57), Urban General & Public Service—Commercial Heat Rate (58), Customer-Owned Security Lighting Rate (61), Municipal Street Lighting Rate (64), Large Power Rate (75, 76), LP3—Primary, Primary & High Voltage Service, and Idle Service Rate Schedules, hereinafter referred to as 2025 Revised Retail Rate Schedules, to replace the existing retail rate schedules for these services to better reflect the costs, terms, conditions and specifications of providing service to each retail rate class; and

WHEREAS, management of the District has proposed and presented to the Board of Directors and the Board of Directors has reviewed and duly considered with management the basis for and the rates, terms, conditions, and specifications for service in said proposed 2025 Revised Retail Rate Schedules; and

WHEREAS, said proposed 2025 Revised Retail Rate Schedules are on file with the Customer Service & Billing Department of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors finds and declares, pursuant to Section 70-655 of the Nebraska Revised Statutes, that said proposed 2025 Revised Retail Rate Schedules referred to above and incorporated into this Resolution by reference are fair, reasonable and nondiscriminatory and so adjusted as in a fair and equitable manner to confer upon and distribute among the users and consumers of commodities and services furnished and sold by the District the benefits of a successful and profitable operation and conduct of the business of the District

BE IT FURTHER RESOLVED that said 2025 Revised Retail Rate Schedules are hereby fixed, established, approved, and adopted by this Board of Directors to be effective for service provided on and after October 1, 2025, and that the existing rate schedules corresponding to said 2025 Revised Retail Rate Schedules shall be rescinded and superseded upon said 2025 Revised Retail Rate Schedules becoming effective as herein provided.

13. Other Business

President Becker reviewed the upcoming meetings in February, March, and April.

14. Closed Session

At 11:50 a motion was made by Obermier to pause the regular meeting and begin closed session for the evaluation of Blankenau, Wilmoth, and Jarecke legal firm and the employees of the firm serving the District. Schmidt seconded the motion. By roll call vote, all Ayes. Motion carried.

At 12:12 a motion was made by Clark to reconvene the regular meeting. Schmidt seconded the motion. By roll call vote, all Ayes. Motion carried.

15. Adjournment

There being no further business to come before the Board of Directors, the meeting was duly adjourned at 12:15 p.m.



Matt Clark, Secretary