

**MINUTES OF
BOARD OF DIRECTORS MEETING
PERENNIAL PUBLIC POWER DISTRICT
February 18, 2025**

The regular monthly meeting of the Board of Directors of Perennial Public Power District was called to order by President Mark Becker at 9:00 a.m., Tuesday, February 18, 2025, in the boardroom at the District office in York, Nebraska. The directors in attendance were Steve Wright, Dan Hendrickson, Jeff Obermier, Grant Schmidt, and Matt Clark. Also present at the meeting was Brandon Lehman, General Manager; Dave Jarecke, District Attorney; Steve Gerken, Manager of Operations; Jeff Burk, Manager of Purchasing & Warehousing; Lisa Jacobsen, Manager of Customer Service; Jeremy Styskal, Manager of Operational Technology; Luke Gruber; Operations Coordinator; Chris Stutzman, Apprentice 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 February 14, 2025.

President Becker 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.

1. Approval of the January 21, 2025, Board Meeting Minutes

A motion was made by Schmidt to approve the minutes of the January 21, 2025 meeting. Obermier seconded the motion. By roll call vote, All Ayes. Motion carried.

2. Public Comment Period

There were no public comments.

3. Acceptance of the December 2024 Financial Report

Lehman gave the financial report for the month of December 2024. Energy sales comparison of 2023 vs 2024 Irrigation was \$1.8M less revenue than received in 2023. All others revenue classes were within seven percent of budgeted values. Power cost year-to-date were within 3% of budgeted values. In review of the income statement, the difference of lower-than-expected power cost with higher-than-expected revenue and patronage capital help offset the higher distribution expenses and resulted in a positive margin of \$884k for the year. A motion was made by Obermier to accept the Financial Reports as presented. Hendrickson seconded the motion. By roll call vote, all Ayes. Motion carried.

4. Review and Adopt the 2025 Safety Improvement Plan

Gruber presented the 3-year and one-year goals of the safety improvement plan. The plan is developed and updated by the Safety Committee and submitted to NRECA by the general manager. He noted this year, employees would receive training on fire extinguishers, hazardous plants identification, and mock Mayday. For the 3-year goals he reviewed educating the public on electrical hazards, fence security, and assessing dash cameras for trucks.

5. Management Reports

Jacobsen provided an update on the Energy Efficiency Program and 2025 Beneficial Electrification. The current proportionate contribution is \$69,171. Jacobsen reviewed the SmartHub Paperless Enrollment noting that 10% of customers are utilizing this feature. She also reported that active accounts with accumulated balances 60 days or more past due totals \$5,683.89 as of February 12, 2025. A motion was made by Obermier to write off the debt of uncollectable an account for \$250.69. Schmidt seconded the motion. By roll call vote, All Ayes. Motion carried.

Gerken reported that the tree contractor, Trees Down Tree Service, is nearly finished in the Village of Exeter and will be moving the Village of McCool to clear trees. Currently, there

are 28 deep wells and 5 pivot services on the list for 2025 to be constructed. Seven deep wells and 4 pivot services have been completed for next season. As of February 10th, the District has worked 392 days without a lost time accident. He also reported on the January 8th Safety meeting presented by Dave Gerken and Jeff Burk on spill prevention management.

Burk reported on the competitive bids and purchases of 146 distribution poles, and a 750kVA padmount transformer. He reviewed the quotes and selected contractors for replacement warehouse heating and replacement flooring in portions of the mezzanine level.

Lehman reported on the data supplied by NEG&T showing a 10% Qualified Local Generation total of 10.2MW and a net metering 1% capacity of 592kW for 2025. Currently, the District utilizes 6.9MW of QLG and separately, 258kW of nameplate generation under the net metering rate. POET has announced it partnership with Tallgrass to transport bioCO2 from the Fairmont Ethanol site to sequestration in Wyoming. More power will be required at the plant to compress the CO2 for pipeline transportation. Lehman review the discussion and concept paper ideas of the NPPD Small Contract Group meetings. Lehman submitted the monthly expense reports for approval. A motion was made by Obermier to accept the expense report. Schmidt seconded the motion. By roll call vote, all Ayes. Motion carried.

A break was taken at 9:55am and the meeting resumed at 10:05am

6. **Resolution No. 4-2025, Adopt the Allowable Investment Limit Effective October 1, 2025.**

Lehman reviewed the Electric Line Extension Analysis provided by UFS, noting the assumption of a 5.2% discount rate and varying recovery periods for separate revenue classes.

RESOLUTION NO. 4 – 2025

RESOLUTION TO REVISE DISTRICT ALLOWABLE INVESTMENT LIMIT

WHEREAS, Perennial Public Power District (“the District”) has established an Allowable Investment Limit Schedule found in Section 4.4 of the District Retail Service Manual; and

WHEREAS, calculations using the latest approved retail rates from the District 2024 Cost of Service Study were used to determine the maximum contribution the District should invest to connect new customers to it’s electric system; and

WHEREAS, calculations were based on each customer class contribution toward fixed costs on the system to ensure that growth will benefit all customers and not adversely impact electric rates. The results of the calculations are given in the schedule below;

ALLOWABLE INVESTMENT LIMIT		
Service Type	Rate Codes	AIL
Urban Residential	20, 23	\$1,850
Rural Residential	1, 3, 4, 5	\$3,010
Rural General Service	50, 52	\$1,240
Urban Small General Service	24, 45, 48	\$1,140
Urban Large General Service	24, 57, 58	\$15.25/kW
Large Power < 1MW	75, 76	\$11.30/kW
Drying	7	\$18.40/kVA
Irrigation	13, 14, 15, 16, 17	\$73.90/HP

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Perennial Public Power District, hereby revise the Allowable Investment Limits found in Section 4.4 of the Retail Service Manual becoming effective October 1, 2025.

7. Take Action to Revise Policy 409 Director Fees and Expenses.

Lehman reviewed the changes and use of a meal per diem. A motion was made by Wright to accept the revisions. Schmidt seconded the motion. By roll call vote, All Ayes. Motion carried.

8. Report on Meetings Attended

Schmidt noted that NREA Director Orientation Presented by Jarecke and Kreifels of BWJ was very good and should be attended by all directors. He also noted the Cybersecurity class was beneficial and so also was the Director Duties and Responsibilities course. Lehman reviewed the discussion in the NREA Legislative Manager meetings. LDR Leadership training is being plan for the Fall 2025 with the aim of developing leadership skills for Journeymen, Foremen, and Lead Linemen.

9. Closed Session

At 11:10 am a motion was made by Obermier to go into closed session for the discussion of Sub-transmission easements and seconded by Schmidt. By roll call vote, all Ayes. Motion carried.

The regular meeting was reconvened at 11:31 am.

A motion was made by Obermier to give Perennial management the authority to pursue eminent domain for easements required to complete the Bradshaw Sub-transmission Project. The motion was seconded by Schmidt. By roll call vote, All Ayes. Motion carried.

10. Adjournment

There being no further business to come before the Board of Directors, the meeting was duly adjourned at 11:35 a.m.


Matt Clark, Secretary