

Annual Meeting
Board of Directors
Public Alliance for Community Energy
Younes Conference Center - Kearney, Nebraska
January 19, 2022 - 10:00 a.m. (CT)

A G E N D A

All agenda items are for discussion and action will be taken as deemed appropriate.

1. Call to Order
 - a. Section 84-1412 (8) – Nebraska Open Meetings Act
 - b. Roll Call
2. Introduction and Welcome
 - a. Introductory Remarks
 - b. Welcome New ACE Community Representatives
3. Consent Agenda
 - a. Minutes of the November 17, 2021, Meeting
 - b. Next Meeting
 - c. Financial Report
 - d. Acknowledge Receipt of the Unapproved Minutes of the November 3, 2021, Joint Operating Committee (JOC) Meeting
 - e. Consent Resolution
4. Reports
 - a. Director of Gas Operations
 - b. Retail Gas Services Coordinator
5. Proposed Budget for Fiscal Year 2022-2023
6. ACE Member Distribution
7. ACE Policies and Guidelines
8. Election of Officers
 - a. Chairperson
 - b. Vice Chairperson
 - c. Secretary-Treasurer
9. Election of At-Large Representatives to the ACE Executive Committee
10. Contracts and General Counsel Reports
11. Items for Future Agenda
12. Adjournment

CONSENT AGENDA

Date:	January 19, 2022
Initiator/Staff information source:	Chairperson Devine
Action Proposed:	Approval

Minutes of the November 17, 2021, meeting were previously distributed to Board Members and are included as Attachment A.

The next meeting of the ACE Board of Directors is set for Tuesday, March 22, 2022, at the Marriott Cornhusker Hotel in Lincoln, Nebraska.

ACE financials for October and November 2021 were previously distributed. Jamie Johnson, Director of Finance and Accounting, will review the November 2021 financials for the NMPP Energy organizations (see Attachment B) and December 2021 financials for ACE in more detail at the meeting. The December 2021 financials for ACE will be distributed prior to the meeting.

CONSENT AGENDA (Continued)

Date:	January 19, 2022
Initiator/Staff information source:	Chairperson Devine
Action Proposed:	Approval

Unapproved minutes of the November 3, 2021, Joint Operating Committee (JOC) meeting are included as Attachment C.

Consent Resolution

WHEREAS, certain business of the Board of Directors of the Public Alliance for Community Energy transpires on a regular and routine basis or is not of a controversial nature; and

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

NOW THEREFORE, BE IT RESOLVED BY the Board of Directors of the Public Alliance for Community Energy 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 Board of Directors of the Public Alliance for Community Energy that the minutes of the November 17, 2021, meeting are hereby approved as presented; and*
- 2. BE IT FURTHER RESOLVED BY the Board of Directors of the Public Alliance for Community Energy that the next regularly scheduled meeting will be on Tuesday, March 22, 2022, at the Marriott Cornhusker Hotel in Lincoln, Nebraska; and*
- 3. BE IT FURTHER RESOLVED BY the Board of Directors of the Public Alliance for Community Energy that the financial statements for October, November, and December 2021, are hereby reviewed and accepted; and*
- 4. BE IT FURTHER RESOLVED BY the Board of Directors of the Public Alliance for Community Energy that the receipt of the unapproved minutes of the November 3, 2021, meeting of the Joint Operating Committee are hereby acknowledged.*

DIRECTOR OF GAS OPERATIONS

Date:	January 19, 2022
Initiator/Staff information source:	Beth Ackland
Action Proposed:	Informational

Beth Ackland, Director of Gas Operations, will provide updates on various work activities since the last meeting, including the announced changes for the 2022-23 Choice Gas year.

RETAIL GAS SERVICES COORDINATOR

Date:	January 19, 2022
Initiator/Staff information source:	Mandy Heermann
Action Proposed:	Informational

Mandy Heermann, Retail Gas Services Coordinator, will update members on the various activities the ACE team has been working on since the last Board meeting.

PROPOSED BUDGET FOR FISCAL YEAR 2022-2023

Date:	January 19, 2022
Initiator/Staff information source:	Jamie Johnson
Action Proposed:	Approval

Johnson will discuss ACE's Proposed Budget for Fiscal Year 2022-2023. A detailed analysis of the proposed budget including narrative discussion is included in the meeting packet as Attachment D.

Staff recommends the ACE Board of Directors approve the proposed budget for FY 2022-2023 as presented.

RESOLUTION

WHEREAS, the ACE Board of Directors is authorized to annually prepare, establish, adopt and maintain a budget of revenues and expenditures; and,

WHEREAS, the proposed budget for Fiscal Year Ending March 31, 2023 has been reviewed by the ACE Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY the ACE Board of Directors that the budget for Fiscal Year 2022-2023, as presented, is hereby approved and made a part of the official Minutes book.

ACE MEMBER DISTRIBUTION

Date:	January 19, 2022
Initiator/Staff information source:	Jamie Johnson
Action Proposed:	Approval

Pursuant to the current ACE Policies and Guidelines *Section 12: Member Distribution*, the Board will consider whether to authorize a member distribution.

The Board will first consider a Member Distribution consisting of \$300 per Board meeting attended, rolling distribution to distribution.

The Board will then consider a Member Distribution consisting of \$1,000 per Member for completing a qualifying Choice Gas year marketing activity, as determined by ACE staff, rolling distribution to distribution.

After consideration of the projected fiscal year financial results and net position of ACE including any Member Distributions based on Board meeting attendance and qualifying Choice Gas year marketing activity, the Board may consider an additional Member Distribution of an amount to be determined by the Board to be distributed to all Members and allocated as follows:

- 95% based on volumes for the rolling last three calendar years
- 5% allocated to Founding Members based upon each Member's contribution as a percentage of the total contributed by all Founding Members

Staff will provide the Board with various options for consideration.

ACE POLICIES AND GUIDELINES

Date:	January 19, 2022
Initiator/Staff information source:	Jamie Johnson
Action Proposed:	Action

Jamie Johnson, Director of Finance and Accounting, will present changes to the ACE Policies and Guidelines as requested by the Board during the November 19, 2021, meeting. Changes include the following: incentivizing Members to choose ACE (50% of distribution), which will be deemed “Qualifying Members”; allowing a distribution of \$100 for virtual attendance, if attendance counts towards quorum; and maintaining the 5% allocation for Qualifying Founding Members. Founding Members must also choose ACE to be deemed “Qualifying Founding Members”. If approved changes would go into effect February 1, 2022.

The document also includes the modifications for consideration based on the annual review. These changes were presented during the November 19, 2021, meeting.

The document with redline changes is included in the packet as Attachment E.

ELECTION OF OFFICERS

Date:	January 19, 2022
Initiator/Staff information source:	Chris Dibbern
Action Proposed:	Action

Election of Officers will be conducted at the January 19, 2022, meeting. Nominations have been received and additional nominations will be accepted at the meeting. Nominations must be closed by motion and roll call vote. Terms of the Officers are for fiscal year 2022-2023 (April 1 through March 31).

Pursuant to Article VII., Officers, of the Amended and Restated Bylaws of ACE:

Section 1. The officers of the Agency shall be a chairperson, vice-chairperson, and secretary-treasurer.

Section 2. At the initial meeting of the Board of Directors and thereafter following each annual meeting, the Board of Directors shall elect one of its members as Chairperson, one as Vice Chairperson and one as Secretary-Treasurer. Each officer so elected shall serve for a term of one year or until the successor is elected and qualified, whichever is later, such term to begin the first day of April each year, except that each initial officer shall serve until April 1, 1999, or until the successor is elected and qualified, whichever is later.

Following is the current list of Officers of the ACE Board of Directors (all are eligible for re-election):

Chairperson:	Andrew Devine, Albion
Vice Chairperson:	Jeremy Tarr, Plainview
Secretary/Treasurer:	Mike Palmer, Sidney

ACE has received the following nominations:

Chairperson:	Andrew Devine, Albion
Vice Chairperson:	Jeremy Tarr, Plainview
Secretary/Treasurer:	Mike Palmer, Sidney

Nominations will be accepted from the floor the day of the Board Meeting.

ELECTION OF AT-LARGE REPRESENTATIVES TO THE ACE EXECUTIVE COMMITTEE

Date:	January 19, 2022
Initiator/Staff information source:	Chris Dibbern
Action Proposed:	Action

Election of At-Large Representatives to the ACE Executive Committee will be conducted at the January 19, 2022, meeting. No nominations have been received at this time; however, nominations will be accepted through January 17 and again during the meeting. Nominations must be closed by motion and roll call vote.

Pursuant to Article VI. Committees, of the Amended and Restated Bylaws of ACE:

The Board of Directors may create an Executive Committee composed of Directors from at least ten percent of the membership, but shall be composed of no less than five Directors. The Executive Committee shall include the Chairperson, Vice Chairperson, and Secretary-Treasurer. The terms of office of the Executive Committee and the method of filling vacancies shall be the same as those of the officers of the Agency. The Executive Committee shall have and exercise the power and authority of the Board during intervals between the Board's meetings in accordance with the Bylaws, rules, motions, or resolutions, except that the Executive Committee shall not be empowered to authorize the issuance of bonds. At all meetings of the Executive Committee, the presence of the majority of the Directors constituting the Executive Committee shall be necessary for the transaction of business and the affirmative vote of a majority of the Directors present constituting the Executive Committee shall be necessary for any action.

Current membership in ACE stands at 76 members (10% is 8); therefore, five (5) At-Large Representatives shall be elected to the ACE Executive Committee.

Current At-Large Representatives to the Executive Committee include:

1. Nancy Kopejtka, Atkinson
2. Randy Horst, Gurley
3. Chris Rector, Holdrege
4. Kellie Crowell, Ravenna
5. Dale Wilkinson, Neligh – Dale has decided to no longer serve on the Exec. Committee

Nominations will be accepted from the floor the day of the Board Meeting.

CONTRACTS AND GENERAL COUNSEL REPORTS

Date:	January 19, 2022
Initiator/Staff information source:	Chris Dibbern
Action Proposed:	Informational

Chris Dibbern, General Counsel, will update the Board on contracts to report since the last meeting and provide a legal and regulatory update, included as Attachment F.

Unapproved Minutes of Meeting
 Board of Directors
 Public Alliance for Community Energy
 Younes Conference Center - Kearney, Nebraska
 November 17, 2021 - 10:00 a.m. (CT)

The Board of Directors of the Public Alliance for Community Energy (ACE) met on Wednesday, November 17, 2021, at the Younes Conference Center, Kearney, Nebraska. Notice of the meeting was given to the Board of Directors either by mail or electronic mail and to the public by publication in the *Lincoln Journal Star* newspaper and on the NMPP Energy website. The notice and agenda were posted upon issuance in the NMPP Energy office and kept continually current and were available for public inspection at the NMPP Energy office, 8377 Glynoaks Drive, Lincoln, Nebraska. Links to an electronic copy of the agenda, all documents being considered at the meeting, and the current version of the Open Meetings Act were made available on NMPP Energy's Public Meeting Information website.

CALL TO ORDER

Vice Chairperson, Jeremy Tarr, called the meeting to order at 10:00 a.m. (CT). Tarr announced that 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 via the website link.

ROLL CALL

Quorum was declared with 23 of the 76 Members present:

1. Alliance – Randy Waggener	13. Loup City – Alec Baillie
2. Atkinson – Nancy Kopejtka	14. McCook – Gene Weedon
3. Bridgeport – Michael Beyer	15. Mitchell – Perry Mader
4. Broken Bow – Daniel Knoell	16. Morrill – Nate James
5. Cairo – Christy Osburn	17. Neligh – Dale Wilkinson
6. Cambridge – Kandra Kinne	18. NPPD – Stan Clouse
7. Cozad – Kelly Peden	19. Orleans – David Snodgrass
8. Curtis – Andrew Lee	20. Oxford – Duane Hoffman
9. Franklin – Raquel Felzien	21. Plainview – Jeremy Tarr
10. Gering – Tammy Cooley	22. Ravenna – Kellie Crowell
11. Gibbon – Deb VanMatre	23. Sidney – Mike Palmer
12. Holdrege – Chris Rector	

Absent: Ainsworth, Albion, Ansley, Arapahoe, Bartley, Bassett, Bayard, Beaver City, Benedict, Benkelman, Bertrand, Blue Hill, Brady, Burwell, Chadron, Chappell, Clay Center, Creighton, Dalton, Edgar, Edison, Gordon, Gothenburg, Gurley, Hartington, Hemingford, Henderson, Holbrook, Indianola, Kimball, Laurel, Lewellen, Long Pine, Loomis, Lyman, Minden, Ogallala, Ord, Oshkosh, Osmond, Paxton, Potter, Red Cloud, Rushville, Saint Paul, Sargent, Scottsbluff, Shelton, Spalding, Stamford, Terrytown, Wausa, and Wood River

Also in attendance: Bob Smith, Plainview

ACE/NMPP Staff: Beth Ackland, Chris Dibbern, Jamie Johnson, Sarah Jones, Laurie Keiser, Bob Poehling, and Robin Spady

PUBLIC COMMENT

Tarr provided an opportunity for any members of the public body in attendance to make agenda comments; none were presented.

INTRODUCTION AND WELCOME

Introductory Remarks

Tarr welcomed those Members in attendance and stated his appreciation for their efforts to attend the meeting.

Welcome New ACE Community Representatives

New representatives and alternate representatives who were appointed to serve on the ACE Board of Directors since the last meeting were recognized.

CONSENT AGENDA

Minutes

Minutes of the May 19, 2021, and August 18, 2021, meetings were previously distributed as *Attachments A and B*. There were no changes to the minutes.

Next Meeting

The next meeting of the ACE Board of Directors is scheduled for Wednesday, January 19, 2022, at the Younes Conference Center in Kearney, Nebraska.

Financial Report

Jamie Johnson, Director of Finance and Accounting, reviewed the September 2021 financials for the NMPP Energy organizations and ACE.

Acknowledge Receipt of the Minutes of the June 2, 2021, Joint Operating Committee (JOC) Meeting

Tarr reported that a copy of the minutes of the June 2, 2021, meeting of the Joint Operating Committee (JOC) were previously distributed with the meeting packet as *Attachment C*.

CONSENT RESOLUTION

Motion: Mike Palmer, Sidney, moved to approve the following Resolution. Perry Mader, Mitchell, seconded the motion, which carried unanimously on roll call vote.

RESOLUTION

WHEREAS, certain business of the Board of Directors of the Public Alliance for Community Energy transpires on a regular and routine basis or is not of a controversial nature; and

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

NOW THEREFORE, BE IT RESOLVED BY the Board of Directors of the Public Alliance for Community Energy 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 Board of Directors of the Public Alliance for Community Energy that the minutes of the May 19, 2021, and August 18, 2021, meetings are hereby approved as presented; and*
- 2. BE IT FURTHER RESOLVED BY the Board of Directors of the Public Alliance for Community Energy that the next regularly scheduled meeting will be held Wednesday, January 19, 2022, at the Younes Conference Center in Kearney, Nebraska; and*
- 3. BE IT FURTHER RESOLVED BY the Board of Directors of the Public Alliance for Community Energy that the financial statements for April, May, June, July, August, and September 2021, are hereby reviewed and accepted; and*
- 4. BE IT FURTHER RESOLVED BY the Board of Directors of the Public Alliance for Community Energy that the receipt of the minutes of the June 2, 2021, meeting of the Joint Operating Committee are hereby acknowledged.*

REPORTS

Executive Director Report

Bob Poehling, Executive Director, introduced NMPP Energy's rebranding initiative, which includes an updated website and new logos for all four organizations within NMPP Energy. New digital tools were also developed to benefit membership: the Status Alerts Notification System and the NMPP Operations App.

Director of Gas Operations Report

Motion: Andrew Lee, Curtis, moved to go into closed session for the protection of the public interest to discuss proprietary and competitive information relating to ACE marketing. ACE Reps, Alt Reps, any NMPP Member community employee or elected official, as well as any NMPP staff member may participate in the closed session. Kellie Crowell, Ravenna, seconded the motion, which carried unanimously on roll call vote.

Tarr restated on record that the limitation of the subject matter of the discussion was competitive information relating to ACE marketing.

The Board went into closed session at 10:17 a.m.

Tarr asked for any objections to return to open session, hearing none, the meeting reconvened in open session at 10:47 a.m. There was no action taken during or as a result of the closed session.

ELECTION TO FILL VACANCY OF EXECUTIVE COMMITTEE AT-LARGE MEMBER

Election of one At-Large Representative to the ACE Executive Committee was conducted during the meeting to fill a vacancy left by Mitch Lamm of Burwell. The following nominations were received:

- Daniel Knoell, Broken Bow
- Kellie Crowell, Ravenna

Chris Dibbern, General Counsel, opened the floor for additional nominations. Dibbern offered the nominated individuals the opportunity to speak. Daniel Knoell stated he respectfully withdraws his nomination and supports Kellie Crowell's nomination to the Committee.

Motion: Andrew Lee, Curtis, moved that nominations cease and a unanimous ballot be cast to elect Kellie Crowell as an at-large member of the Executive Committee. Mike Palmer, Sidney, seconded the motion which carried unanimously via voice acclamation.

The At-Large Members of the Executive Committee are now as follows:

- Nancy Kopejtka, Atkinson
- Chris Rector, Holdrege
- Randy Horst, Gurley
- Dale Wilkinson, Neligh
- Kellie Crowell, Ravenna

ACE POLICIES AND GUIDELINES

Jamie Johnson, Director of Finance and Accounting, conducted an annual review of the ACE Policies and Guidelines. The document with redline changes was included in the packet as *Attachment D*.

Discussion ensued regarding updates to Section 12: Member Distribution. The Board expressed support for proposed changes: incentivizing Members to choose ACE (50% of distribution), which will be deemed “Qualifying Members”; allowing a distribution of \$100 for virtual attendance, if attendance counts towards quorum; and maintaining the 5% allocation for Qualifying Founding Members. Founding Members must also choose Ace to be deemed “Qualifying Founding Members”. The Board will consider proposed changes for action at the January 19, 2022, meeting with an expected effective date of February 1, 2022.

RED FLAGS AND INTERNAL COMPLIANCE MONITORING PROGRAMS

Robin Spady, Director of Risk and Compliance / Regulatory Counsel, provided an update of ACE’s Red Flag Program and an overview of the Internal Compliance Monitoring Program (ICMP), which formalizes ACE’s culture of compliance and focuses on Black Hills’ tariff requirements.

CONTRACTS AND GENERAL COUNSEL REPORTS

Chris Dibbern, General Counsel, informed the Board that ACE has one contract to report since the last meeting: Interactive Information Research and Development, L.L.C. (i2rd) d/b/a Proteus, Inc. Software Maintenance Agreement

Dibbern updated the Board on the Bipartisan Infrastructure Bill, which passed both the House and the Senate and was signed by the President on November 15, 2021. Implementation of Nebraska’s cold weather rule went into effect on November 1. Legislative Guidelines are available on the NMPP Energy website. As a result of February’s extreme weather event, Black Hills Energy and NorthWestern Energy have increased customer charges by \$5-\$10 per month for non-Choice Gas Black Hills regions. Another hearing with the Nebraska Public Service Commission will be held next year.

ITEMS FOR FUTURE AGENDAS

Tarr reminded Members to forward any additional agenda items to ACE staff so they may be included on the agenda for the next meeting.

ADJOURNMENT

There being no further business, the meeting adjourned at 11:25 a.m.

Recorded by:

Laurie Keiser, Administrative Assistant

Submitted by:

Mike Palmer, Secretary-Treasurer
ACE Board of Directors

**NMPP Energy
Balance Sheets
November 2021**

	NMPP	MEAN	NPGA	ACE
Assets and Deferred Outflows of Resources				
Cash and cash equivalents	\$ 317,827	\$ 33,947,402	\$ 232,886	\$ 712,111
Investments (Short-term, Long-term & Restricted)	265,000	36,721,355	999,509	2,397,643
Accounts receivable	905,048	17,757,224	1,391,784	93,415
Gas in storage	-	-	1,498,014	-
Prepaid expenses and other	32,565	309,194	-	10,221
Productive capacity, net and related operating assets	-	107,808,683	-	-
Capital assets, net	22,328	4,599,269	-	63,196
Costs recoverable from future billings	-	41,201,140	-	-
Deferred cost of refunded debt	-	7,247,748	-	-
Deferred outflow from (fair value of) derivative instruments	-	-	(1,411,000)	-
Total assets and deferred outflows of resources	\$ 1,542,768	\$ 249,592,015	\$ 2,711,193	\$ 3,276,586
Liabilities and Deferred Inflows of Resources				
Accounts payable and accrued expenses	\$ 736,980	\$ 10,412,012	\$ 1,223,007	\$ 45,579
Unearned revenue	208,118	-	-	-
Debt, related bond premium, and accrued interest payable	-	148,355,566	-	-
Deferred revenue - rate stabilization	-	27,095,966	-	-
Fair value of (deferred inflow from) derivative instruments	-	-	(1,411,000)	-
Total liabilities and deferred inflows of resources	945,098	185,863,544	(187,993)	45,579
Net Assets/Net Position	597,670	63,728,471	2,899,186	3,231,007
Total liabilities, deferred inflows & net position	\$ 1,542,768	\$ 249,592,015	\$ 2,711,193	\$ 3,276,586

**NMPP Energy
Statements of Revenues and Expenses
For the Fiscal Year to Date: April 2021 - November 2021**

	NMPP	MEAN	NPGA	ACE
Operating Revenues				
Member and champion dues	\$ 178,689	\$ -	\$ -	\$ -
Marketing fees	-	-	-	722,973
Sales - product/services, electric, gas	694,273	76,838,078	3,486,171	-
Transfer from (provision for) rate stabilization	-	1,217,415	-	-
Other	712	683,012	-	-
Total operating revenues	873,674	78,738,505	3,486,171	722,973
Operating Expenses				
Commodity costs (electric energy & gas)	-	61,586,440	3,163,052	-
Administrative and general	892,373	6,904,228	309,193	354,295
Depreciation and amortization	4,137	4,688,373	-	21,318
Total operating expenses	896,510	73,179,041	3,472,245	375,613
Operating Income (Loss)	(22,836)	5,559,464	13,926	347,360
Nonoperating Revenues (Expenses)				
Net costs to be recovered in future periods	-	(416,246)	-	-
Investment return	2,019	190,064	4,780	(1,681)
Interest expense	-	(3,671,503)	-	-
Net Revenue (Loss)	\$ (20,817)	\$ 1,661,779	\$ 18,706	\$ 345,679

NMPP Energy
Net Revenue (Loss) - Compared to Budget
For the Fiscal Year to Date: April 2021 - November 2021

	NMPP	MEAN	NPGA	ACE
Net Revenue (Loss) - Before Credits/Distributions	\$ (20,817)	\$ 1,661,779	\$ 18,706	\$ 345,679
Budgeted Net Revenue (Loss)	(18,953)	1,422,550	10,450	319,805
+/- Variance to Budget	\$ (1,864)	\$ 239,229	\$ 8,256	\$ 25,874
Fiscal Year Budgeted Net Revenue (Loss)	\$ 5,920	\$ 2,159,290	\$ -	\$ 438,108

Unapproved Minutes
NMPP Energy Joint Operating Committee Meeting
Municipal Energy Agency of Nebraska
National Public Gas Agency
Nebraska Municipal Power Pool
Public Alliance for Community Energy
Wednesday, November 3, 2021 – 10:00 a.m. (CDT)
NMPP Energy Board Room – 8377 Glynoaks Drive
Lincoln, NE 68516

A meeting of the NMPP Energy Joint Operating Committee (JOC) was held on Wednesday, November 3, 2021, beginning at 10:00 a.m. (CT), in the NMPP Energy Board Room, 8377 Glynoaks Drive, Lincoln, Nebraska. Notice of the meeting was given to the Committee Members by e-mail and to the public by publication in the *Lincoln Journal Star* newspaper. The notice and agenda were posted in the NMPP Energy Offices upon issuance and kept continually current.

CALL TO ORDER

Andrew Devine, Chairman, called the meeting to order at 10:00 a.m., and announced that pursuant to Section 84-1412 (8) of the Nebraska Open Meetings Act, a current copy of the Open Meetings Act is posted in the meeting.

ROLL CALL

Eleven (11) of the twelve (12) Committee Members were present upon roll call.

Present:

Edward Dunn, NMPP	Bob Lockmon, NPGA
Bill Hinton, NMPP	Randy Woldt, NPGA
Tom Goulette, MEAN	Andrew Devine, ACE
Tom Ourada, MEAN	Mike Palmer, ACE
Darrel Wenzel, MEAN	Jeremy Tarr, ACE
Chris Anderson, NPGA	

Absent: Chris Rodman, NMPP

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Also Present: Bob Poehling, Executive Director/CEO; Jamie Johnson, Director of Finance and Accounting; Chris Dibbern, General Counsel; Sarah Jones, Director of Enterprise Business Support, Samantha Parker, Manager of Human Resources and Support Services, and staff.

APPROVAL OF THE JUNE 2, 2021 MEETING MINUTES

The minutes of the Joint Operating Committee meeting held on June 2, 2021 were included in the meeting packet.

Motion Edward Dunn moved to approve the meeting minutes of June 2, 2021, as presented. Tom Ourada seconded the motion which carried unanimously by roll call vote.

JOINT OPERATING COMMITTEE APPOINTMENTS FOR 2021-2022

Chris Dibbern shared the names of the current Joint Operating Committee members and thanked the members for their service.

PROPOSED MEETING DATES FOR 2022: June 1st and November 2nd

The regular meeting dates in 2022 for the Joint Operating Committee are scheduled for Wednesday, June 1, 2022, and Wednesday, November 2, 2022. Both meetings will begin at 10:00 a.m.

Prior to the Executive Director/CEO Report, Chairman Andrew Devine presented Bob Poehling, Executive Director/CEO, with a professional service award marking five years of continuous service with NMPP Energy.

EXECUTIVE DIRECTOR/CEO REPORT

Bob Poehling began his presentation by discussing some of the challenges that NMPP Energy has faced due to the COVID pandemic. Poehling mentioned that NMPP Energy's Employee & Wellness Committees have been creating low or no-budget opportunities to help offset some of those challenges. Poehling stated that staff are ensuring that serving our members is always a priority.

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Poehling then provided the JOC with updates related to each of the NMPP Energy organizations and provided an overview of the meetings, conferences, and training events attended by MEAN and NMPP staff.

Discussion ensued.

JOC POLICIES AND GUIDELINES – NMPP ENERGY COMPENSATION POLICY APPROVAL

Sarah Jones, Director of Enterprise Business Support, reminded the JOC that the NMPP Energy Compensation Policy was initially reviewed with the JOC during the June 2, 2021 meeting, and at that time, the JOC requested additional time to review and consider the policy.

Jones stated that the Compensation Policy outlines NMPP Energy's current strategy, plan components for base pay, incentive pay, benefits, and outlines the responsibilities of the JOC and the Executive Director.

Jones noted that the JOC directed staff to conduct an external compensation and benefits study every five years. Jones said the cost for that study is included in the 2022-2023 fiscal year budget and that an RFP for the study will be completed.

Jones mentioned that having an approved Compensation Policy outlining NMPP Energy's philosophy and approach to share with an external third party would be beneficial.

Discussion ensued.

As a follow up to the employee recognition pay discussion, Bob Poehling agreed to include a high-level overview of recognition pay awarded in his fiscal year-end report to be reviewed by the JOC at the June 1, 2022 meeting.

Motion Darrel Wenzel moved to approve the NMPP Energy Compensation Policy as presented. Edward Dunn seconded the motion which carried unanimously by roll call vote.

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EMPLOYEE COMPENSATION STRUCTURE AND BENEFITS

Sarah Jones, Director of Enterprise Business Support, mentioned that NMPP Energy received United Healthcare's renewal, which originally had a proposed 9% premium increase, but was negotiated down to a firm 5% premium increase.

Jones noted that employees were required to complete health applications this year and said that there won't be any major plan changes.

Jones said that the JOC provides management discretion to manage annual health care plan decisions without obtaining JOC approval as long as the increased cost to the company is 10% or less.

Jones provided a historical review of health insurance renewals dating back to 2017 and stated that the three and five-year premium renewal increase average has been 5%.

Discussion ensued.

Jones then discussed that Ameritas, NMPP Energy's dental provider, issued a 19% premium increase, but noted the cost increase is approximately \$3,500. Jones shared that NMPP Energy pays 100% of the employee premium and contributes 25% toward the dependent premium.

Jones shared that after reviewing alternate dental insurance vendors, management is recommending continuing coverage with Ameritas. Jones stated that from a historical perspective, there's only been a total of a \$700 increase in dental premium cost to the company from 2013-2022, as premium increases have been offset by some years of premium decreases.

Discussion ensued.

EXECUTIVE DIRECTOR PAY RANGE

Sarah Jones stated the JOC Policy on the Compensation of the Executive Director and its provision to annually review the established pay range for the Executive Director position takes place at the November JOC meeting. Jones reviewed the current salary range for the Executive Director which was included in the packet.

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Jones reviewed two salary survey comparables included in the meeting packet. Jones noted that a pay range change does not impact the pay of the Executive Director, only the range within the Executive Director is compensated.

Discussion ensued.

Motion Jeremy Tarr moved to approve adjusting the pay range of the Executive Director position by 2%. Mike Palmer seconded the motion which carried unanimously by roll call vote.

A break was called at 11:32 a.m.
The meeting resumed at 11:42 a.m.

FINANCIAL REPORT

Jamie Johnson, Director of Finance and Accounting, reviewed the financials for the fiscal year-to-date through August 30, 2021, for the four (4) entities under the NMPP Energy umbrella.

PROPOSED ADMINISTRATIVE AND GENERAL BUDGET (A&G) FOR FISCAL YEAR 2022-2023 AND DETERMINE ALLOCATION OF EXPENSES/REIMBURSEMENT FOR SERVICES RENDERED AND RESOURCES UTILIZED

Jamie Johnson, Director of Finance and Accounting, reviewed the historical A&G costs and then reviewed the role of the JOC as follows:

- Review and recommend, prior to the respective annual meetings, the annual administrative budgets for each of the Parties.
- Determine the allocation of expenses to be used as the basis for reimbursement for services rendered or resources utilized by a Party.

Johnson directed the JOC to the Proposed Administrative and General (A&G) Budget for fiscal year 2022-2023 ("A&G Budget") provided in the meeting packet as Attachment D and reviewed the budget information contained therein. Johnson noted that this year's budget packet was created in sections so that the narrative is closer to the individual tables that it relates to. Johnson then provided a brief overview of the budget process.

Discussion ensued.

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November 3, 2021
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In fulfilling the duty to review and recommend, prior to the respective annual meetings, the annual administrative budgets for each of the Parties; and in fulfilling the duty to determine the allocation of expenses to be used as the basis for reimbursement for services rendered or resources utilized by a Party (NMPP, MEAN, NPGA and/or ACE), the following motion was made.

Motion Edward Dunn moved to direct staff to develop the fiscal year proposed budget for each of the Parties (NMPP, MEAN, NPGA, and ACE). The JOC recognizes direct costs may be adjusted when preparing each company budget based on further evaluation of the operating needs of each company.

The Joint Operating Committee determines payroll & benefits should be recorded to NPGA, ACE, and NMPP based on the hypothetical staffing costs, as presented, with the remaining actuals recorded to MEAN. The JOC recognizes adjustments may be made during the fiscal year if changes to organization operations occur.

The JOC determines building and equipment rent will be paid to MEAN by NMPP, NPGA, and ACE, as presented.

Tom Goulette seconded the motion which carried unanimously on roll call vote.

FINANCIAL STATEMENT AUDIT SERVICES

Jamie Johnson, Director of Finance and Accounting, discussed that one of the duties of the Joint Operating Committee is to approve contractual arrangements with joint consultants. In Fiscal Year 2021, the Joint Operating Committee voted to maintain annual financial audit services with BKD for one year.

Johnson stated that BKD provided one, three, and five year quotes to NMPP Energy for Financial Audit Services, which were included in the packet. Johnson asked that the JOC consider the longer term proposal with BKD as NMPP Energy will be able to secure the best rate from BKD.

Johnson reminded the JOC that there's no contract being signed with BKD for the Financial Statement Audit Services and that accepting BKD's proposal doesn't lock NMPP Energy into a contract with BKD. Johnson noted that if NMPP Energy becomes dissatisfied with BKD's services, NMPP Energy can change auditors.

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Johnson reminded the JOC that MEAN has bonds that can be refunded in 2022, 2023, and 2026, so a five year commitment to BKD would get NMPP Energy through that time.

Discussion ensued.

At the request of the JOC, Jamie Johnson will contact a few of NMPP Energy's counterparties to inquire about their audit fees in order to obtain a benchmark in competitive costs.

Motion Chris Anderson moved to approve a five year extension with BKD for Financial Audit Services. Tom Ourada seconded the motion which carried with a vote of 10-1-0. Voting Yes: Chris Anderson, Andrew Devine, Edward Dunn, Tom Goulette, Bill Hinton, Bob Lockmon, Tom Ourada, Mike Palmer, Jeremy Tarr, and Randy Woldt. Voting No: Darrel Wenzel. Voting to Abstain: None.

GENERAL COUNSEL REPORT

Chris Dibbern, General Counsel, reported on issues of interest to the NMPP Energy organizations including State and Federal News as well as Legislative and Regulatory updates.

Dibbern also discussed the Service on Outside Organization chart included in the packet that reflects staff members and the outside organizations they serve on on behalf of NMPP Energy entities.

NMPP 2022 LEGISLATIVE GUIDELINES

Chris Dibbern, General Counsel, stated that the NMPP Legislative Guidelines in the JOC packet have an updated look incorporating the new logos from each of the NMPP Energy organizations, but noted that the content hadn't changed from the previous year.

Dibbern noted that the duty of the JOC is monitor the NMPP Legislative Package consistent with the Legislative Guidelines and to recommend that the NMPP Board of Directors adopt the NMPP Guidelines at their meeting on November 4, 2021.

Discussion ensued.

The JOC requested that a graphic be inserted reflecting the location of the member communities.

Minutes – NMPP Energy Joint Operating Committee
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Discussion ensued.

Motion Edward Dunn moved to recommend adoption of the 2022 NMPP Legislative Guidelines to the NMPP Board of Directors at their November 4, 2021 meeting, as presented. Mike Palmer seconded the motion which carried unanimously on roll call vote.

ADJOURNMENT

There being no further business, a motion was made by Chairman Andrew Devine to adjourn the meeting at 1:20 p.m.

Submitted by:
Darrel Wenzel, Secretary

Recorded by:
Jennifer McCoy
Administrative Assistant



Public Alliance for
Community *Energy*

**Proposed Budget
Fiscal Year 2022-2023**

**Year-End Projections
Fiscal Year 2021-2022**

**Presented to:
ACE Board of Directors
January 19, 2022**

**Public Alliance for Community Energy
Proposed Budget
Fiscal Year 2022-2023**

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**Public Alliance for Community Energy
Preliminary Year-End Projections
Fiscal Year 2021-2022**

Preliminary Year-End Projections

The *Statements of Revenues and Expenses* included in the packet includes a comparison of the Proposed Budget vs. Projected Fiscal Year 2021-2022 and compares Projected Fiscal Year 2021-2022 to the Current Budget. Projected Fiscal Year 2021-2022 is calculated based on actual results for the six months ended September 2021 and budgeted activity for October 2021 through March 2022 with adjustments for known differences.

Projected net revenue is \$498,548 which is approximately \$60,000 better than budget. The positive variance relates to underspending in administrative and general (A&G) expenses across a number of categories which is partially offset by less investment return. The largest variances in A&G related to lower advertising expenses and call center costs than originally anticipated.

Adjustments were made to projected A&G expenses for the strategic planning session, which was not included in the Current Budget. In addition, adjustments were made for several items related to pre-campaign activity in March 2022 that will either not occur under the current rules or is expected to be less than originally anticipated.

Investment return was not adjusted due to the impact that the mark to market adjustment has on the calculation. As ACE generally holds investments to maturity, fluctuations in market value are not expected to result in a cash gain or loss.

Projections are prepared primarily to assist the Board of Directors in evaluating a potential Member Distribution.

The following table summarizes the Projected Fiscal Year 2021-2022 change in cash:

	Projected Fiscal Year 2021-2022
Net Revenue	\$ 498,548
Plus: Non-Cash Depreciation	31,977
Plus: Unrealized Loss on Investments	12,203
Less: TheRMS Enhancements	(5,793)
Change in Cash	<u>\$ 536,935</u>

**Public Alliance for Community Energy
Proposed Budget
Fiscal Year 2022 - 2023
Summary**

Public Alliance for Community Energy (ACE) was established for the purpose of creating a local gas supplier to participate in the Choice Gas Program. Annually, an operating budget is prepared based on operating costs and activities under the marketing agreement and Choice Gas Program.

Budget Process

ACE's proposed budget is prepared annually by ACE staff. Assumptions related to operations are discussed in more detail in the respective sections of the budget materials.

The administrative and general (A&G) budget is prepared annually based on strategic focus areas identified by the management team of the four companies of NMPP Energy. In September, accounting staff compiles historical data and populates budget templates based on information available. The management team holds a strategic planning session to review short-term and long-term plans across the four companies of NMPP Energy. Department directors then prepare budgets during September and October based on anticipated projects and needs resulting from the strategic focus areas discussed. The strategic focus areas in the proposed budget continue to stem from the technical complexity of the industry and needs for updates to information technology systems.

Nebraska Municipal Power Pool (NMPP), Municipal Energy Agency of Nebraska (MEAN), National Public Gas Agency (NPGA), and ACE have entered into an agreement establishing a Joint Operating Committee (JOC) due in part to the companies sharing common staff all of which reside under NMPP payroll. By combining and sharing their respective staffs and resources each company benefits by being able to perform obligations and responsibilities efficiently and at a lesser cost.

Duties of the JOC, as detailed in the JOC Agreement, include the following:

- Review and recommend, prior to the respective annual meetings, the annual administrative budgets for each of the Parties.
- Determine the allocation of expenses to be used as the basis for reimbursement for services rendered or resources utilized by a Party (NMPP, MEAN, NPGA, and/or ACE).
- Approve the appropriate compensation structure and benefits of employees of NMPP.

The JOC meets in November and receives a detailed proposed A&G budget packet. Additional discussion and presentation at the meeting allow the JOC to fulfill the duties noted above.

The Fiscal Year is April 1 to March 31. Throughout the packet, Proposed Budget refers to Fiscal Year 2022-2023 and Current Budget refers to Fiscal Year 2021-2022. The Current Budget includes the final numbers as approved by the respective Boards.

Approval of the ACE budget resides with the ACE Board of Directors.

Net Revenue and Cash Flow

ACE looks closely at both net revenues and annual cash flow. ACE intends for operating revenues to cover all cash costs.

The following table summarizes the budgeted change in cash:

	Proposed Budget	Current Budget	Proposed vs Current	
			\$ +/-	% +/-
Net Revenue	\$ 394,899	\$ 438,108	\$ (43,209)	-10%
Plus: Non-Cash Depreciation	28,120	33,047	(4,927)	-15%
Less: TheRMS Enhancements	(15,000)	(90,000)	75,000	-83%
Change in Cash	<u>\$ 408,019</u>	<u>\$ 381,155</u>	<u>\$ 26,864</u>	<u>7%</u>

**Public Alliance for Community Energy
Proposed Budget
Fiscal Year 2022 - 2023
Revenues and Capital Narrative**

Operating Revenues

Under the marketing agreement, ACE receives a fixed annual marketing fee paid in equal monthly installments over the contract year. Historically, the agreement included a percentage adder of 4% effective each June, the beginning of the Choice Gas Program Year. ACE staff is currently negotiating terms for an amendment with the current wholesale supplier. The Proposed Budget reflects the expected terms of the agreement.

The agreement is expected to maintain the fixed annual marketing fee payment in equal monthly installments; however, the fee will decrease to \$1,050,000 annually effective June 1, 2022. The annual fee would be fixed for three Choice Gas Program Years. Certain royalties would still be reimbursed under the amendment; however, the annual contribution toward advertising would be eliminated.

Proposed Capital Purchases and Additions and Related Depreciation

Capital costs and depreciation expense are related to the development and enhancement of the TheRMS software used by ACE for operations and customer service. The functionality and interface of the software is critical during the annual selection period. The amount paid to the developer is capitalized and amortized over a three-year period. The proposed capital purchases and additions represent the cash outlay related to the TheRMS software. Current expectations of enhancements result in \$15,000 in capital costs in the Proposed Budget and \$15,000 in each of the following five fiscal years through Fiscal Year 2027-2028 for a total over the six years of \$90,000.

Enhancements made annually to TheRMS help keep it robust to handle changes to ACE pricing options, automated pricing and other communication with ACE's wholesale supplier, and program changes made by Choice Gas Administrator Black Hills. Enhancements and modifications are analyzed to determine whether the item is cost effective.

Depreciation decreases in the Proposed Budget as current costs for enhancements decreased in Projected Fiscal Year 2021-2022 to ~ \$5,800, compared to ~ \$69,000 the previous fiscal year.

Investment Return

Actual investment return consists of changes in market value and interest earnings on investments. The annual budget only includes the expected interest earnings. The change in the amount budgeted relates to decreases in the average interest rate of ACE's investments due to declining interest rates in the past several years. The average interest rate on investments has decreased from 1.61% in October 2020 to 0.44% in October 2021. ACE also utilizes a money market fund which pays slightly better earnings than funds held at the bank. In October 2020 and 2021, the money market fund earned 0.01%.

Type of Return	Proposed Budget	Current Budget	Proposed vs Current	
			\$ +/-	% +/-
Money Market and Bank Funds	\$ 200	\$ 200	\$ -	0%
Investments	5,800	18,800	(13,000)	-69%
Total Investment Return	\$ 6,000	\$ 19,000	\$ (13,000)	-68%

Public Alliance for Community Energy
Proposed Budget
Statements of Revenues and Expenses
Fiscal Year 2022-2023

	Proposed Budget	Current Budget	Proposed vs. Current		Projected Fiscal Year 2021-2022	Proposed vs. Projected		Projected vs. Current	
		\$ +/-	% +/-		\$ +/-	% +/-		\$ +/-	% +/-
Operating revenues									
Marketing fees	\$ 1,057,500	\$ 1,087,980	\$ (30,480)	-3%	\$ 1,087,968	\$ (30,468)	-3%	\$ (12)	0%
Operating expenses									
Administrative and general									
Payroll and benefits	386,001	368,754	17,247	5%	367,437	18,564	5%	(1,317)	0%
Internal office	97,687	93,016	4,671	5%	90,957	6,730	7%	(2,059)	-2%
Member	58,630	57,480	1,150	2%	28,838	29,792	103%	(28,642)	-50%
Consultants and outside services	98,163	116,575	(18,412)	-16%	74,716	23,447	31%	(41,859)	-36%
Total administrative and general	640,481	635,825	4,656	1%	561,948	78,533	14%	(73,877)	-12%
Depreciation	28,120	33,047	(4,927)	-15%	31,977	(3,857)	-12%	(1,070)	-3%
Total operating expenses	668,601	668,872	(271)	0%	593,925	74,676	13%	(74,947)	-11%
Operating income	388,899	419,108	(30,209)	-7%	494,043	(105,144)	-21%	74,935	18%
Nonoperating revenues									
Investment return	6,000	19,000	(13,000)	-68%	4,505	1,495	33%	(14,495)	-76%
Net revenue	\$ 394,899	\$ 438,108	\$ (43,209)	-10%	\$ 498,548	\$ (103,649)	-21%	\$ 60,440	14%

**Public Alliance for Community Energy
Proposed Budget
Fiscal Year 2022 – 2023
Administrative and General Narrative**

Administrative and General Expenses

For ease of analysis, ACE breaks administrative and general (A&G) expenses into the following four categories: payroll and benefits, internal office, member, and consultants and outside services.

Payroll and Benefits

Payroll and benefits consist of gross wages, employer payroll taxes, and costs of benefits provided by NMPP to each employee. As noted, one of the duties of the JOC is to approve the appropriate compensation structure and benefits of employees of NMPP. The annual review and approval for any changes in compensation structure and benefits is part of the November JOC meeting. The Proposed Budget does not include any changes in compensation structure and benefits offered. The average increase related to anticipated performance and pay equity adjustments is 3.6% in the Proposed Budget (Current Budget was 3.4%, and the 2020-2021 average in the budget was 2.0% which was lowered from the 3.6% at the JOC meeting to meet the cap established by the MEAN Board of Directors).

See *NMPP Energy - Payroll and Benefits – Allocation by Company* section for information on allocation to each company.

Other A&G Expenses

Other A&G expenses consist of direct costs and shared costs. NMPP Energy attempts to assign costs whenever possible to the specific company with which the cost is associated. Direct costs include the A&G expenses that are specific to the business operating needs of each individual company. The costs incurred are generally attributable to invoices and/or contracts with vendors relating to a cost incurred by the specific company. See the *NMPP Energy – Building and Equipment Rent* section for information on rent paid to MEAN by ACE related to shared costs.

The following provides highlights of the budgeted changes in direct costs for ACE. See the *NMPP Energy – Detail by Company - ACE* report.

	Proposed Budget	Current Budget	Proposed vs Current	
			\$ +/-	% +/-
ACE Direct Other A&G				
Internal Office	\$ 13,124	\$ 12,666	\$ 458	4%
Member	57,380	56,230	1,150	2%
Consultants and Outside Services	98,163	116,575	(18,412)	-16%
Total ACE Direct Other A&G	\$ 168,667	\$ 185,471	\$ (16,804)	-9%

The following further describes ACE's direct other A&G expenses.

Internal Office

- **Conferences and training** - includes registration fees for industry and job specific conferences and trainings. No change based on planned activity.
- **Dues and subscriptions** - subscription to natural gas price reporting service. Annual rate increase expected.
- **Insurance** - relates to a business interruption policy maintained due to the use of an outside call center. No change expected.
- **Miscellaneous** - costs that do not fit in the other categories are considered miscellaneous. No change to the small amount budgeted.
- **Rent – building and equipment** - see *NMPP Energy Building and Equipment Rent* section for discussion of calculation of rent paid to MEAN.
- **Telecommunications** - relates to small amount of ACE specific service related to the annual selection period.
- **Travel, lodging and meals** - includes staff travel to attend various conferences and industry meetings as well as travel to members in order to provide the services offered by ACE. Small decrease due to planned activity.

Public Alliance for Community Energy
Proposed Budget
Fiscal Year 2022 – 2023
Administrative and General Narrative

Member

- **Advertising – corporate image** – Current Budget relates to community-based marketing efforts. Although no change in the total budgeted, the nature of the activity may change due to the elimination of advertising reimbursement by the wholesale supplier under the contract amendment.
- **Board and committee meetings** – direct costs are the costs of ACE's Board meetings. Shared costs include ACE's ¼ share of JOC Board Meetings. ACE budgets for all planned Board meetings to be held in person. The increase is based on a review of recent actuals which include higher rates at the conference center where the meetings are held. Budgeted JOC meeting costs did not change as budgeted costs have been consistent with actuals.

Consultants and Outside Services

- **Audit and consulting** - these costs relate to the costs for the annual financial statement audit, costs increased based on the proposal from BKD.
- **Call center** - costs are related to contracted service with an outside party to run the call center during the selection period for the annual Choice Gas Program. Costs are expected to decrease due to the timing and length of the selection period as currently allowed under the rules of the Choice Gas Program. As actual costs are based on call volume, variances are expected.
- **Legal** - direct costs represent budgeted legal projects requiring outside counsel. Costs related to potential litigation/dispute/arbitration are not budgeted. Budget for cyclical trademark related activity cause the increase in the Proposed Budget.
- **Other consultants and outside services** - includes various consultant and outside service projects that don't fall within other identified categories. Budget includes ACE related web services, bank charges and translation services. Costs increased due to higher web services fees and bank charges.
- **Software, licenses, maintenance, and support** - costs for both maintenance of and support for ACE's TheRMS software is included. Fluctuations are based on terms offered by the software developer.

NMPP Energy
Proposed Administrative and General Budget
Detail by Company
Fiscal Year 2022-2023

	ACE										Fiscal Year 2020-2021	Fiscal Year 2019-2020		
	Proposed Budget			Current Budget			Proposed vs. Current			Proposed vs. Projected				
	Direct	Shared	Total	Direct	Shared	Total	Direct	Shared	Total					
													% +/-	
Payroll and benefits	\$	-	\$ 386,001	\$ 386,001	\$	-	\$ 17,247	\$ 17,247	\$	5%	\$ 367,437	\$ 18,564	5%	\$378,840
Internal Office														
Conferences and training	450	-	450	-	450	-	-	-	-	0%	228	222	97%	449
Dues and subscriptions	2,500	-	2,500	-	2,300	200	200	200	200	9%	2,415	85	4%	2,279
Equipment lease and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	3,068
Insurance	650	-	650	-	650	-	-	-	-	0%	650	-	0%	1,169
Miscellaneous	500	-	500	-	500	-	-	-	-	0%	254	246	97%	-
Office supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	15
Rent - building and equipment	-	84,563	84,563	-	80,350	80,350	4,213	4,213	4,213	5%	80,350	4,213	5%	92,115
Telecommunications	400	-	400	-	-	400	-	-	-	100%	204	196	96%	385
Travel, lodging and meals	8,624	-	8,624	-	8,766	(142)	(142)	(142)	(142)	-2%	6,856	1,768	26%	4,935
Total Internal office	13,124	84,563	97,687		12,666	80,350	93,016	458	4,213	4,671	4%	5%	5%	104,419
Member														
Advertising - corporate image	50,000	-	50,000	-	50,000	-	-	-	-	0%	10,000	40,000	400%	-
Board and committee meetings	7,380	1,250	8,630	-	6,230	1,250	7,480	1,150	1,150	18%	18,838	(10,208)	-54%	6,515
Total member	57,380	1,250	58,630		56,230	1,250	57,480	1,150	1,150	2%	28,838	29,792	103%	6,515
Consultants and Outside Services														
Audit and consulting	13,800	-	13,800	-	13,400	400	-	400	(20,000)	3%	13,400	400	3%	13,850
Call center - ACE	50,000	-	50,000	-	70,000	-	-	-	(20,000)	-29%	24,003	25,997	108%	28,765
Legal	1,825	-	1,825	-	25	25	1,800	1,800	7200%	7200%	25	1,800	7200%	25
Other	5,100	-	5,100	-	4,300	800	800	800	4,300	19%	6,366	(1,266)	-20%	4,720
Software licenses, maint., support	27,438	-	27,438	-	28,850	-	-	-	(1,412)	-5%	30,923	(3,485)	-11%	24,792
Total consultants and outside services	98,163	-	98,163		116,575	-	116,575	(18,412)	(18,412)	-16%	74,716	23,447	31%	72,152
Total other administrative and general, net	168,667	85,813	254,480		185,471	81,600	267,071	(16,804)	4,213	(12,591)	-9%	59,969	31%	183,086
Total administrative and general, net	\$168,667	\$ 471,814	\$ 640,481		\$185,471	\$ 450,354	\$ 635,825	\$ (16,804)	\$ 21,460	\$ 4,656	-9%	5%	1%	\$561,926
Total administrative and general, summary														
Payroll and Benefits	\$	-	\$ 386,001	\$ 386,001	\$	-	\$ 386,754	\$ 386,754	\$	-	5%	5%	5%	
Direct Other A&G	168,667	-	168,667	-	185,471	-	185,471	(16,804)	(16,804)	-9%	-	-	-9%	
Shared other A&G, net	-	1,250	1,250	-	-	1,250	1,250	-	-	0%	-	-	0%	
Building and equipment - rent paid to MEAN	-	84,563	84,563	-	-	80,350	80,350	-	-	5%	-	5%	5%	
	\$168,667	\$ 471,814	\$ 640,481		\$185,471	\$ 450,354	\$ 635,825	\$ (16,804)	\$ 21,460	\$ 4,656	-9%	5%	1%	

NMPP Energy
Proposed Administrative and General Budget
Detail by Company
Fiscal Year 2022-2023

	Total			Current Budget			Proposed vs. Current			Fiscal Year			Proposed vs. Projected			Fiscal Year		
	Direct	Shared	Total	Direct	Shared	Total	Direct	Shared	Total	2021-2022 Projected	2022-2023 Projected	2020-2021 Actuals	2021-2022 Projected	2022-2023 Projected	% +/-	2021-2022 Projected	2022-2023 Projected	2020-2021 Actuals
Payroll and benefits	\$ -	\$ 7,893,224	\$ 7,893,224	\$ -	\$ 7,758,178	\$ 7,758,178	\$ -	\$ 135,046	\$ 135,046	\$ 7,589,499	\$ 303,725	\$ 7,422,207	\$ 7,589,499	\$ 303,725	4%	\$ 7,589,499	\$ 303,725	\$ 7,422,207
Internal Office																		
Conferences and training	50,099	21,210	71,309	50,750	21,485	72,235	(651)	(275)	(926)	53,033	18,276	28,898	53,033	18,276	34%	230,496	18,950	213,752
Dues and subscriptions	234,025	15,421	249,446	223,605	14,440	238,045	10,420	981	11,401	81,401	18,950	8%	230,496	18,950	8%	205,247	(1,317)	178,891
Equipment lease and maintenance	95,950	107,980	203,930	158,450	107,008	265,458	(62,500)	972	(61,528)	(17,150)	(9,782)	-6%	150,632	(9,782)	-11%	206,976	23,299	192,685
Gymnastics operations	140,850	-	140,850	158,000	-	158,000	13,525	14,500	28,025	18,851	949	5%	15,128	2,372	16%	12,545	(45)	0%
Insurance	79,375	150,900	230,275	65,850	138,400	204,250	13,525	14,500	28,025	18,851	949	5%	15,128	2,372	16%	12,545	(45)	0%
Miscellaneous	1,000	18,800	19,800	1,000	17,800	18,800	-	1,000	1,000	15,128	2,372	16%	12,545	(45)	0%	11,289	-	-
Office supplies	-	17,500	17,500	-	18,500	18,500	-	(1,000)	(1,000)	114,528	902	1%	141,805	902	1%	36,249	-	-
Postage	-	12,500	12,500	-	14,500	14,500	-	(2,000)	(2,000)	203,892	101,583	50%	1,211,326	155,189	13%	969,596	-	-
Rent - building and equipment	-	-	-	-	-	-	-	-	-	29,145	43,856	150%	29,145	43,856	150%	15,267	2,383	16%
Telecommunications	68,830	46,600	115,430	68,380	45,025	113,405	450	1,575	2,025	84,656	21,424	25%	84,656	21,424	25%	130,000	26,000	20%
Travel, lodging and meals	281,858	23,617	305,475	242,424	24,172	266,596	39,434	(555)	38,879	158,000	15,189	16%	158,000	15,189	16%	158,061	8,239	5%
Total internal office	951,987	414,528	1,366,515	968,459	399,330	1,367,789	(16,472)	15,198	(1,274)	16,361	6,139	38%	16,361	6,139	38%	10,273	(10,105)	-8%
Member										114,290	(9,290)	-8%	622,113	99,518	16%	403,436	-	-
Advertising - corporate image	62,401	10,800	73,001	64,526	8,600	73,126	(2,125)	2,000	(125)	29,145	43,856	150%	29,145	43,856	150%	15,267	2,383	16%
Annual conference, net	-	17,850	17,850	-	15,104	15,104	-	2,546	2,546	84,656	21,424	25%	84,656	21,424	25%	130,000	26,000	20%
Board and committee meetings	101,080	5,000	106,080	83,430	5,000	88,430	17,650	-	17,650	15,189	2,436	16%	15,189	2,436	16%	151,436	8,435	18%
Contract services from NMPP - MEAN	156,000	-	156,000	155,000	-	155,000	1,000	-	1,000	46,685	8,435	18%	46,685	8,435	18%	10,273	(10,105)	-8%
Member communication	-	17,625	17,625	-	13,325	13,325	-	4,300	4,300	16,361	6,139	38%	16,361	6,139	38%	10,273	(10,105)	-8%
Member dues - MEAN	166,300	-	166,300	159,600	-	159,600	6,700	-	6,700	114,290	(9,290)	-8%	114,290	(9,290)	-8%	403,436	-	-
Member education	55,120	-	55,120	62,220	-	62,220	(7,100)	-	(7,100)	29,145	43,856	150%	29,145	43,856	150%	15,267	2,383	16%
Member scholarships	22,500	-	22,500	22,500	-	22,500	-	-	-	84,656	21,424	25%	84,656	21,424	25%	130,000	26,000	20%
Purchases for resale - NMPP Comp Svcs	2,355	-	2,355	2,380	-	2,380	(25)	-	(25)	15,189	2,436	16%	15,189	2,436	16%	151,436	8,239	5%
Rebates paid - MEAN	105,000	-	105,000	150,000	-	150,000	(45,000)	-	(45,000)	46,685	8,435	18%	46,685	8,435	18%	10,273	(10,105)	-8%
Total member	670,756	50,875	721,631	700,256	42,029	742,285	(29,500)	8,846	(20,654)	622,113	99,518	16%	622,113	99,518	16%	403,436	-	-
Consultants and Outside Services																		
Audit and consulting	98,675	-	98,675	95,750	-	95,750	2,925	-	2,925	95,888	2,807	3%	95,888	2,807	3%	93,000	2,888	1%
Call center - ACE	50,000	-	50,000	70,000	-	70,000	(20,000)	-	(20,000)	24,003	25,997	108%	24,003	25,997	108%	51,324	-	-
Financing - MEAN	102,925	-	102,925	103,150	-	103,150	(225)	-	(225)	102,702	223	0%	102,702	223	0%	106,662	-	-
Legal	70,625	2,600	73,225	84,125	2,600	86,725	(13,500)	-	(13,500)	67,919	5,306	8%	67,919	5,306	8%	50,765	-	-
Lobbying	58,000	-	58,000	59,000	-	59,000	(1,000)	-	(1,000)	58,035	(35)	0%	58,035	(35)	0%	49,825	-	-
Market management	1,805,462	-	1,805,462	1,675,650	-	1,675,650	129,812	-	129,812	1,676,962	128,510	8%	1,676,962	128,510	8%	1,833,339	-	-
Other	242,635	141,855	384,490	311,260	80,480	391,740	(68,625)	61,375	(7,250)	384,615	(10,125)	-3%	384,615	(10,125)	-3%	458,504	-	-
Regulatory and compliance	10,200	-	10,200	21,700	-	21,700	(11,500)	-	(11,500)	14,147	(3,947)	-25%	14,147	(3,947)	-25%	31,647	-	-
Royalties - NMPP Comp Svcs	372,100	-	372,100	372,471	-	372,471	(371)	-	(371)	388,741	3,359	1%	388,741	3,359	1%	369,351	-	-
Software licenses, maint., support	479,816	139,860	619,776	667,498	107,010	774,508	(187,682)	32,950	(154,732)	977,597	(357,821)	-37%	977,597	(357,821)	-37%	576,397	-	-
Total consultants and outside services	3,290,438	284,415	3,574,853	3,460,604	190,090	3,650,694	(170,166)	94,325	(75,841)	3,780,579	(205,726)	-5%	3,780,579	(205,726)	-5%	3,620,814	-	-
Total other administrative and general, net	4,913,181	749,818	5,662,999	5,129,319	631,449	5,760,768	(216,138)	118,369	(97,769)	5,614,018	48,981	1%	5,614,018	48,981	1%	4,993,846	-	-
Total administrative and general, net	\$ 4,913,181	\$ 8,643,042	\$ 13,556,223	\$ 5,129,319	\$ 8,389,627	\$ 13,518,946	\$ (216,138)	\$ 253,415	\$ 37,277	\$ 13,203,517	\$ 352,706	3%	\$ 13,203,517	\$ 352,706	3%	\$ 12,416,053	-	-
Total administrative and general, summary																		
Payroll and Benefits	Direct	Shared	Total	Direct	Shared	Total	Direct	Shared	Total	Direct	Shared	Total	Direct	Shared	Total	Direct	Shared	Total
Direct Other A&G	4,913,181	-	4,913,181	5,129,319	-	5,129,319	(216,138)	-	(216,138)	5,614,018	48,981	1%	5,614,018	48,981	1%	4,993,846	-	-
Shared Other A&G, net	-	749,818	749,818	-	631,449	631,449	-	118,369	118,369	-	-	-	-	-	-	-	-	-
Building and equipment - rent paid to MEAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total administrative and general, net	\$ 4,913,181	\$ 8,643,042	\$ 13,556,223	\$ 5,129,319	\$ 8,389,627	\$ 13,518,946	\$ (216,138)	\$ 253,415	\$ 37,277	\$ 13,203,517	\$ 352,706	3%	\$ 13,203,517	\$ 352,706	3%	\$ 12,416,053	-	-

NMPP Energy
Proposed Administrative and General Budget
Payroll and Benefits Allocation
Allocation by Company
Fiscal Year 2022-2023

Payroll and Benefits Allocation

Under the methodology approved by the JOC, payroll and benefits expenses are allocated to NPGA, ACE, and NMPP based on the estimated market payroll and benefits expenses each Party would incur if each company employed their own independent staff. Annual payroll and benefits costs for NPGA, ACE, and NMPP are established during the JOC budget process based on the hypothetical estimates of payroll and benefits expenses. The total budgeted payroll and benefits costs net of the established amounts for NPGA, ACE, and NMPP are allocated to MEAN. The allocation of payroll and benefits expenses is reviewed and recommended by the JOC annually. See the *NMPP Energy - Payroll and Benefits Allocation – Positions by Company* report.

Cost Allocations

Under the allocation methodology approved by the JOC, the payroll and benefits paid by NPGA, ACE, and NMPP are fixed annually unless a business change occurs during the year requiring a change in personnel. As a result, MEAN bears the risk and reward related to over or under spending in payroll and benefits, unless the variance is related to a business change for NPGA, ACE or NMPP. Actual costs for part-time positions are monitored during the year and adjustments are made to the applicable company if actual hours worked vary from budgeted hours. During the current year actual results are being adjusted for the elimination of the ACE Customer Service Representative and the NMPP Rate Analyst.

As part of the budget process, management of the NMPP Energy companies discussed whether changes in the operations of each of the underlying companies resulted in changes in roles or responsibilities of current positions or resulted in a need for additional personnel. The *NMPP Energy - Payroll and Benefits Allocation – Positions by Company* report includes position detail and assumptions used for annual increases to payroll and benefits and consultant costs.

The following table summarizes the budgeted cost by company:

	Proposed Budget	Current Budget	Proposed vs. Current	
			\$ +/-	% +/-
MEAN	\$ 6,355,826	\$ 6,233,161	\$ 122,665	2%
NPGA	376,937	364,545	12,392	3%
ACE	386,001	368,754	17,247	5%
NMPP	774,460	791,718	(17,258)	-2%
Total	<u>\$ 7,893,224</u>	<u>\$ 7,758,178</u>	<u>\$ 135,046</u>	<u>2%</u>

The change in ACE's operations, as a result of changes in the Choice Gas Program rules and selection period, resulted in additional data analysis costs. The elimination of the NMPP Rate Analyst resulted in lower costs for NMPP. There were no changes in operations for MEAN or NPGA.

NMPP Energy
Proposed Administrative and General Budget
Payroll and Benefits Allocation
Positions by Company
Fiscal Year 2022-2023

Municipal Energy Agency of Nebraska							
Position	# of	Payroll and Benefits	Consultant Costs	Proposed Budget	Current Budget	Proposed vs. Current	
						\$ +/-	% +/-
<u>Full-Time Positions</u>							
Accounting	7.0	\$ 910,000		\$ 910,000	\$ 882,000	\$ 28,000	3%
Communications	2.0	216,000		216,000	211,000	5,000	2%
Executive Management	2.0	716,000		716,000	696,000	20,000	3%
HR/Support/Admin	6.5	732,000		732,000	708,000	24,000	3%
Digital Solutions Group	6.5	995,000		995,000	962,000	33,000	3%
Legal/Risk/Compliance	6.0	958,000		958,000	951,000	7,000	1%
Operations	14.6	2,290,000		2,290,000	2,259,000	31,000	1%
Full-Time Equivalent Positions	44.6	\$ 6,817,000	\$ -	\$ 6,817,000	\$ 6,669,000	\$ 148,000	2%
Benefit to MEAN		(461,174)	-	(461,174)	(435,839)	(25,335)	6%
Budgeted MEAN Payroll and Benefits		\$ 6,355,826	\$ -	\$ 6,355,826	\$ 6,233,161	\$ 122,665	2%
National Public Gas Agency							
Position	# of	Payroll and Benefits	Consultant Costs	Proposed Budget	Current Budget	Proposed vs. Current	
						\$ +/-	% +/-
<u>Full-Time Positions</u>							
Executive Director	1.0	\$ 194,182		\$ 194,182	\$ 188,055	\$ 6,127	3%
Gas Controller	1.0	97,187		97,187	93,885	3,302	4%
Accountant/Admin Assistant	1.0	74,641		74,641	71,996	2,645	4%
<u>Consultants</u>							
Legal			10,927	10,927	10,609	318	3%
Full-Time Equivalent Positions	3.0	\$ 366,010	\$ 10,927	\$ 376,937	\$ 364,545	\$ 12,392	3%
Public Alliance for Community Energy							
Position	# of	Payroll and Benefits	Consultant Costs	Proposed Budget	Current Budget	Proposed vs. Current	
						\$ +/-	% +/-
<u>Full-Time Positions</u>							
Executive Director	1.0	\$ 175,864		\$ 175,864	\$ 170,271	\$ 5,593	3%
Retail Gas Services Coordinator	1.0	91,670		91,670	88,529	3,141	4%
Admin Assistant/Customer Service Rep	1.0	80,104		80,104	77,300	2,804	4%
<u>Part-Time Positions</u>							
Admin Assistant (cost will be actual)		-		-	1,317	(1,317)	-100%
<u>Consultants</u>							
Accounting			10,491	10,491	10,185	306	3%
Marketing and Communications			10,300	10,300	10,000	300	3%
Data Analysis			14,300	14,300	8,500	5,800	68%
Legal			3,272	3,272	2,652	620	23%
Full-Time Equivalent Positions	3.0	\$ 347,638	\$ 38,363	\$ 386,001	\$ 368,754	\$ 17,247	5%
Nebraska Municipal Power Pool							
Position	# of	Payroll and Benefits	Consultant Costs	Proposed Budget	Current Budget	Proposed vs. Current	
						\$ +/-	% +/-
<u>Full-Time Positions</u>							
Executive Director	1.0	\$ 213,946		\$ 213,946	\$ 207,243	\$ 6,703	3%
Member Services Coordinator/Admin Asst	1.0	94,644		94,644	91,416	3,228	4%
Business Software Coordinator	1.0	140,761		140,761	136,190	4,571	3%
Electrical Distribution O&M Specialist	1.0	117,489		117,489	113,596	3,893	3%
Rate Analyst	1.0	113,311		113,311	109,539	3,772	3%
Accountant/Admin Assistant	1.0	80,104		80,104	77,300	2,804	4%
<u>Part-Time Positions</u>							
Rate Analyst		-		-	42,642	(42,642)	-100%
<u>Consultants</u>							
Legal - Lobbying			10,927	10,927	10,609	318	3%
Legal			3,278	3,278	3,183	95	3%
Full-Time Equivalent Positions	6.0	\$ 760,255	\$ 14,205	\$ 774,460	\$ 791,718	\$ (17,258)	-2%

Assumptions

Wages for hypothetical employees increased 3.0% for each position.
Benefits increased by 5% for all hypothetical employees.
Increase for hypothetical consultant costs is 3%.

**NMPP Energy
Proposed Administrative and General Budget
Building and Equipment Rent
Fiscal Year 2022-2023**

Shared Costs

Shared costs consist of costs for products and services that are shared by all of the companies. Resources utilized include non-personnel charges such as conferences and training not unique to an individual company and related travel costs, dues and subscriptions, leased and non-capitalized equipment and related maintenance, joint insurance, miscellaneous, office supplies, postage, telecommunications, travel that is not company specific, collective advertising, net NMPP Energy annual conference costs, ¼ of the JOC meeting costs, member communication, shared legal costs, joint consultants and outside services, software licenses, etc. Although each company may benefit from the shared products and services, if each Party operated independently, each product and service may be required at a higher or lower level than the amount purchased collectively. Shared costs are considered annually by the JOC when establishing rent paid to MEAN.

A summary comparison of the NMPP Energy shared other administrative and general expenses, net of annual conference revenues, is included below.

	Proposed Budget	Current Budget	Proposed vs. Current	
			\$ +/-	% +/-
Internal Office	\$ 414,528	\$ 399,330	\$ 15,198	4%
Member	50,875	42,029	8,846	21%
Consultants and Outside Services	284,415	190,090	94,325	50%
Total Shared Other A&G, Net	\$ 749,818	\$ 631,449	\$ 118,369	19%
JOC paid by NMPP/ACE/NPGA	(3,750)	(3,750)	-	0%
Total MEAN Shared Other A&G, Net	\$ 746,068	\$ 627,699	\$ 118,369	19%

Building and Equipment Rent

Use of space in the building, use of operating equipment, use of technology and shared products is allocated to NPGA, ACE, and NMPP based on the estimated market expenses each Party would incur if each company operated independently. The allocated cost is reimbursed to MEAN as rent paid. The amount of rent paid to MEAN is reviewed and recommended by the JOC annually.

Each company's Board of Directors should be able to clearly see what change in their operating needs resulted in an increase or decrease to rent paid to MEAN outside of the overall increase in budgeted shared/allocated costs. See the *NMPP Energy - Building and Equipment Rent Detail* report for detail of each component of the calculation. Assumptions used to establish each component are detailed in the *Building and Equipment Rent Assumptions* narrative. A summary of building and equipment rent by company is included below.

	Proposed Budget	Current Budget	Proposed vs. Current	
			\$ +/-	% +/-
NPGA	\$ 75,306	\$ 70,787	\$ 4,519	6%
ACE	84,563	80,350	4,213	5%
NMPP	144,141	125,654	18,487	15%
Total Paid to MEAN	\$ 304,010	\$ 276,791	\$ 27,219	10%

All companies were impacted by the cyclical replacement of computers. NMPP was also impacted by increased annual conference, facility rental, member communication and software costs.

NMPP Energy
Proposed Administrative and General Budget
Building and Equipment Rent Detail
Fiscal Year 2022-2023

	Proposed Budget			Current Budget			Proposed vs. Current			Proposed vs. Current		
	NPGA	ACE	NMPP	Total	NPGA	ACE	NMPP	Total	NPGA	ACE	NMPP	Total
Internal Office												
Equipment Lease & Maintenance												
Copier	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -
Personal Computer Replacement	2,472	2,472	4,944	9,888	-	-	-	-	2,472	2,472	4,944	9,888
Mail Meter	-	542	542	1,084	-	540	540	1,080	-	2	2	4
Network/Firewalls/Maint/BackUp	5,245	5,245	10,491	20,981	5,092	5,092	10,185	20,369	153	153	306	612
Total Equip. Lease & Maint.	12,717	13,259	20,977	46,953	10,092	10,632	15,725	36,449	2,625	2,627	5,252	10,504
Insurance	8,682	11,576	14,470	34,728	8,269	11,025	13,781	33,075	413	551	689	1,653
Office Supplies	500	1,000	2,000	3,500	500	1,000	2,000	3,500	-	-	-	-
Postage	328	164	1,421	1,913	312	156	1,353	1,821	16	8	68	92
Rent - Building and Equipment	39,813	45,051	57,624	142,488	39,032	44,168	56,494	139,694	781	883	1,130	2,794
Telecommunications	6,922	7,169	7,910	22,001	6,720	6,960	7,680	21,360	202	209	230	641
Total Internal Office	68,962	78,219	104,402	251,583	64,925	73,941	97,033	235,899	4,037	4,278	7,369	15,684
Member												
Annual Conference												
Costs	-	-	27,625	27,625	-	-	25,500	25,500	-	-	2,125	2,125
Sponsorships and Registrations	-	-	(20,719)	(20,719)	-	-	(20,400)	(20,400)	-	-	(319)	(319)
Annual Conference, net	-	-	6,906	6,906	-	-	5,100	5,100	-	-	1,806	1,806
Board and Committee Meetings												
Facility Rental	-	-	2,350	2,350	-	-	2,000	2,000	-	-	350	350
Member Communication	-	-	17,300	17,300	-	-	10,000	10,000	-	-	7,300	7,300
Total Member	-	-	26,556	26,556	-	-	17,100	17,100	-	-	9,456	9,456
Consultants and Outside Services												
Outside Services												
Web Site Hosting	1,545	1,545	1,545	4,635	1,500	1,500	1,500	4,500	45	45	45	135
Payroll Administration	637	637	1,274	2,548	618	721	1,339	2,678	19	(84)	(65)	(130)
Mail House Services	-	-	3,000	3,000	-	-	2,346	2,346	-	-	654	654
Total Outside Services	2,182	2,182	5,819	10,183	2,118	2,221	5,185	9,524	64	(39)	634	659
Software Licenses, Maintenance, Support												
Accounting Software	2,160	2,160	2,160	6,480	1,800	1,800	1,800	5,400	360	360	360	1,080
CRM System	-	-	1,200	1,200	-	-	-	-	-	-	1,200	1,200
Office 365/Windows 10	1,372	1,372	2,744	5,488	1,332	1,776	3,108	6,216	40	(404)	(364)	(728)
Adobe Acrobat DC	630	630	1,260	2,520	612	612	1,428	2,652	18	18	(168)	(132)
Total Software Licenses, Maint, Support	4,162	4,162	7,364	15,688	3,744	4,188	6,336	14,268	418	(26)	1,028	1,420
Total Consultants and Outside Services	6,344	6,344	13,183	25,871	5,862	6,409	11,521	23,792	482	(65)	1,662	2,079
Total Building and Equipment Rent	\$ 75,306	\$ 84,563	\$ 144,141	\$ 304,010	\$ 70,787	\$ 80,350	\$ 125,654	\$ 276,791	\$ 4,519	\$ 4,213	\$ 18,487	\$ 27,219

NMPP Energy
Proposed Administrative and General Budget
Building and Equipment Rent Assumptions
Fiscal Year 2022-2023

The following assumptions were used to determine the costs included in the building and equipment rent calculation.

Internal Office

- Equipment Lease & Maintenance
 - Copier – based on NMPP Energy lease and usage cost; each company would need one copier.
 - Personal Computer Replacement - based on replacement costs (\$2,472 per computer) and 3-year rotation for "shared personnel". The "shared personnel" for each company are determined by the *Positions by Company* report.
 - Mail Meter – based on NMPP Energy lease cost; cost increased slightly in proposed budget.
 - Network/Firewalls/Maint/BackUp – cost for outsourcing network services equal the estimated contract cost. The minimum contract cost increases when more computers and servers are needed. Costs are assumed to increase 3% annually.
- Insurance – based on NMPP Energy insurance pricing and comparison to local not-for-profit cost; annual increase based on recent history.
- Office Supplies and Postage – based on overall office supplies costs and knowledge of routine mailings with pricing fluctuations in postage rates year to year.
- Rent – Building and Equipment – based on rent paid by local not-for-profit for space suited for each company; 2.0% CPI Yearly Inflation Rate July 2021 used for annual increase.
- Telecommunications – based on comparison to other similar local organization, current NMPP Energy pricing, and individual needs of each company for phone and internet services.

Member

- Annual Conference – based on assumption that a shorter conference would be held by NMPP; costs represent ½ of the amount in the proposed budget. Sponsorships and registrations historically cover 75% of budgeted costs.
- Board and Committee Meetings – NMPP based on estimated facility rental costs for meetings given the size of the NMPP Board. ACE incurs these costs direct. NPGA would not incur costs based on the expected office building amenities and size of the NPGA Board.
- Member Communication – based on costs and assumptions for NMPP Energy's member newsletter. Increase relates to switching to 4-color printing for NMPP Energy News.

Consultants and Outside Services

- Outside Services
 - Web Site Hosting – based on current NMPP Energy costs
 - Payroll Administration – based on current NMPP Energy costs; annual increase expected.
 - Mail House Services – based on current NMPP Energy costs for member newsletter distribution
- Software Licenses, Maintenance, Support
 - Accounting Software – based on software needs of the company and pricing noted on websites; increased from \$150 to \$180/user/month. Users are determined by the *Positions by Company* report.
 - CRM System – based on pricing quotes provided by Digital Solutions Group for contract and contact management; assumed \$100/user/month for up to five users.
 - Office 365/Windows 10 – based on pricing quotes provided by Digital Solutions Group; number of users varies based on individual company needs
 - Adobe Acrobat DC – based on software needs of the company and pricing noted on websites; number of users varies based on individual company needs



 PUBLIC ALLIANCE FOR COMMUNITY ENERGY	Revision No.	34.0
	Effective Date	November February 117, 2020 2
Policies and Guidelines	Distribution Restriction: Public Document	

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are complete

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Section 1: General

1.1 General Statement

Public Alliance for Community Energy (ACE) sets forth written documentation of the Policies and Guidelines it uses to conduct business and administer the organization. The Policies and Guidelines are approved by the ACE Board of Directors (Board).

1.2 Purpose

The Purpose of the Policies and Guidelines is to guide staff and the Board in appropriate mechanisms to maintain the fiscal integrity of ACE and assist in the administration and proper governance of the organization.

1.3 Applicability

The Policies and Guidelines applies to all staff working for ACE and all representatives serving on the Board. Staff would include, but would not be limited to, operations, risk, legal, human resources, finance and accounting; and the Executive Director.

Section 2: Program and Organizational Structure

2.1 Program Structure


To ensure effective governance of ACE's financial operations and administration, the organizational reporting structure will require timely and meaningful performance as well as compliance and risk reporting.

2.2 Roles and Responsibilities

The Board is responsible for approving Policies and Guidelines. The Executive Director will oversee the administration of and compliance with the Policies and Guidelines. The Executive Director will delegate responsibilities for the administration of the Policies and Guidelines, to the Director of Finance and Accounting, the Director of Enterprise Business Support and the General Counsel, as appropriate.

The Director of Finance and Accounting will be responsible for the day to day administration of the Financial Policies and Guidelines. The Director of Finance and Accounting will be responsible for reporting material matters involving the Financial Policies and Guidelines to the Board. The Director of Finance and Accounting is responsible for ensuring the Financial Policies and Guidelines are reviewed and revised, if necessary, at least once per year.

The General Counsel will be responsible for the day to day administration of the Administrative Policies and Guidelines. The General Counsel will be responsible for reporting material matters involving the Administrative Policies and Guidelines to the Board. The General Counsel is responsible for ensuring the Administrative Policies and Guidelines are reviewed and revised, if necessary, at least once per year.

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Financial Policies and Guidelines

Section 3: Liquidity

ACE requires adequate liquidity to fund its normal, recurring business activities, as well as to provide for extraordinary expenses. ACE's goal is to maintain operating funds at least equal to one year's budgeted cash operating expenses

Operating funds = operating cash and cash equivalents + operating investments.

Budgeted cash operating expenses = fiscal year administrative and general expenses and capital costs.

The Board may choose to maintain funds in excess of ACE's goal in order to have funds available for potential new projects, expansion into new territories, or other opportunities that may arise.

Section 4: Cash Contingencies

ACE maintains relationships with several national banking institutions that have the ability and capacity to facilitate lines of credit in the event that ACE would need to borrow funds. Currently, ACE does not maintain an open line of credit. The Executive Director has authorization to borrow, at his or her discretion, an amount not to exceed \$200,000.00 or one month's expected revenues; whichever is greater, for the use of ACE per Article VII, Section 7 of the Amended and Restated Bylaws of ACE.

Section 5: Investments

ACE maintains an investment policy to guide and protect investments in financial assets and to serve as a guide to ACE's investment decisions. The investment policy is reviewed on an annual basis in order to utilize any new investment vehicle to maximize return on investments without exposing ACE to undue risks.


Under the laws of the State of Nebraska, all investments made by ACE must follow the prudent investor standard and the investment policy approved by the Board.

5.1 Objective of Investment Policy

1. • Assure safety of principal
2. • Retain liquidity to meet projected cash needs
3. • Realize the best available yield, while minimizing risk, to make productive use of idle funds


5.2 Approved Investments

- a) Bills, notes, bonds or other obligations which as to principal and interest constitute direct obligations of the United States of America

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- b) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories (without regard to qualifiers) assigned by such agencies.
- c) Any bonds or other obligations which as to principal and interest are guaranteed by the United States of America, including obligations of any agency thereof or corporation which has been or may hereafter be created pursuant to an Act of Congress as an agency or instrumentality of the United States of America to the extent unconditionally guaranteed by the United States of America.
- d) Senior obligations issued or guaranteed by any of the following which obligations are not fully guaranteed by the full faith and credit of the United States of America: (i) Federal Home Loan Bank Systems (FHLB); (ii) Federal Home Loan Mortgage Corporation (FHLMC); (iii) Federal National Mortgage Association (FNMA); (iv) Student Loan Marketing Association (SLMA); (v) Resolution Trust Funding Corporation (REFCORPs); and (vi) Farm Credit Corp.
- e) Commercial paper, which is rated at the time of purchase, "A-1" by S&P and "P-1" by Moody's and which matures not more than two hundred seventy (270) days after the date of purchase.
- f) Certificates of deposit and time deposits of any U.S. depository institution or trust company.
- g) Money market mutual fund accounts that adhere to SEC rule 2a-7

- ~~1. United States Treasury securities~~
- ~~2. Federal agency securities~~
- ~~3. Certificates of deposit, time deposits and banker's acceptances limited to no more than \$250,000.00 invested in any one Federal Deposit Insurance Corporation (FDIC) covered bank or financial institution to ensure ACE is covered under FDIC insurance~~
- ~~4. Commercial paper, limited to ratings of A-1, P-1~~
- ~~5. AA rated or better municipal bonds~~

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5.3 Investment Restrictions

- Limit of \$500,000 with a single issuer, other than the U.S. Government
- 1. Certificates of deposit and time deposits limited to no more than \$250,000 invested in any one Federal Deposit Insurance Corporation (FDIC) covered bank or financial institution to ensure ACE is covered under FDIC insurance
- 2. Maximum investment term of two (2) years
- 3. Should investment opportunities arise that are not listed above, investment consent can be obtained through the approval of at least two of the following: Chair of the Board, Secretary/Treasurer of the Board, or ACE Executive Director. This approval must be in writing and reported to the Board at their next meeting.

Section 6: Natural Gas Pricing


All pricing for Choice Gas Program accounts is run through ACE's contracted natural gas supplier's pricing model. The Director of Gas Operations is authorized to negotiate with the contracted natural gas supplier to modify the pricing if desired, based on market conditions and competitive pricing. The Director of Gas Operations may also request hedging of a portion of anticipated load by the contracted natural gas supplier throughout the year as indicated by market conditions and forecasts. Prices for residential and commercial customers obtained from the contracted natural gas supplier may be quoted by ACE call center staff and staff members assigned to ACE.

Section 7: Contracts

Pursuant to the ACE Bylaws, ACE's Executive Director is authorized to execute or delegate the authority to execute any contract or other instrument which has been approved by the Board. The Executive Director is also authorized to execute or delegate the authority to execute any contract or other instrument necessary to effectively operate ACE where, in the judgment of the Executive Director, it is not in the best interests of ACE to delay action until the next meeting of the Board. At the next Board meeting following such action, where the amount involved exceeds \$10,000, the Executive Director shall report the significant detail execution of such contract or other instrument, excluding routine sales transactions.

ACE's Executive Director has made the following delegations of authority which may be changed by the Executive Director from time to time. Changes to these delegations will be incorporated into these Policies and Guidelines and reported to the Board at the next regularly scheduled meeting.

- Delegated authority to the Director of Gas Operations to sign contracts for ACE that are for one year or less.
- Any contract with an initial term of more than one year must be signed by the Executive Director or his delegatee.

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- The Director of Gas Operations must get approval of the Executive Director for all contracts with a dollar amount exceeding \$750,000 annually.
- The Director of Gas Operations is authorized to execute contracts for services of a routine nature prescribed within the ACE budget.
- During periods in which the Executive Director/CEO is away from the NMPP Energy headquarters due to official travel, authorized leave, or incapacitation, the Director of Enterprise Business Support is authorized to execute contracts and other instruments as necessary to effectively operate ACE. When both the Executive Director/CEO and the Director of Enterprise Business Support are absent, the Director of Retail Utility Services and Member Relations followed by the Director of Finance and Accounting and the General Counsel in that order, are authorized to execute contracts and other instruments as necessary to effectively operate ACE.

Members of staff authorized to sign contracts are accountable to minimize risk to members and ensure compliance with appropriate laws, regulations, bylaws and policies.

Section 8: Credit

ACE's credit policy is established to address financial risk including prevention of loss of revenue due to the inability of counterparties to meet their payment obligations. Before entering into an agreement with a natural gas supplier, ACE will investigate the counterparty's financial solvency and business reputation.


ACE will review financial information such as current financial statements and audited financial statements, with accompanying footnotes, for the two immediately preceding fiscal years for financial solvency and contingencies that could impact the counterparty's financial strength and will consider the counterparty's financial position, references, rating agency reports, and other available information.

Section 9: Internal Control Procedures

In order to maintain the integrity and accuracy of ACE's financial records, internal control processes and procedures have been developed and implemented in all areas of financial accountability, which include the following:

1. Purchases, accounts payable, cash disbursements and electronic payments,
2. Invoicing, accounts receivable, cash receipts and bank reconciliations, and
3. Payroll processing

The internal control processes are reviewed annually by an independent auditor as part of the annual financial statement audit. The auditors consider internal control processes relevant to the preparation and fair presentation of the financial statements but not for the purpose of expressing an opinion on the

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effectiveness of ACE's internal control processes. Such review includes analysis of adequate segregation of duties between department personnel and evaluating the appropriateness of accounting policies.

Section 10: Annual Budget and Financial Forecasts

Annually, ACE will prepare a detailed budget for the immediately succeeding fiscal year based on known information and other quantifiable information.

ACE may also prepare a financial forecast based on projected costs and capital needs.

Section 11: Commercial Insurance

To minimize the risk of loss due to an event beyond ACE's control, ACE reviews its insurance package on an annual basis to ensure that insurance coverage is in effect for any area of exposure of loss of a catastrophic nature. Coverage limits are increased, added or deleted as the situation warrants.

Commercial coverage includes: Property and contents, business interruption, general liability, automotive, inland marine, workers' compensation, cyber risk, crime, commercial umbrella, directors and officers, fiduciary and dishonesty and may include other applicable insurance products when relevant and reasonable.

Section 12: Member Distribution


At least annually, the Board will consider the projected fiscal year financial results and net position of ACE in determining whether to authorize a Member Distribution. The Board will generally consider a Member Distribution at the January meeting.

The Board will first consider a Member Distribution based on Board meeting attendance. To qualify for the Member Distribution, the Member's representative or alternate representative must have counted toward meeting quorum. The Member Distribution will consisting of \$300 ~~per for each~~ Board meeting attended in-person by the Member's representative/~~alternative alternate~~ representative and \$100 for each Board meeting attended virtually by the Member's representative/alternate representative, rolling distribution to distribution.

The Board will then consider a Member Distribution consisting of \$1,000 per Member for completing a qualifying Choice Gas year marketing activity, as determined by ACE staff, rolling distribution to distribution.

After consideration of the projected fiscal year financial results and net position of ACE including any Member Distributions based on Board meeting attendance and qualifying Choice Gas year marketing activity, the Board may consider an additional Member Distribution of an amount to be determined by the Board to be distributed to ~~all~~ Members and allocated as follows:

- 45% to all Members~~95%~~ allocated based upon each Member's volume distributions as a percentage of the total volumes of all Members for the rolling last three calendar years
- 50% to Qualifying Members allocated based upon each Qualifying Member's volumes as a percentage of the total volumes of all Qualifying Members for the rolling last three calendar

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- years. Qualifying Members will consist of Members who had ACE as the natural gas supplier for the Member's eligible municipal accounts on the date the Member Distribution is authorized. Members who do not have a municipal account in the Choice Gas Program will also be deemed a Qualifying Member. Qualifying Members will be determined by ACE staff with discretion given to ACE staff for consideration of balloting errors by Members.
- 5% ~~allocated~~ to Qualifying Founding Members ~~allocated~~ based upon each Member's contribution as a percentage of the total contributed by all Founding Members. Qualifying Founding Members will consist of Founding Members who had ACE as the natural gas supplier for the Founding Member's eligible municipal accounts on the date the Member Distribution is authorized. Founding Members who do not have a municipal account in the Choice Gas Program will also be deemed a Qualifying Founding Member. Qualifying Founding Members will be determined by ACE staff with discretion given to ACE staff for consideration of balloting errors by Members.

Payment of approved Member Distributions will generally occur in February or March and will consist of the combined total of the amounts authorized for Board meeting attendance, qualifying Choice Gas year marketing activity, and any additional Member Distribution.

Section 13: Business Travel Reimbursement Policy

The Board has approved a Business Travel Reimbursement Policy ("Travel Policy") that provides guidelines for reimbursement to ACE Directors for reasonable business travel expenses incurred while on ACE company business approved by the Board, Executive Director or Director of Gas Operations, not including travel to or from Board meetings. The Travel Policy may be modified by the Board from time to time. The Travel Policy is included as Appendix A.

Administrative Policies and Guidelines


Section 14: Conflict of Interest

The Board has determined that effective oversight and governance has components of legal, fiduciary and policy responsibilities, and that the Board has a fiduciary duty of reasonable care, loyalty, and good faith. The ACE Interlocal Agreement does not directly address conflict of interest, standards for the Board of Directors, nor a code of conduct. The Amended and Restated Bylaws of ACE, revised November 13, 2013, include Article XI Indemnification of Directors, Officers, Agents and Employees.

The Joint Operating Agreement, signed by ACE, contains Section XIV regarding "Conflict of Interest", whereby the parties waive any actual or potential conflict of interest, in matters mutual in nature that may arise as a result of the shared status of Directors, Officers, trustees, employees or agents. All parties have access to independent legal counsel.

Section 15: Whistleblower

The NMPP Energy Employee Policy Manual includes a whistleblower policy which defines a whistleblower as an employee of NMPP who reports an activity that he/she considers to be illegal or

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dishonest, to an appropriate person as outlined in the policy. The Policy provides examples and guidelines regarding reporting.

Section 16: Records Retention and Disposition

Guidelines are available to staff [and the Board](#) to define a record and a non-record. Records are retained and disposed of in accordance with Records Retention Schedules that have been approved by the Nebraska Records Management Division.

Section 17: Anti-Harassment Policy

The Board is committed to providing an environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. As part of that commitment, the Board has adopted an Anti-Harassment Policy which is included as Appendix C.

Section 18: Board Member and Board Chair Job Descriptions


The Board adopted job descriptions for Board Members and the position of Board Chair as helpful tools to outline what is expected of the Board Member and member community. These job descriptions do not replace the guidelines provided in the ACE Bylaws. The job descriptions are included as Appendix B.

Section 19: Identity Theft Prevention Program

The Board adopted an Identity Theft Prevention Program (Program) to detect, prevent and mitigate Identity Theft in connection with the opening and maintenance of utility accounts. The Program Administrator is the Executive Director. The Program will be reviewed and updated, if necessary, on an at least annual basis. Staff will report on any red-flags identified, resulting actions or needed changes to the Program at least annually.

Revision History

Version	Effective Date	Description of Revision
1.0	November 14, 2018	Adoption of full policy and guidelines document including Member Distribution revision from the May 16, 2018 meeting
2.0	November 20, 2019	Errata changes. Clarification of Board approved company business in Section 13: Business Travel Reimbursement Policy. Addition of Section 19: Identity Theft Prevention Program.
3.0	November 10, 2020	Revision of Member Distribution to include an incentive of \$1,000 per Member that completes a qualifying Choice Gas year marketing activity
4.0	February 1, 2022	Approved at January 19, 2022 Board meeting. Errata changes. Revision to Section 5: Investments to provide better clarity. Revision to Section 7: Contracts to report "execution of" rather than "significant details" of contracts. Revision to Section 11: Commercial Insurance for consistency with policy for other NMPP Energy organizations. Revision to Section 12: Member Distribution related to attendance at virtual meetings and distribution allocation.

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	Effective Date	November-February 1 20, 2019 2022
Business Travel Reimbursement Policy	Distribution Restriction: Public Document	

Appendix A: Business Travel Reimbursement Policy

Subject to the provisions set forth below, the Public Alliance for Community Energy (ACE) will reimburse directors for reasonable business travel expenses incurred while on ACE company business approved by the Board, Executive Director or Director of Gas Operations, not including travel to or from ACE Board of Directors (Board) meetings or committee meetings held in conjunction with ACE Board meetings. Travel incurred by committee members related to ACE Executive Committee meetings qualifies for reimbursement.


The actual costs of meeting registration, travel, meals, lodging and other expenses directly related to accomplishing business travel objectives will be reimbursed by ACE. Directors are expected to limit expenses to reasonable amounts. Meal costs will not be reimbursed when a meal option has been provided by ACE or another NMPP Energy organization. Directors are asked to consider projected time and distance of travel and the resulting actual costs in determining whether to fly or drive and whether to rent or use a personal or employer-~~owned~~-provided vehicle. First class and/or charter travel will not be reimbursed unless required for the completion of ACE business and the receipt of prior Board approval. Directors will be reimbursed for use of a personal or employer-~~owned~~-provided vehicle for ACE business at the then-current Internal Revenue Service auto mileage reimbursement rate. Directors are asked to consider hotel amenities, location, convenience and comparable costs in selecting reasonable lodging arrangements. Directors shall make use of available corporate and discount rates for lodging. The Administrative Assistant for ACE, who serves as the ACE travel coordinator, is available to assist Directors in selecting lodging arrangements and making lodging reservations.

Other expense categories excluded from reimbursement include, but are not limited to: housing allowance or residence for personal use, payments for business use of personal residence, health or social club dues or initiation fees, personal services (e.g. maid, chauffeur, chef), tax indemnification and gross up payments, discretionary spending accounts, in-room movies, parking tickets or fines, entertainment expenses unless associated with a business activity, travel insurance, valet parking service (unless personal parking is not available), and purchase of personal items (clothing, toiletry items, spa use).

Directors who are involved in an accident while traveling on business must promptly report the incident to Nebraska Municipal Power Pool's General Counsel. Vehicles owned, leased, or rented by ACE may not be used for personal use without prior approval by the Executive Director.

Directors on business travel may be accompanied by a family member or friend, when the presence of a companion will not interfere with successful completion of business objectives. Additional or incremental expenses arising from a family member or friend are the responsibility of the Director.

When travel is completed, directors should submit completed, itemized business travel reimbursement request reports within 30 days to the Director of Gas Operations. A sample Business Travel Reimbursement Request form is available upon request. Business travel reimbursement request reports must be accompanied by an itemized receipt for each business expense item explaining the business

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purpose of the expense. Specifically, in order to provide proof during a sales tax audit, ACE must be able to show documentation that sales tax is paid on each purchase. Mileage requests should note the location and mileage traveled and be supported by an internet printout verifying the related mileage from the Director's community to the site of the business meeting or event. This support is not expected to agree exactly to the mileage requested as additional business travel within the individual cities, etc. is expected. The printout serves to support the reasonableness of the request. Request for reimbursement of an expense without an itemized receipt will be refused. Payment will be made by ACE as directed on the travel expense report through ACE's normal payment process.

Submission of an expense report requesting reimbursement payment to the Director shall constitute a certification the Director has not and will not be reimbursed by the Director's community or any other party for the same expenses and the Director's community prefers direct payment to the Director rather than to the Director's community.

Abuse of this business travel reimbursement policy, including falsifying expense reports to reflect costs not incurred by the Director, can be grounds for denial of reimbursement and filing of criminal charges.

Revision History

Version	Effective Date	Description of Revision
1.0	June 9, 2010	Adoption of policy
2.0	November 19, 2014	Periodic review and update
3.0	November 14, 2018	Periodic review and update & clarify Executive Committee reimbursement
4.0	November 20, 2019	Errata changes, clarified Board approved company business, meal cost reimbursement when a meal has been provided, and added availability of Administrative Assistant to assist with travel arrangements
<u>5.0</u>	<u>February 1, 2022</u>	<u>Approved at January 19, 2022 Board meeting. Errata changes.</u>

 PUBLIC ALLIANCE FOR COMMUNITY ENERGY	Revision No.	2.0
	Effective Date	November 20, 2019
Board Member and Board Chair Job Descriptions		Distribution Restriction: Public Document

Appendix B: Board Member and Board Chair Job Descriptions

Board Member Job Description

Responsibilities

- Regularly attend Board meetings.
- Make a serious commitment to participate actively in Board and committee work, including planning work and development of organizational strategy and goals.
- Review agenda and supporting meeting materials prior to Board and committee meetings.
- Be informed about the organization's mission, services, policies and programs.
- Keep up to date on developments in the organization's field.
- Get to know other Board members and build a collegial working relationship that contributes to consensus.
- Follow conflict of interest and anti-harassment policies and abide by confidentiality agreements and provisions.
- Assist the Board in carrying out its fiduciary responsibilities such as regularly reviewing the organization's financial performance, approving the annual budget, accepting the annual audit, and establishing investment policies and monitoring investment performance.
- Maintain professional working relationship with staff, utilize appropriate chain of command for questions or concerns, recognize and appropriately manage authority and role as a Board member.
- Promote mission and visibility of ACE in the community.


Personal Characteristics to Consider

- Ability to listen, analyze, think clearly and creatively, work well with people individually and in a group.
- Willing to prepare for and attend Board and committee meetings, ask questions, actively provide input, interact respectfully with staff and Board members, and contribute positively to group dynamics.
- Maintain or develop skills necessary to read and understand financial statements, learn more about the energy and energy services business, understand role and responsibility as a Board member.
- Possess honesty, sensitivity to and tolerance of differing views, a friendly, responsive, and patient approach, community-building skills, personal integrity, and concern for the organization's welfare.

Board Chair Job Description

Responsibilities

- Preside over meetings of the Board. See that it functions effectively, interacts with management and staff optimally, and fulfills all of its duties.
- Assist with the development of agendas.
- Encourage regular attendance and active participation in meetings by all Board members.
- Ask for nominations and appoint representatives to committees as needed.
- Represent the Board on the Joint Operating Committee. Report to the Board the actions of the Joint Operating Committee.

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- Reflect any concerns management has in regard to the role of the Board or individual Board members. Reflect to the Executive Director the concerns of the Board and other constituencies.
- Oversee development of any policies and procedures to ensure Board is complying with its fiduciary responsibilities, and legal and regulatory requirements.
- Oversee role planning and strategy development.
- Establish a relationship to outside counsel as needed if situation arises.
- Welcome new Board members and ensure they are oriented to their new role and responsibilities.
- Annually review the performance of the Board and take steps to improve its performance.

Personal Characteristics to Consider (in addition to those of a Board Member)

- Skills as a group facilitator, including ability to lead by example, encourage active participation, listen attentively, pose questions to achieve clarification and shared meaning, respond with respect and courtesy, and intervene privately when necessary. Maintain confidentiality in dealing with sensitive matters.
- Understanding of financial statements and sound business management practices.
- Ability to establish a positive working relationship with key staff and engage in discussions regarding Board and staff roles, responsibilities, and performance.
- Ability to provide candid and constructive feedback.

Revision History

Version	Effective Date	Description of Revision
1.0	January 21, 2015	Adoption of Job Descriptions
2.0	November 20, 2019	Errata changes

 PUBLIC ALLIANCE FOR COMMUNITY ENERGY	Revision No.	1.0
	Effective Date	November 14, 2018
Anti-Harassment Policy for Members of the Board of Directors		Distribution Restriction: Public Document

Appendix C: Anti-Harassment Policy for Members of the Board of Directors

NMPP Energy (Nebraska Municipal Power Pool, Municipal Energy Agency of Nebraska, National Public Gas Agency, and the Public Alliance for Community Energy, referred to as “the organization”) is committed to providing an environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment.


Actions, words, jokes, or comments based on an individual’s sex, race, color, sexual orientation, gender identity, national origin, age, religion, disability, genetic information, pregnancy, or any other legally protected characteristic are not appropriate and may rise to the level of unlawful harassment if they are unwelcome, severe or pervasive, and/or create a hostile environment. There are numerous Federal, State, and local laws which govern discriminatory and harassing conduct.*

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender based harassment of a person of the same sex as the harasser. The following is a partial list of examples of inappropriate behaviors that are to be avoided because they might be unlawful if they meet the definition of harassment:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals for a negative response to sexual advances.
- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- Verbal sexual advances or propositions.
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Physical conduct that includes touching, assaulting, or impeding or blocking movements.

In the course of carrying out their duties for NMPP Energy, no board member has been given any authority by the organization to require any employee, vendor, member or supplier to enter into any type of sexual relationship, to demean any individual because of gender/sex or any other protected characteristic, or to require any such person to listen to or participate in sexual discussions (including sexual jokes) which are unwelcome or offensive to such individual.

Likewise, no board member has been given any authority to require any employee, vendor, member or supplier to adopt any particular religious views, to demean any individual because of their religious views, or to require any such person to listen to or participate in religious discussions which are unwelcome or offensive to that individual. Furthermore, no board member has been given any

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Anti-Harassment Policy for Members of the Board of Directors		Distribution Restriction: Public Document

authority to demean any employee, member, vendor, or supplier because of their race or ethnic background or the existence of any disability, or to require any such individual to listen to offensive or unwelcome jokes or remarks based upon race, ethnicity or disability.

Under the law, this type of rude behavior is also likely to be considered unlawful “harassment” if the initiator knew that the conduct would be unwelcome or offensive (or the conduct was of the type which most reasonable people would have realized would be offensive under the circumstances). If an employee is offended, the offender should be informed that his or her conduct is upsetting, and be given a chance to correct the problem. However, common sense should prevail, and cases of serious misbehavior should be brought immediately to the attention of management (as should situations where offensive behavior continues, even after objection has been registered) so that an investigation can be conducted.

Any board member who is determined, after an investigation, to have engaged in sexual or other unlawful harassment shall be subject to disciplinary action, including removal from the Board of Directors where warranted.

The Board of Directors recognizes that the NMPP Energy Policy Manual shall include a Workplace Harassment Policy for staff.

**A sample of these laws include, but are not limited to,: Title VII of the Civil Rights Act, Age Discrimination in Employment Act (ADEA), Equal Pay Act, Pregnancy Discrimination Act, Immigration Reform and Control Act, Americans with Disability Act (ADA), Nebraska Fair Employment Practice Act.*

Revision History

Version	Effective Date	Description of Revision
1.0	November 14, 2018	Adoption of policy

CONTRACTS AND GENERAL COUNSEL REPORTS

Contracts:

- Black Hills Nebraska Gas LLC Nebraska Choice Gas Transportation Service Supplier Participation Agreement
- Black Hills Nebraska Gas, LLC Agreement regarding Mailing List and Marketing Practices
- Black Hills Nebraska Gas, LLC – Exhibit A to supplier Participation Agreement 2022-2023
- Interactive Information Research and Development, L.L.C. (i2rd) d/b/a Proteus, Inc. Agreement for Fall 2021 Updates to ACE TheRMS Application

Federal News:

Federal courts, including the highest court in the land, will consider the scope of EPA's authority to regulate carbon emissions from power plants in 2022. Expecting several courts to rule on the role of climate in oil, natural gas and power rules. Recall the federal rules in several agencies have suffered from regulatory uncertainty as rules change from one administration to the next.

President Biden's administration has ambitious climate goals of slashing emissions by about 50% from 2005 levels by 2030.

According the EnergyWire here are a few energy cases to watch in 2022: (1-3-22)

1. EPA climate authority – on February 28, the Supreme Court will hear West Virginia v. EPA on the EPA's ability to broadly interpret the federal law using the Clean Air Act
2. Federal Courts ruling on the Biden administration's updates social cost of carbon with a \$51 tax on a metric ton of carbon dioxide. This case is out of Missouri and in the 8th U.S Circuit Court of Appeals. (Covers Nebraska and Iowa) is a very conservative bench.
3. Oil and gas leases on government land are being challenged in the West and off the Gulf of Mexico are expected to be handed down this spring.
4. Several other pipeline cases in the Dakotas and at FERC have been submitted to the Supreme Court.

Nebraska Legislature - See the attached Bills of Interest and staff will walk through any Natural Gas or governmental bills

Bills of Concern
NMPP Energy
Nebraska 107th Legislature – Second Session – 2022
Updated January 12, 2022

2021 Carry Over Bills of Interest

Bill No.	Sponser	Description	Provision/Notes	Position	Status
<u>LB8</u>	Blood	Change independent expenditure reporting requirements and require electioneering reporting		Monitor	Notice of hearing for March 04, 2021
<u>LB31</u>	Wayne	Authorize punitive damages as prescribed and provide for distribution		Monitor	Notice of hearing for March 10, 2021
<u>LB52</u>	Lathrop	Provide for immunity for injury or death resulting from COVID-19 exposure		Monitor	Notice of hearing for February 18, 2021
<u>LB54</u>	Lathrop	Change immunity for intentional torts under the Political Subdivisions Tort Claims Act and the State Tort Claims Act		Monitor	Enrollment and Review <u>ER94</u> filed
<u>LB71</u>	Wayne	Change provisions relating to intentional tort claims under the Political Subdivisions Tort Claims Act and State Tort Claims Act		Monitor	Notice of hearing for February 18, 2021
<u>LB112</u>	Albrecht	Require members of the public to be allowed to speak at each meeting subject to the Open Meetings Act		Monitor	Notice of hearing for January 27, 2021
<u>LB133</u>	Erdman	Adopt the Nebraska EPIC Consumption Tax Act and eliminate certain other taxes		Monitor	Notice of hearing for February 03, 2021
<u>LR11CA</u>	Erdman	Constitutional amendment to require enactment of a consumption tax and prohibit certain other forms of taxation		Monitor	Failed to advance to Enrollment and Review Initial
<u>LB167</u>	Geist	Protect religious freedoms as prescribed and provide for certain tort claims		Monitor	Notice of hearing for February 26, 2021
<u>LB191</u>	Hughes	Redefine elector for the Irrigation District Act		Monitor	Notice of hearing for January 27, 2021
<u>LB199</u>	Vargas	Adopt the Face Surveillance Privacy Act		Monitor	Notice of hearing for March 11, 2021
<u>LB212</u>	Cavanaugh, M.	Prohibit charging members of the Legislature fees for public record requests		Oppose	Notice of hearing for February 25, 2021
<u>LB213</u>	Briese	Provide for an efficiency review of state agencies		Monitor	Notice of hearing for January 28, 2021

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<u>LB227</u>	Morfeld	Adopt the Doxing Prevention Act and change and provide penalties and a civil action for false reporting		Monitor	Notice of hearing for March 11, 2021
<u>LB228</u>	Morfeld	Change the Property Assessed Clean Energy Act		Monitor	Notice of hearing for February 02, 2021
<u>LB249</u>	Pansing Brooks	Prohibit employers from inquiring about wage rate history under the Nebraska Fair Employment Practice Act		Monitor	Notice of hearing for January 25, 2021
<u>LB257</u>	Hansen, M.	Change provisions relating to vacancies on public power and irrigation district boards		Monitor	Notice of hearing for February 25, 2021
<u>LB266</u>	McCollister	Adopt the Renewable Energy Standards Act		Oppose	Notice of hearing for February 11, 2021
<u>LB279</u>	Bostar	Authorize certain activities that are eligible for assistance from the Affordable Housing Trust Fund		Monitor	Notice of hearing for February 26, 2021
<u>LB284</u>	Cavanaugh, M.	Provide requirements regarding federal funds under the Governor's Emergency Program		Monitor	Notice of hearing for February 26, 2021
<u>LB290</u>	Cavanaugh, M.	Adopt the Paid Family and Medical Leave Insurance Act		Monitor	Placed on General File
<u>LB293</u>	Flood	Change the number of and qualifications for members of the Public Service Commission		Monitor	Notice of hearing for February 01, 2021
<u>LB306</u>	Brandt	Provide eligibility requirements for the low-income home energy assistance program		Support	Presented to Secretary of State on May 26, 2021
<u>LB398</u>	Bostelman	Change provisions relating to broadband speeds and services		Monitor	Bostelman <u>AM339</u> filed
<u>LB409</u>	Brewer	Provide a moratorium on construction of electric transmission lines and create the Electric Transmission Line Study Committee of the Legislature		Oppose	Brewer <u>AM381</u> filed
<u>LB424</u>	Brewer	Provide and change zoning requirements for wind energy generation projects		Monitor	Notice of hearing for February 26, 2021

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Bill No.	Sponsor	Description	Provision/Notes	Position	Status
<u>LB441</u>	Hansen, M.	Change provisions relating to compensation for individuals affected by COVID-19 under the Nebraska Workers' Compensation Act		Monitor	Notice of hearing for March 01, 2021
<u>LB443</u>	Hansen, M.	Exempt local foster care review boards from the Open Meetings Act		Monitor	Placed on General File March 9, 2021
<u>LB449</u>	Wishart	Appropriate funds to the Department of Environment and Energy		Support	Notice of hearing for February 26, 2021
<u>LB455</u>	Friesen	Adopt the Broadband Pole Attachment Act		Oppose	Notice of hearing for February 08, 2021
<u>LB456</u>	Friesen	Adopt the Nebraska Enhancing Broadband Act		Monitor	Notice of hearing for February 08, 2021
<u>LB460</u>	Brandt	Authorize leasing of dark fiber and eliminate certain powers of the Public Service Commission		Support	Notice of hearing for February 09, 2021
<u>LB467</u>	Bostar	Adopt updated electrical standards		Support	Placed on General File with AM136
<u>LB474</u>	Wishart	Adopt the Medicinal Cannabis Act		Monitor	Lowe FA48 filed
<u>LB482</u>	Cavanaugh, J.	Change provisions relating to use of public resources by public officials and public employees		Monitor	Notice of hearing for February 10, 2021
<u>LB483</u>	Cavanaugh, J.	Provide for a climate change study and action plan		Monitor	Notice of hearing for February 11, 2021
<u>LB498</u>	DeBoer	Require the Public Service Commission to implement a broadband service testing and mapping program		Monitor	Transportation and Telecommunications AM363 filed
<u>LB506</u>	Cavanaugh, J.	Change provisions relating to net metering provided by local distribution utilities		Monitor	Notice of hearing for February 10, 2021
<u>LB512</u>	Brewer	Adopt the Critical Infrastructure Utility Worker Protection Act		Support	Notice of hearing for March 01, 2021
<u>LB513</u>	Brewer	Change qualifications and terms of public power district board members		Oppose	Notice of hearing for February 03, 2021

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Bill No.	Sponsor	Description	Provision/Notes	Position	Status
<u>LB520</u>	Friesen	Provide for applications for the collocation of certain wireless facilities		Oppose	Notice of hearing for February 08, 2021
<u>LB539</u>	Walz	Provide for a limit on the length of trains		Monitor	Notice of hearing for March 01, 2021
<u>LB543</u>	Brandt	Adopt the Agricultural Equipment Right-To-Repair Act		Monitor	Notice of hearing for February 25, 2021 Brandt <u>AM284</u> filed
<u>LB557</u>	Hansen, M.	Change provisions relating to public records and include body-worn camera recordings in certain circumstances		Monitor	Government, Military and Veterans Affairs <u>AM1021</u> filed
<u>LB573</u>	Bostar	Change the definition of qualified facility for purposes of net metering		Monitor	Notice of hearing for February 10, 2021
<u>LB576</u>	Bostar	Appropriate funds to the University of Nebraska		Monitor	Notice of hearing for February 16, 2021
<u>LR27CA</u>	Hansen, M.	Constitutional amendment to provide legislative authority in emergencies resulting from a pandemic		Monitor	Notice of hearing for February 26, 2021
<u>LB600</u>	Brandt	Provide powers and duties for political subdivisions regarding broadband facilities and infrastructure		Monitor	Brandt <u>AM148</u> filed
<u>LB604</u>	Geist	Adopt the Nebraska Accelerated Broadband Deployment Grant Program Act and change telecommunications provisions		Monitor	Notice of hearing for February 08, 2021
<u>LB606</u>	Hilgers	Clarify terms relating to power districts		Monitor	Notice of hearing for January 29, 2021
<u>LB619</u>	Sanders	Change excavation requirements under the One-Call Notification System Act		Monitor	Notice of hearing for February 01, 2021
<u>LB627</u>	Morfeld	Change provisions relating to qualified voters for certain public power district elections		Oppose	Notice of hearing for February 3, 2021
<u>LB683</u>	Wayne	Change provisions relating to net metering		Oppose	Notice of hearing for February 10, 2021

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2022 Introduced Bills

Bill No.	Sponsor	Description	Provision/Notes	Position	Status
<u>LB731</u>	Cavanaugh, J.	Provide requirements under the Small Wireless Facilities Deployment Act		Monitor	Introduced January 5, 2022
<u>LB742</u>	Erdman	Provide for minutes to be kept in an electronic record under the Open Meetings Act		Support	Introduced January 5, 2022
<u>LB743</u>	Erdman	Change provisions relating to when closed sessions may be held under the Open Meetings Act		Monitor/Oppose	Introduced January 5, 2022
<u>LB775</u>	Brewer	Prohibit land disposal of wind turbine blades and their component parts		Monitor	Introduced January 5, 2022
<u>LB778</u>	Brewer	Adopt the Government Neutrality in Contracting Act		Monitor	Introduced January 5, 2022
<u>LB263CA</u>	Blood	Constitutional amendment to require the Legislature to reimburse political subdivisions as prescribed		Monitor	Introduced January 5, 2022
<u>LB801</u>	Hughes	Redefine qualified location under the ImagiNE Nebraska Act		Monitor	Introduced January 6, 2022
<u>LB804</u>	Hughes	Change compensation of certain members of the Nebraska Power Review Board		Support	Introduced January 6, 2022
<u>LB821</u>	Hansen, M.	Adopt the Aid to Municipalities Act		Monitor	Introduced January 6, 2022
<u>LB840</u>	Brewer	Change provisions relating to publication and rates for legal notices		Monitor	Introduced January 6, 2022
<u>LB847</u>	Wishart	Redefine political subdivision under the Political Subdivisions Construction Alternatives Act		Support	Introduced January 6, 2022
<u>LB866</u>	Brandt	Change inspection fees under the State Electrical Act		Monitor	Introduced January 7, 2022
<u>LB884</u>	Cavanaugh, M.	Provide notice to private residential owners under the One-Call Notification System Act		Monitor	Introduced January 7, 2022

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Bill No.	Sponser	Description	Provision/Notes	Position	Status
<u>LB908</u>	McDonnell	Provide additional requirements for virtual conferencing under the Open Meetings Act		Monitor	Introduced January 10, 2022
<u>LB914</u>	Bostelman	Require the Public Service Commission to create and maintain a broadband map and data repository		Monitor	Introduced January 10, 2022
<u>LB916</u>	Wayne	Adopt the Rural Municipal Broadband Access Act		Monitor	Introduced January 10, 2022
<u>LB969</u>	Dorn	Appropriate federal funds to the Department of Environment and Energy to improve reliability and resiliency of the electric grid		Support	Introduced January 11, 2022
<u>LB977</u>	Slama	Appropriate federal funds to the Department of Economic Development for expanding electrical system capabilities		Support	Introduced January 11, 2022