



MEAN Risk Oversight Committee Meeting

Younes Conference Center, Kearney, Nebraska

May 21, 2025

2



Call to Order

James DePue
Committee Chair



NMPPEnergy.org



3

Call to Order

- Nebraska Open Meetings Act – Section 84-1412 (8)
- Roll Call



NMPPEnergy.org



4



Public Comment Period



NMPPEnergy.org



5

Public Participation Policy - Summary

- Any member of the public may speak, subject to these rules
- Individuals must state the following:
 - **Name**
 - **Address** (unless the address requirement is waived to protect the security of the individual), and
 - **Name of any organization represented** by such person
- Public comment period will be a maximum of 30 minutes
- Comments are limited to 3 minutes per person
- Address comments to the Committee as a body and not to any individual member thereof
- Disruptive conduct is not allowed & individual may be asked to leave meeting



NMPPEnergy.org



6

Consent Agenda

- Approval of Minutes of the January 22, 2025 Meeting
- The next meeting of the Risk Oversight Committee will be held on August 20, 2025 at the Younes Conference Center South, in Kearney, Nebraska



NMPPEnergy.org



7

Consent Resolution

Approval of the Consent Resolution as shown on page 3 of the meeting packet



NMPPEnergy.org



8



Risk Management Update

Sarah Jones
Director of Corporate Services



NMPPEnergy.org



9

Risk Management Update

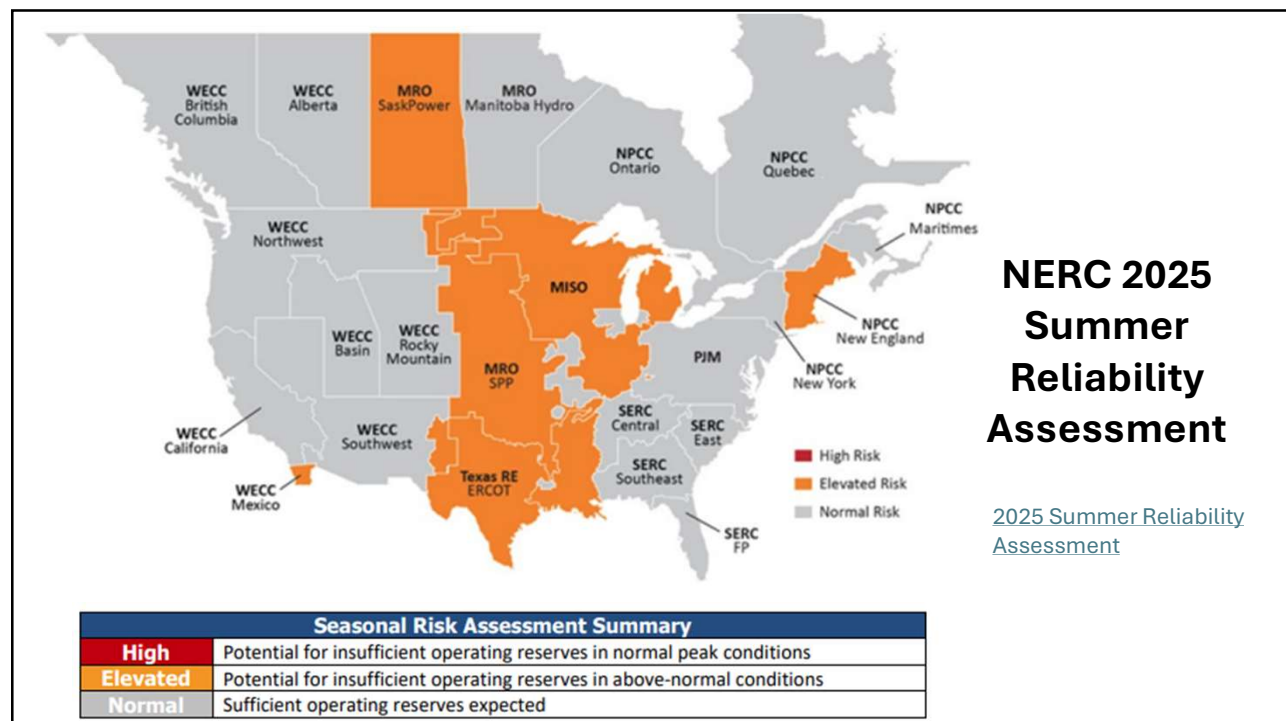
- NERC Modernization of Standards Processes and Procedures Task Force
 - ▶ “The speed at which risks to the reliability, security, and resilience of the bulk power system are emerging during the transformation to a decentralized, digitized, and decarbonized grid is outpacing industry’s ability to develop, enhance, and implement Reliability Standards under the existing processes and procedures.”
- Recommendations to NERC in February 2026



NMPPEnergy.org



10



11

Risk Management Update

- Be prepared
 - ▶ Sign up for Energy Alerts from MEAN
 - Visit alerts.nmppenergy.org, [NMPP Energy Alerts Subscribe Flyer 2023 0.pdf](#)
 - Sign up for text and/or email alerts
 - ▶ Encourage customers reliant on medical devices to charge batteries and have a back-up plan
 - ▶ Be prepared to communicate as quickly as possible to your customers
 - To conserve energy
 - To be prepared for the possibility of rolling blackouts



NMPPEnergy.org



12

Risk Management Update

- Reevaluated risk management program
 - ▶ Broader focus for all MEAN risks—Enterprise Risk Management
- Coordinated with TEA Risk Management
 - ▶ Reflect TEA risk management functions performed by them related to power trading activities
- Reviewed with MEAN Risk Management Team (MRMT)
- Bringing draft to you today
- Finalized hedging program policy with TEA
- Finalized NERC Compliance Program changes and implemented updated NERC Subject Matter Expert (SME) Training



NMPPEnergy.org

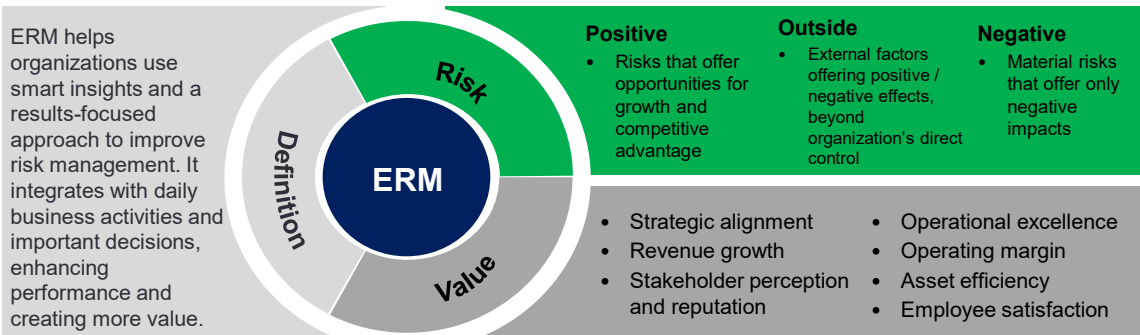


13

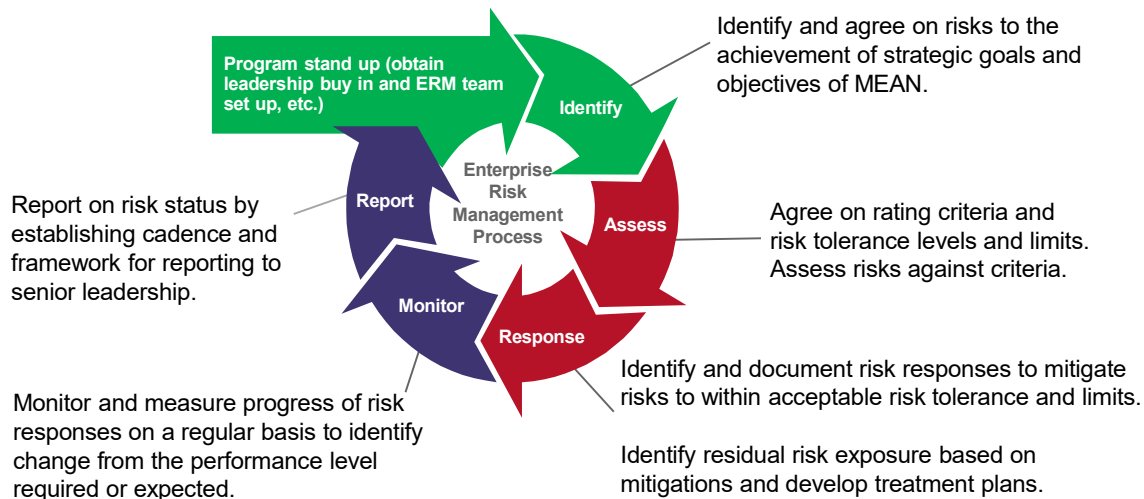
Enterprise Risk Management

What is ERM?

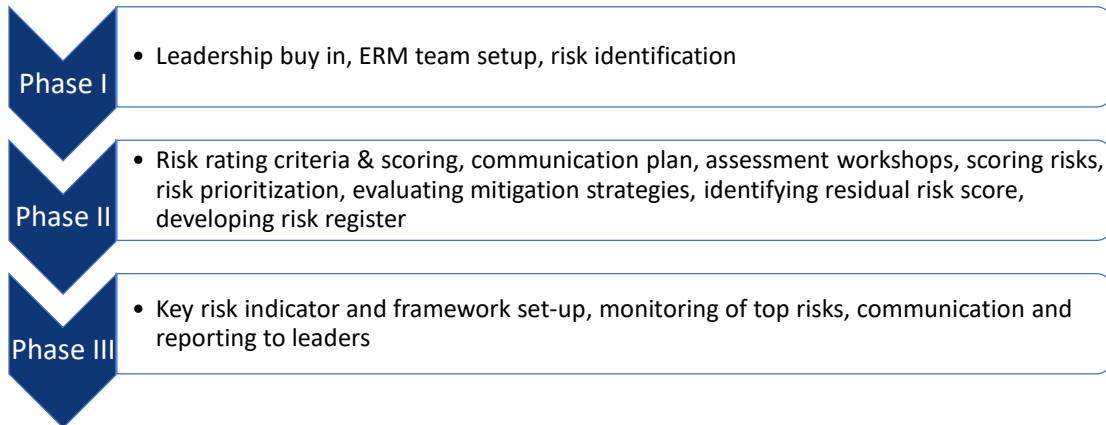
Enterprise Risk Management (ERM) is a structured approach used by an organization's leadership to plan strategies and operations with potential risks in mind. Management and staff identifies and manages these risks within their risk tolerance, helping ensure the organization meets its goals.



Typical ERM Lifecycle



Phased Approach to Enhance Enterprise Risk Management Capabilities



NMPPEnergy.org



16

Benefits of Enterprise Risk Management

- Clear understanding of risks to support better decisions
- Insights into both current and developing risks, allowing for proactive management
- Prioritize internal resources to focus on high-impact areas
- Prepare to handle and recover from adverse events
- Promotes awareness of risks throughout MEAN, enhancing overall strategic thinking and vigilance
- Find and act on growth opportunities by analyzing risk and reward
- Safeguard reputation and stakeholder confidence; managing compliance risk to avoid legal issues
- Enhance ability to respond quickly and effectively in crises, like extreme weather events, business interruptions or security breaches



NMPPEnergy.org



17

What Does the ROC and Board Want From an ERM Program?



Educate and inform decision makers, both staff and board, as to MEAN's greatest risks (foster a risk-aware culture)



Proactive, rather than reactive, approach to risk controls (what can be done before a risk occurs to lessen its impact) and risk mitigation (what can be done after a risk event occurs that will lessen its impact)



Annual Enterprise Risk Report to the Board



Development of risk decision tools



NMPPEnergy.org



18



Draft Risk Management Policies



NMPPEnergy.org



19

Enterprise Risk Management Policy

- Overall purpose and benefits of a MEAN Enterprise Risk Management Program
- Structure and organizational responsibilities for ERM
- Overall risk management framework
- Board risk reporting



NMPPEnergy.org



20

Risk Appetite Statement


- *“Risks will be managed in a manner that will not materially jeopardize MEAN’s ability to serve its wholesale power supply Participants, achieve its strategic goals and objectives, and maintain a high-quality credit rating. MEAN’s Risk Appetite is based on the cultural values of NMPP Energy. MEAN pursues professional ethics in all dealings, internally and externally and strives for compliance with legal and regulatory matters.”*



NMPPEnergy.org




21




Electric Markets Risk Management Policy

- Governance structure for electric markets risk activities
- Market transaction risks faced by MEAN
- Structure and roles for market risk management in MEAN and with The Energy Authority (TEA)
- MEAN's overall risk tolerance for market transactions
- Other program responsibilities


22



Adjourn



NMPPEnergy.org



23