



Meeting Information

MEAN Board Portal

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MEAN Power Supply Committee Meeting

Younes Conference Center, Kearney, Nebraska

January 22, 2025

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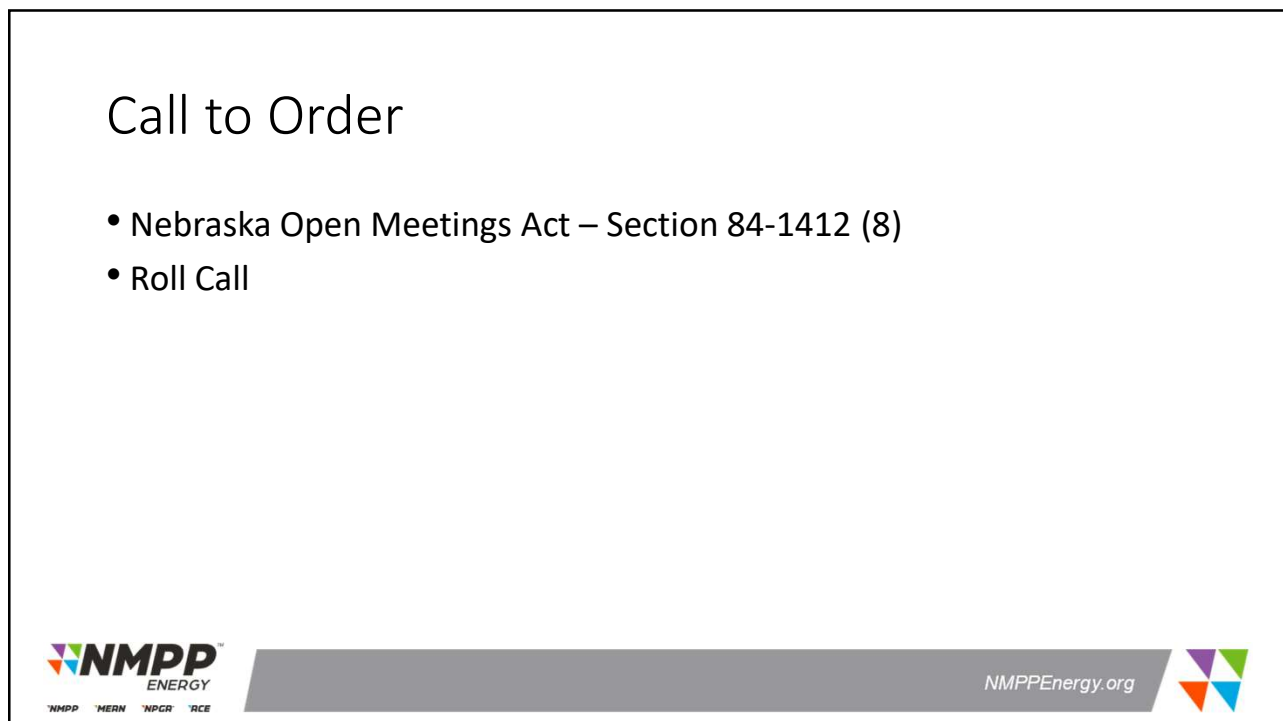
Call to Order

Tom Goulette
Committee Chair

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Call to Order

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

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Public Comment Period



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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



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Consent Agenda

- Approval of Minutes of the November 13, 2024 Meeting
- The next meeting of the Power Supply Committee will be held on May 21, 2025 at the Younes Conference Center South, Kearney, Nebraska.



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Consent Resolution

Approval of the consent resolution on page 3 of the meeting packet



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Modifications to Asset Management Policies and Procedures*

Jamie Johnson
Director of Finance and Accounting



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Capacity Commitment Compensation Policy Framework

- **Asset Management Policies and Procedures**
 - Eligibility and definitions
- Schedules of Rates and Charges
 - Approved rates and charges
- Financial and Administrative Policies and Procedures
 - Rate methodology
- All changes effective April 1, 2025



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Asset Management Policies and Procedures

Proposed Modifications

- Housekeeping changes
 - ▶ Delete date references
- V. Contract Capacity
 - ▶ Added references in A. to performance-based accreditation and seasonal accredited capacity



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Asset Management Policies and Procedures

Proposed Modifications

- VII. Operation of Generation
 - ▶ L. Compensation
 - Confirm compensation is at the Contract Capacity Demand Rate
 - Note rate is included in the Schedules of Rates and Charges
 - ▶ M. Compensation Arrangements
 - Simplify summary table
 - Address impact of market registration on dispatch
 - Add a labor component to compensation
 - Definitions updates



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Compensation Arrangements Summary Table	
Reason for Generation	Leased Generation
Successfully completed quarterly exercise or Unit Capability Test per MEAN schedule	FOM
Request from MEAN, <u>Balancing Authority</u> or <u>Transmission Operator</u>	FOM + Labor Rate
Emergency Outage	FOM
All other generation	Energy Charge if not reimbursed by third party
Reason for Generation	Non-Leased Generation
Request from MEAN not tied to a Balancing Authority or Transmission Operator directive	FOM
All other generation	Energy Charge if not reimbursed by third party



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Modifications to the Asset Management Policies and Procedures*

Approval of the resolution on page 4 of the meeting packet



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Regional Transmission Organization Expansion (RTOE) and Future Capital

Brad Hans

Director of Wholesale Electric Operations

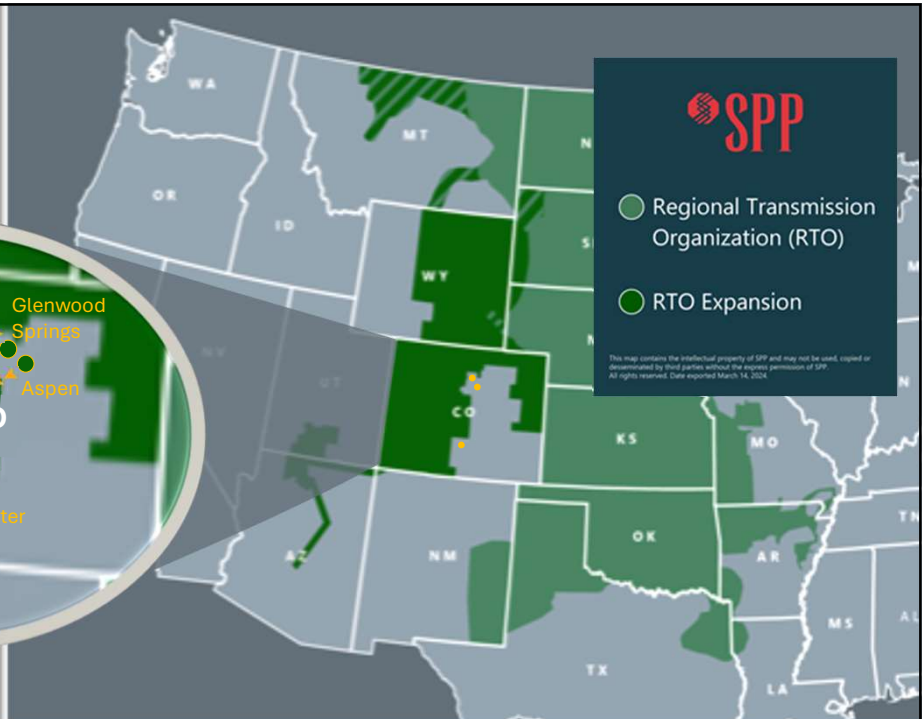
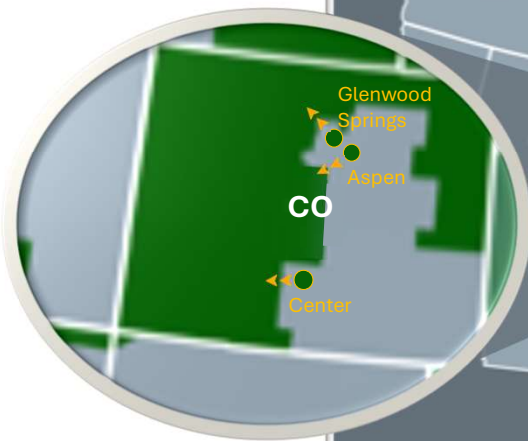


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Pseudo Tie Education

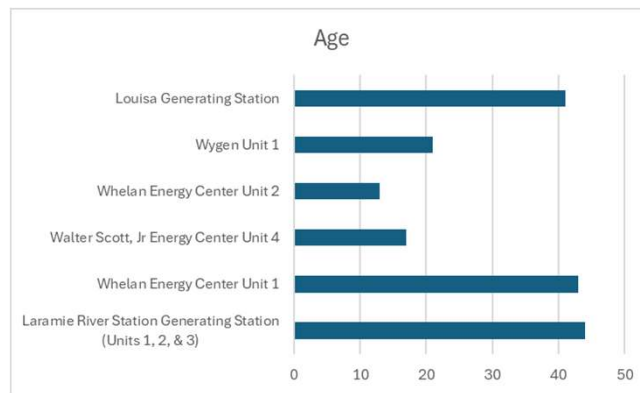


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Costs with the RTO West Market Expansion

- Psuedo Tie
 - Metering
 - Communications between SPP and PSCo
 - Systems for load balancing coordination
- Market Participant Activities
 - Registration
 - Testing
 - Meetings
- Software Enhancements

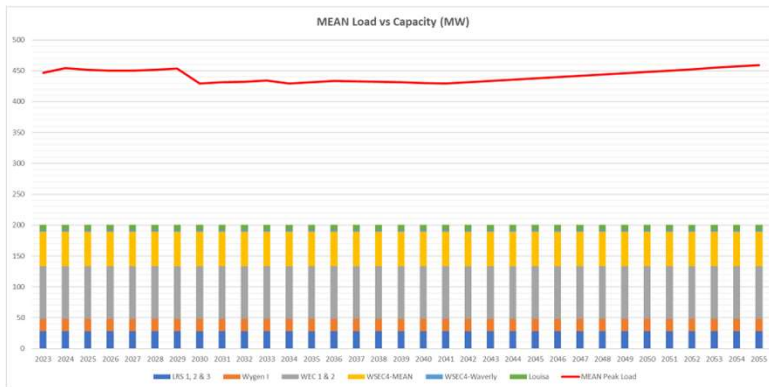
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Resource	MEAN MW	Age	Birthdate
Laramie River Station Generating Station (Units 1, 2, & 3)	28.5	44	1980-1982
Whelan Energy Center Unit 1	5.3	43	1981
Walter Scott, Jr Energy Center Unit 4	59.2	17	2007
Whelan Energy Center Unit 2	80	13	2011
Wygen Unit 1	20	21	2003
Louisa Generating Station	8.2	41	1983

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Owned Resources Continue to Provide Value During the Impending Resource Transitions



- Accredited Capacity
- Dispatchability
- Operating Cost
- Flexibility for Market Economics
- Fuel Assurance
- Locations
- Weather Resilience
- NERC Considerations



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Nature of the Expenses

- Environmental Systems
- Containment Facilities
- Substation Equipment Upgrades
- Distributed Control Systems
- Motor Control Centers
- Boilers
- Generator
- Fuel Transition


As facilities age, replacements and upgrades are par for the course, but they are not immune to the same inflationary factors all of us are experiencing




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Resource Portfolio Development and Updates



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Scribner, Nebraska Status

Brad Hans
Director of Wholesale Electric Operations



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- MEAN has provided Scribner SPP Market Assistance since January 1, 2020
 - ▶ The Board approved an extension at its August meeting which
 - ▶ Extended agreement expires June 31, 2025
 - ▶ Peak load 1.1MW
- Considering and evaluating whether to transition to Total Requirements Power Supply or retain a Marketing Agreement



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Leased Capacity Units

Brad Hans

Director of Wholesale Electric Operations



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Units and Operators Have Responded Well

- Recent Market Registration
- Dispatch/Operations Update
- Rigidity in testing
- Performance Based Accreditation Education for Outages
- Dispatch tool development
- Communication/Communication/Communication



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Extension of Jeffrey Hydropower Addendum

Brad Hans

Director of Wholesale Electric Operations



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Jeffrey Hydro

- Temporary from 1 July – 31 Dec
- RFP – MEAN was not successful bidder
- Timeline for decision ran past the SPP Market Participant change deadlines
- Providing Market Participant Service until the transition to their new off taker is finalized



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Kilgore Wind Project

Brad Hans

Director of Wholesale Electric Operations



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Kilgore Wind Project

***Project was approved in May 2024
MEAN Staff continue to evaluate***

- 53MW Wind Farm located near Valentine Nebraska
 - MEAN considering between 10-20 MW
 - Likely replacement for Ainsworth Wind
- Project has been approved for potential PACE financing and granted 20% loan forgiveness
- Final SPP Interconnection results expected in late February per SPP's latest schedule
- Estimated Commercial Operation Date of 4th Quarter 2026
- Transmission Request was made in early June, but kicked out due to Generation Interconnection



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Solar Projects

Brad Hans

Director of Wholesale Electric Operations



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Solar Project near Sidney

40 MW Sandhills Energy Project Approved by the Board November 2022

- Generation Interconnection Agreement available through 2026
- Network Transmission available with no associated upgrade costs.
- Recent SPP study identified impact by the delay in the NPPD R-Line Transmission Project
 - ▶ Limits production to 8.5 MW from September-May
 - ▶ Significant pricing impact moving forward until R-Line is built
 - ▶ Estimated late 2027 but pending US Fish & Wildlife approval estimated for August 2025
 - ▶ Working with SPP to identify a way to avoid the production limits based on study results



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MEAN Contracted Solar in Glenwood Springs

- Sandhills Energy is working with the city to develop a solar farm at Glenwood Springs with 6.5MW being considered for MEAN Contracted Solar
- City currently looking at a potential new location that offers more acres than the existing location under consideration
- Subject to extension of city's contract with MEAN
- As a resource in Colorado, helps address state's requirements



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Sandhills Community Solar and MEAN Contracted Solar

- 16 Communities signed PPAs with Sandhills for Community Solar Projects
- 21.20 MW-AC Community Solar
- ~19.788 MW-AC MEAN Contracted Solar



Resource	MWs (AC)	Project Start	Estimated COD
Pender - Community Solar	0.35	10/21/2024*	1/24/2025
Denver - Community Solar	0.375	10/21/2024*	1/24/2024
Stuart- Community Solar	0.15	10/21/2024*	1/29/2024
Ansley - Community Solar	0.12	10/21/2024	Online
Crete - Community Solar	1.6	9/9/2024*	1/27/2025
Gering - Community Solar	1.112	7/17/2024*	2/27/2025
Gering - MEAN Contracted Solar	2.888	7/17/2024*	2/27/2025
Sidney - Community Solar	1.6	6/4/2024*	6/4/2025
Sidney - MEAN Contracted Solar	2.2	6/4/2024*	6/4/2025
Alliance - Community Solar	2.4	5/14/2024*	5/14/2025
Alliance - MEAN Contracted Solar	5.4	5/14/2024*	5/14/2025
Imperial- Community Solar	0.525	8/6/2024	1/1/2025
Wray - Community Solar	0.35	2/1/2025	4/25/2025
Delta - Community Solar	0.875	1/20/2025	5/27/2025
Fort Morgan - Community Solar	3.8	1/6/2024	7/9/2025
Fort Morgan - MEAN Contracted Solar	~7.0	Q3 2024	Q4 2025
Indianola - Community Solar	3.4	TBD	7/31/2025
Sergeant Bluff - Community Solar	0.6	TBD	5/2/2025
Yuma - Community Solar	0.5	2/14/2025	7/31/2025
Yuma - MEAN Contracted Solar	2.3	2/14/2025	7/31/2025
Waverly- Community Solar	3.6	TBD	6/30/2025

*Currently Under Construction



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Operations Update

Jeff Lindsay
Electric Operations Manager

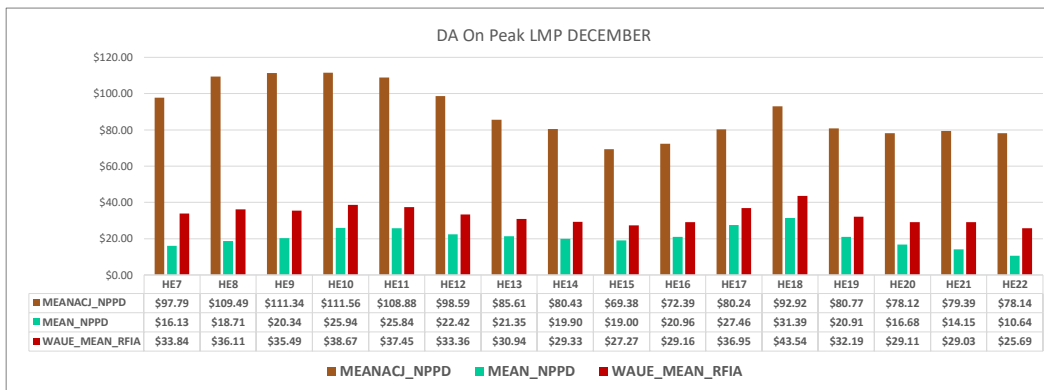


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MEAN LOAD LMPS DECEMBER



	OFF PEAK	ON PEAK
MEANACJ_NPPD	\$82.44	\$89.69
MEAN_NPPD	\$7.06	\$20.74
WAUE_MEAN_RFIA	\$23.02	\$33.01

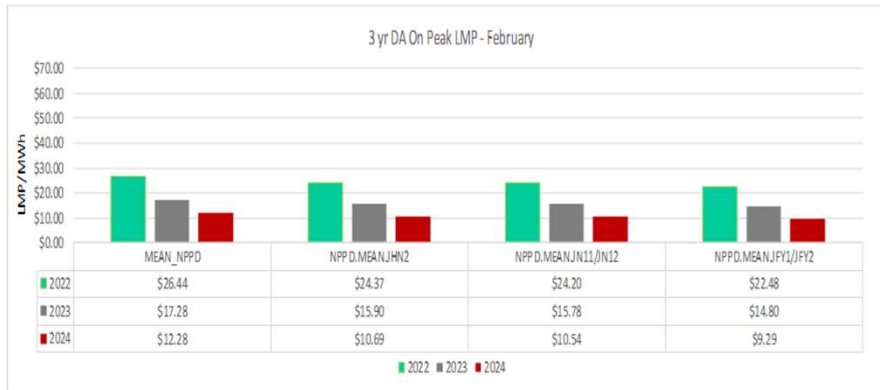


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LOOK AHEAD- FEBRUARY



- Heating load will continue to drive demand in February, but overall warmer than average temperatures.
- Wind generation is projected to run slightly above average, while capacity on outage levels come down from January to around 9 GW.
- Energy prices are expected to average low to mid \$40's.

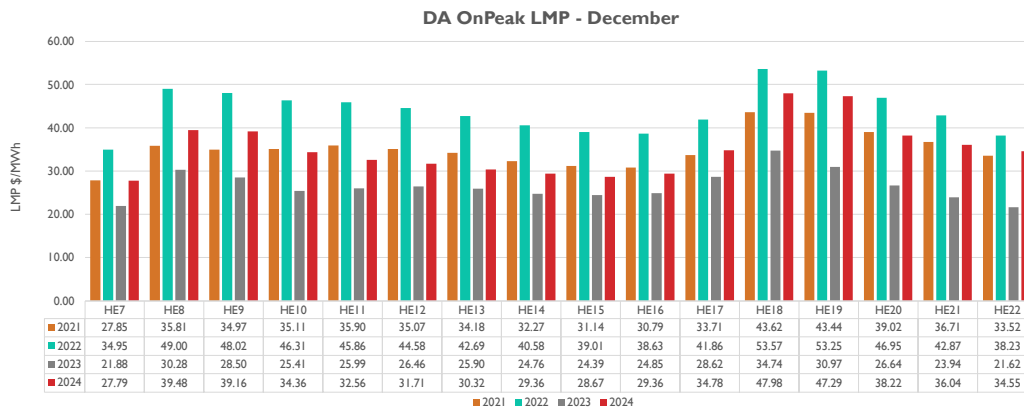


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MEC.MEAN.LD LOAD LMP



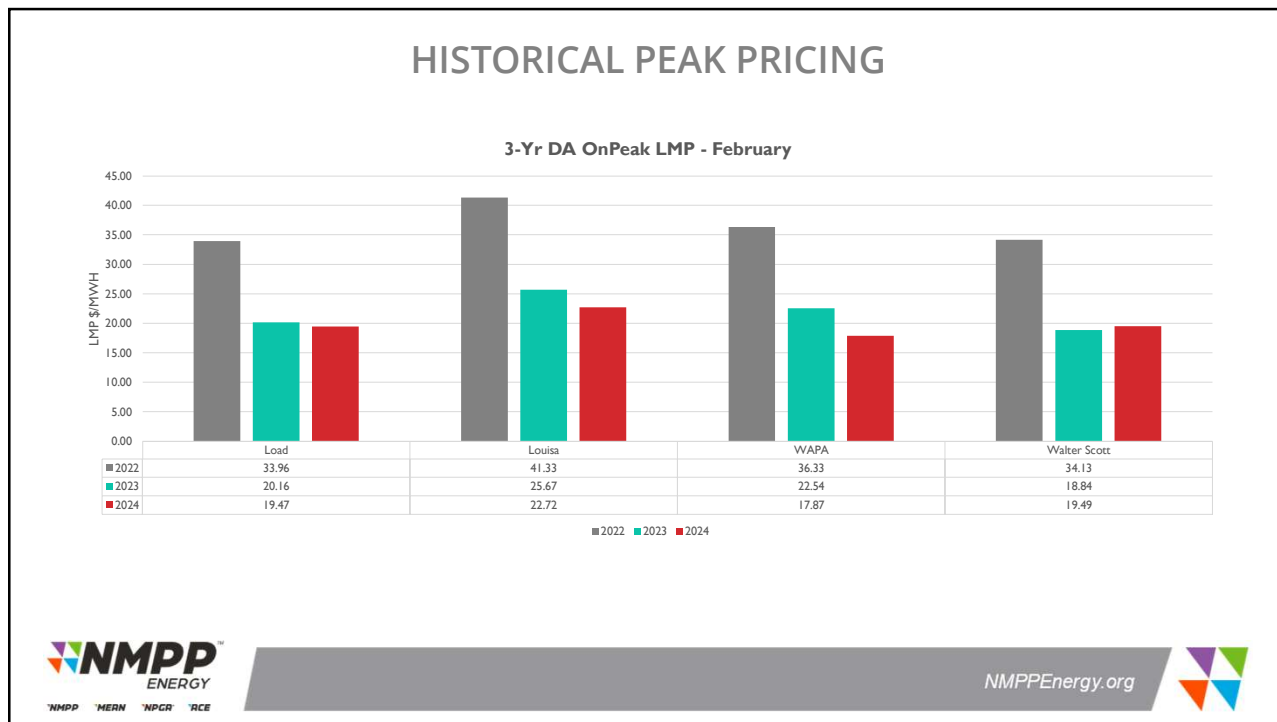
Year	December OnPeak Avg LMP	December OffPeak Avg LMP
2021	\$35.19	\$21.03
2022	\$44.15	\$41.44
2023	\$26.56	\$16.84
2024	\$35.10	\$24.21



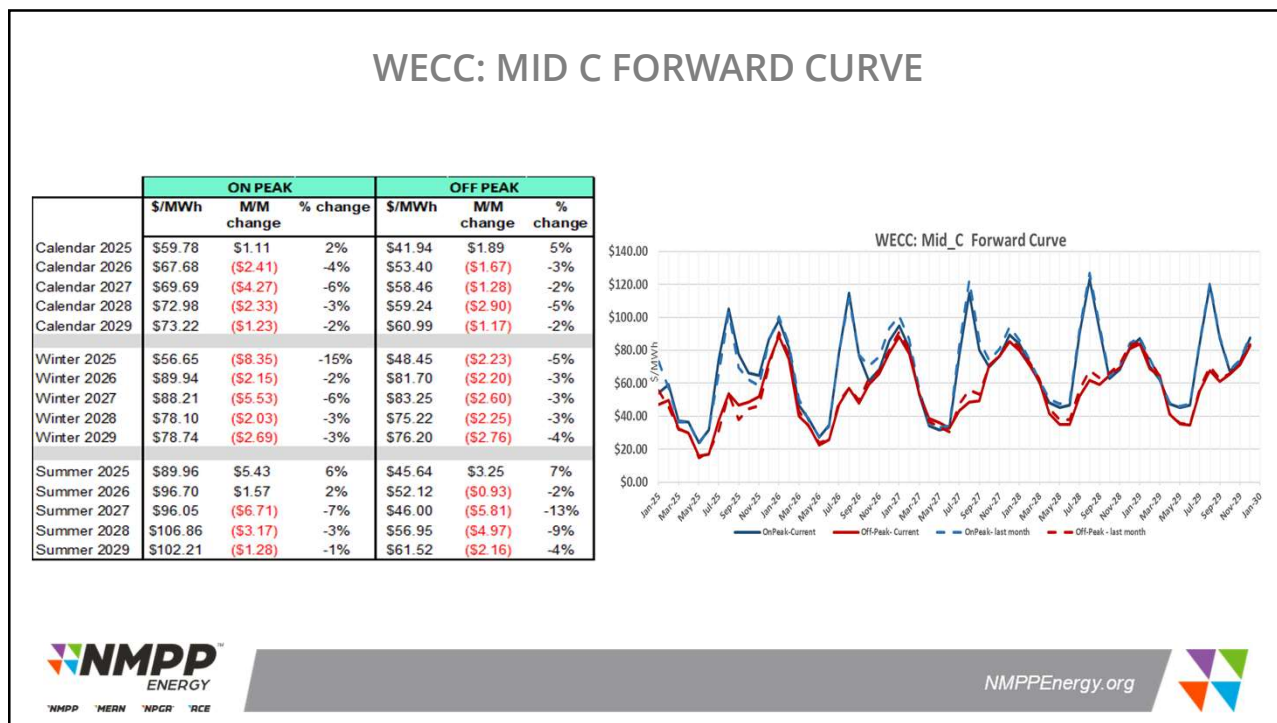
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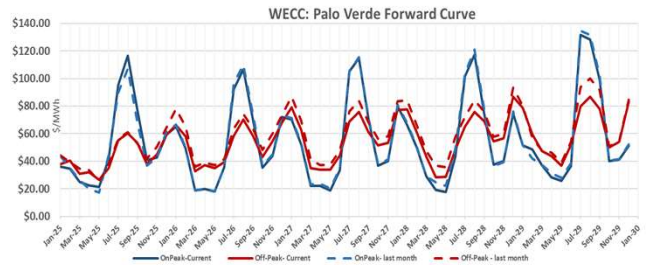
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WECC: PALO VERDE FORWARD CURVE

	ON PEAK			OFF PEAK		
	\$/MWh	M/M change	% change	\$/MWh	M/M change	% change
Calendar 2025	\$51.08	\$1.70	3%	\$42.77	(\$2.35)	-6%
Calendar 2026	\$52.23	(\$1.43)	-3%	\$51.76	(\$4.94)	-10%
Calendar 2027	\$55.50	(\$1.04)	-2%	\$56.36	(\$5.79)	-10%
Calendar 2028	\$55.95	(\$2.25)	-4%	\$57.98	(\$6.37)	-11%
Calendar 2029	\$59.98	(\$1.02)	-2%	\$62.51	(\$4.09)	-7%
Winter 2025	\$35.31	(\$4.06)	-11%	\$39.13	(\$2.74)	-7%
Winter 2026	\$57.23	(\$0.91)	-2%	\$62.09	(\$9.51)	-15%
Winter 2027	\$61.11	(\$1.19)	-2%	\$70.89	(\$7.34)	-10%
Winter 2028	\$58.18	(\$0.94)	-2%	\$69.47	(\$5.67)	-8%
Winter 2029	\$49.93	\$2.94	6%	\$69.14	\$0.62	1%
Summer 2025	\$105.99	\$7.58	7%	\$57.69	(\$0.95)	-2%
Summer 2026	\$99.46	(\$3.76)	-4%	\$64.40	(\$4.45)	-7%
Summer 2027	\$109.87	(\$0.61)	-1%	\$72.20	(\$7.72)	-11%
Summer 2028	\$109.44	(\$3.04)	-3%	\$70.47	(\$7.64)	-11%
Summer 2029	\$130.15	(\$2.93)	-2%	\$83.37	(\$13.44)	-16%

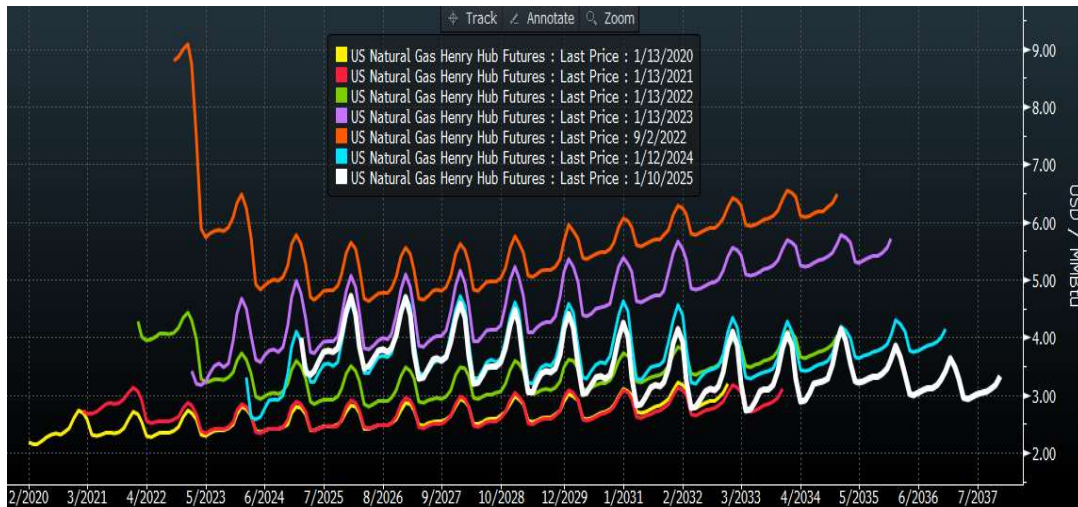


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NATURAL GAS FORWARD CURVE (5-YEARS)



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Winter Season Update

West winter short position 2025-2027

West Monthly Purchase

- November 10mw Firm
- December 15mw Firm
- January 20mw Firm
- February 20mw Firm
- March 10mw Firm



Operating Reserves – SPP WEIS

- MEAN extended reserves in Oct. with Tri-State January 2025 – March 2026.
- RTOE scheduled to start April 2026.



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Adjourn



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