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Section 1: General Statement

1.1 General Statement

Municipal Energy Agency of Nebraska (MEAN) sets forth written documentation of the Financial and Administrative Policies and Guidelines it uses to conduct business and administer the organization. The Financial and Administrative Policies and Guidelines are approved by the MEAN Board of Directors (Board).

1.2 Purpose

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

1.3 Applicability

The Financial and Administrative Policies and Guidelines applies to all staff working for MEAN and all representatives serving on the Board. Staff would include, but would not be limited to, resources and transmission, settlements, operations, risk, legal, human resources, finance and accounting; and the Executive Director. MEAN has contracted with an outside vendor (“Vendor”) to provide Day-Ahead and Real-Time Scheduling and Regional Transmission Organization (RTO) market interface settlement functions. This Policy has been provided to the outside vendor.

Section 2: Program and Organizational Structure

2.1 Program Structure


To ensure effective governance of MEAN’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 the Financial and Administrative Policies and Guidelines. The Executive Director will oversee the administration of and compliance with the Financial and Administrative Policies and Guidelines. The Executive Director will delegate responsibilities for the administration of the Financial and Administrative Policies and Guidelines, as appropriate, to other staff.

The Director of Finance and Accounting, and the MEAN Risk Management Team (MRMT) as appropriate, 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 and other MEAN Committees as appropriate. 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

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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.

The Finance Committee, a subcommittee of the Board, has an advisory role to the Board. The Finance Committee is responsible for reviewing the Financial and Administrative Policies and Guidelines and making appropriate recommendations for action to the Board.

Section 3: Committees of the Board

In accordance with MEAN’s Amended and Restated By-Laws (By-Laws), the Board may create committees as may from time to time be necessary and shall at the time of creation establish the committee’s power, duties, membership, and voting requirements.

The By-Laws established an Executive Committee composed of the chairperson of the Board, vice-chairperson of the Board, secretary-treasurer of the Board, and four directors to be elected by the Board to serve on the Executive Committee. 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 By-Laws, rules, motions, or resolutions.

The Board has established the following other standing committees via Board resolutions:

- Finance Committee
- Power Supply Committee
- Services Committee
- Risk Oversight Committee

The composition, responsibilities, meeting procedures, and reporting for each committee is detailed in a Scope document approved by the Board.

From time to time, the Board has also established other special purpose committees and task forces that focus on specific areas of interest and are generally discontinued once the interest area has been resolved.


Financial Policies and Guidelines

Section 4: Cash Reserve

4.1 Objective of Cash Reserve Policy

MEAN has established cash reserve policies and guidelines to maintain appropriate cash reserves to help ensure:

- Cash exists for timely payment of bills
- The short term and long term financial health of MEAN
- Stable rates and charges

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- Cash exists to fund items as determined by the Board and to address unexpected events that could arise over the course of business

4.2 Assessment of Cash Reserve Guidelines

Minimum cash reserve guidelines have been established by the Board with the expectation that funds, consisting of unrestricted cash, cash equivalents, and investments, will regularly exceed the minimum cash reserve guidelines. MEAN recognizes that financially healthy agencies have fund balances that range from the minimum, established by the cash reserve guidelines, up to 2.5 times the minimum. The decision to hold more funds than the minimum amount established by the cash reserve guidelines is based on assessments of uncertainties and other financial policies such as:

- Financial risks facing MEAN
- Debt policies
- Rate setting policies
- Variability in electric energy costs
- Future capital improvements and resource planning

In view of the ever-changing energy markets, MEAN will review its cash reserve balances and targets annually to ensure that the funding levels continue to provide the expected level of liquidity protection and financial health. These levels can be adjusted as directed by the Board. In the event, fund balances fall below desired levels, MEAN will replenish the cash reserve funds through increases in rates and charges in the succeeding two to five years in order to provide for uninterrupted operations and maintain the financial health of MEAN.


4.3 Determining the Reserve Levels

The minimum cash reserve guideline for the operating fund in the Liquidity section covers MEAN’s working capital lag. Working capital lag recognizes that timing differences exist between when expenses are incurred and revenues are received.

MEAN’s bond resolutions require a minimum debt service coverage ratio of 1.0 and MEAN has established a coverage goal as noted in the Debt Service Coverage section. MEAN’s bond documents also establish a debt service reserve requirement including funding requirements. Given these policies and requirements, MEAN does not include an annual debt service component in the cash reserve policy.

Participation agreements and ownership interests in energy generation facilities include capital costs that are paid by MEAN. To ensure funds exist for these routine cyclical costs, MEAN includes a portion of annual capital costs in the minimum cash reserve guideline for the rate stabilization account Reserve component in the Rate Stabilization Account section.

Electric energy costs include significant cost uncertainties and are subject to volatility in fuel prices, market energy prices, generation performance, weather, and various other factors. In addition, electric energy sales are impacted by weather and various other factors. The minimum cash reserve guideline for the rate stabilization account Reserve component in the Rate Stabilization Account section is based

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on the risk that costs may exceed budget and revenues may fall short of budget. In addition, the Reserve component of the rate stabilization account provides a level of protection against catastrophic events including items such as damage to generating facilities, prolonged resource outages, and significant spikes in fuel and market energy prices. The Reserve component of the rate stabilization account is also intended to demonstrate a level of financial security to allow MEAN to issue debt at competitive rates, enter into agreements with counterparties, and participate in structured energy markets.

4.4 Handling of Funds

MEAN will evaluate unrestricted funds, including the operating fund and the rate stabilization fund, at least twice annually. Evaluation will occur as part of the annual budget process and upon closing of MEAN’s annual financial records including all year end accruals and Fiscal Year transactions. Amounts in the rate stabilization fund may be allocated to the various components included in the Rate Stabilization Account section. MEAN may reasonably choose to maintain additional funds for purposes beyond those contemplated in this policy. Other purposes might include, but not be limited to, extraordinary purchases, future capital costs, impact of known or potential environmental regulations, etc.

Section 5: Liquidity

MEAN requires adequate liquidity to fund its normal, recurring business activities, as well as to provide for extraordinary expenses. As part of MEAN’s Cash Reserve, MEAN’s goal is to maintain the balance in the operating fund at least equal to the sum of the following:


- at least 60 days of budgeted cash operating expenses
- at least 45 days of budgeted pass through expenses

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

Budgeted cash operating expenses = fiscal year budgeted electric energy costs, administrative and general expenses, and amortization of lease and subscription assets.

Budgeted pass through expenses = fiscal year budgeted costs where MEAN has contracted to collect and remit payment as an agent. Transactions include, but are not limited to, transactions related to scheduling and market assistance services under contracts with municipalities, Western Area Power Administration power and energy transactions and certain contracted transmission service.


MEAN will evaluate its operating fund balance and target in accordance with the Cash Reserve section to ensure that the funding levels continue to provide the expected level of liquidity protection. In addition, the operating fund balance will be considered in conjunction with other financial targets and ratios when developing the annual targeted revenue requirement and related rates and charges.

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Section 6: Rate Stabilization Fund

MEAN’s 2003 Bond Resolution establishes a rate stabilization account (the “rate stabilization fund”) within the General Reserve Fund. Each month MEAN deposits into or transfers from the rate stabilization fund the amount budgeted for the then current month as set forth in the current annual budget, or the amount otherwise determined by MEAN to be deposited into or transferred from such fund for the month. Amounts on deposit in the rate stabilization fund may also be used to pay operating expenses or debt service or for other purposes that enable MEAN to, or facilitate MEAN’s ability to, provide services at stable and economic rates.

- On an annual basis, five-year preliminary fiscal year budgets will be developed in an effort to assess the need for future changes to rates and charges based on projected electric energy sales, operating costs, debt service requirements, capital needs, changes in governmental regulations, etc.
- Transfers will be made to and from the rate stabilization fund as set forth in the current fiscal year budget.
- To facilitate tracking of the accumulation of and intended use of funds, MEAN has various components within the rate stabilization fund. When evaluating the rate stabilization fund, MEAN will consider the total of all funds held. Funds may be moved between the various components and all amounts on deposit may be used at the discretion of the Board. The components include the following:
 - Reserve
 - Energy
 - Fixed Costs
 - Other
- As part of MEAN’s Cash Reserve, MEAN’s goal is to maintain funds in the rate stabilization fund at least equal to the following:
 - Reserve - 15% of budgeted cash operating expenses, excluding purchased power capital; plus, annual average of preliminary 5-year capital budget, including purchased power capital
- MEAN also accumulates funds, within the rate stabilization fund as follows:
 - Energy - as determined by the Board for managing volatility in the underlying components of the Energy Charge
 - Fixed Costs – as determined by the Board for managing volatility in the underlying components of the Fixed Cost Recovery Charge

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- Other – as determined by the Board for items such as debt strategy, resource planning, etc.
- It is not the intent of MEAN to fund routine rate adjustments with funds from the Reserve component of the rate stabilization fund. The Reserve component is intended to be used only to handle the impact of unforeseen or one-time events that have a significant financial impact.
- MEAN may utilize funds within the rate stabilization fund, that are in excess of MEAN’s goal for the Reserve component, to minimize annual rates and charges fluctuations up or down.

MEAN will evaluate its rate stabilization fund balance and target in accordance with the Cash Reserve section to ensure that the funding levels continue to maintain the financial health of MEAN. In addition, the transfer from/provision for the rate stabilization fund will be considered in conjunction with other financial targets and ratios when developing the annual targeted revenue requirement and related rates and charges.


Annually, MEAN will evaluate its preliminary Fiscal Year change in net position upon closing of MEAN’s annual financial records including all year end accruals and Fiscal Year transactions. After evaluation of preliminary results, the Board may authorize a transfer of a portion of MEAN’s preliminary Fiscal Year change in net position into the rate stabilization fund or from the rate stabilization fund in order to meet MEAN’s funding objective for the rate stabilization fund, while maintaining debt service coverage ratios established by bond covenants; provided, however, such transfer shall be rounded to the nearest multiple of \$100,000.

Section 7: Cash Contingencies

MEAN maintains relationships with several national banking institutions that have the ability and capacity to facilitate lines of credit in the event that emergency energy purchases would be required due to loss of generating capacity from owned or contracted energy source(s), loss of available transmission paths to deliver resources, credit requirements for participation in regional power and transmission markets, or other unforeseen circumstances beyond staff and management control. MEAN strives to maintain an open line of credit that includes a letter of credit subfeature. The amount available under the line of credit is reduced by any outstanding standby letters of credit. Letters of credit may be issued to meet credit requirements for participation in energy markets or for other purposes.

Bank lines of credit may be used to pay for capital expenditures that are intended to be funded by the future issuance of bonds. The short-term line of credit would be used to provide adequate timely funding capacity and to provide flexibility as to the timing of the sale of permanent fixed rate/variable rate debt.

Such lines of credit could also be used for other lawful purposes.

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Section 8: Investments

MEAN maintains an investment policy to guide and protect investments in financial assets and to serve as a guide to MEAN’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 MEAN to undue risks.

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


Investment of bond proceeds, reserve and contingency funds and restricted debt service funds are in accordance with the applicable bond and supplemental bond resolutions.

8.1 Objective of Investment Policy

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

8.2 Approved Investments

- a) Bills, notes, bonds or other obligations which as to principal and interest constitute direct obligations of the United States of America.
- 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. Such obligations shall include, but not be limited to, the following: (i) U.S. Export-Import Bank; (ii) Rural Economic Community Development Administration (formerly the Farmers Home Administration); (iii) Farm Credit System Financial Assistance Corporation (FCSFAC); (iv) Farmers Home Administration (FHA); (v) Federal Financing Bank (FFB); (vi) Federal Housing Administration (FHA); (vii) General Service Administration (GSA); (viii) Government National Mortgage Association (GNMA); (ix) U.S. Maritime Administration guaranteed Title XI financing; (x) U.S. Department of Housing and Urban Development (HUD); (xi) Washington Metropolitan Area Transit Authority (WMATA); (xii) Resolution Trust Funding Corporation (REFCORPs) (Interest STRIPs only); and (xiii) U.S. Agency for International Development (AIDs).
- 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


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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) For bond related fund only - Certificates of deposit, time deposits, banker's acceptances, or uncollateralized investment agreements of any U.S. depository institution or trust company having capital and surplus of more than \$100,000,000 incorporated under the laws of the United States or any state thereof and subject to supervision and examination by federal and/or state banking authorities, provided that the unsecured short-term debt obligations of such depository institution or trust company at the date of acquisition thereof have been rated "A-1" by S&P and "P-1" by Moody's.

For unrestricted funds only – 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 MEAN is covered under FDIC insurance.

- g) Money market funds registered under the federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933, which at the date of acquisition have a rating by S&P of either "AAAm-G," "AAAm" or "Aam."
- h) Investment agreements under which the provider agrees to periodically deliver, on a delivery versus payment basis, such securities as are described in subparagraphs (a) through (f) above.
- i) Repurchase agreements which are continuously and fully secured by such securities as are described in subparagraphs (c) and (d) above, which securities shall have a market value at all times at least equal to 102% of the principal amount invested under the repurchase agreement plus any accrued but unpaid interest (marked to market at least weekly).
- j) For bond related funds only - Investment agreements that by their terms provide for repayment at par, for any lawful purpose under the Bond Resolution, of amounts invested thereunder, which either (i) constitute obligations of a bank, bank holding company, trust company, insurance company, financial institution or other investment provider whose outstanding unsecured debt, financial strength or claims paying ability (or whose guarantor's outstanding unsecured debt, financial strength or claims paying ability) is rated by S&P at least "A-1" short term or "A+" long term and by Moody's at least "P-1" short-term or "A1" long-term, or (ii) are fully secured by Government Obligations or obligations described in subparagraph (c) above, in each case with a market value, inclusive of accrued interest, equal to 102% of the amounts invested under those investment agreements. Notwithstanding the foregoing, the investment agreement may provide for a breakage fee or other penalty that is payable in arrears and not as a condition of a draw by the Trustee, if the obligation of MEAN to pay such fee or penalty is payable solely from the amounts, if any, available for that purpose in the General Reserve Fund.

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8.3 Investment Restrictions

- Limit of 10% of portfolio with a single issuer, other than the U.S. Government
- Restrictions as they may apply to bond proceeds, reserve and contingency funds and restricted debt service funds including limits on investment term as established in the applicable bond and supplemental bond resolutions.
- MEAN’s unrestricted funds will have a maximum investment term of five (5) years
- Should investment opportunities arise that are not listed above, investment consent can be obtained through the approval of at least two of the following: Chairperson of the Board, Secretary/Treasurer of the Board, or MEAN Executive Director. This approval must be in writing and reported to the Board at their next meeting.

Section 9: Debt Management


To the extent that MEAN is able to maintain its highly competitive rates and charges, and both the operating reserves and rate stabilization funds are adequately funded, MEAN may use excess free cash flow to finance future capital projects as deemed appropriate by the Board.

As a means of managing its interest earnings and expenses, MEAN may maintain variable rate debt in its debt structure. The maximum amount of variable rate debt will initially not exceed 20% of the outstanding indebtedness or the value of MEAN’s interest earning current assets, whichever is lower. Interest earning current assets include but are not limited to cash and cash equivalents, short-term investments and restricted assets-special deposits. These target amounts serve as a guide to provide a hedge against interest rate volatility.

MEAN may use interest rate swaps, as advised by its Independent Registered Municipal Advisor (IRMA), for purposes of debt management. Interest rate swaps may introduce additional risks. These risks include, but are not necessarily limited to, termination risk, counter-party risk, basis risk and tax event risk. Prior to entering into any interest rate swaps, these risks will be evaluated to ensure that adequate provisions are in place to minimize the downside and to provide maximum benefit to the transaction as originally intended. Use of these instruments will be completed in such a manner as is consistent with MEAN’s debt policies and as authorized under law.

Section 10: Financial Hedges

MEAN may use hedging instruments, including, congestion rights, financial schedules, virtual transactions and financial forward (fixed-for-floating swap) transactions to address risks associated with MEAN’s core business of providing power supply, energy transmission and exchange of electrical power to MEAN’s member municipalities and other nonmember participants and operating MEAN’s Power Supply System in a cost-effective manner. MEAN will not enter into hedging instruments for the sole purpose of speculation, as defined in MEAN’s Risk Governance Policy. Use of these instruments will require an understanding of and compliance with certain regulations, including but not limited to the

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U.S. Commodity Futures Trading Commission (CFTC) and the Governmental Accounting Standards Board (GASB) rules regarding reporting, recordkeeping, accounting treatment, clearing, and position limits, as applicable. Data regarding hedging activity will be provided in a timely manner to the appropriate personnel responsible for compliance with such regulations. Use of these instruments will be completed in such a manner as is consistent with MEAN’s risk policies and as authorized under law. Any deviations from MEAN’s risk policies on financial hedges will require prior approval of the MEAN Risk Management Team (MRMT).

Section 11: Debt Service Coverage

MEAN will establish rates and charges each fiscal year to achieve a minimum debt service coverage ratio of 1.0, as required in the bond resolutions; however, it is MEAN’s goal to achieve a debt service coverage ratio of 1.2 or greater. To help achieve this goal, MEAN has established a rate stabilization fund as defined in Section 6. Rate stabilization funds may be used as necessary to achieve the desired debt service coverage ratio.

In addition, the debt service coverage ratio goal of 1.2 or greater will be considered in conjunction with other financial targets and ratios when developing the annual targeted revenue requirement and related rates and charges.

Section 12: Fixed Costs Coverage


MEAN has purchased power contracts that provide for the purchase of capacity and energy from suppliers at negotiated rates. As a result, MEAN may be responsible for costs incurred under these contracts regardless of whether energy is produced or taken from the energy generation facilities. As such, MEAN will establish rates and charges each fiscal year targeted to achieve a minimum fixed costs coverage ratio of 1.0. Fixed costs include MEAN’s debt service obligations and MEAN’s share of fixed costs incurred through ownership and purchased power contracts. To help achieve this goal, MEAN has established a rate stabilization fund as defined in Section 6. Rate stabilization funds may be used as necessary to achieve the desired fixed costs coverage ratio.

In addition, the fixed costs coverage ratio minimum of 1.0 will be considered in conjunction with other financial targets and ratios when developing the annual targeted revenue requirement and related rates and charges.

Section 13: Contracts

Pursuant to the MEAN Bylaws, MEAN’s Executive Director is authorized to execute any contract or other instrument, on behalf of MEAN, which has been approved by the Board. In addition, the Executive Director is authorized to execute or to delegate the authority to execute any contract or other instrument necessary to effectively operate MEAN where, in the judgment of the Executive Director, it is not in the best interests of MEAN to delay action until the next meeting of the Board.

At the next regularly scheduled Board meeting following such action, where the amount involved exceeds \$250,000, the Executive Director shall report the execution of such contract or other instrument, excluding routine power, energy supply and transmission transactions.

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Also pursuant to the MEAN Bylaws, the Executive Director and such other agents as are set forth in the policies and guidelines of MEAN as approved by, and as may be amended from time to time by, the Board are authorized to execute power and energy contracts or other instruments in accordance with such policies and guidelines.

The Executive Director has made delegations of signature authority, which may be changed by the Executive Director from time to time. Delegations of signature authority are maintained by the General Counsel.

Members of staff authorized to sign contracts are accountable to minimize risk to members and ensure compliance with appropriate laws, regulations, bylaws and policies. MEAN has entered into an agreement with Vendor under which Vendor is authorized to engage in certain transactions as Principal or as Agent for MEAN.

Section 14: Credit

MEAN'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.

14.1 Sales of Electric Power and Energy to Participants

To receive electric power and energy requirements from MEAN, MEAN and the counterparty must enter into a written agreement. In the agreement, the counterparty is typically defined as "Participant". These documents, the schedule of rates and charges thereto, and the policies and procedures issued by MEAN, define the terms and conditions of operations between MEAN and the Participant.

Through the written agreement with MEAN, the Participants agree to adopt and enforce rates and charges for the services of their municipal electric utility systems and collect sufficient revenue to pay for the energy, and capacity charges, transmission and related services purchased from MEAN.


Periodically, the Finance and Accounting Department will review and consider the Participant's financial position, rating agency reports, and other available information.

14.2 Other Counterparties (Non-RTO)

All other counterparties entering into short-term commitments will enter into agreements and, as necessary, confirmations with MEAN's Vendor according to Vendor's contractual, credit and risk policy requirements. Vendor is responsible for reviewing and approving credit for these counterparties. Vendor will review approved counterparties with MEAN at least annually, or more frequently, if determined necessary by Vendor.

14.3 Market Transactions

Market Participants (MP) in an RTO, are required under tariff to maintain sufficient credit on record with the RTO in order to operate and enter into transactions in said markets.

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The Director of Finance and Accounting will be responsible for ensuring MEAN is in compliance with credit requirements per the applicable Tariff. Examples include the SPP Open Access Transmission Tariff, Attachment X Credit Policy document and the MISO Open Access Transmission Tariff Attachment L, Credit Policy document.

14.4 Long-Term Power Supply Commitments

Before entering into a long-term commitment for the purchase of capacity or energy, MEAN will investigate the counterparty’s financial solvency.

MEAN’s review may include current financial statements and audited financial statements, with accompanying footnotes, for the two immediately preceding fiscal years. MEAN will review 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 15: Internal Control Procedures

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

- Purchases, accounts payable, cash disbursements and electronic payments,
- Invoicing, accounts receivable, cash receipts and bank reconciliations, and
- 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 effectiveness of MEAN’s internal control processes. Such review includes analysis of adequate segregation of duties between department personnel and evaluating the appropriateness of accounting policies.


Section 16: Annual Budget and Financial Forecasts

Annually, MEAN will prepare a detailed budget to establish rates and charges for the immediately succeeding fiscal year based on known information and other quantifiable information.

MEAN will prepare at least a five-year financial forecast based on projected costs and load requirements. This forecast is used to develop a preliminary total revenue requirement for future years.

Section 17: Rates and Charges

In proposing and setting rates and charges, staff and the Board consider a number of rate setting priorities. These priorities may change year to year but generally focus on stability of rates and charges. The priorities are included annually in the budget materials.

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Notice of rate revisions under the Amended and Restated Total Power Requirements Power Purchase Agreement will be given at least fifteen (15) days prior to the date the revised rate becomes effective. Notice of rate revisions under other agreements will be given in accordance with the applicable agreement.

The written agreements between MEAN and counterparties serve as the official documentation for various rates and charges of MEAN. The following sub-sections serve to assist in documenting the methodology underlying MEAN's various rates and charges.

17.1 Avoided Cost and Standard Rate


MEAN has established a methodology to develop the standard Avoided Cost rate for purchases from Qualifying Facilities with a design capacity of 100 kW or less under the Public Utility Regulatory Policies Act (PURPA). Qualifying facilities greater than 100 kW will be treated on a case-by-case basis as allowed by federal regulations.

Under PURPA, Qualifying Facilities have the right to interconnect, sell and deliver power to electric utilities. Compensation to Qualifying Facilities is to be made by the interconnecting utility at the interconnecting utility's Avoided Cost. Federal Energy Regulatory Commission (FERC) has consistently held that the Avoided Costs of an all-requirements customer are those of its all-requirements supplier, as adjusted for line losses and other factors indicated in the FERC regulations regarding affecting rates for purchase. MEAN Participants may, at their discretion, use a rate higher than MEAN's Avoided Cost rate.

MEAN utilizes resources in multiple regions to serve its Participants. Thus, costs incurred by MEAN in providing wholesale power supply to MEAN's Participants are shared by those Participants resulting in a system wide Energy Charge.

For this reason, the standard Avoided Cost rate is also a system wide rate applicable to all Participants for qualifying facilities with a design capacity of 100 kW or less interconnected to a MEAN Participant's electric distribution system. In order to ensure a qualifying facility is not penalized by MEAN's system wide standard rate, the rate used will be the highest of the applicable rate from each of the Balancing Areas in which MEAN operates.

The methodology will be updated and reviewed at least annually. Such review will include analysis of the amount of distributed generation facilities owned by end-use customers of MEAN's Participants and the financial impact to MEAN Participants as a whole. Adjustments may be made to the underlying data that calculates the standard Avoided Cost rate, as applicable, to account for extreme price spikes resulting in an unusually high standard Avoided Cost rate for a calendar year. Upon review of the methodology, the standard Avoided Cost rate will be calculated. The standard rate will be available upon request.

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17.2 Fixed Cost Recovery Charge

MEAN has established a methodology to develop the Fixed Cost Recovery Charge (FCRC) which consists of certain costs related primarily to MEAN’s ownership of generation, contracted purchase of generating capacity, and the operation of MEAN.

Each year the FCRC is calculated and incorporated into the annual budget process. Costs that may be included in the total FCRC consist of, but are not limited to, MEAN administrative and general expenses, principal and interest payments on debt, and capital costs. The total FCRC is calculated based on budgeted amounts.

The fundamental concept of rate stabilization which is utilized throughout MEAN’s rate structure will also be considered in determining the FCRC with a goal of minimizing annual FCRC fluctuations up or down. In keeping with this concept, rounding may occur when finalizing the FCRC. When developing the annual FCRC, the total FCRC may be increased or decreased to achieve targets and ratios established by MEAN’s Financial Policies and Guidelines.

The FCRC is allocated to Schedule M Total Requirements Service Participants and Schedules K and K-1 Participants based on a three-year historical average non-coincident monthly peak demand (supplied by MEAN), by Participant. The Annual Period used for historical average non-coincident peak demand in the calculation is October – September. A differential of plus five percent (5%) for Schedules K and K-1 Participants compared to Schedule M Total Requirements Service Participants is maintained within the fixed cost recovery structure. The calculated allocation may be adjusted at the discretion of the Board.

A change in the FCRC is approved by the Board.

17.3 Energy Charge


MEAN has established a methodology to develop the Energy Charge per kilowatt-hour rate for applicable energy purchased by Schedule M Total Requirements Service Participants and Schedules K and K-1 Participants.

Each year the Energy Charge is calculated and incorporated into the annual budget process. The Energy Charge is used to collect electric energy costs and any remaining budgeted costs, that are not collected through MEAN’s other rates and charges.

A differential of plus five percent (5%) for Schedules K and K-1 Participants compared to Schedule M Total Requirements Service Participants is maintained within the Energy Charge rate structure.

The fundamental concept of rate stabilization which is utilized throughout MEAN’s rate structure will also be considered in determining the Energy Charge rate with a goal of minimizing annual rate fluctuations up or down. When developing the annual Energy Charge, the rate may be increased or decreased to achieve targets and ratios established by MEAN’s Financial Policies and Guidelines.

A change in the Energy Charge is approved by the Board.

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17.4 Green Energy Charge

MEAN has established a methodology to develop the Green Energy Charge per kilowatt-hour rate for applicable energy and associated Environmental Attributes purchased by Schedule M Total Requirements Service Participants and Schedules K and K-1 Participants through a Green Energy Program Subscription Confirmation. MEAN’s Green Energy Program includes various defined terms under the Green Energy Program Terms and Conditions and the applicable Schedule of Rates and Charges.

Each year the Green Energy Charge is calculated and incorporated into the annual budget process. The Green Energy Charge rate shall be equal to the applicable Energy Charge rate plus five percent (5%) and applicable rounding.

The same differential of plus five percent (5%) for Schedules K and K-1 Participants compared to Schedule M Total Requirements Service Participants maintained in the Energy Charge rate structure is maintained within the Green Energy Charge rate structure.

The fundamental concept of rate stabilization which is utilized throughout MEAN’s rate structure will also be considered in determining the Green Energy Charge rate with a goal of minimizing annual fluctuations up or down. In keeping with this concept, rounding may occur when finalizing the Green Energy Charge rate.

A change in the Green Energy Charge is approved by the Board.


To minimize the risk that Annual Allocations exceed Program Energy, upon request by a Participant for a Subscription Confirmation, staff will analyze the amount of Program Energy expected to be produced. In evaluating whether to grant the new Subscription request, MEAN’s goal will be to limit total Annual Allocations to 85% of the previous twelve months of actual MWh generation produced by the Program Resources with adjustments as needed for anticipated changes in generation by Program Resources.

Participation in MEAN’s Green Energy Program is on a first come first served basis. The Green Energy Program is available to Schedule M Total Requirements Service Participants, Schedules K and K-1 Participants. If the Green Energy Program is fully subscribed and Participants still have an interest in Green Energy, the Board will provide direction regarding contracting for additional Program Resources.

17.5 Hourly Rate

Terms and conditions for services performed by MEAN are generally documented in a written agreement between MEAN and the counterparty. Certain MEAN services include an administrative fee which is billed at the then current hourly rate. The administrative fee rate per hour is included in the Schedules of Rates and Charges for Service Schedules M, K and K-1.

A change in the administrative fee rate is approved by the Board.

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17.6 Contract Purchasers

The Service Schedule M Total Power Requirements Power Purchase Agreement (“Legacy SSM Agreement”) provides for the establishment of applicable rates and charges, including rates for Contract Purchasers that shall be determined on the basis of Related Project Costs, as defined in the agreement, and applicable charges that may include but are not limited to purchased power adjustment clauses and demand charges.

Changes in rates and charges for Contract Purchasers are approved by the Board.

17.7 Capacity Commitment Compensation

MEAN has established a methodology to develop the Contract Capacity Demand Rate for each kilowatt of Contract Capacity, as that term is defined in the Asset Management Policies and Procedures.

MEAN’s compensation to the Participant for energy production from a Participant’s generation resource will be in accordance with the Asset Management Policies and Procedures. Compensation may include but is not limited to all or a portion of fuel, variable operation and maintenance cost, and labor expended to operate each generating unit. MEAN has established a methodology to develop the cost of fuel, Variable O&M Rate used for compensation of a portion of variable operation and maintenance cost, and the Labor Rate used for compensation of a portion of labor cost expended to operate each generating unit.

MEAN utilizes resources in multiple regions to serve its Participants. Thus, costs incurred by MEAN in providing wholesale power supply to MEAN’s Participants are shared by those Participants resulting in a system wide Energy Charge. For this reason, the Contract Capacity Demand Rate and rates used for compensation of variable operation and maintenance cost and labor expended are also system wide rates applicable to all Schedules M, K, and K-1 Participants.

The methodologies will be updated and reviewed at least annually. Such review will include current regional capacity pricing information as available from MEAN counterparties and other relevant pricing information resources.


The fundamental concept of rate stabilization which is utilized throughout MEAN’s rate structure will also be considered in determining the capacity commitment compensation rates with a goal of minimizing annual rate fluctuations up or down.

A change in the capacity commitment compensation rates is approved by the Board.

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Section 18: Commercial Insurance

To minimize the risk of loss due to an event beyond MEAN’s control, MEAN 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.

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Insurance coverage may include: 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.

Additionally, MEAN will request Certificates of Insurance from MEAN jointly owned systems.

Section 19: Bond Compliance Policy

The Board has approved a Bond Compliance Policy (“Policy”) that provides guidelines for issuance and post-issuance compliance in connection with bonds and other obligations issued by MEAN. The Policy confirms MEAN’s longstanding practice of undertaking Bond transactions in compliance with all applicable laws and regulations. The Policy may be modified by the Board from time to time.

Section 20: Business Travel Reimbursement Policy

MEAN does not reimburse Directors or Alternate Directors for travel to MEAN Board meetings. The Board has approved a Business Travel Reimbursement Policy (“Travel Policy”) that provides guidelines for reimbursement to Board Directors or Alternate Directors for reasonable business travel expenses incurred while traveling to MEAN Committee meetings not held in conjunction with MEAN Board meetings and on other MEAN company business approved by the Board, Executive Director or Director of Wholesale Electric Operations. 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 21: 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.

MEAN is governed by a Charter filed with the Nebraska Power Review Board, Amended and Restated Bylaws, and the Nebraska Municipal Cooperative Financing Act §18-2401 et seq. The Amended and Restated Bylaws of MEAN include Article IX Indemnification of Directors, Officers, Agents and Employees and Article XIII Conflict of Interest.

The Joint Operating Committee Agreement, signed by MEAN, 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 22: Whistleblower

The NMPP Energy Employee Policy Handbook includes a whistleblower policy which defines a whistleblower as an employee of NMPP who reports an activity that they consider 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 23: 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 24: 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 B.

Section 25: Board Director and Alternate Director and Board Chairperson Job Descriptions

The Board adopted job descriptions for Board Directors and Alternate Directors and the position of Board Chairperson as helpful tools to outline what is expected of the Board Directors and Alternate Directors and member communities. These job descriptions do not replace the guidelines provided in the MEAN Bylaws. The job descriptions are included as Appendix C.


Section 26: Public Participation Policy

The Board adopted a policy regarding public participation at MEAN meetings which qualify as a meeting under the Nebraska Open Meetings Act. The Public Participation Policy is included as Appendix D.


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Revision History

Version	Effective Date	Description of Revision
1.0	May 19, 2016	
2.0	November 16, 2017	Clarification to Sections 7, Debt Management, and 8, Financial Hedges, and addition of Section 16, MEAN Participant Business Travel Policy
3.0	May 17, 2018	Update Logo, clarification of Section 8, addition of new Section 14, Avoided Cost and Standard Rate
4.0	August 16, 2018	Change of Policy name, addition new Section 12 Contracts and new Section 13: Power Trading Authority and Limits and Transmission Authority and Limits, addition of Administrative Policies and Guidelines section to include new Sections 20: Conflict of Interest, 21: Whistleblower, 22: Records Retention and Disposition, 23: Anti-Harassment Policy and 24: Board Member Job Description and addition of Appendices
5.0	November 14, 2018	Addition of Rates and Charges Heading Section, moved Avoided Cost and Standard Rate Section to a subsection and addition of Wind Rate and Landfill Gas Energy Environmental Attribute Rate subsections
6.0	January 17, 2019	Addition of Sections for Fixed Cost Recovery and Energy Charge, errata changes
7.0	May 23, 2019	Added references to third party vendor, updating trading authority and transmission limits, errata changes
8.0	November 21, 2019	Errata changes. Add Section 3: Committees of the Board. Update Section 12: Contracts for most recent Executive Director delegation. Add Section 17.6 regarding Hourly Rate. Clarification of MEAN-approved business in Section 20: Business Travel Reimbursement Policy. Add Board Chairperson Job Description in Section 25 consistent with other NMPP Energy organization policies.
9.0	July 1, 2021	Revision to Section 3: Committees of the Board, to remove duplicate information upon adoption of Scope documents for each Committee.
10.0	November 18, 2021	Errata changes. Revision to Section 5: Rate Stabilization Account to better match categories with rate structure and planned utilization. Revision to Section 7: Investments for consistency with detailed policy in bond resolution. Remove provisions in Section 9: Financial Hedges that are covered MEAN's Risk Governance Policy. Increase the contract reporting threshold in Section 12: Contracts from \$100,000 to \$250,000 and clarify the level of detail reported. Delete Section 14: Power Trading Authority and Limits and Transmission Authority and Limits as this is covered in MEAN's Risk Governance Policy and renumber the remaining sections. Revision to Section 16.1: Avoided Cost and Standard Rate to removed specific references to MISO, SPP and WACM and add adjustment language. Revision to Section 17: Commercial Insurance to add specific included products and

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		inclusion of others when relevant and reasonable. Revision to Section 20: Conflict of Interest to add reference to Article XIII Conflict of Interest in MEAN's Bylaws.
11.0	January 20, 2022	Revision to Section 12: Contracts to include delegation regarding transaction confirmations.
12.0	May 19, 2022	Addition of Section 4: Cash Reserve. Updated numbering for all subsequent sections. Revision to Section 5: Liquidity to refer to and eliminate duplicative items now in Section 4: Cash Reserve. Revision to Section 6: Rate Stabilization Account to establish a reserve component which includes the established goal for the account, add references to and eliminate duplicative items now in Section 4: Cash Reserve. Add language to the beginning of Section 17: Rates and Charges referring to rate setting priorities.
13.0	August 18, 2022	Addition of Section 26: Public Participation Policy.
14.0	November 17, 2022	Addition of Section 17.6: Green Energy Charge. Errata update to 17.1 Avoided Cost and Standard Rate. Clarification of 5% differential and Schedule K-1 in 17.4 Fixed Cost Recovery Charge and 17.5 Energy Charge. Update numbering for 17.7 Hourly Rate and add reference to Schedules of Rates and Charges and Board approval of rate.
15.0	March 9, 2023	Update to Section 13: Contracts to incorporate changes made by the Executive Director/CEO to the delegations of signature authority.
16.0	May 18, 2023	Removal of Section 17.2: Wind Rate and removal of Section 17.3 Landfill Gas Energy Environmental Attribute Rate. Update numbering for rest of section 17.
17.0	May 16, 2024	Section 5: Liquidity; updated the definition of budgeted cash operating expenses to reflect impact of changes in accounting standards. Section 17: Rates and Charges; added timeframe for notice of rate revisions under the Amended and Restated Total Power Purchase Agreement. Clarified applicability of rates and charges to various contract types and added section for Contract Purchasers. Miscellaneous updates to reflect current procedures.
<u>18.0</u>	<u>January 23, 2025</u>	<u>Addition of Section 17.7 Capacity Commitment Compensation.</u>

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	Effective Date	May 16, 2024
Business Travel Reimbursement Policy	Document Restriction: Public Document	

Appendix A: Business Travel Reimbursement Policy

Section 1 General Statement

Subject to the provisions set forth below, the Municipal Energy Agency of Nebraska (MEAN) will reimburse Directors for reasonable business travel expenses incurred while traveling to MEAN Committee meetings not held in conjunction with a MEAN Board of Directors (Board) meeting or on other MEAN company business approved by the Board, Executive Director or Director of Wholesale Electric Operations

To be eligible for reimbursement, MEAN business must be approved in advance by the Executive Director or Chair of the Board. If there are specific limitations to travel reimbursement for specific programs approved by the Board, such as the MEAN Scholarship Program, those limits supersede the Business Travel Reimbursement Policy. This Policy shall also apply to travel and actual expenses incurred by individuals serving on committees of the MEAN Board.

Reimbursement for attendance at MEAN Committee meetings or other approved MEAN business that include a virtual option will be at the discretion of the Executive Director or Chair of the Board based on the expected length, nature and topic of the meeting and will be communicated to committee members prior to the meeting.

Section 2 Expenses


Section 2.1 Reimbursable Expenses

The actual costs of meeting registration, travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by MEAN. Directors are expected to limit expenses to reasonable amounts. 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-provided vehicle. Directors will be reimbursed for use of a personal or employer-provided vehicle for MEAN 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.

Other MEAN business must be approved in advance by the Board, Executive Director or Director of Wholesale Electric Operations and includes attendance at events such as conventions, workshops and related events.

Section 2.2 Travel Arrangements

When possible, travel arrangements and lodging reservations for MEAN business including attendance at events such as conventions, workshops and related events should be made through MEAN.

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Section 2.3 Non-Reimbursable Expenses

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, chauffer, 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), alcoholic beverages, and meal costs when an NMPP Energy sponsored meal option was available. First class and/or charter travel will not be reimbursed unless required for the completion of MEAN business and the receipt of prior Board or Executive Director approval.

Section 3: Accidents

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

Section 4: Travel with Family Member or Friend

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.

Section 5: Travel Expense Documentation

Section 5.1 Process

When travel is completed, Directors should submit completed, itemized business travel reimbursement request reports within 30 days to the Director of Wholesale Electric Operations or his/her designee. 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 purpose of the expense. Specifically, in order to provide proof during a sales tax audit, MEAN 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 MEAN as directed on the travel expense report through MEAN’s normal payment process.

Section 5.2 Expenses Report

Submission of an expense report requesting reimbursement payment to the Director shall constitute certification the Director has not and will not be reimbursed by the Director’s community or any other

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party for the same expenses and the Director’s community prefers direct payment to the Director rather than to the Director’s community.

Section 5.3 Abuse

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	August 21, 2014	Approved by Board August 21, 2014, formatted October 19, 2017
2.0	August 16, 2018	Errata changes
3.0	November 21, 2019	Errata changes, clarified Board approved company business and other specific programs approved by the Board and meal cost reimbursement when a meal has been provided.
4.0	November 18, 2021	Errata changes, remove references to Management Committee
5.0	May 16, 2024	Updated to reflect changes in practices.

	Revision No.	2.0
	Effective Date	May 16, 2024
Anti-Harassment Policy for Members of the Board of Directors		Distribution Restriction: Public Document

Appendix B: 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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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 Employee Handbook 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	August 16, 2018	Adoption of policy - Errata changes for scrivener's error, 1.0 was mistakenly marked 2.0 – see Minutes of Board 8/16/18 for approval
2.0	May 16, 2024	Updated referenced to title of NMPP Energy Policy Manual to Employee Handbook

	Revision No.	5.0
	Effective Date	November 14, 2024
Board Director and Alternate Director and Board Chairperson Job Descriptions	Distribution Restriction: Public Document	

Appendix C: Board Director and Alternate Director and Board Chairperson Job Descriptions


Board Director and Alternate Director Job Description

Responsibilities

- Regularly attend Board meetings.
- Make a serious commitment to participate actively in Board and committee activity, 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 Directors and Alternate Directors and build a collegial working relationship that contributes to consensus.
- Follow all organizational 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, setting rates, accepting the annual audit, and establishing investment policies and monitoring investment performance.
- Maintain professional working relationships with staff, utilize appropriate chain of command for questions or concerns, recognize and appropriately manage authority and role as a Board Director or Alternate Director.
- Promote mission and visibility of MEAN in the community. Unless expressly authorized by the Board or the Executive Director, Directors and Alternate Directors are not granted the authority to speak on MEAN’s behalf. Any statements made by Directors or Alternate Directors are strictly their own.
 - All Directors and Alternate Directors shall include one of the following disclaimers on all personal social media accounts used to communicate information about MEAN or MEAN’s activities:
 - “This is a personal social media account.”
 - “The views expressed on this account are strictly my own.”

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 Directors and Alternate Directors, 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 Director or Alternate Director.
- 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.

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Board Director and Alternate Director and Board Chairperson Job Descriptions	Distribution Restriction: Public Document	

Board Chairperson 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 Directors and Alternate Directors.
- 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.
- Reflect any concerns management has in regard to the role of the Board or individual Board Directors or Alternate Directors. Reflect to the Executive Director the concerns of the Board and other constituencies.
- Oversee development of any policies and procedures to ensure the 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 Directors and Alternate Directors 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.
- Serve as the MEAN-appointed representative on the Nebraska Municipal Power Pool Board of Directors.

Personal Characteristics to Consider (in addition to those of a Board Director and Alternate Director)


- 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	August 21, 2014	Adoption of Job Description
2.0	August 16, 2018	Errata changes
3.0	November 21, 2019	Errata changes and addition of Board Chairperson description consistent with other NMPP Energy organizations.

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Board Director and Alternate Director and Board Chairperson Job Descriptions	Distribution Restriction: Public Document	


4.0	May 16, 2024	Miscellaneous changes to reflect current practices.
5.0	November 14, 2024	Modify speaking authority and require a social media disclaimer.

	Revision No.	2.0
	Effective Date	May 16, 2024
Public Participation Policy	Distribution Restriction: Public Document	

Appendix D: Public Participation Policy

In accordance with the Open Meetings Act of the State of Nebraska Neb. Rev. Stat. § 84-1407 et seq. (Act), which provides that every meeting of a public body shall be open to the public in order that citizens may exercise their democratic privilege of attending and speaking at meetings of public bodies, except as otherwise provided by the Constitution of Nebraska, federal statutes, and the Open Meetings Act, and which provides that a public body shall allow members of the public an opportunity to speak at each meeting (except for permissible closed sessions) and that a public body may make and enforce reasonable rules and regulations regarding the conduct of persons attending, speaking at, videotaping, televising, photographing, broadcasting, or recording its meetings, including meetings held by virtual conferencing, the Municipal Energy Agency of Nebraska (MEAN) Board of Directors (Board) has adopted the following policy for public participation at MEAN meetings which qualify as a meeting under the Act:

1. Attendance
 - a. Members of the public are permitted to attend meetings of the Board and committees of the Board which are required to be open to the public under the Act (excluding permissible closed sessions) or which are published as meetings open to the public.
 - b. MEAN will not require members of the public to identify themselves as a condition for admission to a meeting.
2. Speaking
 - a. A public comment period will be offered at each meeting (excluding permissible closed sessions). The public comment period will generally be a maximum of (30) minutes and will be handled on a first-come, first-served basis. The presiding officer shall have the discretion to adjust the amount of time set aside for public comment, and the amount of time set aside may, at the presiding officer's discretion, vary from meeting to meeting.
 - b. Every member of the public addressing the public body shall begin by stating his or her name, address (unless the address requirement is waived to protect the security of the individual) and the name of any organization represented by such person, for the purpose of maintaining a proper record.
 - c. Remarks shall be concise and limited to no more than three (3) minutes unless further time is granted by the presiding officer.
 - d. All remarks made shall be addressed to the Board or committee as a body and not to any individual member thereof.
3. Recording
 - a. The presiding officer of the meeting may designate a location for persons attending, videotaping, televising, photographing, broadcasting or recording the meetings.
4. All members of the public in attendance and those speaking are required to be courteous and respectful to others in attendance and to members of the public body. Members of the public are not allowed to interrupt other speakers or public body members, to threaten the safety of meeting attendees, to behave in a hostile or disruptive manner.

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5. Persons in violation of this policy may be asked to leave.
6. MEAN may at any time make and enforce other rules regarding the conduct of persons attending or speaking at MEAN meetings.

Revision History

Version	Effective Date	Description of Revision
1.0	August 18, 2022	Adoption of policy.
2.0	May 16, 2024	Revisions to comply with approved LB 43, which allows members of the public to speak at each public meeting (excluding closed sessions).