



Hurley/Olson

RESOLUTION NO. 6126

WHEREAS, the Board of the Directors has determined it is in the best interest of the District, its employees, and its customer-owners to establish written policies that describe and document OPPD's corporate governance principles and procedures, and

WHEREAS, each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process, and

WHEREAS, the Board's Public Information Committee (the "Committee") is responsible for evaluating Board Policy SD-7: Environmental Stewardship on an annual basis. The Committee has reviewed the SD-7: Environmental Stewardship and finds OPPD to be sufficiently in compliance with the policy as stated.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors accepts the monitoring report for Strategic Directive SD-7: Environmental Stewardship, in the form as set forth on Exhibit A attached hereto and made a part thereof, and finds OPPD to be sufficiently in compliance with the policy as stated.

Monitoring Report SD-7: Environmental Stewardship

Public Information Committee Report
July 12, 2016



SD-7: Environmental Stewardship

The Board is committed to operate OPPD in an environmentally sensitive manner.

Therefore:

- The Board establishes that a long-term goal of at least 30% of retail energy sales shall be supplied from renewable energy resources.
- OPPD shall conduct its business in a manner that meets all environmental regulatory standards and enhances natural resource conservation and stewardship.
- OPPD shall participate and provide leadership in the development of national, state, and regional environmental policies and initiatives that support OPPD's mission.

SD-7: Environmental Stewardship (continued)

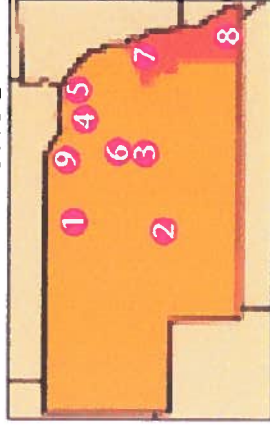
- OPPD shall promote efficient use of energy as a Company and by its customer-owners.
- OPPD shall, at the pace of value or in response to actual or anticipated environmental regulatory requirements, incorporate renewable generation into its generation portfolio.
- OPPD shall proactively engage its customer-owners and other stakeholders in meeting this directive.

The Board establishes that a long-term goal of at least 30% of retail energy sales shall be supplied from renewable energy resources.

- Renewable energy as a percentage of retail sales is tracked monthly
- Actual 2015 was 16.4% of retail sales
- Projected for 2016 is 20% of retail sales
- Grande Prairie wind project (in service 2017) will drive OPPD higher than 30% renewable energy in 2018

The Board establishes that a long-term goal of at least 30% of retail energy sales shall be supplied from renewable energy resources. (continued)

WIND FARMS



1. **Ainsworth Wind Farm**
10-megawatt participation agreement
2. **Broken Bow I Wind Farm**
18-megawatt participation agreement
- Broken Bow II Wind Farm**
43.9-megawatt participation agreement
3. **Petersburg Wind Farm**
40.5-megawatt participation agreement
4. **Elkhorn Ridge Wind Farm**
25-megawatt participation agreement
5. **Crofton Bluffs Wind Farm**
13.6-megawatt participation agreement
6. **Prairie Breeze Wind Farm**
200.6-megawatt participation agreement
7. **Valley Station Wind Turbine**
.66 megawatts
8. **Flat Water Wind Farm**
60-megawatt participation agreement
9. **Grande Prairie Wind Farm**
400-megawatt participation agreement
(completion 2017)

OPPD shall conduct its business in a manner that meets all environmental regulatory standards and enhances natural resource conservation and stewardship.

- Zero violations of environmental permits and no fines
- Develop transmission routes consistent with all environmental and wildlife regulations
- In 2016, OPPD gave away over 2,000 trees through the Energy Saving Trees Program
- As a member of the Nebraska Community Energy Alliance, OPPD received 3 electric vehicles and 2 charging stations at 50% of cost through a grant awarded by Nebraska Environmental Trust



OPPD shall conduct its business in a manner that meets all environmental regulatory standards and enhances natural resource conservation and stewardship. (continued)

- OPPD continues to encourage customers to utilize paperless billing; OPPD has approximately 46,900 customers utilizing this option
- OPPD is a Tree Line USA Utility, recognizing OPPD for its quality tree care program and services
- OPPD continues support the OPPD Arboretum which helps educate visitors about proper tree planting



OPPD shall participate and provide leadership in the development of national, state, and regional environmental policies and initiatives that support OPPD's mission.

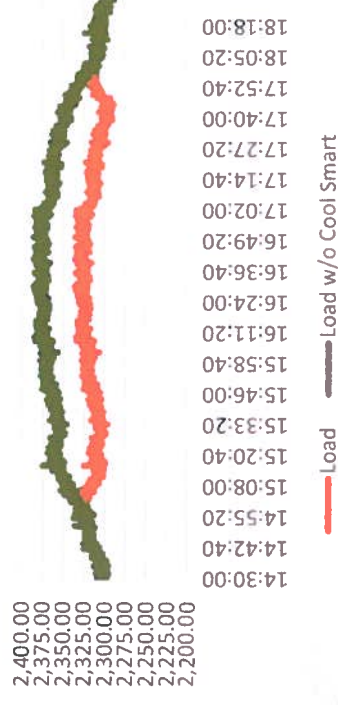
- Continued dialogue with Nebraska Department Environmental Quality and other utilities on Clean Power Plan rule and state plan considerations
- Emily Muth (Environment and Regulatory Affairs Division) elected as Secretary of Nebraska Industrial Council on Environment
- Russ Baker (Environment and Regulatory Affairs Division) appointed to the Governor's Carbon Sequestration Advisory Committee
- Tim Yager (Production Engineering and Fuels Division) serves on the Planning Committee for the Nebraska Wind and Solar Conference
- Patrick Finigan (Environmental and Regulatory Affairs Division) serves as Treasurer of Keep Omaha Beautiful Board of Directors



OPPD shall promote efficient use of energy as a Company and by its customer-owners.

- Achieve 300 MW of cumulative reduction in demand by 2023
 - Mix of Demand Response and Energy Efficiency
 - Aligns with Integrated Resource Plan
 - Demand side management savings for 2015 = 116.8 MW
- Continuously evaluate, change, develop and offer environmentally sensitive solutions that are cost effective, desired by customers and produce verifiable savings

Estimated Cool Smart Impact
(sample summer day--peak hours)



DSM Portfolio Status

DSM Program	Category	2015 Actuals (Base)	2016 Plan (Cumulative)	2023 (Cumulative)
Cool Smart—AC load Control	Demand Response	55.8 MW	71.6 MW	137.3 MW
HVAC Smart—Rebates	Energy Efficiency	0.9 MW	1.5 MW	24.2 MW
Smart Steps to Saving Energy—Income Qualified	Energy Efficiency	0 MW	0.4 MW	2.2 MW
Energy Efficiency Partner—Prescriptive Rebates	Energy Efficiency	2.6 MW	4.3 MW	25.8 MW
Energy Efficiency Partner—Custom Rebates	Energy Efficiency	2.9 MW	1.9 MW	18.1 MW
Peak Choice Partner-Interruptible/Curtailable	Demand Response	54.6 MW	57.3 MW	97.3 MW



OPPD shall, at the pace of value or in response to actual or anticipated environmental regulatory requirements, incorporate renewable generation into its generation portfolio.

- The Consolidated Appropriations Act of 2016 extended the Investment Tax Credits (solar) and Production Tax Credits (PTC) (wind) deadlines by five years
- Wind offer activity is high due to PTC status and market conditions
- Solar energy costs continue to decrease

OPPD shall proactively engage its customer-owners and other stakeholders in meeting this directive.

- OPPD works directly with the following groups/associations on various national environmental regulatory compliance and legislative issues.
 - American Public Power Association
 - Large Public Power Council
 - American Wind Energy Association
 - Smart Electric Power Alliance
 - Utilities Solid Waste Activities Group
- OPPDListens.com
 - 24/7 availability to provide input and comments



Periodic updates to the Board on Environmental Stewardship Projects:

- Directors' Update
- Various Board items:
 - Reporting on initiatives - e.g. Smart Steps - income qualified
 - Contract Approval - e.g. wind purchases
 - Continually - part of our business
- OPPD – The Wire
- OPPD's Website
- Outlets

Recommendation

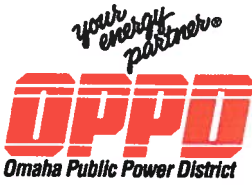
- The Public Information Committee has reviewed and accepted this Monitoring Report for SD-7 and recommends that the Board find OPPD to be sufficiently in compliance with Board Policy SD-7



Revisions

- Discuss if any revisions are needed to the current SD-7 policy language





Board Action

BOARD OF DIRECTORS

July 12, 2016

ITEM

SD-7: Environmental Stewardship – Monitoring Report

PURPOSE

To ensure full board review, discussion and acceptance of SD-7: Environmental Stewardship – Monitoring Report

FACTS

- a. The first set of Board policies were approved by the Board on July 16, 2015. A second set of Board policies were approved by the Board on October 15, 2015.
- b. Each policy was evaluated and assigned to the appropriate Board Committee for oversight of the monitoring process.
- c. The Public Information Committee is responsible for evaluating Board Policy SD-7: Environmental Stewardship – Monitoring Report.
- d. The Public Information Committee has reviewed the SD-7: Environmental Stewardship – Monitoring Report and is recommending that OPPD be found to be sufficiently in compliance with the policy as stated.


ACTION

The Public Information Committee recommends Board approval of the 2016 SD-7: Environmental Stewardship– Monitoring Report.

RECOMMENDED:


Juli A. Comstock

APPROVED FOR BOARD CONSIDERATION:


Timothy J. Burke

JAC:jda

Attachments: Exhibit A - Monitoring Report
Resolution