

CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, October 9, 2025

Pursuant to due call and notice thereof, a Regular Meeting of the Utility Board of Hastings, Nebraska was conducted Airport Conference Room - Hastings Municipal Airport 3300 W. 12th Street, on October 9, 2025.

ROLL CALL:

The meeting was called to order at 9:00 am by Bill Hitesman with the following members present: Jeanette Dewalt, Susan Meeske, Scott Kvals, Regg Rutt. Derek Zeisler, Tony Herrman, Erik Nielsen, Jeff Campbell, Micah McCaffery, Shane Stone, Larry Fox, Lee Vrooman, Jason Redding, Lori Hartman, Steve Huntley, Kyle Patten, Karl Block, Roger Nash, Jaci Higgins, Brandan Lubken, Larry Consbruck
Absent: Jay Beckby, Jesse Oswald, Mark Funkey

PLEDGE OF ALLEGIANCE:

Bill Hitesman led the group in the recital of the Pledge of Allegiance to the United States of America.

MOTION TO ADOPT CURRENT AGENDA FOR October 9, 2025 REGULAR MEETING.

Moved by Kvals, Second by Meeske to adopt the current agenda for the October 9, 2025 regular meeting. Roll call: Ayes: Bill Hitesman, Jeanette Dewalt, Susan Meeske, Scott Kvals, Regg Rutt. Nays: None. Absent: None. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, October 7, 2025. Pursuant to Nebraska Revised Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible written material which will be discussed at today's meeting is located at the back of the Conference Room. Also, a current copy of the Nebraska Open Meetings Act is posted on the south wall of the Airport Conference Room, which is accessible to members of the public.

MANAGER'S COMMUNICATIONS:

Thank you Regg Rutt for agreeing to participate on the Board. Natural Public Power week and Public Gas week. Good time to highlight Public Utilities.

- Public Utilities offer local control, the community gets to decide what path we take and allows us to stay focused on service, not profits.
- Public Utilities being not-for profit allows us to offer a rate that is truly tied to the cost of the service being provided, with no added profit margins for shareholders.
- Public Utilities like ours have great economic benefits! They are large contributors to the local economy, create good paying jobs, and keep local dollars in our community! As an added bonus we generate power for other communities as well through PGA, which brings outside revenue into our community!

BOARD CHAIRMAN'S COMMUNICATIONS:

Would also like to welcome Regg Rutt. Had the board introduce themselves and then had Regg tell a little about himself.

BOARD MEMBERS' COMMUNICATIONS:

None

CITIZEN COMMUNICATIONS:

None

CONSENT AGENDA:

1. All Consent Items.

- (a) Approval of the minutes of the Hastings Utility Board Meeting of September 11, 2025.

Moved by Dewalt and seconded by Kvols to approve the minutes for the meeting of September 11, 2025. Roll Call: Ayes: Hitesman, Dewlat, Meeske, Kvols, Rutt. Nays: None. Absent: None. Approved.

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

3. General Business.

- (a) Finance

- (b) Production

- i. SPP Market Presentation

Shane Stone gives a presentation about SPP (Southwest Power Pool) Market and explains what it is.

What is Southwest Power Pool (SPP)?

- SPP is a regional transmission organization (RTO): a nonprofit corporation mandated by the Federal Energy Regulatory Commission to ensure reliable supplies of power, adequate transmission infrastructure and competitive wholesale electricity prices on behalf of its members.

- SPP dispatches power for the entire region out of their headquarters in Little Rock, Arkansas.

SPP Generation Mix

Generation mix continued to evolve. For the third straight year, and four years out of the past five, wind generation produced the highest percentage of total generation at 38% in 2024. Coal generation dropped from 33% of total generation in 2022 to 27% in 2023 and to 25% in 2024.

- Wind generation as a percentage of total generation is generally lowest in the summer months at levels around 27%. The highest wind generation months are typically during spring and fall. During these seasons, monthly wind generation levels can approach, or even exceed, 50% of total generation.

- Nameplate is what is possible, while the Accredited is what has been determined to be reliably expected.

SPP Renewables Impact

Renewable Penetration: March as a shoulder month, so peak load demand was much lower than in the summer or winter seasons.

Wind in SPP's system: Shows the difference between installed wind vs what can be generated at one time.

Negative price intervals, real time, monthly: Shows that since wind is subsidized for generation, they are able to offer in at negative pricing and still profit. This makes it difficult for traditional baseload style generation to compete in the wholesale market.

Average demand, net demand, and wind generation by hour of day. Wind generation typically produces more energy when demand is lowest and less when demand is highest. Wind generation is at the highest levels in the overnight hours while demand is low. Conventional generation must cover the remaining demand.

Generation Mix from August 18th, 2025. Wind generation as a percentage of total generation is generally lowest in the summer months at levels around 27%. The highest wind generation months are typically during spring and fall. During these seasons, monthly wind generation levels can approach, or even exceed, 50% of total generation.

SPP Current and Future Challenges

Capacity by age of resource: As of the end of 2024, 42% of SPP's generation fleet is more than 30 years old. In particular, 86% of coal capacity and 43% of gas capacity is older than 30 years. According to the U.S. Energy Information Administration (EIA), the national average retirement age of coal-fired generation in 2024 was 50 years. 11 aside from the resources that joined SPP from Nebraska in 2009 and the Integrated System 12 in 2015, the largest source of new capacity in the SPP footprint over the last 10 years has been wind capacity.

Conventional capacity available versus load, 2024: compares internal conventional capacity to its actual availability and load plus contingency reserves by hour for 2024. The hours when total conventional capacity is nearly equal to load plus contingency reserves are often those where system reliability depended on variable energy resources. Frequent reliance on variable energy resources that are not strictly controllable by SPP to prevent operating reserve or energy shortages without adequate improvements to transmission and investment in energy storage or complementary generation represents a real risk to system reliability.

Exports and imports, SPP system. Since 2016, SPP has been a net exporter. The annual trend has been for net exports to increase as wind capacity and energy production increase. However, Figure 2–35 does show that net exports have been declining since 2022. Historically, tight supply conditions and high prices normally combined with SPP wind production tend to drive exports to ERCOT. However, ERCOT capacity additions and relatively low-cost natural gas production

from the Permian region combined with SPP wind curtailments have put downward pressure on imports from SPP since 2022. MISO interchange generally follows wind production.

Southwest Power Pool (SPP) Market Changes for Reliability

- SPP is implementing new policies to help increase the reliability of the region. These policies underscore the need for our generation units to be as reliable as possible in the summer and the winter.

- * Seasonal Capacity Accreditation

- * Performance based Accreditation (PBA) and Fuel Assurance

Hastings' Strategic Options: (A) Do Nothing (B) Convert WEC1 to Natural Gas (C)

Build New Generation (D) Other Options

- Initiate feasibility studies for WEC1 conversion and new generation.

- Evaluate long-term cost, regulatory changes, and customer rate impacts.

Sources:

- State of the Market 2024 (May 2025) Southwest Power Pool Market Monitoring

- Our Generational Challenge: (2024) Southwest Power Pool

- SPP Generation Interconnection Queue Dashboard (August 2025)

SPP's top three energy producers - 2012-2023 - Generation mix continued to evolve.

For the third straight year, and four years out of the past five, wind generation

produced the highest percentage of total generation, at 38% in 2024. Coal generation dropped from 33% of total generation in 2022 to 27% in 2023 and to 25% in 2024.

ii. Fall Outage Update

Micah McCaffery discusses what the Fall outage will look like for Electric Production.

Summer Operation

- WEC units operated well through the summer.

- NDS 4 was called up 3 times over the summer.

- NDS 5 was called up 4 times.

- DHPC was called up 18 times.

Fall Outages

- WEC1

- * Generator Brushes replacement.

- * Fly ash Silo Project

- * Bottom ash bunker project.

- WEC2

- * B-Elevation burner replacement.

- * Cooling tower fill replacement

- * Stack inspection

- * Aux boiler project

- * Extensive mill maintenance

(c) Operations

(d) Administration

i. Utility Billing Update/Budget Billing

Karl Block gives an update on the new billing software and budget billing.
Would like to thank Customer Service, Finance, and IT for all the work that has gone into this.
Explained the dividend fee and how it will look on the bill. The new budget billing year will start in November.

(e) Other

4. Possible Closed Session (if necessary or requested).

ADJOURN:

Motioned to adjourn by Kvols, seconded by Dewalt. Roll Call: Ayes: Hitesman, Dewalt, Meeske, Kvols, Rutt. Nays: None. Adjourned at 10:09 am.

APPROVED:

Board Secretary

CITY OF HASTINGS, NEBRASKA
MINUTES OF UTILITY BOARD REGULAR MEETING
Thursday, September 11, 2025

Pursuant to due call and notice thereof, a Regular Meeting of the Utility Board of Hastings, Nebraska was conducted Airport Conference Room - Hastings Municipal Airport 3300 W. 12th Street, on September 11, 2025.

ROLL CALL:

This meeting was called to order at 9:00 am by Bill Hitesman with the following members present: Jeanette Dewalt, Susan Meeske Scott Kvols
Derek Zeisler, Steve Huntley, Larry Consbruk, Erik Nielsen, Kirk Layton, Jesse Oswald, Mark Funkey, Jaci Higgins, Tony Herrman, Shane Stone, Larry Fox, Jason Redding, Karl Block, Micah McCaffery, Lee Vrooman, Noel Nienhueser, Kyle Patten, Lori Hartman, Brandan Lubken, Roger Nash
Absent: Jay Beckby

PLEDGE OF ALLEGIANCE:

Bill Hitesman led the group in the recital of the Pledge of Allegiance to the United States of America.
Took a moment of silence as well to remember those from 9/11

MOTION TO ADOPT CURRENT AGENDA FOR September 11, 2025 REGULAR MEETING.

Moved by Dewalt and seconded by Meeske to adopt the current agenda for the September 11, 2025 Regular Meeting. Roll Call: Ayes: Hitesman, Dewalt, Meeske, Kvols. Nays: None. The motion carried.

PUBLIC NOTICE - Official Notice of the Regular Meeting was published in the Hastings Tribune on Tuesday, September 9, 2025. Pursuant to Nebraska Revised Statute Section 84-1412, the public is advised that a copy of today's agenda and all reproducible written material which will be discussed at today's meeting is located at the back of the Conference Room. Also, a current copy of the Nebraska Open Meetings Act is posted on the south wall of the Airport Conference Room, which is accessible to members of the public.

MANAGER'S COMMUNICATIONS:

Not only is it the anniversary of 9/11 it is also National Day of Service. The city is all about service and thank you to all the departments within the city.

BOARD CHAIRMAN'S COMMUNICATIONS:

None

BOARD MEMBERS' COMMUNICATIONS:

Thank you to everyone that has been involved in the employees involved in the budget and city council. We respect your professionalism and all the extra effort you have done.

CITIZEN COMMUNICATIONS:

None

CONSENT AGENDA:

1. All Consent Items.

- (a) Approval of the minutes of the Hastings Utility Board Meeting of August 14, 2025.

Moved by Kvols and seconded by Dewalt to approve the minutes for the meeting of August 14, 2025. Roll Call: Ayes: Hitesman, Dewalt, Meeske, Kvols. Nays: None. Approved.

REGULAR AGENDA:

2. Unfinished Business of Preceding Meeting.

3. General Business.

- (a) Other

- i. FNIC Insurance Presentation

FNIC Insurance streamed in and gave a presentation and review on the insurance renewal that begins October 1. They will also be presenting at the City Council Meeting on September 22nd.

- (b) Finance

- i. PILOT to City Dividend Fee

City Council did pass changing the PILOT to the City Dividend Fee. Jaci presents some examples of what the changes will look like. This will be in the "At Your Service" in the October Utility bill. Your bills should be the same, it just switches the label and where it is located on your bill.

- (c) Production

i. AGP Coal Contract Amendment

Shane discusses Amendment #4 to the Coal Supply Agreement with Ag Processing Inc. He discussed all the changes that were made in these sections.

- Revisions to the following sections of the Agreement:

* Section 4: Quantity, Scheduling, and use of coal

* Section 6: Additional Coal

* Section 15: Invoices and Payment

* Section 20: Penalties

Would like a recommendation from the Board to approve amendment #4 agreement.

Kvols motions to approve the amendment. Second by Meeske.

Roll Call: Ayes: Hitesman, Dewalt, Meeske, Kvols. Nays: None. Approved.

(d) Operations

i. Main Break at NDS

Brandan discusses the main break at the North Denver Station that started last week and showed pictures of the work being done.

(e) Administration

i. Utility Billing Update

Derek would like to thank Karl and his staff and accounting staff for working through this. They have all put in a lot of hours to work through the kinks and get everything running smooth.

Karl gives an update on the new billing system after running for a few months. We have worked through the majority of the issues. There are only a few issues that need to be resolved now. We think this should be completed within the next few weeks.

4. Possible Closed Session (if necessary or requested).

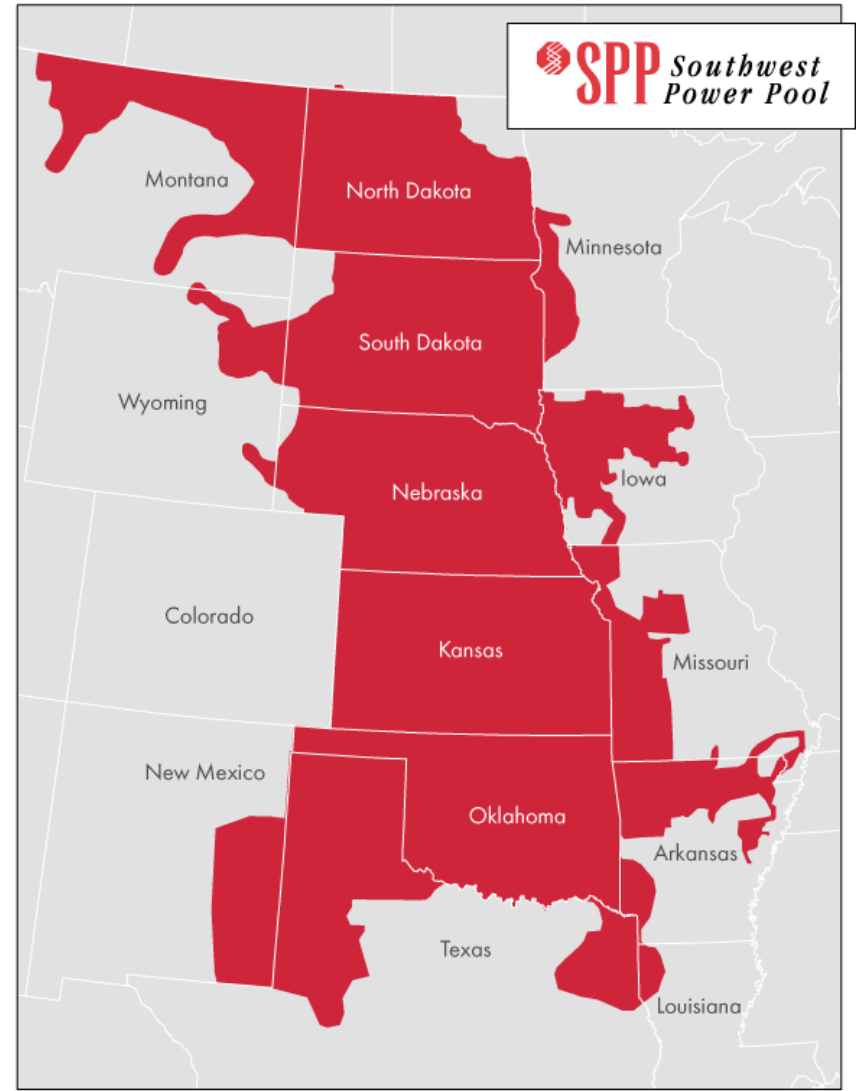
ADJOURN:

Motioned to adjourn by Dewalt, seconded by Meeske. Roll Call: Ayes: Hitesman, Dewalt, Meeske, Kvols. Nays: None. Absent: None. Adjourned at 10:07 am.

APPROVED:

Board Secretary

Southwest Power Pool



What is the Southwest Power Pool?

SPP is a regional transmission organization (RTO): a nonprofit corporation mandated by the Federal Energy Regulatory Commission to ensure reliable supplies of power, adequate transmission infrastructure and competitive wholesale electricity prices on behalf of its members.

SPP dispatches power for the entire region out of their headquarters in Little Rock, Arkansas.

SPP Generation Mix

Figure 2-20 Generation by technology type, real-time, annual

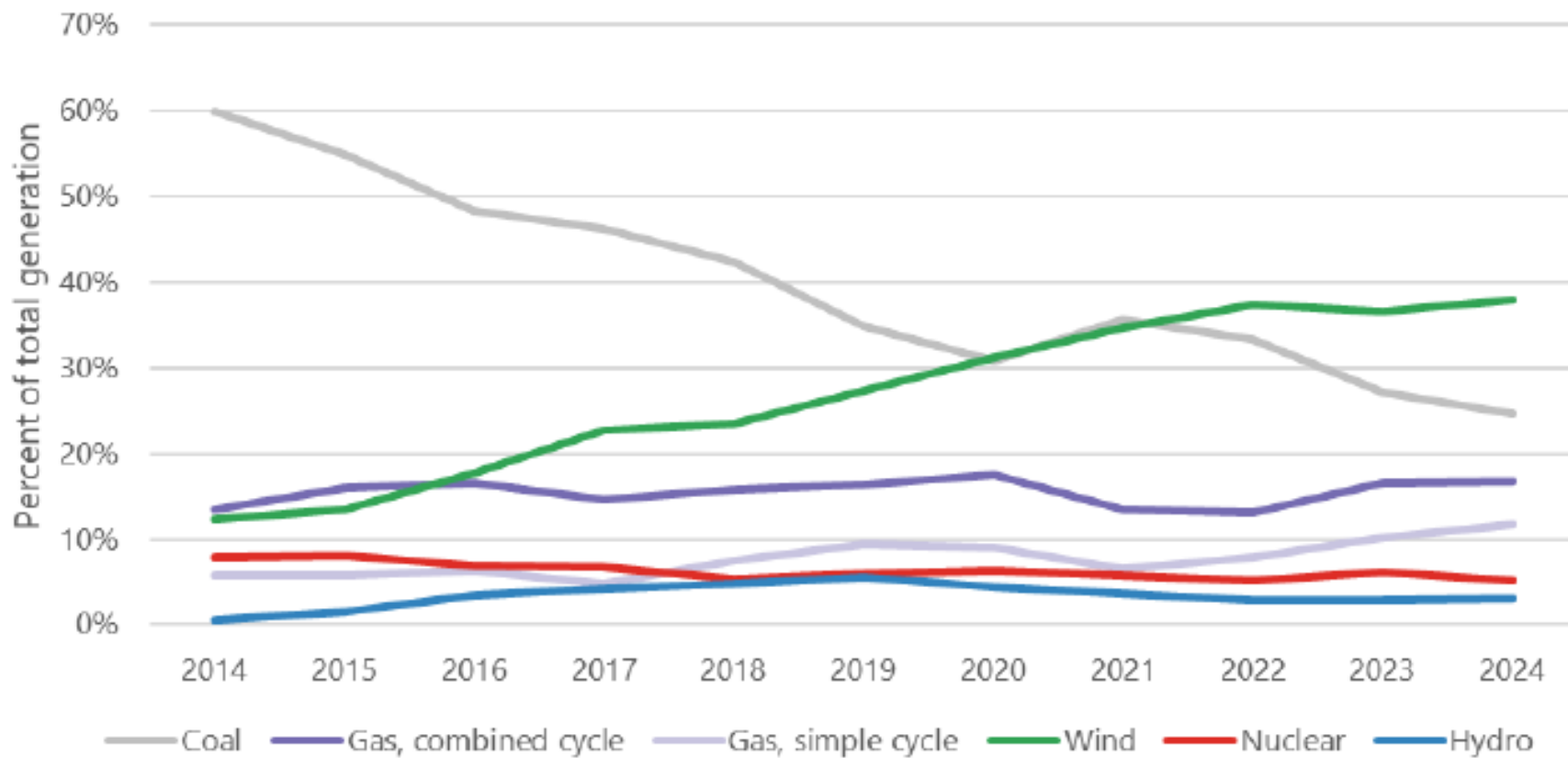
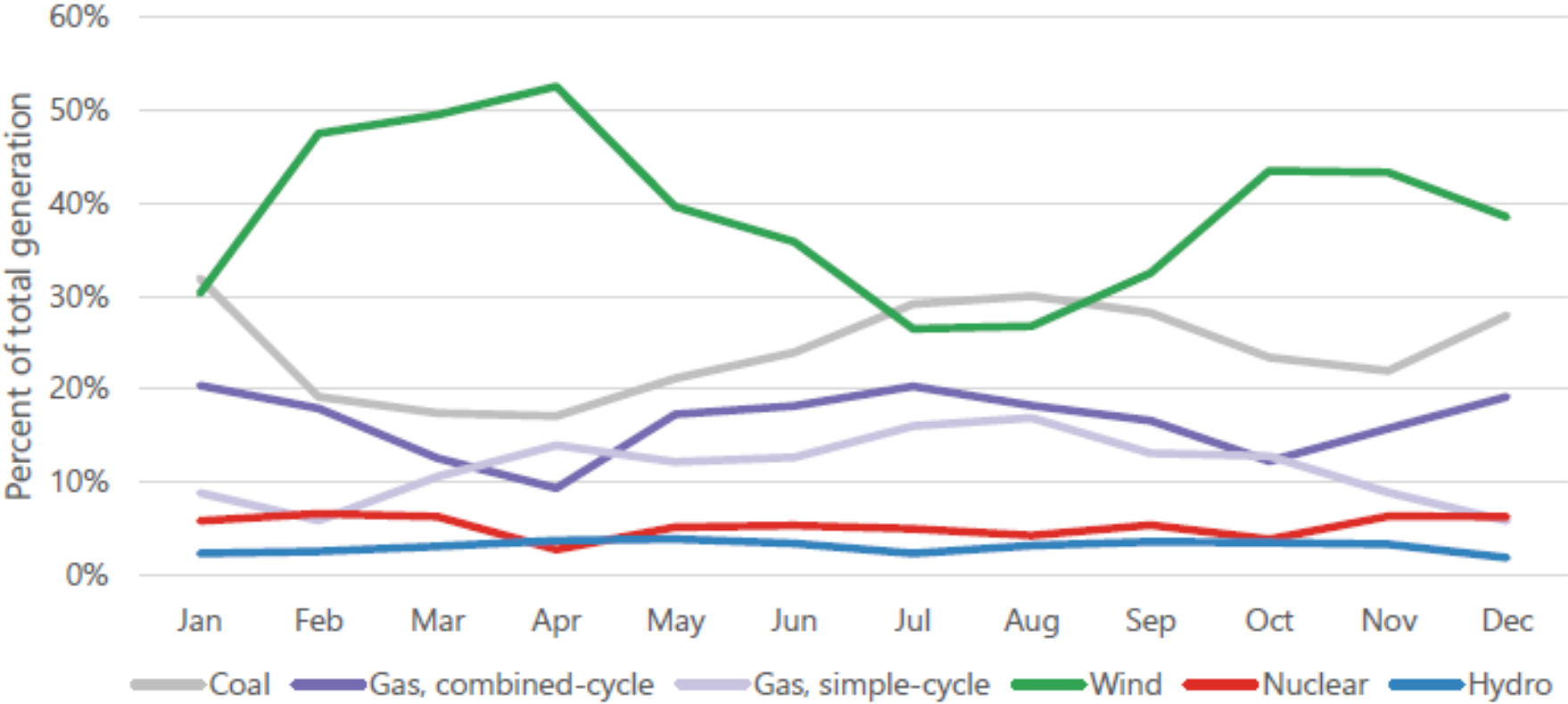
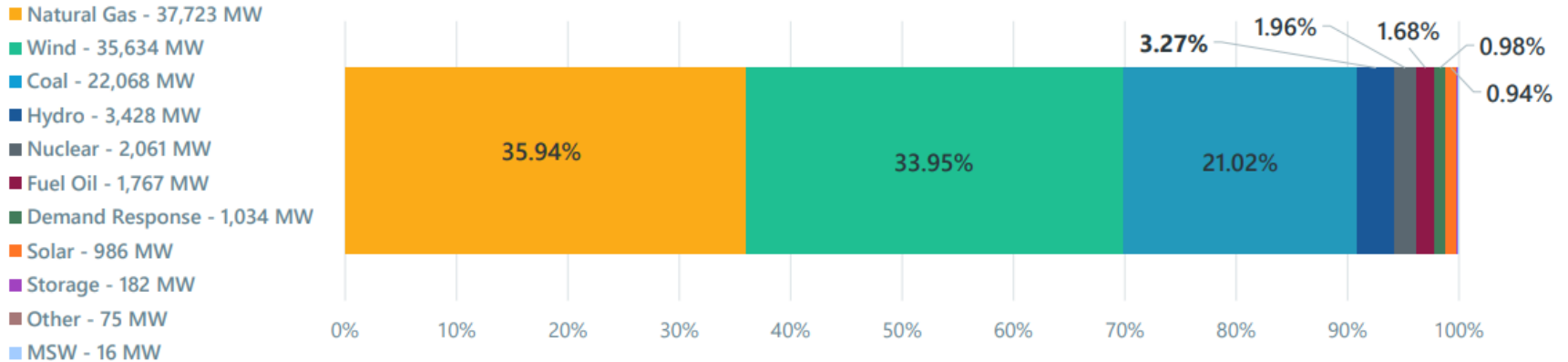


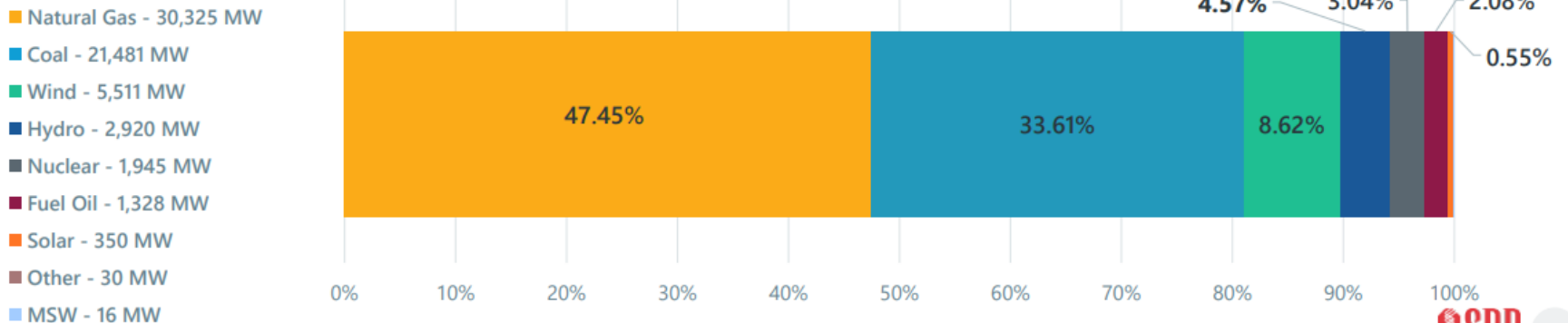
Figure 2-21 Generation by technology type, real-time, monthly



NAMEPLATE GENERATING CAPACITY – 104,972 MW *(As of May 2025)*



ACCREDITED GENERATING CAPACITY – 63,908 MW *(As of Summer 2024)*



SPP Internal Only

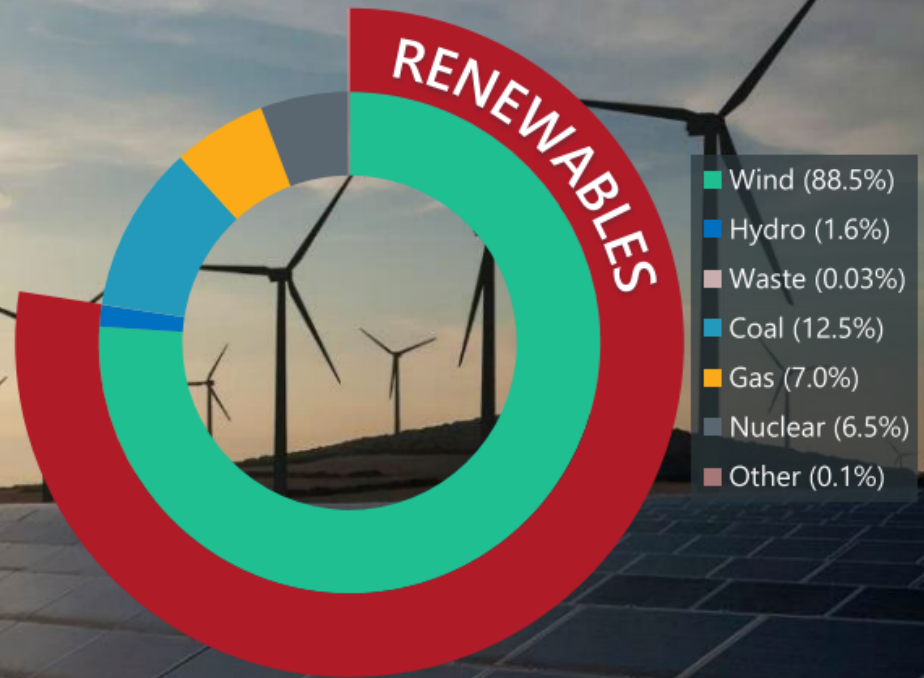




SPP Renewables Impact

RENEWABLE PENETRATION

- Renewable penetration record: **90.2%** of load
 - 2:42 a.m. on 3/29/22
 - **22,351 MW** of 24,787 MW of load served by renewables
 - **90.2%** of total generation at that time was renewables

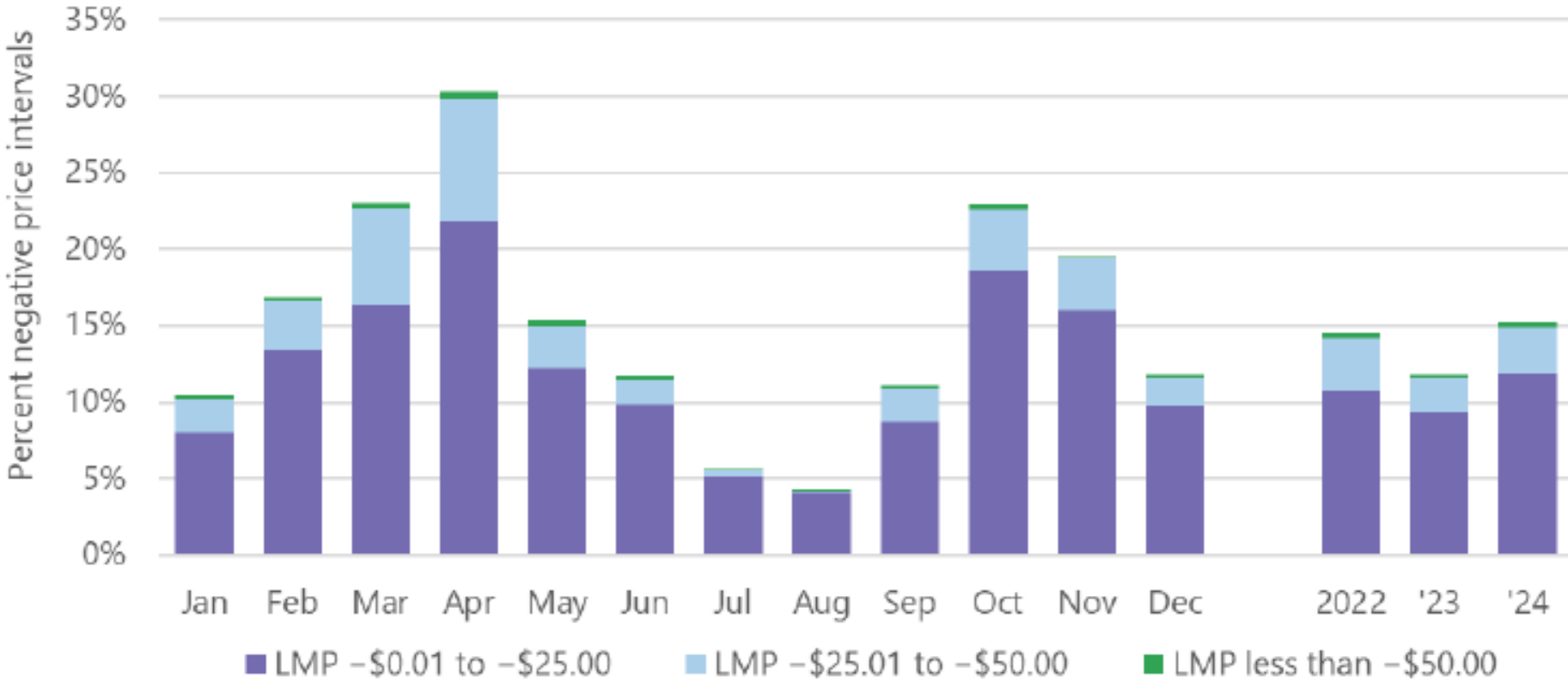


Penetration of Load by Fuel Type

WIND IN SPP'S SYSTEM

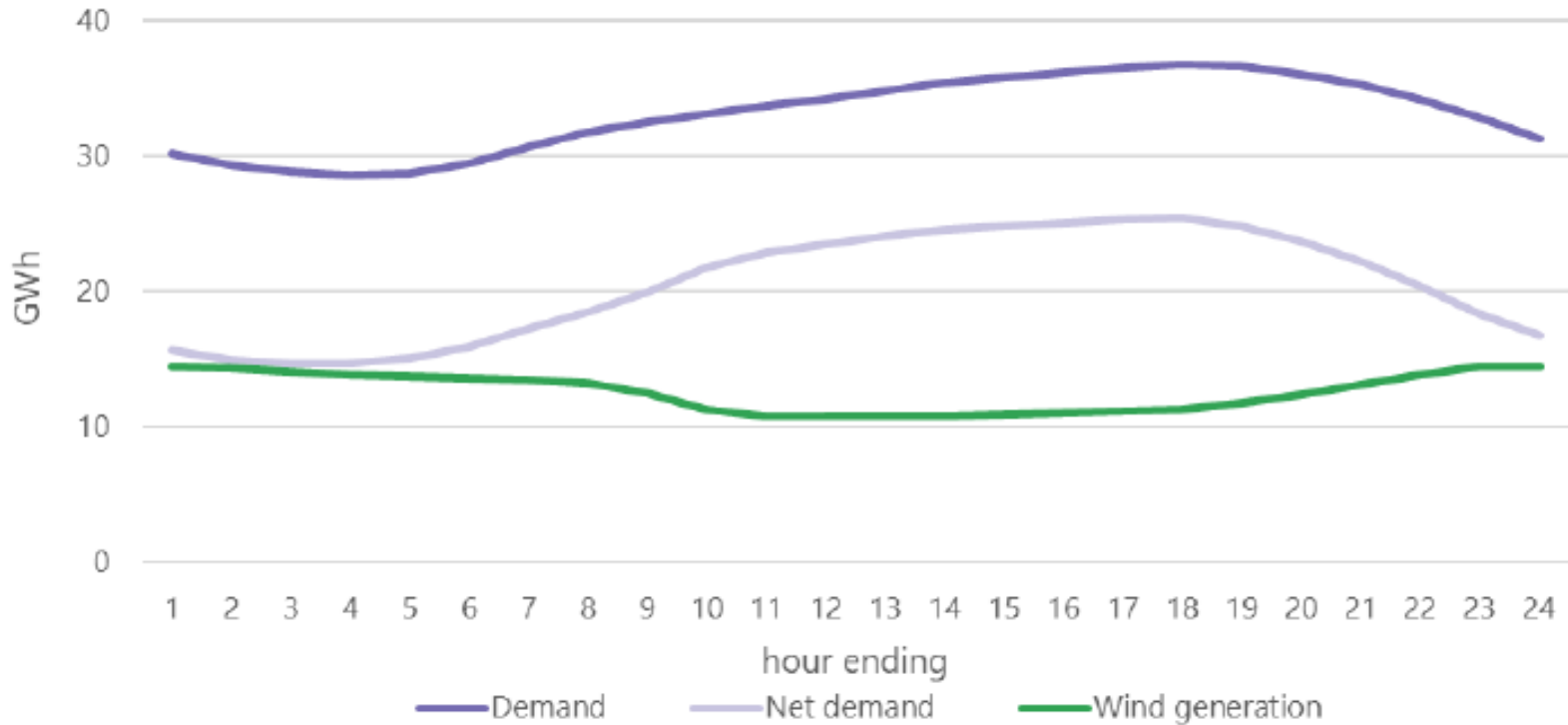
- **34,808 MW** Wind installed as of January 2025
 - 15,460 turbines at 253 wind resources in the eastern interconnection (most are 80m hub height)
- **23,838 MW** Maximum wind output (3/16/23)
- **181.8 MW** Minimum wind output (last 12 mos.): (7/23/24 @ 11:09 a.m.)
- **88.5%** All-time maximum wind penetration (3/29/22)
- **39.5%** Average wind penetration (2024)

Figure 4-16 Negative price intervals, real-time, monthly



The frequency of negative price intervals in the real-time market was 15.2% of all intervals in 2024, up from 11.8% in 2023.

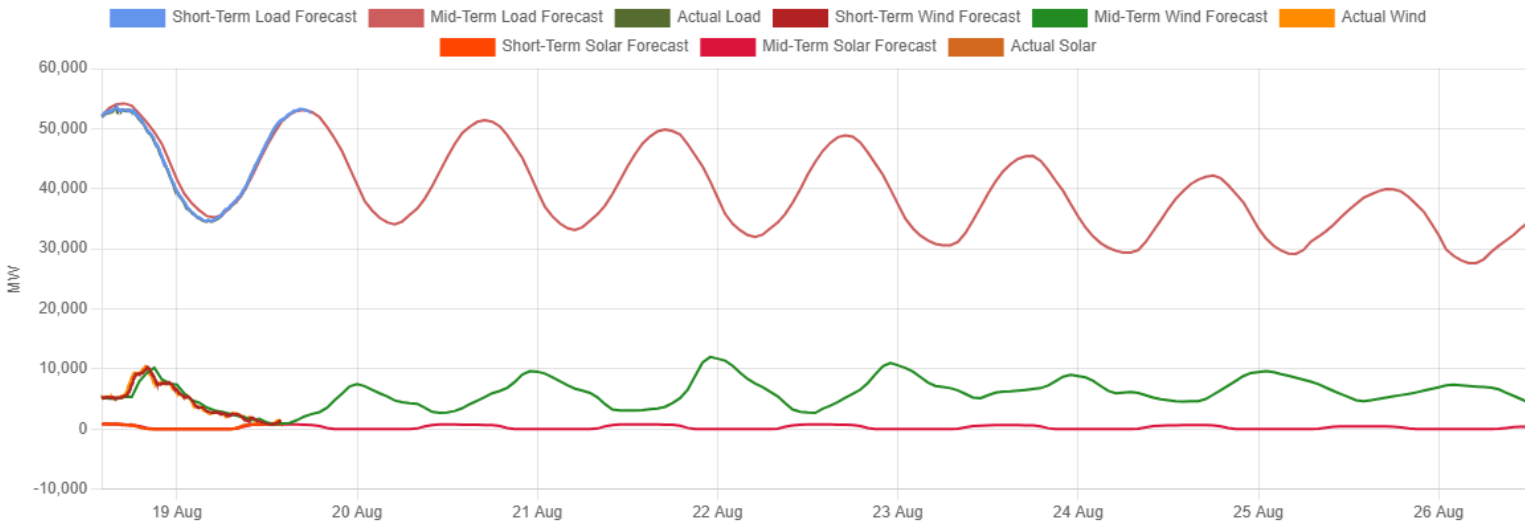
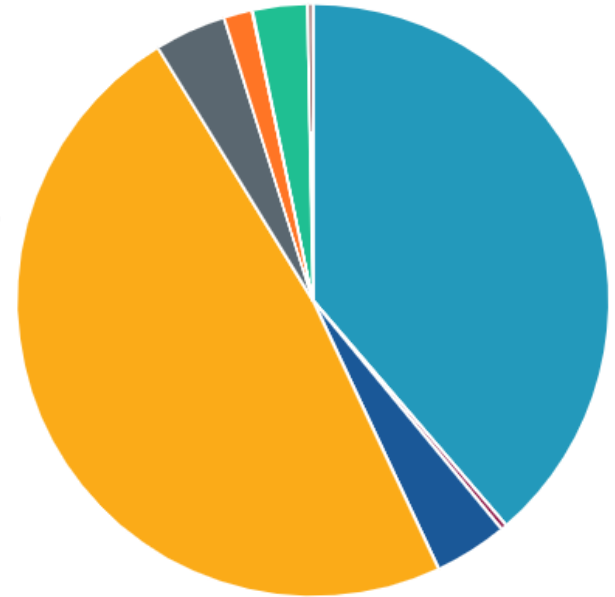
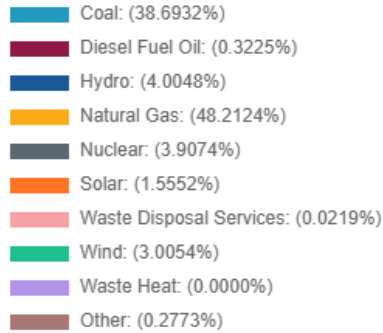
Figure 2-32 Average demand, net demand, and wind generation by hour of day



Wind generation typically produces more energy when demand is lowest and less when demand is highest. Wind generation is at the highest levels in the overnight hours while demand is low.

Pie chart view of current generation mix percentage by fuel type.

Generation Mix from August 18th, 2025



SPP Current and Future Challenges

Figure 2-14 Capacity by age of resource

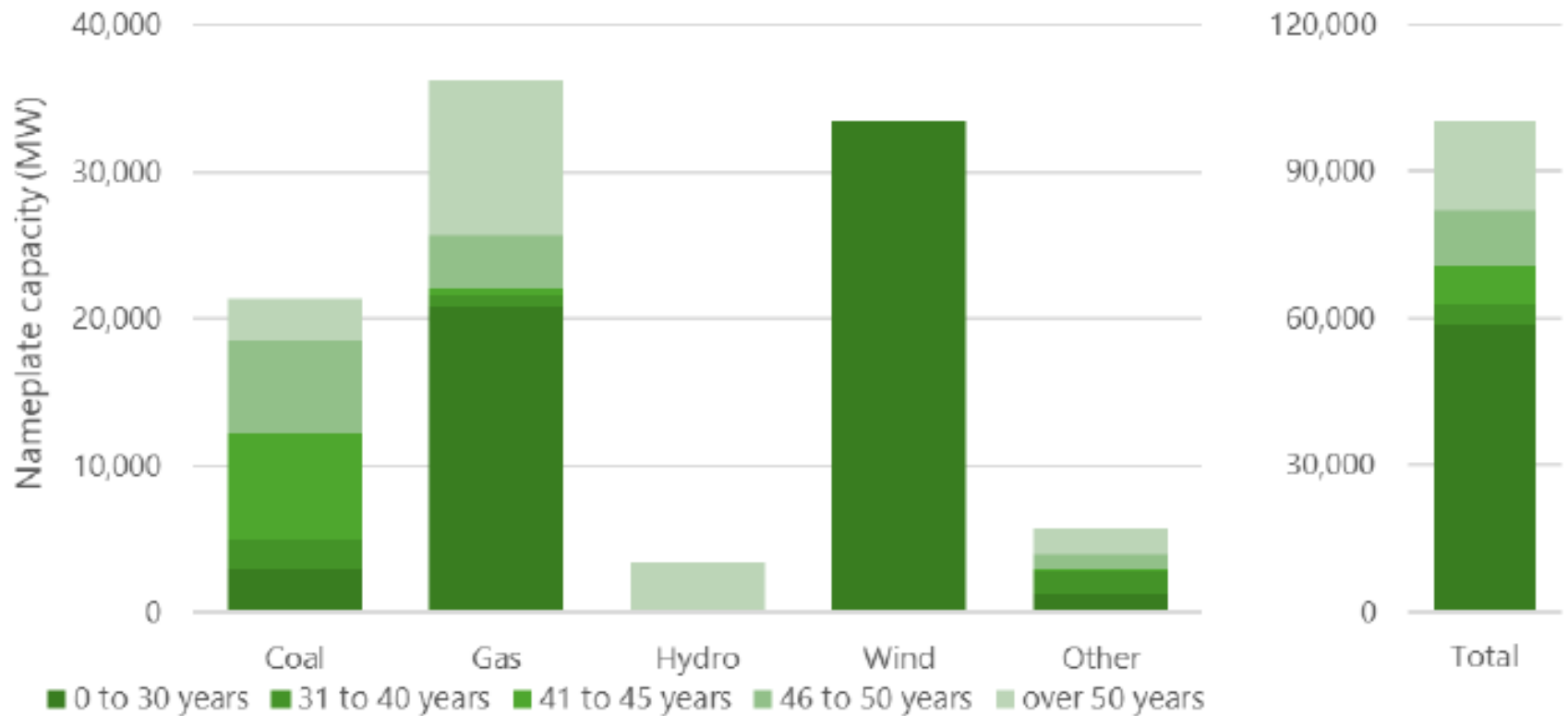
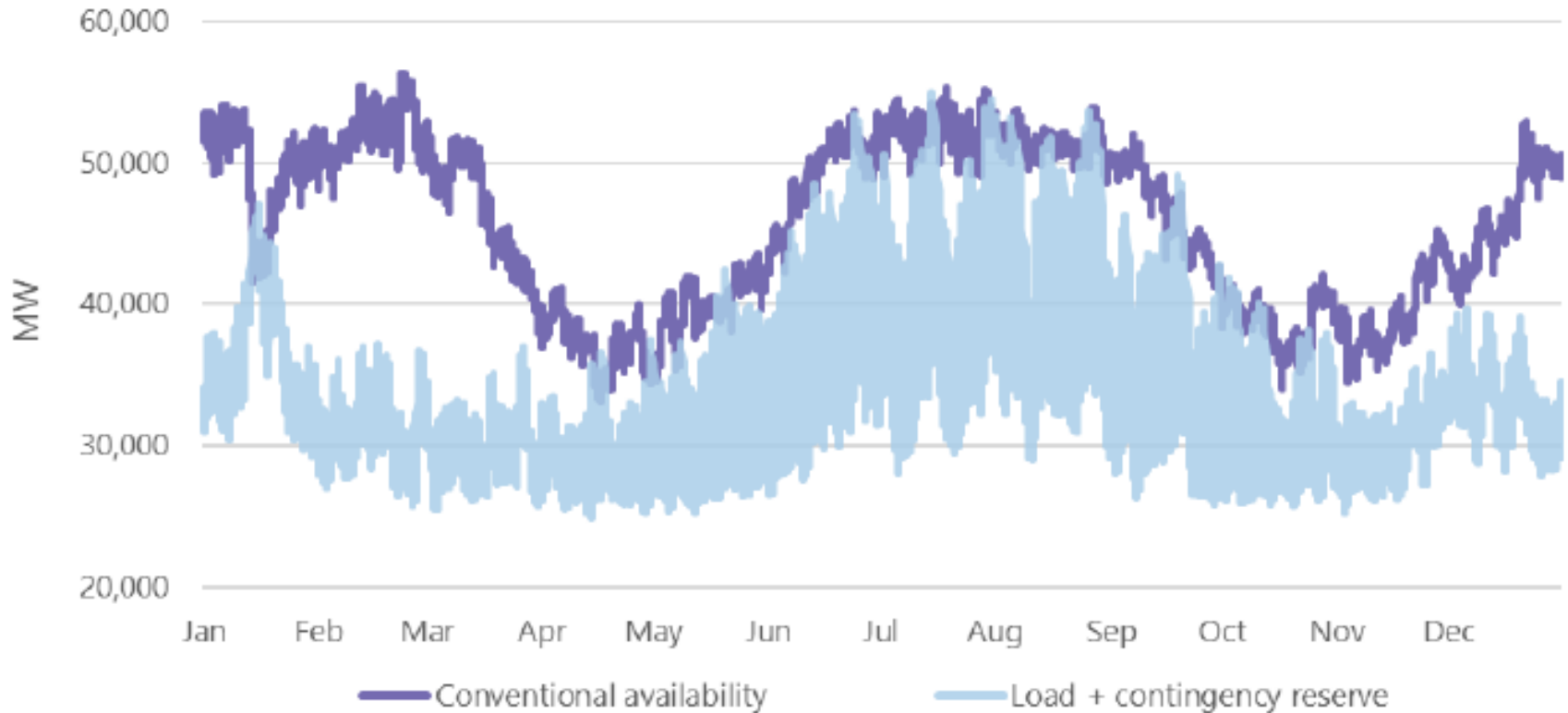
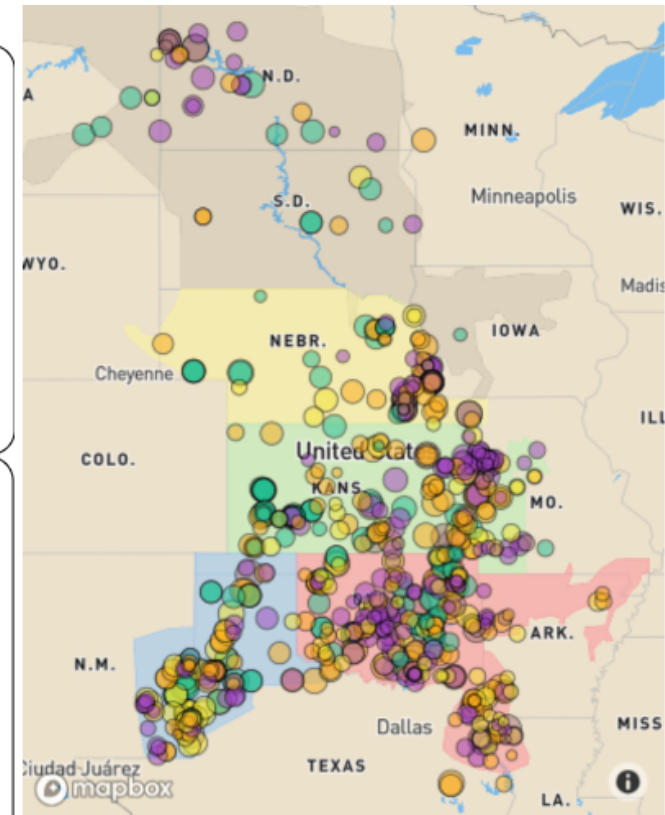
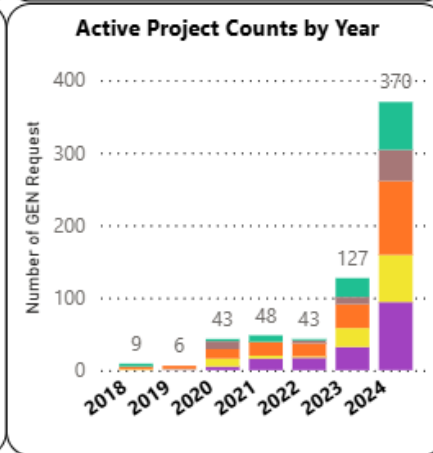
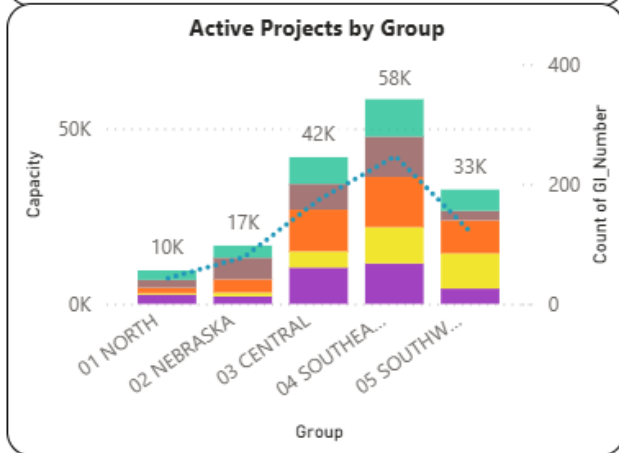
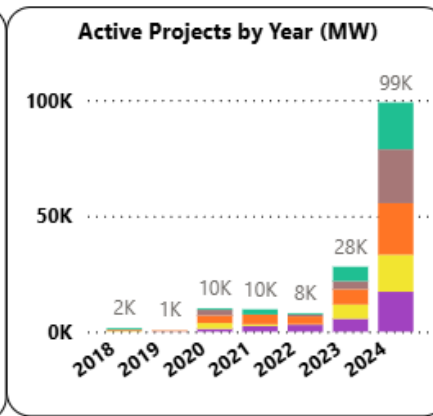
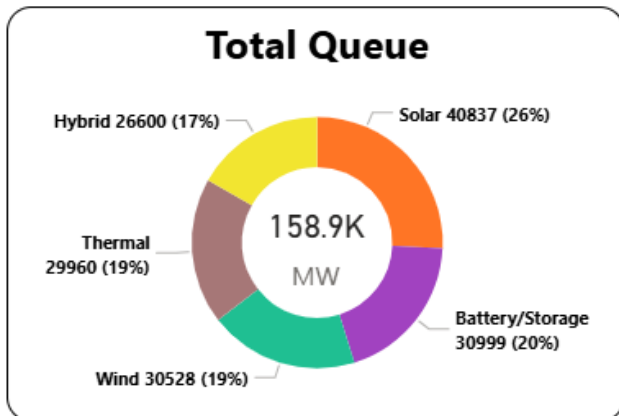


Figure 3-13 Conventional capacity available versus load, 2024



SPP Generation Interconnection Queue

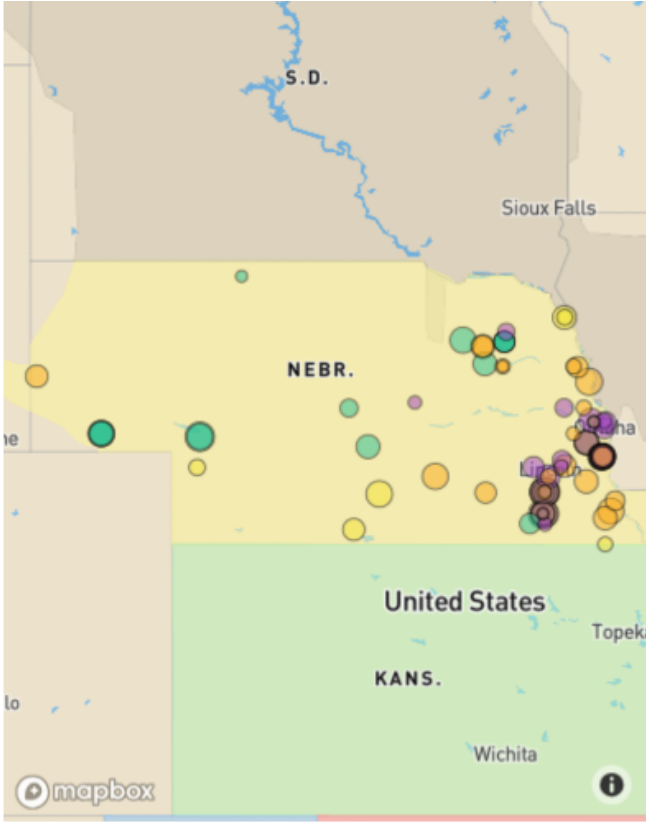
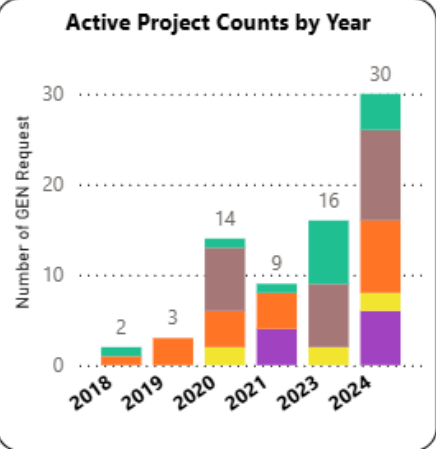
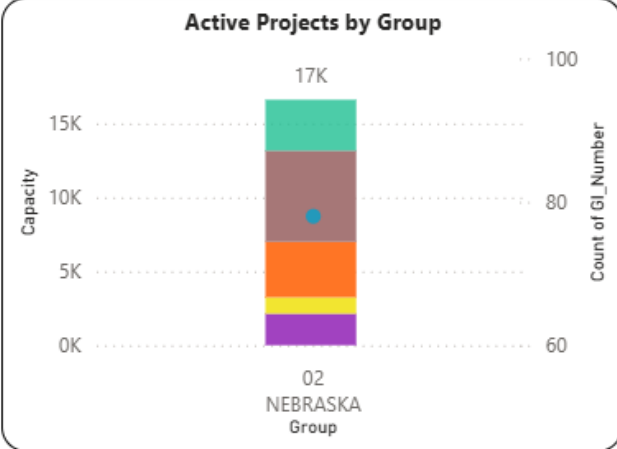
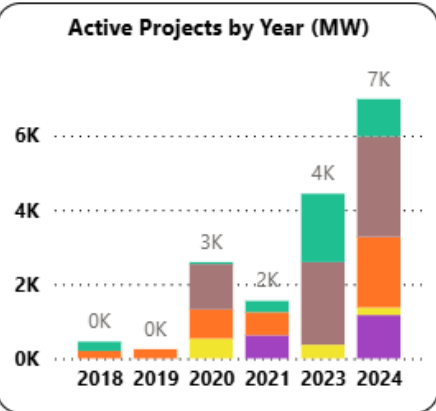
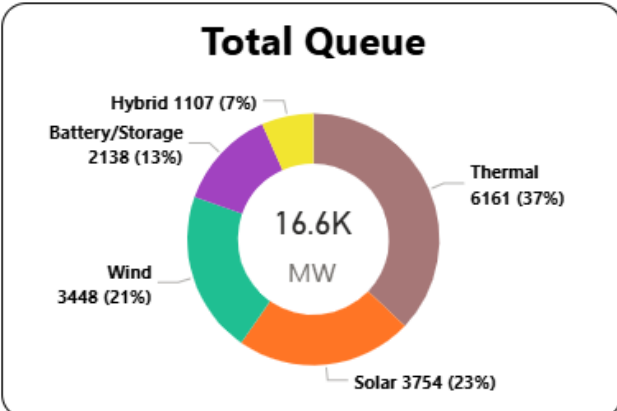
Generation Type ● Battery/Storage ● Hybrid ● Solar ● Thermal ● Wind



Disclaimer: The data provided is for information purposes only. Questions? See [SPP GI Management System](#). Click [HERE](#) for SPP GI Web Site. Click [HERE](#) for GI Queue data.

Nebraska Generation Queue

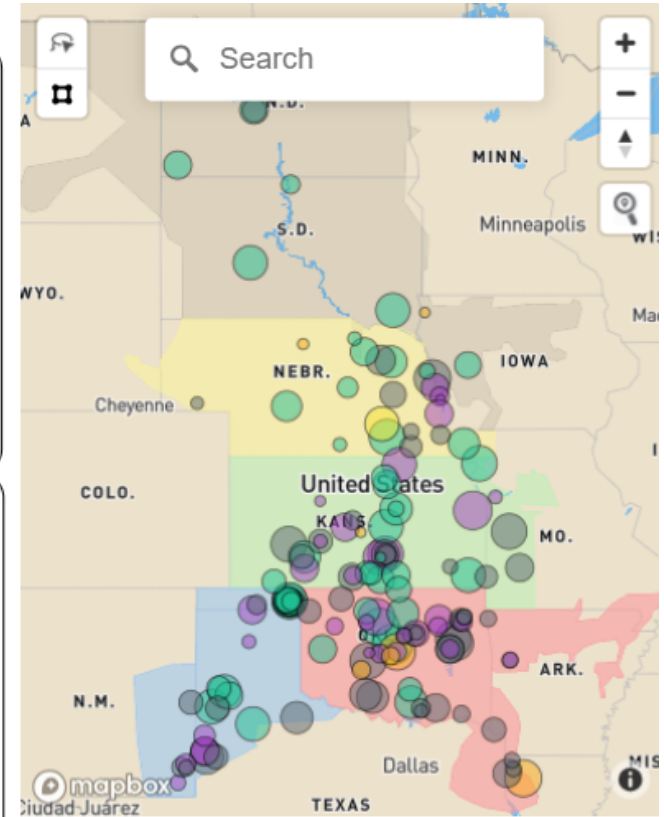
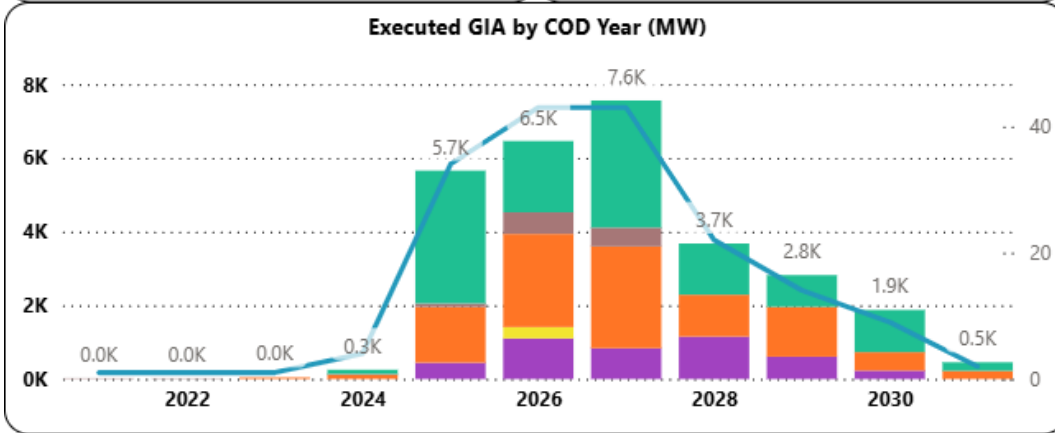
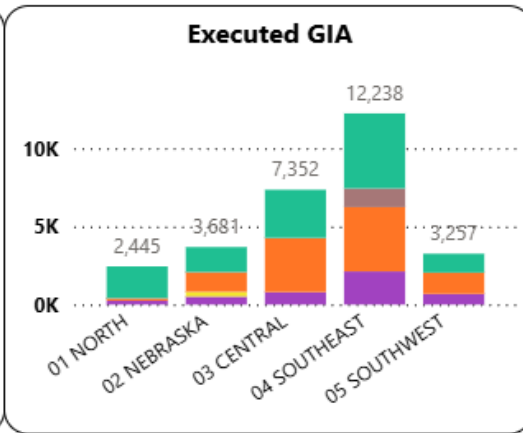
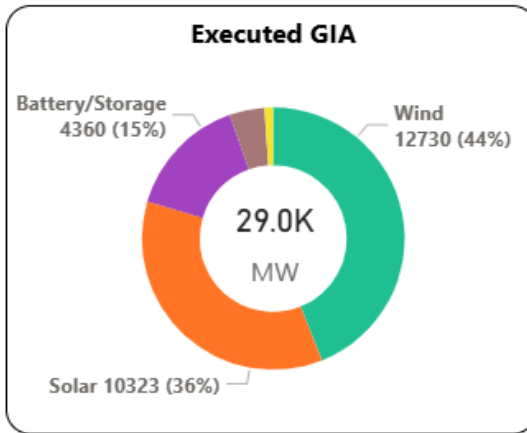
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SPP Executed GIA's

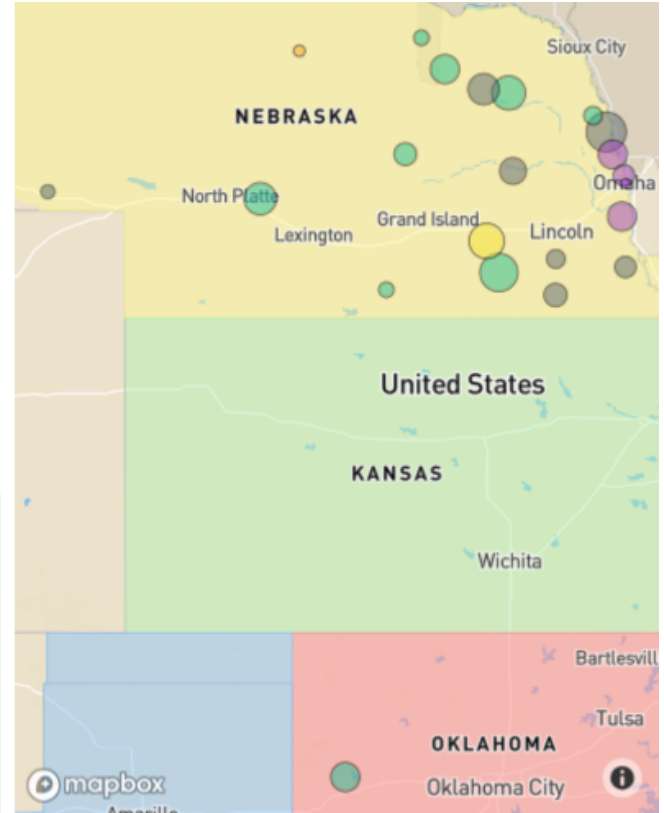
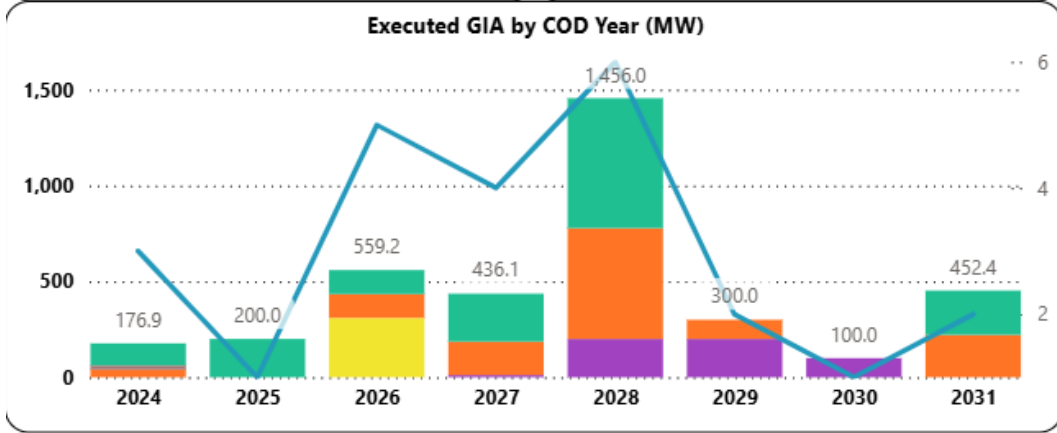
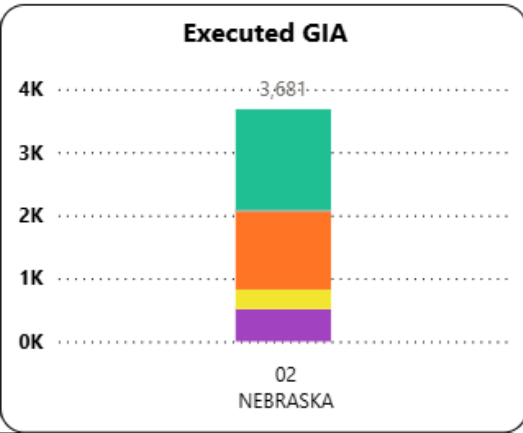
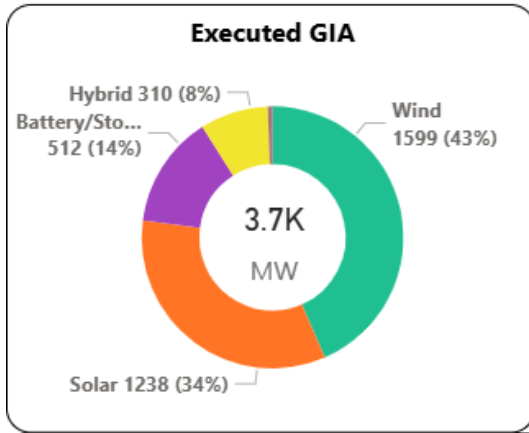
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Nebraska Executed GIA's

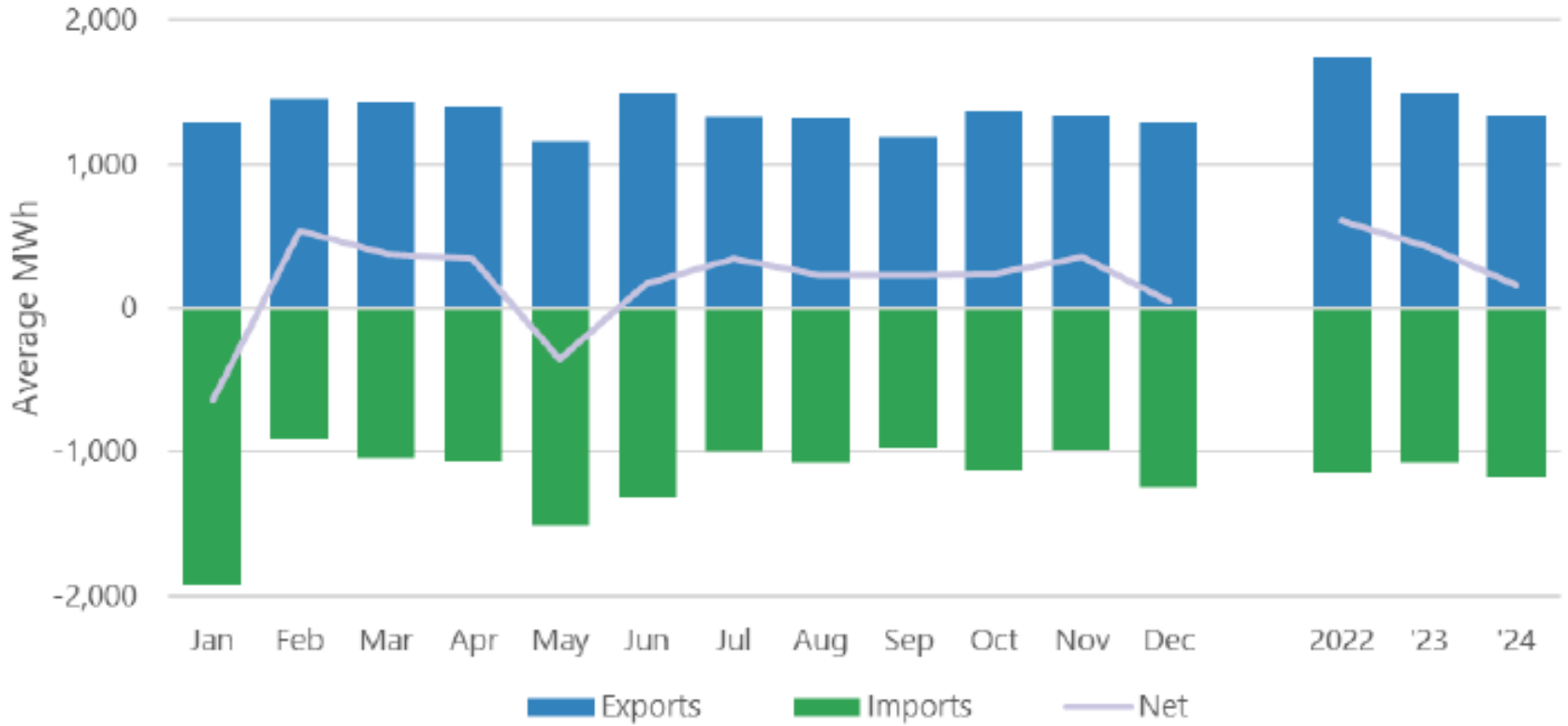
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Figure 2-35 Exports and imports, SPP system



Southwest Power Pool (SPP) Market Changes for Reliability

SPP is implementing new policies to help increase the reliability of the region. These policies underscore the need for our generation units to be as reliable as possible in the summer and the winter.

- Seasonal Capacity Accreditation
- Performance Based Accreditation (PBA) and Fuel Assurance

Hastings' Strategic Options

Option:	Summary:	Benefits:	Considerations:
A: Do Nothing	Continue to operate plants for as long as possible.	Low immediate cost.	O&M and Capital investments, long-term outage risk, regulatory risk, rate impacts.
B: Convert WEC1 to Natural Gas	≈\$38M retrofit	Extend the life of an existing asset.	Significant investment on an older asset for a short-term solution.
C: Build New Generation	Peaking or combined-cycle, fuel flexible plants.	High efficiency, long-term solution.	High capital investment (\$1-2M per MW), long lead time.
D: Other Options	Solar, Battery Storage, Small Modular Reactors (SMR), Purchase Power Agreements.	Long-term solutions, building for future clean energy policies.	Capital investment, viability of technology, rate impacts.

- Initiate feasibility studies for a WEC1 conversion and new generation.
- Evaluate long-term cost, regulatory changes, and customer rate impacts.

Sources:

State of the Market 2024 (May 2025) Southwest Power Pool Market Monitoring

Our Generational Challenge: (2024) Southwest Power Pool

SPP Generation Interconnection Queue Dashboard (August 2025) [spp.org/engineering/generator-interconnection/](https://www.spp.org/engineering/generator-interconnection/)