

MINUTES OF LINCOLN ELECTRIC SYSTEM ADMINISTRATIVE BOARD

Minutes of the regular meeting held at 9:30 a.m., Friday, July 19, 2024, at the Kevin Wailes Operations Center, 9445 Rokeby Road, Lincoln, Nebraska. Public notice of today's meeting was published in the Lincoln Journal Star on July 12, 2024.

Board Members Present: Kate Bolz, Carl Eskridge, Chelsea Johnson, Alyssa Martin, Lucas Sabalka, Eric Schafer

Board Members Absent: Andy Hunzeker, Karen Griffin, David Spinar

LES Staff Present: Emeka Anyanwu, Emily Koenig, Jason Fortik, Lisa Hale, Kelley Porter, Jim Rigg, Scott Benson, Jessica Kneifl, Marc Shkolnick, Mike Murphy, Keith Snyder, Denise Parrott, Shelley Sahling-Zart, Kellie Cave

Others Present: Ken Haar, Bud Synhorst, Nathan Svatora, Scott Williams, Dan Pudenz, and numerous virtual participants via Microsoft Teams

News Media Present: None

Vice Chair Lucas Sabalka declared a quorum present and called the meeting to order at approximately 9:30 a.m. A safety briefing was provided. Vice Chair Sabalka noted that LES conducts its meetings in compliance with the Nebraska Open Meetings Act and noted that a copy of the Act is located on the wall in the back of the room and with the Assistant Secretary. **Call to Order & Safety Briefing**

Vice Chair Sabalka asked for approval of the minutes of the June 21, 2024, board meeting. Carl Eskridge moved approval of the minutes. Chelsea Johnson seconded the motion. The vote for approval of the minutes was: **Approval of Minutes**

Aye: Kate Bolz, Carl Eskridge, Chelsea Johnson, Alyssa Martin, Lucas Sabalka, Eric Schafer

Nay: None

Abstain: None

Absent: Andy Hunzeker, Karen Griffin, David Spinar

Ken Haar expressed a need for urgency in moving to electrification and he also encouraged attendance at the Nebraska Youth Climate Summit on October 4 in Lincoln. and support for the heat pump program. **Customer Comments**

- Lucas Sabalka, Chair of the Operations & Power Supply Committee, reported on Committee discussions held on July 8, 2024, including: 1) Power Generation Technology Evaluation; 2) Cyber Security Update. (Exhibit I) **Operations & Power Supply Committee Report**
- Bryan Willnerd, Manager of Treasury and Risk Management provided a review on LES's Semi-Annual Claims. (Exhibit II) There were no claims greater than \$25k settled in the first six months of 2024 requiring Board ratification. There were 6 claims paid in the first six months totaling \$4,310 and denied claims totaling \$18,715. **Six-Month Property Claims Review**
- Jason Fortik, Vice President Power Supply, provided the power supply report for the second quarter of 2024. (Exhibit III) Net power costs are about \$7.7 million below budget, aided by natural gas prices that were below budget for the quarter. Cooling degree days were approximately 25 percent above average due to warmer than normal temperatures in June. Renewable energy production for the quarter was about 2 percent below expectations, while coal resource production was about 27 percent below budget due to planned maintenance. **Second Quarter 2024 Power Supply Update**
- Emily Koenig, Vice President & CFO, provided the second quarter 2024 financial review. (Exhibit IV) Year-to-date (YTD) retail revenue is about \$1.1 million less than budget, and YTD operating expenses are about \$7 million less than budget. Net power costs YTD are also below budget by about \$7 million. LES's YTD net financial position is about \$8.8 million above budget, a positive position heading into the summer cooling months. Koenig also noted that LES is performing well on all financial metrics. **Second Quarter 2024 Financial Review**
- Koenig also reviewed the Key Performance Indicators for the second quarter of 2024. (Exhibit V) LES is performing well on all indicators. She noted that one indicator, average speed of 33 seconds to answer customer phone calls, was marked yellow but is only slightly off the target of 30 seconds. **2024 Second Quarter Key Performance Indicators**
- Jessica Kneifl, Specialist, Energy Services, gave a mid-year update on the Sustainable Energy Program (SEP). (Exhibit VI) She noted that approximately \$1,209,322 of in SEP incentives have been designated for the year, compared to a total SEP budget of \$2.5 million. Kneifl noted that this represents a total of 1,141 projects, primarily high-efficiency air conditioner and heat pump projects which are up 43 percent over last year primarily due to the heat pump funding **Sustainable Energy Program Mid-Year Update**

partnership with the City.

She also reported on income-qualifying and vulnerable household projects funding and savings. LES has contributed \$222,740 toward 11 projects year-to-date with a projected bill savings of \$238 per customer in 2024. Kneifl specifically highlighted the installation of 40 high efficiency heat pumps at 1035 S 17th St. There was significant discussion regarding the saturation of heat pumps in Lincoln and the general heat pump market. Kneifl noted that LES's incentives are comparable to LES peer utilities.

Scott Benson, Manager, Resource & Transmission Planning, and Marc Shkolnick, Manager, Energy Services, provided an overview of LES solar programs and net metering policy, including new offerings that will be proposed as part of the rates proposal later this fall. (Exhibit VII) Benson noted that LES began offering net metering for customer-owned renewable generation in 2007, two years before the Legislature passed net metering legislation in 2009 which required utilities to offer net metering up to 25 kW. He also noted that LES increased its net metering limit to 100 kW in 2012. LES shifted back to a 25 kW limit in 2014 after determining that the program was not financially sustainable under large solar penetrations, but did implement the Renewable Generation Rate for customer-owned renewable generation installations of 25 kW to 100 kW.

Overview of Solar Programs and Net Metering Policy

Shkolnick previewed a proposed Renewable Generation Standby Rider to accommodate large commercial and industrial customers wanting to serve their facilities with solar. He also previewed a Multi-tenant Shared Solar Rate to essentially extend solar rate opportunities to multi-tenant residential rental property owners and their tenants. Both will be included in the full rates package that the board will consider in October.

Benson and Shkolnick both noted that these programs are designed to strike a balance that provides incentives for customers who want to invest in customer-owned renewable generation, but at a level that does not shift inordinate costs to non-participants.

The Revenue and Expense Statements and Financial and Operating Statements for June 2024 are available. The Power Supply Division Monthly Reports for June 2024 are also available. (Exhibit VIII)

Monthly Financial and Power Supply Reports

The next regular meeting of the LES Administrative Board will be **Next Meeting**
Friday, August 16, 2024, at 9:30 a.m.

Without further business before the Board, Vice Chair Sabalka **Adjournment**
declared the meeting adjourned at approximately 11:59 a.m.

Lucas Sabalka, Secretary

BY: Shelley Sahling-Zart
Shelley Sahling-Zart
Acting Assistant Secretary

Exhibit I



Operations and Power Supply Committee Meeting Summary July 8, 2024 (virtual)

Attendees: K. Griffin, A. Hunzeker, C. Johnson, L. Sabalka (Committee Chair)
E. Anyanwu, P. Crist, D. Florom, J. Fortik, D. Malcom, S. Sahling-Zart, D. Thorne, N. Wischhof


Power Generation Technology Evaluation (Nick Wischhof):

- Staff shared an update on the efforts to research dispatchable generation technology options for potential installation at the Terry Bundy Generating Station (TBGS).
- A project with an engineering consulting firm was initiated in late 2023 to evaluate whether the TBGS site could support additional generation and to provide high level environmental analysis, regulatory analysis, construction and operating cost estimates, and generating technology comparisons.
- Although no dispatchable generation additions are currently being proposed, the anticipated changes in SPP's resource adequacy rules, summer and winter generating resource reserve margin requirements, and the market implications of generation additions make it prudent to evaluate the currently available dispatchable generating technology options.

Cyber Security Update (Dustin Thorne):

- Staff provided an overview of the threat landscape LES's information technology systems experience from issues like phishing and ransomware attacks, and the threats to operations technology systems from sources like Nation States.
- LES's cyber security team has participated in training exercises with external entities and has implemented additional software tools to protect LES's systems.
- Staff also provided an overview of the Nebraska statutory provisions that became effective in April 2024 due to the passage of LB1300 and the internal processes that are being implemented to comply with the new provisions.

Exhibit II



LES Semi-Annual Claims Review

January 1 – June 30, 2024

Bryan Willnerd | LES
Manager, Treasury & Risk Management

LES Administrative Board | July 19, 2024

Paid Claims Trending Activity

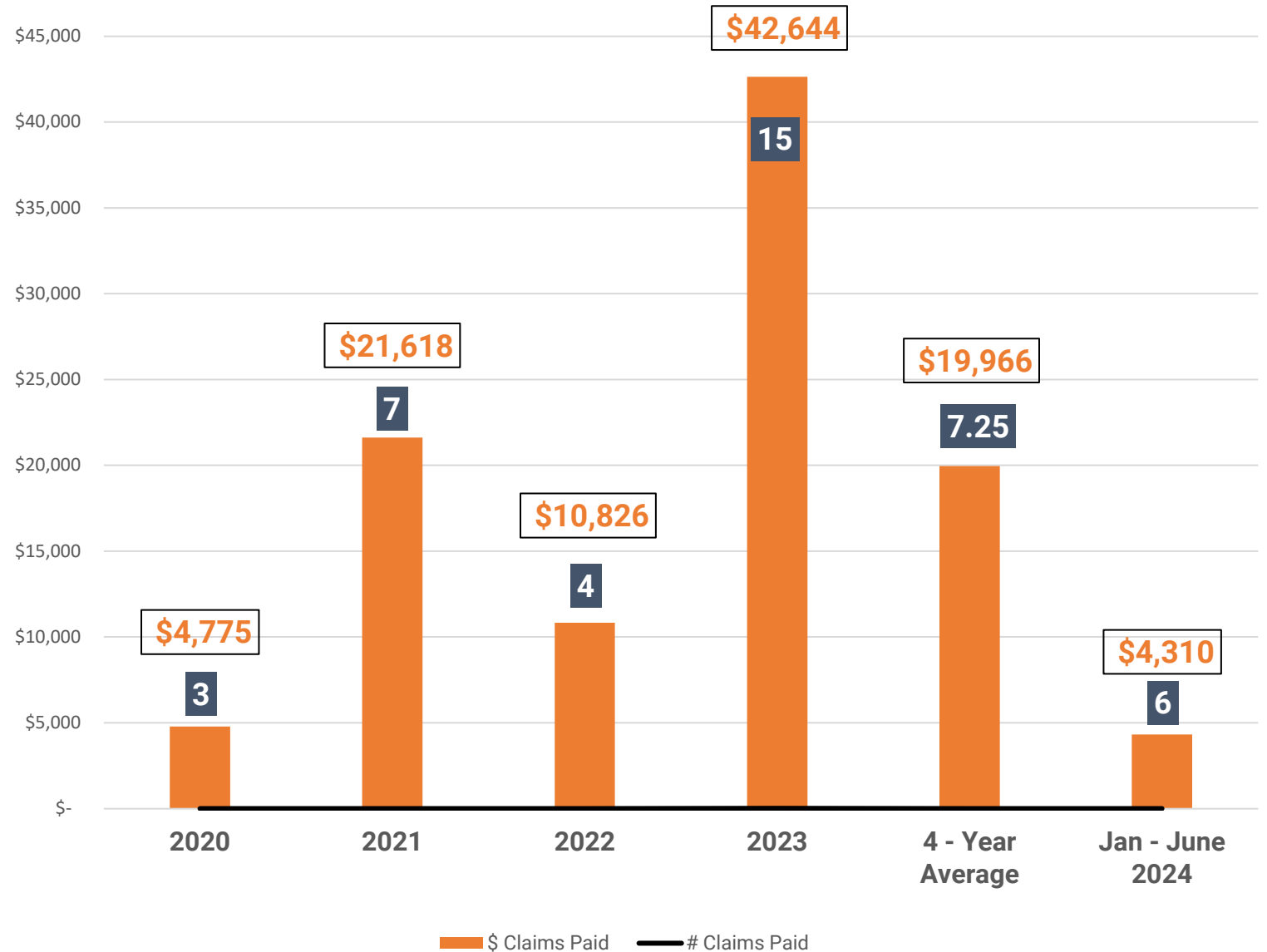
Board Approval

- There were no claims greater than \$25k settled in the first six months of 2024 requiring Board ratification.

Paid Claims

- There were 6 claims paid in the first six months totaling \$4,310
- \$2,696 in damages to a private sewer line

Claims Paid



Denied Claims Trending Activity

- \$13,320 in telecommunications claims
- \$5,395 for private sewer line damage

Claims Denied

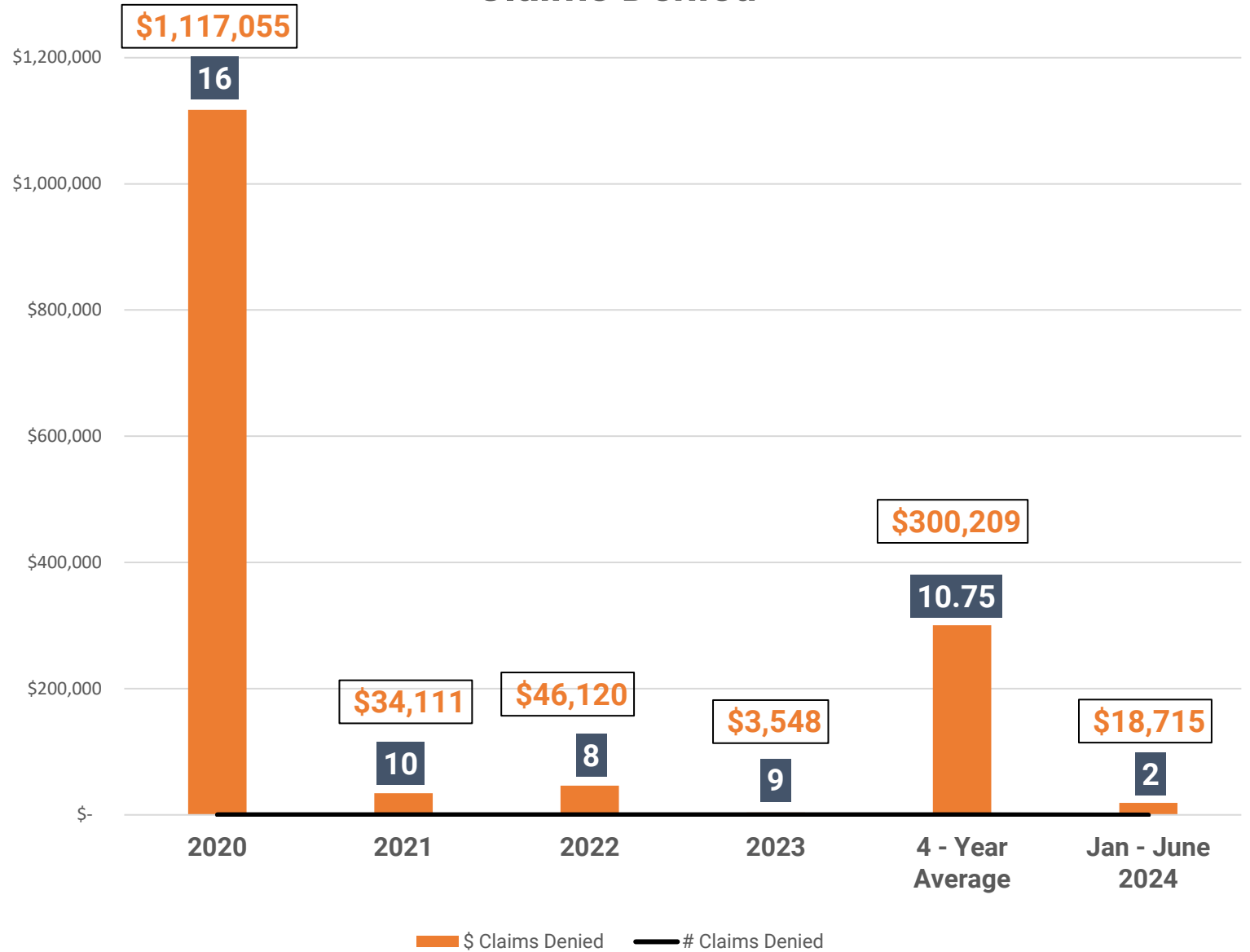


Exhibit III

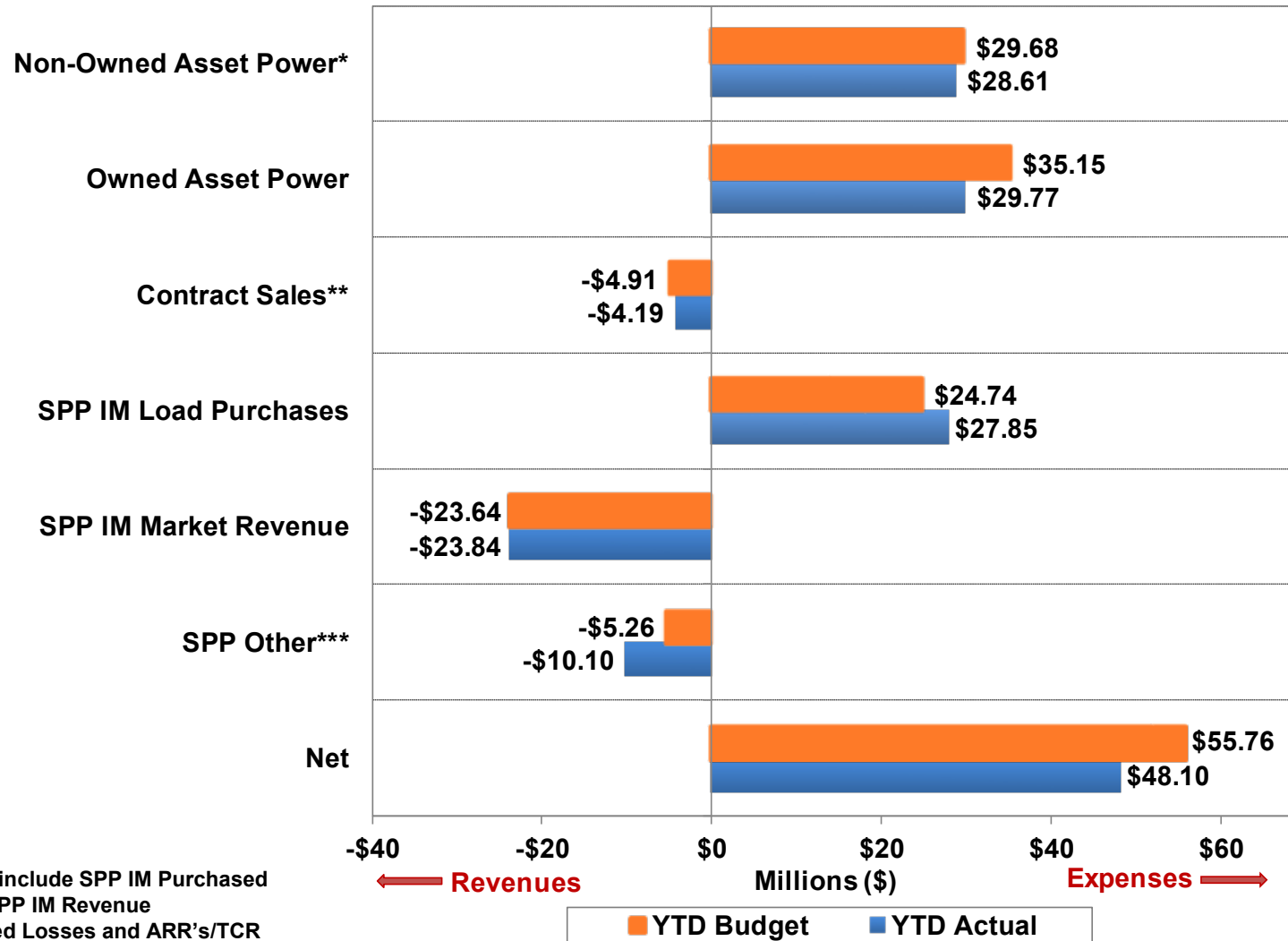
Power Supply Division 2024 Second Quarter Update

July 19, 2024

Jason Fortik

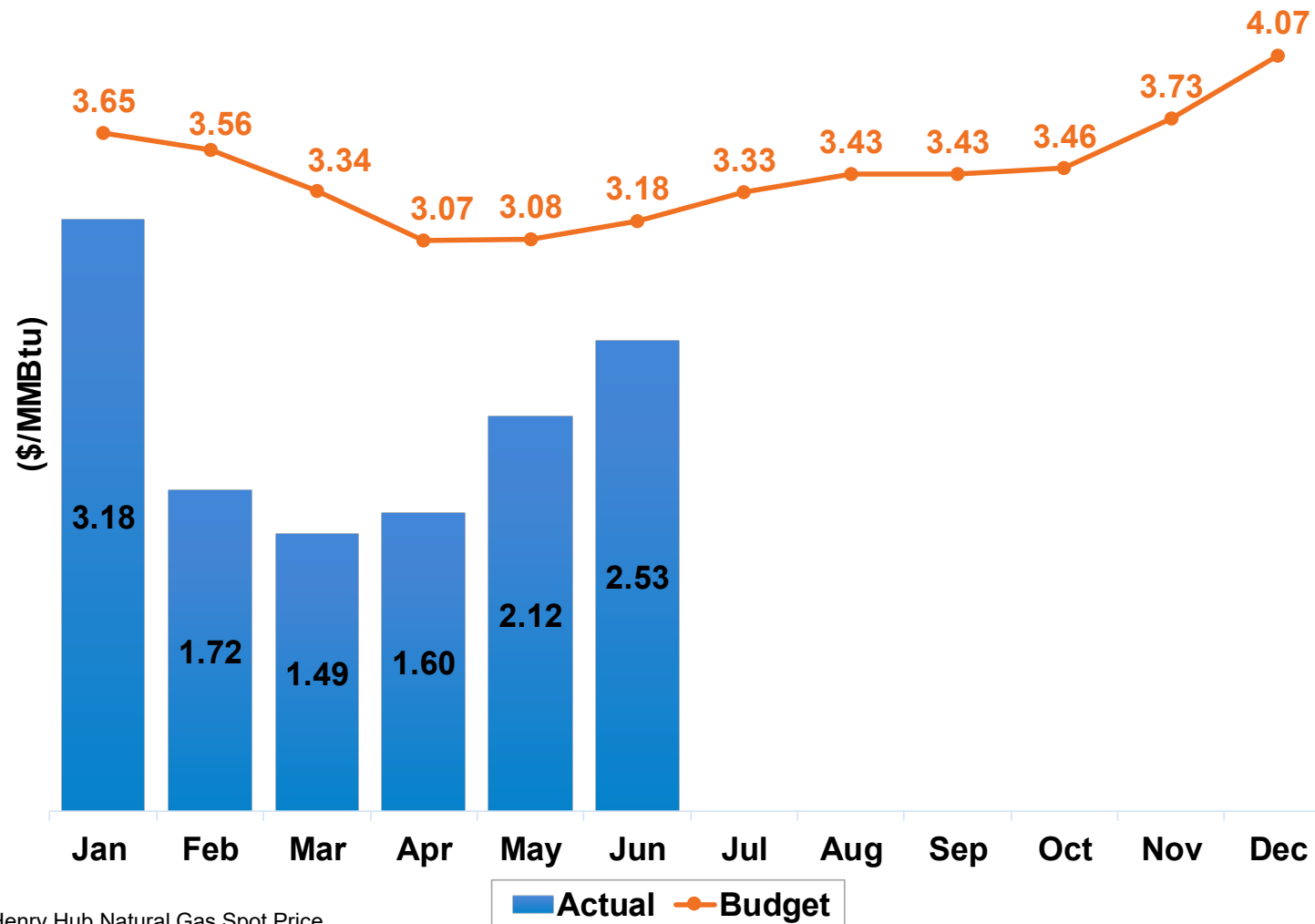
Vice President, Power Supply

YTD 2024 Net Power Costs are about \$7.7M (13.7%) below Budget. Lower than Budget generation expenses and higher transmission service and other market revenues more than offset above Budget energy purchase expenses.



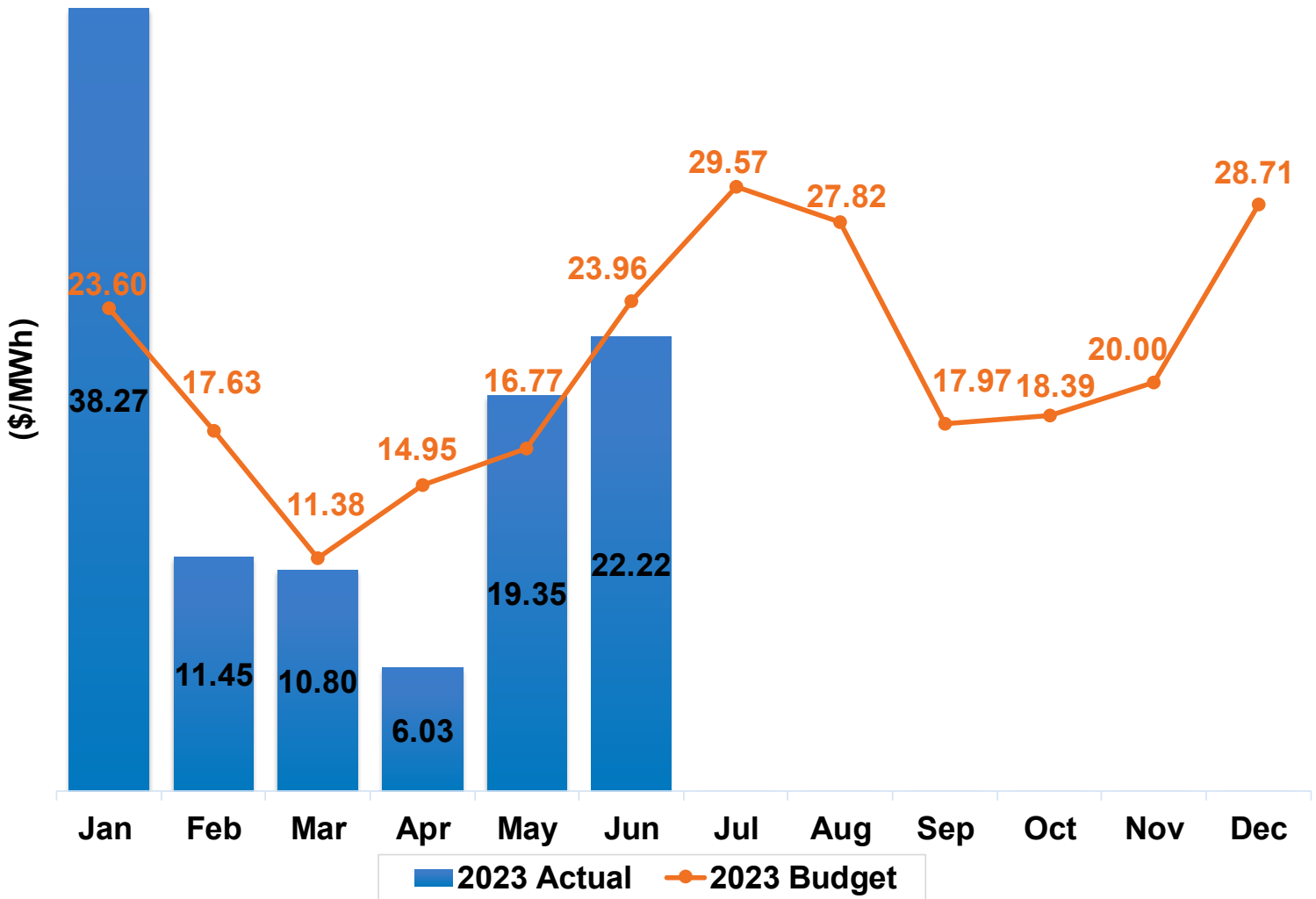
*Non-Owned Asset Power does not include SPP IM Purchased
 **Contract Sales does not include SPP IM Revenue
 ***SPP Other includes Over-Collected Losses and ARR's/TCR

Stable production, relatively high inventory levels, and lower consumption levels early in the quarter combined to keep Q2 natural gas prices below Budget.

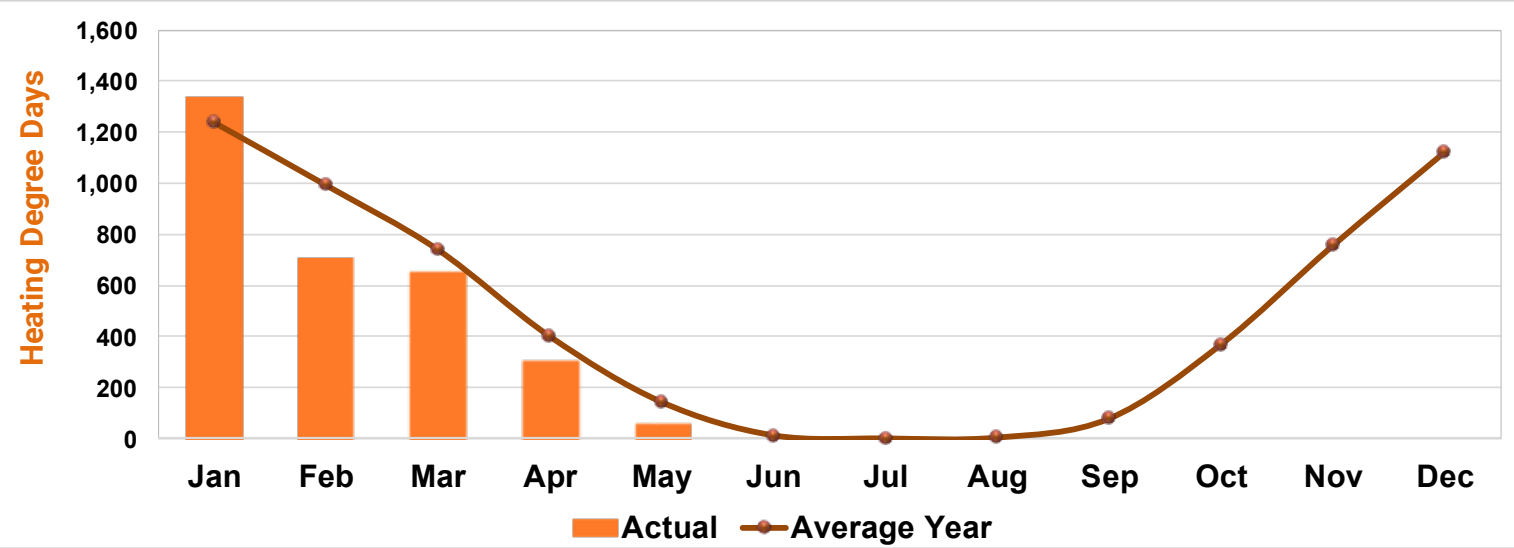
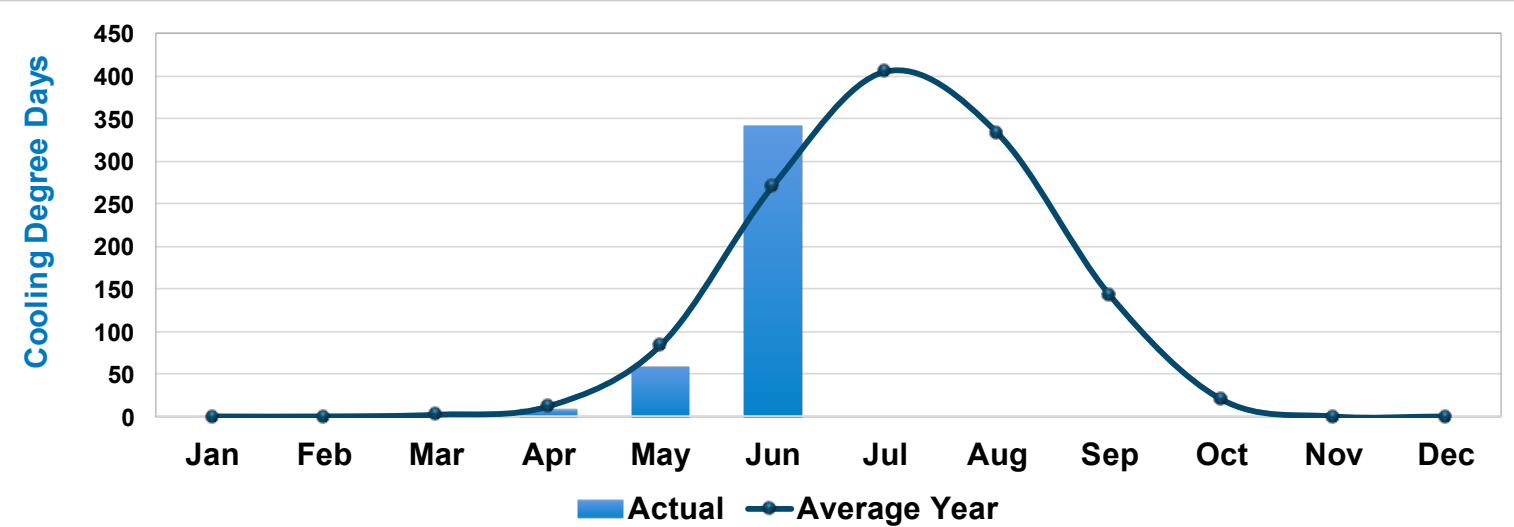


Source: U.S. Energy Information Administration – Henry Hub Natural Gas Spot Price

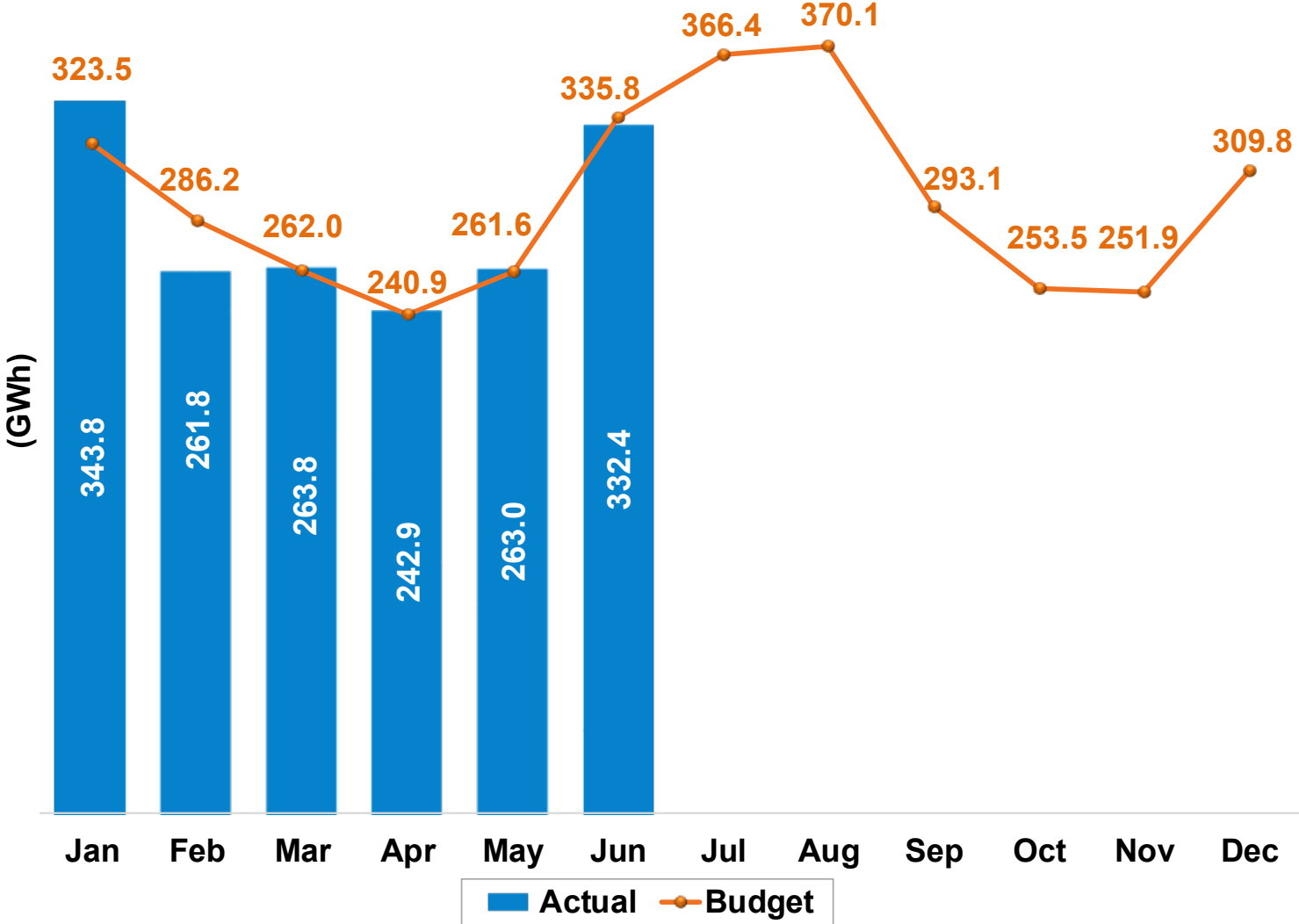
Despite an uptick in SPP footprint electrical generation outage levels and footprint electrical consumption, the low natural gas prices and higher footprint wind production kept Lincoln's average market electricity prices either close to, or below Budget, during Q2.



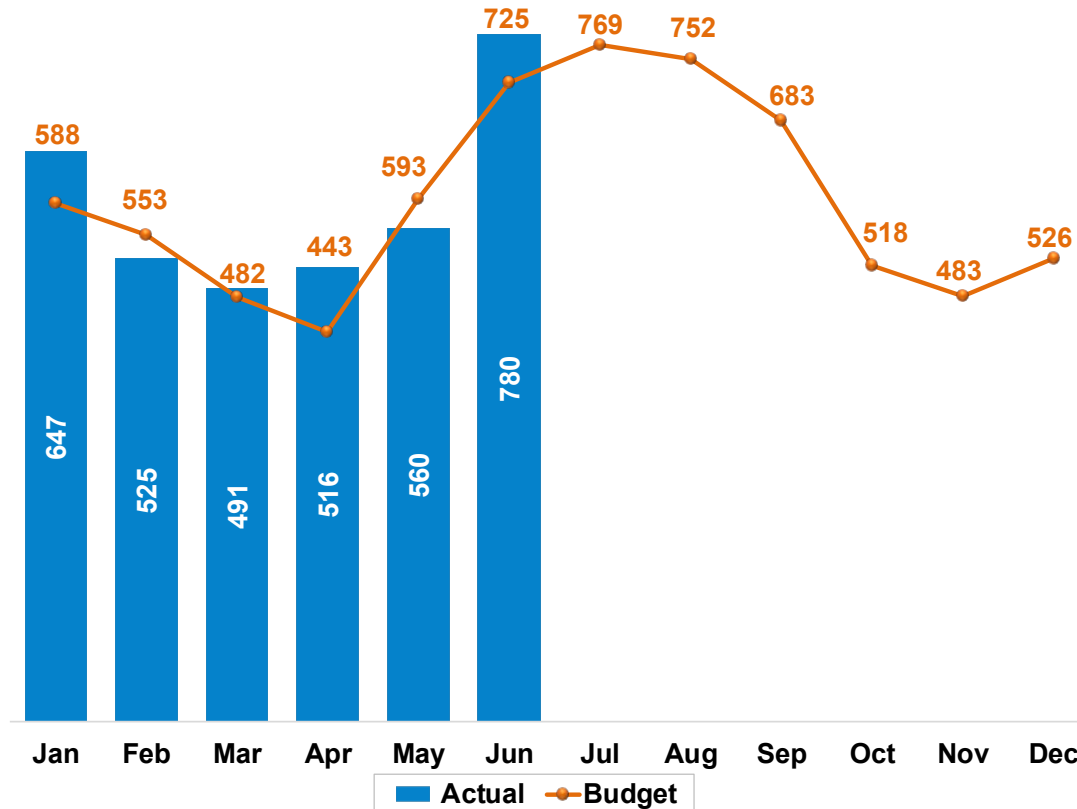
Despite a few hot days in April, the overall April and May temperatures were fairly mild. June was warmer than normal, resulting in cooling degree days about 25% above average.



Control Area Energy consumption for Q2 was 1 GWh (0.1%) above Budget



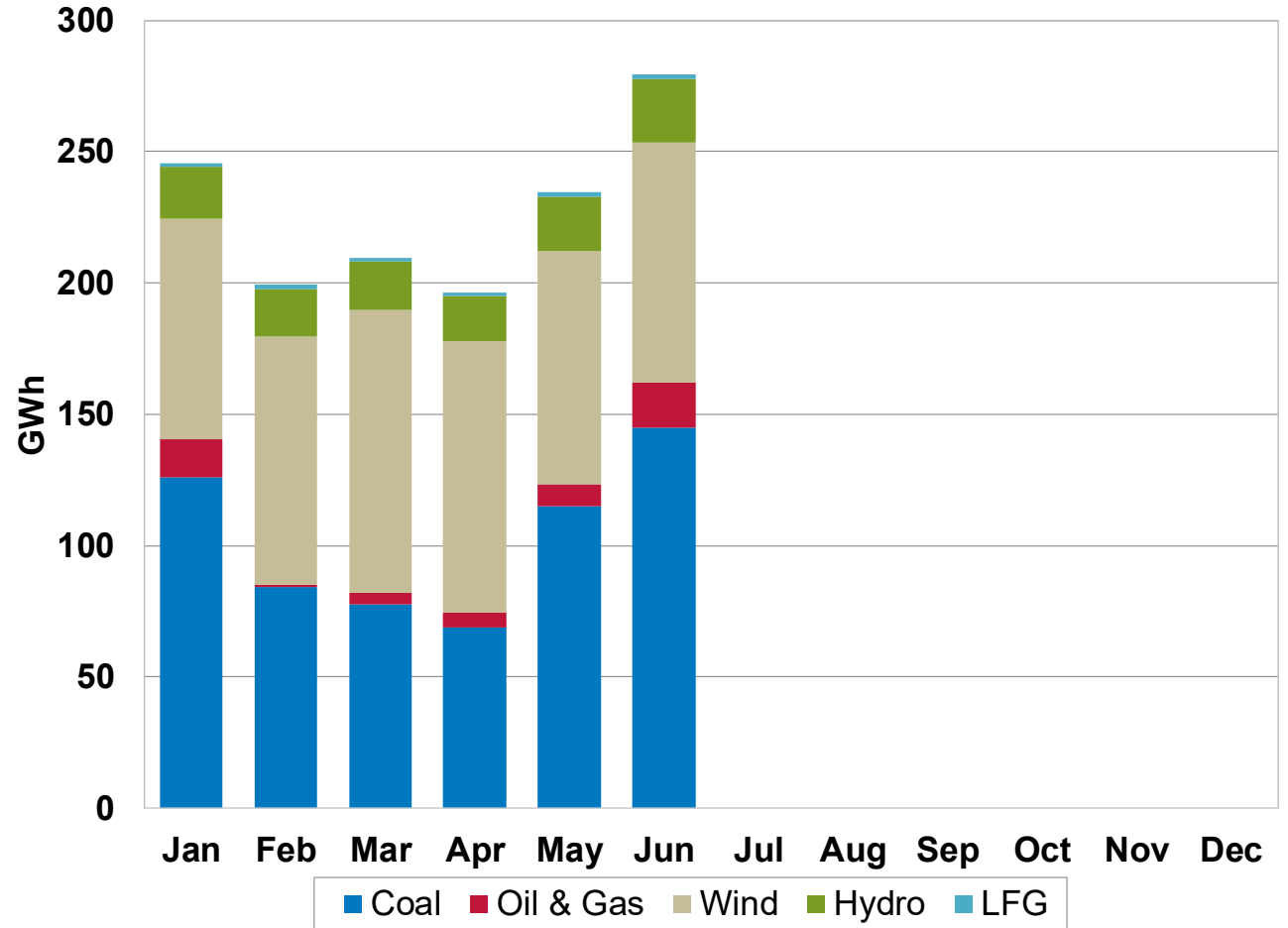
April tied a record for a high temperature, which helped pushed April's peak demand above Budget. The June peak demand of 780 MW set a new June peak demand for LES.



System Peak Load	2024 Peak Load Day = 780 MW, 6/24/2024 All Time System Peak = 819 MW, 8/22/2023
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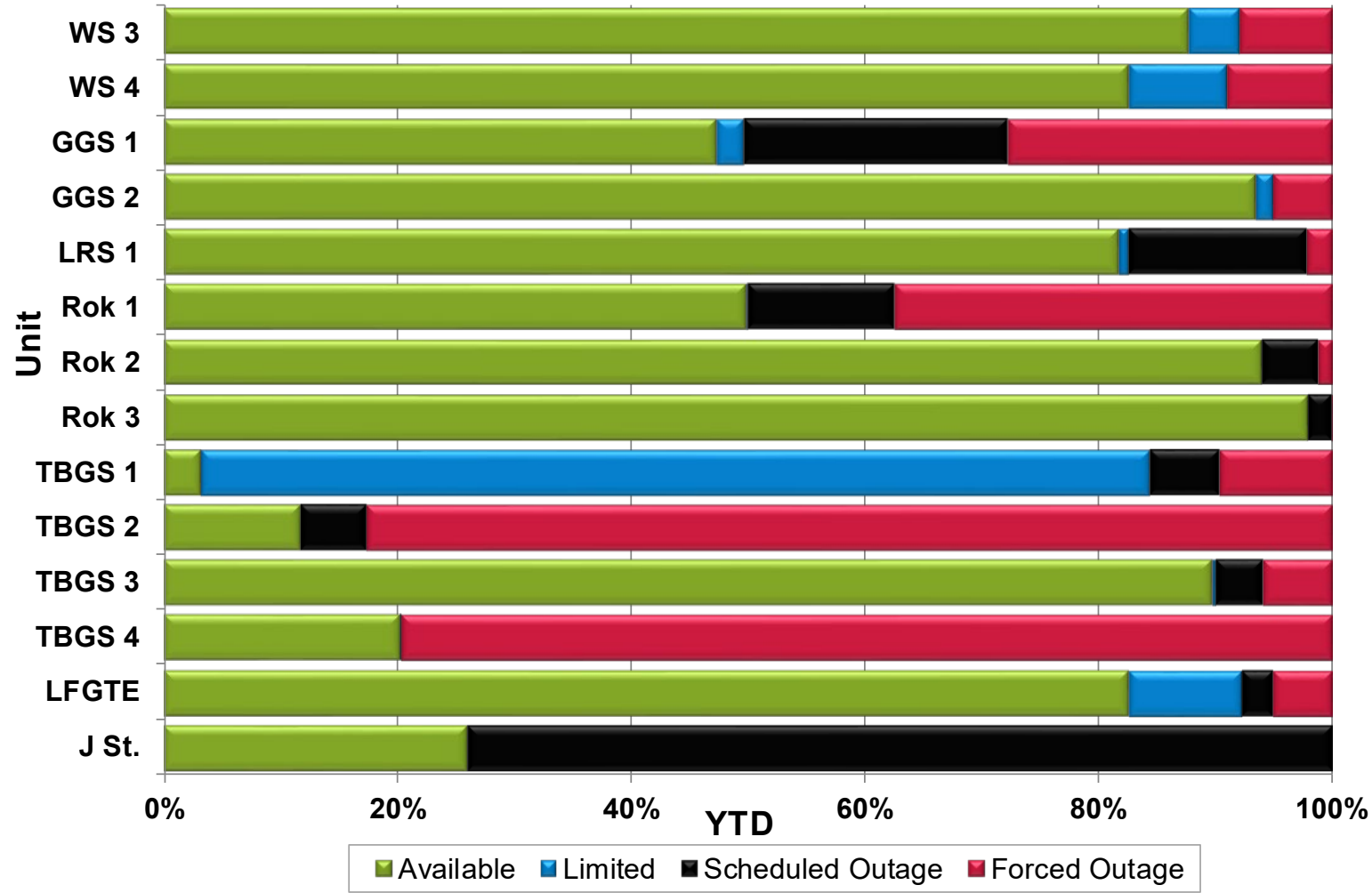
Q2 renewable energy production was about 2% below expectations, coal resource production was about 27% below expectations due primarily to reduced output from the Laramie River and Gerald Gentleman stations, and natural gas resource production was about 19% below expectations due in part to the ongoing local plant outages.

Retail Sales	2024 Q2 Retail Sales: Forecast = 764 GWh Actual = 757 GWh Difference = 6 GWh (-0.8%)
Renewable Energy Production	2024 Q2 Renewable Energy Production Expressed as a Percentage of Retail Sales: Forecast = 45.9% Actual = 45.2%

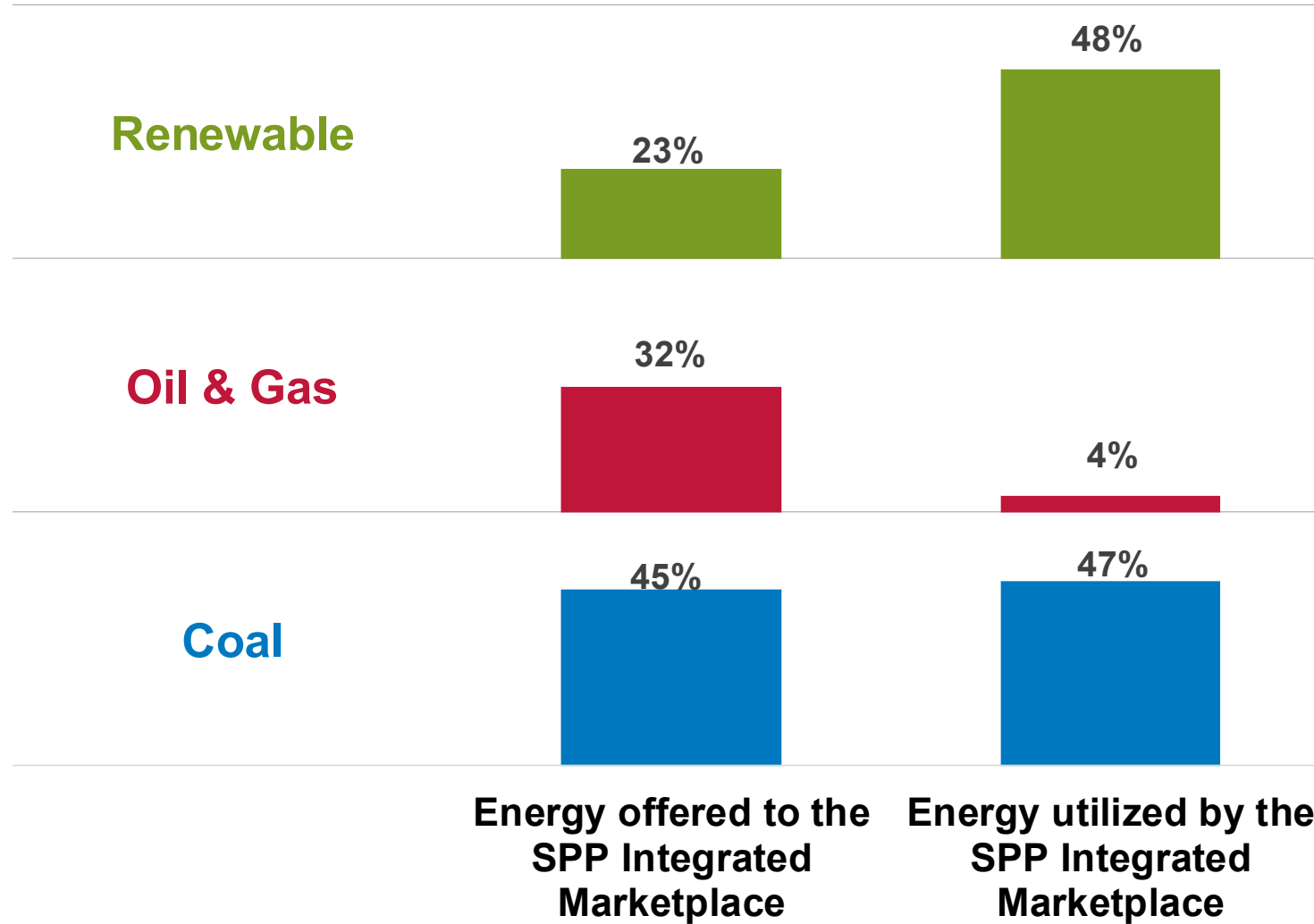


Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

Gerald Gentleman 1 had a planned maintenance outage that evolved into a forced outage to address a generator issue. Terry Bundy Unit 2 remained offline to repair damage found during a borescope inspection in January. Rokeby Unit 1 was taken out of service in April to repair blade damage. Terry Bundy U4 was placed back in service in May after an extended outage.

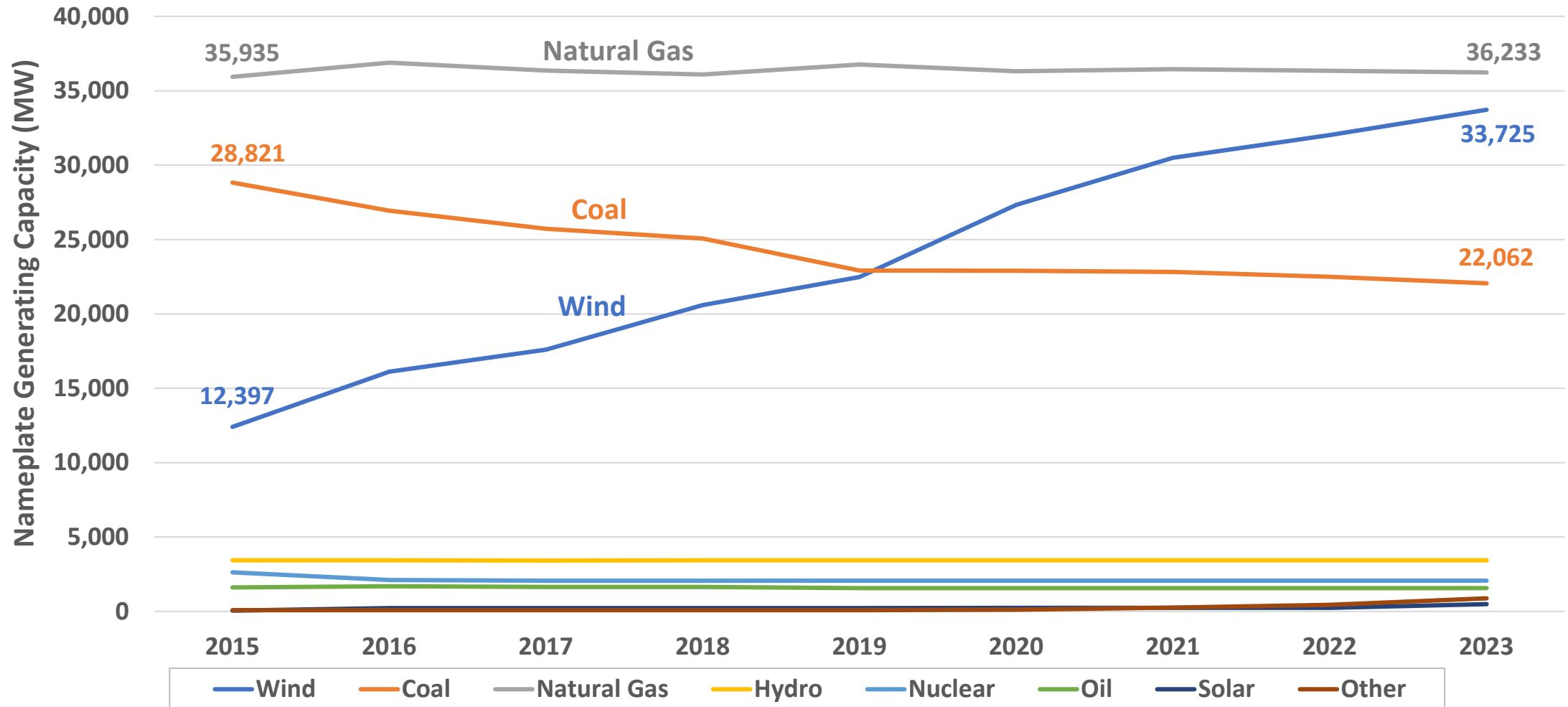


2024 Market Energy Metrics (April through June)

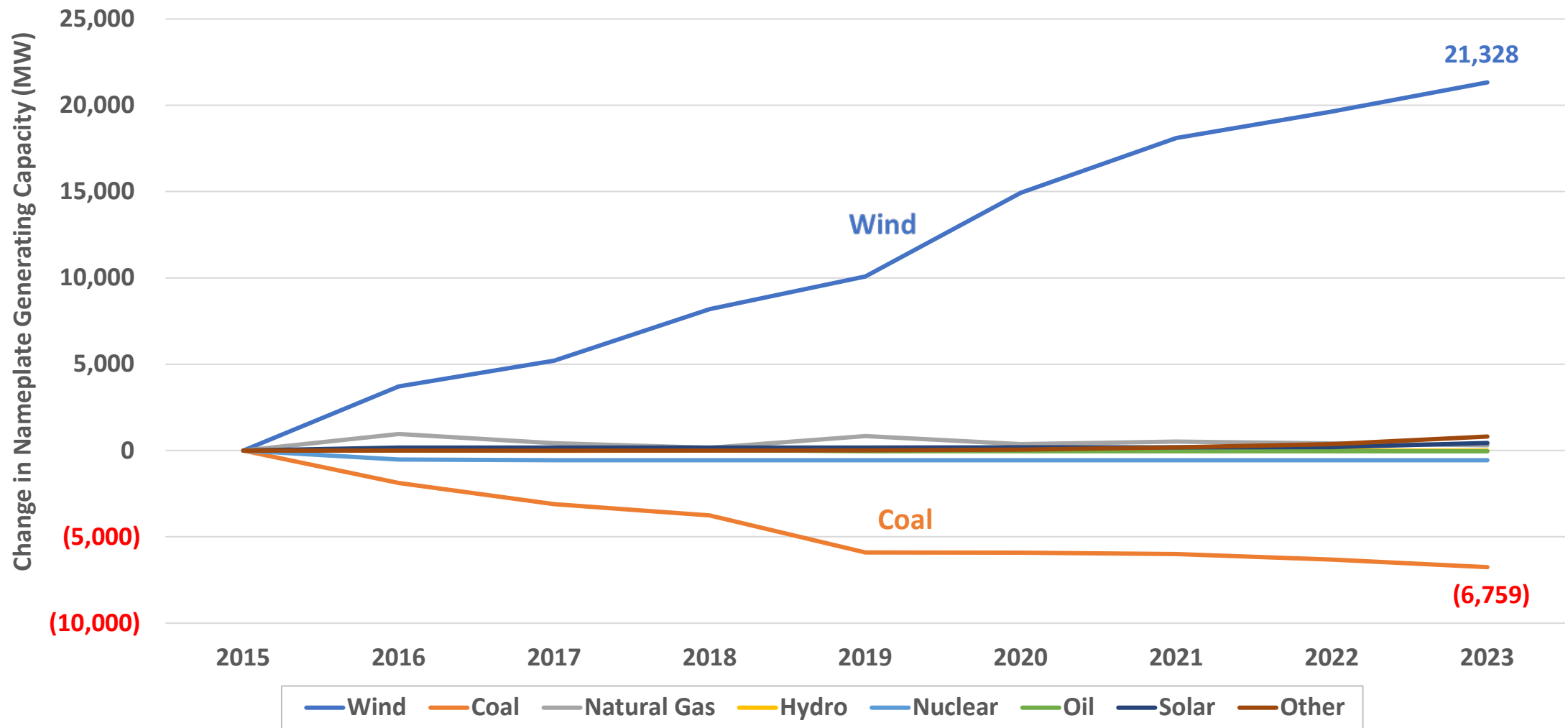


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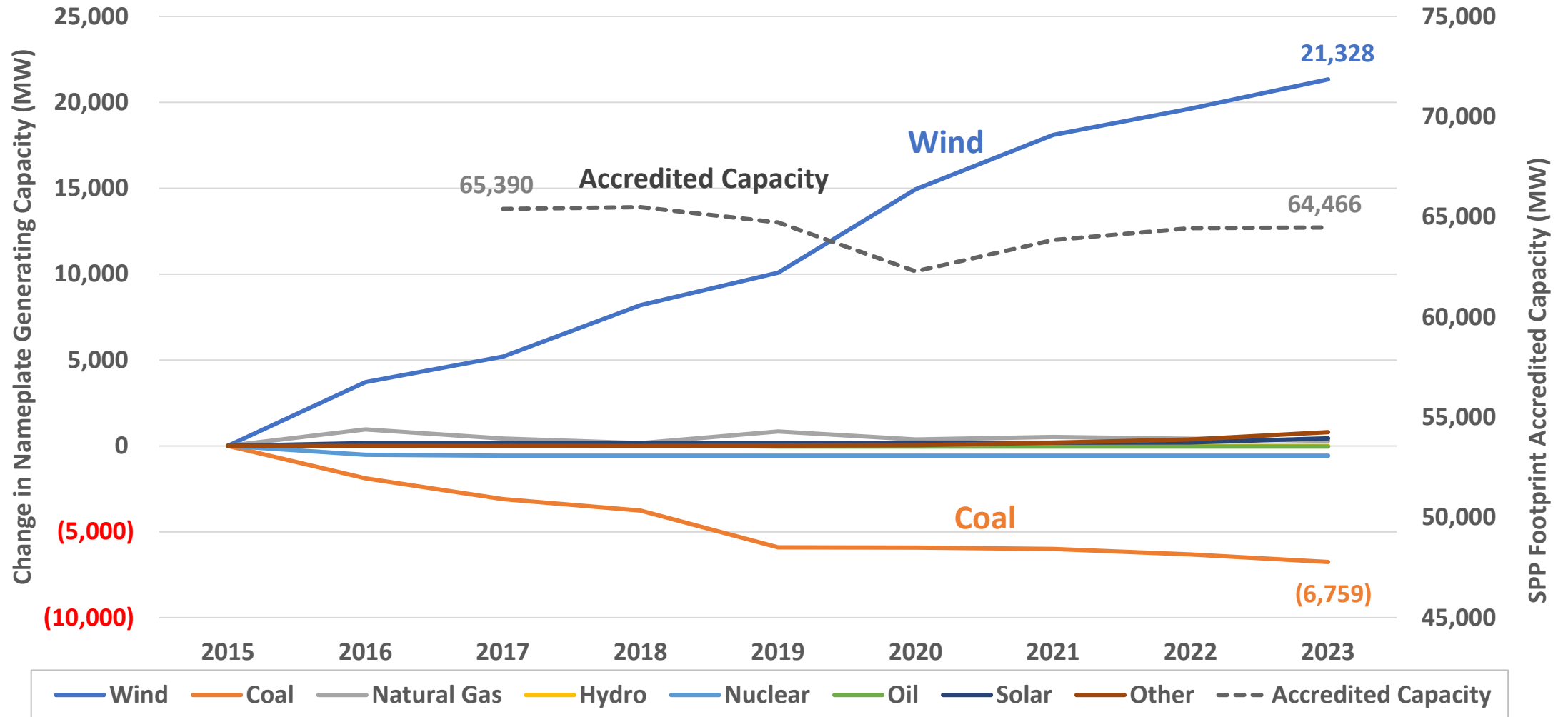
The quantity of nameplate wind generating capacity in the SPP footprint has grown considerably over the last several years, while nameplate coal has declined and other resource types are relatively stable.



The installed nameplate capacity of wind has grown by 172% since 2015 while coal nameplate capacity has decreased by nearly 23%.



From 2017 to 2023, the accredited generating capacity in the footprint has decreased by approximately 1.4%.



The general trends indicate that although Nameplate Capacity in the footprint has increased, Accredited Capacity has declined, and the peak load in the footprint has climbed in recent years.

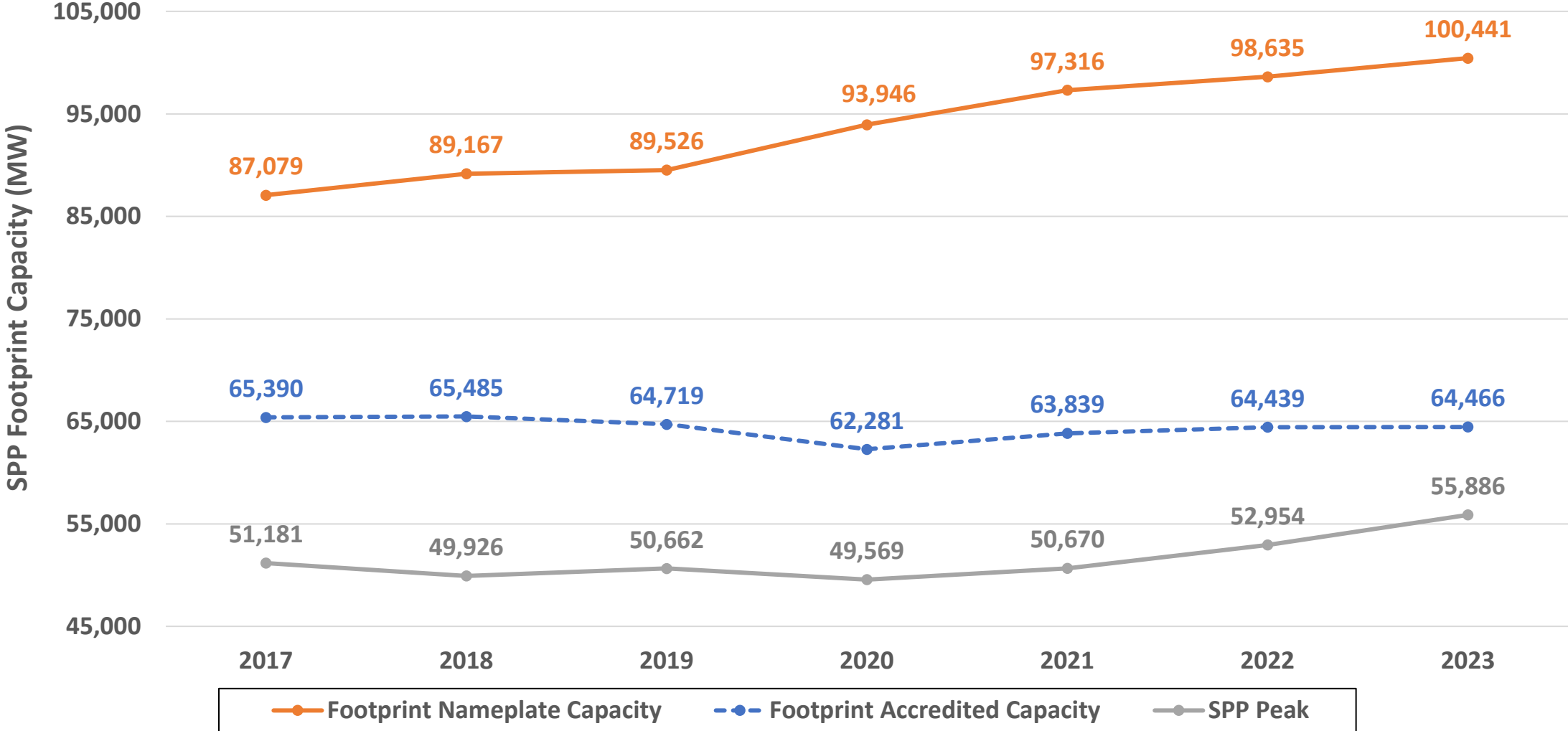


Exhibit IV



Q2 2024 Financial Statements

LES Administrative Board | July 19, 2024

Emily N. Koenig | LES
Vice President, Financial Services & CFO

2024 Retail Revenue - YTD

Lower use by Commercial customers comprised most of the variance and was partially offset by higher Industrial usage.

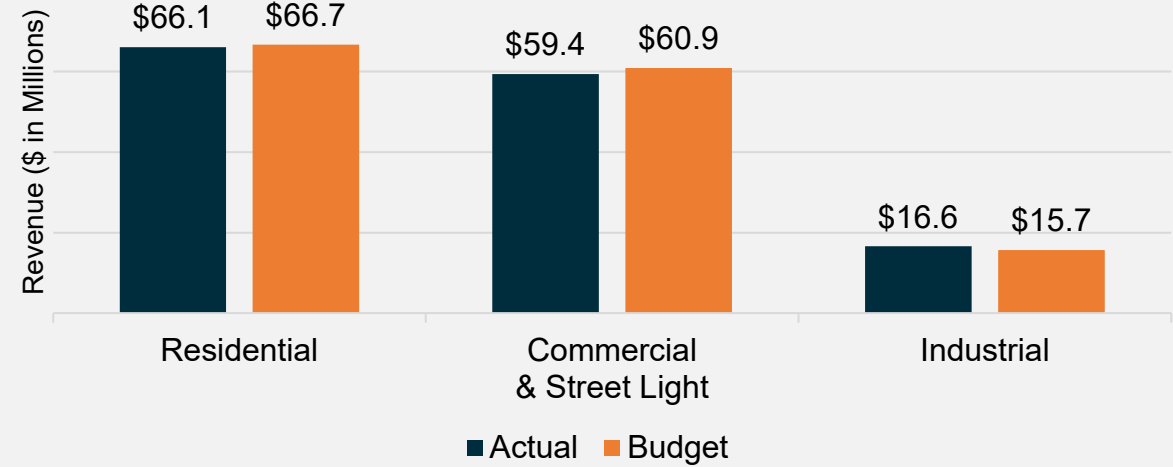


Actual	Budget	Variance
\$142.1M	\$143.3M	-\$1.1M / -0.8%

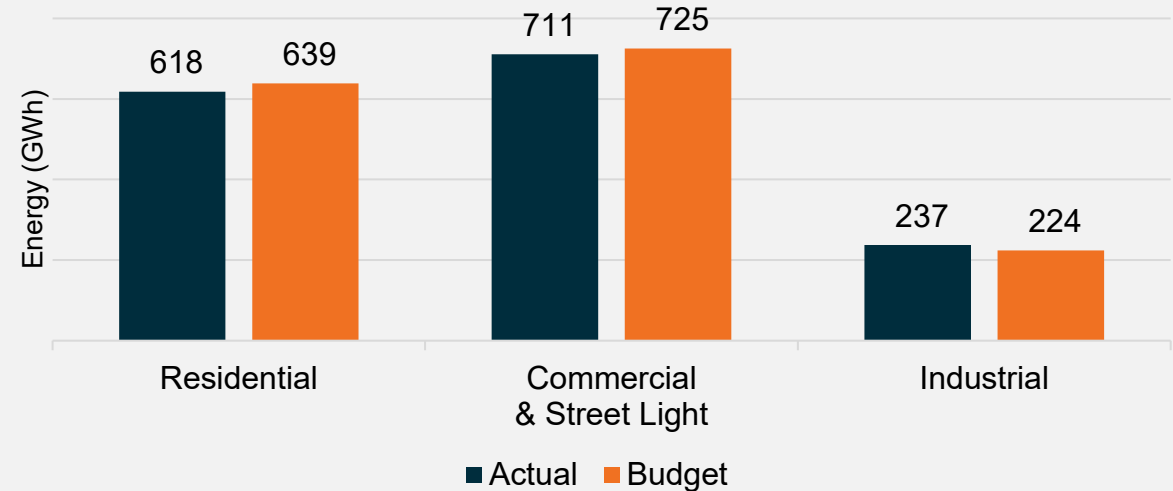
Residential, Commercial & Street Light revenues were 0.8% and 2.5% lower than budget, respectively.

Industrial revenues were 6.0% higher than budget.

Retail Revenue



Retail Energy



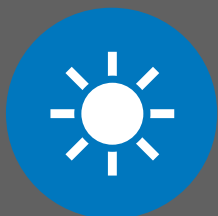
Totals and other calculations throughout this presentation may show slight inconsistencies due to rounding.

2024 Weather - YTD

YTD temperatures have been warmer than usual, with heating degree days 13.2% below average and cooling degree days surpassing a regular year by 9.9%.

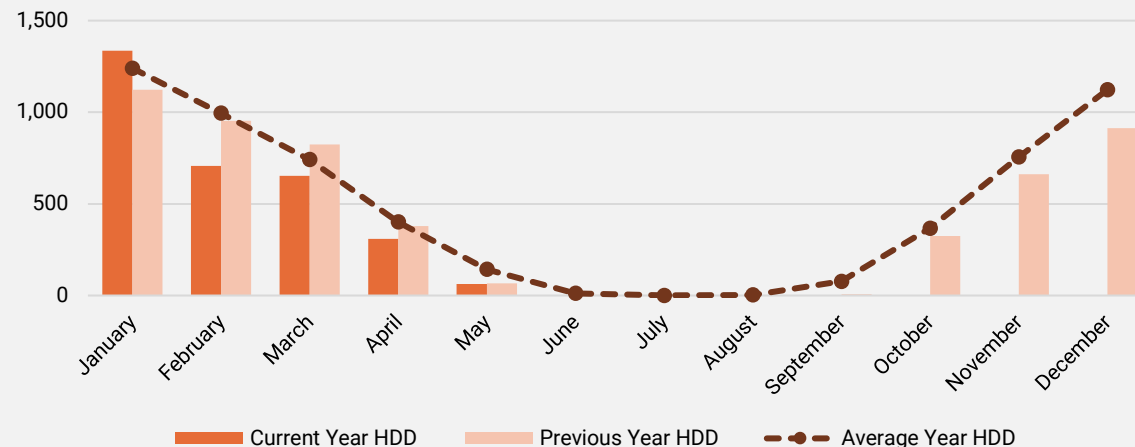


Mild weather from April through June offset January's colder temperatures, resulting in fewer heating degree days than average.

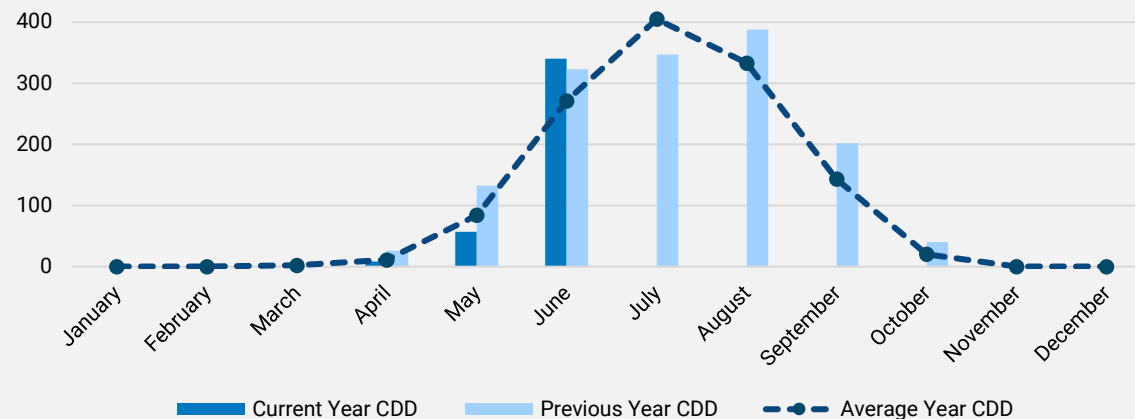


Summer temperatures showed up slightly earlier than normal in 2024. The unseasonably warm weather caused June cooling degree days to be higher than average.

2024 Heating Degree Days



2024 Cooling Degree Days



2024 Operating Expenses - YTD

Total Operating Expenses

Actual	Budget	Variance
\$135.0M	\$142.0M	-\$7.0M / -4.9%

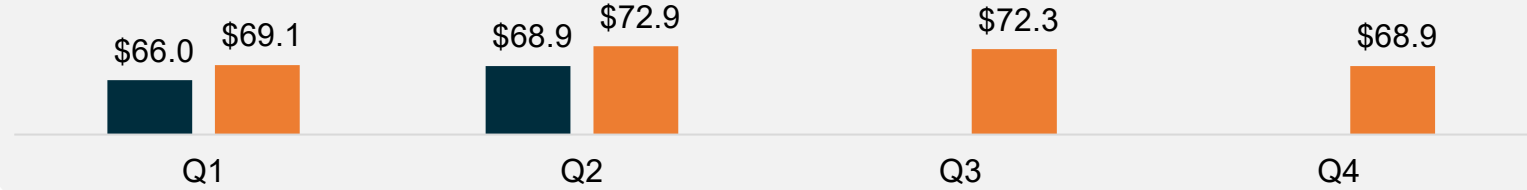
Total Operating Expenses (Excluding Power Costs)

Actual	Budget	Variance
\$67.5M	\$69.5M	-\$1.9M / -2.8%

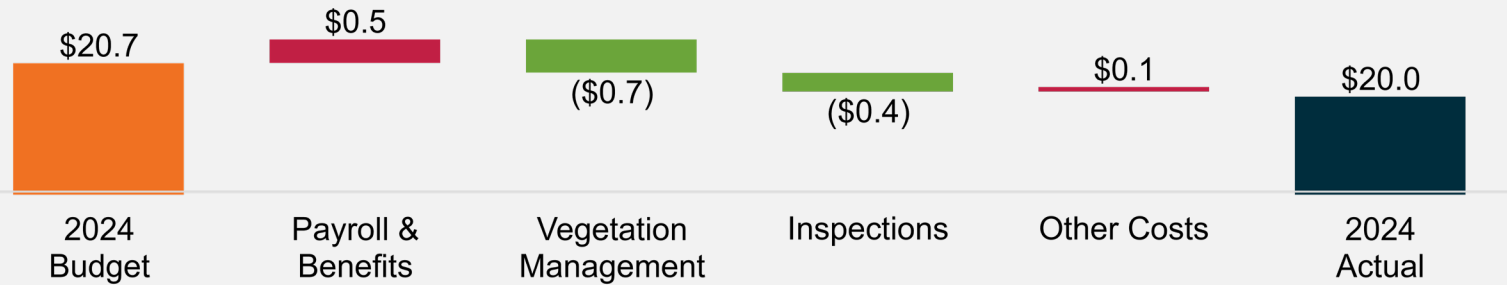
Actual vs Budget

(\$ in millions)

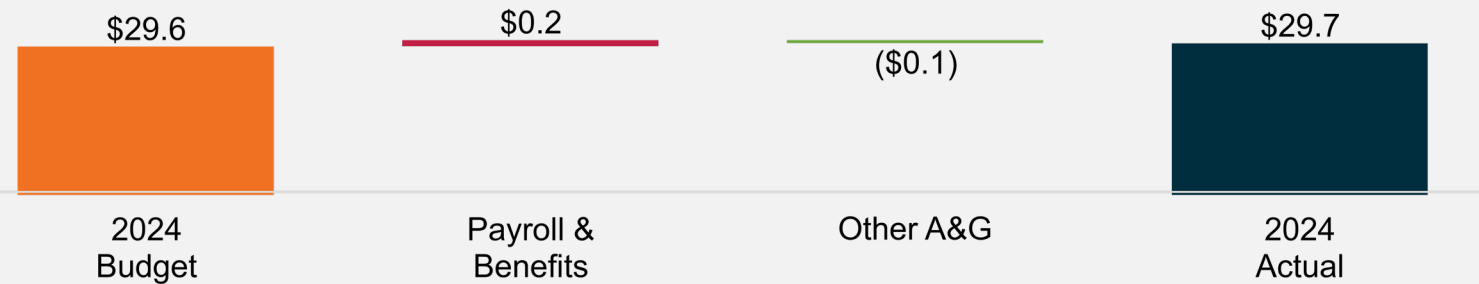
Actual Budget



Operations & Maintenance YTD Variances



Administrative & General YTD Variances



2024 Net Power Cost - YTD

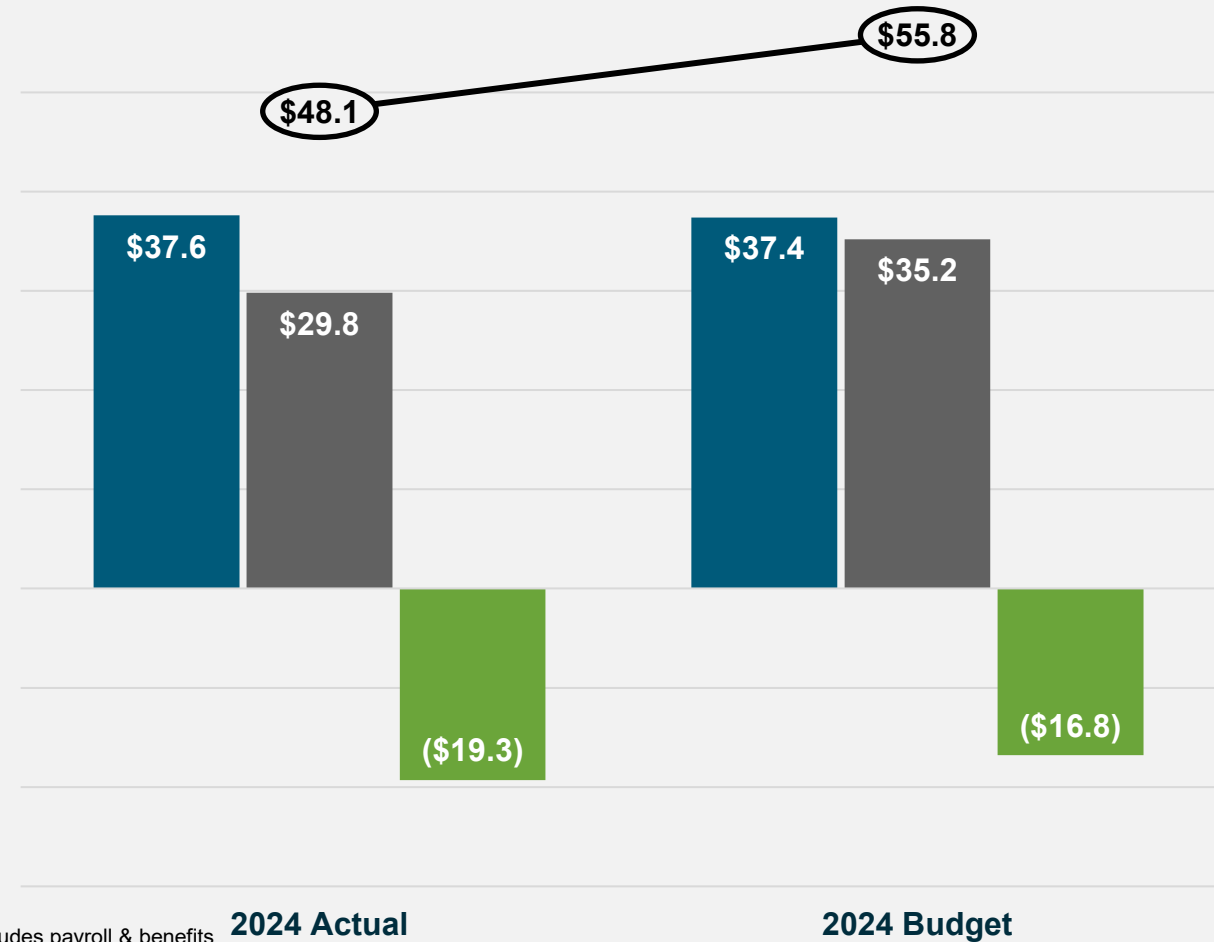
Actual	Budget	Variance
\$48.1M	\$55.8M	-\$7.7M / -13.7%

- Purchased power was over budget by \$0.3M, or 0.7%, due to higher SPP purchases partially offset by lower energy output at Walter Scott #3 & Gerald Gentleman.
- Produced power was \$5.4M, or 15.3%, under budget due to lower costs at Laramie River Station and fuel expenses at Walter Scott #4.
- Wholesale revenue has exceeded budget by \$2.5M, or 15.2%, due to revenues from SPP activities.

2024 Net Power Cost* - YTD

(\$ in Millions)

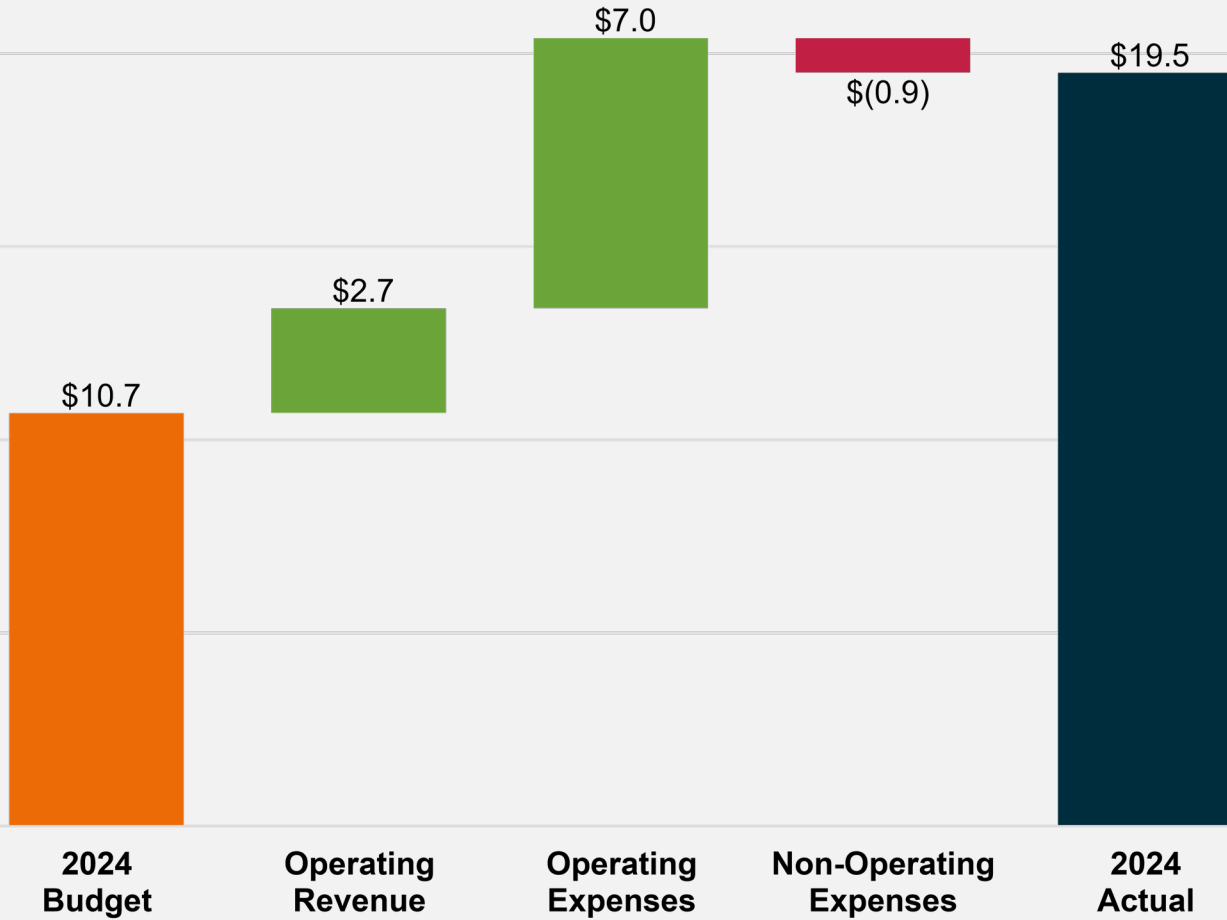
■ Purchased Power ■ Produced Power
■ Wholesale Revenue — Net Power Cost



* Includes payroll & benefits

Change in Net Position

(\$ in Millions)



Change in YTD Net Position or “Net Revenue”

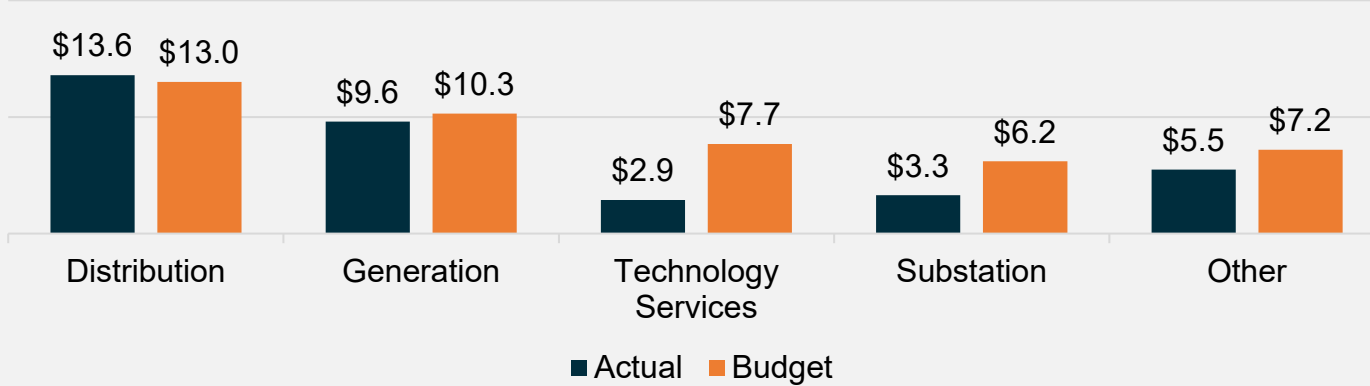
Actual	Budget	Variance
\$19.5M	\$10.7M	+\$8.8M / +82.7%

Higher-than-expected Wholesale revenues combined with lower Produced Power expenses are driving an overall increase in Net Revenue.



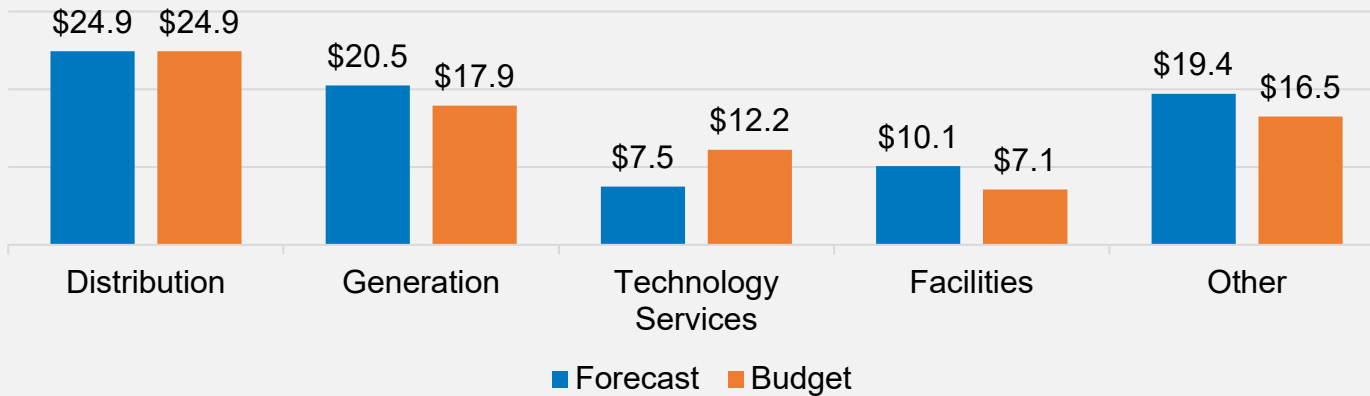
YTD Capital Expenditures

(\$ in millions)



YE Capital Expenditures Forecast

(\$ in millions)



2024 Capital Expenditures

YTD Capital spending is below budget, however the YE forecast projects a 5.0% overrun.

YTD Actuals	Budget	Variance
\$34.9M	\$44.4M	-\$9.5M / -21.3%

YTD variance driven by timing of large Technology, Substation, and Transmission projects.

Forecast	Budget	Variance
\$82.4M	\$78.6M	+\$3.9M / 5.0%

YE forecast includes higher costs for TBGS Unit 2 and several Substation projects in addition to an acceleration of costs for the Service Center HVAC upgrades.

Financial Metrics

LES has minimum target values for financial ratios when setting customer rates.

Fixed Charge Coverage Ratio

YE Forecast	Budget	Variance
1.60x	1.40x	0.20x

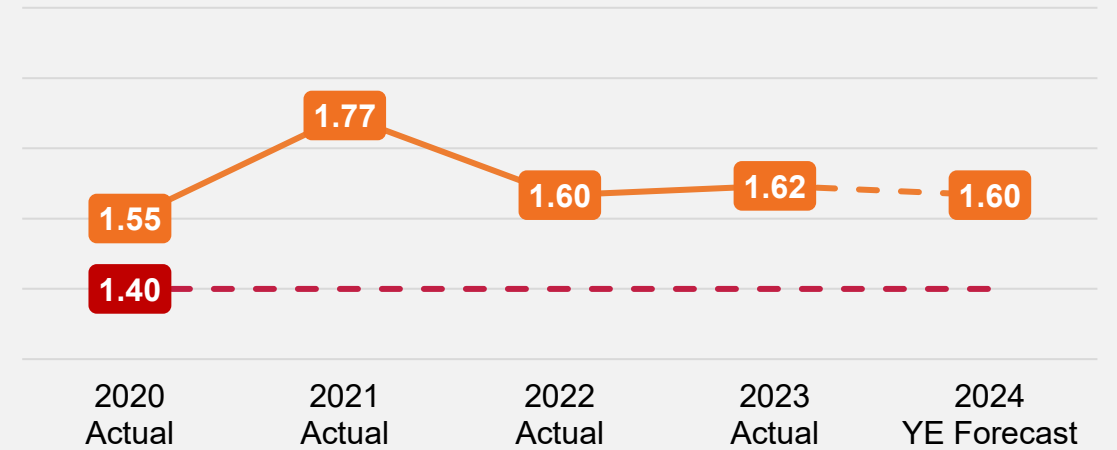
Higher or increasing values are considered favorable.

Debt Service Coverage Ratio

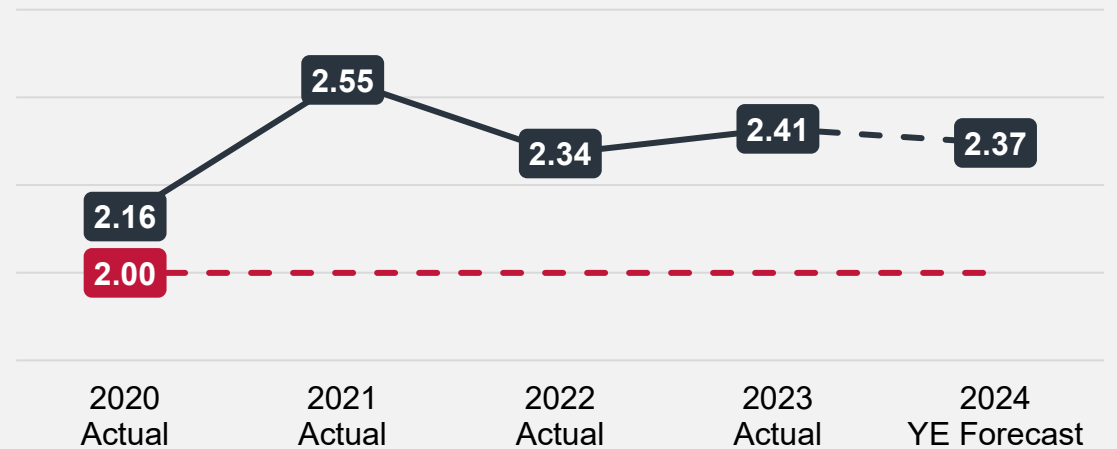
YE Forecast	Budget	Variance
2.37x	2.10x	0.27x

Higher or increasing values are considered favorable.

Fixed Charge Coverage Ratio



Debt Service Coverage Ratio



Financial Metrics

Debt to Capitalization

YE Forecast	Budget	Variance
49%	50%	-1%

Lower or decreasing values are considered favorable.

Net Debt Ratio

YE Forecast	Budget	Variance
4.55	5.30	0.75

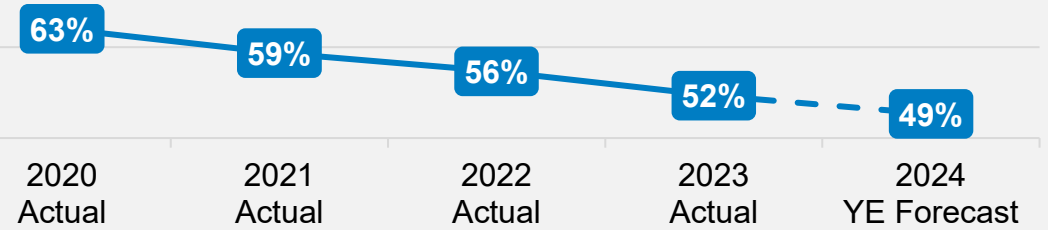
Lower or decreasing values are considered favorable.

Days Cash on Hand

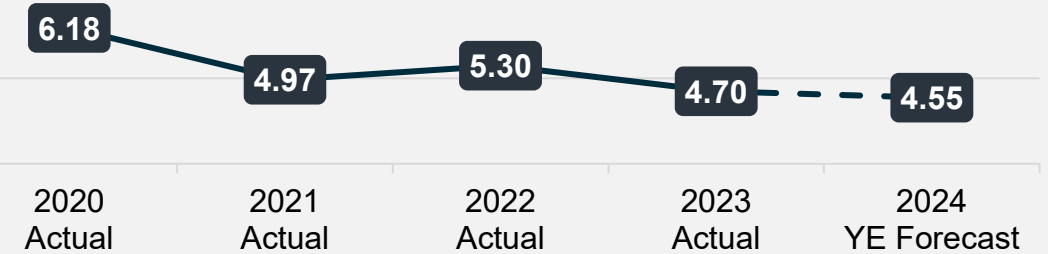
YE Forecast	Budget	Variance
114	116	-2

When LES approaches the minimum target, short or long-term borrowings are utilized to replenish the cash balance.

Debt to Capitalization



Net Debt Ratio



Days Cash on Hand

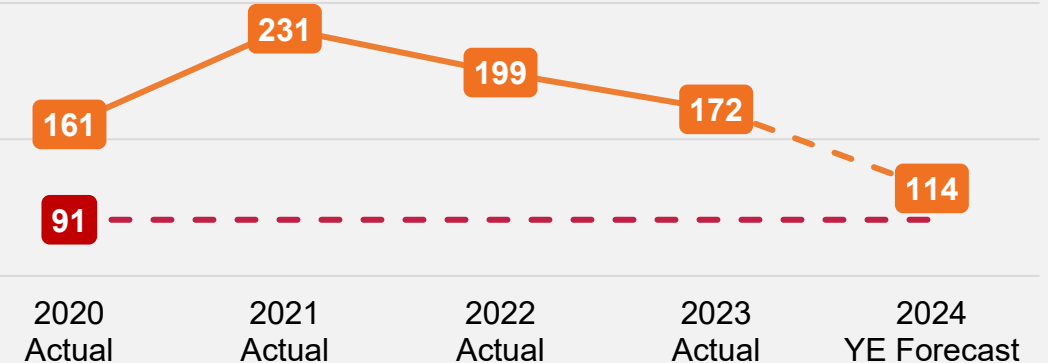


Exhibit V

Performance Indicators

2nd Quarter 2024

Administrative Board

July 19, 2024

Integrity & Fiscal Responsibility

Performance Indicator	Actual/ Projection	Forecast/ Target	Indicator	Previous Year Actual/ Projection*	Industry Average
Retail Energy Sales (GWH)	757	764	✓	771	
Projected Debt Coverage (YE)	2.37x	2.10x	✓	2.41x	2.16x ¹
Net Power Costs (\$/MWH)	\$41.35	\$45.99	✓	\$36.41	
SPP Lincoln Locational Marginal Price (\$/MWH)	\$15.87	\$18.56	✓	\$22.09	
Phishing Test Click Rate	1.70%	<5.00%	✓	3.30%	5.00%
Suspicious Emails	633		✓	423	
Cyber Events Reported (Opened/Closed)	0/0		✓	52/52	
Cyber Security Risk Assessments (New/Open/Closed)	10/8/17		✓	10/13/6	

¹ 2023 Peer Study Average

*Numbers represent 2023 2nd Quarter unless specifically notated as YTD or YE in the Performance Indicator title


Sustainability and Environmental Responsibility

Performance Indicator	Actual/ Projection	Forecast/ Target	Indicator	Previous Year Actual/ Projection*	Industry Average
Sustainable Energy Program (Obligated YTD \$)	\$1.21M	\$1.25M	✓	\$1.14M	
SEP Demand Reduction (YTD MW)	5.0	5.0	✓	4.7	
Renewable Energy (Expressed as an Equivalent % of Retail Sales) ²	45.2%	45.9%	✓	39.8%	
CO ₂ Emissions (Thousands of Metric Tons) ³	379	504	✓	525	
CO ₂ Produced (Metric Tons/MWh) ^{2,3}	0.54	0.60	✓	0.65	



² LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources, and the renewable attributes are transferred to the REC recipient

³ Preliminary estimate based on emissions rates for the previous calendar year

Safety and Employer of Choice

Performance Indicator	Actual/ Projection	Forecast/ Target	Indicator	Previous Year Actual/ Projection*	Industry Average
DART (YTD # of incidents per 100 employees that result in Days Away, Restricted, Transferred)	1.40			1.67	

Reliability and Customer Service

Average Speed of Answer (Seconds)	33.0	30.0		20.0	37.0
Annual Average Outage Time (SAIDI) Per Customer (Normal Weather) (12-month rolling)	22.1	30.0		12.8	123.0 ⁴

⁴ Rolling 5-Year national Average from available EIA date

*Numbers represent 2023 2nd Quarter unless specifically notated as YTD or YE in the Performance Indicator title

Exhibit VI

Sustainability Programs Update

January-June
2024

Jessica Kneifl
Specialist, Energy Services
July 19, 2024

Summary Headlines



Obligated LES SEP incentives are 6% higher than last year



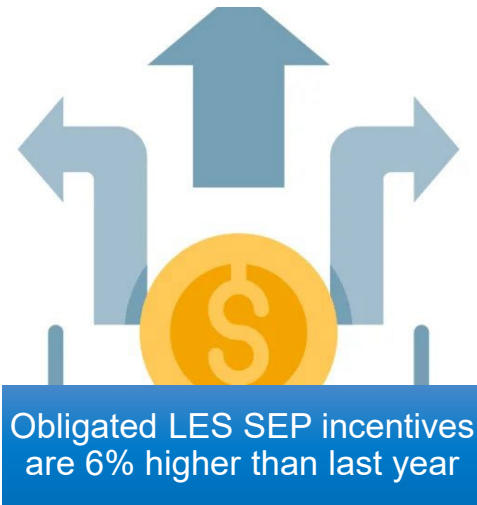
City partnership increased heat pump installs significantly



Peak demand reduction is close to Q1-Q2 target

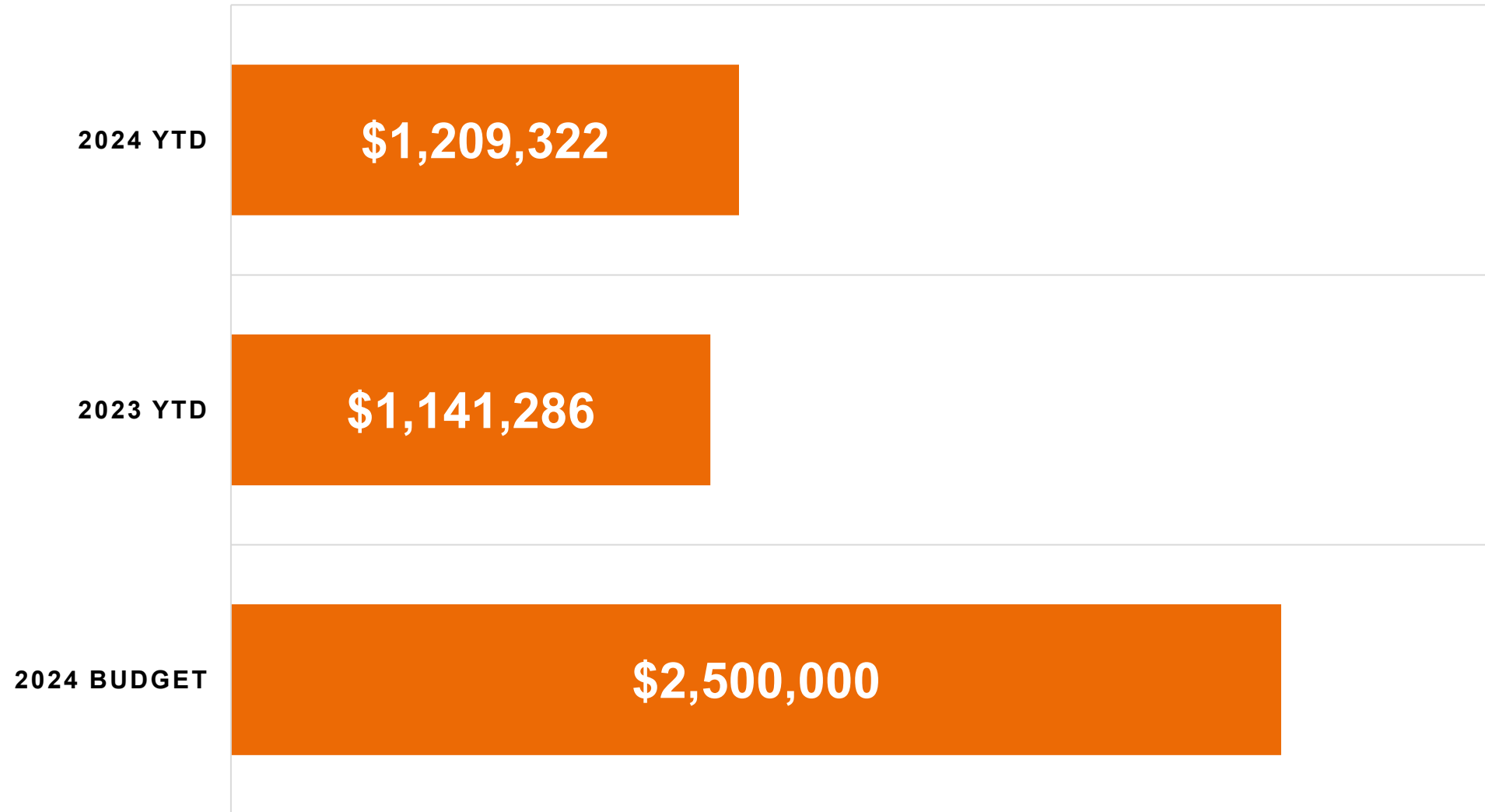


Collaboration to assist energy burdened continues



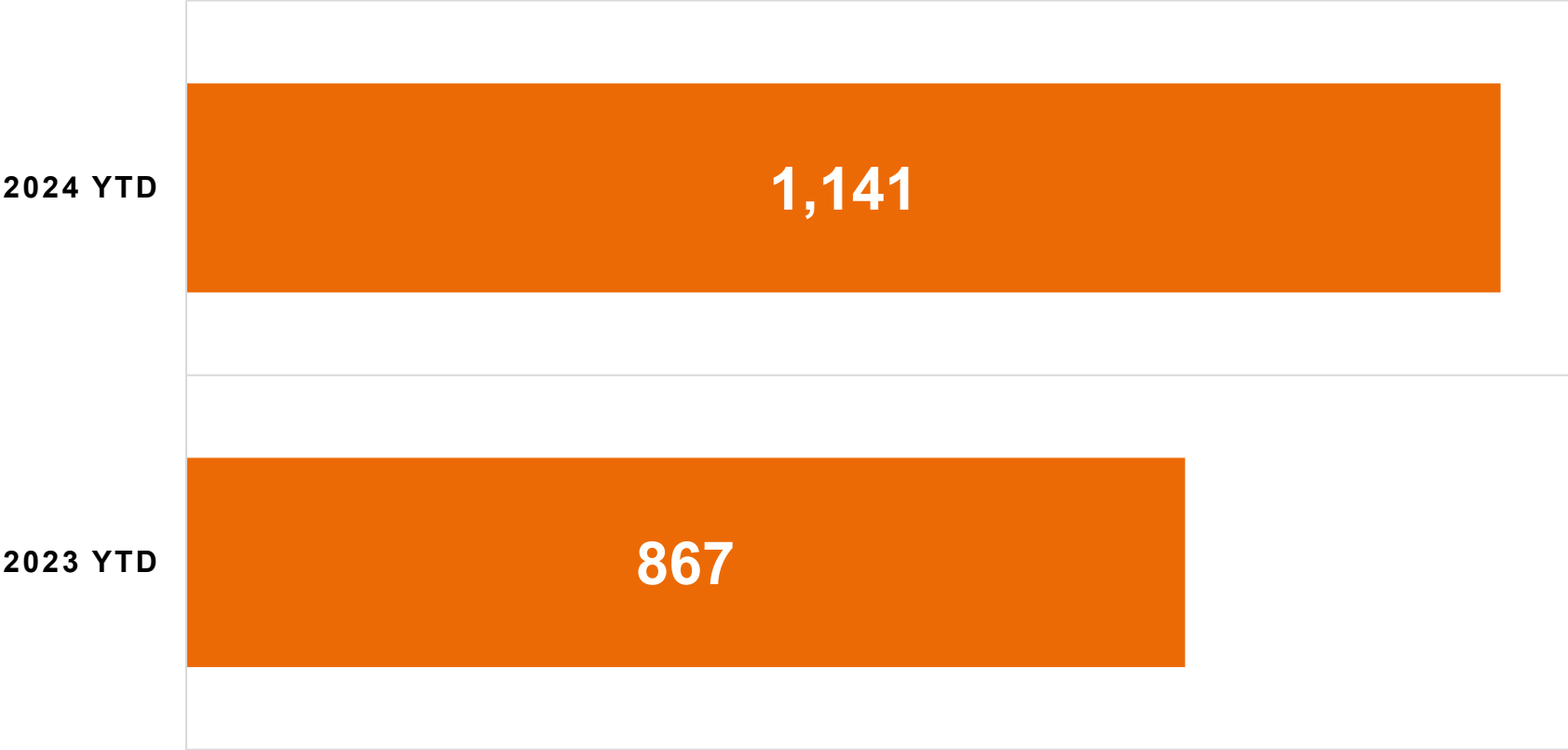
Sustainable Energy Program (SEP)

INCENTIVES



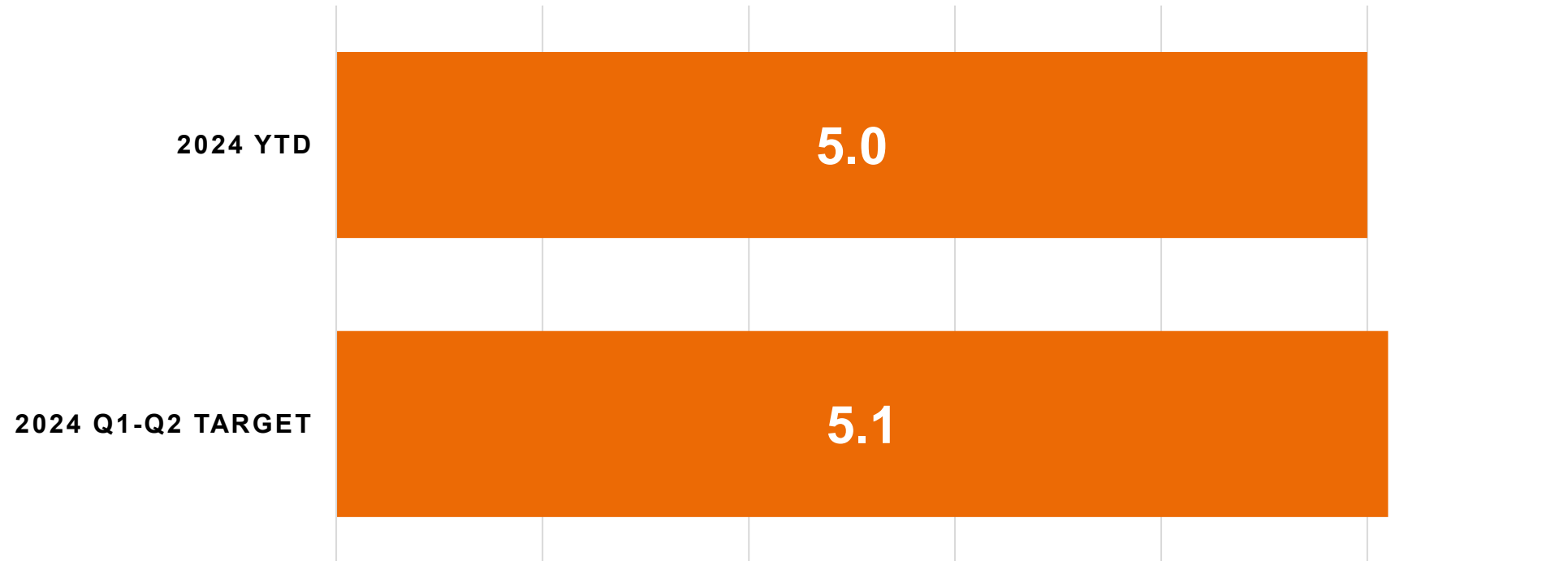
PROJECTS

(YEAR OVER YEAR)



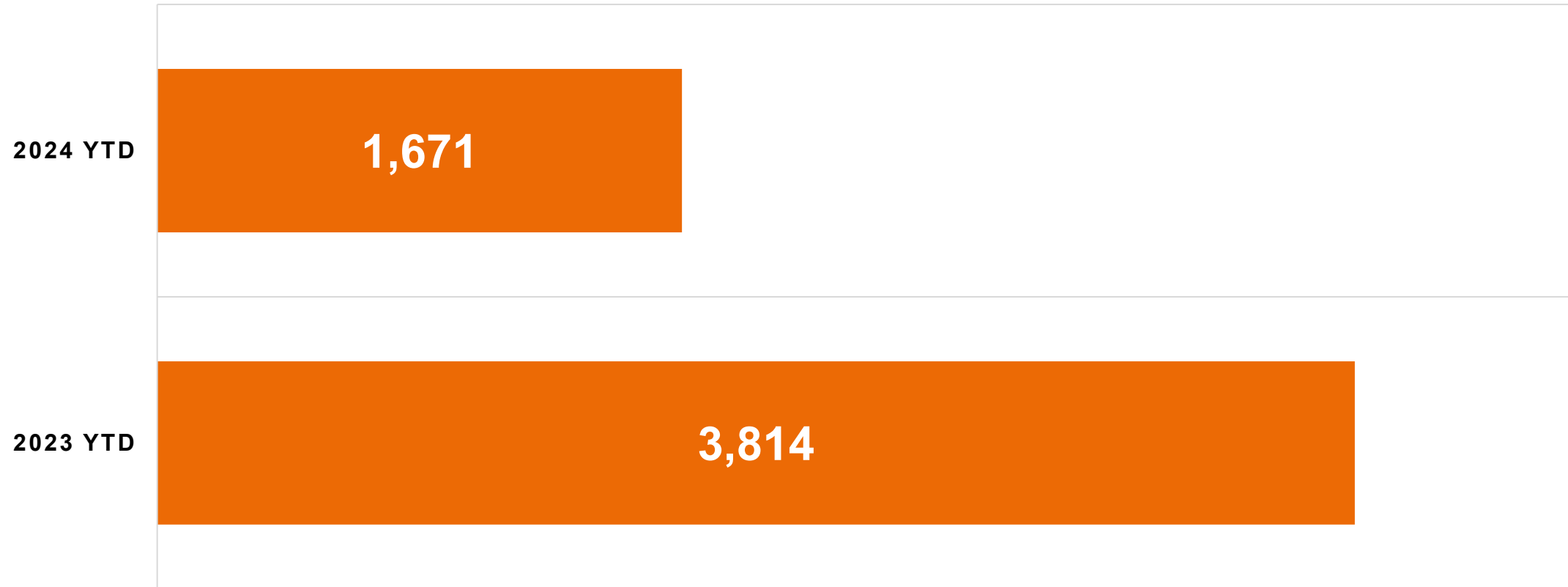
- High-Efficiency Air Conditioner and Heat Pump Projects ▲ 43% from last year

NET PEAK DEMAND REDUCTION (MW)



- Approximately 200 new Peak Rewards subscribers since the beginning of 2024
- Total Peak Reward enrollments: 3,800

NET ENERGY REDUCTION (MWH)



The decrease between 2024 and 2023 can be explained by:

- Phasing out the Lighting program and establishing a \$5,000 cap per customer.
- We have not had many large Commercial and Industrial projects in 2024. In 2023, one Commercial and Industrial project alone accounted for 1320 MWH and another project accounted for another 620 MWH of savings.



City partnership increased
heat pump installs significantly

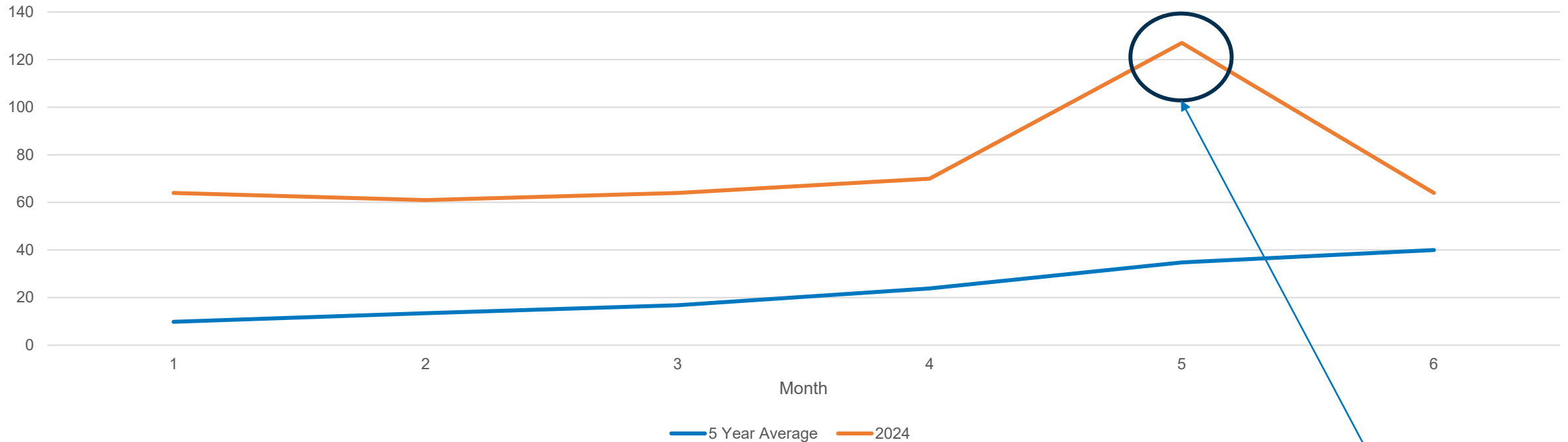
LES, City Collaboration: Heat Pump Incentives

HEAT PUMP INCENTIVES FOR 2024

- LES Incentives: \$800
- City Incentives
 - General Population: \$1,000 (Total \$274,000)
 - Low-to-Moderate Income: \$3,000 (Total \$183,000)
- Tax Credits: 30% up to \$2,000

PARTNERSHIP WITH CITY RESULTED IN A 225% INCREASE IN RESIDENTIAL HEAT PUMP INSTALLS YEAR TO DATE.

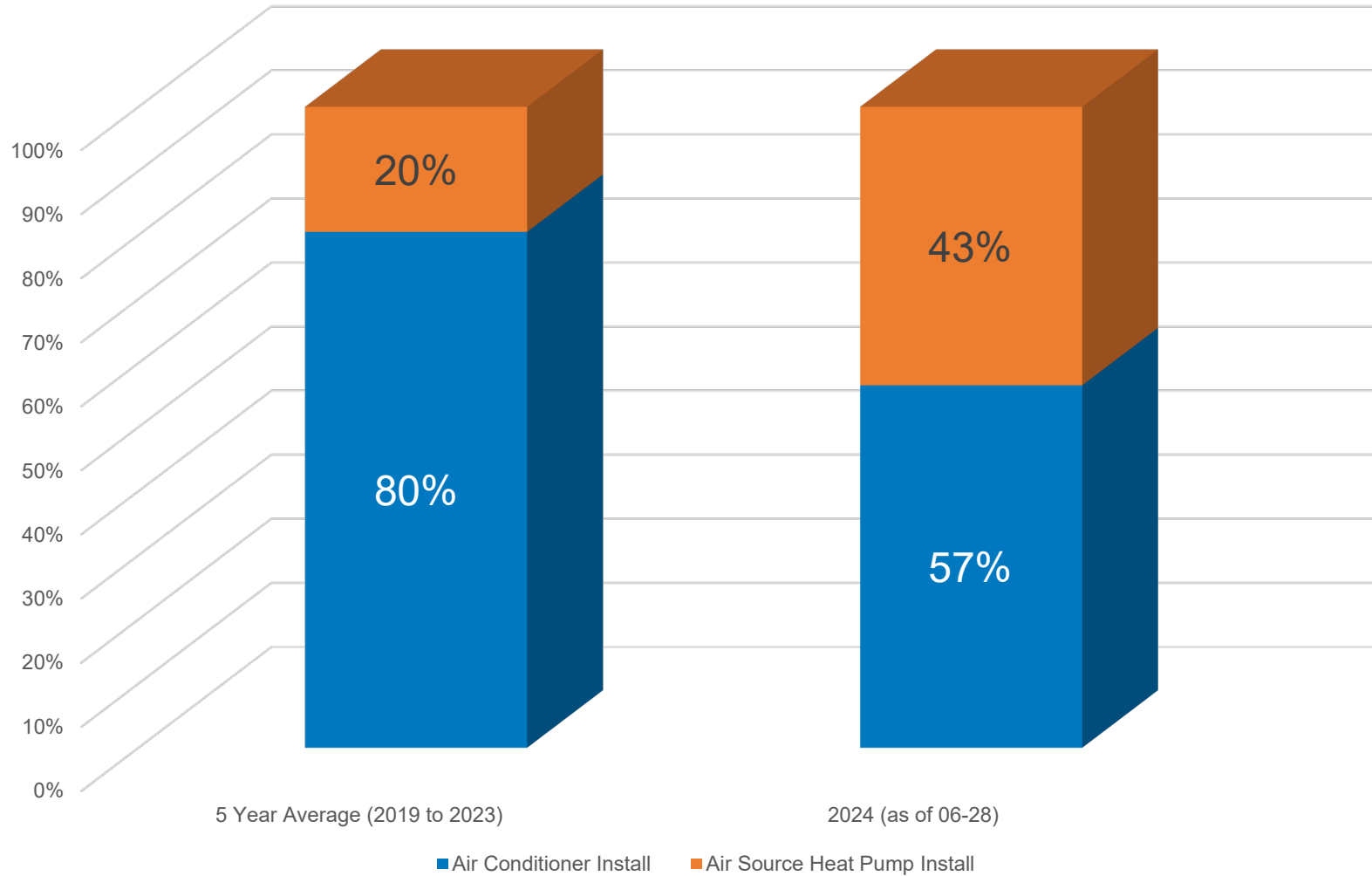
Residential Air Source Heat Pump Approvals Per Month



- Total residential heat pump installs incentivized in 2023 was 460. For 2024 (as of 6/28), we are at 450.
 - **However, only about 13% of heat pump installs in existing houses are replacing air conditioners.**

*We ran out of General Population City Funds on 5/21/24.

Residential Air Source Heat Pump and Air Conditioner Installs



Income-Qualifying and Vulnerable Households



Collaboration to assist energy
burdened continues

Income-Qualifying Projects Funding and Savings Projections

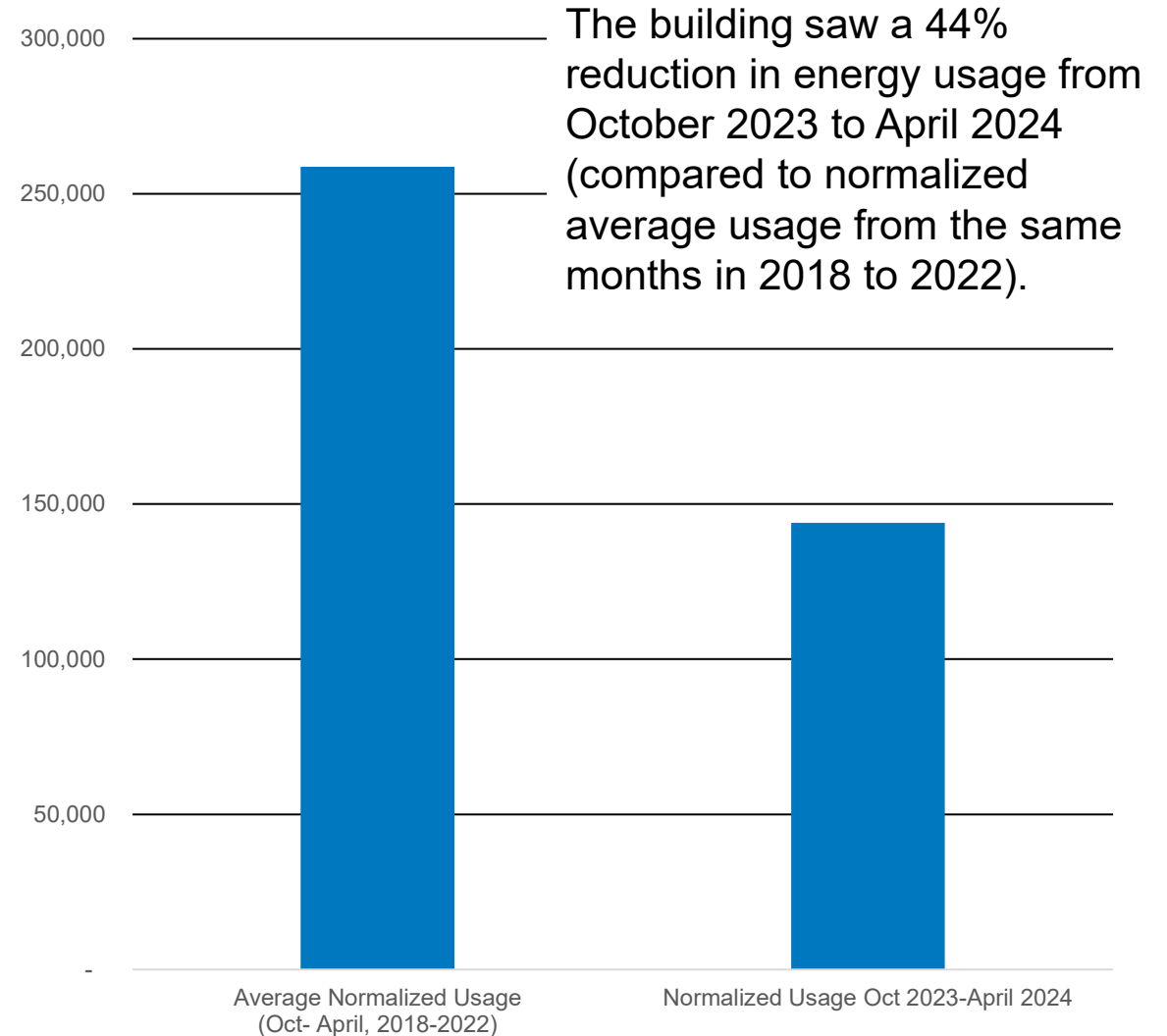
	Year-to-Date	2020-to-Date
Projects	11	95
LES Contribution	\$222,740	\$622,571
Partner Contribution	\$624,964	\$1,254,496
Projected Annual kWh	405,297	543,221
Projected Bill Savings per Customer in 2024	\$238	

*Significant increase from prior years due to multi-family projects.



1035 S 17th St

- **40 High Efficiency Heat Pumps Incentivized (22.5 SEER)**
 - **Replacing window ACs (10 SEER)**
 - **Estimated annual savings is expected to be over \$200/unit.**



Summary Headlines Recap



Obligated LES SEP incentives are 6% higher than last year



City partnership increased heat pump installs significantly



Peak demand reduction is close to Q1-Q2 target



Collaboration to assist energy burdened continues

Questions?

Exhibit VII

Overview of Solar Programs and Net Metering Policy

Scott Benson,
Manager, Resource & Transmission Planning

Marc Shkolnick,
Manager, Energy Services

LES Administrative Board
July 19, 2024



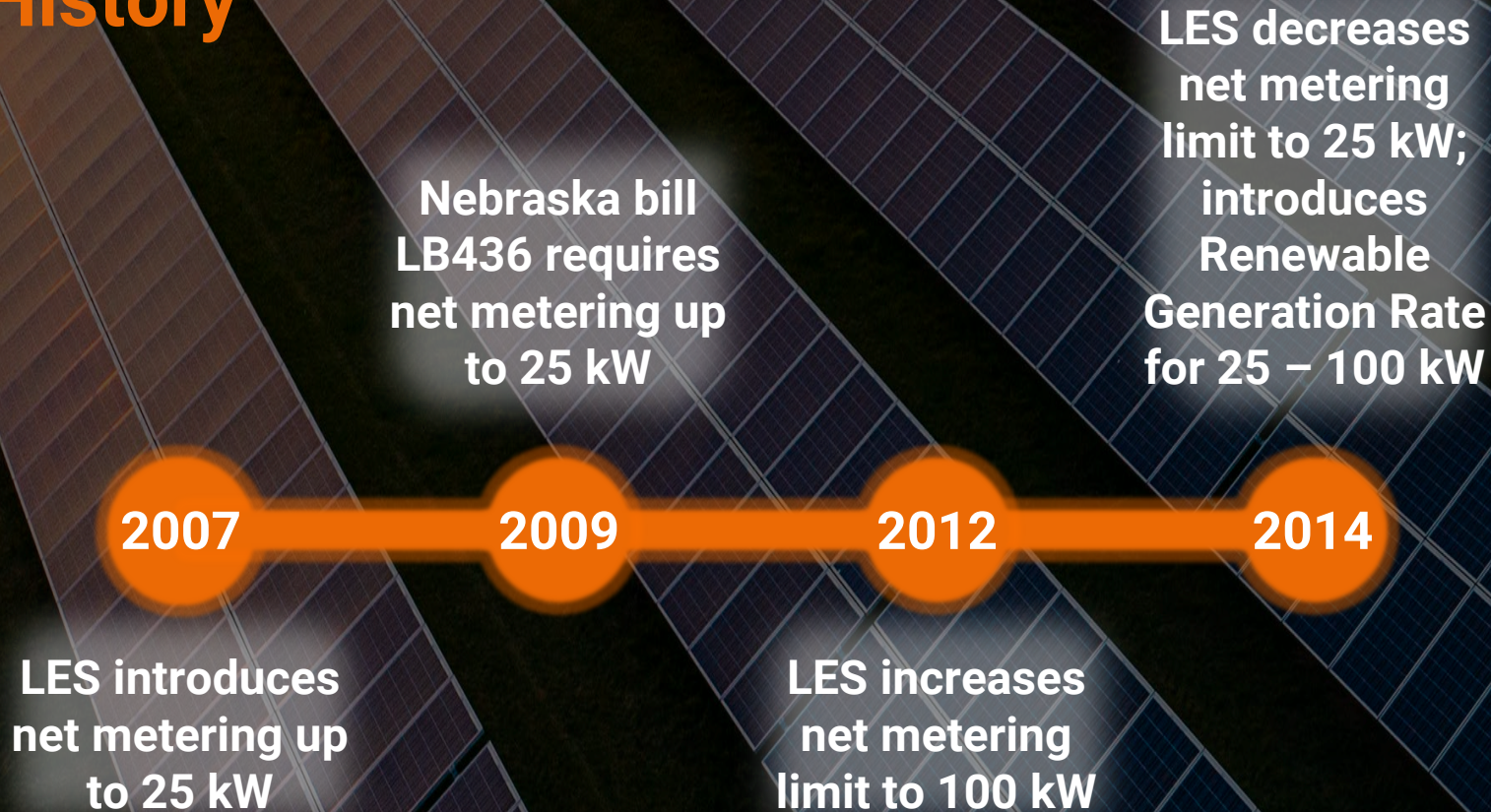
Lincoln Electric System

LES Solar Rates History



LES Solar Rates

History



Why the change in course from 2012 to 2014?

In part, LES determined that its current program wasn't sustainable under large solar penetrations.

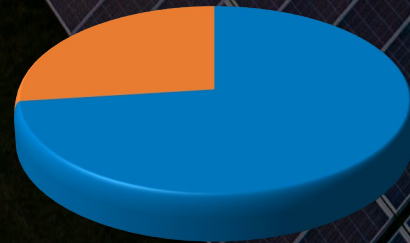
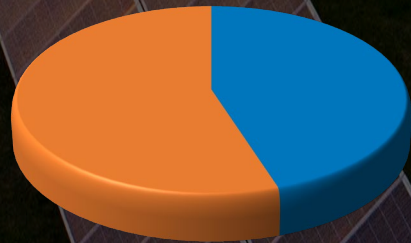
LES Solar Rates

Renewable Generation Rate

2024 Energy Charges

Residential

General Service



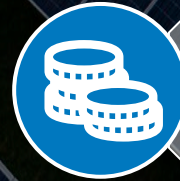
Fixed



Variable



Energy charge associated with non-demand rates (i.e., demand < 100 kW) includes a large portion of LES' fixed costs (e.g. generating units, lines, etc.)



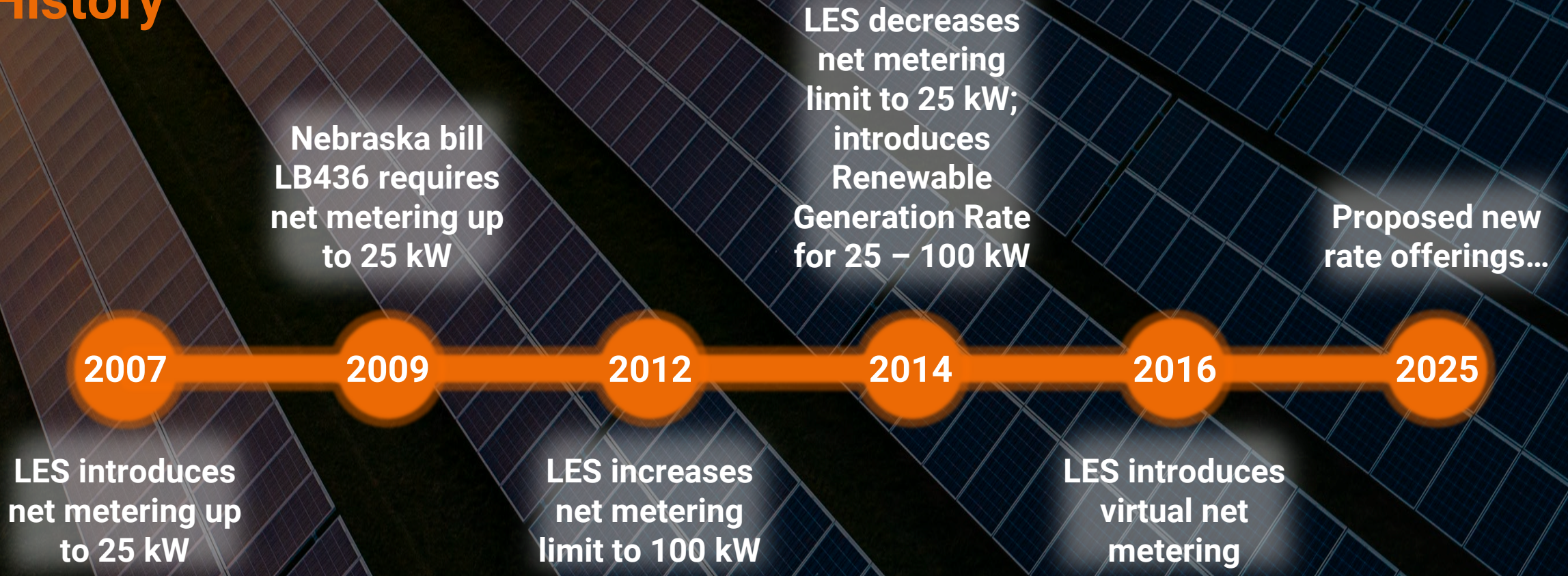
When net metering customers offset that full energy charge, they shift their responsibility for those fixed costs onto other customers.



LES' Renewable Generation Rate fairly compensates customers for solar energy production without impacting load charges, avoiding this cost shift.

LES Solar Rates

History



Proposed: Renewable Generation Standby Rider & Multi-tenant Shared Solar Rate

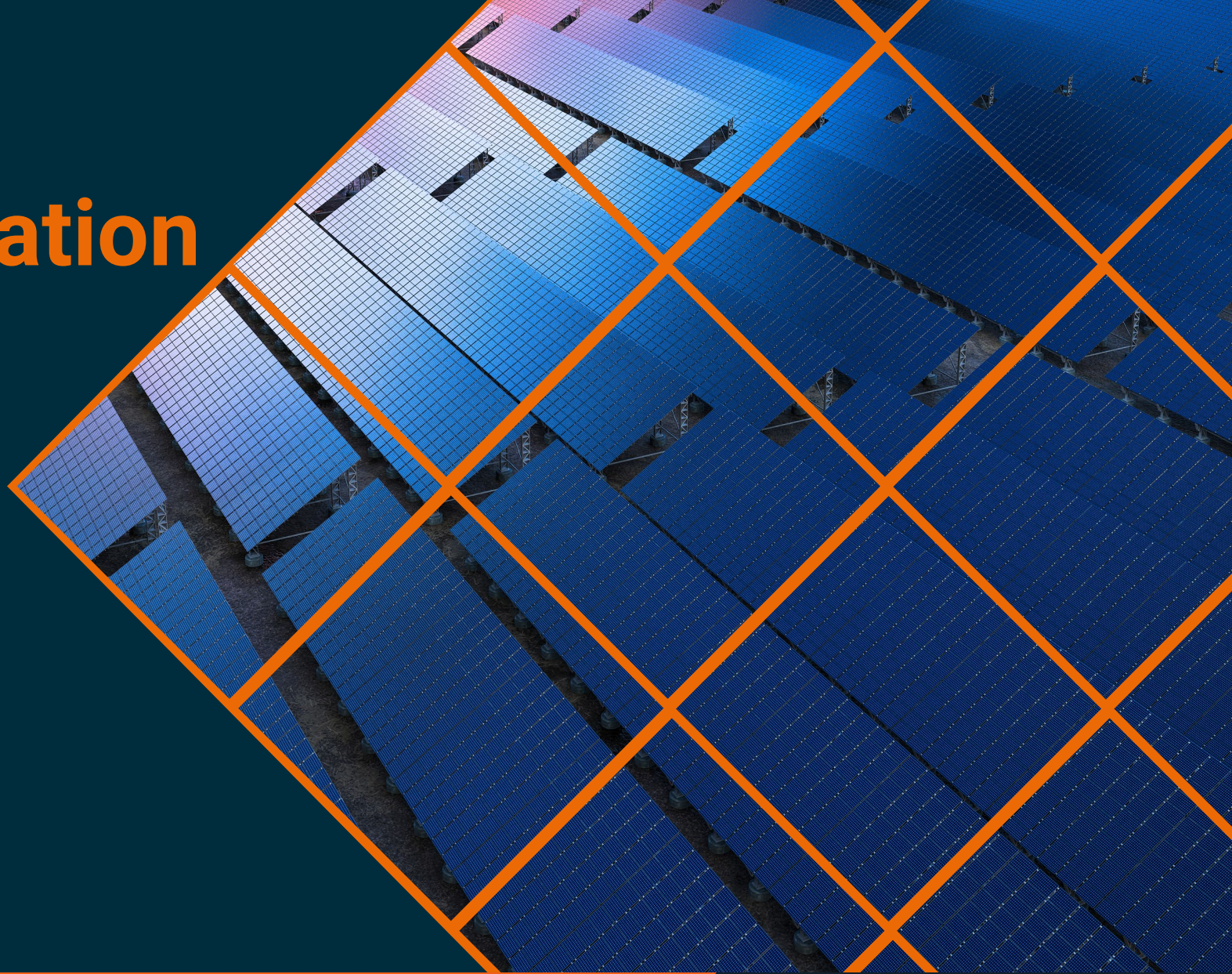
(Presented to Finance Committee, 4/19 & 6/21)



Primary Objectives:

- **Facilitate interconnection of customer-owned large scale solar.**
- **Fairly compensate customer-owners for excess energy generated.**
- **Fairly recover fixed costs needed to serve customer-owner's load.**

Proposed: Renewable Generation Standby Rider



Purpose

To accommodate large commercial and industrial customers wanting to serve their facilities with solar.

Proposed: Renewable Generation Standby Rider

Capacity



LES
Lincoln Electric System

Energy

Generation

Transmission

Distribution

Customer



Capacity/
Energy

Capacity/
Energy

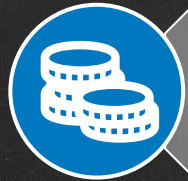
Exported
Energy

Proposed:

Renewable Generation Standby Rider



Rider bills customers for LES standby service and pays customers for renewable energy.



For analysis purposes, Standby Charge is based on each customer's respective rate class transmission-related costs.



Standby Charge was based on the 2024 Cost of Service per-unit costs for the LLP and LPC rate classes.



Customers are paid for any excess energy provided to LES at their applicable rate energy charge.

Proposed: RGSC Rider Overview

*Renewable Generation Standby Capacity Rider		
Rate Components	Standby Rider: LLP 15	Current LLP 15 Rates
Demand Charge, \$/kW of BILLED DELIVERED DEMAND	\$10.40	\$16.00
Standby Charge, \$/kW of TOTAL CUSTOMER DEMAND	\$5.60	N/A
Energy Payment of Excess Energy, \$/kWh	Applicable Rate Energy Charge	N/A

Demand Charge

- Rider unbundles charges for generation and transmission.
- The demand billed is only for the power capacity LES has provided for the customer.

Standby Charge

- Standby Charge only reflects costs associated with transmission services.
- Total demand billed is a combination of generation and delivered power to the customer.

Energy Payment

- Energy Payment is credited at the customers current applicable rate schedule.
- Only the customers excess energy is credited.

*Based on 2024 rates and subject to change.

Proposed: **RGSC Customer Benefits**



Customer Generation Reduces Energy Charges

Customer benefits from reduced energy charges for all energy produced by renewable generation serving their facility.



Rider Energy Payment Credits Benefit Customer

The Energy Payment of the rider benefits the customer, allowing them to get a credit for excess energy production.



Demand Charge Savings Benefit Customer

As long as the onsite generation occurs during periods the customer requires the most demand, the customer can achieve demand savings.

Proposed Multi-tenant Shared Solar Rate



Purpose

To facilitate customer (property owner)-owned solar for multi-tenant residential rental properties.

Why Now?



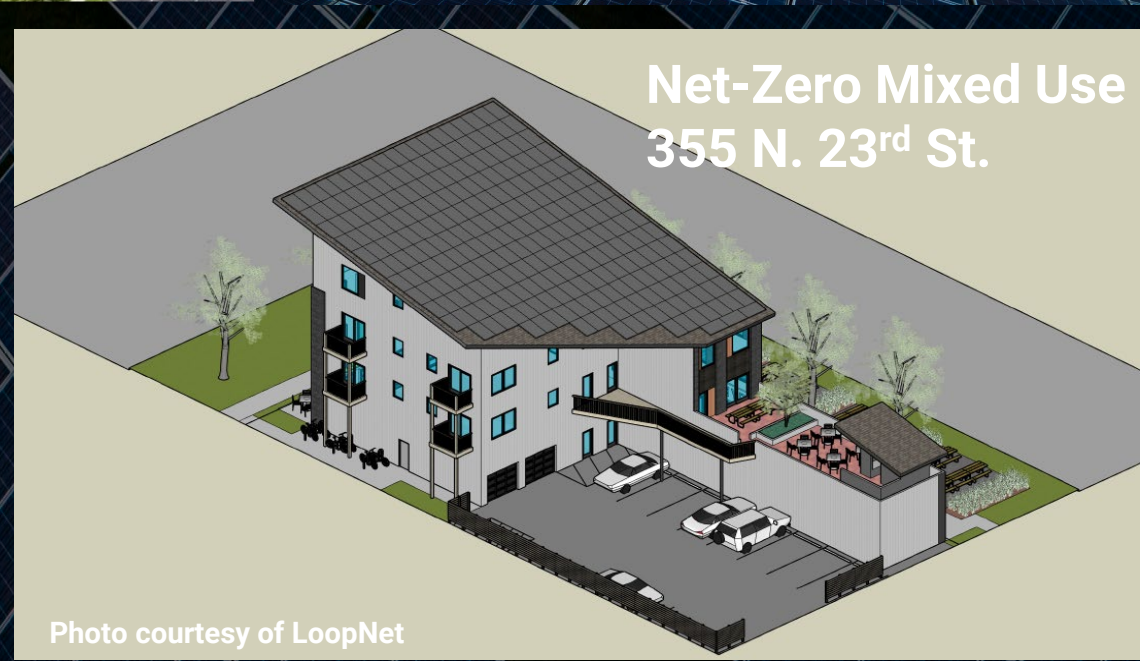
**Woodside Village
NW 48th & Holdrege**



Solar for All Grant



Photo courtesy of Hoppe Development



**Net-Zero Mixed Use
355 N. 23rd St.**

Photo courtesy of LoopNet

Proposed: Multi-tenant Shared Solar Rate



- Customer-owned solar on or off property
- Separate metered account for solar installation
- Purchase output at avoided energy costs
- Applies monthly avoided energy cost credits to designated residential and common-area accounts

Proposed: Multi-tenant Shared Solar Rate



Customer credited for exported energy at avoided seasonal daytime energy rates.



Systems limited to 120% of projected aggregate load.



Subject to interconnection study and associated costs.



Systems ≤ 100 kWac will be on existing Renewable Generation Rate:

- 1) Eligible for capacity payment
- 2) Energy credited at the higher of 50% retail energy rate or avoided seasonal daytime energy rate.

Questions?

LES Solar Rates Summary

Guiding Principles

- Most solar facilities up to 100 kW can be accommodated on the LES system without significant upgrades. An interconnection study, performed at the customer’s expense, is required for all solar facilities above 100 kW. Should LES feel a study is warranted for an installation less than 100 kW, LES will perform the study at LES’ expense.
- LES’ capacity payment and energy rate incentives are available for rates that don’t offset load, up to 100 kW. The lone exception is for rates that offset load in accordance with Nebraska state law (i.e., net metering).
- The “Avoided Cost” for demand-billed customers is their retail energy rate, as this rate is already designed to represent their levelized energy costs throughout the year. Non-demand customers, without a true energy-specific retail rate, will be paid the posted [LES Avoided Costs](#) for winter/summer daytime hours, currently updated annually.

						
	Net Metering Rider	Renewable Generation Rate	CoGen & Small Power Producer	Standby Rider <small>Proposed for 2025</small>	Multi-Tenant Shared Solar <small>Proposed for 2025</small>	Virtual Net Metering Rider
Minimum Size Limit (kW_{AC})	0 kW	25 kW	0 kW	100 kW	100 kW	0 kW
Maximum Size Limit (kW_{AC})	25 kW	100 kW	100 kW	NA	120% of Annual Load Energy	80% of Annual Load Energy
Offsets Load	Yes	No	Yes	Yes	No	Yes
Export Allowed	Yes	Yes	Yes	Yes	Yes	Yes
Export Energy Rate (\$/kWh)	Greater of (a) 50% of Residential Rate or (b) Avoided Cost	Greater of (a) 50% of Residential Rate or (b) Avoided Cost	Avoided Cost	Avoided Cost	Avoided Cost	Avoided Cost
Capacity Payment	Yes	Yes	No	No	No	NA
Study @ Customer Expense	No	No	No	Yes	Yes	NA
Upgrades @ Customer Expense	Yes	Yes	Yes	Yes	Yes	NA

Exhibit VIII



Revenue & Expense Statement (Condensed)

JUNE 2024

Year-to-date financial results were favorable due primarily to lower than budgeted net power costs

(Dollar amounts in 000)

YEAR TO DATE	2024 Actual	2024 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$172,839	\$170,104	\$2,735	2%	Wholesale revenue exceeded budget by 15% (\$2.5M), primarily due to higher than expected revenues from SPP IM activities. Retail revenue was under budget by 1% (\$1.1M). Other revenue was over budget by 31% (\$1.2M) due to REC sales and natural gas capacity releases.
2) Power Costs	67,413	72,522	(5,109)	-7%	Produced power was 15% (\$5.4M) under budget due primarily to lower than budgeted energy costs at LRS, WS4, TBGS, Renewables & J St.; lower operations expenses at LRS, Rokeby, TBGS & J St.; and lower maintenance expenses at WS4 & Renewables. Purchased power was over budget by 1% (\$280K) due to higher SPP purchases.
3) Other Operating Expenses	49,716	50,273	(557)	-1%	Other operating expenses were slightly under budget primarily due to lower vegetation management expenses due to the availability of crews (\$700K), pole inspection expenses (\$400K), travel and training (\$200K), transportation fuel and repairs (\$100K), transformer expenses (\$100K); offset by increased payroll and benefits expense (\$1.0M).
4) Depreciation	<u>17,824</u>	<u>19,177</u>	<u>(1,353)</u>	-7%	
5) Total Expenses	<u>134,953</u>	<u>141,972</u>	<u>(7,019)</u>	-5%	
6) Operating Income	37,886	28,132	9,754	35%	
7) Non-Operating Expense (Income)	<u>18,379</u>	<u>17,456</u>	<u>923</u>	5%	
8) Change in Net Position (Net Revenue)	<u>\$19,507</u>	<u>\$10,676</u>	<u>\$8,831</u>	83%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
9) Fixed Charge Coverage	1.60x	1.40x			
10) Debt Service Coverage	2.37x	2.10x			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
11) Days Cash on Hand (Days)	126	122			

LINCOLN ELECTRIC SYSTEM

FINANCIAL AND OPERATING STATEMENT

June 2024



INDEX

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NOTE: Federal Energy Regulatory Commission accounting guidance for the Southwest Power Pool Integrated Market (SPP IM) transactions (purchases, sales and other charges) requires netting together these transactions based on the time increments. If, during the time increment, sales to SPP are greater than purchases from SPP, the net amount is recorded as wholesale revenue. If, during the time increment, purchases from SPP are greater than sales to SPP, the net amount is recorded as purchased power cost. Because of this netting process, the energy (MWH's) amounts no longer directly correlate to wholesale revenue.



REVENUE & EXPENSE STATEMENT

CURRENT MONTH

JUNE 2024

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR MONTH	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
OPERATING REVENUES							
1. Retail	\$27,026,520	\$27,519,731	(\$493,211)	-1.8%	\$27,334,729	(\$308,209)	-1.1%
2. Wholesale	2,635,288	2,086,730	548,558	26.3%	3,003,142	(367,854)	-12.2%
3. Other Revenue	414,291	990,888	(576,597)	-58.2%	903,276	(488,985)	-54.1%
4. CDFUO (a)	1,071,984	1,064,833	7,151	0.7%	999,427	72,557	7.3%
5. Total Operating Revenues	31,148,083	31,662,182	(514,099)	-1.6%	32,240,574	(1,092,491)	-3.4%
OPERATING EXPENSES							
6. Purchased Power	7,614,284	8,697,371	(1,083,087)	-12.5%	6,220,284	1,394,000	22.4%
7. Produced Power	5,239,938	7,063,190	(1,823,252)	-25.8%	4,701,315	538,623	11.5%
8. Operations	3,409,193	2,523,576	885,617	35.1%	2,633,872	775,321	29.4%
9. Maintenance	1,061,319	1,058,336	2,983	0.3%	1,035,295	26,024	2.5%
10. Admin. & General	4,764,613	4,936,390	(171,777)	-3.5%	4,717,396	47,217	1.0%
11. Depreciation	2,977,999	3,165,597	(187,598)	-5.9%	2,916,781	61,218	2.1%
12. Total Operating Expenses	25,067,346	27,444,460	(2,377,114)	-8.7%	22,224,943	2,842,403	12.8%
13. OPERATING INCOME	6,080,737	4,217,722	1,863,015	44.2%	10,015,631	(3,934,894)	-39.3%
NONOPERATING EXPENSES (INCOME)							
14. Interest Expense (b)	1,441,499	1,440,266	1,233	0.1%	1,462,736	(21,237)	-1.5%
15. PILOT (c)	1,145,403	1,219,697	(74,294)	-6.1%	1,119,658	25,745	2.3%
16. CDFUO Expense (a)	1,046,389	1,046,389	0	0.0%	963,140	83,249	8.6%
17. Other Expense	3	0	3	--	0	3	--
18. Total Other Nonoperating Expense	3,633,294	3,706,352	(73,058)	-2.0%	3,545,534	87,760	2.5%
19. Other (Income)	(45,464)	(45,060)	(404)	0.9%	(45,060)	(404)	0.9%
20. Interest (Income)	(908,036)	(622,149)	(285,887)	46.0%	(777,549)	(130,487)	16.8%
21. Total Other Nonoperating (Income)	(953,500)	(667,209)	(286,291)	42.9%	(822,609)	(130,891)	15.9%
22. Total Nonoperating Expenses (Income)	2,679,794	3,039,143	(359,349)	-11.8%	2,722,925	(43,131)	-1.6%
23. Income Before Contributions	3,400,943	1,178,579	2,222,364	188.6%	7,292,706	(3,891,763)	-53.4%
CONTRIBUTED CAPITAL							
24. Contributed Capital Received	440,637	182,757	257,880	141.1%	25,411	415,226	1634.0%
25. Contributed Capital Used (d)	(440,637)	(182,757)	(257,880)	-141.1%	(25,411)	(415,226)	-1634.0%
26. Net Contributed Capital	0	0	0	--	0	0	--
27. CHANGE IN NET POSITION	\$3,400,943	\$1,178,579	\$2,222,364	188.6%	\$7,292,706	(\$3,891,763)	-53.4%

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$1,532,116 + Software Agreements Interest \$6,775 + Variable Interest \$196,455 + Amortization of Issuance Costs on Outstanding Debt \$92,870 + Amortization of Loss on Refunded Debt \$107,776 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



REVENUE & EXPENSE STATEMENT

YEAR-TO-DATE

JUNE 2024

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
OPERATING REVENUES							
1. Retail	\$142,147,034	\$143,278,490	(\$1,131,456)	-0.8%	\$137,733,286	\$4,413,748	3.2%
2. Wholesale	19,308,689	16,763,501	2,545,188	15.2%	21,615,009	(2,306,320)	-10.7%
3. Other Revenue	5,055,303	3,868,630	1,186,673	30.7%	3,671,625	1,383,678	37.7%
4. CDFUO (a)	6,327,517	6,193,059	134,458	2.2%	5,716,979	610,538	10.7%
5. Total Operating Revenues	172,838,543	170,103,680	2,734,863	1.6%	168,736,899	4,101,644	2.4%
OPERATING EXPENSES							
6. Purchased Power	37,646,765	37,367,413	279,352	0.7%	37,737,052	(90,287)	-0.2%
7. Produced Power	29,766,581	35,154,378	(5,387,797)	-15.3%	27,670,572	2,096,009	7.6%
8. Operations	14,063,191	14,370,544	(307,353)	-2.1%	12,675,685	1,387,506	10.9%
9. Maintenance	5,928,069	6,320,780	(392,711)	-6.2%	5,045,729	882,340	17.5%
10. Admin. & General	29,724,446	29,581,916	142,530	0.5%	28,409,328	1,315,118	4.6%
11. Depreciation	17,824,259	19,177,323	(1,353,064)	-7.1%	17,497,891	326,368	1.9%
12. Total Operating Expenses	134,953,311	141,972,354	(7,019,043)	-4.9%	129,036,257	5,917,054	4.6%
13. OPERATING INCOME	37,885,232	28,131,326	9,753,906	34.7%	39,700,642	(1,815,410)	-4.6%
NONOPERATING EXPENSES (INCOME)							
14. Interest Expense (b)	8,532,882	8,562,551	(29,669)	-0.3%	8,580,736	(47,854)	-0.6%
15. PILOT (c)	6,462,721	6,736,566	(273,845)	-4.1%	6,142,314	320,407	5.2%
16. CDFUO Expense (a)	6,278,334	6,278,334	0	0.0%	5,778,840	499,494	8.6%
17. Other Expense	3	0	3	--	153	(150)	-98.0%
18. Total Other Nonoperating Expense	21,273,940	21,577,451	(303,511)	-1.4%	20,502,043	771,897	3.8%
19. Other (Income)	(273,114)	(270,360)	(2,754)	1.0%	(263,112)	(10,002)	3.8%
20. Interest (Income)	(2,622,005)	(3,851,573)	1,229,568	-31.9%	(3,347,744)	725,739	-21.7%
21. Total Other Nonoperating (Income)	(2,895,119)	(4,121,933)	1,226,814	-29.8%	(3,610,856)	715,737	-19.8%
22. Total Nonoperating Expenses (Income)	18,378,821	17,455,518	923,303	5.3%	16,891,187	1,487,634	8.8%
23. Income Before Contributions	19,506,411	10,675,808	8,830,603	82.7%	22,809,455	(3,303,044)	-14.5%
CONTRIBUTED CAPITAL							
24. Contributed Capital Received	1,603,252	1,096,540	506,712	46.2%	284,315	1,318,937	463.9%
25. Contributed Capital Used (d)	(1,603,252)	(1,096,540)	(506,712)	-46.2%	(284,315)	(1,318,937)	-463.9%
26. Net Contributed Capital	0	0	0	--	0	0	--
27. CHANGE IN NET POSITION	\$19,506,411	\$10,675,808	\$8,830,603	82.7%	\$22,809,455	(\$3,303,044)	-14.5%

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$9,192,696 + Software Agreements Interest \$34,338 + Variable Interest \$1,128,351 + Amortization of Issuance Costs on Outstanding Debt \$497,799 + Amortization of Loss on Refunded Debt \$646,658 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



REVENUES, ENERGY & CUSTOMERS

CURRENT MONTH

JUNE 2024

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR MONTH	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
REVENUE							
1. Residential	\$12,229,003	\$12,705,132	(\$476,129)	-3.7%	\$12,991,714	(\$762,711)	-5.9%
2. Commercial & Street Light	11,747,470	11,831,786	(84,316)	-0.7%	11,423,980	323,490	2.8%
3. Industrial	<u>3,050,047</u>	<u>2,982,813</u>	<u>67,234</u>	2.3%	<u>2,919,035</u>	<u>131,012</u>	4.5%
4. Total Retail	27,026,520	27,519,731	(493,211)	-1.8%	27,334,729	(308,209)	-1.1%
5. SPP Sales	1,966,096	1,101,206	864,890	78.5%	1,978,488	(12,392)	-0.6%
6. Contract Sales	<u>669,192</u>	<u>985,524</u>	<u>(316,332)</u>	-32.1%	<u>1,024,654</u>	<u>(355,462)</u>	-34.7%
7. Total Wholesale	<u>2,635,288</u>	<u>2,086,730</u>	<u>548,558</u>	26.3%	<u>3,003,142</u>	<u>(367,854)</u>	-12.2%
8. Total	\$29,661,808	\$29,606,461	\$55,347	0.2%	\$30,337,871	-\$676,063	-2.2%
ENERGY (MWH'S)							
9. Residential	101,015	119,466	(18,451)	-15.4%	120,346	(19,331)	-16.1%
10. Commercial & Street Light	123,319	135,513	(12,194)	-9.0%	133,113	(9,794)	-7.4%
11. Industrial	<u>39,420</u>	<u>43,249</u>	<u>(3,829)</u>	-8.9%	<u>43,301</u>	<u>(3,881)</u>	-9.0%
12. Total Retail	263,754	298,228	(34,474)	-11.6%	296,760	(33,006)	-11.1%
13. SPP Sales	28,234	22,513	5,721	25.4%	44,478	(16,244)	-36.5%
14. Contract Sales	<u>29,465</u>	<u>21,580</u>	<u>7,885</u>	36.5%	<u>35,463</u>	<u>(5,998)</u>	-16.9%
15. Total Wholesale	<u>57,699</u>	<u>44,093</u>	<u>13,606</u>	30.9%	<u>79,941</u>	<u>(22,242)</u>	-27.8%
16. Total	321,453	342,321	(20,868)	-6.1%	376,701	(55,248)	-14.7%
CUSTOMERS - AT MONTH END							
17. Residential	134,704	131,540	3,164	2.4%	131,986	2,718	2.1%
18. Commercial & Street Light	17,906	17,715	191	1.1%	17,753	153	0.9%
19. Industrial	<u>239</u>	<u>233</u>	<u>6</u>	2.6%	<u>231</u>	<u>8</u>	3.5%
20. Total Retail	152,849	149,488	3,361	2.2%	149,970	2,879	1.9%
21. Wholesale	<u>6</u>	<u>6</u>	<u>0</u>	0.0%	<u>7</u>	<u>(1)</u>	-14.3%
22. Total	152,855	149,494	3,361	2.2%	149,977	2,878	1.9%



REVENUES, ENERGY & CUSTOMERS

YEAR-TO-DATE

JUNE 2024

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
REVENUE							
1. Residential	\$66,127,962	\$66,680,971	(\$553,009)	-0.8%	\$65,519,685	\$608,277	0.9%
2. Commercial & Street Light	59,431,400	60,944,153	(1,512,753)	-2.5%	56,882,487	2,548,913	4.5%
3. Industrial	<u>16,587,672</u>	<u>15,653,366</u>	<u>934,306</u>	6.0%	<u>15,331,114</u>	<u>1,256,558</u>	8.2%
4. Total Retail	142,147,034	143,278,490	(1,131,456)	-0.8%	137,733,286	4,413,748	3.2%
5. SPP Sales	15,122,112	11,850,628	3,271,484	27.6%	16,621,003	(1,498,891)	-9.0%
6. Contract Sales	<u>4,186,577</u>	<u>4,912,873</u>	<u>(726,296)</u>	-14.8%	<u>4,994,006</u>	<u>(807,429)</u>	-16.2%
7. Total Wholesale	<u>19,308,689</u>	<u>16,763,501</u>	<u>2,545,188</u>	15.2%	<u>21,615,009</u>	<u>(2,306,320)</u>	-10.7%
8. Total	\$161,455,723	\$160,041,991	\$1,413,732	0.9%	\$159,348,295	2,107,428	1.3%
ENERGY (MWH'S)							
9. Residential	617,520	639,393	(21,873)	-3.4%	658,220	(40,700)	-6.2%
10. Commercial & Street Light	710,551	724,923	(14,372)	-2.0%	719,274	(8,723)	-1.2%
11. Industrial	<u>237,171</u>	<u>224,148</u>	<u>13,023</u>	5.8%	<u>224,295</u>	<u>12,876</u>	5.7%
12. Total Retail	1,565,242	1,588,464	(23,222)	-1.5%	1,601,789	(36,547)	-2.3%
13. SPP Sales	150,564	170,782	(20,218)	-11.8%	219,238	(68,674)	-31.3%
14. Contract Sales	<u>106,409</u>	<u>112,855</u>	<u>(6,446)</u>	-5.7%	<u>125,498</u>	<u>(19,089)</u>	-15.2%
15. Total Wholesale	<u>256,973</u>	<u>283,637</u>	<u>(26,664)</u>	-9.4%	<u>344,736</u>	<u>(87,763)</u>	-25.5%
16. Total	1,822,215	1,872,101	(49,886)	-2.7%	1,946,525	(124,310)	-6.4%
CUSTOMERS AVERAGE							
17. Residential	134,381	131,411	2,970	2.3%	131,590	2,791	2.1%
18. Commercial & Street Light	17,888	17,678	210	1.2%	17,689	199	1.1%
19. Industrial	<u>239</u>	<u>233</u>	<u>6</u>	2.6%	<u>230</u>	<u>9</u>	3.9%
20. Total Retail	152,508	149,322	3,186	2.1%	149,509	2,999	2.0%
21. Wholesale	<u>6</u>	<u>6</u>	<u>0</u>	0.0%	<u>7</u>	<u>(1)</u>	-14.3%
22. Total	152,514	149,328	3,186	2.1%	149,516	2,998	2.0%



OPERATING EXPENSE STATEMENT

CURRENT MONTH

JUNE 2024

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
POWER COST							
1. SPP Purchased Power	\$2,530,287	\$3,377,921	(\$847,634)	-25.1%	\$1,557,768	\$972,519	62.4%
2. Non-Owned Asset Power	<u>5,083,997</u>	<u>5,319,450</u>	<u>(235,453)</u>	-4.4%	<u>4,662,516</u>	<u>421,481</u>	9.0%
3. Total Purchased Power	7,614,284	8,697,371	(1,083,087)	-12.5%	6,220,284	1,394,000	22.4%
4. Produced Power	<u>5,239,938</u>	<u>7,063,190</u>	<u>(1,823,252)</u>	-25.8%	<u>4,701,315</u>	<u>538,623</u>	11.5%
5. Total Power Cost	12,854,222	15,760,561	(2,906,339)	-18.4%	10,921,599	1,932,623	17.7%
OPERATION & MAINTENANCE (O&M)							
6. Energy Delivery	2,411,124	2,539,459	(128,335)	-5.1%	2,465,236	(54,112)	-2.2%
7. Transmission	<u>2,059,388</u>	<u>1,042,453</u>	<u>1,016,935</u>	97.6%	<u>1,203,931</u>	<u>855,457</u>	71.1%
8. Total O & M Expense	4,470,512	3,581,912	888,600	24.8%	3,669,167	801,345	21.8%
ADMINISTRATIVE & GENERAL (A&G)							
9. Administration	235,754	240,250	(4,496)	-1.9%	233,668	2,086	0.9%
10. Communication & Corporate Records	237,056	277,171	(40,115)	-14.5%	211,342	25,714	12.2%
11. Corporate Operations	1,112,895	1,044,340	68,555	6.6%	1,149,403	(36,508)	-3.2%
12. Customer Services	953,641	1,041,566	(87,925)	-8.4%	1,015,853	(62,212)	-6.1%
13. Financial Services	476,219	467,603	8,616	1.8%	405,354	70,865	17.5%
14. Power Supply	450,111	462,566	(12,455)	-2.7%	401,300	48,811	12.2%
15. Technology Services	<u>1,298,937</u>	<u>1,402,894</u>	<u>(103,957)</u>	-7.4%	<u>1,300,476</u>	<u>(1,539)</u>	-0.1%
16. Total A & G Expense	4,764,613	4,936,390	(171,777)	-3.5%	4,717,396	47,217	1.0%
17. DEPRECIATION	2,977,999	3,165,597	(187,598)	-5.9%	2,916,781	61,218	2.1%
18. TOTAL OPERATING EXPENSE	\$25,067,346	\$27,444,460	(\$2,377,114)	-8.7%	\$22,224,943	\$2,842,403	12.8%



OPERATING EXPENSE STATEMENT

YEAR-TO-DATE

JUNE 2024

DESCRIPTION	YEAR TO DATE		VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE		VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%	
POWER COST								
1. SPP Purchased Power	\$9,033,714	\$7,690,890	\$1,342,824	17.5%	\$8,636,859	\$396,855	4.6%	
2. Non-Owned Asset Power	<u>28,613,051</u>	<u>29,676,523</u>	<u>(1,063,472)</u>	-3.6%	<u>29,100,193</u>	<u>(487,142)</u>	-1.7%	
3. Total Purchased Power	37,646,765	37,367,413	279,352	0.7%	37,737,052	(90,287)	-0.2%	
4. Produced Power	<u>29,766,581</u>	<u>35,154,378</u>	<u>(5,387,797)</u>	-15.3%	<u>27,670,572</u>	<u>2,096,009</u>	7.6%	
5. Total Power Cost	67,413,346	72,521,791	(5,108,445)	-7.0%	65,407,624	2,005,722	3.1%	
OPERATION & MAINTENANCE (O&M)								
6. Energy Delivery	13,667,710	14,459,259	(791,549)	-5.5%	11,805,715	1,861,995	15.8%	
7. Transmission	<u>6,323,550</u>	<u>6,232,065</u>	<u>91,485</u>	1.5%	<u>5,915,699</u>	<u>407,851</u>	6.9%	
8. Total O & M Expense	19,991,260	20,691,324	(700,064)	-3.4%	17,721,414	2,269,846	12.8%	
ADMINISTRATIVE & GENERAL (A&G)								
9. Administration	1,624,700	1,590,266	34,434	2.2%	1,462,018	162,682	11.1%	
10. Communication & Corporate Records	1,296,832	1,320,223	(23,391)	-1.8%	1,151,602	145,230	12.6%	
11. Corporate Operations	6,434,335	5,909,650	524,685	8.9%	7,324,190	(889,855)	-12.1%	
12. Customer Services	6,208,178	6,448,277	(240,099)	-3.7%	5,688,942	519,236	9.1%	
13. Financial Services	2,894,535	2,805,237	89,298	3.2%	2,618,187	276,348	10.6%	
14. Power Supply	2,621,189	2,864,458	(243,269)	-8.5%	2,276,075	345,114	15.2%	
15. Technology Services	<u>8,644,677</u>	<u>8,643,805</u>	<u>872</u>	0.0%	<u>7,888,314</u>	<u>756,363</u>	9.6%	
16. Total A & G Expense	29,724,446	29,581,916	142,530	0.5%	28,409,328	1,315,118	4.6%	
17. DEPRECIATION	17,824,259	19,177,323	(1,353,064)	-7.1%	17,497,891	326,368	1.9%	
18. TOTAL OPERATING EXPENSE	\$134,953,311	\$141,972,354	(\$7,019,043)	-4.9%	\$129,036,257	\$5,917,054	4.6%	



BALANCE SHEET

JUNE 2024

ASSETS & DEFERRED OUTFLOWS OF RESOURCES

LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION

DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1	DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1
CURRENT ASSETS:			CURRENT LIABILITIES:		
1. Revenue Fund (includes CDFUO)	\$65,553,264	(\$31,883,042)	OTHER LIABILITIES		
2. Payment in Lieu of Tax Fund	5,239,994	(7,008,164)	1. Accounts Payable	\$17,238,915	(\$4,401,257)
3. Rate Stabilization Fund	40,197,670	953,523	2. Accrued Payments in Lieu of Taxes	6,383,676	(6,735,859)
4. Bond Principal & Interest Funds	38,367,172	19,557,344	3. City Dividend for Utility Ownership Payable	4,185,556	0
5. Other Restricted/Designated Funds (a)	4,559,542	452,693	4. Commercial Paper Notes	65,500,000	0
6. Restricted/Designated Funds Total	83,124,384	20,963,560	5. Accrued Software Interest	10,974	(14,852)
7. Total Current Asset Funds (b)	153,917,642	(17,927,646)	6. Accrued Liabilities	19,416,149	2,774,974
8. Receivables Less Uncollectible Allowance	25,858,938	2,761,440	7. Total Other Liabilities	112,735,270	(8,376,994)
9. Unbilled Revenue	20,264,193	2,646,043	CURRENT LIABILITIES - RESTRICTED ASSETS		
10. Accrued Interest Receivable	58,838	(2,233,834)	8. Current Portion of Long-Term Debt	37,800,000	0
11. Materials, Supplies & Fuel Inventory	34,921,646	3,194,712	9. Accrued Interest	6,164,432	(210,619)
12. Plant Operation Assets	18,253,872	464,215	10. Other Current Liabilities (d)	952,917	47,501
13. Other Current Assets	3,510,333	(1,036,317)	11. Total Current Liabilities - Restricted Assets	44,917,349	(163,118)
14. Total Current Assets	256,785,462	(12,131,387)	12. Total Current Liabilities	157,652,619	(8,540,112)
NONCURRENT ASSETS:			NONCURRENT LIABILITIES:		
15. Bond Reserve Funds	9,537,820	138,961	13. 2013 Bonds	29,065,000	0
16. Self-Funded Benefits Reserve Fund (IBNP)	868,614	94,347	14. 2015A Bonds	71,400,000	0
17. Segregated Funds (c)	19,181,537	3,349,335	15. 2016 Bonds	65,960,000	0
18. Restricted Funds Total (b)	29,587,971	3,582,643	16. 2018 Bonds	121,205,000	0
19. Unamortized Debt Expense	1,913,079	(168,138)	17. 2020A Bonds	72,200,000	0
21. Accrued Lease Interest	109,289	23,627	18. 2020B Bonds	171,625,000	0
22. Other Noncurrent Assets	1,308,659	(246,584)	19. Total Revenue Bonds	531,455,000	0
23. Total Noncurrent Assets	\$39,937,192	\$3,008,336	20. Less Current Maturities	37,800,000	0
CAPITAL ASSETS:			21. Less Unamortized Discounts/Premiums	(31,687,634)	2,966,960
24. Utility Plant in Service	1,857,243,059	14,252,824	22. Note Purchase Agreement	0	0
25. Accumulated Depreciation & Amortization	(951,967,519)	(16,129,034)	23. Revolving Credit Agreement	0	0
26. Construction Work in Progress	127,391,044	22,659,300	24. Net Long Term Debt	525,342,634	(2,966,960)
27. Total Capital Assets	1,032,666,584	20,783,090	25. Liabilities Payable from Segregated Funds (e)	18,709,522	2,877,432
DEFERRED OUTFLOWS OF RESOURCES:			26. Asset Retirement Obligation	4,224,948	(965,172)
28. Deferred Loss on Refunded Debt	7,480,568	(646,657)	27. Software Liabilities	1,708,387	268,887
29. Deferred Costs for Asset Retirement Obligations	4,224,948	(965,172)	28. Other Noncurrent Liabilities	35,789,687	136,523
30. Total Deferred Outflows of Resources	11,705,516	(1,611,829)	29. Total Liabilities	743,427,797	(9,189,402)
			DEFERRED INFLOWS OF RESOURCES:		
			30. Deferred Inflow of Resource	6,558,693	(268,799)
			31. Total Deferred Inflows of Resources	6,558,693	(268,799)
			NET POSITION:		
			32. Net Investment in Capital Assets	418,414,335	22,601,620
			33. Restricted for Debt Service	32,547,864	19,906,924
			34. Restricted for Employee Health Insurance Claims	2,419,626	(525,580)
			35. Unrestricted	137,726,439	(22,476,553)
			36. Total Net Position	591,108,264	19,506,411
31. TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$1,341,094,754	\$10,048,210	37. TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION	\$1,341,094,754	\$10,048,210



STATEMENT OF CASH FLOWS

JUNE 2024

	CURRENT MONTH	YEAR-TO-DATE
CASH FLOW FROM OPERATING ACTIVITIES:		
1. Received from Sales to Customers and Users	\$29,128,432	\$174,116,569
2. Sales Tax Receipts	\$1,359,116	\$7,727,735
3. Paid to Suppliers for Goods & Services	(\$18,210,616)	(\$110,046,641)
4. Paid to Employees for Services	(\$1,799,897)	(\$10,520,793)
5. Payments for Sales Tax	(1,164,012)	(7,539,732)
6. Cash Flow from Operating Activities (a)	9,313,023	53,737,138
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
7. Payment in Lieu of Tax	0	(13,198,581)
8. City Dividend for Utility Ownership Payments	0	(6,278,334)
9. Other	0	0
10. Cash Flow from (used for) Noncapital Financing Activities	0	(19,476,915)
CASH FLOWS FROM INVESTING ACTIVITIES:		
11. Net (Purchases) Sales of Investments	1,194,410	26,280,271
12. Interest Income	904,486	3,244,709
13. Cash Flow from (used for) Investing Activities	2,098,896	29,524,980
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
14. Acquisition and Construction of Capital Assets	(7,278,051)	(42,187,248)
15. Salvage on Retirement of Plant	836	106,662
16. Cost of Removal of Property Retired	(137,385)	(1,176,616)
17. Debt Issuance Cost Paid	0	0
18. Debt Premiums Collected	0	0
19. Net Capital Contributions	45,929	480,683
20. Capital Contributions Recv'd in Advance	0	0
21. Cash Received from Leases	42,978	256,879
23. Net Proceeds from Issuance of Long-Term Debt	0	0
24. Principal Payments on Long-Term Debt	0	0
25. Interest Payments on Debt	(463,590)	(10,531,667)
26. Cash Flow from (used for) Capital Financing Activities	(7,789,283)	(53,051,307)
26. Cash Flow from (used for) Capital Financing Activities	3,622,636	10,733,896
27. Net Increase (Decrease) in Cash and Cash Equivalents	42,049,999	35,018,728
28. Cash and Cash Equivalents Beginning of Period	\$45,672,635	\$45,752,624
STATEMENT OF CASH FLOW FOOTNOTES		
(a) Reconciliation of operating income to cash flows from operating activities		
1. Net Operating Revenue	\$6,080,737	\$37,885,232
2. Noncash items included in operating income	3,079,003	18,410,766
3. Changes in Assets & Liabilities Increase/(Decrease)	153,283	(2,558,860)
4. Net cash flows from operating activities	\$9,313,023	\$53,737,138
(b) Cash and cash equivalents are defined as cash and investments with original maturities of three months or less.		



DEBT SERVICE COVERAGE

JUNE 2024

DESCRIPTION	----- CURRENT MONTH -----			----- YEAR-TO-DATE -----		
	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR
1. Total Operating Revenues	\$31,148,083	\$31,662,182	\$32,240,574	\$172,838,543	\$170,103,680	\$168,736,899
2. Total Operating Expenses	25,067,346	27,444,460	22,224,943	134,953,311	141,972,354	129,036,257
3. Less Depreciation	(2,977,999)	(3,165,597)	(2,916,781)	(17,824,259)	(19,177,323)	(17,497,891)
4. Operating Expense Net of Depreciation	22,089,347	24,278,863	19,308,162	117,129,052	122,795,031	111,538,366
5. Net Operating Revenue for Debt Service	9,058,736	7,383,319	12,932,412	55,709,491	47,308,649	57,198,533
6. Interest Income (a)	907,376	509,519	621,997	2,503,125	3,178,594	2,563,444
7. Other Income	45,464	45,060	0	273,114	270,360	0
8. Rate Stabilization Fund	0	0	0	0	0	0
9. AVAILABLE FOR DEBT SERVICE	10,011,576	7,937,898	13,554,409	58,485,730	50,757,603	59,761,977
10. DEBT SERVICE (b)	\$4,682,116	\$4,682,114	\$4,120,297	\$28,092,696	\$28,092,684	\$24,721,784
11. DEBT SERVICE COVERAGE	2.14	1.70	3.29	2.08	1.81	2.42

(a) Excludes Interest from Rate Stabilization Fund.

(b) Includes Bond Principal & Interest only.

Power Supply Division 2024 May Monthly Report

June 19, 2024

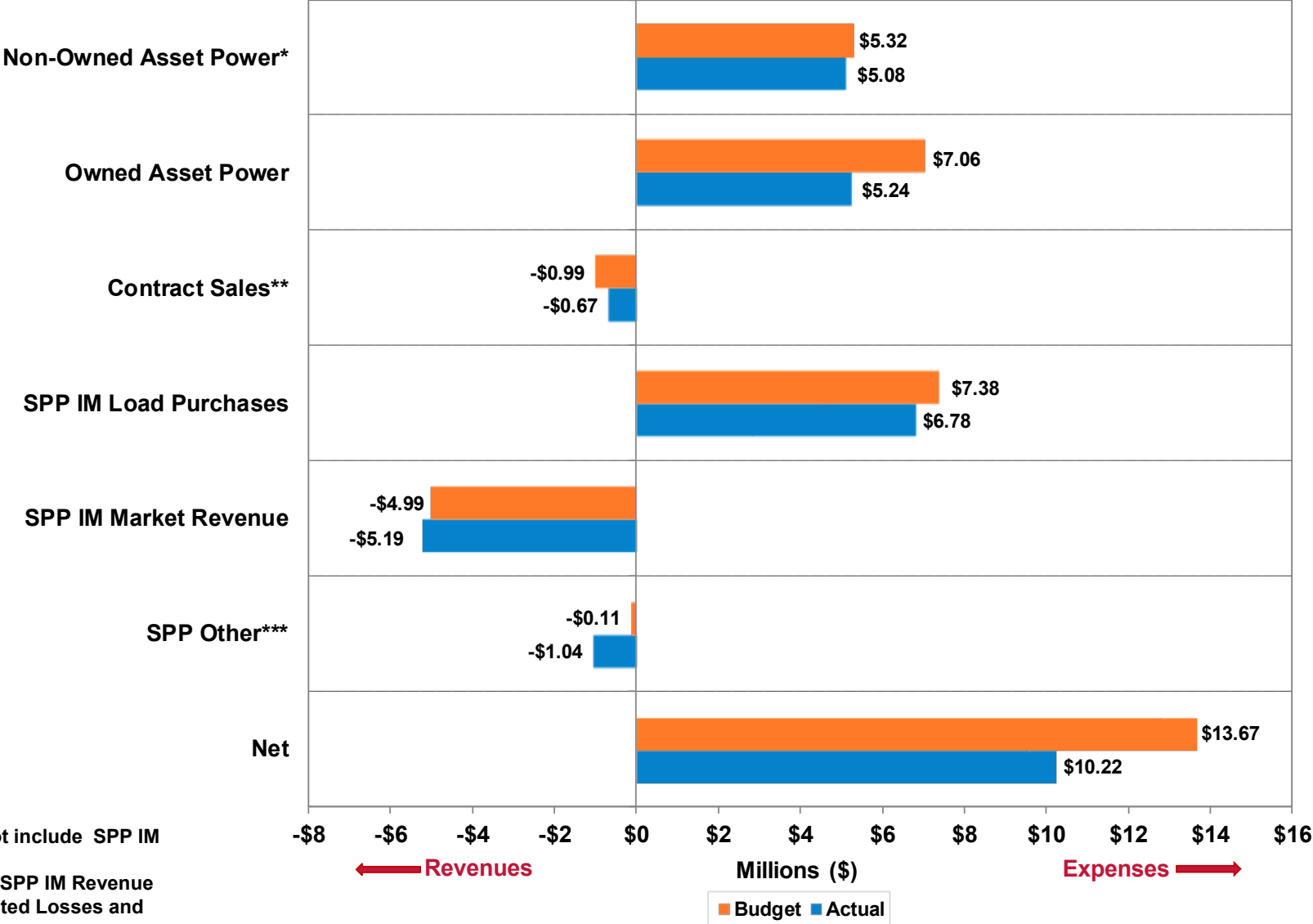
Jason Fortik

Vice President, Power Supply



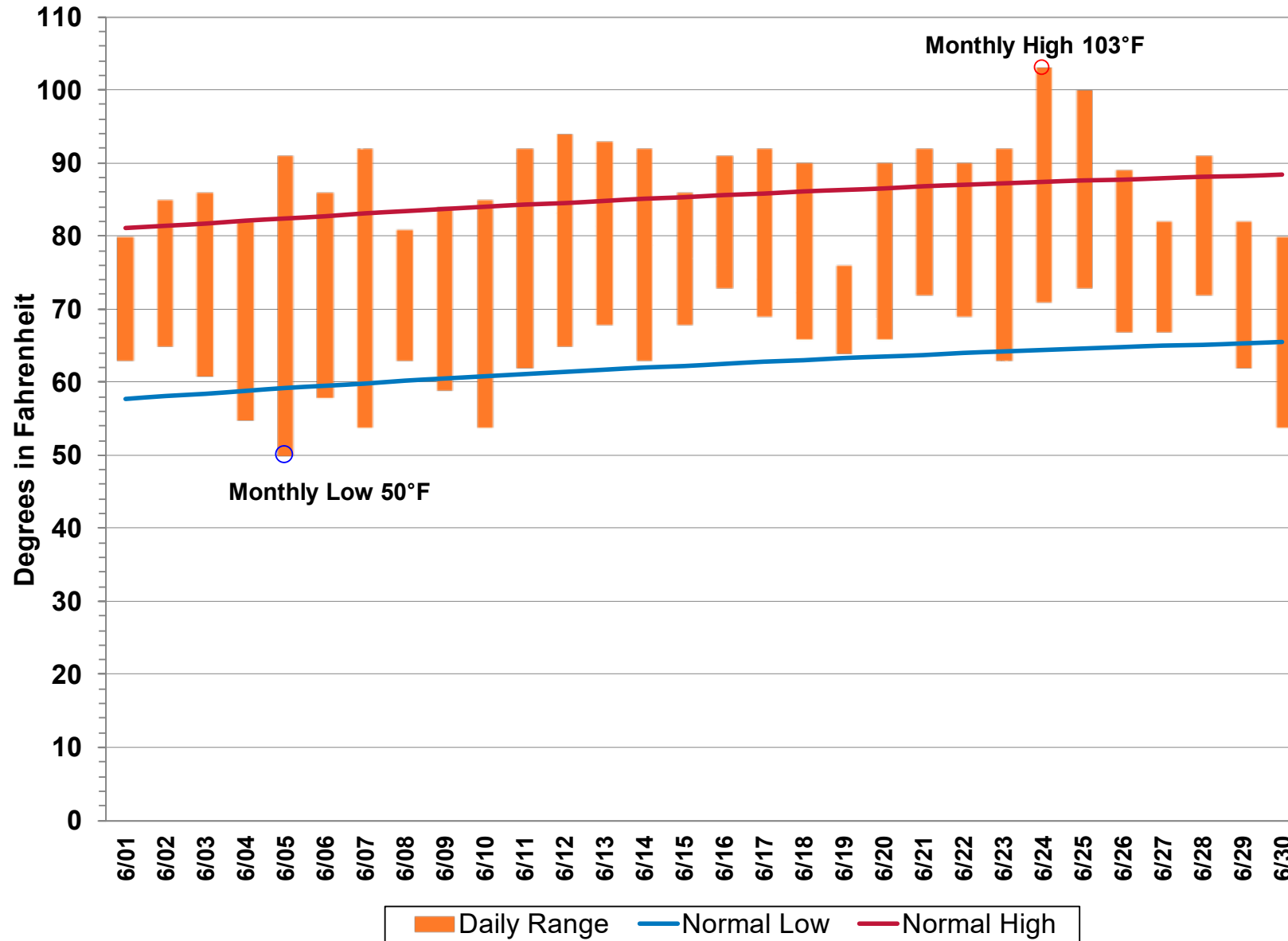
Lincoln Electric System

Monthly Actual vs. Budget

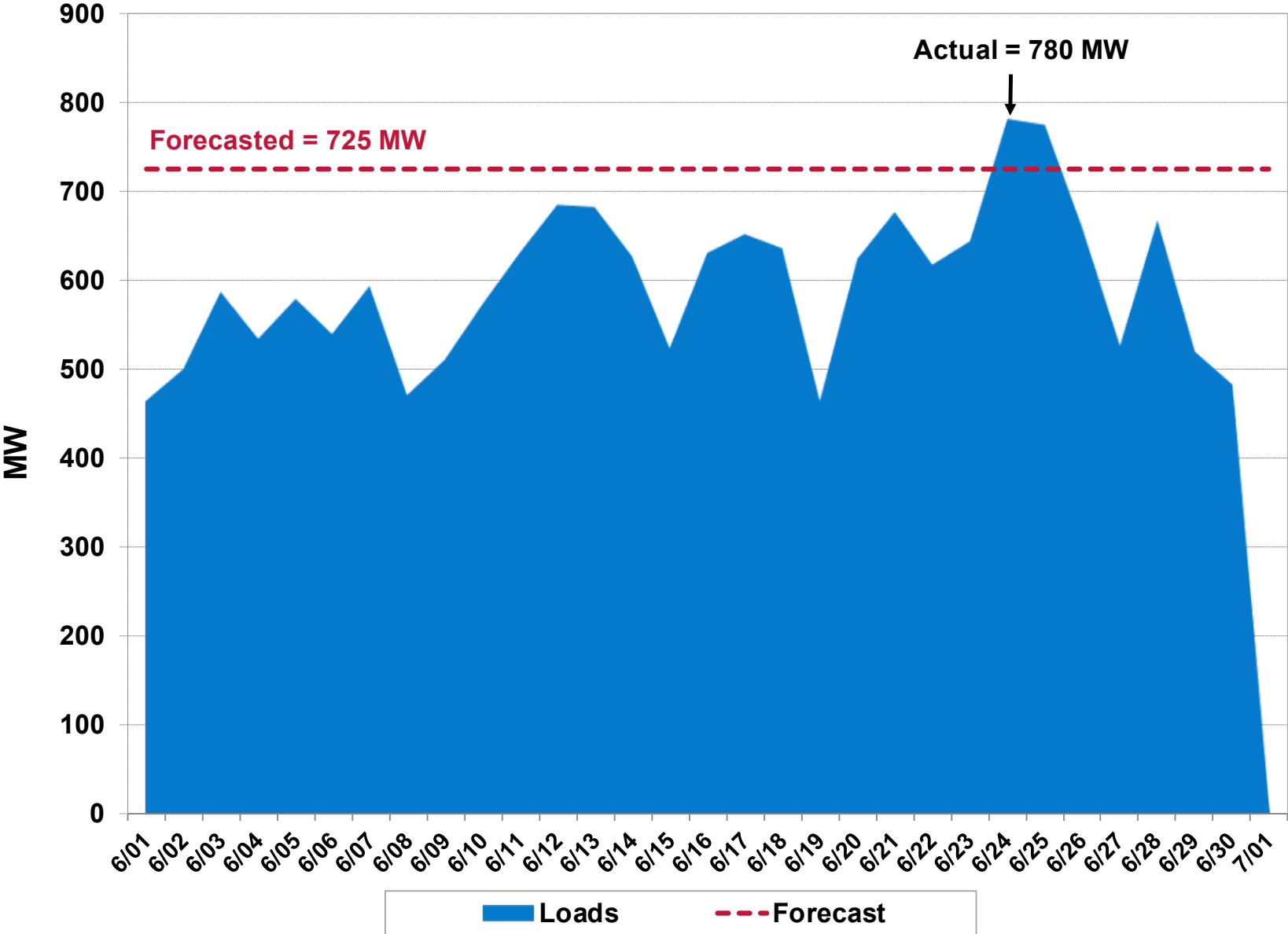


*Non-Owned Asset Power does not include SPP IM Purchased
 **Contract Sales does not include SPP IM Revenue
 ***SPP Other includes Over-Collected Losses and ARR's/TCR

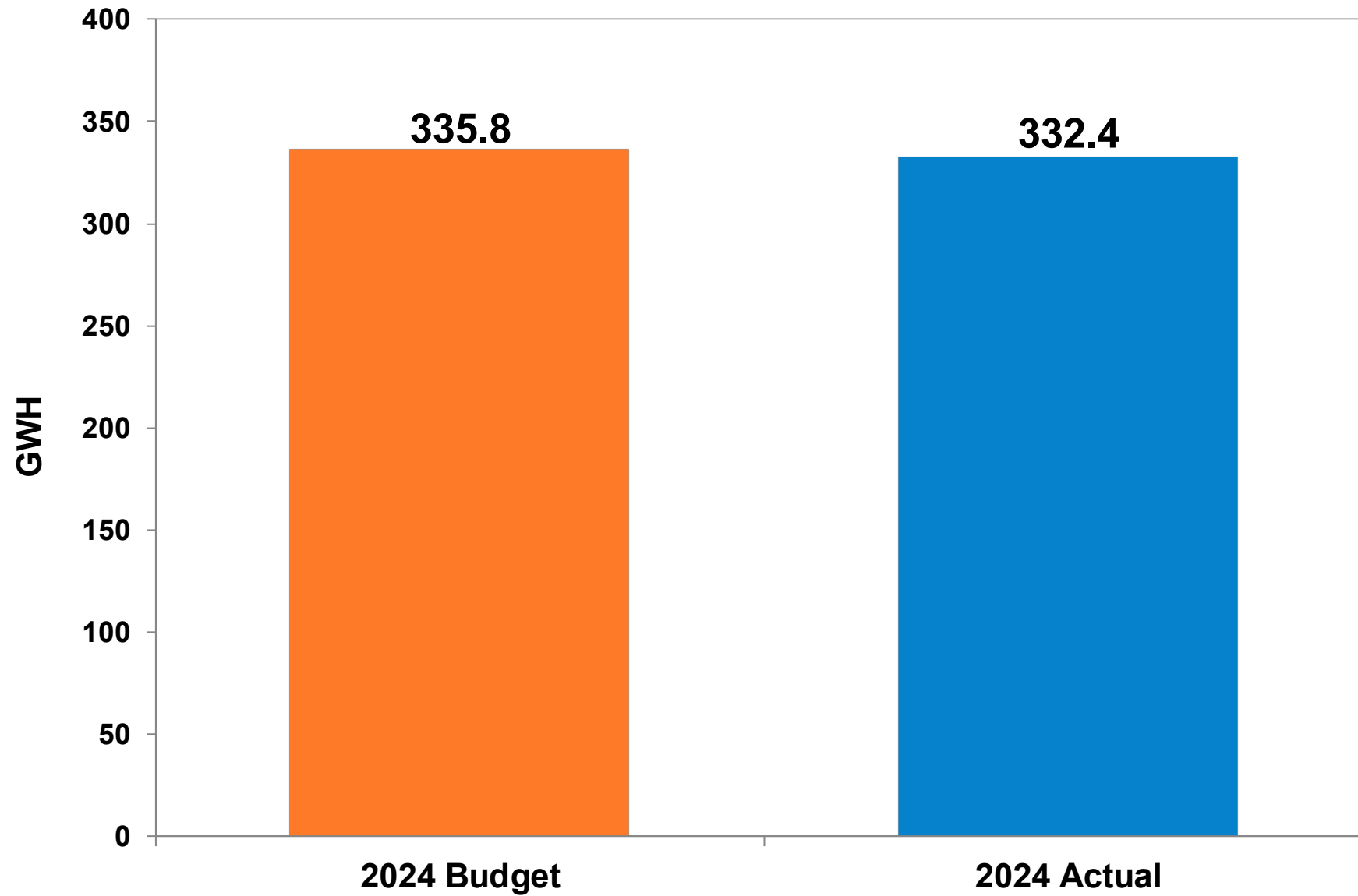
Daily Temperature Range



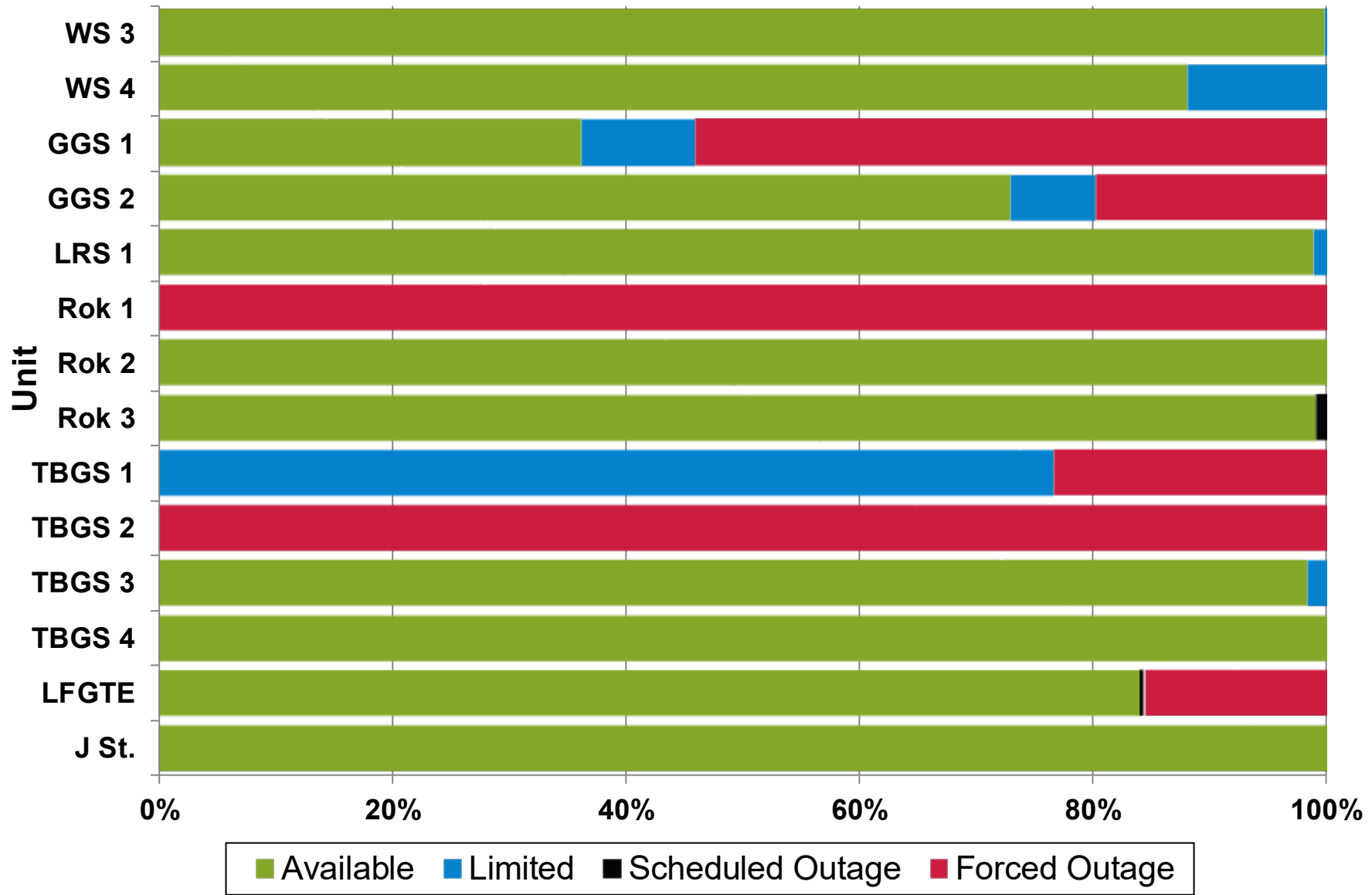
Loads



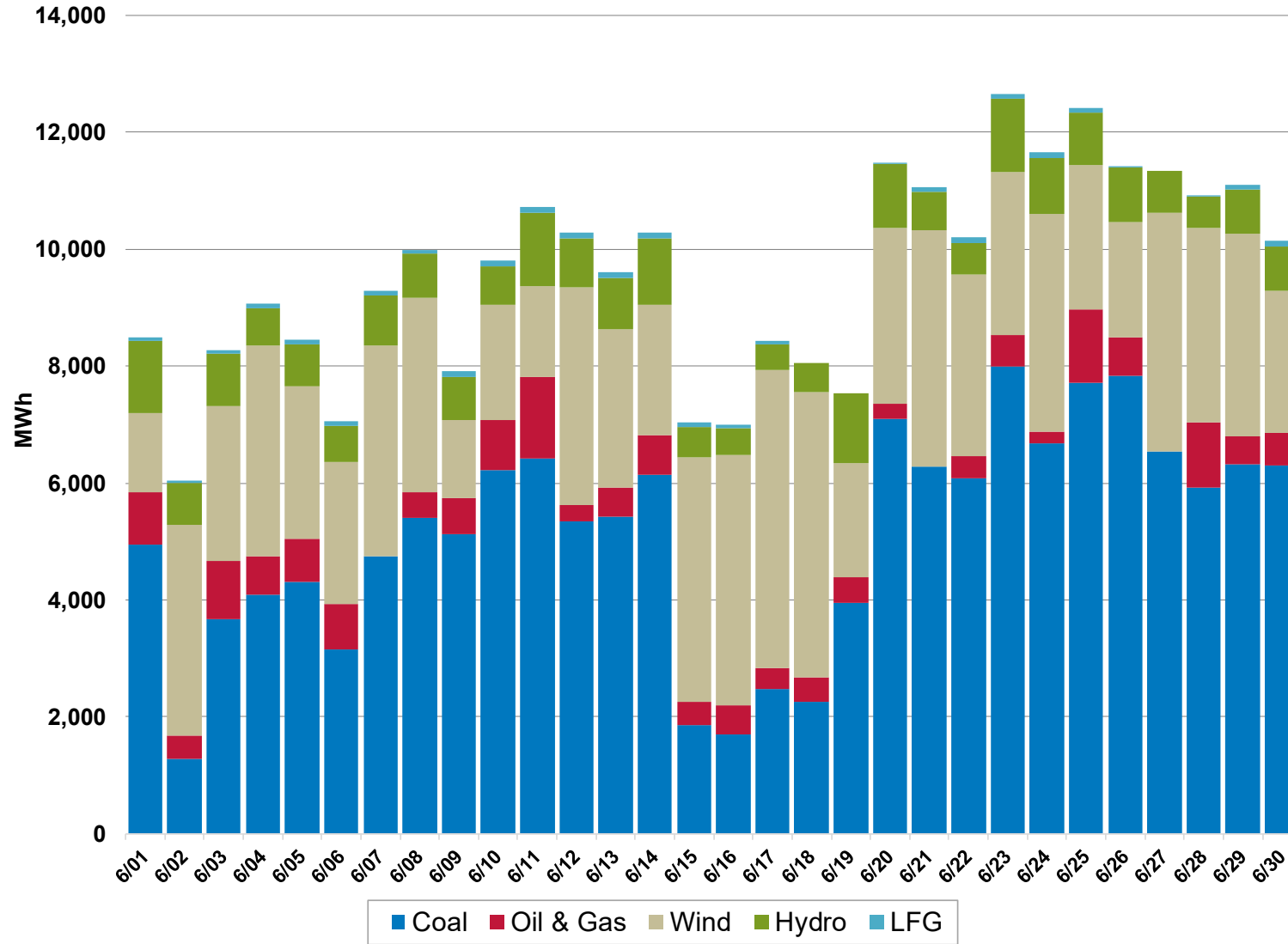
Customer Energy Consumption



Unit Equivalent Availability

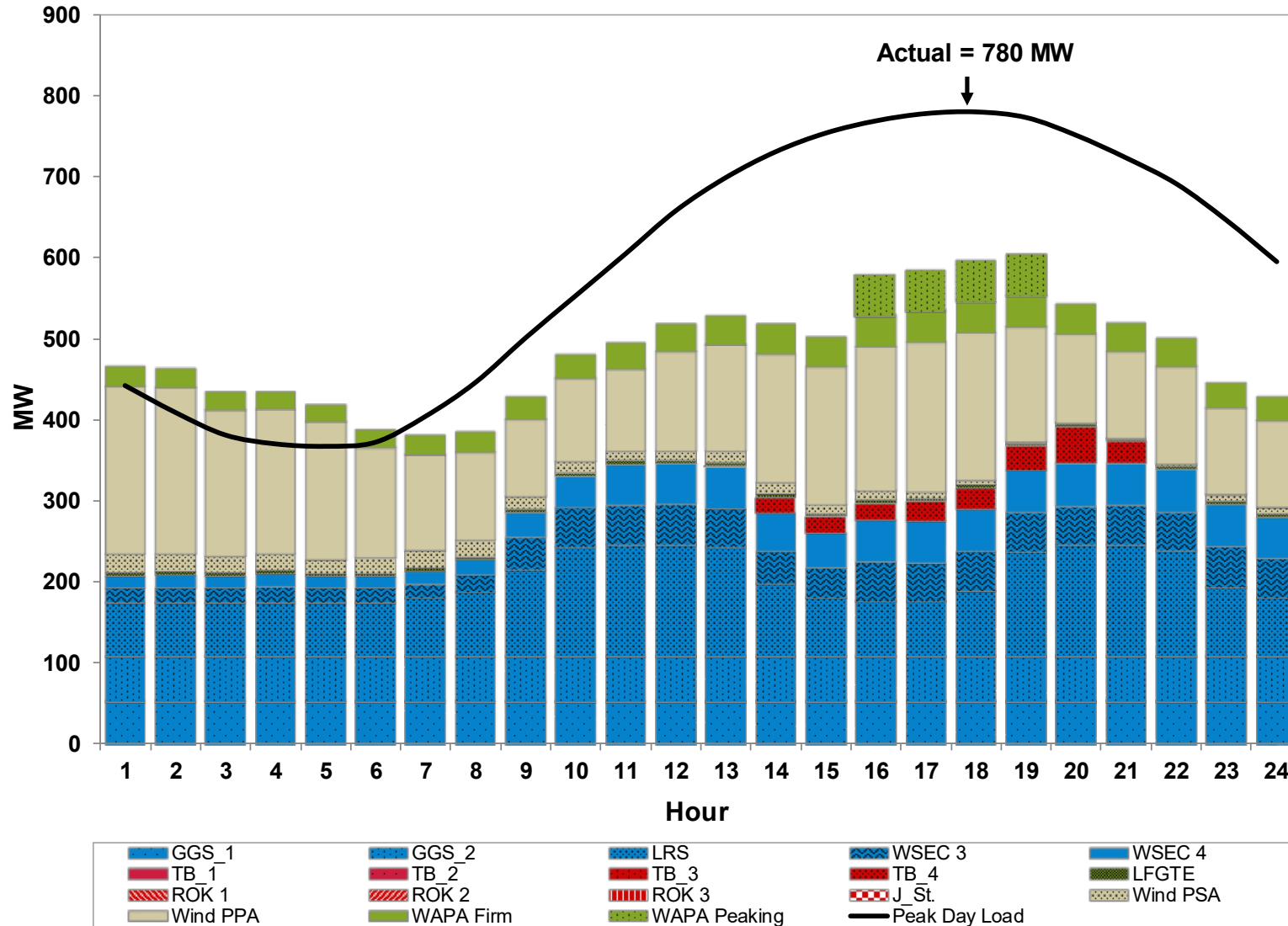


Resource Energy



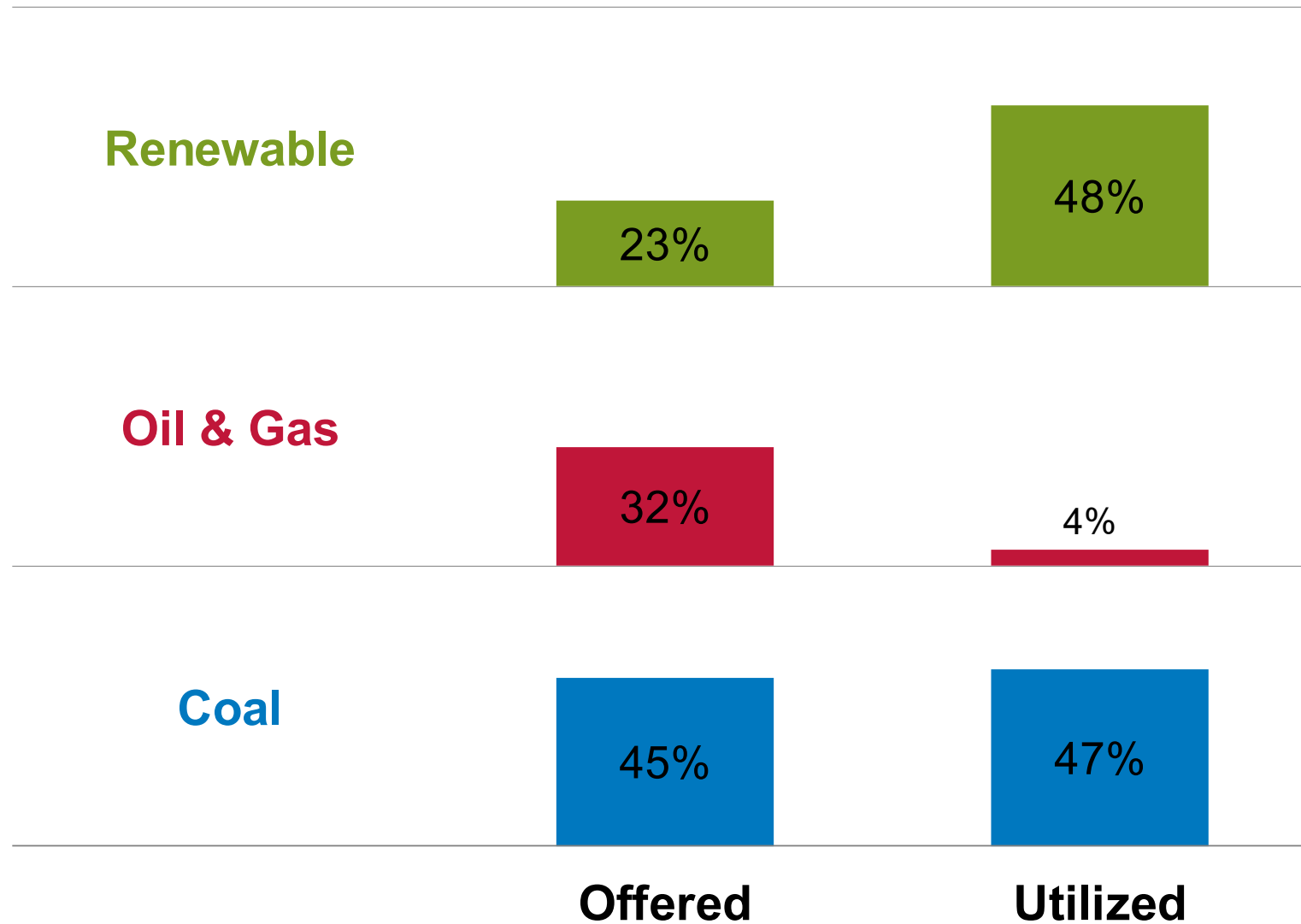
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

Peak Load Day – June 24, 2024



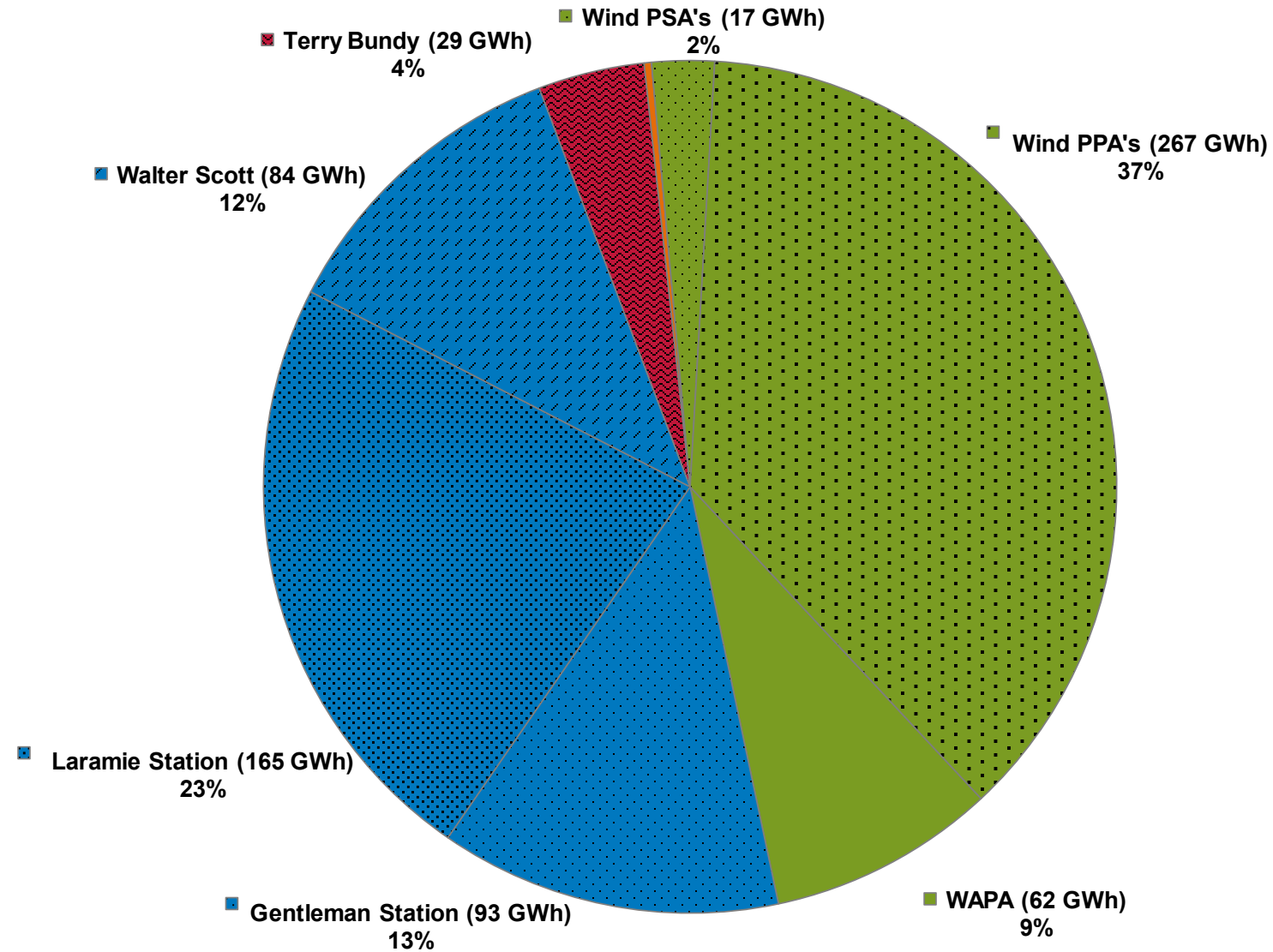
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

Energy Offered and Utilized by the SPP Integrated Marketplace (Fuel Type)



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding

Energy Utilized by the SPP Integrated Marketplace



Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient. Total percentage may not add up to 100% due to rounding