



# City of Grand Island

Tuesday, July 11, 2006

Council Session

## Item G6

**#2006-190 - Approving Nebraska City II Transmission Facilities  
Cost Agreement - Utilities Department**

Staff Contact: Gary R. Mader

# **Council Agenda Memo**

**From:** Gary Mader, Utilities Director  
Dale Shotkoski, Acting City Attorney

**Meeting:** July 11, 2006

**Subject:** NC2 Transmission Facilities Cost Agreement

**Item #'s:** G-6

**Presenter(s):** Gary Mader, Utilities Director

## **Background**

The City of Grand Island has a 5% level of participation in OPPD's new coal fired power plant at their Nebraska City site. This will provide Grand Island with 33 MW of base load generation beginning in 2009. To receive plant accreditation from the Federal National Electric Reliability Council (NERC), the owners must demonstrate transmission capacity exists to transmit power from the plant and deliver it to the various participants.

As part of the electric deregulation legislation, federal rules and regulations over the last decade require separation of generation and transmission functions, in order to minimize monopoly power. So what follows is in accordance with procedures established by the Federal Energy Regulatory Commission (FERC).

All entities, paying a published transmission service rate, are to be permitted equal access to the electric transmission system. Accordingly, in December 2003, Grand Island submitted transmission service requests #784415 and #784417 on the OPPD and NPPD transmission systems, for delivery of the NC #2 power share. Although Grand Island is early in line, the requests can not be granted until substantial transmission improvements are made to support the 660 MW plant.

Beginning in October 2003, the NC#2 Transmission Planning Group began meeting to determine the necessary transmission improvements. Initially, meetings included utilities from an extended region which could potentially be impacted by the large generating addition. After problem areas were identified, the solutions became the responsibility of those receiving power from the plant, OPPD and the NC2 Participants.

Cost estimates for the required transmission system improvements total nearly \$80 million. Approximately 90% of the cost involves a 345 kV transmission line between the Nebraska City plant and Lincoln Electric System along with substation work on each end of the line. The transmission system improvements are included in the total plant construction costs with construction financing through service bonds issued by OPPD.

## **Discussion**

OPPD is preparing to issue the funding notice for the second NC2 bond issue. This issue will include the transmission facilities cost. Grand Island intends that its share of transmission cost be included in the forthcoming bond issue. For inclusion, there must be an Agreement among OPPD and the Participants concerning the required Facilities, Costs, and Funding. This **NC2 TRANSMISSION FACILITIES COST AGREEMENT** is presented to the City Council for consideration.

Grand Island's share of the transmission improvements is estimated at approximately 3.8% of the total transmission construction costs. This cost will be credited to Grand Island's Transmission Service Account. None of the Participants, including Grand Island, will have ownership interest in transmission improvements. The bulk of the improvement is within the OPPD system and will be owned by OPPD. To receive energy from NC2, Participants will reserve transmission service from OPPD in accordance with FERC regulation, and make payment for service in accordance with OPPD's published Open Access Transmission Tariff. The transmission tariff charges will be paid for from each participant's Transmission Service Account, until the account is exhausted.

The proposed NC2 Transmission Facilities Cost Agreement has been reviewed by the Legal Department.

The Transmission Service Account is established through OPPD's issuance of Separate System Bonds as authorized in the base contract document for the project, the PARTICIPATION POWER AGREEMENT, which was executed by all project participants and OPPD in January 2004.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council to approve subject Agreement.

## **Sample Motion**

Motion to approve the **NC2 TRANSMISSION FACILITIES COST AGREEMENT** with Omaha Public Power District.

**NC2 TRANSMISSION FACILITIES COST AGREEMENT**

This NC2 TRANSMISSION FACILITIES COST AGREEMENT ("Agreement") is made as of the Effective Date (as defined in Section 18.10) by and among OMAHA PUBLIC POWER DISTRICT, a public corporation and political subdivision of the State of Nebraska (hereinafter "OPPD"); NEBRASKA PUBLIC POWER DISTRICT, a public corporation and political subdivision of the State of Nebraska (hereinafter "NPPD"); CITY OF INDEPENDENCE, MISSOURI, a municipality of the State of Missouri (hereinafter "Independence"); CENTRAL MINNESOTA MUNICIPAL POWER AGENCY, a municipal power agency of the State of Minnesota (hereinafter "CMMPA"); CITY OF FALLS CITY (D/B/A FALLS CITY UTILITY DEPARTMENT), a municipality of the State of Nebraska (hereinafter "Falls City"); CITY OF GRAND ISLAND, NEBRASKA, a city of the first class of the State of Nebraska (hereinafter "Grand Island"); MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION, a Missouri joint action agency (hereinafter "MJMEUC"); and CITY OF NEBRASKA CITY, NEBRASKA, a municipality of the State of Nebraska (hereinafter "Nebraska City" and collectively with NPPD, Independence, CMMPA, Falls City, Grand Island and MJMEUC, the "Participants"). The Participants and OPPD are sometimes referred to herein individually as a "Party" and collectively as the "Parties".

**WITNESSETH:**

**WHEREAS**, OPPD is authorized by the State of Nebraska to engage in the generation, transmission, sale and distribution of electricity for heat, light and power; and

**WHEREAS**, OPPD entered into a Participation Power Agreement with each Participant (collectively, the "PPA") wherein OPPD will sell Participation Power (as hereinafter defined), if available, to each Participant from a single coal fuel generating unit with an anticipated 663 MW capacity ("NC2"); and

**WHEREAS**, the Participants have requested transmission service from OPPD for the delivery of their respective Participation Power, and the Parties are performing the Transmission Planning Study (as hereinafter defined) to identify the Transmission Facilities (as hereinafter defined) necessary to accommodate interconnection and delivery of up to 700 MW net NC2 output; and

**WHEREAS**, the Participants desire to enter into an agreement with OPPD addressing the cost allocation, payment and cost recovery of the Transmission Planning Study and the Transmission Facilities (each as hereinafter defined).

**NOW, THEREFORE**, in consideration of the premises, the mutual promises and agreements set forth herein and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Parties do hereby agree as follows:

### **Section 1. Definitions**

Unless otherwise provided herein, the meanings for the capitalized terms used in this Agreement are set forth in Schedule 1. In the event that capitalized terms used herein are not defined in Schedule 1 or in this Agreement, such terms shall have the meanings ascribed to them in the PPA.

### **Section 2. Term of Agreement**

This Agreement shall become effective on the Effective Date (as defined in Section 18.10) and shall remain in effect until all obligations including, but not limited to, payment and crediting obligations, of the Parties have been fully satisfied, as reasonably determined by OPPD. All indemnity obligations of the Parties shall survive termination of this Agreement.

### **Section 3. Approval Obligations of the Parties.**

Each of the Parties shall use its best efforts to obtain all acceptances or approvals required in order to effect the agreement of the parties hereunder in the most expeditious manner possible and all of the Parties shall act in a manner consistent with the objective of putting this Agreement fully and expeditiously into operation without modification or condition. Failure to comply with the requirements of this Section 3 shall be deemed a material breach of this Agreement.

### **Section 4. Transmission Cost Allocation Group**

**4.1. Cost Allocation Group.** Each Party shall appoint an individual as a primary member to the Cost Allocation Group to be confirmed by written notice to the other Parties. The Cost Allocation Group shall have the authority and responsibility for determining how the costs associated with the Transmission Planning Study and the Transmission Facilities shall be allocated among the Parties, all in accordance with the provisions of this Agreement.

**4.2. Alternate Cost Allocation Group Members.** Any member of the Cost Allocation Group may at any time designate an alternate or substitute member to act for and on behalf of such Party to be confirmed by written notice to the other Parties.

**4.3. Chairperson.** The representative appointed by OPPD shall act as chairperson of the Cost Allocation Group (the "Chairperson").

**4.4. Meetings.** The Chairperson shall provide the Cost Allocation Group with ten (10) Days' advance written notice of the date and time of any meetings called by the Chairperson. The Chairperson shall also call a meeting within thirty (30) Days of receipt of a written request from any member to the Chairperson. Meetings may be conducted by telephone conference or other means by which each Party can hear all of the other Parties. It shall be the responsibility of any member

requesting a meeting to provide the Chairperson with the subject(s) to be considered. All such subject(s) to be considered shall be included by the Chairperson in the meeting.

**4.5. Minutes of Meetings.** The Chairperson shall preside over all meetings of the Cost Allocation Group, and shall keep written minutes of all meetings, which shall record all actions and approvals or disapprovals of the Cost Allocation Group, and shall provide copies of such minutes to each member of the Cost Allocation Group after such meeting. Failure to submit to the Chairperson written objections to the minutes within thirty (30) Days after receipt shall be deemed approval thereof.

**4.6. Duties of the Cost Allocation Group.** The duties of the Cost Allocation Group shall be to:

4.6.1. Use Sound Engineering Judgment to determine whether each of the Transmission Facilities identified by the Transmission Planning Group is necessary for interconnection or necessary for delivery of energy from NC2 to one or more of the Parties; and

4.6.2. Use Sound Engineering Judgment to determine how to allocate among the Parties the costs associated with the Transmission Facilities.

**4.7. Consensus.** The Cost Allocation Group shall use its best efforts to reach an agreement on all issues. In the event that no agreement has been reached on an issue, the Cost Allocation Group shall vote on the issue. The weight of the vote of each member of the Cost Allocation Group shall be proportionate to such member's NC2 Share. The affirmative vote of greater than 50% of the total of the Parties' NC2 Shares shall constitute the act and decision of the Cost Allocation Group.

**4.8. Dispute Resolution.** Any decision of the Cost Allocation Group shall be considered final and effective thirty (30) Days after receipt of the minutes of the meeting of the Cost Allocation Group at which such decision was made. Any objection to a decision of the Cost Allocation Group shall be made in writing to each of the other Parties and shall include a suggested location and time for a meeting of the Cost Allocation Group to consider such objection. All disputes shall be resolved in accordance with Section 11 of this Agreement.

**4.9. No right to alter or modify.** Notwithstanding any provision of this Agreement, the Cost Allocation Group shall not have the authority to alter, amend, change, modify, add to, or subtract from any provision of this Agreement, take any action inconsistent with the provisions of this Agreement, or take any action which would bind the Participants or OPPD on any matter except as specifically provided in this Agreement.

## **Section 5. Cost Allocation**

**5.1. Transmission Agreement.** All costs incurred by OPPD associated with the drafting and negotiating of this Agreement shall be allocated among the Parties based on their NC2 Shares. All costs incurred by a Participant in connection with the drafting and negotiating of this Agreement shall be the responsibility of such Participant.

**5.2. Transmission Planning Study Costs.** The costs associated with the Contractors hired by OPPD to assist in the Transmission Planning Study shall be allocated among the Parties based on their NC2 Shares. All other costs incurred by OPPD for the Transmission Planning Study shall be the responsibility of OPPD. All costs incurred by a Participant for the Transmission Planning Study or any additional individual study shall be the responsibility of such Participant.

**5.3. Costs for Transmission Facilities Identified as Necessary for**



**Interconnection.** All costs associated with the Transmission Facilities that are necessary for the initial interconnection of NC2, as determined by the Cost Allocation Group pursuant to Section 4.6, shall be allocated among the Parties based on their NC2 Shares. Such costs shall include, but not be limited to, the costs associated with the items set forth on Schedule 5.3 attached hereto, which shall be amended from time to time by OPPD upon notice from the Cost Allocation Group.

**5.4. Costs for Transmission Facilities Identified as Necessary for Delivery.**

All costs associated with the Transmission Facilities that are initially necessary for delivery of energy from NC2 onto and over the OPPD transmission system, as determined by the Cost Allocation Group, shall be allocated among the Parties based on a percentage determined by the Cost Allocation Group pursuant to Section 4.6. Such costs shall include, but not be limited to, the costs associated with the items and the related percentage allocation set forth on Schedule 5.4 attached hereto, which shall be amended from time to time by OPPD based upon notice from the Cost Allocation Group.

**Section 6. Transmission Planning Study and Related Agreements**

**6.1. Transmission Planning Study.** OPPD shall initiate the Transmission Planning Study. The results of the Transmission Planning Study shall be made available to OPPD and all Participants upon its completion.

**6.2. Transmission Facilities Identified as Necessary for Interconnection and/or Deliverability on OPPD's Transmission System.** OPPD shall negotiate with appropriate third parties the terms and conditions of the design, construction and ownership of the Transmission Facilities that are identified as being necessary initially for interconnection and/or deliverability onto and over the OPPD transmission system. Such terms and conditions shall be set forth in separate agreements between OPPD and such third parties, and the costs of such facilities shall be allocated among the Parties by the Cost Allocation Group in accordance

with Sections 5.3 and 5.4.

**6.3. Transmission Facilities Identified as Necessary for Delivery to Particular Participant(s) Beyond OPPD's Transmission System.** Any negotiations relating to the design, construction and ownership of the transmission facilities that are identified as being necessary for delivery to certain Participants, shall be conducted by those certain Participants and the appropriate third parties. Such terms and conditions shall be set forth in separate agreements between such Participant(s) and the appropriate third parties. OPPD shall provide support and assistance to any such Participant(s) as may be reasonably requested by such Participant(s) in connection with the negotiation of such separate agreement. Any Participant that requested such support and assistance from OPPD shall reimburse OPPD for all reasonable costs and expense relating to such support and assistance.

**6.4. Ownership.** No Participant shall have any ownership rights in the Transmission Facilities unless provided otherwise in a separate written agreement.

## **Section 7. Cost Recovery**

**7.1. Transmission Facilities Owned by OPPD.** On the Commercial Operation Date, OPPD shall credit each Participant the amount of its share (as determined in accordance with Section 5) of the Installed Costs of the Transmission Facilities that are owned by OPPD to the respective transmission service account maintained by OPPD for each Participant (collectively, the "Transmission Service Accounts"). Notwithstanding the foregoing, no credit shall be given to a Participant for any amounts not paid by, or financed on behalf of, such Participant. Each Participant's Transmission Service Account would be debited each Month commencing on the Commercial Operation Date by the amount owed by such Participant to OPPD for the delivery of Participation Power to Participant pursuant to the transmission component of any applicable Open Access Transmission Tariff ("OATT"), rate or charge for the delivery of transmission service to such Participant

by OPPD. In the event that a Participant's transmission payments for the delivery of its Participation Power are made instead to any transmission provider acting as OPPD's agent and/or to which OPPD has transferred functional control over OPPD's transmission system ("Successor Transmission Provider") and to the extent that such Successor Transmission Provider did not assume OPPD's credit obligations herein, the amount that OPPD shall debit from the respective Participant's Transmission Service Account and pay to such Participant, shall be the amount paid to OPPD by the Successor Transmission Provider that directly relates to the delivery of the Participation Power to such Participant. After the credit in a Participant's Transmission Service Account has been exhausted, such Participant would begin paying all amounts owed to OPPD (or Successor Transmission Provider) pursuant to any OATT, rate or charge of OPPD (or Successor Transmission Provider). An example of this crediting process is shown in Schedule 7.1. In the event a Participant is not purchasing transmission service from OPPD (or Successor Transmission Provider) for the delivery of its Participation Power, no credit shall be granted to such Participant.

**7.2 Allowance to Participants.** Commencing on the Commercial Operation Date, each Participant shall receive on a monthly basis an allowance equal to the product of: (a) the effective monthly rate of the seven (7) year AAA Municipal Bond annual rate (as determined by OPPD) established using the due date set forth in the first Funding Notice (as hereinafter defined) for the initial Transmission Costs multiplied by (b) the then current balance of the Transmission Service Account (the "Allowance"). OPPD shall calculate and credit the Allowance to the Transmission Service Account on the Commercial Operation Date and the first of each Month thereafter. In the event that a Participant is not receiving transmission service from OPPD (or Successor Transmission Provider) for the delivery of its Participation Power, such Participant shall no longer receive or be entitled to the Allowance set forth in this Section 7.2.

**7.3. Transmission Facilities Not Owned by OPPD.** Notwithstanding

anything herein to the contrary, no Participant shall be entitled to a credit as set forth in Section 7.1. for any Transmission Facilities not owned by OPPD.

### **Section 8. Funding for Transmission Costs**

Each Party shall be responsible and liable for its share of costs of the Transmission Facilities, preparation of this Agreement, the Transmission Planning Study and the Carrying Costs (collectively, the "Transmission Costs"), all as determined pursuant to Section 5 by the Cost Allocation Group. While OPPD intends to issue Separate System Bonds to finance the share of Transmission Costs allocable to the Participants, OPPD will allow each Participant the option to finance all or a portion of its share of the Transmission Costs. OPPD shall provide each Participant with written notices (each a "Funding Notice") stating the amount needed, the date that such amount is due and the date that such Participant must provide written notice (each a "Self-funding Notice") to OPPD of its decision to finance all or a portion of such Participant's share of the Transmission Costs. Participant shall pay such amount in immediately available funds on such date indicated in the relevant Funding Notice. All amounts paid by a Participant shall be considered a prepayment of the Transmission Costs. In the event that Participant does not provide OPPD with a Self-funding Notice or does not pay the amount required by the close of business on the date indicated in the relevant Funding Notice, OPPD shall automatically, without allowing a Participant any opportunity to cure, include such Participant's unfinanced share of its Transmission Costs in its issuance of the Separate System Bonds. In the event that a Participant finances a portion or all of its share of the Transmission Costs, the amount paid by such Participant to OPPD shall be retained by OPPD in an interest-bearing account until such amounts are used to pay for such Participant's share of the Transmission Costs. The interest on such account shall be used to pay such Participant's share of the Transmission Costs or applied to payment of other amounts payable by Participant to OPPD hereunder. Participant hereby agrees to be bound by the

terms and conditions of the PPA which relate to the Separate System Bonds, including, but not limited to, Sections 2, 8, 9, 14, 16, 17 and 21.

## **Section 9. Compensation and Billing**

**9.1. Compensation.** Each Participant shall pay to OPPD the Participant's share of the reasonable, actual costs incurred by OPPD related to its performance of this Agreement that have not been financed under Section 8 ("OPPD Costs"), and such costs shall be allocated in accordance with Section 5.

**9.2. Payments by Participant.** Any and all payments by the Participants to OPPD hereunder shall not be subject by any Participant to any reduction, whether by offset, recoupment or otherwise.

**9.3. General Billing.** In the event that there are any OPPD Costs, OPPD shall have the right to prepare a billing statement(s) for such OPPD Costs, and shall deliver such billing statement(s) to Participant in an expeditious manner (e.g. by telefax). Participant shall pay the amounts set forth in any billing statement on or before thirty (30) Days following the date of the applicable billing statement or, at Participant's option, such amount shall be paid in monthly installments amortized over a period of one (1) year, which amounts shall accrue interest at the Interest Rate. Interest on unpaid balances from the due date set forth in the applicable billing statement to the date upon which payment is made shall accrue at the Interest Rate.

**9.4. Right of Offset.** OPPD shall have the right to reduce any amounts owed to the Participants by OPPD by the amount of any sums owed to OPPD by such Participant, whether by offset, recoupment or otherwise.

**9.5. Disputed Statement.** In case any portion of any Billing Statement shall be the subject of a bona fide dispute, the Participant shall pay OPPD the full amount of such statement, and, upon determination of the correct amount, the

difference between such correct amount and such full amount, if any, plus interest at the Interest Rate for the period between when it was paid and when the credit is provided, will be credited to Participant by OPPD after such determination. All billing disputes shall be resolved in accordance with Section 11 of this Agreement.

### **Section 10. Transmission Service**

As of the date hereof, pursuant to OPPD's current OATT, each Participant has submitted to OPPD a request(s) for firm transmission service relating to the transmission of Participant's Participation Power (each a "Transmission Service Request"). Each Participant's Transmission Service Request includes the information required by Section 18.2 of the OATT, including identification of the term of the requested transmission service under the OATT. After completion of the Transmission Planning Study, including successful resolution of all outstanding Transmission Planning Study issues (as reasonably determined by OPPD in its sole discretion), OPPD shall enter into a transmission service agreement with each Participant substantially in the form of Attachment A or Attachment F to the OATT, as applicable, (a "Service Agreement"). The validity and effectiveness of each Participant's Service Agreement shall be subject to and contingent upon (i) the provisions of the current OATT and, as applicable, any future transmission tariff or rate, (ii) the Participant's payment of its share of all costs pursuant to Sections 8 and 9 of this Agreement, (iii) the Participant's payment of all charges under and compliance with all provisions of OPPD's current OATT and any future transmission tariff or rate, and (iv) the construction of all Transmission Facilities identified pursuant to Sections 5.3 and 5.4 of this Agreement.

### **Section 11. Dispute Resolution and Statute of Limitations**

**11.1 Dispute Resolution.** In the event of a dispute under this Agreement, the following shall occur:

11.1.1. All questions of fact, and any and all disputes with references thereto, arising out of the performance of this Agreement, or changes therein, or work in connection therewith, shall initially be submitted to OPPD for decision.

11.1.2. In the event that Participant disagrees with OPPD's decision, a senior executive of OPPD and a senior executive of Participant shall immediately confer, discuss and review OPPD's decision.

11.1.3. In the event that the meeting referred to in Section 11.1.2. fails to resolve the dispute between the parties, OPPD's decision shall be conclusive on the parties hereto, unless thereafter determined by a Governmental Authority to be unsupported by Law and/or substantial evidence. In that regard, Participant may pursue all remedies available at law or in equity, specifically excluding termination of this Agreement.

Pending final decision of any dispute hereunder, Participant shall proceed with its obligations and performance in accordance with the written decision of OPPD. No arbitration shall be allowed under this Agreement.

**11.2. Limitation on Time Period for Claims.** Any claim against OPPD for a billing adjustment or for any other claim shall be limited to the twenty-four (24) Months immediately preceding the date such claim or error is raised by Participant whether or not such error or claim was discoverable. OPPD shall retain records and accounts relating to this Agreement for a period of at least twenty-four (24) Months.

## **Section 12. Default and Remedies**

**12.1. Default.** A default shall occur under this Agreement if: (a) in the case of a failure by a Party to pay any amount when due under this Agreement or any billing statement, a Party fails to pay such amount within five (5) Days after written notice of OPPD specifying such breach; or (b) in the case of any other

material breach of this Agreement, a Party fails to cure such breach within thirty (30) Days; or (c) either of the following occurs (i) a Party makes a general assignment for the benefit of its creditors, files a voluntary petition in bankruptcy or any petition or answer seeking, consenting to, or acquiescing in reorganization, arrangement, adjustment, composition, liquidation, dissolution or similar relief, or (ii) an involuntary petition in bankruptcy or other insolvency protection is filed against a Party and not dismissed within one-hundred twenty (120) Days thereafter.

**12.2. Remedies for Default.** In the event of any default hereunder, the non-defaulting Party may avail itself of one of more of the following remedies:

12.2.1. take such action as it determines, in its sole discretion, necessary to correct such default and the defaulting Party shall be responsible for all costs associated with the correction of such default;

12.2.2. terminate this Agreement with respect to such defaulting Party (only by OPPD and only if OPPD is a non-defaulting Party); and/or

12.2.3. pursue any legal remedies it may have under applicable law or principles of equity, including specific performance.

### **Section 13. Governmental Approvals**

The obligation of OPPD to perform under this Agreement shall be subject to OPPD obtaining and continuing to receive all necessary Governmental Approvals from the Government Authorities.

### **Section 14. Waivers**



Any waiver at any time by any Party of its rights with respect to any default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any other default or matter.

### **Section 15. Notices**

Any notice or demand under or required by this Agreement shall be in writing and shall be given in accordance with and sent to the addresses set forth in Schedule 15.

### **Section 16. Indemnification and Limitation of Liability**

**16.1. Indemnity of OPPD.** To the extent permitted by law, each Participant expressly agrees to indemnify, hold harmless and defend OPPD against any and all claims, liability, costs or expenses (including without limitation attorneys' fees and expenses) for loss, damage or injury to persons or property in any manner directly or indirectly connected with or growing out of OPPD's performance under this Agreement, unless such loss, damage or injury is the result of bad faith, gross negligence, or reckless or willful misconduct of OPPD or its employees acting within the course and scope of their employment.

**16.2. Right of Contribution.** To the extent that a Participant has made a payment on behalf of one or more Participants under this Agreement, a Participant shall have the right of contribution and reimbursement from such Participant(s).

**16.3. No Consequential Damages.** To the fullest extent permitted by Law and notwithstanding anything to the contrary herein, in no event shall any Party be liable to any other Party for punitive, indirect, exemplary, consequential, or incidental damages including, without limitation, claims of customers of the

indemnified Party arising in connection with this Agreement.

## **Section 17. Confidential Information**

**17.1. Use of Confidential Information.** During the course of this Agreement, the Parties may disclose to each other certain Confidential Information, by either oral or written communications. These disclosures will be made upon the basis of the confidential relationship between the Parties, and unless specifically authorized in writing by the other, the Parties will:

17.1.1. Use such Confidential Information solely for purposes contemplated by this Agreement; and

17.1.2. Promptly return to each other, upon request, any and all tangible material concerning such Confidential Information, including all copies and notes, or destroy the same and provide the other Party with a written statement that such destruction has occurred. Under no circumstances shall any Confidential Information or copy thereof be retained, except with the express written approval of the owner of such Confidential Information.

### **17.2. Nondisclosure.**

17.2.1. Each Party agrees that it will use reasonable care to prevent unauthorized disclosure of Confidential Information. No Party will make any copies of Confidential Information that is in written or other tangible form except for use by authorized Persons with a need to know in connection with this Agreement, and all Persons having access to Confidential Information shall agree to comply with the terms of this Agreement.

17.2.2. Each Party agrees not to distribute, disclose or disseminate Confidential Information in any way to anyone, except Persons who have such need to know, or use Confidential Information for its own purpose. Each Party agrees that its disclosure of Confidential Information to a Person who has a need to know shall be limited to only so much of the Confidential Information as is necessary for that Person to perform his/her function in connection with the Confidential Information.

**17.3. Exceptions.** The obligations imposed in this Section shall not apply to Confidential Information:

17.3.1. Which becomes available to the public through no wrongful act of the receiving Party;

17.3.2. Which may be published or otherwise made available to the public prior to the date hereof;

17.3.3. Which is received from a third party without restriction known to the receiving Party and without breach of this Agreement;

17.3.4. Which is independently developed by the receiving Party;  
or

17.3.5. Which must be disclosed pursuant to any Law (including, but not limited to, the Nebraska Public Meetings Law and the Nebraska Public Records Act, Neb. Rev. Stat. § 84-712.01 et seq.). If disclosure is requested or demanded as to Confidential Information pursuant to any Law, the Party receiving the request or demand shall provide the owner of such Confidential Information with prompt notice to enable the owner to seek protective legal remedies, and the receiving Party shall reasonably cooperate in connection therewith.

## **Section 18. Miscellaneous**

**18.1. Amendments.** This Agreement may be amended only by written agreement between OPPD and the Participants.

**18.2. Entire Agreement/Order of Precedence.** This Agreement, together with the PPA, constitute the entire agreement between the Parties hereto relating to the subject matter contemplated by this Agreement and supersedes all other prior agreements, whether oral or written. In the event of any conflict between the terms of this Agreement and the terms of the PPA, the terms of the PPA shall control.

**18.3. Counterparts.** This Agreement may be executed in multiple counterparts to be construed as one.

**18.4. Severability.** If any part, term or provision of this Agreement is held by a Governmental Authority to be unenforceable, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular part, term, or provision held to be unenforceable, and a new provision shall be deemed to be substituted in lieu of the provision so severed which new provision shall, to the extent possible, accomplish the intent of the Parties hereto as evidenced by the provision so severed.

**18.5. Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Nebraska without regard to conflict of law principles.

**18.6. Jurisdiction.** In the event any Party to this Agreement commences a Legal Proceeding in connection with or relating to this Agreement, the Parties

hereby:

18.6.1. Agree under all circumstances absolutely and irrevocably to institute any Legal Proceeding in a court of competent jurisdiction located within the State of Nebraska, whether a state or federal court;

18.6.2. Agree that in the event of any Legal Proceeding, the Parties will consent and submit to the personal jurisdiction of any such court located in Nebraska; and

18.6.3. Agree to waive to the full extent permitted by Law any objection that they may now or hereafter have to the venue of any such Legal Proceeding or that any such Legal Proceeding was brought in any inconvenient forum.

**18.7. Assignment.** This Agreement may not be assigned by any Party, without the prior written consent of all Parties hereto, which consent shall not be unreasonably withheld; provided, however, that OPPD shall have the right to assign its interest without prior written consent to any independent transmission system operator. In the event that OPPD enters into a final agreement with an independent transmission system operator, OPPD shall use commercially reasonable efforts to ensure that OPPD's rights and obligations under this Agreement are assumed by such independent transmission system operator or, if those rights and obligations are not assumed by such independent transmission system operator and to the extent allowed under applicable law, OPPD will retain its crediting obligations as set forth in Section 7 of this Agreement.

**18.8. No Third Party Beneficiaries.** OPPD and the Participants agree that no other parties are an intended third-party beneficiary of this Agreement.

**18.9. Independent Contractors.** Nothing in this Agreement shall be

construed as creating any relationship between the Parties, including any partnership or joint venture, other than that of independent contractors. Nothing in this Agreement nor any action taken hereunder shall be construed to create any duty, liability or standard of care to any person not a party to this Agreement. No party shall be empowered, except as expressly stated herein, to act as any other Party's agent or to represent to any third party that it has the ability to bind any other Party, without the express permission of the Party to be bound.

**18.10. Effective Date.** The Effective Date of this Agreement shall be

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**18.11. Rules of Construction.**

18.11.1. The descriptive headings of the various articles, sections and subsections of this Agreement have been inserted for convenience of reference only and shall not be construed as to define, expand, or restrict the rights and obligations of the Parties.

18.11.2. Wherever the term “including” is used in this Agreement, such term shall not be construed as limiting the generality of any statement, clause, phrase or term.

18.11.3. The terms defined in this Agreement shall include the plural as well as the singular and the singular as well as the plural.

18.11.4. Whenever a statute, code, regulation is used in this Agreement, such term shall also include all successor statutes, codes and regulations.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to

be executed by their duly authorized representatives and their corporate seals affixed hereto the day and year first above written.

ATTEST:

OMAHA PUBLIC POWER DISTRICT

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

NEBRASKA PUBLIC POWER DISTRICT

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

CITY OF INDEPENDENCE,  
MISSOURI

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

CENTRAL MINNESOTA  
MUNICIPAL POWER AGENCY

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

CITY OF FALLS CITY

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ATTEST:

CITY OF GRAND ISLAND,  
NEBRASKA

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ATTEST:

MISSOURI JOINT MUNICIPAL  
ELECTRIC UTILITY COMMISSION

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ATTEST:

CITY OF NEBRASKA CITY,  
NEBRASKA

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: \_\_\_\_\_



**SCHEDULE 1**  
**DEFINITIONS**

1. “Affiliate” means, with respect to either Party, any other Person (other than an individual) that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. For this purpose “control” means the direct or indirect ownership interest of more than fifty percent (50%) of the outstanding capital stock or other equity interests having ordinary voting power.

2. “Business Day” means a day on which the Federal Reserve Member Banks in New York City are open for business; and a Business Day shall open at 8:00 A.M. and close at 5:00 P.M. local time in Omaha, Nebraska.

3. “Carrying Costs” means interest accrued at the rate of OPPD's cost of capital, as determined by OPPD, on all Transmission Costs paid by OPPD from the date paid by OPPD through the date of payment by a Participant.

4. “Commercial Operation Date” means 12:01 a.m. on the first Day of the Month following the Day when NC2 is ready to deliver power and energy, and the same has been tested and, in the sole opinion of OPPD, is ready to be placed in continuous normal operation. OPPD will notify each Participant when the Commercial Operation Date of NC2 has been determined.

5. “Confidential Information” means information about the real, personal and intellectual properties, finances, operations, development strategies, business plans and other business information of each Party and any Affiliates, which is designated as “Confidential” in accordance with Section 17. Confidential information, when disclosed in written, machine readable, or other tangible form by one Party to the other Party, shall be clearly marked as “Confidential.” Information which is disclosed orally and is promptly followed by a written summary of the oral

disclosure which identifies the material as “Confidential” shall be treated as Confidential Information and used only according to the terms of Section 17.

6. “Contractor” means one or more independent contractors, independent consultants and/or independent engineers retained by the Parties to perform under the Agreement or the Transmission Planning Study.

7. “Cost Allocation Group” means the group formed by OPPD and the Participants in accordance with Section 4 hereof.

8. “Day” means a calendar day.

9. “Governmental Approval” means any authorization, consent, approval, license, ruling, permit, exemption, variance, order, judgment, decree, guidance, policies or declaration of or regulation by any Governmental Authority relating to the acquisition, development, ownership, occupation, construction, start-up, testing, operation, decommissioning or maintenance of NC2 and/or the Transmission Facilities, or the execution, delivery or performance of this Agreement.

10. “Governmental Authority” means any municipal, local, state, regional or federal administrative, legal, judicial or executive agency, court, commission, department or other such entity of competent jurisdiction, but excluding any such agency, court, commission, department or other such entity acting in its capacity as lender or guarantor.

11. “Installed Costs” means all costs associated with the Transmission Facilities that are used in OPPD's calculation of the OPPD OATT, all determined by OPPD in its sole discretion.

12. “Interest Rate” means the Prime Rate plus two percent (2%), or the maximum rate permitted by applicable Law, whichever is less.

13. “Law” means any law, code, statute, regulation, writ, decree, rule, ordinance, resolution, judgment, injunction, order or other legal or regulatory requirement of a Governmental Authority having jurisdiction over the matter in question, which is valid and applicable to the matter in question (i) at the time of the execution of this Agreement, as amended from time to time, or (ii) anytime thereafter during the term of this Agreement.

14. “Legal Proceeding” means any suit, proceeding, judgment, ruling or order by or before any Governmental Authority.

15. “Month” means a calendar month, commencing at the beginning of the first Day of such calendar month. “Monthly” has a meaning correlative to that of “Month”.

16. “MW” means, in the singular context, one megawatt, and in the plural context, megawatts.

17. “NC2 Share” means the following for the respective Party:

- a.) Falls City = .83%
- b.) Grand Island = 5.00%
- c.) Independence = 8.33%
- d.) MJMEUC = 8.33%
- e.) Nebraska City = 1.67%
- f.) NPPD = 23.67%
- g.) CMMPA = 2.17%
- h.) OPPD = 50.00%

The above percentages for the Parties may be adjusted in accordance with the PPA.

18. “Net Maximum Generating Capability” means the maximum amount

of power in megawatts (as measured by industry standard testing mechanisms) that NC2 can produce at any time under the operating conditions which exist at that time after deductions for power utilized for station service.

19. “Participation Power” means, for each Participant, that Participant’s NC2 Share of NC2’s Net Maximum Generating Capability.

20. “Person” means any individual, corporation, partnership, joint venture, trust, unincorporated organization, Governmental Authority or other entity.

21. “Prime Rate” means for any date, the per annum rate of interest announced by the Wall Street Journal Midwest Edition in the Money Rates Section as its “prime” rate for commercial loans, effective for such date. If the date is a Saturday, Sunday or holiday, then the Prime Rate shall be the prime rate for the first Business Day following such date. If the prime rate shall not be published for any reason, the Prime Rate will be a comparable substitute interest rate designated by OPPD.

22. “Separate System Bonds” means the bonds which OPPD intends to issue to finance the portion of the NC2 construction costs and capitalized interest allocable to Participant and the Other Participants which has not been financed by Participant or the Other Participants. OPPD reserves the right to issue additional bonds anytime during the term of the PPA for capital improvements or other expenses allocable to a Participant under this Agreement or the PPA, and such additional bonds shall be deemed a part of the Separate System Bonds. Nothing in this Agreement or the PPA, shall prohibit a Participant from issuing any type of bonds on its own behalf, whether to finance its obligations hereunder or otherwise. OPPD intends to structure the Separate System Bonds and the OPPD Bonds (as defined in the PPA) in a similar manner, and OPPD will furnish to Participant a copy of the indenture for the Separate System Bonds.

23. “Sound Engineering Judgment” means a decision based upon the practices, methods and acts engaged in or approved by a significant portion of the engineering industry at the time of such decision.

24. “Transmission Facilities” mean the facilities identified by the Transmission Planning Group, whether owned by OPPD or an affected-third party system, as being necessary initially for the interconnection of NC2 to the Transmission System and/or delivery of energy from NC2 onto and over the OPPD transmission system, all as determined by the Cost Allocation Group.

25. “Transmission Planning Group” means the group already formed by the Participants and OPPD to perform the Transmission Planning Study.

26. “Transmission Planning Study” means the collective studies performed by the Transmission Planning Group for the purpose of identifying the Transmission Facilities.

27. “Transmission System” means the facilities that are used in connection with or that otherwise relate to the transmission of electrical energy from NC2.

**SCHEDULE 5.3**  
**INTERCONNECTION FACILITIES**

<u>Project ID</u>	<u>Description</u>
TDPNC2	NC2 Related Work at S3458/1258
TDPNC2PB	NC2 Related Work at Wagener (LES)
TDPNC2PC	NC2 Related Work at Cooper (NPPD)
TDPNC2PE	NC2 Related Work on C3440 (S3458 – Cooper)
TDPNC2PF	NC2 Related Work at SE Lincoln (LES)
TDPNC2TL	NC2 Transmission Line (S3458 – SE Lincoln)

**SCHEDULE 5.4  
DELIVERY FACILITIES**

<u>Project ID</u>	<u>Description</u>	
	<u>Party</u>	<u>Cost Allocation</u>
TDPNC2PA	NC2 Related Work at S3455/1255	
	OPPD	100.00%
	NPPD	0.00%
	Independence	0.00%
	MJMEUC	0.00%
	Grand Island	0.00%
	CMMPA	0.00%
	Nebraska City	0.00%
	Falls City	0.00%
TDPNC2PD	NC2 Related Work on C1550 (S1255 – S1221)	
	OPPD	100.00%
	NPPD	0.00%
	Independence	0.00%
	MJMEUC	0.00%
	Grand Island	0.00%
	CMMPA	0.00%
	Nebraska City	0.00%
	Falls City	0.00%
TDPNC2PH	NC2 Related Work on Cooper South (OPPD, NPPD & Aquila)	
	OPPD	20.50%
	NPPD	15.18%
	Independence	31.78%
	MJMEUC	26.77%
	Grand Island	2.35%
	CMMPA	2.45%
	Nebraska City	0.50%
	Falls City	0.47%

**SCHEDULE 7.1**

**EXAMPLE OF TRANSMISSION CREDIT**

Total Cost of Transmission Facilities = \$70,000,000

Less: Cost of Transmission Facilities Not Owned by OPPD = \$10,000,000

Cost of Transmission Facilities Owned by OPPD = \$60,000,000

Cost of Transmission Facilities Owned by OPPD allocated to Participant A = \$5,000,000

Participant A's Transmission Service Account starting balance = \$5,000,000

Assumed Annual Interest Rate for calculating Allowance = 4%

Below is an example of how Participant A's Transmission Service Account balance would be credited monthly with the Allowance, and debited monthly in an amount equal to Participant A's OPPD OATT Transmission charges for delivery of its Participation Power. Every month Participant A would pay the OPPD OATT bill for ancillary services. After the Transmission Service Account was exhausted Participant A would also pay the OPPD OATT bill for transmission services.

Month	Balance	Allowance	Total OATT Charges (Trans. + Anc.)	OATT Transmission Charges	OATT Bill
1	\$ 5,000,000	\$ 16,667	\$ 80,000	\$ 60,000	\$ 20,000
2	\$ 4,956,667	\$ 16,522	\$ 93,000	\$ 70,000	\$ 23,000
3	\$ 4,903,189	\$ 16,344	\$ 107,000	\$ 80,000	\$ 27,000
4	\$ 4,839,533	\$ 16,132	\$ 80,000	\$ 60,000	\$ 20,000
5	\$ 4,795,665	\$ 15,986	\$ 93,000	\$ 70,000	\$ 23,000
6	\$ 4,741,650	\$ 15,806	\$ 107,000	\$ 80,000	\$ 27,000
7	\$ 4,677,456	\$ 15,592	\$ 80,000	\$ 60,000	\$ 20,000
8	\$ 4,633,047	\$ 15,443	\$ 93,000	\$ 70,000	\$ 23,000
9	\$ 4,578,491	\$ 15,262	\$ 107,000	\$ 80,000	\$ 27,000
10	\$ 4,513,752	\$ 15,046	\$ 80,000	\$ 60,000	\$ 20,000
11	\$ 4,468,798	\$ 14,896	\$ 93,000	\$ 70,000	\$ 23,000
12	\$ 4,413,694	\$ 14,712	\$ 107,000	\$ 80,000	\$ 27,000
13	\$ 4,348,406	\$ 14,495	\$ 80,000	\$ 60,000	\$ 20,000
14	\$ 4,302,901	\$ 14,343	\$ 93,000	\$ 70,000	\$ 23,000
15	\$ 4,247,244	\$ 14,157	\$ 107,000	\$ 80,000	\$ 27,000
16	\$ 4,181,402	\$ 13,938	\$ 80,000	\$ 60,000	\$ 20,000
17	\$ 4,135,340	\$ 13,784	\$ 93,000	\$ 70,000	\$ 23,000
18	\$ 4,079,124	\$ 13,597	\$ 107,000	\$ 80,000	\$ 27,000
19	\$ 4,012,721	\$ 13,376	\$ 80,000	\$ 60,000	\$ 20,000
20	\$ 3,966,097	\$ 13,220	\$ 93,000	\$ 70,000	\$ 23,000
21	\$ 3,909,317	\$ 13,031	\$ 107,000	\$ 80,000	\$ 27,000
22	\$ 3,842,348	\$ 12,808	\$ 80,000	\$ 60,000	\$ 20,000
23	\$ 3,795,156	\$ 12,651	\$ 93,000	\$ 70,000	\$ 23,000
24	\$ 3,737,807	\$ 12,459	\$ 107,000	\$ 80,000	\$ 27,000
25	\$ 3,670,266	\$ 12,234	\$ 80,000	\$ 60,000	\$ 20,000
26	\$ 3,622,500	\$ 12,075	\$ 93,000	\$ 70,000	\$ 23,000
27	\$ 3,564,575	\$ 11,882	\$ 107,000	\$ 80,000	\$ 27,000
28	\$ 3,496,457	\$ 11,655	\$ 80,000	\$ 60,000	\$ 20,000
29	\$ 3,448,112	\$ 11,494	\$ 93,000	\$ 70,000	\$ 23,000
30	\$ 3,389,606	\$ 11,299	\$ 107,000	\$ 80,000	\$ 27,000
31	\$ 3,320,904	\$ 11,070	\$ 80,000	\$ 60,000	\$ 20,000
32	\$ 3,271,974	\$ 10,907	\$ 93,000	\$ 70,000	\$ 23,000
33	\$ 3,212,881	\$ 10,710	\$ 107,000	\$ 80,000	\$ 27,000
34	\$ 3,143,590	\$ 10,479	\$ 80,000	\$ 60,000	\$ 20,000
35	\$ 3,094,069	\$ 10,314	\$ 93,000	\$ 70,000	\$ 23,000
36	\$ 3,034,382	\$ 10,115	\$ 107,000	\$ 80,000	\$ 27,000
37	\$ 2,964,497	\$ 9,882	\$ 80,000	\$ 60,000	\$ 20,000
38	\$ 2,914,379	\$ 9,715	\$ 93,000	\$ 70,000	\$ 23,000
39	\$ 2,854,093	\$ 9,514	\$ 107,000	\$ 80,000	\$ 27,000
40	\$ 2,783,607	\$ 9,279	\$ 80,000	\$ 60,000	\$ 20,000
41	\$ 2,732,886	\$ 9,110	\$ 93,000	\$ 70,000	\$ 23,000
42	\$ 2,671,995	\$ 8,907	\$ 107,000	\$ 80,000	\$ 27,000
43	\$ 2,600,902	\$ 8,670	\$ 80,000	\$ 60,000	\$ 20,000
44	\$ 2,549,572	\$ 8,499	\$ 93,000	\$ 70,000	\$ 23,000
45	\$ 2,488,070	\$ 8,294	\$ 107,000	\$ 80,000	\$ 27,000
46	\$ 2,416,364	\$ 8,055	\$ 80,000	\$ 60,000	\$ 20,000
47	\$ 2,364,418	\$ 7,881	\$ 93,000	\$ 70,000	\$ 23,000
48	\$ 2,302,300	\$ 7,674	\$ 107,000	\$ 80,000	\$ 27,000

Month	Balance	Allowance	Total OATT Charges (Trans. + Anc.)	OATT Transmission Charges	OATT Bill
49	\$ 2,229,974	\$ 7,433	\$ 80,000	\$ 60,000	\$ 20,000
50	\$ 2,177,407	\$ 7,258	\$ 93,000	\$ 70,000	\$ 23,000
51	\$ 2,114,665	\$ 7,049	\$ 107,000	\$ 80,000	\$ 27,000
52	\$ 2,041,714	\$ 6,806	\$ 80,000	\$ 60,000	\$ 20,000
53	\$ 1,988,520	\$ 6,628	\$ 93,000	\$ 70,000	\$ 23,000
54	\$ 1,925,148	\$ 6,417	\$ 107,000	\$ 80,000	\$ 27,000
55	\$ 1,851,565	\$ 6,172	\$ 80,000	\$ 60,000	\$ 20,000
56	\$ 1,797,737	\$ 5,992	\$ 93,000	\$ 70,000	\$ 23,000
57	\$ 1,733,730	\$ 5,779	\$ 107,000	\$ 80,000	\$ 27,000
58	\$ 1,659,509	\$ 5,532	\$ 80,000	\$ 60,000	\$ 20,000
59	\$ 1,605,041	\$ 5,350	\$ 93,000	\$ 70,000	\$ 23,000
60	\$ 1,540,391	\$ 5,135	\$ 107,000	\$ 80,000	\$ 27,000
61	\$ 1,465,525	\$ 4,885	\$ 80,000	\$ 60,000	\$ 20,000
62	\$ 1,410,410	\$ 4,701	\$ 93,000	\$ 70,000	\$ 23,000
63	\$ 1,345,112	\$ 4,484	\$ 107,000	\$ 80,000	\$ 27,000
64	\$ 1,269,596	\$ 4,232	\$ 80,000	\$ 60,000	\$ 20,000
65	\$ 1,213,827	\$ 4,046	\$ 93,000	\$ 70,000	\$ 23,000
66	\$ 1,147,874	\$ 3,826	\$ 107,000	\$ 80,000	\$ 27,000
67	\$ 1,071,700	\$ 3,572	\$ 80,000	\$ 60,000	\$ 20,000
68	\$ 1,015,272	\$ 3,384	\$ 93,000	\$ 70,000	\$ 23,000
69	\$ 948,656	\$ 3,162	\$ 107,000	\$ 80,000	\$ 27,000
70	\$ 871,819	\$ 2,906	\$ 80,000	\$ 60,000	\$ 20,000
71	\$ 814,725	\$ 2,716	\$ 93,000	\$ 70,000	\$ 23,000
72	\$ 747,440	\$ 2,491	\$ 107,000	\$ 80,000	\$ 27,000
73	\$ 669,932	\$ 2,233	\$ 80,000	\$ 60,000	\$ 20,000
74	\$ 612,165	\$ 2,041	\$ 93,000	\$ 70,000	\$ 23,000
75	\$ 544,206	\$ 1,814	\$ 107,000	\$ 80,000	\$ 27,000
76	\$ 466,020	\$ 1,553	\$ 80,000	\$ 60,000	\$ 20,000
77	\$ 407,573	\$ 1,359	\$ 93,000	\$ 70,000	\$ 23,000
78	\$ 338,932	\$ 1,130	\$ 107,000	\$ 80,000	\$ 27,000
79	\$ 260,061	\$ 867	\$ 80,000	\$ 60,000	\$ 20,000
80	\$ 200,928	\$ 670	\$ 93,000	\$ 70,000	\$ 23,000
81	\$ 131,598	\$ 439	\$ 107,000	\$ 80,000	\$ 27,000
82	\$ 52,037	\$ 173	\$ 80,000	\$ 60,000	\$ 27,790
83	\$ -	\$ -	\$ 93,000	\$ 70,000	\$ 93,000
84	\$ -	\$ -	\$ 107,000	\$ 80,000	\$ 107,000
85	\$ -	\$ -	\$ 80,000	\$ 60,000	\$ 80,000
86	\$ -	\$ -	\$ 93,000	\$ 70,000	\$ 93,000
87	\$ -	\$ -	\$ 107,000	\$ 80,000	\$ 107,000
88	\$ -	\$ -	\$ 80,000	\$ 60,000	\$ 80,000
89	\$ -	\$ -	\$ 93,000	\$ 70,000	\$ 93,000
90	\$ -	\$ -	\$ 107,000	\$ 80,000	\$ 107,000
91	\$ -	\$ -	\$ 80,000	\$ 60,000	\$ 80,000
92	\$ -	\$ -	\$ 93,000	\$ 70,000	\$ 93,000
93	\$ -	\$ -	\$ 107,000	\$ 80,000	\$ 107,000
94	\$ -	\$ -	\$ 80,000	\$ 60,000	\$ 80,000
95	\$ -	\$ -	\$ 93,000	\$ 70,000	\$ 93,000
96	\$ -	\$ -	\$ 107,000	\$ 80,000	\$ 107,000



**SCHEDULE 15**

**NOTICE ADDRESSES**

Omaha Public Power District  
Attn: Division Manager – Finance  
444 South 16<sup>th</sup> Street Mall  
Omaha, Nebraska 68203  
Fax: (402) 636-3624

City of Independence Missouri Power  
and Light Department  
Attn: Power & Light Director  
21500 East Truman Road  
Independence, Missouri 64056  
Fax: (816) 325-7470

Central Minnesota Municipal  
Power Agency  
Attn: Power Supply Manager  
459 South Grove Street  
Blue Earth, Minnesota 56013  
Fax: (507) 526-2527

Missouri Joint Municipal Electric  
Utility Commission  
Attn: Mr. John Grotzinger, Exec.  
Director for Engineering & Operations  
2407 West Ash  
Columbia, Missouri 65203-0045  
Fax: (573) 445-0680

City of Falls City Utility Department  
Attn: Mr. Martin Gist  
P. O. Box 158  
Falls City, Nebraska 68355  
Fax: (402) 245-2741

City of Nebraska City, Nebraska  
Nebraska City Utilities  
Attn: General Manager  
P.O. Box 670  
Nebraska City, Nebraska 68410  
Fax: (402) 873-5397

City of Grand Island, Nebraska  
Attn: Gary Mader, Utilities Director  
100 East First Street  
P. O. Box 1968  
Grand Island, Nebraska 68802-1968  
Fax: (308) 385-5488

Nebraska Public Power District  
Attn: Joseph Moore, Vice-President  
1414 15<sup>th</sup> Street  
Columbus, Nebraska 68602-0499  
Fax: (402) 563-5145

R E S O L U T I O N 2006-190

WHEREAS, on October 14, 2003, by Resolution 2003-279, the City Council of the City of Grand Island approved a Power Participation Agreement between the City of Grand Island and Omaha Public Power District (OPPD) to obtain a 5% share of energy production from Omaha Public Power District's Nebraska City Unit #2 power plant; currently under construction; and

WHEREAS, a Transmission Planning Study has been conducted to identify the transmission facilities necessary to accommodate interconnection and delivery of up to 700 MW net output from Nebraska City Unit #2 to the plant participants; and

WHEREAS, the plant participants desire to enter into an agreement with OPPD to address the cost allocation, payment and cost recovery of the Transmission Planning Study and the necessary transmission facility upgrades; and

WHEREAS, the proposed NC2 Transmission Facilities Cost Agreement has been reviewed and approved by the City Attorney.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Nebraska City Unit #2 Transmission Facilities Cost Agreement between the City and Omaha Public Power District is hereby approved; and the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, July 11, 2006.

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Jay Vavricek, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 6, 2006	☐ City Attorney