

MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
NEBRASKA PUBLIC POWER DISTRICT
FEBRUARY 8, 2012

(Marginal Index for Informational Purposes Only)

A special meeting of the Board of Directors of Nebraska Public Power District was held at the Holiday Inn Express, Columbus, Nebraska, beginning at 8:36 a.m. on Wednesday, February 8, 2012. The purpose of the meeting was to discuss business matters related to strategic planning and the Generation Options Analysis Initiative.

In compliance with state law, legal notice announcing the date, hour, location and availability of agenda for the meeting was published in advance of the meeting in the following newspapers:

- (1) Columbus Telegram, Columbus, Nebraska;
- (2) Kearney Hub, Kearney, Nebraska;
- (3) Lincoln Journal Star, Lincoln, Nebraska;
- (4) Norfolk Daily News, Norfolk, Nebraska;
- (5) North Platte Telegraph, North Platte, Nebraska;
- (6) Omaha World-Herald, Omaha, Nebraska;
- (7) Scottsbluff Star-Herald, Scottsbluff, Nebraska
- (8) York News-Times, York, Nebraska.

Chairman Larsen called the meeting to order at 8:36 a.m. and directed the roll be called:

Present: Jerry L. Chlopek, Virgil L. Froehlich, Thomas J. Hoff, Ken Kunze, Ronald W. Larsen, Larry E. Linstrom, Dennis L. Rasmussen, Edward J. Schrock, Gary G. Thompson

Absent: Wayne E. Boyd, Mary A. Harding

constituting a quorum of the Board of Directors.

Two external consultants supporting the Generation Options Analysis Initiative were also in attendance: Skip Laitner of Economic and Human Dimensions Research Associates, and Robert Patrylak of Black & Veatch.

Chairman Larsen announced that there was copy of the Open Meetings Act and a copy of the agenda for the special meeting at the entrance of the meeting room.

Guests at the special Board meeting included Duane Hovorka and John Atkeison, Nebraska Wildlife Federation; Holly Bressett, Sierra Club;

LEGAL NOTICE RUN
PRIOR TO THE
MEETING

ROLL CALL, 8:36 A.M.,
FEBRUARY 8, 2012

ANNOUNCEMENT OF
AVAILABILITY OF
OPEN MEETINGS
ACT AND AGENDA

GUESTS

and Melissa McKibben, Lincoln Electric System.

President and Chief Executive Officer Patrick L. Pope provided the Board an update on safety and system operations.

Vice President and Chief Executive Officer Traci L. Bender began the Retreat with introductions and a general overview for the day's schedule.

Presentations related to the Generation Options Analysis (GOA) Initiative were made as follows:

MAJOR GOA ASSUMPTIONS

Load Forecast – Vice President and Chief Financial Officer Traci L. Bender

Market Prices – Resource Planning and Risk Manager James R. Fehr

Sustainable Resources – Sustainable Energy Manager David D. Rich

Future Environmental Regulation – Environmental Manager Joseph L. Citta, Jr.

CNS Power Uprate – Power Uprate Project Manager Michael T. Boyce

PRELIMINARY FINDINGS – Vice President and Chief Financial Officer Traci L. Bender, and Resource Planning and Risk Manager James R. Fehr

CONSULTANTS' OVERVIEW OF WORK PERFORMED

The NPPD Generation Options Analysis: Continuing to Focus on the Emerging Markets – Skip Laitner, Economic and Human Dimensions Research Associates

High Level Independent Review of NPPD Generations Options Analysis – Robert Patrylak, Black & Veatch

NEXT STEPS

GOA Public Input / Open Houses – Media Relations Specialist Mark C. Becker

Integrated Resource Plan (IRP) Update Schedule – Vice President and Chief Financial Officer Traci L. Bender

Future Coal Assets Capital Investment – Generation

SAFETY AND
SYSTEM UPDATE

GENERATION
OPTIONS ANALYSIS
INITIATIVE
OVERVIEW

Manager Michael J. Spencer

CNS High Pressure Turbine Decision – Power Uprate
Project Manager Michael T. Boyce

Communication, Internal and External Stakeholders –
Corporate Communications and Public Relations Manager Jeanne K. Schieffer

Director Harding entered the meeting at 8:40 a.m.
Director Boyd entered the meeting at 11:26 a.m.

Recesses were taken from 9:48 to 9:59 a.m., 11:13 to 11:25 a.m., and 2:05 to 2:24 p.m. A lunch recess took place from 11:57 a.m. to 12:41 p.m.

It was moved by Director Harding and seconded by Director Chlopek that the Board go into Executive Session at 3:10 p.m. to discuss proprietary business matters, personnel issues, and to obtain legal advice. Votes were cast and recorded as follows:

Voting Aye:	Boyd, Chlopek, Froehlich, Harding, Hoff, Kunze, Larsen, Linstrom, Rasmussen, Schrock, Thompson
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	None

Whereupon the Chairman declared the motion carried to go into Executive Session to discuss proprietary business matters, personnel issues, and to obtain legal advice.

It was moved by Director Rasmussen and seconded by Director Froehlich that the Board come out of Executive Session at 4:37 p.m. Votes were cast and recorded as follows:

Voting Aye:	Boyd, Chlopek, Froehlich, Harding, Hoff, Kunze, Larsen, Linstrom, Rasmussen, Schrock, Thompson
Voting Nay:	None
Abstaining:	None
Present But Not Voting:	None
Absent:	None

Whereupon the Chairman declared the motion carried.

RECESSES

**MOTION (CARRIED):
GO INTO EXECUTIVE
SESSION AT
3:10 P.M. TO
DISCUSS
PROPRIETARY
BUSINESS MATTERS,
PERSONNEL ISSUES,
AND TO OBTAIN
LEGAL ADVICE**

**MOTION (CARRIED):
COME OUT OF
EXECUTIVE SESSION
AT 4:37 P.M.**

There being no further business to come before the Board, the meeting was duly adjourned at 4:37 p.m.

ADJOURNMENT
4:37 P.M.

_____/s/_____
Ronald W. Larsen, Chairman

Minutes approved at
the meeting of
March 8-9, 2012

_____/s/_____
Mary A. Harding, Secretary