



Board Packet for the
October 21st, 2025
District Energy Corporation
Board Meeting

TAB I



**NOTICE OF QUARTERLY MEETING AND AGENDA
DISTRICT ENERGY CORPORATION
BOARD OF DIRECTORS
October 21, 2025 @ 12:00 pm**

***Meeting held at County-City Building, 555 S. 10th Str., Lincoln NE
in the City Council Chambers room***

Notice of meeting was published in the Lincoln Journal Star newspaper on October 14, 2025.

- I. CALL TO ORDER, OPEN MEETING ADVISEMENT, ROLL CALL – Chair Sean Flowerday**
- II. SAFETY BRIEFING – Jason Fortik**
- III. PUBLIC COMMENT**
- IV. APPROVAL OF MEETING MINUTES from July 22, 2025* – Sean Flowerday** **Motion**
- V. MANAGEMENT REPORT – Aaron Evans**
 - A. Operations & Fuels Update
 - B. Construction Projects Update
 - C. Potential New Customer Connections Update
 - i. Response to Citizen Request from July meeting
 - D. Motion to Accept Management Report* **Motion**
- VI. FINANCIAL REPORTS**
 - A. Current Financial Report - **Wade Leibbrandt**
 - B. Motion to Accept Financial Report* **Motion**
 - C. Resolution for moving funds from Operating Fund to Rate Stabilization* **Resolution 25-05**
 - D. Resolution for moving funds from Rate Stabilization to Operating Fund for State plant to reimburse for costs related to the Vessel Project* **Resolution 25-06**
 - E. Review and Adoption of 2026 DEC Budget and Rates* **Resolution 25-07**
 - F. Expression of intent to reimburse certain capital expenditures from future tax-exempt obligations* **Resolution 25-08**
 - G. Annual Insurance Coverage Review – **Bryan Willnerd**
- VII. MISCELLANEOUS BUSINESS**
 - A. New Business
 - B. Board Member Terms Expiring and Reappointments – **Jason Fortik**
- VIII. EXECUTIVE SESSION – if necessary**
- IX. FUTURE MEETING DATES AND DISCUSSION**

January 27, 2026 // April 21, 2026 // July 21, 2026 // October 20, 2026
- X. ADJOURNMENT**

*Denotes Action Item

TAB II



MINUTES OF DISTRICT ENERGY CORPORATION BOARD Meeting held July 22, 2025

Minutes of the meeting of the District Energy Corporation (DEC) Board of Directors meeting held on July 22, 2025, at the Chambers Room in the County City Building, 555 S. 10th Street, Lincoln, Nebraska. Notice of the meeting was published in the Lincoln Journal Star newspaper on July 15, 2025.

Board Members Present: Carl Eskridge, Sean Flowerday, Matt Schulte

Board Members Absent: Kim Morrow, Bennie Shobe

Others Present: David Levy, Jason Fortik, Nick Wischhof, Aaron Evans, Larry Balm, Dianne Dobrusky, Keith Snyder, Denise Parrott, Wade Leibbrandt, Kerin Peterson, Emily Koenig, Jeffrey Geist, Armando Lezama, Maeci Jackson, Jim Dutton, Meg Maloney/Kinect, Curt Donaldson/Public, Kathy Disney/Public

Chair Sean Flowerday called the meeting to order at 12:04pm. Flowerday stated that DEC conducts its meetings in compliance with the Nebraska Open Meetings Act and that a copy of the act is posted at the back of the room and with the Assistant Secretary.

Call to Order

Jason Fortik, LES Vice President of Power Supply and DEC Administrator, presented the Safety Briefing.

Safety Briefing

Chair Flowerday welcomed public comments. Curt Donaldson, representing himself as a Lincoln resident, took the podium and spoke about the potential benefits of district energy for upcoming projects with the City of Lincoln and Lincoln Public Schools (LPS). Donaldson asked the board if they would be open to making a motion to authorize DEC staff to initiate discussions with library staff regarding the new downtown library to explore opportunities and advantages of district energy and to explore the possibility of demand management, photovoltaics, and battery storage opportunities for LPS. The board agreed.

Public Comment

Chair Flowerday called for a motion. Director Matt Schulte made the motion and Director Carl Eskridge seconded. The vote to approve was:

Motion

Aye: Flowerday, Eskridge, Schulte
Absent: Morrow, Shobe

Chair Flowerday asked a motion to approve the April 22, 2025, meeting minutes. Director Eskridge made the motion and Director Schulte seconded. The vote to approve was:

Aye: Flowerday, Eskridge, Schulte

Absent: Morrow, Shobe

**Motion for
Approval of
Minutes for 4/22/25**

Aaron Evans, Manager – District Energy, presented the management report. He gave details about DEC's Natural Gas Purchasing Program and then introduced Meg Maloney, Manager, Account Management with World Kinect Energy Services – the DEC fuels consultant. Maloney gave details about the services provided, including cost breakdowns, timelines, RFPs, and suppliers.

**Management Report &
World-Kinect Report**

Evans continued with an operations update, information about service interruptions, fuel costs compared to budget, and fuel usage compared to budget. Evans provided details about all capital projects, with more specific details regarding the CADF fluid cooler project and SBP DA vessel replacement. He discussed potential expansion opportunities, particularly the O Street project, the downtown library, and the convention center.

Chair Flowerday called for a motion to accept the Management Report. Motion was made by Director Schulte and seconded by Director Eskridge. The vote to approve was:

Aye: Flowerday, Eskridge, Schulte

Absent: Morrow, Shobe

**Motion to Accept
Management Report**

Wade Leibbrandt, LES Finance Director and DEC CFO, presented the Financial Report for the 2nd Quarter of 2025. Leibbrandt provided data showing change in net position (73.7% above budget) and investment income (84.8% above budget). YTD revenue shows a variance from budget of +1.2%. YTD Sales show a heating variance of +4.1% and a cooling variance of +21.5%. YTD expenses are 7.1% below budget. Details of financial metrics and capital projects were also presented.

Financial Report

Chair Flowerday called for a motion to accept the Financial Report. Motion was made by Director Schulte and seconded by Director Eskridge. The vote to approve was:

Aye: Flowerday, Eskridge, Schulte

Absent: Morrow, Shobe

**Motion to Accept
Financial Report**

Wade Leibbrandt presented the Semi-Annual Investment Report, giving details about DEC's investment portfolio which totals approx. \$11M. Leibbrandt also provided details about short and long-term yields. The DEC fund performance was compared to benchmark yields. DEC's portfolio allocations are in compliance with Policy 4 – for investment objectives, portfolio allocation limits and the requirement to receive three

**Semi-Annual Investment
Report**

bids for each investment request.

Chair Flowerday called for a motion to accept the Financial Report. **Motion to Accept Investment Report**
Motion was made by Director Eskridge and seconded by Director Schulte. The vote to approve was:

Aye: Flowerday, Eskridge, Schulte

Absent: Morrow, Shobe

David Levy, DEC General Counsel, requested that the board go into Executive Session for the next agenda item – NSP bond contract negotiations and future status update. **Motion for Executive Session**

Chair Flowerday asked for the next line item – New Business - to be handled first. There being no new business, he called for a motion to go into Executive Session. The motion was made by Director Eskridge and seconded by Director Schulte. The vote to approve was:

Aye: Flowerday, Eskridge, Schulte

Absent: Morrow, Shobe

The board entered Executive Session at 12:59 pm.

The board came out of Executive Session at 1:13 pm.

The next regular meeting of the DEC board will be on October 21st, 2025 at the LES Operations Center, 9445 Rokeby Rd. The January 2026 and April 2026 meetings will be held at the County-City building. The meetings will all start at noon. **Next meeting**

Chair Flowerday called for a motion to adjourn. Motion was made by Director Eskridge and seconded by Director Schulte. The vote to approve was: **Adjournment**

Aye: Flowerday, Eskridge, Schulte

Absent: Morrow, Shobe

The board was adjourned at approximately 1:20 pm.

Sean Flowerday, Board Chair

By: *Dianna Dobrusky*
Dianne Dobrusky, Assistant Secretary

TAB III



DEC
ENERGY

DEC ENERGY

Management Report

Aaron Evans, PE, Manager, District Energy

Vision

“Striving for Energy Excellence”

Mission

“Provide low-cost, reliable and efficient thermal energy services to enhance and enable economic development of the Lincoln community”



DEC
ENERGY

Operations and Fuels Update: October 2025



Operations Update & Service Interruptions

3

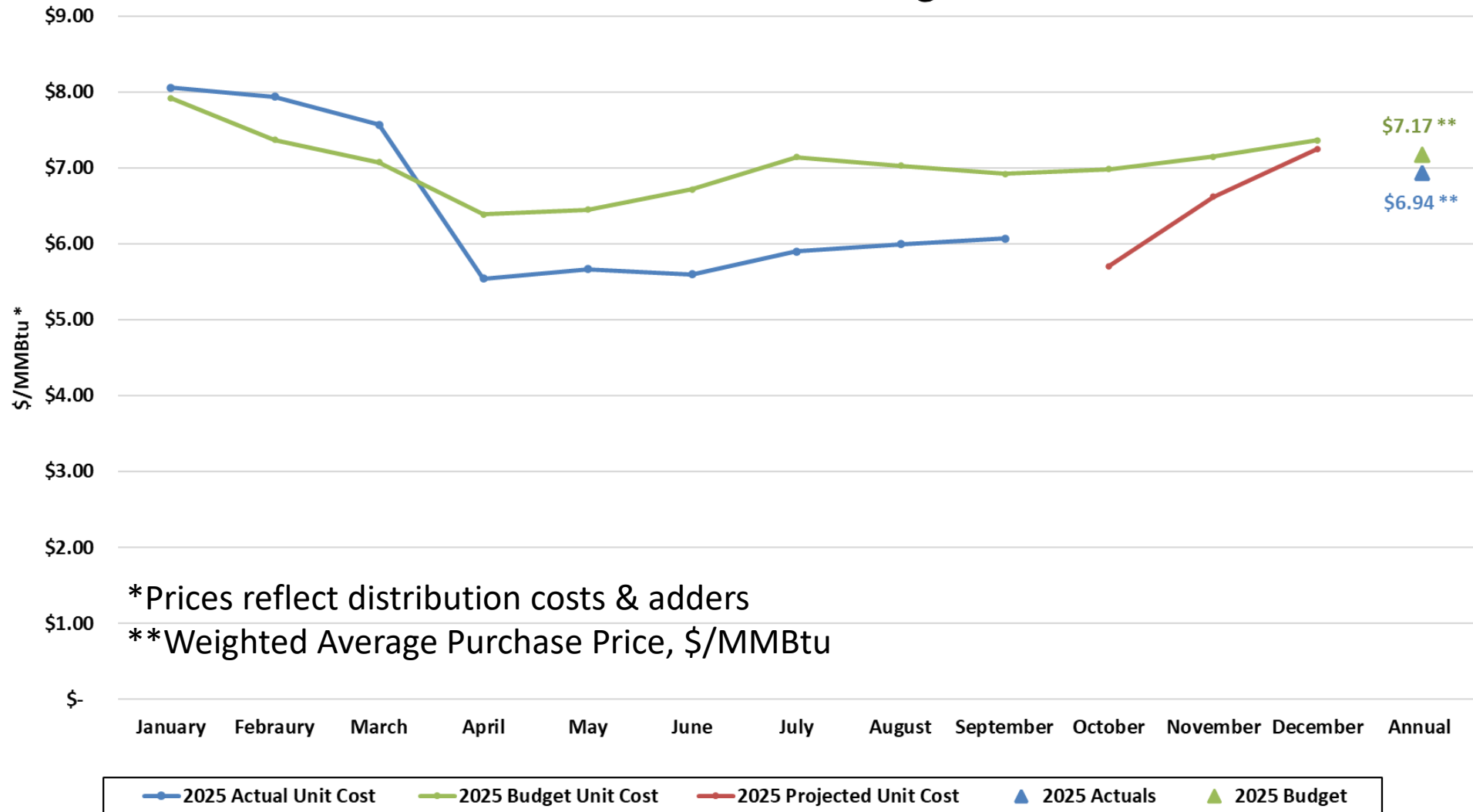
- ❑ No Q3 service interruptions
- ❑ Summer interruption periods completed at City-County (CC)
 - ❑ Thermal Energy Storage (ice tanks)
- ❑ Steam service at State Boiler Plant beginning this week



Fuel Unit Costs

4

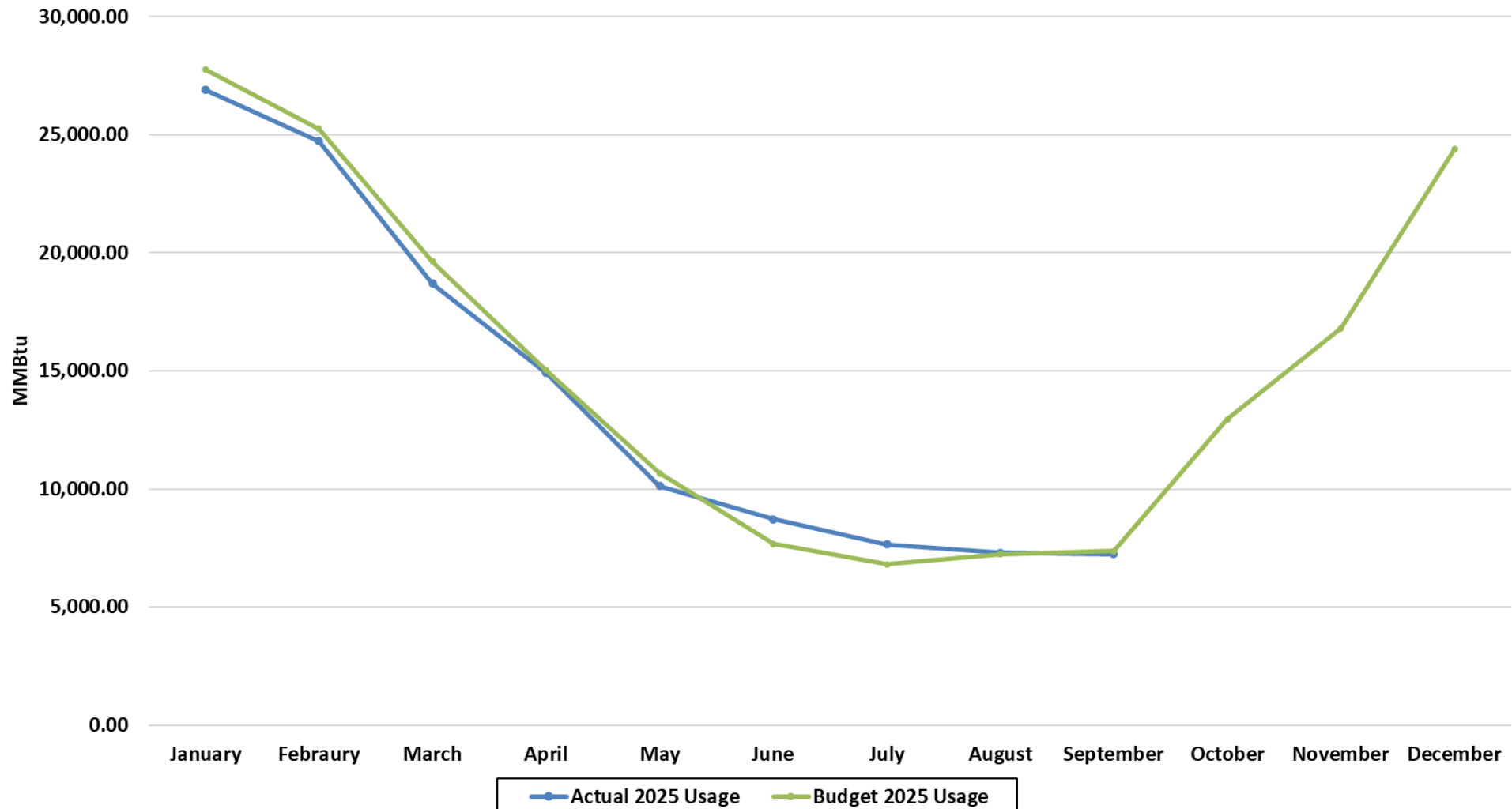
2025 Actual vs 2025 Budget





Fuel Quantities

2025 Actual vs 2025 Budget





2024 Fuel Costs

6

	Q1	Q2	Q3	Q4	2025
Total Consumption	70,310	33,753	22,180	-	126,244
Total Cost (\$)	\$ 554,377	\$ 188,838	\$ 132,795	\$ -	\$ 876,011
Average Unit Cost (\$/mmBTU)	7.88	5.59	5.99	-	6.94



DEC
ENERGY

Project Updates



Capital Projects Update

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Project	Description	Budget *	Status
<u>All</u> Central Safety & Security Improvements	This project will install electric card access on the switchgear/electrical generator control rooms to prevent unauthorized access. This project will also upgrade the exterior & emergency lighting to better illuminate the facilities for improved safety and security.	\$141k	Scoping emergency lighting upgrade at WHM. Installing refrigerant detectors at the LOC and CADF. This project will be closed at the end of 2025 and replaced with individual facility projects.
<u>CADF</u> Geothermal Loop Cooler	This project will install an air to fluid cooling system to address the geothermal loop temperature increases that affect efficiency of the heat pumps. The system would be operated during the colder winter months to maximize system performance.	\$797k	Freeze damage found during leak testing. In discussions with OEM and vendor.
<u>WHM</u> Electric Boilers	This project will install two additional (960kW each) electric boilers to provide full back up in the event there is a loss of natural gas service.	\$826k	Bidder selected, purchase order issued. Kickoff meeting late October.
<u>SBP</u> DA Vessel Replacement	Emergent project to replace the deaerator (DA) vessel.	\$150k	Vessel in service, project complete.

* Budget column shows total project authorization. Capital spend occasionally shifts from year-to-year.



2026 Capital Projects

9

Project	Description	Budget *	Status
<u>All</u> Miscellaneous Upgrades	This project replaces the central safety & security project, and will separately fund miscellaneous safety, security, and efficiency improvements at each facility. Examples of improvements include replacement of obsolete fire detection and suppression systems, replacement of uninterruptible power supply (UPS) systems at end of life, and cabinet cooling to improve longevity of electronic components.	CC: \$50k SBP: \$30k CADF: \$111k WHM: \$30k LOC: \$50k NSP: \$50k	Proposed for 2026.
<u>All</u> DEC Vehicles	This project will procure one new vehicle and transfer ownership of three LES fleet vehicles to DEC for exclusive DEC use, enhancing productivity.	\$125k	Proposed for 2026.
<u>SBP</u> Fuel Oil Filter Skid	This project will install a fuel oil filter skid to remove moisture and particulates from the underground storage tank, improving longevity of oil storage and enhancing boiler and generator reliability.	\$250k	Proposed for 2026.
<u>CADF</u> Multistack Upgrades	This project will upgrade the reversing valves on the Multistack geothermal heat pumps to improve system reliability. It will also upgrade the obsolete controllers to enhance support.	\$229.5k	Funding was approved for 2024/25 but project was deferred. Proposed for execution in 2026.

* Budget column shows total project authorization. Capital spend occasionally shifts from year-to-year.



CADF Fluid Cooler

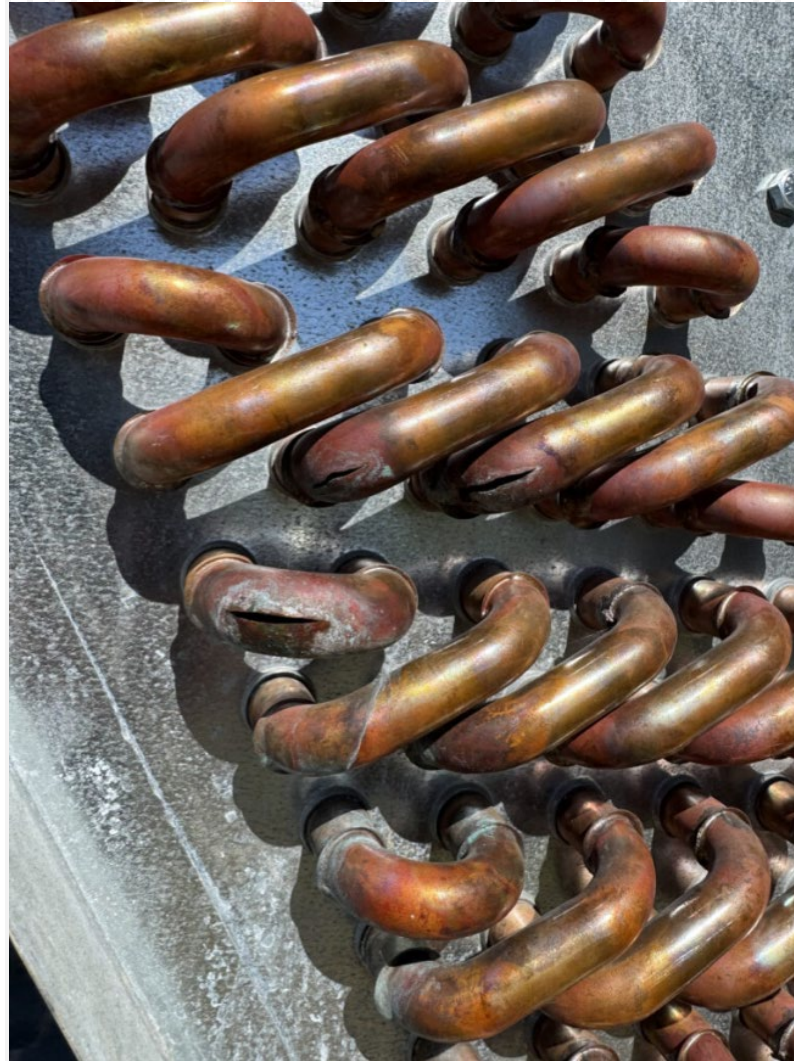
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CADF Fluid Cooler Damage

11





SBP DA Vessel Replacement

12





DEC
ENERGY

Potential New Customer
Connections / Discussions

DEC New Customer Discussions

14

- Discussions with Library and Project O Street
 - Project timelines
 - Coordination meetings
- Convention Center
- Downtown Property Owners
- Nebraska Wesleyan
- Lincoln Public Schools



DEC
ENERGY

Comments/Questions

*Seek motion to accept the management report

TAB IV



3rd Quarter Financial Report

DEC Administrative Board
October 21, 2025

Wade Leibbrandt
LES Director, Finance; DEC CFO



Q3 2025 Financial Summary

- YTD Change in Net Position is \$1,507K, 70.8% above budget.
- YTD Investment Income is \$367K, or 90.9%, above budget.
- Expect to see O&M costs level out some in Q4 following expected payments for annual service agreements and implementation of Electrical Maintenance Plans occurring in October.

\$ in Thousands	2025 Actual	2025 Budget	\$ Var	% Var
Operating Revenue	\$9,828	\$9,720	\$108	+1.1%
Energy	\$2,061	\$1,982	\$79	+4.0%
O&M	\$1,068	\$1,420	(\$352)	-24.8%
A&G	\$1,693	\$1,844	(\$152)	-8.2%
Depreciation	\$2,727	\$2,765	(\$38)	-1.4%
Total Operating Expenses	\$7,548	\$8,010	(\$462)	-5.8%
Non-Operating Expenses (Income)	\$772	\$827	(\$55)	-6.6%
Change in Net Position	\$1,507	\$882	\$625	+70.8%

Green variance represents a positive impact to the overall Change in Net Position.
Red variance represents a negative impact to the overall Change in Net Position.



2025 YTD Revenue

About 83% of DEC’s Revenue is through fixed demand charges.

\$ in Thousands

Actual Revenue	Budget Revenue	\$ Var	% Var
\$9,828	\$9,720	\$108	+1.1%

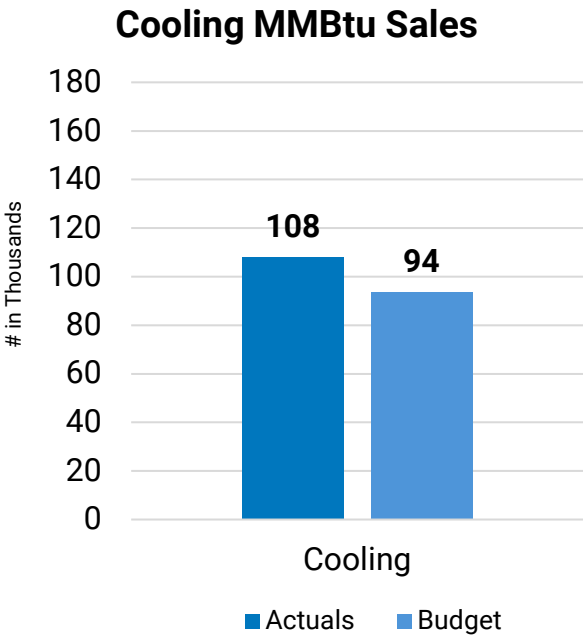
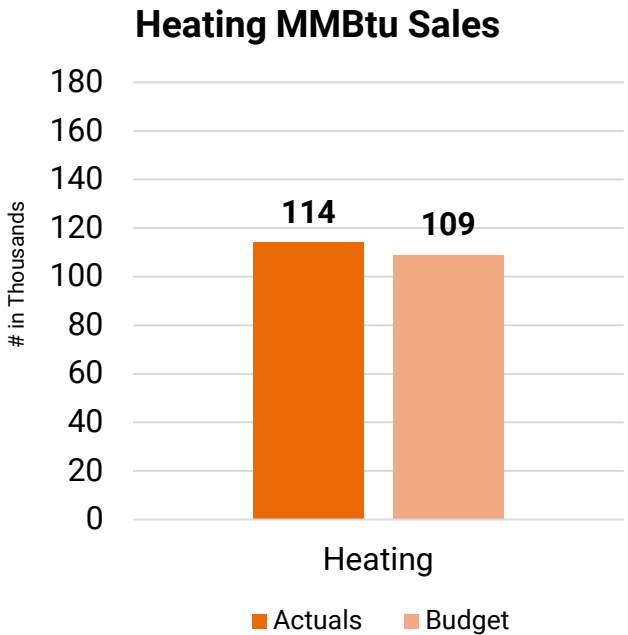
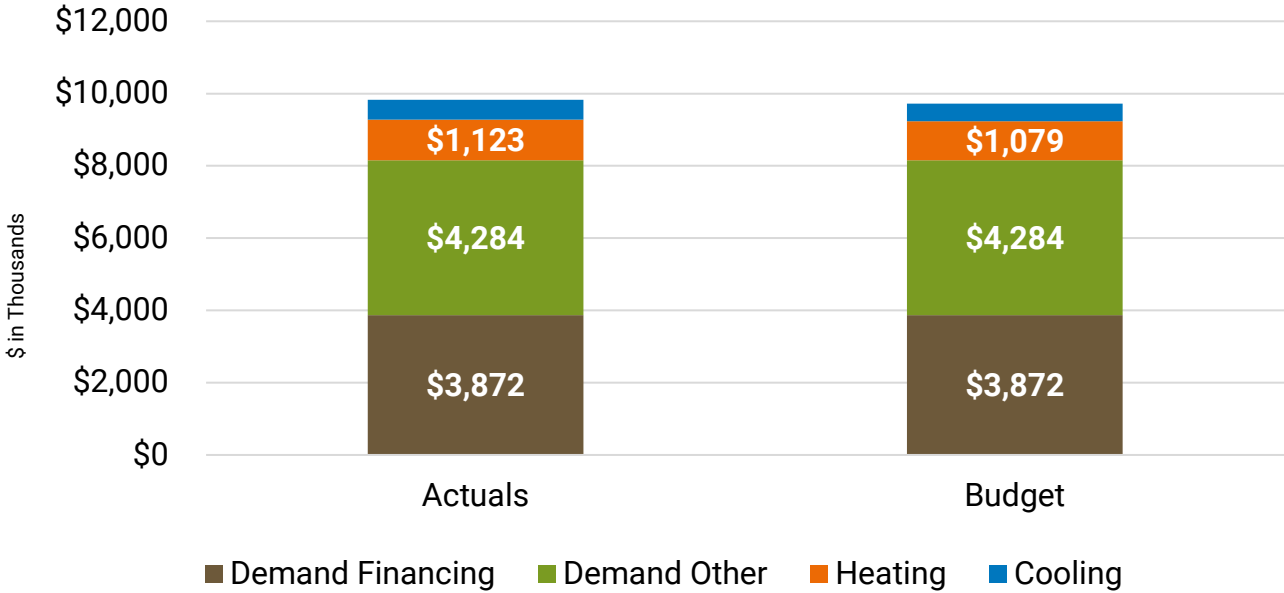
2025 YTD Sales

2025 weather has been warmer than normal. Heating degree days are 4.4% below average and cooling degree days are 1.0% below average.

# in Thousands	Actual MMBtu	Budget MMBtu	Var	% Var
Heating	114	109	+5	+4.7%
Cooling	108	94	+14	+15.2%



2025 Actual Revenue by Category



2025 YTD Expenses

Expenses were 5.8% below budget due to:

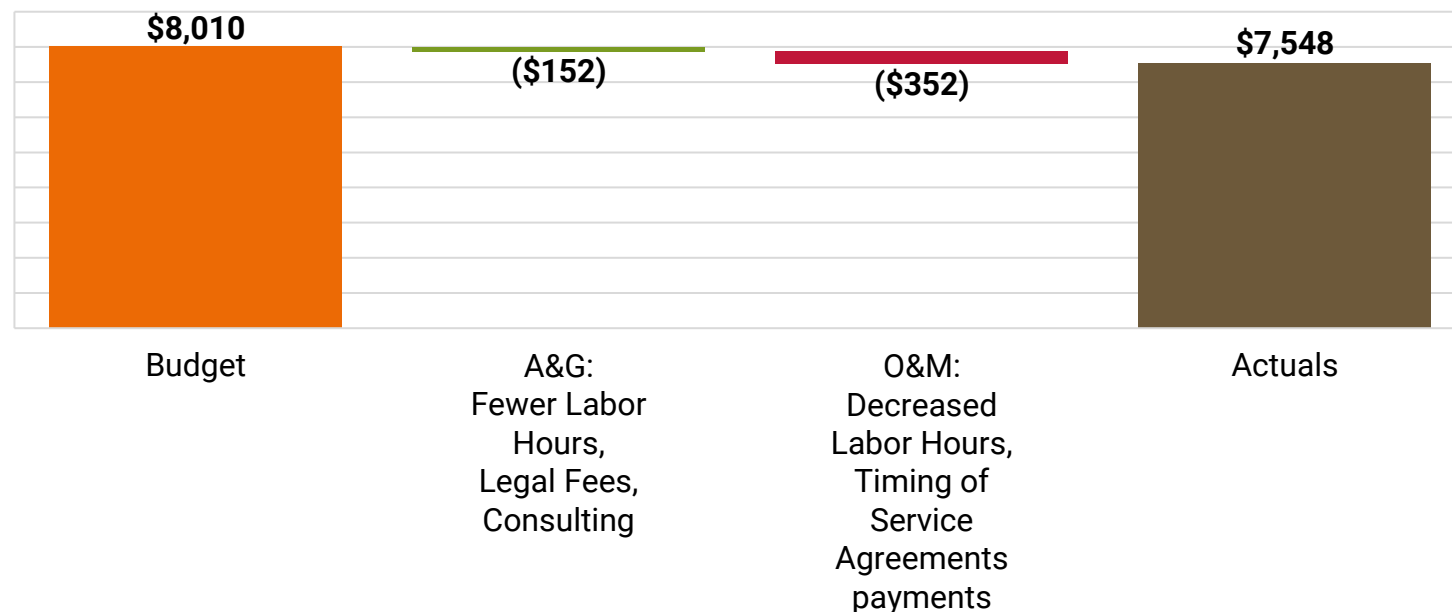
- Investment income about 91% higher than budget
- Fewer labor hours and lower than planned year-to-date outside legal costs, and other outside consulting.
- Timing of payments on annual service agreements and implementation of Electrical Maintenance Plans.

\$ in Thousands	Actual Expenses	Budget Expenses	Var	% Var
Operating	\$7,548	\$8,010	(\$462)	-5.8%
Non-Operating	\$772	\$827	(\$55)	-6.6%
Total	\$8,320	\$8,837	(\$517)	-5.9%



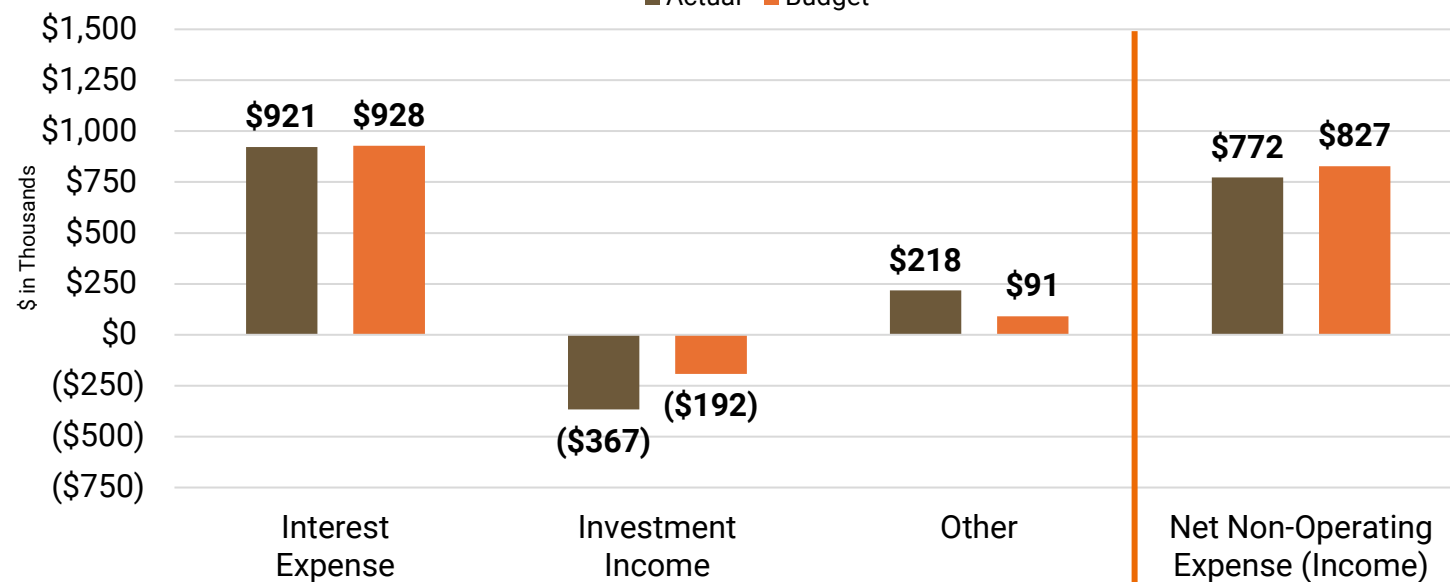
Operating Expense Variance

\$ in Thousands



Non-Operating Expenses

■ Actual ■ Budget

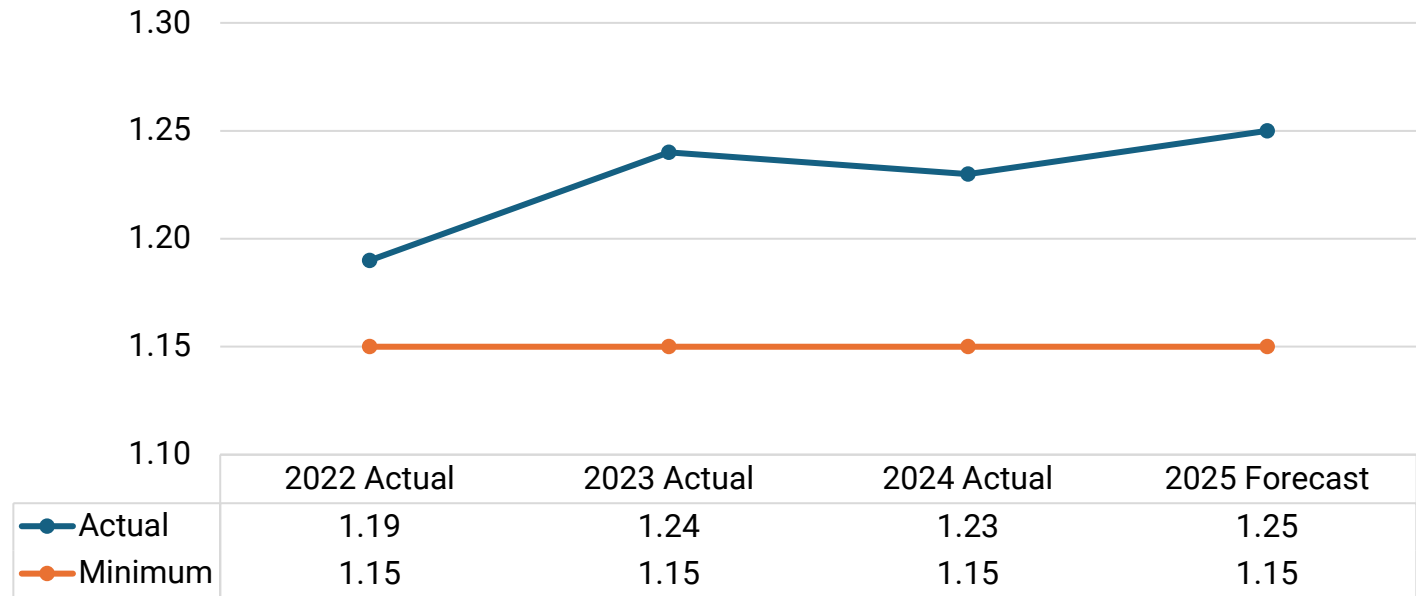


2025 YTD Financial Metrics

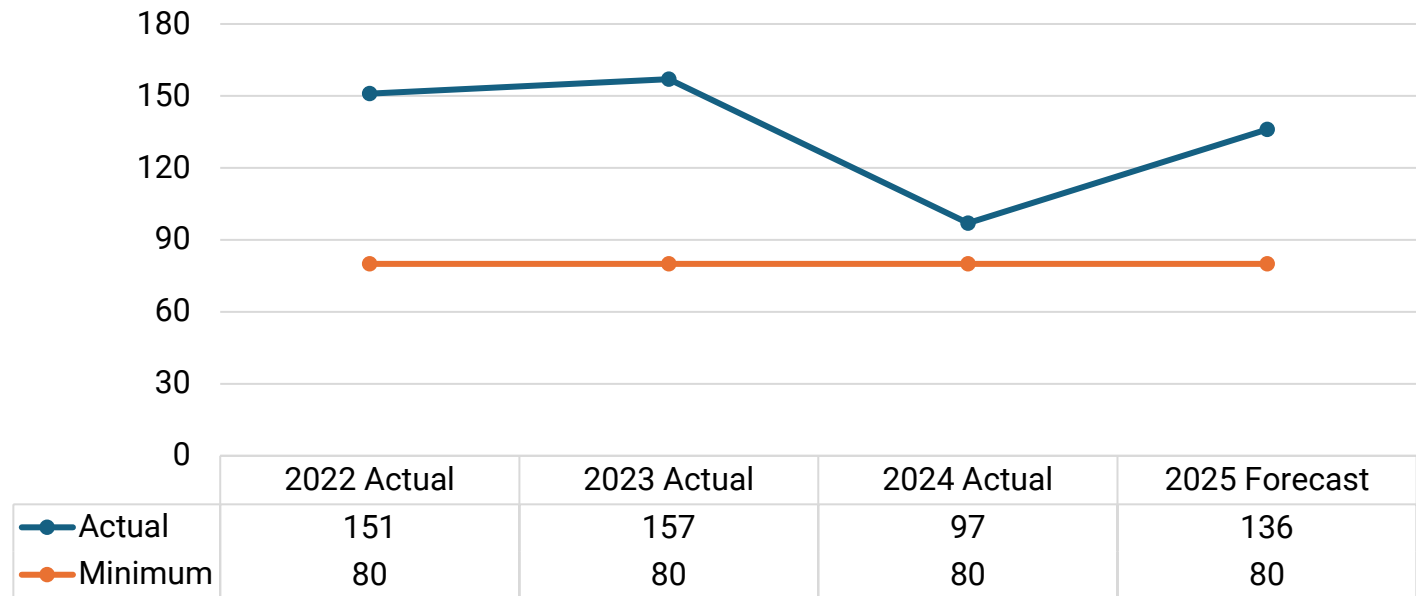
- DEC met the minimum targets for Debt Service Coverage and Days Cash on Hand.
- Consolidated metrics are reported externally; however, Debt Service Coverage and Days Cash on Hand are monitored by facility.
- DEC has \$1.2M outstanding on the JP Morgan revolving credit facility as of September 30th. DEC plans to make a \$300K payment with funds received through the Inflation Reduction Act by the end of the year.



Debt Service Coverage Ratio



Days of Cash on Hand



2025 YTD Capital

- DEC has spent \$1.7M on active projects.
- Unused funds are carried forward from year-to-year as long as the project is active.

Active Projects \$ in Thousands	Approval Year	Life to Date (LTD) as of 09/30/25*	Current Budget**	Remaining (\$)
DEC Central Cyber Security System	2024	\$0	\$66	\$66
DEC Physical Security and Safety	2024	\$96	\$141	\$45
State DA Vessel Replacement	2025	\$149	\$150	\$1
CADF Loop Field Fluid Cooler	2024	\$661	\$797	\$136
CADF Backup Circuit Pumps for Each Loop	2024	\$345	\$366	\$21
WHM Boiler Addition	2024	\$468	\$826	\$358
Total		\$1,719	\$2,346	\$627

*Life-to-Date includes spending on projects that took place prior to 2025.

**Current Budget reflects additional funds for active projects that were approved in the 2025 budget cycle.



TAB V

**DISTRICT ENERGY CORPORATION
RESOLUTION NO. 25-05**

**A RESOLUTION APPROVING THE TRANSFER OF FUNDS FROM THE DEC
OPERATING FUND TO THE DEC RATE STABILIZATION FUND AND
ALLOCATING CERTAIN AMOUNTS THEREIN TO SPECIFIC PLANTS.**

RECITALS

I

Sections 5.02(c)(5) and 5.08 of DEC Resolution 10-4-G (the General Bond Resolution) established a Rate Stabilization Fund to allow DEC to manage fluctuations in cash flow and minimize the need to adjust rates. DEC Resolution 07-8 established a business target for the Rate Stabilization Fund to cover a minimum of 25 percent of the budgeted annual energy expenses for each DEC project.

II

The 2025 Budget appropriated \$86,335 to be deposited into the Rate Stabilization Fund; and

III

The DEC Board has previously allocated portions of the balance within the Rate Stabilization Fund to the County-City Plant, the State of Nebraska Plant, and the County Adult Detention Facility, and it is now desirable that portions of the balance in the Rate Stabilization Fund be allocated to the West Haymarket Plant, the LES Operations Center Plant and the Nebraska State Penitentiary Plant; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District Energy Corporation:

That the DEC Administrator is directed to transfer \$81,093 from the Operating Fund to the Rate Stabilization Fund with such amount to be allocated to separate plants as follows:

- a) \$39,925 to the West Haymarket Plant;

- b) \$17,444 to the LES Operations Center Plant; and
- c) \$23,724 to the Nebraska State Penitentiary Plant.

PASSED AND APPROVED on this _____ day of _____, 2025.

ATTEST:

Secretary/Treasurer

President

TAB VI

**DISTRICT ENERGY CORPORATION
RESOLUTION NO. 25-06**

**A RESOLUTION APPROVING THE TRANSFER OF FUNDS TO THE DEC
OPERATING FUND FROM THE DEC RATE STABILIZATION FUND.**

RECITALS

I

Sections 5.02(c)(5) and 5.08 of DEC Resolution 10-4-G (the General Bond Resolution) established a Rate Stabilization Fund to allow DEC to manage fluctuations in cash flow and minimize the need to adjust rates. DEC Resolution 07-8 established a business target for the Rate Stabilization Fund to cover a minimum of 25 percent of the budgeted annual energy expenses for each DEC project.

II

The DEC Board of Directors previously accepted and approved Resolution 25-01 to amend the 2025 DEC Capital Budget to include replacement of the deaerator at the State facility. Per Resolution 25-01 the DEC Administrator may request to use the Rate Stabilization Fund to fund a portion of the total project cost of \$150,000.

III

The DEC Board has previously allocated portions of the balance within the Rate Stabilization Fund to the State facility. These allocations are adequate to cover an amount up to \$100,000, if necessary, to fund a portion of the deaerator replacement project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District Energy Corporation:

That the DEC Administrator is directed to transfer \$100,000 to the Operating Fund from the Rate Stabilization Fund to cover a portion of the total cost for the State deaerator replacement project.

PASSED AND APPROVED on this _____ day of _____, 2025.

ATTEST:

Secretary/Treasurer

President

TAB VII

**DISTRICT ENERGY CORPORATION
RESOLUTION NO. 25-07**

**A RESOLUTION ADOPTING THE 2026 DEC OPERATING AND CAPITAL
BUDGET AND A REVISED SCHEDULE OF RATES AND CHARGES FOR DEC
CUSTOMERS.**

RECITALS:

I.

Pursuant to the “Amended and Restated Management Agreement,” the DEC Administrator has developed and presented to the DEC Board of Directors, for its review and approval, a proposed annual budget for the operation of DEC and a revised Schedule of Rates and Charges to be charged to DEC customers to support the same.

II.

The Board of Directors has reviewed such proposed annual budget and revised Schedule of Rates and Charges and now proposes to adopt the same through passage of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT ENERGY CORPORATION:

That the 2026 Operating and Capital Budget, a copy of which is attached hereto, marked as Exhibit 1 and made a part hereof by reference is hereby adopted as the annual budget for DEC for the 2026 fiscal year.

BE IT FURTHER RESOLVED that the revised Schedule of Rates and Charges to be charged to the customers of DEC pursuant to their respective Thermal Service Agreements or Energy Service Agreements, a copy of which is attached hereto, marked as Exhibit 2 and made a part hereof by reference, is hereby adopted. Such rates and charges shall be effective January 1, 2026.

BE IT STILL FURTHER RESOLVED that:

1. Unencumbered balances of amounts budgeted in the Operating Budget shall lapse at the end of the fiscal year.

2. Amounts budgeted for capital projects in the Capital Budget shall, without further action, carry over from fiscal year to fiscal year until project close-out, at which time the appropriation for the closed-out project shall lapse. The Board of Directors may, by resolution, transfer at any time the unencumbered balances of such capital budgets to other capital budgets.

3. If a capital project is anticipated to extend over more than one fiscal year, and if a total project budget has been identified in the Capital Budget for that capital project, then the DEC administrator is authorized, as necessary and prudent, to enter into multi-year contracts exceeding the annual budgeted amount for such capital project, so long as the total contract sum for the multi-year contract does not exceed the total project amount as designated in the then current Capital Budget.

4. For purposes of this Resolution, balances shall be deemed “encumbered” when a legally binding contract has been entered into that commits the DEC to payment of the amounts stated in the contract, regardless of whether the actual payment is made in the current fiscal year or a future fiscal year.

PASSED AND ADOPTED this ____ day of _____, 2025.

ATTEST:

Secretary/Treasurer

President

EXHIBIT 1



DEC
ENERGY

District Energy Corporation

2026 Annual Budget Report



9445 Rokeby Road
Lincoln, NE 68526
(402) 473-3373

Board of Directors

President

Sean Flowerday

Vice President

Carl Eskridge

Secretary/Treasurer

Kim Morrow

Matt Schulte

Bennie Shobe

Assistant Secretary

Dianne Dobrusky

October 06, 2025

DEC Board of Directors:

The staff at Lincoln Electric System (LES) has developed the enclosed 2026 Budget and Rates proposal for your consideration and recommends this submittal for your approval at the October 21, 2025 board meeting. The total proposed 2026 Budget is \$12.8 million, or about \$0.3 million more than the 2025 Budget.

Operating Budget

The proposed 2026 Operating Budget (excluding depreciation and other income/expense) is \$7.2 million, which is an increase of \$0.3 million from the 2025 Budget. This is driven primarily by increases in payroll expenses, insurance requirements, and electric costs.

Capital Budget

The proposed 2026 Capital Budget is \$0.9 million, which is an increase of \$0.1 million from the 2025 Capital Budget. The major components of the 2026 Capital Budget include the purchase of DEC vehicles, the fuel oil filter skid at the State Boiler Plant, the multistack upgrade at the County Adult Detention Facility, and several other small-to-medium sized projects.

Financial Metrics

The proposed 2026 Budget meets DEC's liquidity target of 60-90 days of operating reserves, or approximately \$2.8 million. Additionally, the Debt Service Coverage minimum target of 1.10X-1.20X coverage is achieved. DEC is projected to meet all financial targets during the 5-year forecast.

Rate Changes

The 2026 Budget includes estimated bill increases of 1%-5% for all customers. The increases are related to the aforementioned expense increases. Each customer is within +/- 5 percent of the cost of service.

Financings

The 2026 Budget does include one assumed short-term borrowing of \$340K to supplement available cash at the County Adult Detention Facility (CADF) following some large capital investments in the preceding two years. However, LES will continuously monitor the CADF's cash throughout 2026 and borrow only if truly necessary.

As you review this material, please feel free to contact me with questions or comments.

Sincerely,

Wade Leibbrandt
Chief Financial Officer



DISTRICT ENERGY CORPORATION
2026 BUDGET
DETAILED OPERATING AND CAPITAL BUDGET INFORMATION
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Budget Summary



Vision

*"Striving for Energy
Excellence"*

Mission

*"Provide low-cost, reliable and
efficient thermal energy
services to enhance and enable
economic development of the
Lincoln community"*

Proposed 2026 Budget & Rates

Board of Directors Meeting
October 21st, 2025

Wade Leibbrandt
Chief Financial Officer

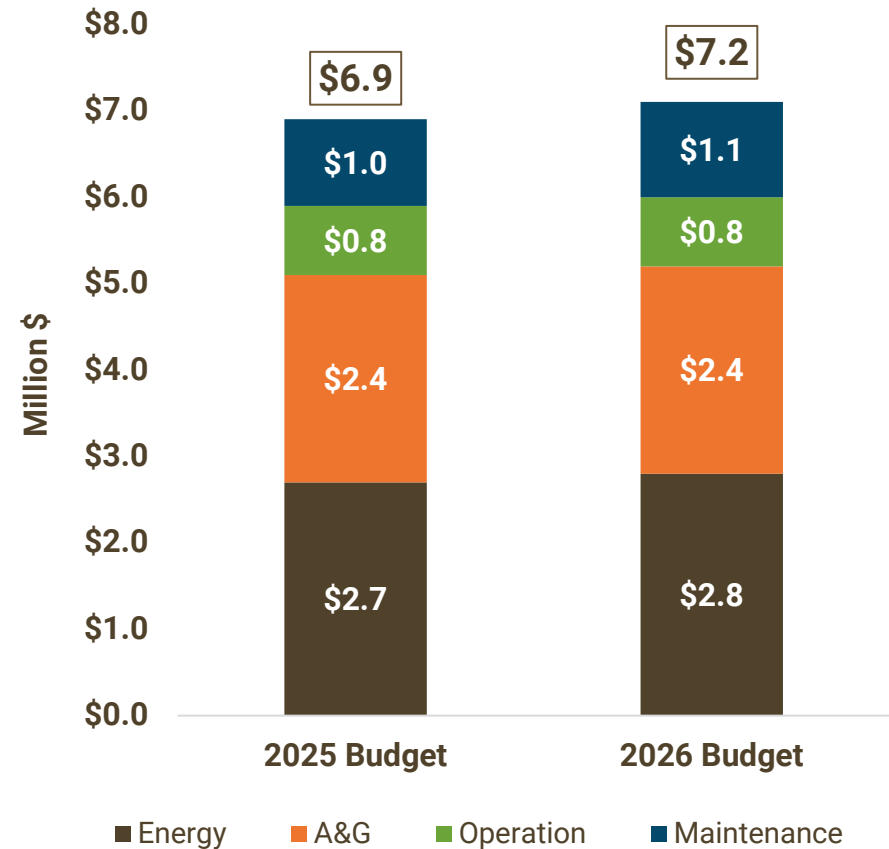
2026 Proposed Operating Budget is slightly higher than the 2025 Budget

2

Main drivers of 2026 Budget increase:

- Payroll & Benefits
- Electrical Maintenance Plans
- Electric Energy

Operating Expense



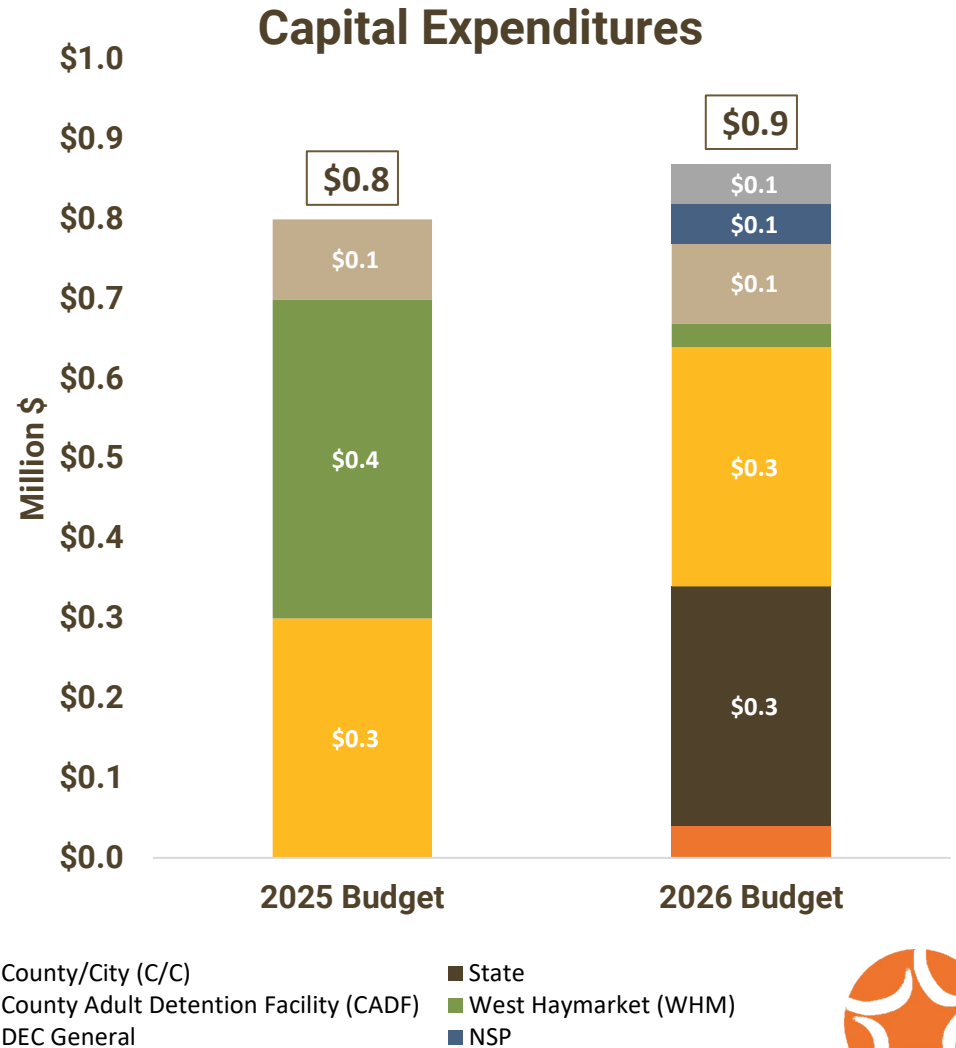
Due to rounding, numbers presented throughout this document may not add up precisely to totals provided.



2026 Proposed Capital Expenditures

4

Plant	2026 Project	2026 Budget**
DEC	Vehicles*	\$125K
C/C	Safety/Security/Miscellaneous Upgrades*	\$50K
State	Fuel Oil Filter Skid	\$250K
State	Safety/Security/Miscellaneous Upgrades*	\$30K
CADF	Multistack Upgrade	\$230K
CADF	Safety/Security/Miscellaneous Upgrades*	\$111K
WHM	Safety/Security/Miscellaneous Upgrades*	\$30K
LOC	Safety/Security/Miscellaneous Upgrades*	\$50K
LOC	Safety/Security/Miscellaneous Upgrades*	\$50K
Total		\$925K



* New Project

**DEC is planning on spending all budgeted capital expenditures in 2026
2026 DEC Operating Budget



Demand-Other rates meet cost-of-service targets

5

Demand-Other Rates collect fixed costs

2026 Cost
of Service

100%

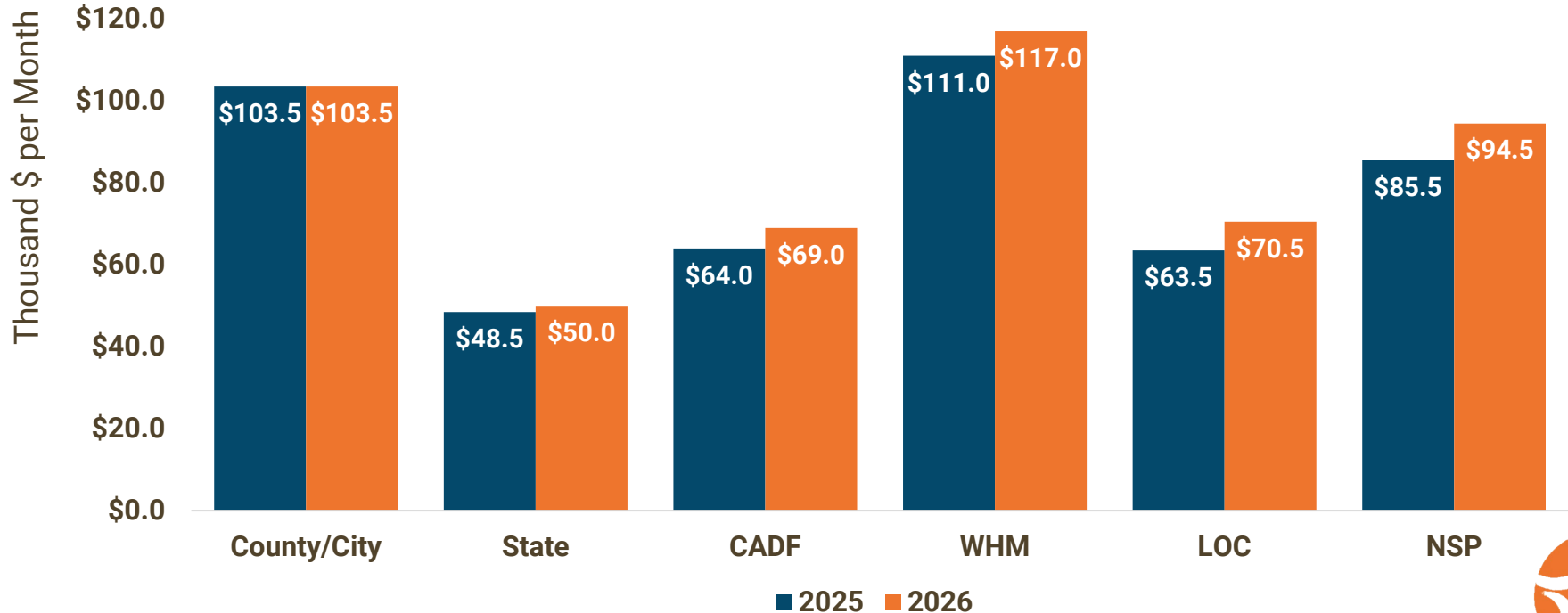
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Due to rounding, numbers presented throughout this document may not add up precisely to totals provided.
2026 DEC Operating Budget

6 of 63

10/10/2025

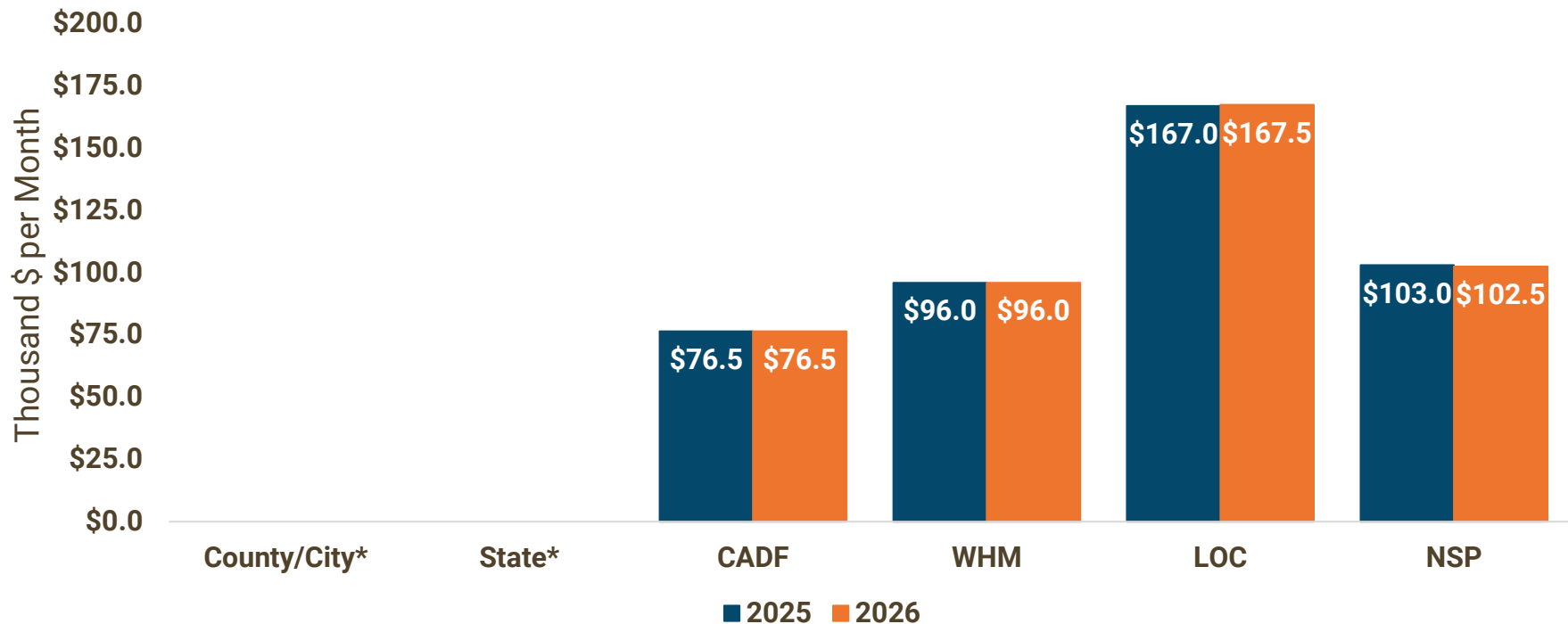


Demand-Financing rates similar to 2025 Budget

6

Demand-Financing collects plant debt costs

2026 Cost
of Service



- * County/City Demand-Other Rate includes recovery of plant financing costs
- * State paid off all outstanding bonds in June of 2024.



Proposed Heating rates meet cost of service targets

7

Heating Rates collect variable costs for heating service

2026 Cost of Service

100%

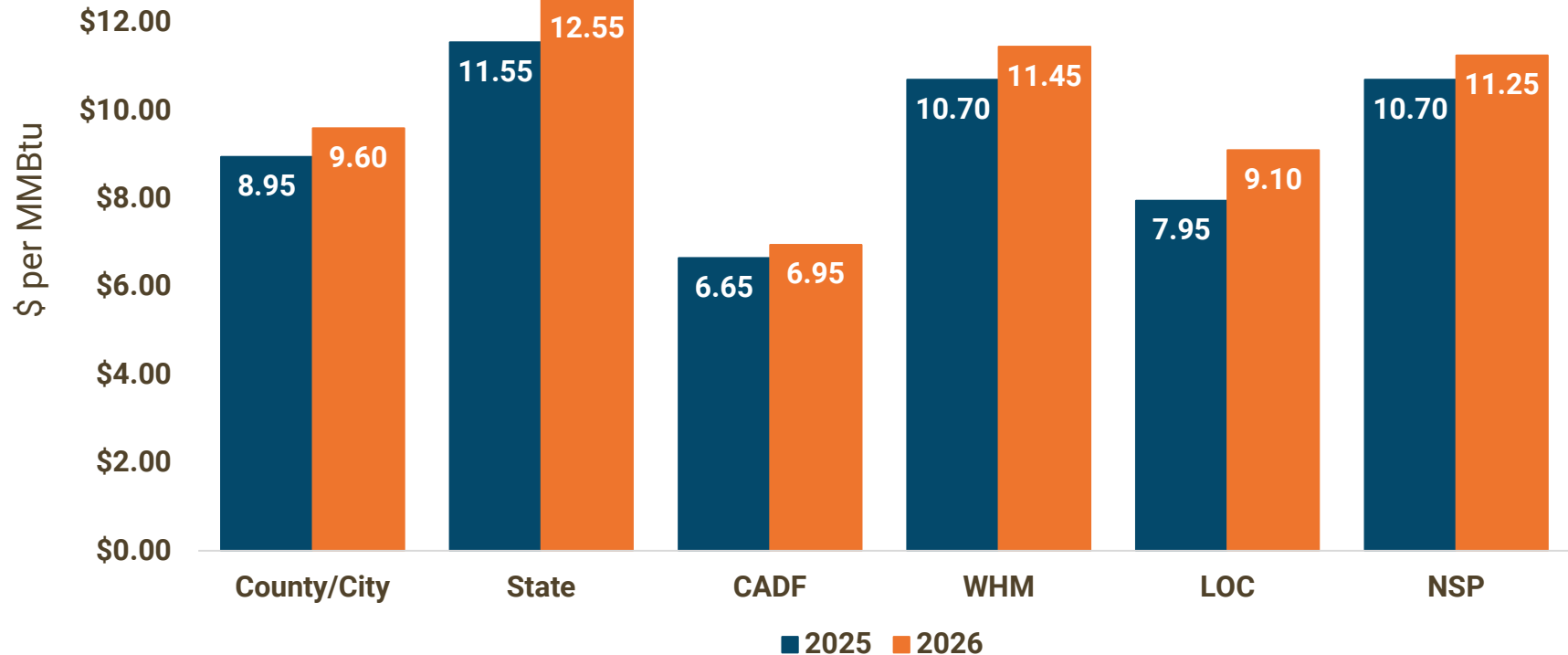
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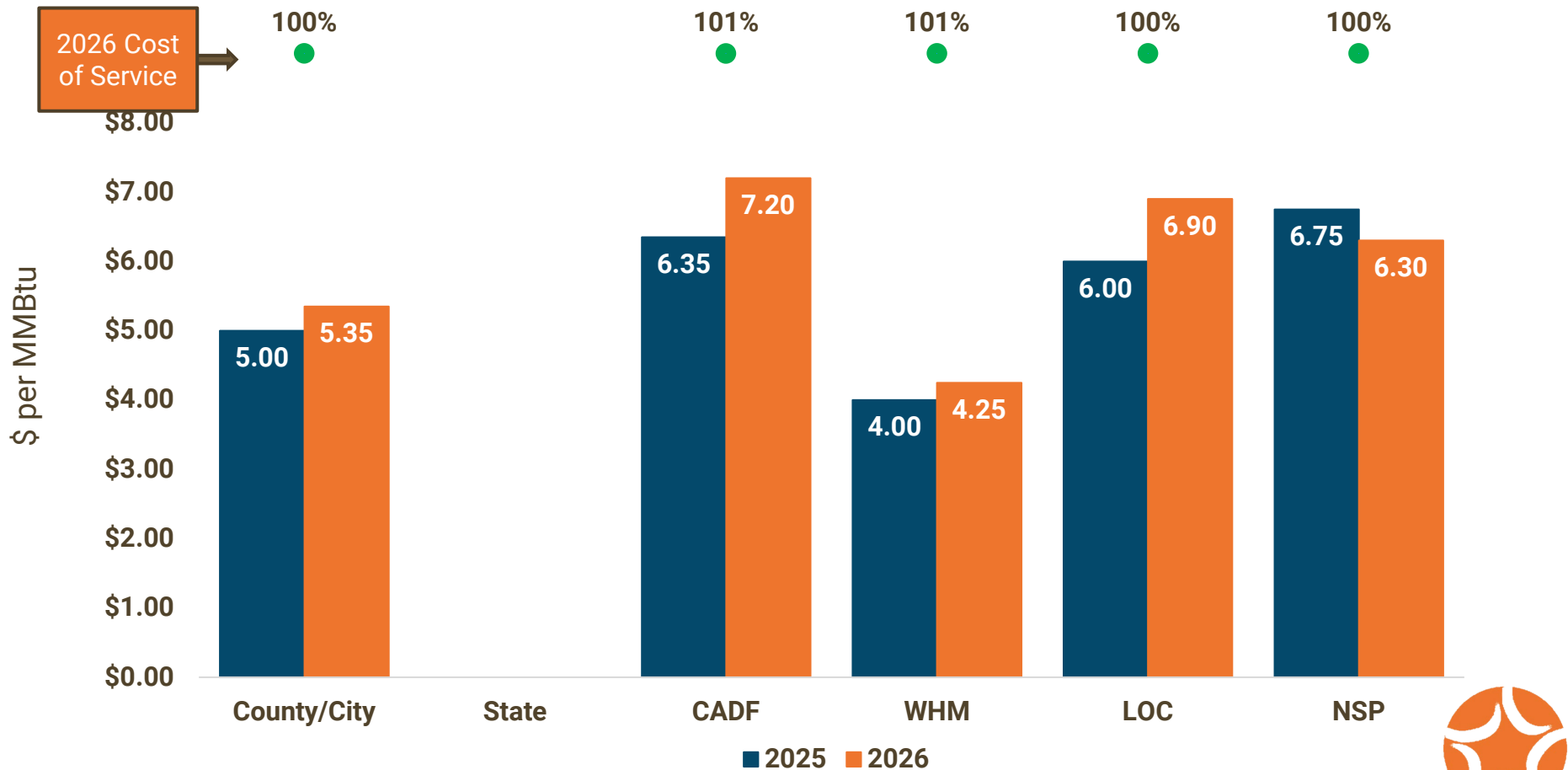
100%



Proposed Cooling rates meet cost of service targets

8

Cooling Rates collect variable costs for cooling service

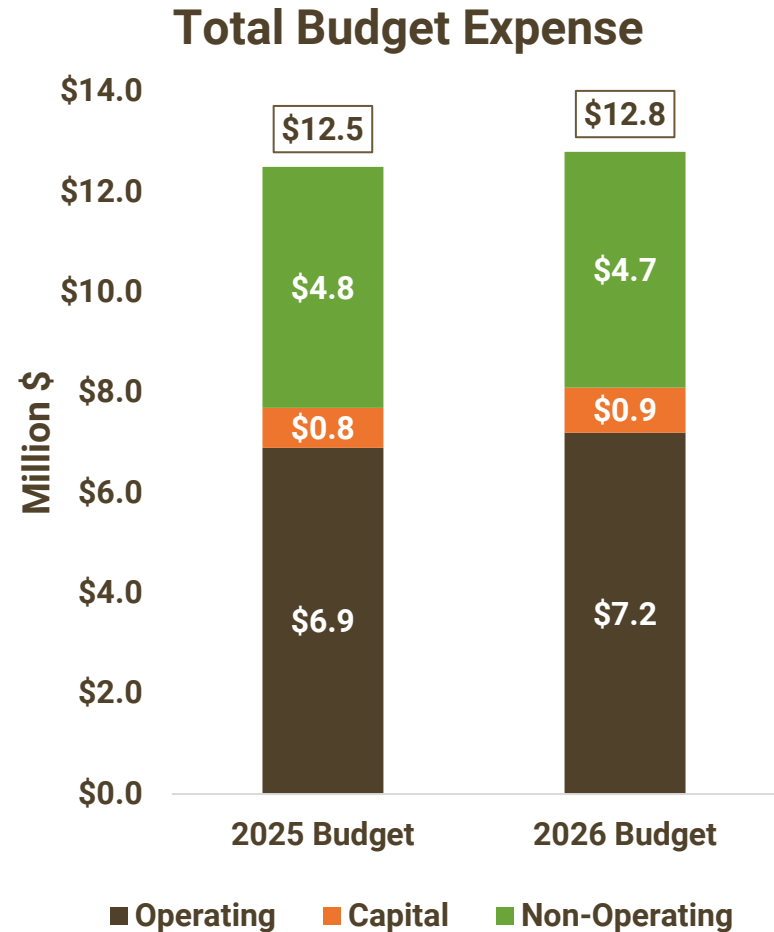


2026 Total Proposed Budget increased \$0.3M, or 2%, compared to the 2025 Budget

10

2026 Total Budget variances compared to 2025:

- Operating Expenses (+\$0.3M)
- Capital Projects (+\$0.1M)
- Interest Income (-\$0.1M)



Financial Metrics are met for the 2026 Proposed Budget

10

1.20X

Debt Service Coverage Ratio

Target 1.10X - 1.20X

138 Days

Cash on Hand

Target 60 – 90 days*

2026 Long-Term Financing

The Proposed 2026 Budget has no long-term financing.

2026 Short-Term Financing

The Proposed 2026 Budget includes one new borrowing for \$340K at the County Adult Detention Facility. Current borrowings include \$1.2M on the JP Morgan line of credit for the County/City Ice Thermal project. DEC received a tax credit from the IRS totaling about \$382K. \$300K of those funds are being used to reduce the amount outstanding on the line of credit for the County/City.

Rate Stabilization Fund (RSF)

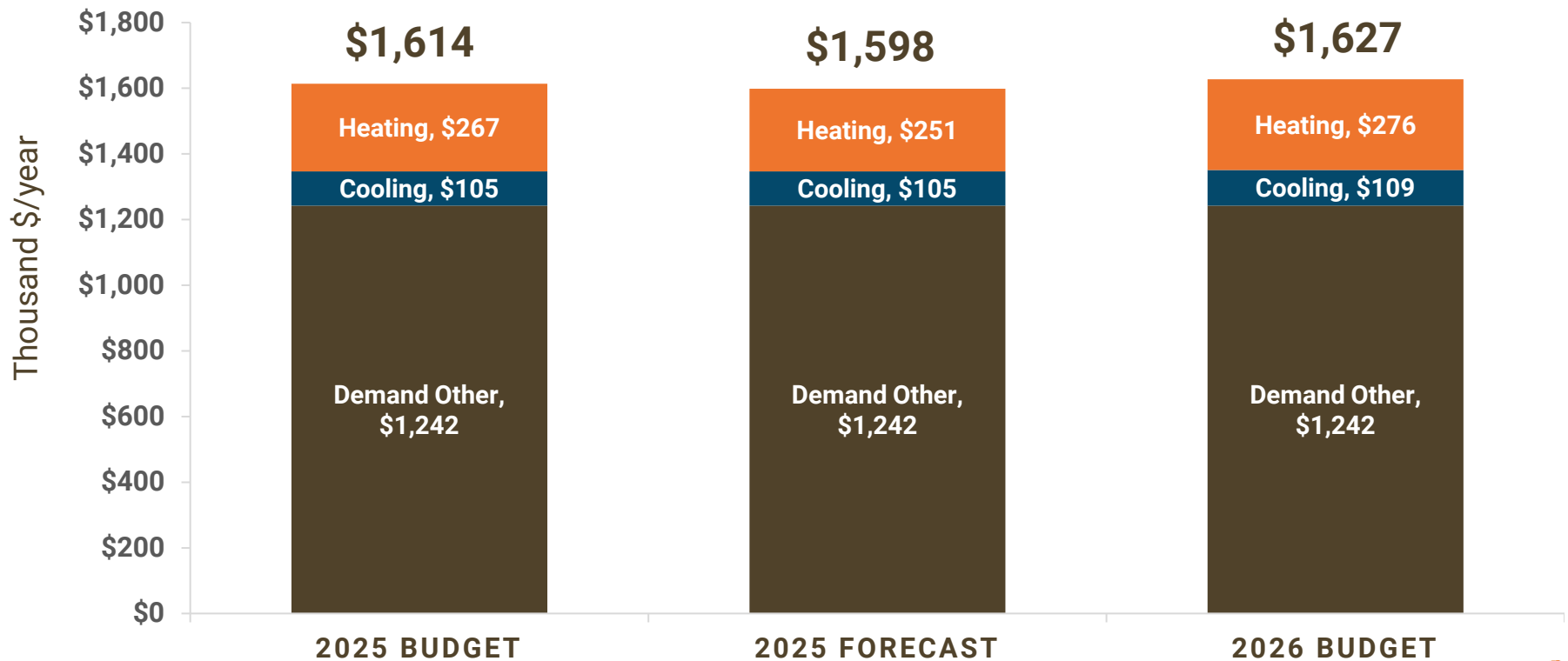
RSF balances are considered fully funded when the balance reaches 25% of Energy expenses for each plant. RSFs will be fully funded for each plant by the end of 2027.

* Generally, a minimum target of 80 days is maintained on a plant-by-plant basis



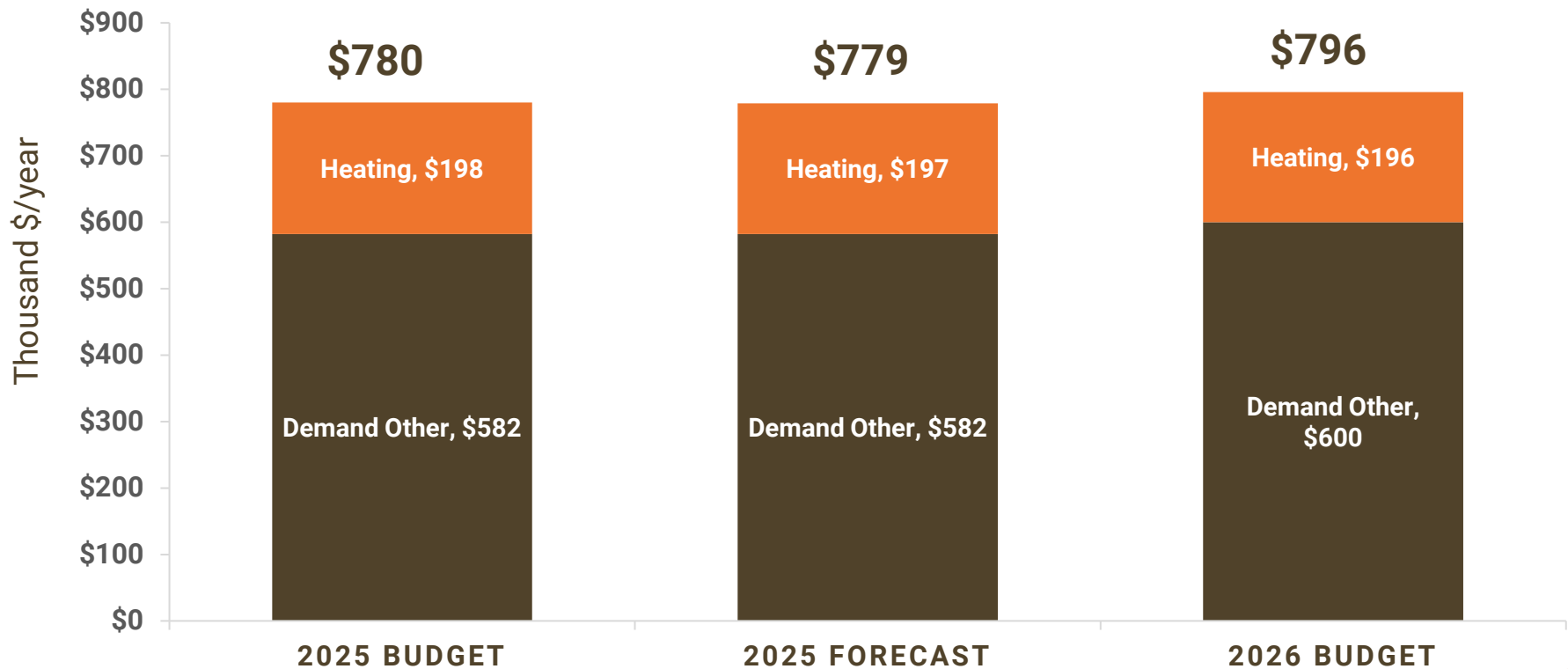
County/City estimated annual bill increase ~1% compared to 2025 Budget

12



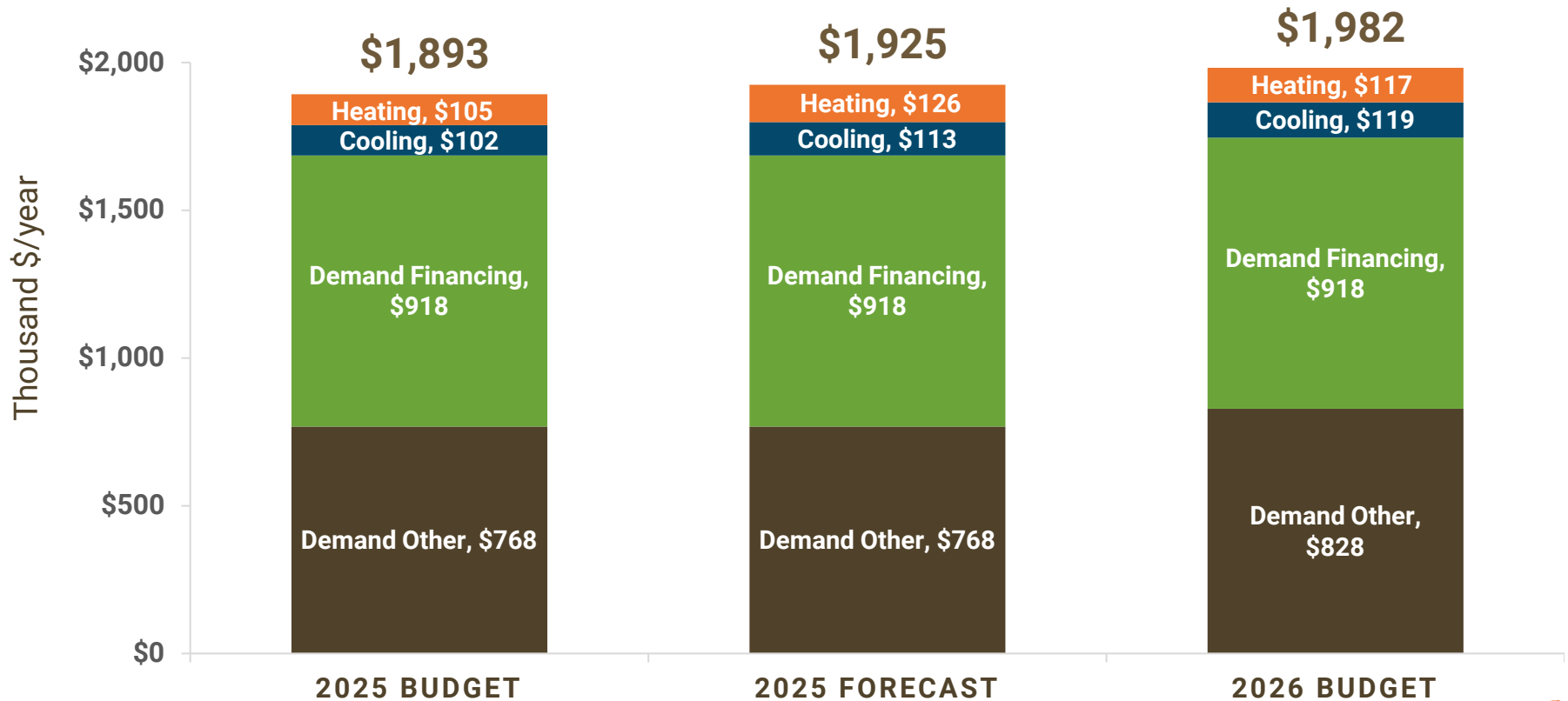
State Boiler Plant estimated annual bill increase ~2% compared to 2025 Budget

13



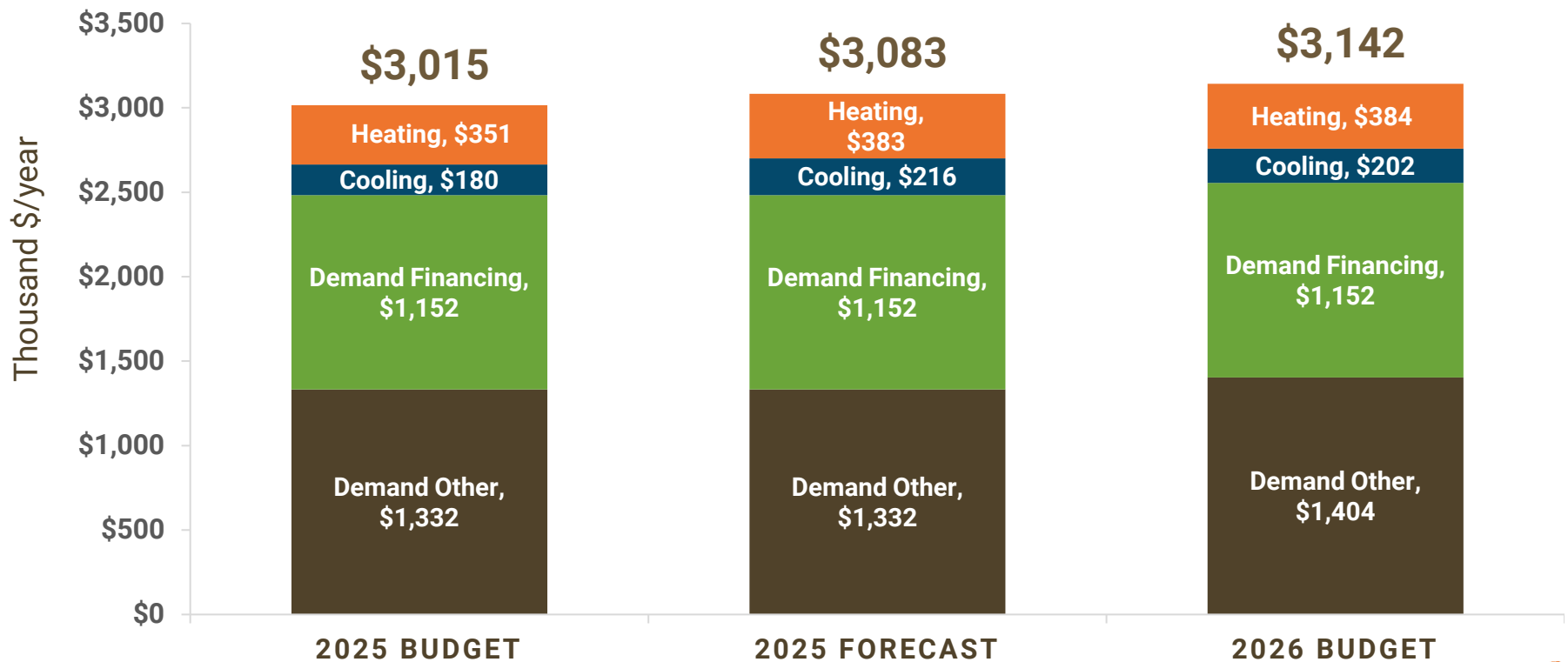
County Adult Detention Facility estimated annual bill increase ~5% compared to 2025 Budget

14



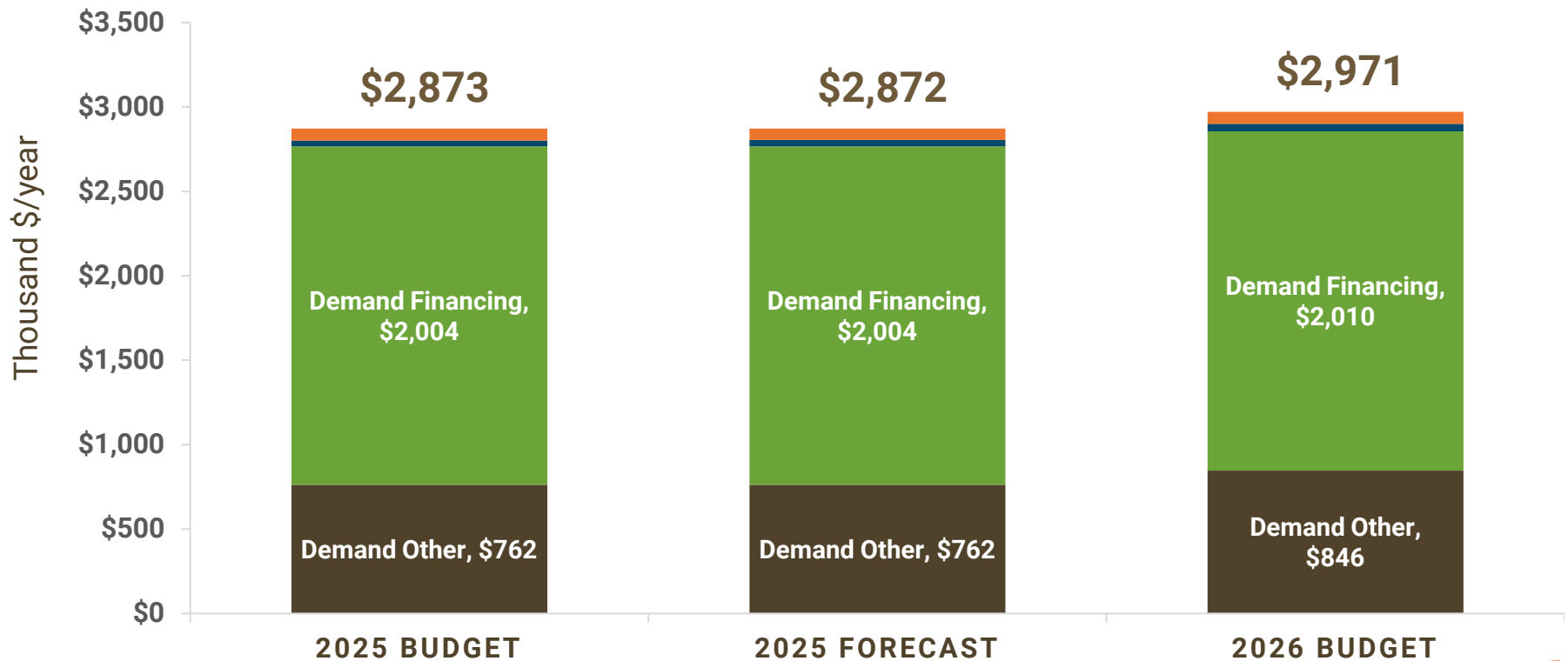
West Haymarket estimated annual bill increase ~4% compared to 2025 Budget

15



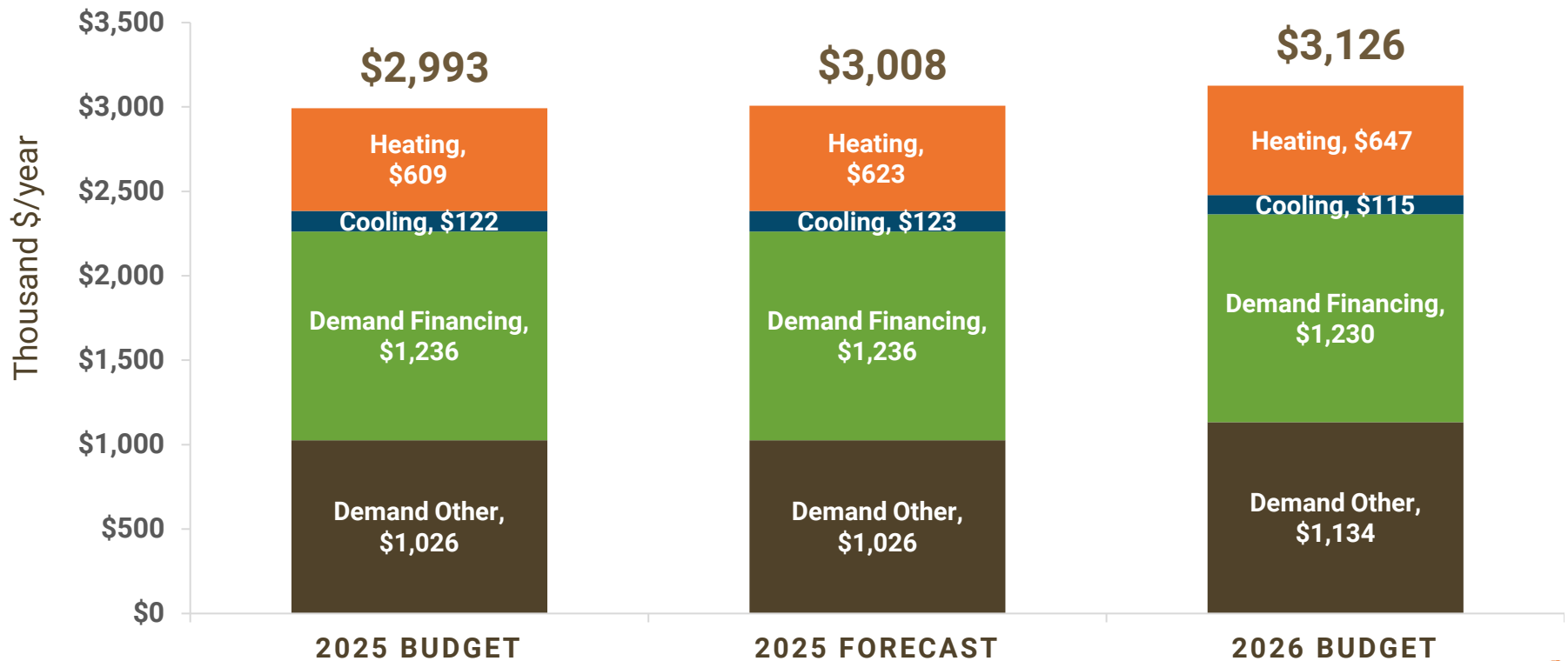
LES Operations Center estimated annual bill increase ~3% compared to 2025 Budget

16



Nebraska State Penitentiary estimated annual bill increase ~4% compared to 2025 Budget

17





2026 Budget Comparative Revenue & Expense Statement

	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Operating Revenue								
Heating	\$ 1,452,549	\$ 1,600,011	\$ 1,648,210	\$ 1,690,069	\$ 90,058	5.6%	\$ 41,859	2.5%
Cooling	518,419	545,534	595,482	589,878	44,344	8.1%	(5,604)	-0.9%
Demand Other	5,238,000	5,712,000	5,712,000	6,054,000	342,000	6.0%	342,000	6.0%
Demand Financing	5,106,974	5,162,034	5,162,034	5,162,034	-	0.0%	-	0.0%
Total Revenue	\$ 12,315,942	\$ 13,019,579	\$ 13,117,726	\$ 13,495,981	476,402	3.7%	\$ 378,255	2.9%
Operating Expenses								
Energy	\$ 2,528,492	\$ 2,668,936	\$ 2,746,644	\$ 2,837,986	\$ 169,050	6.3%	\$ 91,342	3.3%
Operation	672,261	833,077	746,874	774,464	(58,613)	-7.0%	27,590	3.7%
Maintenance	954,167	952,183	999,830	1,145,691	193,508	20.3%	145,861	14.6%
Admin. & General	2,135,564	2,409,785	2,274,314	2,432,045	22,260	0.9%	157,731	6.9%
Depreciation	3,639,808	3,686,016	3,652,594	3,699,276	13,260	0.4%	46,682	1.3%
Total Operating Expenses	\$ 9,930,292	\$ 10,549,997	\$ 10,420,256	\$ 10,889,462	\$ 339,465	3.2%	\$ 469,206	4.5%
Operating Income	\$ 2,385,650	\$ 2,469,582	\$ 2,697,470	\$ 2,606,519	\$ 136,937	5.5%	\$ (90,951)	-3.4%
Non-Operating Expenses (Revenue)								
Interest Expense	\$ 1,279,611	\$ 1,227,589	\$ 1,220,845	\$ 1,145,680	\$ (81,909)	-6.7%	\$ (75,165)	-6.2%
Investment Income	(484,512)	(255,827)	(383,845)	(294,314)	(38,487)	15.0%	89,531	-23.3%
Other Expenses (Income)	(246,806)	-	128,365	-	-	-	(128,365)	(1.0)
Net Costs Recoverable	131,316	120,144	119,018	115,476	(4,668)	-3.9%	(3,542)	-3.0%
Total Non-Operating Expenses (Revenue)	\$ 679,609	\$ 1,091,906	\$ 1,084,383	\$ 966,842	\$ (125,064)	-11.5%	\$ (117,541)	-10.8%
Change in Net Position	\$ 1,706,041	\$ 1,377,676	\$ 1,613,087	\$ 1,639,677	\$ 262,001	19.0%	\$ 26,590	1.6%



2026 Budget Debt Service Coverage Statement

	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Operating Revenues	\$ 13,019,579	\$ 13,117,726	\$ 13,495,981	\$ 476,402	3.7%	\$ 378,255	2.9%
Operating Expenses (a)	6,863,981	6,767,663	7,190,186	326,205	4.8%	422,523	6.2%
Subtotal	6,155,598	6,350,063	6,305,795	150,197	2.4%	(44,268)	-0.7%
Investment Income (b)	236,543	279,555	272,391	35,848	15.2%	(7,164)	-2.6%
Principal Portion of Capital Lease Payments	137,335	137,335	139,141	1,806	1.3%	1,806	1.3%
Transfer to Rate Stabilization Fund	(86,335)	18,907	(76,255)	10,080	-11.7%	(95,162)	-503.3%
Funds Available for Debt Service	\$ 6,443,141	\$ 6,785,860	\$ 6,641,072	\$ 197,931	3.1%	\$ (144,788)	-2.1%
Bond Interest	2,020,512	2,020,512	1,870,934	(149,578)	-7.4%	(149,578)	-7.4%
Bond Principal	3,507,500	3,507,500	3,657,500	150,000	4.3%	150,000	4.3%
Debt Service	\$ 5,528,012	\$ 5,528,012	\$ 5,528,434	\$ 422	0.0%	\$ 422	0.0%
Debt Service Coverage Ratio	1.17	1.23	1.20				

(a) Excludes Depreciation

(b) Excludes Rate Stabilization Fund interest



2026 Budget Budget Assumptions

	<u>2025 Budget</u>	<u>2026 Budget</u>	<u>26 vs. 25 Variance (%)</u>
Energy Rate Increases/Decreases			
Electric (LES system-wide average %)*	3.3%	3.0%	
Natural Gas (per/mmBtu)	\$ 6.89	\$ 7.29	5.8%
Estimated Interest Earning Rates			
Weighted Average of Money Market and Fixed Rate	2.100%	3.530%	

	<u>2026 Budget</u>			<u>26 vs. 25 Variance (%)</u>
Annual Energy Production Estimates (mmBtu)	<u>Heating</u>	<u>Cooling</u>	<u>Total</u>	
County/City	28,737	20,306	49,043	-3.3%
State	15,612	-	15,612	-9.1%
County Adult Detention Facility	16,882	16,512	33,394	5.0%
West Haymarket	33,518	47,569	81,087	4.0%
LES Operations Center	7,737	6,477	14,214	-4.5%
NE State Penitentiary	57,488	18,335	75,823	1.1%
Total	159,974	109,199	269,173	0.6%

*LES also increased rates by 4.0% effective 7/1/2025



2026 Natural Gas Budget Budget Assumptions

DEC Gas Budget	2025	2026	Variance	Variance (%)
Units (mmBtu)				
County/City	36,913	35,608	(1,305)	-3.54%
State	25,910	23,582	(2,328)	-8.98%
West Haymarket	44,021	45,147	1,126	2.56%
NE State Penitentiary	74,925	75,571	646	0.86%
Total	181,769	179,908	(1,861)	-1.02%

Average Total Unit Cost (from Kinect)	\$	6.89	\$	7.29	\$	0.40	5.81%
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Total Natural Gas Budget*	\$	1,281,082	\$	1,362,984	\$	81,902	6.39%
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*Includes other minor fees and charges



2026 Electric Budget Budget Assumptions

DEC Electrical Energy (kWh) Budget	2025	2026	Variance	Variance (%)
Units				
County/City	2,001,000	1,948,777	(52,223)	-2.6%
State	96,811	90,040	(6,771)	-7.0%
County Adult Detention Facility	2,823,466	2,883,075	59,609	2.1%
West Haymarket	3,148,743	3,413,017	264,274	8.4%
LES Operations Center	1,435,910	1,340,323	(95,587)	-6.7%
NE State Penitentiary	1,773,834	1,782,345	8,511	0.5%
Total	11,279,764	11,457,577	177,813	1.6%

Total DEC Electrical Energy Budget	2025	2026	Variance	Variance (%)
County/City	\$ 169,358	\$ 174,529	\$ 5,171	3.1%
State	\$ 8,097	\$ 8,173	\$ 76	0.9%
County Adult Detention Facility	\$ 204,979	\$ 236,779	\$ 31,800	15.5%
West Haymarket	\$ 372,992	\$ 403,996	\$ 31,004	8.3%
LES Operations Center	\$ 108,398	\$ 117,533	\$ 9,135	8.4%
NE State Penitentiary	\$ 175,501	\$ 185,257	\$ 9,756	5.6%
Total	\$ 1,039,325	\$ 1,126,267	\$ 86,942	8.4%

*Budget based on estimated kWh energy usage, customer charges, facilities charges and demand charges.

Rates

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The County Adult Detention Facility (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

COUNTY ADULT DETENTION FACILITY THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$76,500
Demand Charge (Other) \$/Billing Period	\$69,000
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$7.20
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$6.95

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 23 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The County/City (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

COUNTY/CITY THERMAL SERVICE	Rate
Demand Charge \$/Billing Period	\$103,500
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$5.35
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$9.60

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge.

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 15 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The LES Operations Center (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

LES OPERATIONS CENTER THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$167,500
Demand Charge (Other) \$/Billing Period	\$70,500
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$6.90
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$9.10

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 45 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The State of Nebraska Department of Correctional Services (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Steam + Commodity Charge for Condensate not returned + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

STATE OF NEBRASKA DEPARTMENT OF CORRECTIONAL SERVICES THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$102,500
Demand Charge (Other) \$/Billing Period	\$94,500
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$6.30
Commodity Charge for Steam \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$11.25

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 45 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The State of Nebraska (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

ANNUAL BILL: Demand Charge (Facilities Financing)

MONTHLY BILL: Demand Charge (other) + Commodity Charge for Steam + All Surcharges (if applicable); based on the rate in effect.

MONTHLY BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

STATE OF NEBRASKA THERMAL SERVICE	Rate
Demand Charge (Other) \$/Billing Period	\$50,000
Commodity Charge for Steam \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$12.55

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other).

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT – BILLS are due and payable upon receipt and delinquent if not paid within 45 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The West Haymarket Facility (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

WEST HAYMARKET FACILITY THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$96,000
Demand Charge (Other) \$/Billing Period	\$117,000
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$4.25
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$11.45

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 23 days of date of billing.

Cost of Service



County/City		Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
Rate Type		2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Revenue:										
	Demand Other	\$ 1,242,000	\$ 1,242,000	\$ 1,308,000	\$ 1,470,000	\$ 1,602,000	\$ 1,878,000	\$ 2,142,000	\$ 2,154,000	\$ 2,166,000
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling	\$ 108,632	\$ 112,693	\$ 115,739	\$ 119,800	\$ 122,845	\$ 126,906	\$ 130,967	\$ 135,028	\$ 139,089
	Heating	\$ 275,866	\$ 268,682	\$ 264,371	\$ 252,877	\$ 235,635	\$ 234,198	\$ 231,325	\$ 229,888	\$ 234,198
	Total	\$ 1,626,497	\$ 1,623,374	\$ 1,688,110	\$ 1,842,676	\$ 1,960,480	\$ 2,239,105	\$ 2,504,292	\$ 2,518,916	\$ 2,539,288
Annual Cost:										
	Demand Other	\$ 1,241,629	\$ 1,239,907	\$ 1,302,495	\$ 1,465,379	\$ 1,600,956	\$ 1,872,009	\$ 2,141,392	\$ 2,151,823	\$ 2,160,630
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling	\$ 108,103	\$ 112,322	\$ 115,670	\$ 119,074	\$ 122,804	\$ 126,383	\$ 130,183	\$ 134,160	\$ 138,203
	Heating	\$ 275,666	\$ 267,481	\$ 263,866	\$ 252,174	\$ 234,493	\$ 233,638	\$ 230,641	\$ 229,865	\$ 233,472
	Total	\$ 1,625,398	\$ 1,619,710	\$ 1,682,031	\$ 1,836,627	\$ 1,958,253	\$ 2,232,030	\$ 2,502,216	\$ 2,515,848	\$ 2,532,305
Cost of Service:										
	Demand Other	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Demand Financing									
	Cooling	100%	100%	100%	101%	100%	100%	101%	101%	101%
	Heating	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
Monthly and Commodity Rates:										
	Demand Other	\$ 103,500	\$ 103,500	\$ 109,000	\$ 122,500	\$ 133,500	\$ 156,500	\$ 178,500	\$ 179,500	\$ 180,500
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling (\$/mmBtu)	5.35	5.55	5.70	5.90	6.05	6.25	6.45	6.65	6.85
	Heating (\$/mmBtu)	9.60	9.35	9.20	8.80	8.20	8.15	8.05	8.00	8.15
Rate Change Percent:										
	Demand Other	0%	0%	5%	12%	9%	17%	14%	1%	1%
	Demand Financing	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Cooling (\$/mmBtu)	7%	4%	3%	4%	3%	3%	3%	3%	3%
	Heating (\$/mmBtu)	7%	-3%	-2%	-4%	-7%	-1%	-1%	-1%	2%
	Total	1%	0%	4%	9%	6%	14%	12%	1%	1%
Forecast:										
	Demand Other (Months)	12	12	12	12	12	12	12	12	12
	Demand Financing (Months)	-	-	-	-	-	-	-	-	-
	Cooling (Total mmBtu)	20,305	20,305	20,305	20,305	20,305	20,305	20,305	20,305	20,305
	Heating (Total mmBtu)	28,736	28,736	28,736	28,736	28,736	28,736	28,736	28,736	28,736
Per Unit Cost:										
	Demand Other	\$ 103,469	\$ 103,469	\$ 108,541	\$ 122,115	\$ 133,413	\$ 156,001	\$ 178,449	\$ 179,319	\$ 180,053
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling (\$/mmBtu)	\$ 5.32	\$ 5.53	\$ 5.70	\$ 5.86	\$ 6.05	\$ 6.22	\$ 6.41	\$ 6.61	\$ 6.81
	Heating (\$/mmBtu)	\$ 9.59	\$ 9.31	\$ 9.18	\$ 8.78	\$ 8.16	\$ 8.13	\$ 8.03	\$ 8.00	\$ 8.12

Cost of Service



State		Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
Rate Type		2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Revenue:										
	Demand Other	\$ 600,000	\$ 600,000	\$ 570,000	\$ 582,000	\$ 606,000	\$ 624,000	\$ 672,000	\$ 690,000	\$ 708,000
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Heating	\$ 195,943	\$ 187,356	\$ 186,575	\$ 178,769	\$ 168,620	\$ 167,840	\$ 166,278	\$ 165,498	\$ 167,840
	Total	\$ 795,943	\$ 787,356	\$ 756,575	\$ 760,769	\$ 774,620	\$ 791,840	\$ 838,278	\$ 855,498	\$ 875,840
Annual Cost:										
	Demand Other	\$ 599,575	\$ 554,725	\$ 568,056	\$ 578,986	\$ 605,775	\$ 620,956	\$ 668,423	\$ 688,340	\$ 706,762
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
	Heating	\$ 195,340	\$ 186,933	\$ 186,059	\$ 178,753	\$ 168,199	\$ 167,124	\$ 165,797	\$ 165,375	\$ 167,788
	Total	\$ 794,915	\$ 741,658	\$ 754,115	\$ 757,739	\$ 773,974	\$ 788,080	\$ 834,220	\$ 853,715	\$ 874,551
Cost of Service:										
	Demand Other	100%	108%	100%	101%	100%	100%	101%	100%	100%
	Demand Financing									0%
	Cooling									100%
	Heating	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total	100%	106%	100%	100%	100%	100%	100%	100%	100%
Monthly and Commodity Rates:										
	Demand Other	\$ 50,000	\$ 50,000	\$ 47,500	\$ 48,500	\$ 50,500	\$ 52,000	\$ 56,000	\$ 57,500	\$ 59,000
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling (\$/mmBtu)	-	-	-	-	-	-	-	-	-
	Heating (\$/mmBtu)	12.55	12.00	11.95	11.45	10.80	10.75	10.65	10.60	10.75
Rate Change Percent:										
	Demand Other	3%	0%	-5%	2%	4%	3%	8%	3%	3%
	Demand Financing	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Cooling (\$/mmBtu)	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Heating (\$/mmBtu)	9%	-4%	0%	-4%	-6%	0%	-1%	0%	1%
	Total	2%	-1%	-4%	1%	2%	2%	6%	2%	2%
Forecast:										
	Demand Other (Months)	12	12	12	12	12	12	12	12	12
	Demand Financing (Months)	12	12	12	12	12	12	12	12	12
	Cooling (Total mmBtu)	-	-	-	-	-	-	-	-	-
	Heating (Total mmBtu)	15,613	15,613	15,613	15,613	15,613	15,613	15,613	15,613	15,613
Per Unit Cost:										
	Demand Other	\$ 49,965	\$ 49,965	\$ 47,338	\$ 48,249	\$ 50,481	\$ 51,746	\$ 55,702	\$ 57,362	\$ 58,897
	Demand Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cooling (\$/mmBtu)									
	Heating (\$/mmBtu)	\$ 12.51	\$ 11.97	\$ 11.92	\$ 11.45	\$ 10.77	\$ 10.70	\$ 10.62	\$ 10.59	\$ 10.75

Cost of Service



County Adult Detention Facility		Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
	Rate Type	2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Revenue:										
	Demand Other	\$ 828,000	\$ 882,000	\$ 924,000	\$ 936,000	\$ 1,014,000	\$ 1,038,000	\$ 954,000	\$ 984,000	\$ 1,158,000
	Demand Financing	\$ 918,000	\$ 918,000	\$ 918,000	\$ 912,000	\$ 912,000	\$ 906,000	\$ 456,000	\$ -	\$ -
	Cooling	\$ 118,886	\$ 128,794	\$ 132,922	\$ 137,050	\$ 141,178	\$ 145,306	\$ 149,434	\$ 153,562	\$ 158,515
	Heating	\$ 117,330	\$ 113,109	\$ 116,486	\$ 119,862	\$ 124,083	\$ 127,459	\$ 131,680	\$ 135,056	\$ 139,277
	Total	\$ 1,982,216	\$ 2,041,903	\$ 2,091,407	\$ 2,104,912	\$ 2,191,260	\$ 2,216,765	\$ 1,691,113	\$ 1,272,618	\$ 1,455,792
Annual Cost:										
	Demand Other	\$ 825,938	\$ 878,933	\$ 921,286	\$ 935,820	\$ 1,011,654	\$ 1,032,407	\$ 953,341	\$ 981,814	\$ 1,153,281
	Demand Financing	\$ 916,946	\$ 914,992	\$ 913,928	\$ 911,048	\$ 908,863	\$ 905,362	\$ 451,239	\$ -	\$ -
	Cooling	\$ 118,145	\$ 128,515	\$ 132,386	\$ 136,331	\$ 140,456	\$ 144,714	\$ 148,972	\$ 153,450	\$ 158,056
	Heating	\$ 117,145	\$ 112,907	\$ 116,203	\$ 119,764	\$ 123,360	\$ 127,110	\$ 130,860	\$ 134,780	\$ 138,851
	Total	\$ 1,978,173	\$ 2,035,347	\$ 2,083,803	\$ 2,102,963	\$ 2,184,332	\$ 2,209,594	\$ 1,684,412	\$ 1,270,044	\$ 1,450,188
Cost of Service:										
	Demand Other	100%	100%	100%	100%	100%	101%	100%	100%	100%
	Demand Financing	100%	100%	100%	100%	100%	100%	101%		
	Cooling	101%	100%	100%	101%	101%	100%	100%	100%	100%
	Heating	100%	100%	100%	100%	101%	100%	101%	100%	100%
	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
Monthly and Commodity Rates:										
	Demand Other	\$ 69,000	\$ 73,500	\$ 77,000	\$ 78,000	\$ 84,500	\$ 86,500	\$ 79,500	\$ 82,000	\$ 96,500
	Demand Financing	\$ 76,500	\$ 76,500	\$ 76,500	\$ 76,000	\$ 76,000	\$ 75,500	\$ 38,000	\$ -	\$ -
	Cooling (\$/mmBtu)	7.20	7.80	8.05	8.30	8.55	8.80	9.05	9.30	9.60
	Heating (\$/mmBtu)	6.95	6.70	6.90	7.10	7.35	7.55	7.80	8.00	8.25
Rate Change Percent:										
	Demand Other	8%	7%	5%	1%	8%	2%	-8%	3%	18%
	Demand Financing	0%	0%	0%	-1%	0%	-1%	-50%	-100%	0%
	Cooling (\$/mmBtu)	13%	8%	3%	3%	3%	3%	3%	3%	3%
	Heating (\$/mmBtu)	5%	-4%	3%	3%	4%	3%	3%	3%	3%
	Total	5%	3%	2%	1%	4%	1%	-24%	-25%	14%
Forecast:										
	Demand Other (Months)	12	12	12	12	12	12	12	12	12
	Demand Financing (Months)	12	12	12	12	12	12	12	12	12
	Cooling (Total mmBtu)	16,512	16,512	16,512	16,512	16,512	16,512	16,512	16,512	16,512
	Heating (Total mmBtu)	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882	16,882
Per Unit Cost:										
	Demand Other	\$ 68,828	\$ 73,244	\$ 76,774	\$ 77,985	\$ 84,304	\$ 86,034	\$ 79,445	\$ 81,818	\$ 96,107
	Demand Financing	\$ 76,412	\$ 76,249	\$ 76,161	\$ 75,921	\$ 75,739	\$ 75,447	\$ 37,603	\$ -	\$ -
	Cooling (\$/mmBtu)	\$ 7.16	\$ 7.78	\$ 8.02	\$ 8.26	\$ 8.51	\$ 8.76	\$ 9.02	\$ 9.29	\$ 9.57
	Heating (\$/mmBtu)	\$ 6.94	\$ 6.69	\$ 6.88	\$ 7.09	\$ 7.31	\$ 7.53	\$ 7.75	\$ 7.98	\$ 8.22

Cost of Service



West Haymarket JPA		Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
	Rate Type	2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Revenue:										
	Demand Other	\$ 1,404,000	\$ 1,404,000	\$ 1,410,000	\$ 1,512,000	\$ 1,554,000	\$ 1,668,000	\$ 1,722,000	\$ 2,058,000	\$ 2,112,000
	Demand Financing	\$ 1,152,000	\$ 1,152,000	\$ 1,152,000	\$ 1,152,000	\$ 1,152,000	\$ 1,152,000	\$ 1,152,000	\$ 1,146,000	\$ 1,152,000
	Cooling	\$ 202,164	\$ 209,299	\$ 216,434	\$ 232,468	\$ 240,485	\$ 245,829	\$ 253,845	\$ 261,861	\$ 269,877
	Heating	\$ 383,781	\$ 373,726	\$ 368,698	\$ 385,571	\$ 358,161	\$ 356,333	\$ 352,679	\$ 352,679	\$ 358,161
	Total	\$ 3,141,945	\$ 3,139,025	\$ 3,147,132	\$ 3,282,039	\$ 3,304,645	\$ 3,422,162	\$ 3,480,523	\$ 3,818,539	\$ 3,892,038
Annual Cost:										
	Demand Other	\$ 1,401,914	\$ 1,364,065	\$ 1,388,868	\$ 1,507,426	\$ 1,550,985	\$ 1,666,554	\$ 1,721,262	\$ 2,053,915	\$ 2,106,382
	Demand Financing	\$ 1,147,489	\$ 1,146,779	\$ 1,146,433	\$ 1,146,784	\$ 1,148,078	\$ 1,148,113	\$ 1,146,491	\$ 1,145,199	\$ 1,147,514
	Cooling	\$ 199,936	\$ 207,701	\$ 214,072	\$ 230,817	\$ 238,214	\$ 245,396	\$ 252,951	\$ 260,905	\$ 269,011
	Heating	\$ 383,073	\$ 372,670	\$ 368,085	\$ 383,797	\$ 357,421	\$ 356,195	\$ 352,120	\$ 351,197	\$ 356,681
	Total	\$ 3,132,412	\$ 3,091,215	\$ 3,117,457	\$ 3,268,824	\$ 3,294,698	\$ 3,416,259	\$ 3,472,823	\$ 3,811,216	\$ 3,879,589
Cost of Service:										
	Demand Other	100%	103%	102%	100%	100%	100%	100%	100%	100%
	Demand Financing	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Cooling	101%	101%	101%	101%	101%	100%	100%	100%	100%
	Heating	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total	100%	102%	101%	100%	100%	100%	100%	100%	100%
Monthly and Commodity Rates:										
	Demand Other	\$ 117,000	\$ 117,000	\$ 117,500	\$ 126,000	\$ 129,500	\$ 139,000	\$ 143,500	\$ 171,500	\$ 176,000
	Demand Financing	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 96,000	\$ 95,500	\$ 96,000
	Cooling (\$/mmBtu)	4.25	4.40	4.55	4.35	4.50	4.60	4.75	4.90	5.05
	Heating (\$/mmBtu)	11.45	11.15	11.00	10.55	9.80	9.75	9.65	9.65	9.80
Rate Change Percent:										
	Demand Other	5%	0%	0%	7%	3%	7%	3%	20%	3%
	Demand Financing	0%	0%	0%	0%	0%	0%	0%	-1%	1%
	Cooling (\$/mmBtu)	6%	4%	3%	-4%	3%	2%	3%	3%	3%
	Heating (\$/mmBtu)	7%	-3%	-1%	-4%	-7%	-1%	-1%	0%	2%
	Total	4%	0%	0%	4%	1%	4%	2%	10%	2%
Forecast:										
	Demand Other (Months)	12	12	12	12	12	12	12	12	12
	Demand Financing (Months)	12	12	12	12	12	12	12	12	12
	Cooling (Total mmBtu)	47,568	47,568	47,568	53,441	53,441	53,441	53,441	53,441	53,441
	Heating (Total mmBtu)	33,518	33,518	33,518	36,547	36,547	36,547	36,547	36,547	36,547
Per Unit Cost:										
	Demand Other	\$ 116,826	\$ 116,826	\$ 116,826	\$ 125,619	\$ 129,249	\$ 138,880	\$ 143,438	\$ 171,160	\$ 175,532
	Demand Financing	\$ 95,624	\$ 95,565	\$ 95,536	\$ 95,565	\$ 95,673	\$ 95,676	\$ 95,541	\$ 95,433	\$ 95,626
	Cooling (\$/mmBtu)	\$ 4.20	\$ 4.37	\$ 4.50	\$ 4.32	\$ 4.46	\$ 4.59	\$ 4.73	\$ 4.88	\$ 5.03
	Heating (\$/mmBtu)	\$ 11.43	\$ 11.12	\$ 10.98	\$ 10.50	\$ 9.78	\$ 9.75	\$ 9.63	\$ 9.61	\$ 9.76

Cost of Service



LES Operations Center		Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
	Rate Type	2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Revenue:										
	Demand Other	\$ 846,000	\$ 846,000	\$ 858,000	\$ 864,000	\$ 768,000	\$ 642,000	\$ 762,000	\$ 774,000	\$ 792,000
	Demand Financing	\$ 2,010,000	\$ 2,010,000	\$ 2,010,000	\$ 2,010,000	\$ 1,008,000	\$ -	\$ -	\$ -	\$ -
	Cooling	\$ 44,691	\$ 46,634	\$ 47,930	\$ 49,225	\$ 50,844	\$ 52,464	\$ 54,083	\$ 55,702	\$ 57,321
	Heating	\$ 70,398	\$ 64,279	\$ 63,884	\$ 63,765	\$ 63,538	\$ 65,599	\$ 67,316	\$ 69,377	\$ 71,438
	Total	\$ 2,971,089	\$ 2,966,913	\$ 2,979,814	\$ 2,986,990	\$ 1,890,383	\$ 760,063	\$ 883,399	\$ 899,079	\$ 920,759
Annual Cost:										
	Demand Other	\$ 843,607	\$ 842,011	\$ 853,715	\$ 863,082	\$ 767,589	\$ 636,692	\$ 758,747	\$ 773,015	\$ 789,603
	Demand Financing	\$ 2,004,750	\$ 2,004,250	\$ 2,004,750	\$ 2,006,000	\$ 1,002,750	\$ -	\$ -	\$ -	\$ -
	Cooling	\$ 44,512	\$ 46,398	\$ 47,797	\$ 49,220	\$ 50,709	\$ 52,246	\$ 53,784	\$ 55,400	\$ 57,063
	Heating	\$ 70,381	\$ 64,012	\$ 63,827	\$ 63,667	\$ 63,396	\$ 65,322	\$ 67,250	\$ 69,265	\$ 71,356
	Total	\$ 2,963,250	\$ 2,956,671	\$ 2,970,089	\$ 2,981,969	\$ 1,884,444	\$ 754,260	\$ 879,781	\$ 897,680	\$ 918,022
Cost of Service:										
	Demand Other	100%	100%	101%	100%	100%	101%	100%	100%	100%
	Demand Financing	100%	100%	100%	100%	101%				
	Cooling	100%	101%	100%	100%	100%	100%	101%	101%	100%
	Heating	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total	100%	100%	100%	100%	100%	101%	100%	100%	100%
Monthly and Commodity Rates:										
	Demand Other	\$ 70,500	\$ 70,500	\$ 71,500	\$ 72,000	\$ 64,000	\$ 53,500	\$ 63,500	\$ 64,500	\$ 66,000
	Demand Financing	\$ 167,500	\$ 167,500	\$ 167,500	\$ 167,500	\$ 84,000	\$ -	\$ -	\$ -	\$ -
	Cooling (\$/mmBtu)	6.90	7.20	7.40	7.60	7.85	8.10	8.35	8.60	8.85
	Heating (\$/mmBtu)	9.10	8.55	8.75	9.00	9.25	9.55	9.80	10.10	10.40
Rate Change Percent:										
	Demand Other	11%	0%	1%	1%	-11%	-16%	19%	2%	2%
	Demand Financing	0%	0%	0%	0%	-50%	-100%	0%	0%	0%
	Cooling (\$/mmBtu)	15%	4%	3%	3%	3%	3%	3%	3%	3%
	Heating (\$/mmBtu)	14%	-6%	2%	3%	3%	3%	3%	3%	3%
	Total	3%	0%	0%	0%	-37%	-60%	16%	2%	2%
Forecast:										
	Demand Other (Months)	12	12	12	12	12	12	12	12	12
	Demand Financing (Months)	12	12	12	12	12	12	12	12	12
	Cooling (Total mmBtu)	6,477	6,477	6,477	6,477	6,477	6,477	6,477	6,477	6,477
	Heating (Total mmBtu)	7,736	7,518	7,301	7,085	6,869	6,869	6,869	6,869	6,869
Per Unit Cost:										
	Demand Other	\$ 70,301	\$ 70,301	\$ 71,143	\$ 71,923	\$ 63,966	\$ 53,058	\$ 63,229	\$ 64,418	\$ 65,800
	Demand Financing	\$ 167,063	\$ 167,021	\$ 167,063	\$ 167,167	\$ 83,563	\$ -	\$ -	\$ -	\$ -
	Cooling (\$/mmBtu)	\$ 6.87	\$ 7.16	\$ 7.38	\$ 7.60	\$ 7.83	\$ 8.07	\$ 8.30	\$ 8.55	\$ 8.81
	Heating (\$/mmBtu)	\$ 9.10	\$ 8.51	\$ 8.74	\$ 8.99	\$ 9.23	\$ 9.51	\$ 9.79	\$ 10.08	\$ 10.39

Cost of Service



NE State Penitentiary		Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
	Rate Type	2026	2027	2028	2029	2030	2031	2032	2033	2034
Annual Revenue:										
	Demand Other	\$ 1,134,000	\$ 1,134,000	\$ 1,134,000	\$ 1,074,000	\$ 1,092,000	\$ 1,200,000	\$ 1,218,000	\$ 1,248,000	\$ 1,278,000
	Demand Financing	\$ 1,230,000	\$ 1,230,000	\$ 1,236,000	\$ 1,236,000	\$ 1,230,000	\$ 1,230,000	\$ 1,236,000	\$ 1,236,000	\$ 1,236,000
	Cooling	\$ 115,504	\$ 119,171	\$ 122,838	\$ 127,421	\$ 131,088	\$ 134,755	\$ 139,338	\$ 143,005	\$ 147,589
	Heating	\$ 646,751	\$ 635,253	\$ 629,505	\$ 606,509	\$ 569,141	\$ 572,016	\$ 566,267	\$ 569,141	\$ 580,639
	Total	\$ 3,126,255	\$ 3,118,424	\$ 3,122,342	\$ 3,043,930	\$ 3,022,229	\$ 3,136,770	\$ 3,159,605	\$ 3,196,146	\$ 3,242,228
Annual Cost:										
	Demand Other	\$ 1,130,376	\$ 1,067,914	\$ 1,051,240	\$ 1,069,887	\$ 1,089,757	\$ 1,195,669	\$ 1,217,487	\$ 1,242,971	\$ 1,272,559
	Demand Financing	\$ 1,229,575	\$ 1,229,700	\$ 1,231,075	\$ 1,231,075	\$ 1,229,700	\$ 1,229,450	\$ 1,230,200	\$ 1,231,825	\$ 1,231,700
	Cooling	\$ 115,014	\$ 119,135	\$ 122,785	\$ 126,531	\$ 130,526	\$ 134,478	\$ 138,647	\$ 142,964	\$ 147,386
	Heating	\$ 646,100	\$ 634,735	\$ 627,751	\$ 604,417	\$ 568,787	\$ 570,465	\$ 566,092	\$ 567,264	\$ 577,978
	Total	\$ 3,121,065	\$ 3,051,484	\$ 3,032,851	\$ 3,031,910	\$ 3,018,770	\$ 3,130,062	\$ 3,152,426	\$ 3,185,024	\$ 3,229,623
Cost of Service:										
	Demand Other	100%	106%	108%	100%	100%	100%	100%	100%	100%
	Demand Financing	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Cooling	100%	100%	100%	101%	100%	100%	100%	100%	100%
	Heating	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Total	100%	102%	103%	100%	100%	100%	100%	100%	100%
Monthly and Commodity Rates:										
	Demand Other	\$ 94,500	\$ 94,500	\$ 94,500	\$ 89,500	\$ 91,000	\$ 100,000	\$ 101,500	\$ 104,000	\$ 106,500
	Demand Financing	\$ 102,500	\$ 102,500	\$ 103,000	\$ 103,000	\$ 102,500	\$ 102,500	\$ 103,000	\$ 103,000	\$ 103,000
	Cooling (\$/mmBtu)	6.30	6.50	6.70	6.95	7.15	7.35	7.60	7.80	8.05
	Heating (\$/mmBtu)	11.25	11.05	10.95	10.55	9.90	9.95	9.85	9.90	10.10
Rate Change Percent:										
	Demand Other	11%	0%	0%	-5%	2%	10%	2%	2%	2%
	Demand Financing	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Cooling (\$/mmBtu)	-7%	3%	3%	4%	3%	3%	3%	3%	3%
	Heating (\$/mmBtu)	5%	-2%	-1%	-4%	-6%	1%	-1%	1%	2%
	Total	4%	0%	0%	-3%	-1%	4%	1%	1%	1%
Forecast:										
	Demand Other (Months)	12	12	12	12	12	12	12	12	12
	Demand Financing (Months)	12	12	12	12	12	12	12	12	12
	Cooling (Total mmBtu)	18,334	18,334	18,334	18,334	18,334	18,334	18,334	18,334	18,334
	Heating (Total mmBtu)	57,489	57,489	57,489	57,489	57,489	57,489	57,489	57,489	57,489
Per Unit Cost:										
	Demand Other	\$ 94,198	\$ 94,198	\$ 94,198	\$ 89,157	\$ 90,813	\$ 99,639	\$ 101,457	\$ 103,581	\$ 106,047
	Demand Financing	\$ 102,465	\$ 102,475	\$ 102,590	\$ 102,590	\$ 102,475	\$ 102,454	\$ 102,517	\$ 102,652	\$ 102,642
	Cooling (\$/mmBtu)	\$ 6.27	\$ 6.50	\$ 6.70	\$ 6.90	\$ 7.12	\$ 7.33	\$ 7.56	\$ 7.80	\$ 8.04
	Heating (\$/mmBtu)	\$ 11.24	\$ 11.04	\$ 10.92	\$ 10.51	\$ 9.89	\$ 9.92	\$ 9.85	\$ 9.87	\$ 10.05

Capital



2025-2026 Capital Planning Capital Equipment / Construction

Item	Active Projects	Plant	Approved Budget	Life to Date as of 8/31/2025	Remaining	2026 Capital Request	Adjusted Project Total
	DEC General		\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000
3	DEC Vehicles		\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000
	County/City (CC)		\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
6	Cooling Capacity Increase	CC	\$ -	\$ -	\$ -	\$ -	\$ -
7	Controls Upgrades	CC	\$ -	\$ -	\$ -	\$ -	\$ -
8	Safety/Security/Miscellaneous Upgrades	CC	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
	State (SBP)		\$ -	\$ -	\$ -	\$ 279,900	\$ 279,900
14	Fuel Oil Filter Skid	SBP	\$ -	\$ -	\$ -	\$ 249,900	\$ 249,900
16	Safety/Security/Miscellaneous Upgrades	SBP	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
	County Adult Detention Facility (CADF)		\$ 229,500	\$ -	\$ 229,500	\$ 111,000	\$ 340,500
19	Multistack Upgrade	CADF	\$ 229,500	\$ -	\$ 229,500	\$ -	\$ 229,500
20	Switchgear and Relay Upgrades	CADF	\$ -	\$ -	\$ -	\$ -	\$ -
21	Controls Upgrades	CADF	\$ -	\$ -	\$ -	\$ -	\$ -
22	Safety/Security/Miscellaneous Upgrades	CADF	\$ -	\$ -	\$ -	\$ 111,000	\$ 111,000
	West Haymarket (WHM)		\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
25	Service Extension to Future Building North of Hudl	WHM	\$ -	\$ -	\$ -	\$ -	\$ -
26	Controls Upgrades	WHM	\$ -	\$ -	\$ -	\$ -	\$ -
27	Safety/Security/Miscellaneous Upgrades	WHM	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
	LES Operations Center (LOC)		\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
30	Controls Upgrades	LOC	\$ -	\$ -	\$ -	\$ -	\$ -
31	Safety/Security/Miscellaneous Upgrades	LOC	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
	Nebraska State Penitentiary (NSP)		\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
33	Safety/Security/Miscellaneous Upgrades	NSP	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
34	Controls Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -
35	Switchgear and Relay Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -
	Total		\$ 229,500	\$ -	\$ 229,500	\$ 695,900	\$ 925,400
	Completed Projects	Plant	Approved Budget	Projected costs as of 12/31/2025	Remaining at Completion		
	DEC General		\$ 140,600	\$ 105,729	\$ (34,871)		
	Central Cyber Security System	DEC	\$ 65,660	\$ -	\$ (65,660)		
	Physical Security & Safety	DEC	\$ 140,600	\$ 105,729	\$ (34,871)		
	County/City (CC)		\$ 71,400	\$ 49,775	\$ (21,625)		
	City Water Service Upgrade	CC	\$ 51,000	\$ 30,408	\$ (20,592)		
	Water Softener Upgrade	CC	\$ 20,400	\$ 19,367	\$ (1,033)		
	State (SBP)		\$ 271,650	\$ 267,661	\$ (3,989)		
	DA Controls & Surge Tank Upgrade	SBP	\$ 271,650	\$ 267,661	\$ (3,989)		
	County Adult Detention Facility (CADF)		\$ 797,210	\$ 797,210	\$ -		
	Backup Circ. Pumps for Each Loop	CADF	\$ 365,900	\$ 349,969	\$ (15,931)		
	Loop Field Fluid Cooler	CADF	\$ 797,210	\$ 797,210	\$ -		
	West Haymarket (WHM)		\$ 150,000	\$ 241,898	\$ 91,898		
	Boiler Addition	WHM	\$ 826,200	\$ 818,030	\$ (8,170)		
	Service Extension to Proposed Block 4 Building Development	WHM	\$ 150,000	\$ 241,898	\$ 91,898		
	LES Operations Center (LOC)		\$ 204,000	\$ 74,138	\$ (129,862)		
	Loop Field Resistance Heater	LOC	\$ 204,000	\$ 74,138	\$ (129,862)		
	Nebraska State Penitentiary (NSP)		\$ 51,000	\$ 45,189	\$ (5,811)		
	Hydronic Cooler (Control Room)	NSP	\$ 51,000	\$ 45,189	\$ (5,811)		
	Total		\$ 1,685,860	\$ 1,581,600	\$ (104,260)		



2026-2035 Capital Cash Flow Plan

					Planned Expenditures											Total Project Budget
Item	Active Projects	Plant	Prior Spend Actual as of 12/31/2024	2025 Forecast	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
	DEC General		\$ 92,885	\$ 12,844	\$ 125,000	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 505,729	
1	Central Cyber Security System	DEC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2	Physical Security & Safety	DEC	\$ 92,885	\$ 12,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,729	
3	DEC Vehicles	DEC	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000	
4	Portable Boiler	DEC	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
5	Electronic logbook	DEC	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000	
	County/City (CC)		\$ -	\$ -	\$ 50,000	\$ 250,000	\$ 935,000	\$ 825,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 5,060,000	
6	Cooling Capacity Increase	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7	Controls Upgrades	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
8	Safety/Security/Miscellaneous Upgrades	CC	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
9	Customer Extension (Multimodal Center)	CC	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	
10	Temporary Boiler and Chiller Connections	CC	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	
11	Heat Exchanger Additions (County/City and Hall of Justice)	CC	\$ -	\$ -	\$ -	\$ -	\$ 475,000	\$ 475,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 950,000	
12	Year Round Cooling	CC	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	
13	Chiller 4 replacement	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	
	State (SBP)		\$ -	\$ -	\$ 130,000	\$ 279,900	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 609,900	
14	Fuel Oil Filter Skid	SBP	\$ -	\$ -	\$ 249,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249,900	
15	DA Vessel Replacement	SBP	\$ -	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,000	
16	Safety/Security/Miscellaneous Upgrades	SBP	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	
17	Controls Upgrades	SBP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
	County Adult Detention Facility (CADF)		\$ 323,563	\$ 473,647	\$ 340,500	\$ 200,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 4,437,710	
18	Loop Field Fluid Cooler	CADF	\$ 323,563	\$ 473,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 797,210	
19	Multistack Upgrade	CADF	\$ -	\$ -	\$ 229,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 229,500	
20	Switchgear and Relay Upgrades	CADF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
21	Controls Upgrades	CADF	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
22	Safety/Security/Miscellaneous Upgrades	CADF	\$ -	\$ -	\$ 111,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,000	
23	Generator overhauls	CADF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 3,000,000	
	West Haymarket (WHM)		\$ 451,507	\$ 366,523	\$ 30,000	\$ 350,000	\$ 450,000	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 3,648,030	
24	Boiler Addition	WHM	\$ 451,507	\$ 366,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 818,030	
25	Service Extension to Future Building North of Hudl	WHM	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	
26	Controls Upgrades	WHM	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
27	Safety/Security/Miscellaneous Upgrades	WHM	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	
28	Temporary Boiler and Chiller Provisions	WHM	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
29	Thermal Energy Storage	WHM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000	
	LES Operations Center (LOC)		\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 500,000	
30	Controls Upgrades	LOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
31	Safety/Security/Miscellaneous Upgrades	LOC	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
32	Multistack Upgrade Placeholder	LOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	
	Nebraska State Penitentiary (NSP)		\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 200,000	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ 850,000	
33	Safety/Security/Miscellaneous Upgrades	NSP	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
34	Controls Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
35	Switchgear and Relay Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
36	Boiler overhaul placeholder	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ 500,000	
	Completed Projects	Plant	Prior Spend Actual as of 12/31/2024	2025 Forecast	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		
	County/City (CC)		\$ 49,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,284,308	
	City Water Service Upgrade	CC	\$ 30,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,408	
	Water Softener Upgrade	CC	\$ 19,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,367	
	State (SBP)		\$ 267,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,584	
	DA Controls & Surge Tank Upgrade	SBP	\$ 267,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,661	
	County Adult Detention Facility (CADF)		\$ 309,167	\$ 40,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,969	
	Backup Circ Pumps for Each Loop	CADF	\$ 309,167	\$ 40,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,969	
	West Haymarket (WHM)		\$ 241,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,899	
	Service Extension to Proposed Block 4 Building Development	WHM	\$ 241,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,899	
	LES Operations Center (LOC)		\$ 74,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,138	
	Loop Field Resistance Heater	LOC	\$ 74,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,138	
	Nebraska State Penitentiary (NSP)		\$ 45,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,189	
	Hydronic Cooler (Control Room)	NSP	\$ 45,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,189	
	Total		\$ 1,546,617	\$ 1,023,816	\$ 925,400	\$ 1,075,000	\$ 1,385,000	\$ 1,325,000	\$ 1,600,000	\$ 1,700,000	\$ 2,000,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 18,030,307	



2026 Budget Capital Budget Explanations

1. Central Cyber Security System (\$66K)

This project is cancelled and will be re-evaluated and budgeted for as a different project at a later date.

2. Physical Security & Safety (\$141K)

This project will continue improving the overall security posture of the DEC. This project will upgrade the emergency lighting throughout the DEC facilities to prevent premature failure in the event of an emergency. Additionally, this project will upgrade exterior lighting to better illuminate the facility perimeters for improved safety and security. The additional budget requests will provide funding for small miscellaneous safety and security improvements. This project will be completed in 2025. Any remaining miscellaneous projects will be completed under miscellaneous upgrades at each facility.

3. DEC Vehicles (\$125K)

This budget item will procure vehicles for use in operating and maintaining remote DEC facilities. One new midsize truck will be purchased, and three fleet vehicles will be purchased from LES at fair market value, bringing the total DEC fleet to six vehicles.

4. Portable Boiler (\$200K)

This budget item will add a portable boiler to the DEC fleet in 2027, capable of delivering steam or hot water on a temporary or emergency basis to improve overall system reliability and support critical loads. Currently, emergency or temporary boiler needs must be satisfied by rental units, which are costly and time-consuming to procure and require third party support for installation and operation. This project will coincide with the addition of temporary unit connections at the West Haymarket facility in 2027 and at the County/City facility in 2028.

5. Electronic logbook (\$75K)

DEC's existing electronic logbook has a limited feature set and presents difficulty extracting data for driving performance improvements. Budgeted for 2027, this project will upgrade the logbook software to a modern version with additional features including integration of additional data sources, custom reporting, data analysis, and fault detection to improve the safety, reliability, and efficiency of DEC operations.

6. County/City Cooling Capacity Increase (\$0M)

This budget item has been placed on hold pending direction from the customer. Current capacity is sufficient to serve current loads.

7. County/City Controls Upgrade (\$200K)

This budget item has been planned for 2029 to upgrade obsolete controls equipment.

8. County/City Misc. Upgrades (\$50K)

This budget item has been planned for 2026. The project will provide funding for small miscellaneous safety, security, and efficiency improvements.

9. County/City Customer Extension (Multimodal Center) (\$500K)

This project will extend service from the existing County/City heating and cooling systems to the new City of Lincoln Multimodal Transportation Center expected to be located south of the Hall of Justice. Project timing is based upon facility construction and a feasibility study of DEC services. Engineering is tentatively scheduled for 2027, with construction in 2028.



2026 Budget Capital Budget Explanations

10. County/City Temporary Boiler and Chiller Connections (\$60K)

This project will add connections at the County-City DEC Facility for connection of temporary hot water or chilled water production systems. Design and construction will occur in 2028. This project coincides with procurement of a portable boiler in 2027 for emergency hot water backup.

11. County/City Heat Exchanger Additions (County/City and Hall of Justice) (\$950K)

This project will add heat exchangers to hydraulically separate the customers' chilled water piping from the DEC's chilled water piping, improving the reliability and efficiency of both systems and reducing overall energy costs. Procurement and installation of the heat exchangers is budgeted for 2028 and 2029.

12. County/City Year-Round Cooling (\$300K)

This project will design and install an air-source fluid cooler at the DEC County/City facility to provide year-round cooling per the request from the County/City customers. The additional equipment could be used to provide free-cooling, Trane chiller operation without the need of a cooling tower or build ice in the Calmac ice tanks at ambient temperatures below 20F. This project is budgeted for procurement and installation in 2028 and 2029.

13. Chiller 4 Replacement (\$3.0M)

This project budgets for replacement of Chiller 4 at County/City, which was installed in 2007 and has performed reliably and efficiently but will reach the end of its expected life by 2030.

14. State Boiler Plant Fuel Oil Filter Skid (\$250K)

This project will install a fuel oil filter skid to filter the fuel oil in the underground fuel oil storage tank for use in the boilers and emergency electrical generator. The State Boiler Plant is the only DEC plant that currently does not have a fuel filter skid installed. This project has been budgeted for 2026.

15. State Boiler Plant DA Vessel Replacement (\$150K)

This emergent project for 2025 replaced the corroded deaerator vessel and has been completed.

16. State Boiler Plant Misc. Upgrades (\$30K)

This budget item has been planned for 2026. The project will provide funding for small miscellaneous safety, security, and efficiency improvements.

17. State Boiler Plant Controls Upgrade (\$200K)

This budget item has been planned for 2029 to upgrade obsolete controls equipment.

18. County Adult Detention Facility Loop Field Fluid Cooler (\$797K)

This project will install an air to fluid cooling system to address the geothermal loop temperature increases. As the loop temperature increases the efficiency of the heat pumps decreases. The system would be operated during the colder winter months to maximize system performance and the impact on the loop field temperature. The additional budget request is due to increased installation costs and equipment costs due to inflation since originally budgeting the project.



2026 Budget Capital Budget Explanations

19. County Adult Detention Facility Multistack Upgrade (\$230K)

This project will upgrade the reversing valves on the Multistack geothermal heat pumps to improve system reliability. The original design has been found to be problematic and has had an impact on the reliable operation of the facility. This project will also upgrade the obsolete controllers on the Multistacks to a newer model that is currently supported by the OEM.

20. County Adult Detention Facility Switchgear and Relay Upgrades (\$100K)

This budget item has been planned for 2029 to upgrade obsolete equipment.

21. County Adult Detention Facility Control Upgrades (\$200K)

This budget item has been planned for 2027 to upgrade obsolete controls equipment.

22. County Adult Detention Facility Misc. Upgrades (\$111K)

This budget item has been planned for 2026. The project will provide funding for small miscellaneous safety, security, and efficiency improvements.

23. County Adult Detention Facility Generator Overhauls (\$3.0M)

This budget item has been planned for 2033, 2034, and 2035 to coincide with the manufacturer-recommended overhaul frequency.

24. West Haymarket Boiler Addition (\$826K)

This budget item will install additional electric boilers to provide full back up for loss of natural gas service. With the loss of natural gas service, the plant would utilize existing and new electric boilers to maintain customer service. The loss of natural gas service is usually associated with the coldest winter days when demand for heating service is at a maximum. The additional budget request is due to the increased cost of the electric boilers and installation costs including the need for catwalks above the boilers for safe access to the HVAC filters.

25. West Haymarket Service Extension to Future Building North of HUDL (\$500K)

This budget item has been tentatively planned for 2027 and 2028, but will be executed at the direction of the customer based on timing of the construction project.

26. West Haymarket Controls Upgrade (\$200K)

This budget item has been planned for 2028 to upgrade obsolete controls equipment.

27. West Haymarket Misc. Upgrades (\$30K)

This budget item has been planned for 2026. The project will provide funding for small miscellaneous safety, security, and efficiency improvements.

28. West Haymarket Temporary Boiler and Chiller Provisions (\$100K)

This project will add connections at the West Haymarket DEC Facility for connection of temporary hot water or chilled water production systems. Design and construction will occur in 2027. This project coincides with procurement of a portable boiler in 2027 for emergency hot water backup.

29. West Haymarket Thermal Energy Storage (\$2.0M)

This budget item has been planned for 2032.



2026 Budget Capital Budget Explanations

30. LES Operations Center Control Upgrades (\$200K)

This budget item has been planned for 2029 to upgrade obsolete controls equipment.

31. LES Operations Center Misc. Upgrades (\$50K)

This budget item has been planned for 2026. The project will provide funding for small miscellaneous safety, security, and efficiency improvements.

32. LES Operations Center Multistack Upgrades (\$250K)

This budget item has been planned for 2035. This project will upgrade components on the Multistack geothermal heat pumps to improve system reliability and replace obsolete components on the Multistacks to newer models that are currently supported by the OEM.

33. Nebraska State Penitentiary Misc. Upgrades (\$50K)

This budget item has been planned for 2026. The project will provide funding for small miscellaneous safety, security, and efficiency improvements.

34. Nebraska State Penitentiary Controls Upgrade (\$200K)

This budget item has been planned for 2031 to upgrade obsolete controls equipment.

35. Nebraska State Penitentiary Switchgear and Relay Upgrades (\$100K)

This budget item has been planned for 2030 to upgrade obsolete equipment.

36. Nebraska State Penitentiary Boiler Overhauls/Upgrades (\$500K)

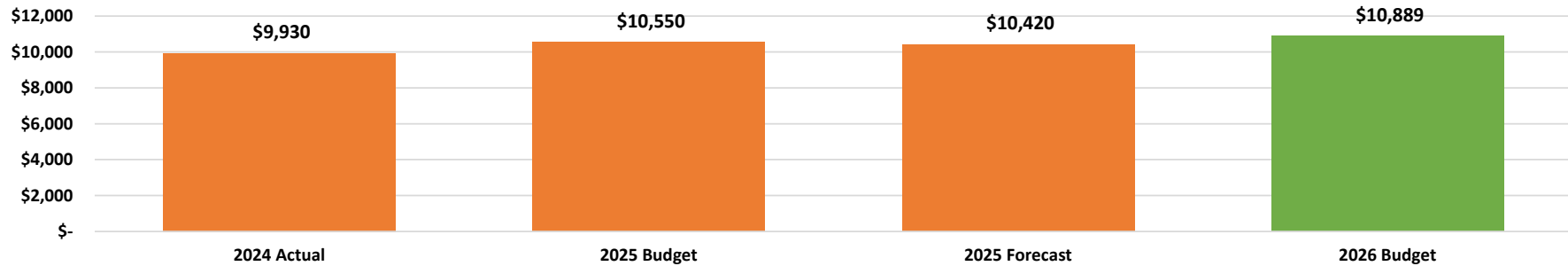
This budget item has been planned for 2033 and 2034.

Operating Recaps



2026 Operating Budget Recap

Operating Expenses (chart in thousands)



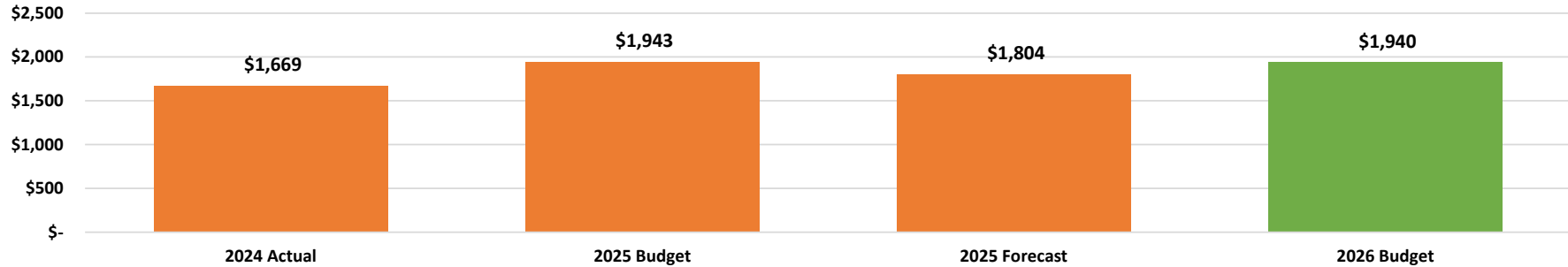
Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 3,639,807	\$ 3,686,016	\$ 3,652,593	\$ 3,699,276	\$ 13,260	0.4%	\$ 46,683	1.3%
Generation	\$ 2,528,490	\$ 2,668,936	\$ 2,746,644	\$ 2,837,986	\$ 169,050	6.3%	\$ 91,342	3.3%
Materials	\$ 26,541	\$ 1,500	\$ 12,773	\$ 22,000	\$ 20,500	1366.7%	\$ 9,227	72.2%
Outside Services	\$ 2,018,007	\$ 2,257,581	\$ 2,202,352	\$ 2,240,831	\$ (16,750)	-0.7%	\$ 38,479	1.7%
Payroll and Benefits	\$ 1,453,890	\$ 1,773,974	\$ 1,605,249	\$ 1,906,485	\$ 132,511	7.5%	\$ 301,236	18.8%
Purchases	\$ 246,718	\$ 151,920	\$ 184,451	\$ 162,884	\$ 10,964	7.2%	\$ (21,567)	-11.7%
Transportation	\$ 2,624	\$ 2,400	\$ 1,431	\$ 5,000	\$ 2,600	108.3%	\$ 3,569	249.4%
Travel and Training	\$ 14,211	\$ 7,670	\$ 14,762	\$ 15,000	\$ 7,330	95.6%	\$ 238	1.6%
Grand Total	\$ 9,930,287	\$ 10,549,997	\$ 10,420,255	\$ 10,889,462	\$ 339,465	3.2%	\$ 469,207	4.5%



2026 Operating Budget Recap - DEC Admin

Operating Expenses

(chart in thousands)



Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 7,550	\$ 10,656	\$ 8,586	\$ 12,240	\$ 1,584	14.9%	\$ 3,654	42.6%
Materials	\$ 1,412	\$ 1,500	\$ 1,474	\$ 22,000	\$ 20,500	1366.7%	\$ 20,526	1392.5%
Outside Services	\$ 1,138,122	\$ 1,244,279	\$ 1,169,483	\$ 1,131,705	\$ (112,574)	-9.0%	\$ (37,778)	-3.2%
Payroll and Benefits	\$ 505,310	\$ 671,920	\$ 606,070	\$ 748,892	\$ 76,972	11.5%	\$ 142,822	23.6%
Purchases	\$ 1,565	\$ 4,500	\$ 2,141	\$ 4,800	\$ 300	6.7%	\$ 2,659	124.2%
Transportation	\$ 1,013	\$ 2,400	\$ 1,381	\$ 5,000	\$ 2,600	108.3%	\$ 3,619	262.1%
Travel and Training	\$ 14,206	\$ 7,670	\$ 14,762	\$ 15,000	\$ 7,330	95.6%	\$ 238	1.6%
Grand Total	\$ 1,669,178	\$ 1,942,925	\$ 1,803,897	\$ 1,939,637	\$ (3,288)	-0.2%	\$ 135,740	7.5%

Administration Allocation				
County/City	20.6%	20.6%	20.5%	18.2%
State	14.2%	14.2%	14.4%	13.7%
County Adult Detention Facility	14.1%	14.1%	13.6%	15.3%
West Haymarket	19.5%	19.5%	20.0%	20.1%
LES Operations Center	12.1%	12.1%	11.7%	14.2%
NE State Penitentiary	19.6%	19.6%	20.0%	18.6%
Total	100%	100%	100%	100%



2026 Operating Budget Recap - DEC Admin

Budget vs. Budget Variance Explanations

Materials

Fuel, +\$21K

Outside Services

A&G overhead, -\$4K

Bank service fees, -\$1K

Environmental consulting, -\$4K

Legal fees, -\$26K

Management fee, -\$70K

Remote monitoring, -\$10K

Security services, +\$2K

Payroll and Benefits

Labor adjustments for hours (+193), payroll adder, and merit increases, +\$77K

Travel and Training

IDEA conference, +\$7K

Budget vs. Forecast Variance Explanations

Depreciation and Amortization

Depreciation, +\$4K

Materials

Fuel, +\$21K

Outside Services

A&G overhead, -\$4K

Bank service fees, -\$1K

Environmental consulting, -\$4K

Legal fees, -\$26K

Payroll and Benefits

Labor adjustments for hours (+947), payroll adder, and merit increases, +\$143K

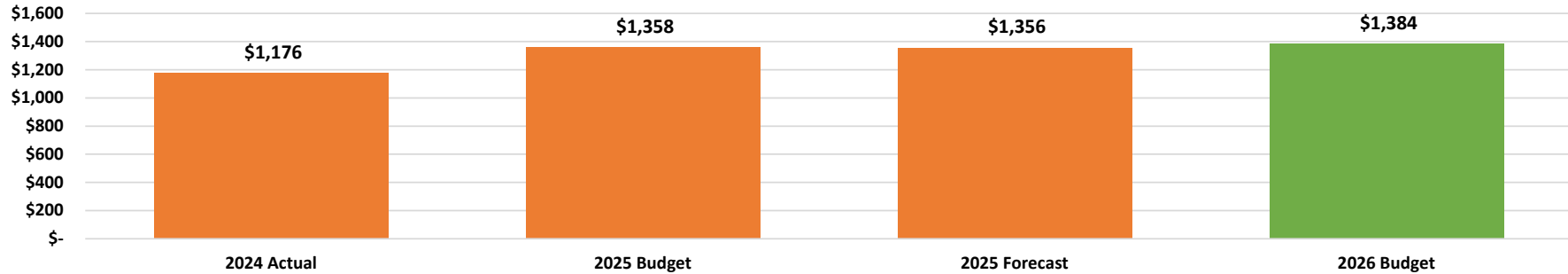
Purchases

Decreased spending in 2025, -\$3K



2026 Operating Budget Recap - County/City

Operating Expenses (chart in thousands)



Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 455,564	\$ 485,952	\$ 466,760	\$ 457,164	\$ (28,788)	-5.9%	\$ (9,596)	-2.1%
Generation	\$ 439,167	\$ 482,071	\$ 472,101	\$ 500,999	\$ 18,928	3.9%	\$ 28,898	6.1%
Materials	\$ (201)	\$ -	\$ 86	\$ -	\$ -	0.0%	\$ (86)	-100.0%
Outside Services	\$ 113,767	\$ 155,530	\$ 163,197	\$ 193,118	\$ 37,588	24.2%	\$ 29,921	18.3%
Payroll and Benefits	\$ 147,079	\$ 210,754	\$ 212,540	\$ 198,600	\$ (12,154)	-5.8%	\$ (13,940)	-6.6%
Purchases	\$ 20,584	\$ 23,728	\$ 41,723	\$ 33,728	\$ 10,000	42.1%	\$ (7,995)	-19.2%
Grand Total	\$ 1,175,960	\$ 1,358,035	\$ 1,356,407	\$ 1,383,609	\$ 25,574	1.9%	\$ 27,202	2.0%



2026 Operating Budget Recap - County/City

Budget vs. Budget Variance Explanations

Depreciation and Amortization

Depreciation, -\$29K

Generation

Electric Demand cooling, +\$2K

Electric Demand heating, +\$2K

Natural gas price, +\$19K

Natural gas volume, -\$9K

Water expense, +\$4K

Outside Services

Cooling tower media, +\$1K

Electrical Maintenance Plan implementation, +\$30K

JC annual service agreement, +\$1K

Water sampling, +\$5K

Payroll and Benefits

Labor adjustments for hours (-403), payroll adder, and merit increases, -\$12K

Purchases

Bearings & seals, +\$10K

Budget vs. Forecast Variance Explanations

Generation

Natural gas price, +\$10K

Natural gas volume, +\$13K

Outside Services

Electrical Maintenance Plan implementation, +\$30K

Payroll and Benefits

Labor adjustments for hours (-104), payroll adder, and merit increases, +\$14K

Purchases

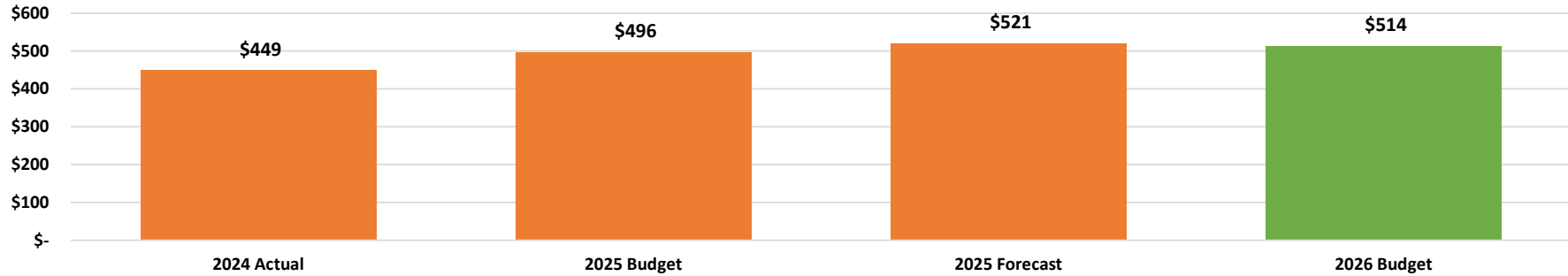
Additional chemical purchases in 2025, -\$8K



2026 Operating Budget Recap - State

Operating Expenses

(chart in thousands)



Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 98,167	\$ 61,356	\$ 77,923	\$ 91,380	\$ 30,024	48.9%	\$ 13,457	17.3%
Generation	\$ 155,139	\$ 199,277	\$ 207,976	\$ 196,444	\$ (2,833)	-1.4%	\$ (11,532)	-5.5%
Materials	\$ 260	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Outside Services	\$ 39,993	\$ 71,303	\$ 80,507	\$ 52,581	\$ (18,722)	-26.3%	\$ (27,926)	-34.7%
Payroll and Benefits	\$ 139,817	\$ 147,604	\$ 135,828	\$ 156,820	\$ 9,216	6.2%	\$ 20,992	15.5%
Purchases	\$ 15,623	\$ 16,776	\$ 18,701	\$ 16,800	\$ 24	0.1%	\$ (1,901)	-10.2%
Transportation	\$ -	\$ -	\$ 50	\$ -	\$ -	0.0%	\$ (50)	-100.0%
Grand Total	\$ 448,999	\$ 496,316	\$ 520,985	\$ 514,025	\$ 17,709	3.6%	\$ (6,960)	-1.3%



2026 Operating Budget Recap - State

Budget vs. Budget Variance Explanations

Depreciation and Amortization

Depreciation, +\$30K

Outside Services

Electrical Maintenance Plan implementation, -\$15K

Plant maintenance, -\$7K

Water sampling, +\$3K

Budget vs. Forecast Variance Explanations

Depreciation and Amortization

Depreciation, +\$13K

Generation

Natural gas price, +\$4K

Natural gas volume, -\$16K

Outside Services

Electrical Maintenance Plan implementation, -\$15K

Pipe integrity testing, -\$8K

Tuning, -\$4K

Payroll and Benefits

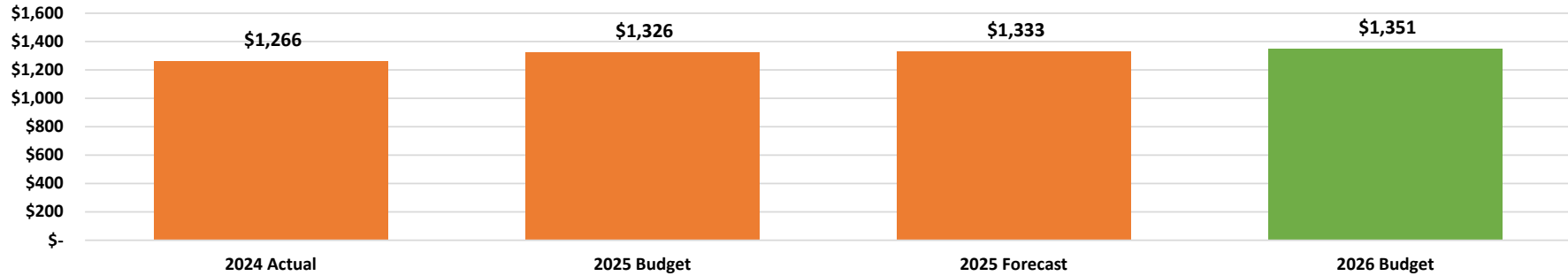
Labor adjustments for hours (+86), payroll adder, and merit increases, +\$21K



2026 Operating Budget Recap - County Adult Detention Facility

Operating Expenses

(chart in thousands)



Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 695,411	\$ 720,372	\$ 703,731	\$ 731,028	\$ 10,656	1.5%	\$ 27,297	3.9%
Generation	\$ 205,418	\$ 207,979	\$ 244,184	\$ 239,778	\$ 31,799	15.3%	\$ (4,406)	-1.8%
Materials	\$ 3,640	\$ -	\$ 3,279	\$ -	\$ -	0.0%	\$ (3,279)	-100.0%
Outside Services	\$ 146,824	\$ 206,917	\$ 221,851	\$ 163,934	\$ (42,983)	-20.8%	\$ (57,917)	-26.1%
Payroll and Benefits	\$ 170,682	\$ 163,267	\$ 131,609	\$ 188,850	\$ 25,583	15.7%	\$ 57,241	43.5%
Purchases	\$ 42,553	\$ 27,720	\$ 28,044	\$ 27,008	\$ (712)	-2.6%	\$ (1,036)	-3.7%
Transportation	\$ 1,006	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Grand Total	\$ 1,265,534	\$ 1,326,255	\$ 1,332,698	\$ 1,350,598	\$ 24,343	1.8%	\$ 17,900	1.3%



2026 Operating Budget Recap - County Adult Detention Facility

Budget vs. Budget Variance Explanations

Depreciation and Amortization

Depreciation, +\$11K

Generation

Electric Demand - Cooling, +\$1K

Electric Demand - Heating, +\$1K

Electric Energy - Cooling, +\$17K

Electric Energy - Heating, +\$13K

Outside Services

Electrical Maintenance Plan implementation, -\$60K

Interstate inspections, +\$1K

Lawn maintenance, +\$12K

Sprinkler maintenance, +\$4K

Payroll and Benefits

Labor adjustments for hours (-41), payroll adder, and merit increases, +\$26K

Budget vs. Forecast Variance Explanations

Depreciation and Amortization

Depreciation, +\$27K

Materials

Materials in 2026, -\$3K

Outside Services

Electrical Maintenance Plan implementation, -\$60K

Sprinkler maintenance, +\$4K

Payroll and Benefits

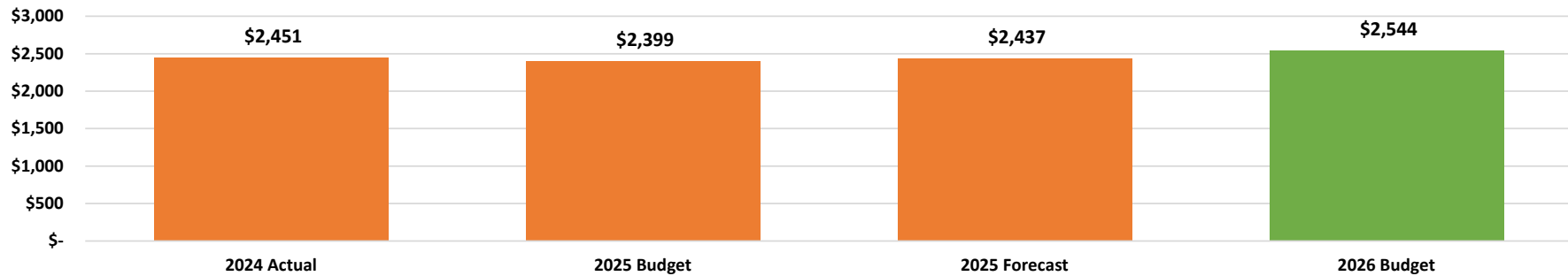
Labor adjustments for hours (+364), payroll adder, and merit increases, +\$57K



2026 Operating Budget Recap - West Haymarket

Operating Expenses

(chart in thousands)



Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 1,074,975	\$ 1,094,472	\$ 1,085,178	\$ 1,095,972	\$ 1,500	0.1%	\$ 10,794	1.0%
Generation	\$ 795,010	\$ 812,165	\$ 885,582	\$ 886,189	\$ 74,024	9.1%	\$ 607	0.1%
Materials	\$ 8,634	\$ -	\$ 355	\$ -	\$ -	0.0%	\$ (355)	-100.0%
Outside Services	\$ 312,735	\$ 223,110	\$ 215,234	\$ 297,356	\$ 74,246	33.3%	\$ 82,122	38.2%
Payroll and Benefits	\$ 180,318	\$ 234,927	\$ 196,389	\$ 229,599	\$ (5,328)	-2.3%	\$ 33,210	16.9%
Purchases	\$ 79,141	\$ 34,372	\$ 54,320	\$ 35,240	\$ 868	2.5%	\$ (19,080)	-35.1%
Transportation	\$ 12	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Grand Total	\$ 2,450,825	\$ 2,399,046	\$ 2,437,058	\$ 2,544,356	\$ 145,310	6.1%	\$ 107,298	4.4%



2026 Operating Budget Recap - West Haymarket

Budget vs. Budget Variance Explanations

Generation

- Electric Demand - Cooling, +\$14K
- Electric Demand - Heating, +\$6K
- Electric Energy - Cooling, +\$11K
- Natural gas price, +\$23K
- Natural gas tax, +\$2K
- Natural gas volume, +\$8K
- Water, +\$10K

Outside Services

- Electrical maintenance plan implementation, +\$60K
- Electrical Maintenance Plan, -\$8K
- Liability insurance, +\$2K
- Property insurance, +\$5K
- Spill prevention, control, and countermeasure update, +\$10K
- Water sampling, +\$3K

Budget vs. Forecast Variance Explanations

Depreciation and Amortization

- Depreciation, +\$11K

Outside Services

- Electrical maintenance plan implementation, +\$60K
- Liability insurance, +\$2K
- Property insurance, +\$5K
- Spill prevention, control, and countermeasure update, +\$10K
- Water sampling, +\$3K

Payroll and Benefits

- Labor adjustments for hours (+72), payroll adder, and merit increases, +\$33K

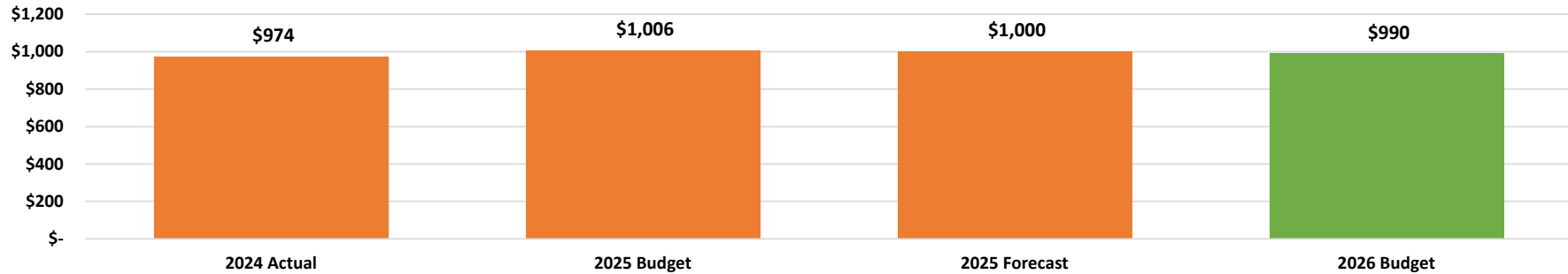
Purchases

- Additional chemicals in 2025, -\$5K
- Boiler repairs, -\$14K



2026 Operating Budget Recap - LES Operations Center

Operating Expenses (chart in thousands)



Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 564,251	\$ 565,452	\$ 564,651	\$ 566,724	\$ 1,272	0.2%	\$ 2,073	0.4%
Generation	\$ 115,331	\$ 111,398	\$ 135,377	\$ 120,533	\$ 9,135	8.2%	\$ (14,844)	-11.0%
Materials	\$ 1,602	\$ -	\$ 813	\$ -	\$ -	0.0%	\$ (813)	-100.0%
Outside Services	\$ 112,280	\$ 153,996	\$ 153,965	\$ 117,514	\$ (36,482)	-23.7%	\$ (36,451)	-23.7%
Payroll and Benefits	\$ 144,869	\$ 156,917	\$ 130,034	\$ 166,181	\$ 9,264	5.9%	\$ 36,147	27.8%
Purchases	\$ 36,023	\$ 18,724	\$ 15,515	\$ 18,736	\$ 12	0.1%	\$ 3,221	20.8%
Transportation	\$ 22	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Grand Total	\$ 974,377	\$ 1,006,487	\$ 1,000,355	\$ 989,688	\$ (16,799)	-1.7%	\$ (10,667)	-1.1%



2026 Operating Budget Recap - LES Operations Center

Budget vs. Budget Variance Explanations

Outside Services

Electrical Maintenance Plan implementation, -\$45K
Generator maintenance, +\$2K
Property insurance, +\$4K
Water sampling, +\$3K

Budget vs. Forecast Variance Explanations

Generation

2025 Fuel transfer to LES, -\$18K
Electric Energy - Cooling, +\$3K

Outside Services

Electrical Maintenance Plan implementation, -\$45K
Generator maintenance, +\$2K
Property insurance, +\$4K
Water sampling, +\$3K

Payroll and Benefits

Labor adjustments for hours (+24), payroll adder, and merit increases, +\$36K

Purchases

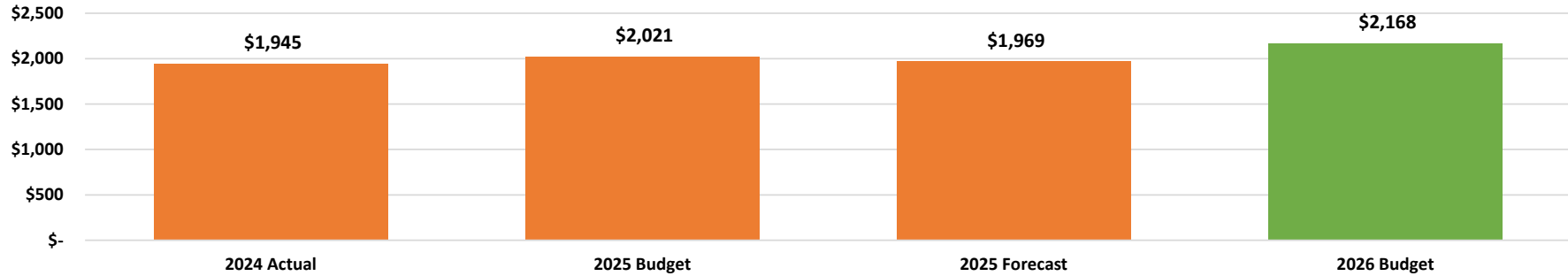
Decreased balance of plant purchases in 2025, +\$4K



2026 Operating Budget Recap - NE State Penitentiary

Operating Expenses

(chart in thousands)



Expenditure Type	2024 Actual	2025 Budget	2025 Forecast	2026 Budget	26 vs. 25 Budget (\$)	26 vs. 25 Budget (%)	26 vs. 25 Forecast (\$)	26 vs. 25 Forecast (%)
Depreciation and Amortization	\$ 743,889	\$ 747,756	\$ 745,764	\$ 744,768	\$ (2,988)	-0.4%	\$ (996)	-0.1%
Generation	\$ 818,425	\$ 856,046	\$ 801,424	\$ 894,043	\$ 37,997	4.4%	\$ 92,619	11.6%
Materials	\$ 11,194	\$ -	\$ 6,766	\$ -	\$ -	0.0%	\$ (6,766)	-100.0%
Outside Services	\$ 154,286	\$ 202,446	\$ 198,115	\$ 284,623	\$ 82,177	40.6%	\$ 86,508	43.7%
Payroll and Benefits	\$ 165,815	\$ 188,585	\$ 192,779	\$ 217,543	\$ 28,958	15.4%	\$ 24,764	12.8%
Purchases	\$ 51,229	\$ 26,100	\$ 24,007	\$ 26,572	\$ 472	1.8%	\$ 2,565	10.7%
Transportation	\$ 571	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%
Grand Total	\$ 1,945,409	\$ 2,020,933	\$ 1,968,855	\$ 2,167,549	\$ 146,616	7.3%	\$ 198,694	10.1%



2026 Operating Budget Recap - NE State Penitentiary

Budget vs. Budget Variance Explanations

Generation

- Electric Demand - Cooling, +\$4K
- Electric Demand - Heating, +\$4K
- Natural gas price, +\$38K
- Natural gas volume, +\$5K
- Water - Cooling, -\$9K
- Water - Heating, -\$6K

Outside Services

- Electrical Maintenance Plan implementation, +\$75K
- Property insurance, +\$6K

Payroll and Benefits

- Labor adjustments for hours (+209), payroll adder, and merit increases, +\$29K

Budget vs. Forecast Variance Explanations

Generation

- Chemical Expense - Cooling, +\$2K
- Electric Demand - Cooling, +\$3K
- Electric Demand - Heating, +\$7K
- Natural gas price, +\$33K
- Natural gas volume, +\$12K
- Water - Cooling, +\$22K
- Water - Heating, +\$13K

Materials

- Decreased materials in 2026, -\$7K

Outside Services

- Electrical Maintenance Plan implementation, +\$75K
- Property insurance, +\$6K
- Water sampling, +\$4K

Payroll and Benefits

- Labor adjustments for hours (+312), payroll adder, and merit increases, +\$25K

Purchases

- Decreased plant purchases in 2025, +\$3K

Supporting Financial Reports

Pro Forma



District Energy Corporation	Forecast	Forecast	Forecast	Forecast	Forecast
Pro Forma	2025	2026	2027	2028	2029
	Forecast	Forecast	Forecast	Forecast	Forecast
Operating Revenue					
Heating	1,648,210	1,690,069	1,642,405	1,629,519	1,607,353
Cooling	595,482	589,878	616,591	635,862	665,964
Demand Other	5,712,000	6,054,000	6,108,000	6,204,000	6,438,000
Demand Financing	5,162,034	5,162,034	5,162,034	5,168,034	5,162,034
Total Operating Revenue	13,117,725	13,495,980	13,529,030	13,637,415	13,873,351
Operating Expense					
Energy	2,746,644	2,837,986	2,838,606	2,861,862	2,904,614
Operation	746,874	774,464	797,703	813,887	830,552
Maintenance	999,830	1,145,691	1,007,950	1,033,707	1,060,293
Admin. & General	2,274,314	2,432,045	2,435,138	2,511,256	2,569,093
Depreciation	3,652,594	3,699,276	3,699,276	3,699,276	3,699,276
Total Operating Expense	10,420,257	10,889,462	10,778,673	10,919,988	11,063,828
Operating Income	2,697,469	2,606,518	2,750,357	2,717,427	2,809,523
Nonoperating Expenses (Income)					
Interest Expense	1,220,845	1,145,680	1,095,294	1,063,034	1,041,100
Investment Income	(383,845)	(294,314)	(301,047)	(308,018)	(315,228)
Net Costs Recoverable	119,018	115,476	110,616	95,520	90,192
Other-Net	128,365	-	-	-	-
Total Nonoperating Expenses (Income)	1,084,383	966,842	904,863	850,536	816,064
Income Before Contributions	1,613,086	1,639,676	1,845,494	1,866,891	1,993,459
Contributed Capital					
Contributed Capital Received	-	-	-	-	-
Contributed Capital Used	-	-	-	-	-
Net Contributed Capital	-	-	-	-	-
Income Without LT Interest Expense	1,613,086	1,639,676	1,845,494	1,866,891	1,993,459
Long-Term Debt (LTD) Service					
Current LTD Principal	3,507,500	3,657,500	3,812,500	3,982,500	4,162,500
Current LTD Interest	2,020,512	1,870,934	1,712,350	1,544,543	1,367,142
Subtotal Current Debt Service	5,528,012	5,528,434	5,524,850	5,527,043	5,529,642
Proposed LTD Principal	-	-	-	-	-
Proposed LTD Interest	-	-	-	-	-
Proposed Debt Service	-	-	-	-	-
Total Long-Term Debt Service	5,528,012	5,528,434	5,524,850	5,527,043	5,529,642
Other Cash Sources & Uses					
Short-Term Borrowing	(300,000)	240,000	666,000	971,000	467,500
Net Bond Proceeds	-	-	-	-	-
Subtotal Other Cash Sources & Uses	(300,000)	240,000	666,000	971,000	467,500
Capital					
County/City	2,638	75,588	306,293	935,000	825,000
State	130,169	297,838	39,463	-	200,000
County Adult Detention Facility	516,240	357,438	237,263	-	100,000
West Haymarket	368,726	54,975	404,945	450,000	-
LES Operations Center	1,538	64,625	32,175	-	200,000
NE State Penitentiary	2,528	74,938	54,863	-	-
Total Capital	1,021,839	925,400	1,075,000	1,385,000	1,325,000



2026 Budget Annual Billings

	2022	2023	2024	2025	2026	2027	2028	2029
County/City								
Heating Revenues (\$)	\$ 199,285	\$ 249,520	\$ 292,992	\$ 266,558	\$ 275,866	\$ 268,682	\$ 264,371	\$ 252,877
Cooling Revenues (\$)	81,281	80,261	76,017	104,565	108,632	112,693	115,739	119,800
Demand - Other Revenues (\$)	1,092,000	1,122,000	1,206,000	1,242,000	1,242,000	1,242,000	1,308,000	1,470,000
Annual Revenues (\$)	1,372,566	1,451,781	1,575,009	1,613,123	1,626,497	1,623,374	1,688,110	1,842,676
Square Footage	634,000	634,000	634,000	634,000	634,000	634,000	634,000	634,000
Price per Sq. Ft. (\$)	\$ 2.16	\$ 2.29	\$ 2.48	\$ 2.54	\$ 2.57	\$ 2.56	\$ 2.66	\$ 2.91
State								
Heating Revenues (\$)	\$ 157,775	\$ 189,214	\$ 208,914	\$ 198,348	\$ 195,943	\$ 187,356	\$ 186,575	\$ 178,769
Demand - Other Revenues (\$)	444,000	447,000	516,000	582,000	600,000	600,000	570,000	582,000
Demand - Financing Revenues (\$)	120,000	114,000	-	-	-	-	-	-
Annual Revenues (\$)	721,775	750,214	724,914	780,348	795,943	787,356	756,575	760,769
Square Footage	1,010,000	1,010,000	1,010,000	1,010,000	1,010,000	1,010,000	1,010,000	1,010,000
Price per Sq. Ft. (\$)	\$ 0.71	\$ 0.74	\$ 0.72	\$ 0.77	\$ 0.79	\$ 0.78	\$ 0.75	\$ 0.75
CADF								
Heating Revenues (\$)	\$ 71,760	\$ 74,558	\$ 74,856	\$ 104,611	\$ 117,330	\$ 113,109	\$ 116,486	\$ 119,862
Cooling Revenues (\$)	84,862	96,503	96,223	102,000	118,886	128,794	132,922	137,050
Demand - Other Revenues (\$)	600,000	666,000	666,000	768,000	828,000	882,000	924,000	936,000
Demand - Financing Revenues (\$)	960,000	924,000	924,000	918,000	918,000	918,000	918,000	912,000
Annual Revenues (\$)	1,716,622	1,761,061	1,761,079	1,892,611	1,982,216	2,041,903	2,091,407	2,104,912
Square Footage	311,500	311,500	311,500	311,500	311,500	311,500	311,500	311,500
Price per Sq. Ft. (\$)	\$ 5.51	\$ 5.65	\$ 5.65	\$ 6.08	\$ 6.36	\$ 6.56	\$ 6.71	\$ 6.76
West Haymarket								
Heating Revenues (\$)	\$ 244,168	\$ 404,491	\$ 380,110	\$ 351,442	\$ 383,781	\$ 373,726	\$ 368,698	\$ 385,571
Cooling Revenues (\$)	183,877	172,472	178,746	180,352	202,164	209,299	216,434	232,468
Demand - Other Revenues (\$)	1,176,000	1,452,000	1,308,000	1,332,000	1,404,000	1,404,000	1,410,000	1,512,000
Demand - Financing Revenues (\$)	1,152,000	1,152,000	1,146,000	1,152,000	1,152,000	1,152,000	1,152,000	1,152,000
Annual Revenues (\$)	2,756,045	3,180,963	3,012,856	3,015,794	3,141,945	3,139,025	3,147,132	3,282,039
Square Footage	1,340,600	1,340,600	1,340,600	1,340,600	1,340,600	1,340,600	1,340,600	1,340,600
Price per Sq. Ft. (\$)	\$ 2.06	\$ 2.37	\$ 2.25	\$ 2.25	\$ 2.34	\$ 2.34	\$ 2.35	\$ 2.45
LOC								
Heating Revenues (\$)	\$ 24,990	\$ 53,734	\$ 53,555	\$ 70,469	\$ 70,398	\$ 64,279	\$ 63,884	\$ 63,765
Cooling Revenues (\$)	31,967	31,095	31,018	36,138	44,691	46,634	47,930	49,225
Demand - Other Revenues (\$)	636,000	708,000	648,000	762,000	846,000	846,000	858,000	864,000
Demand - Financing Revenues (\$)	2,340,000	2,016,000	2,005,200	2,004,000	2,010,000	2,010,000	2,010,000	2,010,000
Annual Revenues (\$)	3,032,958	2,808,829	2,737,773	2,872,607	2,971,089	2,966,913	2,979,814	2,986,990
Square Footage	405,806	405,806	405,806	405,806	405,806	405,806	405,806	405,806
Price per Sq. Ft. (\$)	\$ 7.47	\$ 6.92	\$ 6.75	\$ 7.08	\$ 7.32	\$ 7.31	\$ 7.34	\$ 7.36
NSP								
Heating Revenues (\$)	\$ 442,565	\$ 560,924	\$ 564,929	\$ 608,584	\$ 646,751	\$ 635,253	\$ 629,505	\$ 606,509
Cooling Revenues (\$)	72,296	84,546	77,203	122,479	115,504	119,171	122,838	127,421
Demand - Other Revenues (\$)	912,000	885,000	894,000	1,026,000	1,134,000	1,134,000	1,134,000	1,074,000
Demand - Financing Revenues (\$)	1,230,000	1,230,000	1,236,000	1,236,000	1,230,000	1,230,000	1,236,000	1,236,000
Annual Revenues (\$)	2,656,861	2,760,470	2,772,132	2,993,063	3,126,255	3,118,424	3,122,342	3,043,930
Square Footage	455,719	455,719	455,719	455,719	455,719	455,719	455,719	455,719
Price per Sq. Ft. (\$)	\$ 5.83	\$ 6.06	\$ 6.08	\$ 6.57	\$ 6.86	\$ 6.84	\$ 6.85	\$ 6.68

Thermal/Energy Service Agreement						
Contracting Party:	City of Lincoln, Nebraska; Lancaster County, Nebraska	State of Nebraska	Lancaster County, Nebraska	West Haymarket Joint Public Agency (City of Lincoln, Nebraska and The Board of Regents of the University of Nebraska)	City of Lincoln, Nebraska; d/b/a Lincoln Electric System	State of Nebraska Department of Correctional Services
Contract:	Thermal Service Agreement, dated June 15, 1991	Amended and Restated Thermal Service Agreement, dated February 15, 2012	Energy Service Agreement, dated January 1, 2010	Energy Service Agreement, dated October 6, 2011, as amended	Energy Service Agreement, dated October 18, 2016	Energy Service Agreement, dated October 1, 2017
Buildings and Areas Served:	County/City Building; Hall of Justice; 605 Building; "K" Street Building; Court House Plaza; 825 J Building (634,000 sq. ft.)	State Capitol; State Office Building; State Administrative Office (1,010,000 sq. ft.)	County Adult Detention Facility (311,500 sq. ft.)	Pinnacle Bank Arena; Canopy Lofts; The Railyard; Hyatt Place Lincoln; Oscar Project; Hudl; Canopy Row; Oscar Project 2.0; Canopy Park (1,340,600 sq. ft.)	LES Operations Center (405,806 sq. ft.)	Nebraska State Penitentiary (455,719 sq. ft.)
Services Provided:	Heating and cooling, starting in 1991	Heating and certain energy conservation improvements, starting in 1999	Heating, cooling, backup electrical service, and certain energy conservation improvements, starting in 2012	Heating and cooling, starting September 2013	Heating, cooling, backup electrical service, and certain energy conservation improvements, starting March 2019	Heating steam, process steam, cooling, and backup electrical service, starting December 2019



9445 Rokeby Road | Lincoln, NE 68526 | 402.473.3299

EXHIBIT 2

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The County Adult Detention Facility (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

COUNTY ADULT DETENTION FACILITY THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$76,500
Demand Charge (Other) \$/Billing Period	\$69,000
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$7.20
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$6.95

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 23 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The County/City (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

COUNTY/CITY THERMAL SERVICE	Rate
Demand Charge \$/Billing Period	\$103,500
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$5.35
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$9.60

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge.

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 15 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The LES Operations Center (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

LES OPERATIONS CENTER THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$167,500
Demand Charge (Other) \$/Billing Period	\$70,500
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$6.90
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$9.10

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 45 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The State of Nebraska Department of Correctional Services (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Steam + Commodity Charge for Condensate not returned + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

STATE OF NEBRASKA DEPARTMENT OF CORRECTIONAL SERVICES THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$102,500
Demand Charge (Other) \$/Billing Period	\$94,500
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$6.30
Commodity Charge for Steam \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$11.25

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 45 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The State of Nebraska (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

ANNUAL BILL: Demand Charge (Facilities Financing)

MONTHLY BILL: Demand Charge (other) + Commodity Charge for Steam + All Surcharges (if applicable); based on the rate in effect.

MONTHLY BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

STATE OF NEBRASKA THERMAL SERVICE	Rate
Demand Charge (Other) \$/Billing Period	\$50,000
Commodity Charge for Steam \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$12.55

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other).

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT – BILLS are due and payable upon receipt and delinquent if not paid within 45 days of date of billing.

EXHIBIT A

DISTRICT ENERGY CORPORATION THERMAL SERVICE - RATE SCHEDULE EFFECTIVE DATE: January 1, 2026

APPLICABLE: The West Haymarket Facility (Customer) will be placed on this rate upon the effective date.

CHARACTER OF SERVICE: The character of thermal service shall be as defined in ARTICLE 3 of the Thermal Service Agreement.

MONTHLY BILL: Demand Charge (Facilities Financing) + Demand Charge (Other) + Commodity Charge for Chilled Water + Commodity Charge for Hot Water + All Surcharges (if applicable); based on the rate in effect.

BILLING PERIOD: Under normal conditions, BILLING PERIODS typically range from 27 to 35 days. BILLS are rendered on the basis of the scheduled meter reading dates or a date agreeable with the DEC for final readings.

RATE:

WEST HAYMARKET FACILITY THERMAL SERVICE	Rate
Demand Charge (Facilities Financing) \$/Billing Period	\$96,000
Demand Charge (Other) \$/Billing Period	\$117,000
Commodity Charge for Chilled Water \$/MMBTU for all MMBTU's delivered through the chilled water system per Billing Period	\$4.25
Commodity Charge for Hot Water \$/per MMBTU for all MMBTU's delivered through the hot water system per Billing Period	\$11.45

Upon request, the DEC will provide recorded energy consumption readings for the purpose of allocating Demand and Energy charges.

MINIMUM BILL: Demand Charge (Facilities Financing) + Demand Charge (Other)

TERMS AND CONDITIONS:

Thermal Services will be furnished subject to the DEC's Thermal Service Agreement.

TERMS OF PAYMENT - BILLS are due and payable upon receipt and delinquent if not paid within 23 days of date of billing.

TAB VIII

**DISTRICT ENERGY CORPORATION
RESOLUTION NO. 25-08**

DECLARATION OF OFFICIAL INTENT OF THE DISTRICT ENERGY CORPORATION UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, TO REIMBURSE CERTAIN CAPITAL EXPENDITURES FROM THE PROCEEDS OF FUTURE TAX-EXEMPT OBLIGATIONS.

WHEREAS, the Members of the Board of Directors (the “**Board**”) of the District Energy Corporation of Lincoln, Nebraska (the “**DEC**”) have heretofore determined that it is necessary, desirable, and advisable that the DEC design, construct, and install infrastructure, including but not limited to, construction of thermal energy plants to serve new customers, and appurtenances related thereto in connection with the 2025 and 2026 Capital Improvement Projects described in Exhibit 1, attached hereto and made a part hereof by reference (the “**Projects**”); and

WHEREAS, DEC has begun planning for or has initiated the Projects and anticipates expending funds from the Revenue and Construction Funds in the amount of approximately Two Million Dollars (\$2,000,000) for the Projects; and

WHEREAS, it is necessary, desirable and advisable that the DEC undertake the Projects, which will require the expenditure of monies of the DEC prior to the issuance by DEC of its bonds or other obligations (collectively, the “**Bonds**”) to finance all or a portion of the costs of the Projects; and

WHEREAS, the Department of the Treasury has promulgated final regulations (Treasury Regulations, Section 1.150-2, hereinafter referred to as the “**Regulations**”) governing the use of proceeds of tax-exempt bonds, all or portion of which are to be used to reimburse DEC for Project expenditures made prior to the date of issuance of the Bonds, which require that DEC make a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditures; and

WHEREAS, the Regulations generally require that the Bonds be issued and the reimbursement allocation made from the proceeds of the Bonds within 18 months after the later of the date the expenditure is made or the Projects are placed in service or abandoned, but in no event more than three years after the date the expenditure is paid.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT ENERGY CORPORATION:

Section 1. In accordance with the provisions of the Regulations and this Resolution, the Board does hereby declare the official intent of DEC to borrow funds to pay the costs of the Projects by the issuance of its Bonds, the interest on which will be excludable from gross income

for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. Prior to the issuance of the Bonds, DEC is authorized to advance its own monies in the aggregate amount of up to \$2,000,000 for the purpose of paying all or a portion of the costs of the Projects.

Section 2. Other than (a) expenditures to be paid or reimbursed from sources other than the Bonds, (b) expenditures constituting “preliminary expenditures” within the meaning of Section 1.150-2(f)(2) of the Regulations or (c) expenditures in a “de minimus” amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Projects have been paid by DEC more than 60 days prior to the date of execution and delivery of this Resolution.

Section 3. The reasonably expected sources of funds to be used to pay debt service on the Bonds will be the revenues received by DEC from its operations, which shall be pledged to the payment of the principal of and interest on the Bonds.

Section 4. As of the date of this Resolution, there are no funds of DEC reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Projects, other than pursuant to the issuance of the Bonds. This Resolution, therefore, is determined to be consistent with the budgetary and financial circumstances of DEC as they exist or are reasonably foreseeable on the date hereof.

Section 5. The Bonds shall be issued by DEC in one or more series at such times, in such amount, and upon such terms and conditions as may be agreed upon by DEC and the purchaser or purchasers of the Bonds for the purpose of paying all or a portion of the costs and expenses incident to the acquisition and financing of the Projects, the Bonds to be authorized by DEC at a meeting to be held by the Board for such purpose.

Section 6. This Resolution will evidence the official intent of DEC in accordance with the Regulations. This Resolution does not constitute final approval of the issuance of the Bonds by DEC and does not impose any legal obligation on DEC to issue the Bonds to finance the Projects.

PASSED AND APPROVED on this _____ day of _____, 2025.

ATTEST:

Secretary/Treasurer

President

Exhibit 1

2026-2035 Capital Cash Flow Plan															
		Planned Expenditures												Total Project Budget	
Item	Active Projects	Plant	Prior Spend Actual as of 12/31/2024	2025 Forecast	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
	DEC General		\$ 92,885	\$ 12,844	\$ 125,000	\$ 275,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 505,729
1	Central Cyber Security System	DEC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Physical Security & Safety	DEC	\$ 92,885	\$ 12,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,729
3	DEC Vehicles	DEC	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000
4	Portable Boiler	DEC	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
5	Electronic logbook	DEC	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000
	County/City (CC)		\$ -	\$ -	\$ 50,000	\$ 250,000	\$ 935,000	\$ 825,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 5,060,000
6	Cooling Capacity Increase	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Controls Upgrades	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
8	Safety/Security/Miscellaneous Upgrades	CC	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
9	Customer Extension (Multimodal Center)	CC	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
10	Temporary Boiler and Chiller Connections	CC	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
11	Heat Exchanger Additions (County/City and Hall of Justice)	CC	\$ -	\$ -	\$ -	\$ -	\$ 475,000	\$ 475,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 950,000
12	Year Round Cooling	CC	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000
13	Chiller 4 replacement	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
	State (SBP)		\$ -	\$ 130,000	\$ 279,900	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 609,900
14	Fuel Oil Filter Skid	SBP	\$ -	\$ -	\$ 249,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249,900
15	DA Vessel Replacement	SBP	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,000
16	Safety/Security/Miscellaneous Upgrades	SBP	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
17	Controls Upgrades	SBP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
	County Adult Detention Facility (CADF)		\$ 323,563	\$ 473,647	\$ 340,500	\$ 200,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 4,437,710
18	Loop Field Fluid Cooler	CADF	\$ 323,563	\$ 473,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 797,210
19	Multistack Upgrade	CADF	\$ -	\$ -	\$ 229,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 229,500
20	Switchgear and Relay Upgrades	CADF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
21	Controls Upgrades	CADF	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
22	Safety/Security/Miscellaneous Upgrades	CADF	\$ -	\$ -	\$ 111,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,000
23	Generator overhauls	CADF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 3,000,000
	West Haymarket (WHM)		\$ 451,507	\$ 366,523	\$ 30,000	\$ 350,000	\$ 450,000	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 3,648,030
24	Boiler Addition	WHM	\$ 451,507	\$ 366,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 818,030
25	Service Extension to Future Building North of Hudl	WHM	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
26	Controls Upgrades	WHM	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
27	Safety/Security/Miscellaneous Upgrades	WHM	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
28	Temporary Boiler and Chiller Provisions	WHM	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
29	Thermal Energy Storage	WHM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000
	LES Operations Center (LOC)		\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 500,000
30	Controls Upgrades	LOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
31	Safety/Security/Miscellaneous Upgrades	LOC	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
32	Multistack Upgrade Placeholder	LOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000
	Nebraska State Penitentiary (NSP)		\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 200,000	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ 850,000
33	Safety/Security/Miscellaneous Upgrades	NSP	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
34	Controls Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
35	Switchgear and Relay Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
36	Boiler overhaul placeholder	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 500,000
Completed Projects		Plant	Prior Spend Actual as of 12/31/2024	2025 Forecast	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
	County/City (CC)		\$ 49,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,284,308
	City Water Service Upgrade	CC	\$ 30,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,408
	Water Softener Upgrade	CC	\$ 19,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,367
	State (SBP)		\$ 267,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,584
	DA Controls & Surge Tank Upgrade	SBP	\$ 267,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 267,661
	County Adult Detention Facility (CADF)		\$ 309,167	\$ 40,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,969
	Backup Circ Pumps for Each Loop	CADF	\$ 309,167	\$ 40,802	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,969
	West Haymarket (WHM)		\$ 241,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,899
	Service Extension to Proposed Block 4 Building Development	WHM	\$ 241,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,899
	LES Operations Center (LOC)		\$ 74,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,138
	Loop Field Resistance Heater	LOC	\$ 74,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,138
	Nebraska State Penitentiary (NSP)		\$ 45,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,189
	Hydronic Cooler (Control Room)	NSP	\$ 45,189	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,189
	Total		\$ 1,546,617	\$ 1,023,816	\$ 925,400	\$ 1,075,000	\$ 1,385,000	\$ 1,325,000	\$ 1,600,000	\$ 1,700,000	\$ 2,000,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 18,030,307

Plant Acronyms
 DEC - DEC Administration (All Plants)
 CC - City/County Thermal Energy Plant
 SBP - State Boiler Plant
 CADF - County Adult Detention Facility Geothermal Energy Plant
 WHM - West Haymarket Central Utility Plant
 LOC - LES Operations Center Geothermal Energy Plant
 NSP - Nebraska State Penitentiary Thermal Energy Plant

Exhibit 1 (continued)



2025-2034 Capital Cash Flow Plan

						Planned Expenditures											Total Project Budget
Item	Active Projects	Plant	Prior Spend Actual as of 12/31/2023	2024 Forecast	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034			
	DEC General		\$ 29,625	\$ 57,375	\$ 119,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,260		
1	Central Cyber Security System	DEC	\$ -	\$ -	\$ 65,660	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,660		
2	Physical Security & Safety	DEC	\$ 29,625	\$ 57,375	\$ 53,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,600		
	County/City (CC)		\$ -	\$ -	\$ -	\$ 75,000	\$ 550,000	\$ 200,000	\$ 100,000	\$ 900,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 1,960,000		
3	Service Extension to 701 South 9th Street	CC	\$ -	\$ -	\$ -	\$ 50,000	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000		
4	Cooling Capacity Increase	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000		
5	Controls Upgrades	CC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000		
6	Misc. Upgrades	CC	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 160,000		
	State (SBP)		\$ -	\$ -	\$ -	\$ 250,000	\$ 25,000	\$ 25,000	\$ 200,000	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 665,000		
7	Fuel Oil Filter Skid	SBP	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000		
8	Misc. Upgrades	SBP	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 215,000		
9	Controls Upgrades	SBP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000		
	County Adult Detention Facility (CADF)		\$ 59,555	\$ 602,945	\$ 307,110	\$ 223,000	\$ 25,000	\$ 25,000	\$ 410,000	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 1,817,610		
10	Loop Field Fluid Cooler	CADF	\$ 53,843	\$ 318,157	\$ 225,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 597,210		
11	Backup Circ. Pumps for Each Loop	CADF	\$ 5,712	\$ 278,288	\$ 81,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 365,900		
12	Multistack Upgrade	CADF	\$ -	\$ 6,500	\$ -	\$ 223,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 229,500		
13	Switchgear and Relay Upgrades	CADF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,000		
14	Controls Upgrades	CADF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000		
15	Misc. Upgrades	CADF	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 215,000		
	West Haymarket (WHM)		\$ 52,744	\$ 381,256	\$ 392,200	\$ 25,000	\$ 25,000	\$ 25,000	\$ 30,000	\$ 200,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 1,266,200		
16	Boiler Addition	WHM	\$ 52,744	\$ 381,256	\$ 392,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 826,200		
17	Service Extension to Future Building North of Hudl	WHM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
18	Controls Upgrades	WHM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000		
19	Misc. Upgrades	WHM	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 30,000	\$ -	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 240,000		
	LES Operations Center (LOC)		\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 200,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 445,000		
20	Controls Upgrades	LOC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000		
21	Misc. Upgrades	LOC	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 245,000		
	Nebraska State Penitentiary (NSP)		\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 270,000		
22	Misc. Upgrades	NSP	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 270,000		
23	Controls Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
24	Switchgear and Relay Upgrades	NSP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
															\$ -		
	Completed Projects	Plant	Prior Spend Actual as of 12/31/2023	2024 Forecast	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034			
	County/City (CC)		\$ 26,789	\$ 22,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,619		
	City Water Service Upgrade	CC	\$ 26,789	\$ 3,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,408		
	Water Softener Upgrade	CC	\$ -	\$ 19,211	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,211		
	State (SBP)		\$ 257,512	\$ 13,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,117		
	DA Controls & Surge Tank Upgrade	SBP	\$ 257,512	\$ 13,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 271,117		
	West Haymarket (WHM)		\$ 246,525	\$ (4,626)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,899		
	Service Extension to Proposed Block 4 Building Development	WHM	\$ 246,525	\$ (4,626)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,899		
	LES Operations Center (LOC)		\$ 1,710	\$ 68,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,556		
	Loop Field Resistance Heater	LOC	\$ 1,710	\$ 68,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,556		
	Nebraska State Penitentiary (NSP)		\$ 7,418	\$ 37,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,189		
	Hydronic Cooler (Control Room)	NSP	\$ 7,418	\$ 37,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,189		
	Total		\$ 681,879	\$ 1,180,002	\$ 818,570	\$ 623,000	\$ 675,000	\$ 500,000	\$ 800,000	\$ 1,220,000	\$ 180,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 8,639,533		

Plant Acronyms

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SBP - State Boiler Plant

CADF - Country Adult Detention Facility Geothermal Energy Plant

WHM - West Haymarket Central Utility Plant

LOC - LES Operations Center Geothermal Energy Plant

NSP - Nebraska State Penitentiary Thermal Energy Plant

TAB IX



DEC
ENERGY

Vision

***“Striving for Energy
Excellence”***

Mission

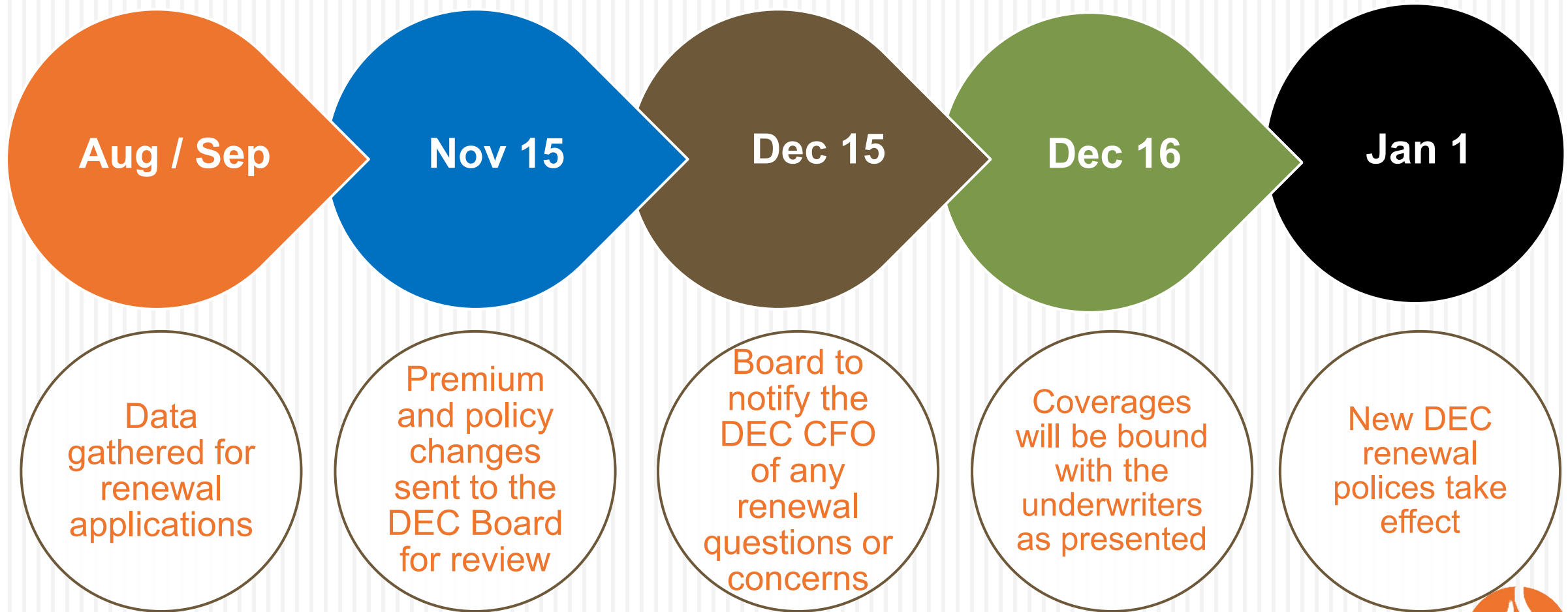
***“Provide low-cost, reliable
and efficient thermal energy
services to enhance and
enable economic
development of the Lincoln
community”***

DEC Insurance Policy Renewals for 2026

Presenter: Bryan Willnerd - Manager, Treasury & Risk Management

DEC insurance renewal timeline

2



Industry trends are mixed depending on coverage type

3



Property

Increased competition coupled with ample reinsurance capacity has softened the property insurance market.

-10% to 10%



Liability

The cost of litigation, increases in lawsuits against businesses, and significant judgments are still guiding the market.

5% to 12%



Cyber

Threats of cyber attacks on US infrastructure remain a concern, however there is intense competition among underwriters, keeping renewals flat.

-5% to 5%



Auto

Auto rates continue to increase. Litigation trends and higher reinsurance costs are elevating the costs to insureds.

10% to 20%



Preliminary insurance renewal takeaways

4



Property

- Property/Boiler & Machinery
- Flood



Liability

- General Liability
- Excess Liability
- Environmental Liability
- Underground Storage Tank



Cyber

- Cyber Liability (Shared with LES)



Auto

- Comprehensive coverage

- ❑ Estimated Year-over-Year premiums may increase 6.6%
- ❑ Preliminary estimated renewal premiums are currently 1.2% over budget
- ❑ Alliant continues to negotiate with underwriters on premiums, coverages, and deductibles

