

## MINUTES OF LINCOLN ELECTRIC SYSTEM ADMINISTRATIVE BOARD

Minutes of the regular meeting held at 9:30 a.m., Friday, November 21, 2025, at the Kevin Wailes Operations Center, 9445 Rokeby Road, Lincoln, Nebraska. Public notice of today's meeting was published in the Lincoln Journal Star on November 14, 2025.

Board Members Present: Kate Bolz, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge.

Board Members Absent: Karen Griffin, Eric Schafer.

LES Staff Present: Emeka Anyanwu, Shelley Sahling-Zart, Emily Koenig, Paul Crist, Lisa Hale, Katie Lechner, Jim Rigg, Marc Shkolnick, Chad Gebers, Bryan Willnerd, Sherryl Oosting, Ralph Hotler, Kayla Kollars, Ron Kohel, Rick Fernandez, Rod Preusker, Kelley Porter, Keith Snyder, Jeffrey Geist, Kellie Cave.

Others Present: Nathan Svatora, Scott Williams, Kim Morrow, Ken Winston, and numerous virtual participants via Microsoft Teams.

News Media Present: None.

Chair Lucas Sabalka declared a quorum present and called the meeting to order at approximately 9:30 a.m. A safety briefing was provided. Sabalka noted that LES conducts its meetings in compliance with the Nebraska Open Meetings Act and noted that a copy of the Act is located on the wall at the back of the room and with the Assistant Secretary. Shelley Sahling-Zart, General Counsel, reviewed duties and responsibilities of LES Board members. **Call to Order, Safety Briefing, and Board Member Duties and Responsibilities**

Chair Sabalka asked for approval of the minutes of the October 17, 2025, Board meeting. David Spinar moved approval of the minutes. Carl Eskridge seconded the motion. The vote for approval of the minutes was: **Approval of Minutes**

Aye: Kate Bolz, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge.

Nay: None.

Absent: Karen Griffin, Eric Schafer.

Ken Winston, speaking on behalf of the Nebraska Chapter of the **Comments from**

Sierra Club, expressed his gratitude for LES and the service he receives. He expressed concern surrounding the proposal to investigate nuclear energy as it pertains to the 2040 net-zero goal. He encouraged LES to consider community solar and battery storage projects to honor the commitment of the 2040 goal. Winston noted that with assistance from LES, he now has solar panels on his personal residence, and commended LES's Energy Services team members for their guidance and commitment during the project. He also noted that while not affiliated with the group, he is encouraged by Mount Zion Baptist Church's effort to increase sustainability by installing solar panels on their church.

## **Customers**

Scott Williams, speaking on behalf of himself as a resident of Lincoln, addressed the board regarding distributed energy resources. He recognized the challenges associated with accommodating load growth while keeping the grid reliable and resilient. Williams commended LES Board and staff for their continue work to keep the lights on, and encouraged the examination of alternative energy sources. He suggested LES should consider deploying batteries throughout residential areas of Lincoln to reduce service interruptions (e.g. branch falling on tree). Williams indicated his profession is the battery and solar industry, but his comments were not made on behalf of his business.

Emily Koenig, VP of Financial Services and Chief Financial Officer, introduced Ralph Hotler, Tool Repair Technician 1<sup>st</sup> Class, who was recognized by the board for 30 years of service to LES. The board commended Hotler on this achievement.

## **Introduction and Recognition of Staff**

Emily Koenig, VP of Financial Services and Chief Financial Officer, introduced Sherryl Oosting, Office Administrator, who was recognized by the board for 40 years of service to LES. The board commended Oosting on this achievement.

Andy Hunzeker, Chair of the Personnel & Organization Committee, reported on Committee discussions held on November 4, 2025, including: 1) Wellness Program Year End and Screening Statistics Update, 2) Safety Program Update, 3) Employment Metrics Review, 4) 2025 Health and Dental Update, 5) 2026 Health and Dental Forecasts. (Exhibit I)

## **Personnel & Organization Committee Report**

Alyssa Martin, Communications & Customer Services Committee member, reported on Committee discussions held on

## **Communications & Customer Services**

November 17, 2025, including: 1) Power LES Forward: Outreach Efforts, 2) Campaigns, 3) Affordable Housing Energy Efficiency Update: Existing Multi-Family, 4) Educational Impact, 5) EV Ride & Drive, 6) Public Power Week. (Exhibit II) **Committee Report**

Chelsea Johnson, Chair of the Operations & Power Supply Committee, reported on Committee discussions held on November 13, 2025, including: 1) 2025 Q3 Generation Revenue and Cost Report, 2) Landfill Gas Generation Repowering Update, 3) Resource Planning Activities Update. (Exhibit III) **Operations & Power Supply Committee Report**

Emeka Anyanwu, CEO, provided an overview of LES's proactive participation in Great Plains New Nuclear Consortium. He indicated Administrative Board affirmation and approval would be obtained prior to any substantive changes. Anyanwu provided confirmation that this participation would not preclude any other exploratory work for near and long-term solutions that correlate to 2040 goal and newly established goals and measures. He also clarified the definition of pre-work, which includes staff time. The Board affirmed this was a positive next step toward supporting load growth and moving toward net-zero goal. Anyanwu estimated a 10–15-year timeline was expected and reasonable for research and implementation. **\*Approval of LES Participation in Great Plains New Nuclear Consortium, LES Resolution 2025-13**

David Spinar moved approval of LES Participation in Great Plains New Nuclear Consortium, LES Resolution 2025-13. (Exhibit IV) Carl Eskridge seconded the motion. The vote for approval was:

Aye: Kate Bolz, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge.

Nay: None.

Absent: Karen Griffin, Eric Schafer.

Bryan Willnerd, Manager of Treasury and Risk Management, provided an overview of changes to the LES 401(k) Retirement Plan and 457(b) Retirement Plan changes including requirements and some optional measures for employees as laid out in the Secure 2.0 Act. He also **\*Approval LES 401(k) Retirement Plan Updates, LES Resolution 2025-14**

reviewed updates to Policy 316. The board requested further research into adopting a provision for employees who are survivors of domestic abuse. The Investment Committee will research further.

Carl Eskridge moved approval of the LES 401(k) Retirement Plan Updates, LES Resolution 2025-14 (Exhibit V). Alyssa Martin seconded the motion. The vote for approval was:

Aye: Kate Bolz, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge.

Nay: None.

Absent: Karen Griffin, Eric Schafer.

Carl Eskridge moved approval of LES 457(b) Retirement Plan Updates, LES Resolution 2025-15 (Exhibit VI). Alyssa Martin seconded the motion. The vote for approval was: **\*Approval of LES 457(b) Retirement Plan Updates, LES Resolution 2025-15**

Aye: Kate Bolz, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge.

Nay: None.

Absent: Karen Griffin, Eric Schafer.

Kate Bolz moved approval of LES Policy 316 Updates (Exhibit VII). Carl Eskridge seconded the motion. The vote for approval was: **\*Approval of LES Policy 316 Updates**

Aye: Kate Bolz, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, David Spinar, Chelsea Johnson, Carl Eskridge.

Nay: None.

Absent: Karen Griffin, Eric Schafer.

The next regular meeting of the LES Administrative Board will be **Next Meeting** Friday, December 19, 2025, at 9:30 a.m.

Without further business before the Board, Chair Sabalka declared **Adjournment** the meeting adjourned at approximately 10:29 a.m.

Carl Eskridge, Secretary

BY: *Kellie Cave*  
Kellie Cave, Assistant Secretary

# **Exhibit I**



## LES PERSONNEL AND ORGANIZATION COMMITTEE

### Meeting Summary

Tuesday November 4, 2025 | 12:00pm (Virtual)

Attendees: L. Sabalka (Board Chair), A. Martin, A. Hunzeker, E. Anyanwu, J. Panko-Haberman, J. Kroger, K. Lechner, J. Rigg, J. Yuhas, E. Koeing, L. Hale

- **Chief People Officer Lechner introduced new HR Manager Jenny Kroger**
- **Wellness Supervisor Yuhas provided update on 2025 program year end and LES employee screening statistics**
  - Yuhas reported a 5.7% increase in participation from 2024 plan year, as well as statistical detail related to outcomes.
  - Screening participation met the 2025 goal with 70.2% of employee completing a screening.
- **Safety Manager Rigg provided Q3 updates**
  - Rigg provided an update on injuries, DART rate, SIF Events, and Severity Rate through Q3 of 2025
  - New Energy Delivery Division Safety Meeting Trainings were discussed.
  - Rigg provided a recap of findings from the recent NATF (North American Transmission Forum) Peer Review of our Safety Program.
- **Chief People Officer provided Employment Metrics thru Q3, 2025 Health & Dental Projections, and 2026 Health & Dental Plan Updates**
  - Lechner reported that hiring remains strong and turnover remains low in 2025.
  - Enrollments for health and dental plans remain consistent.
  - Fixed costs for 2025 Health and Dental Insurance were discussed, with general detail on increased claims provided.
  - Lechner provided detail on 2026 Health Insurance Funding projections which will remain split at an 80% LES share, 20% Employee share.
  - Forecasts for 2026 show an increase in both claims and fixed costs, which is a consistent trend seen for employers.
  - Lechner reported that Open Enrollment had begun and would continue until November 19<sup>th</sup>.

# **Exhibit II**



## **Communications and Customer Services Committee Meeting – Nov 17, 2025** *(Virtual)*

**Attendees:** Alyssa Martin (committee member), Lucas Sabalka (board chair), Eric Schafer (committee member), E. Anyanwu, L. Hale, S. Sahling-Zart, K. Lechner, K. Porter, H. Schlautman, M. Ferguson-Fagan, A. Svoboda, J. Kneifl,

### **Powering LES Forward: Outreach Efforts:**

- After board approval, staff celebrated the completion of the plan and began communicating to all employees the components of the plan and ensuring that key employees could speak about the plan, mission, vision, and core values, both internally and externally.
- Following the internal launch, other efforts were initiated to communicate with the community and our business partners. Various channels are being used, including emails to those who attended community meetings, the LES website, publications, meetings, and, most recently, the LES Energy Summit.
- The team has confirmed additional engagements in the future, including internal signage, external presentations, and ongoing promotions as the plan progresses.

### **Campaigns:**

Two campaigns were reviewed during this meeting:

- The Careers in Energy campaign has featured social media posts of individual employee stories who have experienced career progression during their tenure at LES. Additionally, other messaging invites audiences to visit with LES at upcoming career fairs and continues to promote job shadow opportunities.
- The Heat Pump Combo Incentive (in partnership with the City of Lincoln) campaign informs homeowners that they may qualify for up to \$3,800 in incentives for installing an energy-efficient air-source heat pump with the help of LES and city programs. This campaign directs customers to visit [LES.com/SEP](https://LES.com/SEP) where they can find detailed information about the City's and LES' incentives.

### **Affordable Housing Energy Efficiency Update: Existing Multi-Family:**

- The committee was given a detailed overview of the City's South of Downtown Rental Rehabilitation Program and how LES has partnered with them to provide additional energy efficiency measures to most of the units that have been rehabbed so far.
- There have been three rounds of funding so far, with a goal of ten rounds that will improve 1,000 units in this area.
- To date, LES has provided funding for energy efficiency improvements for 184 apartments, with an estimated \$250 annual bill savings per apartment.
- Funding from the recent \$300,000 grant that LES was awarded was used to significantly support the most recent round since the funds allocated for LES' Low-Income Energy Efficiency Pilot Program are nearly exhausted.

- LES staff continue to evaluate this work by participating in an industry study of low-and moderate-income demand side management as well as building additional validation tools and implementing other program enhancements.

### **Educational Impact:**

The committee was provided an update on educational and outreach activities happening throughout the year. These engagements cover topics such as basics of electricity, electrical safety, high-voltage demonstrations, and renewable energy generation.

- All programs are designed with Nebraska educational standards in mind.
- The most popular program continues to be the Snap Circuit lesson, where students construct and create simple circuits and engage in scientific practices to deepen their understanding of the core ideas in the field of energy.
- LES is continuing its Solar Car Challenge, which is offered in all 12 LPS middle schools, engaging more than 3,000 sixth graders each year as they design and build a solar- and battery-powered car in small groups.
- The team is also focused on a wide variety of programs for 2026, including its offerings of STEM-focused books at all Lincoln City Libraries.

### **EV Ride & Drive:**

Staff provided the committee with a recap of the results of the event that was held on September 28.

- The objectives for the Ride & Drive are experience, engage and educate, which were all met with this event.
- Outreach to dealerships seeking participation was extensive (16 dealerships were contacted). However, the number of participating dealerships was down this year, with only three makes and five models available for test drives. The number of static displays (EV owners participating with their own vehicles) was up from previous years.
- Dealerships cited the expiring tax credits and limited sales resulting from the event as barriers to participation.
- The efficiency of pre-registration and walk-up registration was very efficient, however the number of test drives taken was down from previous years.
- Regardless of the decline in participation of the Ride & Drive event, LES is committed to promoting electric vehicles and will continue to find new and innovative ways to engage with the community on this topic.

### **Public Power Week:**

The committee received an update on Public Power Week, observed from October 5 to 11. Internal and external efforts focused on the value of public power and its importance to our community. The LES team released social media posts highlighting a LES core value for six consecutive days, thoughtfully weaving the public power celebration with our recently released strategic plan.

# **Exhibit III**



## Operations and Power Supply Committee Meeting Summary November 13, 2025

**Attendees:** K. Griffin, C. Johnson, L. Sabalka, D. Spinar  
L. Anderson, E. Anyanwu, S. Benson, P. Crist, J. Dutton, D. Florom, J. Fortik, A. Ligenza, D. Malcom, S. Sahling-Zart, N. Wischhof

### **2025 Q3 Generation Revenue and Cost Report (Lee Anderson):**

- Staff presented an analysis of the financial performance of LES's generating resources in the SPP Integrated Marketplace through Q3 2025.
- Although Q3 natural gas demand was up in the power generation, residential, commercial, and LNG export sectors, natural gas prices remained below budget. The Lincoln area's market electricity prices were above budget due to slightly decreased wind production throughout the SPP footprint and congestion caused by regional transmission facility outages.
- LES's generating fleet posted overall net positive results through Q3, driven primarily by positive returns during the summer months.

### **Landfill Gas Generation Repowering Update (Dennis Florom, Nick Wischhof):**

- Staff provided a brief history of the landfill gas to generation project and the more recent interactions with the City of Lincoln Transportation and Utilities Department and their proposed project to convert existing landfill gas into pipeline quality renewable natural gas.
- The City awarded a contract to a vendor to proceed with the renewable natural gas conversion project. The City and LES subsequently agreed to dissolve the existing landfill gas fuel purchasing agreement.
- Due to the resulting loss of landfill gas as a fuel source, LES is embarking on a project to convert the existing landfill gas generators to use natural gas for fuel instead of landfill gas.

### **Resource Planning Activities Update (Scott Benson, Jason Fortik): *\*Note the related Resolution item on the LES Administrative Board meeting agenda.***

- Staff provided a status update and scheduling information for the resource planning activities that were identified in Resolution 2025-8 that was approved by the Board in September. The identified resource planning activities are currently underway and are scheduled to continue through Q3 of 2026.
- Staff shared an overview of the nuclear generation siting and screening studies that have either recently been completed or are currently underway in Nebraska.
- Portions of the funding for these activities were provided through Federal authorizations and statutory action taken by the Nebraska Legislature. These assessment activities have resulted in a published report that identifies the highest ranked candidate communities in Nebraska for a potential new nuclear generating facility.
- The Committee discussed a proposed Resolution that would authorize the LES CEO to execute a Memorandum of Understanding to form a consortium to investigate the feasibility of deploying a new nuclear generating facility in Nebraska. The proposed Resolution will be included in the Board meeting packet for the Board's consideration at the November 21, 2025 LES Administrative Board meeting.

# **Exhibit IV**



Lincoln Electric System

***LES RESOLUTION 2025-13***

WHEREAS, a regional group of utilities, led by Nebraska Public Power District (NPPD), and including Lincoln Electric System have been meeting to gauge interest in, and assess the potential for, forming a consortium to investigate and develop a project deploying new nuclear technology, including, but not limited to, Small Modular Reactor (SMR) technology; and

WHEREAS, NPPD has already undertaken at the behest of, and funded by the State of Nebraska, work to identify potential project sites within the state; and

WHEREAS, the utilities have determined there is sufficient interest to warrant entering into a Memorandum of Understanding (MoU) to set forth the objectives and scope of work for the consortium, including conducting feasibility studies and research and developing project plans and budget estimates; and

WHEREAS, it is acknowledged that participation in the consortium could necessitate the use of utility personnel and/or expenditure of funds to advance the consortium's work, subject to the availability of funds within the LES budget; and

WHEREAS, LES staff have participated in the preceding discussions, and recommend that LES join this new nuclear consortium to further explore the potential of a nuclear power project in Nebraska, recognizing that the LES Administrative Board would need to approve any firm commitment to proceed with permitting, construction, and financing of such a project; and

WHEREAS, the LES Administrative Board Operations and Power Supply Committee has been briefed on the consortium discussions to date and affirms that the consortium's work is in alignment with the LES Strategic Plan and recommends that the LES Board approve LES's participation in the consortium.

NOW, THEREFORE, BE IT RESOLVED that the LES Administrative Board authorizes the LES CEO to execute a Memorandum of Understanding to join the consortium to investigate the potential for a new nuclear power project in Nebraska, provided that additional LES Administrative Board approval would be necessary prior to LES committing to major expenditures for permitting, construction, and financing of any project the consortium recommends.

BE IT FURTHER RESOLVED that the LES CEO is authorized to fund LES's share of any pre-project work of the consortium, subject to the availability of budgeted funds. Funding of any material amount beyond the pre-project stage shall require additional authorization from the LES Administrative Board.

  
Chair

Adopted: November 21, 2025

# **Exhibit V**

**AMENDMENT NO. 4 TO THE  
LINCOLN ELECTRIC SYSTEM EMPLOYEES' 401(k) RETIREMENT PLAN  
(SECURE 2.0 Act)**

WHEREAS, Lincoln Electric System, City of Lincoln, Nebraska (the "Employer") most recently amended and restated the Lincoln Electric System Employees' 401(k) Retirement Plan (the "Plan"), generally effective as of January 1, 2020; and

WHEREAS, the Employer has determined that the Plan should be amended to update the members of the Investment Committee, and to reflect changes to applicable law under the SECURE 2.0 Act of 2022 ("SECURE 2.0 Act"), which was adopted as part of the Consolidated Appropriations Act, 2022.

NOW THEREFORE, the Plan is amended in the following respects:

1. Section 1.7 is amended to read as follows, effective January 1, 2026:

**1.7 "Committee"** means the LES Investment Committee, which administers the Plan under the provisions of Article 7 hereof. The LES Investment Committee is composed of the individuals who are employed in the following positions: Chief Executive Officer, Vice President, Communications & Corporate Records and General Counsel, Vice President, Financial Services and Chief Financial Officer, Vice President, Energy Delivery, and Vice President Employee Services and Chief People Officer.

2. Section 1.28A is added as follows, effective January 1, 2026:

**1.28A "Qualified Student Loan Payment"** means a payment (a) made by a Participant during a Plan Year in repayment of a qualified education loan incurred by the Participant to pay for qualified higher education expenses of the Participant, the Participant's spouse, or the Participant's dependents, (b) that does not exceed, when aggregated with other such payments for the year, the Code Section 401(m)(4)(D)(i) amount limitation for the Plan Year; and (c) certified for the Plan Year by the Participant in a manner that satisfies the Code Section 401(m)(4)(D)(ii) certification requirement. A loan is "incurred" by the Participant only if he or she has the legal obligation to make the payment under the terms of the loan.

3. Section 1.30 is amended to read as follows, effective January 1, 2023:

**1.30 "Required Beginning Date"** means, (a) for persons who attain age 70½ after December 31, 2019 and attain age 72 before January 1, 2023, the later of the April 1 of the calendar year following the calendar year in which the Participant attains age 72 or retires; (b) for Participants who attain age 72 after December 31, 2022 and attain age 73 before January 1, 2033, April 1 of the calendar year following the later of the calendar year in which the Participant attains age 73 or retires; and (c) for Participants who attain age 74 after December 31, 2032, April 1 of the calendar year following the later of the calendar year in which the Participant

attains age 75 or retires. For persons who attained age 70½ before January 1, 2020, “Required Beginning Date” means the later of the April 1 of the calendar year following the calendar year in which the Participant attains age 70½ or retires.

4. Section 2.1(b) is amended to read as follows, effective January 1, 2026:

(b) Each Employee of the Employer not identified in subsection (a) participates in the Plan on his or her first day of employment or the first date he or she becomes an Employee for purposes of Participant Contributions, Employer Contributions, Discretionary Employer Contributions, Rollover Contributions, and Qualified Student Loan Payment Contributions.

5. Section 3.1 amended to read as follows, effective January 1, 2025:

**3.1 Participant Contributions.** For each Plan Year, the Employer will make Participant Contributions as follows:

(a) Subject to the limits in Section 4.6 and the limits stated below, the Participant Contribution is the amount contributed by the Participant from his or her Compensation, and the Participant’s Compensation for the year is reduced by that amount.

(b) The maximum Participant Contribution will be the lesser of the amount described in subsection (c) or 100% of the Participant’s Compensation remaining after reductions therein related to the Employer’s Electri-Flex Plan and other welfare benefit plans. In the first year of participation, Compensation is counted for the partial year after the Employee is first eligible to participate.

(c) Subject to Code Section 414(v) and subsection (d), the maximum Participant Contribution for any calendar year for any Participant will be the dollar limitation contained in Code Section 402(g) in effect for such taxable year (\$23,500 in 2025).

(d) Any Participant that is eligible to make Participant Contributions to the Plan and who has attained age 50 prior to the close of the Plan Year for which the Participant Contributions are made, may elect to make additional Participant Contributions, subject to the limitations of and in accordance with Code Section 414(v) (\$7,500 in 2025), beyond the limits established in this Section. For avoidance of doubt, a Participant who has attained the age 60 but has not attained age 64 by the end of the Plan Year may make catch-up contributions according to the limitations of Code Section 414(v)(2)(E).

(e) The Participant will choose whether his or her contributions to the Plan will be Pre-tax Participant Contributions or Roth Participant Contributions as part of his or her election. Except as provided in Section 4.9, the Participant cannot change the treatment of the contributions after they are made to

the Plan. If the Participant fails to make a designation, his or her contributions will be Pre-tax Participant Contributions.

(f) Effective January 1, 2026, notwithstanding any other provision of the Plan, any catch-up contributions made pursuant to subsection (d) by an Applicable Participant shall be treated as Roth Participant Contributions, regardless of whether the Participant has previously elected to make Roth Participant Contributions. An “Applicable Participant” means any Participant whose wages (as defined in Code Section 3121(a)) from the Employer for the preceding calendar year exceed \$145,000 (as adjusted for cost-of-living under Code Section 414(v)(7)(C)).

(1) For an Applicable Participant, a Participant Contribution that is treated as a catch-up contribution at the time of the deferral is required to be designated as a Roth Participant Contribution only to the extent the Applicable Participant has not previously made Participant Contributions that are Roth Participant Contributions during the taxable year equal to the applicable dollar catch-up limit under Regulation Section 1.414(v)-1(c)(2). For example, if an Applicable Participant has already made Roth Participant Contributions during the taxable year that equal or exceed the applicable dollar catch-up limit at the time the Participant’s Participant Contributions for the taxable year reach the Code Section 401(a)(30) limit on elective deferrals, Code Section 414(v)(7) would not require the Participant’s subsequent elective deferrals for the taxable year to be designated Roth Participant Contributions even though they are treated as catch-up contributions under Regulation Section 1.414(v)-1(c)(3).

(2) An Applicable Participant may elect to make catch-up contributions as Roth Participant Contributions under Section 3.1(e).

(3) An Applicable Participant is deemed to have irrevocably designated any Participant Contributions that are catch-up contributions as Roth Participant Contributions once the Participant’s Pre-tax Participant Contributions made during the calendar year exceed the Code Section 401(a)(30) limit on elective deferrals for the taxable year that begins in the calendar year; provided that the Participant may make a new election that is different than the deemed election.

(4) If an Applicable Participant elects to make Pre-tax Participant Contributions that exceed the limit in Section 3.3(c) (a “Section 414(v)(7) Failure”), the Committee shall correct the Section 414(v)(7) Failure using one of the following methods:

(i) The Plan may transfer the amount of the Section 414(v)(7) Failure (adjusted for earnings and losses in accordance with Regulation Section 1.402(g)-1(e)(5)) from the Participant’s Pre-tax Participant Contribution Account to the Participant’s Roth Participant Contribution Account

and the Employer shall report the contribution (not adjusted for earnings and losses) as an elective deferral that is a Roth Participant Contribution on the Participant's Form W-2 for the year in which the Participant Contribution was originally excluded from the Participant's gross income. However, this correction method may be used only if the Participant's Form W-2 for that year has not been filed or furnished to the Participant.

(ii) The Plan may make a direct rollover of the Pre-tax Participant Contributions that would be catch-up contributions if they had been Roth Participant Contributions (adjusted for earnings and losses in accordance with Regulation Section 1.402(g)-1(e)(5)) from the Participant's Pre-tax Participant Contribution Account to the Participant's Roth Participant Contribution Account. Under this correction method, the rules of Code Section 402A(c)(4)(E)(ii) and (iii) will apply and the direct rollover must be reported as such on Form 1099-R for the year of the rollover.

(5) The following requirements apply to the correction of the Section 414(v)(7) Failure:

(i) The Committee must apply the same correction method for all similarly situated Participants, and the selection of which correction method applies may not be based on the investment returns earned in Participants' Accounts; provided that the Committee may use the correction method described in subsection (f)(4)(i) for all Participants for whom the Forms W-2 for that year have not been filed or furnished and use the correction method described in subsection (f)(4)(ii) for all other Participants.

(ii) The Committee must have in place practices and procedures designed to result in compliance with Code Section 414(v)(7) at the time the Pre-tax Participant Contribution is made. The Committee does not fail to have in place practices and procedures in accordance with this subsection merely because a Plan determines the applicability of this subsection to a Participant on the basis of a timely-filed Form W-2 with respect to the Participant.

(iii) If the Plan implements a Participant's affirmative election to make Pre-tax Participant Contributions that are not permitted under subsection (f) (taking into account the application of subsection (f)(1)), then, except as provided in subsection (f)(5)(v) and (vi), the Section 414(v)(7) Failure must be corrected in accordance with subsection (f)(4).

(iv) The Committee must complete all corrective steps required under this subsection (f) and Regulation Section 1.414(v)-2(c)(2) within the time required by Regulation Section 1.414(v)-2(c)(3)(iii).

(v) The Committee may decide not to correct a Section 414(v)(7) Failure if the amount of the Pre-tax Participant Contribution that

was required to be a Roth Participant Contribution does not exceed \$250. In such case, the Section 414(v)(7) Failure is disregarded, and the Pre-tax Participant Contribution is treated as a catch-up contribution.

(vi) The Committee may decide not to correct a Section 414(v)(7) Failure with respect to a Participant who became subject to Code Section 414(v)(7)(A) solely because the Participant's wages taken into account under subsection (f) for the calendar year preceding the calendar year in which the taxable year begins were not determined to exceed the Roth catch-up wage threshold until after the deadline for correction in subsection (f)(4)(iv). In such case, the Section 414(v)(7) Failure is disregarded, and the Pre-tax Participant Contribution is treated as a catch-up contribution.

(6) If the Employer acquires the assets of another entity and becomes a successor employer in accordance with Regulation Section 31.3121(a)(1)-1(b), the Committee may elect to determine the wages of employees in accordance with Regulation Section 1.414(v)-2(b)(4)(iv).

This subsection shall be administered so as to comply with Code Section 414(v)(7), Regulation Section 1.414(v)-2, and any Internal Revenue Service guidance issued under the applicable Code provisions.

6. Section 3.11 is added as follows, effective January 1, 2026:

**3.11 Qualified Student Loan Payment Contributions.** In lieu of Employer Contributions under Section 3.6, the Employer will make Qualified Student Loan Payment Contributions following the end of the Plan Year, subject to the limits in Section 4.6, as follows:

(a) For each Participant hired prior to January 1, 2011 who has not terminated employment, an amount equal to 200 percent of each Participant's Qualified Student Loan Payments made during the Plan Year that do not exceed a 5 percent of such Participant's Compensation during the Plan Year, reduced by the Participant's Employer Contributions for the Plan Year.

(b) For each Participant hired or rehired on or after January 1, 2011, an amount equal to 100 percent of each Participant's Qualified Student Loan Payments made during the Plan Year that do not exceed 10 percent of such Participant's Compensation during the Plan Year, reduced by the Participant's Employer Contributions for the Plan Year.

(c) For purposes of this Section, Participant Contributions will be determined after giving effect to any reductions under Sections 3.5 and 4.6. In the first year of participation, Compensation will be counted for the partial year after the Employee is first eligible to participate. The Plan will make Qualified Student Loan Payment Contributions on Catch-up Contributions to the extent that

the Catch-up Contributions do not exceed the applicable percentage of Compensation set forth in subsections (a) or (b).

(d) Notwithstanding the foregoing, the Employer will only make Qualified Student Loan Payment Contributions on behalf of a Participant to the extent the Participant did not receive Employer Contributions under Section 3.6 based on the Participant Contributions.

(e) A Participant must certify to the Committee or its designee in accordance with Code Section 401(m)(4)(D)(ii) that the Qualified Student Loan Payments meet the requirements of Code Section 401(m)(4)(D).

(f) The Committee or its designee may establish reasonable procedures to implement this Section.

This Section shall be administered so as to comply with Code Section 401(m)(4)(4), applicable Regulations, and any Internal Revenue Service guidance issued under the applicable Code provisions.

7. The last paragraph of Section 6.2(b) is amended to read as follows, effective January 1, 2023:

In addition, if the Beneficiary referred to in subsection (b)(1) is the Participant's surviving Spouse, the distribution is not required to begin earlier than the date on which the Participant would have attained age 72 (70½ for a Participant who attain age 70½ before January 1, 2020). If the surviving Spouse dies before the distributions to the Spouse begin, then the 5-year rule of this subsection will apply as if the surviving Spouse had been the Participant.

Effective January 1, 2023 until December 31, 2032, if the Participant's surviving spouse is the Participant's sole Designated Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 73 (72 for persons who attained age 72 before January 1, 2023, and 70½ for Participants who attained age 70½ before January 1, 2020), if later.

Effective January 1, 2033, if the Participant's surviving spouse is the Participant's sole Designated Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 75 (73 for persons who attained age 73 before January 1, 2033, 72 for persons who attained age 72 before January 1, 2023, and 70½ for Participants who attained age 70½ before January 1, 2020), if later.

8. Section 6.3(b)(i) is amended to read as follows, effective January 1, 2023:

(i) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 72 (70½ for a participant who attained age 70½ before January 1, 2020), if later.

Effective January 1, 2023 until December 31, 2032, if the Participant's surviving spouse is the Participant's sole Designated Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 73 (72 for persons who attained age 72 before January 1, 2023, and 70½ for Participants who attained age 70½ before January 1, 2020), if later.

Effective January 1, 2033, if the Participant's surviving spouse is the Participant's sole Designated Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 75 (73 for persons who attained age 73 before January 1, 2033, 72 for persons who attained age 72 before January 1, 2023, and 70½ for Participants who attained age 70½ before January 1, 2020), if later.

9. Section 6.3(g) is added as follows, effective January 1, 2024:

(g) If the designated beneficiary is the Participant's surviving spouse and the surviving spouse elects the treatment of this subsection, (i) the Plan shall treat the surviving spouse as if the surviving spouse were the Participant; (ii) the date on which the distributions are required to begin shall not be earlier than the date on which the Participant would have attained the required beginning date; and (iii) if the surviving spouse dies before the distributions to such spouse begin, this subsection shall be applied as if the surviving spouse is the Participant. An election described in this subsection shall be made at such time and in such manner as prescribed the Secretary of the Treasury, shall include a timely notice to the Plan Administrator, and once made may not be revoked except with the consent of the Secretary of the Treasury.

10. Section 5.11 is added as follows, effective January 1, 2026:

**5.11 Hardship Distributions.**

(a) A Participant may request a distribution of Participant Contributions, including earnings thereon, in the event of Hardship, where such a distribution is necessary to satisfy an immediate and heavy financial need according to this Section 5.11.

(b) For purposes of this Section 5.11, “Hardship” means an immediate and heavy financial need of the Participant where such Participant lacks other available resources. The following is the only financial need considered immediate and heavy: expenses or losses (including loss of income) incurred by the Participant on account of a disaster declared by the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, provided that the Participant’s principal residence or principal place of employment at the time of the disaster was located in an area designated by FEMA for individual assistance with respect to the disaster.

(c) For a distribution to be considered as necessary to satisfy an immediate and heavy financial need of the Participant, the following requirements apply:

(1) The distribution may not be in excess of the amount of an immediate and heavy financial need (including any amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution).

(2) The Committee may rely on a written certification by the Participant that the distribution is: (i) on account of a financial need of a type which is deemed in the Regulations and described in this Section to be an immediate and heavy financial need; and (ii) not in excess of the amount required to satisfy such financial need, and that the Participant has no alternative means reasonably available to satisfy such financial need. The Committee shall act in accordance with the Regulations if it has actual knowledge to the contrary of the Participant’s certification.

[Signature Page Follows]

IN WITNESS WHEREOF this Amendment has been executed by the Employer on November 21, 2025.

LINCOLN ELECTRIC SYSTEM, CITY OF  
LINCOLN, NEBRASKA.

By:   
Emeka Anyanwu, CEO

4907-2405-1306, v. 2



Lincoln Electric System

*LES RESOLUTION 2025-14*

WHEREAS, Lincoln Electric System (“LES”) has provided a retirement benefit to its employees since 1972, which benefit is provided in the Lincoln Electric System Employees’ 401(k) Retirement Plan (the “401(k) Plan”), which has been amended from time to time and was last amended and restated in December 2019; and

WHEREAS, LES reserves the right to amend the 401(k) Plan by action of the LES Administrative Board pursuant to Section 8.1 of the 401(k) Plan; and

WHEREAS, subsequent to preparation of the most recent restatement, Congress adopted the SECURE 2.0 Act of 2022 (“SECURE 2.0 Act”), which was adopted as part of the Consolidated Appropriations Act, 2022; and

WHEREAS, LES desires to amend the 401(k) Plan to reflect changes to applicable law under the SECURE 2.0 Act; and

WHEREAS, LES desires to amend the 401(k) Plan to update the composition of the Investment Committee to reflect organizational updates to position titles.

NOW, THEREFORE, BE IT RESOLVED, that the LES Administrative Board adopts the Amendment No. 4 to the 401(k) Plan in substantially the form that presented to the Board at its meeting.

BE IT FURTHER RESOLVED, that the LES Administrative Board hereby authorizes and directs the CEO to execute Amendment No. 4 to the 401(k) Plan in substantially the form that presented to the Board at its meeting.

BE IT FURTHER RESOLVED, that the LES Administrative Board hereby authorizes and directs the appropriate officers and staff of LES to take such actions and execute such documents that they deem necessary or appropriate to carry out the intent and purposes of this resolution, and to cause the 401(k) Plan to be administered according to its terms and applicable law.

  
Chair

Adopted: November 21, 2025

# **Exhibit VI**

**AMENDMENT NO. 5 TO THE  
DEFERRED COMPENSATION PLAN OF  
LINCOLN ELECTRIC SYSTEM, CITY OF LINCOLN, NEBRASKA**  
(SECURE 2.0 Act and Roth Elective Deferrals)

WHEREAS, Lincoln Electric System, City of Lincoln, Nebraska (the “Employer”) most recently amended and restated the Deferred Compensation Plan of Lincoln Electric System, City of Lincoln, Nebraska (the “Plan”), generally effective as of January 1, 2020; and

WHEREAS, the Employer has determined that the Plan should be amended to update the members of the Investment Committee, to reflect changes to applicable law under the SECURE 2.0 Act of 2022 (“SECURE 2.0 Act”), which was adopted as part of the Consolidated Appropriations Act, 2022, and to add Roth Elective Deferrals and In-Plan Roth Rollovers to the Plan.

NOW THEREFORE, the Plan is amended in the following respects:

1. Section 1.1 is amended to read as follows, effective October 1, 2025:

**1.1 Account** means the bookkeeping account maintained for each Participant to which the Participant’s Pre-tax Elective Deferrals, Roth Elective Deferrals, Roth Rollover and any Employer Nonelective Contributions, and the earnings, gains, and losses thereon, will be credited.

2. Section 1.5 is amended to read as follows, effective January 1, 2026:

**1.5 Committee** means the LES Investment Committee, which administers the Plan under the provisions of Article 8 hereof. The LES Investment Committee is composed of the individuals who are employed in the following positions: Chief Executive Officer, Vice President Communications & Corporate Records and General Counsel, Vice President Financial Services and Chief Financial Officer, Vice President, Energy Delivery, and Vice President Employee Services and Chief People Officer.

3. Section 1.10 is amended to read as follows, effective October 1, 2025:

**1.10 Elective Deferral** means the Compensation that a Participant elects to defer pursuant to a properly executed Salary Reduction Agreement. In applying the limit on Catch up Contributions described in Section 3.5(b), Elective Deferral includes any contribution to this Plan. Elective Deferrals include Pre-tax Elective Deferrals and Roth Elective Deferrals unless otherwise specified.

4. Section 1.18A is added as follows, effective October 1, 2025

**1.18A “Pre-tax Elective Deferral”** means, an amount contributed to the Plan at the election of a Participant that is –

(a) Designated irrevocably by the Participant on his or her election form as a Pre-tax Elective Deferral that is being made in lieu of all or a portion of the Elective Deferrals the Participant is otherwise eligible to make under the Plan, and

(b) Treated by the Employer as not includible in the Participant's gross income pursuant to Code Section 402(e)(4) at the time the Participant would have received that amount in cash if the Participant had not made the deferred election.

5. Section 1.18B is added as follows, effective October 1, 2025:

**1.18B "Pre-tax Elective Deferral Account"** means the account in the Participant's Account to which are allocated Pre-tax Elective Deferrals made for a Participant pursuant to the Plan, and the earnings, gains, and losses from the investment of the assets that are allocated thereto.

6. Section 1.19 is amended to read as follows, effective January 1, 2023:

**1.19 Required Beginning Date** means, (a) for persons who attain age 70½ after December 31, 2019 and attain age 72 before January 1, 2023, the later of the April 1 of the calendar year following the calendar year in which the Participant attains age 72 or retires (70½ for Participants who attained age 70 ½ before January 1, 2020); (b) for Participants who attain age 72 after December 31, 2022 and attain age 73 before January 1, 2033, April 1 of the calendar year following the calendar year in which Participant attains age 73 or retires; and (c) for Participants who attain age 74 after December 31, 2032, April 1 of the calendar year following the later of the calendar year in which the Participant attains age 75 or retires. For persons who attained age as 70½ before January 1, 2020, "Required Beginning Date" means April 1 of the calendar year following the later of the calendar year in which the Participant attains age 70½ or the calendar year in which the Participant retires.

7. Section 1.20A is added as follows, effective October 1, 2025:

**1.20A "Roth Elective Deferral"** means an amount contributed to the Plan at the election of a Participant that is –

(a) Designated irrevocably by the Participant at the time of the cash or deferred election as a Roth Elective Deferral that is being made in lieu of all or a portion of the Pre-tax Elective Deferrals the Participant is otherwise eligible to make under the Plan; and

(b) Treated by the Employer as includible in the Participant's income at the time the Participant would have received that amount in cash if the Participant has not made the deferred election.

8. Section 1.20B is added as follows, effective October 1, 2025:

**1.20A "Roth Elective Deferral Account"** means the account in the Participant's Account to which are allocated Roth Elective Deferrals made for a Participant pursuant to the Plan, and the earnings, gains, and losses from the investment of the assets that are allocated thereto. A Participant's Roth Elective Deferral Account is subject to each of the following:

(a) The gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Roth Elective Deferral Account and the Participant's other accounts under the Plan.

(b) No contributions other than Roth Elective Deferrals and properly attributed earnings will be credited to each Participant's Roth Elective Deferral Account.

Except with respect to the application of income taxes to Roth Elective Deferrals and to the distribution of amounts attributable to Roth Elective Deferrals and as otherwise provided herein, a Participant's Roth Elective Deferral Account is subject to the same rules applicable to a Pre-tax Elective Deferral Account under the Plan.

9. Section 1.20C is added as follows, effective October 1, 2025:

**1.20C "Roth Rollover Account"** means the amount in a Participant's Account to which are credited amounts attributable to In-Plan Roth Rollovers and the earnings, gains, and losses thereon.

10. Section 3.1 is amended to read as follows, effective October 1, 2025:

**3.1 Elective Deferrals.** An Employee may elect to make Elective Deferrals to the Plan pursuant to a Salary Reduction Agreement with the Employer. The Participant must irrevocably designate on his or her Salary Reduction Agreement whether his or her Elective Deferrals will be Pre-tax Elective Deferrals or Roth Elective Deferrals. Any such Elective Deferrals may be made up to the maximum amount permitted by law, subject to any limit imposed by the Employer; provided that the amount of Elective Deferrals made on any pay day will not exceed the Participant's Compensation remaining after reductions therein pursuant to the Employer's 401(k) Retirement Plan or Electri-Flex Plan, the Employer's other welfare benefit plans, and reductions required by court order or applicable law. The minimum deferral is \$25.00 per pay period.

11. Section 3.2 is amended to read as follows, effective January 1, 2023:

**3.2 Modifications to Amount Deferred.** A Participant may elect to change his or her Elective Deferral rate with respect to future Compensation by submitting a new properly executed Salary Reduction Agreement to the Employer or its designee. Such change shall take effect within an administratively reasonable time following the Employer's receipt of the new Agreement, and will apply to amounts paid or otherwise made available thereafter. Unless an election is otherwise revised, if a Participant is absent from work by leave of absence, Elective Deferrals under the Plan shall continue to the extent that Compensation continues. A disabled Participant may elect to make deferrals during any portion of the period of his or her disability to the extent that he or she has actual Compensation (not imputed Compensation and not disability benefits) from which to make contributions to the Plan and has not had a Severance from Employment.

12. Section 3.5(b) is amended to read as follows, effective January 1, 2025:

(b) **Catch Up Limitation for Individuals Age 50 or Over.** To the extent permitted by law, in the case of any individual who has attained the age of 50 before the close of a taxable year, the maximum Elective Deferral amount that may be contributed pursuant to Section 3.1 hereof for such taxable year shall be increased by the applicable amount set forth in Code Section 414(v) (\$7,500 in 2025). For avoidance of doubt, a Participant who has attained the age 60 but has not attained age 64 by the end of the Plan Year may make catch-up contributions according to the limitations of Code Section 414(v)(2)(E) (\$11,250 in 2025). An Elective Deferral for purpose of the Catch Up Contributions described in this subsection includes any contribution, including non-elective contributions, to the Plan on behalf of a Participant.

13. Section 3.5(e)(2) is amended to read as follows, effective October 1, 2025:

(2) The notice specifies how much of the excess deferral is to be distributed from this Plan, and if applicable, whether Pre-tax Elective Deferrals or Roth Elective Deferrals should be distributed (if no designation is made, the Plan will distribute Roth Elective Deferrals first); and

14. Section 3.5(f) is added as follows, effective January 1, 2026:

(f) Notwithstanding any other provision of the Plan, any catch-up contributions made pursuant to subsection (b) by an Applicable Participant shall be treated as Roth Elective Deferrals, regardless of whether the Participant has previously elected to make Roth Elective Deferrals. An "Applicable Participant" means any Participant whose wages (as defined in Code Section 3121(a)) from the Employer for the preceding calendar year exceed \$145,000 (as adjusted for cost-of-living under Code Section 414(v)(7)(C)).

(1) For an Applicable Participant, an Elective Deferral that is treated as a catch-up contribution at the time of the deferral is required to be designated as a Roth Elective Deferral only to the extent the Applicable Participant has not previously made Elective Deferrals that are Roth Elective Deferrals during the taxable year equal to the applicable dollar catch-up limit under Regulation Section 1.414(v)-1(c)(2). For example, if an Applicable Participant has already made Roth Elective Deferrals during the taxable year that equal or exceed the applicable dollar catch-up limit at the time the Participant's Elective Deferrals for the taxable year reach the Code Section 457(b)(2) limit on elective deferrals, or if applicable, the Code Section 457(b)(3) limit on elective deferrals, Code Section 414(v)(7) would not require the Participant's subsequent elective deferrals for the taxable year to be designated Roth Elective Deferrals even though they are treated as catch-up contributions under Regulation Section 1.414(v)-1(c)(3).

(2) An Applicable Participant may elect to make catch-up contributions as Roth Elective Deferrals under Section 3.1.

(3) An Applicable Participant is deemed to have irrevocably designated any Elective Deferrals that are catch-up contributions as Roth Elective Deferrals once the Participant's Pre-tax Elective Deferrals made during the calendar year exceed the Code Section 457(b)(2) limit, or if applicable, the Code Section 457(b)(3) limit, on elective deferrals for the taxable year that begins in the calendar year; provided that the Participant may make a new election that is different than the deemed election.

(4) If an Applicable Participant elects to make Pre-tax Elective Deferrals that exceed the limit in Section 3.5(a) (a "Section 414(v)(7) Failure"), the Committee shall correct the Section 414(v)(7) Failure using one of the following methods:

(i) The Plan may transfer the amount of the Section 414(v)(7) Failure (adjusted for earnings and losses in accordance with Regulation Section 1.402(g)-1(e)(5)) from the Participant's Pre-tax Elective Deferral Account to the Participant's Roth Elective Deferral Account and the Employer shall report the contribution (not adjusted for earnings and losses) as an elective deferral that is a Roth Elective Deferral on the Participant's Form W-2 for the year in which the Elective Deferral was originally excluded from the Participant's gross income. However, this correction method may be used only if the Participant's Form W-2 for that year has not been filed or furnished to the Participant.

(ii) The Plan may make a direct rollover of the Pre-tax Elective Deferrals that would be catch-up contributions if they had been Roth Elective Deferrals (adjusted for earnings and losses in accordance with Regulation Section 1.402(g)-1(e)(5)) from the Participant's Pre-tax Elective Deferral Account to the Participant's Roth Elective Deferral Account. Under this

correction method, the rules of Code Section 402A(c)(4)(E)(ii) and (iii) will apply and the direct rollover must be reported as such on Form 1099-R for the year of the rollover.

(5) The following requirements apply to the correction of the Section 414(v)(7) Failure:

(i) The Committee must apply the same correction method for all similarly situated Participants, and the selection of which correction method applies may not be based on the investment returns earned in Participants' Accounts; provided that the Committee may use the correction method described in subsection (f)(4)(i) for all Participants for whom the Forms W-2 for that year have not been filed or furnished and use the correction method described in subsection (f)(4)(ii) for all other Participants.

(ii) The Committee must have in place practices and procedures designed to result in compliance with Code Section 414(v)(7) at the time the Pre-tax Elective Deferral is made. The Committee does not fail to have in place practices and procedures in accordance with this subsection merely because a Plan determines the applicability of this subsection to a Participant on the basis of a timely-filed Form W-2 with respect to the Participant.

(iii) If the Plan implements a Participant's affirmative election to make Pre-tax Elective Deferrals that are not permitted under subsection (f) (taking into account the application of subsection (f)(1)), then, except as provided in subsection (f)(5)(v) and (vi), the Section 414(v)(7) Failure must be corrected in accordance with subsection (f)(4).

(iv) The Committee must complete all corrective steps required under this subsection (f) and Regulation Section 1.414(v)-2(c)(2) within the time required by Regulation Section 1.414(v)-2(c)(3)(iii).

(v) The Committee may decide not to correct a Section 414(v)(7) Failure if the amount of the Pre-tax Elective Deferral that was required to be a Roth Elective Deferral does not exceed \$250. In such case, the Section 414(v)(7) Failure is disregarded, and the Pre-tax Elective Deferral is treated as a catch-up contribution.

(vi) The Committee may decide not to correct a Section 414(v)(7) Failure with respect to a Participant who became subject to Code Section 414(v)(7)(A) solely because the Participant's wages taken into account under subsection (f) for the calendar year preceding the calendar year in which the taxable year begins were not determined to exceed the Roth catch-up wage threshold until after the deadline for correction in subsection (f)(4)(iv). In such case, the Section 414(v)(7) Failure is disregarded, and the Pre-tax Elective Deferral is treated as a catch-up contribution.

(6) If the Employer acquires the assets of another entity and becomes a successor employer in accordance with Regulation Section 31.3121(a)(1)-1(b), the Committee may elect to determine the wages of employees in accordance with Regulation Section 1.414(v)-2(b)(4)(iv).

This subsection shall be administered so as to comply with Code Section 414(v)(7), Regulation Section 1.414(v)-2, and any Internal Revenue Service guidance issued under the applicable Code provisions.

15. Section 3.9 is added as follows, effective October 1, 2025:

**3.9 In Plan Roth Rollovers.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit an election under this Section, any Participant or Beneficiary who is a surviving spouse (a “Rollover Eligible Individual”) may elect, at the time and in the manner prescribed by the Plan Administrator, to have all or part of such individual’s Pre-tax Elective Deferral Account paid directly to a Roth Rollover Account in an in-plan Roth rollover described in Code Section 402A(c)(4) (an “In-Plan Roth Rollover”). If a Roth Eligible Individual makes an In-Plan Roth Rollover, any such amounts rolled over shall be accounted for separately in the individual’s Roth Rollover Account. The Committee shall comply with all requirements for accounting for such rollovers.

16. Section 4.8 is added as follows, effective October 1, 2025:

**4.8 Limitations on Distributions of Roth Elective Deferral Accounts and Roth Rollover Accounts.** The Code provides that distributions attributable to Roth Elective Deferrals and In-Plan Roth Rollovers on behalf of a Participant are not included in a Participant’s gross income if the distribution is a qualified distribution. A “qualified distribution” is a payment or distribution that meets the following requirements:

(a) The distribution is made after the 5 taxable year period beginning with the first taxable year the Roth Elective Deferral Account or Roth Rollover Account was established for the Participant; and

(b) The distribution is made on or after the date the Participant attains age 59½, made to the Beneficiary or the estate of the Participant on or after the Participant’s death, or attributable to the Participant’s being disabled within the meaning of Code Section 72(m)(7).

Any distribution from a Roth Elective Deferral Account or Roth Rollover Account that is not a “qualified distribution” is taxable under Code Section 402A. The portion of the Roth Elective Deferral Account or Roth Rollover Account that is attributable to income on the investment is included in gross income in accordance with Code Section 72(e)(8).

17. Section 6.2(b)(1) is amended to read as follows, effective January 1, 2023:

(1) If the Participant's surviving Spouse is the Participant's sole Designated Beneficiary, prior to January 1, 2023, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 72 (70½ for persons who attain age 70½ before January 1, 2020, if later).

Effective January 1, 2023 until December 31, 2032, if the Participant's surviving spouse is the Participant's sole Designated Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 73 (72 for persons who attained age 72 before January 1, 2023, and 70½ for Participants who attained age 70½ before January 1, 2020), if later.

Effective January 1, 2033, if the Participant's surviving spouse is the Participant's sole Designated Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 75 (73 for persons who attained age 73 before January 1, 2033, 72 for persons who attained age 72 before January 1, 2023, and 70½ for Participants who attained age 70½ before January 1, 2020), if later.

18. Section 6.2(b)(5) is added as follows, effective January 1, 2024:

(5) If the designated beneficiary is the Participant's surviving spouse and the surviving spouse elects the treatment of this subsection, (i) the Plan shall treat the surviving spouse as if the surviving spouse were the Participant; (ii) the date on which the distributions are required to begin shall not be earlier than the date on which the Participant would have attained the required beginning date; and (iii) if the surviving spouse dies before the distributions to such spouse begin, this subsection shall be applied as if the surviving spouse is the Participant. An election described in this subsection shall be made at such time and in such manner as prescribed the Secretary of the Treasury, shall include a timely notice to the Plan Administrator, and once made may not be revoked except with the consent of the Secretary of the Treasury.

[Signature Page Follows]

IN WITNESS WHEREOF this Amendment No. 5 has been executed by the Employer on November 21, 2025.

LINCOLN ELECTRIC SYSTEM, CITY OF  
LINCOLN, NEBRASKA.

By:

  
\_\_\_\_\_  
Emeka Anyanwu, CEO

4936-6727-2810, v. 2



Lincoln Electric System

***LES RESOLUTION 2025-15***

WHEREAS, Lincoln Electric System (“LES”) has provided a deferred compensation benefit to its employees since 1982, which benefit is provided in the Deferred Compensation Plan of Lincoln Electric System, City of Lincoln, Nebraska (the “457(b) Plan”), which has been amended from time to time and was last amended and restated in December 2019; and

WHEREAS, LES reserves the right to amend the 457(b) Plan by action of the LES Administrative Board pursuant to Section 9.1 of the 457(b) Plan; and

WHEREAS, subsequent to preparation of the most recent restatement, Congress adopted the SECURE 2.0 Act of 2022 (“SECURE 2.0 Act”), which was adopted as part of the Consolidated Appropriations Act, 2022; and

WHEREAS, LES desires to amend the 457(b) Plan to reflect changes to applicable law under the SECURE 2.0 Act; and

WHEREAS, LES desires to amend the 457(b) Plan to add Roth Elective Deferrals and Roth In-Plan Rollovers for the benefit of participants; and

WHEREAS, LES desires to amend the 457(b) Plan to update the composition of the Investment Committee to reflect organizational updates to position titles.

NOW, THEREFORE, BE IT RESOLVED, that the LES Administrative Board adopts Amendment No. 5 to the 457(b) Plan in substantially the form that presented to the Board at its meeting.

BE IT FURTHER RESOLVED, that the LES Administrative Board hereby authorizes and directs the CEO to execute the Amendment No. 5 to the 457(b) Plan in substantially the form that presented to the Board at its meeting.

BE IT FURTHER RESOLVED, that the LES Administrative Board hereby authorizes and directs the appropriate officers and staff of LES to take such actions and execute such documents that they deem necessary or appropriate to carry out the intent and purposes of the above preambles and resolutions, and to cause the 457(b) Plan to be administered according to its terms and applicable law.

  
Chair

Adopted: November 21, 2025

# **Exhibit VII**

# **LES** POLICY

**SUBJECT:** Retirement Plan and Deferred Compensation Plan  
Model of Plan Governance

**POLICY NO.** 316

**RESPONSIBLE AREA:** Employee Services

**PAGE 1 OF 6**

## **POLICY OBJECTIVE**

To provide Lincoln Electric System (LES) employees, retirees and beneficiaries (“Participants”) with savings plans for retirement.

The Model of Plan Governance (“MPG”) sets forth the authority and responsibilities of the various parties regarding the administration of the Lincoln Electric System Employees’ 401(k) Retirement Plan and the Deferred Compensation Plan of Lincoln Electric System, City of Lincoln, Nebraska (referred to collectively as the “Plans”).

The MPG is intended to outline the following:

1. The authority, duties, and responsibilities of the LES Administrative Board, the Investment Committee (“Committee”), and certain LES divisions;
2. The types of outside consultants and third parties that may be retained from time to time to provide services for the Plans; and
3. The roles and responsibilities of outside consultants and third-party service providers.

## **DEFINITIONS**

Committee – The LES Investment Committee for the Plans, which is comprised of the following:

- Chief Executive Officer;
- Vice President Financial Services and Chief Financial Officer;
- Vice President Energy Delivery;
- Vice President General Counsel; and
- Vice President Employee Services and Chief People Officer.

Investment Consultant – A service provider chosen by the Committee to identify, monitor, provide expert advice, and make recommendations regarding the Investment Options and Investment Funds to be offered under the Plans to meet the Investment Objectives of the Plans.

Recordkeeper/Third-Party Administrator (“TPA”) – A service provider engaged by LES to be the custodian of the Plan’s assets and provide administrative, recordkeeping, participant communication and educational strategy for the Plans.

## **REQUIREMENTS**

### 1. Identification of Parties and Responsibilities

The following parties will have the following roles and responsibilities in the administration of the Plans.

#### a. LES Administrative Board:

- 1) The LES Administrative Board will have the following roles and responsibilities with respect to the Plans:
  - a) Designate the positions that constitute members of the Committee and Plan Administrator (designation is found within the Plan document);
  - b) Adopt amendments to the Plan documents; and
  - c) Authorize the execution of service provider agreements for the Plans.

**REQUIREMENTS (Continued)**b. Committee:

1) The Committee, as Plan Administrator, provides oversight for the Plans, makes best efforts to mitigate and manage risk, and establishes practices to facilitate effective, timely and justifiable decisions.

a) Appointment process:

The Administrative Board has designated the Committee members in the Plan documents. Unless removed by the Administrative Board, the Committee members will serve permanent terms on the Committee during their tenure in the positions identified. Committee meetings may be expanded to include other individuals as appropriate.

b) Qualifications and training:

The Committee is composed of representatives from LES based upon their position and/or experience in investments, finance, or plan administration. LES will provide the Committee with training sessions and other education that is reasonably necessary for Committee members to increase their knowledge of investments, finance and plan administration to fulfill their duties and responsibilities.

c) Standard of Care:

The Committee will use its best efforts to exercise reasonable care, skill and caution, as a prudent investor would, in light of the purposes, terms, and other circumstances of the Plans, but will not warrant any financial outcome or guarantee. The Committee will administer the Plans solely in the interest of the Participants.

d) Expectations of Committee members:

- Attend Committee meetings regularly and training sessions as scheduled;
- Maintain confidentiality;
- Consider suggestions from Participants on potential Plan enhancements or changes;
- Encourage open discussion during Committee meetings;
- Apply best judgment to issues confronting the Committee and the Plans;
- Allocate time to ensure key issues and topics are effectively addressed; and
- Use best efforts to follow the MPG and the Investment Policy Statement (IPS).

e) Committee responsibilities:

The Committee, as Plan Administrator, will use its knowledge, skills and best efforts to act in the best interest of the Participants. The Committee shall be authorized to perform the following functions at such time and in such manner as it determines to be necessary or appropriate:

- Evaluate LES' overall retirement plan philosophy within LES and competitively within the industry;
- Maintain and oversee the amendment of the documents as appropriate;
- Review and submit recommendations and proposals to the LES Administrative Board regarding amendments to the Plans;
- Interpret the terms of the Plans in accordance with the Plan documents and interpret and resolve any ambiguity in the Plans;
- In the event of a dispute by a Participant regarding his or her eligibility under the Plans, determine the eligibility of an employee to be a Participant in the Plans and settle other questions related to the Plans;
- In the event of a dispute by a Participant regarding his or her benefits under the Plans, determine the right of any person to a benefit, including a determination of the amount, manner and time of distribution of any benefits, according to the terms of the Plans;
- Issue instructions to the TPA in connection with all benefits which are to be paid according to the Plans;
- Adopt rules and regulations as necessary from time to time in connection with the management of the Plans, and to interpret, alter, amend and revoke any rules and regulations;
- Define the Investment Options to be offered under the Plans and select the Investment Funds through which the Investment Options will be implemented;

**REQUIREMENTS (Continued)**

- Review the performance of Investment Funds on a quarterly basis;
  - Periodically review the IPS and MPG and suggest appropriate changes;
  - Periodically, perform a detailed review and evaluation of the performance of each party assigned duties under this MPG, including the responsibilities and related fees;
  - Employ such third-party service providers as may be necessary in the administration of the Plans or the IPS;
  - Provide periodic updates to Administrative Board or its committees as warranted;
  - Review audit report(s) regarding the Plan(s);
  - Document the actions and reasoning for Committee meetings and key decisions; and
  - Coordinate and implement the Participant communication strategy for the Plans.
  - Request an external audit of the Plans as outlined below; and
  - Direct the creation of an annual report of the Plans which provides a general overview of that year's activities related to the Plans.
- f) The Committee may designate any of its members to execute and deliver on its behalf documents and any such document or instrument may be accepted and relied upon as the act of the Committee.
- g) Approval by a majority of the Committee is required for any action taken. A member may not vote on any specific issue or matter specifically or uniquely involving him or herself.
- h) The Committee may retain the services of an Investment Consultant to serve as a fiduciary to the Plans and provide expert advice and recommendations to the Committee in support of meeting the Investment Objectives, the Investment Options and the Investment Funds offered under the Plans.
- i) The Committee may retain the services of a Third-Party Administrator to provide recordkeeping and administrative services for the Plans.
- j) The Committee may engage such other service providers as it determines necessary or appropriate to perform specialized functions for the Plans.
- c. LES Employee Services (ES), Financial Services (FS) and General Counsel (GC):
- 1) Employee Services Division responsibilities include:
- a) Take the lead in issues requiring direct interaction with Participants;
  - b) Manage and monitor LES and Participant contributions to the Plans;
  - c) Coordinate and deliver communications to Participants to allow Participants to make informed decisions;
  - d) Maintain records of Participant communications;
  - e) Provide oversight and direction related to Qualified Domestic Relations Orders (QDRO);
  - f) Serve as the day-to-day contact with Participants;
  - g) Issue instructions to the TPA in connection with all benefits which are to be paid according to the Plans;
  - h) Determine eligibility for participation in the Plans;
  - i) Determine the right of any person to a benefit, including a determination of the amount, manner and time of distribution of any benefits, according to the terms of the Plans;
  - j) Operate the Plans in accordance with the Plan documents;
  - k) Require information from Participants as is necessary to properly administer the Plans;
  - l) Ensure updates in legal and regulatory requirements communicated by outside counsel are incorporated into the Plan documents;
  - m) Maintain the Plan documents including taking the lead on identifying, implementing and soliciting approval for changes or updates to Plan documents and summaries of the Plans;
  - n) Develop "working" versions of Plan documents following the approval of Plan amendments (prior to restatement of a Plan);
  - o) Maintain records and documentation for all Committee trainings;
  - p) Identify issues relating to Participant support and bring them before the Committee, and prepare recommendations on those matters;
  - q) Make recommendations to the Committee if the Investment Objectives are not being met, if Investment Consultant or TPA services are not being delivered, or if IPS guidelines are not being followed; and

**REQUIREMENTS (Continued)**

- r) Carry out such other duties as are directed or delegated by the Committee from time to time.
- 2) Financial Services Division responsibilities include:
- a) Coordinate Committee meetings, presentations, and discussions, including preparation of meeting minutes;
  - b) Document and distribute to Committee members on a timely basis, information regarding Committee meetings, key decisions and rationale, assignment of action items, and follow-up on action items;
  - c) Serve as the primary contact for the Investment Consultant;
  - d) Coordinate the review, analysis and payment of third-party service providers;
  - e) Make recommendations to the Committee regarding the Plan Administration Fees charged to Participants to cover Participant-related Plan costs;
  - f) Forward Participant and LES contributions to the Custodian as quickly as administratively possible;
  - g) Coordinate responses to investment proxies received;
  - h) Identify issues to be brought before the Committee, and prepare recommendations to the Committee on those matters;
  - i) Coordinate plan audits approximately every two (2) years on a rotating basis between internal (LES Internal Audit) and external vendor to review plan document compliance and operational processes.
  - j) Make recommendations to the Committee if the Investment Objectives are not being met, if Investment Consultant or TPA services are not being delivered, or if IPS guidelines are not being followed; and
  - k) Carry out such other duties as are directed or delegated by the Committee from time to time.
- 3) General Counsel responsibilities include:
- a) Ensure updates in legal and regulatory requirements communicated by outside counsel are incorporated into the Plan documents;
  - b) Support the amendment of the Plan documents as appropriate; and
  - c) Carry out such other duties as are directed by the Committee from time to time.
- d. Third-Party Service Providers:
- 1) Investment Consultant responsibilities include:
- a) Serve as a fiduciary to the Plans regarding the selection of Investment Options and Investment Funds;
  - b) Identify asset classes which would be appropriate and prudent to make available to Participants;
  - c) Review and recommend Investment Options and Investment Funds which are appropriate to fulfill the criteria of the identified asset classes;
  - d) Make recommendations of Investment Funds to implement the Plans' Investment Options and Investment Objectives as described in the IPS;
  - e) Identify a benchmark index for each Investment Fund;
  - f) Measure, evaluate, and report on the performance results of the Investment Funds to the Committee on a quarterly basis, including a summary of fees for each of the Investment Funds, any fees paid by Investment Funds to any party supporting the Plans, comparisons of performance against benchmarks and peer funds, and analysis of style adherence;
  - g) Monitor investment results by means of regular reviews and analyses to determine whether the Investment Funds are meeting the Investment Objectives of the Plans;
  - h) Monitor long-term capital market trends and provide education to the Committee on these trends;
  - i) Maintain contact with and report on changes within the investment managers' organizations of the Investment Funds (including the gain or loss of key individuals and accounts);
  - j) Periodically review the IPS and MPG and suggest appropriate changes;
  - k) Communicate on a frequent and open basis with the Committee on all significant matters pertaining to the agreed upon investment policies and the management of Investment Options;

**REQUIREMENTS (Continued)**

- l) Periodically review Participant education and communication efforts by the TPA to ensure Participants are receiving adequate information to make informed decisions;
  - m) Notify the Committee and/or its designees in advance of potential changes in fund operation under consideration or about to be implemented (i.e. changes in the investment process); and,
  - n) Any other duties assigned by the Committee from time to time.
- 2) TPA responsibilities include:
- a) Maintain Participant account balances on a daily valued basis;
  - b) Maintain accurate records of the value of all accounts for all Participants;
  - c) Distribute account balances of Participants in accordance with Plan documents;
  - d) Provide Participants the ability to obtain balances and move funds via an automated telephone response system and internet system and ensure any fund changes are made in a timely manner;
  - e) Provide Participants with information regarding the terms of the Plans;
  - f) Provide education to Participants regarding Plan features and benefits;
  - g) Provide Participants with copies of prospectuses or other informational items as required to comply with applicable law;
  - h) Provide prospectuses, annual reports and other pertinent information on a timely basis to the Committee and/or its designees;
  - i) Provide communications to the Committee and Participants regarding educational seminars, market and economic events, legislative actions that will impact the Plans, and other information regarding financial planning;
  - j) Issue quarterly statements on a timely basis to all Participants;
  - k) Complete requested transactions by Participants in accordance with Plan documents;
  - l) Manage the QDRO and beneficiary designation process;
  - m) Perform all requirements related to distributions, including Participant notification, tax withholding and deposit, and direct rollover;
  - n) Perform quarterly plan administration and other investment fee sweeps as directed by the Committee;
  - o) Issue reports to the Committee regarding Participant activity;
  - p) Implement the investment and divestiture of Plan assets among the selected Investment Options as directed by the Committee and/or Participants;
  - q) Ensure vendor system is configured to accurately administer the Plan documents and subsequent amendments;
  - r) Periodically review the IPS and MPG and suggest appropriate changes; and
  - s) Any other duties assigned by the Committee from time to time.
- 3) Third-Party General Counsel responsibilities include:
- a) Recommend, communicate, and advise updates in legal and regulatory requirements to LES and the Committee as necessary;
  - b) Review and provide expert legal advice on contracts, agreements, and other documents related to the appropriate execution of the Committee's responsibilities as Plan Sponsor of the Plans;
  - c) Periodically review the IPS and MPG and suggest appropriate changes; and
  - d) Any other duties assigned by the Committee from time to time.

**2. Adoption and Acceptance**

- a. Committee members will annually execute a statement accepting their role and the respective responsibilities toward the Plans.

**REFERENCES**

1. Policy 315 Retirement Plan and Deferred Compensation Plan Investment Policy Statement

**APPROVED BY** \_\_\_\_\_ VICE PRESIDENT, FS /  
 CHIEF FINANCIAL OFFICER  
 EMILY N. KOENIG **TITLE** **DATE**

**APPROVED BY** \_\_\_\_\_ CHIEF EXECUTIVE OFFICER  
 EMEKA ANYANWU **TITLE** **DATE**

**APPROVED BY** \_\_\_\_\_ ADMINISTRATIVE BOARD  
 CHAIR  
 LUCAS SABALKA **TITLE** **EFFECTIVE DATE**

<b>Revision History</b>			
<b>Supersedes</b>	<b>Revision Date</b>	<b>Revised By</b>	<b>Revision Description</b>
Program 303.02 dated 3/6/2017	03/12/2018	Manager, Treasury & Risk Management	The content was reviewed and updated in accordance with the requirement of Policy 316. In addition, the document was reformatted into the new corporate governance documentation structure.
Policy 316 dated 3/15/2018	03/15//2019	Investment Committee	Annual review; made minor wording updates in appointment process and consultant responsibilities, and to remove text referring to loan documentation.
Policy 316 dated 03/15/2019	04/13/2023	Investment Committee	Content was reviewed and updated in accordance with the requirement of Policy 316. Updates include scheduling internal and external audits of the plans, presentation of an annual report of the plans by the Investment Committee, ensuring legal and regulatory changes are incorporated to LES plan documents, and the addition of a third-party general counsel responsibilities.
Policy 316 dated 5/19/2023	2/12/2025	Investment Committee	Updates include a modified definition of "Committee", updated committee responsibilities and an updated signature page.
Policy 316 dated 2/12/2025	11/21/2025	Investment Committee	Updated the definition of "committee" and replaced "Corporation Operations" with "Employee Services".

# **Exhibit VIII**



## Revenue & Expense Statement (Condensed)

### OCTOBER 2025

**Year-to-date financial results were favorable primarily due to higher than budgeted retail electric sales, interest income and lower than budgeted A&G expenses**

*(Dollar amounts in 000)*

YEAR TO DATE	2025 Actual	2025 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$330,734	\$306,345	\$24,389	8%	Wholesale revenue exceeded budget by 76% (\$15.4M), primarily due to higher than expected revenues from SPP IM activities. Retail revenue exceeded budget by 2.8% (\$7.6M) due to higher residential sales and an unbudgeted July 1 systemwide 4% rate increase. Other revenue was over budget by 21% (\$1.4M) mainly due to reimbursement of repairs for Rokeby Unit 1 and higher than budgeted customer fees & natural gas capacity releases.
2) Power Costs	130,813	115,138	15,675	14%	Purchased power was over budget by 19% (\$11.8M) due to higher SPP purchases, the addition of the Jeffrey Hydro plant, higher than budgeted demand charges at GGS, and compensated curtailment charges for Arbuckle Wind Farm resulting from nearby transmission outages. Produced power was 7% (\$3.9M) over budget due primarily to higher than budgeted energy costs for LRS; higher maintenance expenses for TBGS, LFG, J Street, WS4 & Rokeby; and higher operations expenses for WS4 & TBGS.
3) Other Operating Expenses	90,949	91,213	(264)	0%	Other operating expenses were slightly under budget, primarily due to lower inspection costs (\$310K), reduced line clearance expenses (\$260K); partially offset by higher payroll and benefits expenses (\$1.2M) mainly due to storm response labor.
4) Depreciation	<u>33,951</u>	<u>35,303</u>	<u>(1,352)</u>	-4%	
5) Total Expenses	<u>255,713</u>	<u>241,654</u>	<u>14,059</u>	6%	
6) Operating Income	75,021	64,691	10,330	16%	
7) Non-Operating Expense (Income)	<u>31,843</u>	<u>35,188</u>	<u>(3,345)</u>	-10%	
8) Change in Net Position (Net Revenue)	<u>\$43,178</u>	<u>\$29,503</u>	<u>\$13,675</u>	46%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
9) Fixed Charge Coverage	1.84x	1.46x			
10) Debt Service Coverage	2.85x	2.27x			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
11) Days Cash on Hand	112	109			

# LINCOLN ELECTRIC SYSTEM

## FINANCIAL AND OPERATING STATEMENT

October 2025



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



**REVENUE & EXPENSE STATEMENT**

**CURRENT MONTH**

**OCTOBER 2025**

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	MONTH ACTUAL	AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$24,478,215	\$23,610,162	\$868,053	3.7%	\$21,838,885	\$2,639,330	12.1%
2. Wholesale	4,146,237	1,032,976	3,113,261	301.4%	3,147,230	999,007	31.7%
3. Other Revenue	504,917	536,355	(31,438)	-5.9%	491,407	13,510	2.7%
4. CDFUO (a)	1,241,473	1,230,172	11,301	0.9%	1,144,767	96,706	8.4%
5. Total Operating Revenues	30,370,842	26,409,665	3,961,177	15.0%	26,622,289	3,748,553	14.1%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	6,441,532	6,378,605	62,927	1.0%	6,128,108	313,424	5.1%
7. Produced Power	6,231,076	4,578,068	1,653,008	36.1%	3,698,622	2,532,454	68.5%
8. Operations	2,686,121	2,367,208	318,913	13.5%	2,371,012	315,109	13.3%
9. Maintenance	151,205	1,167,240	(1,016,035)	-87.0%	1,027,418	(876,213)	-85.3%
10. Admin. & General	5,830,353	5,626,606	203,747	3.6%	4,953,456	876,897	17.7%
11. Depreciation	3,420,167	3,557,094	(136,927)	-3.8%	2,996,400	423,767	14.1%
12. Total Operating Expenses	24,760,454	23,674,821	1,085,633	4.6%	21,175,016	3,585,438	16.9%
<b>13. OPERATING INCOME</b>	<b>5,610,388</b>	<b>2,734,844</b>	<b>2,875,544</b>	<b>105.1%</b>	<b>5,447,273</b>	<b>163,115</b>	<b>3.0%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	1,328,650	1,391,842	(63,192)	-4.5%	1,405,196	(76,546)	-5.4%
15. PILOT (c)	1,318,140	1,259,275	58,865	4.7%	1,181,796	136,344	11.5%
16. CDFUO Expense (a)	1,274,197	1,230,172	44,025	3.6%	1,143,204	130,993	11.5%
17. Other Expense	0	0	0	--	0	0	--
18. Total Other Nonoperating Expense	3,920,987	3,881,289	39,698	1.0%	3,730,196	190,791	5.1%
19. Other (Income)	(42,669)	(38,908)	(3,761)	9.7%	(45,498)	2,829	-6.2%
20. Interest (Income)	(548,101)	(282,904)	(265,197)	93.7%	(146,206)	(401,895)	274.9%
21. Total Other Nonoperating (Income)	(590,770)	(321,812)	(268,958)	83.6%	(191,704)	(399,066)	208.2%
22. Total Nonoperating Expenses (Income)	3,330,217	3,559,477	(229,260)	-6.4%	3,538,492	(208,275)	-5.9%
<b>23. Income Before Contributions</b>	<b>2,280,171</b>	<b>(824,633)</b>	<b>3,104,804</b>	<b>376.5%</b>	<b>1,908,781</b>	<b>371,390</b>	<b>19.5%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	3,058,390	50,207	3,008,183	5991.6%	62,875	2,995,515	4764.2%
25. Contributed Capital Used (d)	(3,058,390)	(50,207)	(3,008,183)	-5991.6%	(62,875)	(2,995,515)	-4764.2%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$2,280,171</b>	<b>(\$824,633)</b>	<b>\$3,104,804</b>	<b>376.5%</b>	<b>\$1,908,781</b>	<b>\$371,390</b>	<b>19.5%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$1,400,608 + Software Agreements Interest \$10,941 + Variable Interest \$241,283 + Amortization of Issuance Costs on Outstanding Debt \$37,835 + Amortization of Loss on Refunded Debt \$71,093 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



**REVENUE & EXPENSE STATEMENT**

**YEAR-TO-DATE**

**OCTOBER 2025**

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>OPERATING REVENUES</b>							
1. Retail	\$275,516,298	\$267,900,687	\$7,615,611	2.8%	\$255,510,561	\$20,005,737	7.8%
2. Wholesale	35,608,495	20,196,497	15,411,998	76.3%	32,529,768	3,078,727	9.5%
3. Other Revenue	8,225,244	6,805,436	1,419,808	20.9%	7,523,687	701,557	9.3%
4. CDFUO (a)	11,384,200	11,442,844	(58,644)	-0.5%	10,912,163	472,037	4.3%
5. Total Operating Revenues	330,734,237	306,345,464	24,388,773	8.0%	306,476,179	24,258,058	7.9%
<b>OPERATING EXPENSES</b>							
6. Purchased Power	73,702,911	61,950,609	11,752,302	19.0%	65,094,720	8,608,191	13.2%
7. Produced Power	57,110,349	53,186,933	3,923,416	7.4%	52,704,657	4,405,692	8.4%
8. Operations	25,125,050	23,885,710	1,239,340	5.2%	23,255,502	1,869,548	8.0%
9. Maintenance	13,053,248	11,732,518	1,320,730	11.3%	12,199,252	853,996	7.0%
10. Admin. & General	52,771,103	55,594,443	(2,823,340)	-5.1%	49,645,733	3,125,370	6.3%
11. Depreciation	33,950,837	35,302,682	(1,351,845)	-3.8%	29,785,936	4,164,901	14.0%
12. Total Operating Expenses	255,713,498	241,652,895	14,060,603	5.8%	232,685,800	23,027,698	9.9%
<b>13. OPERATING INCOME</b>	<b>75,020,739</b>	<b>64,692,569</b>	<b>10,328,170</b>	<b>16.0%</b>	<b>73,790,379</b>	<b>1,230,360</b>	<b>1.7%</b>
<b>NONOPERATING EXPENSES (INCOME)</b>							
14. Interest Expense (b)	14,416,757	14,505,187	(88,430)	-0.6%	14,185,292	231,465	1.6%
15. PILOT (c)	12,766,994	12,990,850	(223,856)	-1.7%	11,926,834	840,160	7.0%
16. CDFUO Expense (a)	11,694,026	11,605,976	88,050	0.8%	10,657,520	1,036,506	9.7%
17. Other Expense	102,315	0	102,315	--	3	102,312	3410400.0%
18. Total Other Nonoperating Expense	38,980,092	39,102,013	(121,921)	-0.3%	36,769,649	2,210,443	6.0%
19. Other (Income)	(444,947)	(420,430)	(24,517)	5.8%	(455,105)	10,158	-2.2%
20. Interest (Income)	(6,692,025)	(3,493,905)	(3,198,120)	91.5%	(6,419,212)	(272,813)	4.2%
21. Total Other Nonoperating (Income)	(7,136,972)	(3,914,335)	(3,222,637)	82.3%	(6,874,317)	(262,655)	3.8%
22. Total Nonoperating Expenses (Income)	31,843,120	35,187,678	(3,344,558)	-9.5%	29,895,332	1,947,788	6.5%
<b>23. Income Before Contributions</b>	<b>43,177,619</b>	<b>29,504,891</b>	<b>13,672,728</b>	<b>46.3%</b>	<b>43,895,047</b>	<b>(717,428)</b>	<b>-1.6%</b>
<b>CONTRIBUTED CAPITAL</b>							
24. Contributed Capital Received	26,792,483	501,998	26,290,485	5237.2%	2,659,055	24,133,428	907.6%
25. Contributed Capital Used (d)	(26,792,483)	(501,998)	(26,290,485)	-5237.2%	(2,659,055)	(24,133,428)	-907.6%
26. Net Contributed Capital	0	0	0	--	0	0	--
<b>27. CHANGE IN NET POSITION</b>	<b>\$43,177,619</b>	<b>\$29,504,891</b>	<b>\$13,672,728</b>	<b>46.3%</b>	<b>\$43,895,047</b>	<b>(\$717,428)</b>	<b>-1.6%</b>

(a) City Dividend for Utility Ownership.

(b) Bond Interest \$14,621,366 + Software Agreements Interest \$101,455 + Variable Interest \$2,543,438 + Amortization of Issuance Costs on Outstanding Debt \$810,939 + Amortization of Loss on Refunded Debt \$1,004,395 - Amortization of Discount/

(c) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



**REVENUES, ENERGY & CUSTOMERS**

**CURRENT MONTH**

**OCTOBER 2025**

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
<b>REVENUE</b>							
1. Residential	\$10,823,605	\$10,483,335	\$340,270	3.2%	\$9,740,458	\$1,083,147	11.1%
2. Commercial & Street Light	10,910,258	10,647,599	262,659	2.5%	9,557,757	1,352,501	14.2%
3. Industrial	<u>2,744,352</u>	<u>2,479,228</u>	<u>265,124</u>	10.7%	<u>2,540,670</u>	<u>203,682</u>	8.0%
4. Total Retail	24,478,215	23,610,162	868,053	3.7%	21,838,885	2,639,330	12.1%
5. SPP Sales	3,449,167	575,747	2,873,420	499.1%	2,394,300	1,054,867	44.1%
6. Contract Sales	697,070	457,229	239,841	52.5%	752,930	(55,860)	-7.4%
7. Total Wholesale	<u>4,146,237</u>	<u>1,032,976</u>	<u>3,113,261</u>	301.4%	<u>3,147,230</u>	<u>999,007</u>	31.7%
8. Total	\$28,624,452	\$24,643,138	\$3,981,314	16.2%	\$24,986,115	\$3,638,337	14.6%
<b>ENERGY (MWH'S)</b>							
9. Residential	90,443	78,855	11,588	14.7%	84,553	5,890	7.0%
10. Commercial & Street Light	123,010	123,194	(184)	-0.1%	117,401	5,609	4.8%
11. Industrial	<u>36,015</u>	<u>35,080</u>	<u>935</u>	2.7%	<u>36,293</u>	<u>(278)</u>	-0.8%
12. Total Retail	249,468	237,129	12,339	5.2%	238,247	11,221	4.7%
13. SPP Sales	41,416	21,077	20,339	96.5%	30,278	11,138	36.8%
14. Contract Sales	<u>33,074</u>	<u>15,936</u>	<u>17,138</u>	107.5%	<u>12,431</u>	<u>20,643</u>	166.1%
15. Total Wholesale	<u>74,490</u>	<u>37,013</u>	<u>37,477</u>	101.3%	<u>42,709</u>	<u>31,781</u>	74.4%
16. Total	323,958	274,142	49,816	18.2%	280,956	43,002	15.3%
<b>CUSTOMERS - AT MONTH END</b>							
17. Residential	137,284	137,615	(331)	-0.2%	135,614	1,670	1.2%
18. Commercial & Street Light	18,059	18,616	(557)	-3.0%	17,970	89	0.5%
19. Industrial	<u>236</u>	<u>239</u>	<u>(3)</u>	-1.3%	<u>233</u>	<u>3</u>	1.3%
20. Total Retail	155,579	156,470	(891)	-0.6%	153,817	1,762	1.1%
21. Wholesale	<u>4</u>	<u>4</u>	<u>0</u>	0.0%	<u>6</u>	<u>(2)</u>	-33.3%
22. Total	155,583	156,474	(891)	-0.6%	153,823	1,760	1.1%



**REVENUES, ENERGY & CUSTOMERS**

**YEAR-TO-DATE**

**OCTOBER 2025**

DESCRIPTION	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE ACTUAL	VARIANCE FROM LAST YEAR	
			AMOUNT	%		AMOUNT	%
<b>REVENUE</b>							
1. Residential	\$130,078,876	\$126,732,481	\$3,346,395	2.6%	\$120,050,464	\$10,028,412	8.4%
2. Commercial & Street Light	116,284,075	114,595,921	1,688,154	1.5%	107,152,916	9,131,159	8.5%
3. Industrial	<u>29,153,347</u>	<u>26,572,285</u>	<u>2,581,062</u>	9.7%	<u>28,307,181</u>	<u>846,166</u>	3.0%
4. Total Retail	275,516,298	267,900,687	7,615,611	2.8%	255,510,561	20,005,737	7.8%
5. SPP Sales	26,909,552	12,400,599	14,508,953	117.0%	24,014,462	2,895,090	12.1%
6. Contract Sales	<u>8,698,943</u>	<u>7,795,898</u>	<u>903,045</u>	11.6%	<u>8,515,306</u>	<u>183,637</u>	2.2%
7. Total Wholesale	<u>35,608,495</u>	<u>20,196,497</u>	<u>15,411,998</u>	76.3%	<u>32,529,768</u>	<u>3,078,727</u>	9.5%
8. Total	\$311,124,793	\$288,097,184	\$23,027,609	8.0%	\$288,040,329	23,084,464	8.0%
<b>ENERGY (MWH'S)</b>							
9. Residential	1,161,716	1,132,832	28,884	2.5%	1,102,410	59,306	5.4%
10. Commercial & Street Light	1,288,054	1,287,824	230	0.0%	1,249,688	38,366	3.1%
11. Industrial	<u>379,350</u>	<u>381,301</u>	<u>(1,951)</u>	-0.5%	<u>399,794</u>	<u>(20,444)</u>	-5.1%
12. Total Retail	2,829,120	2,801,957	27,163	1.0%	2,751,892	77,228	2.8%
13. SPP Sales	333,622	166,900	166,722	99.9%	282,758	50,864	18.0%
14. Contract Sales	<u>187,798</u>	<u>224,931</u>	<u>(37,133)</u>	-16.5%	<u>216,906</u>	<u>(29,108)</u>	-13.4%
15. Total Wholesale	<u>521,420</u>	<u>391,831</u>	<u>129,589</u>	33.1%	<u>499,664</u>	<u>21,756</u>	4.4%
16. Total	3,350,540	3,193,788	156,752	4.9%	3,251,556	98,984	3.0%
<b>CUSTOMERS AVERAGE</b>							
17. Residential	136,713	136,810	(97)	-0.1%	134,721	1,992	1.5%
18. Commercial & Street Light	18,016	18,504	(488)	-2.6%	17,906	110	0.6%
19. Industrial	<u>236</u>	<u>239</u>	<u>(3)</u>	-1.3%	<u>237</u>	<u>(1)</u>	-0.4%
20. Total Retail	154,965	155,553	(588)	-0.4%	152,864	2,101	1.4%
21. Wholesale	<u>5</u>	<u>5</u>	<u>0</u>	0.0%	<u>6</u>	<u>(1)</u>	-16.7%
22. Total	154,970	155,558	(588)	-0.4%	152,870	2,100	1.4%



**OPERATING EXPENSE STATEMENT**

**CURRENT MONTH**

**OCTOBER 2025**

DESCRIPTION	CURRENT	CURRENT	VARIANCE FROM		LAST YEAR	VARIANCE FROM	
	MONTH	MONTH	BUDGET	%	MONTH	LAST YEAR	%
	ACTUAL	BUDGET	AMOUNT		ACTUAL	AMOUNT	
<b>POWER COST</b>							
1. SPP Purchased Power	\$785,099	\$939,465	(\$154,366)	-16.4%	\$747,555	\$37,544	5.0%
2. Non-Owned Asset Power	<u>5,656,433</u>	<u>5,439,140</u>	<u>217,293</u>	4.0%	<u>5,380,553</u>	<u>275,880</u>	5.1%
3. Total Purchased Power	6,441,532	6,378,605	62,927	1.0%	6,128,108	313,424	5.1%
4. Produced Power	<u>6,231,076</u>	<u>4,578,068</u>	<u>1,653,008</u>	36.1%	<u>3,698,622</u>	<u>2,532,454</u>	68.5%
5. Total Power Cost	12,672,608	10,956,673	1,715,935	15.7%	9,826,730	2,845,878	29.0%
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>							
6. Energy Delivery	1,702,288	2,386,482	(684,194)	-28.7%	2,378,546	(676,258)	-28.4%
7. Transmission	<u>1,135,038</u>	<u>1,147,966</u>	<u>(12,928)</u>	-1.1%	<u>1,019,884</u>	<u>115,154</u>	11.3%
8. Total O & M Expense	2,837,326	3,534,448	(697,122)	-19.7%	3,398,430	(561,104)	-16.5%
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>							
9. Administration	294,782	327,994	(33,212)	-10.1%	239,917	54,865	22.9%
10. Communication & Corporate Records	247,173	290,589	(43,416)	-14.9%	221,514	25,659	11.6%
11. Corporate Operations	1,071,134	1,318,600	(247,466)	-18.8%	873,265	197,869	22.7%
12. Customer Services	1,356,034	1,154,050	201,984	17.5%	1,314,040	41,994	3.2%
13. Financial Services	639,059	526,542	112,517	21.4%	487,565	151,494	31.1%
14. Power Supply	486,831	522,810	(35,979)	-6.9%	459,509	27,322	5.9%
15. Technology Services	<u>1,735,340</u>	<u>1,486,021</u>	<u>249,319</u>	16.8%	<u>1,357,646</u>	<u>377,694</u>	27.8%
16. Total A & G Expense	5,830,353	5,626,606	203,747	3.6%	4,953,456	876,897	17.7%
17. DEPRECIATION	3,420,167	3,557,094	(136,927)	-3.8%	2,996,400	423,767	14.1%
18. TOTAL OPERATING EXPENSE	\$24,760,454	\$23,674,821	\$1,085,633	4.6%	\$21,175,016	\$3,585,438	16.9%



**OPERATING EXPENSE STATEMENT**

**YEAR-TO-DATE**

**OCTOBER 2025**

DESCRIPTION	YEAR TO DATE		VARIANCE FROM BUDGET		LAST YEAR YEAR TO DATE		VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%	
<b>POWER COST</b>								
1. SPP Purchased Power	\$19,197,112	\$10,022,483	\$9,174,629	91.5%	\$16,311,766	\$2,885,346	17.7%	
2. Non-Owned Asset Power	<u>54,505,799</u>	<u>51,928,126</u>	<u>2,577,673</u>	5.0%	<u>48,782,954</u>	<u>5,722,845</u>	11.7%	
3. Total Purchased Power	73,702,911	61,950,609	11,752,302	19.0%	65,094,720	8,608,191	13.2%	
4. Produced Power	<u>57,110,349</u>	<u>53,186,933</u>	<u>3,923,416</u>	7.4%	<u>52,704,657</u>	<u>4,405,692</u>	8.4%	
5. Total Power Cost	130,813,260	115,137,542	15,675,718	13.6%	117,799,377	13,013,883	11.0%	
<b>OPERATION &amp; MAINTENANCE (O&amp;M)</b>								
6. Energy Delivery	26,669,968	24,076,682	2,593,286	10.8%	24,784,205	1,885,763	7.6%	
7. Transmission	<u>11,508,330</u>	<u>11,541,546</u>	<u>(33,216)</u>	-0.3%	<u>10,670,549</u>	<u>837,781</u>	7.9%	
8. Total O & M Expense	38,178,298	35,618,228	2,560,070	7.2%	35,454,754	2,723,544	7.7%	
<b>ADMINISTRATIVE &amp; GENERAL (A&amp;G)</b>								
9. Administration	3,260,130	3,378,753	(118,623)	-3.5%	2,685,747	574,383	21.4%	
10. Communication & Corporate Records	2,128,667	2,498,157	(369,490)	-14.8%	2,231,804	(103,137)	-4.6%	
11. Corporate Operations	10,404,865	12,557,525	(2,152,660)	-17.1%	10,143,204	261,661	2.6%	
12. Customer Services	11,062,604	10,917,469	145,135	1.3%	10,904,139	158,465	1.5%	
13. Financial Services	5,249,439	5,165,251	84,188	1.6%	4,905,024	344,415	7.0%	
14. Power Supply	4,820,154	5,158,932	(338,778)	-6.6%	4,371,682	448,472	10.3%	
15. Technology Services	<u>15,845,244</u>	<u>15,918,356</u>	<u>(73,112)</u>	-0.5%	<u>14,404,133</u>	<u>1,441,111</u>	10.0%	
16. Total A & G Expense	52,771,103	55,594,443	(2,823,340)	-5.1%	49,645,733	3,125,370	6.3%	
<b>17. DEPRECIATION</b>	33,950,837	35,302,682	(1,351,845)	-3.8%	29,785,936	4,164,901	14.0%	
<b>18. TOTAL OPERATING EXPENSE</b>	\$255,713,498	\$241,652,895	\$14,060,603	5.8%	\$232,685,800	\$23,027,698	9.9%	



**BALANCE SHEET  
OCTOBER 2025**

**ASSETS & DEFERRED OUTFLOWS OF RESOURCES**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION**

DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1	DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES:</b>		
1. Revenue Fund (includes CDFUO)	\$47,668,352	\$4,157,925	<b>OTHER LIABILITIES</b>		
2. Payment in Lieu of Tax Fund	11,278,614	(1,410,242)	1. Accounts Payable	\$21,782,159	(\$3,556,382)
3. Rate Stabilization Fund	43,039,762	1,683,211	2. Accrued Payments in Lieu of Taxes	12,501,307	(1,203,110)
4. Bond Principal & Interest Funds	9,067,153	(8,839,366)	3. City Dividend for Utility Ownership Payable	2,548,394	(2,024,422)
5. Other Restricted/Designated Funds (a)	3,924,496	(233,437)	4. Commercial Paper Notes	107,500,000	42,000,000
6. Restricted/Designated Funds Total	56,031,411	(7,389,592)	5. Accrued Software Interest	74,817	45,078
7. Total Current Asset Funds (b)	114,978,377	(4,641,909)	6. Accrued Liabilities	20,647,969	2,220,303
8. Receivables Less Uncollectible Allowance	33,396,289	7,349,731	7. Total Other Liabilities	165,054,646	37,481,467
9. Unbilled Revenue	18,686,646	679,338	<b>CURRENT LIABILITIES - RESTRICTED ASSETS</b>		
10. Accrued Interest Receivable	518,274	(225,326)	8. Current Portion of Long-Term Debt	37,580,000	1,840,000
11. Materials, Supplies & Fuel Inventory	35,816,408	882,429	9. Accrued Interest	3,041,301	(2,912,121)
12. Plant Operation Assets	21,563,789	(57,402)	10. Other Current Liabilities (d)	1,083,683	65,066
13. Other Current Assets	6,921,956	1,145,919	11. Total Current Liabilities - Restricted Assets	41,704,984	(1,007,055)
14. Total Current Assets	231,881,739	5,132,780	12. Total Current Liabilities	206,759,630	36,474,412
<b>NONCURRENT ASSETS:</b>			<b>NONCURRENT LIABILITIES:</b>		
15. Bond Reserve Funds	9,034,671	(362,928)	13. 2013 Bonds	0	(12,385,000)
16. Self-Funded Benefits Reserve Fund (IBNP)	1,212,360	319,840	14. 2015A Bonds	69,775,000	(830,000)
17. Segregated Funds (c)	19,934,995	(5,187,138)	15. 2016 Bonds	65,960,000	0
18. Restricted Funds Total (b)	30,182,026	(5,230,226)	16. 2018 Bonds	114,900,000	(6,305,000)
19. Unamortized Debt Expense	1,501,852	(252,180)	17. 2020A Bonds	70,740,000	(1,460,000)
21. Accrued Lease Interest	176,159	43,242	18. 2020B Bonds	136,540,000	(14,760,000)
22. Other Noncurrent Assets	6,696,952	2,858	19. Total Revenue Bonds	457,915,000	(35,740,000)
23. Total Noncurrent Assets	\$46,224,137	(\$4,611,651)	20. Less Current Maturities	37,580,000	1,840,000
<b>CAPITAL ASSETS:</b>			21. Less Unamortized Discounts/Premiums	(24,134,503)	4,664,837
24. Utility Plant in Service	1,892,242,638	20,036,083	22. Note Purchase Agreement	0	0
25. Accumulated Depreciation & Amortization	(997,284,429)	(30,417,184)	23. Revolving Credit Agreement	0	0
26. Construction Work in Progress	201,793,996	44,306,626	24. Net Long Term Debt	444,469,503	(42,244,837)
27. Total Capital Assets	1,096,752,205	33,925,525	25. Liabilities Payable from Segregated Funds (e)	19,934,738	(5,184,785)
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			26. Asset Retirement Obligation	2,793,211	(179,892)
28. Deferred Loss on Refunded Debt	5,829,515	(1,004,395)	27. Software Liabilities	2,977,628	544,832
29. Deferred Costs for Asset Retirement Obligations	2,793,211	(179,892)	28. Other Noncurrent Liabilities	19,294,213	0
30. Total Deferred Outflows of Resources	8,622,726	(1,184,287)	29. Total Liabilities	696,228,923	(10,590,270)
			<b>DEFERRED INFLOWS OF RESOURCES:</b>		
			30. Deferred Inflow of Resource	6,975,659	675,018
			31. Total Deferred Inflows of Resources	6,975,659	675,018
			<b>NET POSITION:</b>		
			32. Net Investment in Capital Assets	517,051,796	29,574,869
			33. Restricted for Debt Service	6,656,877	(5,828,706)
			34. Restricted for Employee Health Insurance Claims	3,160,392	403,718
			35. Unrestricted	153,407,160	19,027,738
			36. Total Net Position	680,276,225	43,177,619
<b>31. TOTAL ASSETS &amp; DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$1,383,480,807</b>	<b>\$33,262,367</b>	<b>37. TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES &amp; NET POSITION</b>	<b>\$1,383,480,807</b>	<b>\$33,262,367</b>



**STATEMENT OF CASH FLOWS  
OCTOBER 2025**

	CURRENT MONTH	YEAR-TO-DATE
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
1. Received from Sales to Customers and Users	\$34,976,609	\$330,300,060
2. Sales Tax Receipts	\$1,565,589	\$15,418,783
3. Paid to Suppliers for Goods & Services	(\$20,237,200)	(\$183,173,040)
4. Paid to Employees for Services	(\$4,250,429)	(\$42,381,978)
5. Payments for Sales Tax	(1,774,223)	(15,100,528)
<b>6. Cash Flow from Operating Activities (a)</b>	<b>10,280,346</b>	<b>105,063,297</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
7. Payment in Lieu of Tax	(100,276)	(13,970,105)
8. City Dividend for Utility Ownership Payments	0	(13,718,448)
9. Other	0	0
<b>10. Cash Flow from (used for) Noncapital Financing Activities</b>	<b>(100,276)</b>	<b>(27,688,553)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
11. Net (Purchases) Sales of Investments	(6,278,108)	4,734,988
12. Interest Income	607,631	6,738,648
<b>13. Cash Flow from (used for) Investing Activities</b>	<b>(5,670,477)</b>	<b>11,473,636</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>		
14. Acquisition and Construction of Capital Assets	(17,494,546)	(95,295,665)
15. Salvage on Retirement of Plant	352	39,747
16. Cost of Removal of Property Retired	(126,606)	(2,068,810)
17. Debt Issuance Cost Paid	0	0
18. Debt Premiums Collected	0	0
19. Net Capital Contributions	3,058,132	17,607,697
20. Capital Contributions Recv'd in Advance	0	0
21. Cash Received from Leases	41,526	430,768
23. Net Proceeds from Issuance of Long-Term Debt	0	0
24. Proceeds from Commercial Paper Issuance	0	42,000,000
25. Principal Payments on Long-Term Debt	0	(35,740,000)
26. Interest Payments on Debt	0	(20,076,924)
<b>27. Cash Flow from (used for) Capital Financing Activities</b>	<b>(14,521,142)</b>	<b>(93,103,187)</b>
27. Cash Flow from (used for) Capital Financing Activities	(10,011,549)	(4,254,807)
28. Net Increase (Decrease) in Cash and Cash Equivalents	52,386,845	47,367,673
<b>29. Cash and Cash Equivalents Beginning of Period</b>	<b>\$42,375,296</b>	<b>\$43,112,866</b>
<b>STATEMENT OF CASH FLOW FOOTNOTES</b>		
<b>(a) Reconciliation of operating income to cash flows from operating activities</b>		
1. Net Operating Revenue	\$5,610,388	\$75,020,739
2. Noncash items included in operating income	3,526,181	35,045,434
3. Changes in Assets & Liabilities Increase/(Decrease)	1,143,777	(5,002,876)
4. Net cash flows from operating activities	\$10,280,346	\$105,063,297
<b>(b) Cash and cash equivalents are defined as cash and investments with original maturities of three months or less.</b>		



**DEBT SERVICE COVERAGE**

**OCTOBER 2025**

DESCRIPTION	----- CURRENT MONTH -----			----- YEAR-TO-DATE -----		
	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR	ACTUAL THIS YEAR	BUDGET THIS YEAR	ACTUAL LAST YEAR
1. Total Operating Revenues	\$30,370,842	\$26,409,665	\$26,622,289	\$330,734,237	\$306,345,464	\$306,476,179
2. Total Operating Expenses	24,760,454	23,674,821	21,175,016	255,713,498	241,652,895	232,685,800
3. Less Depreciation	(3,420,167)	(3,557,094)	(2,996,400)	(33,950,837)	(35,302,682)	(29,785,936)
4. Operating Expense Net of Depreciation	21,340,287	20,117,727	18,178,616	221,762,661	206,350,213	202,899,864
5. Net Operating Revenue for Debt Service	9,030,555	6,291,938	8,443,673	108,971,576	99,995,251	103,576,315
6. Interest Income (a)	387,944	207,401	312,069	4,939,857	2,713,372	4,894,754
7. Other Income	42,669	38,908	45,498	444,947	420,430	455,105
8. Rate Stabilization Fund	0	0	0	0	1,350,000	0
<b>9. AVAILABLE FOR DEBT SERVICE</b>	<b>9,461,168</b>	<b>6,538,247</b>	<b>8,801,240</b>	<b>114,356,380</b>	<b>104,479,053</b>	<b>108,926,174</b>
<b>10. DEBT SERVICE (b)</b>	<b>\$4,532,275</b>	<b>\$4,532,273</b>	<b>\$4,455,852</b>	<b>\$44,711,365</b>	<b>\$44,711,352</b>	<b>\$46,368,632</b>
<b>11. DEBT SERVICE COVERAGE</b>	<b>2.09</b>	<b>1.44</b>	<b>1.98</b>	<b>2.56</b>	<b>2.34</b>	<b>2.35</b>

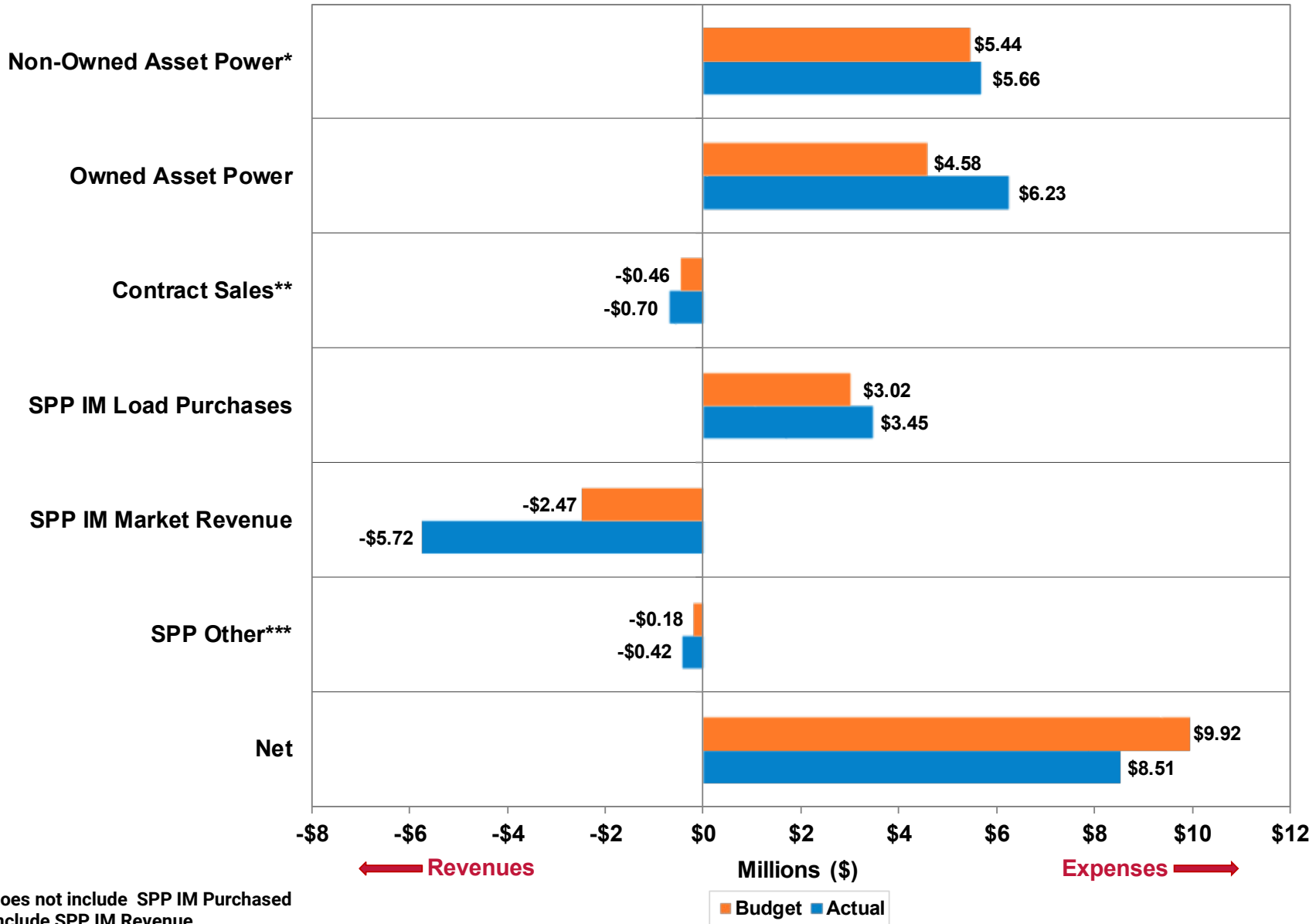
(a) Excludes Interest from Rate Stabilization Fund.

(b) Includes Bond Principal & Interest only.

# **Power Supply Division 2025 October Monthly Report**

Jason Fortik | Vice President, Power Supply  
November 21, 2025

# Monthly Actual vs. Budget

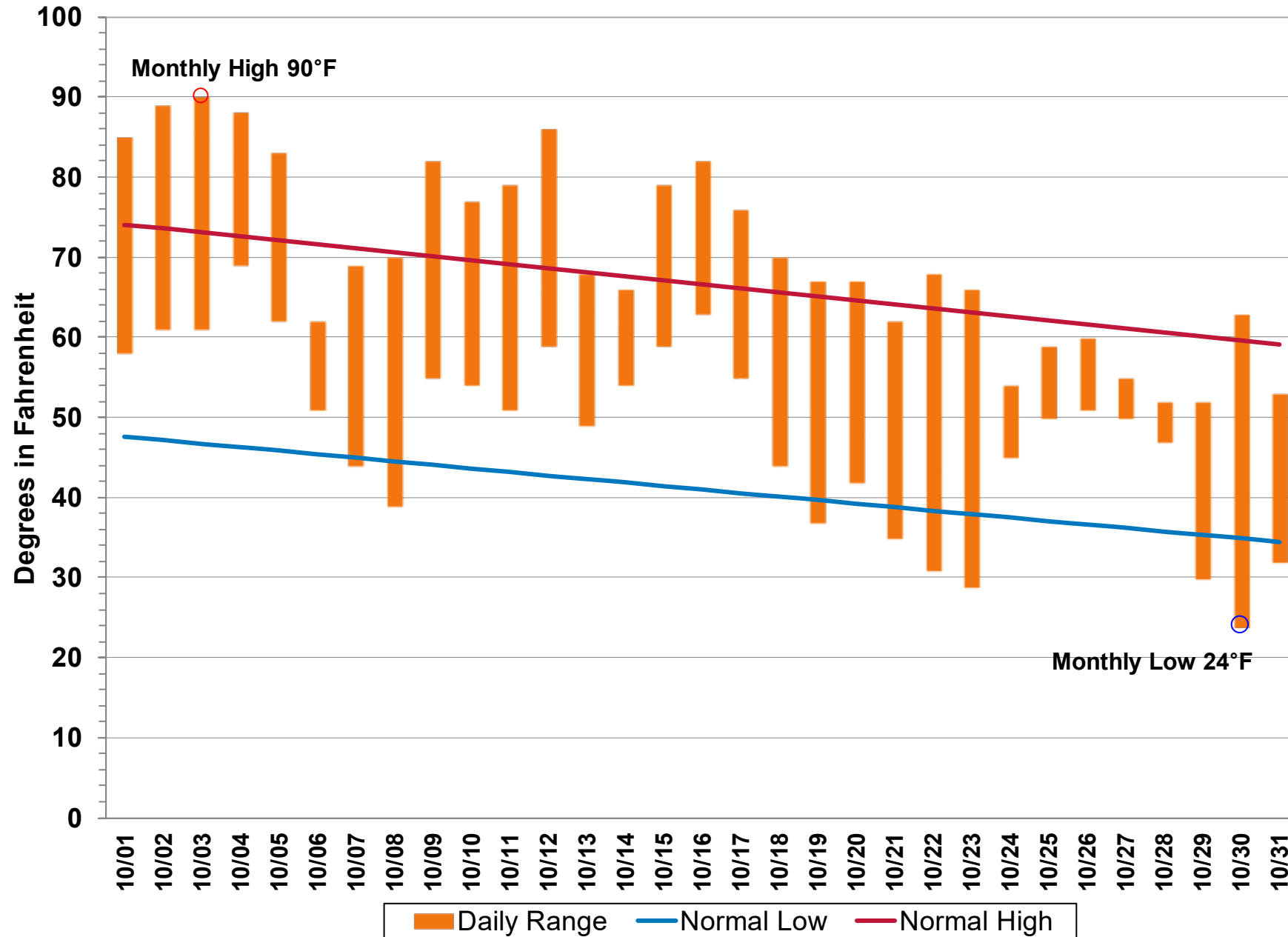


\*Non-Owned Asset Power does not include SPP IM Purchased

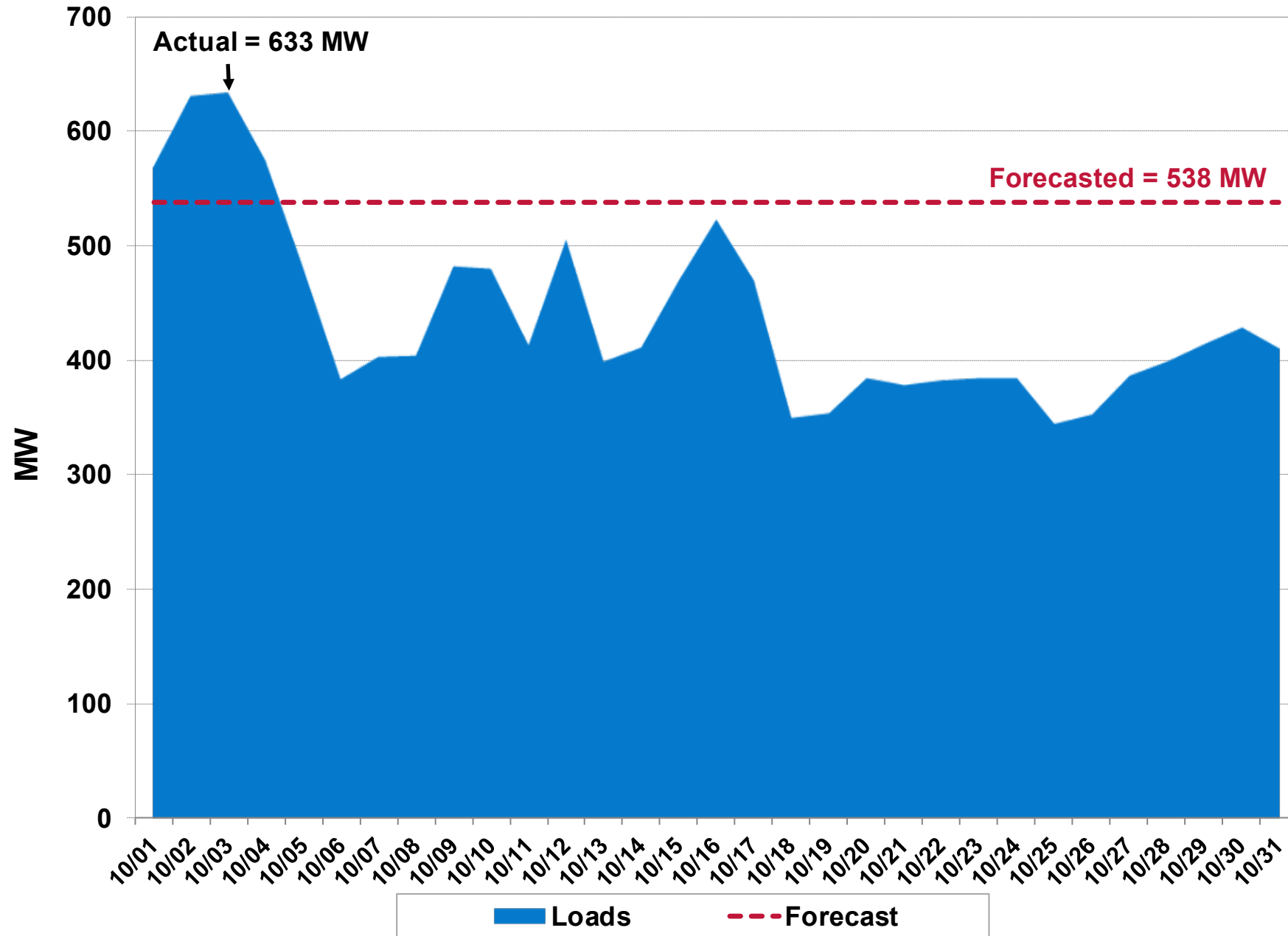
\*\*Contract Sales does not include SPP IM Revenue

\*\*\*SPP Other includes Over-Collected Losses and ARR's/TCR

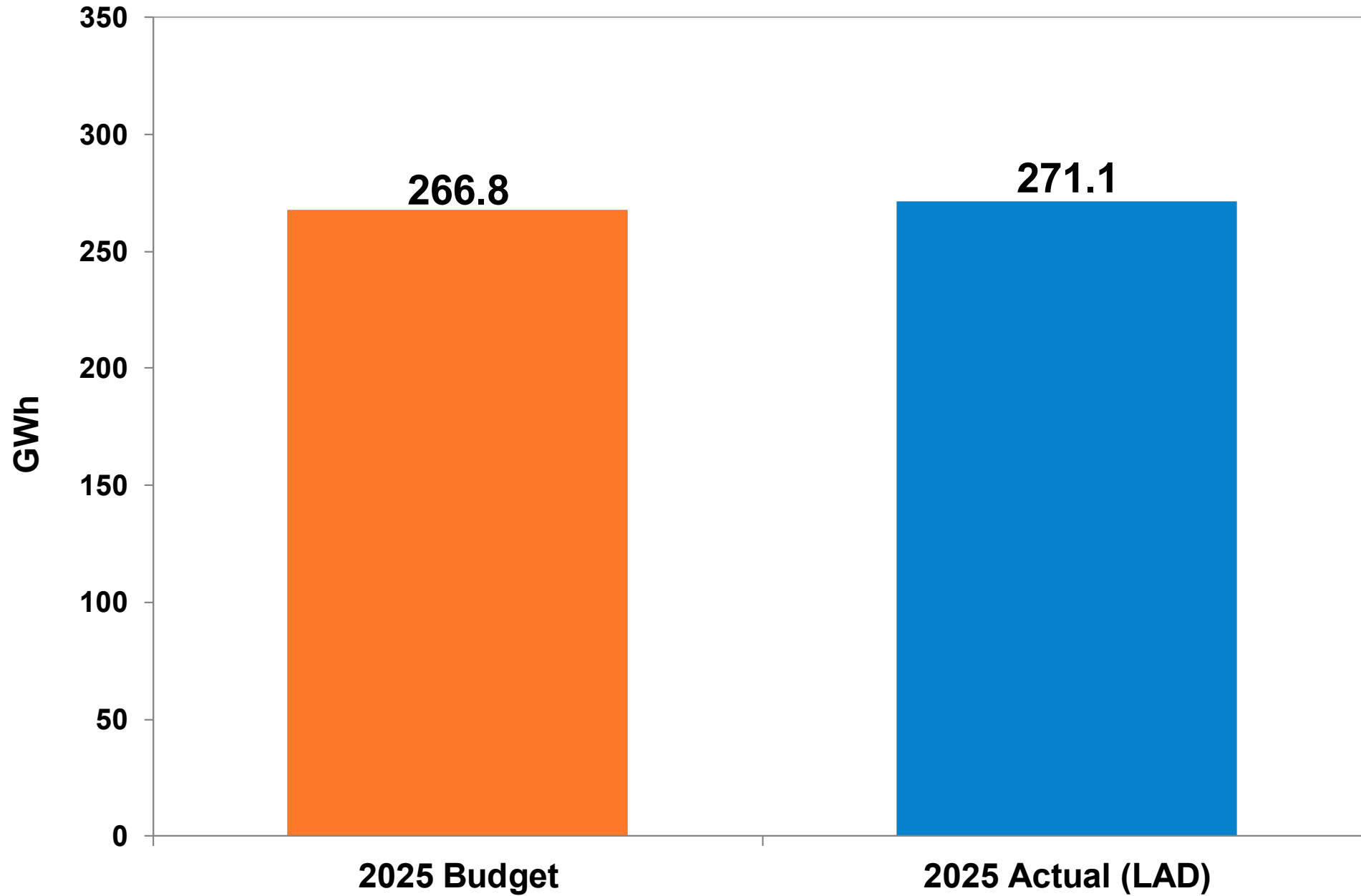
# Daily Temperature Range



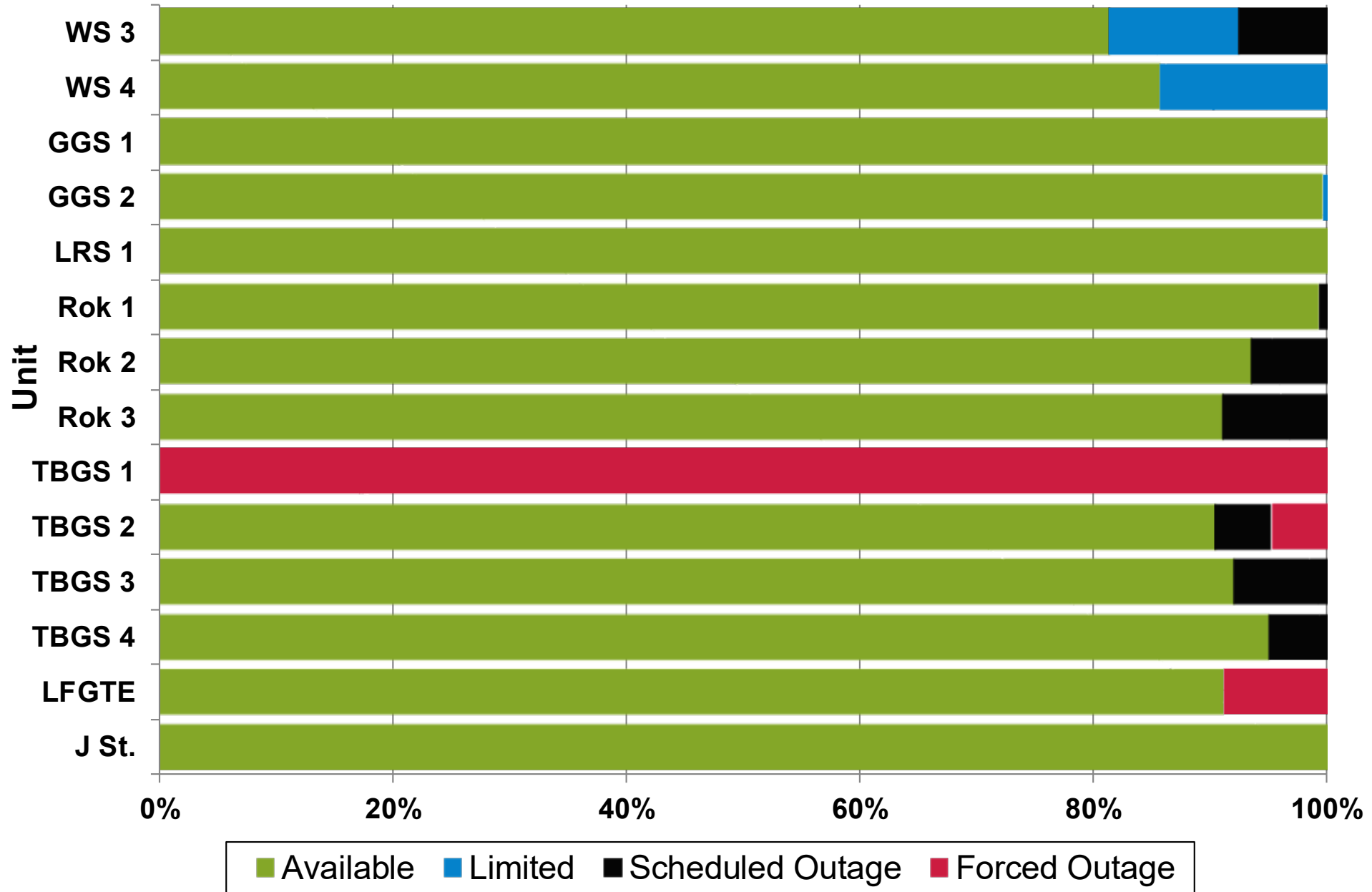
# Loads



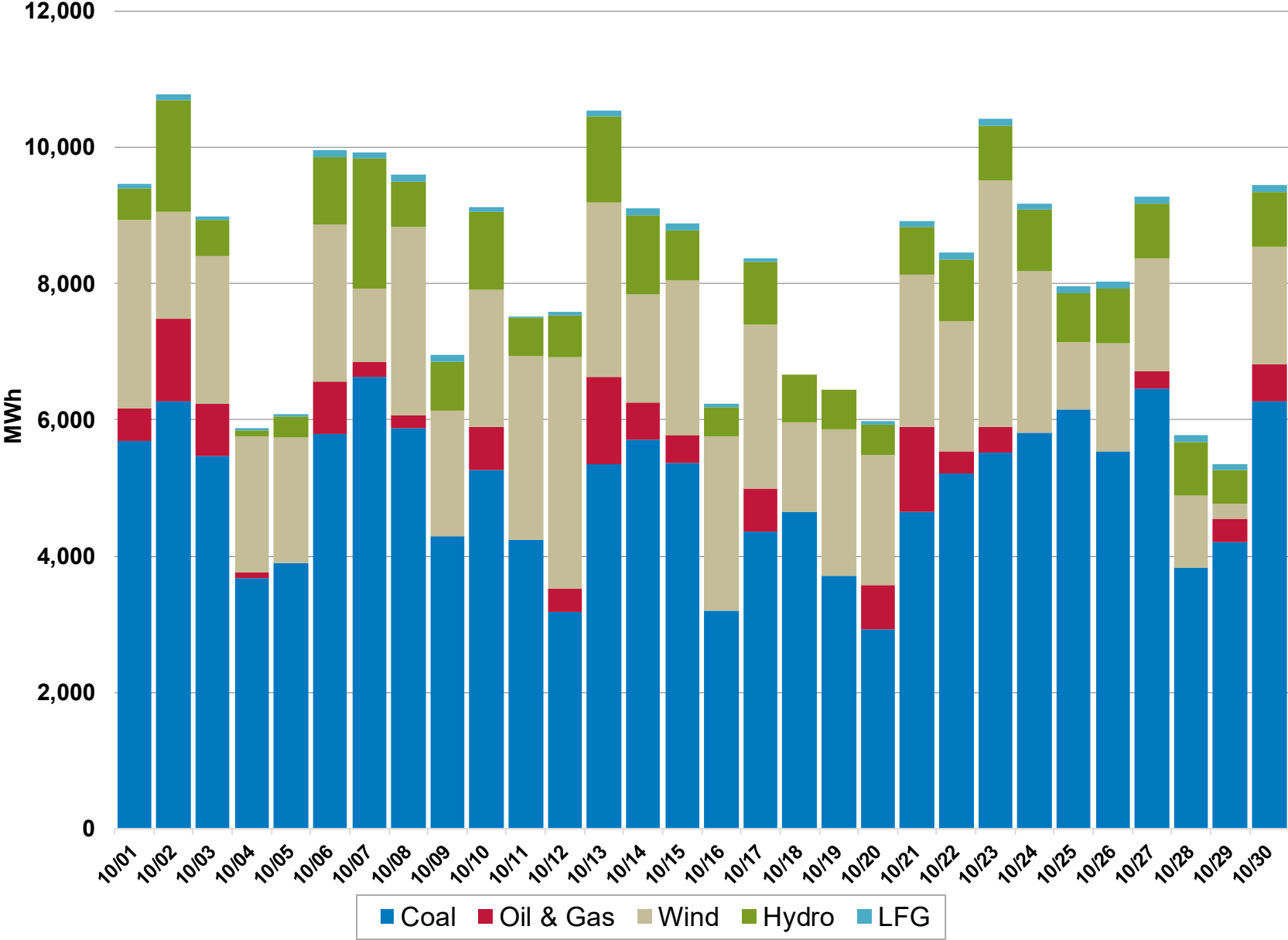
# Customer Energy Consumption



# Unit Equivalent Availability



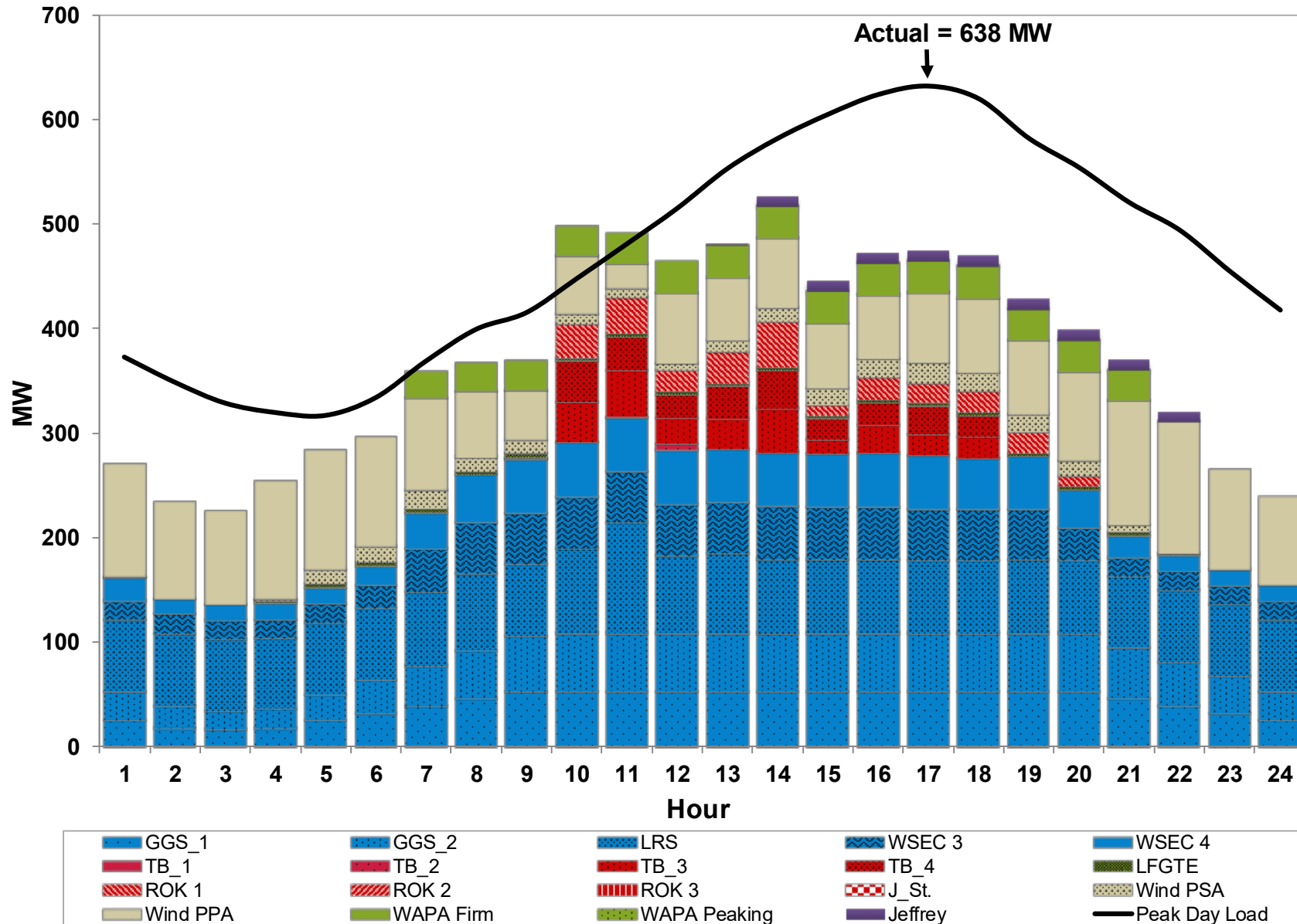
# Resource Energy



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

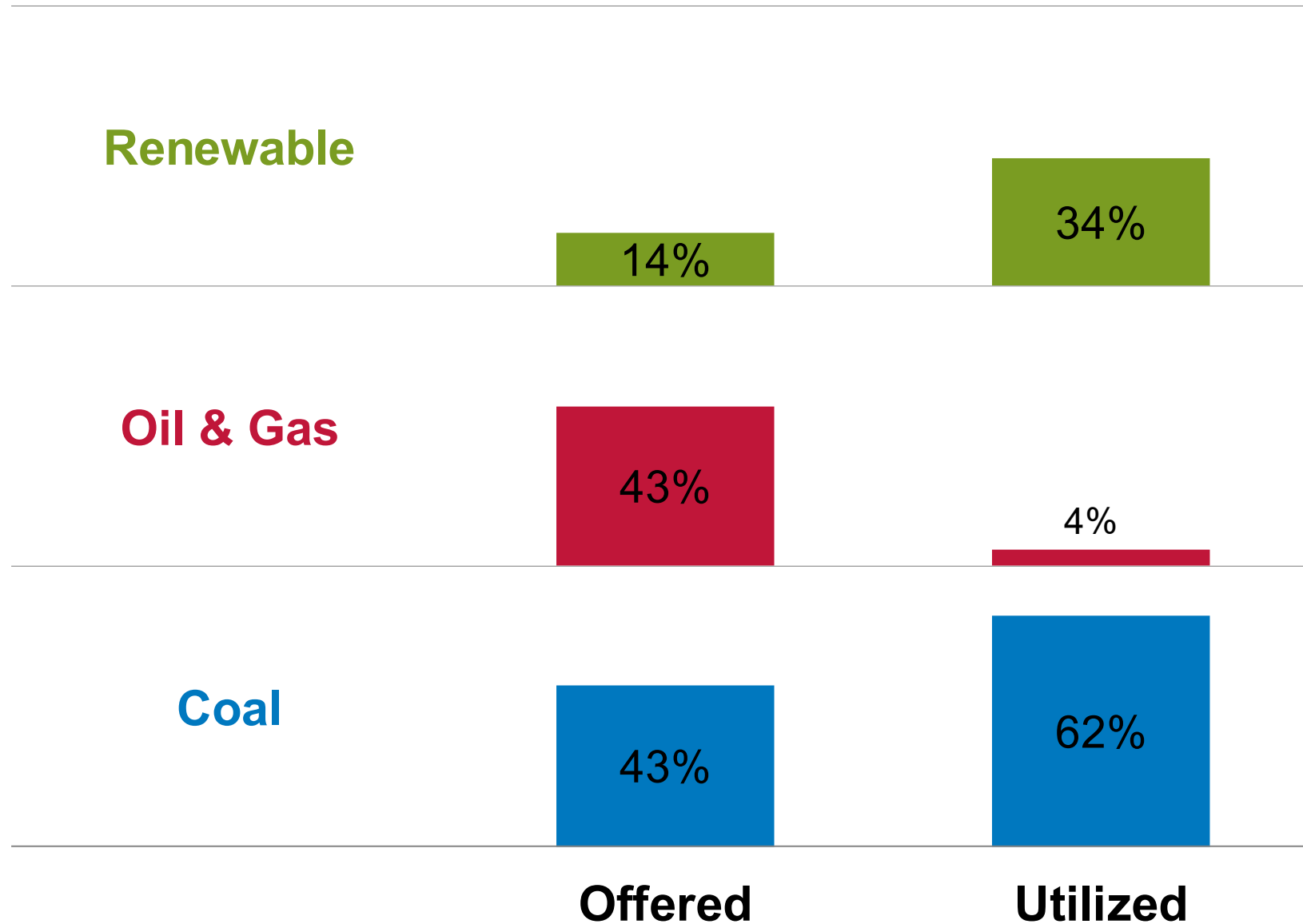


# Peak Load Day – October 3, 2025



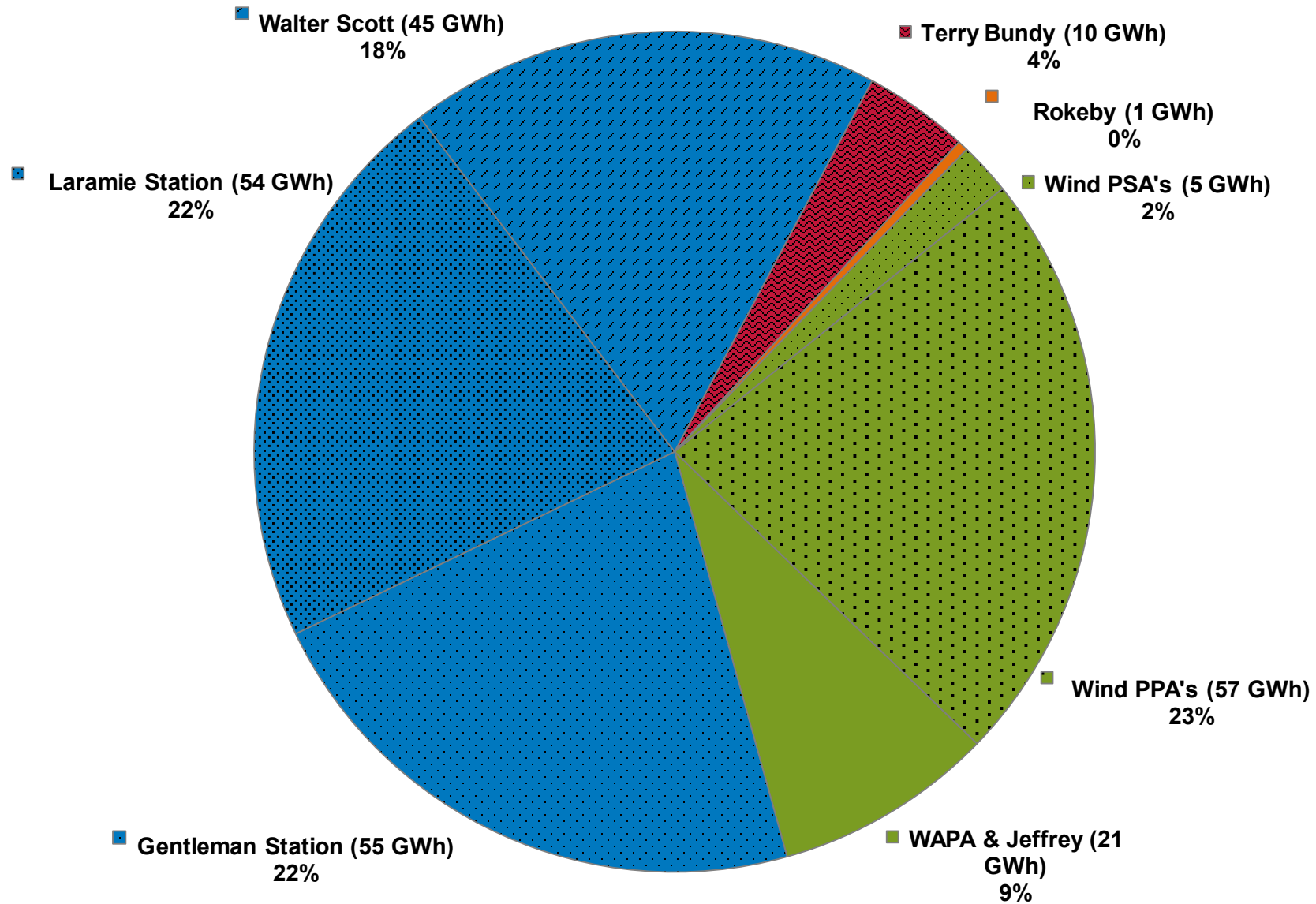
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

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



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

# Energy Utilized by the SPP Integrated Marketplace



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

# **Exhibit IX**

# Nebraska Power Association 2025 Load & Capability Report

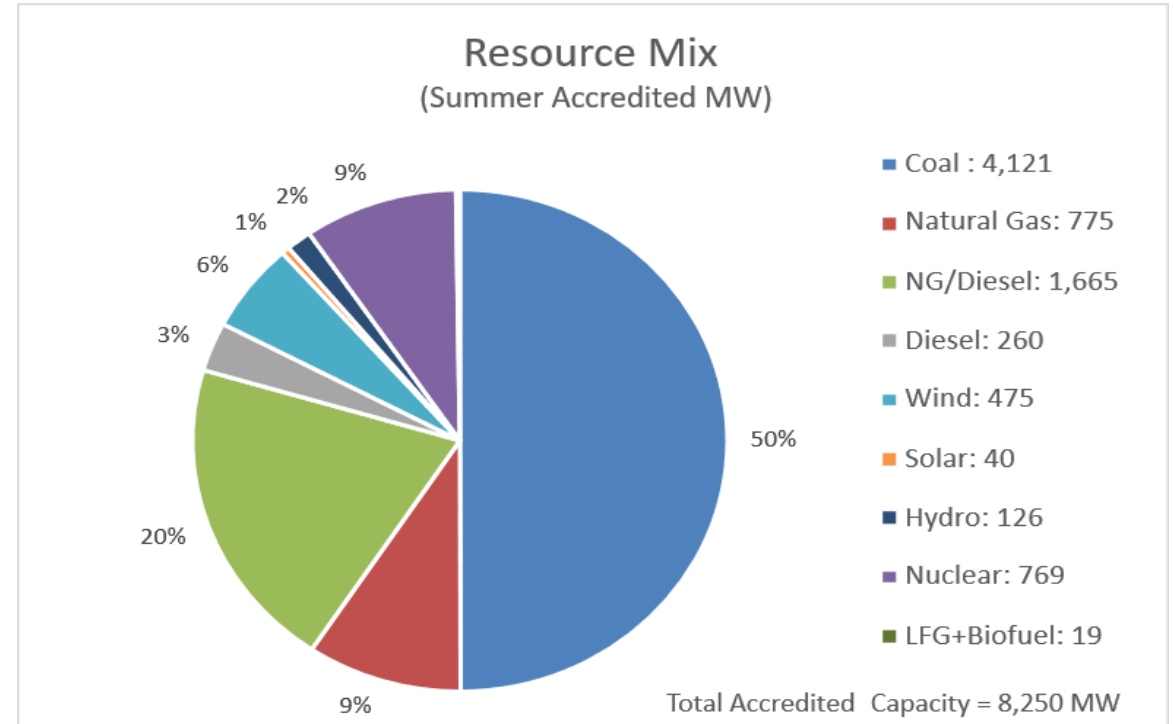
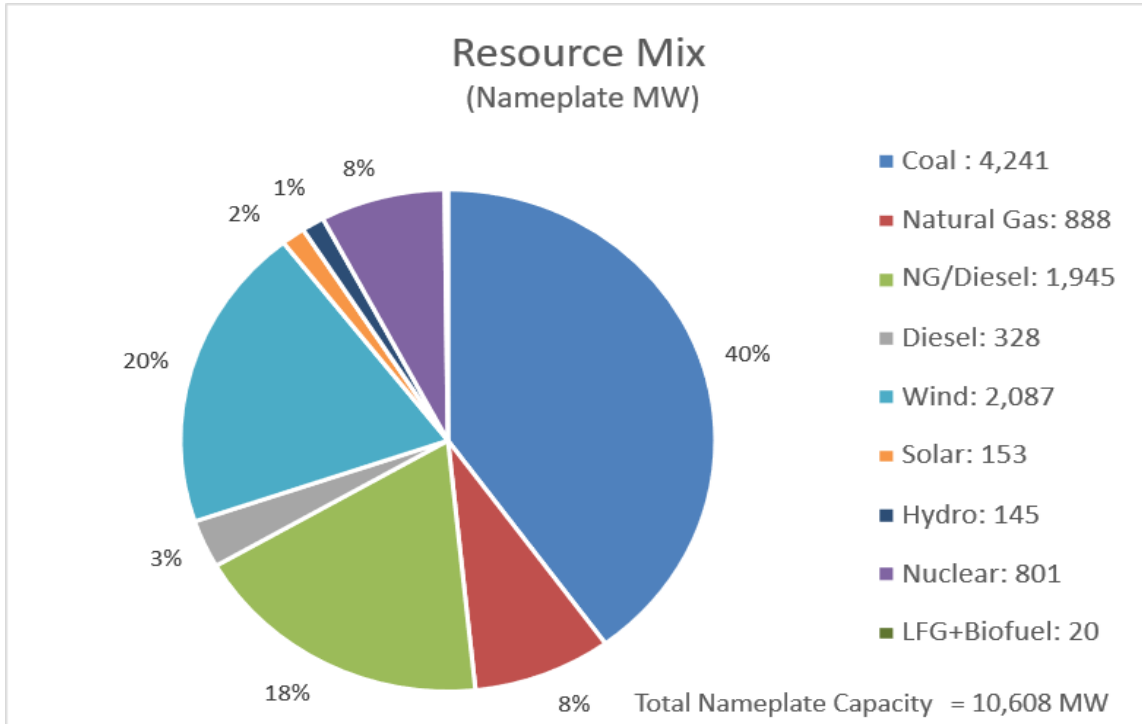
Nebraska Power Review Board Meeting  
August 15, 2025

Jason Fortik  
Vice President, Power Supply, LES  
Chair, NPA Joint Planning Subcommittee

# Nebraska's Projected Peak Electrical Demand Growth

- **Average annual demand growth rate is 1.7% per year from 2025 through 2044**
  - The utilities continue using probability-based rankings to determine the traditional customer electrical loads that are included in the forecast
  - Non-traditional, large, single point electrical loads are included in the forecast if the host utility has determined that there is a sufficiently high degree of confidence that the load will materialize
- **The 2025 growth rate is elevated from the 1.4% growth rate shown in last year's report and reflects additional information obtained for proposed large loads**

# Existing Electrical Generating Resources Categorized by Fuel Type Using both Nameplate and Accredited Ratings\*

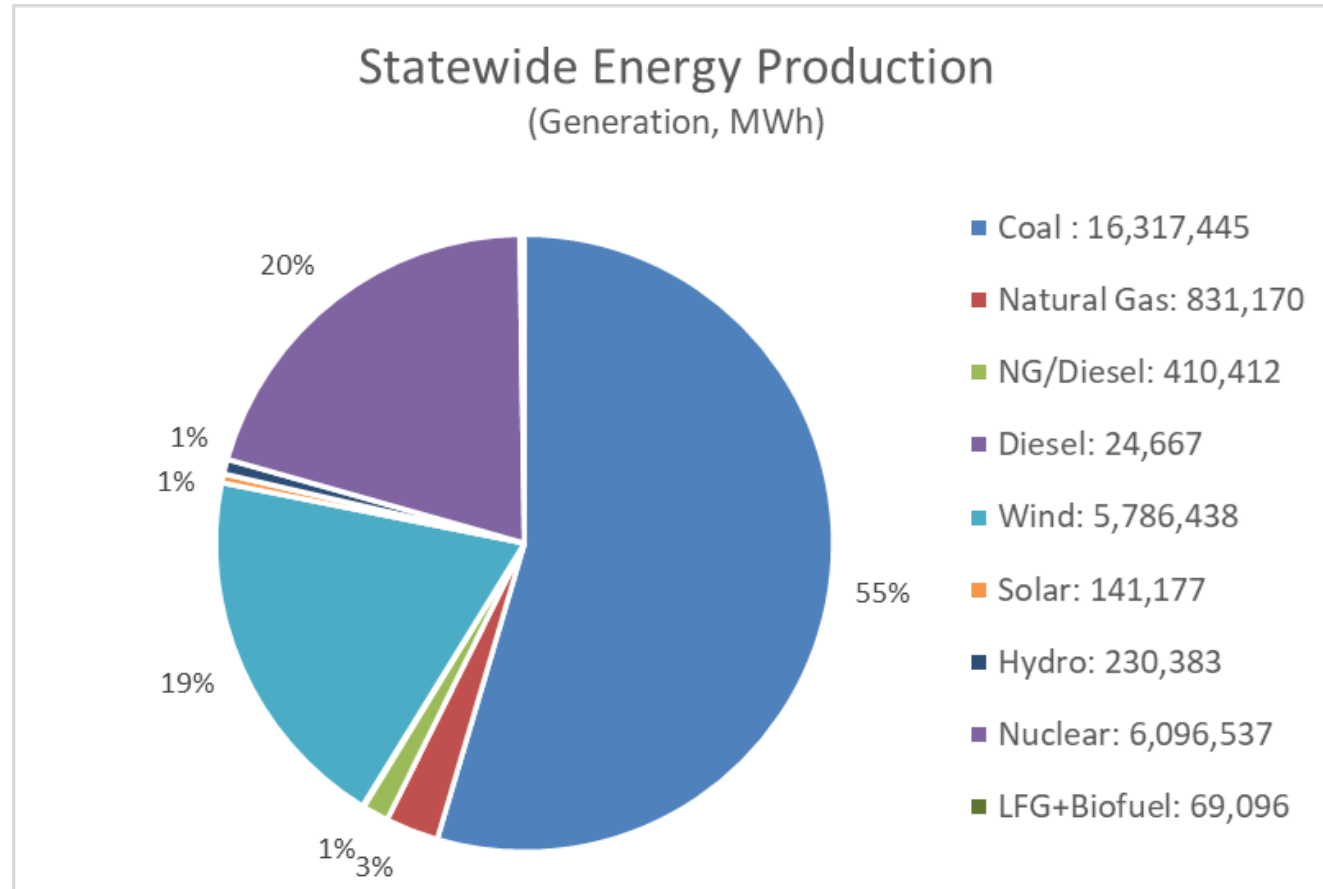


- **1,173 MW of Firm Power Purchases<sup>1</sup>**
  - 832 MW Western Area Power Administration (WAPA) Hydro Contracts
  - 341 MW Other Firm Power Contracts
- **159 MW of utility behind the meter nameplate generation (includes solar)**

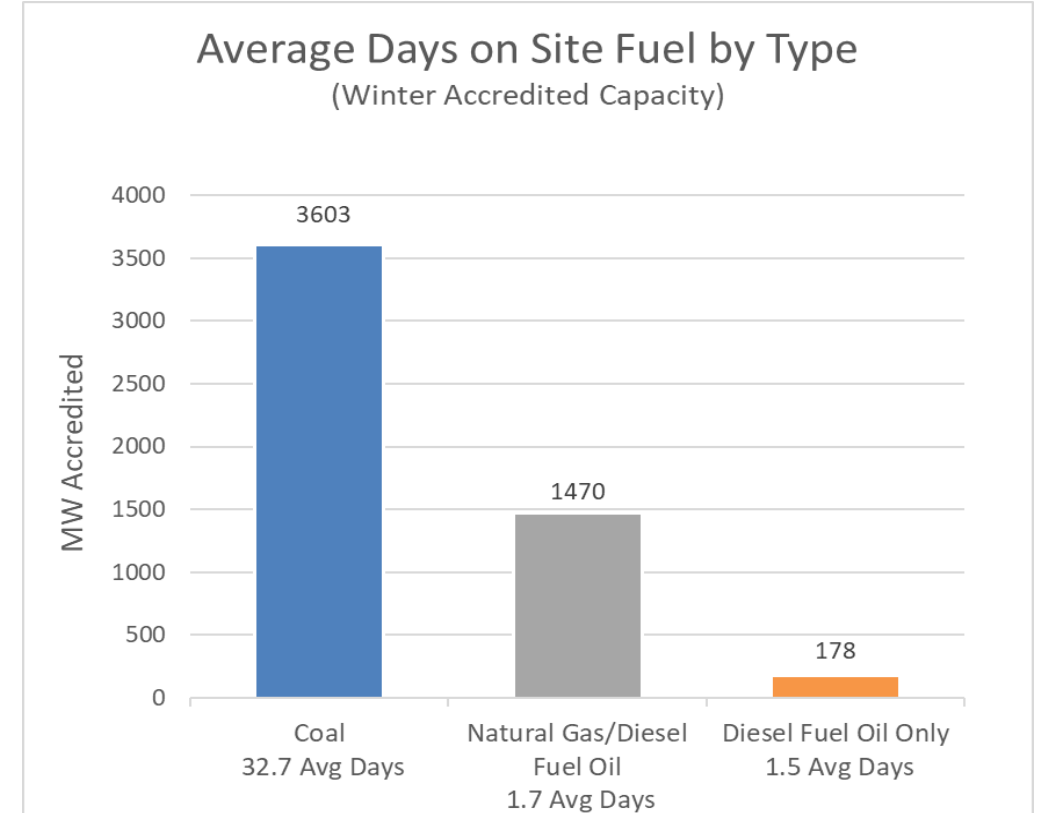
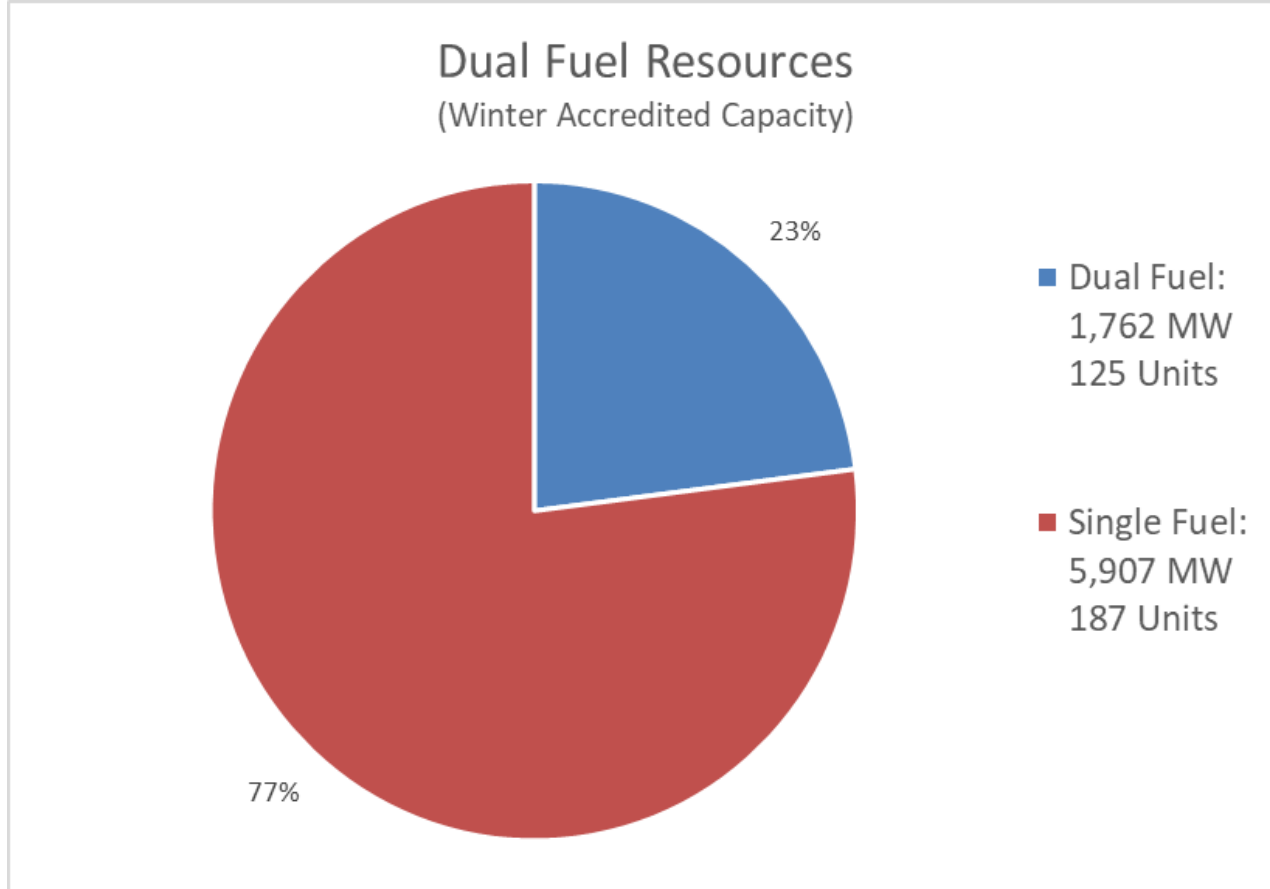
\* Electrical generating resources expected to be in service by the summer of 2025.

<sup>1</sup> Capacity reserves are provided by the Firm Power provider

**In 2024, about 55% of the electrical energy produced by Nebraska utilities came from coal, with the next highest categories being 20% from nuclear and 19% from wind.**

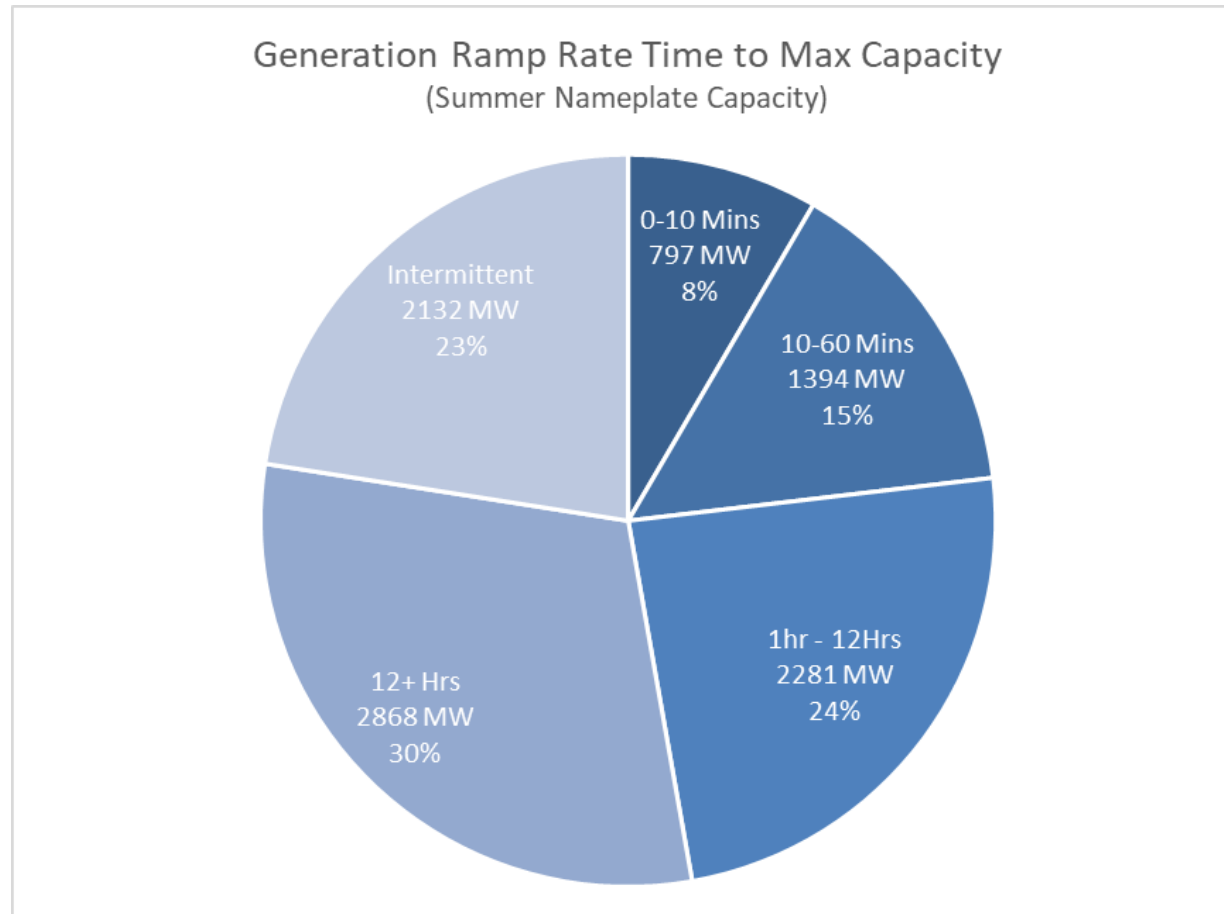


**During winter conditions, about 23% of Nebraska’s accredited generating capacity is capable of utilizing dual fuels (natural gas or fuel oil). At full output, NPPD, OPPD, and LES’s coal fired generation has about 33 days of fuel stored on site, while their generators that can use fuel oil have 1.5 to 1.7 days of fuel stored on site.**

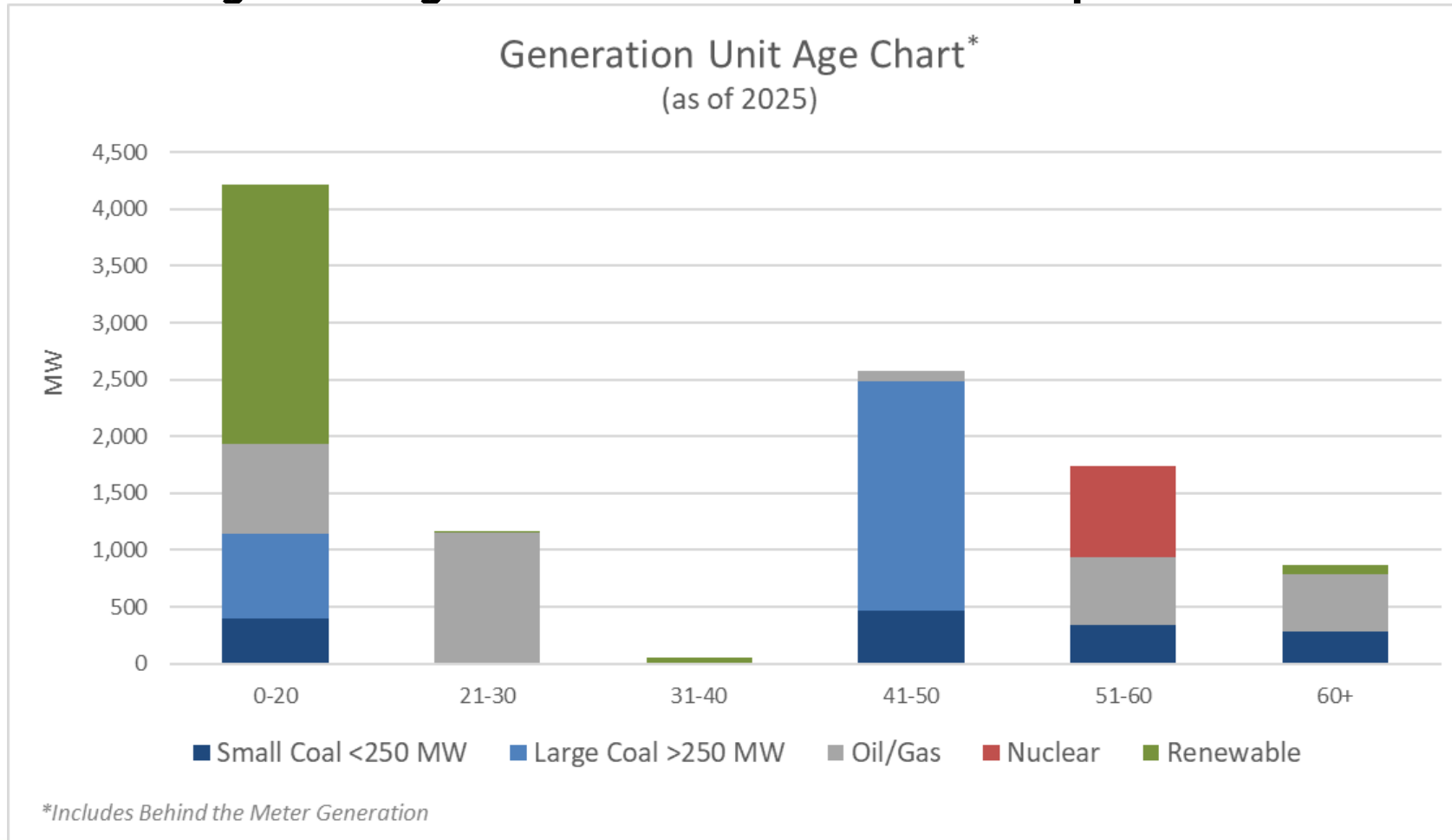


Note: NPPD’s Cooper Nuclear Station (not included in the graphs) has two year refueling cycles with refueling outages occurring during the fall of even numbered years.

**The Nebraska utilities manage a diverse generating fleet with ramp rates to full output ranging from 0-10 minutes to 12+ hours, along with intermittent resources whose output and ramp rates can depend on a variety of factors.**



**Nebraska's existing generating fleet encompasses a broad range of ages but can generally be categorized into generation that is twenty years old or less, and generation that is older than forty years. By nameplate rating, approximately 49% of Nebraska's generation has been in service for more than forty years. The Nebraska utilities intend to continue maintaining these generating resources to ensure reliable operation.**



**For the Need-Year of 2040 (summer), the Nebraska utilities have about 4,652 Megawatts (accredited rating) of new electrical generation being evaluated in various stages of the planning process. Additionally, 414 Megawatts (accredited) of generation has been placed in service since 06/01/24.**

	Renewable	Conventional	Total	Commissioned since 06/01/24	
Committed	73 (441) (NPPD Wind, Solar) (LES Wind, Storage) (Hastings Solar)	1,324 (1,334) (OPPD RICE, CT, NG Conversion) (LES CT) (MEAN DFO)	1,397 (1,775)	Renewable	30 (Behind the Meter solar – MEAN, Grand Island, Hastings, NPPD)
Planned	328 (650) (NPPD Storage) (OPPD Solar+Storage) (GI Solar)	1,243 (1,517) (NPPD CT, RICE)	1,571 (2,167)	Conventional	442 (528) (OPPD Turtle Creek) 2025 rating
Studied	834 (2,539) (OPPD Solar, Wind) (NPPD Solar, Wind) (MEAN Solar, Wind)	850 (1,060) (OPPD CT) (LES CT)	1,684 (3,599)		
<b>Total</b>	<b>1,235 (3,630)</b>	<b>3,417 (3,911)</b>	<b>4,652 (7,541)</b>		

Unit ratings in accredited MW (Nameplate MW ratings in brackets)

# Definition: Accredited Capacity Planning Reserve Margin (ACAP PRM)

The **Accredited Capacity Planning Reserve Margin (ACAP PRM)** is a metric used by the Southwest Power Pool (SPP) to ensure resource adequacy and reliability in the SPP footprint. ACAP PRM represents the percentage of extra capacity required above the forecasted peak load to account for uncertainties, such as unexpected demand spikes or generation outages.

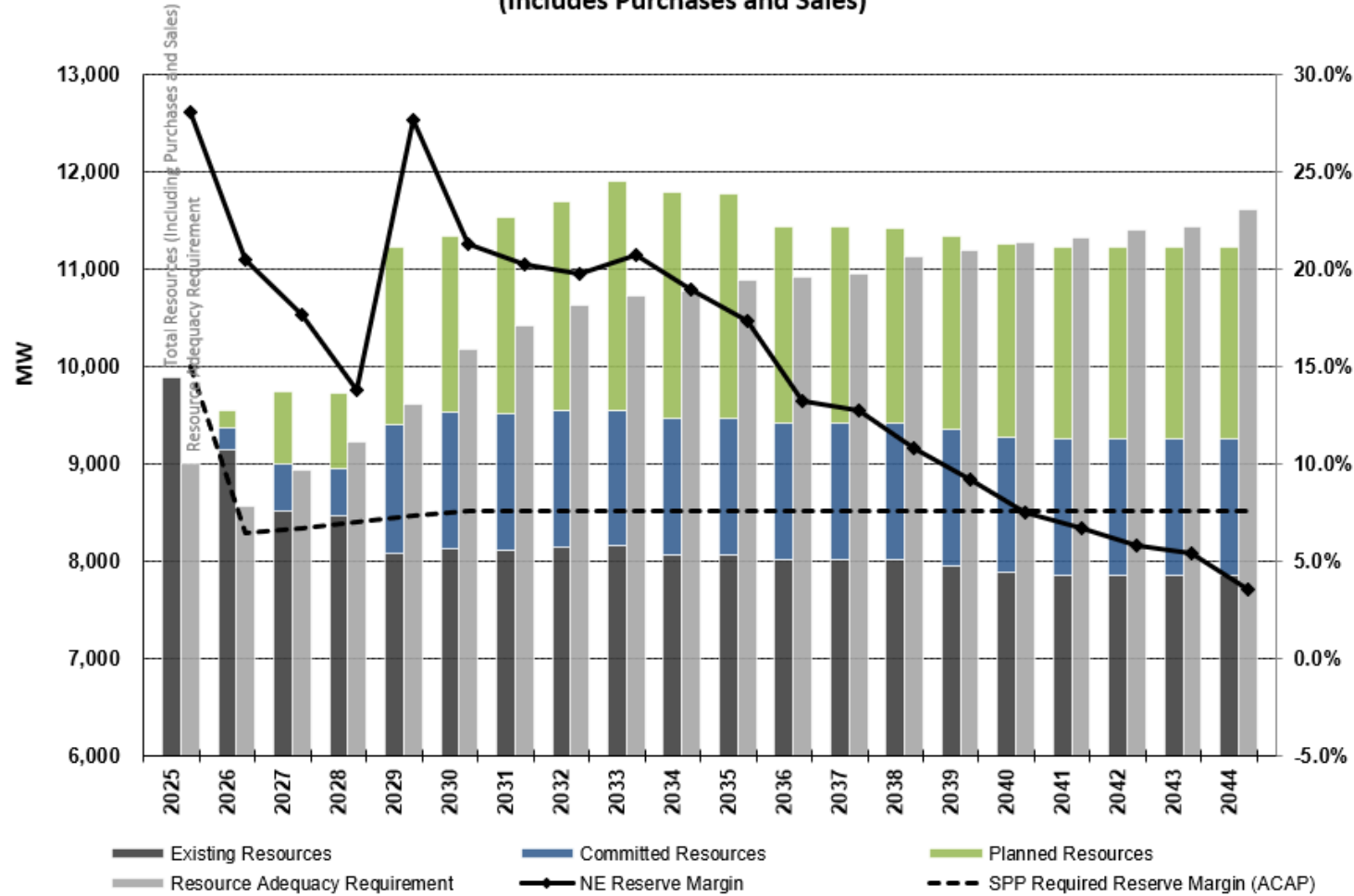
- 1. Purpose:** ACAP PRM ensures there is sufficient **accredited capacity** to meet peak demand reliably during both summer and winter seasons.
- 2. Calculation:** ACAP PRM is based on the approved Base Planning Reserve Margin (PRM) and adjusted for factors including resource accreditation and seasonal variations.
- 3. Key differences to previous PRM model:**

Installed Capacity (ICAP) PRM (previous model)	ACAP PRM (current model)
Installed Capacity	<b>Accredited</b> (performance based)
No enforcement mechanism applied on the % determination	<b>Resource Adequacy Requirement</b> enforced on calculation
Reliability needs based on <b>SPP balancing area</b>	Applied for resource planning on <b>entity level</b>
No external considerations	Considers <b>outages</b> and <b>fuel assurance</b>

This framework improves accuracy and alignment with actual system needs.

# With Nebraska's fleet of Existing, Committed, and Planned\* electrical generators, the State would drop below the Southwest Power Pool's expected 7.6% summer Accredited Capacity (ACAP) Planning Reserve Margin in 2040

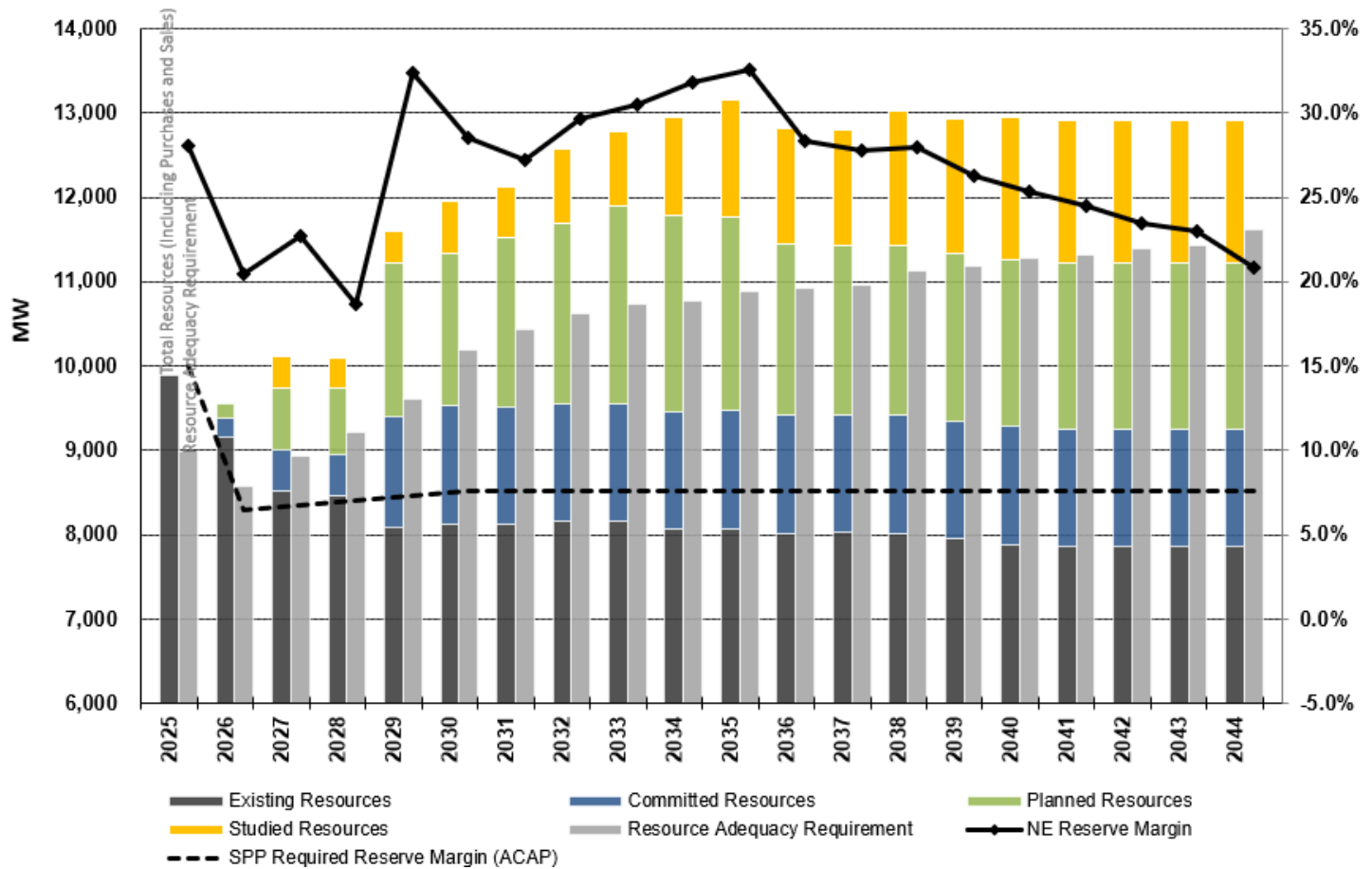
**Summer Statewide Capability vs. Obligation**  
**Existing, Committed, and Planned Resources**  
 (Includes Purchases and Sales)



\*Regulatory approvals (e.g. planning, zoning, environmental, etc.) along with NPRB approval may still be required for Planned resources. The timely receipt of these approvals will have a direct effect on each utility's ability to comply with the Planning Reserve Margin out to year 2040

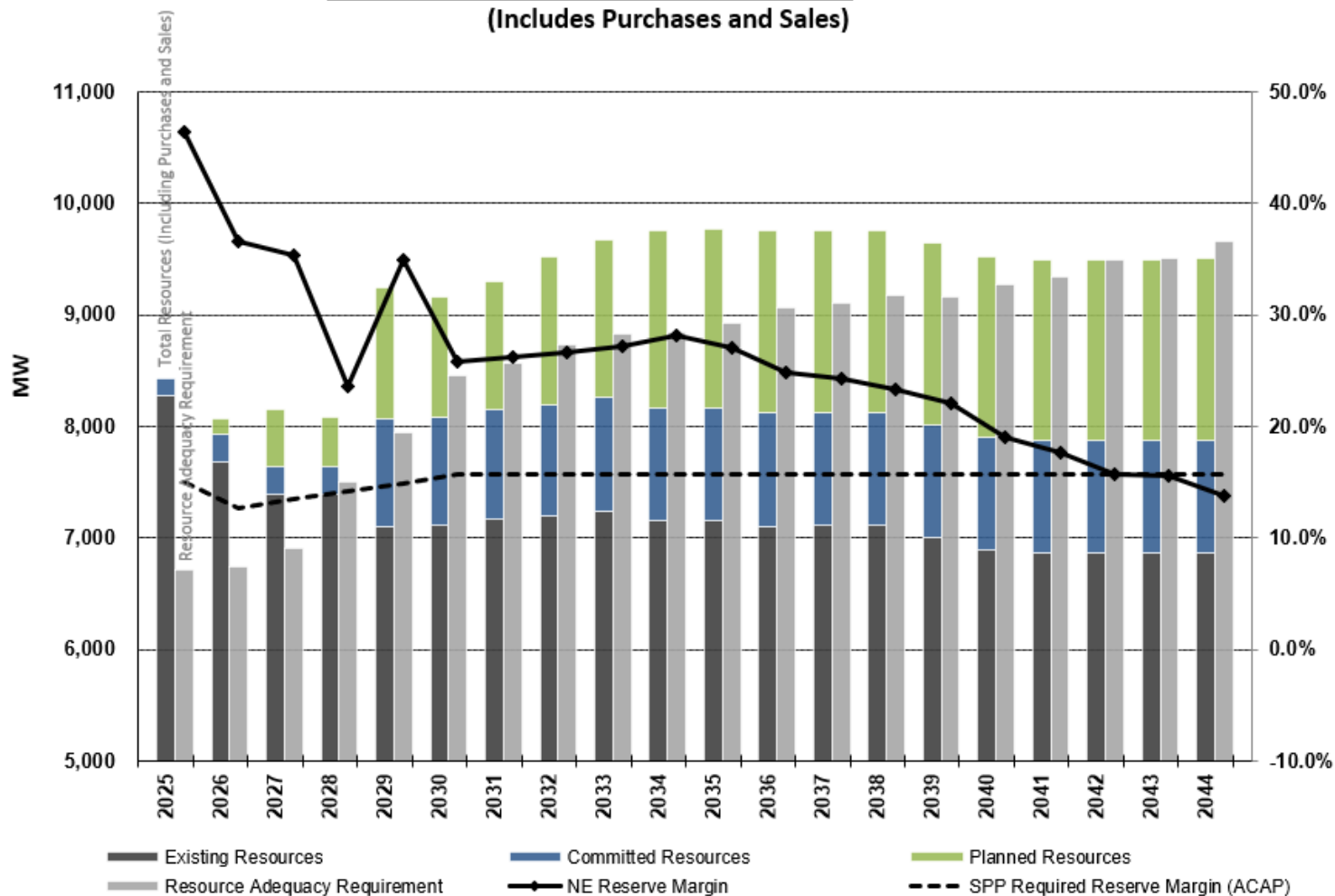
# With Studied electrical generation included, Nebraska meets the Southwest Power Pool's expected 7.6% summer Accredited Capacity (ACAP) Planning Reserve Margin throughout the twenty-year study period

**Summer Statewide Capability vs. Obligation**  
**Existing, Committed, Planned, & Studied Resources**  
 (Includes Purchases and Sales)



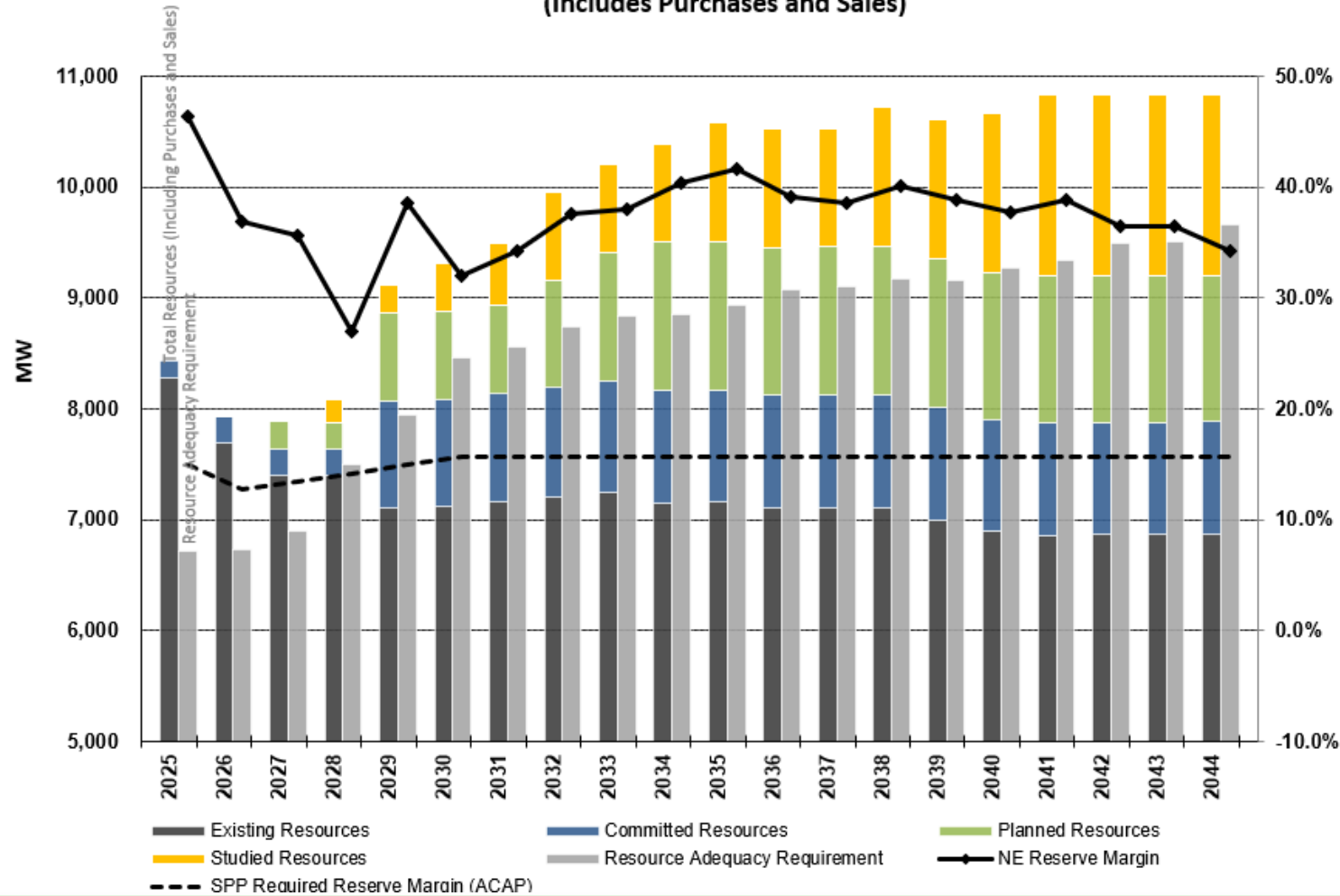
# With Nebraska's fleet of Existing, Committed, and Planned electrical generators, the State meets the Southwest Power Pool's expected 15.7% winter Accredited Capacity (ACAP) Planning Reserve Margin until 2043

Winter Statewide Capability vs. Obligation  
Existing, Committed, and Planned Resources  
 (Includes Purchases and Sales)

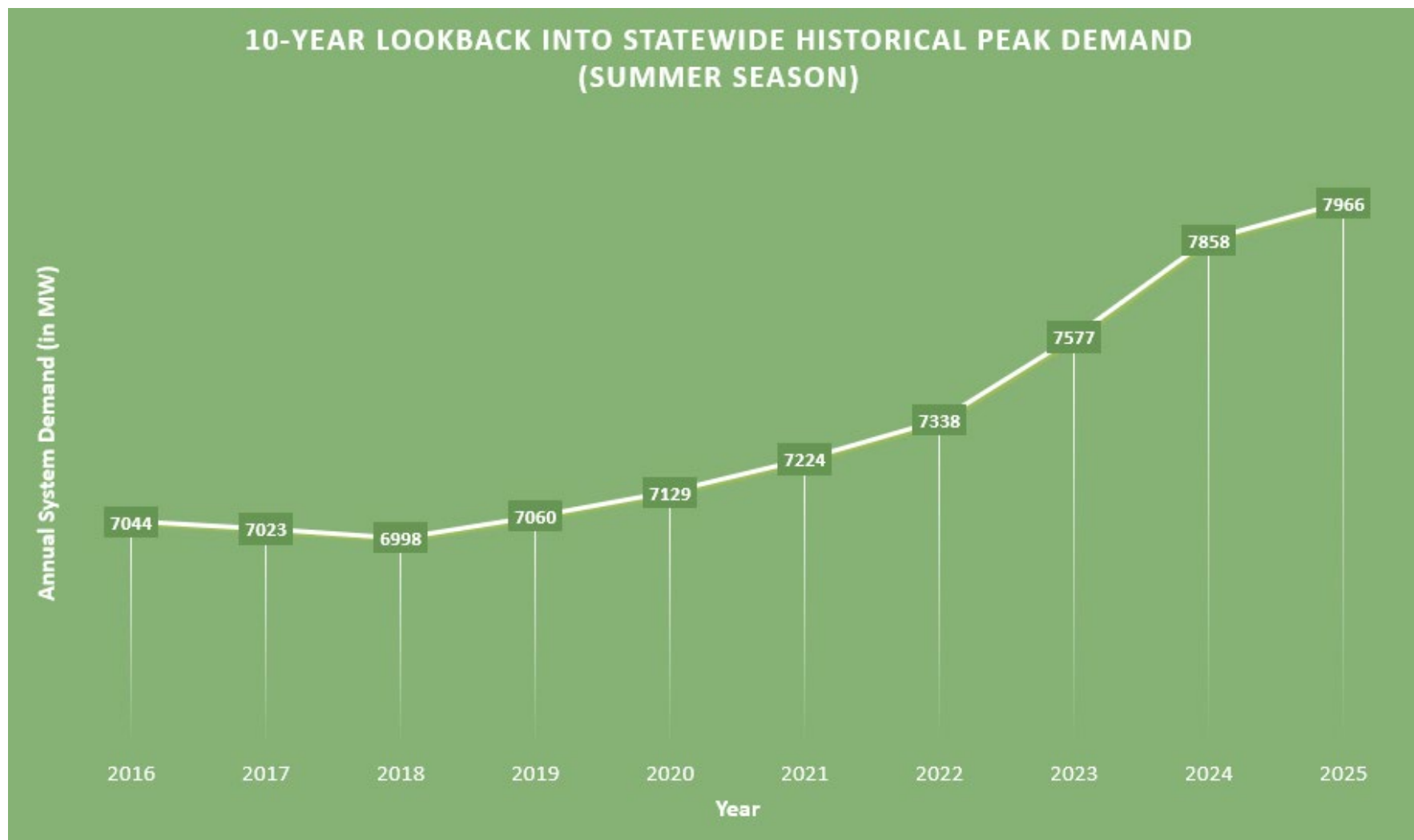


# With Studied electrical generation included, Nebraska meets the Southwest Power Pool's expected 15.7% winter Accredited Capacity (ACAP) Planning Reserve Margin throughout the twenty-year study period

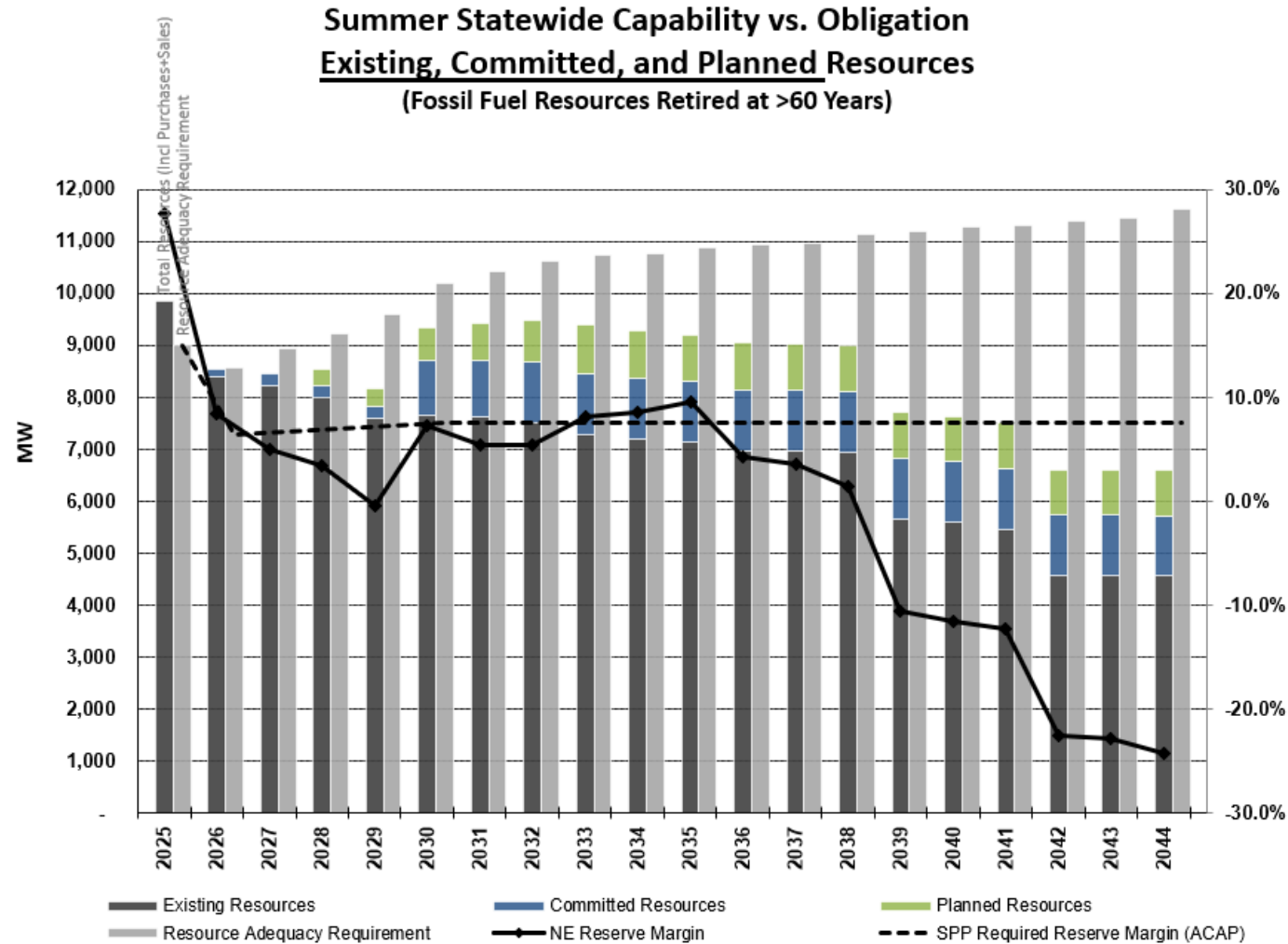
**Winter Statewide Capability vs. Obligation**  
**Existing, Committed, Planned, & Studied Resources**  
 (Includes Purchases and Sales)



Nebraska's historical peak forecasted demand from the last 10 years showed an average annual demand growth rate of 1.4%. While the growth rate from 2016 to 2019 was relatively flat, the annual growth rate from 2019 to 2025 increased to 2%.



**For illustrative purposes only, if the Nebraska utilities retired their Existing & Committed fossil fuel powered generating resources when they reach sixty years of age, the State would hover near the required summer ACAP Planning Reserve Margin for the next few years, but fall below in 2027**



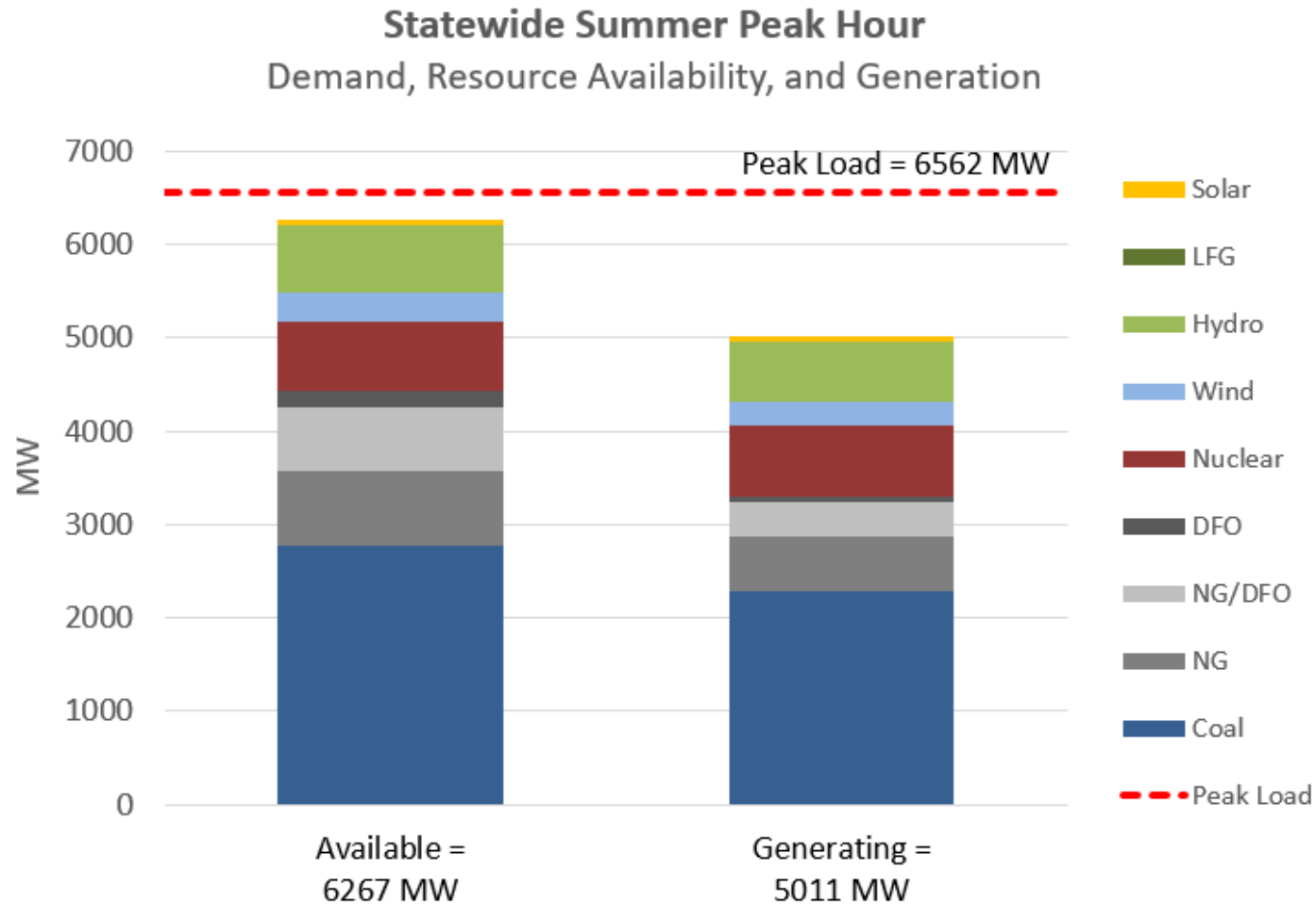
**SPP has assembled the initial data for generation reliability metrics. Nebraska's generating fleet performance data has been published and can be compared to the SPP footprint generator data for the Performance Based Accreditation process.**

<u>SPP Footprint Fuel and Technology Type</u>	<u>SPP Summer Weighted Average EFORD</u>	<u>SPP Winter Weighted Average EFORD + EFOF</u>
Conventional Hydroelectric	0.41%	0.46%
Conventional Steam Coal	9.01%	15.93%
CT w/ Onsite Fuel Storage	9.67%	14.96%
CT w/o Onsite Fuel Storage	6.11%	31.05%
Hydroelectric Pumped Storage	7.92%	8.46%
NG Fired Combined Cycle	4.46%	9.25%
NG Steam Turbine	11.19%	18.85%
Nuclear	1.08%	1.23%
RICE w/ Onsite Fuel Storage	5.59%	11.31%
RICE w/o Onsite Fuel Storage	7.97%	5.10%

<u>Nebraska Capacity Weighted Summer EFORD</u>	<u>Nebraska Capacity Weighted Winter EFORD + EFOF</u>
0.39%	1.73%
10.27%	16.50%
10.56%	19.39%
5.39%	
3.25%	12.13%
11.67%	14.50%
0.79%	1.73%
5.36%	9.82%
2.08%	10.42%

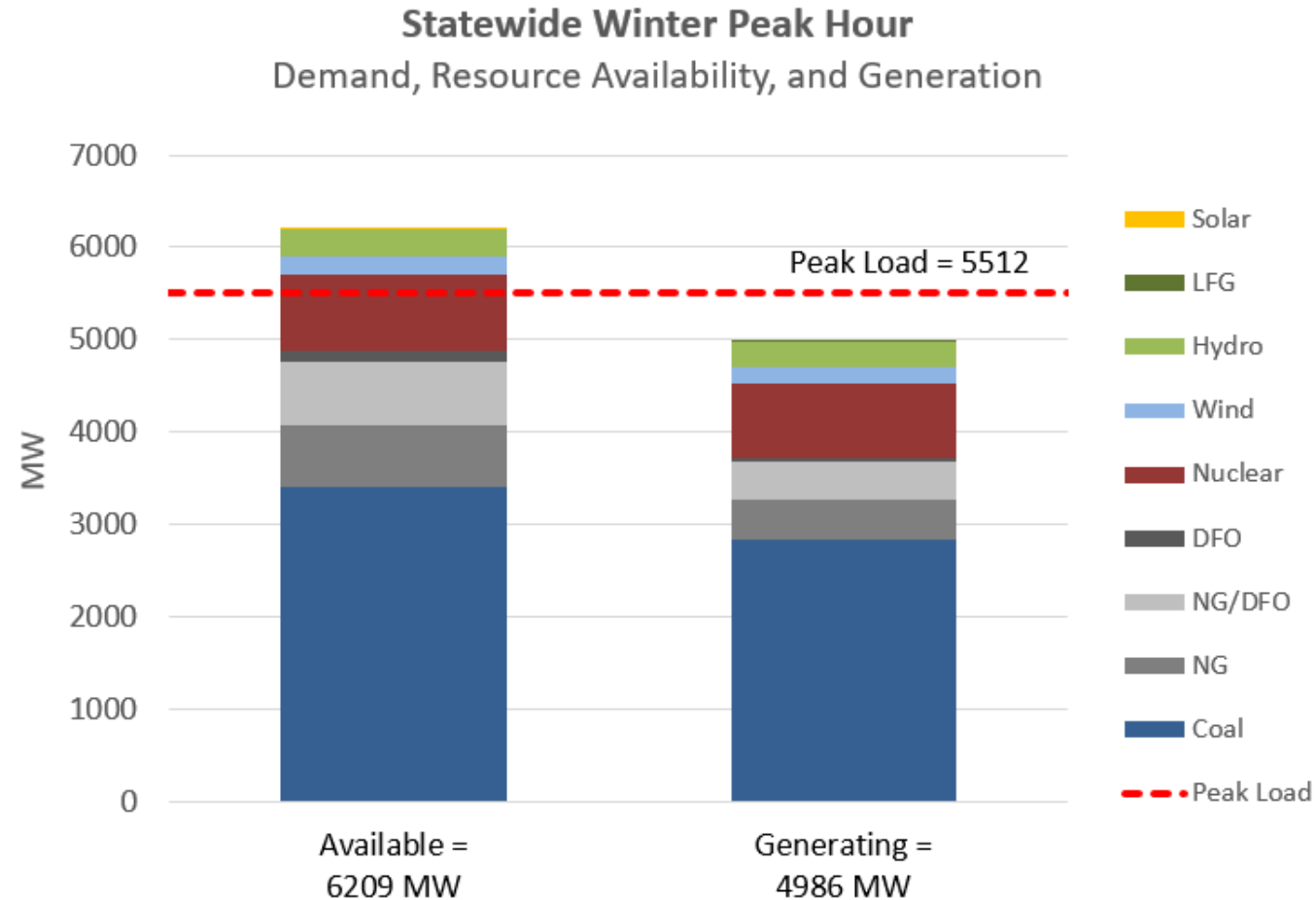
<u>Nebraska Summer Original Claimed Capacity (MW)</u>	<u>Nebraska Winter Original Claimed Capacity (MW)</u>	<u>Nebraska Summer Adjusted Capacity (ACAP) (MW)</u>	<u>Nebraska Winter Adjusted Capacity (ACAP) (MW)</u>
125.6	133.3	125.1	131.0
3,601.6	3,555.6	3,231.8	2,968.8
974.6	1,058.0	871.7	852.9
313.4	-	296.5	-
-	-	-	-
246.9	248.1	238.9	218.0
339.3	99.3	299.7	84.9
768.5	768.5	762.4	755.2
67.2	67.2	63.6	60.6
4.8	4.8	4.7	4.3

**In 2024, the Nebraska utilities experienced a summer peak on July 15. At that time, the utilities had less generation available than the amount of customer consumption. The amount of Nebraska generation actually being operated was also lower than customer consumption, but the demand was able to be served due to the availability of competitive and deliverable generation in the SPP Market.**



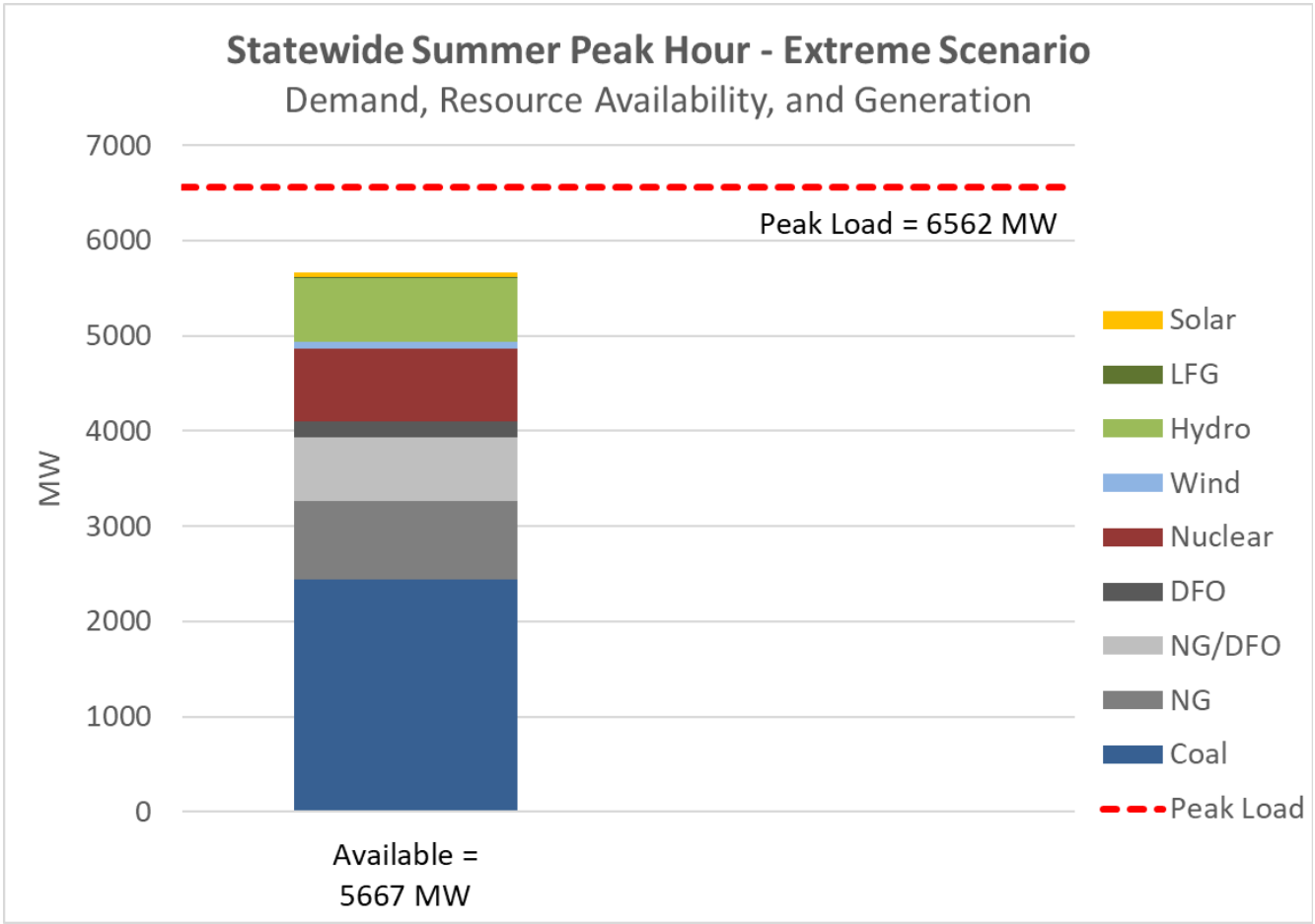
This is an example of the SPP region benefiting from operating as a pool that maintains adequate resource capacity and reserve margin. Generation can be dispatched from multiple locations within the SPP footprint and delivered locally, which is economically advantageous to all market participants.

For the 2024/25 winter season, the Nebraska utilities experienced a winter peak on February 20, 2025. Despite this being a period of extreme winter weather, heavy snow fall, hazardous road conditions and record low temperatures (beating 1918 lows for Lincoln, Omaha and Norfolk), the utilities had more generation available than the amount of customer consumption. Similar to the summer peak, the amount of Nebraska generation actually being operated was lower than consumption due to the availability of competitive and deliverable generation in the SPP Market.



A sensitivity case was conducted on the summer stress period that added extreme and sustained heat, drought, and low wind conditions across the majority of Nebraska that caused reduced river flows and heat related complications at generating facilities.

Although several subjective factors are evaluated, the expectation is that a large portion of the natural gas, fuel oil, and solar generation would remain available while the State's wind and hydro would become unavailable and the coal and nuclear generators that use river water for their operations would experience reduced output. With the generation reductions, the State would have an even larger deficit of available generation compared to the summer peak.



# Several Nebraska utilities have adopted Decarbonization Goals. The goals have implementation dates that range from 2040 to 2050 and are all generally based around the concept of net-zero carbon dioxide emissions.

- **Nebraska Public Power District**
  - Board of Directors established strategic directive (SD-05) in 2021
  - The goal is to achieve net-zero carbon emissions from generation resources by 2050
- **Omaha Public Power District**
  - Board of Directors adopted a goal in its Strategic Directives to achieve net-zero carbon production by 2050
- **Lincoln Electric System**
  - Administrative Board approved a resolution in late 2020
  - The goal is to achieve net-zero carbon dioxide production from its generation portfolio by 2040
- **Municipal Energy Agency of Nebraska**
  - Board of Directors approved a resolution in early 2020
  - The goal is to achieve a carbon neutral power resource portfolio by 2050

## 2025 NPA Load & Capability Report Summary

- Nebraska's projected electrical demand growth rate of 1.7% per year is elevated from the 1.4% rate shown in last year's report and reflects additional information that has been obtained for large loads.
- Nebraska meets its SPP ACAP Planning Reserve Margin requirements with Existing, Committed, and Planned resources through 2039 in the summer and 2042 in the winter.
- A significant amount of new electrical generation is both under construction and being proposed by Nebraska utilities.
- Each utility that has adopted a decarbonization goal will continue to evaluate its options in the coming years.

# Questions and Discussion

# **Exhibit XIII**



## Upcoming events

### Zoo Lights Powered by LES

**Nov. 21-Dec. 30**

Lincoln Children's Zoo

### Board Meeting

**Friday, Dec. 19 | 9:30 a.m.**

Boardroom

### Board Meeting

**Friday, Jan. 16 | 9:30 a.m.**

Boardroom

### Nebraska Builders Home & Garden Show

**Feb. 13-15**

Sandhills Global Event Center

### Board Meeting

**Friday, Feb. 20 | 9:30 a.m.**

Boardroom

### LPS Science Fair

**Thursday, March 5 | 5-7:30 p.m.**

Sandhills Global Event Center

### Board Meeting

**Friday, Mar. 20 | 9:30 a.m.**

Boardroom

### **Our Mission**

Powering our community through responsible stewardship  
of our shared resources.

### **Our Vision**

Driving our energy future where people and power enable  
progress.

### **Our Values**

Safety | Community | Integrity  
Dependability | Excellence | Curiosity