

MINUTES OF LINCOLN ELECTRIC SYSTEM ADMINISTRATIVE BOARD

Minutes of the regular meeting held at 9:30 a.m., Friday, June 19, 2026, 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 June 12, 2026.

Board Members Present: Kate Bolz, Carl Eskridge, Donna Garden, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, Eric Schafer, David Spinar.

Board Members Absent: Chelsea Johnson

LES Staff Present: Emeka Anyanwu, Emily Koenig, Jason Fortik, David Malcom, Katie Lechner, Paul Crist, Richard Grabow, Jim Rigg, Nathan Walters, Wade Leibbrandt, Kelley Porter, Jared Wood, Keith Snyder, Denise Parrott, Kellie Cave.

Others Present: Nathan Svatora, 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. Richard Grabow, Associate General Counsel, reviewed duties and responsibilities of LES Board members.

Call to Order, Safety Briefing, and Board Member Duties and Responsibilities

Chair Sabalka announced that the July LES Administrative Board Meeting would be held at the LES Service Center located at 2620 Fairfield Street. A communication plan for members of the public as well as board members will be implemented.

Special Notice

Ken Winston, joining remotely and speaking on behalf of the Nebraska Sierra Club, requested specific updates on 2040 net zero goal. He expressed concerns about the progress and the investment in wind and solar. He noted his visit to Hawley Hamlet was productive and suggested implementation of more programs for distributed energy resources throughout community, as well as sustainable food production/distribution. Winston encouraged development of policy for plug-in solar and emphasized the need for safety

Comments from Customers

standards, which had been mentioned by CEO Anyanwu at a previous meeting, to ensure safety of workers, residents, and the electric grid.

Paul Crist, Vice President of Energy Delivery, introduced Jared Wood, Crew Leader – Substation Heavy Construction, who was recognized by the board for 30 years of service to LES.

Introduction and Recognition of Staff

Vice Chair Spinar moved approval of the minutes of the May 15, 2026 LES Administrative Board. Carl Eskridge seconded the motion. The vote for approval of the minutes was:

***Approval of Minutes**

Aye: Kate Bolz, Carl Eskridge, Donna Garden, Andy Hunzeker, Alyssa Martin, Lucas Sabalka, Eric Schafer, David Spinar.

Nay: None

Absent: Chelsea Johnson

David Spinar, Member of the Operations & Power Supply Committee reported on committee discussions held on June 8, 2026, including: 1) Solar Hosting Capacity Study, 2) Great Plains New Nuclear Consortium Update, 3) Terry Bundy Generating Station South Power Block Expansion Project Update, 4) Renewable Resource Evaluation. (Exhibit I)

Operations and Power Supply Committee Report

Kate Bolz, Chair of the Finance Committee, reported on committee discussions held on June 19, 2026, including: 1) 2027 Long Range Forecast and Revenue Expectations, 2) 2027 Budget Schedule, Guidelines, and Assumptions, 2026 Bond Issue Update. (Exhibit II)

Finance Committee Report

Emily Koenig, Chief Financial Officer, expressed appreciation to members of the Financial Services team that contributed to the efforts and success of the 2026 bond issuance which provides financing for capital investments, replenishes liquidity and supports future construction needs. She identified Wade Leibbrandt, Nathan Walters, Maeci Jackson, and the accounting team as primary contributors, along with many other members of the FS group. Koenig provided background and overview of the debt issuance process

Bond Sale Update

including external participants and a detailed timeline. She noted the nearly \$300 million tax-exempt bond issuance paid down outstanding commercial paper, reimbursed prior capital construction expenditures and established a construction fund for future projects. As part of the transaction, LES purchased select outstanding bonds through a tender offer, generating an estimated \$4.69 million in savings for ratepayers. Koenig also highlighted LES's long-term debt management strategy and noted that more frequent debt issuances are expected as the utility considers financing for future capital spending needs. She further reviewed the factors considered when issuing debt, and refinancing options. The metrics identified in LES's Strategic Plan were reviewed, and Koenig detailed how the bond sale aligns with the metrics and key performance indicators.

Chair Sabalka commended the Financial Services team on a successful undertaking.

Vice Chair Spinar echoed the appreciation of the team as well and was encouraged by LES being mindful of savings that benefit ratepayers in a meaningful way.

Emeka Anyanwu, Chief Executive Officer provided an update on initiatives designed to enhance board governance, improve the board experience and increase visibility into LES's strategic plan execution. The efforts are based on feedback from board members and staff and focus on creating greater structure, consistency and transparency in board processes. He noted key initiatives include establishing a board and committee topic calendar, reviewing committee structure, standardizing committee processes and roles, implementing a new board portal, enhancing boardroom technology and updating new board member orientation. Anyanwu also shared that quarterly reporting on strategic plan key performance indicators will resume in the third quarter, providing the board with greater visibility into organizational performance and progress toward strategic goals. Board Members then offered additional suggestions regarding the initiatives including continued education, regularly reviewed agenda topics, ease of document and information sharing, communication, and the board orientation protocol.

Board-related Initiatives Update

The next regular meeting of the LES Administrative Board will be Friday, July 17, 2026, at 9:30 a.m. at the LES Service Center,

Next Meeting

located at 2620 Fairfield St.

Without further business before the Board, Chair Sabalka declared **Adjournment** the meeting adjourned at approximately 11:08 a.m.

Carl Eskridge, Secretary

BY: *Kellie Cave*
Kellie Cave, Assistant Secretary

Exhibit I



Operations and Power Supply Committee Meeting Summary June 8, 2026

Attendees: C. Johnson (Committee Chair), A. Martin, L. Sabalka, D. Spinar, E. Anyanwu, S. Benson, P. Crist, J. Dagerman, D. Florom, J. Fortik, G. Klein, E. Koenig, I. Nicholls, D. Malcom, N. Wischhof

Solar Hosting Capacity Study (Joel Dagerman):

- LES Resolution 2025-8 was adopted by the Board in September 2025 and among other items, directed staff to "...establish an ongoing process for hosting capacity analysis updates and availability..." related to distributed solar installations.
- Staff shared an overview of the activities performed to date, which include researching the components of a typical hosting study, exploring the tools and software needed to perform the study, and performing an initial analysis of the distribution system.
- Based on the discussion with the Committee, the proposed approach satisfies the understood intent expressed in the Resolution. Staff will continue with the next phases of the study, with a tentative goal of creating the first edition of a results map in Q1 2027.

Great Plains New Nuclear Consortium Update (Jason Fortik):

- LES Resolution 2025-13 was adopted by the Board in November 2025 and authorized the LES CEO to execute a Memorandum of Understanding (MoU) to form a Consortium to investigate the feasibility of deploying a new nuclear generating facility in Nebraska.
- That MoU has been signed by four participating utilities: NPPD, OPPD, LES and Grand River Dam Authority.
- Staff briefed the Committee on other related Consortium activities and provided a brief overview of the results of Phase 2 of the nuclear siting technical screening study that was posted in May 2026 and was funded through Federal authorizations and statutory action taken by the Nebraska Legislature.

Terry Bundy Generating Station South Power Block Expansion Project Update (Nick Wischhof):

- Staff provided a status update on the project to add two aeroderivative based combustion turbines at the existing Terry Bundy Generating Station.
- Contracts have been signed for the vast majority of the planned major owner furnished equipment packages and the bid package for procuring a general construction contractor is expected to be issued at the end of September 2026.
- Information in the industry and indications from the owner's engineer indicate that competition for general contractors is driving up the pricing to secure industrial general construction contractor services. Staff shared initial estimates of a potential project budget increase that will likely be needed to cover the increased cost of the general construction contractor and tariffs currently levied on equipment.

- Staff advised that they will continue with efforts to further refine and manage project costs and will update the committee and full Board as more clarity is established.

Renewable Resource Evaluation (Scott Benson):

****Note – This topic was presented at a special Operation & Power Supply Committee meeting held on May 28th ****

- LES Resolution 2025-8 directed staff to “....obtain pricing, availability, and other pertinent data to gauge the status of the market.....for clean energy resources.”
- Staff provided an overview of the research and analysis to evaluate clean energy resource options performed to date. Based on the discussion at the meeting, additional discussion and review will occur at another Committee meeting that will likely be scheduled in late June.

Exhibit II



Finance Committee – June 19, 2026 (In-Person)

Attendees: K. Bolz (Chair), C. Eskridge, E. Schafer, L. Sabalka, E. Anyanwu, E. Koenig, S. Sahling-Zart, P. Crist, J. Fortik, W. Leibbrandt, J. Cocklin, N. Wischhof, D. Auman

1. 2027 Long Range Forecast and Revenue Expectations (Joe Cocklin)

- a. The 2027 energy sales and system demand forecast were shared with the committee, including modeling scenarios related to weather and electric vehicles.
- b. Energy sales are forecasted to increase by 24.4% in 2027 as compared to 2026.
- c. Revenue, prior to any potential rate increase identified through the 2027 budget, is expected to increase from the 2026 forecast by about \$92M or 25%.
- d. Large increases in energy and demand are expected due to an increase in the commercial sector.

2. 2027 Budget Schedule, Guidelines and Assumptions (Wade Leibbrandt & Nick Wischhof)

- a. An overview of key dates and financial targets for the proposed 2027 budget was provided to the committee.
- b. Some key themes that could have a material impact on the proposed 2027 budget were shared with the committee. These are items that staff believe could affect the budget, however the true extent of the impact will not be known until the budget is finalized in August.
- c. The committee received a status update and overview of the projected budget for the turbine additions at the Terry Bundy Generating Station
- d. The committee will review the 2027 Budget Proposal at its late August meeting.

3. 2026 Bond Issue Update (Emily Koenig)

- a. The committee was provided an overview of the bond sale that took place earlier this month.
- b. The final results of the sale included a par amount issued of nearly \$300 million and net present value debt service savings related to a refunding of nearly \$5 million.

A presentation will be provided at today's board meeting that will include details of the bond sale and results.

Exhibit III

2026 Tax-Exempt Bond Issuance

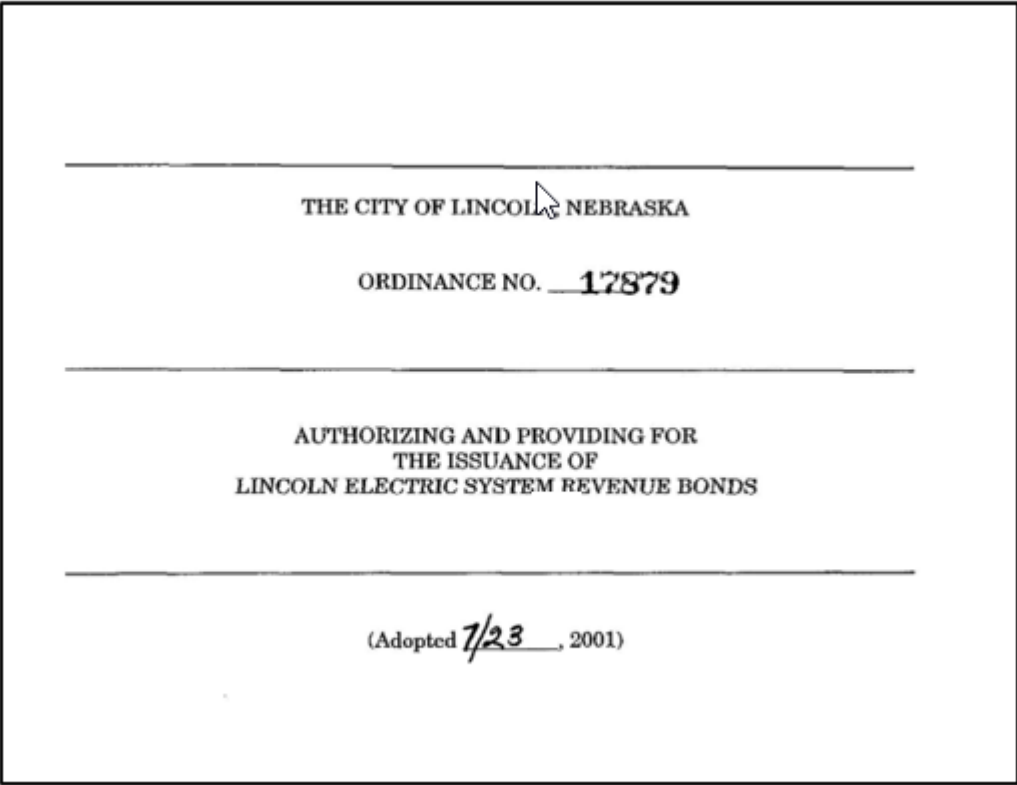
Emily N. Koenig | Chief Financial Officer

LES Administrative Board Meeting
June 19, 2026

Photo Credit: Luca Bravo on Unsplash

Issuance of LES debt is authorized by City Ordinance

Ordinance #17879 Provisions



LES debt is not a liability of the City



LES revenues is the security for LES debt



LES debt issuances require LES Administrative Board and City Council approval



Allows for the issuance of tax-exempt and taxable:

Short-term debt
Long-term bonds

Diversity of financing mechanisms provides financial benefit to LES

Short-term Debt

\$150M Commercial Paper Note Program

- *Typically used as a “bridge” between Long-term debt issuances*
- *Provides diversity in interest rate risk*

Revolving Credit Agreements

\$50M Bank of America Line

\$50M Union Bank & Trust Line

- *Support liquidity (cash) needs on an interim or emergency basis*

Long-term Debt

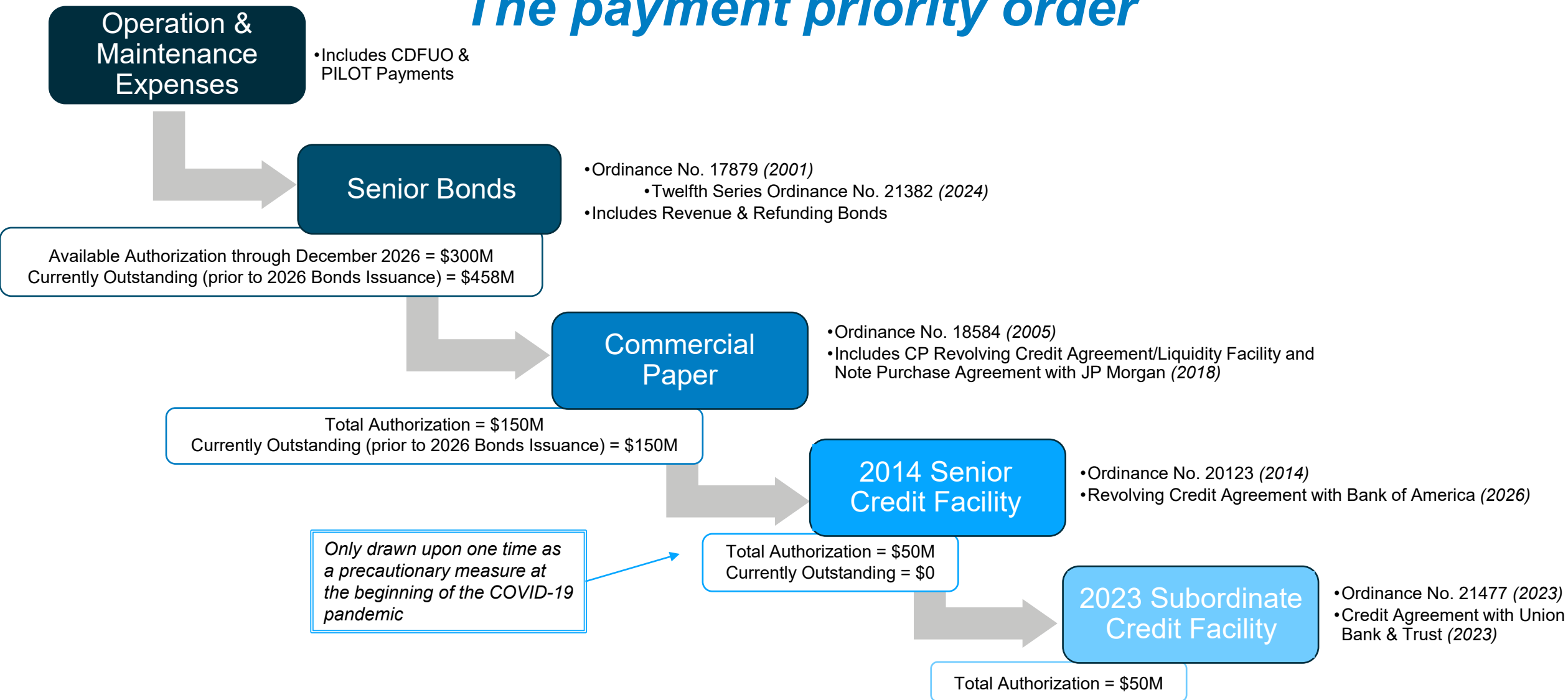
Revenue Bond Program

- *Senior Bonds*
- *Used to finance capital projects*
- *May also be used to refinance existing bonds on a taxable basis*

LES targets maintaining 10-15% of total debt as short-term debt to mitigate interest rate risk.

LES Lien Structure

The payment priority order



Many factors are considered when issuing debt

Projected liquidity (cash) levels are a key consideration

- Maintain minimum levels of cash on a monthly basis, based on LES' annual Liquidity Study

Target 50% of routine capital funded with cash

- Generally, do not borrow for generation projects, with the exception of large, significant projects
- Debt maturities cannot exceed the life of the financed asset

Ordinance #17879 requires 1.0x debt service coverage in the year prior to debt issuance

Reimbursement financings are typical

- Allows for easier compliance and tracking of bond proceeds

Tax-exempt advance refundings have been a valuable tool, but since 2018 are no longer available

- Continue to evaluate taxable advance refunding and tender opportunities

Financial metrics must be maintained which influences timing, amount and structure of long-term bonds

It takes a team to issue and maintain debt

Bond Counsel

- Kutak Rock, LLP-Omaha
 - *Assist with tax laws, on-going disclosure requirements*
 - *Drafting of bond closing documents*



Underwriters

- BofA Securities – Senior Manager
- J.P Morgan – Co Manager
 - *Pricing and market support*



Financial Advisor

- PFM Financial Advisors, LLC – North Carolina
 - *All things financing*



Paying Agent

- Union Bank & Trust – Lincoln, NE
 - *Collects monthly principal and interest payments and makes semi-annual payment to bond holders*



2026 bond transaction had multiple purposes

New Money

- Pay down Commercial Paper outstanding balance
- Fund a Construction Fund
- Reimburse for past capital expenditures to replenish liquidity balances
- Fund debt service reserve and issuance cost

Refunding via a Tender/Purchase of Bonds in the Market

- Purchase outstanding 2016 and 2018 tax-exempt bonds
 - *Comparable to refinancing a high-cost mortgage*
- Purchase outstanding 2020B taxable bonds
 - *Comparable to paying off a low-cost mortgage at a discount and saving money*

More details on the tender offer

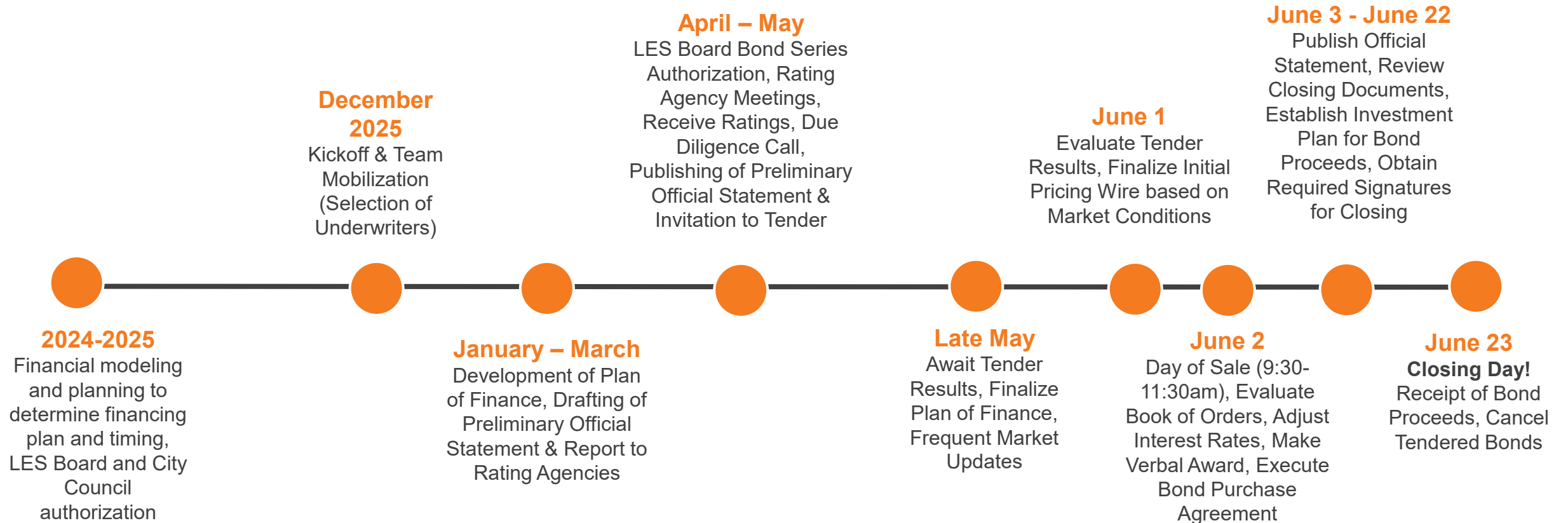
What is a Municipal Tender Offer?

A voluntary invitation from an issuer to existing bondholders to sell their bonds back before maturity, typically at a premium to market price. Unlike a standard bond call, a tender offer does not require waiting for a call date – it is a market-based transaction that bondholders may accept or decline at their discretion.

Why did LES Conduct a Tender?

- **Call protection on existing bonds**
 - *2016 & 2018 are not yet callable, the 2020Bs will never be callable at par*
- **Capitalize on favorable market conditions**
 - *Current market yields are materially lower than the coupons on the 2016 & 2018 bonds*
 - *Even though the rates on the 2020B bonds were less than 1.75%, LES was able to buy the bonds back at an average price under 89% to produce savings*
- **Deliver measurable savings to ratepayers**

2026 Tax-Exempt Bond Issuance Timeline

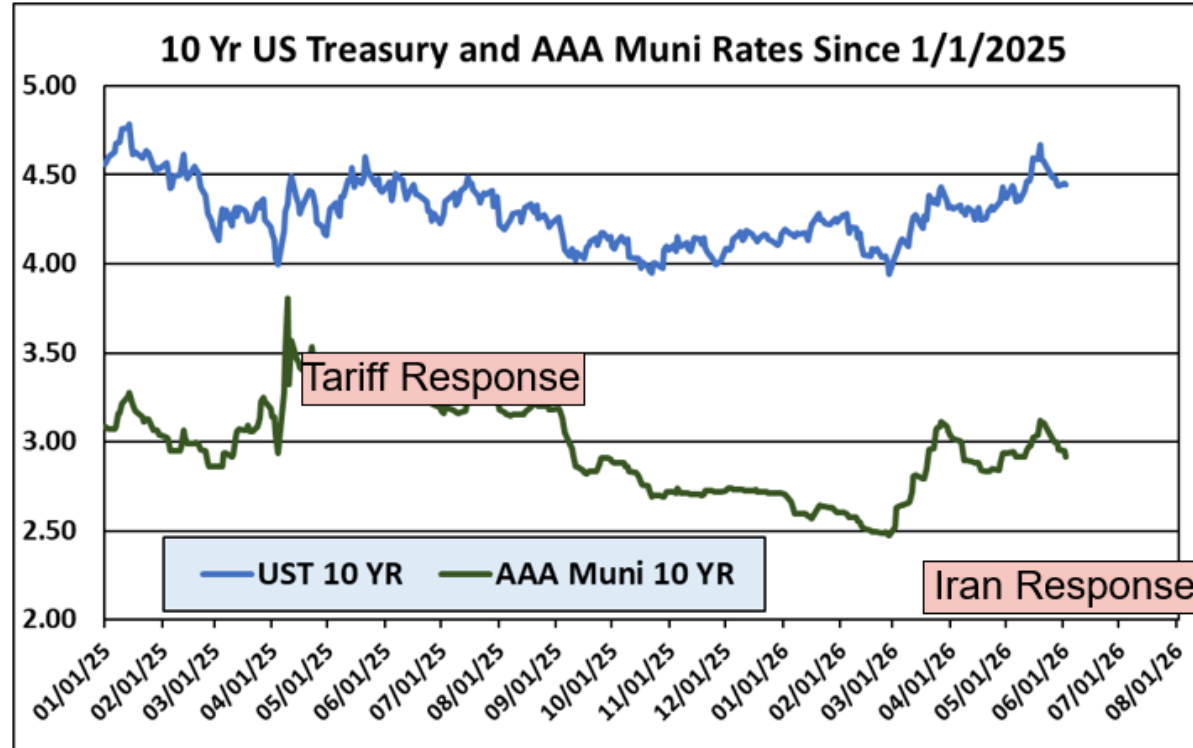


Not to scale



Interest Rates Leading up to the Bond Sale

Some concerns, but no alarms



Concerns

- Middle East
- Uncertain economic data
- Sizable muni bond issuance

Tempered by...

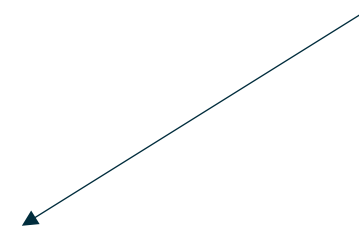
- Solid investor inflows
- Rates in a range
- LES "product"
- AA ratings
- Essential service
- Understandable business
- Infrequent borrower



Bonds Targeted and Bonds Purchased/Tendered

SERIES	MATURITY	RATE	OUTSTANDING	TENDERED	%
2016	2030	5.000%	\$ 5,940,000	\$ 1,900,000	31.99%
2016	2031	5.000%	\$ 2,910,000	\$ 1,150,000	39.52%
2016	2032	5.000%	\$ 4,745,000	\$ -	0.00%
2016	2033	4.000%	\$ 10,320,000	\$ 425,000	4.12%
2016	2034	5.000%	\$ 6,875,000	\$ 1,450,000	21.09%
2016	ALL		\$ 30,790,000	\$ 4,925,000	16.00%
2018	2030	5.000%	\$ 12,695,000	\$ 4,930,000	38.83%
2018	2031	5.000%	\$ 8,325,000	\$ 5,045,000	60.60%
2018	2032	5.000%	\$ 13,925,000	\$ 5,610,000	40.29%
2018	2033	5.000%	\$ 14,540,000	\$ 7,550,000	51.93%
2018	2034	5.000%	\$ 10,365,000	\$ 3,765,000	36.32%
2018	ALL		\$ 59,850,000	\$ 26,900,000	44.95%
2020B	2029	1.469%	\$ 20,050,000	\$ 7,825,000	39.03%
2020B	2030	1.499%	\$ 15,450,000	\$ 6,275,000	40.61%
2020B	2031	1.649%	\$ 16,895,000	\$ 5,320,000	31.49%
2020B	2032	1.749%	\$ 21,070,000	\$ 7,135,000	33.86%
2020B	2033	1.799%	\$ 17,160,000	\$ 4,485,000	26.14%
2020B	2034	1.849%	\$ 21,295,000	\$ 4,980,000	23.39%
2020B	2035	1.979%	\$ 8,700,000	\$ 3,000,000	34.48%
2020B	2036	2.049%	\$ 960,000	\$ 500,000	52.08%
2020B	2037	2.099%	\$ 945,000	\$ 400,000	42.33%
2020B	ALL		\$ 122,525,000	\$ 39,920,000	32.58%
TOTAL			\$ 213,165,000	\$ 71,745,000	33.66%

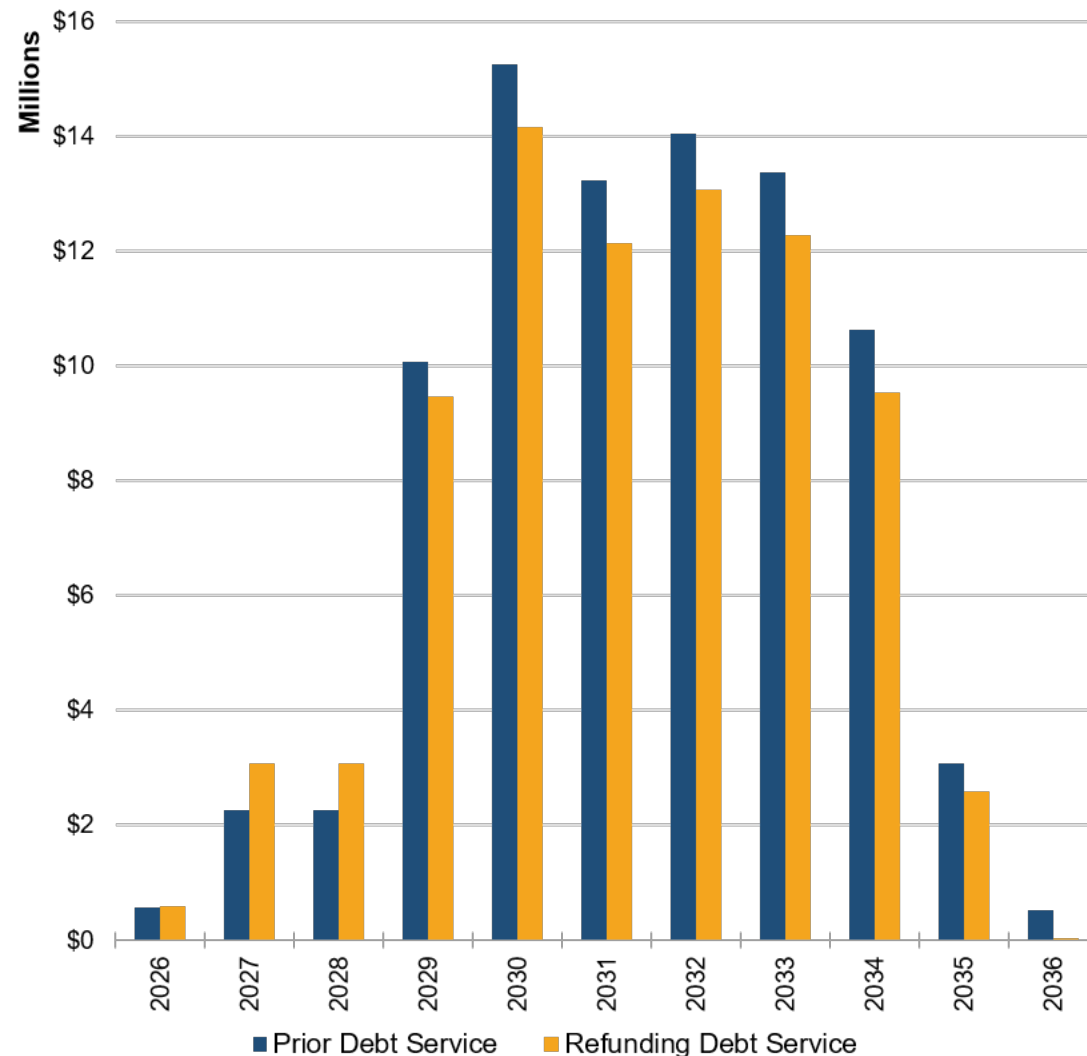
We projected about \$50M or 23.5% to be tendered. This was a good result!



Prepared by PFM Financial Advisors, LLC

Tender results by series and debt service

Series	Par Amount Refunded	Avg. Coupon (Refunded)	Net PV Savings	Savings % of Refunded
2016 Tender	\$4,925,000	4.89%	\$395,081	8.02%
2018 Tender	\$26,900,000	5.00%	\$2,433,905	9.05%
2020B Tender	\$39,920,000	1.74%	\$1,858,900	4.66%
Total	\$71,745,000	3.22%	\$4,687,885	6.53%



Prepared by PFM Financial
Advisors, LLC



The “Menu” of LES Bonds for Sale

◆ Preliminary Pricing – Tuesday June 2 AM

Maturity	Amount (\$)	Coupon	Yield	Price
9/1/2027	3,935,000	5.00%	2.51%	102.895%
9/1/2028	3,965,000	5.00%	2.54%	105.201%
9/1/2029	12,345,000	5.00%	2.62%	107.231%
9/1/2030	17,415,000	5.00%	2.72%	108.965%
9/1/2031	17,705,000	5.00%	2.81%	110.501%
9/1/2032	16,510,000	5.00%	2.92%	111.694%
9/1/2033	26,935,000	5.00%	2.98%	112.980%
9/1/2034	16,360,000	5.00%	3.05%	114.031%
9/1/2035	35,890,000	5.00%	3.13%	114.828%
9/1/2036	12,855,000	5.00%	3.22%	115.352%
9/1/2037	28,890,000	5.00%	3.31%	114.510%
9/1/2038	11,910,000	5.00%	3.41%	113.583%
9/1/2039	7,435,000	5.00%	3.52%	112.574%
9/1/2040	3,660,000	5.00%	3.56%	112.210%
9/1/2041	14,780,000	5.00%	3.63%	111.576%
9/1/2042	12,845,000	5.00%	3.71%	110.856%
9/1/2043	10,290,000	5.00%	3.80%	110.054%
9/1/2044	10,000,000	5.00%	3.90%	109.170%
9/1/2045	10,000,000	5.00%	4.02%	108.121%
9/1/2046	10,000,000	5.00%	4.12%	107.256%
9/1/2047	10,000,000	5.00%	4.24%	106.229%
9/1/2048	6,250,000	5.00%	4.32%	105.550%
Total	299,975,000			

- ◆ Bond offering/disclosure document and investor presentation released May 15
- ◆ Two weeks + of marketing
- ◆ Full range of bond maturities for investors
- ◆ Sizes large enough for large investors, but not too large
- ◆ Smaller “retail” investors given priority over large investors
- ◆ Pricing released June 2 AM
- ◆ Bond Yields and Prices
 - Most muni bonds have 5% coupon and lower yields produce price above 100%
- ◆ **Strong investor response**

Prepared by PFM Financial Advisors, LLC



Excellent Investor Demand on Tuesday AM

Maturity	Amount	Retail	Institutional	Priority Orders	#Priority	Priority Balance	Priority Subscription
9/1/2027	3,935	2,500	12,695	15,195	6	(11,260)	386%
9/1/2028	3,965	500	13,950	14,450	7	(10,485)	364%
9/1/2029	12,345	0	24,120	24,120	8	(11,775)	195%
9/1/2030	17,415	500	42,435	42,935	13	(25,520)	247%
9/1/2031	17,705	0	74,170	74,170	15	(56,465)	419%
9/1/2032	16,510	105	78,910	79,015	16	(62,505)	479%
9/1/2033	26,935	300	135,135	135,435	17	(108,500)	503%
9/1/2034	16,360	100	66,690	66,790	15	(50,430)	408%
9/1/2035	35,890	0	208,325	208,325	22	(172,435)	580%
9/1/2036	12,855	1,275	92,190	93,465	15	(80,610)	727%
9/1/2037	28,890	100	149,965	150,065	18	(121,175)	519%
9/1/2038	11,910	30	91,865	91,895	13	(79,985)	772%
9/1/2039	7,435	85	42,385	42,470	11	(35,035)	571%
9/1/2040	3,660	0	2,260	2,260	4	1,400	62%
9/1/2041	14,780	100	75,900	76,000	11	(61,220)	514%
9/1/2042	12,845	0	30,750	30,750	6	(17,905)	239%
9/1/2043	10,290	0	13,365	13,365	4	(3,075)	130%
9/1/2044	10,000	0	28,520	28,520	8	(18,520)	285%
9/1/2045	10,000	0	38,760	38,760	8	(28,760)	388%
9/1/2046	10,000	1,000	68,000	69,000	10	(59,000)	690%
9/1/2047	10,000	0	114,400	114,400	15	(104,400)	1144%
9/1/2048	6,250	105	50,950	51,055	11	(44,805)	817%
Totals:	299,975	6,700	1,455,740	1,462,440	253	1,400	488%

◆ \$1.46 billion of demand - almost 5X of bonds offered

- One small maturity not fully sold – too small for some investors

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Excess Demand Allows Reduction in Yields

<u>Maturity</u>	<u>Amount (\$)</u>	<u>Initial Yield</u>	<u>Initial Price</u>	<u>Subscription</u>	<u>Yield Reduction</u>	<u>New Yield</u>	<u>Price Increase</u>	<u>Higher Price</u>	<u>Additional Proceeds</u>
9/1/2027	3,935,000	2.51%	102.895%	386%	0.04%	2.47%	0.047%	102.942%	1,849
9/1/2028	3,965,000	2.54%	105.201%	364%	0.04%	2.50%	0.088%	105.289%	3,489
9/1/2029	12,345,000	2.62%	107.231%	195%	0.00%	2.62%	0.000%	107.231%	0
9/1/2030	17,415,000	2.72%	108.965%	247%	0.02%	2.70%	0.083%	109.048%	14,454
9/1/2031	17,705,000	2.81%	110.501%	419%	0.04%	2.77%	0.204%	110.705%	36,118
9/1/2032	16,510,000	2.92%	111.694%	479%	0.05%	2.87%	0.301%	111.995%	49,695
9/1/2033	26,935,000	2.98%	112.980%	503%	0.05%	2.93%	0.346%	113.326%	93,195
9/1/2034	16,360,000	3.05%	114.031%	408%	0.04%	3.01%	0.312%	114.343%	51,043
9/1/2035	35,890,000	3.13%	114.828%	580%	0.06%	3.07%	0.518%	115.346%	185,910
9/1/2036	12,855,000	3.22%	115.352%	727%	0.07%	3.15%	0.660%	116.012%	84,843
9/1/2037	28,890,000	3.31%	114.510%	519%	0.06%	3.25%	0.561%	115.071%	162,073
9/1/2038	11,910,000	3.41%	113.583%	772%	0.08%	3.33%	0.741%	114.324%	88,253
9/1/2039	7,435,000	3.52%	112.574%	571%	0.06%	3.46%	0.549%	113.123%	40,818
9/1/2040	3,660,000	3.56%	112.210%	62%	0.00%	3.56%	0.000%	112.210%	0
9/1/2041	14,780,000	3.63%	111.576%	514%	0.05%	3.58%	0.452%	112.028%	66,806
9/1/2042	12,845,000	3.71%	110.856%	239%	0.02%	3.69%	0.180%	111.036%	23,121
9/1/2043	10,290,000	3.80%	110.054%	130%	0.00%	3.80%	0.000%	110.054%	0
9/1/2044	10,000,000	3.90%	109.170%	285%	0.05%	3.85%	0.441%	109.611%	44,100
9/1/2045	10,000,000	4.02%	108.121%	388%	0.05%	3.97%	0.435%	108.556%	43,500
9/1/2046	10,000,000	4.12%	107.256%	690%	0.08%	4.04%	0.691%	107.947%	69,100
9/1/2047	10,000,000	4.24%	106.229%	1144%	0.12%	4.12%	1.027%	107.256%	102,700
9/1/2048	6,250,000	4.32%	105.550%	817%	0.10%	4.22%	0.849%	106.399%	53,063
Total									1,214,131

◆ Demand allows LES to “squeeze” more \$\$ from investors

- \$1.2 million in proceeds/savings on day of pricing

Prepared by PFM Financial
Advisors, LLC



Investor Demand Characteristics: Retail & Institutions



An investment opportunity from LES

Up to \$300,000,000* Lincoln Electric System Revenue and Refunding Bonds**

- * Interest is excludable from gross income for Federal and Nebraska income tax purposes.***

Bonds are scheduled to be offered for sale with priority given to retail buyers on June 2.*

Additional Transaction Details:

- Maturities range from Sept. 1, 2027 to Sept. 1, 2051.*
- Bonds are expected to be delivered on or about June 23, 2026.*
- Ratings from Fitch and S&P are AA and AA, respectively.
- Bonds will be available in \$5,000 denominations.

Information regarding the bond sale can be found at LES.com, or by contacting the underwriters listed below

Bank of America Securities
1-800-937-0213

J.P Morgan
855-231-8873

This is not an offer to sell or a solicitation of offers to buy Bonds. LES Bonds are offered for sale only through the Official Statement for the Bonds. A copy of the Preliminary Official Statement, which contains a more complete description of the Bonds and the sources of payment thereof, may be obtained from the Underwriters listed above after its release (expected to occur on May 15, 2026).

* Preliminary, subject to change. There can be no guarantee that all Bond requests of a certain maturity will be filled or will be available to retail buyers.

** For a complete description of the Bonds, please contact your broker or investment advisor to request a copy of the Preliminary Official Statement. Each investor should read the entire Preliminary Official Statement prior to making any investment decisions with regard to this offering. This announcement is neither an offer to sell, nor a solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State. These securities may not be suitable for all investors. The offering of these securities is made only by the Preliminary Official Statement and securities may only be purchased through a broker.

*** Upon issuance of the Bonds, Kutak Rock LLP will deliver an opinion that, subject to the limitations and conditions described therein and in the Official Statement, interest on the Series 2026 Bonds is exempt from present State of Nebraska income taxation, is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Before purchasing any Bonds, contact your tax advisor to determine any applicable federal, state and local tax consequences.

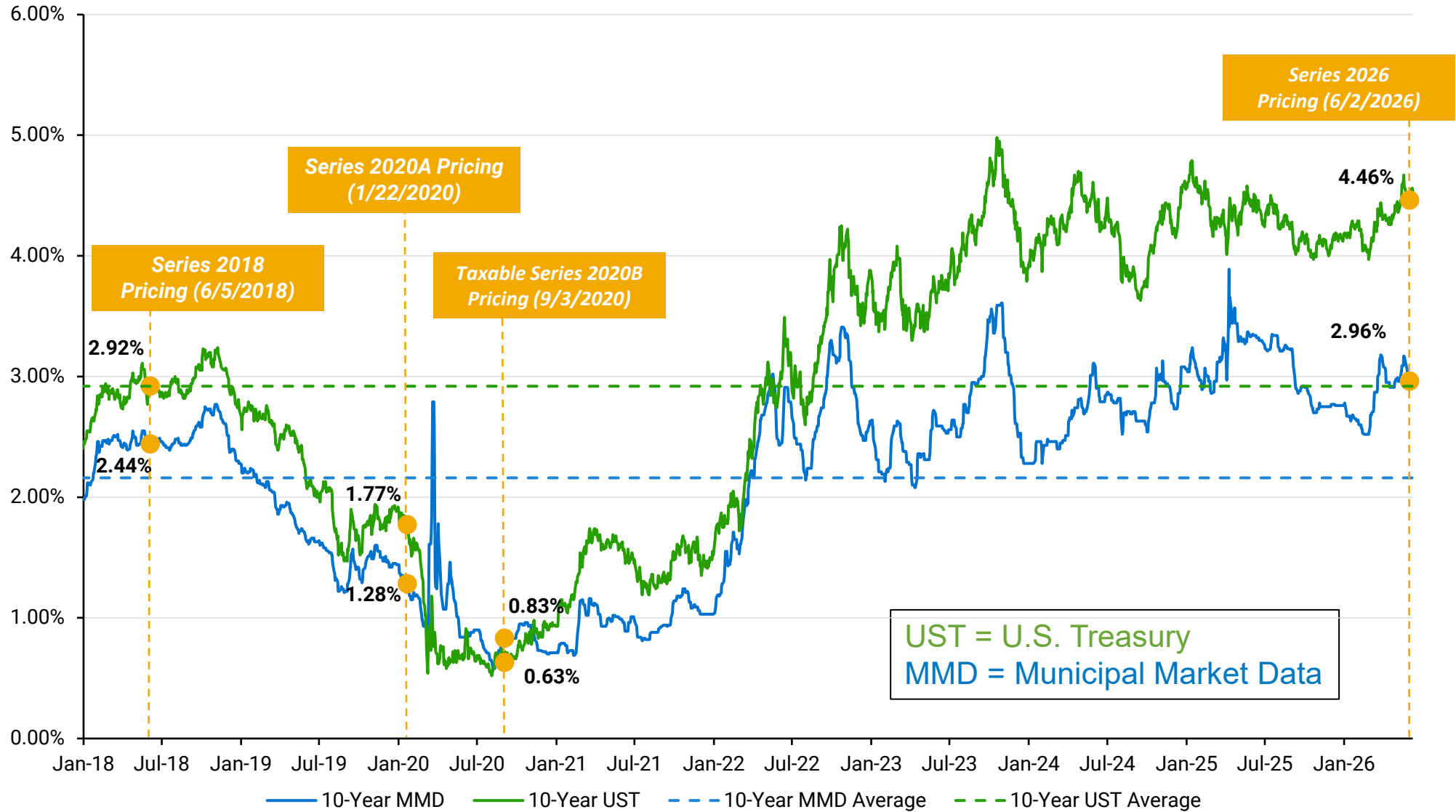


Maturity	Amount (\$000s)	LES Service Territory	Other Nebraska	National Retail	Total Retail	Institutional	Total	Subscribed
9/1/2027	3,935	0	0	2,500	2,500	12,695	8,935	4.5 X
9/1/2028	3,965	500	0	0	500	13,950	4,965	3.8 X
9/1/2029	12,345	0	0	0	0	24,120	12,345	2.0 X
9/1/2030	17,415	0	0	500	500	42,435	18,415	2.5 X
9/1/2031	17,705	0	0	0	0	74,170	17,705	4.2 X
9/1/2032	16,510	75	30	0	105	78,910	16,720	4.8 X
9/1/2033	26,935	0	0	300	300	122,635	27,535	4.6 X
9/1/2034	16,360	100	0	0	100	66,690	16,560	4.1 X
9/1/2035	35,890	0	0	0	0	200,825	35,890	5.6 X
9/1/2036	12,855	1,150	125	0	1,275	92,190	15,405	7.4 X
9/1/2037	28,890	100	0	0	100	139,965	29,090	4.9 X
9/1/2038	11,910	0	30	0	30	91,865	11,970	7.7 X
9/1/2039	7,435	0	85	0	85	42,385	7,605	5.7 X
9/1/2040	3,660	0	0	0	0	2,260	3,660	0.6 X
9/1/2041	14,780	0	100	0	100	75,900	14,980	5.1 X
9/1/2042	12,845	0	0	0	0	30,750	12,845	2.4 X
9/1/2043	10,290	0	0	0	0	13,365	10,290	1.3 X
9/1/2044	10,000	0	0	0	0	28,520	10,000	2.9 X
9/1/2045	10,000	0	0	0	0	38,760	10,000	3.9 X
9/1/2046	10,000	0	0	1,000	1,000	68,000	12,000	7.0 X
9/1/2047	10,000	0	0	0	0	114,400	10,000	11.4 X
9/1/2048	6,250	0	5	100	105	50,950	6,460	8.2 X
Total: (\$M)	299,975	1,925	375	4,400	6,700	1,425,740	1,432,440	4.8 X

Prepared by PFM Financial Advisors, LLC



Market timing of recent LES bond issuances



Final Results

PAR AMOUNT | \$299,975,000

ALL-IN TRUE INTEREST COST

3.685%

COUPON RATE

5.00%

NPV SAVINGS
(TENDERED BONDS)

**\$4.69M /
6.53%**

MATURITIES | 2027 through 2048

USE OF PROCEEDS* (in millions)

Construction Fund for Future Capital Construction Needs	\$109.8
Paydown of Outstanding Commercial Paper (\$150M currently outstanding)	\$75.0
Reimbursement of Prior Capital Construction Payments	\$74.7
Purchase of the Tendered Bonds	\$68.4
Debt Service Reserve Fund	\$7.5
Cost of Issuance & Underwriter's Fees	\$1.9

*2026 Bonds were issued at a premium making the total proceeds greater than the Par Amount.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THIS ENTIRE OFFICIAL STATEMENT INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

NEW ISSUE – FULL BOOK ENTRY

RATINGS: S&P: AA
Fitch: AA
(See "RATINGS")

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the 2026 Bonds (including any original issue discount properly allocable to the owner of a 2026 Bond) is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. Interest on the 2026 Bonds may affect the federal alternative minimum tax imposed on certain corporations. Bond Counsel is also of the opinion that interest on the 2026 Bonds is exempt from all present State of Nebraska personal income taxes. For a more detailed description of such opinions of Bond Counsel, see "TAX MATTERS" herein.

THE CITY OF LINCOLN, NEBRASKA



Lincoln Electric System

\$299,975,000

Lincoln Electric System

Revenue and Refunding Bonds

Series 2026

Dated: Date of delivery

Due: September 1



Keeping Score – How Does LES Compare?

- Metrics are rates and “spreads to AAA muni bond index”

Recent Utility Bond Pricing for Bonds of Roughly 20 Year Terms

Utility Issuer	Ratings (M/S&P/F)	Pricing Date	Maturity	Yrs	Amount (\$)	Yield	AAA Index	Difference
LES	-AA/AA	6/2/2026	9/1/2046	20	10,000,000	4.04%	3.89%	0.15%
Platte River	Aa/-AA	5/26/2026	6/1/2046	20	7,575,000	4.20%	4.03%	0.17%
Richmond VA	Aa1/AA/AA	5/20/2026	1/15/2046	20	13,000,000	4.27%	4.10%	0.17%
PPGA	A2/-A	5/27/2026	7/1/2041	15	8,115,000	3.81%	3.35%	0.46%
UAMPS	-A+/AA	5/19/2026	7/1/2046	20	9,650,000	4.27%	4.01%	0.26%
OPPD	Aa2/AA-	5/14/2026	2/1/2046	20	25,645,000	4.10%	3.98%	0.12%
SCPPA	Aa3/-AA-	5/6/2026	7/1/2046	20	27,975,000	4.29%	3.98%	0.31%
IMPA	A1/A+/A+	5/5/2026	7/1/2042	16	38,655,000	3.87%	3.43%	0.44%
Energy NW	Aa2/AA-/AA	4/30/2026	7/1/2043	17	130,575,000	3.82%	3.62%	0.20%
NPPD	A1/A/A+	4/21/2026	1/1/2026	20	4,295,000	4.14%	3.90%	0.24%

- LES had the lowest rate on a 20 year bond, and close to the lowest spread to AAA 20 year bonds
 - Larger bonds (OPPD) are often preferred by investors



The Public Power Advantage

- LES pays materially lower fees and rates than IOUs

Florida Power & Light Company

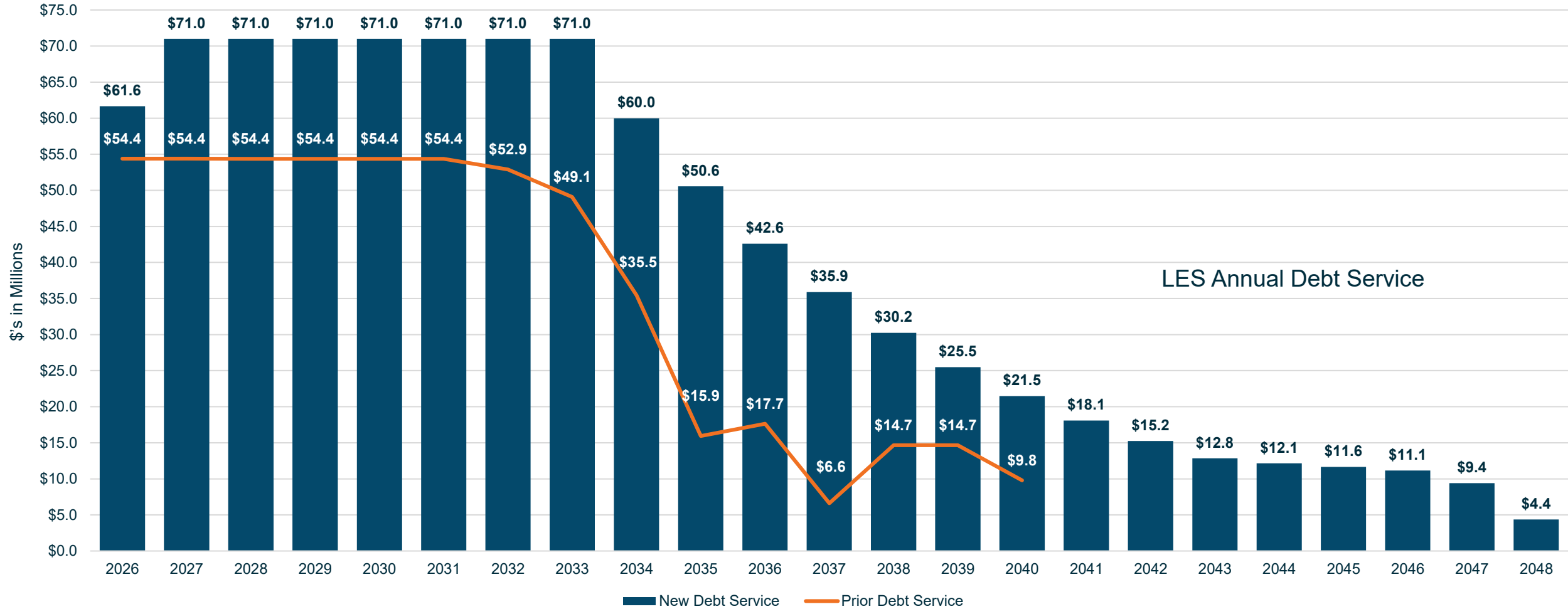
May 26, 2026

\$2,250,000,000

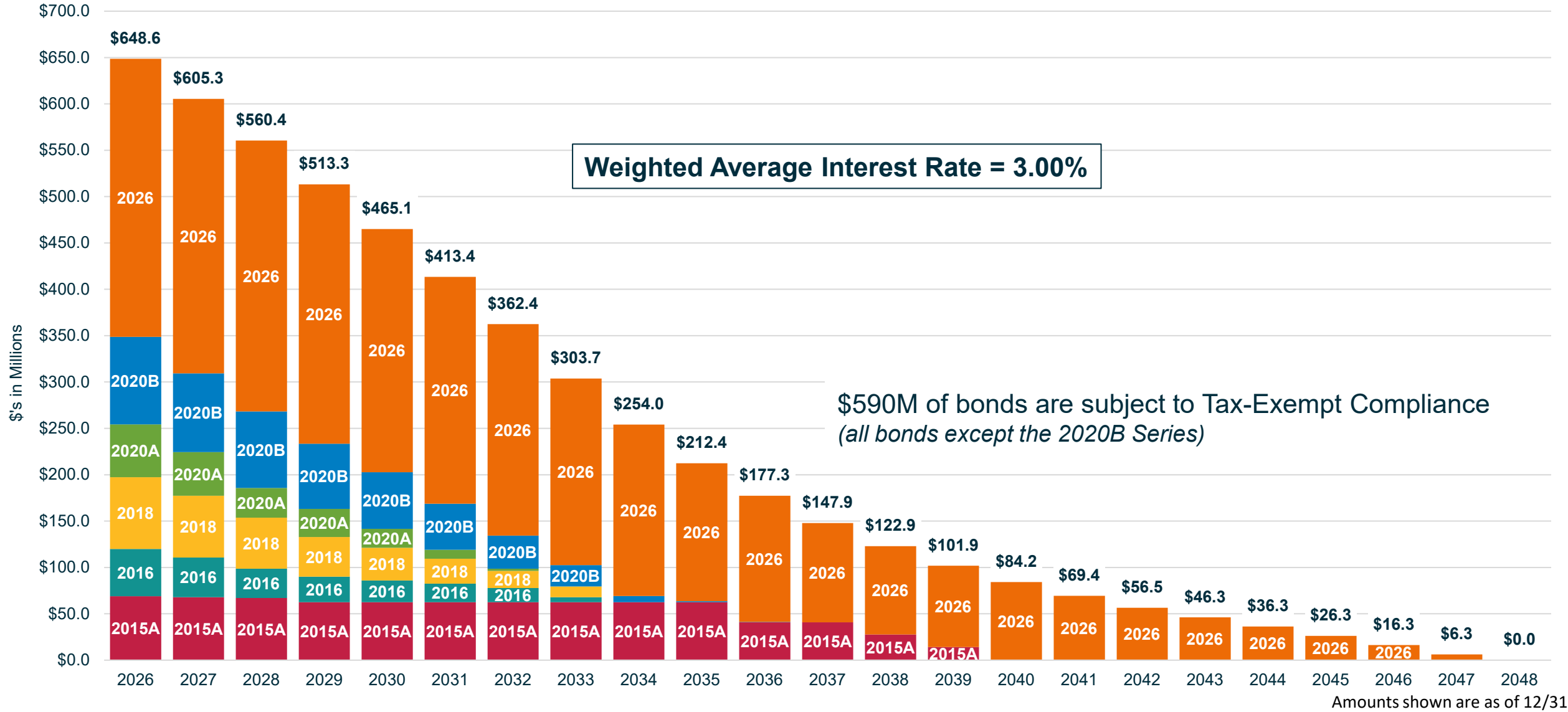
	Underwriting Discount	
	Per Offered Bond	Total
\$600,000,000 First Mortgage Bonds, 5.125% Series due June 1, 2036	0.650%	\$3,900,000
\$600,000,000 First Mortgage Bonds, 5.750% Series due June 1, 2056	0.875%	\$5,250,000
\$1,050,000,000 First Mortgage Bonds, 5.900% Series due June 1, 2066	0.875%	\$9,187,500

- LES 10 year bond: 3.15% rate and 0.34% underwriter discount
- Roughly 2% lower rate and nearly 1/2 the fees

Existing debt profile and future capital spending plans influence structure of bond maturities

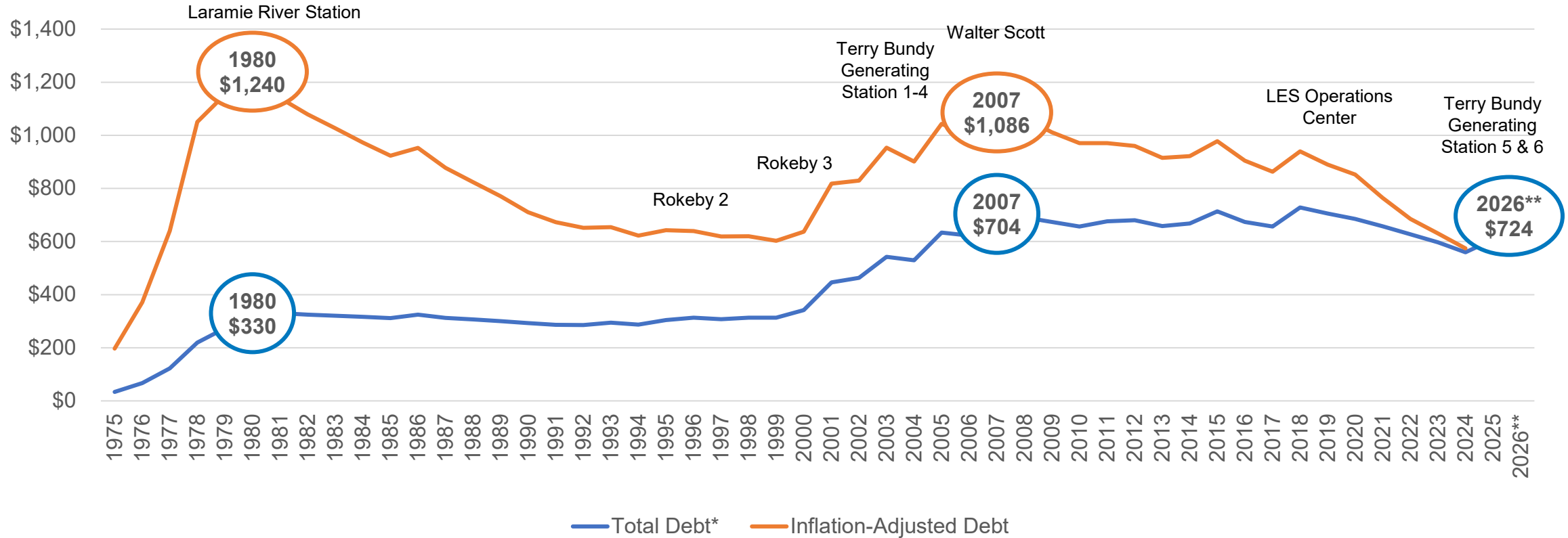


LES now has ~\$686.1M of long-term bonds outstanding



Debt Profile: 1975 to 2026

(\$ in Millions)

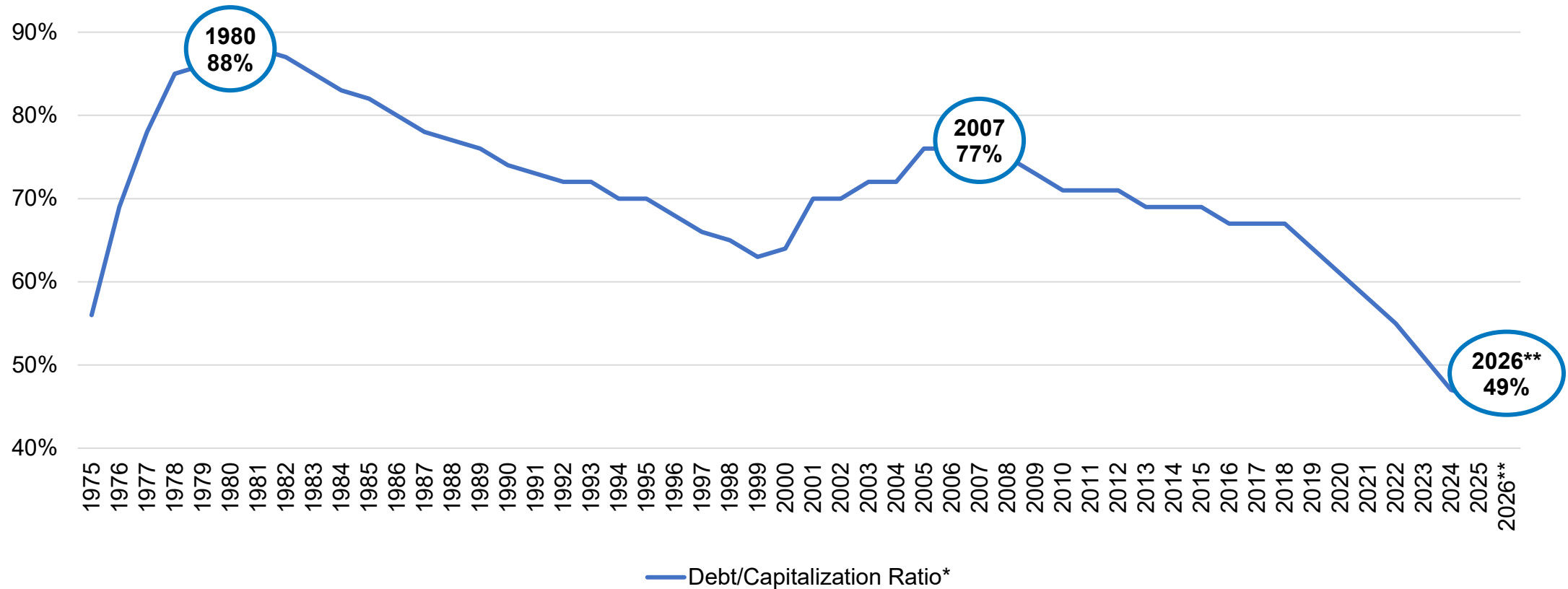


*Total debt includes long-term and short-term debt but does not include unamortized discounts/premiums.

** 2026 projection includes estimated impact of \$300M Revenue & Refunding Bonds issued in June 2026.

Debt-to-Capitalization Ratio: 1975 to 2026

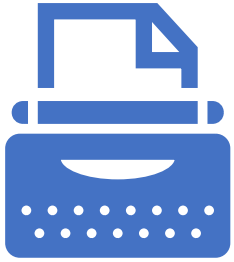
“Debt Burden”



*Total debt includes long-term and short-term debt but does not include unamortized discounts/premiums.

** 2026 projection includes estimated impact of \$300M Revenue & Refunding Bonds issued in June 2026.

Issuers of tax-exempt bonds receive oversight from many sources



The Securities and Exchange Commission (SEC)

Tax exempt issuers are exempt from SEC registration

SEC Rule 15c-212: underwriters must require tax-exempt issuers to provide ongoing data

Securities Act of 1933 and Securities Exchange Act of 1934: ensures buyers have access to information to make an informed decision (Official Statements)

Designated the Electronic Municipal Market Access (EMMA) as the official source for municipal securities data and disclosure documents.

SEC and IRS cooperate to enhance compliance through rules and laws



The Municipal Securities Rulemaking Board (MSRB)

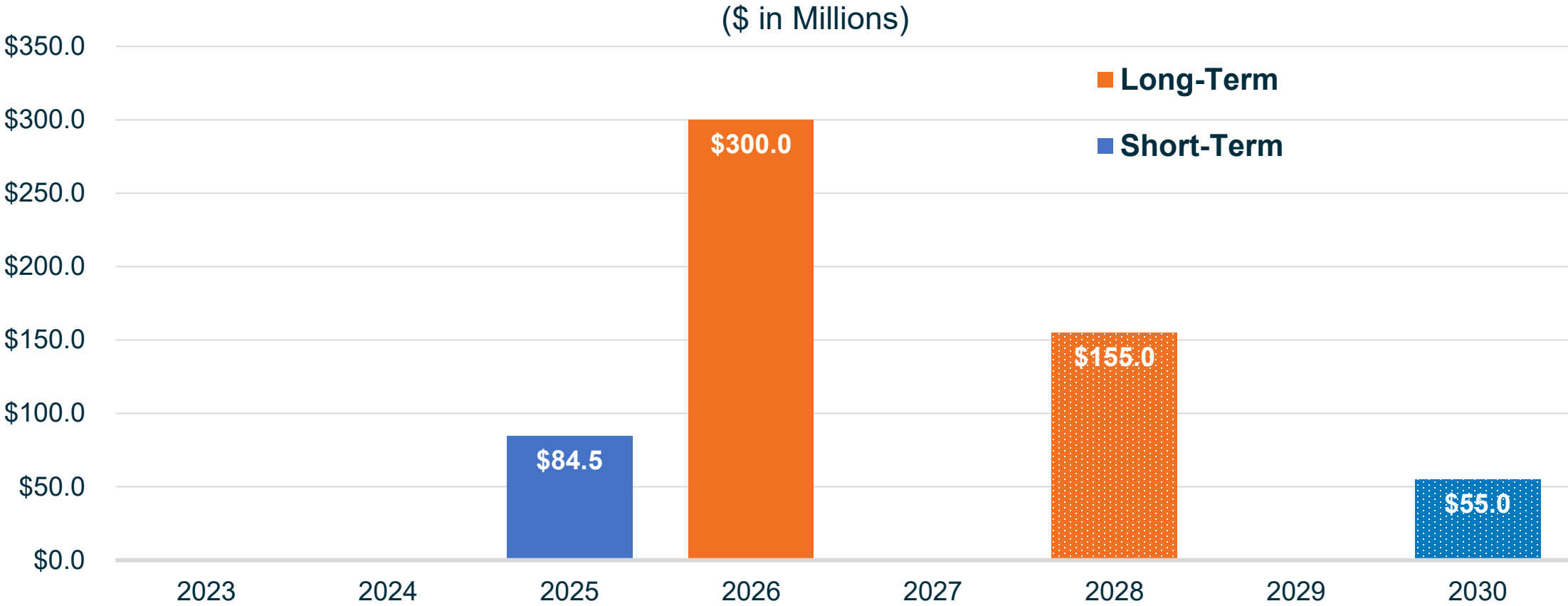
Writes rules for municipal securities dealers

Make rules regulating banks that underwrite municipal securities and municipal advisors

Charged by Congress to promote a fair and efficient municipal market

Subject to oversight by SEC

LES is entering a period of more frequent debt issuances to align with capital spending needs



* Includes proceeds used for CP Paydown and Tender ~\$146M.

Questions

Exhibit IV

Board-Related Initiatives Update

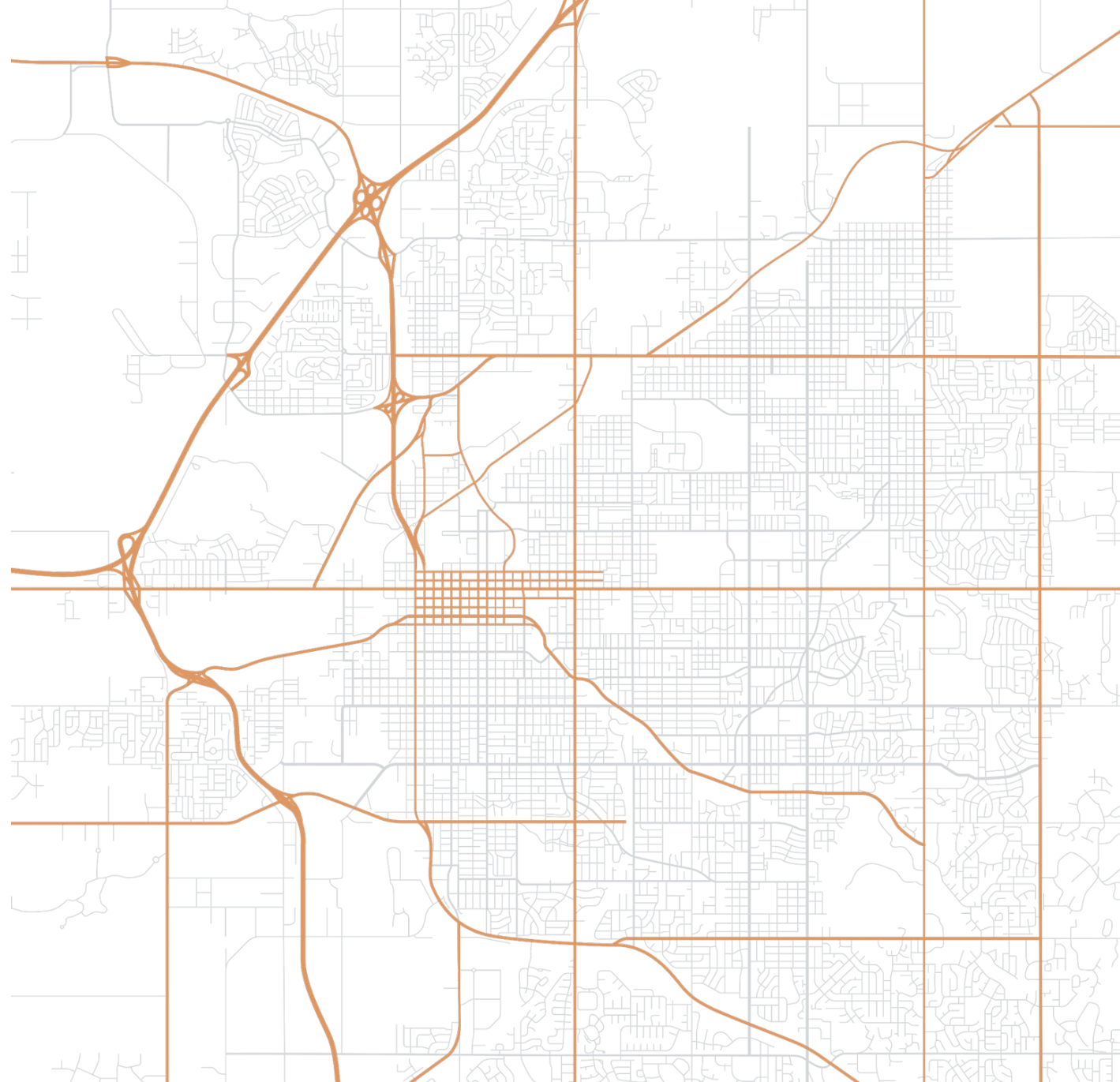
Emeka Anyanwu | CEO

June 19, 2026

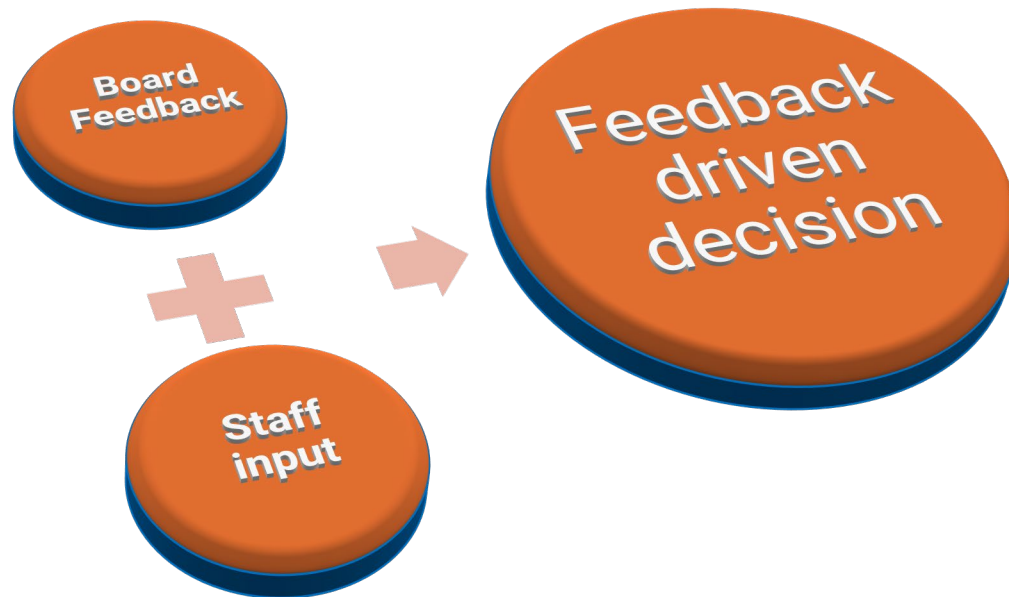


Topics

- Background
- Board content programming
- Board Engagement experience
- Strategic Plan & KPIs
- Questions



Background



Board Feedback

- Accessing advance and archived Board materials
- A/V experience in Boardroom
- Board orientation experience
- Content and work planning

Staff Input

- Focus on full scope of LES strategy and policy
- Understanding board member preferences
- Educational sessions

Objectives/Focus areas



Governance
process



Board
experience

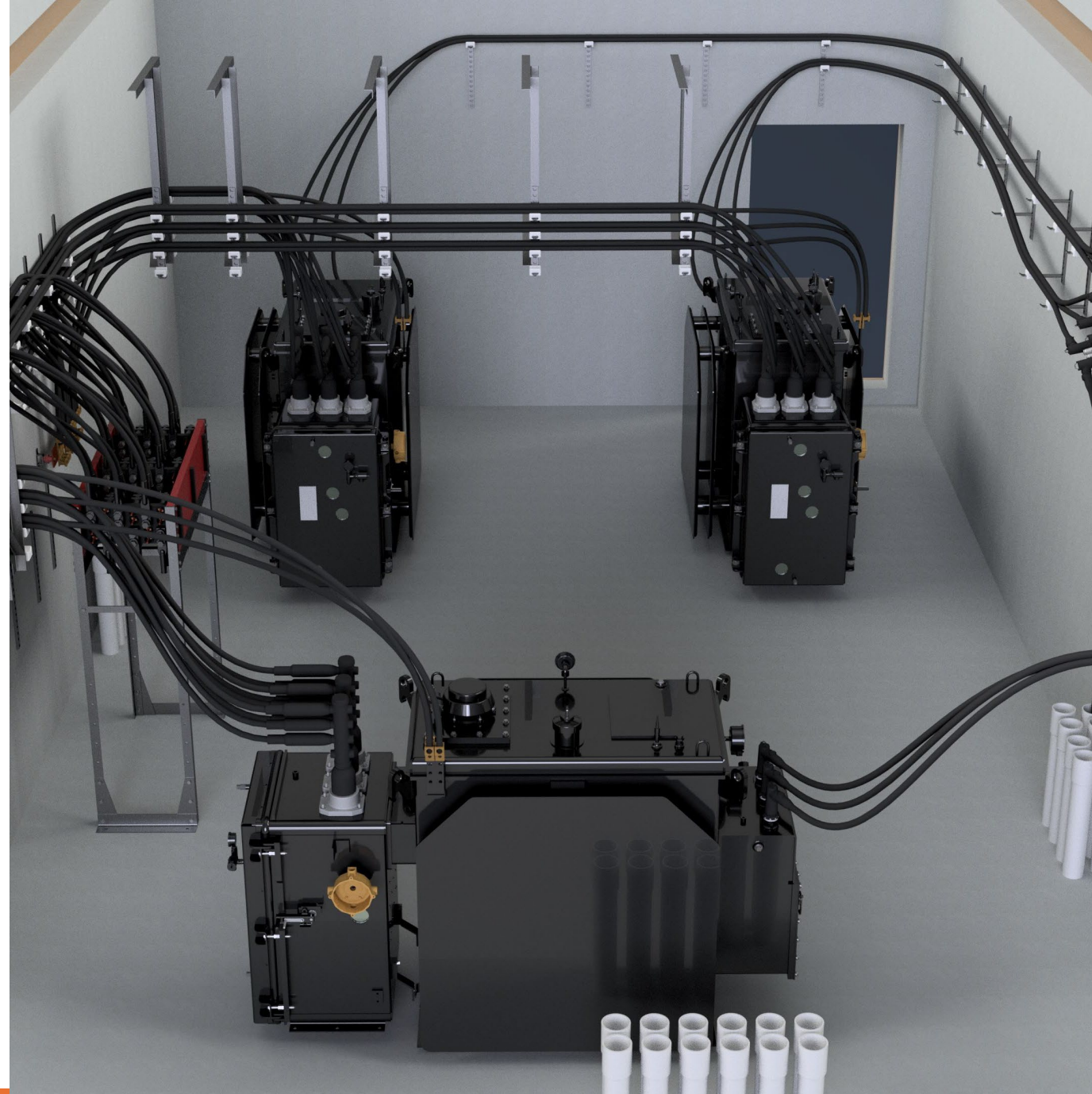


Strategic
Plan visibility



Desired Outcomes

- Structure + Consistency+ Transparency = ALIGNMENT
- Resume KPI reporting with new Strategic Plan metrics
 - Coming Q3
- Creating space for long form discussion
 - Key strategic execution topics
 - Policy deliberation and staff dialogue



Governance & Board Content Priorities

- Establish board and committee topic calendar
- Standardize committee processes & roles
- Review current committee structure
 - Exploring updated slate reflecting new activities

Board Experience Improvements

- New board portal
- Boardroom A/V & meeting experience
- Update new board member orientation



Strategic Plan Visibility

- Improve board visibility into strategic plan execution
- Quarterly KPI reporting resumes in Q3
- Continue committee-level KPI discussions to sharpen oversight
 - May also relate to updated committee structure

Next Steps

- Finalize Board topics calendar
- Complete committee structure and process standards review and recommendations
- Execute board experience improvements



Board topic requests

What strategic or policy topics should be added to the calendar?

DISCUSSION

Questions?

Exhibit V



Revenue & Expense Statement (Condensed)

MAY 2026

Higher than budgeted net power costs were offset by higher than budgeted retail electric sales, interest income, and other revenues along with lower than budgeted other operating expenses and interest expense, leading to favorable year-to-date financial results

(Dollar amounts in 000)

YEAR TO DATE	2026 Actual	2026 Budget	Difference	Percentage Difference	Comments
1) Total Revenue	\$165,944	\$155,449	\$10,495	7%	Wholesale revenue was over budget by 52% (\$5.7M), primarily due to higher than expected revenues from SPP IM activity. Other revenue was also over budget by 62% (\$2.4M), mainly due to reimbursement of SPP transmission expenses and timing of renewable energy certificate sales. Retail revenue was 2% (\$2.1M) over budget.
2) Power Costs	69,943	62,614	7,329	12%	Purchased power was 24% (\$8.3M) over budget, primarily due to higher SPP purchases. Produced power was 4% (\$1.0M) under budget, primarily due to lower operations expenses at LRS and lower energy costs at LRS and WS4; partially offset by higher maintenance expenses at LRS and WS4.
3) Other Operating Expenses	44,786	48,389	(3,603)	-7%	Other operating expenses were under budget, primarily due to lower payroll and benefits expenses (\$2.3M), lower TS consulting expenses (\$650K), lower Sustainable Energy Program Incentives (\$440K), and reduced line clearance expenses (\$175K).
4) Depreciation	16,101	16,286	(185)	-1%	
5) Total Expenses	<u>130,830</u>	<u>127,289</u>	<u>3,541</u>	3%	
6) Operating Income	35,114	28,160	6,954	25%	
7) Noncapital Subsidies	(6,346)	(7,038)	692	10%	
8) Operating Income and Noncapital Subsidies	<u>28,768</u>	<u>21,122</u>	<u>7,646</u>	36%	
9) Non-Operating Income (Expense)	<u>(4,616)</u>	<u>(7,028)</u>	<u>2,412</u>	34%	
10) Change in Net Position (Net Revenue)	<u>\$24,152</u>	<u>\$14,094</u>	<u>\$10,058</u>	71%	
	<u>Year End Projection</u>	<u>Year End Budget</u>			
11) Fixed Charge Coverage	1.60	1.53x			
12) Debt Service Coverage	2.44	2.30x			
	<u>Month End Actual</u>	<u>Month End Budget</u>			
13) Days Cash on Hand	105	246			



REVENUE & EXPENSE STATEMENT
CURRENT MONTH
MAY 2026

Internal

DESCRIPTION	CURRENT MONTH		VARIANCE FROM BUDGET		LAST YEAR		VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%	
OPERATING REVENUES								
1. Retail	\$28,613,523	\$28,043,231	\$570,292	2.0%	\$23,341,591	\$5,271,932	22.6%	
2. Wholesale	6,309,092	4,129,552	2,179,540	52.8%	6,668,228	(359,136)	-5.4%	
3. Other Revenue	837,193	478,512	358,681	75.0%	536,302	300,891	56.1%	
4. Total Operating Revenues	35,759,808	32,651,295	3,108,513	9.5%	30,546,121	5,213,687	17.1%	
OPERATING EXPENSES								
5. Purchased Power	7,247,076	7,148,586	98,490	1.4%	6,862,408	384,668	5.6%	
6. Produced Power	4,362,501	5,425,744	(1,063,243)	-19.6%	5,105,660	(743,159)	-14.6%	
7. Operations	2,912,744	2,570,807	341,937	13.3%	2,624,367	288,377	11.0%	
8. Maintenance	1,109,342	1,071,037	38,305	3.6%	1,055,685	53,657	5.1%	
9. Admin. & General	5,037,015	5,833,247	(796,232)	-13.6%	4,988,141	48,874	1.0%	
10. Depreciation	3,233,826	3,270,836	(37,010)	-1.1%	3,378,128	(144,302)	-4.3%	
11. Total Operating Expenses	23,902,504	25,320,257	(1,417,753)	-5.6%	24,014,389	(111,885)	-0.5%	
12. OPERATING INCOME	11,857,304	7,331,038	4,526,266	61.7%	6,531,732	5,325,572	81.5%	
NONCAPITAL SUBSIDIES								
13. CDFUO Revenue (a)	1,359,143	1,231,101	128,042	10.4%	1,084,056	275,087	25.4%	
14. CDFUO Expense (a)	(1,274,197)	(1,274,197)	0	0.0%	(1,143,204)	(130,993)	11.5%	
15. PILOT (b)	(1,261,455)	(1,280,831)	19,376	-1.5%	(1,025,850)	(235,605)	23.0%	
16. Total Noncapital Subsidies	(1,176,509)	(1,323,927)	147,418	-11.1%	(1,084,998)	(91,511)	8.4%	
17. OPERATING INCOME AND NONCAPITAL SUBSIDIES	10,680,795	6,007,111	4,673,684	77.8%	5,446,734	5,234,061	96.1%	
NONOPERATING INCOME (EXPENSES)								
18. Interest Income	509,002	624,281	(115,279)	-18.5%	496,405	12,597	2.5%	
19. Interest Expense (c)	(1,576,735)	(2,254,563)	677,828	-30.1%	(1,464,239)	(112,496)	7.7%	
20. Other Income (Expense)	0	0	0	--	0	0	--	
21. Total Nonoperating Income (Expenses)	(1,067,733)	(1,630,282)	562,549	-34.5%	(967,834)	(99,899)	10.3%	
22. Income Before Contributions	9,613,062	4,376,829	5,236,233	119.6%	4,478,900	5,134,162	114.6%	
CONTRIBUTED CAPITAL								
23. Contributed Capital Received	288,066	64,115	223,951	349.3%	2,932,698	(2,644,632)	-90.2%	
24. Contributed Capital Used (d)	(288,066)	(64,115)	(223,951)	-349.3%	(2,932,698)	2,644,632	90.2%	
25. Net Contributed Capital	0	0	0	--	0	0	--	
26. CHANGE IN NET POSITION	\$9,613,062	\$4,376,829	\$5,236,233	119.6%	\$4,478,900	\$5,134,162	114.6%	

(a) City Dividend for Utility Ownership.

(c) Bond Interest -\$1,400,608 + Software Agreements Interest -\$9,131 + Variable Interest -\$316,365 + Amortization of Issuance Costs on Outstanding Debt -\$212,648 + Amortization of Loss on Refunded Debt -\$71,093 - Amortization of Discount/Premium -\$433,110 = -\$1,576,735.

(b) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



REVENUE & EXPENSE STATEMENT
YEAR-TO-DATE
MAY 2026

Internal

DESCRIPTION	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR ACTUAL	VARIANCE FROM LAST YEAR		
			AMOUNT	%		AMOUNT	%	
OPERATING REVENUES								
1. Retail	\$142,933,270	\$140,562,244	\$2,371,026	1.7%	\$120,393,057	\$22,540,213	18.7%	
2. Wholesale	16,748,454	11,026,394	5,722,060	51.9%	18,808,986	(2,060,532)	-11.0%	
3. Other Revenue	6,262,300	3,860,833	2,401,467	62.2%	5,047,734	1,214,566	24.1%	
4. Total Operating Revenues	165,944,024	155,449,471	10,494,553	6.8%	144,249,777	21,694,247	15.0%	
OPERATING EXPENSES								
5. Purchased Power	43,091,562	34,752,964	8,338,598	24.0%	36,343,944	6,747,618	18.6%	
6. Produced Power	26,851,509	27,861,196	(1,009,687)	-3.6%	27,209,427	(357,918)	-1.3%	
7. Operations	14,526,347	12,821,176	1,705,171	13.3%	12,508,478	2,017,869	16.1%	
8. Maintenance	4,583,264	5,447,227	(863,963)	-15.9%	7,121,058	(2,537,794)	-35.6%	
9. Admin. & General	25,676,145	30,120,366	(4,444,221)	-14.8%	25,323,600	352,545	1.4%	
10. Depreciation	16,101,348	16,286,470	(185,122)	-1.1%	16,883,073	(781,725)	-4.6%	
11. Total Operating Expenses	130,830,175	127,289,399	3,540,776	2.8%	125,389,580	5,440,595	4.3%	
12. OPERATING INCOME	35,113,849	28,160,072	6,953,777	24.7%	18,860,197	16,253,652	86.2%	
NONCAPITAL SUBSIDIES								
13. CDFUO Revenue (a)	6,618,558	6,156,421	462,137	7.5%	5,418,673	1,199,885	22.1%	
14. CDFUO Expense (a)	(6,370,985)	(6,370,985)	0	0.0%	(5,716,020)	(654,965)	11.5%	
15. PILOT (b)	(6,593,327)	(6,823,425)	230,098	-3.4%	(5,637,139)	(956,188)	17.0%	
16. Total Noncapital Subsidies	(6,345,754)	(7,037,989)	692,235	-9.8%	(5,934,486)	(411,268)	6.9%	
17. OPERATING INCOME AND NONCAPITAL SUBSIDIES	28,768,095	21,122,083	7,646,012	36.2%	12,925,711	15,842,384	122.6%	
NONOPERATING INCOME (EXPENSES)								
18. Interest Income	\$2,728,266	2,003,172	725,094	36.2%	3,081,247	(352,981)	-11.5%	
19. Interest Expense (c)	(7,344,021)	(9,031,309)	1,687,288	-18.7%	(7,299,538)	(44,483)	0.6%	
20. Other Income (Expense)	0	0	0	--	(102,315)	102,315	100.0%	
21. Total Nonoperating Income (Expenses)	(4,615,755)	(7,028,137)	2,412,382	-34.3%	(4,320,606)	(295,149)	6.8%	
22. Income Before Contributions	24,152,340	14,093,946	10,058,394	71.4%	8,605,105	15,547,235	180.7%	
CONTRIBUTED CAPITAL								
23. Contributed Capital Received	5,777,122	320,575	5,456,547	1702.1%	18,528,285	(12,751,163)	-68.8%	
24. Contributed Capital Used (d)	(5,777,122)	(320,575)	(5,456,547)	-1702.1%	(18,528,285)	12,751,163	68.8%	
25. Net Contributed Capital	0	0	0	--	0	0	--	
26. CHANGE IN NET POSITION	\$24,152,340	\$14,093,946	\$10,058,394	71.4%	\$8,605,105	\$15,547,235	180.7%	

(a) City Dividend for Utility Ownership.

(c) Bond Interest -\$7,003,038 + Software Agreements Interest -\$47,558 + Variable Interest -\$1,560,007 + Amortization of Issuance Costs on Outstanding Debt -\$543,503 + Amortization of Loss on Refunded Debt -\$355,465 - Amortization of Discount/Premium -\$2,165,550 = -\$7,344,021.

(b) Payment In Lieu of Tax.

(d) Reduction of Plant Costs Recovered through Contributions.



REVENUES, ENERGY & CUSTOMERS

CURRENT MONTH

MAY 2026

Internal

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
REVENUE							
1. Residential	\$11,440,846	\$11,312,659	\$128,187	1.1%	\$10,257,677	\$1,183,169	11.5%
2. Commercial & Street Light	14,373,636	13,713,658	659,978	4.8%	10,005,706	4,367,930	43.7%
3. Industrial	<u>2,799,041</u>	<u>3,016,914</u>	(217,873)	-7.2%	<u>3,078,208</u>	(279,167)	-9.1%
4. Total Retail	28,613,523	28,043,231	570,292	2.0%	23,341,591	5,271,932	22.6%
5. SPP Sales	5,633,201	3,590,491	2,042,710	56.9%	5,967,412	(334,211)	-5.6%
6. Contract Sales	<u>675,891</u>	<u>539,061</u>	<u>136,830</u>	25.4%	<u>700,816</u>	(24,925)	-3.6%
7. Total Wholesale	<u>6,309,092</u>	<u>4,129,552</u>	<u>2,179,540</u>	52.8%	<u>6,668,228</u>	(359,136)	-5.4%
8. Total	\$34,922,615	\$32,172,783	\$2,749,832	8.5%	\$30,009,819	\$4,912,796	16.4%
ENERGY (MWH'S)							
9. Residential	90,235	82,063	8,172	10.0%	83,931	6,304	7.5%
10. Commercial & Street Light	188,967	156,182	32,785	21.0%	117,100	71,867	61.4%
11. Industrial	<u>34,756</u>	<u>37,732</u>	(2,976)	-7.9%	<u>40,680</u>	(5,924)	-14.6%
12. Total Retail	313,958	275,977	37,981	13.8%	241,711	72,247	29.9%
13. SPP Sales	34,269	12,829	21,440	167.1%	34,402	(133)	-0.4%
14. Contract Sales	<u>17,428</u>	<u>18,935</u>	(1,507)	-8.0%	<u>5,920</u>	11,508	194.4%
15. Total Wholesale	<u>51,697</u>	<u>31,764</u>	<u>19,933</u>	62.8%	<u>40,322</u>	11,375	28.2%
16. Total	365,655	307,741	57,914	18.8%	282,033	83,622	29.6%
CUSTOMERS - AT MONTH END							
17. Residential	138,170	139,244	(1,074)	-0.8%	136,595	1,575	1.2%
18. Commercial & Street Light	18,079	18,465	(386)	-2.1%	17,987	92	0.5%
19. Industrial	<u>237</u>	<u>235</u>	<u>2</u>	0.9%	<u>237</u>	<u>0</u>	0.0%
20. Total Retail	156,486	157,944	(1,458)	-0.9%	154,819	1,667	1.1%
21. Wholesale	<u>4</u>	<u>4</u>	<u>0</u>	0.0%	<u>5</u>	(1)	-20.0%
22. Total	156,490	157,948	(1,458)	-0.9%	154,824	1,666	1.1%



REVENUES, ENERGY & CUSTOMERS

YEAR-TO-DATE

MAY 2026

Internal

DESCRIPTION	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR ACTUAL	VARIANCE FROM LAST YEAR		
			AMOUNT	%		AMOUNT	%	
REVENUE								
1. Residential	\$59,603,669	\$60,414,947	(\$811,278)	-1.3%	\$56,486,418	\$3,117,251	5.5%	
2. Commercial & Street Light	69,424,963	66,850,033	2,574,930	3.9%	50,249,171	19,175,792	38.2%	
3. Industrial	<u>13,904,638</u>	<u>13,297,264</u>	<u>607,374</u>	4.6%	<u>13,657,468</u>	<u>247,170</u>	1.8%	
4. Total Retail	142,933,270	140,562,244	2,371,026	1.7%	120,393,057	22,540,213	18.7%	
5. SPP Sales	12,818,186	7,714,529	5,103,657	66.2%	14,399,548	(1,581,362)	-11.0%	
6. Contract Sales	<u>3,930,268</u>	<u>3,311,865</u>	<u>618,403</u>	18.7%	<u>4,409,438</u>	<u>(479,170)</u>	-10.9%	
7. Total Wholesale	<u>16,748,454</u>	<u>11,026,394</u>	<u>5,722,060</u>	51.9%	<u>18,808,986</u>	<u>(2,060,532)</u>	-11.0%	
8. Total	\$159,681,724	\$151,588,638	\$8,093,086	5.3%	\$139,202,043	\$20,479,681	14.7%	
ENERGY (MWH'S)								
9. Residential	521,358	520,376	982	0.2%	542,633	(21,275)	-3.9%	
10. Commercial & Street Light	850,462	762,931	87,531	11.5%	592,778	257,684	43.5%	
11. Industrial	<u>172,512</u>	<u>182,289</u>	<u>(9,777)</u>	-5.4%	<u>180,241</u>	<u>(7,729)</u>	-4.3%	
12. Total Retail	1,544,332	1,465,596	78,736	5.4%	1,315,652	228,680	17.4%	
13. SPP Sales	156,640	70,465	86,175	122.3%	165,023	(8,383)	-5.1%	
14. Contract Sales	<u>123,862</u>	<u>116,673</u>	<u>7,189</u>	6.2%	<u>82,422</u>	<u>41,440</u>	50.3%	
15. Total Wholesale	<u>280,502</u>	<u>187,138</u>	<u>93,364</u>	49.9%	<u>247,445</u>	<u>33,057</u>	13.4%	
16. Total	1,824,834	1,652,734	172,100	10.4%	1,563,097	261,737	16.7%	
CUSTOMERS AVERAGE								
17. Residential	137,908	138,932	(1,024)	-0.7%	136,430	1,478	1.1%	
18. Commercial & Street Light	18,087	18,429	(342)	-1.9%	18,000	87	0.5%	
19. Industrial	<u>238</u>	<u>235</u>	<u>3</u>	1.3%	<u>235</u>	<u>3</u>	1.3%	
20. Total Retail	156,233	157,596	(1,363)	-0.9%	154,665	1,568	1.0%	
21. Wholesale	<u>5</u>	<u>4</u>	<u>1</u>	25.0%	<u>5</u>	<u>0</u>	0.0%	
22. Total	156,238	157,600	(1,362)	-0.9%	154,670	1,568	1.0%	



OPERATING EXPENSE STATEMENT

CURRENT MONTH

MAY 2026

Internal

DESCRIPTION	CURRENT MONTH	CURRENT MONTH	VARIANCE FROM BUDGET		LAST YEAR	VARIANCE FROM LAST YEAR	
	ACTUAL	BUDGET	AMOUNT	%	ACTUAL	AMOUNT	%
POWER COST							
1. SPP Purchased Power	\$1,461,805	\$1,065,679	\$396,126	37.2%	\$1,450,159	\$11,646	0.8%
2. Non-Owned Asset Power	<u>5,785,271</u>	<u>6,082,907</u>	<u>(297,636)</u>	-4.9%	<u>5,412,249</u>	<u>373,022</u>	6.9%
3. Total Purchased Power	7,247,076	7,148,586	98,490	1.4%	6,862,408	384,668	5.6%
4. Produced Power	<u>4,362,501</u>	<u>5,425,744</u>	<u>(1,063,243)</u>	-19.6%	<u>5,105,660</u>	<u>(743,159)</u>	-14.6%
5. Total Power Cost	11,609,577	12,574,330	<u>(964,753)</u>	-7.7%	11,968,068	<u>(358,491)</u>	-3.0%
OPERATION & MAINTENANCE							
6. Energy Delivery	2,460,143	2,304,504	155,639	6.8%	2,549,739	<u>(89,596)</u>	-3.5%
7. Transmission	<u>1,561,943</u>	<u>1,337,340</u>	<u>224,603</u>	16.8%	<u>1,130,313</u>	<u>431,630</u>	38.2%
8. Total O&M Expense	4,022,086	3,641,844	380,242	10.4%	3,680,052	342,034	9.3%
ADMINISTRATIVE & GENERAL							
9. Administration	807,139	916,732	<u>(109,593)</u>	-12.0%	321,009	486,130	151.4%
10. Legal & Government Services	90,529	110,830	<u>(20,301)</u>	-18.3%	204,103	<u>(113,574)</u>	-55.6%
11. Employee Services	<u>(142,191)</u>	273,783	<u>(415,974)</u>	-151.9%	812,964	<u>(955,155)</u>	-117.5%
12. Customer Services	1,062,465	1,257,151	<u>(194,686)</u>	-15.5%	991,816	70,649	7.1%
13. Financial Services	1,231,498	1,284,308	<u>(52,810)</u>	-4.1%	412,284	819,214	198.7%
14. Power Supply	452,776	525,056	<u>(72,280)</u>	-13.8%	476,769	<u>(23,993)</u>	-5.0%
15. Technology Services	<u>1,534,799</u>	<u>1,465,387</u>	<u>69,412</u>	4.7%	<u>1,769,196</u>	<u>(234,397)</u>	-13.2%
16. Total A&G Expense	5,037,015	5,833,247	<u>(796,232)</u>	-13.6%	4,988,141	48,874	1.0%
17. DEPRECIATION (a)	<u>3,233,826</u>	<u>\$3,270,836</u>	<u>(37,010)</u>	-1.1%	<u>3,378,128</u>	<u>(144,302)</u>	-4.3%
18. TOTAL OPERATING EXPENSE	\$23,902,504	\$25,320,257	<u>(\$1,417,753)</u>	-5.6%	\$24,014,389	<u>(\$111,885)</u>	-0.5%

Due to organizational restructuring, the current year actuals, by division, are not comparable to prior year actuals.

(a) Depreciation \$3,022,030 + Amortization \$211,796 = \$3,233,826.



OPERATING EXPENSE STATEMENT

YEAR-TO-DATE

MAY 2026

Internal

DESCRIPTION	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE BUDGET	VARIANCE FROM BUDGET		LAST YEAR ACTUAL	VARIANCE FROM LAST YEAR		
			AMOUNT	%		AMOUNT	%	
POWER COST								
1. SPP Purchased Power	\$15,836,340	\$5,020,488	\$10,815,852	215.4%	\$8,995,224	\$6,841,116	76.1%	
2. Non-Owned Asset Power	<u>27,255,222</u>	<u>29,732,476</u>	<u>(2,477,254)</u>	-8.3%	<u>27,348,720</u>	<u>(93,498)</u>	-0.3%	
3. Total Purchased Power	43,091,562	34,752,964	8,338,598	24.0%	36,343,944	6,747,618	18.6%	
4. Produced Power	<u>26,851,509</u>	<u>27,861,196</u>	<u>(1,009,687)</u>	-3.6%	<u>27,209,427</u>	<u>(357,918)</u>	-1.3%	
5. Total Power Cost	69,943,071	62,614,160	7,328,911	11.7%	63,553,371	6,389,700	10.1%	
OPERATION & MAINTENANCE								
6. Energy Delivery	11,200,108	11,566,886	<u>(366,778)</u>	-3.2%	14,035,133	<u>(2,835,025)</u>	-20.2%	
7. Transmission	<u>7,909,503</u>	<u>6,701,517</u>	<u>1,207,986</u>	18.0%	<u>5,594,403</u>	<u>2,315,100</u>	41.4%	
8. Total O&M Expense	19,109,611	18,268,403	841,208	4.6%	19,629,536	<u>(519,925)</u>	-2.6%	
ADMINISTRATIVE & GENERAL								
9. Administration	3,596,345	4,598,551	<u>(1,002,206)</u>	-21.8%	1,799,405	1,796,940	99.9%	
10. Legal & Government Services	545,133	593,310	<u>(48,177)</u>	-8.1%	998,356	<u>(453,223)</u>	-45.4%	
11. Employee Services	109,597	1,340,854	<u>(1,231,257)</u>	-91.8%	4,516,458	<u>(4,406,861)</u>	-97.6%	
12. Customer Services	5,312,629	6,394,582	<u>(1,081,953)</u>	-16.9%	5,234,010	78,619	1.5%	
13. Financial Services	5,846,398	6,519,820	<u>(673,422)</u>	-10.3%	2,530,889	3,315,509	131.0%	
14. Power Supply	2,410,150	2,559,122	<u>(148,972)</u>	-5.8%	2,396,128	14,022	0.6%	
15. Technology Services	<u>7,855,893</u>	<u>8,114,127</u>	<u>(258,234)</u>	-3.2%	<u>7,848,354</u>	<u>7,539</u>	0.1%	
16. Total A&G Expense	25,676,145	30,120,366	<u>(4,444,221)</u>	-14.8%	25,323,600	352,545	1.4%	
17. DEPRECIATION (a)	<u>16,101,348</u>	<u>16,286,470</u>	<u>(185,122)</u>	-1.1%	<u>16,883,073</u>	<u>(781,725)</u>	-4.6%	
18. TOTAL OPERATING EXPENSE	\$130,830,175	\$127,289,399	\$3,540,776	2.8%	\$125,389,580	\$5,440,595	4.3%	

Due to organizational restructuring, the current year actuals, by division, are not comparable to prior year actuals.

(a) Depreciation \$15,033,906 + Amortization \$1,067,442 = \$16,101,348.



**BALANCE SHEET
MAY 2026**

Internal

ASSETS & DEFERRED OUTFLOWS OF RESOURCES

LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION

DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1	DESCRIPTION	END OF MONTH BALANCE	VARIANCE SINCE JANUARY 1
CURRENT ASSETS:			CURRENT LIABILITIES:		
1. Revenue Fund (includes CDFUO)	\$62,076,089	(\$23,195,890)	OTHER LIABILITIES		
2. Payment in Lieu of Tax Fund	5,259,613	(8,400,563)	1. Accounts Payable	\$24,023,382	(\$173,912)
3. Rate Stabilization Fund	42,503,821	509,180	2. Accrued Payments in Lieu of Taxes	6,507,283	(8,292,148)
4. Bond Principal & Interest Funds	32,798,615	14,602,516	3. City Dividend for Utility Ownership Payable	3,822,591	(1,274,197)
5. Other Restricted/Designated Funds (a)	5,890,809	1,960,878	4. Commercial Paper Notes	150,000,000	0
6. Restricted/Designated Funds Total	81,193,245	17,072,574	5. Accrued Software Interest	77,127	35,882
7. Total Current Asset Funds (b)	148,528,947	(14,523,879)	6. Accrued Liabilities	24,663,087	3,998,488
8. Receivables Less Uncollectible Allowance	31,369,646	3,518,987	7. Total Other Liabilities	209,093,470	(5,705,887)
9. Unbilled Revenue	21,574,015	1,092,018	CURRENT LIABILITIES - RESTRICTED ASSETS		
10. Accrued Interest Receivable	522,231	(3,352)	8. Current Portion of Long-Term Debt	37,580,000	0
11. Materials, Supplies & Fuel Inventory	36,587,585	(741,773)	9. Accrued Interest	4,330,666	(1,603,200)
12. Plant Operation Assets	22,338,454	2,341,846	10. Other Current Liabilities (d)	1,250,016	124,870
13. Other Current Assets	12,224,405	4,012,666	11. Total Current Liabilities - Restricted Assets	43,160,682	(1,478,330)
14. Total Current Assets	273,145,283	(4,303,487)	12. Total Current Liabilities	252,254,152	(7,184,217)
NONCURRENT ASSETS:			NONCURRENT LIABILITIES:		
15. Bond Reserve Funds	9,219,728	109,058	13. 2013 Bonds	0	0
16. Self-Funded Benefits Reserve Fund (IBNP)	1,253,325	34,196	14. 2015A Bonds	69,775,000	0
17. Segregated Funds (c)	24,221,907	2,635,394	15. 2016 Bonds	65,960,000	0
18. Restricted Funds Total (b)	34,694,960	2,778,648	16. 2018 Bonds	114,900,000	0
19. Unamortized Debt Expense	1,340,223	(115,449)	17. 2020A Bonds	70,740,000	0
20. Lease Receivable	7,477,205	(137,236)	18. 2020B Bonds	136,540,000	0
21. Accrued Lease Interest	207,106	22,105	19. Total Revenue Bonds	457,915,000	0
22. Other Noncurrent Assets	7,072,044	373,812	20. Less Current Maturities	37,580,000	0
23. Total Noncurrent Assets	50,791,538	2,921,880	21. Less Unamortized Discounts/Premiums	(21,102,734)	2,165,549
CAPITAL ASSETS:			22. Note Purchase Agreement	0	0
24. Utility Plant in Service	1,915,223,164	19,026,937	23. Revolving Credit Agreement	0	0
25. Accumulated Depreciation & Amortization	(1,013,769,327)	(9,953,396)	24. Net Long Term Debt	441,437,734	(2,165,549)
26. Construction Work in Progress	224,429,509	8,085,293	25. Liabilities Payable from Segregated Funds (e)	24,210,860	826,818
27. Total Capital Assets	1,125,883,346	17,158,834	26. Asset Retirement Obligation	3,491,483	106,265
DEFERRED OUTFLOWS OF RESOURCES:			27. Software Liabilities	2,715,972	5,084
28. Deferred Loss on Refunded Debt	5,331,865	(355,464)	28. Other Noncurrent Liabilities	1,235,130	0
29. Deferred Costs for Asset Retirement Obligations	3,491,483	106,265	29. Total Liabilities	725,345,331	(8,411,599)
30. Total Deferred Outflows of Resources	8,823,348	(249,199)	DEFERRED INFLOWS OF RESOURCES:		
			30. Deferred Inflow of Resource	6,679,001	(212,713)
			31. Total Deferred Inflows of Resources	6,679,001	(212,713)
			NET POSITION:		
			32. Net Investment in Capital Assets	507,274,272	19,033,638
			33. Restricted for Debt Service	29,284,031	16,314,774
			34. Restricted for Employee Health Insurance Claims	3,166,567	511,385
			35. Unrestricted	186,894,313	(11,707,457)
			36. Total Net Position	726,619,183	24,152,340
31. TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	\$1,458,643,515	\$15,528,028	37. TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION	\$1,458,643,515	\$15,528,028

(a) Other Restricted/Designated Funds
Include the Health & Dental Claims Fund and Customer Deposit Funds.

(b) Total Funds: Cash and Cash Equivalents	\$54,845,713
Securities	\$128,378,194
Total	\$183,223,907
Weighted Average Yield on Securities	3.76%

(c) Segregated Funds include non Revenue Deposits. LES Administrative Board authorized the opening of Segregated Funds accounts in April 2016.

(d) Other Current Liabilities include Customer Deposits.
(e) Liabilities Payable from Segregated Funds include Nonrevenue Deposits (such as Performance Guarantee Deposits and Capital Contributions received in advance)



STATEMENT OF CASH FLOWS
MAY 2026

Internal

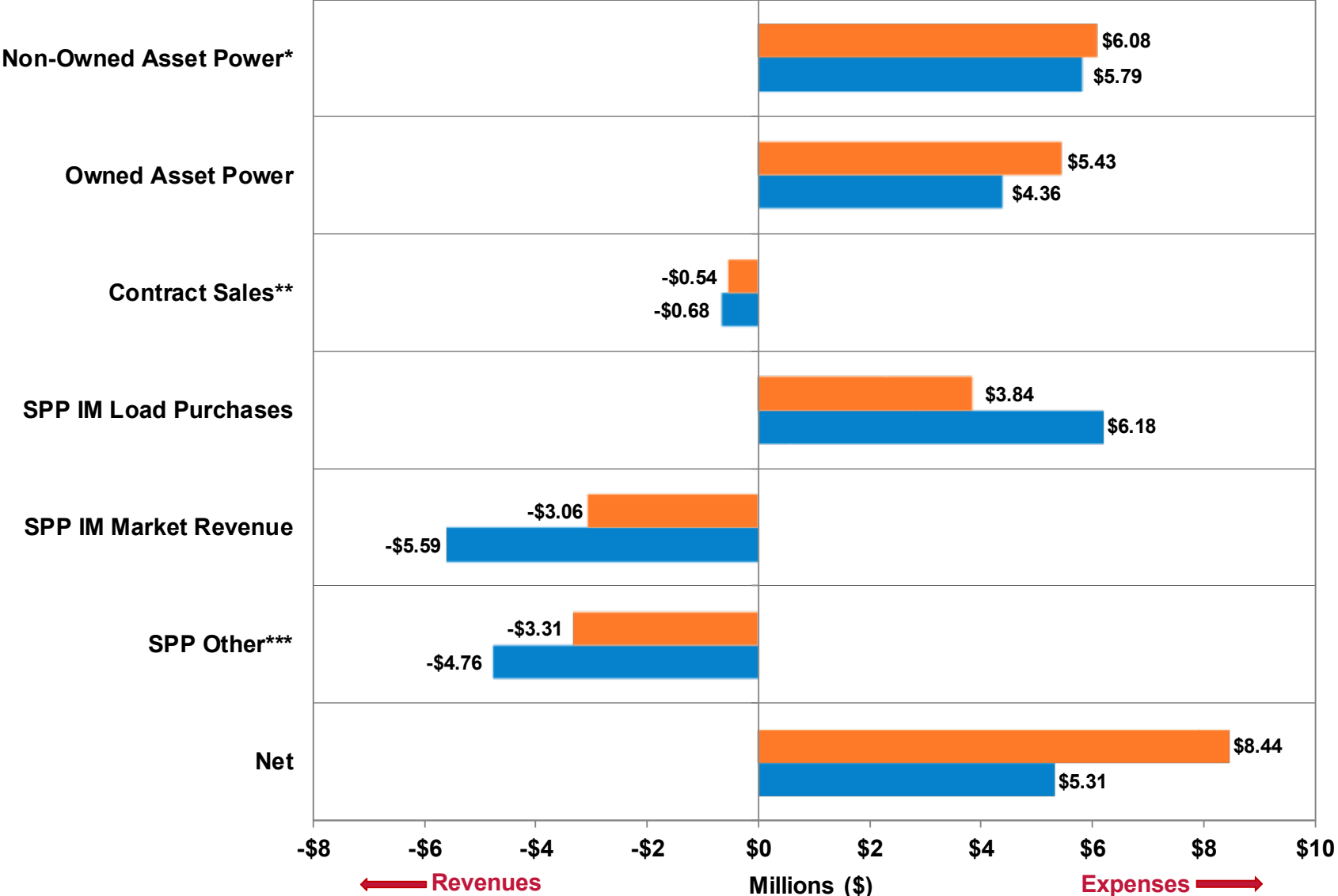
	CURRENT MONTH	YEAR-TO-DATE
CASH FLOWS FROM OPERATING ACTIVITIES:		
1. Received from Sales to Customers and Users	\$28,651,637	\$163,537,143
2. Sales Tax Receipts	1,546,523	8,239,288
3. Paid to Suppliers for Goods & Services	(9,770,908)	(98,356,809)
4. Paid to Employees for Services	(4,062,397)	(20,613,785)
5. Payments for Sales Tax	(1,598,256)	(8,140,631)
6. Cash Flow from Operating Activities (a)	14,766,599	44,665,206
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
7. Payment in Lieu of Tax	0	(14,885,474)
8. City Dividend for Utility Ownership Revenue	1,359,143	6,618,559
9. City Dividend for Utility Ownership Payments	0	(7,645,182)
10. Other	0	0
11. Cash Flow from (used for) Noncapital Financing Activities	1,359,143	(15,912,097)
CASH FLOWS FROM INVESTING ACTIVITIES:		
12. Net (Purchases) Sales of Investments	(5,194,029)	7,247,261
13. Interest Income	442,412	2,637,363
14. Cash Flow from (used for) Investing Activities	(4,751,617)	9,884,624
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
15. Acquisition and Construction of Capital Assets	(6,422,968)	(38,380,883)
16. Salvage on Retirement of Plant	913	533,504
17. Cost of Removal of Property Retired	(1,458,629)	(1,775,272)
18. Debt Issuance Cost Paid	0	0
19. Debt Premiums Collected	0	0
20. Net Capital Contributions	277,019	5,403,939
21. Capital Contributions Recv'd in Advance	0	1,200,000
22. Cash Received from Leases	42,185	210,594
23. Payments for Software Agreements	(117,460)	(161,340)
24. Net Proceeds from Issuance of Long-Term Debt	0	0
25. Proceeds from Commercial Paper Issuance	0	0
26. Principal Payments on Long-Term Debt	0	0
27. Interest Payments on Debt	(\$454,349)	(\$10,166,245)
28. Cash Flow from (used for) Capital Financing Activities	(8,133,289)	(43,135,703)
29. Net Increase (Decrease) in Cash and Cash Equivalents	3,240,836	(4,497,970)
30. Cash and Cash Equivalents Beginning of Period	51,604,877	59,343,683
31. Cash and Cash Equivalents End of Period (b)	\$54,845,713	\$54,845,713
STATEMENT OF CASH FLOW FOOTNOTES		
(a) Reconciliation of operating income to cash flows from operating activities		
1. Operating income	\$11,857,304	\$35,113,849
2. Lease revenue	(\$42,865)	(\$213,920)
Non-cash items included in operating income:		
3. Depreciation charged to other accounts	133,544	634,414
4. Depreciation	3,233,826	16,101,348
5. Other	0	0
Changes in assets and liabilities		
6. Accounts receivable	(6,146,921)	(3,518,987)
7. Unbilled revenues	(1,580,271)	(1,092,018)
8. Materials and supplies	(166,957)	741,773
9. Plant operation assets	(262,979)	(2,341,846)
10. Other current assets	428,418	(4,012,666)
11. Other noncurrent assets	(5,318)	(373,812)
12. Other noncurrent liabilities (including employee health reserve)	0	0
13. Accounts payable - operating component	3,307,311	(68,231)
14. Sales taxes	(51,733)	98,656
15. Accrued expenses	4,063,240	3,596,646
16. Net cash flows from operating activities	\$14,766,599	\$44,665,206
(b) Cash and cash equivalents are defined as cash & investments with original maturities of three months or less.		

Power Supply Division 2026 May Monthly Report

Jason Fortik | Vice President, Power Supply

June 19, 2026

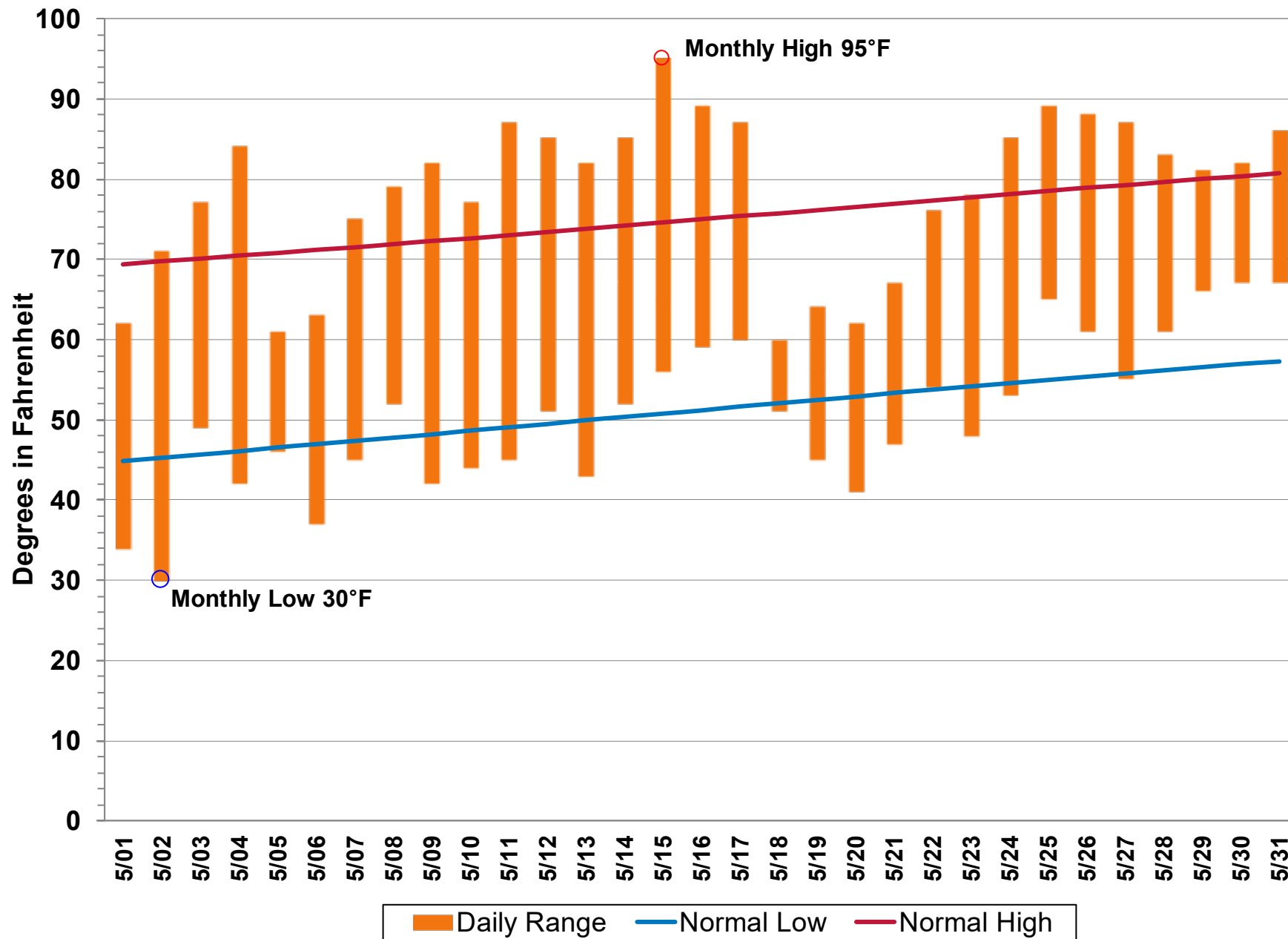
Monthly Actual vs. Budget



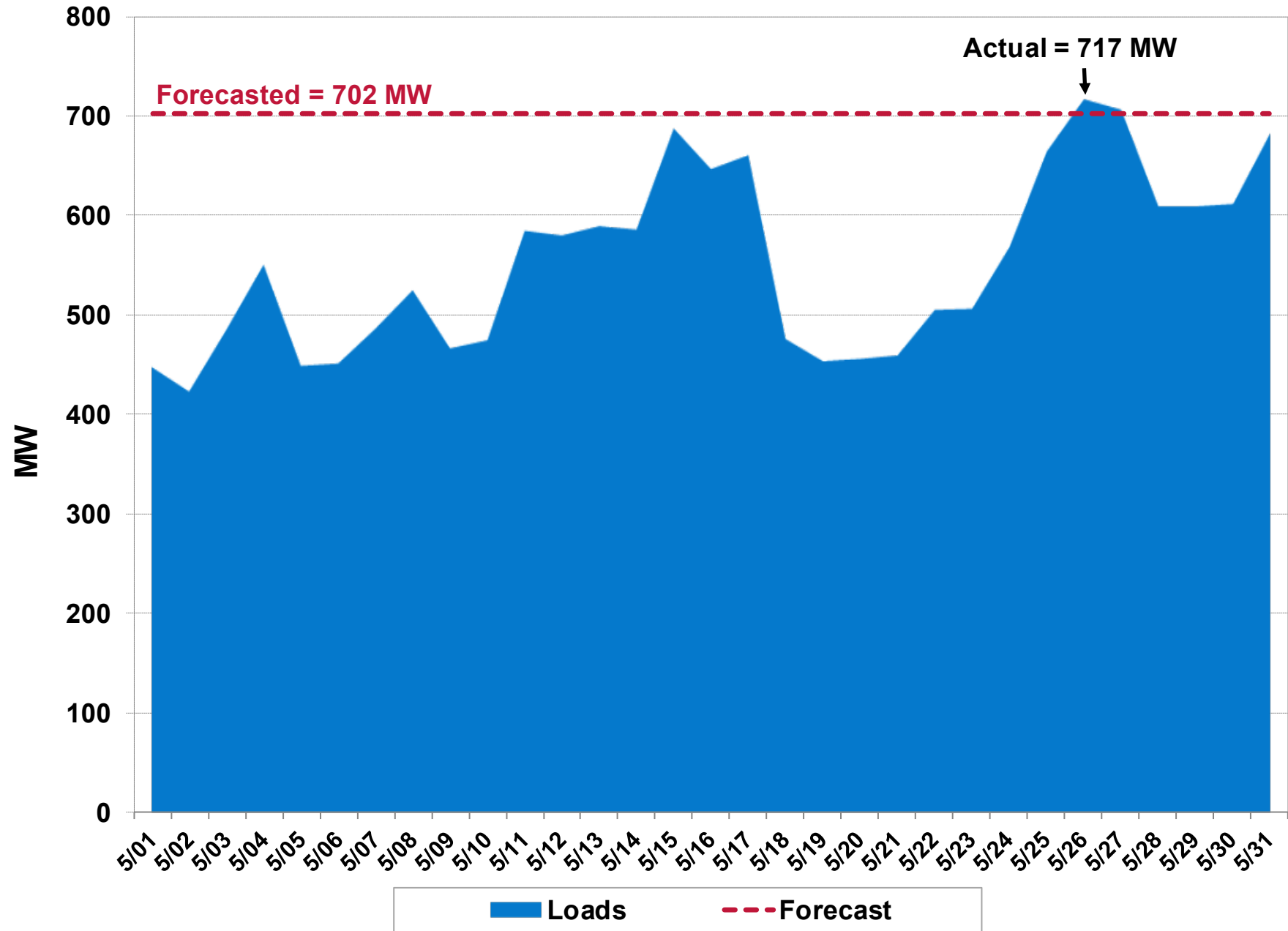
*Non-Owned Asset Power does not include SPP IM Purchased
 **Contract Sales does not include SPP IM Revenue
 ***SPP Other includes Over-Collected Losses and ARR's/TCR

Legend: Budget (Orange), Actual (Blue)

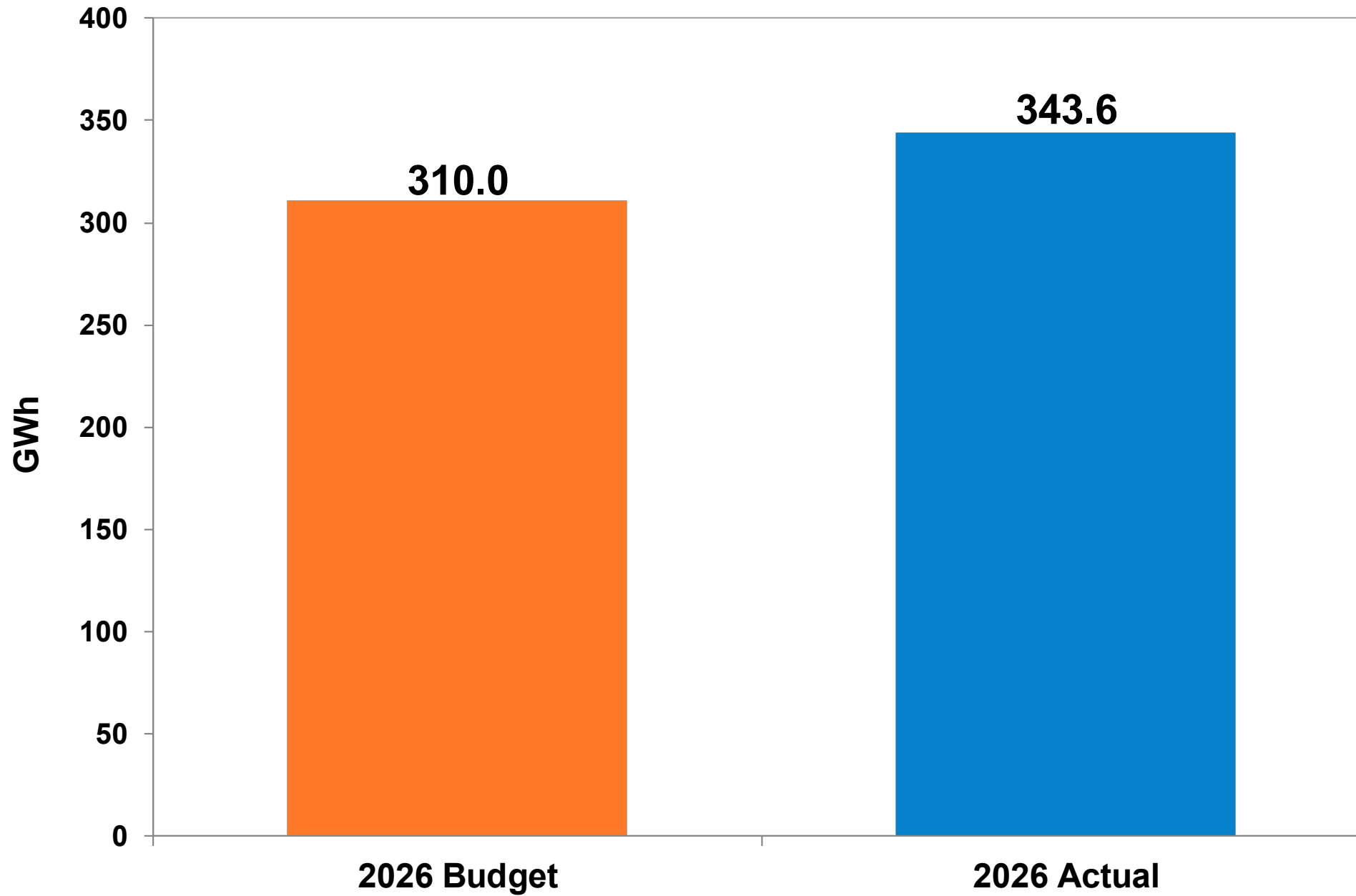
Daily Temperature Range



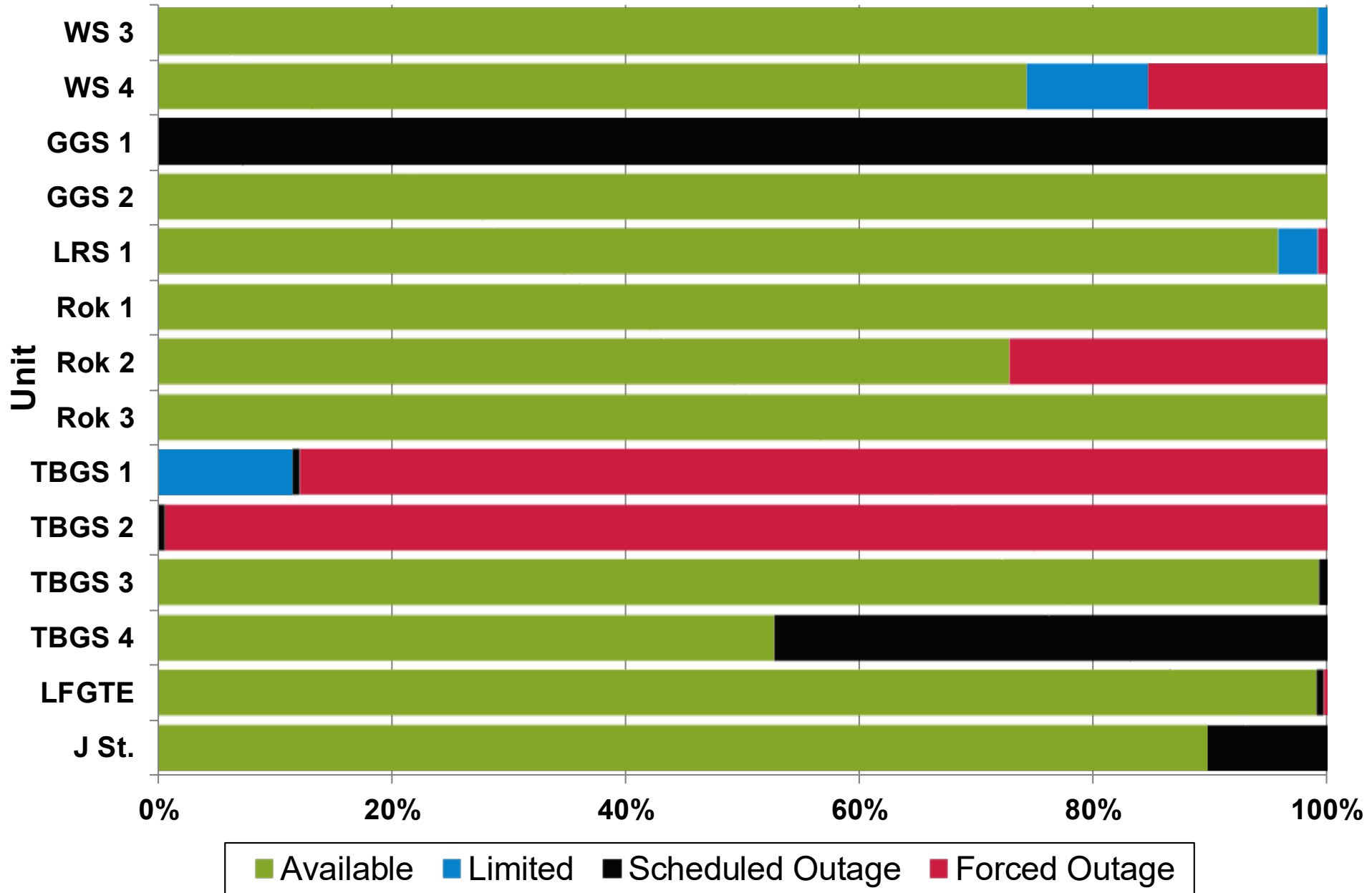
Loads



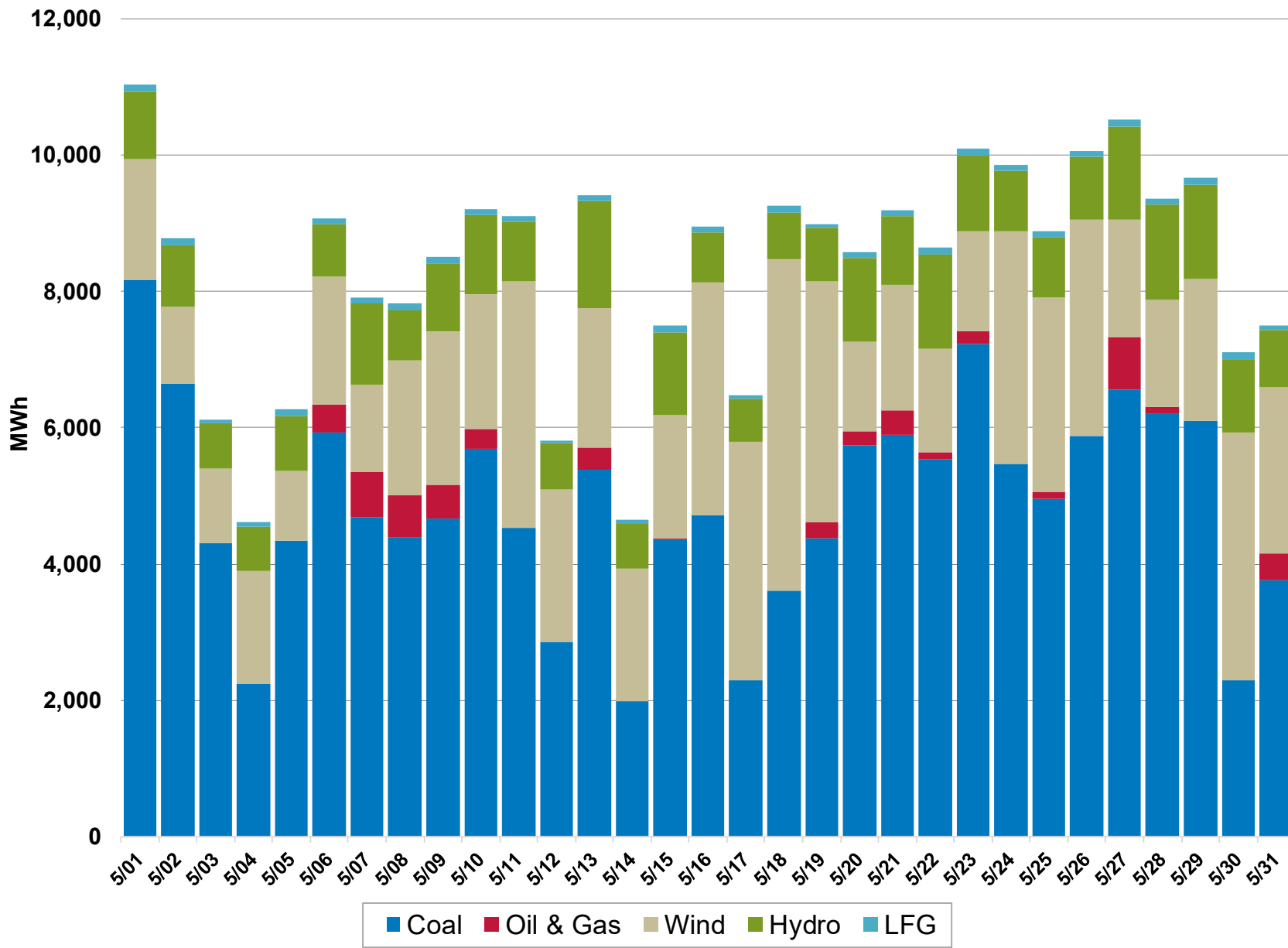
Customer Energy Consumption



Unit Equivalent Availability



Resource Energy

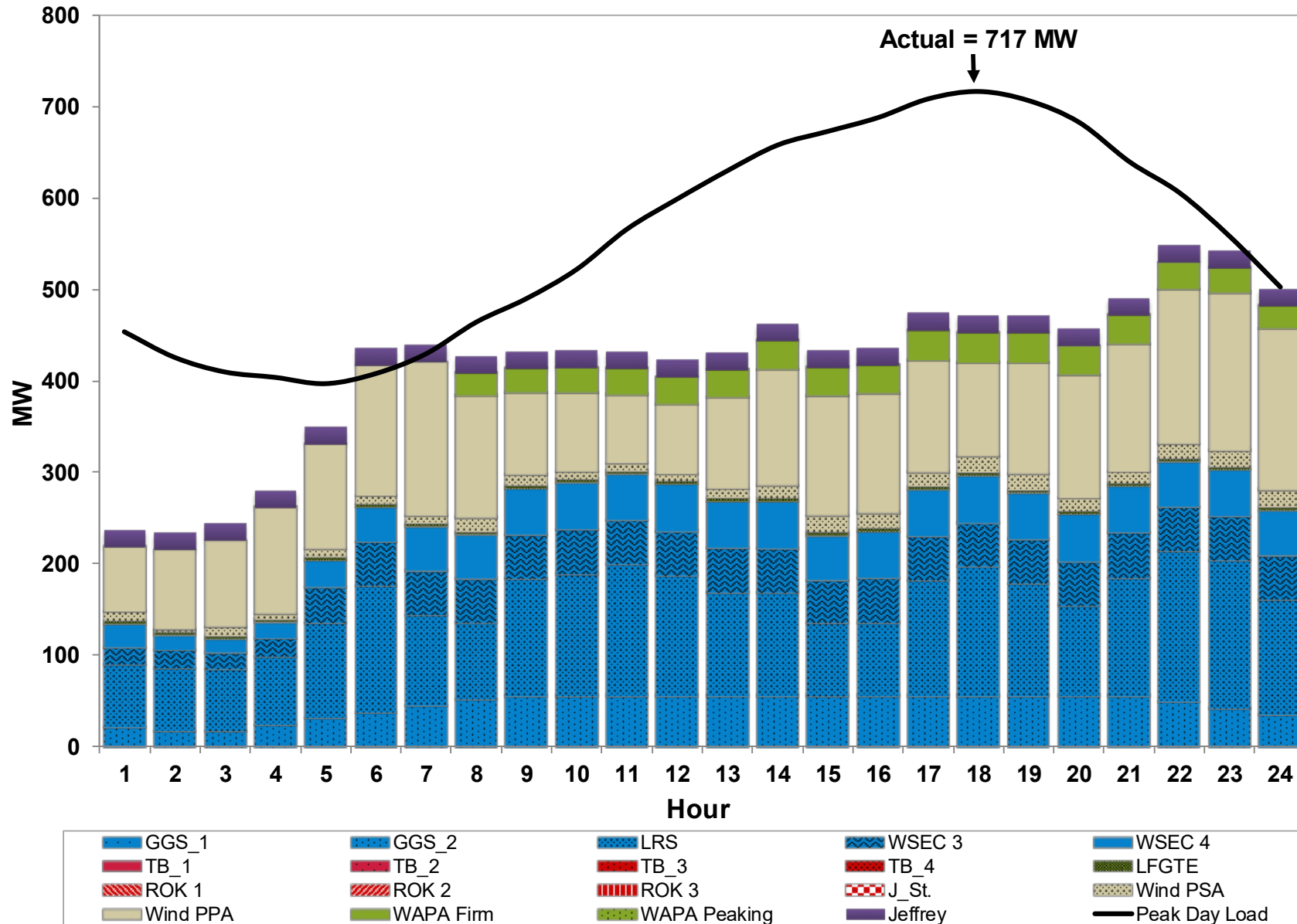


■ Coal
 ■ Oil & Gas
 ■ Wind
 ■ Hydro
 ■ LFG

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

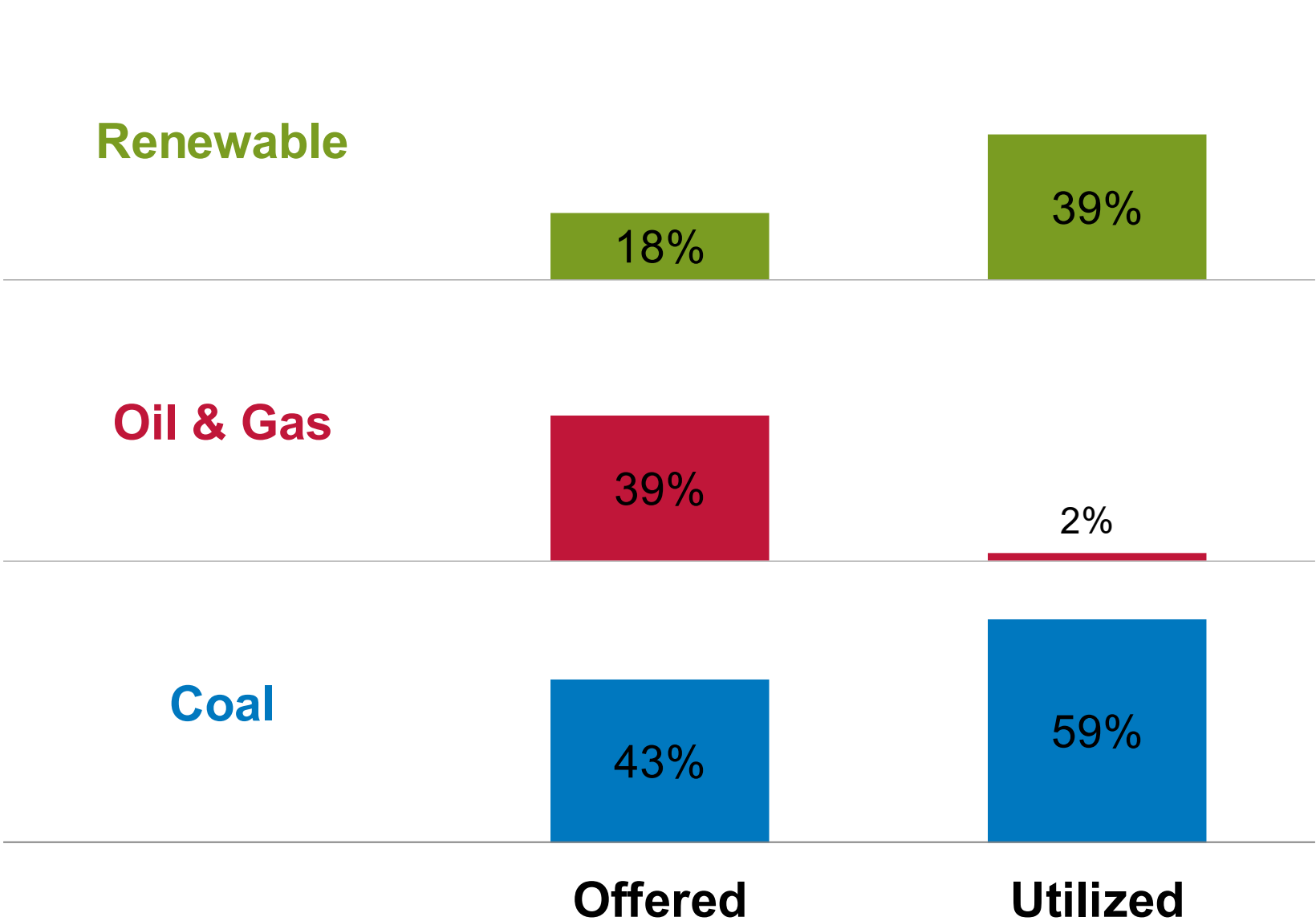


Peak Load Day – May 26, 2026



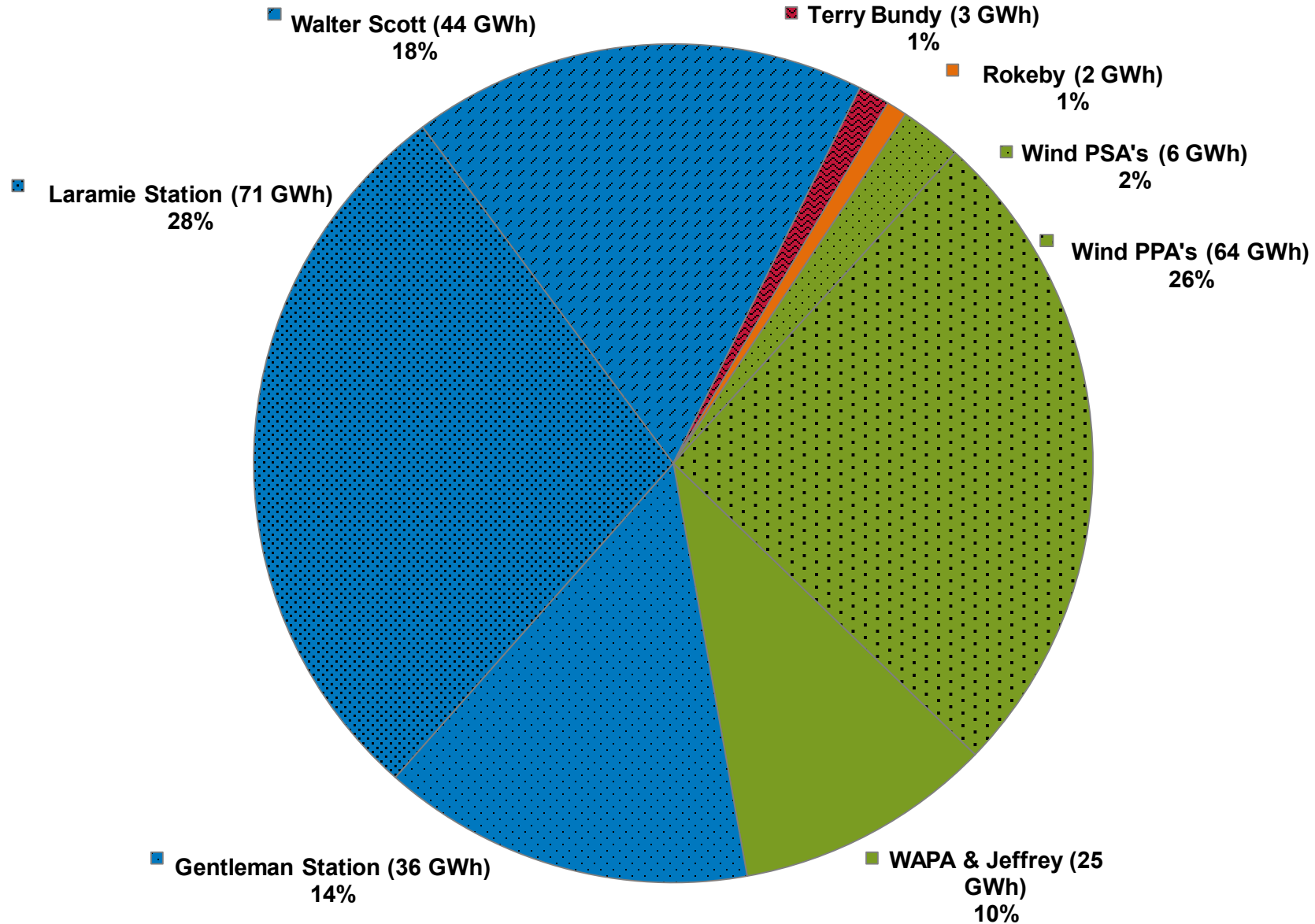
Note: LES is selling the Renewable Energy Certificates (RECs) associated with its applicable resources and the renewable attributes are transferred to the REC recipient.

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 VI



MEMORANDUM

Date: June 8, 2026
To: LES Administrative Board
From: Emily N. Koenig, Chief Financial Officer
Subject: Tax-Exempt Compliance Update

In accordance with LES' Tax-Exempt Financing Compliance Procedure (the "Procedures") this memo is to provide notice to the LES Administrative Board that as of June 8, 2026, LES is in compliance with all requirements of the Procedures.

Additionally, the Procedures will soon be updated to include the bonds that will be issued this month (the 2026 Series).