

Stepping Forward



2023 Annual Report



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2023 Highlights

JANUARY

Authority launches BondLink website to educate bond investors



MARCH

Board approves repayment of costs associated with a rehabilitation project for the Kaw Hydroelectric plant

Oklahoma Secretary of Energy and Environment Ken McQueen speaks at Annual Meeting



MAY

Board approves plan to enter into a contract for a battery storage project with Nextera Energy Resources

JUNE

Members of the OMPA Field Services Department assist in the Light Up the Navajo Nation effort

Dave Osburn takes over as Chair of the American Public Power Association's Board of Directors



JULY

Board approves contract with Virtual Peaker for the establishment of a demand response program



SEPTEMBER

Construction project for OMPA's first ever solar generation begins in Kiowa County in southwest Oklahoma



NOVEMBER

Jennifer Smith named OMPA's Assistant General Manager

2023 In Review



Chair Homer Nicholson



General Manager Dave Osburn

The theme of the 2023 Annual Report, “Stepping Forward”, is a reflection of the Oklahoma Municipal Power Authority’s ability to take on significant challenges in its role as a wholesale power supplier, but also the manner in which the Authority has embraced the opportunity to show leadership in the public power industry.

It was a unique honor for General Manager Dave Osburn to take over as Chair of the American Public Power Association’s (APPA) Board of Directors in June. The APPA has proven to be a stalwart in the advancement of public power and adding the general manager’s voice to that effort was an acknowledgment of the OMPA way. This was re-enforced by other OMPA staffers

serving in key roles at APPA’s conferences and on boards and committees throughout the year, including Director of Member Services Jennifer Smith in a role on the Board of Directors for the APPA’s Demonstration of Energy & Efficiency Developments program. This leadership was paralleled by the OMPA Board, as Chair Homer Nicholson continued to serve on the APPA’s Policy Maker’s Council and Jason McPherson on the APPA Board of Directors.

Beyond the conference and meeting rooms, more leadership was taking place, as a crew from the Field Services Department volunteered to assist with the Light Up Navajo Nation project. The OMPA crew of five was joined by another crew from Edmond Electric who spent a week bringing electric service

to the Navajo Nation, which occupies parts of New Mexico, Arizona and Utah. The dozens of utilities who have participated in the project over the years show the strength of public power when its communities and agencies band together.

“Stepping Forward” isn’t just about being out front with personnel, however. It’s also about continuing to move the organization and its members ahead as regulatory bodies and customers continue to have emerging mandates and expectations. In response, OMPA in 2023 finalized several key steps related to capacity and demand.

The Authority had previously agreed upon terms to purchase power from a solar project, but 2023 marked that development actually breaking ground, after temporary delays. The North Fork Solar project, located in Kiowa County near members Altus and Frederick, marks the first time OMPA has added solar generation to its resource mix. The well-priced addition not only contributes to the Authority’s future flexibility, but gives commercial customers of member utilities who want renewable resources an opportunity to purchase newly created renewable energy credits.

The Board of Directors also approved, and work began, on a rehabilitation project for the Authority’s longest-held resource, the Kaw Hydroelectric facility near Ponca City. The work slated to be completed there will ensure that the facility continues to be a part of OMPA’s resources in the coming years.

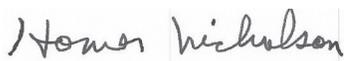
Meeting demand is about more than just creating and maintaining capacity, however. It is also about keeping demand in check. OMPA has for many years offered energy-efficiency-related programs designed to do that. In July, the Board of Directors approved a 5-year contract with Virtual

Peaker for the creation of a demand response program. These types of offerings have been in existence throughout the industry for years and involve incentives to customers for allowing their usage to be controlled during peak events. As such, the program promises to bring benefits to not just end-use customers, but also OMPA’s member utilities and the Authority itself.

The year was a welcome one in terms of cost to members, as low natural gas prices helped lead to a precipitous drop in costs from the year before. In general, the Authority has done an impressive job in curtailing costs to its members, as its mission statement long dictated it should. The graph on page 9 shows just how much OMPA costs have been kept in check over the last decade, when compared to both the rate of inflation and the rise in average retail rates nationally and in Oklahoma. OMPA leaders – both staff and the Board of Directors – have done an effective job of managing costs, even with all the obstacles that have arisen.

Also included on that page is a graph showing the financial benefit being a public power community has had for the members. OMPA cities and towns see the revenues from owning their own electric systems filtrate throughout their communities in the form of improved municipal services and other offerings that improve their quality of life. It’s impactful to see such a large number and the customers of OMPA member utilities should be thankful for their local systems.

With a solid founding model, OMPA has always been well-positioned to bring benefits to the members it serves. Thanks to the leadership found throughout the organization, it carried out that mission in 2023 and is ready to continue doing so in 2024 and beyond.



Board of Directors

Chair



Homer Nicholson
Ponca City

Vice Chair



Jim Greff
Prague

Secretary



Glenn Fisher
Edmond

Treasurer



Dale Bunn
Purcell

Elector



Gary Jones
Altus

Elector



Chuck Ralls
Comanche

Elector



Kenzie Wheeler
Duncan

Elector



Patty Witchey
Laverne

Elector



Jason McPherson
Marlow

Elector



Dixie Johnson
Perry

Elector



Karie Beth Little
Watonga

Those who also served on the OMPA Board of Directors in 2023 included Dave Slezcik of Kingfisher and Kimberly Meek of Duncan.

Key Personnel

General Manager



Dave Osburn

General Counsel



Ellen Edwards

Director of Finance/CFO



John Vansant

Director of Engineering



Jim McAvoy

Director of Operations



Natasha Brown

Director of Mem Services



Jennifer Rogers

Plant Manager



David Huff

Manager of H.R.



Andrea Simmons



Between offices in Edmond and Ponca City, as well as the Field Services Department, the Authority averaged 77 employees through 2023.

Financial

	2023	2022	2021	2020
Operating Revenues	182,724,943	\$220,623,253	\$191,825,632	\$172,237,780
Operating Expenses	169,109,352	\$198,606,747	\$168,497,987	\$152,391,278
Operating Income	13,615,591	\$22,018,506	\$23,327,645	\$19,846,502
Net Interest Expense Bonds	20,122,138	\$21,293,867	\$23,550,505	\$25,042,219
Increase/Decrease in Net Position	\$2,373,393	\$241,171	\$264,573	\$243,173

Financial

Public Power Provides Value

\$63.7 million

*of annual benefits
to OMPA's 42 member communities*

OMPA staff, with assistance from staff in certain member utilities, has been assembling value reports to show the tangible fiscal benefit of municipal-owned utilities to the communities they serve. Through 2016-2023, more than half of the OMPA membership had individual reports compiled for their utilities.

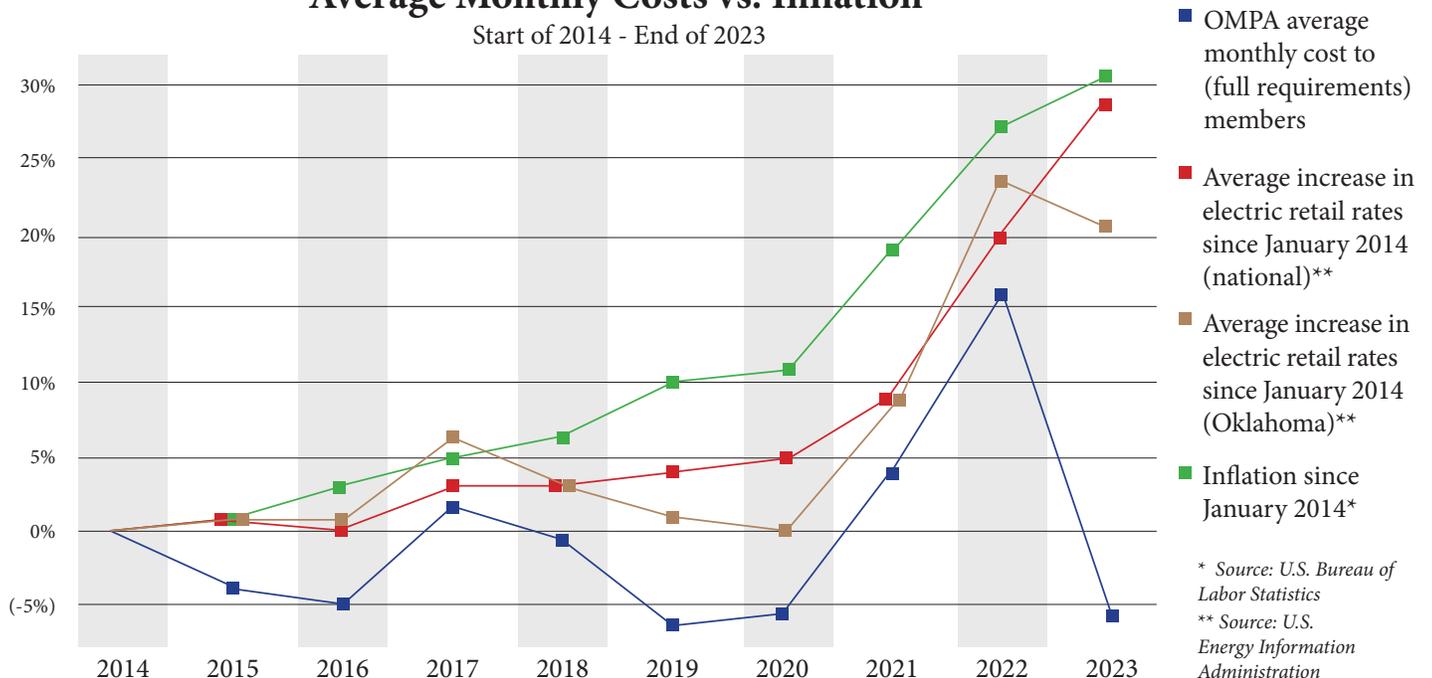
The results showed an average of \$530 of value per meter served each year. Multiplied by the number of meters served across the OMPA footprint, that is a collective value of \$63,782,320 annually for the communities who are a part of the Authority.

OMPA Costs Remain Low

Providing low-cost power has always been part of the mission of OMPA. That focus can be seen in how well the Authority has restricted costs to cities over the past decade, outpacing both the rate of inflation and increases in the average retail rate both state-wide and nationally. As OMPA keeps pace with changes and challenges in the industry, it will strive to keep costs to the members a focal point.

Average Monthly Costs vs. Inflation

Start of 2014 - End of 2023



Membership

The Oklahoma Municipal Power Authority (OMPA) is a wholesale power company owned by 42 municipal electric utilities located in 29 Oklahoma counties.

In 2023, OMPA provided power to 120,344 customers in its member cities, including 104,476 residential customers and 15,869 commercial/industrial customers. OMPA's service area encompasses approximately 250,000 Oklahomans.

Members

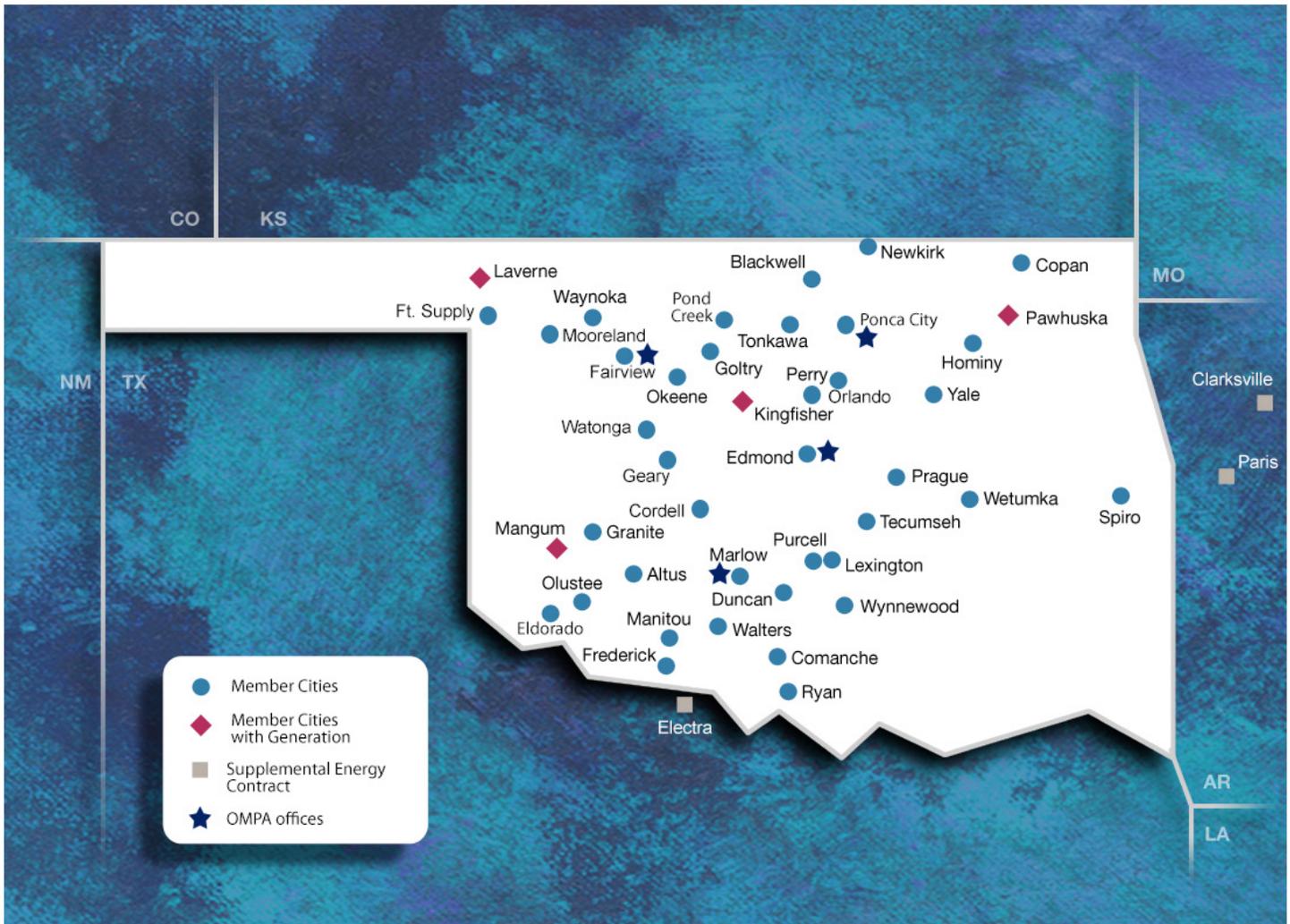
Altus Municipal Authority
Blackwell Municipal Authority
*Comanche Public Works Authority**
*Copan Public Works Authority**
*Duncan Public Utilities Authority**
Edmond Public Works Authority
*Eldorado Public Works Authority**

Fairview Utilities Authority
Fort Supply Public Works Authority
Frederick Public Works Authority
Geary Utilities Authority
*Goltry Public Works Authority**
*Granite Public Works Authority**
*Hominy, Oklahoma Public Works Authority**
Kingfisher Public Works Authority
Laverne Public Works Authority
*Lexington Public Works Authority**
Mangum Utilities Authority
*Manitou Public Works Authority**
Marlow Municipal Authority
Mooreland Public Works Authority
New Cordell Utility Authority
Newkirk Municipal Authority
Okeene Public Works Authority
*Olustee Public Works Authority**
Orlando Public Works Authority
Pawhuska Public Works Authority
Perry Municipal Authority
Ponca City Utility Authority

Pond Creek Public Works Authority
Prague Public Works Authority
*Purcell Public Works Authority**
*Ryan Utilities Authority**
*Spiro Municipal Improvement Authority**
Tecumseh Utility Authority
Tonkawa Municipal Authority
*Walters Public Works Authority**
Watonga Public Works Authority
Waynoka Utilities Authority
*Wetumka Municipal Authority**
Wynnewood City Utilities Authority
*Yale Water and Sewage Trust**
 * Also has SWPA Allocation

Others Served

Clarksville (AR) Light & Water Company
Electra (TX) Utility Authority
Paris (AR) Municipal Light & Water



Generation

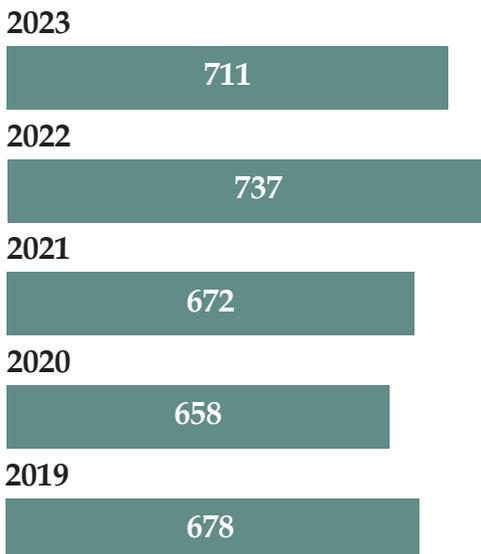
Resource Mix

Natural gas was the leading resource for the Authority in 2023 at 55 percent of the mix. This was the first time that natural gas made up that large a percentage of the resource mix.



System-Wide Peak

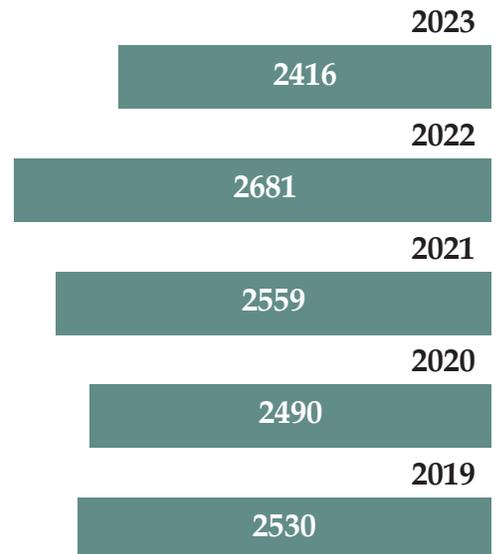
OMPA's coincident peak for utilities served in Oklahoma only was 711 megawatts in 2023, which was slightly down from the year before.



Energy Delivered

OMPA's total power delivered in 2023 was 2,416 gigawatt hours, which remained similar to recent years.

In all, 24,851 gigawatt hours of power have been delivered in the last 10 years.



Resources



The North Fork Solar Farm and accompanying substation being constructed in southwest Oklahoma.

Remaining flexible has always been a priority for The Authority when analyzing long-range generation planning. That strategy has proved useful as OMPA has found itself forced to respond quickly to regulatory changes and plant retirements that altered the Authority’s resource mix.

Part of that response included an agreement to purchase power from the North Fork Solar Farm, which broke ground on construction in 2023. This marked the first time that solar would be part of OMPA’s resource mix, joining other generating types natural gas, coal, wind, hydro, steam, petroleum and landfill-to-gas, which have all been used to at one time to supply OMPA’s power since it began serving

member cities and towns in 1985.

The North Fork Solar Farm is located in Kiowa County, in southwest Oklahoma near members Frederick and Altus. OMPA’s 15-year purchase agreement comes at a cost-efficient fixed price and will further help diversify the Authority’s resources. It is rated at 120 megawatts of nameplate capacity.

Recurrent Energy, a subsidiary of Canadian Solar Inc., was the developer for the project.

Even with the addition of the solar farm, OMPA expects to have natural gas lead the resource mix. It was an all-time high of 55 percent of the mix in 2023, followed by renewables – including hydro and wind generation – at 24 percent.

When generating types joined OMPA resource mix

Coal:	1985, Henry S. Pirkey Plant	Wind:	2003, OK Wind Energy Center
Hydro:	1986, Kaw Hydroelectric	Landfill-to-gas:	2013, Sand Springs LFG
Steam:	1990, Unit No. 1 Ponca City	Solar:	2024, North Fork Solar
Natural gas:	2000, McClain Power Plant		

(Does not include capacity purchased from member-owned generation starting in 1984, 1989 and 2004)

Resources

Power Supply



Kaw

Location: Ponca City, OK
OMPA share: 34 MW
Type: Hydro



Redbud

Location: Luther, OK
OMPA share: 161 MW
Type: Natural Gas



Grant Plains

Location: Grant County, OK
OMPA share: 41 MW
Type: Wind



Oneta

Location: Broken Arrow, OK
OMPA share: 50 MW
Type: Natural Gas



McClain

Location: Newcastle
OMPA share: 115 MW
Type: Natural Gas



OK Wind Center

Location: Woodward, OK
OMPA share: 51 MW
Type: Wind



Canadian Hills

Location: El Reno, OK
OMPA share: 49 MW
Type: Wind



GRDA #2

Location: Chouteau, OK
OMPA share: 19 MW
Type: Coal



Charles Lamb Center

Location: Ponca City, OK
OMPA share: 103 MW
Type: Natural Gas



Ponca City

Location: Ponca City, OK
OMPA share: 63 MW
Type: Gas/Steam



Landfill-to-Gas

Location: Sand Springs, OK
OMPA share: 3 MW
Type: Gas



John W. Turk Jr.

Location: Fulton, AR
OMPA share: 43 MW
Type: Coal

Programs

In the fall of 2023, OMPA began offering the Turn Down the Watts program. It is a voluntary program, designed to incentivize residential customers to lower their demand during peak periods, reducing overall costs for both they and the Authority.

As part of the program, customers are offered a rebate for eligible Smart Thermostats. In addition, those with Smart Thermostats are also offered the chance to enroll in the demand response program, which offers incentives for sign-up as well

as participation in demand control operations during peak periods.

These programs are in addition to other efficiency-related rebate and audit programs that OMPA offers to member customers. Some of them, such as the Ways I Save Electricity (W.I.S.E.) program are offered on a cost-share basis with the participating member utility. Others are operated by OMPA, including the Demand & Energy Efficiency Program (DEEP), as well as residential energy audits.

Turn Down the Watts

Year	Participants
2023	370

W.I.S.E. Heat Pump

Year	Projects	Rebates	kW Savings
2023	17	\$25,475	27.29
2022	21	\$10,385	32.60
2021	38	\$17,326	62.62

W.I.S.E. Ceiling

Year	Projects	Rebates	kW Savings
2023	58	\$.9,150	64.73
2022	40	\$.6,125	45.94
2021	35	\$.5,025	38.27

D.E.E.P.

Year	Projects	Rebates	kW Savings
2023	11	\$36,511	206.93
2022	5	\$74,377	493.66
2021	12	\$47,095	289.23

Energy Audits

Year	Audits
2023	76
2022	101
2021	51

For the Oklahoma Municipal Power
Authority's full 2023 financial report,
go to ompa.com/about/financial or
scan the code below



