

The Oklahoma Municipal Power Authority is a not-for-profit municipal joint-action agency created for the purpose of providing an adequate, reliable, and affordable supply of electrical power and energy to Oklahoma's municipally owned systems.



Who is OMPA?



Cities worked to get enabling legislation passed in 1981

Enabling legislation found under Title 11 (Municipalities)

Joint Action Agency

Stakeholders, not shareholders;
Members not Customers

Reliable economic power & services- our only focus



Why/How was OMPA formed?

- Formed by several municipal electric systems and public trusts that owned their own electric system as a less-expensive power supply option
- This would allow these municipalities to maintain local control
- From the beginning, OMPA was intended to be a municipal organization
- It was up to OMPA's member municipalities to create the organization and put all the pieces in place
- It was up to OMPA's member municipalities to fund the organization and control its future
 - No State of Oklahoma funding - ever



Governance

- The 11-member Board is elected by the Member Cities at our Annual Electors' Meeting.
- 5 positions on the board should be reserved for the electors representing the 5 largest Member Cities based revenue.
- **Board Members Set Our Rates**
 - Rates are designed to cover costs and meet bond covenants, not provide return to shareholders or cover the cost of other subsidiaries or operations.
- Our board is committed to diversity with a good mix of our largest cities and some of the smallest.



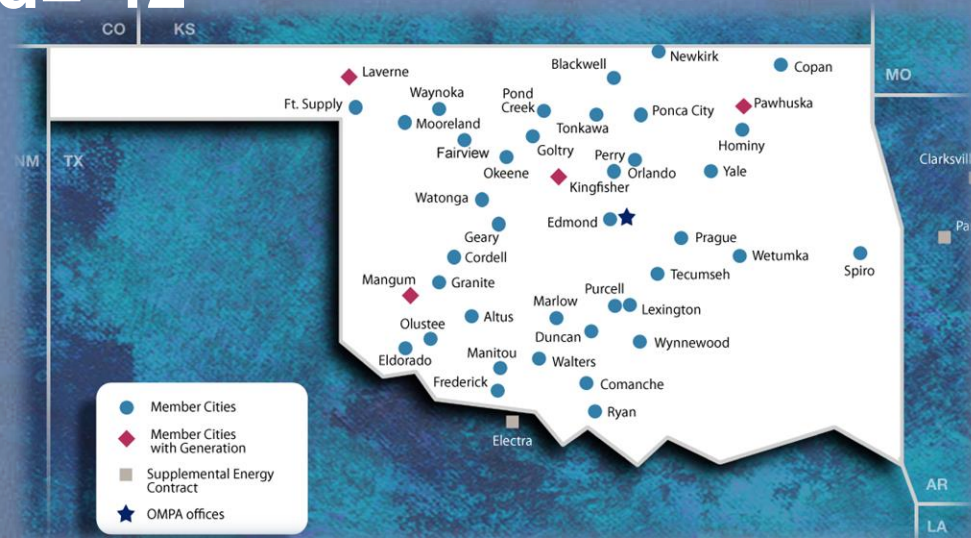
What is OMPA?

- OMPA is a municipal joint-action agency
- OMPA is considered a non-appropriated agency
- We receive no funds from the state
- All property and income of OMPA is nontaxable
- OMPA personnel are considered unclassified employees
- OMPA charges no fees, receives no tax dollars
- OMPA carries its own credit rating and not that of the state
- Vast majority of OMPA's accounts are held by our Bond Trustee under the applicable bond resolutions and are restricted to the uses
- In 2015, the Senate Select Agencies report reflected that OMPA “operates independently and is a state agency by statutory reference only. It would not need to remain as an agency reviewed by the subcommittee.”



A Little History

- Between 1981 to 1985 cities worked to finance and form the organization
- Began service 1985 w/26 cities, with others joining over the years
- 2015- Added 2 cities
 - Mooreland and Fort Supply (Sept. 1 2015)
- 2016- Added 1 member city
 - Cordell
- Oklahoma cities served= 42



Resources

- ❖ 5 Coal Plants - 181 MW
- ❖ 3 Combined-Cycle Gas 330 MW
- ❖ 2 Simple-Cycle Gas 145 MW
- ❖ Hydro 32 MW
- ❖ 3 Wind Projects 140 MW



System Purchase 40 MW
PPA Combined-Cycle 50 MW

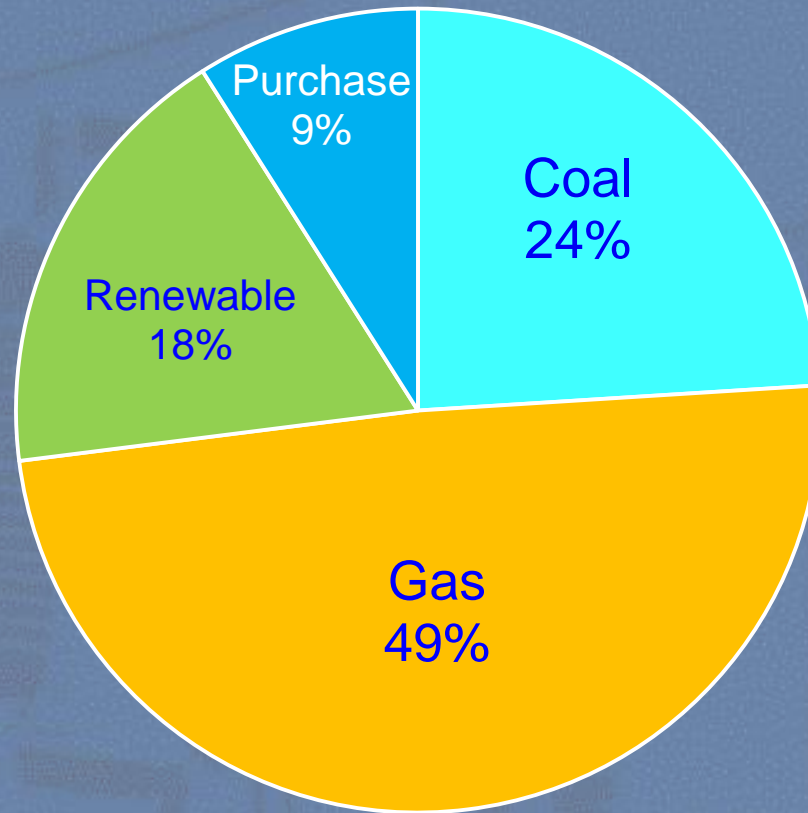


- ❖ 1 Gas Steam 32 MW
- ❖ Federal Hydro 121 MW
- ❖ Landfill Gas



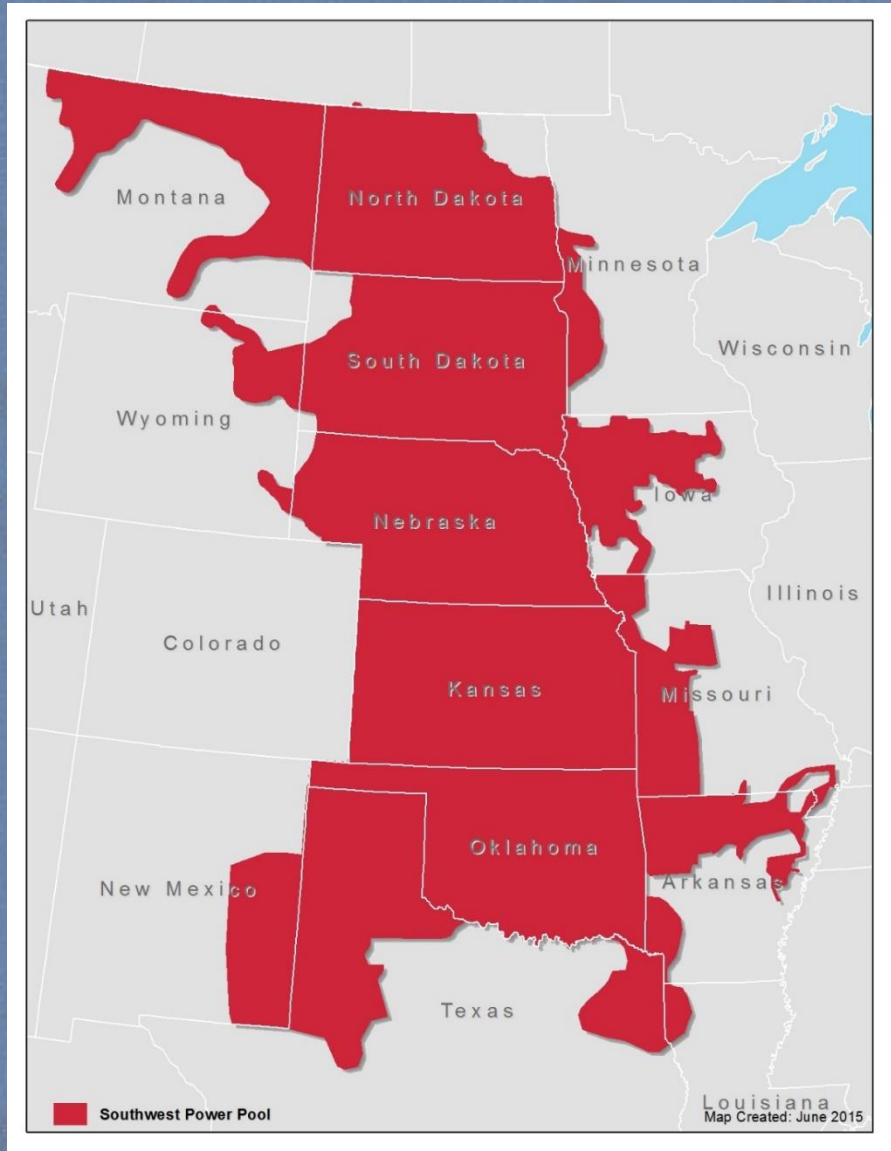
2018 Energy Mix

OMPA owns
74% of the
resources
used to serve
the member
cities.



Southwest Power Pool Footprint All, or part, of 14 States

- Grid Reliability
- Transmission Service
- Operates Markets
 - > Day ahead energy
 - > Real time energy
 - > Congestion hedging
 - > Ancillary services
- Requires complex IT & software systems to operate in SPP
- Some financial settlements occur every 5 minutes



OMPA Operations

- OMPA operates in a very complex industry
- Sophisticated IT systems
 - Interconnected to other critical utilities and SPP
- Subject to Federal electric reliability and cybersecurity standards (NERC)
 - Subject to penalties (\$1 million/day max.)



Public Power

- OMPA's member cities use the revenue generated by their municipal electric systems to provide other essential city services
 - Police, fire, parks, libraries, etc.



OMPA is a true “cost of service” organization. As a municipal public power entity, OMPA is owned by the member cities we serve.

