



December 19, 2025

Mr. Chuck Hutchison, Chairman  
Mr. Tim Texel, Executive Director  
Nebraska Power Review Board  
301 Centennial Mall South  
PO Box 94713  
Lincoln, Nebraska 68509-4713

Mr. Craig Palik  
Procurement Manager  
Materiel Division – State Purchasing Bureau  
Nebraska Department of Administrative Services  
1526 K Street, Suite 130  
Lincoln, Nebraska 68508

RE: Service Contract No. 94906 O4  
Southwest Power Pool Consultant

Dear Mr. Hutchison, Mr. Texel and Mr. Palik:

Since 2011, JK Energy Consulting, LLC (JKEC) has appreciated the opportunity to represent the interests of the Nebraska Power Review Board (NPRB) on transmission issues before the Southwest Power Pool (SPP), including serving as NPRB's voting representative on the Regional State Committee's (RSC) Cost Allocation Working Group (CAWG). In addition, JKEC monitors several other working groups and serves as an advisor to the NPRB's voting member of the RSC.

Under the terms of the Service Contract Award, the existing contract is effective July 1, 2025 through June 30, 2026, with the option to renew for additional one-year periods as mutually agreed upon by the parties. Based on my telephone conversation with Mr. Texel in mid-December, it is my understanding that the NPRB is interested in renewing the contract for an additional year. JKEC is agreeable with the renewal.

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John A. Krajewski, P.E.  
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Under the Terms and Conditions of the Service Contract, III. Contractor Duties, Section E. Prices:

Prices submitted on the cost proposal form, once accepted by the State, shall remain fixed for the first two (2) one-year contract periods (from July 1, 2021 through June 30, 2023). Any request for a price increase applying to subsequent one-year contractual periods shall not exceed five (5) percent (%) of the price proposed for the preceding one-year contract period. Increases shall be cumulative. The request for a price increase must be submitted in writing to the State Purchasing Bureau a minimum of 120 days prior to the end of the current contract period. Documentation may be required by the State to support the price increase.

JKEC is interested in continuing to provide services to the NPRB for another year at a fixed fee of \$15,463 per month, which is approximately 4% higher than the current fixed fee of \$14,868 per month. As a result of expected increased costs for salaries and other operating expenses, billing rates are being increased for JKEC's other clients as of January 1, 2026. Attached to this letter is a copy of JKEC's Standard Billing Rates, effective January 1, 2026 (Attachment 1), as well as a copy of a letter that was sent to clients on December 1, 2025, providing written notice of the rate increase (Attachment 2). The increases vary by individual staff member, but on a composite basis exceed 6%.

The general scope remains the same and will continue to include services provided by me as the primary representative on the CAWG and Eugene Mauk as my proxy, if circumstances dictate that I am unable to attend. My duties include working as the CAWG liaison to the Market Working Group, serving as a member of the Coordinated Planning Process Task Force, participating in Supply Adequacy Working Group meetings, monitoring the Strategic Planning Committee (SPC), and attending the Resource and Energy Adequacy Leadership Team (REAL), Markets and Operations Policy Committee (MOPC), RSC and Board of Directors meetings as well as the newly created Cost Control and Allocation Review & Evaluation Team. Mr. Mauk will continue to review all materials associated with the CAWG, REAL, RSC and Board, monitor the Economic Studies Working Group, attend MOPC and SPC meetings, and serve as a backup to Mr. Krajewski as needed. I believe it is extremely important to have two qualified representatives providing service to the NPRB and plan to continue this approach going forward.

During the first half of the next contract period (July 1, 2026 through June 30, 2027), Mr. Hutchison will be serving as President of the SPP RSC. During that period, I will be serving as chair of the CAWG. With these positions, additional work is required, including preparing the monthly CAWG agenda, preparing the RSC report to the SPP Board of Directors, and participating in various conference calls that I am not currently participating in. I estimate the additional workload will be approximately 9 professional hours per month. Our current contract has an hourly rate for additional tasks of \$137 per hour.

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Based on the continued workload and the billing rate in our agreement for additional tasks, JKEC proposes an additional fixed fee of \$1,233 per month in July through December 2026.

Based on our recent conversation, it is my understanding that the NPRB will most likely act on the contract renewal at its upcoming meeting on January 16, 2026. I plan to attend the meeting to answer any questions about the proposed contract renewal or about SPP matters in general.

If there is anything further that I need to provide you or the Materiel Division, please let me know. We appreciate the opportunity to provide this service to the NPRB, and we look forward to continuing this service into the future.

Sincerely yours,



John A. Krajewski, P.E.  
JK Energy Consulting, LLC

Attachments

## **JK Energy Consulting, LLC - Standard Billing Rate Schedule**

The following rate schedule will be used to determine monthly billings unless a fixed fee or other billing arrangement is specified. The rate schedule will also be used to determine charges for additional services requested but not included in the agreed-upon Scope of Services.

<u>Billable Item</u>	<u>Billing Rate – effective January 1, 2026</u>
John A. Krajewski, P.E.	\$160.00 per hour
Senior Consultant	\$130.00 per hour
Administrative Staff	\$70.00 per hour
Mileage	IRS standard rate for business use (will be updated when the IRS releases the 2026 rate)
Lodging, meals, other travel	Actual cost, without markup
Copies, faxes, postage, phone, other office overheads	Included in hourly billing rate
Outside professional services	Actual cost



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Dear :

In 2026, JK Energy Consulting, LLC (JKEC) will have been providing service to clients for 17 years. Our goal of providing *independent, objective* advice to consumers and producers of energy remains the same. Since 2009, JKEC has served more than 100 clients in nine states. JKEC is grateful for the confidence our clients have placed in us.

JKEC has determined it is necessary to increase the firm's Standard Billing Rates, effective with work performed on or after January 1, 2026. Since forming JKEC, we have been able to avoid increasing billing rates more often than not. This proposed rate increase will only be the fifth billing rate increase since the firm's inception. With the proposed billing rate increase, the rates for the principal consultant will have had a compound rate increase of approximately 1.5% since the firm's inception. JKEC believes its rates and billing practices remain extremely competitive among long-tenured professional engineers working in the utility industry.

The proposed increase in Mr. Krajewski's billing rate is approximately 6.5%. Other staff members will have somewhat larger percentage increases as it is necessary to continue paying competitive salaries to those employees. Attached is an updated rate schedule that includes the new hourly rates.

There are several aspects of the rate schedule that benefit clients and will not change, including:

1. Third-party consulting expenses will continue to be passed through without markup.
2. The standard billing rates will continue to include office incidental expenses, including printing, copies, telephone charges, network and computer costs, and postage.
3. Travel and incidental expenses will be passed through without markup.

As always, we will continue to work to minimize billings to clients through efficient use of time. We will continue to offer "fixed fee" arrangements on many types of assignments, including cost of service studies and other assignments of a routine nature. We will also

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continue to include “not-to-exceed” contract amounts, when appropriate, to provide cost certainty to our clients.

Thank you for being a valued client. Please call me if you have any questions or concerns.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "J.A. Krajewski", is positioned above the printed name.

John A. Krajewski, P.E.  
JK Energy Consulting, LLC

Attachments