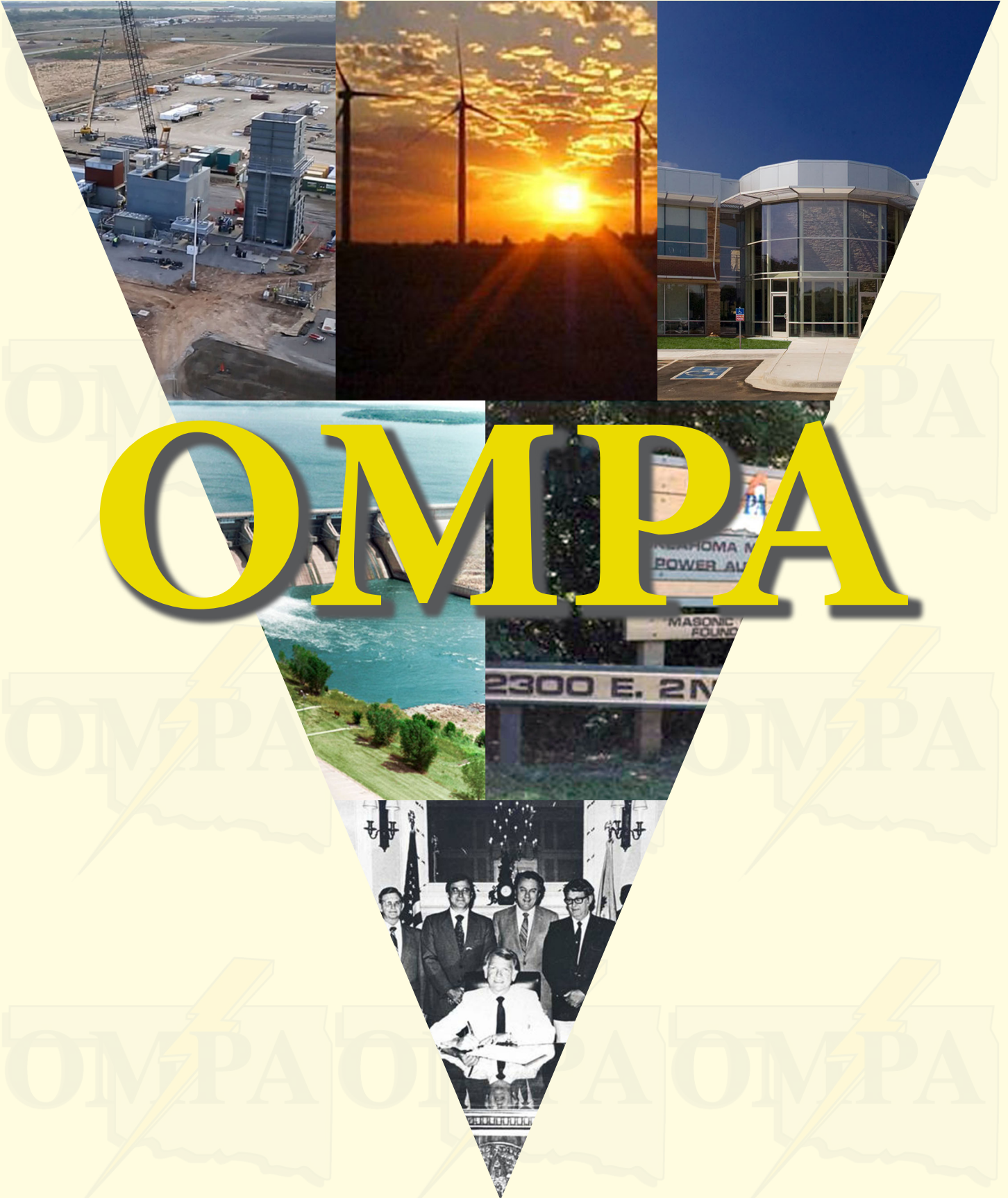


The Continuing Evolution Of



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2014 Annual Report

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2014

...What to Remember

Feb. 17 A groundbreaking is held for the Charles D. Lamb Energy Center, which will serve as the first greenfield plant solely constructed, owned and operated by OMPA



March 1 The Southwest Power Pool, of which OMPA is a member, launches the Integrated Marketplace, making it the central authority in administering day-ahead energy

June 12 The board approves an agreement with the South Central Municipal Cooperative Network (Transco), allowing OMPA the opportunity to partner in transmission projects



June 17 OMPA is presented with the Public Power Wind Award by the U.S. Department of Energy and the American Public Power Association, thanks to recent efforts regarding wind production in Oklahoma

July 23 OMPA successfully completes a North American Reliability Standards audit that found the joint-action agency was in compliance



Sept. 11 The Annual Electors' Meeting is held at the Oklahoma State Capitol, serving as a symbol of OMPA's new legislative push

Oct. 9 The board approves the formation of a two-man linecrew to be staffed by OMPA and used primarily for assistance with five member cities who agreed to share costs

All 2014 The Supervisory Control and Data Acquisitions system is given an overhaul, switching from a land-line operated system to one that incorporates wireless technology



A MESSAGE

from our Board Chair and General Manager



Board Chairman
Charles D. Lamb

General Manager
David W. Osburn

The theme of this year's annual report, "The Continuing Evolution of OMPA", refers to the long-standing process by which the Oklahoma Municipal Power Authority has transcended into more than just a power supplier, including the tremendous steps the joint-action agency made in 2014 with regard to that effort.

Officially created by the state on June 2, 1981, OMPA began with a skeleton crew and the intent of assisting Oklahoma cities with the increasing burden and costs of power supply. By the time OMPA had finished its first decade of service to its member cities, it already had matured into a full-service agency, complete with programs assisting cities in everything from finance to energy conservation.

The eye on the future has never ceased,

propelling OMPA into a 2014 that saw many momentous occasions – most notably the groundbreaking ceremony at the Charles D. Lamb Energy Center. It was a significant milestone, because the natural gas plant will serve as the first greenfield plant solely constructed, owned and operated by OMPA. Construction of the 103-megawatt facility began on Feb. 17, with the turbine being set in August and the year finishing with the project on schedule and under budget.

Power generation is a key aspect of our continued evolution, as we stay in step with changing technology and remain competitive by acquiring generation through a variety of sources. Those efforts were rewarded in June, as the agency was honored with the Public Power Wind Award, presented by the U.S. Department of Energy and the American Public Power Association at the

APPA National Conference in Denver. OMPA was the first power supplier to offer wind energy to municipal customers in Oklahoma with its participation in the Oklahoma Wind Energy Center in 2003, and then supplemented with the Canadian Hills Wind Center in 2012.

Of course, no energy evolution is complete without a renewed effort to keep up with the ever-changing industry regulations. That's why we were pleased to find ourselves in compliance with North American Reliability Standards after an audit that was completed in July. It was the first such audit for OMPA since 2008.

The products and technology keeping energy transmission and distribution stable also continue to evolve. OMPA dedicated more than \$1 million to upgrading three of the substations located in member cities, and installed a long-awaited change to its Supervisory Control and Data Acquisitions system, switching from a land-line-based service to one that is wireless.

Another first for us came in October when the board approved the formation of a new two-man line crew, which will be staffed by OMPA personnel and perform routine maintenance and inspections, among other duties. Their initial obligations will be to those five cities who have agreed to share the costs of the crew.

A huge step was taken in the ever-changing world of regional transmission when the Integrated Marketplace became official on March 1. Designed and built by the Southwest Power Pool, of which OMPA is a member, the marketplace and its day-ahead market, real-time balancing market and congestion hedging markets are predicted to yield up to \$100 million in annual benefits to those in SPP's region.

OMPA also laid the groundwork to increase its ownership share of transmission in the Southwest Power Pool when it collaborated with two other entities to create the South Central Municipal Cooperative Network. This new entity will be a transmission-only company that will bid on new transmission to be built in the SPP.

Changes in the electric industry are constantly being found with regard to individual customers, as well. In 2013, as a way to assist those customers interested in installing geothermal heat pump systems, OMPA created the Geo Loop Program. The board set aside funds that can be loaned to

member cities at a low-interest rate, allowing them to then loan that money to customers installing the loops in geothermal systems. Three member cities agreed to become participants in that program in 2014, and the first residential customer was served by it during the calendar year.

Finally, we experienced an emergence of sorts with regard to our presence in the state legislature, supplementing our government relations firm with in-house staff and staging the Annual Electors' Meeting in September at the State Capitol.

OMPA's resolve is to monitor the legislation being proposed each session to ensure decisions don't conflict with the joint-action agency's ability to continue serving its member cities in the most cost-effective way possible.

OMPA's evolution has truly been a collective effort, led by the collaboration between staff and the member cities we serve. It appears to continue in 2015, with several more historic events planned.

The Charles D. Lamb Energy Center is scheduled to be completed in April, and an official dedication of the site will be held in June. The Ways I Save Energy program and the Competitive Utility Program will celebrate their 25th and 20th anniversaries, helping member cities assist their customers with energy conservation and maintaining their electric systems in an efficient manner.

And, if that's not enough, the evolution of OMPA will be officially documented in a history book, meant to trace the roots of the joint-action agency and the growth it has experienced over three-plus decades.

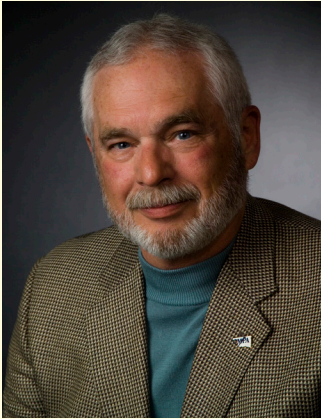
As the industry continues to evolve, OMPA will continue to live by its motto, which is, "To provide reliable, low cost energy and services to municipal entities to enable each municipality to be competitive, while maximizing the benefit to our stakeholders."



Charles D. Lamb

David W. Osburn

Board of Directors



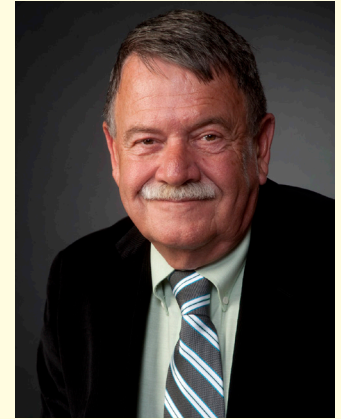
Charles Lamb
Chairman
Mayor
City of Edmond



Buddy Veltema
Vice Chairman
City of Walters



Robert Johnston
Secretary
City Manager
City of Frederick



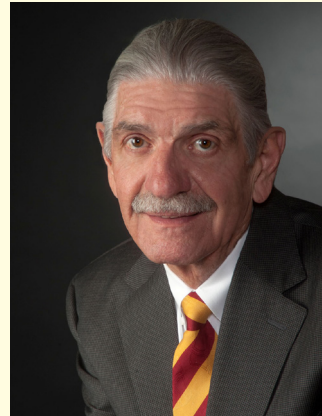
John Ramey
Treasurer
Town Administrator
Town of Okeene



Greg Buckley
City Manager
City of Altus



Dale Bunn
City Manager
City of Purcell



Jim Frieda
City Manager
City of Duncan



Jim Greff
City Manager
City of Prague



Homer Nicholson
Mayor
City of Ponca City



Mary Rupp
City Manager
City of Perry



Leslie Swinerton
Mayor
City of Geary



James C. Joseph
State Bond Advisor
Ex-Officio Member

Key Personnel

Jim McAvoy, P.E.
Manager of Engineering Services

Roger Farrer, Ph. D, CEM, CEA
Manager of Energy Services

Bruce Jackson, CPA
Manager of Accounting Services

Malcolm Booker
Manager of Financial Services

Katie Menzel
Operations Manager

MaryDoris Casey
Markets Manager

Umesh Sadalge
Senior Facilities Engineer

Ashley Stringer
Compliance Manager

Andrea Simmons
HR Administrator

James Hendrix
Ponca City Plant Manager



David W. Osburn
General Manager



Randy Elliott
General Counsel



Drake N. Rice
*Director of
Member Services*



John Vansant, CPA
*CFO/Director of
Corporate Services*



Mike Mushrush
*Director of
Operations*

The Next Generation



Charles
D. Lamb
Energy
Center

CHARLES D. Lamb Energy Center construction approaches final phase

While 2014 had its share of monumental events for the Oklahoma Municipal Power Authority (OMPA), none were more important than what happened with regard to the agency's power resources, thanks to the start of construction of the Charles D. Lamb Energy Center.

Named after its long-time Board Chairman, the 103-megawatt natural gas plant is located in northern Kay County, just east of member city Blackwell and just north of member city Ponca City. Once completed, it will serve as a significant resource for the future, connecting to an existing Southern Star Gas natural gas pipeline, and constructed on 160 acres, giving OMPA the opportunity to expand later.

It is important for one other reason.

"This will be OMPA's first greenfield power plant project in which OMPA is not a partner, but the sole owner and operator," General Manager Dave Osburn declared at the project's groundbreaking on Feb. 13.

The year's activities with regard to the project began

on Jan. 8, when a contract was signed with TIC-The Industrial Company, authorizing the company as the general contractor for construction.

About 100 people were in attendance at the groundbreaking, including the board, OMPA staff, elected officials and staff from member cities and contractor representatives, as well as former OMPA General Managers Roland H. Dawson and Cindy L. Holman.

"Today represents a significant milestone in (OMPA's) 32-year history," said the plant's namesake, Charles Lamb. "Being honored by the board was something that I didn't see coming. I am truly, truly honored."

Construction began on Feb. 17. On June 2, Lamb, Osburn and OMPA's Director of Operations Mike Mushrush visited Charlotte, N.C., to view the Siemens factory building the plant's gas turbine. That turbine was transported to Oklahoma and installed in August.

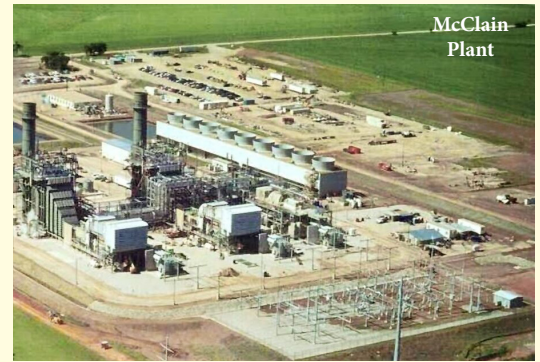
November's board meeting was moved from OMPA headquarters in Edmond to Ponca City, giving board members and other city officials in the area a chance to tour the construction site.

As the year came to an end, the project was on schedule and under its planned budget. It is scheduled to be finished in April of 2015.

KEEPING Them Running

Two different natural gas-powered plants producing generation for OMPA – McClain and Redbud – received crucial maintenance, getting improvements to their gas path systems. The work will increase the capacity of the turbines and each plant’s efficiency. OMPA paid for its ownership share of the projects, which were completed by crews from General Electric.

OMPA owns 23 percent of the McClain Plant, which is a 520-megawatt facility located near Newcastle, Oklahoma. The agency has another 13 percent of ownership in Redbud, which is 1,320 megawatts and located in Luther, Oklahoma.



WIND Power Efforts Honored

On June 17, the Oklahoma Municipal Power Authority was honored for its effort in wind energy production. The U.S. Department of Energy, together with the American Public Power Association (APPA), presented General Manager David Osburn with the 2014 Public Power Wind Award at the APPA National Conference in Denver, Colorado.

The award recognizes publicly owned utilities that demonstrate outstanding leadership in advancing wind power in the United States. OMPA joined 17 other utilities that received the award over the past 12 years.

OMPA received the award for steadily building its renewable energy portfolio in an effort to support members’ green power initiatives. More than a decade previous, OMPA became the first commercial power company to offer wind power to municipal customers in Oklahoma.

In September 2003, the Oklahoma Wind Energy Center became the first operational utility-scale wind project in the state. OMPA purchases 51-megawatts of rated wind energy from the Oklahoma Wind Energy Center, located along the Harper and Woodward County lines.

OMPA also purchases 49.2-megawatts of wind energy from the Canadian Hills Wind Farm near El Reno. The Canadian Hills Wind Farm began commercial operations in December 2012, and is the largest wind farm in Oklahoma. In 2013, OMPA purchased more than 308,000-megawatt hours of wind generating energy, bringing wind energy generation to approximately 10 percent of total annual power production.



103

Megawatts the Charles D. Lamb Energy Center is capable of generating.

AUDIT

Gets Passing Grade

In modern times, electric generation has become much more than simply efficient and economical output. Since the North American Electric Reliability Corporation (NERC) was created in 2006, compliance with its many regulations has also become a key for any electric agency.

The ultimate testament to compliance is an agency’s ability to successfully pass a NERC Standards audit. The Oklahoma Municipal Power Authority (OMPA) did just that on July 23, as an audit performed by the Southwest Power Pool Regional Entity (SPP RE) concluded that OMPA was in compliance with seven standards and 15 associated requirements included within the scope of the audit. It was the first such audit for OMPA since 2008.

The SPP RE audit team findings resulted in ten “no findings of non-compliance” and five “not applicable” determinations.

Public Power Promoters

AUTHORITY a proud advocate of the benefits of public power

When Charles Lamb, the Board Chair for the Oklahoma Municipal Power Authority (OMPA), addressed the crowd at the 2014 Annual Electors' meeting, he did so with a simple and candid message.

"You can consider my report today as a call to action," Lamb said from the floor of the Oklahoma State Capitol on Sept. 11. "We need to look for opportunities to communicate who and what OMPA is and what it means to your city legislators."

The Annual Electors' meeting was held at the Capitol to inspire the electors to become more involved with emphasizing to their state representatives the crucial role municipal-owned utilities play in the state.

However, promotion of public power in general has always been a fundamental part of OMPA. Participation in Public Power Week events, attendance at city council meetings and showcasing OMPA at municipal-related conferences are all ways in which staff have long promoted public power's benefits to the communities within the member cities.

Lineworkers Rodeo

Member city Edmond was the host site for the Annual APPA Public Power Lineworkers Rodeo on April 4-5. Assisted by volunteer staff from OMPA, the national rodeo served as a training opportunity for both apprentice and journeyman lineworkers, before they were able to show off



their skills in a competition the final day.

Staff also assisted with the annual MESO Lineworkers Rodeo in Stillwater on Oct. 1-2.

Public Power Conference

On April 27-29, the annual MESO Public Power Conference, of which OMPA was a sponsor and fellow organizer, was attended by 109 city personnel from 31 cities in Oklahoma and Arkansas, which was a new attendance record for the conference. There were also 74 exhibitors, representing 43 companies and organizations, at the event, which was titled "Hometown Power". The conference is geared toward energy services staff, customer service personnel, electric superintendents and lineworkers.

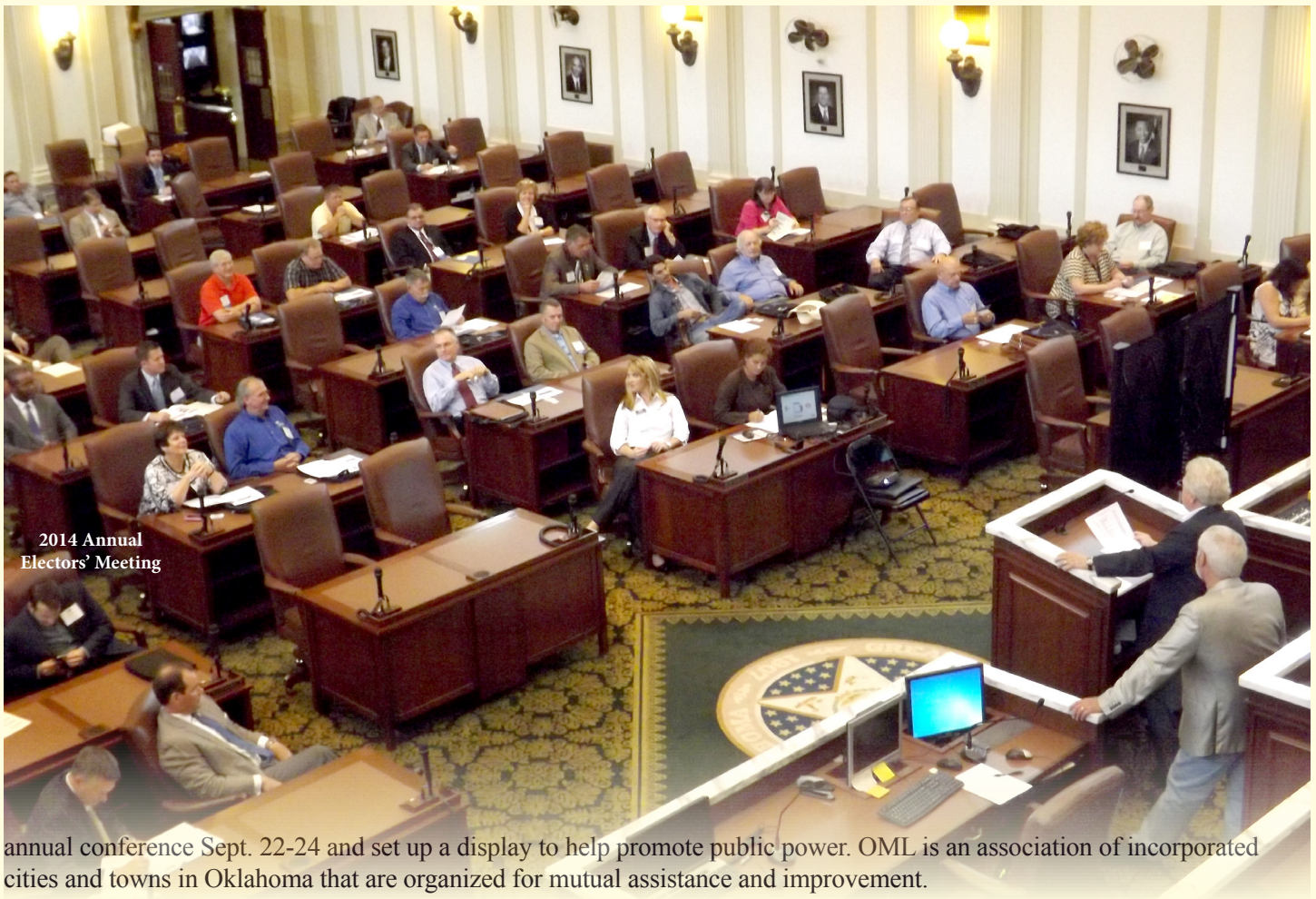
Tim Blodgett, the President and CEO of Hometown Connections, was the opening speaker for the conference. Hometown Connections is the utility services subsidiary for APPA.

OML Conference

Staff attended the Oklahoma Municipal League's (OML)



OMPA staff at
Edmond Electric
Open House



2014 Annual
Electors' Meeting

annual conference Sept. 22-24 and set up a display to help promote public power. OML is an association of incorporated cities and towns in Oklahoma that are organized for mutual assistance and improvement.

Public Power Week

During Public Power Week Oct. 5-11, OMPA staff attended events in seven different cities, handing out informational materials and participating in educational sessions at local public schools. Public Power Week is a national event, celebrated on an annual basis in conjunction with the APPA.

74

Exhibitors at the annual
Public Power Conference

Marketing

To keep pace with the changing electric industry, OMPA created many marketing materials aimed at educating customers of member cities about everything from energy conservation to programs and services offered. They are posted on the agency's website at www.ompacom.com. OMPA also uses this website, as well as several social media tools, to update its member cities about news regarding the agency.

Legislative

On the legislative front, OMPA began arranging meetings late in the year between staff and council from member cities and their representatives in the state legislature. The meetings are designed as an opportunity for members of the Oklahoma Senate and House of Representatives to learn about public power and the formation of OMPA, including how it works to improve the stability of its member cities around the state.

Future

Coinciding with its legislative push, OMPA has contracted to publish a book on its history, hoping to not only use it as a way to preserve the memories of the joint-action agency's early years, but also use it as a tool to communicate the context by which OMPA was created in 1981 and the role it fulfilled. The book will include interviews with more than a dozen of the key players throughout the agency's tenure and is scheduled to be completed before the 2015 Annual Electors' Meeting.

Engineering Marvel



Perry
Substation
Tour

EFFICIENCY, stability, response a daily focus for OMPA staff

Keeping the lights on is more than simply generating a sufficient amount of energy. It is a round-the-clock effort, requiring long-term strategic planning, capital investments, precise communication and daily monitoring of the grid.

Cognizant of this fact, the engineering and operations staff at OMPA spent 2014 stabilizing infrastructure with work performed both at the headquarters in Edmond and in the field, throughout member cities. The following are just a few of the key accomplishments of the year.

Substation Upgrades

OMPA purchased a second transformer for its Wynnewood substation at a cost of \$195,000, and hired a crane service, electrical substation contractor and testing service to install it. Additional upgrades brought the total OMPA spent on the substation to \$350,000.

In Okeene, crews added an additional transformer, breakers and state-of-the-art protective and monitoring systems inside a control house. The project enabled OMPA personnel

to take equipment out of service for maintenance, without affecting the town's power. The new equipment also put OMPA in a better position to monitor conditions at the substation. The cost of the project was \$400,000.

Similar work was started in Spiro, where a second substation breaker was installed, eventually allowing the city to split its load among two circuits. The total spent in Spiro was \$280,000.

On July 2, OMPA personnel led a group of local city staff and business leaders in Perry on a tour of recent upgrades to the substation. OMPA spent about two years and \$300,000 in upgrading the substation, including the replacement of oil reclosers with vacuum breakers, the replacement of electro-mechanical relays with microprocessor SEL relays, added breaker fail protection, testing of transformers, breakers and relays, replacement of bushings and more.

SCADA upgrade

OMPA took a crucial step in keeping up with technology and the changing electric industry by updating the communications infrastructure connected to the Supervisory Control and Data Acquisitions (SCADA) system, converting land line services to cellular wireless technology. The new communications allow staff to monitor the system more reliably, making

it more cost efficient and secure.

OMPA had been spending \$158,000 a year on the land line services, called Frame Relay. Projected savings with the wireless system are expected to be \$60,000 per year. In addition, the system will allow remote engineering access for device/systems management, strengthening OMPA's ability to maintain continuity of operations and meet regulatory requirements.

60,000

Dollars a year saved with a wireless Supervisory Control and Data Acquisitions system

Integrated Marketplace

On March 1, the Southwest Power Pool (SPP) launched the Integrated Marketplace, making it the central authority in administering day-ahead energy and operating reserves products, as well as products for transmission congestion hedging. The move marked a significant change from the real-time market OMPA had operated in previously.

SPP estimated the efficiency of the new system would save those in its region, which includes OMPA, up to \$100 million in annual benefits, as well as improve grid reliability and facilitate further integration of renewable resources.

In preparation for the transition, operations staff at OMPA spent more than two years in training and testing of market systems.

Outage Response

The most significant unscheduled outage of 2014 occurred on July 14 when high winds knocked down over 1 mile of 138 kV transmission line poles, 15 total, on the OMPA owned 3.5 mile line that provides power to the city of Newkirk. OMPA staff teamed up with the Grand River Dam Authority, Ponca City Energy and Whitnah Construction to assist with cleanup and restoration of power. The crews worked through the night and managed to have the power in Newkirk back on 46 hours after the line went down.

OMPA also responded to other more minor outages in Orlando, Goltry, Geary, Newkirk and Prague.

OMPA Line Crew

In a first for OMPA, the board in October approved the formation of a two-man maintenance crew to be staffed by OMPA. Five cities – Fairview, Goltry, Laverne, Pond Creek and Waynoka – agreed to share the costs of the crew, meaning those cities would be the crew's primary obligation.

Plans were for the crew to also be available for substation and line maintenance, as well as inspections. They may also be used by OMPA during emergencies.

Future

OMPA will continue its efforts in 2015 to improve the reliability of its substations and lines by performing upgrade projects at the Fairview, Kaw Switch, Kaw Hydro, and Prague substations. OMPA will also continue wood pole replacements with steel poles on various lines. Another important project in 2015 involves the installation of a backup generator and uninterruptible power supply (UPS) in Okeene at Mountain Country Foods (MCF). MCF, which is paying for the project, is a major employer in Okeene and requires reliable, consistent power for its baking and packaging processes. The UPS will provide power during short electric system outages with the generator providing longer term power needs.

As a way to further prepare for disaster related scenarios, OMPA staff plans to finish an update to its Business Continuity Plan, ensuring the continued delivery of power in the event of a disaster. Staff will be forced to implement the plan at unscheduled times as a test, and achieve solutions where problems occur.

OMPA will also spend 2015 preparing and implementing its two-man line crew by hiring staff, establishing the Fairview operations base and purchasing trucks and other equipment. The crew will then begin work on the utility systems of member cities and OMPA owned facilities.



Utility Improvement

OMPA keeps finding new ways to expand its energy services offers

The Oklahoma Municipal Power Authority (OMPA) has long prided itself on being more than just a wholesale power supplier. Commissioned as being owned and operated by the member cities it serves, OMPA also strives to provide improved service through value-added programs, which focus on everything from energy conservation to customer service training.

In 2014, staff continued to find ways to expand the options offered to member cities and their customers, adding to programs administered by Energy Services, providing educational resources and training to city staff, and reaching an agreement with a national provider of utility-related products and services.

Geo Loop Program

The Geo Loop Program saw its first member city customer make use of the program, as the year ended with Edmond, Blackwell and Mangum agreeing to offer the program to their customers. Created in 2013, the Geo Loop

program allows OMPA to loan money to member cities at a low interest rate. Those member cities can then use those funds to assist their customers with the installation of the ground loops for geothermal heat pump systems.

OMPA also secured a grant from the state that will be used to hire an analyst to study the options cities might be able to use when dispersing funds from the program.

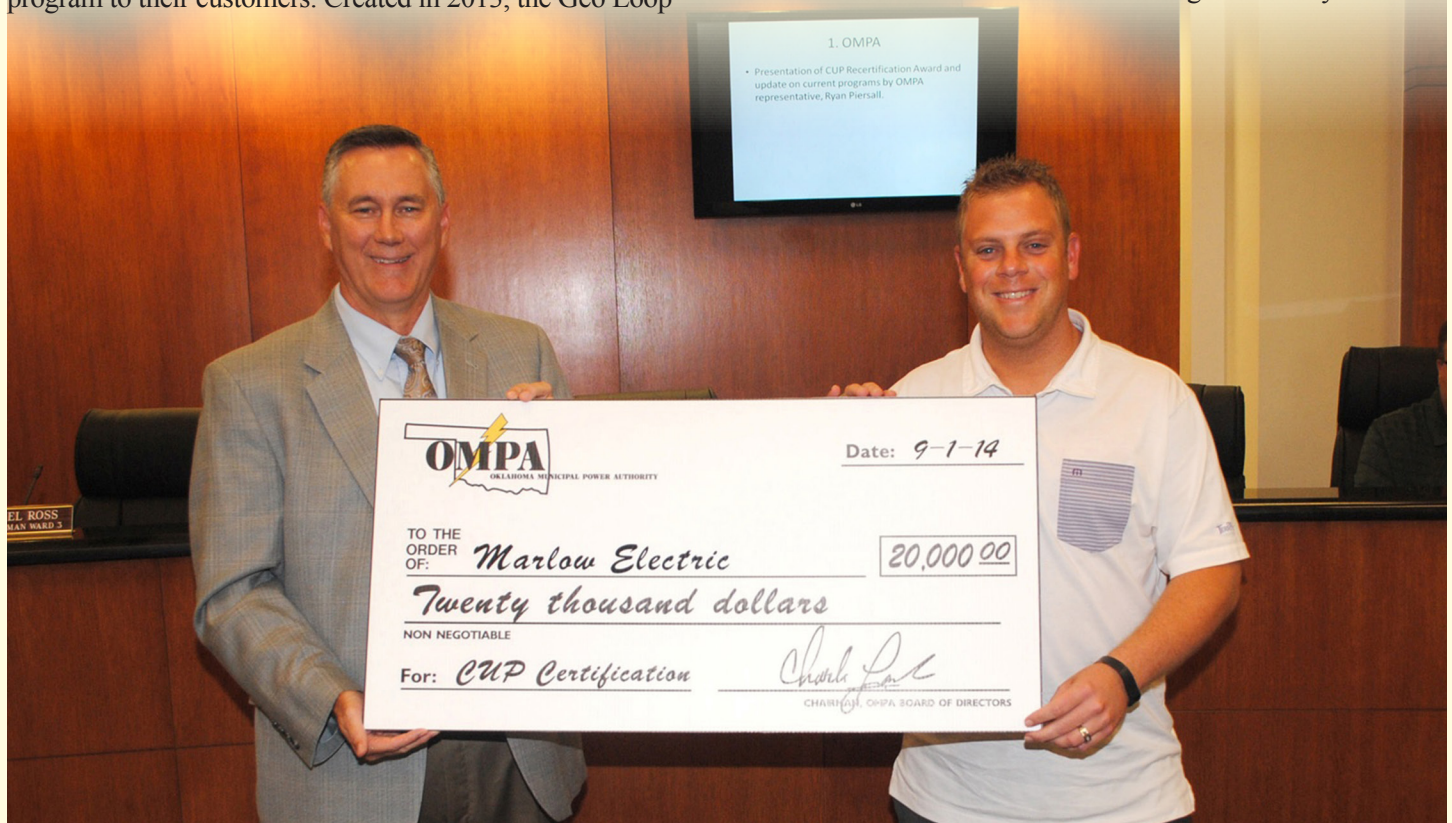
DEEP

The Demand and Energy Efficiency Program (DEEP) enjoyed another successful year of providing rebates to commercial and industrial customers in member cities who reduce their demand through energy-saving measures. The projects are with lighting, HVAC, refrigeration, motors, and other suitable applications.

In all, there were 29 completed projects that were rebated \$59,581. The projects translated to a 448.9 kW reduction. That brought the totals for the past three years to 92 completed projects with \$389,892 in rebates and a 2,685 kW reduction.

WISE Rebates

OMPA also provides rebates through the Ways I Save Energy (WISE) program, which benefits both commercial and residential customers who install high-efficiency air



conditioners and electric heat pumps.

In 2014, a total of \$112,969 in WISE rebates was awarded. Rebates were based on 641 tons of HVAC equipment installed – 201 tons of ground-source heat pumps, 64 tons of air-source heat pumps, 79 tons of dual-fuel heat pumps and 297 tons of air conditioners. The total kW saved was 270.81, while the total kWh saved was 324,972.

The Energy Services Committee also voted to add ceiling insulation to the energy-efficiency improvements that will be eligible for a WISE rebate.

Competitive Utility Program

A total of 10 member cities were either certified or recertified into the Competitive Utility Program (CUP) in 2014, while another nine successfully passed interim reviews, bringing the total number of CUP-certified member cities to 19.

CUP is a voluntary program that provides members with ways to evaluate and improve the operation of their electric utilities, making them better able to compete. It includes an annual \$20,000 reward and other financial incentives.

Energy Audits

During 2014, OMPA conducted 166 free energy audits for residential customers in member cities. The audits are offered to any customers who purchase their electricity from member cities, and include a free weatherization kit, blower-door test and audit report. From 2012-2014, there were 831 such audits performed.

Training

In addition to regional training that was held throughout the year, OMPA once again hosted All-Employee Training. The hired speaker was Frank Keck, who conducted training in 10 cities throughout October and November. There were a reported 662 participants, with staff from 25 member cities attending.

Hometown Connections

As a way to enhance the options offered to member cities, OMPA reached an agreement late in the year to become a sales affiliate for Hometown Connections, which is the utility services subsidiary of the American Public Power Association. Hometown Connections represents vendors offering a wide variety of products and services related to the utility industry.

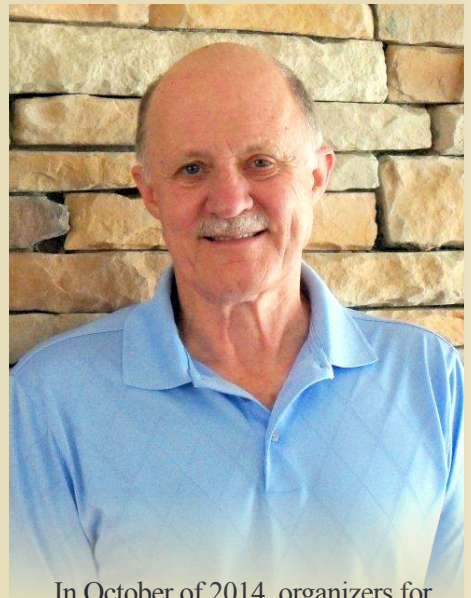
Future

The Energy Services Committee will continue to work on several projects throughout 2015, including specifics as to how WISE rebates will be offered for energy-efficient ceiling insulation, a joint utility billing project and plans to help cities incorporate advanced metering into their systems.

The upcoming year also will serve as the 20th anniversary of the Competitive Utility Program, which began in January of 1995 as a way for member cities to increase customer service and cost effectiveness. The first member city was certified in April, 1996.

In August, the W.I.S.E. program will also turn 25.

CONFERENCE Named After Manager



In October of 2014, organizers for a state-wide conference designed for energy engineers named their event after Roger Farrer, long-time Energy Services Manager for the Oklahoma Municipal Power Authority (OMPA).

The Roger Farrer Energy Engineers Conference was first held in October in Tulsa. It will be an annual event, hosted by the Oklahoma chapter for the Association of Energy Engineers (AEEOK).

Farrer has managed Energy Services at OMPA for nearly 20 years, administering the Competitive Utility Program and other Energy Services programs in the areas of energy efficiency and demand-side management.

The Oklahoma Association of Energy Engineers is the state chapter of the Association of Energy Engineers, which is a 16,000-member network.

112,969

Dollars rebated through the
Ways I Save Energy
program in 2014

Training Time

EMPLOYEES in Ponca City gear up for challenges of new plant

Owning and operating a natural gas power plant meant plenty to the Oklahoma Municipal Power Authority (OMPA), both stabilizing its future power needs and increasing the efficiency of its generation. For the 23 OMPA employees in Ponca City, though, it mostly meant training.

Long tasked with manning the Ponca City Power Plant and the Kaw Hydroelectric Plant, the employees also spent the latter part of 2014 preparing for the opening of the Charles D. Lamb Energy Center, located just seven miles north of Ponca City.

A trainer from Siemens worked with employees the final two months of the year, and two technicians attended a training seminar in Georgia, in preparation for operation of the CDLEC, scheduled to go online in April of 2015.

"It's a larger unit than we've been working on, and there are differences with environmental issues," Ponca

City Plant Manager James Hendrix said. "There will be more information at operations' fingertips

than ever before, and their troubleshooting abilities will be a lot better than before."

Hendrix said an especially helpful training session was the one employees attended in Florida. It enabled trainees to interact with equipment in a more hands-on approach, as simulators challenged them with problems that had to be solved.

"It enabled each one of us to get a feel for that control system. Learning the logic of it is what a good part of that training was all about," said Hendrix, who joined OMPA in late 2013 after 37 years at Public Service Company of Oklahoma, including 19 as an operations manager.

Ponca City staff was to continue to receive on-site training for the CDLEC throughout March and April of 2015.

Kaw Hydro Plant

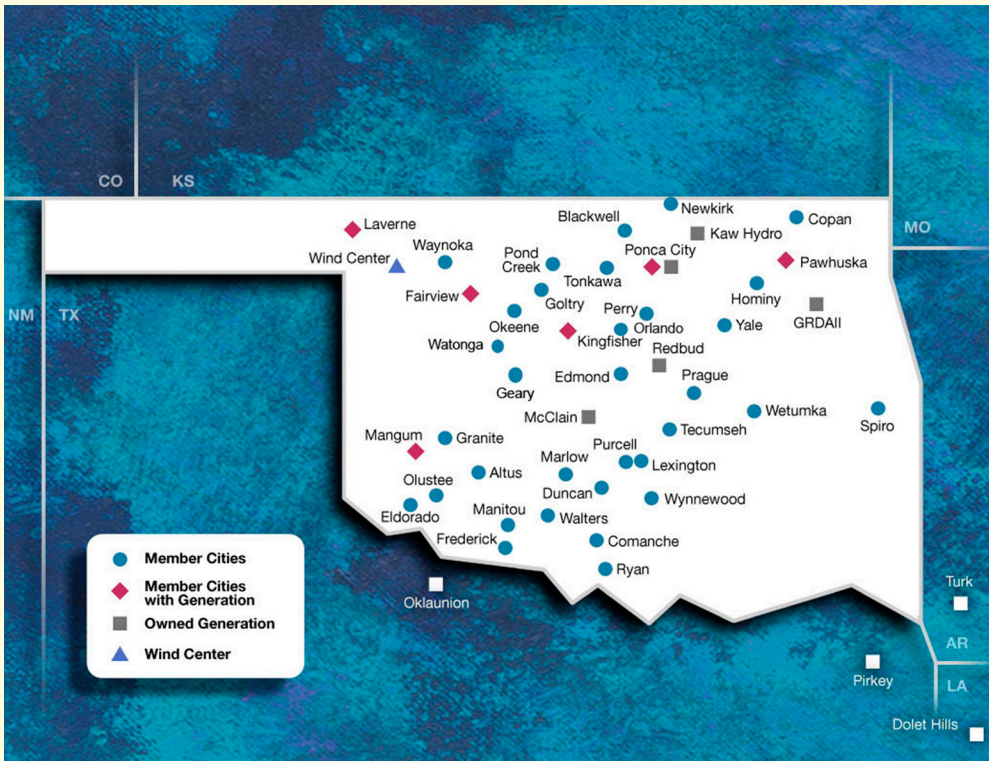
The Kaw Hydroelectric Plant in Ponca City took a break for three weeks in November, as OMPA staff and contracted crews conducted a scheduled inspection of the facility. In addition to the routine maintenance inspections performed, the turbine governor at the facility was upgraded.

The efforts ensure that the plant – which was completed in 1989 at the Kaw Reservoir and is owned and operated by OMPA – runs efficiently and safely.



Above, James Hendrix.
At right, Jared Payne and
Jerry Sorrels.

Member cities



OMPA

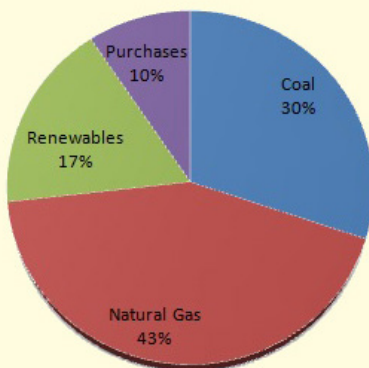
The Oklahoma Municipal Power Authority (OMPA) is a wholesale power company owned by 39 municipal electric utilities located in 26 Oklahoma counties.

Since 1985, OMPA has been providing economies of scale in power generation and related services to support community-owned electric utilities.

In 2014, OMPA served 114,046 customers in its member cities, including 99,090 residential customers and 14,956 commercial/industrial customers. OMPA's service area encompasses approximately 250,000 Oklahomans.

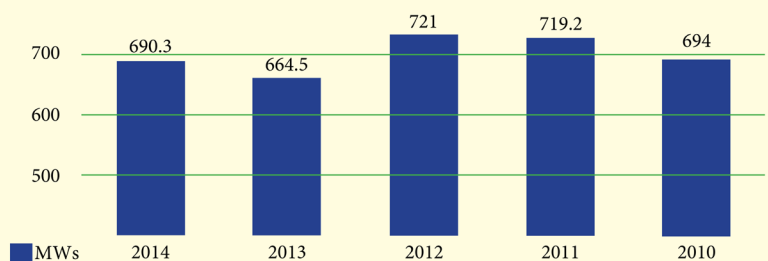
Altus Municipal Authority
 Blackwell Municipal Authority
 Clarksville Light & Water Company **
 Comanche Public Works Authority*
 Copan Public Works Authority*
 Duncan Public Utilities Authority*
 Edmond Public Works Authority
 Eldorado Public Works Authority*
 Fairview Utilities Authority
 Frederick 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
 Newkirk Municipal Authority
 Okeene Public Works Authority
 Olustee Public Works Authority*
 Orlando Public Works Authority
 Paris Municipal Light & Water**
 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
 ** Short-term supplemental agreement

2014 Energy Type Summary



OMPA System-Wide Peaks

Oklahoma Cities Only



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Financials

	2014	2013	2012
Operating Revenues	\$186,661,940	\$180,363,948	\$169,660,684
Operating Expenses	\$156,152,107	\$154,794,099	\$140,321,480
Operating Income	\$30,509,833	\$25,569,849	\$29,339,204
Net Interest Expense	\$27,995,800	\$24,170,860	\$25,612,258
Other Income and Expenses (Net)	\$3,561,562	(\$3,650,127)	\$863,421
Increase (Decrease) in Net Position	\$6,075,595	(\$2,251,138)	\$4,590,367

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