



News Release

(HOLDREGE, Neb.) – The Central Nebraska Public Power and Irrigation District's board of directors voted during Monday's monthly meeting to proceed to phase two of a study to explore a potential consolidation with the Dawson Public Power District.

Last December, both organizations' boards agreed to share the costs of retaining a consultant to conduct a phased study to determine whether a consolidation would be an economic and strategic fit that benefits both entities, as well as their customers and stakeholders.

Phase one of the study, conducted by Power Systems Engineering (PSE) of Madison, Wisc., yielded favorable data that indicates a good strategic fit and positive financial advantages resulting from a consolidation.

Phase two of the study includes a more detailed analysis of the financial components of a merger necessary to satisfy the boards of both entities, as well as requirements of any financial or regulatory agencies. Phase two will also refine the outlook for benefits of a consolidation, work through possible resolution options for potential challenges and complete due diligence efforts, which involves a deeper analysis of the costs and benefits of a merger.

In addition, PSE will further assess elements of the Districts' governance, finances, facilities, existing contracts, employees, state/federal government regulations and operations of the projects, as well as other categories or topics that may arise during the study.

For the study to continue, both boards must choose to proceed to phase two. Dawson Public Power District's board meets on April 7.

Also at Monday's meeting:

- The board approved a staff recommendation to begin advertising the District's intention to transfer water rights on 528 acres served by the Phelps and E65 canals.
- Hydraulic Project Operations Manager Cory Steinke reported that preparations are underway an erosion-control project at certain Lake McConaughy locations. The project will involve the placement of geotubes, which are large sand-filled fabric sleeves that rest on an erosion apron and are anchored along the edges.
- Irrigation and Water Services Manager Scott Dicke reported that the irrigation system will begin filling on April 15 in preparation for the upcoming irrigation season. Intentional groundwater recharge was conducted along the Phelps Canal earlier this spring, he added.
- The board approved a contribution of \$2,000 to the Keith County Sheriff's Office to assist in the purchase of a utility task vehicle (UTV) that can be used in the Lake McConaughy area.
- Civil engineer Tyler Thulin reported that Lake McConaughy's elevation was at 3,248.8 feet as of Monday morning (volume of 1.29 million acre-feet, or 74 percent of capacity). Inflows have recently averaged 925 cubic feet per second (cfs) with releases of about 750 cfs. A portion of the releases are being made from the Environmental Account, a block of water in Lake McConaughy managed by the U.S. Fish & Wildlife Service to benefit riverine habitat used by threatened and endangered species, to improve river flows during the whooping crane migration.

Thulin also reported that Rocky Mountain snowpack accumulation in the South Platte Basin drainage area is at 90 percent of normal; 90 percent in the upper North Platte Basin; and 108 percent in the Lower North Platte Basin. Snowpack is the primary source of runoff that feeds the Platte River watershed.

- The board passed a resolution recognizing Jacob Drain for attaining the rank of Eagle Scout. Jacob is the son of Melissa and Mike Drain, Central's natural resources and compliance manager.

FOR IMMEDIATE RELEASE

April 5, 2021

Contact: Jeff Buettner
Gov't. & Public Relations
Manager
Office: (308) 995-8601
E-mail: jbuettner@cnppid.com