



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 three of a four-phase study of the potential consolidation with the Dawson Public Power District.

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This process began in December 2020 when 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. Both boards approved moving to phase two in April 2021 after Power Systems Engineering (PSE) presented the results of the study.

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On Feb. 3, the two boards held a joint meeting in Kearney to go over the phase two results with PSE and engage in more dialogue between the two entities boards. That meeting led up to the vote at each districts board meetings on Monday. Dawson PPD's board also voted to advance to phase three at their meeting.

Phase two findings showed the merger has financial benefit to the companies as well as subjective value for central Nebraska. A total overall savings of \$11.7 million could be realized over seven years if the two companies consolidate. These savings are derived from efficiencies, realignment and Dawson PPD's ability to use 20 megawatts of power from one of Central's hydroelectric plants.

Through consolidation, Dawson PPD will add renewable power, while Central realizes a stable and local customer for the energy produced without being impacted by ongoing market volatility. It could also result in reduced expenses for irrigation customers and electric rate-payers. As a combined entity, the two companies could be a stronger legislative influence and economic development driver for central Nebraska.

Merging the two companies adds flexibility in how they react to the future of energy. This positively impacts costs and stability of rates for irrigation customers and electric distribution alike. The new entity would be positioned to achieve true integrated management of surface water and groundwater resources through partnerships with irrigators, electric customers, Natural Resource Districts and the State of Nebraska.

Phase three will involve examination of how the new entity would be organized, including board representation, name, headquarters and overall structure.

Also at Monday's meeting:

- The board awarded a bid to Pearce Pump Supply for a Dredge Booster Pump in the amount of \$236,396 as well as a Dredge Booster pump automation for \$45,900 to be used at the Supply Canal diversion dam.
- The board approved a work order for \$517,400 to replace a bridge at Midway Lake. Central is responsible for 20 percent of the total cost, with Dawson County and the federal government sharing the remaining cost.
- A bid was approved for \$166,225 to Van Diest Supply Co., of McCook for purchase of aquatic herbicides for the 2022 irrigation season.
- Civil engineer Tyler Thulin reported that Lake McConaughy's elevation as of Monday morning was 3241.7 feet (64.6 percent capacity) which is up two feet from last month. Ice jams in NPPD's Paxton Siphon and in the North Platte River have prevented releases from the reservoir over the past couple weeks. Current releases were about 500 cubic feet per second (cfs) with inflow readings at 750 cfs, although they fluctuate with the weather. He added that snowpack accumulation in the South Platte River Basin was about 107 percent of average and 101% of average in the North Platte Basin.

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