



## News Release

(HOLDREGE, Neb.) -- The Central Nebraska Public Power and Irrigation District's board of directors voted at its December board meeting to authorize management to negotiate modifications to an existing water service agreement with the Platte River Recovery Implementation Program (PRRIP) that would result in designs for a smaller, single-reservoir J-2 Regulating Reservoir project.

On an 8-3 vote, the board directed staff to investigate design options that would eliminate the western reservoir from further consideration, confine future design options to a single reservoir located approximately within the its original footprint, and to negotiate a reduction in Central's monetary contribution to the project. Directors Robert Dahlgren, Dave Rowe and Geoff Bogle voted no; director Ron Fowler was absent.

The J-2 project is intended to temporarily store -- or re-time -- flows in the Platte River for releases back to the river at times when the water is deemed most beneficial to the threatened and endangered species of concern. Re-design will be approached with the goal of providing the ability to re-time as much water as possible in the river within the PRRIP's original budget of \$75 million.

The Governance Committee of the PRRIP passed a similar motion at its Dec. 2 meeting in Denver, which also directed that negotiations for land acquisition resume. The new project design will require land acquisition from a smaller number of landowners.

The project was put on hold in September after updated construction costs for the original two-reservoir project were significantly higher than previously estimated.

Central is seeking a reduction in its contribution to construction costs because removal of the second reservoir from the project's plans will also reduce the operational benefits Central would have received during irrigation season under the initial design. However, the new project design will retain the benefit of resolving the District's concerns about cycling generation at its J-2 hydroplant (a process known as hydrocycling) during the spring and fall migration and nesting periods for threatened and endangered bird species.

Final design options will be prepared by RJH Consultants, Inc.

Also at Monday's board meeting:

- The board approved irrigation rates for the 2016 season, setting the base price for nine inches of delivery at \$33.60. Under the Central's Incremental Pricing Program, the cost for each additional acre-inch above the base delivery (between nine and 18 acre-inches) will be \$1.17/inch.
- The board approved water service agreements with Tri-Basin Natural Resources District and the Nebraska Department of Natural Resources (NDNR) for groundwater recharge from Elwood Reservoir and the E65 Canal. It also approved similar groundwater recharge agreements with the Platte River Recovery Implementation Program for diversion of excess flows into Elwood Reservoir, as well as agreements for diversion of excess flows into the Phelps Canal with NDNR and the Platte River Program.
- The board approved the appointment of Devin Brundage as assistant Gothenburg Division manager. Brundage is currently Central's electrical superintendent in Gothenburg.
- The board approved an operating budget for the 2016 fiscal year. The budget, which goes into effect on Jan. 1, anticipates total revenues of \$27.1 million, including \$18.7 million from the sale of hydroelectric power, \$3.6 million from irrigation delivery service, and \$4.8 million from other sources
- Controller Rochelle Jurgens announced that Central will close Monday afternoon on a contract to acquire ownership of Jeffrey Island. Central has participated in a lease/purchase agreement for approximately 4,000 acres on the island since 1999. The land is managed as wildlife habitat in compliance with Central's Federal Energy Regulatory Commission license.
- The directors approved an application for work from the Nebraska Public Power District. NPPD had requested that Central crews remove four wooden bridges over NPPD's supply canal in the Sutherland area. NPPD will reimburse Central for expenses associated with the bridge removals.
- The board approved a proposal from the engineering firm Mead & Hunt for design work in preparation of repairs to support beams beneath the deck of the "Morning Glory" spillway at Lake McConaughy at a cost not to exceed \$120,000.
- Civil engineer Cory Steinke reported that Lake McConaughy's water level has declined less than a foot to elevation 3255.7 feet over the past month as inflows and releases remain relatively equal. Early snowpack in the Rocky Mountains of Colorado and Wyoming has been slow to accumulate, he said, with snowpack levels currently below normal for this time of year.

"It's still very early in the season and long-term projections call for heavy accumulation due to the El Nino weather pattern," Steinke said. "We'll keep a close watch to see how things develop and adjust operations accordingly."

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