



CENTRAL
Nebraska Public Power
and Irrigation District

News Release

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CONTACT: Alex Linden
Government & Public Relations Manager
Office: (308) 995-3560
alinden@cnppid.com

(HOLDREGE, Neb.) - The Central Nebraska Public Power and Irrigation District's board of directors approved the operating budget for the 2024 fiscal year at their monthly meeting on Monday.

The budget, which goes into effect January 1, 2024, anticipates total revenue of \$33.6 million, including \$10.52 million from the sale of hydroelectric power, \$4.63 million from irrigation delivery service, \$1.45 million from lake lot lease fees and \$18 million from other sources which includes \$13 million from grants or contributions.

Anticipated expenditures for the district in 2024 total \$53.7 million, with \$33.82 million dedicated to capital expenditures which includes the \$20 million E65 Siphon project and \$6 million Elwood Dam project. Among the other larger capital projects that are budgeted include two new bridge replacements for a total of \$1.4 million, \$650,000 for Kingsley Dam refacing studies and \$500,000 for a diversion dam dredge.

Also at Monday's board meeting:

- The board awarded the bid tab of \$128,145 to Van Diest Supply Company of McCook, Neb., for the purchase of chemicals using the early buy program for 2024.
- Irrigation and Water Services manager Scott Dicke reported on the construction at Elwood Dam and invited any board member to setup a visit to the site. Workers have began scraping the backs of the dam near the pump station. With the projected good weather, he anticipates construction to ramp up prior to the holidays.
- Tyler Thulin reported that Lake McConaughy's elevation currently is 3,235.7 feet, or 57.1% of maximum volume. Current inflows are around 1,100 cubic feet per second (cfs) and outflows are 300 cfs, which has decreased 500 cfs from two weeks ago. Flows in the South Platte and North Platte river are currently enough to meet diversion requirements.

Thulin added that Johnson Lake was lowered two feet last week for an outage at the Johnson No. 2 hydroplant. Water levels are expected to return to normal operating levels by December 8.

November 17 Special Meeting Recap:

Irrigation and Water Services manager Scott Dicke provided an update on the special board meeting held Friday November 17th where Central's board of directors voted to increase the base rate for irrigation delivery service as part of the 2024 budget preparation. Following extended discussion at that meeting, the board voted to increase next year's base rate from the current amount of \$35.66/acre to \$42.79/acre. This is the first rate increase since 2021 and delivery rates have only increased by an average of 1.6 percent since 1997. The rate increase adopted by the board is projected to produce revenue sufficient to cover only the operating expenses

associated with delivering water from the headgates of the Phelps, E-65 and E-67 canals to customers. It is not expected to address any major capital irrigation infrastructure costs, which are funded through hydropower generation revenue, use of cash reserves and other sources. Dicke recognized the board for setting the rates that cover the operational costs of the irrigation department to deliver water to their customers. Dicke added, "The Board heard directly from our customers in attendance at the November meeting that they all were in favor of the rate increase. Having irrigation rates cover the cost of irrigation operation allows us to continue our service in a timely and reliable manner."

During the Nov. 17th committee meeting, General Manager Devin Brundage discussed the importance of the reserve funds built in recent decades from good power sales, as they will be needed to offset increasing costs for large capital and maintenance projects to address the District's aging infrastructure that serves so many stakeholder groups. Beyond planning for infrastructure maintenance repair projects, Central is investigating system improvements for irrigation customers that will bring on demand water deliveries closer to reality. Brundage reported that Central continues to develop concepts and ideas that might help generate new revenue streams in the future as the district works to keep the costs to its irrigation customers low.

"It's to the benefit of our irrigators that Central and its directors looked ahead so many years ago at what might be coming and developed a cash reserve, because it's needed now," Central Board President Dave Rowe said. "Their foresight places Central in a more manageable position. They looked ahead, prepared for what they knew was coming and they did what was in the best interest for the District. That foresight is going to benefit south central Nebraska and hopefully lessen future rate increases or borrowing costs."

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