>>> The Central Nebraska Public Power and Irrigation District

415 Lincoln St. □ P.O. Box 740 □ Holdrege, NE 68949 ♦ (308) 995-8601



News Release

(HOLDREGE, Neb.) - The boards of directors and management of Dawson Public Power District and the Central Nebraska Public Power and Irrigation District announced today initial conversations that could lead to a process to explore a mutually beneficial integration of the two public power entities.

"As public power organizations, we want to be transparent about our ideas and efforts as we evaluate how such an arrangement might be beneficial to the customers and stakeholders of both Districts," said Devin Brundage, Central's general manager.

A potential exploratory effort will seek to identify opportunities that could place both organizations in a position to better serve customers and stakeholders now and far into the future. The directors of both districts will decide at their respective December board meetings whether to proceed with continued discussions.

"The economic development opportunities for central Nebraska could be extraordinary in an endeavor such as this," said Gwen Kautz, Dawson PPD's general manager. "We believe the synergy of both companies could benefit respective customer bases as well as all employees."

The general managers said the preliminary discussions will help determine if the proposition has sufficient potential to merit an in-depth feasibility study to identify and quantify the scope of benefits to customers and stakeholders of both districts.

Dawson Public Power District, a political subdivision of the State of Nebraska, serves more than 23,000 electric meters and maintains more than 5,800 miles of power lines in south-central Nebraska, making it one of the larger rural electric systems in the state. It is guided by an elected 11-person board of directors elected by the public that it serves. Dawson PPD employs about 80 people.

Dawson PPD's territory includes all of the rural areas in Dawson and Buffalo counties, approximately two-thirds of Gosper County, a third of Lincoln County and parts of Custer, Sherman and Frontier counties. The District also serves the towns of Hershey, Maxwell, Brady, Farnam, Eustis, Elwood, Eddyville, Smithfield, Overton, Sumner, Miller, Riverdale, Amherst, Odessa and Pleasanton. The District's headquarters are located in Lexington and service centers are located in North Platte, Gothenburg, Sumner, Ravenna and Kearney.

Dawson PPD purchases electricity from Nebraska Public Power District and supplemental hydroelectric generation during peak summer months from the Western Area Power Association.

Central operates a multipurpose hydro-irrigation project providing irrigation, hydroelectric generation, groundwater recharge, recreation and wildlife habitat. Also a political subdivision, it is governed by a 12-member board of directors elected by the public in Phelps, Kearney, Gosper, Dawson, Lincoln and Keith counties.

Central's hydroelectric facilities are licensed by the Federal Energy Regulatory Commission. Revenues come primarily from providing irrigation delivery service and the wholesale of hydropower to other utilities. Central has offices at Kingsley Dam, Gothenburg, Bertrand and Holdrege, where the administrative headquarters are located. Central has about 100 employees.

Central owns and operates Lake McConaughy, the largest storage reservoir in the state. Its hydro-irrigation project delivers water to about 108,000 acres under contract with Central and to another 100,000 acres that receive water through contracts with Central or other irrigation projects. Central's project also provides groundwater recharge benefits from its canals and laterals to more than 310,000 acres irrigated by wells in and adjacent to its service area.

FOR IMMEDIATE RELEASE Nov. 5, 2020

Contact:

Jeff Buettner Gov't. & Public Relations Manager Office: (308) 995-8601

E-mail: jbuettner@cnppid.com

Marsha Banzhaf Manager of Customer Service Dawson Public Power District Office: (308) 324-2386

###