

LOUP POWER DISTRICT

Board Summary

June 20, 2007

Clarkson —

President/CEO Neal Suess informed the Directors of the status of the District's proposal to provide retail electric service to Clarkson. The Clarkson City Council held a special meeting on May 30th where the council voted 4-0 to enter into the Lease Agreement and Services Agreement with the District. The resolution passed by the City Council must be published in the local paper for 3 consecutive weeks. Then, an additional 30 days must pass before the resolution becomes effective.

If a petition filed by 20 percent of the registered voters from the last election is filed, this resolution would go to a vote of the citizens. If no petition is filed, the Board of Directors could approve a resolution at the July Board meeting and execute the agreements.

The City Council would be expected to execute the Franchise Agreement and the Transfer of Service Area Agreement. The District and the City will then determine the appropriate timing of the transfer. If all goes well this would be expected to occur sometime in the fall of 2007.

KATANA Summit, LLC —

The industrial land sale to KATANA Summit, LLC, was reviewed. President/CEO Neal Suess informed the Board that Sumitomo Corporation of America purchased the District's land, the Reliance building, and the Spec. building. The new company will be called KATANA Summit, LLC, and expects to be producing tubular wind towers by early 2008.

Nebraska Game and Parks Commission —

A meeting with the Directors and staff, the Nebraska Game and Parks Commissioners and staff, and local and state officials has been scheduled for July 26th at 7:00 p.m. at the Columbus Elks Club.

NOVHA —

NOVHA held their spring jamboree two weeks ago. They had 1,700 registered participants and only two minor accidents occurred.

Monroe Fest —

At Monroe Fest, June 8-10, the town's 150th celebration, approximately 400 people toured the Monroe Powerhouse.

Monastery Road Trail —

The Monastery Road trail up to the Robert White Trail is in the design stage now.

Cabins on District Property —

President/CEO Neal Suess informed the Board agreements have been reached with the Bokelmans and Danahers for the purchase of their cabins. The District should close in the next 60-90 days on the two cabins. The only cabin for which no agreement has been reached is the Marxsen cabin.

Clarkson Superintendent —

The District will need a local superintendent at Clarkson when the town becomes a retail customer. This superintendent would be placed on the organization chart under the Columbus Division. This new position was approved for the organization chart. The Clarkson Superintendent will be placed under the Columbus Division.

Insurance —

The renewal of employee health insurance through NRECA was approved with no changes to the plan.

APPA Annual Conference —

The APPA (American Public Power Association) national conference schedule for next week was discussed. There are 11 resolutions being presented at the APPA conference to be voted on.

District's 75th Anniversary in 2008 —

The District's 75th anniversary will be held in 2008. Tours of the powerhouse for school age children will be offered to all of the local schools. Director Kumpf suggested souvenirs be handed out to each child that attends, possibly a wooden nickel to commemorate the District's anniversary tours.

The following work orders were approved.

01971 Responsibility Area 923 Budget Code 1392 Item No. 7

This work will construct the Columbus Dry-Grind Substation located at the ADM Ethanol Plant. This substation is required to provide service to a new dry grind ethanol plant.

01972 Responsibility Area 923 Budget Code 1392 Item No. 11

This work order will provide for the replacement of OCR 800 at the Columbus Southeast Substation with new vacuum reclosers with electronic controls. This type recloser requires less maintenance and the electronic control provides more information. The existing reclosers moved to another sub where it will provide adequate protection.

Suppl. #1

01838 Responsibility Area 927 Budget Code 3192 Item No. 3

This work order was required to purchase and install manual governor control at the Columbus Hydro. This supplement is required because the cost of the positioner control software was less than estimated. Plus travel costs for the installation was shared with the generator rehabilitation work.

Suppl. #1

01951 Responsibility Area 923 Budget Code 1492 Item No.3

This work order was required to build .9 miles of a new three-phase line to service the new Harwest sand operations. This supplement is required because the scope of the project changed. After design work started it was determined to move the substation .75 miles east. This resulted in the distribution portion lengthened this amount. Also, Harwest required a second service point, which added an additional .5 miles of distribution line and dead-end structure.

O.W.P.

890 Responsibility Area 923

This work consists of building a temporary ½ mile of 34.5kV/12.5kV shoefly line along the south side of Hwy. 91 west of Leigh. This is being requested by the Lower Elkhorn NRD, which is building a flood control dam in this area. After the project is completed, this temporary line will be removed. This work order reflects the projected cost. The Lower Elkhorn NRD will be billed for the actual cost.

PO #

39442 Responsibility Area 923 Budget Code 2192 Item No. Contingency

This purchase order will provide for the purchase for an aerial lift truck to be used by the new Clarkson superintendent.

Contract 2007-03, 115kV Vertical Break Switches was approved..

Contract 2007-04, 115kV Coupling Capacitor Voltage Transformers was approved.

Contract 2007-05, 115kV and 15kV Substation Steel Structures and Anchor Bolts was approved.