

2000 Annual Report

"Serving You Electrically"



Communities Served

(Bold denotes wholesale customer.)

- | | |
|-----------------|----------------------|
| Albion | Leigh |
| Belgrade | Lindsay |
| Cedar Rapids | Monroe |
| Clarkson | Newman Grove |
| Columbus | Petersburg |
| Cornlea | Platte Center |
| Creston | Primrose |
| Duncan | Richland |
| Fullerton | Schuyler |
| Genoa | St. Edward |
| Howells | Tarnov |
| Humphrey | Nebr. G&T |

Local offices in:

**Albion — Cedar Rapids — Columbus
Fullerton — Genoa — Humphrey
Newman Grove — St. Edward**

Loup Power — May 2001 — NE09960B

President's Comments



Robert White

The electric energy crisis being experienced in California and the western United States will not occur in Nebraska. The implementation of California's deregulation plan and the shortage of generation in the western U.S. has resulted in rolling blackouts during peak load periods. Compounding the problem is the shortage of water for the hydro generation in the Northwest. Even with the increase in demand for energy as a result of a robust economy, California has not constructed a major generation plant in the past ten years. California relies on other states for their electric energy supply.

This is not the situation in Nebraska. Nebraska has adequate generation and is an exporter of electric energy. Loup's power supplier, Nebraska Public Power District (NPPD), has adequate generation and is presently planning for the future. The public power systems in Nebraska are committed to providing low cost reliable electric energy to the citizens of Nebraska.

2000 Board of Directors

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2000 in Review

At \$51.1 million Loup's total operating revenue in 2000 increased 8.3 percent from 1999. Total sales of 1,334,943 megawatt-hours (mwh) increased 6.7 percent from 1999. The hot, dry conditions in 2000 contributed to the increased sales and revenues.

Operating expenses of \$48.2 million in 2000 increased 9.7 percent from 1999. Eighty percent, or \$38.2 million, went to purchase power from NPPD, Loup's wholesale power supplier. In addition, Loup paid more than \$2.6 million to City and County governments for lease and in-lieu-of-tax payments.

The District invested \$3.8 million in new facilities. The governors and exciters at the Columbus Powerhouse and exciters at the Monroe Powerhouse replaced the original 1930s equipment. The District also rebuilt five miles of 34.5 kv subtransmission line at Humphrey and Monroe. A new substation on 3rd Avenue in Columbus was constructed. In conjunction with NPPD two 34.5 kv capacitor banks were installed in the Columbus East Transmission Substation.

Facts

The Loup District provides power to 23 communities in Nance, Platte, Colfax, Boone and Madison counties.

Loup operates two hydroelectric generating facilities, at Monroe and Columbus. In total, Loup generates more than 133 million electric kilowatt hours per year.

Total customers..... 17,546
 Full-time employees 107
 Part-time employees..... 11
 Distribution substations..... 47
 Transmission substations..... 9

- Residential customers paid *4.80 cents per kilowatt hour in 2000. This is a 1.3 percent increase from 1999.
- Commercial customers paid *4.74 cents per kilowatt hour. 1999 costs were 4.60 cents per kilowatt hour.
- Industrial customers paid *2.77 cents per kilowatt hour. During 1999 they paid 2.64 cents per kilowatt hour.

The latest data from the United States Department of Energy shows the average Nebraska residential cost during 1999 at 6.5 cents, commercial cost at 5.4 cents and industrial cost at 3.5 cents.

*averages

Send questions or comments to:

Sharon Farritor, Communications Coordinator
 Loup Power District, Box 988, Columbus, NE 68602

Balance Sheet		
Assets:	2000	1999
Net Utility Plant	\$ 44,249,006	\$ 40,788,361
Cash and Current Assets	22,116,753	22,521,864
Other	5,576,721	5,663,245
Total Assets	<b style="text-align: right;">\$ 71,942,480	<b style="text-align: right;">\$ 68,973,470
Liabilities:		
Beginning Retained Earnings ..	\$ 63,448,430	\$ 61,017,558
Net Income	2,067,166	2,430,872
Current Liabilities	6,426,884	5,525,040
Total Liabilities	<b style="text-align: right;">\$ 71,942,480	<b style="text-align: right;">\$ 68,973,470
Revenues:		
Retail	\$ 34,023,633	\$ 31,538,281
Wholesale - Munies	3,628,396	3,350,739
Wholesale - Nebr. G&T	8,184,960	7,181,423
N.P.P.D. - Hydro Utilization	4,780,980	4,692,702
Other	503,383	438,411
Total Revenue	<b style="text-align: right;">\$ 51,121,352	<b style="text-align: right;">\$ 47,201,556
Expenses:		
Purchased Power	\$ 38,621,863	\$ 34,760,095
Operations Expenses	4,316,475	4,215,883
Maintenance Expenses	2,638,974	2,487,463
In-Lieu-of-Taxes	2,661,567	2,521,624
Total Expenses	<b style="text-align: right;">\$ 48,238,879	<b style="text-align: right;">\$ 43,985,065
Funds Generated From		
Operations.....	\$ 2,882,473	\$ 3,216,491
Interest Income and Other	1,333,711	1,299,075
Available for Construction	\$ 4,216,184	\$ 4,515,566
Construction Budget	\$ 3,883,600	\$ 5,100,000

In Other Developments

During 2000, Loup created a retail customer newsletter, *You are Connected*, which is distributed with bills. Customer response has been extremely positive and so Loup is increasing its publication to four times per year.

The construction of the 2.5 mile concrete Two Lakes Trail and bridge with the Columbus Area Recreational Trail organization was a great addition to Loup's recreational facilities. Rate payer funds were not used for this project.

Loup is a member of the Nebraska Energy Services Company. Products currently offered include surge protection, emergency beacons, uninterruptible power supply systems, and LED lighting for traffic control. Additional products will be offered during 2001.

May is Electrical Safety Month

DIAL BEFORE YOU DIG: Spring is a time for gardening, landscaping and other construction projects and no one can ever be certain where or if underground electrical, natural gas, water and cable lines are located on your property. Call **800-331-5666** at least 48 hours before you dig.

WORK OUT FROM OUTLETS: When using electrical, hedge trimmers or other tools, begin work nearest the outlet and work away from it so the cord will always be behind you. Keep the cord out of the tool's path by draping it over your shoulder. Make sure the extension cord is approved for outdoor use.

Recreation Areas

Loup Power District provides five parks, two lakes, and miles of recreation areas along the Loup Canal. The District's parks are open from May 1 to November 1 (weather permitting). Loup also maintains wildlife habitat areas.

Camping with electric hookups, swimming, boating and picnicking are also available in the parks at no charge. More information is available at: www.loup.com

Executive Staff

Robert White President and CEO
Owen Lloyd Engineering Manager
Ken Christensen Operations Manager
Kim Grubaugh Admin. Services Mgr.
David Bell Marketing/Development Mgr.

Hydro Division

John Cieloha Hydro Superintendent
Gary Pearson Headworks Supervisor
Ron Cieloha Powerhouses Supervisor

Division Superintendents

Lanny Long Albion
Dan Hellbusch Columbus
Arnie Wemhoff Fullerton

Local Superintendents

Guy Imus Cedar Rapids
Jim Kampschneider Genoa
Joe Hubenka Humphrey
Graham Koehler Newman Grove
Roy Babb St. Edward

Meter and Maintenance

Ron Ziola Engineering Supervisor
Rick Schaecher Substation M&M Supt.