

CEDAR-KNOX PUBLIC POWER DISTRICT
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cedarknoxppd.com

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Re-capping 2010 and looking ahead to 2011

2010 in review

2010 was again a safe and productive year for the District. In addition to the many work-plan projects, new service installations and other maintenance work throughout the year, the crews also safely upgraded several substations and seven miles of main feeder line in our continued goal to maintain quality service to our consumers. As our loads increase from the addition of new homes, irrigation and grain drying, lines and substations become stressed, energy losses increase and power quality is jeopardized if these capacity upgrades do not take place. Cedar-Knox has always stayed ahead of the game when it comes to system planning and our consumers continue to enjoy one of the more reliable and efficient rural distribution systems because of our proactive approach.

We've also started the process of installing automated metering infrastructure (AMI). As reported in recent newsletters, this will be a 4-year project and a huge asset to our operations. Remotely reading every meter in our distribution system on a daily basis, is only one of the many benefits that we will realize upon completion. This system will also provide us with detailed loading and distribution performance information that will be invaluable for our system planning, outage restoration and billing processing.

Looking ahead

Challenges, new and old await us in 2011. We will continue with a second phase of the AMI installation, adding another 5 substation injection points and 2200 meters to our system. Our work plan also includes many more miles of circuit upgrades, both transmission and distribution, along

with some substation improvements and the usual line maintenance from trees, storms and normal deterioration of the facilities.

As most people are probably aware, producing electricity by burning coal is the prevalent form of generation in the Midwest - including Nebraska. Coal produces the cheapest electricity but receives heavy scrutiny for the carbon emissions that it leaves behind. As federal authorities attempt to progressively regulate these emissions, Nebraska utilities will face further challenge to continually provide reliable and affordable energy to consumers in future years. Simply put, the more restrictions that are placed on this resource, the more Nebraskan's electricity cost will rise. We will continue to work with our power supplier and lawmakers to limit the effects of these regulations on our consumers.

I want to thank the employees and directors for their continued dedication to the District again this year. To limit service interruptions to our customers, crews perform an increasing amount of energized line work and our safety record remains solid. Our focus is simple - to safely provide our consumers with the most reliable and responsive service at the lowest rates in the state.

Have a great 2011.

FROM THE DESK
OF THE MANAGER

DAN LEISE



Asche retires:

Nebraska Public Power District (NPPD) CEO Ron Asche recently surprised many colleagues when he announced that he will be retiring from NPPD effective February 2nd of this year. He will be taking a job as CEO of United Power in Brighton, Colorado. United is a 160-employee electric cooperative serving 120,000 consumers along the northern Front Range of the Rockies. Ron has been with NPPD for 35 years – the last 5 as CEO. He's done a great job and we want to thank him for his service to Public Power in Nebraska and we wish him well in his new endeavor.

