

2019 ANNUAL REPORT

District Statistics

Founded: 1933

Headquarters: Columbus, Nebraska

Local Offices: Albion, Cedar Rapids, Clarkson,
Columbus, Fullerton, Genoa, Humphrey,
Newman Grove, and St. Edward

Service Centers: Albion, Columbus, and Fullerton

Powerhouses: Columbus and Monroe

Diversion: Genoa Headworks

Wholesale Power: Nebraska Public Power District (NPPD)

Service Area: 2,219 square miles

Miles of Line:

Overhead Distribution — 493

Transmission — 256

Underground— 42

Distribution Substations: 41

Transmission Substations: 12

Customers: 20,464

Employees: 120

2019 a tough financial year



Neal Suess
President/CEO

2019 was a tough financial year for Loup Power District. This was mostly the result of the effects from the mid-March 2019 storm event, and subsequent damage to District facilities. Additionally, the costs associated with the repair of these facilities, and the delay of receiving funds from the Federal Emergency Management Agency (FEMA) for making these repairs, created an overall hardship for the District.

Overall the District saw negative net operating revenue (total electric revenue less operating expenses) for the first time in several years. This was due mostly to the reduced revenue associated with the sales from the District's hydroelectric system. In 2019, hydroelectric sales were more than 50 percent below 2018 and more than 35 percent below budget.

The District's utility plant-in-service increased by 4.9 percent in 2019, when compared to 2018. This does show a positive in growth for the District, as we continue to see growth in customers and facilities throughout the District service territory.

Additionally, despite the tough financial year, the District did record a small increase in net position during 2019.

Overall costs continue to increase, although

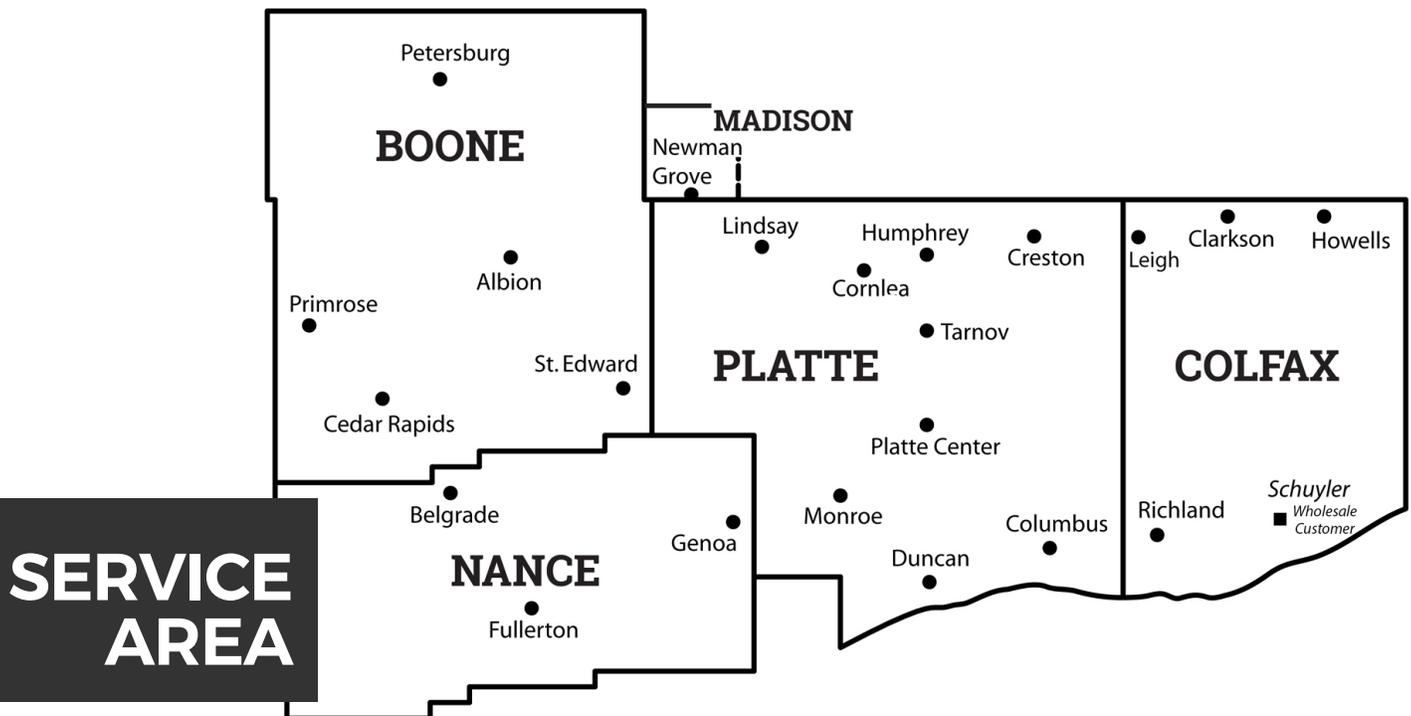
the District has worked hard with our power supplier, the Nebraska Public Power District (NPPD), to keep purchased power costs from increasing.

Overall purchased power costs represent approximately 70 percent of the District's operating costs. The District is happy to note that NPPD has gone several years without any rate change, which has helped the District maintain competitive rates as compared to others in Nebraska and throughout the United States.

The District has managed to maintain this financial position without any increases to retail rates. We have gone three years without an increase to retail rates, and look forward to containing this in the future, assuming no unexpected increase in costs.

The Board of Directors, management, and employees of the District are extremely thankful for the support of all our customers, especially through the trying times we saw in 2019, and the ongoing issues we are going to see in 2020.

The electric utility industry, as well as the world around us, is changing rapidly (daily and hourly). However, working together with our customers, the District aims to make a difference in your lives.



FINANCIAL INFORMATION

	2019	2018
ASSETS		
Net Utility Plant	\$112,286,530	\$107,896,803
Cash & Current Assets	48,076,079	56,285,674
Other	8,269,655	4,587,423
Total Assets	\$168,632,264	\$168,769,900
LIABILITIES		
Beg Retained Earnings	\$105,985,435	\$100,463,177
Net Gain (Loss)	304,331	5,522,258
Current Liabilities	40,321,682	37,495,518
Deferred Credits	701,457	656,477
Long Term Debt	21,319,359	24,632,470
Total Liabilities	168,632,264	\$168,769,900
REVENUES		
Retail	\$88,307,395	\$88,634,346
Wholesale	8,530,842	9,043,515
NPPD — Hydro Utilization	4,922,139	10,196,193
Other	717,247	725,435
Total Revenue	\$102,477,623	\$108,599,489
EXPENSES		
Purchased Power	\$74,474,083	\$74,658,015
Operations Expenses	9,547,809	10,088,933
Maintenance Expenses	5,743,336	6,463,841
In-Lieu-of-Taxes	7,289,682	7,402,169
TOTAL EXPENSES	\$97,054,910	\$98,612,958
Generated from Operations	\$5,422,713	\$9,986,531
Depr. Charged to O & M	482,334	533,682
Interest Income & Other	533,277	1,115,182
Retired Debt	(2,770,000)	(2,660,000)
Available for Construction	3,668,324	8,975,395
Construction Expenditures	10,802,990	11,615,119



DAVID BELL
Vice President
of Development/Marketing



TODD DUREN
Vice President
of Corporate Services



DAN HELLBUSCH
Vice President of Operations



WALT WILLIAMS
Vice President of
Administrative Services/CFO



RON ZIOLA
Vice President of Engineering

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Subdivision 7



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Subdivision 5



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Subdivision 1



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Secretary
Subdivision 2



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