

**FOR IMMEDIATE RELEASE
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Loup Power District Initiates Federal Relicensing Process

The Loup Power District has initiated the multi-year process of applying for a new Federal Energy Regulatory Commission (FERC) license. Relicensing a hydropower project is a highly structured, federally regulated, highly transparent procedure that takes at least five and one half years. The District's existing federal license for the Loup River Hydropower Project will expire in April 2014. A new license must be obtained from FERC to continue operation.

The existing licensed project consists of a power canal running from the Loup River west of Genoa to the Platte River just east of Columbus; two powerhouses with a total installed capacity of 56 mega volt-ampere (MVA) of electricity; and two regulating reservoirs that can hold water for a period of hours until it is needed for electrical generation.

FERC regulates and oversees non-federal hydropower projects in the economic, environmental, and safety interests of the American public. FERC issues licenses for the construction of new projects and for continued operation of existing projects (relicensing). They also provide oversight of ongoing project operations, including performing facility safety inspections and environmental monitoring.

This will be the third FERC license proceeding for the District. The original 50-year project license was issued in 1934 prior to construction of the hydropower project. In 1984, the District received a new license to operate the project for an additional 30 years. The District has retained HDR Engineering, Inc. to assist it with the current relicensing effort.

The license process ensures that a hydropower project complies with many regulations, including: the Federal Power Act (FPA), the National Environmental Policy Act (NEPA), the Clean Water Act (CWA), the Endangered Species Act (ESA), and the National Historic Preservation Act (NHPA). The process also requires a thorough evaluation of all aspects of the Hydropower Project, including economic, cultural, and environmental impacts. Process stakeholders may view these impacts as desirable, undesirable, or both. FERC is charged with evaluating input from all stakeholders and seeking a balance between the power and non-power aspects of each licensed project. Concerns and potential impacts related to the continued operation of the Loup Power District Hydropower Project will be investigated during the relicensing process.

The District is committed to working responsibly with concerned parties to appropriately investigate and seek resolution of all legitimate issues raised during relicensing. To identify and resolve these issues, the District is seeking input from regulatory agencies, property owners, irrigators, tribal interests, special interest groups, and the general public.

FERC regulations require the submission of a comprehensive pre-application document (PAD) approximately five and a half years prior to the expiration of the current license. Loup Power District intends to submit this document in October 2008. Prior to the October submission, the District will conduct meetings with regulatory agencies and hold public meetings as part of data collection and issue identification. Following the submission of the PAD, the District will continue to consult with agencies and stakeholders as it develops the scoping and study plans necessary to complete a formal license application.

The public can obtain additional information about the license process on Loup Power District's website, <www.loup.com> or by calling 1-866-869-2087.