

About the Municipal Energy Agency of Nebraska

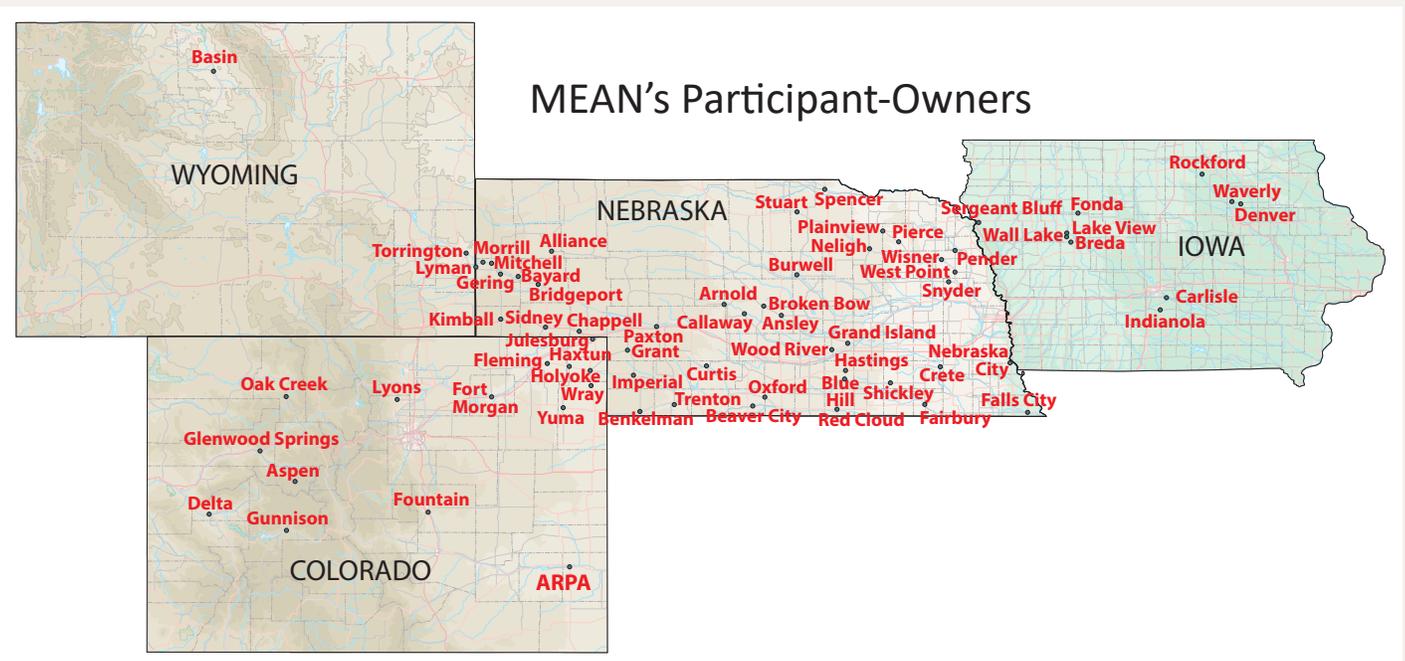
MEAN is a not-for-profit public wholesale electricity supplier of NMPP Energy, a joint-action agency based in Lincoln, Neb., that includes four organizations under the NMPP Energy trade name. MEAN was created in 1981 and provides power supply, transmission and other related services to 69 communities in four states: Colorado, Iowa, Nebraska and Wyoming.

Formation of MEAN

MEAN formed after the passage of the Municipal Cooperative Financing Act in the Nebraska legislature in 1981. This Act allowed for the issuance of bonds for power supply. Charter members included 13 Nebraska communities. Over the next three-plus decades MEAN experienced significant growth, expanding into bordering states.

Governance

As a public power wholesale utility MEAN is owned and governed by its Participants. Each MEAN Participant has a voting representative on the Management Committee and most have taken additional steps to serve on the Board of Directors. Both groups typically hold joint quarterly meetings. MEAN also has several subcommittees for power supply, finance, risk oversight and services that meet regularly and make recommendations for the board and management committee.



Resource Portfolio

MEAN has a reliable and diverse energy resource portfolio that includes electric generation from coal, nuclear, natural gas, hydro, wind and landfill gas resources along with Participant-Owner generation. MEAN has ownership shares in several power plants throughout the region and power purchase agreements with other utilities.



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About the Municipal Energy Agency of Nebraska (cont.)

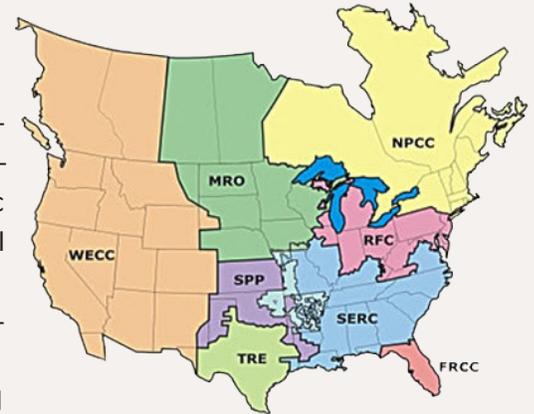
Operational Footprint

Wholesale Power Markets (RTOs)

MEAN's operational footprint stretches across four states: Colorado, Iowa, Nebraska and Wyoming. Because of this large footprint and MEAN's geographic location, MEAN operates in two Regional Transmission Organizations: The Southwest Power Pool (SPP) and the MidContinent Independent System Operator (MISO). MEAN also serves Participants through the bilateral market in the Western Interconnection.

Reliability/Compliance Requirements

Along with serving Participants electric load through wholesale power markets, MEAN must adhere to strict regulatory and compliance guidelines through regional entities delegated by the Federal Regulatory Energy Commission (FERC) and the North American Electric Reliability Corporation (NERC) for the ensured reliability of the nation's electric grid. MEAN is registered as a Resource Planner in two of these regional entities: the Midwest Reliability Organization (MRO) and the Western Electricity Coordinating Council (WECC). As part of compliance requirements, MEAN must keep detailed records of daily market operations and undergo periodic compliance audits. There are significant financial penalties for utilities found in non-compliance.



MEAN operates in two NERC Regional Entities: MRO and WECC.

Cost-based Rates

As a public, not-for-profit utility, MEAN provides cost-based rates to its Participants. Unlike an investor-owned utility, all funds of the organization benefit its communities and not shareholders.

How MEAN Differs from Other Utilities

MEAN is unique as a wholesale utility supplier, in terms of its operational footprint, its staffing and in how it collects revenues to maintain its financial health:

- MEAN is the only public wholesale power supplier in the country that operates in three separate wholesale markets.
- MEAN is a transmission-dependent utility. MEAN's two primary revenue sources are its fixed cost recovery charge to Participants and energy sales in the wholesale market from serving Participants' load.
- MEAN is strictly a wholesale power supplier — it does not employ line crews, bucket trucks or have a utility inventory of equipment like a typical vertically-integrated utility.

Administration/Staff

MEAN operates with a staff of 49 full-time equivalent individuals, which includes 24-hour dispatch service. As a joint-action agency, some staff split time with other NMPP Energy organizations.



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