

Project Summary and Justification

Department Lincoln Electric System

Division _____

SUMMARY

Lincoln Electric System is submitting a Capital Improvement Program for 2002 - 2008¹ that will:

- Extend electric service to 12,000 new customers,
- Increase size of service for 6,000 existing customers,
- Serve 107,000 kilowatts of new electric load, and
- Replace obsolete and deteriorated facilities.

We project that the normal weather peak system demand will increase from 736,000 kilowatts in 2002 to 843,000 kilowatts in 2008. This increase of 107,000 kW represents an effective annual growth rate of 2.3% over the six-year period. Net customer growth will average 2,000 new customers per year through this six-year plan.

The 2002 - 2008 Capital Improvement Program includes \$273,372,000 in capital improvements to continue to provide economical and reliable electric service to our customers.

HIGHLIGHTS of the 2002 - 2008 CIP:

TRANSMISSION LINES

115kV Transmission Rebuild: Rokeby - 20th & Pioneers

Rebuild approximately 5.5 miles of existing 115kV line from the Rokeby Substation near SW 12th & Denton Rd. to the 20th & Pioneers 115kV Substation. This line is being upgraded to provide additional capacity for bringing power generated at Rokeby Station to Lincoln.

115kV Transmission Line: 19th & Alvo - NW 12th & Arbor

Install 3.5 miles of 115kV transmission line from the existing 19th & Alvo Substation to a proposed substation near NW 12th & Arbor. About 2 miles of this line will be constructed to accommodate a proposed 345kV line (345kV Regional Tie) in addition to the 115kV line.

115kV Transmission Line: SVGS Relocation/Connections

This project will relocate a portion of the existing 70th & Bluff to 84th & Fletcher 115kV line and tie into the proposed Salt Valley Generating Station. We will also connect to the existing 70th & Bluff to Waverly 115kV line for connections to SVGS.

115kV Transmission Rebuild/Upgrade: Sheldon - Rokeby

Rebuild and upgrade about 10 miles of old, 115kV transmission line from the existing Sheldon Substation (Hallam, NE) to the existing substation at Rokeby Generating Station.

¹The 2002-2008 CIP covers 2003 to 2008 for LES. The LES fiscal year coincides with the calendar year. For example, on Forms A & B, 2002-2003 is 2003 for LES.

Project Summary and Justification (cont.)

Department Lincoln Electric System

Division _____

115kV Transmission Line: NW 12th & Arbor – NW 68th & Holdrege

Install about 8 miles of 115kV transmission line from the existing NW 68th & Holdrege Substation to a proposed substation near NW 12th & Arbor.

345kV Transmission Line: Regional Tie

Install approximately 25 miles of 345kV line from the Wagener Substation (128th & Adams) to the NW 68th & Holdrege Substation. This line will complete a loop to NW 68th & Holdrege Substation and is an essential element in developing the 345kV bulk transmission network. Its timing is based on the need for a second 345-115kV transformer at NW 68th & Holdrege Substation. The second transformer requires another 345kV source to meet reliability criteria. The first 5 miles, from 128th & Adams to 120th & Hwy 6 is complete. About 2 miles will be completed in conjunction with the 19th & Alvo – NW 12th & Arbor 115kV project. The remaining portions of the line will be built during this six-year period.

SUBSTATIONS

UNL East Campus Substation

The proposed UNL Substation near 36th & Merrill will provide 4kV service to the University of Nebraska East Campus from an existing LES 35kV transmission line.

84th & Bluff Substation

Build a new switching substation near 84th & Bluff Road to provide connections from the new generators at Salt Valley Generating Station to the transmission grid.

70th & Calvert Substation Upgrade

Replace six obsolete 115kV oil circuit breakers with modern breakers and relaying.

NW 12th & Arbor Substation

Build a new 115-12kV substation near NW 12th & Alvo. This substation replaces the 4th & Morton Upgrade from the last CIP. Continued growth in this area and development in the Lynn Creek and North Lynn Creek subareas (Fallbrook) and Kawasaki are better served from a new substation near this location.

85th & Highway 2 Substation

Build a new 115-12kV, 39MVA substation on an existing substation site near 84th & Highway 2. The area east of 84th from Pioneers – Pine Lake is currently being developed primarily as residential (Vintage Heights, HiMark Estates). Continued load growth in this area and proposed commercial development between 84th to 84th, Pine Lake to Highway 2 in the current land use plan will require an additional substation transformer at this location.

Project Summary and Justification (cont.)

Department Lincoln Electric System

Division _____

12th & Y Substation

This proposed substation in the vicinity of 12th & Y will provide service to the University of Nebraska directly from an LES 115kV transmission line. This will provide a needed additional capacity to support growth on city campus, State Fair Park and the surrounding area.

SW 20th & K Substation

Build a new 115-12kV substation near SW20th & “K”. This substation replaces the 3rd & Van Dorn Upgrade from the last CIP. Continued growth in this area will require an additional substation transformer near this location.

West Lincoln Substation 115kV Rebuild

Rebuild existing 115kV section of this substation and replace a 115-35kV transformer. This is one of the oldest substations in the system and needs to be upgraded to maintain safe and reliable service.

40th & Rokeby Substation

Build a new 115-12kV substation near 40th & Rokeby Road. This substation replaces the 27th & Pine Lake Upgrade from the last CIP. Continued growth in this area and the addition of the S1/S2 subareas (27th & Rokeby) will require an additional substation near this location. We will be conducting routing studies for a 115kV line to serve this substation.

19th & Alvo Substation: Add Transformer

Add a 115-12kV transformer and switchgear at the existing 19th & Alvo substation. Continued growth and development in the area require additional substation transformer capacity at this location.

NW 40th & Alvo Substation

Build a new 115-12kV substation near NW 40th & Alvo. This substation will serve continuing industrial growth in this area. This substation will also provide better back-up to the growing Kawasaki load and to Fallbrook.

56th & I80 Substation

Build a new 115-12kV substation near 56th Street and Interstate 80. Continued growth in this area and development in north Lincoln (N1/N2 subareas) will require a new substation at this location.

Replace 2nd & N Transformer

Replace an older 115-35kV transformer at the existing 2nd & N substation.

70th & Bluff Substation, Replace Transformer

Replace the existing 161-115kV, 100MVA transformer at 70th & Bluff with a 200MVA transformer. The larger transformer is required to provide additional inlet capacity from OPPD’s 161kV line to ensure reliable service for the growing electric needs of the City of Lincoln.

Project Summary and Justification (cont.)Department Lincoln Electric System

Division _____

NW 68th & Holdrege Substation, Transformer #2

Add a second 345-115kV, 336MVA transformer to the existing substation at NW 68th & Holdrege. The second transformer is required to provide additional inlet capacity to ensure reliable service for the growing electric needs of the City of Lincoln.

DISTRIBUTION**Norris P.P.D. Service Area Adjustment**

This Overhead Distribution item provides for adjustments to LES service territory in accordance with joint planning efforts with Norris Public Power District. Norris Public Power District and LES have entered into an agreement to do joint planning in an area surrounding Lincoln and to adjust the service area, as required, to provide for LES service to the growing Lincoln area. This project provides for purchasing facilities from Norris and for extending distribution circuits to serve LES and Norris customers in the joint planning area. This plan shows a substantially reduced estimate from the \$9,750,000 investment shown in last year's CIP. LES' joint planning efforts with Norris will help keep costs to both utilities lower as the service area boundaries are adjusted to match the growth of the City of Lincoln.

STREET LIGHTS

We are proposing \$12,733,000 for streetlight capital construction projects in this six-year plan. Approximately 700 (net) new streetlights per year will be added within the city limits. Many of these lighting projects are required by street and highway construction during this period. LES coordinates the arterial lighting schedule with the Department of Public Works.

POWER SUPPLY**Laramie River Station**

This item represents LES' share of anticipated annual capital expenditures for the Laramie River Station. The Laramie River facility consistently ranks among the lowest operating cost generating stations in the United States. This performance record is a result of efficient and effective design and the continued review and upgrade of facility systems. The Project's facilities are in good condition and in compliance with environmental and other regulatory requirements. However, after nearly 20 years the system is beginning to age. This fact, coupled with technological advances, is cause for additional investments in the Project. A number of significant plant improvements are scheduled for the 2003 through 2008 time frame. These include FD fan/motor upgrades, upgrade of the sulfur-dioxide scrubber, coal handling facility modifications, switchgear upgrades, Gray Rocks Reservoir improvements and water treatment system improvements. A significant increase in the proposed capital budget may be required in the future if the EPA mandates reductions in mercury emissions, which will require construction of "bag houses". These construction activities are of significant size and will provide a long-term impact on the continued high performance of this generating resource.

Project Summary and Justification (cont.)

Department Lincoln Electric System

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Local Generation (Misc. Modifications)

The purpose of this item is to provide for local generation capital requirements imposed by changing regulatory requirements. In addition, the item enables implementation of projects to extend generating unit life as maintenance efforts require replacement of aging systems and components.

Salt Valley Generating Station (SVGS)

With the uncertainty of other regional power projects, the growing electric needs of Lincoln have required the development of a new generating site in the Lincoln service area. This item provides for the site development and installation of a natural gas fired combined cycle facility. A combined cycle (CC) unit combines a conventional combustion turbine (CT) with a heat recovery boiler and steam generator. By utilizing the waste heat from the CT to produce steam, improved cycle efficiency is obtained. The first CC unit on this new site will be made up of two CT's, two heat recovery boilers and one steam generator for a nominal rating of approximately 118 MW. The site has been acquired and contracts for site preparation, the combustion turbines, steam turbine and several plant subsystems have been awarded. The unit would be targeted for a late 2003 commercial operation. The Salt Valley Generating Station project (SVGS) is the new "base case" for LES resource planning. Other base load coal units such as West Bend (previously Iatan #2), Hastings No. 2, Nebraska City No. 2, or the second Council Bluffs unit will be evaluated as the projects become better defined. As these proposed units are added to the planning model, local SVGS peaking units could be shifted out or replaced.

Salt Valley No. 4

This project includes the construction of a simple cycle combustion turbine with dual fuel natural gas and oil firing capability located at the SVGS site. The unit would be constructed for a commercial operation date in the early 2004 time frame and would have an expected nominal output of approximately 45 MW. The unit in combination with the combined cycle facility is required to meet increasing load growth in the LES service area.

Peaking Turbine No. 6 and 7

This project includes construction of LES' sixth and seventh combustion turbines for peak load service. These units, along with the identical 45 MW Salt Valley No. 4, provide the appropriate capacity resources in the correct time frame to meet the continuously growing Lincoln electrical load. LES has received proposals for optional turbine purchases under the original SVGS Combustion Turbine contract. In the event that the LES Cooper contract is extended beyond 2003 LES would reevaluate the need and or timing for these peaking turbine additions.

Project Summary and Justification (cont.)Department Lincoln Electric System

Division _____

LES Renewable Project No. 3

Construct an additional renewable project under the LES Renewable Energy Program. The project may be a landfill gas project developed jointly with Public Works at the Bluff Road landfill. Project scope would include construction of: a methane collection system for between 10 and 20 acres of landfill refuse, gas cleaning equipment, condensate management system and a reciprocating-engine generator. Initial projections indicate this first phase could support between 500-1000 kW of generation with a total site capacity of over 5000 kW.

LES Renewable Project No. 4

Construct an additional renewable energy project at a to be determined location under LES' Renewable Energy Program. Depending on the economics of energy production, LES would provide initial funding, but the amortization of construction and operation costs may be accomplished by a monthly contribution from LES customers who would elect to participate in an additional renewable project.

Council Bluffs No. 4

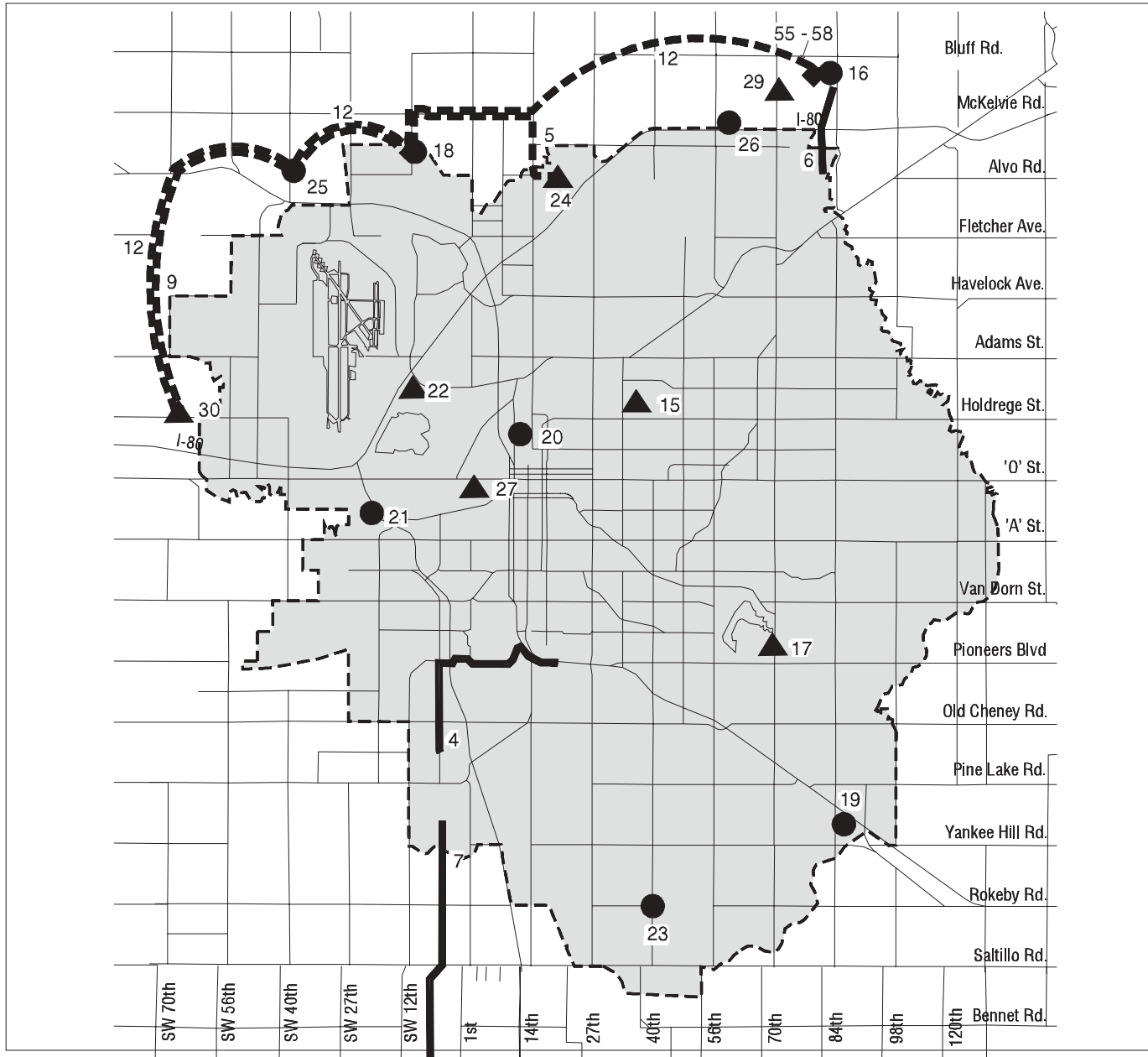
LES plans to participate to the extent of 100 megawatts (MW) in a 750 MW coal-fired plant which Mid American Energy Company (MEC) is constructing in Council Bluffs, Iowa, as the fourth unit (CB4) on that site. The plant is to be operational by summer of 2007. This coal-fired plant would replace Iatan 2 in the LES resource mix that had been identified in previous CIP's through the FY 2001-2007. Council Bluffs' No. 4 will provide an economical base load capacity for LES and would have the positive effect of postponing the anticipated 2006-2010 expansion at Salt Valley Generating Station until at least 2011. This will be the first base load unit added to LES's resource mix since Laramie River Station was installed in the 1980s. This unit will provide economical energy and diversity in LES's resource mix.

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Lincoln CIP 2002 - 2008

L.E.S.

NOTE: Location of future facilities is approximate. Actual locations will be determined through routing studies.



L e g e n d	Lincoln Future Service Limit Shown as Grey	
	<p>Map prepared by City - Co. Planning Dept GIS Section</p> <p style="text-align: center;">M I L E S</p>	<ul style="list-style-type: none"> <i>Proposed Substation Changes</i> <i>Proposed Substation Location</i> <i>New Generation Site</i> <i>Proposed Transmission Line Change</i> <i>Proposed Transmission Line</i> 22 <i>Project Number</i>

List of Projects *Department: Lincoln Electric System*

Project Project
Number Title

	TRANSMISSION:
(1)	35kV: New Construction
(2)	35kV: Rebuild/Other
(3)	35kV: Relocation
4	115kV: Rokeby – 20 th & Pioneers
5	115kV: 19 th & Alvo – NW 12 th & Arbor
6	115kV: SVGS Relocation/Connections
7	115kV: Sheldon - Rokeby
(8)	115kV: Miscellaneous Construction/Rebuild
9	115kV: NW12th & Arbor – NW 68 th & Holdrege
(10)	115kV: Relocation
(11)	115kV: Communication
12	345kV: Regional Tie
(13)	345kV: Other
	SUBSTATION:
(14)	35kV: Substation Miscellaneous Construction/Rebuild
15	35kV: UNL East Campus Substation
16	115kV: 84 th & Bluff Substation
17	115kV: 70 th & Calvert: Replace Breakers
18	115kV: NW 12 th & Arbor Substation
19	115kV: 85 th & Hwy 2 Substation
20	115kV: 12 th & Y Substation
21	115kV: SW 20 th & K Substation
22	115kV: W Lincoln Rebuild & Transformer 1
23	115kV: 40 th & Rokeby Substation
24	115kV: 19 th & Alvo - Add Transformer 1
25	115kV: NW40 th & Alvo Substation
26	115kV: 56 th & 180 Substation
27	115kV: Replace 2 nd & N Transformer T304
(28)	115kV: Miscellaneous Substation Construction/Rebuild
29	161kV: 70 th & Bluff – Replace T691
30	345kV: NW 68 & Holdrege Add Transformer
(31)	345kV: Miscellaneous Substation Construction/Rebuild
	DISTRIBUTION
(32 - 38)	Overhead Construction
(39 - 43)	Underground Construction
	WAVERLY & STREET LIGHT
(44 - 46)	Waverly Distribution & Streetlight
(47 - 52)	New Construction, Ornamental Lighting Districts, Joint Traffic Signal, Rebuild, Relocation, and Other
	POWER SUPPLY
(53)	Laramie River Station
(54)	Miscellaneous Modifications
55	Salt Valley Combined Cycle
56	Salt Valley Unit #4
57	Peaking Unit No. 6
58	Peaking Unit No. 7
(59)	Renewable Projects No. 3 and No. 4
(60)	Council Bluffs No. 4

*Project number in parenthesis indicates project is not shown on the map.

2002 - 2008 CAPITAL IMPROVEMENT PROGRAM

DIVISION: SUMMARY

(1)	(2)	(3)	5% Inflation per year (4)											
PROJ. NO.	PROJECT TITLE	PROJ. PRIO.	PROGRAMMED EXPENDITURES & FUNDING SOURCES (FS) (000's)											
			2002-2003	FS	2003-2004	FS	2004-2005	FS	2005-2006	FS	2006-2007	FS	2007-2008	FS
	Transmission		4,420.0		8,835.0		15,235.0		10,437.0		4,906.0		5,227.0	
	Substation		5,892.0		5,507.0		5,906.0		9,280.0		6,088.0		5,401.0	
	Overhead		3,410.0		3,358.0		3,468.0		3,600.0		3,739.0		3,881.0	
	Underground		10,049.0		10,456.0		11,317.0		12,071.0		12,456.0		13,221.0	
	Waverly		68.0		74.0		79.0		85.0		88.0		98.0	
	Street Light		2,423.0		2,043.0		2,003.0		1,868.0		2,171.0		2,225.0	
	Power Supply		33,758.0		23,752.0		62,087.0		67,484.0		33,189.0		12,367.0	
	=====		=====		=====		=====		=====		=====		=====	
	TOTAL		60,020.0		54,025.0		100,095.0		104,825.0		62,637.0		42,420.0	
<p>FUNDING SOURCE EXPLANATION</p> <p>All available cash (Utility Revenues) will be used first for funding generation projects.</p> <p>Revenue Bonds will be used to fund all other projects and the remaining generation projects in excess of available cash.</p>														

(5)	(6)	(7)		(8)	(9)	(10)	(11)						(1)	
TOTAL FOR SIX YEARS (000's)	COST BEYOND 2007-2008 (000's)	PRIOR APPROPRIATIONS (000's) YEAR FS		TOTAL CAP COSTS (000's) (5)+(6)+(7)	COMP PLAN CONFORM	STATUS OF PLANS	COST BREAKDOWNS FOR SIX-YEAR EXPENDITURES (000's)						PROJ. NO.	
							PRELIM PLANS	FINAL PLANS	LAND ACQUISITION	CONST	EQUIP / FURNISH	OTHER (EXPLAIN)		
49,060.0	0.0	4,241.0		53,301.0						53,301.0				
38,074.0	710.0	4,155.0		42,939.0						42,939.0				
21,456.0	0.0	0.0		21,456.0						21,456.0				
69,570.0	0.0	0.0		69,570.0						69,570.0				
492.0	0.0	0.0		492.0						492.0				
12,733.0	0.0	0.0		12,733.0						12,733.0				
232,637.0	35,595.0	106,197.0		374,429.0						374,429.0				
=====	=====	=====		=====						=====				
424,022.0	36,305.0	114,593.0		574,920.0						574,920.0				

2002 - 2008 CAPITAL IMPROVEMENT PROGRAM

DIVISION: TRANSMISSION

(1)	(2)	(3)	5% Inflation per year (4)											
PROJ. NO.	PROJECT TITLE	PROJ. PRIO.	PROGRAMMED EXPENDITURES & FUNDING SOURCES (FS) (000's)											
			2002-2003	FS	2003-2004	FS	2004-2005	FS	2005-2006	FS	2006-2007	FS	2007-2008	FS
1	35kV: New Construction	B	114.0		121.0		129.0		134.0		139.0		144.0	
2	35kV: Rebuild/Other	B	57.0		63.0		70.0		76.0		99.0		104.0	
3	35kV: Relocate	B	694.0		19.0		19.0		19.0		19.0		19.0	
4	115kV:Rokeby-20th & Pioneers	A	1,204.0		0.0		0.0		0.0		0.0		0.0	
5	115kV: 19th&Alvo-NW12th & Arbor	A	529.0		54.0		0.0		0.0		0.0		0.0	
6	115kV: SVGS Relocation/Connections	A	358.0		0.0		0.0		0.0		0.0		0.0	
7	115kV:Sheldon - Rokeby	B	0.0		0.0		0.0		0.0		4,061.0		4,216.0	
8	115kV: Misc Construction/Rebuild	B	67.0		70.0		72.0		75.0		80.0		82.0	
9	115kV:NW12th&Arbor-NW68th&Holdrege	B	0.0		3,210.0		2,675.0		0.0		0.0		0.0	
10	115kV: Relocation	B	63.0		70.0		72.0		75.0		80.0		82.0	
11	115kV: Communication	B	799.0		948.0		428.0		428.0		428.0		428.0	
12	345kV: Regional Tie	B	535.0		4,280.0		11,770.0		9,630.0		0.0		0.0	
13	345kV: Other	B	0.0		0.0		0.0		0.0		0.0		152.0	
=====			=====		=====		=====		=====		=====		=====	
TOTAL			4,420.0		8,835.0		15,235.0		10,437.0		4,906.0		5,227.0	
* Denotes new project														

FORM B

(5)	(6)	(7)		(8)	(9)	(10)	(11)						(1)	
TOTAL FOR SIX YEARS (000's)	COST BEYOND 2007-2008 (000's)	PRIOR APPROPRIATIONS		TOTAL CAP COSTS (000's) (5)+(6)+(7)	COMP PLAN CONFORM	STATUS OF PLANS	COST BREAKDOWNS FOR SIX-YEAR EXPENDITURES (000's)						PROJ. NO.	
		YEAR	FS				PRELIM PLANS	FINAL PLANS	LAND ACQUISITION	CONST	EQUIP / FURNISH	OTHER (EXPLAIN)		
781.0	0.0	0.0		781.0	GCP	1					781.0			1
469.0	0.0	0.0		469.0	GCP	1					469.0			2
789.0	0.0	0.0		789.0	GCP	1					789.0			3
1,204.0	0.0	0.0		1,204.0	GCP	2					1,204.0			4
583.0	0.0	770.0		1,353.0	GCP	7					1,353.0			5
358.0	0.0	241.0		599.0	GCP	7					599.0			6
8,277.0	0.0	0.0		8,277.0	GCP	1					8,277.0			7
446.0	0.0	0.0		446.0	GCP	1					446.0			8
5,885.0	0.0	0.0		5,885.0	GCP	2					5,885.0			9
442.0	0.0	0.0		442.0	GCP	1					442.0			10
3,459.0	0.0	0.0		3,459.0	GCP	2					3,459.0			11
26,215.0	0.0	3,230.0		29,445.0	GCP	1					29,445.0			12
152.0	0.0	0.0		152.0	GCP	1					152.0			13
=====	=====	=====		=====							=====			
49,060.0	0.0	4,241.0		53,301.0							53,301.0			

2002 - 2008 CAPITAL IMPROVEMENT PROGRAM

DIVISION: SUBSTATION

(1)	(2)	(3)	5% Inflation per year (4)											
PROJ. NO.	PROJECT TITLE	PROJ. PRIO.	PROGRAMMED EXPENDITURES & FUNDING SOURCES (FS) (000's)											
			2002-2003	FS	2003-2004	FS	2004-2005	FS	2005-2006	FS	2006-2007	FS	2007-2008	FS
14	35kV: Sub Misc. Constr/Rebuild	B	197.0		236.0		958.0		292.0		90.0		1,103.0	
15	35kV: UNL East Campus Sub (4kV)	B	1,717.0		0.0		0.0		0.0		0.0		0.0	
16	115kV: 84th & Bluff Sub	A	121.0		0.0		0.0		0.0		0.0		0.0	
17	115kV: 70th & Calvert: Replace Breakers	B	0.0		853.0		0.0		0.0		0.0		0.0	
18	115kV: NW 12th & Arbor Sub	A	405.0		0.0		0.0		0.0		0.0		0.0	
19	115kV: 85th & Hwy 2 Sub	A	1,220.0		672.0		0.0		0.0		0.0		0.0	
20	115kV: 12th & Y Sub	B	1,100.0		550.0		0.0		0.0		0.0		0.0	
21*	115kV: SW 20th & K	B	0.0		1,263.0		695.0		0.0		0.0		0.0	
22	115kV: W Line Replace 115-35kV Trfr	B	0.0		715.0		825.0		0.0		0.0		0.0	
23*	115kV: 40th & Rokeby	B	0.0		0.0		1,307.0		728.0		0.0		0.0	
24	115kV: 19th & Alvo - Add Trf 1	B	0.0		0.0		0.0		1,359.0		732.0		0.0	
25*	115kV: NW 40th & Alvo	B	0.0		0.0		0.0		0.0		1,359.0		732.0	
26	115kV: 56th & I-80 Sub	B	0.0		0.0		0.0		0.0		0.0		1,436.0	
27*	115kV: Replace 2&N T304	B	0.0		0.0		0.0		0.0		0.0		1,210.0	
28	115kV: Misc Sub Constr/Rebuild	B	1,079.0		1,092.0		890.0		714.0		963.0		776.0	
29	161kV: 70th & Bluff - Replace T691	B	0.0		0.0		0.0		0.0		2,805.0		0.0	
30	345kV :NW 68 & Holdrege Add Trfr	B	0.0		0.0		1,100.0		6,050.0		0.0		0.0	
31	345kV: Misc Sub Constr/Rebuild	B	53.0		126.0		131.0		137.0		139		144.0	
=====			=====		=====		=====		=====		=====		=====	
TOTAL			5,892.0		5,507.0		5,906.0		9,280.0		6,088.0		5,401.0	
* Denotes new project														

(5)	(6)	(7)		(8)	(9)	(10)	(11)						(1)	
							COST BREAKDOWNS FOR SIX-YEAR EXPENDITURES (000's)							
							PRELIM PLANS	FINAL PLANS	LAND ACQUISITION	CONST	EQUIP / FURNISH	OTHER (EXPLAIN)		PROJ. NO.
TOTAL FOR SIX YEARS (000's)	COST BEYOND 2007-2008 (000's)	PRIOR APPROPRIATIONS (000's)	YEAR	FS	TOTAL CAP COSTS (000's) (5)+(6)+(7)	COMP PLAN CONFORM	STATUS OF PLANS							
2,876.0	0.0	0.0			2,876.0	GCP	1				2,876.0			14
1,717.0	0.0	0.0			1,717.0	ICWP	2				1,717.0			15
121.0	0.0	0.0			121.0	ICWP	7				121.0			16
853.0	0.0	2,784.0			3,637.0	GCP	2				3,637.0			17
405.0	0.0	0.0			405.0	GCP	7				405.0			18
1,892.0	0.0	1,371.0			3,263.0	ICWP	2				3,263.0			19
1,650.0	0.0	0.0			1,650.0	ICWP	2				1,650.0			20
1,958.0	0.0	0.0			1,958.0	GCP	1				1,958.0			21*
1,540.0	0.0	0.0			1,540.0	GCP	1				1,540.0			22
2,035.0	0.0	0.0			2,035.0	GCP	1				2,035.0			23*
2,091.0	0.0	0.0			2,091.0	GCP	1				2,091.0			24
2,091.0	0.0	0.0			2,091.0	GCP	1				2,091.0			25*
1,436.0	710.0	0.0			2,146.0	ICWP	1				2,146.0			26
1,210.0	0.0	0.0			1,210.0	GCP	1				1,210.0			27*
5,514.0	0.0	0.0			5,514.0	GCP	1				5,514.0			28
2,805.0	0.0	0.0			2,805.0	GCP	1				2,805.0			29
7,150.0	0.0	0.0			7,150.0	GCP	1				7,150.0			30
730.0	0.0	0.0			730.0	GCP	1				730.0			31
=====	=====	=====			=====						=====			
38,074.0	710.0	4,155.0			42,939.0						42,939.0			

DEPARTMENT: LINCOLN ELECTRIC SYSTEM

FORM A

2002 - 2008 CAPITAL IMPROVEMENT PROGRAM

DIVISION: OVERHEAD & UNDERGROUND DISTRIBUTION

(1)	(2)	(3)	5% Inflation per year (4)													
PROJ. NO.	PROJECT TITLE	PROJ. PRIO.	PROGRAMMED EXPENDITURES & FUNDING SOURCES (FS) (000's)													
			2002-2003	FS	2003-2004	FS	2004-2005	FS	2005-2006	FS	2006-2007	FS	2007-2008	FS		
	OVERHEAD DISTRIBUTION															
32	Transformers	B	341.0		354.0		368.0		382.0		396.0		411.0			
33	Meters	B	506.0		506.0		506.0		525.0		545.0		565.0			
34	Extensions	B	310.0		321.0		333.0		345.0		359.0		373.0			
35	Service Area Adjustments: Norris	B	126.0		131.0		137.0		142.0		147.0		152.0			
36	Rebuild/Convert	B	1,180.0		1,161.0		1,205.0		1,252.0		1,302.0		1,353.0			
37	Relocate	B	564.0		585.0		608.0		632.0		656.0		682.0			
38	Feeders & Capacitors	B	383.0		300.0		311.0		322.0		334.0		345.0			
	=====		=====		=====		=====		=====		=====		=====			
	TOTAL		3,410.0		3,358.0		3,468.0		3,600.0		3,739.0		3,881.0			
	UNDERGROUND DISTRIBUTION															
39	Transformers	B	1,510.0		1,567.0		1,626.0		1,688.0		1,752.0		1,819.0			
40	Extensions	B	4,240.0		4,401.0		4,568.0		4,742.0		4,924.0		5,111.0			
41	Rebuild/Convert	B	1,654.0		2,050.0		2,593.0		3,014.0		3,054.0		3,462.0			
42	Relocate	B	1,309.0		1,051.0		1,091.0		1,132.0		1,173.0		1,218.0			
43	Feeders & Capacitors	B	1,336.0		1,387.0		1,439.0		1,495.0		1,553.0		1,611.0			
	=====		=====		=====		=====		=====		=====		=====			
	TOTAL		10,049.0		10,456.0		11,317.0		12,071.0		12,456.0		13,221.0			
	* Denotes new project															

(5)	(6)	(7)		(8)	(9)	(10)	(11)						(1)	
TOTAL FOR SIX YEARS (000's)	COST BEYOND 2007-2008 (000's)	PRIOR APPROPRIATIONS		TOTAL CAP COSTS (000's)	COMP PLAN CONFORM	STATUS OF PLANS	COST BREAKDOWNS FOR SIX-YEAR EXPENDITURES (000's)						PROJ. NO.	
		(000's)	YEAR FS	(5)+(6)+(7)			PRELIM PLANS	FINAL PLANS	LAND ACQUISITION	CONST	EQUIP / FURNISH	OTHER (EXPLAIN)		
2,252.0	0.0	0.0		2,252.0	GCP	1					2,252.0			32
3,153.0	0.0	0.0		3,153.0	GCP	1					3,153.0			33
2,041.0	0.0	0.0		2,041.0	GCP	1					2,041.0			34
835.0	0.0	0.0		835.0	GCP	1					835.0			35
7,453.0	0.0	0.0		7,453.0	GCP	1					7,453.0			36
3,727.0	0.0	0.0		3,727.0	GCP	1					3,727.0			37
1,995.0	0.0	0.0		1,995.0	GCP	1					1,995.0			38
=====	=====	=====		=====							=====			
21,456.0	0.0	0.0		21,456.0							21,456.0			
9,962.0	0.0	0.0		9,962.0	GCP	1					9,962.0			39
27,986.0	0.0	0.0		27,986.0	GCP	1					27,986.0			40
15,827.0	0.0	0.0		15,827.0	GCP	1					15,827.0			41
6,974.0	0.0	0.0		6,974.0	GCP	1					6,974.0			42
8,821.0	0.0	0.0		8,821.0	GCP	1					8,821.0			43
=====	=====	=====		=====							=====			
69,570.0	0.0	0.0		69,570.0							69,570.0			

2002 - 2008 CAPITAL IMPROVEMENT PROGRAM

DIVISION: WAVERLY & LIGHT

(1)	(2)	(3)	5% Inflation per year (4)														
PROJ. NO.	PROJECT TITLE	PROJ. PRIO.	PROGRAMMED EXPENDITURES & FUNDING SOURCES (FS) (000's)														
			2002-2003	FS	2003-2004	FS	2004-2005	FS	2005-2006	FS	2006-2007	FS	2007-2008	FS			
	WAVERLY																
44	Overhead Distribution	B	4.0		6.0		8.0		10.0		10.0		10.0		10.0		
45	Underground Distribution	B	61.0		64.0		67.0		70.0		73.0		82.0				
46	Street Light	B	3.0		4.0		4.0		5.0		5.0		6.0				
	=====		=====		=====		=====		=====		=====		=====		=====		=====
	TOTAL		68.0		74.0		79.0		85.0		88.0		98.0				
	STREET LIGHT																
47	New Construction	B	507.0		182.0		187.0		382.0		574.0		518.0				
48	Ornamental Lighting Districts	B	32.0		32.0		32.0		32.0		32.0		32.0		32.0		
49	Joint Traffic Signal	B	727.0		329.0		209.0		215.0		231.0		240.0				
50	Rebuild	B	378.0		393.0		408.0		425.0		449.0		465.0				
51	Relocationi	B	745.0		1,072.0		1,130.0		776.0		845.0		928.0				
52	Other	B	34.0		35.0		37.0		38.0		40.0		42.0				
	=====		=====		=====		=====		=====		=====		=====		=====		=====
	TOTAL		2,423.0		2,043.0		2,003.0		1,868.0		2,171.0		2,225.0				
	* Denotes new project																

(5)	(6)	(7)		(8)	(9)	(10)	(11)						(1)	
TOTAL FOR SIX YEARS (000's)	COST BEYOND 2007-2008 (000's)	PRIOR APPROPRIATIONS		TOTAL CAP COSTS (000's) (5)+(6)+(7)	COMP PLAN CONFORM	STATUS OF PLANS	COST BREAKDOWNS FOR SIX-YEAR EXPENDITURES (000's)						PROJ. NO.	
		YEAR	FS				PRELIM PLANS	FINAL PLANS	LAND ACQUISITION	CONST	EQUIP / FURNISH	OTHER (EXPLAIN)		
48.0	0.0	0.0		48.0	GCP	1					48.0			44
417.0	0.0	0.0		417.0	GCP	1					417.0			45
27.0	0.0	0.0		27.0	GCP	1					27.0			46
=====	=====	=====		=====							=====			
492.0	0.0	0.0		492.0							492.0			
2,350.0	0.0	0.0		2,350.0	GCP	1					2,350.0			47
192.0	0.0	0.0		192.0	GCP	1					192.0			48
1,951.0	0.0	0.0		1,951.0	GCP	1					1,951.0			49
2,518.0	0.0	0.0		2,518.0	GCP	1					2,518.0			50
5,496.0	0.0	0.0		5,496.0	GCP	1					5,496.0			51
226.0	0.0	0.0		226.0	GCP	1					226.0			52
=====	=====	=====		=====							=====			
12,733.0	0.0	0.0		12,733.0							12,733.0			

2002 - 2008 CAPITAL IMPROVEMENT PROGRAM

DIVISION: POWER SUPPLY

(1)	(2)	(3)	5% Inflation per year (4)											
PROJ. NO.	PROJECT TITLE	PROJ. PRIO.	PROGRAMMED EXPENDITURES & FUNDING SOURCES (FS) (000's)											
			2002-2003	FS	2003-2004	FS	2004-2005	FS	2005-2006	FS	2006-2007	FS	2007-2008	FS
53	Laramie River Station	B	796.0		745.0		1,102.0		2,595.0		1,460.0		1,689.0	
54	Misc. Modifications	B	263.0		315.0		315.0		315.0		315.0		315.0	
55	Salt Valley Comb. Cycle	A	11,025.0		496.0		0.0		0.0		0.0		0.0	
56	Salt Valley Unit #4	A	14,999.0		2,111.0		0.0		0.0		0.0		0.0	
57	Peaking Unit No. 6	B	0.0		0.0		0.0		3,204.0		26,414.0		6,944.0	
58*	Peaking Unit No. 7	B	0.0		0.0		0.0		0.0		0.0		3,419.0	
59	Renewable No. 3/4	C	1,575.0		525.0		1,050.0		0.0		0.0		0.0	
60	Council Bluffs No. 4	A	5,100.0		19,560.0		59,620.0		61,370.0		5,000.0			
	=====		=====		=====		=====		=====		=====		=====	
	TOTAL		33,758.0		23,752.0		62,087.0		67,484.0		33,189.0		12,367.0	
	* Denotes new project													

(5)	(6)	(7)		(8)	(9)	(10)	(11)						(1)	
TOTAL FOR SIX YEARS (000's)	COST BEYOND 2007-2008 (000's)	PRIOR APPROPRIATIONS		TOTAL CAP COSTS (000's) (5)+(6)+(7)	COMP PLAN CONFORM	STATUS OF PLANS	COST BREAKDOWNS FOR SIX-YEAR EXPENDITURES (000's)						PROJ. NO.	
		YEAR	FS				PRELIM PLANS	FINAL PLANS	LAND ACQUISITION	CONST	EQUIP / FURNISH	OTHER (EXPLAIN)		
8,387.0	0.0	0.0		8,387.0	GCP	2					8,387.0			53
1,838.0	0.0	0.0		1,838.0	GCP	2					1,838.0			54
11,521.0	0.0	99,205.0		110,726.0	GCP	7					110,726.0			55
17,110.0	0.0	6,342.0		23,452.0	GCP	7					23,452.0			56
36,562.0	0.0	0.0		36,562.0	GCP	2					36,562.0			57
3,419.0	35,595.0	0.0		39,014.0	GCP	1					39,014.0			58*
3,150.0	0.0	0.0		3,150.0	GCP	2					3,150.0			59
150,650.0	0.0	650.0		150,650.0	GCP	1					151,300.0			60
=====	=====	=====		=====							=====			
232,637.0	35,595.0	106,197.0		374,429.0							374,429.0			

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