

2013 ANNUAL REPORT

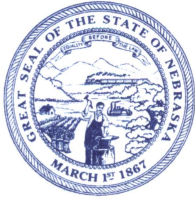


Nebraska Energy Office



Promoting the Efficient,
Economic and Environmentally
Responsible Use of Energy

STATE OF NEBRASKA



Dave Heineman
Governor

NEBRASKA ENERGY OFFICE
Ginger Willson

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February 14, 2014

Patrick J. O'Donnell
Clerk of the Legislature
Room 2018
State Capitol
Lincoln, NE 68509

Dear Mr. O'Donnell:

Enclosed is the Nebraska Energy Office's *Annual Report* for Fiscal Year 2012-2013 as required by *Nebraska State Statutes*, Section 81-1607 (R.S. Supp., 1988). A copy of the *Annual Report* has also been posted at the agency's web site at http://www.neo.ne.gov/annual_rept/NEOAnnualReport.pdf.

Sincerely,

A handwritten signature in blue ink that reads "Ginger Willson".

Ginger Willson
Director



TABLE OF CONTENTS

This *Annual Report* is organized into three sections:

- Federal and state recurring programs, including Oil Overcharge funds
- *American Recovery and Reinvestment Act of 2009* programs
- Energy Trends and Needs

American Recovery and Reinvestment Act-funded activities are reported separately from annual federally-funded programs — some of which have the same program name — because they are reported separately, monitored and subject to compliance provisions in the *Davis-Bacon Act*, *Buy American Act*, *National Environmental Policy Act of 1969*, and *National Historical Preservation Act* and the funds cannot be co-mingled with any other programs.

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The vision of the Nebraska Energy Office is to provide leadership that maximizes the benefits of energy efficiency and renewable energy through communications, outreach, technology and partnerships.

The mission of the Nebraska Energy Office is to promote the efficient, economic and environmentally responsible use of energy. The agency's principles are that we value teamwork, are customer oriented and are committed to excellence, creativity and innovation.

The Energy Office accomplishes this mission by administering innovative programs, implementing projects and services that inform, educate and involve energy consumers and decision makers. The Energy Office also collects essential statistical energy data and is the State's lead Agency responsible for developing recommendation responses during energy related emergencies.

Goals:

- ❖ Expand opportunities to implement energy efficient projects through partnerships and collaborations.
- ❖ Develop and administer programs that promote efficient uses of energy resources in everyday lives.
- ❖ Support economic development activities including sustainable existing state businesses and attracting new energy investment to the state.
- ❖ Support a broad energy portfolio that meets the state's energy needs in a reliable, clean, cost-effective manner and integrates renewable options.
- ❖ Continue the compilation and analysis of energy statistics and information that identify emerging trends related to energy supply, demand and conservation.
- ❖ Provide objective perspectives on energy policy to the public and elected officials.

THE PROGRAMS

The Nebraska Energy Office operates several different annually-funded federal and state programs. These programs are:

- ❖ Low-income Weatherization Assistance Program
- ❖ State Energy Program and special projects
- ❖ Oil overcharge-funded activities, primarily Dollar and Energy Saving Loans
- ❖ Statutorily-required state activities such as data collection and reporting.

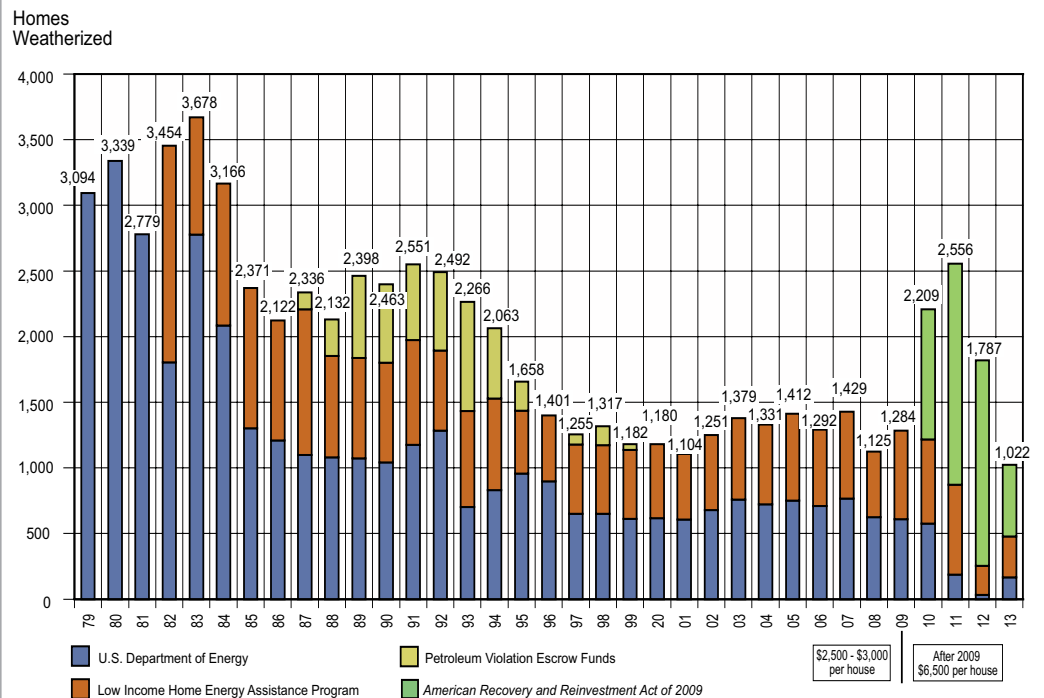
An overview of the 2012-2013 financial activity appears at the end of this section. The period covered by this report is from July 1, 2012 to June 30, 2013, except where noted.

WEATHERIZATION ASSISTANCE PROGRAM

The Energy Office administers the federally-funded program for weatherizing homes to save energy and money for those with limited incomes. The agency is responsible

for inspecting the homes that are weatherized and for monitoring the sub-grantees, primarily community action agencies, that are responsible for the home weatherization improvements. Community action agency crews or private contractors are responsible for completing the work on the homes. The Energy Office staff inspects a minimum of 30 percent

Number of Homes Weatherized by Source of Funds, 1979 - 2013



Source: Nebraska Energy Office

Figure 1

WEATHERIZATION ASSISTANCE PROGRAM

of all completed homes to ensure the quality of work performed.

The Weatherization Assistance Program received funding from three sources during the reporting period:

- \$2,579,351 from the Low-Income Home Energy Assistance Program. Annually, the Nebraska Department of Health and Human Services transfers a portion of the funds received to pay utility bills to the agency to weatherize homes so that the need for utility bill paying assistance is reduced or eliminated.
- \$403,429 from the U.S. Department of Energy’s Weatherization Assistance Program. Funds for fiscal year 2011-2012 were not spent, but carried over for use in fiscal year 2012-2013.
- \$5,244,989 from the *American Recovery and*

Reinvestment Act of 2009. These funds have been spent between May 2009 and May 2013. More about how these funds have been spent throughout the state are in Figure 2 and the Weatherization portion of the report section devoted to *American Recovery and Reinvestment Act* projects.

Between 2012-2013, 476 homes were weatherized with federal funds as illustrated in figure 3. From 2009 through May 2013, *American Recovery and Reinvestment Act* funds were used to weatherize 5,038 homes.

The types of improvements may vary based on an analysis of the home and averages between \$4,000 and \$6,500 per home, excluding the cost of health and safety improvements such as furnace repairs. Prior to mid-2009, the average amount

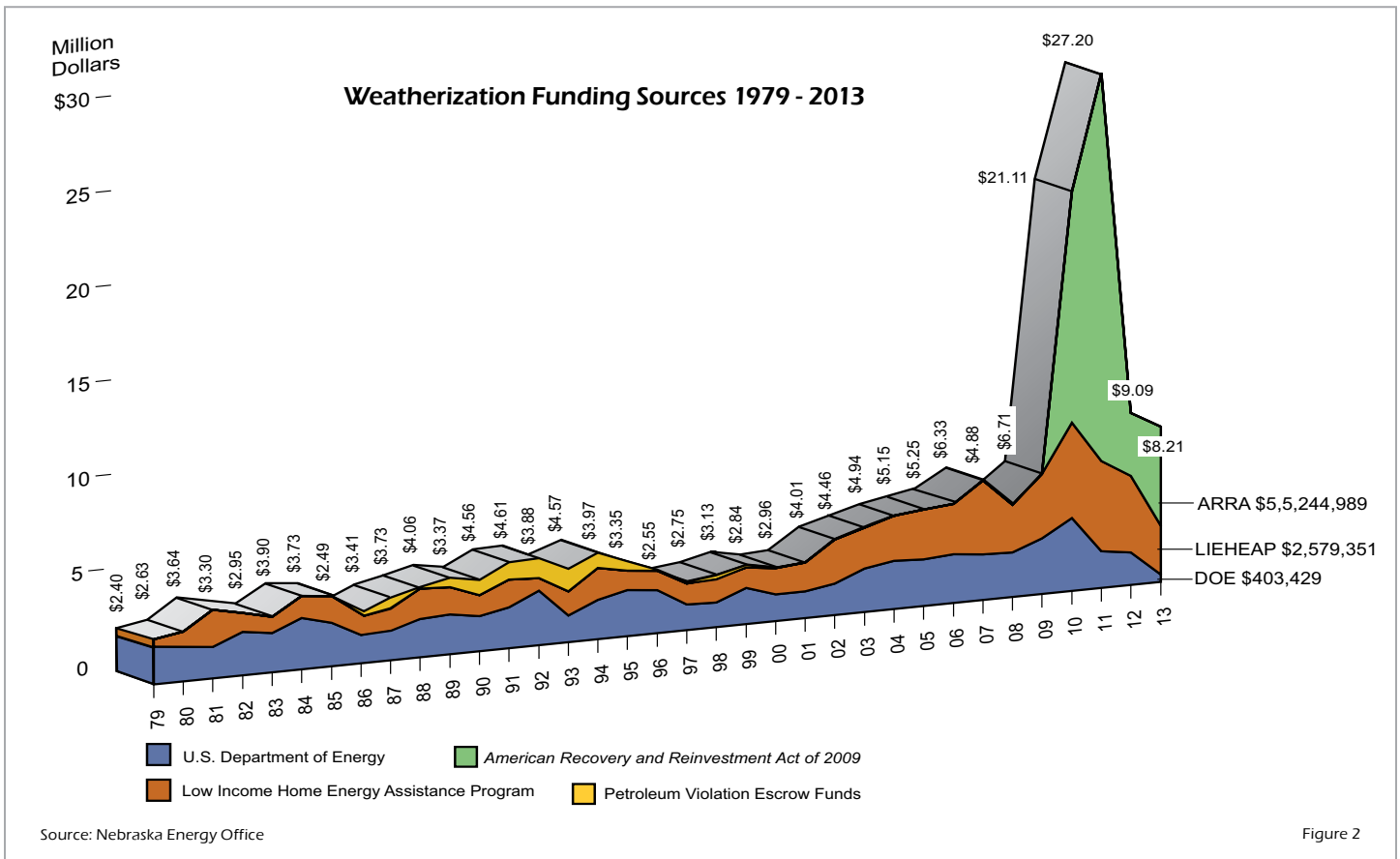
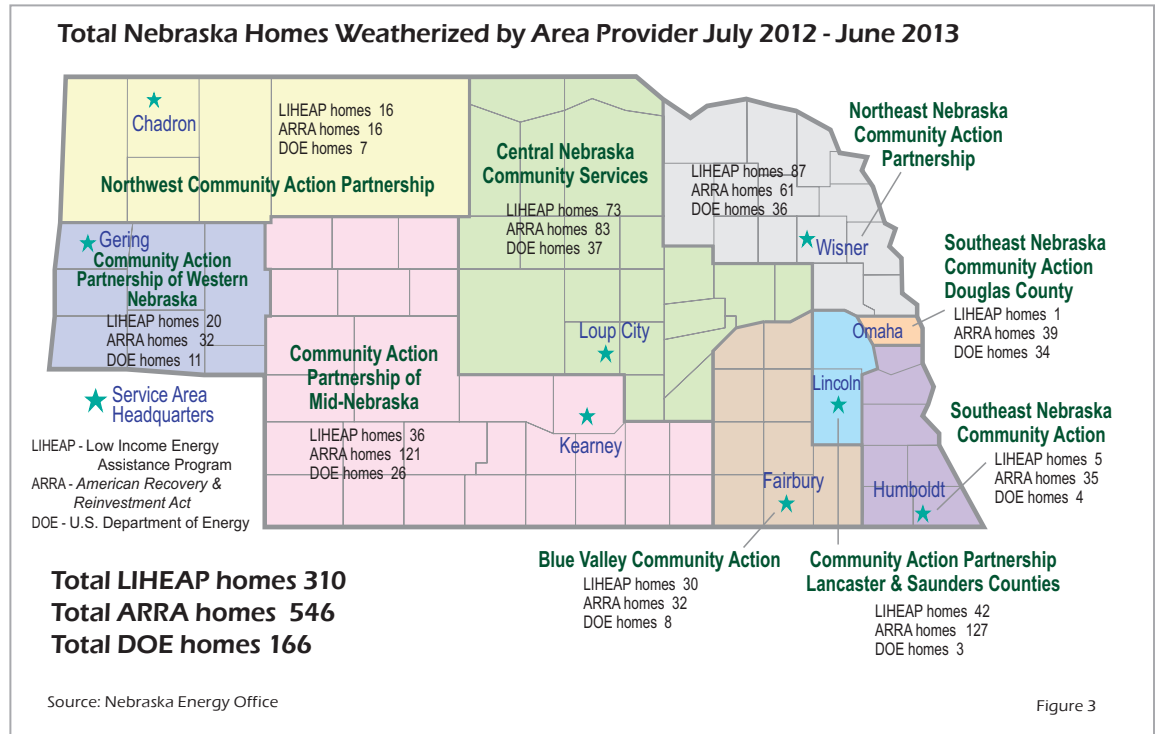


Figure 2

WEATHERIZATION ASSISTANCE PROGRAM



“The types of improvements may vary based on an analysis of the home and averages between \$4,000 and \$6,500 per home...”



The Weatherization Program integrates a whole-house approach to energy efficiency.

spent on homes ranged from \$2,500 to \$3,000. The kinds of improvements made to homes vary by the home type: frame, mobile or multi-family. In a frame home, the most common improvements generally are: adding insulation to attics and walls, insulating box sill areas and crawl spaces, replacing or repairing the furnace, and replacing a primary door. In mobile homes, the most frequent improvements are: replacing a primary door, replacing a primary window, replacing or repairing the furnace, insulating the underbelly and replacing or repairing the water heater. In multi-family homes, the two most common improvements are: adding insulation to the attic and replacing a primary window. Most

homes that are weatherized also receive low-cost improvements such as caulking, weatherstripping, pipe wrap and, in some instances, water heater jackets.

Since the Weatherization Assistance Program began in 1979, \$137.88 million has been spent to make energy efficiency improvements in 64,662 homes. In 2010, maximum household income levels were revised to 200 percent of the federal poverty guidelines, making free home weatherization available to thousands more Nebraskans than in prior years.

WEATHERIZATION ASSISTANCE PROGRAM

Energy savings resulting from the energy efficiency improvements made typically last 20 years or longer. Conservatively, estimated savings for the 34 years total \$105.6 million. About \$4.4 million in new savings accrue annually as a result of the improvements made as illustrated in Figure 4.

In 2012, an extensive analysis quantified the energy, economic and environmental benefits of the Weatherization Assistance Program. That analysis was based on a sample of the weatherization investments made over 12 months during 2009 and 2010. Since the actual investment for the 12 month period was \$8.9 million, the energy, economic and environmental impacts were 4.5 times larger than shown in the table figure 5.

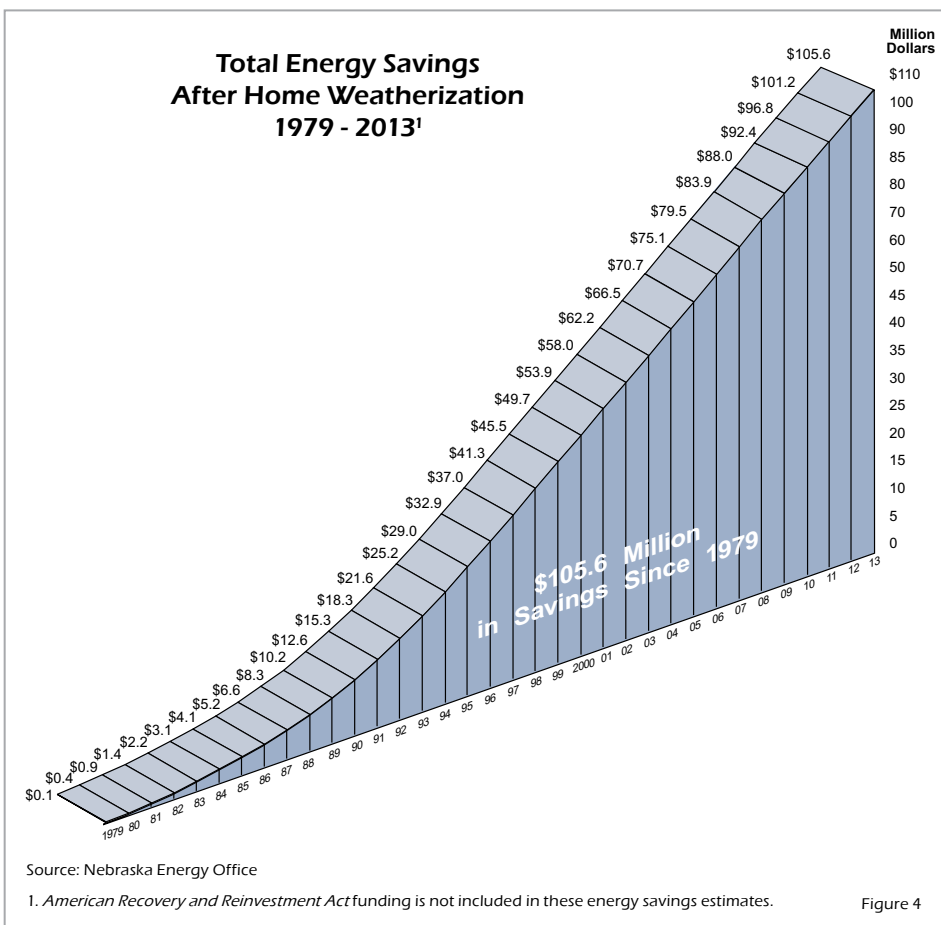


Figure 4

Nebraska Energy Office Investment	
NEO Investment (federal funds)	\$1,980,176
Energy Impacts	
Electric Energy Savings (kWhs)	238,722
Natural Gas Energy Savings (therms)	56,730
Annual Dollars of Energy Savings	\$81,756
Present Discount Value of Future Savings	\$1,346,950
Economic Impacts	
Output	\$1,334,801
Value-Added	\$916,438
Labor Income	\$1,014,284
Job-Years	32.12
Environmental Impacts (Pounds)	
Carbon Dioxide (CO2)	14,480,918
Sulfur Dioxide (SO2)	27,144
Nitrogen Oxide (NOX)	22,338
Particulate Matter < 2.5 micro-meters (PM2.5)	473
Volatile Organic Compounds (VOC)	1,045
Particulate Matter < 10 micro-meters (PM10)	759
Total Present Discount Value of Environmental, Comfort, Health and Safety	\$1,662,063

Source: Nebraska Energy Office

Figure 5

OIL OVERCHARGE FUNDS

OIL OVERCHARGE FUNDS

Beginning in 1982, Nebraska received oil overcharge — or petroleum violation escrow — funds as a result of several court actions against oil companies that overcharged their customers during the period of federal price controls from 1973 to 1981. Since direct restitution to injured

**Nebraska Energy Settlement Fund
A Summary of Exxon, Stripper Well and Diamond Shamrock
Oil Overcharge Funds as of June 30, 2013**

	Exxon	Stripper Well	Diamond Shamrock	Total
Funds Received	\$15,504,944	\$15,674,042	\$359,172	\$31,538,158
Interest Earned and Miscellaneous Income	\$12,294,458	\$10,805,646	\$255,489	\$23,355,593
Total	\$27,799,402	\$26,479,688	\$614,661	\$54,893,751
Funds Budgeted	\$27,799,402	\$26,141,440	\$614,661	\$54,555,503
Low Income Designated	\$0	\$15,231	\$0	\$15,231
Uncommitted Balance	\$0	\$323,017	\$0	\$323,017

Source: Nebraska Energy Office

Figure 4

**Dollar and Energy Saving Loans
Total Dollars Invested and Number of Projects 1990-2013**

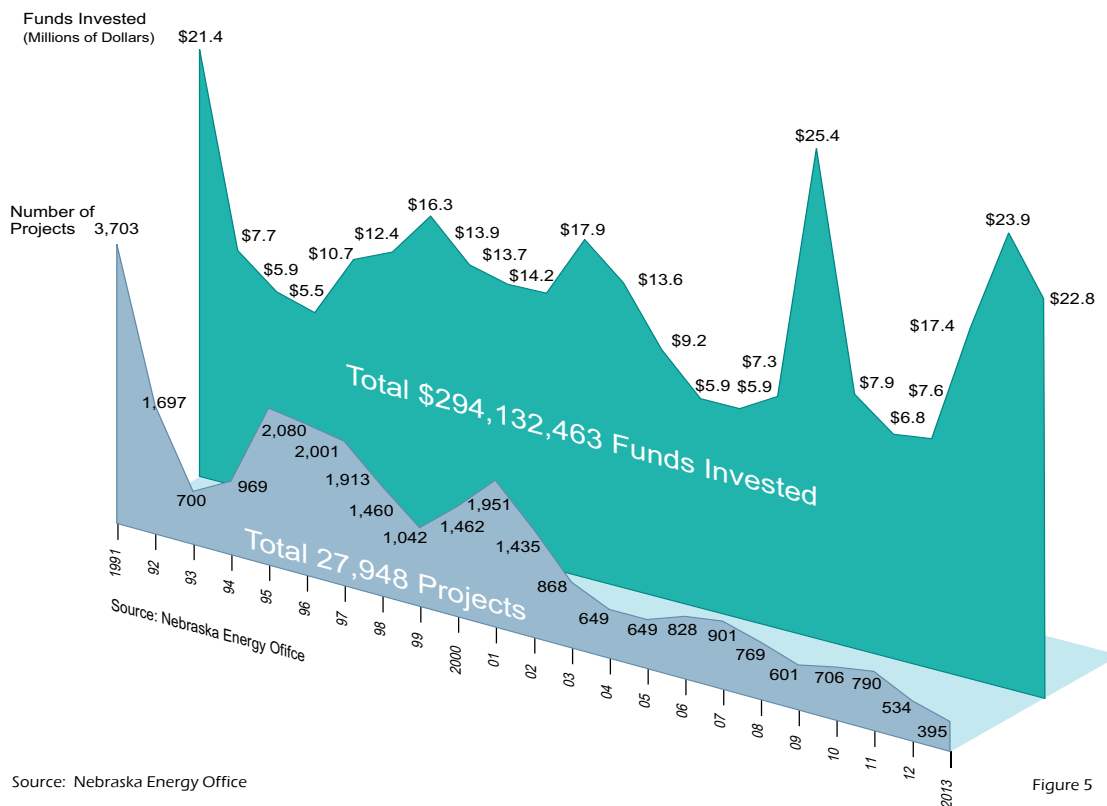


Figure 5

consumers was not practical, the courts ordered the money be distributed to the states and used, within parameters established by the courts and a federal regulator, to fund energy assistance and efficiency programs. The final petroleum violation escrow payment from the U.S. Department of Energy to the Energy Office was received September 7, 2007.

The Legislature requires the Energy Office to annually report on the disposition of these funds. A summary of the Nebraska Energy Settlement Fund activities and expenditures is detailed in this section and in Figure 4.

OIL OVERCHARGE FUNDS

million, was spent by the borrowers on non-eligible related improvements.

Loans have financed projects in all of the state's 93 counties as illustrated in Figure 6. Douglas County with 3,266 projects totaling \$39.21 million tops the list with the most projects. Lancaster County co-anchors the top spot with the most dollars invested at \$48.08 million, albeit on fewer projects — only 1,950. Looking at a regional perspective, the Third Congressional District leads with 14,005 projects; First Congressional District with 9,850 projects and the Second Congressional District with 4,092 projects.

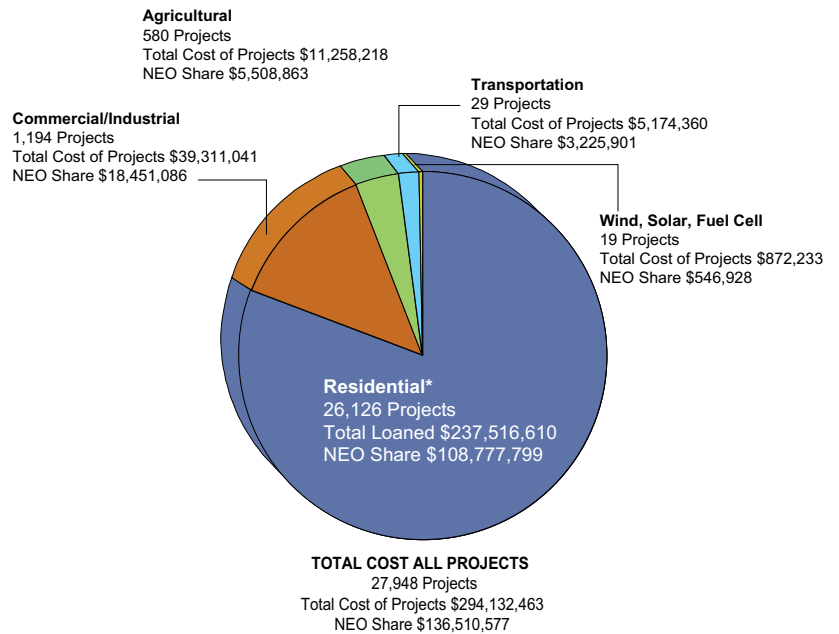
During this reporting period, 395 new projects were financed. The number of energy efficiency projects financed since 1990 are shown in Figure 5 and total 27,948.

Figure 7 quantifies loans in five different areas: residential, commercial/industrial, agricultural, transportation and Nebraska Public Power District. The number of projects by category and the total amount of the loans in each category also appear in Figure 7. Several of the largest categories are detailed as follows:

Residential

More than 93.4 percent of all the energy efficiency projects financed with loans from the agency are in the homes of Nebraskans. More than 80.75 percent of funds from all sources — \$237.51 million — has been used to finance residential energy

Total Oil Overcharge Funds Invested In Types of Dollar and Energy Saving Loan Projects as of June 30, 2013



*The Residential category includes NPPD loans of 513 Projects: Total loaned \$4,637,179; NEO share \$3,362,695

Source: Nebraska Energy Office

Figure 7

saving improvements such as replacement of inefficient furnaces, air conditioners and heat pumps, replacement of windows and doors and insulation of walls and ceilings. New energy efficient housing is also included in the category. Since 1990, 26,126 residential energy efficiency projects have been undertaken by Nebraskans.

Commercial/Industrial

More than 13.36 percent of funds from all sources — \$39.31 million — has been used to make building and system improvements in 1,194 projects since 1990, ranking second-highest among all loan areas. Typical improvements in this category include replacement of heating and cooling equipment, installation of insulation, lighting upgrades and replacement of doors and windows.

“More than 93.4 percent of all the energy efficiency projects financed with loans from the agency are in the homes of Nebraskans.”



Workers install solar panels atop a home in Lincoln, Nebraska.

STATE ENERGY PROGRAM

Agricultural

Improvements in agricultural equipment and systems rank third in the use of low-interest financing. More than 3.82 percent of all improvement funding — \$11.25 million — has been used to finance projects such as low-pressure irrigation systems, replacement of irrigation pumps and motors, replacement of grain dryers and well modifications. Since 1990, 580 projects have been financed with \$5.55 million from the Energy Office, \$5.36 million from participating lenders and \$384,003 from borrowers.

Energy, Economic and Environmental Impacts

In 2012, a study analyzing the energy, economic and environmental impacts of the Dollar and Energy Saving Loan program was completed. The evaluation was conducted on loans issued during a 12 month period in 2009 and 2010 during which the Nebraska Energy Office invested more than \$8 million in residential projects with loans which are listed in the table on the right. Since July 2010 through June 30, 2013, the agency has invested an additional \$35.75 million of its funds in projects, nine times the amount financed during the evaluation period.

STATE ENERGY PROGRAM

In 2012-2013, Nebraska received \$293,000 for this federally-funded effort and supplied \$58,600 in state funds from oil and natural gas severance taxes, as required 20 percent matching funds. These funds are used to provide energy efficiency services to consumers and other small energy users, and include the publication of this *Annual Report* and the *Nebraska Energy Quarterly*

as well as maintenance of the state's energy database (neo.ne.gov/statshhtml/index3c.html) and agency website (neo.ne.gov).

These funds also provide program support for a wide array of activities that include energy supply shortage tracking and management and emergency preparedness, education and information, Dollar and Energy Saving Loan operations, support of renewable energy activities and residential and commercial building energy efficiency activities.

The Energy Office also reviews state-financed affordable housing plans to ensure compliance with the Nebraska Energy Code. Periodically, the agency performs on-site inspections of completed homes, to verify compliance as a stipulation of the funding source.

Nebraska Energy Office Investment/Dollar and Energy Saving Loans	
NEO Investment (federal funds)	\$4,038,616
Matching Investment	\$4,038,616
Total Investment	\$8,077,232
Energy Impacts	
Electric Energy Savings (kWhs)	253,025
Natural Gas Energy Savings (therms)	109,538
Annual Dollars of Energy Savings	\$141,226
Present Discount Value of Future Savings	\$2,151,487
Economic Impacts	
Output	\$8,122,360
Value-Added	\$4,789,475
Labor Income	\$3,576,867
Job-Years	92.52
Environmental Impacts (Pounds)	
Carbon Dioxide (CO2)	21,593,951
Sulfur Dioxide (SO2)	22,599
Nitrogen Oxide (NOX)	26,252
Particulate Matter < 2.5 micro-meters (PM2.5)	393
Volatile Organic Compounds (VOC)	868
Particulate Matter < 10 micro-meters (PM10)	630
Total Present Discount Value of Environmental, Comfort, Health and Safety	\$2,084,478

Source: Nebraska Energy Office

STATE ENERGY PROGRAM

Building Energy Codes Collaborative

In March 2013, the Energy Office established a Building Energy Codes Collaborative, using existing agency funding. The Collaborative is a group of more than 25 members that represent: state and local governments, homebuilders, utilities, architects, home energy raters, suppliers, banks, and advocacy groups including Midwest Energy Efficiency Alliance, Nebraska League of Municipalities and Association of General Contractors.

It's activities include:

- Conducting a Commercial Compliance Baseline Study of 38 buildings. The Collaborative helped to expand the study's original focus. Under a partnership with the University of Nebraska-Lincoln, the study will be a service learning class. Students will not only gather the data for the study, but report back about their experiences.
- Hosting a Senator Information Session to explain the benefits of energy codes, current legislation and past training activities.
- Working on the mechanics of financing code compliance activities as well as workshops and ways for utilities and local code jurisdiction staff to become involved.

OTHER PROJECTS

A number of activities are grouped under the State Energy Program, because the federal funds come through that U.S. Department of Energy program. The activities that occurred under each special project grant during the reporting period are documented in this section.

30% Better — Nebraska's Advanced Commercial Building Energy Code

This \$303,065 State Energy Program Special Projects grant was received in 2008. The original three-part project was completed in 2012 when the Energy Office hosted a regional building energy codes conference in Omaha. The codes conference proceedings can be found at http://www.neo.ne.gov/home_const/iecc/iecc_codes.htm.

The U.S. Department of Energy allowed the Energy Office to use the unexpended remaining funds for: 1) workshops targeting codes officials, home builders, realtors and others on blower doors, the 2012 International Energy Conservation Code, appraising green built homes and blower door/duct blaster training; 2) an evaluation of recently built homes and Home Energy Rating scores; 3) providing selected codes officials with 2012 International Energy Conservation Code materials; 4) customized and targeted training for local code jurisdictions on building energy code compliance issues; and 5) development of a residential load calculation tool for use by local code officials.

All work under this grant was completed and ended December 2013.

State Heating Oil and Propane Program

Between September 2012 and September 2013, the Energy Office began its 11th year of participation in the U.S. Department of Energy's State Heating Oil and Propane Program. This activity collects price information from a sampling of Nebraska suppliers selected by the Energy Information Adminis-

“...Workshops targeting codes officials, home builders and realtors and others on blower doors, the 2012 International Energy Conservation Code, appraising green built homes...”



A blower door demonstration.

FINANCIAL ACTIVITY

tration from October through March which in turn, is shared with the Energy Information Administration and then posted on the agency's website (www.neo.ne.gov/statshtml/86.html and www.neo.ne.gov/statshtml/87.html).

U.S. Department of Energy provided a grant of \$6,000 for this activity which is required to be matched one for one using state cash funds. By the end of the reporting period, all funds were expended and the project was completed.

Nebraska Energy Extension Partnership — Agricultural Efficiency Nexus: Energy, Water and Food

With this U.S. Department of Energy grant, the Energy Office will work cooperatively with University of Nebraska Extension in several areas:

- Expand the water management demonstration network,
- Develop methodology for an irrigation energy efficiency rating system and
- Expand building energy codes and weatherization consumer education.

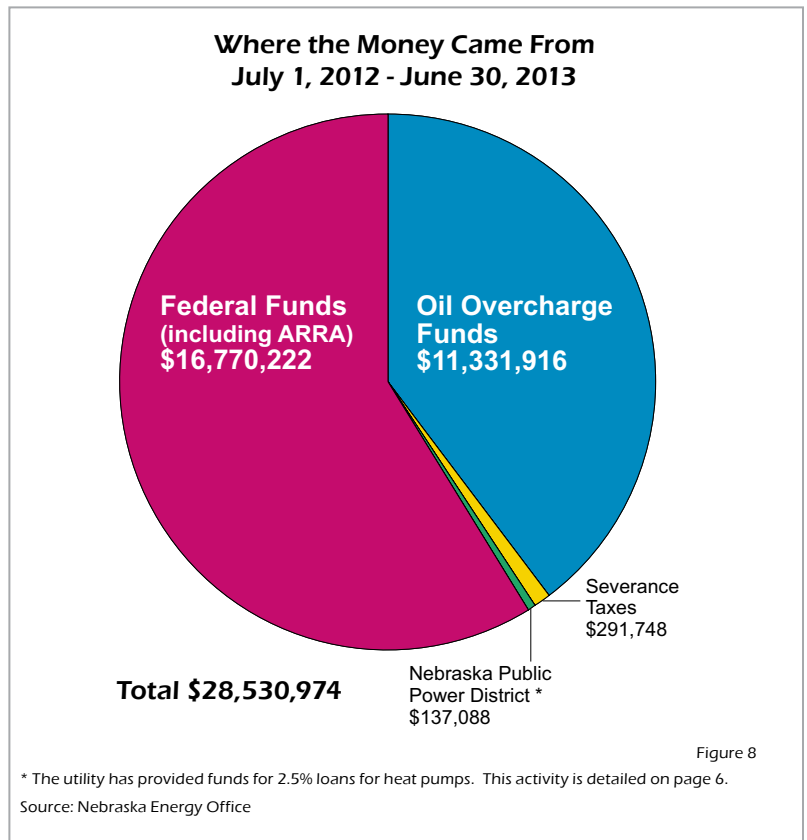
This competitive State Energy Project Special Projects funded grant was awarded \$186,195 in September 2011 and matched

with \$37,239 in state funds. This project is underway and scheduled to be completed in 2014.

FINANCIAL ACTIVITY

Funds Received

In 2012-2013, funds received by the Nebraska Energy Office totaled \$28,530,974 which includes monies from federal, state, oil overcharge trust and miscellaneous funding sources. Funding decreased by \$18.28 million from the previous



FINANCIAL ACTIVITY

fiscal year, primarily because of the expenditure and completion of the *American Recovery and Reinvestment Act* funds.

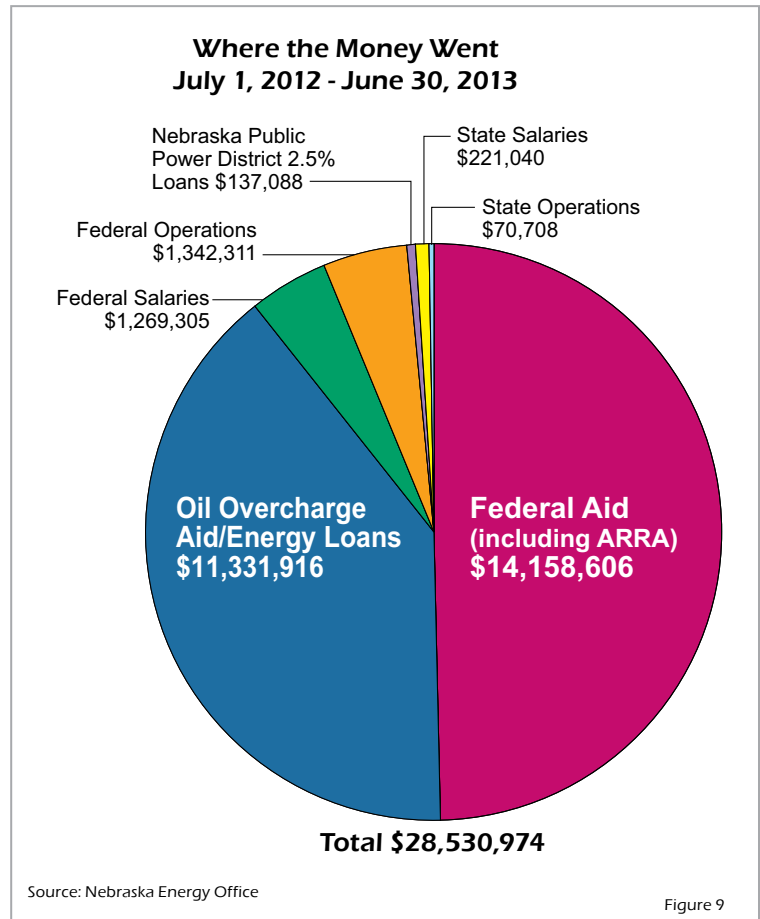
The sources of funding for the agency are illustrated in Figure 8. More than 58.7 percent of all funds, \$16,770,222, came from federal sources:

- Weatherization Assistance Program
- Low-Income Home Energy Assistance Program
- State Energy Program and
- *American Recovery and Reinvestment Act* including additional funding for the Weatherization Assistance and State Energy Programs, Energy Efficiency, Conservation Block Grants and Energy Assurance.

Oil Overcharge trust funds decreased as a percentage of all funds to 18.3 percent in 2013 from 20.4 percent in 2012.

Funds Spent

More than 49.6 percent of all agency funds were spent as federal aid under the Weatherization Assistance Program as grants to eight local community action agencies, State Energy Program projects and Energy Efficiency and Conservation Block Grants. Federal aid expenditures were 69.6 percent in 2012. Federal aid received by the Agency is spent for federal program-specific activities. More than 39.7 percent of the funds were in the form of Dollar and Energy Saving Loans paid to local lenders for eligible projects.



The remaining 10.7 percent of the funds paid for salaries and operations.

A complete listing of expenditures by category is illustrated in Figure 9.

Oil overcharge fund activity during the reporting period is located on page 5 of this report. *American Recovery and Reinvestment Act* fund activity during the reporting period begins on page 12.



AMERICAN REINVESTMENT AND RECOVERY ACT

Editorial Note: This is the final report by the Nebraska Energy Office on American Recovery and Reinvestment Act programs. The four remaining active programs concluded during this reporting period. Additional information regarding these five programs appears on the agency's website at <http://neo.ne.gov/ARRA/recoveryact.htm>.

In 2009, Congress passed the *American Recovery and Reinvestment Act* providing the largest single increase for energy efficiency programs. Funding to Nebraska under *the Recovery Act* was directed to five programs totalling \$84,222,593. Below is a breakdown of funds in the five programs:

- Low Income Weatherization Assistance Program \$41,644,458
- State Energy Program \$30,910,000
- Energy Efficiency and Conservation Block Grants \$ 9,593,500
- State Energy Efficiency Appliance Rebate Program \$ 1,711,000
- Energy Assurance Capabilities and Planning for Smart Grid \$ 363,635



- In November 2010, another *American Recovery and Reinvestment Act* grant was received:
- Provide code training to professionals, builders and code officials \$276,417

Subgrantee Allocations May 19, 2009			Subgrantee Progress as of March 2013 Updated June 27, 2013	
Subgrantee	Contract Amount	Minimum Number of Homes to be Weatherized	Number of Homes Weatherized	Dollars Spent*
Blue Valley Community Action	Original-\$2,155,007.00 Revised-\$2,405,007.00 (\$250,000 added from Administration & TATA)	249	287	\$2,405,006.40
Central Nebraska Community Services	Original-\$4,537,623.00 Revised-\$5,137,623.00 (\$600,000 added from Administration & TATA)	536	648	\$5,137,623.00
Northeast Nebraska Community Action Partnership	Original-\$4,531,004.00 Revised-\$4,231,004.00	535	764	\$4,231,004.00
Community Action Partnership of Lancaster and Saunders	\$4,378,781.00	517	561	\$4,374,469.50
Community Action Partnership of Mid Nebraska	Original-\$5,077,021.00 Revised-\$5,977,021.00 (\$900,000 added from Administration & TATA)	601	785	\$5,977,021.00
Northwest Community Action Partnership	Original-\$1,254,907.00 Revised-\$1,444,907.00 (\$190,000 added from Administration & TATA)	140	217	\$1,444,907.00
Community Action Partnership of Western Nebraska	Original-\$1,777,758.00 Revised-\$2,367,758 (\$590,000 added from Administration & TATA)	203	290	\$2,367,758.00
Southeast Nebraska Community Action Council	Original-\$2,082,204.00 Revised-\$2,742,204 (\$660,000 added from Administration & TATA)	240	347	\$2,742,204.00
Weatherization Trust Inc.	\$8,197,586.00	979	1,052	\$6,684,298.72
Southeast Community Action Council in Douglas County	\$728,652.02	--	87	\$585,454.15
Energy Office Administration	Original-\$1,233,141.00 Revised-\$1,159,841.00 (\$73,300.00 distributed)			\$1,135,090.96
Training, Evaluation and Technical Assistance	Original-\$4,567,183.00 Revised-\$1,750,483.00 (\$2,816,700.00 distributed)			\$3,757,086.61
Weatherization Training Development and Delivery, Metropolitan Community College	\$565,626	--	--	\$389,112.90
Weatherization Training Development and Delivery, Central Community College	\$787,148	--	--	\$492,965.95
Evaluation of Weatherization Assistance Program, University of Nebraska-Lincoln	\$499,469	--	--	\$408,494.51
Total	\$41,644,458.00	4,000	5,038	\$42,131,598.95

* Weatherization providers submit requests for reimbursement for the previous month's production. Reimbursement requests are reviewed by agency staff for program compliance and allowable costs for materials and equipment in each unit.

AMERICAN REINVESTMENT AND RECOVERY ACT

The activities in each program from receipt of the grant through February 1, 2013, (except where noted otherwise) are detailed on page 12. The U.S. Department of Energy has oversight of the funds and issued regulations and guidelines for the states to follow.

LOW INCOME WEATHERIZATION ASSISTANCE PROGRAM

The Low Income Weatherization Assistance Program, as a part of the *Recovery Act*, received \$41.6 million from April 2009 to March 2012 (extended to May 2013). The *Recovery Act* funding is to scale-up existing weatherization efforts in the state, create jobs, reduce carbon emissions and save money for low-income families by improving energy efficiencies. Nebraska's plan is to weatherize 4,000 homes across the state. In May 2009, the state submitted a plan for use of the Weatherization Assistance Program funds that projects the estimated number of houses that will receive energy efficiency improvements and the amount of funding each service provider will receive. A summary of that plan is available on the agency website (<http://www.neo.ne.gov/ARRA/documents/ARRAsubgrantee2.pdf>). Households with annual income at or below 200 percent of the federal the poverty level were eligible for assistance. At the close of this grant, the agency exceeded its weatherized homes goal by 1,038 homes.

The *Nebraska Weatherization Assistance Program Summary 2009-2012* is posted at <http://www.neo.ne.gov/ARRA/WXARRAProduction.pdf>.



STATE ENERGY PROGRAM

Under the *Recovery Act*, Nebraska received \$30,910,000 in State Energy Program funds to be spent from 2009 through March 2012 (several activities were approved for completion by October 2012). The following summary encompasses the elements of the Nebraska State Energy Program plan submitted to the U.S. Department of Energy for review on May 11, 2009 and approved June 10, 2009:

As of January 31, 2013, \$30,750,941.73 in *Recovery Act* funds have been expended and the program has closed. The *State Energy Program Final Report* gives an account of *Recovery Act* projects completed and funds spent. The final report can be view at <http://www.neo.ne.gov/ARRA/arrafinalreport.pdf>.

Dollar and Energy Saving Loans

Recovery Act Funds: \$12,311,138.88 Leveraged Funds: \$8,822,494.66

The Nebraska Energy Office operates the Dollar and Energy Saving Loan program, a revolving loan program for Nebraskans to make energy efficient improvements in homes, farms, ranches, business, industrial, alternative fuel vehicles, schools and others. The loan program is operated with the state's financial institutions at more than 900 lending sites across the state. The Energy Office invests in these loans by purchasing 50 to 75 percent of the loan at zero interest, which lowers the interest rate to the borrower to 5 to 2.5 percent, respectively, and leverages lender funds of 25 to 50 percent of each loan.



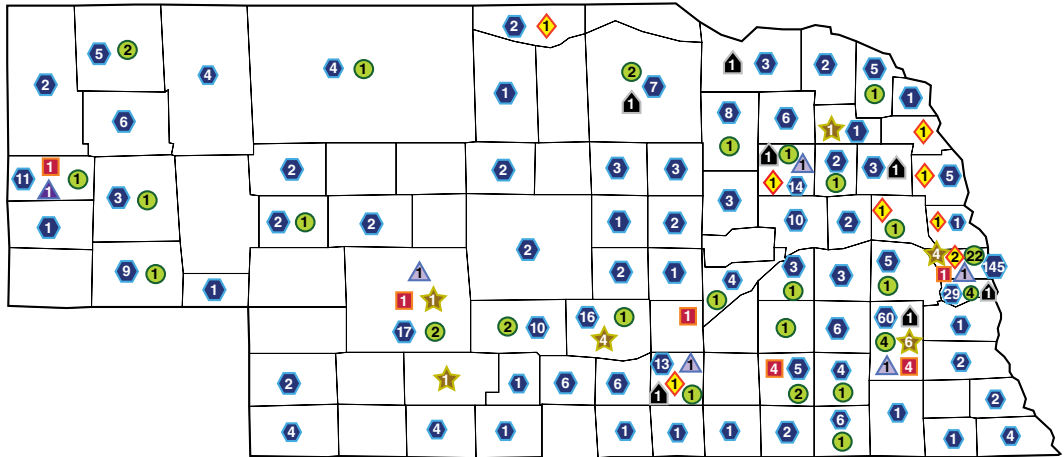
AMERICAN REINVESTMENT AND RECOVERY ACT

With \$12.31 million in funds, the Energy Office raised the existing loan pool to \$36 million. The interest rate was lowered to 2.5 percent and the loan limit on a case-by-case basis was lifted from the \$750,000 cap.

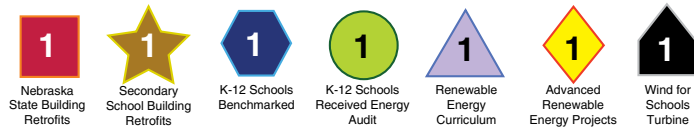
With these funds, 812 loans were financed between 2009 and 2012.

Location of Selected State Energy Program American Recovery and Reinvestment Act Projects

Plotted below are many of the projects funded in the State Energy Program under the *American Recovery and Reinvestment Act*. However, some projects are not listed because they were state-wide activities. More information about each of the project types appears in the following pages in this section of the Annual Report.



Each symbol represents a type of ARRA project. The number in the symbol shows the number of projects completed. The location of the symbol on the map shows the project location.



Source: Nebraska Energy Office

Figure 10

AMERICAN REINVESTMENT AND RECOVERY ACT

Advanced Renewable Energy Projects

Recovery Act Funds: \$3,508,095.13 Leveraged Funds: \$4,560,697.07

The objectives of the Advanced Renewable Energy Project are to:

- Increase renewable energy generation in Nebraska
- Demonstrate the use of renewable energy technology in new ways
- Deploy cutting edge renewable technologies
- Generate energy from renewable resources on or before March 2012
- Avoid greenhouse gas emissions
- Leverage funds and create jobs.

A solicitation for proposals for Advanced Renewable Energy Projects was issued on July 24, 2009, and Letters of Intent were due on September 3, 2009. By the deadline, 112 applicants listed projects totaling more than \$135 million. On November 3, 2009, formal project applications were due. At that time, 49 of the original 112 submitted detailed information about projects totaling more than \$41.06 million. Under the solicitation's guidelines, all proposed projects were reviewed for State Energy Program compliance and suitability under the *National Environmental Policy Act* by the U.S. Department of Energy. The projects listed below were selected for funding after technical review and federal approval was received.

Advanced Renewable Energy Project Grants						
Applicant	Renewable Energy Type	Project Location	Contract Amount	Match Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
AGP Corn Processing, Inc. COMPLETED	Biomass	Hastings/Adams County	\$275,000	\$50,000	\$325,000	\$262,691.37
Allen Fleischman COMPLETED	Solar	Tekamah/Burt County	\$106,250	\$17,000	\$123,250	\$106,250.00
Bluestem LLC COMPLETED	Wind	Springview/Keya Paha County	\$2,300,000	\$4,338,000	\$6,638,000	\$2,300,000.00
David DeBoer COMPLETED	Solar	Ft. Calhoun/Washington County	\$11,223	\$1,981	\$13,204	\$10,878.39
Design Plastics, Inc. COMPLETED	Wind	Omaha - Fremont/Douglas - Dodge Counties	\$148,000	\$26,800	\$174,800	\$146,753.25
Ho-Chunk CDC COMPLETED	Solar	Winnebago/Thurston County	\$249,780	\$43,400	\$293,180	\$231,816.82
Morrissey Engineering COMPLETED	Solar	Omaha/Douglas County	\$72,884	\$12,862	\$85,746	\$72,883.60
NE Public Power District COMPLETED	Solar	Norfolk/Pierce County	\$344,958.13	\$70,654.07	\$415,612.20	\$344,958.13
TOTALS			\$3,508,095.13	\$4,560,697.07	\$8,068,792.20	\$3,476,231.56

AMERICAN REINVESTMENT AND RECOVERY ACT

Renewable Energy Curriculum

Recovery Act Funds: \$1,910,988 Leveraged Funds: \$329,245.00

The objectives are to:

- Develop renewable energy curricula for use at Nebraska technical community colleges
- Create new jobs and increase productivity to spur economic growth and community development by providing training and instruction in renewable energy methods and technologies
- Implement renewable energy curricula that will result in increased energy generation from renewable technologies in Nebraska
- Evaluate and assess the outcomes and impact of the renewable energy climate.

Under a solicitation issued in January 2010, the six community colleges will each receive up to \$318,333 to develop renewable energy curricula to train Nebraskans in renewable energy technologies. As shown in the table, five community colleges — Central, Mid-Plains, Northeast, Southeast and Western — combined their curricula efforts. Current course offerings are listed at neo.ne.gov/careers/energycareers.htm.

Renewable Energy Curriculum				
Eligible Entities	Contract Amount	Cost-Share and other Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
Central Community College COMPLETED	\$1,591,665	(cost-share) \$47,369 (other) \$205,876	\$1,844,910	\$1,591,665.00
Mid-Plains Community College COMPLETED				
Northeast Community College COMPLETED				
Southeast Community College COMPLETED				
Western Community College COMPLETED				
Metropolitan Community College COMPLETED	\$318,333	\$76,000	\$394,333	\$318,333.00
TOTALS	\$1,909,998	\$329,245	\$2,239,243	\$1,909,998.00

Building Energy Code Training and Enforcement

Recovery Act Funds: \$199,838.20

The Energy Office will provide information on residential and commercial building energy codes, and conduct training and certification of city and county code officials and members of the construction industry.

- Update the state's building energy codes as appropriate.
- Upgrade the state's efforts on building energy code compliance and inspections.

As of February 1, 2013, \$172,283.87 was expended. This project was closed January 31, 2013 and unexpended funds returned to the U.S. Department of Energy.

AMERICAN REINVESTMENT AND RECOVERY ACT

State Building Retrofits

Recovery Act Funds: \$10,250,801.22 Leveraged Funds: \$7,254,435.43

- \$6 million will fund energy efficiency building improvements on the University of Nebraska, State and Community College campuses.
- \$4 million will fund energy efficiency improvements in state government buildings under the management of the Administrative Services State Building Division.
- \$518,646 for EPA ENERGY STAR® benchmarking of up to 1,000 public school buildings and investment grade audits for a selected portion of participating schools.

Projects listed below and on the next pages have been selected for funding and detail the amount allocated and spent.

University of Nebraska Campuses					
Applicant	Project Location	Project Details	Contract Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
University of Nebraska Medical Center COMPLETED	Energy Efficient Building Retrofits	Upgrade Chilled Water and Heating, Ventilating and Cooling Systems	\$860,000	\$4,750,000	\$859,999.90
University of Nebraska Lincoln COMPLETED	Energy Efficient Building Retrofits	Install Occupancy Sensors to Control Lights and Heating Ventilating and Cooling Systems in 12 UNL Buildings	\$188,500	\$313,288	\$188,500.00
	Hamilton Hall Energy Efficient Retrofits	Replace 16 Constant-Volume Lab Hoods with Variable-Volume Hoods	\$92,240	\$126,617	\$92,240
	Scott Engineering Center	Convert Constant-Volume Dual Duct System to Variable-Volume.	\$470,468	\$629,830	\$470,468
	Othmer Hall	Room Occupancy Sensors and Room Controls Upgrade	\$145,990	\$173,700	\$145,990
	Beadle Center, Bessey Hall and Home Economics Buildings	Upgrade Fluorescent Lights	\$80,261	\$164,629	\$80,260.80
Nebraska College of Technical Agriculture Curtis COMPLETED	Biomass Boiler	Install New Biomass Boiler and Steam Lines to Campus Buildings	\$400,000	\$1,530,700	\$400,000
University of Nebraska at Omaha COMPLETED	Allwine Hall. Replace Windows	Replace Windows	\$308,300	\$440,300	\$246,897.81
	Eppley Administration Building	Replace Windows	\$334,000	\$454,000	\$248,223.59
University of Nebraska at Kearney COMPLETED	Mantor Hall	Replace Windows	\$216,000	\$486,200	\$216,000.00
	Randall Hall	Replace Windows	\$120,001	\$256,192	\$110,059.11
	Cushing/Ryan Library	Replace Lighting in Cushing Coliseum and Ryan Library	\$75,040	\$95,040	\$64,824.00
	Chilled Water Controls	Install Chilled Water Controls in Various Buildings	\$282,000	\$679,200	\$276,900.00
\$3,600,000 Available		TOTALS	\$3,572,800	\$10,099,696	\$3,400,363.21

AMERICAN REINVESTMENT AND RECOVERY ACT

State College Campuses**					
Applicant	Project Location	Project Details	Contract Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
Peru State Deobligated Grant Award	Library/Student Center	ECO 24/7 Study and Implementation of Recommended Projects	\$0.00	\$0.00	\$0.00
Wayne State COMPLETED	Bowen Hall	ECO 24/7 Study and Implementation of Recommended Projects	\$300,000	\$300,000	\$300,000.00
\$500,000 Available			TOTALS	\$300,000	\$300,000
** Chadron State College declined to use its allocated funding of \$200,000. Those funds were offered to the other two state colleges for use in eligible activities.					

Community College Campuses**					
Applicant	Project Location	Project Details	Contract Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
Mid-Plains Community College COMPLETED	McDonald Belton Building	Retrofits to Increase Energy Efficiency in McDonald Belton Building at North Platte Community College	\$450,000	\$471,071	\$450,000.00
Metropolitan Community College Omaha COMPLETED	South Campus Mahoney Building Ft. Omaha Campus Building 10 Elkhorn Valley Campus	Perform and Implement Comprehensive Energy Studies for Two Campus Buildings	\$449,922.79	\$449,922.79	\$449,922.79
Southeast Community College COMPLETED	Energy Square Building	Replace existing HVAC system with energy efficient system	\$450,000	\$841,097	\$450,000.00
Western Nebraska Community College COMPLETED	Main building and Pioneer Hall on the WNCC campus	Retrofits to Increase Energy Efficiency in main building and Pioneer Hall on the WNCC campus by retrofitting the HVAC system and installing controls	\$606,521	\$640,022	\$606,521.00
\$1,800,000 Available			TOTALS	\$1,956,443.79	\$2,402,112.79
**Central Community College declined to use its allocated funding of \$360,000. Those funds were offered to the other community colleges for use in eligible activities.					

AMERICAN REINVESTMENT AND RECOVERY ACT

State Government Buildings					
Applicant	Project Location	Project Details	Contract Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
Nebraska State Patrol Norfolk COMPLETED	Troop B Building	Replace Heating/Cooling System With Geothermal Heat Pump and Replace Windows	\$383,710.37	\$428,640.37	\$379,426.97
Nebraska State Patrol Grand Island COMPLETED	Troop C Building	Replace Heating/Cooling System With Geothermal Heat Pump and Replace Windows	\$373,735.00	\$414,853.05	\$369,167.58
Nebraska State Patrol North Platte COMPLETED	Troop D Building	Replace Heating/Cooling System With Geothermal Heat Pump and Replace Windows	\$482,543.50	\$522,985.88	\$472,376.87
Youth Rehabilitation and Treatment Center Geneva COMPLETED	Burroughs Cottage	Replace Heating/Cooling System With Geothermal Heat Pump	\$275,932.85	\$306,312.85	\$275,932.85
Youth Rehabilitation and Treatment Center Geneva COMPLETED	Sandoz Cottage	Upgrade Heating/Cooling System With Geothermal Heat Pump Using ECO 24/7 Process	\$272,091.85	\$302,471.85	\$267,091.85
Youth Rehabilitation and Treatment Center Geneva COMPLETED	Sacajawea Cottage	Replace Heating/Cooling System With Geothermal Heat Pump	\$320,467.71	\$320,467.71	\$320,463.62
Youth Rehabilitation and Treatment Center Geneva COMPLETED	Central Plant	Replace Boilers	\$1,359,908.00	\$1,429,908.00	\$1,354,953.50
Administrative Services, Building Division COMPLETED	Executive Building - Lincoln	Add Lighting Control Panels and Upgrade Light Fixtures	\$71,960.75	\$71,960.75	\$71,960.05
Administrative Services, Building Division COMPLETED	Executive Building - Lincoln	Replace Heating/Cooling Equipment and Install Programmable Thermostats	\$95,731.80	\$120,351.80	\$95,731.80
Administrative Services, Building Division COMPLETED	State Office Building - Omaha	Design of Upgraded Lighting System	\$27,200.00	\$27,200.00	\$27,200.00
Administrative Services, Building Division COMPLETED	State Office Building - Lincoln	Add lighting Control Panels Throughout the Building	\$94,700.00	\$94,700.00	\$94,520.15
Administrative Service, Building Division COMPLETED	1526 K St Building - Lincoln	Replace windows	\$305,070.00	\$305,070.00	\$305,070.00
\$4 Million Available			TOTALS	\$4,063,051.83	\$4,344,922.26
					\$4,033,895.24

Public School Audits				
Applicant	Project Details	Contract Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
Waldinger Corporation and Schemmer Associates COMPLETED	Benchmark and Evaluate Energy Performance and Perform Investment Grade Energy Audits for school districts in Nebraska	\$518,646.00	\$518,646.00	\$518,646.00
TOTALS		\$518,646.00	\$518,646.00	\$518,646.00

AMERICAN REINVESTMENT AND RECOVERY ACT

Consumer Information on Energy Efficiency and Renewable Energy

Recovery Act funds: \$661,984.05 Expended as of October 31, 2012. Leveraged: \$596,764.30

Energy Detective Kits for 5th Grade Students

After a competitive solicitation, the Energy Office awarded a contract to design, produce and administer an educational based program that features a blend of innovative education, comprehensive implementation services and hands-on activities to put energy efficiency knowledge to work in the classrooms of Nebraska fifth grade students. The curriculum includes Energy Detective Kits containing high-quality efficiency devices to be installed as part of the science and math-based educational program.



Elementary students learn about energy conservation through the eyes of an "Energy Detective"

In school year 2010-2011, 19,810 students and teachers in the state participated in this voluntary program. The effort is a cost-shared activity between the Energy Office and a number of electric utilities and one natural gas utility in the state and up to \$377,577 has been allocated. The program began in August 2010. The program continued to be offered in the 2011-2012 school year.

In the 2011-1012 school year, 19,396 student and teacher kits were used in schools by teachers and students. This activity used \$627,087.05 in Recovery Act funds and was completed January 31, 2013.

Wind for Schools

The Nebraska Energy Office has issued contracts using SEP Recovery Act funds to nine public school districts in Nebraska for \$5,000 each. Two districts ultimately deobligated their awards, leaving seven active projects. The funds were used to pay for part of the cost of a 2.5 KWH wind turbine in conjunction with the Wind for Schools projects. A total of \$35,000 was committed to the seven schools.

Wind for Schools				
Applicant	Contract Approved	Contract Amount	Total Project Cost	Funds Expended as of January 31, 2013 Updated February 1, 2013
Bancroft/Rosalie Public Schools COMPLETED	December 29, 2009	\$5,000	\$16,140.35	\$5,000
Norris Public Schools COMPLETED	December 29, 2009	\$5,000	\$14,211.00	\$5,000
Papillion/LaVista South School District COMPLETED	May 20, 2010	\$5,000	\$15,000.00	\$5,000
West Holt Public School COMPLETED	January 3, 2011	\$5,000	\$18,634.00	\$5,000
Creighton Community Schools** COMPLETED	January 10, 2011	\$5,000	\$16,252.00	\$4,897
Norfolk High School COMPLETED	July 12, 2011	\$5,000	\$9,019.00	\$5,000
Hastings Public School COMPLETED	December 21, 2011	\$5,000	\$17,000.00	\$5,000
\$35,000 Available for 7 Schools	TOTALS	\$35,000	\$106,256.35	\$34,897
**Creighton Community Schools declined to use all of its allocated funding of \$5,000.				

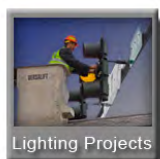
AMERICAN REINVESTMENT AND RECOVERY ACT

Administration, Evaluation, Monitoring and Reporting

Recovery Act Funds: \$2,100,000 Expended: \$1,983,132.37 as of January 29, 2013

The Energy Office will administer *Recovery Act* funds, monitor grants and report on required activities. The Energy Office will make on-site inspections to funded projects to document progress and compliance with federal regulations and contracts.

- The University of Nebraska-Lincoln will measure the impact of the Dollar and Energy Saving Loan Program to quantify economic impacts and energy and greenhouse gas emission savings under a \$453,514 contract. As of October 31, 2012, \$453,514.00 had been spent. This project ended January 31, 2013 and is completed.



ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANTS

Recovery Act funds: \$9,593,500 Leveraged funds: \$4,456,548.78

The Energy Efficiency and Conservation Block Grant program provides funding to eligible entities that implement strategies that:

- Reduce fossil fuel emissions in a manner that is environmentally sustainable and maximizes benefits for local and regional communities
- Reduce the total energy use of eligible entities
- Improve energy efficiency in the building sector and other appropriate sectors

Under the *Recovery Act*, the Energy Office received \$9,593,500. Following a plan submitted to the U.S. Department of Energy on June 19, 2009, and approved September 14, 2009, the agency on December 3, 2009, issued a request for proposals from the approximately 83 counties and 500 towns and villages in the state that did not receive a direct allocation of block grant funds. Grants of up to \$250,000 for street and traffic lighting projects, building retrofits, and renewable energy projects were available. A 20 percent cash match by the grantee was required.

The Energy Office received 121 applications proposing 208 individual projects, and was able to fund 87 percent of the municipalities and 76 percent of the counties that applied. The award of \$8,820,010.91 in grant funds was announced on June 8, 2010, to 96 city and county governments with 176 individual projects, varying in size and scope from \$198 up to \$250,000. More than \$3.978 million in matching funds were committed to these projects which were to be completed by December 31, 2011.

Of the projects receiving EECEBG funds, 20 will replace inefficient traffic signals, outdoor lighting, and street lighting, with the remainder being energy efficiency retrofits for replacing outdated and inefficient windows, doors, interior lighting, insulation and heating and cooling systems, and one photovoltaic system.

Two recipients, Randolph and Banner County declined the grants. Those funds were used for projects in Brown County. In total there are 95 grants for 172 projects. The program was concluded as of January 31, 2013 and \$9,593,500 in federal funds had been expended and the program was closed.

AMERICAN REINVESTMENT AND RECOVERY ACT

Energy Efficiency and Conservation Block Grant (EECBG) Funded Projects								
Applicant Name	Project Details	Amount Awarded June 8, 2010 Revised Amount Awarded		Original Match June 8, 2010 Revised Match		Total Project Cost June 8, 2010 Revised Cost		Grant Award Total
		Original Amount	Revised Amount	Original Amount	Revised Amount	Original Amount	Revised Amount	
Adams County COMPLETED	Courthouse Lighting, Occupancy Sensors , HVAC Flex Connectors, T-stat	\$71,216.00	\$73,872.00	\$17,804.00	\$18,468.00	\$89,020.00	\$92,340.00	\$205,934.40
	Office Building Occupancy Sensors, T-stat, & Windows	\$71,702.40	\$132,062.40	\$17,925.60	\$33,015.60	\$89,628.00	\$165,078.00	
Alma COMPLETED	City Auditorium Boiler & Insulation	\$41,515.00	\$9,576.36	\$10,379.00	\$2,394.00	\$51,894.00	\$11,970.36	\$9,576.36
Arthur County COMPLETED	Courthouse Lighting, Water Heater, T-stats, Windows & Insulated Panels/Solid Walls And County Shop insulation	\$34,800.00	\$27,481.45	\$8,700.00	\$6,870.36	\$43,500.00	\$34,351.81	\$27,481.45
Atkinson COMPLETED	Old Library Lighting, Water Heater and Insulation	\$3,087.20	\$2,254.92	\$771.80	\$563.73	\$3,859.00	\$2,818.65	\$2,254.92
Auburn COMPLETED	Street Lighting	\$12,415.20	\$12,415.20	\$3,103.80	\$2,713.26	\$15,519.00	\$15,128.46	\$12,415.20
Aurora COMPLETED	Library Lighting & Exit Signs	\$29,027.00	\$33,599.35	\$7,257.00	\$8,399.84	\$36,284.00	\$41,999.19	\$100,816.15
Banner County Grant Declined	Wind Turbine Grant Declined	\$82,360.00	\$0.00	\$20,590.00	\$0.00	\$102,950.00	\$0.00	\$0.00
Bassett COMPLETED	Fire Hall HVAC, Overhead Door, Lighting, & Fans	\$13,198.40	\$11,967.20	\$3,299.60	\$2,991.80	\$16,498.00	\$14,959.00	\$25,316.80
	City Hall HVAC, Insulation, & Lighting	\$6,955.20	\$7,099.20	\$1,738.80	\$1,774.80	\$8,694.00	\$8,874.00	
	Business Incubator HVAC	\$6,250.40	\$6,250.40	\$1,562.60	\$1,562.60	\$7,813.00	\$7,813.00	
Beatrice COMPLETED	Municipal Auditorium Lighting & Exit Signs, Roof & Insulation	\$157,170.00	\$160,482.28	\$60,000.00	\$40,163.87	\$217,170.00	\$200,646.15	\$160,482.28
Blair COMPLETED	Street Lighting	\$248,686.21	\$250,903.97	\$74,285.89	\$77,958.03	\$322,972.10	\$328,862.00	\$250,903.97
Broadwater COMPLETED	Village Hall HVAC & Insulation	\$60,360.00	\$63,949.52	\$15,090.00	\$15,987.38	\$75,450.00	\$79,936.90	\$63,949.52
Broken Bow COMPLETED	Street Lighting	\$151,664.00	\$149,428.00	\$37,916.00	\$37,357.00	\$189,580.00	\$186,785.00	\$149,428.00
Brown County COMPLETED	Courthouse HVAC	\$0.00	\$79,056.00	\$0.00	\$19,764.00	\$0.00	\$98,820.00	\$90,976.00
	Jail HVAC	\$0.00	\$11,920.00	\$0.00	\$2,980.00	\$0.00	\$14,900.00	
Burt County COMPLETED	Courthouse Boiler, Lighting & Exit Signs, Insulation, Window, & Door	\$150,542.40	\$147,223.38	\$37,635.60	\$36,805.85	\$188,178.00	\$184,029.23	\$147,223.38
Butler County COMPLETED	Courthouse Boiler, Lighting & Exit Signs, Insulation, Window, & Door	\$118,645.00	\$157,319.74	\$80,000.00	\$39,239.93	\$198,645.00	\$196,559.67	\$157,319.74

Energy Efficiency and Conservation Block Grant Funded Projects (Continued on next page).

Applicant Name	Project Details	Amount Awarded June 8, 2010 Revised Amount Awarded		Original Match June 8, 2010 Revised Match		Total Project Cost June 8, 2010 Revised Cost		Grant Award Total
		Original Amount	Revised Amount	Original Amount	Revised Amount	Original Amount	Revised Amount	
Callaway COMPLETED	Village Office/Shop Lighting, Heat Pump, & T-stat	\$24,328.80	\$25,343.23	\$6,082.20	\$6,335.81	\$30,411.00	\$31,679.04	\$25,343.23
Cambridge COMPLETED	City Hall Refrigerators	\$1,792.00	\$1,530.37	\$448.00	\$382.60	\$2,240.00	\$1,912.97	\$252,514.41
	Senior Center Lighting, Insulation, & Windows	\$8,075.00	\$6,827.12	\$2,019.00	\$1,706.78	\$10,094.00	\$8,533.90	
	Library Lighting Project funds shifted to hospital boilers & chiller project.	\$3,718.00	\$0.00	\$930.00	\$0.00	\$4,648.00	\$0.00	
	Hospital Boilers & Chiller	\$236,415.00	\$244,156.92	\$148,330.00	\$150,760.08	\$384,745.00	\$394,917.00	
Central City COMPLETED	Street Lighting	\$179,088.00	\$126,526.61	\$56,748.00	\$31,631.65	\$235,836.00	\$158,158.26	\$126,526.61
Chadron COMPLETED	City Hall Lighting	\$6,071.00	\$3,094.22	\$1,518.00	\$773.56	\$7,589.00	\$3,867.78	\$53,141.94
	Street Shop Lighting	\$2,566.00	\$2,691.76	\$642.00	\$672.94	\$3,208.00	\$3,364.70	
	Fire Hall Furnace & Lighting	\$8,395.00	\$8,468.54	\$2,099.00	\$2,117.14	\$10,494.00	\$10,585.68	
	Water Department Lighting	\$1,838.00	\$2,735.40	\$460.00	\$683.80	\$2,298.00	\$3,419.20	
	Police Department Lighting	\$4,382.00	\$2,557.39	\$1,095.00	\$639.35	\$5,477.00	\$3,196.74	
	Library Lighting	\$3,556.00	\$1,198.95	\$889.00	\$299.74	\$4,445.00	\$1,498.69	
	Cemetery Shop Heating, Insulation, & Lighting	\$10,168.00	\$10,250.22	\$2,542.00	\$2,562.55	\$12,710.00	\$12,812.77	
Clarks COMPLETED	Airport FBO Bldg. Lighting & Insulation	\$22,078.00	\$22,145.46	\$5,519.00	\$5,536.41	\$27,597.00	\$27,681.87	\$17,294.87
	Village/Fire Hall Lighting, HVAC, & T-stats	\$16,464.00	\$15,975.32	\$4,116.00	\$3,993.83	\$20,580.00	\$19,969.15	
	Library Lighting	\$674.00	\$661.60	\$169.00	\$165.40	\$843.00	\$827.00	
Clay County COMPLETED	Villa Apartments Lighting & Exit Signs	\$756.00	\$657.95	\$189.00	\$164.49	\$945.00	\$822.44	\$12,571.12
	Courthouse Lighting	\$6,298.40	\$6,700.18	\$1,574.60	\$1,675.05	\$7,873.00	\$8,375.23	
	Roads Department Lighting	\$2,672.00	\$1,676.68	\$668.00	\$419.17	\$3,340.00	\$2,095.85	
	Service Building Lighting	\$3,267.20	\$3,309.18	\$816.80	\$827.30	\$4,084.00	\$4,136.48	
	Weed Control Building Lighting	\$198.40	\$282.10	\$49.60	\$70.52	\$248.00	\$352.62	
Coleridge COMPLETED	Jail & Sheriff's Department Lighting	\$851.20	\$602.98	\$212.80	\$150.74	\$1,064.00	\$753.72	\$59,200.00
	Nursing Home Insulation	\$59,560.00	\$59,200.00	\$14,890.00	\$14,800.00	\$74,450.00	\$74,000.00	
Colfax County COMPLETED	Courthouse Windows	\$39,194.00	\$39,194.00	\$9,799.00	\$9,799.00	\$48,993.00	\$48,993.00	\$39,194.00
Cortland COMPLETED	Community Center Windows & Doors	\$6,000.00	\$7,556.07	\$1,500.00	\$1,889.02	\$7,500.00	\$9,445.09	\$7,556.07
Cuming County COMPLETED	County Courthouse HVAC, Lighting & Exit Signs	\$250,000.00	\$257,177.61	\$114,378.00	\$378,153.69	\$364,378.00	\$635,331.30	\$257,177.61
Dakota City COMPLETED	Fire Hall Lighting, HVAC, Windows	\$11,264.00	\$7,644.52	\$2,816.00	\$1,911.13	\$14,080.00	\$9,555.65	\$7,644.52
	Water Treatment Plant Lighting	\$1,835.20	\$0.00	\$458.80	\$0.00	\$2,294.00	\$0.00	
Dawes County COMPLETED	County Courthouse Windows	\$180,000.00	\$183,894.59	\$80,000.00	\$45,973.65	\$260,000.00	\$229,868.24	\$183,894.59
Diller COMPLETED	Community Bldg/Fire Hall HVAC & T-stats	\$19,556.00	\$19,556.00	\$4,889.00	\$4,889.00	\$24,445.00	\$24,445.00	\$19,556.00
Dodge County COMPLETED	Judicial Center HVAC & Building Automation	\$152,834.40	\$148,533.00	\$38,208.60	\$37,133.25	\$191,043.00	\$185,666.25	\$148,533.00

Energy Efficiency and Conservation Block Grant Funded Projects (Continued on next page).

Applicant Name	Project Details	Amount Awarded June 8, 2010 Revised Amount Awarded		Original Match June 8, 2010 Revised Match		Total Project Cost June 8, 2010 Revised Cost		Grant Award Total
		Original Amount	Revised Amount	Original Amount	Revised Amount	Original Amount	Revised Amount	
Elwood COMPLETED	Village Office HVAC & Lighting	\$7,369.00	\$10,093.52	\$4,535.00	\$2,523.38	\$11,904.00	\$12,616.90	\$10,093.52
Fairfield COMPLETED	City Hall Lighting	\$3,111.00	\$3,111.20	\$778.00	\$777.80	\$3,889.00	\$3,889.00	\$13,532.00
	Fire Hall Lighting & Exit Signs	\$3,173.00	\$3,173.60	\$794.00	\$793.40	\$3,967.00	\$3,967.00	
	Maintenance Shop Overhead Door & Lighting	\$4,093.00	\$4,117.60	\$1,024.00	\$1,029.40	\$5,117.00	\$5,147.00	
	Library Lighting	\$1,364.00	\$1,362.40	\$342.00	\$340.60	\$1,706.00	\$1,703.00	
	Auditorium Lighting	\$1,692.00	\$1,767.20	\$424.00	\$441.80	\$2,116.00	\$2,209.00	
Fairmont COMPLETED	Nursing Home Lighting & Exit Signs, Doors, & Windows	\$41,232.80	\$36,547.20	\$10,308.20	\$8,508.86	\$51,541.00	\$45,056.06	\$36,547.20
Franklin COMPLETED	Senior Center Lighting, Insulation & Ceiling	\$22,297.60	\$39,428.80	\$5,574.40	\$9,857.20	\$27,872.00	\$49,286.00	\$39,428.80
Frontier County COMPLETED	County Jail Window, Door, Appliances, & Insulation	\$7,276.96	\$5,484.00	\$1,819.24	\$1,371.00	\$9,096.20	\$6,855.00	\$27,588.32
	Curtis Shop Furnaces	\$7,832.00	\$7,460.69	\$1,958.00	\$1,865.17	\$9,790.00	\$9,325.86	
	Eustis Shop Furnace	\$2,604.00	\$3,260.00	\$651.00	\$815.00	\$3,255.00	\$4,075.00	
	Courthouse Furnaces & A/C	\$7,092.00	\$7,814.40	\$1,773.00	\$1,953.60	\$8,865.00	\$9,768.00	
	Maywood Shop Furnaces	\$4,868.00	\$3,569.23	\$1,217.00	\$892.31	\$6,085.00	\$4,461.54	
Garden County COMPLETED	Treasurer's Office Heat Pump	\$4,444.44	\$4,059.64	\$1,111.11	\$1,014.91	\$5,555.55	\$5,074.55	\$8,790.82
	Courthouse Annex Heat Pump	\$5,239.08	\$4,731.18	\$1,309.77	\$1,182.79	\$6,548.85	\$5,913.97	
Giltner COMPLETED	Fire Station HVAC & Lighting	\$9,116.00	\$9,089.34	\$2,279.00	\$2,272.34	\$11,395.00	\$11,361.68	\$23,326.14
	Ball Field Lighting	\$14,028.00	\$14,236.80	\$3,507.00	\$3,559.20	\$17,535.00	\$17,796.00	
Gordon COMPLETED	Auditorium Lighting, Windows, & Insulation	\$93,206.00	\$86,737.04	\$23,301.00	\$21,684.26	\$116,507.00	\$108,421.30	\$86,737.04
Gothenburg COMPLETED	Street Lighting	\$206,080.00	\$211,950.96	\$51,520.00	\$52,987.74	\$257,600.00	\$264,938.70	\$211,950.96
Greeley County COMPLETED	County Courthouse Windows & Doors	\$68,451.20	\$69,303.27	\$17,112.80	\$17,325.82	\$85,564.00	\$86,629.09	\$69,303.27
Hamilton County COMPLETED	Courthouse HVAC & Lighting	\$116,208.00	\$111,104.00	\$29,052.00	\$27,776.00	\$145,260.00	\$138,880.00	\$114,839.20
	Roads Maintenance Shop Lighting	\$3,821.00	\$3,735.20	\$956.00	\$933.80	\$4,777.00	\$4,669.00	
Harlan County COMPLETED	Courthouse Boiler & Chiller	\$250,000.00	\$251,309.51	\$89,500.00	\$91,814.58	\$339,500.00	\$343,124.09	\$251,309.51
Hartington COMPLETED	City Hall Lighting, Windows & Doors	\$46,567.20	\$31,361.20	\$11,641.80	\$7,840.30	\$58,209.00	\$39,201.50	\$42,914.00
	City Auditorium Windows	\$19,088.00	\$11,552.80	\$4,772.00	\$2,888.20	\$23,860.00	\$14,441.00	
Hayes County COMPLETED	County Courthouse HVAC, Lighting, Windows & Doors	\$55,500.00	\$55,334.53	\$15,000.00	\$13,900.22	\$70,500.00	\$69,234.75	\$55,334.53
Hazard COMPLETED	Community Building Heating, Insulation, Windows, & Doors	\$13,340.00	\$13,389.26	\$3,335.00	\$3,347.32	\$16,675.00	\$16,736.58	\$13,389.26
Hemingford COMPLETED	Village Office Lighting, & Windows	\$28,497.00	\$17,886.96	\$7,719.00	\$4,471.74	\$36,216.00	\$22,358.70	\$153,505.82
	Street Lighting	\$165,238.00	\$114,901.26	\$44,762.00	\$28,725.31	\$210,000.00	\$143,626.57	
	Nursing Home Lighting & Exit Signs	\$24,202.00	\$17,025.60	\$6,556.00	\$4,256.40	\$30,758.00	\$21,282.00	
	Shop Door	\$3,553.00	\$3,692.00	\$962.00	\$923.00	\$4,515.00	\$4,615.00	

Energy Efficiency and Conservation Block Grant Funded Projects (Continued on next page).

Applicant Name	Project Details	Amount Awarded June 8, 2010 Revised Amount Awarded		Original Match June 8, 2010 Revised Match		Total Project Cost June 8, 2010 Revised Cost		Grant Award Total
		Original Amount	Revised Amount	Original Amount	Revised Amount	Original Amount	Revised Amount	
Holdrege COMPLETED	Street Lighting	\$250,000.00	\$251,223.89	\$93,029.00	\$87,636.66	\$343,029.00	\$338,860.55	\$251,223.89
Hooker County COMPLETED	Nursing Home Boiler, Windows & Doors	\$47,200.00	\$49,820.41	\$11,800.00	\$12,455.11	\$59,000.00	\$62,275.52	\$49,820.41
Humboldt COMPLETED	Nursing Home Lighting, Windows & Doors, HVAC	\$54,488.42	\$57,761.59	\$13,622.11	\$14,440.40	\$68,110.53	\$72,201.99	\$126,828.77
	Library Windows	\$4,210.53	\$4,832.30	\$1,052.63	\$1,208.07	\$5,263.16	\$6,040.37	
	City Hall Windows & Door	\$5,473.68	\$4,743.38	\$1,368.42	\$1,185.85	\$6,842.10	\$5,929.23	
	City Auditorium Windows	\$13,952.56	\$9,491.50	\$3,488.16	\$14,872.87	\$17,440.72	\$74,364.37	
Kimball COMPLETED	City Hall HVAC, Doors & Windows	\$53,716.74	\$51,316.75	\$13,429.19	\$12,829.18	\$67,145.93	\$64,145.93	\$51,316.75
La Vista COMPLETED	Traffic Signals	\$40,154.00	\$39,915.26	\$10,039.00	\$9,978.81	\$50,193.00	\$49,894.07	\$39,915.26
Lexington COMPLETED	Opportunity Center Roof & Insulation	\$250,000.00	\$251,497.79	\$102,500.00	\$101,002.21	\$352,500.00	\$352,500.00	\$251,497.79
Malmo COMPLETED	Well House Windows & Doors	\$1,920.00	\$1,892.00	\$480.00	\$473.00	\$2,400.00	\$2,365.00	\$1,892.00
McCook COMPLETED	Library Boiler & Chiller	\$64,400.00	\$103,200.00	\$16,100.00	\$25,800.00	\$80,500.00	\$129,000.00	\$119,440.00
	City Shop Insulation, & Windows	\$20,326.00	\$16,240.00	\$5,081.00	\$4,060.00	\$25,407.00	\$20,300.00	
McCool Junction COMPLETED	Village Hall HVAC, Doors & Windows	\$19,846.40	\$20,538.94	\$4,961.60	\$5,134.74	\$24,808.00	\$25,673.68	\$20,538.94
Mead COMPLETED	Community Bldg. HVAC & Lighting	\$19,060.80	\$18,662.40	\$4,765.20	\$5,012.80	\$23,826.00	\$23,675.20	\$18,662.40
Mitchell COMPLETED	City Office HVAC & Insulation	\$80,000.00	\$104,915.20	\$25,000.00	\$26,228.80	\$105,000.00	\$131,144.00	\$104,915.20
Mullen COMPLETED	Village Office windows & Insulation, South Well House windows & Insulation, Cleveland Street Well House windows, Door & Insulation, Yard Well House windows, Door & Insulation	\$0.00	\$5,320.50	\$0.00	\$1,330.13	\$0.00	\$6,650.63	\$5,320.50
	Street Lighting	\$5,959.52	\$0.00	\$1,489.88	\$0.00	\$7,449.40	\$0.00	
Nebraska City COMPLETED	City Hall Lighting, HVAC, & Windows	\$17,723.40	\$17,158.10	\$4,430.60	\$4,289.52	\$22,154.00	\$21,447.62	\$93,494.40
	Public Restroom A/C	\$4,035.20	\$0.00	\$1,008.80	\$0.00	\$5,044.00	\$0.00	
	Public Properties HVAC	\$4,154.40	\$4,076.56	\$1,038.60	\$1,019.14	\$5,193.00	\$5,095.70	
	Wastewater Treatment Plant HVAC	\$9,527.20	\$9,527.20	\$2,381.80	\$2,381.80	\$11,909.00	\$11,909.00	
	Street Lighting	\$66,464.80	\$62,732.54	\$16,616.20	\$15,683.13	\$83,081.00	\$78,415.67	
Nelson COMPLETED	Street Lighting	\$5,364.00	\$5,151.80	\$1,341.00	\$1,287.95	\$6,705.00	\$6,439.75	\$23,754.84
	City/Fire Hall Lighting	\$7,012.00	\$6,887.84	\$1,753.00	\$1,721.96	\$8,765.00	\$8,609.80	
	City Auditorium Lighting & Exit Signs	\$5,848.00	\$8,685.28	\$1,463.00	\$2,171.32	\$7,311.00	\$10,856.60	
	City Library Lighting	\$3,623.00	\$3,029.92	\$906.00	\$757.48	\$4,529.00	\$3,787.40	

Energy Efficiency and Conservation Block Grant Funded Projects (Continued on next page).

Applicant Name	Project Details	Amount Awarded June 8, 2010 Revised Amount Awarded		Original Match June 8, 2010 Revised Match		Total Project Cost June 8, 2010 Revised Cost		Grant Award Total
		Original Amount	Revised Amount	Original Amount	Revised Amount	Original Amount	Revised Amount	
Nemaha County COMPLETED	County Courthouse Lighting & Windows	\$133,326.32	\$133,326.32	\$33,331.57	\$33,331.57	\$166,657.89	\$166,657.89	\$137,074.53
	Law Enforcement Lighting & Exit Signs	\$2,510.32	\$2,510.32	\$627.58	\$627.58	\$3,137.90	\$3,137.90	
	HHS Building Lighting	\$1,237.89	\$1,237.89	\$309.47	\$309.47	\$1,547.36	\$1,547.36	
Ogallala COMPLETED	City Hall HVAC, Windows, & Insulation	\$21,110.08	\$21,497.72	\$5,277.52	\$5,374.43	\$26,387.60	\$26,872.15	\$93,103.75
	Fire Hall Lighting	\$3,067.87	\$9,261.03	\$766.97	\$2,315.26	\$3,834.84	\$11,576.29	
	Library Lighting	\$15,998.50	\$9,173.86	\$3,999.62	\$2,293.47	\$19,998.12	\$11,467.33	
	Water Department HVAC, Lighting, & Insulation	\$41,782.11	\$53,171.14	\$10,445.53	\$13,292.79	\$52,227.64	\$66,463.93	
Orleans COMPLETED	Fire Hall Furnace, Insulation, & Lighting	\$20,340.00	\$20,268.00	\$5,085.00	\$5,067.00	\$25,425.00	\$25,335.00	\$20,268.00
Osceola COMPLETED	City Shop HVAC, Lighting, & Door	\$7,200.00	\$6,867.10	\$1,800.00	\$1,716.77	\$9,000.00	\$8,583.87	\$7,283.80
	Fire Hall Lighting	\$1,920.00	\$416.70	\$480.00	\$104.18	\$2,400.00	\$520.88	
Otoe County COMPLETED	Courthouse Boilers	\$101,053.00	\$97,208.74	\$25,263.00	\$24,302.18	\$126,316.00	\$121,510.92	\$97,208.74
Pawnee County COMPLETED	Courthouse Lighting	\$2,442.11	\$2,502.10	\$610.53	\$625.53	\$3,052.64	\$3,127.63	\$5,349.97
	Maintenance Building Lighting	\$2,557.47	\$2,847.87	\$639.37	\$711.97	\$3,196.84	\$3,559.84	
Paxton COMPLETED	Community Center Bldg. HVAC, Windows & Doors, Insulation	\$14,554.00	\$18,392.00	\$3,639.00	\$4,598.00	\$18,193.00	\$22,990.00	\$18,392.00
Perkins County COMPLETED	County Hospital Lighting, Windows & Doors	\$230,832.00	\$253,596.07	\$57,708.00	\$203,389.23	\$288,540.00	\$456,985.30	\$253,596.07
Petersburg COMPLETED	Fire Hall Door & Insulation	\$7,670.27	\$7,598.94	\$1,917.57	\$1,899.74	\$9,587.84	\$9,498.68	\$20,854.81
	Maintenance Building Windows, Overhead Door, & Insulation	\$13,543.36	\$13,255.87	\$3,385.84	\$3,313.97	\$16,929.20	\$16,569.84	
Phelps County COMPLETED	Courthouse Lighting & Windows	\$53,815.64	\$54,392.00	\$13,453.60	\$13,597.99	\$67,269.24	\$67,989.99	\$54,392.00
Pilger COMPLETED	Village Clerk's Office HVAC & Lighting	\$4,349.50	\$4,349.50	\$1,087.38	\$1,087.38	\$5,436.88	\$5,436.88	\$47,847.71
	Library Lighting & Exit Signs	\$896.26	\$896.26	\$224.06	\$224.06	\$1,120.32	\$1,120.32	
	Fire Hall Lighting	\$1,448.99	\$2,353.30	\$362.25	\$588.33	\$1,811.24	\$2,941.63	
	Filter Plant Lighting	\$425.52	\$425.52	\$106.38	\$106.38	\$531.90	\$531.90	
	Street Lighting	\$29,522.81	\$39,823.13	\$9,017.15	\$9,955.78	\$38,539.96	\$49,778.91	
Polk COMPLETED	Housing Authority Apts. HVAC Lighting & Storm Doors; Village Office Lighting, Village Work Shop and Equipment Garage Lighting, Library Lighting, Post Office Building Lighting, Street Lights and Park Lights	\$67,536.00	\$60,619.19	\$16,884.00	\$17,008.78	\$84,420.00	\$77,627.97	\$60,619.19
Potter COMPLETED	Municipal Building Insulation, Heaters, & Lighting	\$28,455.20	\$30,836.86	\$7,113.80	\$7,709.22	\$35,569.00	\$38,546.08	\$30,836.86
Prague COMPLETED	Street Lighting	\$46,579.20	\$44,129.34	\$11,644.80	\$11,032.34	\$58,224.00	\$55,161.68	\$44,129.34
Randolph Grant Declined	Cultural Center Windows Grant Declined	\$8,560.00	\$0.00	\$2,140.00	\$0.00	\$10,700.00	\$0.00	\$0.00
Red Willow County COMPLETED	Nursing Home HVAC	\$250,000.00	\$259,852.80	\$507,900.00	\$514,395.33	\$757,900.00	\$774,248.13	\$259,852.80

Energy Efficiency and Conservation Block Grant Funded Projects (Continued on next page).

Applicant Name	Project Details	Amount Awarded June 8, 2010 Revised Amount Awarded		Original Match June 8, 2010 Revised Match		Total Project Cost June 8, 2010 Revised Cost		Grant Award Total
		Original Amount	Revised Amount	Original Amount	Revised Amount	Original Amount	Revised Amount	
Rock County COMPLETED	County Hospital Windows, HVAC, Water Heater, Lighting	\$162,937.00	\$177,148.00	\$54,313.00	\$44,287.00	\$217,250.00	\$221,435.00	\$177,148.00
Saline County COMPLETED	County Courthouse Boiler & Windows	\$249,972.00	\$256,642.93	\$395,950.00	\$352,063.29	\$645,922.00	\$608,706.22	\$256,642.93
Scribner COMPLETED	Street Lighting	\$225,189.00	\$226,459.34	\$56,297.00	\$56,614.83	\$281,486.00	\$283,074.17	\$226,459.34
Seward COMPLETED	Wastewater Treatment Plant Roof & Insulation, HVAC, Windows, Man Doors, Overhead Doors, Lighting, Digester	\$185,467.38	\$200,008.91	\$256,121.62	\$192,151.77	\$441,589.00	\$392,160.68	\$253,640.55
	City Hall Lighting, Window Sealing, & Insulation	\$12,207.00	\$6,153.60	\$5,679.00	\$1,538.40	\$17,886.00	\$7,692.00	
	Various Building Lights	\$49,234.00	\$47,478.04	\$22,120.00	\$11,869.51	\$71,354.00	\$59,347.55	
Shelton COMPLETED	Offices/Community Bldg. Windows & HVAC	\$16,873.65	\$17,111.52	\$4,218.42	\$4,606.48	\$21,092.07	\$21,718.00	\$35,900.34
	Health Center Windows & HVAC	\$18,893.52	\$18,788.82	\$4,723.38	\$4,697.21	\$23,616.90	\$23,486.03	
Sherman County COMPLETED	Courthouse Windows and Doors	\$79,070.00	\$77,372.00	\$19,767.00	\$19,343.00	\$98,837.00	\$96,715.00	\$77,372.00
Silver Creek COMPLETED	Fire Station Windows & Doors, Insulation, Ceiling, and Lights	\$52,793.60	\$63,883.50	\$13,198.40	\$15,970.87	\$65,992.00	\$79,854.37	\$63,883.50
South Sioux City COMPLETED	Badger Building Lighting & Insulation	\$227,158.00	\$242,279.61	\$80,853.00	\$145,132.39	\$308,011.00	\$387,412.00	\$252,477.61
	Public Works Lighting	\$9,204.00	\$2,165.00	\$3,276.00	\$771.00	\$12,480.00	\$2,936.00	
	Fire House North Lighting	\$2,532.00	\$1,454.00	\$901.00	\$518.00	\$3,433.00	\$1,972.00	
	Fire House South Lighting	\$344.00	\$851.00	\$122.00	\$303.00	\$466.00	\$1,154.00	
	Riverview Facility Lighting	\$8,231.00	\$1,558.00	\$2,929.00	\$554.00	\$11,160.00	\$2,112.00	
	Maintenance Shop Lighting	\$465.00	\$1,916.36	\$165.00	\$681.52	\$630.00	\$2,597.88	
	Sign & Bus Shop Lighting	\$860.00	\$635.00	\$306.00	\$226.00	\$1,166.00	\$861.00	
	Gas Shop Lighting & T-stats	\$238.00	\$440.64	\$85.00	\$156.48	\$323.00	\$597.12	
Water Shop Lighting	\$968.00	\$1,178.00	\$345.00	\$471.00	\$1,313.00	\$1,649.00		
Springfield COMPLETED	City Hall Windows & HVAC	\$27,200.00	\$27,048.00	\$6,800.00	\$6,762.00	\$34,000.00	\$33,810.00	\$27,048.00
Stromsburg COMPLETED	Fire Hall Insulation	\$18,880.00	\$19,244.55	\$4,720.00	\$4,811.13	\$23,600.00	\$24,055.68	\$29,400.58
	Senior Center Windows	\$10,400.00	\$10,156.03	\$2,600.00	\$2,539.01	\$13,000.00	\$12,695.04	
Superior COMPLETED	Street Lighting, Building Windows, Insulation, & Lighting	\$246,240.00	\$228,036.30	\$61,560.00	\$57,009.07	\$307,800.00	\$285,045.37	\$228,036.30
Tecumseh COMPLETED	Community Center Lighting, Furnaces, Pump and Controls, Store Front Windows, Door & Insulation	\$74,527.00	\$87,578.44	\$31,940.00	\$21,894.61	\$106,467.00	\$109,473.05	\$237,281.75
	Street Lighting	\$149,563.00	\$149,703.31	\$37,391.00	\$37,425.83	\$186,954.00	\$187,129.14	
Utica COMPLETED	Village Shop Door	\$3,200.00	\$3,344.07	\$800.00	\$836.02	\$4,000.00	\$4,180.09	\$3,344.07
Valentine COMPLETED	Community Center/Gymnasium Lighting, Windows, Doors, & Boiler Steam Traps	\$174,400.00	\$169,720.59	\$43,600.00	\$42,430.15	\$218,000.00	\$212,150.74	\$169,720.59
Verdigre COMPLETED	Village Office HVAC, Windows, Lighting & Insulation	\$10,000.00	\$7,944.84	\$2,515.00	\$1,986.25	\$12,515.00	\$9,931.09	\$7,944.84

Energy Efficiency and Conservation Block Grant Funded Projects (Continued on next page).

Applicant Name	Project Details	Amount Awarded June 8, 2010 Revised Amount Awarded		Original Match June 8, 2010 Revised Match		Total Project Cost June 8, 2010 Revised Cost		Grant Award Total
		Original Amount	Revised Amount	Original Amount	Revised Amount	Original Amount	Revised Amount	
Wahoo COMPLETED	City Hall and Wahoo Civic Center Complex Facilities Heat Pumps and Lighting	\$78,800.00	\$63,384.00	\$19,700.00	\$15,846.00	\$98,500.00	\$79,230.00	\$63,384.00
Wakefield COMPLETED	City Hall HVAC	\$3,748.00	\$5,194.56	\$937.00	\$1,298.65	\$4,685.00	\$6,493.21	\$11,892.79
	Fire Hall HVAC	\$5,152.00	\$6,698.23	\$1,288.00	\$1,674.56	\$6,440.00	\$8,372.79	
Walthill COMPLETED	Street Lighting	\$132,846.00	\$91,151.98	\$33,211.00	\$22,788.00	\$166,057.00	\$113,939.98	\$110,763.06
	Village Office Bldg. Windows, door & Weather Stripping	\$7,662.40	\$19,611.08	\$1,915.60	\$4,902.77	\$9,578.00	\$24,513.85	
Waverly COMPLETED	Public Works Bldg. Insulation, Windows, Lighting, Weatherstripping, and 1.6 Kilowatt Photovoltaic System	\$35,641.60	\$35,634.97	\$8,910.40	\$8,908.74	\$44,552.00	\$44,543.71	\$35,634.97
Wayne COMPLETED	Municipal Power Plant Cooling Tower	\$250,000.00	\$263,697.65	\$383,596.00	\$696,304.36	\$633,596.00	\$960,002.01	\$263,697.65
Wilber COMPLETED	Street Lighting	\$122,145.40	\$79,448.87	\$30,536.60	\$19,862.22	\$152,682.00	\$99,311.09	\$79,448.87
York County COMPLETED	Courthouse Boiler & Lighting, County Area Aging Office & County Historical Office	\$158,611.00	\$132,641.01	\$52,870.00	\$33,160.27	\$211,481.00	\$165,801.28	\$141,474.55
	Supervisor's Office Lighting	\$5,255.00	\$3,701.81	\$1,751.00	\$925.45	\$7,006.00	\$4,627.26	
	Maintenance Shop/Quonset Bldg/Morton Bldg Lighting	\$4,618.00	\$5,131.73	\$1,538.00	\$1,282.93	\$6,156.00	\$6,414.66	
Totals:		\$8,820,010.91	\$8,834,843.54	\$3,978,431.01	\$4,456,548.78	\$12,798,441.92	\$13,291,392.32	\$8,834,843.54

STATE ENERGY EFFICIENCY APPLIANCE REBATE PROGRAM

In August 2009, the Energy Office submitted a pre-application under the *Recovery Act's State Energy Efficiency Appliance Rebate Program*. In October 2009, the agency submitted a plan that detailed how the state would implement an appliance rebate program. On December 14, 2009, the U.S. Department of Energy approved the plan for \$1.711 million and \$205,320 in state matching funds.

The program was structured to provide rebate claims after an eligible appliance had been purchased from six appliance categories: dishwashers, clothes washers, refrigerators, heat pumps, furnaces and central air conditioners. Rebates ranged from \$100 to \$250 for each appliance with a limit of two per household.

In May 2010, the agency selected a contractor to assist the agency in providing information to consumers and sellers, verifying rebate claims and issuing payment to Nebraskans.

On July 6, 2010, the Nebraska Appliance Rebate program opened. By noon on July 10, 2010, all rebate funds had been obligated, pending submission of documentation by the purchasers. By December 31, 2010, a total of 9,019 rebates had been approved and payment issued in the following categories:

- Air source heat pumps 159
- Central air conditioners 89
- Clothes washers 2,251
- Dishwashers 2,725
- Natural gas furnaces 334
- Refrigerators 3,461

As of December 31, 2010, all federal funds had been spent and this program was closed in February 2011. The total lifetime savings as a result of this program:

- 10,603,221 kilowattshours of electricity
- 633,718 therms of natural gas
- 198,259,859 gallons of water
- 24,412,118 pounds of carbon dioxide
- 99,550,034,323 of British thermal units of energy

AMERICAN REINVESTMENT AND RECOVERY ACT

ENHANCING STATE GOVERNMENT ENERGY ASSURANCE CAPABILITIES AND PLANNING FOR SMART GRID RESILIENCY

Under the *Recovery Act*, the Energy Office received \$363,635 over three years to strengthen and expand state and local government energy assurance planning and resiliency efforts by incorporating response actions for new energy portfolios and Smart Grid applications and build in-house state and local government energy assurance expertise.

During the reporting period, the Energy Office and its contractor continued development of the State Energy Assurance Plan. The Assurance Plan will include primary state energy use, information pertaining to vulnerability and risk and identification of impending energy problems. The Assurance Plan was submitted to the U.S. Department of Energy in February 2011 and received approval of the Plan in April 2011.

The Energy Office hosted three roundtables with stakeholders during the reporting period. The Energy acquired feedback from the energy industry to build energy assurance awareness.

The Energy Office prepared the *State of Nebraska Energy Supply Tracking Process and Energy Supply Disruption Tracking Process* and submitted the document to the U.S. Department of Energy in August 2010. The document outlines a process for tracking the duration, response, restoration and recovery time of energy supply disruption events.

In September 2010, the Energy Office hosted a winter fuels summit to discuss fuel supply and energy assurance for the upcoming winter. Also in September, the Energy Office and the Nebraska Emergency Management Agency conducted a statewide exercise focused on an earthquake causing a pipeline leak and included players from state agencies, local governments and industry and federal partners.

Under this activity are two contracts: \$244,995 with AMEC Earth and Environmental and \$10,000 with Nebraska Emergency Management. As of December 1, 2012, \$346,551.90 out of \$363,635 had been spent. The balance of \$17,083.10 was returned to the U.S. Department of Energy and this program has been closed.

2009 IECC AND ASHRAE 90.1-2007: ADOPTION, TRAINING AND COMPLIANCE

On September 30, 2010, the Energy Office submitted a competitive proposal for *Recovery Act* Building Energy Code funding to Pacific Northwest National Laboratory. Under the proposal, the Energy Office would perform a number of tasks related to increasing the state's building energy codes:

- Assess code compliance,
- Measure the economic value of code compliance,
- Gather information on current building codes in comparison to Nebraska,
- Provide code training to professionals, builders and code officials and
- Develop code compliance strategies.

Under this U.S. Department of Energy funded award, the agency was able to further a number of building energy code tasks including an evaluation of existing code compliance, providing for training opportunities for Nebraska target groups, conducting an assessment of current code practices and knowledge and developing strategies for enforcement and adoption of codes.

As a part of this activity, nearly 700 professionals attended 11 workshops on aspects of the new 2009 IECC and ASHRAE code updates; hundreds of 2009 IECC code books were distributed for free; and 100 recently built homes across the state were assessed for code compliance.

This competitive cooperative agreement from the Pacific Northwest National Laboratory for \$276,451 was received in November 2010 and completed by June 30, 2011.



State Capitol Legislative Chamber.

Nebraska Revised Statutes 81-1607

(1) On or before February 15 of each year, the Director of the State Energy Office shall transmit to the Governor, Clerk of the Legislature and State Library Commission a comprehensive report designed to identify emerging trends related to energy supply, demand, and conservation and to specify the level of statewide energy need within the following sectors: Agricultural, commercial, residential, industrial, transportation, utilities, government, and any other sector that the director determines to be useful.

(2) The report shall include, but not be limited to:

(a) An assessment of the state's energy resources, including examination of the current energy supplies and any feasible alternative sources;

(b) The estimated reduction in annual energy consumption resulting from various energy conservation measures;

(c) The status of the office's ongoing studies;

(d) Recommendations to the Governor and the Legislature for administrative and legislative actions to accomplish the purposes of sections 70-625, 70-704, 81-161, 81-1602, 81-1606, and 81-1607; and

(e) The use of funds disbursed during the previous year under sections 81-1635 to 81-1641. The use of such funds shall be reported each year until the funds are completely disbursed and all contractual obligations have expired or otherwise terminated.



The Nebraska Energy Office tracks trends in different energy sectors as part of its mission. These trends can forecast future energy use. In all cases, the most current energy data available from all sources has been used in the *Annual Report*. Energy statistical data required by statute to be maintained by the Energy Office can be found on the agency's website at <http://www.neo.ne.gov/statshtml/index3c.html>.

STATE-WIDE ENERGY NEED AND COST

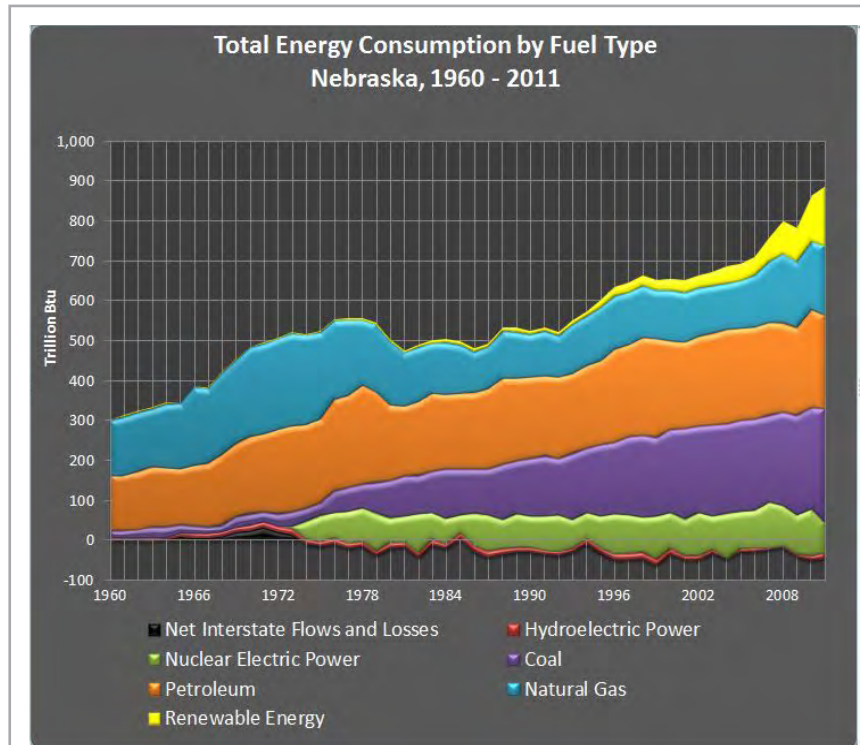
Need

2010 and 2011. Nebraska's total energy consumption in 2010 was 844 trillion British thermal units (Btus), an increase of 85 trillion Btus — 8.3 percent — over 2009. The state's total energy consumption in 2011 was 871 trillion British thermal units, a 0.8 percent increase over 2010. A British thermal unit is a standard measure of heat energy. It takes one Btu to raise the temperature of one pound of water by one degree Fahrenheit at sea level. Overall, the use of all

fuel types increased. Among all the states, Nebraska ranked 19th lowest in total energy consumption in the nation in 2011. Based on energy consumption per capita, Nebraska ranked 7th highest in the country among the states.

1960-2011. Energy use over the past 51 years has changed markedly. Overall, total energy consumption has more than doubled from 308.3 trillion Btus in 1960 to 871 trillion Btus in 2011.

- Coal use has increased more than twelvefold from 20 trillion Btus to 285.38 trillion Btus between 1960 and 2011. Peak use of coal was reached in 2011, surpassing the high set in 2010. Virtually all of this growth is attributable to coal used to generate electricity.

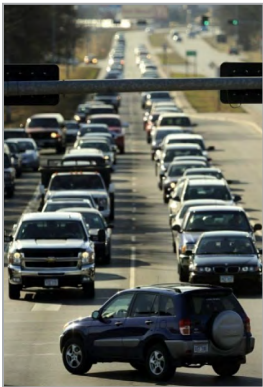


Sources: State Energy Data Report. Energy Information Administration, Washington, DC. Nebraska Energy Office, Lincoln, NE.

- Natural gas consumption has both increased and declined during the 51 years from 140.4 trillion Btus in 1960 to 173.6 trillion Btus in 2011. Natural gas consumption peaked in 1973 at 230.7 trillion Btus. The rise, fall and recent rise in consumption of natural gas is a result

STATE-WIDE ENERGY NEED AND COST

“Changes in gasoline consumption can be traced to increased fuel efficiency of vehicles, relative lack of population growth and incremental changes in miles traveled annually.”

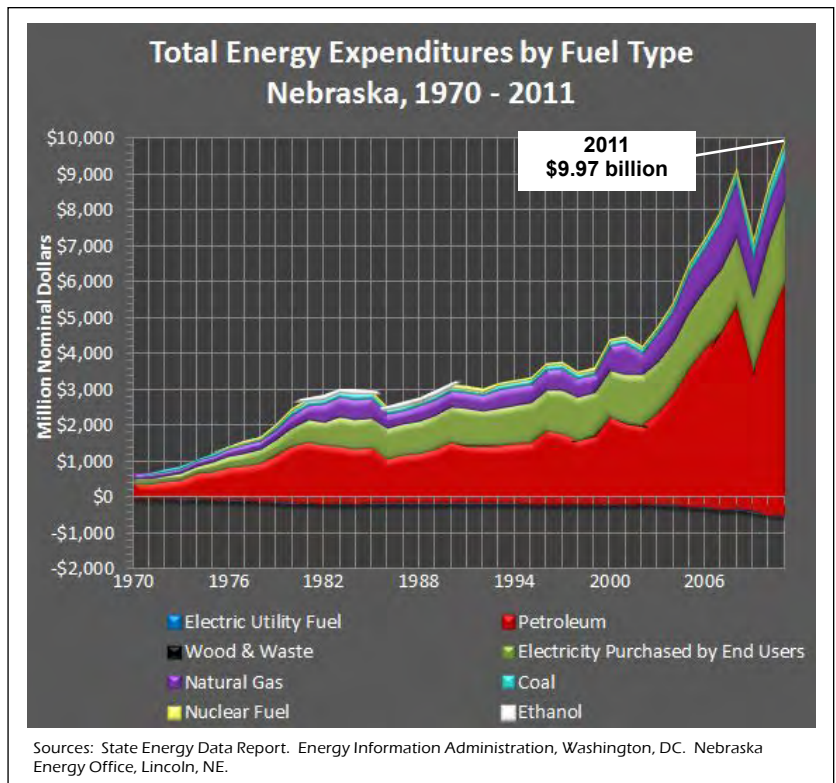


Nebraska traffic near Lincoln

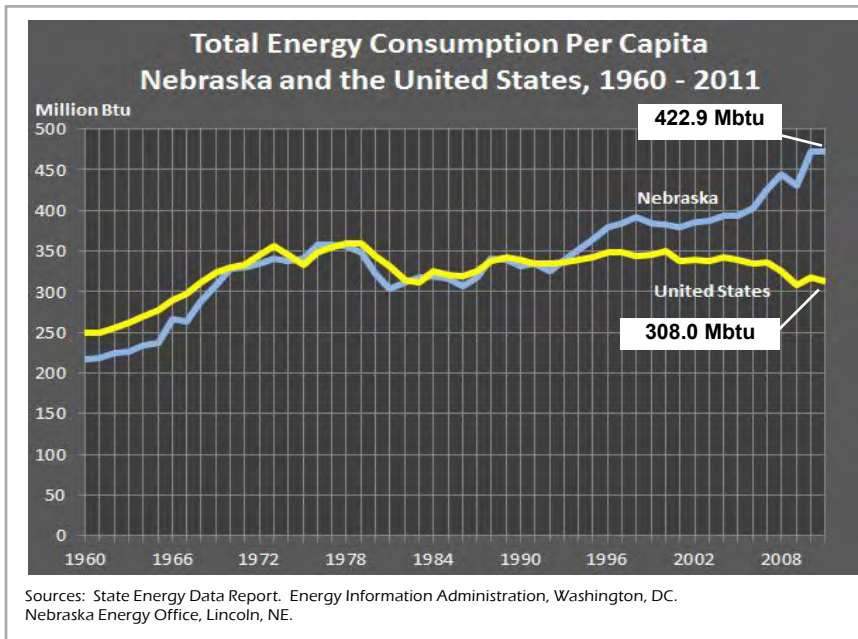
of increased equipment efficiency, fewer homes using natural gas as a primary heating source, electric utilities using natural gas for peak power production and use by ethanol plants.

- Use of petroleum products nearly doubled over the past 51 years from 136.1 trillion Btus in 1960 to 234.7 trillion Btus in 2011. Gasoline and distillate fuel oil — primarily diesel fuel — comprise the bulk of refined petroleum products consumed. Both types of refined petroleum products increased between 1960 and 2011. Diesel fuel consumption more than quadrupled from 24.1 trillion Btus in 1960 to 113.1 trillion Btus in 2011. This increase is attributable to increased trucking and agricultural use. Gasoline consumption only increased by less than a quarter during the period from 78.7 trillion Btus in 1960 to 97.8 trillion Btus in 2011. Gasoline consumption peaked in 1978 at 115.9 trillion Btus, just before the second Oil Price Shock. Changes in gasoline consumption can be traced to increased fuel efficiency of vehicles, relative lack of population growth and incremental changes in miles traveled annually. Motor vehicle miles traveled increased from 12.0 billion miles a year in 1978 to 19.2 billion miles a year in 2012. Motor vehicle miles traveled peaked at 19.5 billion miles in 2010. Overall, petroleum consumption peaked in 1978 at 246.6 trillion Btus.

- Nuclear power was not generated commercially in the state until 1973-1974. Nuclear consumption has increased significantly over the period, rising from 6.5 (1973) and 44.6 (1974) trillion Btus to 72.5 trillion Btus in 2011. Nuclear consumption peaked in 2007 at 115.7 trillion Btus.
- Renewable energy consumption from 1960 to 2011, rose and fell over the decades from 13.4 trillion Btus in 1960 to 164.9 trillion Btus in 2011. Energy production from renewables peaked in 2011. Between 1960 and 1994, the primary renewable energy source was hydropower. Beginning in 1995, biofuels — ethanol — production began and continued to soar, initially equaling hydropower production. By 2000, biofuels production began to double the amount of hydropower generated. By 2011, 69.3 percent of all renewable energy produced in that year came from biofuels, 9.5 percent from hydroelectric power, 6.2 percent from wind and 4.6 percent from wood and wood waste. Very minor amounts came from geothermal and solar.



STATE-WIDE ENERGY NEED AND COST



Cost

2010 and 2011. Nebraska's total energy expenditures increased 21.8 percent to \$8.68 billion in 2010, an increase of \$1.55 billion over 2009. Expenditure increases were reported in coal, nuclear, petroleum and ethanol. Expenditures for natural gas decreased. In 2011, total energy expenditures reached \$9.97 billion, a 14.8 percent increase over expenditures in 2010, and a difference of \$1.28 billion. Expenditure increases were recorded for coal, petroleum and wood/wood waste.

Among the states, Nebraska ranked 35th in energy expenditures in 2011, up one from 2010. Petroleum products in 2011 accounted for 65.6 percent of all energy expenditures. More than ten percent of expenditures in 2011 went for natural gas, 4.4 percent for coal, one half of one percent on nuclear fuel and 0.14 percent for renewable energy. On a per capita basis, Nebraska ranked 11th in energy expenditures among the states at \$5,413 in

2011. Alaska ranked first with a per capita expenditure of \$10,692. New York ranked last with a per capita energy expenditure of \$3,378. The United States' average of energy expenditures per capita in 2011 was \$4,474.

2011 prices for different types of energy, as compared to the other 49 states and the District of Columbia, shows that Nebraskans paid the 47th lowest price for coal in the nation at \$1.53 (measured in nominal dollars per million British thermal units). Maine paid the highest at \$4.20 per million Btus. At the other extreme, Nebraskans paid the 12th highest price for petroleum at \$27.29 in nominal dollars per million British thermal units. Prices in 2011 for natural gas in Nebraska were \$6.55 in nominal dollars per million British thermal units and ranked 39th when compared to other states. Retail electricity prices in the state were \$23.09 in nominal dollars per million British thermal units, ranking 41st. The price for motor gasoline in Nebraska, which include ethanol-blended fuels, was \$28.19 in nominal dollars per million British thermal units placed the state at 24th among the states.

Looking at the prices differently and in more common units of measurement, in October 2013 Nebraska prices by fuel type:

- Residential electricity: 10.47 cents per kilowatt-hour
- Residential natural gas: \$9.09 per thousand cubic feet

1970-2011. Total energy expenditures in 1970 were \$667.8 million and increased by nearly fifteen-fold 41 years later in 2011 to \$9.97 billion. The peak in expenditures was reached in 2011. Peak expenditures by specific fuel types were reached as follows:

- Coal, \$437.9 million in 2011
- Natural gas, \$1.565 billion in 2008
- Nuclear, \$76.0 million in 2010
- Petroleum, \$6.545 billion in 2011

The percentage share of personnel income has not varied much: In 1970, 11.8 percent was spent on energy and in 2011, 12.0 percent was spent on energy. The peak percentage occurred in 1980 at 17.1 percent.

STATE-WIDE ENERGY NEED AND COST

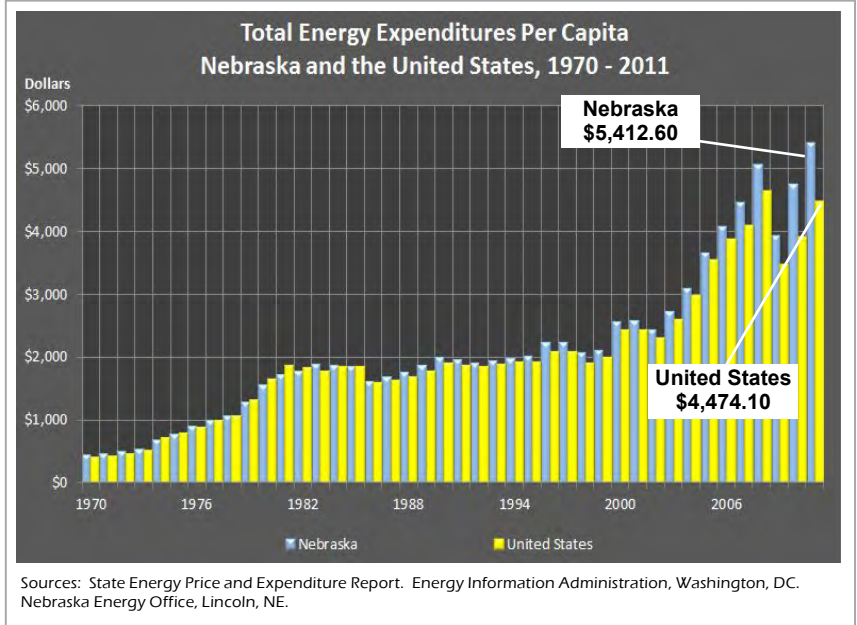
- Coal expenditures increased from \$9.8 million in 1970 to \$437.9 million in 2011.
- Natural gas expenditures increased more than ten-fold from \$104.1 million in 1970 to \$1.073 billion in 2011.
- Petroleum expenditures also increased more than sixteen-fold from \$405.7 million in 1970 to \$6.545 billion in 2011.
- Nuclear expenditures soared from \$1.1 million in 1973 — the first partial year of operation of one of the state’s two nuclear plants — to \$48.8 million in 2011.
- Electricity purchased by end users totaled \$170.3 million in 1970 and rose to \$2.050 billion in 2009.



“Ethanol facilities use both electricity and natural gas in considerable volumes. The state’s agricultural producers also changed what was planted.”

In comparing total energy consumption per capita between Nebraska and the United States between 1960 and 2011 shows that during the first decade, Nebraska’s per capita energy consumption was considerably less than the nation’s. Over the next several decades and prior to 1994, Nebraska and the nation were somewhat parallel in per capita energy consumption, seesawing back and forth. After 1994, and through 2011, a chasm opened and widened as the state’s per capita energy consumption vastly outpaced that of the nation. Why? For the most part, the state’s population showed little growth during this period. Nebraskans’ individual energy use likely paralleled

that of other Americans. What happened in Nebraska beginning in 1994 that sparked a growing increase in per capita energy consumption? Looking deeper into the data, one finds a surge of energy consumption in the industrial sector. In Nebraska, that sector includes agriculture. Looking at ethanol production in 1994, only 78.9 million gallons of ethanol were produced. By 2007, 1.282 billion gallons of ethanol were being produced in the state. Ethanol facilities use both



electricity and natural gas in considerable volumes. The state’s agricultural producers also changed what was planted. For the past nine years, Nebraska growers have routinely surpassed the billion bushel mark for corn harvested, reaching more than 1.469 billion bushels of corn for grain production in 2010. Corn under irrigation is a more energy intensive crop than soybeans, wheat or grain sorghum as several recent

A G R I C U L T U R A L

the state’s agricultural sector have been met. Over the years, any energy supply problems have been limited to infrequent shortfalls of petroleum products or fertilizer — reliant on energy inputs — usually during periods of peak demand or energy shortfalls because of worldwide demand.

In the summer of 2012, a unique situation arose for a very small number of the state’s irrigators that use electricity. The state’s drought forced growers to irrigate to a greater extent than ever before. As a result, some growers were briefly “shed” by electrical utilities around July 4, 2012, to protect the integrity of the energy infrastructure. Since that episode, the large utility supplier has upgraded local transmission lines and acquired mobile generators to forestall that problem from happening again.

Demand

As indicated earlier in this section, energy demand information for the agricultural sector is not available on a consistent or annual basis. One of the primary tracking tools, the Census of Agriculture, is only conducted every five years, and the 2012 census of Agriculture has not yet been released. National energy

studies have noted.

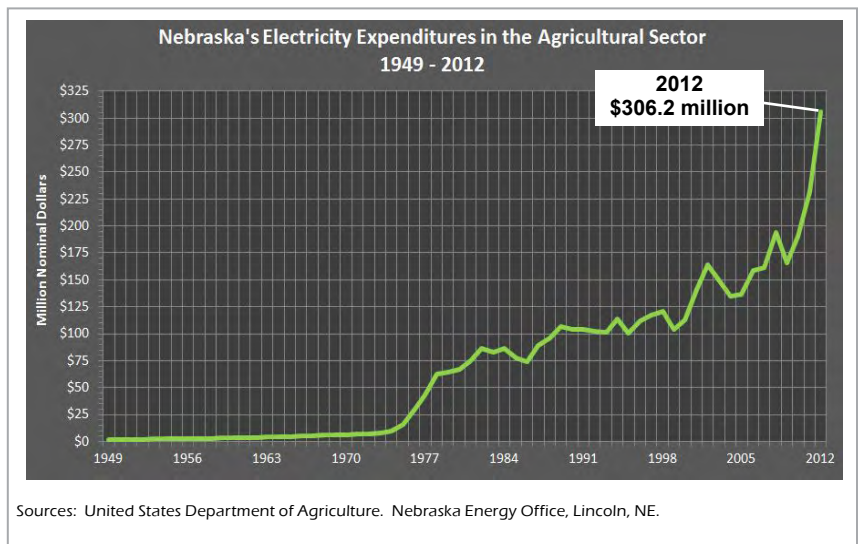
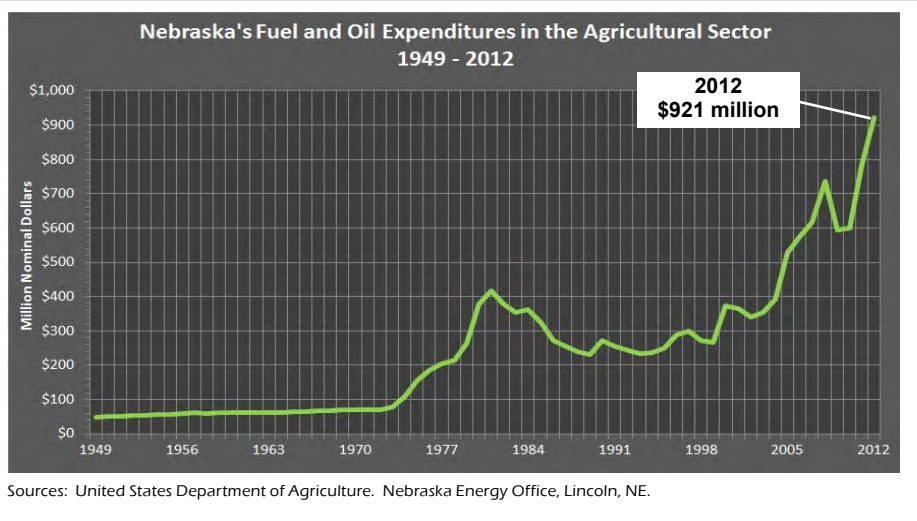
A G R I C U L T U R A L

According to the U.S. Department of Agriculture National Agricultural Statistics Service, there were 46,800 farms and ranches on 45.5 million acres in Nebraska in 2011 encompassing about 93 percent of the state’s total land area. The average farm size contained 972 acres. In 2011, Nebraska had 92,467 active irrigation wells supplying water to more than 9.1 million acres of cropland and pasture. Approximately forty-six percent of total cropland in Nebraska was irrigated.

Agricultural energy data is aggregated with other data in the industrial sector. As such, separate agricultural energy data is not always available on a consistent or annual basis.

Energy Supply

Energy supplies for



A G R I C U L T U R A L

databases commingle agricultural demand with data from the industrial sector.

Conservation

As with most consumer behavior, high fuel costs or limited availability of energy resources induces demand for efficiency practices in this sector. Historically, when natural gas prices have reached record highs, farmers alter practices such as when and how much anhydrous ammonia fertilizer — a natural gas product — is used. High diesel prices have motivated farmers to adopt conservation tillage practices, resulting in reduced cultivation on crop land, and to switch from using natural gas, diesel and propane to electricity to power irrigation systems.

As energy costs have increased, the state's agricultural producers — with assistance from the agricultural extension agents and research — have adopted a variety of practices that have reduced energy use: conservation tillage and irrigation efficiency improvements, scheduling and load management, and soil moisture measurement practices. For example, the Nebraska Energy Office provides low-cost financing for irrigation efficiency projects that demonstrate energy savings

such as low-pressure pivots and replacement pumps and motors. Low-interest loans have also been used to finance grain dryers, no-till equipment, dairy vacuum pumps and related agricultural equipment. Over the past number of years, U.S. Department of Agriculture's Rural Energy for America Program grants have partially financed hundreds of irrigation efficiency improvements that also included switching fuel sources from diesel, propane and natural gas to electricity. As long as federal funding remains available and fossil fuel prices remain high or fluctuate dramatically, this trend in irrigation is likely to continue.

In 2006, the U.S. Department of Agriculture estimated that 15 percent of the total cash production expenses went for energy, directly or indirectly.

In 2008, the U.S. Department of Agriculture issued a report that found farmers have adopted energy conservation practices: Since the 1970s, farm energy consumption has fallen 26 percent as farm output has increased 63 percent.

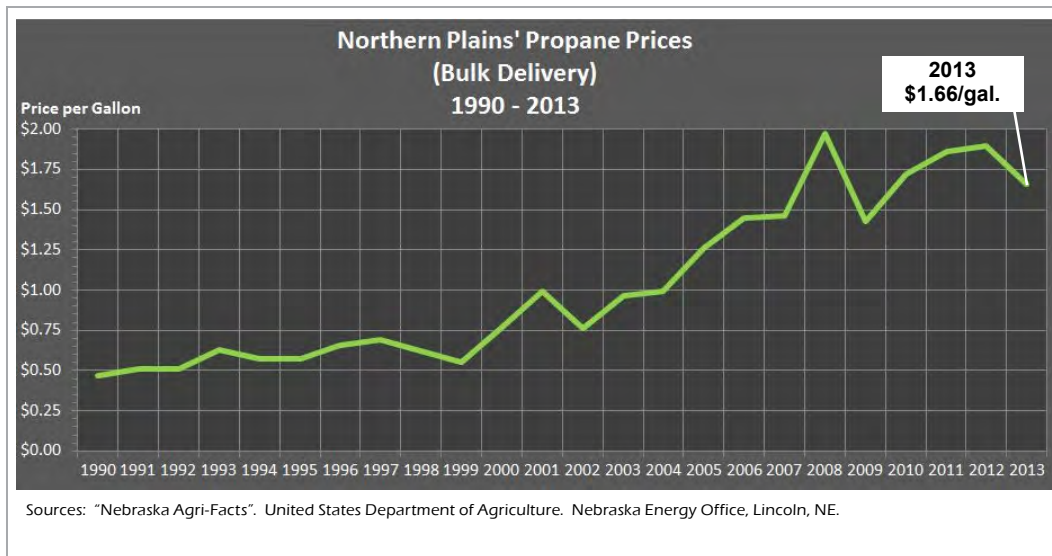
Energy Need

Energy need in the ag sector can be influenced by the cost of inputs which are a significant factor in modern farming. Over the decades farms have increased in size and energy has replaced labor, allowing fewer people to produce larger harvests of agricultural goods. Another long-term trend has been the increase in irrigation. In 1966, only 3.1 million acres were irrigated, but by 2013, more than 8.5 million acres were under irrigation. As ethanol production in the state has grown, so has the amount of corn needed as a feedstock. In

“Energy need in the ag sector can be influenced by the cost of inputs which are a significant factor in modern farming.”



A group of solar panels supplements an electrical system on a farm near Hartington



A G R I C U L T U R A L

2011, more than 40 percent of the corn crop was utilized in ethanol production. Corn requires ten inches of evapotranspiration to produce the first bushel — the highest of all the other crops grown in the state. As a result, any rainfall shortage is made up from irrigation which requires an energy input. The fuel used to power irrigation pumps in 2008 was diverse (2003 figures in parentheses): electricity, 52 percent (45 percent); diesel, 31 percent (27 percent); natural gas, 11 percent (16 percent); propane, 5 percent (12 percent) and gasoline/ethanol, 1 percent (less than 1 percent). The fuel shifts over the past five years show the near ten percent increase in electricity came at the expense of natural gas and propane.

- Electricity expenditures in 2012 totaled \$306.2 million, a 24.3 percent increase from 2011 and a new record.

Since 1949, Nebraska’s fuel and oil, electricity and fertilizer expenditures by the agricultural sector have been tracked. Between 1949 and 1973-1974, energy prices were stable and showed mostly marginal increases over time. However, after the impact of the first Oil Price Shock in the early 1970s, agricultural energy expenditures deviated markedly from historic patterns, becoming far more erratic and costlier.

- Fertilizer expenditures in the state have shown the most substantial change between 1949 and 2012, rising from \$2.1 million to \$1.77 billion. The increase in the cost of fertilizer and the impact of oil prices is illustrated between 1973 and 1974, when expenditures in 1973 totaled \$142.6 million and only a year later totaled \$239.9 million. Since 2004, except for 2008-2009, fertilizer expenditures have increased at least \$100 million a year, and between 2006 and 2008 increased \$260 million.

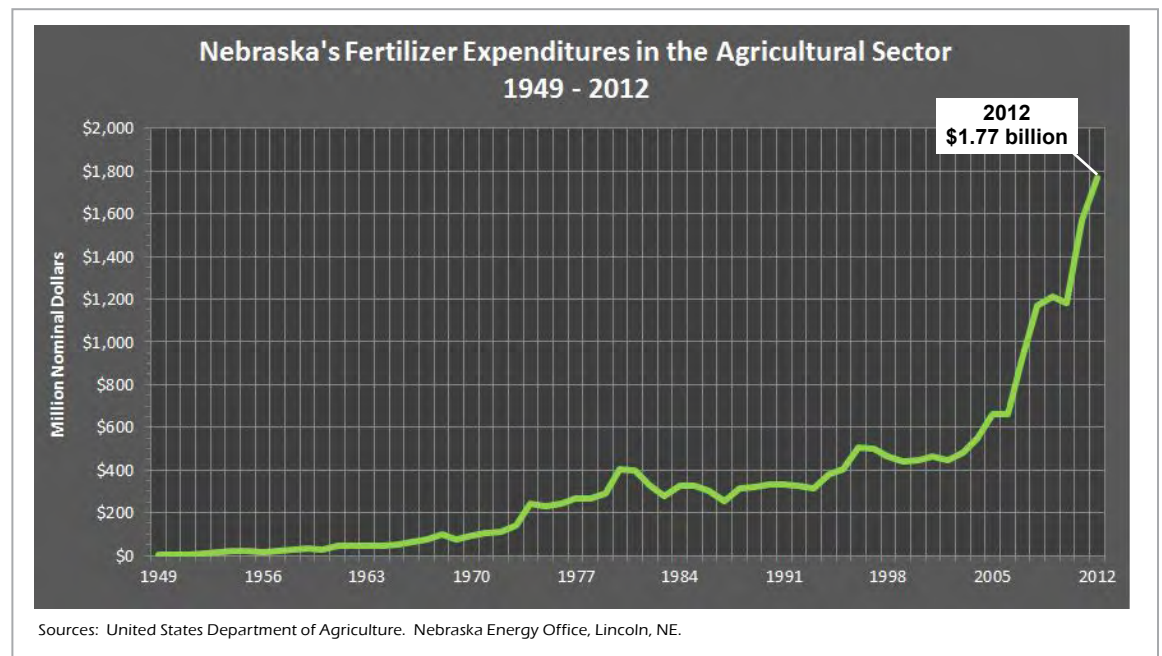
“The fuel shifts over the past five years show the near ten percent increase in electricity came at the expense of natural gas and propane.”



More farm producers have switched to electricity to power irrigation systems.

According to the U.S. Department of Agriculture, Nebraska farm expenditures in 2012 were as follows:

- \$1.77 billion for fertilizer, an 11.3 percent increase from 2011. Peak expenditures for fertilizers used in agriculture occurred in 2012.
- \$921.3 million for fuel and oil, a 15.6 percent increase from 2011 and a new peak.



A G R I C U L T U R A L

Only in 2010, did fertilizer prices decline. That decline reversed in 2011, rising to \$1.57 billion, a 33 percent increase from 2010. In 2012, fertilizer expenditures increased \$200 million, rising to \$1.770 billion.

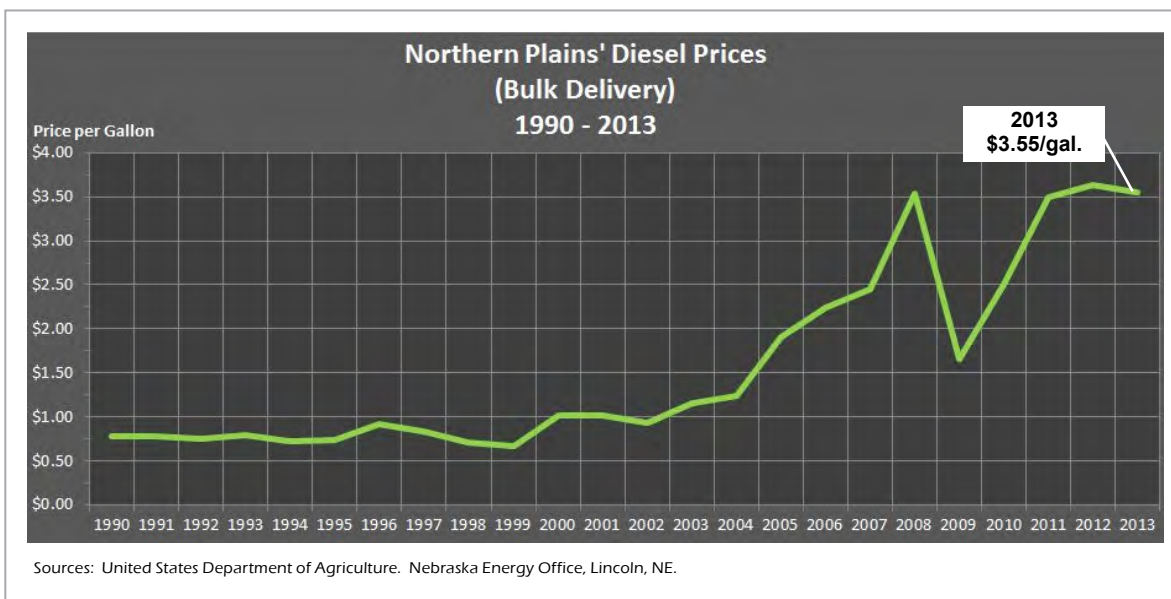
- Fuel and oil expenditures have also shown a dramatic increase, peaking in 2012 at \$921.3 million. In 1949, fuel and oil expenditures totaled only \$47.5 million. Between 1973 and 1975, fuel and oil expenditures nearly doubled from \$78.5 million to \$155.8 million, and increased more than two and half times by 1981 when expenditures totaled \$416.7 million. What followed was a two-decades long period of declines with periods of stability and incremental rises beginning in 2000. That changed in 2005 when expenditures leaped more than \$135 million in one year. After that expenses continued to rise, peaking in 2012 at more than \$921.3 million.
- Electricity expenditures in agriculture are marginal, compared to petroleum-based inputs. Its primary use is for irrigation, and the trend is for less fossil fuel powered irrigation. An increasing number of growers who use irrigation are fuel switching from diesel, propane and natural gas to electricity, in part, because of its price stability and favor-

able cost structure. In 1949, only \$1.6 million was spent for electricity. The peak year for expenditures occurred in 2012 when \$306.2 million was spent. The impact of timely and sufficient rainfall — negating the need for irrigation — can be seen in the dramatic decline in expenditures from 2008 to 2009, a drop of nearly 15 percent. In 2011, less timely rainfall resulted in a 22 percent increase from 2010, rising from \$190.8 million to \$232.0 million.

- Diesel fuel, the workhorse of the petroleum-based inputs in agriculture, illustrates the volatility of the petroleum fuel prices. Records since 1990 for “Agricultural Prices for Bulk Delivery of Diesel Fuel in the Northern Plains” tell the story of a cheap fuel that increasingly became more expensive. In 1990, diesel prices were just \$0.78 a gallon (excluding federal and state excise taxes and road taxes). From 1990 to 2002, prices were very uniform, fluctuating within a narrow price band of \$0.67 to \$1.02 a gallon. Between 2003 and 2008, prices rose inexorably from \$1.16 to \$3.54 a gallon, tripling in price in six years. Prices in 2008, 2009, 2010 and 2011 have illustrated the extreme price volatility of the fuel: \$3.54, \$1.66, \$2.50 and \$3.49 a gallon, respectively.

- Records in the “Agricultural Prices for Bulk Delivery of Propane in the Northern Plains” show a very inexpensive fuel priced at \$0.47 a gallon (excluding state road taxes) in 1990 quadrupling in price to \$1.89 a gallon in 2012, a 23-year period. Prices for propane in agriculture peaked in 2008 at \$1.97 a gallon.

Fuel substitution, or conversion to other types of fuel, is very difficult for this sector to utilize without costly changes in



C O M M E R C I A L

“Since 2008, the commercial sector’s energy demand as a percentage of total energy consumption in the state has dropped about one percent a year from 18.2 percent in 2008 to 15.5 percent in 2011.”



Fremont Commercial District

equipment. Agricultural and residential sectors may be the least able to engage in fuel substitution.

Fuel switching can be difficult in the ag sector, but opportunities do exist in the equipment like irrigation. A close look at irrigation pumps by fuel type between 1994 and 2008 from U.S Department of Agriculture surveys documents the shift in fuel use over a 15 year period:

- Electricity: 54.17 percent (2008); 44.08 percent (1994)
- Diesel: 28.68 percent (2008); 22.62 percent (1994)
- Natural gas: 10.55 percent (2008); 17.85 percent (1994)
- Propane: 6.56 percent (2008); 15.01 percent (1994)
- Gasoline/ethanol: 0.03 percent (2008); 0.44 percent (1994)

The ten percent growth in electricity came at the expense of propane and natural gas.

C O M M E R C I A L

The commercial sector, which includes non-manufacturing business establishments, closely parallels consumer energy use and economic activity in the

state. Energy use by local, state and federal governments is also included in this sector.

Energy Supply

2010 and 2011. The long-standing use of two fuel types — natural gas and electricity — in this sector continued in 2010 and 2011. More than 95 percent of all fuel used in the commercial sector was supplied by these two fuel types. Supplies of both types of fuel have been sufficient to meet this sector’s energy needs. The only disruptions have been to weather –related electric transmission issues.

1960-2011. For 51 years, natural gas and electricity have remained the top two fuel types used in the commercial sector. Trends indicate that the long dominance of natural gas has ended and a period of near parity between the two fuel types is likely into the near future.

Demand

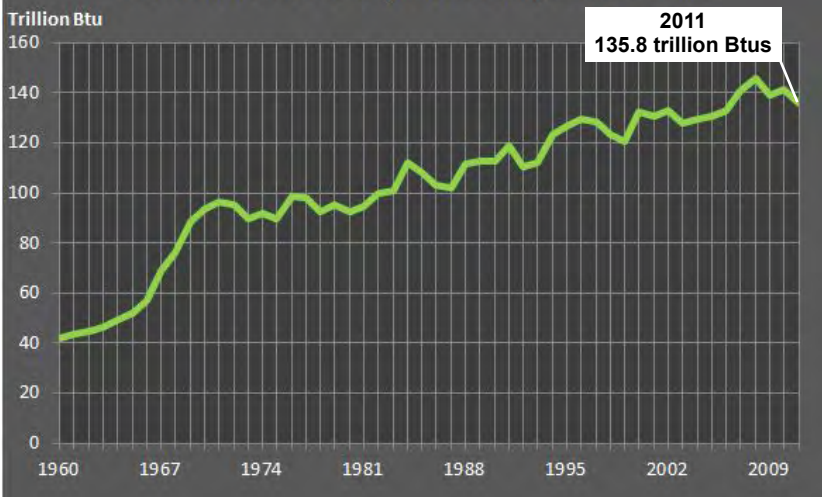
2010 and 2011. Since 2008, the commercial sector’s energy demand as a percentage of total energy consumption in the state has dropped about one percent a year from 18.2 percent in 2008 to 15.5 percent in 2011. In 2010, 141.1 trillion British thermal units of energy were used in the commercial sector, a decline of 2.2 trillion British thermal units of energy from 2009. In 2011, 135.8 trillion British thermal units of energy were consumed in the sector, down 5.3 trillion British thermal units of energy, a decline of 3.8 percent.

1960-2011. When data collection began in 1960, the commercial sector demand was 42.16 trillion British thermal units, less than one-third of the amount of energy used in this sector in 2011. The peak year of demand in this sector was 2008 when consumption reached 145.8 trillion British thermal units, surpassing 141.1 trillion British thermal units used in 2010.

Conservation

Efforts to conserve energy use tend to be economically driven, especially when fuel prices rise above historic levels. Reduced energy use often results from economic downturns in the larger economy. For example, energy use in this sector declined by almost

Total Energy Consumption
Commercial Sector, Nebraska, 1960 - 2011



Sources: State Energy Data Report. Energy Information Administration, Washington, DC. Nebraska Energy Office, Lincoln, NE

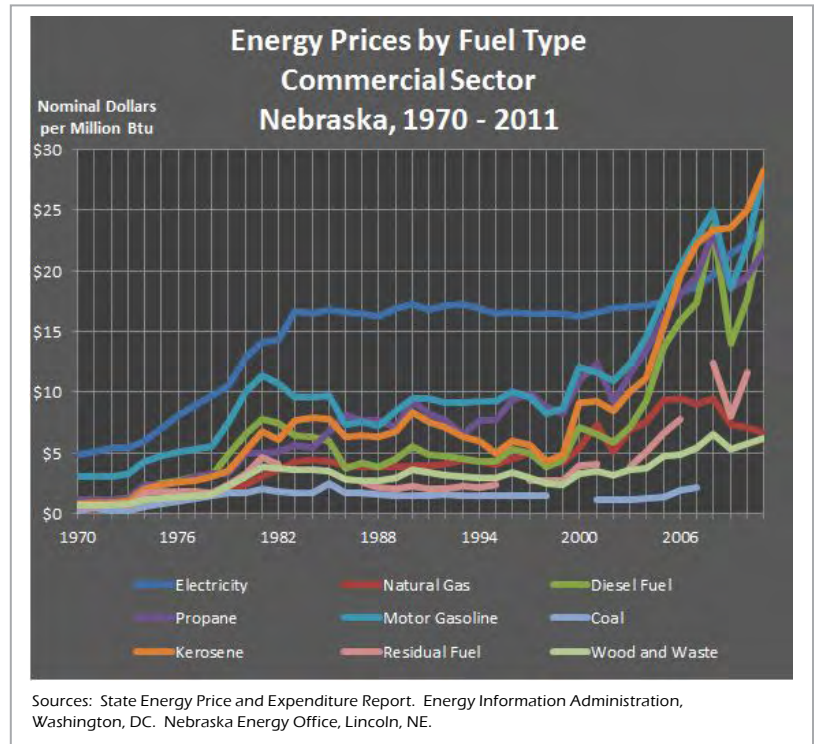
C O M M E R C I A L

10 trillion British thermal units from 1991-1992, which paralleled a national recession. The economic decline that started in late 2008 and continued in 2009, shows a similar decline in energy use in this sector because of economic conditions. Despite a small rise in 2010, demand declined again in 2011, a full 10 trillion British thermal units less than 2008.

Energy Need

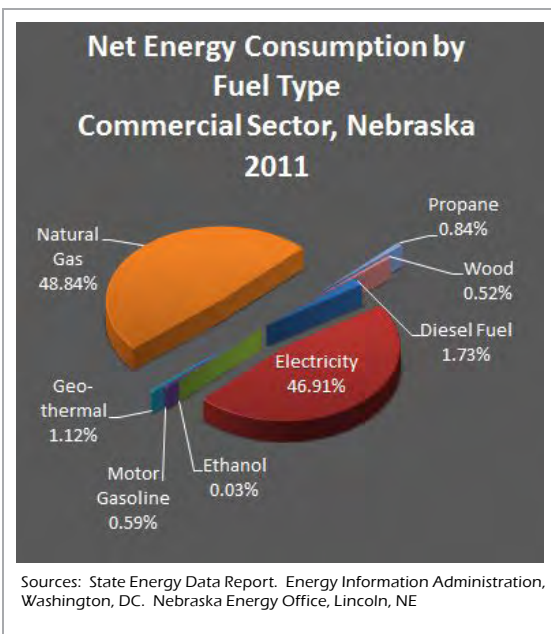
Since the primary needs of the commercial sector are confined to readily available supplies of natural gas and electricity, no issues relating to energy need are foreseen since supplies of both fuel types are ample.

2010 and 2011. Energy prices for the two primary fuel sources — natural gas and electricity — moved in different directions between 2010 and 2011. Natural gas prices decreased from \$7.05 (measured in nominal dollars per million British thermal units) in 2010 to \$6.62 in 2011. Electricity prices increased



from \$22.38 (measured in nominal dollars per million British thermal units) in 2010 to \$23.40 in 2011. The annual average increased from \$14.86 (measured in nominal dollars per million British thermal units) in 2010 to \$15.11 in 2011.

1970-2011. One factor of need is price. A commercial business' need for energy can differ markedly, if the price of energy doubles in a short period of time. Expenditures in the commercial sector have changed markedly over the 38-year period. In 1970, the commercial sector's energy expenditures totaled



R E S I D E N T I A L

\$88.4 million (in nominal dollars). The peak year for expenditures in this sector occurred in 2008 at \$1.037 billion (in nominal dollars), nearly a 12-fold increase over the decades-long reporting period.

Historical expenditure trends for the two primary fuels used in the commercial sector have followed a predictable upward path: electricity expenditures totaled \$58.3 million in nominal dollars in 1970 and

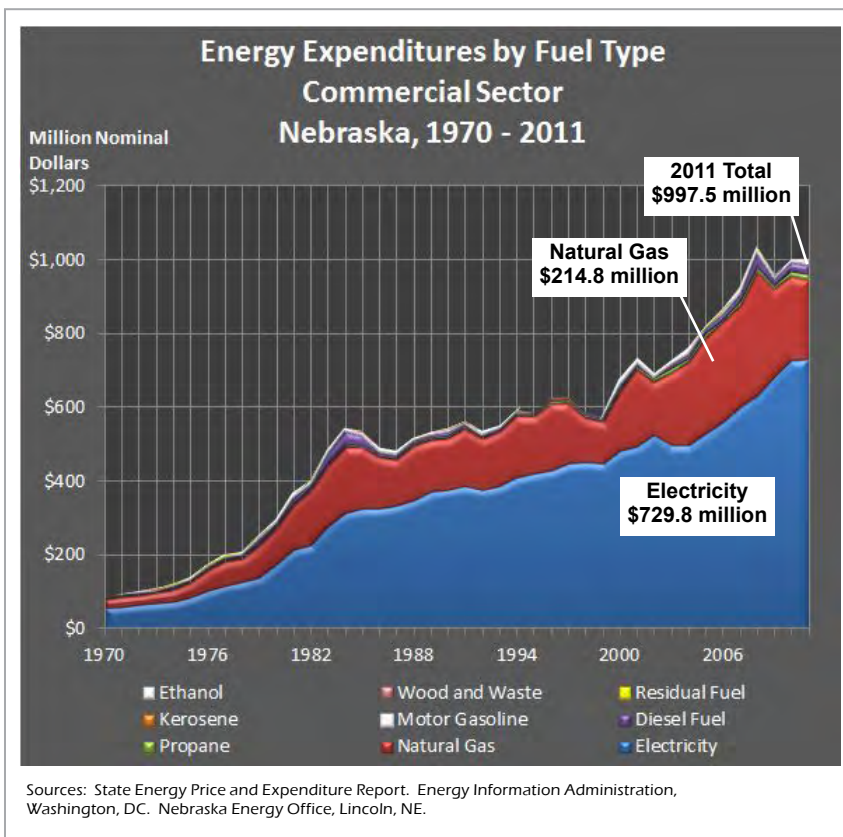
R E S I D E N T I A L Energy Supply

2010 and 2011. More than 86 percent of the energy used in the residential sector in 2010 and 2011 came from two primary sources: natural gas and electricity. Two other fuels, propane at 9.4 percent and wood at 2.7 percent were used in the residential sector in 2011. Nearly half the energy used — 47.0 percent — in this sector came from natural gas in 2011. Natural gas use in this sector is used primarily for home heating and lesser household uses such as water heating, clothes drying and cooking. Residential electricity use in 2011 was 39.7 percent of all energy used in Nebraska in this sector. Electricity is used throughout the home for heating, cooling, water heating, appliances, lighting and miscellaneous activities and equipment. Supplies of both natural gas and electricity are readily available.

1960-2011. Supply trends and fuel types used in the residential sector have not changed substantially over 51 years of data collection, with the exception of a slow decline in natural gas and an equally slow rise in electricity use.

Demand

2010 and 2011. More than 18.8 and 18.4 percent — 163.2 and 160.8 trillion British thermal units — of the state's total energy demand was consumed in the residential sector in 2010 and 2011, respectively. Demand increased in 2010 from 2009 from 158.7 to 163.2 trillion British thermal units. In 2011, demand declined from 163.2 to 160.8 trillion British thermal units. All types of fuel used in the residential sector declined from 2010 to 2011, except renewable fuels: petroleum use decreased 4.4 percent, electricity use declined 1.6 percent, natural gas use declined 0.3 percent. Renewable fuels — geothermal, solar and wood — increased by 23 percent in 2011, but only totaled 2.32 trillion British thermal units.



increased to \$729.8 million in 2011; natural gas expenditures totaled \$24.7 million in nominal dollars in 1970 and increased to \$214.8 million in 2011. Electricity expenditures in 2011 were nearly three-quarters of all money spent in the commercial sector, with natural gas comprising about 25 percent.

R E S I D E N T I A L

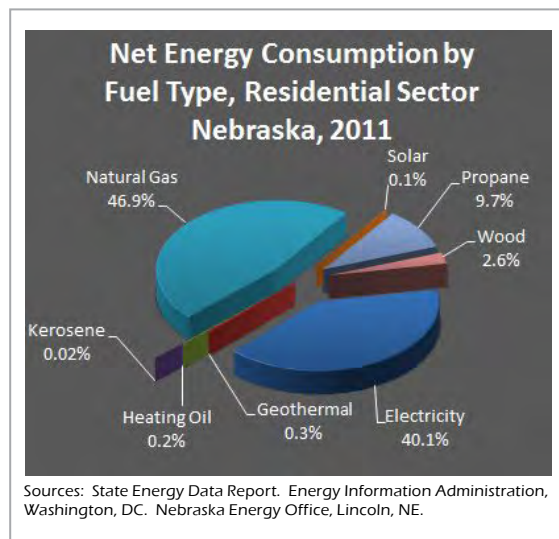
“Increases in the price of natural gas, at various times over the decades, have resulted in reduced average annual consumption.”



An energy audit tells homeowners where they can increase efficiency.

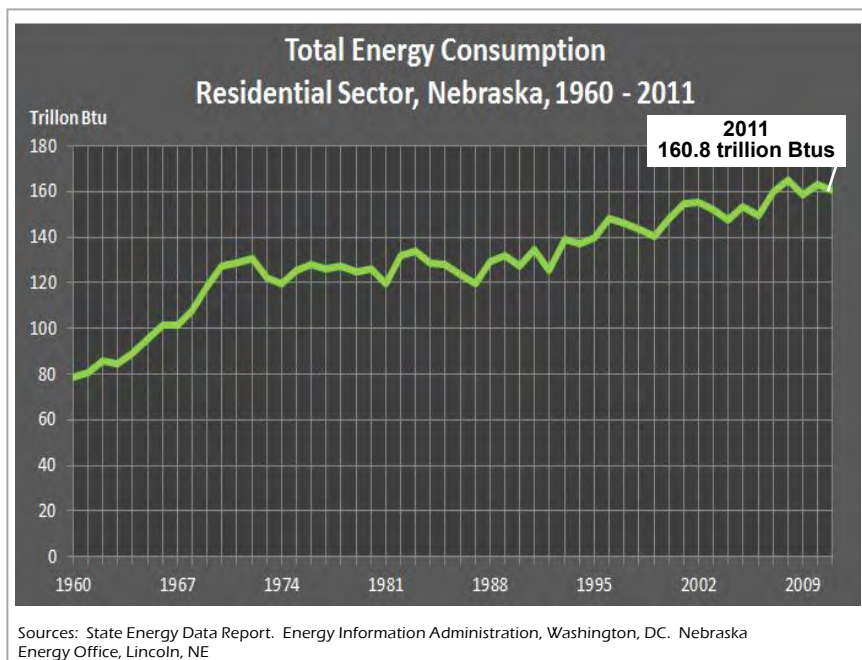
1960-2011. Total energy consumption in 1960 in the residential sector was 78.54 trillion British thermal units, of which slightly more than half — 40.87 trillion British thermal units came from natural gas. By 2011, the total energy consumption in this sector had more than doubled to 160.8 trillion British thermal units, yet natural gas consumption had barely changed over the 51-year period, and totaled 40.1 trillion British thermal units.

Changes in how and how much this sector uses energy becomes clear over the 51-year span. In 1960, electricity use totaled only 6.51 trillion British thermal units, but by 2011 electricity demand totaled 33.94 trillion British thermal units. Natural gas demand was 40.87 trillion British thermal units in 1960, peaked at 60.86 trillion British thermal units in 1972 and has generally declined by about a third since then, and was 40.1 trillion British thermal units in 2011. Propane demand in 1960 was 7.49 trillion British thermal units, peaked in 1972 at 16.71 trillion British thermal units and declined to 8.04 trillion British thermal units in 2011. Electric system line losses are accounting for a larger share of the energy used in this sector as



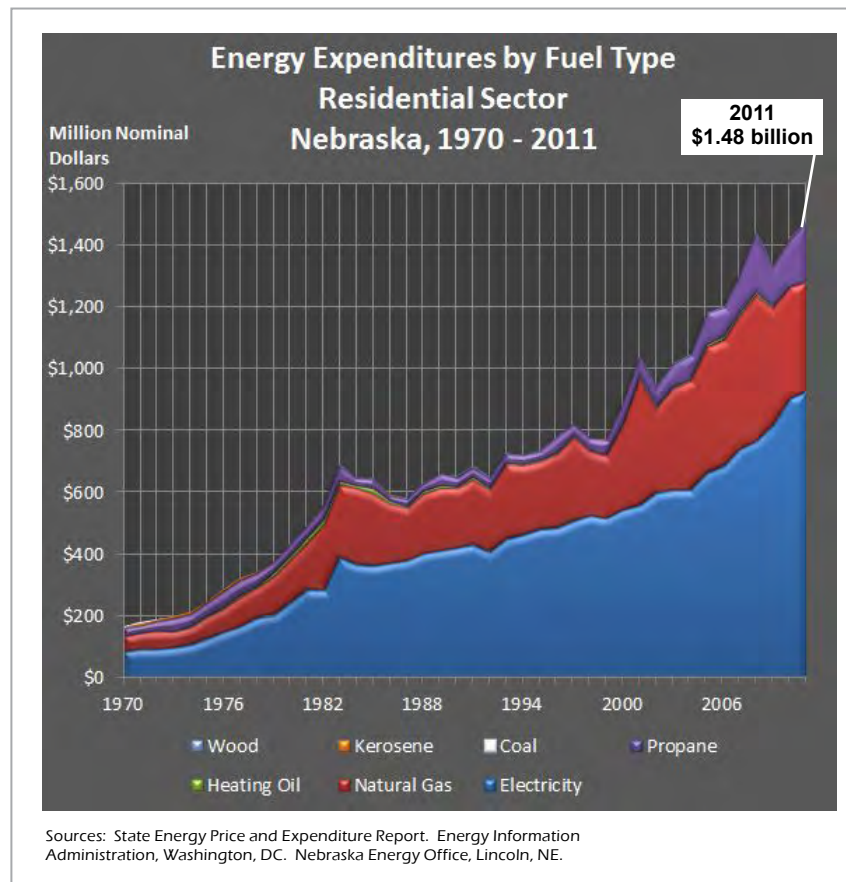
electrical use increases. In 1960, electrical line losses accounted for 16.09 trillion British thermal units, but by 2011 amounted to 75.32 trillion British thermal units, 46.8 percent of all the energy used in this sector in 2011.

Conservation



Conservation in the residential sector is influenced by price, weather and efficiency actions. Like most sectors, residential users are extremely responsive to dramatic price rises. Increases in the price of natural gas, at various times over the decades, have resulted in reduced average annual consumption. Higher than normal heating bills have propelled homeowners to make energy saving improvements such as replacing aged

R E S I D E N T I A L



from \$24.97 in nominal dollars per million British thermal units in 2009 to \$26.20 and \$27.32 in 2010 and 2011, respectively. The annual average also increased from \$16.19 in nominal dollars per million British thermal units in 2009 to \$16.99 and \$17.84 in 2010 and 2011, respectively. Among the states, Nebraska ranked 43rd lowest in natural gas prices in 2011 at \$8.84 measured in nominal dollars per million British thermal units and 41st lowest in retail electricity prices at \$23.09 in nominal dollars per million British thermal units.

Using more common measurements, residential natural gas prices in September 2013 were \$15.45 a thousand cubic foot and ranked 25th among the states. Residential electricity prices in September

furnaces with new efficient models or efficient electric heat pumps, adding insulation and replacing windows and doors with more energy efficient ones. One of the simplest reactions by people to higher energy bills is to adjust the thermostat which can also result in savings.

Energy Need

2010 and 2011. In 2010 and 2011, prices for the two primary fuel types in the residential sector, natural gas and electricity, both rose and declined compared to 2009 levels. Specifically, natural gas decreased from \$9.23 in nominal dollars per million British thermal units in 2009 to \$8.91 and \$8.74 in 2010 and 2011, respectively, and electricity increased

2013 were 11.85 cents a kilowatthour, ranking 27th among all states.

1970-2011. Price is a factor determining energy need. A household's energy needs can differ considerably if the price of a necessary fuel increases dramatically in a short period of time. The energy needs of the residential sector come from two major fuel types: natural gas and electricity. Those needs are likely to be determined in predictable ways: severity of winter and summer weather conditions and price volatility. In several of the first years of the 21st century, winter weather that was colder than normal, combined with high gas prices to lower demand by residential users.

I N D U S T R I A L

I N D U S T R I A L

The industrial sector includes manufacturing, construction, mining, agriculture and forestry operations. This sector relies on more diverse fuel types than the other sectors of the economy. Natural gas, renewable energy, electricity, coal and a variety of petroleum products — gasoline, asphalt, road oil, propane and diesel — are the primary fuel types utilized in industrial sector operations.

Energy Supply

2010 and 2011. Biofuels supplanted the very long dominance by natural gas in the industrial sector beginning in 2010 which continued into 2011. Nearly 39 percent of net energy used in the industrial sector in 2011 (37.7 percent in 2010) came from renewable energy: ethanol, losses and co-products and wood and waste. The following fuels were used by the sector in 2011: natural gas (30.0 percent), electricity (12.4 percent) and petroleum products (12.2 percent).

In 2000-2001, residential natural gas prices rose from \$6.40 to \$8.57 in nominal dollars per million British thermal units. Between 2002 and 2008 natural gas prices in the residential sector rose dramatically — from \$6.13 in nominal dollars per British thermal unit to \$10.99 in 2008 — a rise of 45 percent in six years and peaked at \$11.169 in nominal dollars per British thermal unit in 2006. As a result, consumers replaced inefficient heating equipment with high-efficiency models reducing energy consumption and switched fuels from natural gas to electricity by installing an efficient heat pump.

In the 41 years since records have been kept, residential electricity prices have increased from \$6.21 in 1970 to \$27.32 in nominal dollars per million British thermal units in 2011, more than quadrupling in price. Residential natural gas prices have risen from 84 cents in 1970 to \$8.74 in nominal dollars per million British thermal units in 2011, a more than nine-fold increase in 41 years, far surpassing the price rise in electricity prices. The annual average has also risen from \$1.83 in 1970 to \$17.84 in nominal dollars per million British thermal units in 2011.

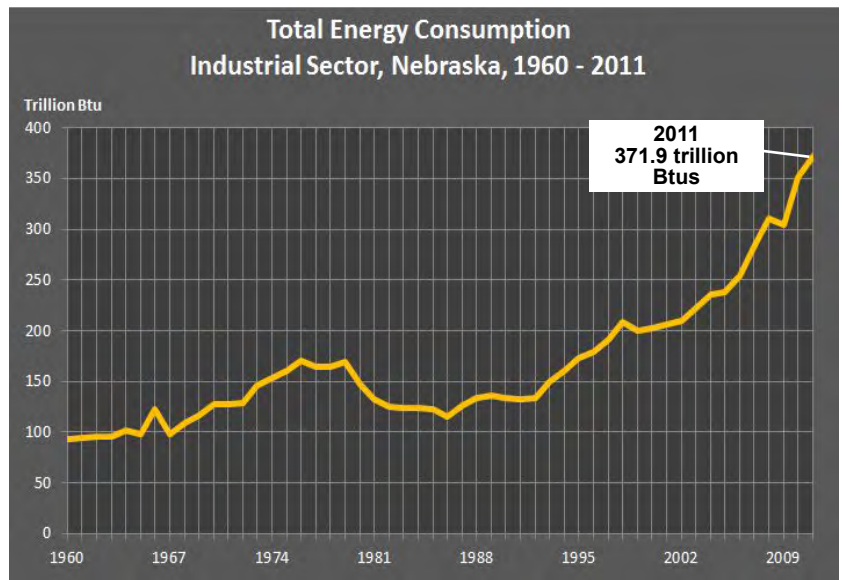
Annual residential energy expenditures totaled \$170.0 million in 1970. By 2011, total expenditures had risen to \$1.481 billion, a more than eight-fold increase.

Between 1960 and 2009, the number of occupied housing units in the state rose from 433,374 to 723,800, a 60 percent increase over 51 years.

“Trends in fuel types used in the industrial sector illustrate the dynamic needs of this sector and how industries can switch fuel types over time.”



Kawasaki Rail Car plant in Lincoln, Nebraska



Sources: State Energy Data Report. Energy Information Administration, Washington, DC. Nebraska Energy Office, Lincoln, NE.

I N D U S T R I A L

Generally, supplies of these fuel types have been readily available to industrial users.

1960-2011. Trends in fuel types used in the industrial sector illustrate the dynamic needs of this sector and how industries can switch fuel types over time. The emergence of new industries such as ethanol plants can also alter fuel use patterns. For example, natural gas use in 1960 was 38.27 trillion British thermal units and soared in 1973 to 73.72 trillion British thermal units. Subsequent energy price spikes and other factors reduced natural gas consumption to 19.88 trillion British thermal units by 1986. Natural gas has fluctuated considerably since then. A new historical peak occurred in 2011 at 87.36 trillion British thermal units.

The rise of renewable fuels, primarily ethanol and co-products, in this sector is illustrated over time.

thermal units. Motor gasoline consumption dropped by nearly 70 percent between 1960 and 2011 from 11.27 trillion British thermal units in 1960 to 3.21 trillion British thermal units in 2011. The growing use of electricity in this sector is demonstrated by the more than twelve-fold increase from 3.03 trillion British thermal units in 1960 to 36.13 in 2011.

Demand

2010 and 2011. More than 42.6 percent of the state's total energy consumption – 371.9 trillion British thermal units — was used in the industrial sector in 2011 (40.59 percent in 2010 at 351.0 trillion British thermal units). The increases in industrial sector energy consumption in 2010 and 2011 was one of the largest increases by a single sector since records began: 304.8 trillion British thermal units in 2009 to 351.0 in 2010 to 371.9 in 2011 — a more than 18 percent rise in just two years.

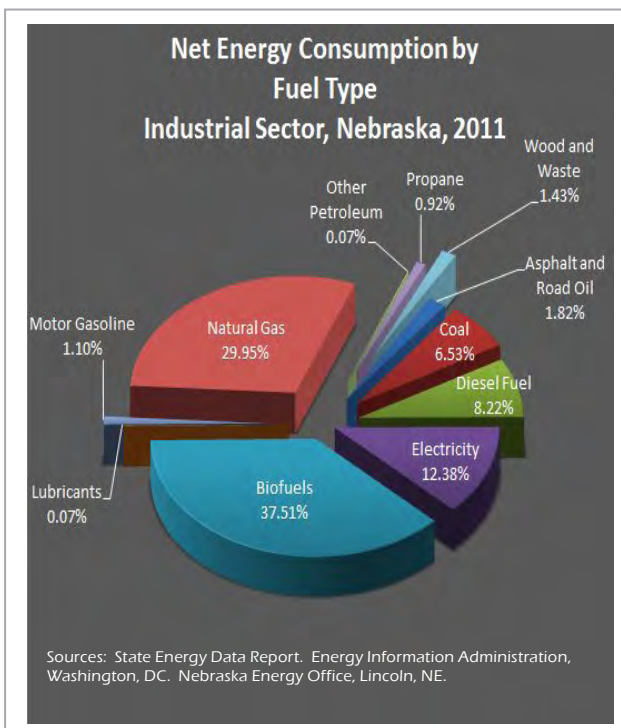
1960-2011. In 1960, the industrial sector was the second largest energy user after transportation, 93.0 trillion British thermal units to 94.2 trillion British thermal units, respectively. Industrial sector energy consumption surpassed the transportation sector in 1993. By 2011, the industrial sector was the largest energy using sector at 371.9 trillion British thermal units, surpassing the transportation sector by 169.1 trillion British thermal units.

Conservation

The industrial sector is more pre-disposed to making energy efficient system, lighting and building improvements than other sectors. If energy costs are a significant factor — and rising — industrial sector users are likely to find ways to reduce the costs and impacts of energy on their operations. The roller coaster consumption of natural gas over the past 49 years noted in the energy supply section is an indicator of the impact of conservation of use, fuel switching and the impact of new industries.

For the first 20 years, there was no biofuel used by this sector. From 1981 to 1990, less than 1.0 trillion British thermal units were used annually. The next 21 years from 1991 to 2011 saw a rise from 1.003 to 109.419 trillion British thermal units.

Consumption of distillate fuel nearly doubled from 1960 to 2011, rising from 14.01 trillion British thermal units to 23.99 trillion British



I N D U S T R I A L

Energy Need

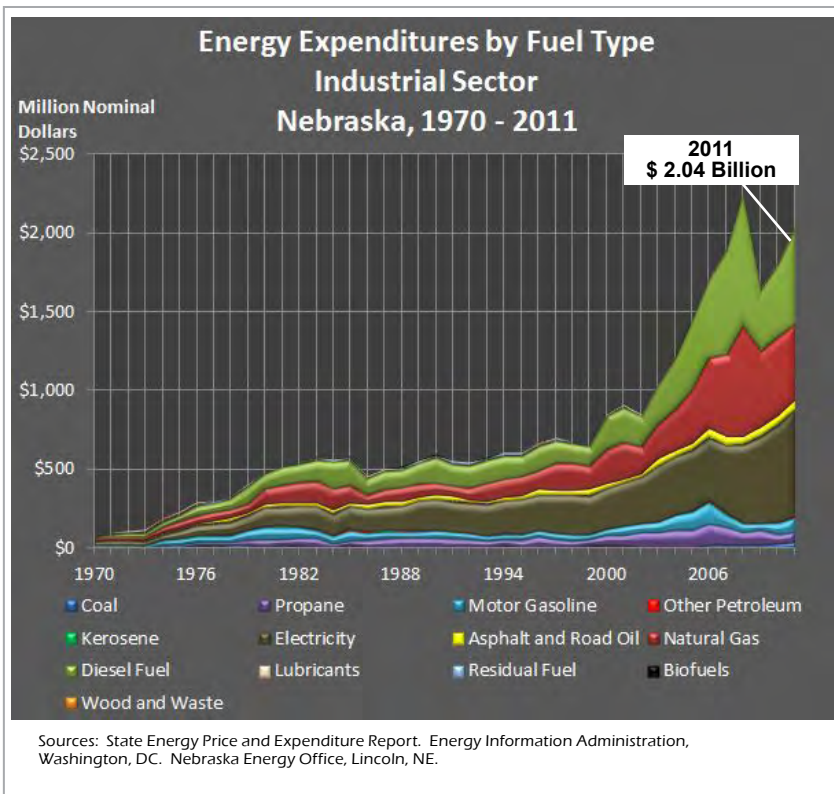
Energy need in the industrial sector is subject to the ebb and flow of the business cycle and national, regional and local economic trends which can cause a spike or reduction in energy need and demand. As noted earlier, the surge in ethanol industry growth in the state added to this sector's energy needs for electricity and natural gas. The phenomenal growth in the renewable energy category — which includes ethanol, losses and coproducts, and wood and wood waste — is the story of the rise of ethanol production in Nebraska. In 1985, losses and co-products accounted for 0.58 trillion British thermal units. By 2011, losses and coproducts had soared to 109.41 trillion British thermal units, surpassing natural gas and electric system

energy losses in this sector. “Losses and coproducts” are measurements of ethanol feedstock minus fuel ethanol production, excluding denaturant.

2010 and 2011. Price can be a need-altering factor in the industrial sector, which is more adept at fuel switching and conservation practices than other sectors. In 2010 and 2011, the industrial sector spent \$1.808 and \$2.043 billion in nominal dollars for energy, respectively, an increase of \$156.4 million in nominal dollars over 2009 and an 8.7 percent increase. 2011 energy expenditures increased \$235.5 million in nominal dollars over 2010, an increase of 11.6 percent.

1970-2011. In 1970, the industrial sector spent \$92.4 million in nominal dollars, 13.8 percent of total energy expenditures for all sectors. In 1970, industrial sector energy spending ranked third among the four sectors. By 2011, industrial sector expenditures of \$2.043 billion in nominal dollars had risen to 20.4 percent among all sectors, and now ranked second after transportation among energy-using sectors.

Just 13 years ago in 1999, expenditures in the industrial sector totaled only \$661.2 million in nominal dollars. Since then, spending in the industrial sector has increased by more than \$1.382 billion in nominal dollars. The dramatic decline in expenditures from 2008 to 2009 was attributable entirely to declines in expenditures for natural gas and diesel fuel. The most dramatic price increases in the industrial sector were in refined petroleum products: propane and gasoline prices more than doubled and diesel prices nearly tripled during the 13-year period. Natural gas prices nearly doubled during that period while electricity prices increased by more than 50 percent. Annual average prices between 1999 and 2011 rose from \$5.33 in nominal dollars per million British thermal units to \$11.35.



T R A N S P O R T A T I O N

T R A N S P O R T A T I O N

Traditional methods of transportation such as public and private vehicles, railroads, aircraft and boats are included in the transportation sector as well as energy used to transport oil and natural gas through pipelines.

“ Trends in fuel types used in the transportation sector illustrate the static nature of this sector and how modes of transportation have changed little since record-keeping began in 1960. ”



Trucking near Scottsbluff National Monument in western Nebraska.

Energy Supply

2010 and 2011. In 2010 and 2011, nearly 93 percent of energy used — 188.47 trillion British thermal units out of 202.79 in 2011 (209.23 in 2010) trillion British thermal units — in the transportation sector was in the form of petroleum products, especially distillate oil (e.g. diesel) and gasoline. The next two fuel types used of any consequence in 2011 were natural gas at 9.40 trillion British thermal units and biofuels at 4.916 trillion British thermal units.

Generally, supplies of these fuel types have been readily available to transportation users.

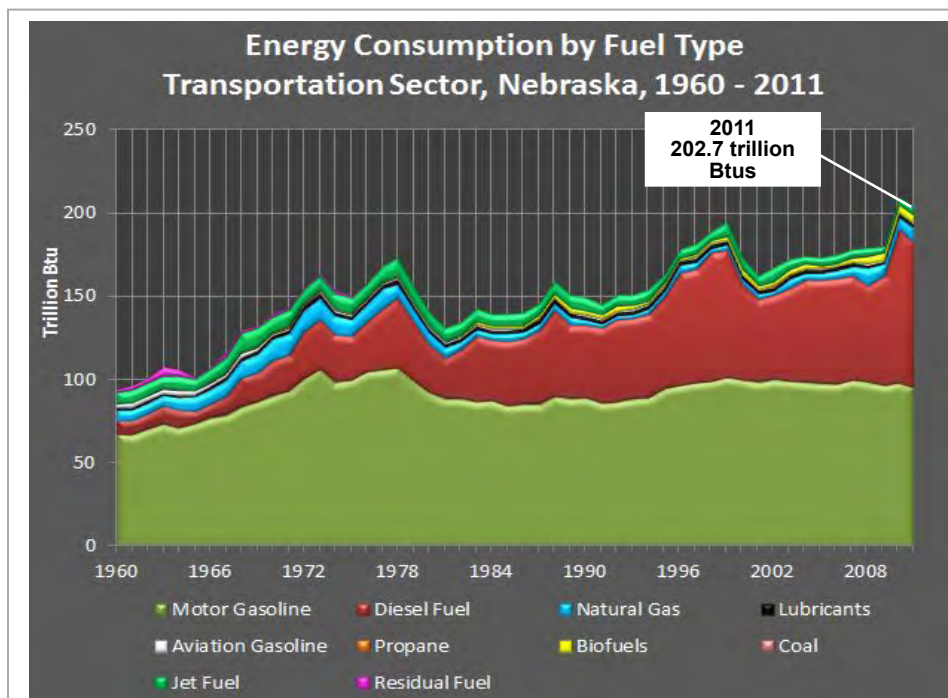
1960-2011. Trends in fuel types used in the

transportation sector illustrate the static nature of this sector and how modes of transportation have changed little since record-keeping began in 1960. The transportation sector was nearly totally dependent upon petroleum-based fuels in 1960 and remained nearly as dependent in 2010 and 2011. The changes that occurred in

the 51-year period primarily related to increased fuel use. Renewable fuel, specifically ethanol, use began marginally in 1981 at 0.27 trillion British thermal units and hit a new historical peak of 4.97 trillion British thermal units in 2010. Ethanol use in 2011 declined by 1.2 percent to 4.916 trillion British thermal units. Diesel fuel use in 1960 was 8.16 trillion British thermal units, peaked in 1998 at 77.19 trillion British thermal units and then declined to 58.87 trillion British thermal units in 2008, but set a new record of 92.21 trillion British thermal units in 2010. Diesel fuel use declined in 2011 to 87.51 trillion British thermal units. Motor gasoline use in 1960 was 67.07 trillion British thermal units, peaked in 1978 at 106.77 trillion British thermal units and by 2011 had declined to 94.27 trillion British thermal units.

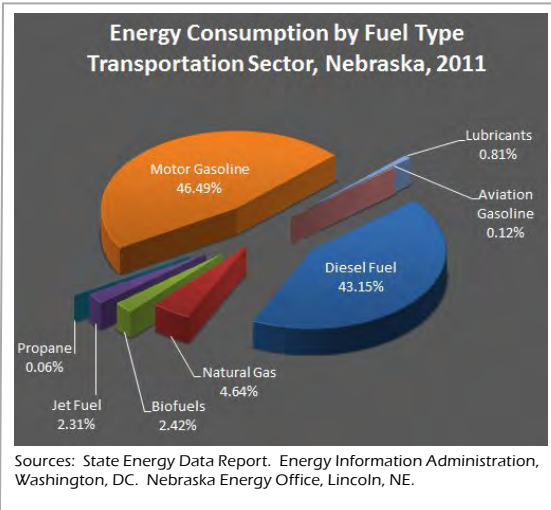
Demand

2010 and 2011. More than a fifth — specifically 23.27 (24.19 in 2010) percent of the state’s total energy



Sources: State Energy Data Report. Energy Information Administration, Washington, DC. Nebraska Energy Office, Lincoln, NE.

T R A N S P O R T A T I O N



consumption — 202.8 (209.2 in 2010) trillion British thermal units — was used in the transportation sector in 2011. The decrease in demand from 2010 to 2011 totaled 6.4 trillion British thermal units, a decrease of 3.1 percent.

1960-2011. In 1960, the transportation sector was the largest energy using sector at 94.2 trillion British thermal units, 30.5 percent of consumption

in all sectors. By 2011, the transportation sector had been eclipsed as the largest energy using sector by the industrial sector.

The number of vehicles registered in the state has risen from 1.09 million in 1970 to 2.27 million in 2011, according to the Nebraska Department of Motor Vehicles.

The state's Ethanol Board reported in January 2012 that ethanol sales in 2011 topped 10 billion gallons after 34 years of being sold in the state. On a yearly basis, about four percent of ethanol produced in Nebraska is consumed in the state.

After mid-September, 2013, refiners will supply 84-octane gas to eastern Nebraska terminals in lieu of the minimum 87-octane gas required by law. In the western quarter of the state, where 85-octane is the standard because of higher elevations, refiners will supply 82-octane gasoline. Refiners continue to supply 91-octane premium gasoline

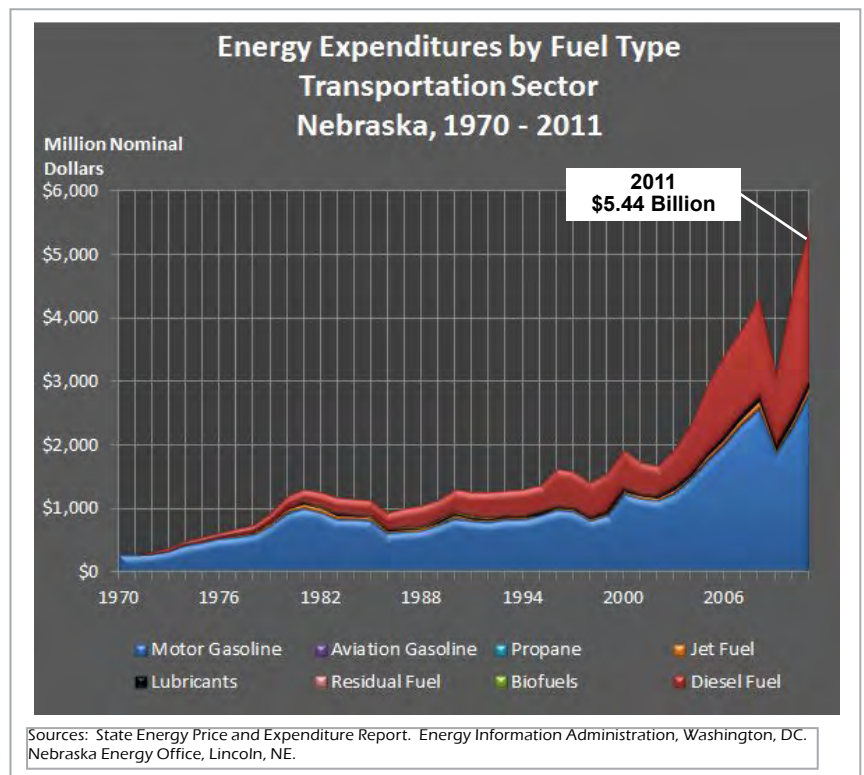
to Nebraska terminals. This action was initiated by refiners in response to the Renewable Fuel Standard, a federal law requiring renewable fuels in the country's fuel mix. Nebraska and Iowa are among the last states to see this practice implemented. Local suppliers are using either ethanol or premium gasoline to increase the octane levels to state required minimums.

Conservation

The transportation sector is particularly resistant to conservation efforts. Over the decades, a variety of approaches by the state and federal governments have been tried to make this sector less dependent upon petroleum products: mandated Corporate Average Fuel Efficiency standards, reduced highway speed limits, introduction of efficiency technology in vehicles, lighter weight vehicles and ethanol-blended fuels.

Trends in this sector — such as sport utility vehicles and large trucks used for personal transportation — have thwarted conservation efforts. However, fuel price rises can induce conservation behavior.

Rising pump prices for petroleum-based fuels since 1999 have had an impact on demand. Peak total



T R A N S P O R T A T I O N

“Trends in price and vehicle technology as well as federal government initiatives such as more efficient vehicles are expected to have an impact on energy use in this sector in the future...”



E-85 fuel pump

energy consumption in this sector was reached in 2009 at 209.23 trillion British thermal units. The precipitous decline in transportation sector use from 1999 to 2000 — from 194.4 trillion British thermal units to 172.8 trillion British thermal units — continued into 2001 and was caused by dramatic price increases. Since 2001 when demand was 162.6 trillion British thermal units, demand marginally inched upwards nearly every year until 2009.

In 2010, total energy consumption in this sector soared from 179.70 trillion British thermal units in 2009 to 209.23. This dramatic increase occurred in the use of diesel fuel which leapt from 66.05 trillion British thermal units in 2009 to 92.21 trillion British thermal units in 2010. There was a slight decline of 4.70 trillion British thermal units in diesel use in 2011. Factors causing this 39 percent increase could be rail and truck shipments of oil from the North Dakota Bakken field, coal supplies from Wyoming and/or increased ethanol shipments crossing the state.

Energy Need

Trends in price and vehicle technology as well as federal government initiatives such as more efficient vehicles are expected to have an impact on energy use in this sector in the future, leading to declines in consumption. An offsetting trend has been the gradual increase in the number of motor vehicle miles traveled nearly every year since 1979, when the annual total was 11.53 billion miles. By 2012, that figure was 19.22 billion miles traveled.

In 2012, the average age of cars in the U.S. reached a historic high of 11.2 years. Nebraska’s average fleet age may even be higher since traditionally the state has been one of the top five states with older vehicles.

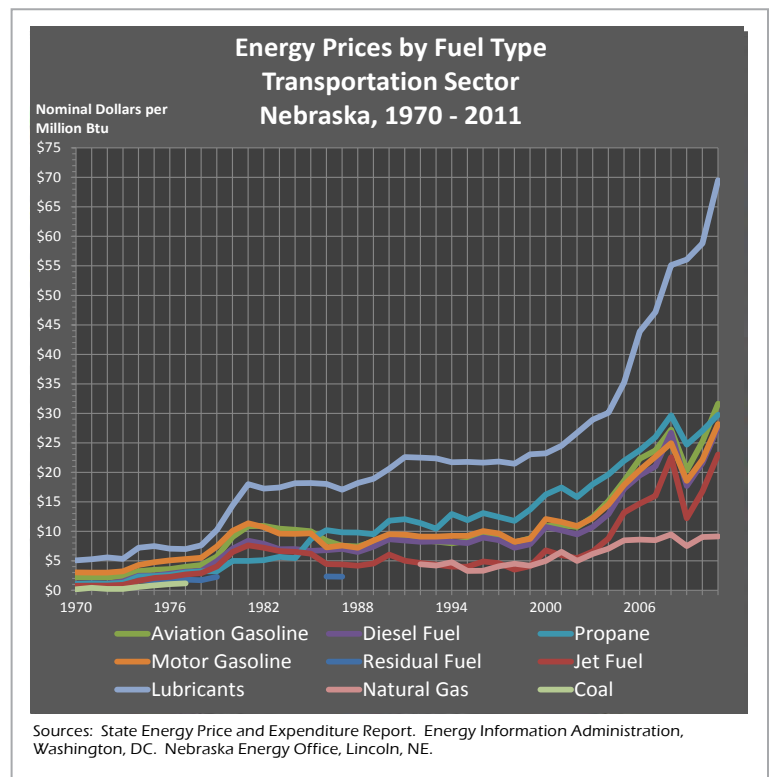
The impact of hybrid, compressed natural gas and electric vehicles is marginal at this time, but could have a significant impact if consumer

acceptance of the technologies is high and more infrastructure is developed.

2010 and 2011. In 2010 and 2011, the transportation sector spent \$5.448 billion in nominal dollars for energy in 2011, an increase of \$993 million — 22 percent — in nominal dollars over 2010.

1970-2011. In 1970, the transportation sector spent \$317.0 million in nominal dollars, more than 47.5 percent of total energy expenditures for all four end-use sectors, and ranked first. By 2011, transportation sector expenditures of \$5.448 billion in nominal dollars had increased to 54.6 percent among all sectors, and still ranked first among the four end-use sectors.

The 41-year span of energy prices in this sector provides dramatic illustrations of the financial impact of petroleum dependency on Nebraskans’ wallets. In 1970, diesel fuel was \$1.14 in nominal dollars per million British thermal units, but by 2011 diesel fuel was \$27.64, rising an eye-popping \$9.96 between 2009 and 2011. Motor gasoline was \$3.03 in nominal dollars per million British thermal units in 1970 and \$28.19 in 2011.



ELECTRIC UTILITIES

ELECTRIC UTILITIES

Information in this section consists exclusively of supply, demand, conservation and need by the state's electric utilities.

Energy Supply

2010 and 2011. In 2011, 71.95 percent (63.75 percent in 2010) of the electric utilities energy feedstocks came from coal, 266.33 trillion British thermal units (241.81 trillion British thermal units in 2010) out of a total of 370.12 trillion British thermal units (279.30 trillion British thermal units in 2010). The second most used fuel in this sector, nuclear, supplied 19.60 percent, 72.54 trillion British thermal units (30.46 percent in 2010 and 115.54 trillion British thermal units). Three lesser fuel sources supplied nearly all the remainder: hydropower, 4.25 percent, 15.71 trillion British thermal units (3.37 percent in 2010), 12.81 trillion British thermal units; wind, 2.76 percent, 10.21 trillion British thermal units (1.08 percent in 2010), 4.11 trillion British thermal units, and natural gas, 1.15 percent, 4.26 trillion British thermal units (1.04 percent in 2010), 3.96 trillion British thermal units.

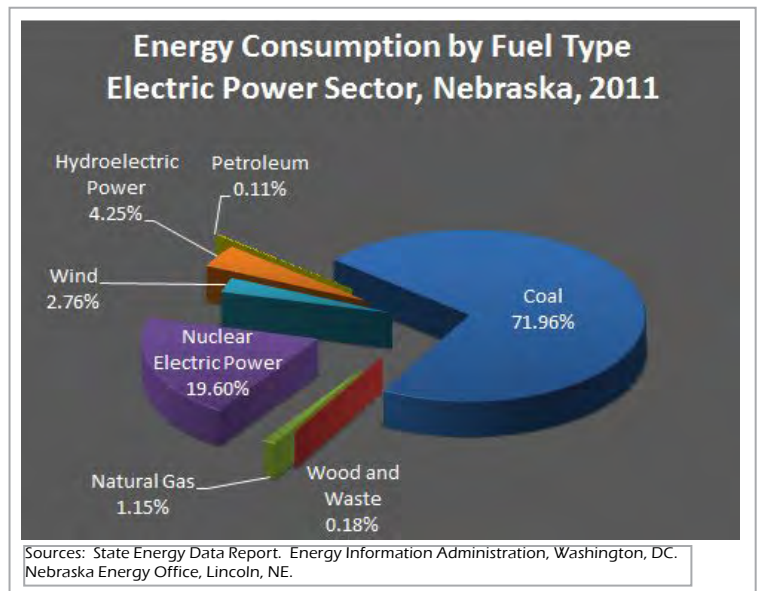
Generally, supplies of these fuel types have been readily available to consumers served by the state's electric utilities.

1960-2011. Trends in fuel types used by the state's electric utilities illustrate how the industry has evolved over 51 years. In 1960, 63.8 percent of the electricity generated came from natural gas, with hydropower (20.54 percent) and coal (21.61 percent) supplying most of the balance. An experimental nuclear reactor was located at Hallam and operated between 1963-1964, but generated only marginal amounts of power before being deactivated. Coal used in this sector peaked in 2011 at 266.33 trillion British thermal units, natural gas used peaked in 1973 at 53.11 trillion British thermal units, nuclear power — which began in 1973 — peaked in 2007 at 115.77 trillion British thermal units, hydropower peaked in 1999 at 17.57 trillion British thermal units and wind use peaked in 2011 at 10.21 trillion British thermal units.

“Trends in fuel types used by the state's electric utilities illustrate how the industry has evolved over 51 years.”



Whelan Energy Center Unit No. 2 in Hastings, Nebraska

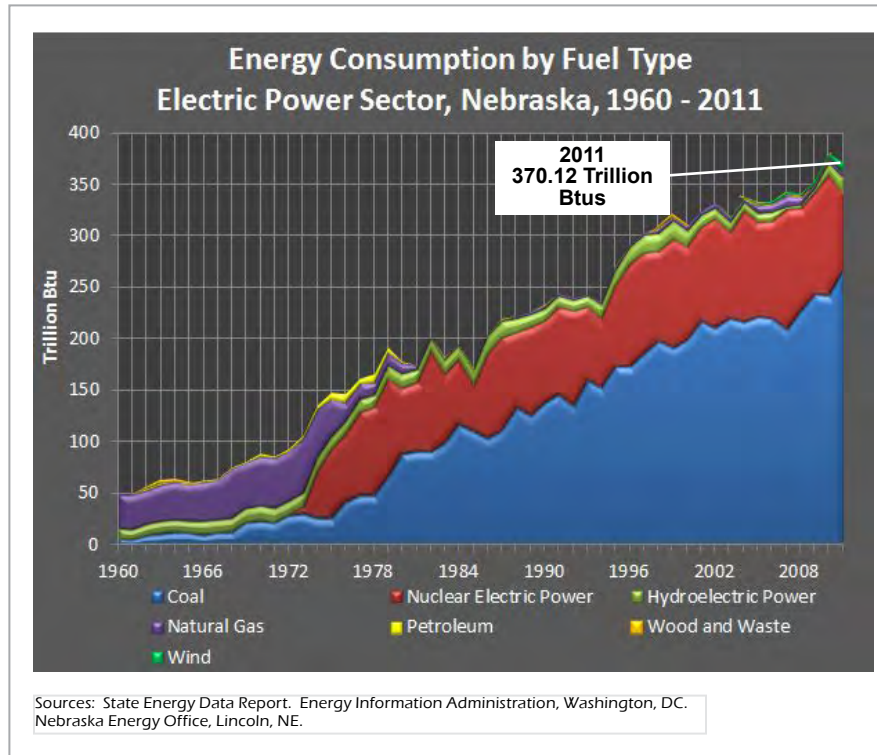


ELECTRIC UTILITIES

“Nebraska utilities have been very proactive in the past several years in encouraging Nebraskans to utilize new lighting technologies, especially compact fluorescents and light emitting diodes.”



Some utilities have rebate programs to promote the use of LED lighting, saving customers money and reducing carbon dioxide emissions.



hours at an average price of 0.0374 cents per kilowatt hour. The total cost of the power purchased in 2012 was \$92.69 million. In 2011, the amount of power provided from Western Area Power Administration met 8.4 percent of the electricity demand in the state **1960-2011**. In 1960, the state’s electric utilities’ demand was 50.2 trillion British thermal units. By 2011, the demand in this sector had increased more than seven-fold from 1960 to 370.12 trillion British thermal units.

Over the 51 year period, only 14 years

Demand

2010 and 2011. The demand in the state’s electric utility sector in 2011 totaled 370.12 trillion British thermal units, (379.30 trillion British thermal units in 2010, an increase of 6.9 percent over 2009), a decrease of 2.4 percent, or 9.17 trillion British thermal units, over 2010 demand. Among the changes in fuel used to generate electricity in 2011 were increased use of coal, natural gas, hydro and wind and reductions in nuclear. Reductions in nuclear use was attributable to Ft. Callhoun nuclear facility being offline for an extended period of time.

Electricity purchases generated by hydropower for use by Nebraska utilities from the Western Area Power Administration in 2012 totaled 2.480 billion megawatt

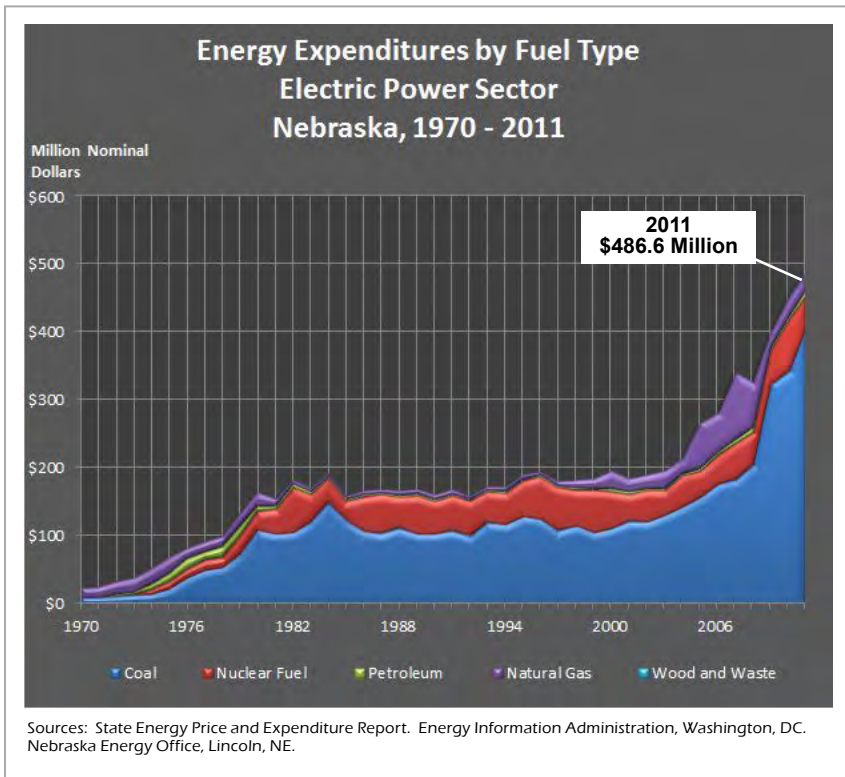
recorded declines in demand. A number of these declines were marginal; however, larger declines in demand paralleled economic cycles as well as favorable climate periods which affected irrigation and air conditioning use.

Conservation

Energy efficiency efforts in the electric utility sector generally result from technological advances in the generation and transmission of power.

One on-going target of efficiency improvements is reducing electricity transmission line losses. While technological breakthroughs can lessen the problem, other improvements can be made. Local utilities estimate standard line loss at seven percent, but in

ELECTRIC UTILITIES



some cases actual losses can be considerably higher — more than double the seven percent — if preventative maintenance is not performed on a regular basis on utility lines. An example of future technologies being developed: The copper wires used in typical transmission lines lose a percentage of the electricity passing through them because of resistance, which causes the wires to heat up. But “superconductive” materials have no resistance, and if they are used to transmit electricity in the future, very little of the electricity will be lost.

Smart grid technology has garnered a great deal of attention. Smart electrical grids and accompanying communications infrastructures enable end-use efficiency and deployment of this technology in Nebraska

is just getting underway.

Consumer behavior, also known as demand side management, can be a source of conservation from which the electric utility sector will benefit since the cheapest kilowatt is the one that doesn’t have to be produced. For example, Nebraska utilities have been very proactive in the past several years in encouraging Nebraskans to utilize new lighting technologies, especially compact fluorescents and light emitting diodes. Some electric utilities have provided discount coupons, free light bulbs or financial incentives for larger commercial, industrial or governmental operations.

In late 2011, the Nebraska Power Association, with the support of the Nebraska Energy Office and others, issued the *2010 Research & Conservation Report* which documented research, energy efficiency and sustainability efforts of the state’s electric utilities and the Energy Office. The *Report* quantified approximately 24 megawatts and 80,000 megawatthours that were reduced because of utility and agency activities and programs in 2010. A copy of the *Report* is at <http://www.neo.ne.gov/reports/2010-NPA-Report.pdf>.

Energy Need

Nebraska’s electric utilities more than met their customers’ needs, continuing to export electricity to customers outside the state. Between 1990 and 2008, electricity exports varied from a low of 9.4 percent of generation in 1994 to a high of 23.9 percent in 1999. In 2011, 17.8 percent of the electricity generated in Nebraska was sold for use outside the state’s borders, a decrease of 5.4 percent from 2010.

Trends in price as well as efficiency gains — offset by fuel switching by customers — are expected to have an impact on energy use in this sector in the near term. If growth continues in this sector, additional generation will be needed.

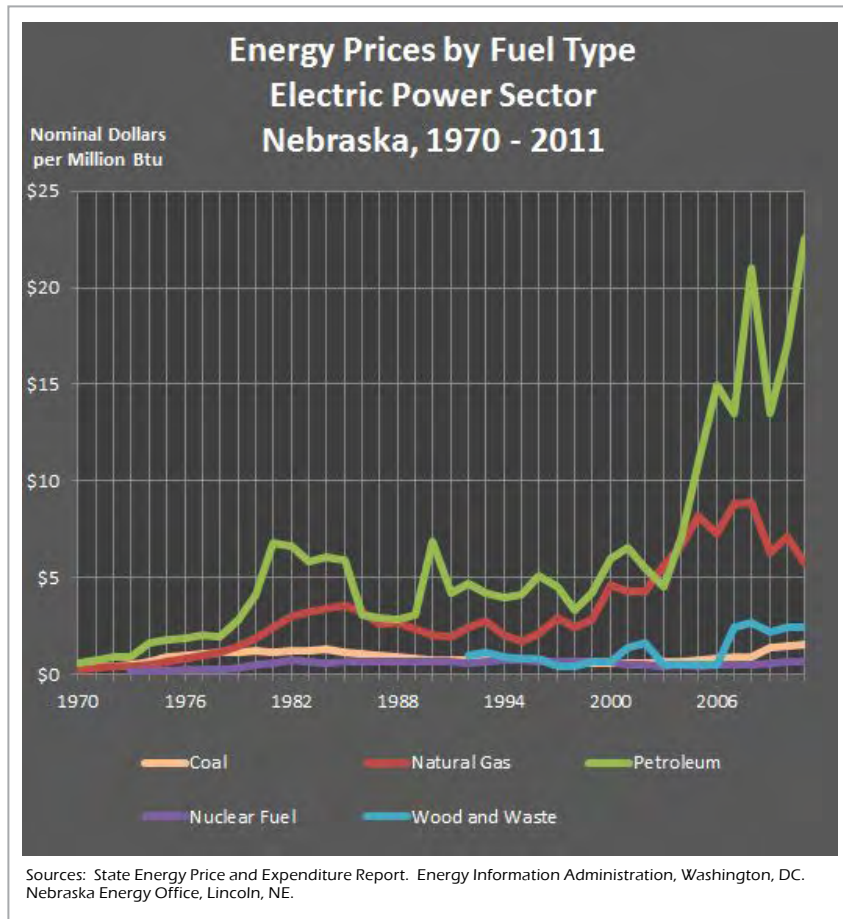
2010 and 2011. In 2011, electric utility sector expenditures totaled \$486.6 million in nominal dollars

ELECTRIC UTILITIES

“In Nebraska, there are five viable alternate energy sources available: biomass, geothermal, hydropower, solar and wind.”



Laredo Ridge wind farm, Petersburg, Nebraska.



(\$454.1 million in 2010), an increase of 7 percent over 2010 expenditures.

Nationally in 2011, the statewide average price for all sectors from all electric utilities in Nebraska was the 11th lowest rate in the country at 7.88 cents

a kilowatthour. Nationally, the average price for electricity is 9.90 cents, 26 percent more than it costs in Nebraska. Hawaii at 31.59 cents pays the highest, while Idaho pays the lowest, 6.44 cents.

From a different and more recent perspective, average residential retail electricity prices in Nebraska in October 2013 were 10.47 cents a kilowatthour in Nebraska, ranking 40th among all states.

1970-2011. In 1970, the electric utility sector spent \$22.27 million in nominal dollars, less than 4.5 percent of what was spent in 2011, \$486.6 million in nominal dollars. In the 41 years since 1970, coal expenditures increased from \$8.5 million nominal dollars to \$402.7 million nominal dollars in 2011, natural gas from \$12.8

STATE ENERGY RESOURCES ASSESSMENT

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Nebraska is not a state rich in traditional fossil fuel resources. But, the state has respectable solar resources and world-class wind resources.

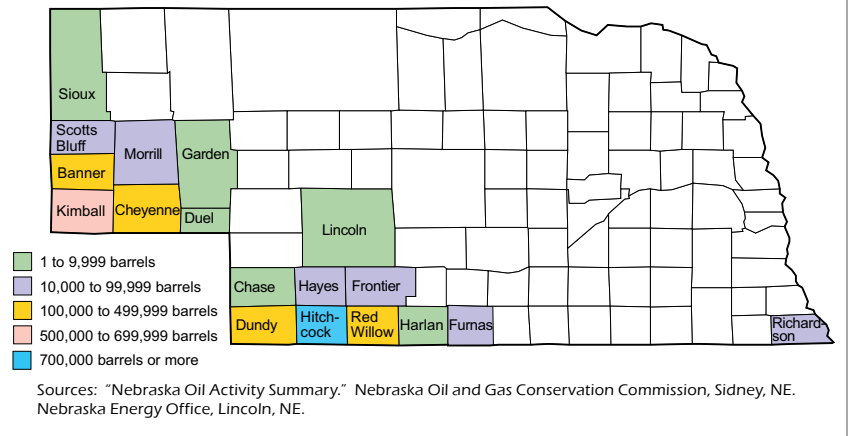
Oil

Oil has been produced in the state since 1939. Oil production peaked in 1962 at 24.893 million barrels, and has declined precipitously since that time. In 2012, crude oil production increased slightly from 2011 to 2.2513 million barrels from 2.2503 million barrels, the highest level of production since 2003. Nationally, Nebraska ranked 20th among the states in oil production in 2011. In 2011, the Energy Information Administration estimated the state's crude

oil reserves — an economic calculation — at 14 million barrels, about 1/10th of one percent of the nation's total crude oil reserves.

In 2012, there were 1,247 active oil producing wells in the state. Drilling permits issued for development wells (both oil and natural gas) dropped by more than 50 percent from 107 to 50 from 2011 to 2012. Drilling permits for exploratory wells increased from 75 to 90 in 2011 to 2012.

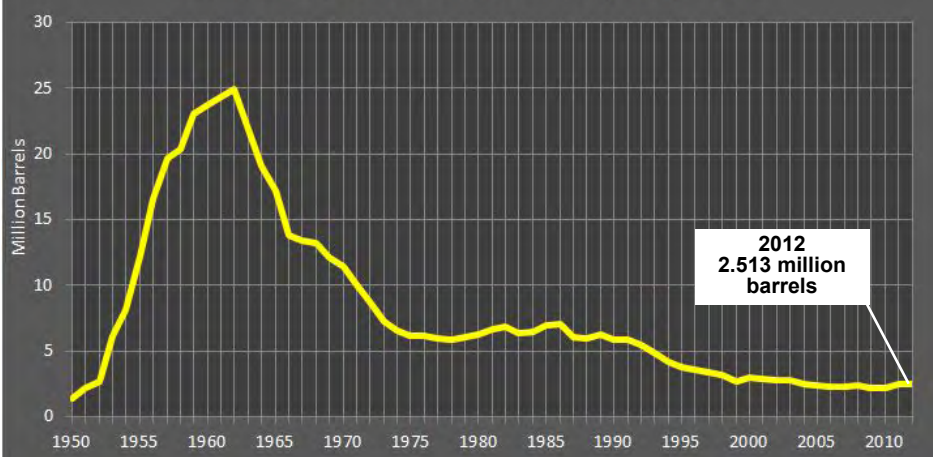
Crude Oil Production By County in Nebraska, 2012



Production of oil in the state is concentrated in two areas: the southwest, particularly Hitchcock County and in the Panhandle, especially Kimball County. In 2012, these two counties produced more than half the oil mined in the state. The top five producing counties in 2012 (in rank production order): Hitchcock, Kimball, Red Willow, Dundy and Cheyenne.

In 2011, Nebraska's crude oil production represented about 5.7 percent of the petroleum products used in the state that year.

Crude Oil Production in Nebraska, 1950 - 2012



Sources: "Nebraska Oil Activity Summary." Nebraska Oil and Gas Conservation Commission, Sidney, NE. Nebraska Energy Office, Lincoln, NE.

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“In 2012, natural gas production was 1.288 billion cubic feet, a decrease of about 34.9 percent from 2011.”



Sixty-four percent of Nebraska households used natural gas as their primary heating fuel.

Natural Gas

Natural gas has been produced in Nebraska since 1950. Natural gas production peaked in the state in 1960 at 28.189 billion cubic feet and has declined since that time. There have been several infrequent, yet minor, increases in production over the years. In 2012, natural gas production was 1.288 billion cubic feet, a decrease of about 34.9 percent from 2011.

In 2011, Nebraska's natural gas production represented only 1.2 percent of the natural gas consumed in the state in that year.

In 2012, Nebraska natural gas production ranked 28th among the 33 producing states, just ahead of Oregon.

Dry natural gas proven reserves are included with a number of states – Arizona, Indiana, Maryland, Missouri, Nevada, Oregon, South Dakota and Tennessee. Estimates for this group of states reached an all-time peak in 2011 at 379 billion cubic feet, an increase of 7.7 percent over 2010.

Coal

The state's coal resources are insignificant and not economical to mine. However, the state's proximity to low-sulfur coal beds in the Powder River Basin in Wyoming allows Nebraska ready access to coal resources used in the generation of electricity.

Uranium

Uranium has been mined in the state since 1991 at a site near Crawford, but must be sent outside the state's boundaries for processing.

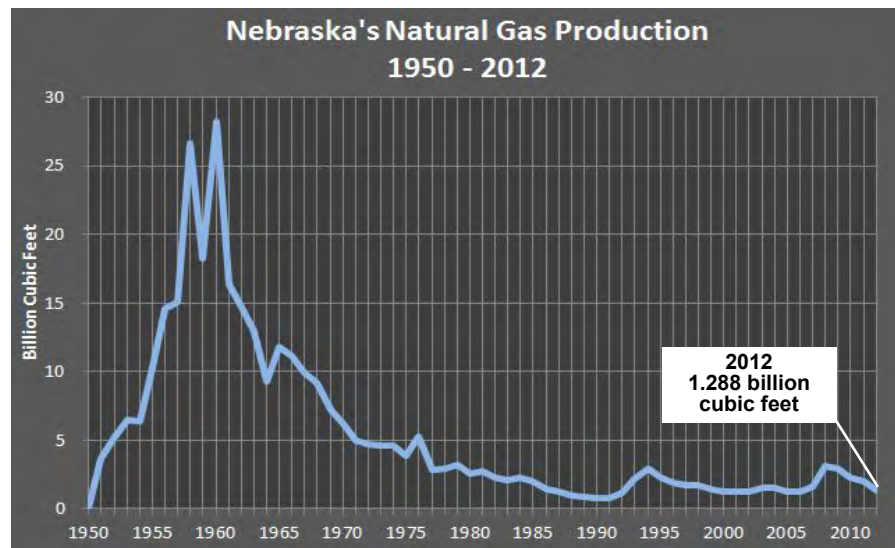
Alternatives

In Nebraska, there are five viable alternate energy sources available: biomass, geothermal, hydropower, solar and wind.

In 2011, 16.29 percent of the state's energy consumption — 149.18 trillion British thermal units out of 915.54 trillion British thermal units — was met using renewable resources according to the Energy Information Administration. Renewable energy use reached a new peak in 2011 at 149.18 trillion British thermal units.

Biomass

Biomass includes biodiesel, ethanol, landfill gas, methane and wood and wood waste. Biofuels and biomass accounted for 122.0 trillion British thermal units in 2011 out of 149.18 trillion British thermal units for all renewable energy types, or 81.7 percent.



Sources: "Nebraska Oil Activity Summary." Nebraska Oil and Gas Conservation Commission, Sidney, NE. Nebraska Energy Office, Lincoln, NE.

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Biodiesel

Commercial scale biodiesel production began in Nebraska in 2006 and production was estimated to be around 2.4 million gallons in 2008. However, the price of soybeans used for feedstock seriously damaged this budding industry in the state in 2008 and both commercial scale plants in Arlington and Scribner are closed. If both plants would reopen, production capacity is estimated at 5.4 million gallons a year.

Ethanol

The growing biomass energy resource in the Nebraska continues to be ethanol that is produced from corn and grain sorghum. Ethanol production began in Nebraska in 1985 when 8.5 million gallons were produced at the state's first ethanol facility in Hastings. According to the Renewable Fuels Association as of December 2013, Nebraska has the second largest ethanol nameplate capacity (2.096 billion gallons) and the second largest ethanol operating production (1.817 billion gallons) in the nation. Approximately 14 percent of the nation's ethanol capacity is in Nebraska's 27 plants of which 24 are active.

Ninety-one percent of Nebraska's ethanol production goes to U.S. domestic markets, five percent is exported to other countries and four percent is used by Nebraskans.

The state's Ethanol Board estimates that 40 percent of Nebraska's corn crop and the equivalent of three-quarters of the state's grain sorghum crop are used in the production of ethanol.

Ethanol consumption in the state comes mainly in the form of E10 blended gasoline — 10 percent ethanol and 90 percent gasoline. Smaller quantities of E85 — 85 percent ethanol and 15 percent gasoline — are also sold. Ethanol-blended fuel consumption in 2012 was 655.35 million gallons, a decline of 1.2 percent from 2011. Ethanol's share of the fuel market in 2012 decreased from 2011 to 78.8 percent in which all fuel sold was an ethanol blend. The record high of more than 80.6 percent was set in 2011.

Landfill Gas and Methane

A small, but slowly increasing amount of electricity is being generated from methane at landfills: OPPD's Elk City Station; and wastewater sewage facilities: Lincoln's Teresa Street Treatment Plant and Omaha's Missouri River and Papillion Creek Treatment Plants. Other sources include a commercial processor in Butler County and one livestock anaerobic digester in Colfax County. Energy production from biogas resources has been tracked since 1995 when 1.06 million kilowatt hours was produced. In 2012, reporting Nebraska production facilities produced 69.54 million kilowatt hours of electricity, a decline of six percent from 2011.

Geothermal

There are two types of geothermal resources that can be utilized for energy: hydrothermal fluid resources and earth energy. According to the Energy Information Administration, there are two pockets of high-temperature hydrothermal fluid resources in the north central and northern Panhandle of the state. The Geo-Heat Center at the Oregon Institute of Technology has identified nine collocated communities in the state. A collocated community is one being within eight kilometers of a geothermal resource with a temperature of at least 50 degrees Celsius. In Nebraska, the nine towns meeting that standard are located in just four counties: Cheyenne — Brownson, Huntsman, Lodgepole, Ordville, Potter and Sidney; Keya Paha — Burton; Kimball — Kimball; and Scottsbluff — Gering. Resources in these areas might be suitable for development, but that prognosis appears unlikely in the near term.

Earth energy can be used directly to provide heat in a variety of applications, such as geothermal heat pumps and appears to offer Nebraskans the most economical and practical way to utilize this resource. Growth in the use of geothermal heat pumps that can discharge waste heat into the ground in hot weather and extract heat from the ground in cold weather appears strong and is a technology that is being promoted by the state's larger electric utilities.

“Ninety-one percent of Nebraska's ethanol production goes to U.S. domestic markets, five percent is exported to other countries and four percent is used by Nebraskans.”



Hastings ethanol plant.

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In 2011, 0.13 percent of the state's total renewable energy consumption — 1.20 trillion British thermal units — came from geothermal resources and a historic high. That was a slight increase over the 1.15 trillion British thermal units in 2010.

Hydropower

The electricity consumed in Nebraska from hydropower resources came from two sources: the 11 dams in or on the border of the state and from purchases of Western Area Power Administration electricity. Usually the amount of electricity produced is relatively constant from year to year, unless affected by drought conditions or a facility is off line. As the state's energy need continues to grow, less and less of the need will be met by the relative constant amount of hydropower produced.

In 2011, 15.71 trillion British thermal units of hydropower were consumed in Nebraska which accounted for 1.716 percent of all renewable energy consumed that year.

Studies of the state's hydropower resources were conducted in 1981 and again in 1997. For the most part the studies concluded that nearly all of the potential hydro resources had been developed, and that even under the most optimistic scenarios, less than 150 MW of additional power could be produced from existing or new hydro resources. It appears unlikely that any additional conventional hydropower resources will be developed within the foreseeable future. However, there are indications that micro-hydroelectric dams would be feasible in a number of settings across the state.

Solar

According to an assessment by the Energy Information Administration, Nebraska has "good" solar resources, especially in the western part of the state. Nebraska is ranked 13th among the states with great energy potential from solar power, according to the National Renewable Energy Laboratory.

There are two types of solar collectors: concentrating collectors and flat panels. Solar collectors are simply flat panels that can be mounted on a roof or on the ground. Called flat plate collectors, these are typically fixed in a tilted position correlated to the latitude of the location. This allows the collector to best capture the sun. These collectors can use both the direct rays from the sun and reflected light that comes through a cloud or off the ground. Because they use all available sunlight, flat plate collectors are the best choice for many northern states such as Nebraska. For flat plate collectors, Nebraska has good, useful resources throughout the state. For concentrating collectors, Nebraska has useful solar resources, especially in the western region of the state.

Presently, solar technologies are marginally deployed in great part because it is difficult for solar technologies to be cost competitive with the state's low electric rates. Where solar does make sense economically are in meeting the needs of cattle ranchers in remote regions where photovoltaic systems are less expensive than installing new transmission lines.

Nebraska has operational solar panel facilities with a total capacity 52.4 kilowatts at three sites: NPPD Norfolk Operations Center, OPPD Elkhorn Service Center and LES Hyde Observatory.

In 2011, solar energy accounted for 0.07 trillion British thermal units of all renewable energy consumed in the state, slightly more than in 2010.

Wind

The U.S. Department of Energy's Wind Powering America program indicates that Nebraska has wind resources consistent with utility-scale production of electricity. Maps of the state's wind resources at different heights are located at <http://www.neo.ne.gov/renew/wind.htm> as well as a wealth of other wind resources. Other wind energy assessments have

“Where solar does make sense economically are in meeting the needs of cattle ranchers in remote regions where photovoltaic systems are less expensive than installing new transmission lines.”



Nebraska's first solar assisted center pivot irrigation system at Beller family farm near Lindsay, Nebraska.

ESTIMATED ENERGY CONSUMPTION REDUCTION

“The average annual output from the turbines is sufficient to provide power to about 165,880 homes for a year.”



One of 44 turbines for the Steele Flats Wind Project rises from the ground near Diller.

suggested the state could produce as much as 7,800 MW of new electricity from wind resources annually. According to data from the National Renewable Energy Laboratory, the state’s wind potential is ranked 4th best in the nation by megawatts and 3rd best in the nation by gigawatthours. It is estimated that wind power in Nebraska could meet the state’s annual electrical needs over 118 times.

In 2012, 1.288 billion kilowatt hours were generated by utility-scale wind energy in Nebraska. Nebraska has 260 operational turbines with a total capacity of 459.38 megawatts. The average annual output from the turbines is sufficient to provide power to about 165,880 homes for a year. A complete list of sites and generation is available at <http://www.neo.ne.gov/statshtml/89.htm>.

In 2011, wind energy produced 10.21 trillion British thermal units, 1.115 percent of all energy consumed in Nebraska.

At the end of 2013, the state ranked 23rd among all states with 459 megawatts installed wind energy capacity.

ESTIMATED ENERGY CONSUMPTION REDUCTION

In 2012, the Energy Office completed energy, economic and environmental evaluations of two the major programs operated by the agency: Dollar and Energy Saving Loans and Weatherization Assistance Program. These studies analyzed program expenditures made in 2010 and precisely how those funds were spent. Based on the Energy Office investments of \$4.03 million in Dollar and Energy Saving Loans and \$1.98 million in Weatherization funding, the results in the chart below quantify all of those impacts:

	Energy Loan Program	Weatherization Assistance Program	Total
<i>Nebraska Energy Office Investment</i>			
NEO Investment	\$4,038,616	\$1,980,176	\$6,018,792
Matching Investment	\$4,038,616	---	\$4,038,616
Total Investment	\$8,077,232	\$1,980,176	\$10,057,408
<i>Energy Impacts</i>			
Electric Energy Savings (kWhs)	253,025	238,722	491,747
Natural Gas Energy Savings (therms)	109,538	56,730	166,268
Annual Dollars of Energy Savings	\$141,226	\$81,756	\$222,983
PDV of Future Savings	\$2,151,487	\$1,346,950	\$3,498,437
<i>Economic Impacts</i>			
Output	\$8,122,360	\$1,334,801	\$9,457,161
Value-Added	\$4,789,475	\$916,438	\$5,705,913
Labor Income	\$3,576,867	\$1,014,284	\$4,591,152
Job-Years	92.52	32.12	124.64
<i>Environmental Impacts</i>			
Carbon Dioxide (CO ₂)	21,593,951	14,480,918	36,074,869
Sulfur Dioxide (SO ₂)	22,599	27,144	49,743
Nitrogen Oxide (NO _x)	26,252	22,338	48,590
Particulate Matter < 2.5 micro-meters (PM _{2.5})	393	473	866
Volatile Organic Compounds (VOC)	868	1,045	1,913
Particulate Matter < 10 micro-meters (PM ₁₀)	630	759	1,389
Total PDV	\$2,084,478	\$1,662,063	\$3,746,540

The complete study can be found at <http://www.neo.ne.gov/publications/PDFs/WXandLoanFinalReport.pdf>.

ESTIMATED ENERGY CONSUMPTION REDUCTION

STATUS OF ONGOING STUDIES

Code Compliance

After the reporting period, the Energy Office formulated a proposal to conduct a code compliance study of newly-built commercial structures in the state. This compliance evaluation

will be very similar to the study conducted on residential homes that was completed in 2012. An estimated 38 buildings across the state will be selected for evaluation. Completion of this study is expected in 2014. Unspent federal State Energy Program funds are being used for the \$42,408 study.

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