

Omaha Public Power District
444 South 16th Street Mall
Omaha, Nebraska 68102-2247
402/636-2000

April 1, 1991
LIC-91-116R

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Mail Station P1-137
Washington, DC 20555

Reference: Docket No. 50-285

Gentlemen:

SUBJECT: Annual Financial Report

Please find enclosed one (1) copy of Omaha Public Power District's 1990 Annual Financial Report, as required by 10 CFR 50.71(b).

If you should have any questions, please contact me.

Sincerely,

W. G. Gates

W. G. Gates *for*
Division Manager
Nuclear Operations

WGG/se1

Enclosure

c: LeBoeuf, Lamb, Leiby & MacRae (w/o Enclosure)
R. D. Martin, NRC Regional Administrator, Region IV (w/o Enclosure)
W. C. Walker, NRC Project Manager (w/o Enclosure)
R. P. Mullikin, NRC Senior Resident Inspector (w/o Enclosure)

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1990

ANNUAL
REPORT



Low-sulfur coal from Wyoming mines arrives at the North Omaha Station via one of the three 110-car coal trains owned by OPPD. At peak operation, the plant burns approximately 300 tons — three carloads — per hour.

OMAHA PUBLIC POWER DISTRICT

EXECUTIVE OFFICES

Energy Plaza
444 South 16th Street Mall
Omaha, Nebraska 68102-2247

TRUSTEES

Morgan Guaranty Trust Company of New York,
New York, New York (1961, 1966, 1968, and 1969
Bonds)

The First National Bank of Chicago, Chicago, Illinois
(1972, 1973, 1977 Series A, B, and C, 1985 Series A,
1986 Series A, and 1989 Series A Bonds)

PAYING AGENTS

Morgan Guaranty Trust Company of New York, New
York, New York (1961, 1966, 1968, 1969, 1972, 1973,
1977 Series A, B, and C, 1985 Series A, 1986 Series A,
and 1989 Series A Bonds)

Continental Illinois National Bank and Trust Company
of Chicago, Chicago, Illinois (1961, 1966, 1968, and
1969 Bonds)

The First National Bank of Chicago, Chicago, Illinois
(1972, 1973, 1977 Series A, B, and C, 1985 Series A,
1986 Series A, and 1989 Series A Bonds)

Norwest Bank Nebraska, N.A., Omaha, Nebraska

GENERAL COUNSEL

Fraser, Stryker, Vaughn, Meusey, Olson, Boyer &
Bloch, P.C., Omaha, Nebraska

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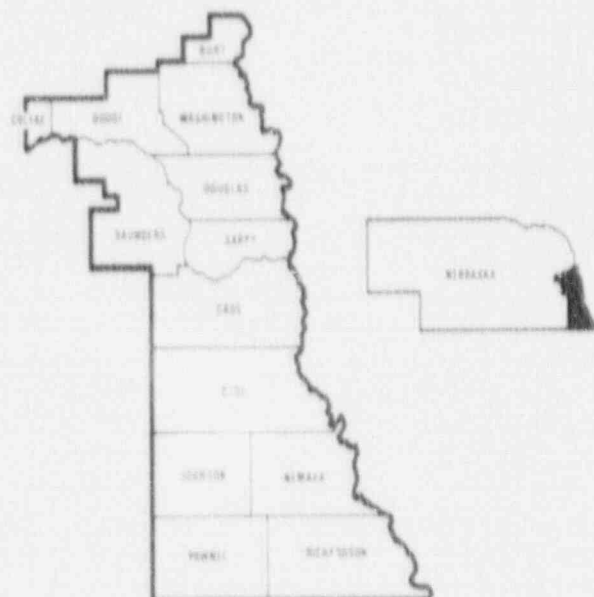
OPPD SERVICE AREA

OPPD SERVICE AREA: 5,000 SQUARE MILES

OPPD serves 585,000 people in all or part of
13 counties in eastern Nebraska. Electric service
is provided to the following 49 incorporated
communities at retail:

Alvo	Ceresco	Leshara	Rogers
Arlington	Colon	Louisville	Rulo
Ashland	Cook	Manley	Salem
Avoca	Eagle	Mead	South Bend
Bellevue	Elkhorn	Memphis	Springfield
Bennington	Elmwood	Morse Bluff	Valley
Blair	Fort Calhoun	Murdock	Washington
Boys Town	Gretna	Nickerson	Waterloo
Burr	Herman	North Bend	Weeping Water
Carter Lake (Iowa)	Hooper	Omaha	Winslow
Cedar Bluffs	Ithaca	Papillion	Yutan
Cedar Creek	Kennard	Peru	
	La Vista	Ralston	

OPPD also serves Elk Creek, Greenwood, Syracuse, and
Tecumseh at wholesale.





A new, automated trouble-call system dramatically reduces the time it takes crews to respond to customer-outage reports, particularly during storm-restoration efforts. The system quickly pinpoints problem areas by matching customer data with information about OPPD transmission and distribution equipment.

HIGHLIGHTS

OPERATING REVENUES

Operating revenues for 1990 were \$386,648,000, an increase of \$11,005,000, or 2.9%, from 1989 operating revenues of \$375,643,000.

OPERATION AND MAINTENANCE EXPENSES

Operation and maintenance expenses for 1990 were \$241,409,000, a decrease of \$795,000, or 1.9%, from 1989 operation and maintenance expenses of \$246,204,000.

NET OPERATING REVENUES

Net operating revenues, before depreciation and decommissioning, were \$130,869,000, an increase of \$15,247,000, or 13.2%, from 1989 net operating revenues of \$115,622,000.

NET EARNINGS REINVESTED IN THE BUSINESS

Net earnings reinvested in the business totaled \$40,337,000, an increase of \$10,753,000, or 36.3%, from 1989 net earnings reinvested in the business of \$29,584,000.

GENERAL BUSINESS SALES

General business sales to District customers were 6,485,466,000 kilowatt-hours in 1990, an increase of 113,623,000, or 1.8%, from 1989 sales of 6,371,843,000 kilowatt-hours.

AVERAGE NUMBER OF CUSTOMERS

The District served an average total of 249,060 customers in 1990, an increase of 3,891, or 1.6%, from the 1989 average total of 245,169 customers.

AVERAGE RESIDENTIAL USE

Average annual use per residential customer in 1990 was 10,500 kilowatt-hours, an increase of .61, or 0.6%, from the 1989 average of 10,439 kilowatt-hours.

AVERAGE RESIDENTIAL COST

The District's residential customers paid an average of 6.65¢ per kilowatt-hour during 1990 compared to 3.39¢ per kilowatt-hour in 1946, OPPD's initial year of operation.

1990 CONSTRUCTION EXPENDITURES

Expansion and improvement of system facilities during 1990 required net construction expenditures of \$93,600,000.



Outside consultant Juanita Cox-Burton and OPPD Affirmative Action Director Ed Williams helped develop and present diversity training programs that were attended by employees throughout the company during 1990.



OPPD's new Tree Promotion Program provides funds to community organizations for the purchase and planting of trees to be used in conservation, beautification and wildlife-habitat projects.

CHAIRMAN'S REPORT



*Frederick J. Ulrich
Chairman of the Board
Omaha Public Power District
Farmer/Cattle Feeder*

For the Omaha Public Power District, 1990 turned into a much better year than first expected. Our customers bought more electricity than we thought they would, and the cost to them for that electricity was less than we had forecast.

A hotter-than-normal summer accounted for much of the increase in electric energy sales, as well as sales to other utilities that were more than double the amount planned. Total sales exceeded 6.6 billion kilowatt-hours, and operating revenues totalled \$386.6 million.

A 3.4 percent general rate increase, the first in five years, took effect January 1, 1990. With that increase, the average residential cost in 1990 was 6.65 cents per kilowatt-hour, 2.3 percent less than had been projected. This happened primarily because of management's success in reducing production costs. These reductions resulted in more than \$6.9 million being returned to customers during the last seven months of the year through the Fuel and Production Cost Adjustment on their monthly bills.

The net earnings picture was also brighter than anticipated, amounting to \$40.3 million at year-end. This compares to \$29.6 million in 1989 and equals the all-time high for earnings by this utility, achieved in 1985. The year ended with a return on equity of 7.2 percent. No long-term borrowing was required.

Major expenditures in 1990 were related to improvements at the Fort Calhoun Station, OPPD's

nuclear power plant. Major projects completed include a chemistry and radiation protection building, a radioactive waste building, and the installation of a control room simulator in the training center. Construction also began on a new 100,000-square-foot administration building at the plant. That project should be completed in mid-1991.

In all, OPPD spent \$93.6 million for capital improvements of all types in 1990, including \$24.1 million at Fort Calhoun Station.

The financial stability reflected in this annual report for 1990 will continue for OPPD in 1991. Our corporate planning does not include the implementation of a general rate increase this year. This fact, together with anticipated lower revenues from the Fuel and Production Cost Adjustment, means that customers will be paying a lower price for their electricity in 1991. We're forecasting a 2.4 percent drop to 6.49 cents per kilowatt-hour in the average price for residential customers and about a 1.4 percent decline to an average 5.73 cents per kilowatt-hour for all retail customers.

Assuming normal weather patterns prevail in 1991, we expect moderate growth in energy sales of 3.1 percent. Operating revenues will increase by only \$3.7 million, however, because less revenue will be recovered through the Fuel and Production Cost Adjustment. Net earnings of \$30.1 million are anticipated and a return on equity of 5.0 percent is forecast.

B BOARD OF DIRECTORS

Capital expenditures in 1991 are projected at \$126.1 million, mostly for expanding and improving existing production plant and transmission and distribution plant facilities for both the immediate and future benefits of our customer-owners. No long-term borrowing is anticipated, but we expect to issue another \$15 million in tax-exempt commercial paper to maintain reasonable cash balances.

In addition to financial stability, the utility is also enjoying a period of Board stability. In November, voters returned Directors Dennis D. Jorgensen, Eugene T. Mahoney and Frank J. Wear to office for new six-year terms, thus maintaining continuity on the Board for at least two more years. They and their fellow directors, Keith B. Edquist, John K. Green, Michael J. O'Hara and Gene P. Spence, have contributed significantly to the success of this utility and are commended for their service.

History may record 1990 as a difficult year economically — a year of recession for some, of stagnant growth for others. But for OPPD, it was a year that saw no wavering in commitment — commitment to customer service, efficient operations, and financial stability and strength. That remains our commitment for 1991 also — excellent service at the lowest possible price.

Frederick J. Ulrich

Frederick J. Ulrich
Chairman of the Board



Frank J. Wear
Vice Chairman
President,
Wear Company
and President,
Wear Construction



John K. Green
Treasurer
Attorney at Law,
Brashear & Ginn



Michael J. O'Hara, Ph.D.
Secretary
Attorney at Law
Associate Professor,
College of Business
University of Nebraska
at Omaha



Keith B. Edquist
Board Member
President,
Husker-Hawkeye
Distributing Co., Inc.



Dennis D. Jorgensen
Board Member
Chief Executive Officer,
Transaction Applications
Group



Eugene T. Mahoney
Board Member
Executive Director,
Omaha Zoo Foundation



Gene P. Spence
Board Member
President,
Westmark Financial Corp.

P RESIDENT'S REPORT



*Fred M. Petersen
President
Chief Executive Officer*

Emphasis on the long- as well as the short-term interests of our customer-owners was highly visible at Omaha Public Power District in 1990.

In the short-term, the utility continued to meet customer requirements for an adequate, reliable and affordable power supply.

For the long-term, the utility initiated efforts to address future capacity needs, implemented programs to enhance efficiency and cost-awareness in nuclear operations, and continued intensive efforts to assure availability of a diversified work force in the years ahead.

The OPPD Power Supply Study, a year in the making, provides a valuable tool for more specific future planning. The study sees a need to double current generating capacity over the next 25 years. It recommends and provides a general timetable for adding 1,840,000 kilowatts of capacity in nearly equal amounts of combustion turbine, combined-cycle turbine and coal-fired generation.

The study also recommends that OPPD commit resources to research, develop and implement a major demand-side management program of peak-clipping, load-shifting and conservation. Emphasis in 1991 will be on investigating customer loads, identifying how various demand-side strategies might impact those loads, and evaluating the costs of implementing programs.

Finally, the Power Supply Study points up the need for reducing nuclear operating costs to preserve the nuclear function for OPPD. High expenditures were necessary the past three years to further enhance safety and to

achieve excellence at Fort Calhoun Station. Most of those safety-enhancement efforts were completed in 1990, and the plant has received much higher ratings from the Nuclear Regulatory Commission because of them. Nuclear costs began returning to a more normal pattern in 1990. The plant remains a key generator for OPPD, producing 31 percent of the utility's total generation in 1990.

From a performance standpoint, 1990 was a banner year for the coal-fired Nebraska City Station. The plant was available to produce electricity at full load 94.3 percent of the time during the 12-month period prior to September 1 when its scheduled maintenance outage began. That is an all-time availability record for the 585,000-kilowatt unit, which also set a monthly production record of 371,484,000 kilowatt-hours last March and an annual availability record of 82 percent. In all, Nebraska City Station produced 40 percent of OPPD's generation in 1990.

The North Omaha Station, OPPD's oldest operating plant which houses five coal-fired units, also performed well in 1990, generating 29 percent of our customer demands. Recent improvements, some of which are still under way, are expected to maximize the lives of these older units.

A number of customer-service innovations were made during 1990.

- An automated trouble-call system using our mainframe computer was developed to sort trouble calls electronically. It has improved service restoration significantly and also reduced the number of people required during storm restoration.

V VICE PRESIDENTS

• A new customer service office was opened in South Omaha. This full-service business office provides customers with yet another easily accessible, convenient location in which to conduct business with their electric utility.

OPPD has long been committed to providing energy information services to its customers, and 1990 featured the initiation of an innovative program of tree-planting and tree-education. In its first year, the program helped fund the proper planting of 18,000 trees in OPPD's service area.

Great progress was made in 1990 in OPPD's overall effort to develop and make use of the full potential of a rapidly diversifying work force and to position the utility for the changing demographics of the future work force. With respect to minorities, the company has nearly achieved its target of making its work force a mirror of the customer population it serves. This is being accomplished through aggressively searching both external and internal talent pools for qualified women and minorities for positions at all levels of the organization.

Building on the planning and the accomplishments of 1990 is the major challenge for this utility in 1991. We remain committed to meeting that challenge and all others as we position this utility for future success in providing our customers with a plentiful supply of reliable, affordable electricity, just as we always have done.

Fred M. Petersen

Fred M. Petersen
President



Eldon C. Pape
*Executive Vice President —
Chief Financial and
Planning Officer*



William C. Jones
Senior Vice President



William D. Dermeyer
Vice President



Kenneth S. Fielding
Vice President



Dayton D. Wittke, Ph.D.
Vice President

OPERATIONS REVIEW

People use different measures to assess the success of a utility over the course of a year. For some, year-end financial stability is the highest priority. Others may view rates, or reliability, or customer service, or environmental responsiveness as the primary measure of a utility's success. At OPPD, all of these areas are given high priority.

Efforts are ongoing to strike the proper balance among economy, reliability, service, and all aspects of our operations to meet the needs of OPPD customer-owners as efficiently and effectively as possible. Again in 1990, there was significant progress in these areas.

Operating Economy

Employees intensified their efforts to contain and reduce costs in 1990, and their response helped produce dramatic results.



At North Omaha Station, coal is carried by conveyor belts to pulverizers that grind it down to the consistency of face powder. It is then mixed with preheated air and blown into the furnace, where it ignites and burns instantly in midair.



Transportation Department mechanic Rhonda Koresky takes a look under the hood of an Electric Operations service truck. She is the first employee to complete OPPD's four-year mechanic apprenticeship program.

Of particular significance was the fact that total operating costs in 1990 were about \$17 million lower than initially budgeted, thanks largely to cost-control efforts and increased efficiencies. Many of these efforts occurred at power generating plants or in areas associated with plant operations.

For example:

- Fort Calhoun Station finished 1990 \$22 million under budget. While safety remains the top priority at Fort Calhoun Station, a Cost Effectiveness Review Program is expected to result in continued operating-cost reductions in the coming years.
- In August, OPPD began paying about 10 percent less for two-thirds of its coal as the result of a

renegotiated price agreement with its coal supplier. This renegotiation will save more than \$2.7 million over the next three years.

- OPPD took advantage of a favorable spot coal market in 1990, purchasing 1.5 million tons of coal. That strategy saved approximately \$600,000 over the cost of comparable long-term coal supply contracts.

The favorable coal prices achieved by OPPD became even more important in light of the utility's record coal consumption last year. To meet record customer demand, power stations at North Omaha and Nebraska City used nearly 3.5 million tons of coal in 1990, 83,000 tons more than the previous record set in 1988.

Service Reliability

Economy isn't worth much if it isn't accompanied by reliability. For that reason, OPPD worked to achieve increased economy in 1990 through true efficiency improvements, not by sacrificing reliability or other important services. Those efficiency improvements produced results.

In 1990, overall system availability increased to 99.9803 percent, compared to 99.9720 percent in 1989. Significantly, the average length of outages declined from 107.41 minutes in 1989 to just 87.56 minutes in 1990.

In both cases, increased efficiency and ongoing system improvements deserve considerable credit. Much of the credit, however, must go to the line crews dispatchers and other excellent personnel responsible for keeping the transmission and distribution system in good operating condition. Their around-the-clock commitment to customer service was again a major factor in OPPD's ability to deliver electricity where it's needed at the time it's needed.

A considerable amount of effort was also invested in preventing power outages whenever possible. Toward that end, an Outage Study Project Team developed a computer program to improve analysis of outage data. Based on that analysis, more effective action can be taken to eliminate recurring electric service problems.

An aggressive program of transmission line reconstruction continued in 1990 to increase the capacity and reliability of the transmission system. OPPD also replaced 83,000 feet, or almost



Rebuilding and maintaining the transmission and distribution system throughout the 5,000-square-mile service territory are the responsibilities of OPPD's Electric Operations Division. This crew from Tecumseh replaces an old line on a rural highway in southeastern Nebraska.

16 miles, of underground residential service cable in several areas. The cable was replaced using a recently developed tunnelling method that minimizes surface disruptions and, therefore, customer inconvenience.

There was, of course, a considerable amount of new line and equipment installation work done in 1990 to meet the diverse needs created by continued growth throughout the OPPD service territory. OPPD Customer Services representatives and Electric Operations personnel met the

additional requirements of new and existing customers quickly and efficiently. Through the direct efforts of these personnel, new service was provided to 2,204 single-family dwellings, 1,064 apartments and 500 commercial customers.

A new substation was also completed near Gretna, a small community west of Omaha, to help meet the growing needs in that area, and construction began on a substation needed to meet the future power demands of the downtown Omaha area.

OPERATIONS REVIEW

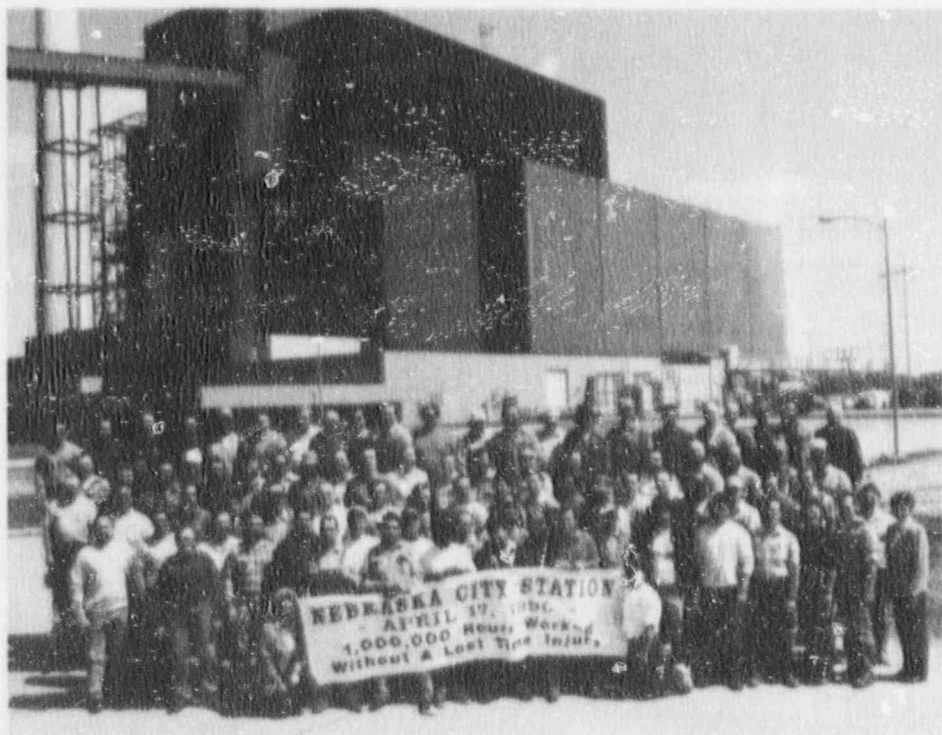
Power Production

OPPD's power generating stations compiled an impressive list of accomplishments during the year, helping OPPD to meet record demand for electricity.

On July 2, a typical mid-summer heat wave prompted OPPD customers to set an all-time system peak of 1,619,700 kilowatt-hours. Almost two months later, on August 27, a late-summer heat wave resulted in yet another system peak of 1,652,300 kilowatt-hours. In both instances, OPPD's power supply and delivery systems and the personnel responsible for their proper operation — power plant staff, line crews and dispatchers, system operators, and more — met these customer needs.



From this North Omaha Station control room, operators oversee the safe and efficient operation of generating units 3 and 4. Together, the five generators at the plant have a combined production capability of 590,100 kilowatts.



Nebraska City Station employees crossed a safety milestone during the year — 1,000,000 hours worked without a lost-time accident.

The ability to meet unusually high demand for electricity hinges, in part, on keeping generating facilities in good condition and staffing them with quality personnel. OPPD's ongoing emphasis on plant maintenance and improvements and personnel were readily apparent in 1990.

For example, in early 1989, OPPD converted the emission control system at Nebraska City Station to a much more efficient and reliable design which required less maintenance. That conversion had a major impact on plant operations in 1990. Nebraska City Station set a record for generation during any 12-month period for the 12 months ending August 31, and it set a record for generation in a calendar year.

Significantly, the plant staff achieved those records without a single lost-time accident. In fact, on January 31, 1991, the personnel at Nebraska City Station completed five years of operation without a lost-time accident — an outstanding achievement in the industrial work environment.

The same type of high-quality employees staff other OPPD power generating facilities, and they are supported by efforts to maintain and improve those facilities. More than \$20 million

worth of repair and modification work began on Units 4 and 5 at North Omaha Station. That work will improve the reliability of those units and help ensure that the plant is available to meet customer needs as they increase in the coming year.

One of the significant advances at Fort Calhoun Station was completion and installation of a plant-specific control room simulator. This complex computer-driven simulator is a replica of the plant's actual control room. Programmers

can duplicate a wide variety of actual and hypothetical plant operating conditions, providing valuable hands-on training for plant personnel. This unit is considered a major step in OPPD's efforts to achieve excellence in all areas of operation at Fort Calhoun Station.

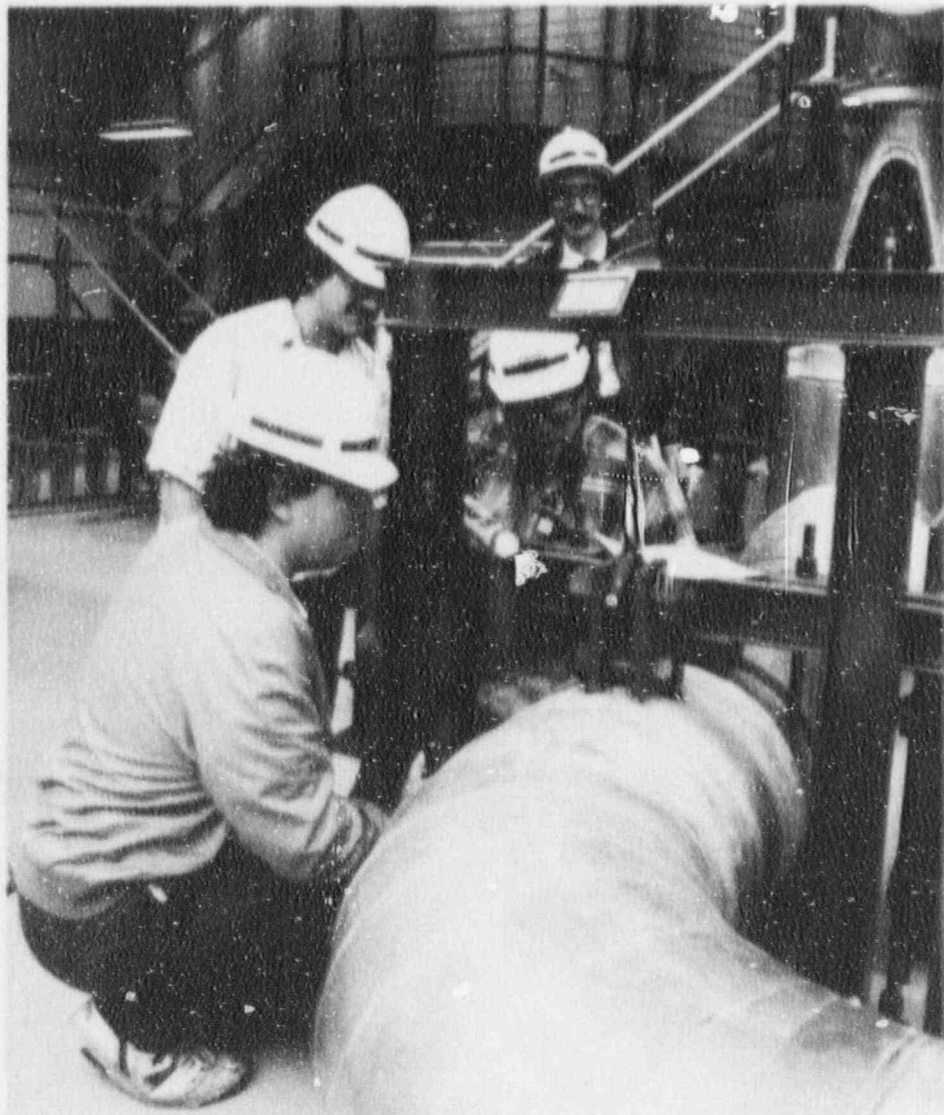
Customer Convenience

Efforts to provide a continued high level of customer service and convenience continued in 1990, joining economy and reliability as top OPPD priorities.

A branch customer service office was opened in South Omaha — the third satellite office to open in the city — and the North Customer Services Office was relocated to a more easily accessible location. Ongoing efforts to improve rural office facilities progressed with a remodeling project at the Tecumseh office and continued planning for a new service center at Syracuse.

OPPD expanded the Level Payment Program so that small-commercial customers could join residential customers in using this convenient method of paying electric service bills. More than 1,000 small-commercial customers joined this program. An additional 13,400 residential customers signed up for the Level Payment Program in 1990, bringing the total number of residential customers on the plan to more than 74,600 at year-end.

The Energy Advisor telephone information service also provided free information about a variety of energy-related topics to nearly 6,200 customers who called from throughout the OPPD service territory.



Fort Calhoun Station employees work on a feedwater line support system during the plant's 12th scheduled refueling and maintenance outage.

OPERATIONS REVIEW

Community Service

OPPD has always worked hard to be a good corporate citizen in its eastern Nebraska service area, and that effort received even greater attention in 1990.

More than \$77,000 was collected for OPPD's Energy Assistance Program established to help needy families pay emergency energy-related expenses. OPPD raises money for the program through customer contributions and through the sale of advertising in its monthly customer newsletter. The program is administered by the Heartland Chapter of the American Red Cross.

OPPD employees and retirees continued their participation in a variety of civic activities, including the United Way/CHAD Drive and the annual Nebraska Food Bank Cans Festival. That latter effort collected more than 2,500 cans of food for the Nebraska Food Bank and the people it serves.

Environmental responsibility is an important part of being a good

corporate citizen and neighbor. From burning low-sulfur coal to developing wildlife habitats on its properties, OPPD has always been committed to doing business in an environmentally responsible fashion. That commitment continued in 1990 and was backed with action.

In addition to its tree-planting and tree-education program, OPPD supported and took part in 1990 Earth Day activities. OPPD also participated in an ongoing Electric Power Research Institute study into the possible health effects of electric and magnetic fields.

Future Planning

While taking care of day-to-day business was, of course, essential, OPPD continued to plan for future customer needs. For example, research into customer energy-use patterns continued with installation of 330 recording devices at residences and large general service customers. These recorders collect information about how and when OPPD customers use electricity.



More than 170 employees participated in the Quality Management Skills program, which was developed to help OPPD supervisors and managers increase their effectiveness.

Planning also proceeded for development of a demand-side management program. Demand-side management involves changing customer consumption patterns in such a manner that future power plant construction can be delayed, benefitting the customer and the utility. One effort related to demand-side management, the Energy Management Credit Program, continued successfully in 1990. The program provides electric service bill credits to residential customers for low levels of electricity consumption during the hot summer months. In 1990, more than 71,000 customers received credits totalling \$228,000.

Economy. Reliability. Environmental responsiveness. These are just some of the standards by which the success of a utility is measured. By these and all other measurements, 1990 was a successful year for OPPD and its customers, and 1991 promises a continuation of that success.



Alonzo Gullford, left, and John Galus received OPPD's Energy Partner Award for their participation in Omaha's Mad Dads. The organization provides positive role models for urban youth, sponsors educational and recreational functions, and patrols area neighborhoods.

FINANCING

In December 1946, Omaha Public Power District funded the purchase of The Nebraska Power Company with a bank loan for \$42,000,000. Revenue bonds were issued in February 1947 to pay off this loan. Since then, \$1,587,930,000 of additional revenue bonds have been sold.

The District retired \$17,570,000 of revenue bonds in 1990. These retirements bring the total of bonds redeemed and refunded through 1990 to \$718,665,000, leaving outstanding bonds of \$911,265,000 at December 31, 1990. During 1990, \$54,263,000 of interest expense was charged to operations on outstanding bonds, representing an average annual rate of 5.9%.

During the year, the District increased the authorized level of Tax-Exempt Commercial Paper to \$150,000,000. Outstanding commercial paper at December 31, 1990, was \$100,000,000. During 1990, \$5,846,000 of interest expense was charged to operations on outstanding commercial paper, representing an average annual rate of 5.8%. The outstanding subordinated obligation at December 31, 1990, totalled \$4,677,000. During 1990, \$422,000 of interest expense was charged to operations on the outstanding subordinated obligation, representing an average annual rate of 9.0%.

Gross Electric Plant amounted to \$1,753,802,000 and Nuclear Fuel (at amortized cost) amounted to \$143,744,000 at December 31, 1990. Accumulated earnings reinvested in the business increased \$40,337,000 to a total of \$600,486,000 during 1990 while total assets increased \$10,033,000 to a total of \$1,776,658,000.

INDEPENDENT AUDITORS' REPORT

Omaha Public Power District:

We have audited the accompanying balance sheets of the Omaha Public Power District as of December 31, 1990 and 1989 and the related statements of net earnings and accumulated earnings reinvested in the business and of cash flows for each of the three years in the period ended December 31, 1990. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Omaha Public Power District as of December 31, 1990 and 1989, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1990 in conformity with generally accepted accounting principles.

Deloitte & Touche

DELOITTE & TOUCHE
Omaha, Nebraska
February 20, 1991

OMAHA PUBLIC POWER DISTRICT

BALANCE SHEETS, DECEMBER 31, 1990 AND 1989

ASSETS	NOTES	1990	1989
		(thousands)	
UTILITY PLANT — At cost:	2,9		
Electric plant (includes construction work in progress of \$82,986,000 and \$83,604,000, respectively)		\$1,753,802	\$1,668,403
Less accumulated depreciation		560,145	509,230
Electric plant — net		1,193,657	1,159,173
Nuclear fuel — at amortized cost		143,744	156,354
Utility plant — net		1,337,401	1,315,527
SPECIAL PURPOSE FUNDS (primarily at amortized cost):	3,4		
Construction fund		79,970	94,771
Electric system revenue bond fund (net of current portion)		52,815	53,292
Debt service fund		7,391	7,562
Segregated fund (see contra)		4,809	4,537
Segregated fund — collateralized securities		11,145	
Decommissioning funds		39,256	32,210
Deferred compensation fund		24,270	20,540
Total special purpose funds		219,656	212,912
CURRENT ASSETS:			
Cash and cash equivalents		7,916	23,386
Revenue fund — U.S. Government securities (at amortized cost)	4	22,182	2,994
Electric system revenue bond fund — current portion		34,474	34,109
Accounts receivable — net		23,868	37,540
Unbilled revenues		16,571	15,556
Fossil fuels — at average cost		7,959	8,569
Materials and supplies — at average cost		35,868	32,432
Deferred production costs		(4,318)	15,358
Other		4,953	4,801
Total current assets		149,473	174,745
DEFERRED CHARGES	5	70,128	63,441
TOTAL		\$1,776,658	\$1,766,625

See notes to financial statements.

LIABILITIES	NOTES	1990	1989
		(thousands)	
LONG-TERM DEBT:	2		
Electric system revenue bonds — net of current portion:			
Serial bonds, 3% to 7.4% due annually from 1991 to 2010		\$ 197,675	\$ 217,215
Term bonds, 5% to 7% due at various dates from 1995 to 2017		694,050	694,050
Total electric system revenue bonds		891,725	911,265
Electric revenue notes — commercial paper series	6	100,000	100,000
Subordinated obligation		4,616	4,677
Total		996,341	1,015,942
Less unamortized discounts		10,194	10,890
Long-term debt — net		986,147	1,005,052
COMMITMENTS AND CONTINGENT LIABILITIES	9,11		
LIABILITIES PAYABLE FROM SEGREGATED FUND			
(see contra)	3	4,809	4,537
CURRENT LIABILITIES:			
Current portion of electric system revenue bonds	2	19,540	17,570
Current portion of subordinated obligation		61	56
Accounts payable		38,710	48,062
Accrued payments in lieu of taxes		13,448	12,909
Accrued interest		24,612	25,653
Other		15,001	25,511
Total current liabilities		111,372	129,761
OTHER LIABILITIES:			
Transportation settlement	10		6,517
Decommissioning costs		39,256	32,210
Deferred compensation	8	24,270	20,540
Other		10,318	7,859
Total other liabilities		73,844	67,126
ACCUMULATED EARNINGS			
REINVESTED IN THE BUSINESS		600,486	560,149
TOTAL		\$1,776,658	\$1,766,623

STATEMENTS OF NET EARNINGS AND ACCUMULATED EARNINGS REINVESTED IN THE BUSINESS FOR THE THREE YEARS ENDED DECEMBER 31, 1990

	1990	1989 (thousands)	1988
OPERATING REVENUES	\$386,648	\$375,643	\$350,837
OPERATING EXPENSES:			
Operation:			
Fuel	64,309	61,520	61,781
Other production	80,821	78,120	59,915
Transmission	2,232	2,438	2,080
Distribution	12,963	12,308	11,214
Customer accounts	9,396	9,746	9,222
Customer service and information	3,737	3,397	3,356
Administrative and general	28,726	32,245	26,168
Maintenance	39,225	46,430	40,967
Total operation and maintenance	241,409	246,204	214,703
Depreciation	47,514	44,498	43,399
Decommissioning	4,175	4,382	4,097
Payments in lieu of taxes	14,370	13,817	12,358
Total operating expenses	307,468	308,901	274,557
OPERATING INCOME	79,180	66,742	76,280
OTHER INCOME CREDITS (CHARGES):			
Interest income	19,790	16,560	13,619
Allowance for funds used during construction	3,687	5,780	4,743
Allowance for funds used for nuclear fuel	3,313	4,467	4,579
Amortization of cancelled project costs		(1,295)	(5,181)
Other — net	(1,882)	(1,491)	(738)
Total other income credits — net	24,902	24,021	17,022
EARNINGS BEFORE INTEREST EXPENSE	104,082	90,763	93,302
INTEREST EXPENSE	63,745	61,179	56,373
NET EARNINGS	40,337	29,584	36,929
ACCUMULATED EARNINGS REINVESTED IN THE BUSINESS, BEGINNING OF THE YEAR	560,149	530,565	493,636
ACCUMULATED EARNINGS REINVESTED IN THE BUSINESS, END OF THE YEAR	\$600,486	\$560,149	\$530,565

See notes to financial statements.

STATEMENTS OF CASH FLOWS FOR THE THREE YEARS ENDED DECEMBER 31, 1990

	1990	1989 (thousands)	1988
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income	\$ 79,180	\$ 66,742	\$ 76,280
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	47,514	44,498	43,399
Amortization of nuclear fuel	17,798	24,824	17,960
Decrease in other liabilities	(4,057)	(7,690)	(6,876)
Other	(10,118)	(11,327)	4,896
Changes in current assets and liabilities:			
Revenue fund — U.S. Government securities	(19,188)	27,877	21,720
Accounts receivable	13,672	(5,757)	983
Unbilled revenues	(1,015)	(2,753)	(874)
Materials and supplies	(3,436)	(5,055)	(3,873)
Fossil fuels	610	(433)	1,491
Accounts payable	(9,352)	(6,434)	23,817
Accrued taxes	539	1,455	1,055
Other	9,129	20,479	(11,624)
Net cash provided from operating activities	121,276	146,426	168,354
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from long-term borrowings		129,020	
Principal reduction of long-term debt	(17,626)	(16,811)	(16,057)
Interest paid on long-term debt	(62,548)	(55,191)	(54,254)
Acquisition and construction of capital assets	(78,310)	(101,856)	(97,883)
Acquisition of nuclear fuel	(1,876)	(11,505)	(10,240)
Net cash used for capital and related financing activities	(160,360)	(56,343)	(178,434)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of special purpose funds — investment securities	(283,719)	(256,554)	(65,200)
Sale and maturities of special purpose funds — investment securities	288,023	171,934	65,335
Net change in electric system revenue bond fund — current	(365)	(4,323)	(792)
Interest on investments	19,675	15,572	13,796
Net cash provided from (used for) investing activities	23,614	(73,371)	13,139
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(15,470)	16,712	3,059
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	23,386	6,674	3,615
CASH AND CASH EQUIVALENTS, END OF THE YEAR	\$ 7,916	\$ 23,386	\$ 6,674

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE THREE YEARS ENDED DECEMBER 31, 1990

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Business – The Omaha Public Power District, a political subdivision of the State of Nebraska, is a public utility engaged solely in the generation, transmission, and distribution of electric power and energy and other related activities. The Board of Directors is authorized to establish rates. The District is not liable for Federal and state income or ad valorem taxes on property; however, payments in lieu of taxes are made to various local governments.

Basis of Accounting – The accounting records of the District are maintained generally in accordance with the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission.

Accounting for Revenues – Meters are read and bills are rendered on a cycle basis. Revenues earned after meters are read are estimated and accrued as unbilled revenues at the end of each accounting period.

Utility Plant – The costs of property additions, replacements of units of property, and betterments are charged to electric plant. Maintenance and replacements of minor items are charged to operating expenses. Costs of depreciable units of electric plant retired are eliminated from electric plant accounts by charges, less salvage plus removal expenses, to the accumulated depreciation account.

An allowance for funds used, approximating the District's current cost of financing electric plant construction and the purchase of nuclear fuel, is capitalized as a component of the cost of the utility plant. This allowance was computed at 5.7%, 6.1% and 5.7% for both construction work in progress and nuclear fuel for the years ended in 1990, 1989 and 1988, respectively.

Depreciation and Amortization – Depreciation is computed on the straight-line basis at rates based on the estimated useful lives of the various classes of property. Depreciation expense has averaged approximately 3.7%, 3.6% and 3.5% of depreciable property for the years ended December 31, 1990, 1989 and 1988, respectively.

Amortization of nuclear fuel is based upon the cost thereof, which is pro-rated by fuel assembly in accordance with the thermal energy that each assembly produces.

Deferred Production Costs – Deferred production costs account for excess costs or collections subject to recovery under the Fuel and Production Cost Adjustment clause of the District's rate schedules.

Deferred Charges – Certain costs and charges are deferred and amortized over the period that ratepayers are expected to benefit. The most significant items are:

Deferred Financing Costs – Debt discount and expense and amortizable charges relating to refunded debt are amortized ratably over the lives of the related issues to which they pertain.

Safety Enhancement Program (SEP) – Fort Calhoun Station – Certain costs arising from the District's SEP at the Fort Calhoun Station have been deferred and are being amortized over ten years through 1999.

Deferred Cancelled Project Costs – Fort Calhoun Station – Unit No. 2 – Costs arising from the termination of contracts relating to Fort Calhoun Station – Unit No. 2 were amortized over ten years through 1989.

Nuclear Fuel Disposal Costs – Permanent disposal of spent nuclear fuel is the responsibility of the Federal Government under an agreement entered into with the United States Department of Energy (DOE). Under the agreement, the District is subject to a one mill per net kilowatt-hour fee on all nuclear energy generation, which is paid quarterly to the DOE. The spent nuclear fuel disposal costs are included in the District's nuclear fuel amortization and are collected from customers as part of fuel costs.

Nuclear Decommissioning – The District's Board of Directors has approved the collection of nuclear decommissioning costs based upon the Nuclear Regulatory Commission's (NRC's) external minimum funding requirements. The NRC's requirements are based on a generic estimate of the cost to decommission the radioactive portions of a nuclear unit based on the size and type of reactor. The estimate accepted for the decommissioning of the Fort Calhoun Station – Unit No. 1, when its operating license is scheduled to expire in 2008, is \$106,500,000 in 1990 dollars. The District is funding these costs in accordance with NRC requirements and will periodically review and adjust, if necessary, the funding level for changes in the estimated costs of decommissioning the plant.

Statements of Cash Flows – The District adopted Governmental Accounting Standards Board Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting", in 1990, and has restated its 1989 and 1988 financial statements to include statements of cash flows for those years consistent with the current year's presentation. For purposes of the Statements of Cash Flows, the District considers highly liquid investments of the Revenue Fund purchased with a maturity of three months or less to be cash equivalents.

2. LONG-TERM DEBT

The District utilizes proceeds of debt issues primarily in financing its construction program.

Electric System Revenue Bonds – Maturities of Electric System Revenue Bonds outstanding at December 31, 1990, are 1991 through 1995, are as follows (in thousands):

1991	\$19,540
1992	\$20,455
1993	\$21,460
1994	\$22,600
1995	\$23,765

The District's bond indentures provide for certain restrictions, the most significant of which are:

Additional bonds may not be issued unless estimated net receipts (as defined) for each future year will equal or exceed 1.4 times the debt service on all bonds outstanding including the additional bonds being issued or to be issued in the case of a power plant (as defined) being financed in increments.

An amount at least equivalent to 12 1/2% of gross operating revenue (as defined) must be spent annually for maintenance, replacements, or additions to the electric system, or if not so spent is to be placed in a special fund to be used for such purposes or for retirements of original bonds (as defined) in advance of maturity.

In any three-year period, at least 7 1/2% of general business income (as defined) must be spent for replacements, renewals, or additions to the electric system. Any deficiency is to be spent within two years thereafter for such purposes or if not so spent is to be used for bond retirements in advance of maturity.

At December 31, 1990 and 1989, \$57,810,000 and \$58,470,000, respectively, of 7.0% - 9.35% Series 1985A Electric System Revenue Bonds remained outstanding. Such bonds are funded by Government securities that were deposited by the District in an irrevocable trust in 1986. The bonds and the Government securities were removed from the District's balance sheet at that time.

Subordinated Obligation - The subordinated obligation is payable in annual installments of \$481,815, including interest, through 2014.

3. SPECIAL PURPOSE FUNDS

Special purpose funds of the District are as follows:

The Construction Fund is to be used for capital improvements, additions and betterments to and extensions of the District's electric system, or for payment of principal and interest on Electric System Revenue Bonds.

The Electric System Revenue Bond Fund and Debt Service Fund are held by Trustees for the retirement of term and serial bonds and the payment of the related interest.

The Segregated Fund represents customer deposits and refundable advances.

The Segregated Fund - Collateralized Securities represents investments in short-term securities (generally, repurchase agreements collateralized by Government securities) as permitted by State statute.

Decommissioning Funds - In 1990, the District established new funds, including an external trust fund, to account for the

investments held to fund the estimated cost of decommissioning Fort Calhoun Station - Unit No. 1 when its operating license is scheduled to expire in 2008. The new funds were established to comply with the NRC's minimum funding requirements (see Note 1). The balances of the funds at December 31 were as follows:

	1990	1989
	(thousands)	
Decommissioning Trust - 1990 Plan	\$33,147	\$ -
Segregated fund - decommissioning	6,109	-
Revenue fund - decommissioning	-	32,210
Total Decommissioning funds	<u>\$39,256</u>	<u>\$32,210</u>

The Deferred Compensation Fund is valued at market value and is used to account for employee and District contributions and related earnings pursuant to the District's Supplemental Retirement Savings Plan (see Note 8).

4. DEPOSITS AND INVESTMENTS

The District's bank accounts and investments included in the Construction Fund, Electric System Revenue Bond Fund, Debt Service Fund, Segregated Funds, Decommissioning Funds and the Revenue Fund are held by the District's agents in the District's name in accordance with the District's bond covenants and State statutes. The investments, carried at a cost of \$259,958,000 and \$252,861,000 at December 31, 1990 and 1989, respectively, are comprised primarily of securities of U.S. Government and related agencies and repurchase agreements (collateralized by Government securities). The aggregate market value of the District's investments at December 31, 1990 and 1989 is \$265,847,000 and \$255,326,000, respectively.

5. DEFERRED CHARGES

The composition of deferred charges at December 31, 1990 and 1989 was as follows:

	1990	1989
	(thousands)	
Deferred financing costs	\$31,741	\$33,284
Safety Enhancement Program - Fort Calhoun Station	20,526	15,858
Other	17,861	14,289
Total	<u>\$70,128</u>	<u>\$63,441</u>

6. ELECTRIC REVENUE NOTES - COMMERCIAL PAPER SERIES

The District has authorized the issuance of tax-exempt commercial paper of up to \$150,000,000 which is supported by a credit agreement which expires in June 1993. At December 31, 1990 and 1989, the District had \$100,000,000 of commercial paper issued and outstanding. The average borrowing rates at December 31, 1990 and 1989 were 5.9% and 6.1%, respectively.

NOTES TO FINANCIAL STATEMENTS FOR THE THREE YEARS ENDED DECEMBER 31, 1990 (CONTINUED)

7. PENSION PLAN

Substantially all employees of the District are covered by a defined benefit plan which provides retirement and death benefits. Employees are eligible for coverage at the time of employment with a vesting period of five years. Generally, the plan provides for benefits at age 65 with reduced benefits for early retirements. Total payroll for all employees and covered payroll for the year ending December 31, 1990 were \$99,622,000 and \$84,755,000, respectively. Employees contribute 4.0% of their base pay to the plan. The District is obligated to contribute the balance of the funds needed on an actuarially determined basis. The plan's funded status and amounts recognized in the District's balance sheets at December 31, 1990 and 1989 were as follows:

	1990	1989
	(thousands)	(thousands)
Plan assets at fair value	\$247,341	\$244,911
Projected benefit obligation:		
Actuarial present value of accumulated:		
Vested benefits	142,463	146,811
Nonvested benefits	6,311	5,387
Effect of projected salary increases	46,788	46,359
Excess of plan assets over projected benefit obligation	51,779	46,354
Unrecognized transitional asset	(10,330)	(11,269)
Unrecognized net gain	(48,155)	(42,247)
Unrecognized prior service cost	4,370	4,706
Unfunded accrued pension cost	<u>\$ (2,336)</u>	<u>\$ (2,456)</u>

On January 1, 1990, a District merged the Dependent Survivor Benefit Plan into the Retirement Plan increasing the projected benefit obligation (PBO) by \$1,013,000. The PBO was determined using an assumed discount rate of 8.5% for 1990 and 1989. Plan assets are primarily listed stocks, corporate bonds, and U.S. Government securities. There are no District securities included in the plan assets. The expected long-term rate of return on assets is 7.0%. An average annual rate of compensation increase of 6.0% was also assumed. The unrecognized transitional asset is being amortized on a straight-line basis over fifteen years by annual credits to net periodic pension cost.

Net periodic pension cost for 1990, 1989 and 1988 included the following components:

	1990	1989	1988
	(thousands)	(thousands)	(thousands)
Service cost	\$ 3,160	\$ 4,872	\$ 1,827
Interest cost	15,382	13,979	12,989
Actual return on assets	(9,987)	(40,372)	(19,802)
Net amortization and deferral	(9,688)	24,396	5,816
Net pension expense (income)	<u>\$ (1,133)</u>	<u>\$ 2,875</u>	<u>\$ 830</u>

The pension benefit obligation, which is the actuarial present value of credited projected benefits, is a standardized disclosure measure of the present value of pension benefits, adjusted to include the effect of projected salary increases estimated to be payable in the future as a result of employee service to date. Based upon the most recent actuarial valuation on January 1, 1990, the pension benefit obligations at December 31, 1990 and 1989 were as follows:

	1990	1989
	(thousands)	(thousands)
Retirees and beneficiaries receiving benefits	\$ 98,216	\$ 32,866
Terminated vested employees	947	895
Accumulated current employee contributions	47,679	42,180
District-financed vested benefits	40,424	41,122
District-financed nonvested benefits	8,296	7,845
Total pension benefit obligations	<u>\$195,562</u>	<u>\$184,908</u>

Contribution requirements are actuarially determined, using the Attained Age (level percent of pay) Method. The frozen initial liability is amortized over a 30-year period. Assumption changes and plan amendments are amortized over a 10-year period. The actuarial assumptions used to compute the actuarially determined contribution requirements were the same as those used to compute the PBO, except a 9.0% discount rate was used. Plan contributions by District employees for the years ended December 31, 1990 and 1989 were \$3,390,205 and \$3,864,531, respectively. The District has not contributed to the plan during the last three years. All assumptions and methods used for the January 1, 1990 valuation are the same as the January 1, 1989 valuation.

Three-year historical trend information as of December 31 is as follows:

	Net Assets Available for Benefits (Col. 1)	Pension Benefit Obligation (Col. 2)	Col. 1 as % of Col. 2 (Col. 3)	Assets in Excess of Pension Benefit Obligation (Col. 4)	Annual Covered Payroll (Col. 5)	Col. 4 as % of Col. 5 (Col. 6)
	(thousands)	(thousands)		(thousands)		
1988	\$208,651	\$186,517	125.3	\$42,134	\$71,202	59.2
1989	245,240	184,908	132.6	60,335	79,108	76.3
1990	247,341	195,562	126.5	51,779	84,715	61.1

Ten-year historical trend information, as available, is disclosed in the District's Comprehensive Annual Financial Report.

8. SUPPLEMENTAL RETIREMENT SAVINGS PLAN

The District has established a Deferred Compensation Fund for all eligible employees that allows contributions by employees that are partially matched by the District beginning in 1988. By agreement, contributions and related earnings under the Plan remain the property of the District until an employee leaves the District. The District's matching share of contributions in 1990, 1989 and 1988 was \$1,144,000, \$1,043,000 and \$960,000, respectively.

9. COMMITMENTS

The District's Construction Budget provides for expenditures of approximately \$126,056,000 during 1991 and \$38,060,000 during later years, of which approximately \$18,000,000 was under contract at December 31, 1990.

The District has coal supply contracts which extend through 1998 with minimum future payments of \$52,530,000. The District also has a coal transportation contract with minimum future payments of \$90,698,000. These contracts are subject to price escalation adjustments.

Contracts with estimated future payments of \$11,300,000 are in effect for nuclear fuel. In addition, contracts with estimated future payments of \$120,000,000 for the furnishing of uranium enrichment services extend to the year 2008.

10. COAL TRANSPORTATION SETTLEMENT

During 1988, the Board of Directors approved a settlement agreement on a claim that the District was overcharged for the transportation of coal from 1982 through 1985. The agreement calls for payments in three successive years beginning in 1988.

The amounts recovered are being refunded to the District's customers and participating utilities over a three-year period. Amounts related to the settlement have been recognized in the accompanying financial statements.

11. CONTINGENT LIABILITIES

Effective August 22, 1988, the Price Anderson Act was amended and extended to the year 2002. Under the provisions of the Act, the District and all other licensed nuclear power plant operators could each be assessed for claims in the event of a nuclear incident in amounts not to exceed a total of \$63,000,000 per reactor per incident with a maximum of \$10,000,000 per incident in any one calendar year. These amounts are subject to adjustment every five years in accordance with the Consumer Price Index.

The District is engaged in routine litigation incidental to the conduct of its business and, in the opinion of its General Counsel, the aggregate amounts recoverable from or to the District, taking into account estimated amounts provided in the financial statements and insurance coverage, are not material.

NET RECEIPTS AND DEBT SERVICE COVERAGE FOR THE FIVE YEARS ENDED DECEMBER 31, 1990 (UNAUDITED)

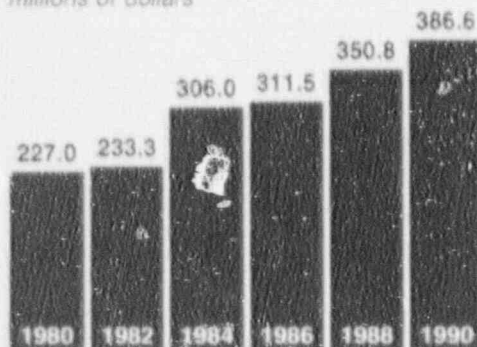
	1990	1989	1988	1987	1986
			(thousands)		
Operating revenues	\$386,648	\$375,643	\$350,837	\$322,113	\$311,498
Operation and maintenance expenses	241,409	246,204	214,703	193,173	188,099
Payments in lieu of taxes	14,370	13,817	12,358	11,347	10,968
Net operating revenues	130,869	115,622	123,776	117,593	112,431
Investment income (1)	5,286	5,166	4,819	5,537	5,851
Net receipts	\$136,155	\$120,788	\$128,595	\$123,130	\$118,282
Total debt service (2)	\$ 73,638	\$ 69,320	\$ 65,867	\$ 65,866	\$ 66,188
Debt service coverage	1.84	1.74	1.95	1.86	1.78

(1) Income derived from the investment of moneys in the Debt Service Fund and the Reserve Account of the Electric System Revenue Bond Fund under the District's bond indentures (Resolution No. 19 and Resolution No. 1788).

(2) Total Debt Service for both Resolution No. 19 and Resolution No. 1788 Bonds is accrued on a calendar-year basis similar to the computation of Net Receipts. Interest funded from bond proceeds is not included in Total Debt Service.

1990-1989 COMPARISONS

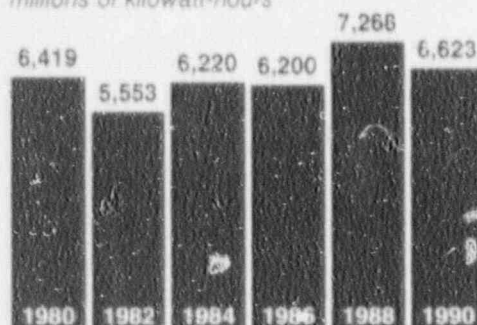
millions of dollars



OPERATING REVENUES (thousands)

Classification	Year 1990	Percent of Total	Year 1989	Percent of Increase (Decrease)
Residential	\$162,464	39.4	\$146,458	4.1
General Service — Small	135,774	35.1	134,821	0.7
General Service — Large	78,375	20.3	72,416	8.2
Government and Municipal	9,885	2.5	8,417	15.1
Other Electric Utilities	3,824	1.0	5,825	(34.4)
Accrued Unbilled Revenues	1,015	0.3	2,753	(63.1)
Total Electric Revenues	\$381,137	98.6	\$370,690	2.8
Miscellaneous Revenues	5,511	1.4	4,953	11.3
Total Operating Revenues	\$386,648	100.0	\$375,643	2.9

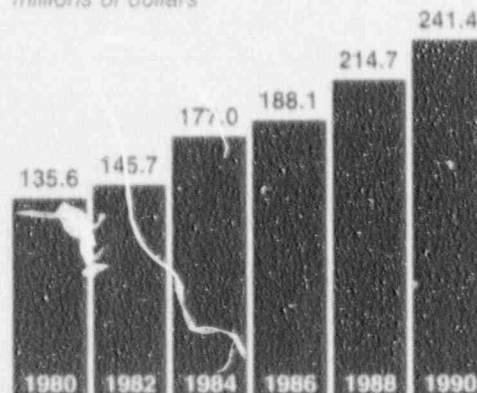
millions of kilowatt-hours



KILOWATT-HOUR SALES (thousands)

Classification	Year 1990	Percent of Total	Year 1989	Percent of Increase (Decrease)
Residential	2,292,975	34.6	2,246,496	2.1
General Service — Small	2,275,647	34.4	2,304,856	(1.3)
General Service — Large	1,831,635	27.6	1,713,362	6.9
Government and Municipal	78,514	1.2	77,215	1.7
Other Electric Utilities	137,166	2.1	44,935	205.3
Accrued Unbilled Kilowatt-Hours	6,695	0.1	29,914	(77.6)
Total Energy Sales	6,622,632	100.0	6,416,778	3.2

millions of dollars



OPERATION AND MAINTENANCE EXPENSES (thousands)

Classification	Year 1990	Percent of Total	Year 1989	Percent of Increase (Decrease)
Generating Expense	\$168,071	69.6	\$192,237	(12.6)
Purchased and Interchanged				
Power	3,754	1.6	(18,629)	120.2
Transmission and Distribution	26,669	11.1	26,104	2.2
Customer Accounts	9,395	3.9	9,746	(3.6)
Customer Service and				
Information	3,737	1.5	3,397	10.0
Administrative and General	29,782	12.3	33,349	(10.7)
Total Operation and Maintenance Expenses	\$241,409	100.0	\$246,204	(1.9)

thousands of customers



AVERAGE NUMBER OF CUSTOMERS*

Classification	Year 1990	Percent of Total	Year 1989	Percent of Increase (Decrease)
Residential	216,373	87.7	215,194	1.5
General Service — Small	30,117	12.1	29,439	2.3
General Service — Large	90	—	75	20.0
Other	480	0.2	461	4.1
Average Customers	249,060	100.0	245,169	1.6

*Average Total Twelve Months Ended December

ELECTRIC SYSTEM REVENUE BONDS OUTSTANDING

(In Thousands) as of December 31, 1990

Maturity Date February 1	1961 ISSUE		1966 ISSUE		1966 ISSUE		1969 ISSUE		1972 ISSUE		1973 ISSUE		1977 ISSUE SERIES A		1977 ISSUE SERIES B		1977 ISSUE SERIES C		1986 ISSUE SERIES A**		1988 ISSUE SERIES A		Total Principal Maturities (Feb. 1)	Annualized Debt Service
	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't	Int. Rate	Am't		
1991	3%	1,000	4 1/4	1,500	4 1/4	2,300	5	1,000	5 1/2	4,845	5 3/8	880	5 3/8	2,600			5 3/8	2,100	5 1/4	1,235	5 1/4	1,100	19,340	73,676
1992			4 1/4	1,500	4 1/4	2,300	5	1,000	5 1/2	5,110	5 3/8	905	5 1/2	3,850			5 1/2	3,380	5	1,310	5 1/4	1,100	20,435	73,627
1993			4 1/4	1,500	4 1/4	2,300	5	1,000	5 1/2	5,390	5 1/2	950	5 1/4	4,150			5 1/2	2,620	5 1/4	1,400	5 1/4	1,150	21,460	73,641
1994			4 1/4	1,500	4 1/4	2,400	5 1/2	1,100	5 1/2	5,525	5 1/2	1,000	5 1/2	4,500			5 1/4	3,720	5 1/4	1,495	5 1/4	1,200	22,800	73,615
1995			4 1/4	1,500	4 1/4	2,400	5 1/2	1,100	5 1/4	6,000	5 1/4	1,050	5 1/2	4,900			5 1/2	3,970	5 1/4	1,595	5 1/4	1,250	23,785	73,544
1996			4	1,500	4 1/4	2,400	5 1/2	1,100	5 1/4	6,330	5 1/4	1,110	5 1/4	5,350			5 1/2	4,170	7	1,710	5 1/4	1,300	24,975	73,569
1997					4 1/4	2,400	5 1/2	1,100	5 1/4	6,680	5 1/4	1,170	5 1/2	7,300			5 1/2	4,485	7 1/2	1,835	5 1/4	1,400	26,370	73,665
1998					4	2,500	4 1/4	1,100	5 1/4	7,045	5 1/4	1,235	5 1/2	7,900			5 1/4	4,580	7 1/2	1,980	5 1/4	1,500	27,950	73,995
1999							4 1/4	1,100	5 1/4	7,430	5 1/4	1,300	5 1/2	10,900			5 1/4	4,950	7 3/8	2,130	5 1/2	2,000	29,820	74,345
2000									5 1/4	7,840	5 1/4	1,370	5 1/2	12,600			5 1/4	5,335	7 3/8	2,300	5 1/2	2,500	31,945	74,271
2001									5 1/4	8,275	5 1/4	1,450	5 1/2	13,450			5 1/4	5,470	7 1/2	2,480	5 1/2	2,600	33,725	74,225
2002									5 1/4	8,725	5 1/4	1,525	5 1/2	14,380			5 1/4	5,710	7 1/2	2,660	5 1/2	2,700	35,690	73,412
2003									5 1/4	9,205	5 1/4	1,610	5 1/2	15,250			5 1/4	5,955	7 1/2	2,815	5 1/2	2,900	36,935	73,238
2004									5 1/4	9,715			5 1/2	16,100			5 1/4	6,200	7 1/2	2,180	5 1/2	3,000	39,015	73,048
2005									5 1/4	10,750			5 1/2	16,550			5 1/4	6,970	7 1/2	2,365	5 1/2	3,000	41,135	73,081
2006									5 1/4	10,810			5 1/2	16,900			5 1/4	7,140	7 1/2	2,580	5 1/4	3,200	43,610	72,927
2007													5 1/2	17,300			5 1/4	9,685	7 1/2	2,770	5 1/4	3,300	46,055	55,981
2008															5 1/4	12,860	5 1/4	10,780	7 1/2	3,010	5 1/4	3,700	50,390	54,187
2009															5 1/4	13,670	5 1/2	11,200	7 1/2	3,260	5 1/4	3,850	51,980	54,020
2010															5 1/4	14,490	5 1/2	11,730	7 1/2	3,540	5 1/4	4,100	53,860	54,065
2011															5 1/4	15,360	5 1/2	12,345	7 1/2	3,835	5 1/2	4,500	56,040	54,205
2012															5 1/4	16,285	5 1/2	13,005	7 1/2	4,185	5 1/2	5,000	58,455	54,325
2013															5 1/4	17,260	5 1/2	13,715	8	4,520	5 1/2	5,500	60,995	55,025
2014															5 1/4	18,295	5 1/2	14,435	8	4,830	5 1/2	6,000	64,290	54,806
2015															5 1/4	19,395	5 1/2	15,215	8	5,190	5 1/2	6,500	68,670	54,593
2016															5 1/4	20,555	5 1/2	16,775			5 1/2	7,000	74,330	37,834
2017															5 1/4	21,790					5 1/2	7,450	81,780	3,035
Total Outstanding		1,000		9,000		19,000		9,800		119,335		15,505		192,950		170,000		204,480		66,365		100,000	911,265	1,769,980
Bonds Redeemed to 12/31/90		16,000		16,000		26,000		16,400		50,865		9,465		7,050				20,720		4,365			190,865	
Original Issue		17,000		25,000		45,000		26,200		170,200		25,000		200,000		170,000		225,200		70,730		100,000	1,071,930	

* Term Bonds

** The 1985 Series A Bond issue was refunded by the 1983 Series A issue.

ELECTRIC STATISTICS

	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
Total Utility Plant, including Nuclear Fuel (at year end) (in thousands of dollars)	1,897,546	1,824,757	1,735,654	1,546,734	1,561,960	1,495,254	1,425,461	1,365,553	1,323,435	1,286,174
Bonded indebtedness (at year end) (in thousands of dollars)	911,265	928,835	845,595	861,605	876,945	880,055	833,350	846,505	859,135	870,725
Operating Revenues (in thousands of dollars)										
Residential	152,464	146,458	137,105	125,095	121,541	111,975	116,368	108,722	89,949	77,500
General Service - Small	135,774	134,521	117,711	108,543	105,445	97,321	98,300	82,880	72,495	60,992
General Service - Large	78,375	72,416	61,637	57,561	57,776	55,360	55,444	46,226	41,293	36,345
Government and Municipal	9,685	8,417	7,961	7,726	7,574	7,388	7,089	6,519	5,570	4,516
Other Electric Utilities	3,624	5,825	20,592	18,623	17,395	21,451	25,129	22,958	21,867	40,003
Accrued Unbilled Revenues	1,015	2,753	874	211	(2,482)	5,500	(600)	1,900	(800)	1,000
Miscellaneous	5,511	4,953	4,957	4,354	4,249	4,041	4,259	3,642	2,945	2,190
Total	386,648	375,643	350,837	322,113	311,498	303,036	305,999	272,847	233,319	222,546
Operation & Maintenance Expenses Charged to Operations (in thousands of dollars)	241,409	246,204	214,703	193,173	188,099	172,438	177,001	156,950	145,666	136,135
Payments in Lieu of Taxes (in thousands of dollars)	14,370	13,817	12,558	11,347	10,968	10,107	10,292	9,034	7,565	6,400
Net Operating Revenues before Depreciation and Decommissioning (in thousands of dollars)	130,869	115,622	123,776	117,593	112,431	120,491	118,706	106,863	80,088	80,011
Net Earnings Reinvested in the Business (in thousands of dollars)	40,337	29,584	37,929	31,020	28,015	40,256	40,007	27,929	1,880	6,323
Kilowatt-Hour Sales (in thousands)										
Residential	2,292,975	2,246,496	2,311,242	2,153,681	2,109,493	1,966,119	2,041,395	2,115,596	1,898,606	1,824,285
General Service - Small	2,275,647	2,304,856	2,246,353	2,130,425	2,073,447	1,926,936	1,940,767	1,830,190	1,743,804	1,691,815
General Service - Large	1,831,635	1,713,362	1,655,600	1,562,108	1,535,819	1,497,052	1,471,372	1,384,986	1,334,043	1,411,394
Government and Municipal	78,514	77,215	76,133	75,622	75,356	75,279	74,696	74,781	74,388	74,444
Other Electric Utilities	137,166	44,935	861,208	718,807	405,512	529,759	691,792	590,987	501,704	1,258,803
Accrued Unbilled Kilowatt-Hours	6,695	29,914	17,010	(13,682)	(56,104)	114,720				
Total	6,622,632	6,416,778	7,267,636	6,627,961	6,143,523	7,109,865	6,220,022	5,996,640	5,552,545	6,260,741
Number of Customers (average per year)										
Residential	218,373	215,194	212,324	209,900	205,538	201,662	197,750	193,638	191,808	190,451
General Service - Small	30,117	29,439	28,731	28,109	27,623	26,966	26,271	25,245	24,264	23,833
General Service - Large	90	75	75	76	78	75	73	73	73	75
Government and Municipal	475	457	433	417	405	391	400	392	403	418
Other Electric Utilities	5	4	5	6	7	6	7	7	8	10
Total	249,060	245,169	241,568	238,508	233,649	229,100	224,501	219,355	216,656	214,787
Residential Statistics (average)										
kWh/Consumer	10,500	10,439	10,865	10,261	10,263	9,750	10,323	10,926	9,898	9,579
Dollar Revenue/Consumer	698.18	680.59	645.73	595.97	591.33	555.26	568.46	561.47	468.95	406.93
Cents/kWh	6.65	6.52	5.93	5.81	5.76	5.70	5.70	5.14	4.74	4.25
Generating Capability (at year end) (in kilowatts)	1,367,200	1,867,500	1,823,000	1,846,900	1,892,300	1,896,200	1,994,500	1,997,500	1,997,500	1,992,100
System Peak Loads (in kilowatts)	1,652,300	1,597,000	1,600,400	1,532,700	1,436,600	1,331,200	1,383,900	1,411,500	1,330,200	1,382,400
Net System Requirements (kilowatt-hours in thousands)										
Generated	7,721,410	7,202,585	7,756,360	7,511,779	7,322,999	6,850,069	6,712,772	6,302,725	6,265,287	6,667,831
Purchased and Net Interchanged	(864,931)	(426,299)	(1,050,747)	(1,237,120)	(1,187,400)	(915,987)	(860,382)	(483,636)	(868,271)	(1,335,512)
Net	6,856,479	6,776,286	6,705,613	6,274,659	6,135,599	5,934,082	5,852,390	5,819,089	5,397,016	5,332,319

() Denotes Negative

PPD CORPORATE OFFICERS

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FRANK J. WEAR

Vice Chairman of the Board

JOHN K. GREEN

Treasurer

MICHAEL J. O'HARA, Ph.D.

Secretary

FRED M. PETERSEN

President

Chief Executive Officer

ELDON C. PAPE

Executive Vice President —

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Assistant Secretary

WILLIAM C. JONES

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CHARLES P. MORIARTY

Assistant Treasurer

RICHARD C. SHANEYFELT

Assistant Treasurer

**Omaha Public Power District
Energy Plaza**

444 South 16th Street Mall
Omaha, Nebraska 68102-2247

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