



# Nebraska

## INDUSTRIAL OVERVIEW

Spring 2006

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### NEW ETHANOL PROJECT IN MADRID



*Robert Lundeen,  
president & CEO,  
Mid America Bio  
Energy &  
Commodities, LLC*

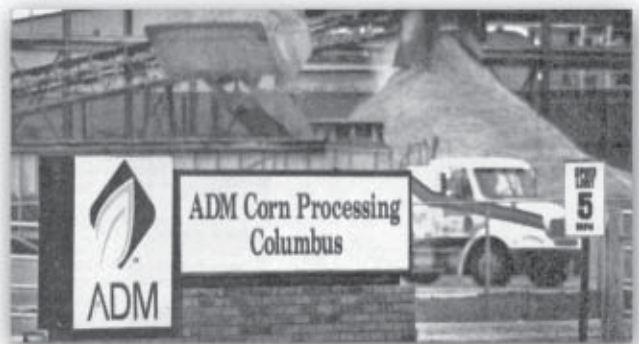
On December 19, 2005, Mid America Agri Products/Wheatland held a ground breaking ceremony for their \$70 million ethanol project in Madrid. The facility, to be operational in early 2007, will process more than 16 million bushels of corn into 44 million gallons of ethanol and 400,000 tons of wet distillers grains and solubles per year. The ethanol producer plans to expand the facility to 88 million gallons per year and add state-of-the-art grain drying systems that will annually produce 150,000 tons of distillers dried grains from 32 million bushels of corn. The facility's total cost is anticipated to exceed \$120 million.

The ethanol plant, operated by Mid America Bio Energy & Commodities, L.L.C. of North Platte, will employ approximately 40 full-time employees with approximately 90 secondary jobs added to the five-county area.

Nebraska Public Power District will provide the electric power to the plant as well as energy management services.

Mid America Bio Energy & Commodities, L.L.C., is planning a second, identical ethanol project in Cambridge, Nebraska. Ground breaking is expected in the first quarter of 2007.

### ADM SELECTS COLUMBUS FOR EXPANSION



*Source: The Columbus Telegram*

Archer Daniels Midland Company (ADM) announced it will build a dry corn milling plant with an initial annual capacity of 275 million gallons adjacent to the existing wet mill ethanol plant in Columbus. Construction could begin by late fall of 2006, subject to applicable governmental approvals.

ADM announced it will build a coal-fired co-generation plant to produce steam for its corn milling and ethanol operations in Columbus. The co-gen plant will be primarily coal-fired, although other fuels may be used, to produce process steam and electric energy. The electric energy produced will be sold to Nebraska Public Power District as Loup Power District provides all of ADM's electrical requirements.

**“ADM’s selection of Columbus for its increased ethanol production is a huge benefit for Columbus and the surrounding area,” said Neal Suess, president and CEO of Loup Power District.**

## GROUND BREAKING ON \$100 MILLION PLANT IN ALBION



*Left to Right: John O'Connor, Nebraska Public Power District; Walter Kitrell, Fagen, Inc.; Mike Malecha, United Bio Energy LLC; Shirley Petsche, Boone County Development Agency; Brian Silvey, Cargill Sweeteners North America; Governor Dave Heineman; Dan Dye, Cargill Ag Horizons; Robert Racek, Albion Cargill Ag Horizons; Neal Suess, Loup Power District; Mary Plettner, Nebraska Public Power District; and Ron Hostetter, Cornhusker Public Power District.*

Nebraska Public Power District; and Ron Hostetter, Cornhusker Public Power District.

Ground was broken on January 18 on a \$100 million ethanol plant near Albion, Nebraska. Another \$15 million will be invested for start-up and working capital purposes. The facility, to be served by Cornhusker Public Power District, will create 58 new jobs and bring additional suppliers to the area.

ASAlliances Biofuels LLC expects construction to begin immediately and operations to begin in mid- to late 2007. The plant will use 40 million bushels of corn a year producing more than 100 million gallons of ethanol and approximately 315,000 tons of dried distillers grains for livestock feed.

**“Projects such as this have a substantial and positive impact on local economies and our state overall,”** said Governor Dave Heineman.

**“The value-added business this ethanol facility will bring to our community will have a significant impact on the local economy, maybe the largest impact in this county’s history,”** said Hank Thieman, Boone County Commissioner and president of the Boone County Development Agency.

**“This ethanol facility will benefit all of our customers by keeping our rates among the lowest in the nation,”** said Ron Hostetter, general manager of Cornhusker Public Power District.

## CHADRON LANDS TECHNOLOGY FIRM

Your Selling Team announced plans on March 20 to build a 10,000 square foot, business-to-business call center in Chadron.

**“I want to thank the Governor for his leadership, and the Nebraska Legislature for the passage of the Nebraska Advantage last fall. These incentives were a key factor in the decision to expand in Nebraska.**

**The bill makes rural Nebraska more competitive and attractive to businesses and, combined with Nebraska’s work ethic, I’m very anxious to continue creating jobs in rural Nebraska,”** said Tom Gallaway, president.



*Dr. John Gamby, Mayor of Chadron, and Governor Dave Heineman via satellite  
Source: The Chadron Record*

The announcement came just 105 days after ACI Telecentrics closed its Chadron call center, a move that put 60 people out of work. **“The existing, skilled labor force in this area is key to our future plans,”** said company Vice President Julie Younkin. **“We are very excited about the opportunity to add former call center employees as well as Chadron State College students and graduates to our business operation.”**

**“One hundred new jobs is big news in a community of this size, and the fact that these jobs are coming to a community of 5,600 people, stands to have a phenomenal and, we hope, lasting impact on this community. The company has made a real commitment to our rural workforce,”** said Governor Dave Heineman.

Both Gallaway and Younkin praised the city staff, local bankers, the Workforce Development office, Nebraska Northwest Development Corporation, Chadron State College, Nebraska Public Power District, and Great Plains Communications, among others, for their efforts. **“They made it easy for us to say ‘yes’ to Chadron,”** said Younkin.

## NEW ETHANOL PLANT ANNOUNCED



Photo right to left: Everett Larson, E Energy; Doug Campbell, Broken Bow Economic Development; Governor Dave Heineman; Jack Alderman, E Energy; Rick Nelson, Custer Public Power District; and Bud Olsson, E Energy.

Plans to build an \$85 million ethanol plant near Broken Bow were announced on January 20. Construction of E Energy Broken Bow will begin in early 2007, and the plant will be operational in 2008. The plant, employing approximately 35 people, will use 18.5 million bushels of corn and produce 50 million gallons of ethanol annually. The plant will be served by Custer Public Power District.

**“Custer County’s corn and cattle supply make this a logical place to build an ethanol facility,”** said Jack Alderman, a Wisconsin-based developer. **“It’s easy to do business in Nebraska because of the help provided by the State Ethanol Board, Custer Public Power District, the Nebraska Department of Economic Development, and the state’s economic development incentives. This project is good business.”**

**“This is going to bring quality jobs to the entire area, not just the city of Broken Bow,”** said Doug Campbell, president of the Broken Bow Economic Development Corporation. **“This project will strengthen the long-term economic viability of the entire region.”**

**“The addition of the plant near Broken Bow will benefit all of our customers and will provide stability for rates in the years to come,”** said Rick Nelson, general manager of Custer Public Power District.

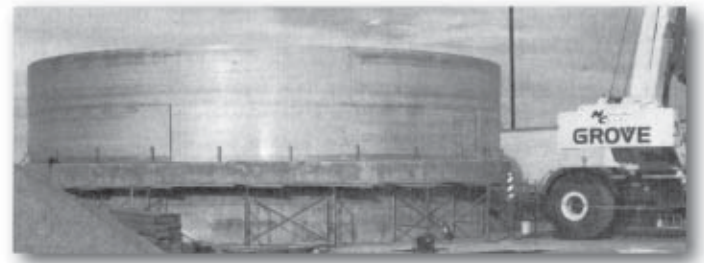
## MEET NEBRASKA REPS AT PLASTICS SHOW AND FUEL ETHANOL WORKSHOP

Learn about the advantages of a Nebraska plant location while visiting with Nebraska representatives at **Booth 11214** during the Plastics Show June 19-23 in Chicago. *“Nebraska Profit Opportunities for Manufacturers of Plastics Products”* will be

available at the show as well as online at [sites.nppd.com](http://sites.nppd.com). This study documents the energy and labor cost advantages of a Nebraska plant location.

Nebraska representatives will also be attending the 2006 Fuel Ethanol Workshop and Expo in Milwaukee June 20-23. Visit with them at **Booth 1511** about the advantages of a Nebraska location for your expansion plans.

## KAAPA ETHANOL EXPANDS IN MINDEN



Source: *The Minden Courier*

KAAPA Ethanol is planning to expand production from 40 million gallons of ethanol a year to 60 million gallons. This project, anticipated to be complete in May 2006, is expected to cost approximately \$7 million. The plant will be served electrically by Southern Power District.

Four tanks, including two 750,000-gallon fermentation tanks, are being added to speed the fermentation process. **“We’re adding this because we need more processing equipment,”** said General Manager Chuck Woodside. **“The majority of this expansion is in four tanks, with supporting processing equipment.”**

When the expansion is complete, KAAPA Ethanol in Minden will grind between 21 and 22 million bushels of corn a year, which is nearly the amount of corn harvested annually in Kearney County.

**“We feel KAAPA is one of the strongest performers in the ethanol field. We are proud to be a part of their development in a small way by providing, on a lease basis, the in-plant distribution system,”** said Gary Hedman, manager of Southern Power District.

# COZAD, NEBRASKA

[WWW.CI.COZAD.NE.US](http://WWW.CI.COZAD.NE.US)



A 75-acre site and a 5,000 square foot speculative building await

businesses that wish to open in Cozad.

The community is located in the Platte River Valley, only one-fourth mile north of Interstate 80. The city has a rich history and friendly people. Cozad is committed to progress and works cooperatively to provide strong infrastructure and superior quality of life features.

Located in the center of Dawson County with deep roots in agriculture and livestock production, the community also has a diversified business and industry base. Tenneco Auto Equipment Company, Nebraska Plastics, and VVS have expanded in Cozad since 2000.

The city's transportation advantages include being served by Interstate 80 and the main line of the Union Pacific Railroad.

The city's airport has a 4,200-foot concrete runway, and commercial air service is available within an hour's drive.

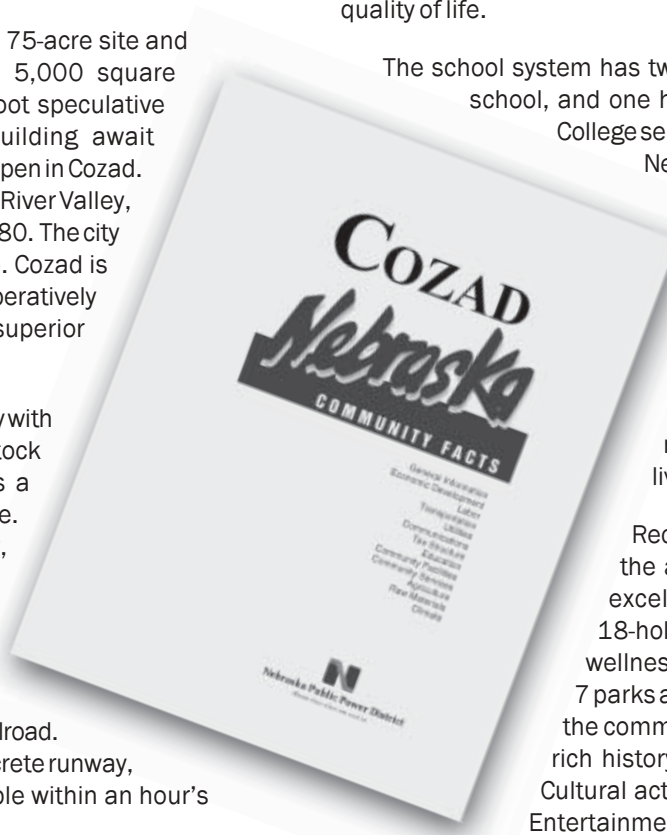
Cozad operates its own electric distribution system with power supplied by Nebraska Public Power District. Natural gas is supplied to the city by Kinder Morgan, Inc. The municipal water system has a maximum capacity of 8.8 million gallons and the sanitary sewerage system has a daily capacity of .83 million gallons. The Cozad Telephone Company, with a digital central office and fiber optic network, provides both telecommunications and high-speed broadband services.

Cozad's parks, museums, shopping opportunities, up-to-date libraries, schools, hospitals, abundance of recreational opportunities, and a culture that remains focused on creating a better future for generations to come contribute to Cozad's quality of life.

The school system has two elementary schools, a middle school, and one high school. Central Community College serves the area, and the University of Nebraska at Kearney is located within an hour's drive.

The Cozad Community Hospital, a 21-bed critical access hospital, provides medical care in the community. Southview Manor is an 87-bed facility consisting of 67 skilled nursing home beds and 20 assisted living units.

Recreational opportunities abound in the area. Three area lakes provide excellent fishing and boating. An 18-hole golf course, bowling, theater, wellness center, and walking trail plus 7 parks and 2 campgrounds are located in the community. Two museums display the rich history of Cozad and Dawson County. Cultural activities are provided by the World Entertainment Series and the Cozad Area Arts Council.



For detailed information on Cozad, contact the city office at [cozadcty@cozadtel.net](mailto:cozadcty@cozadtel.net) or call (308) 784-3907. The Cozad Community Facts Book may also be viewed online at [sites.nppd.com](http://sites.nppd.com).

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