

NORTHEAST NEBRASKA PUBLIC POWER DISTRICT

Nebraska 107, Wayne

Effective: March 25, 2014

SCHEDULE I-T-O-U

AVAILABILITY

Available for service to irrigation pumps, subject to District’s established rules and regulations.

TYPE OF SERVICE

Three-phase or single phase, 60 cycle, at available secondary voltages.

RATES:

Time-Of-Use

Minimum Annual Service Charge per Horsepower (shown as a reference only)		\$31.00	per HP
Corresponding charge per kW of peak demand (for billing in 2014)		\$37.35	per kW
Energy Charges: A-rate (Off-Peak – 11:00 pm to 9:00 am)	@	3.4	¢ per KWh
B-rate (Non-Peak Daytime – 9:00 am to 11:00 pm)	@	7.5	¢ per KWh
C-rate (Critical Peak “Red Hours” – times vary)	@	75.0	¢ per KWh

No Control Option

Minimum Annual Service Charge per Horsepower (shown as a reference only)	\$ 88.50	per HP
Corresponding charge per kW of peak demand (for billing in 2014)	\$100.00	per kW
Energy Charge	@	6.1 ¢ per kWh

No Power will be allowed for the Annual Minimum kiloWatt Charge.

Production Cost Adder: In case the rate under which the Seller purchases power at wholesale is amended or is adjusted in accordance with a fuel or production cost adder provision in the Seller’s Wholesale Power Contract, the foregoing energy charge shall be adjusted each month by the same amount per kilowatt-hour as the cost adjustment per kilowatt-hour in the Seller’s Wholesale power bill including losses for the corresponding month.

DETERMINATION OF ANNUAL KW CHARGE

The Annual fixed kW charge for billing purposes shall be the highest actual metered kW in the current year or any of the three previous years. Should motor size be reduced, or motor efficiency improved, or pivot system efficiency be improved, then customer should communicate those improvements for potential billing adjustment

POWER FACTOR ADJUSTMENT

All irrigation customers with motors 20 HP or larger will be required to have a power factor correcting capacitor bank. A kW demand charge adjustment for power factor readings less than 95% will be assessed as follows: The kW demand in such cases will be adjusted by dividing the metered kW demand by the actual power factor (expressed as a percentage), and then multiplied by 95%.

MINIMUM ANNUAL SERVICE CHARGE

The minimum annual service charge will be billed and is payable 15 days from billing date. The annual service charge will be considered delinquent if not paid by due date on statement. If no payment is received by the June 1, 2014, service will be discontinued until payment is received. A disconnection and reconnection fee per District Collection Policies, in addition to the annual service charge, will be charged before service is reconnected.

TERMS OF PAYMENT

Penalty dates are posted on monthly bills. The District’s policies governing penalties, collection charges, and disconnection of service for non-payment shall apply.

Adopted: March 25, 2014

(please see reverse side)

Important information for 2014:

This is the first billing of the annual minimum charge based on the previous year's actual metered kW used instead of the name plate Horsepower. Almost all customers are seeing a change in the amount of this annual billing. About half of the 635 customers on this rate are getting a decrease in cost because their motor didn't draw quite as much power last year as the nameplate Horsepower rating would suggest. About half of the 635 customers are being billed more than the rate increase because their motor load is actually more than the HP rating on record. There are some wide swings with some customers getting substantial increases and others decreases.

We have been very careful to set charges per kW that are equivalent to Horsepower. There is nothing in the translation between the units of kW or Horsepower that would make anyone pay more or less. A kW is a larger unit of power than a Horsepower and hence the 'per unit' cost for a kW would naturally be more. The billing units in kW are fewer for the group of 635 customers and the money collected by the District is equal based on this conversion.

By changing to measured/metered kW instead of nameplate Horsepower as the basis for billing, we open up the opportunity to reward efficiency by the customer. If you change out a motor to a higher efficiency motor, then be sure to let us know and we will adjust the kW billing ratchet amount (highest in previous 3 years) to match the new lesser motor load. Also let us know about other efficiency improvements to a pivot that might lessen the electric power consumption.

While the kWh monthly energy charges have not changed in price for 2014, the annual minimum charge has gone up substantially for Time of Use (TOU) customers and decreased slightly for No Control customers. This is due to a change in our wholesale billing charges from NPPD. In prior years NPPD's wholesale power charges permitted the TOU customer to avoid certain hi-voltage delivery charges by shifting use to night after 11:00 pm. This is not the case for 2014 and beyond. Since 95% of our customers are TOU customers this is a completely new charge amounting on average about \$250.00 per customer, but again the amount charged is based on actual metered kW. The more kW used, the more a customer will pay. This is a pass through cost of delivered wholesale power from NPPD. This delivery charge is not the same as paying for power demand kW, which TOU customers can still avoid not pumping during critical peak hours.

Finally, the cost of the minimum annual charge has been increased by 3% in an annual rate increase for the District. More information about this rate increase is provided in previous customer newsletters available on the web at www.nppd.com. On average this rate increase adds \$140.00 per pivot to the annual minimum billing. Again, this increase is not on the rates for kWh energy which remains unchanged in 2014.