

News from the Northeast Nebraska Public Power District

June/July 2010

New! Residential Time of Use Rate May Help Lower Electric Bills!

Certain hours of the day place big demands for electricity on our wholesale supplier, NPPD. This demand means we pay more during peak demand hours for the power we deliver to homes. Northeast Nebraska PPD has developed a new rate that allows customers to decide if they want to shift use to 'off peak times' and save money. We realize not everyone can do so, but for those that can there may potentially be some savings. On peak (higher priced) hours will be 7 am to 10 am and 4 pm to 10 pm Mondays through Saturdays. All other hours of the day and every Sunday, New Year's Day, July 4, and Christmas Day are considered Off Peak, lower costs times. So if you are willing to shift laundry day to Sunday here is what you might save: The price for all ON PEAK hours for wholesale power all year will be 8.3¢/kWh compared to OFF PEAK hours in summer of 3.0¢/kWh and OFF PEAK in winter of 2.4¢/kWh. Perhaps a better way to estimate savings would be to compare the wholesale cost for our regular residential rate of 6.9¢/kWh in summer and 4.8¢/kWh in winter. The regular residential rate averages the high and low costs of wholesale power, but power can be used anytime at the averaged price: so use it at anytime in summer at 6.9¢ or shift it to off peak hours and pay only 3.0¢ and pocket the savings. Call the office to change your rate to the Time of Use rate if you believe you can take advantage of lower wholesale purchased power prices. To see the exact Time of Use rate on our web page, then go to www.nppd.com/rates/.

Line item billing

As mentioned in the previous newsletter the District is showing customers 3 costs that make up charges for electricity. These are NOT new charges and customers have always paid these charges. What is new is the line item breakout. As a reminder, the **Basic Facility Charge** covers the minimum expense the District has in poles, wires, transformers in making service available, even if no power is used. The **Distribution Demand Charge** collects for the costs of providing larger wires, Substations, and equipment needed to meet maximum demand for power, and that is why it is a per kWh charge: More use means higher demand requirements. **Wholesale Power Cost** is that portion of a monthly bill that goes to NPPD to pay for the actual energy consumed. It is important for customers to understand that many costs do not go away just because no energy is consumed and that most of the money paid is to cover purchased power expenses.

New Construction Projects are underway

This spring the District has upgraded the Wayne Substation (southeast of Wayne) by increasing the transformer capacity by an additional 1,250 kVA or 33%. The work at the Wayne Sub also included putting in all new switches, wiring, and equipment. The increased capacity will likely serve growing agriculture needs, but could be described as enough capacity to serve an additional 250 homes, OR another 40 grain bins, OR 20 new irrigation pumps. We replaced a transformer at our Substation on Hwy 20 near Martinsburg. We started work on 4.5 miles of new 3-phase line south of McLean to better handle increased loads for irrigation pumping and on completion of that project will immediately begin construction of 4.5 miles of new 3-phase line running due south toward Foster out of our substation west of Osmond toward Foster. All of these projects are part of our normal 4 year engineering plan to improve areas where existing lines or substations are constraining voltage, load growth or causing higher than average line losses in energy. We also make plans for new subs and tie lines to improve reliability. In the last 7 years the District has spent \$17 million on system improvements funded from \$3 million in borrowing and \$14 million in earnings reinvested in the electric system. The District has a total investment of \$43.6 million in electric facilities to deliver electricity to our customers.

No FEMA money available for the 2010 ice storm

Because the January ice storm centered mostly in Iowa and only touched a few counties in Nebraska, there was not enough financial loss in the State to declare our area a disaster area for reimbursement through the Federal Emergency Management Agency (FEMA). The ice storm cost the District in excess of \$800,000 and was paid for from the District's cash reserves. No rate increase was required to make this expenditure. There were several miles of new line constructed to replace or repair damaged lines. About 150 poles were broken and countless wires broken in the storm. Crews have been working since the storm on repairs and have just recently completed one of the last repair projects, 2 miles of new 3-phase line near Hwy 35 northeast of Emerson.

New additions to our company

We welcome Lucas Gubbels of Foster as new full time apprentice linemen. Kyle Knudsen of Laurel and Zack Cook from Ponca are working with us this summer as part-time Co-op Students on the line crew. Kelsey Witt of

Valentine is a Wayne State student helping part time this summer in the office. We are also pleased to announce the birth of Abbey Backer, daughter of Mandy and Bruce Backer. Mandy is the District's plant accountant.

You may be leaving Money on the Table!

In early 2009 the District mailed out a plastic Co-op Connection Card for use by our customers. The card is FREE and a benefit of being a customer of one of about 900 rural electric systems across the nation. Merchants recognize rural consumers as a powerful group of customers and want your business. This card has the potential to offer you daily savings at the grocery store, drug store, and on some common things you buy from local and national merchants. The Co-op Connections website, <http://co-opconnections.com/>, is the place to obtain details about online, national and local discounts. Use the search engine to find discounts right at home or where you travel. There are over 60 local merchants offering discounts to our customers. Some of these (as examples) include:

- 10% off stock items at Electric Fixture and Supply in Norfolk
- 20% off fresh or silk flowers at Flowers and Wine in Wayne
- FREE 32 oz. fountain drink with 10 gallon gas purchase at Heritage Express in Emerson
- 10% off membership at Providence Wellness Center in Wayne
- 20% off non-sale merchandize at The Diamond Center in Wayne
- A FREE rose with purchase of same at Wayne Greenhouse
- 10% discount on oil changes at Kuehn Auto Sales in South Sioux City

But there's more! The website list hundreds of national merchants offering discounts on things you can buy over the web or when you travel like, rental cars, motels, music and book purchases, etc. At the website you can click by the type of the purchase you seek or by zip code. **Prescription Drug Discounts:** Over 60,000 national and local pharmacies – including Pamida, U-Save, CVS, Walgreens, Wal-Mart, Target, and more are enrolled in our Co-op Connection Card Program to offer 10% to 60% discounts on prescription medicines. Go to the website above and click on Pharmacy Discounts to get general information. To get specific locations of participating pharmacies go to www.locateproviders.com and use '22203' as the group number and '142407524' as the member number. To get price quotes go to www.rxpricequotes.com. *Please do not call the local pharmacy as many chains change their prices on a daily basis.* **Grocery Coupons** are also available for hundreds of common products used every day at co-op connections.com. Also learn more by going to **Facebook** and reading what others are saying about their savings. If you need more information or help, call Amanda here at the District. Rules and regulations can change from time to time, along with the list of participating merchants. Dig out the card we mailed and put it in your wallet, then check the web pages above and start saving. Good Luck.

Power line safety

With good weather and the beginning of the year's farm season, most of us are outside for work and play. Power lines are so common at our homes, businesses and in our fields that we forget that they are dangerous or that weather and wind over time can increase the sag in the wires. When farmers set out into the fields this year with tall equipment and augers, don't assume the clearance is adequate. Take the time to check. Make power line safety a part of every talk you have with farm helpers, especially young people. Do it every time. Often cars along the highways and farm equipment in fields and gravel roads accidentally clip a guy wire and it is never reported. These accidents can also create extra slack in a line and lower clearances. Call us if you need help checking the clearance of a line. If it is too low, we'll fix it. Should a car or tractor you are driving hit a pole and knock a wire down, please don't get out of the car unless it is on fire....then jump clear. Making contact with an energized car or wire and the ground at the same time is deadly. We are on call 24 hours every day to correct any hazard. Call us when you see something that is unsafe. Our web page has a link to www.Safeelectricity.org sponsored by a group of electric utilities that want customers to avoid the injury and heartache of a needless electrical accident.

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