

# News from the Northeast Nebraska Public Power District

July/August 2014

## **Storm after Storm! Four Wind Storms in 5 weeks**

As far back as anyone remembers, we've not had so many damaging winds in June. For weeks the District had crews working overtime and extra contract crews working cleaning up after the June 17, 2014 tornado around Wakefield when on Monday June 30, a 'straight line' wind storm rolled over almost all of the District's five county service area causing widespread and scattered outages. In both of these recent storms, transmission lines owned by the District and NPPD were downed. Most severe was the June 17 tornado that knocked out NPPD's high voltage lines around Norfolk, South Sioux City, and Belden. Additionally, two of the District's own high voltage lines from Emerson to Wayne and Emerson to the Sholes area also sustained broken poles over a combined distance of 4 miles. The June 17 tornado that devastated Pilger, NE moved through a 14 mile swath of Wayne County around Wakefield, NE with other tornadoes that day also touching down around Dixon and Concord, NE. The week after, 'straightline winds' caused scattered outages from Pierce County to Jackson, NE in Dakota County. This storm dumped even more rain often times making roads and fields too muddy to get to the site of the broken wires and washed out poles. High winds and heavy rains topple trees from their roots, often falling into power lines. This storm caused less severe damage on the electric system, but was still a dangerous event and lasted until about noon. Our crews were called on again to repair two broken high voltage poles south of Wakefield which knocked out power to the cities of Emerson, Wakefield and Wayne, NE. The scattered rural outages took until about 10:30 pm that day to restore due to the number of outage locations, travel times and the difficulty in getting down roads, lanes and fields. When a storm knocks out the high voltage supply lines even customers in towns and areas far from the worst damage can be out of power.

## **Storm damage is expensive**

The Federal Emergency Management Agency (FEMA) has started work with the District's personnel to assist in paying for some of the damage. The cost of the June 17 tornado has now exceeded \$1 million. We expect the damage from the other storms to cost less but still, but the cost will still be substantial. Because no electric utility can afford to hire everyone needed for a big storm restoration, neighboring utilities often help each other. This was the case with us when NPPD, Norris PPD, Elkhorn PPD, Cedar Knox PPD and Schmader Electric Contractors all sent crews to help us. Their support was essential to getting our customers back in service and to rebuilding the heavy transmission lines. \$1 million is about the same amount that the District normally invests in a entire year for line improvements and replacements.

## **New Credit Practices Now in Place**

In June, 2014, the District reduced the number of credit extensions a customer may have to avoid disconnection for nonpayment of a past due bill. Previously, 3 extensions per year were possible and now that is reduced to two. But as a replacement the District now has a 'pre-pay option' that eliminates the worry and stress of owing a large bill and being nearly 2 months behind in paying. The Nebraska Department of Health and Human Services recognizes our 'pre-pay' program and will still provide money assistance when needed. Pre-Pay lets the customer avoid large bills; avoid large security deposits and gives customers a daily balance on their account which indicates how much energy is being used daily. The District also changed its deposit guidelines for both new and existing customers to increase deposit amounts based on actual payment practices. No deposit is required for customers that pay promptly over a year and a larger deposit is required for those that don't.

**\$5.00 charge for personal courtesy phone calls to go in effect in August**

The District notifies all customers in an effort to avoid any disconnection of service for nonpayment. If needed, customers that get a paper bill will still get a ‘late-notice/disconnect notice’ in the mail. After that the District provides at no charge an automated phone message informing of the date of disconnection. On the last day before disconnection, the District’s billing staff has been making a personal call help our customers to avoid disconnection of electric service. After August 1, 2014 there will be a \$5.00 charge for this personal call. The billing staff will also give this ‘last chance’ phone call to ‘Pre-Pay’ customers for \$5.00. So many customers have started to depend on this last notice as a cue to finally pay the bill, that the phone call has become an expected prompt to pay instead of a last effort to avoid disconnection.

**Operation Roundup Charitable Giving**

Since the start of the District’s local Operation Roundup Program in early 2012, about \$75,000 has been disbursed to Community programs, Schools, Volunteer Fire Departments, Community Food Banks, Civic Organizations and Charities all serving needs in Dixon, Dakota, Thurston, Stanton, Pierce and Wayne Counties. This program is supported by over 4,200 customer accounts. In offering customers this opportunity we believed the District was unique in its ability to collect pennies and turn them into enough money to make a difference to our local area. The funds are controlled by a separate Board of Directors and are audited each year. For a complete list of organizations that have received a donation from Operation Roundup, go to the front page of the District’s web site at [www.nnppd.com](http://www.nnppd.com). Operation Roundup is a voluntary program and customers can enroll by calling the office or going to [www.nnppd.com](http://www.nnppd.com) and selecting the ‘Pay Bill’ option. Instructions to enroll are there.

**Lender publishes NeNPPD’s financial performance indicators for 2013**

Each year one of our lenders, the Cooperative Finance Corp., sends us their analysis of our 5 year performance as measured against other rural electric distribution systems across Nebraska and also nationwide. We have used these charts often in past newsletters to help our customers understand how their money is used and how our charges compare with other rural electric providers. The NeNPPD Board, management and employees work very hard to bring our customers value and that often requires making difficult decisions. But we’ve managed to keep rates comparatively lower than average while adding many services like meter reading, envelope billing, payment by credit card 24 hours a day via phone or internet, Pre-Pay, and more. Also, we have improved our electric system by adding \$27 million in new electric plant in the last 10 years. Few other organizations have kept their own expenses flat as we have at the District. The big increases in rate charges have been because of increased wholesale power costs. The District’s financial audit and year end statements can be viewed at [www.nnppd.com](http://www.nnppd.com). Selected charts may be viewed on our web page.

**The Board of Directors and Manager are:**

Don Larsen, President	Paul Bodlak, Vice President	Tom Gustafson, Treasurer
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