

News from the Northeast Nebraska Public Power District

September 2008

Service Fees are increasing – Please read to avoid unnecessary cost

With the increasing cost of fuel we are trying to work with customers to avoid as many trips as possible for routine business and for collections. We haven't increased the trip charges in several years, but the costs of making a trip to connect/ disconnect a meter or collect a bill needs to increase at this time. Our new Automatic Meter Reading system allows trips made to simply read a meter to be avoided in almost all cases. But customers have to help. When moving out instead of calling for the service to be disconnected; instead work with the new property owner, the new tenant or landlord to mutually agree on a date for the service to transfer. Simply call the office and give us the information needed to change the account name and date of the transfer and we can then read the meter from the office without charge. Customers that call for a disconnect will be billed a trip charge as will the new customer moving onto our lines when they call for a meter connect. Our revised policy on trip charges states that all trips, for any reason, including collecting past due bills, will be billed at the following rates:

- \$ 50.00 for trip to disconnect service made during business hours (8:00 am –3:00 pm)
- \$ 75.00 for trip to disconnect service made after business hours (3:00 pm – 8:00 am)
- \$ 50.00 for trip to connect (or reconnect) service during business hours
- \$ 75.00 for trip to connect (or reconnect) service after business hours
- \$ 50.00 for trip made to collect a delinquent bill during business hours
- \$ 75.00 for trip made to collect a delinquent bill after business hours

Customers can save themselves, and others, the cost of the above charges by working with new tenants/owners to mutually agree not to have the power disconnected and instead transfer the service to another name. Avoiding disconnection for non-payment, by paying bills in a timely manner, also saves both the charge for the disconnect trip and the reconnect trip, plus the cost of a security deposit.

Standby Service Rates will apply in the near future

Most of the money collected by NeNPPD from customers goes to the Nebraska Public Power District (NPPD) to pay for the cost of wholesale power. But some of the money paid by customers goes to pay for the pole, wire, meter and transformer to serve each home, business and farm. These costs vary depending on the size of the transformers and so customers are grouped into broad 'rate classes' and a minimum charge established for each class. In setting this minimum charge we ask ourselves what investment would be required to provide a customer at least one kilowatt-hour of electricity a year. This investment represents a cost incurred to make service available. These costs don't go away if the service is disconnected and sits idle for months or years. Investments that are made to provide service must yield some return or else all rates have to increase to cover this expense. Recently the Board enacted a policy to set up 'Standby Service Rates' which will be charged all services regardless of whether the service is energized or not. This has been a long standing practice for rural accounts, but hasn't been applied to town accounts. A homeowner that leaves the area for the winter and has the power disconnected will now be subject to the new Standby Service Rate. The Standby Service rate will be 60% of the monthly Basic Facilities Charge (at the time) or presently:

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| • \$9.00 per month for rural residential service | \$15.45 per month for rural 3 phase Service |
| • \$8.15 per month for town residential service | \$10.35 per month for Single ph. General Service |
| • \$9.00 per month for single phase farm service | \$11.85 per month for 3 phase General Service |

If an account has been disconnected for more than a year without the payment of the regular monthly bill or the new Standby Service Rate, the poles, wires and transformers are subject to removal without notice by the District and will not be reinstalled without a new application for service and 'aid-to-construction' payments where applicable. Idle Services that have not been paid for over a year will not be reconnected without a determination by the district as to the cost of restoring service and that cost being paid by the customer.

Construction of New Office Building is underway

The District has awarded the bid for a new General Office building to connect with the Operations Center in Wayne to L&L Builders from Sioux City, IA. The facility will be completed by mid-February 2009 and a drawing of the building may be viewed at www.nppd.com. The District has entered into agreements with American Broadband, Inc. to sell the existing office building at 303 Logan Street after District personnel move into the new building at 1410 W. 7th St. in Wayne. Until then, we share the building with American Broadband and are available to serve customers like we always have at this location. The District has also entered into an agreement with the Village of Emerson for them to purchase the building at 511 N. Main Street in Emerson. This building is now surplus. Our linemen that live in Emerson will remain there and will continue to pull after hours service work from Emerson.

Payments may continue to be made at Emerson Drop Box and in Wayne

We have made arrangements with the Village of Emerson to allow our Customers to continue using the drop box at 511 N. Main, Emerson as a convenient way to pay their electric bills even after the Village takes ownership of the building. We also have been asked if we are still currently located at 303 Logan St. in Wayne and we are. The drop box located at the South rear corner of the building is still available for electric bills.

Luke Kalin is our newest employee

Luke, our newest apprentice lineman, is from Norfolk, NE and completed the 2 year Line Technician program at Metro Community College in Omaha.

Small wind generators might be expensive – ask lots of questions before you buy

We are getting lots of questions from customers interested in purchasing a home wind generator. We want to be helpful and have lots of material on at our web page, www.nnppd.com. The power district does not make electricity and will be happy to purchase small amounts of economical power from any source. We will require that it be safely connected to our system in a way to protect our linemen. So let’s talk about money. Generally, the District will let a customer offset their purchases from the District, which has the same effect as our paying retail price (say 7 cents) per kWh. We can buy the same energy from our wholesale supplier for about 5 cents, but the dollar amounts are so small at this time we can give the local generator the benefit. But the buyer should beware. The wind blows sufficiently to generate electricity about 1/3 of the time and the common small generator has a capacity of about 1.5 kilowatts or enough to power a hand held hair dryer or small electric room heater. 1.5 kW x 1/3 x 8,760 hours in a year x 7 cents = \$303.50 a year value in the offset to electric bills. We are hearing that the wind generators are selling for \$16,000 to \$20,000 and this doesn’t include future maintenance costs. If your goal is to reduce the amount of your electric bill, then insulation and other home improvements can get a much faster return on your money.

Speaking of Energy Efficiency

There are lots of places to get information on the world wide web. Our web site at www.nnppd.com has links to Touchstone Energy www.touchstoneenergy.cooperative.com ; NPPD’s ‘Home Basics’ page, which has a home energy audit and bill savings calculator and the US Energy Department’s ‘Energy Efficiency and Renewable Energy’ page.

Also, let your voice be heard.....

For those of you that want to learn as much as possible about America’s energy future and what energy sources are realistic opportunities and which are yet to be developed technologies, then please read www.itsyourpower.org and contact your congressional leaders directly at www.ourenergy.coop. American’s need to make educated and informed decisions about energy and the future costs of energy.

\$200.00 rebates now available for new Heat Pump systems

The District is participating with the Nebraska Public Power District to offer cash incentives for the installation of new high efficiency heat pump systems. Incentives start at \$200.00 for a system rated at 14 SEER and go up \$400.00 for a ground source heat pump. The application/verification form is available for printing on the front page of our web page or simply call the office and we will mail one to you.

AMR conversions still underway

We are now reading each month about 6300 meters with the Automated Meter Reading System, (AMR). Most of our residential customers that once read their own meter no longer have to do that monthly chore. Thanks to the cooperation of our customers, the transition has gone very well. We still have about 500 new meters still to set for single phase accounts and about 700 meters that require some degree of trouble shooting to get readings back to the office. We hope to have this work completed yet this fall. This winter we will set 3 phase meters on businesses and irrigation accounts and be fully implemented by spring.

The Board of Directors and Manager are:

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