

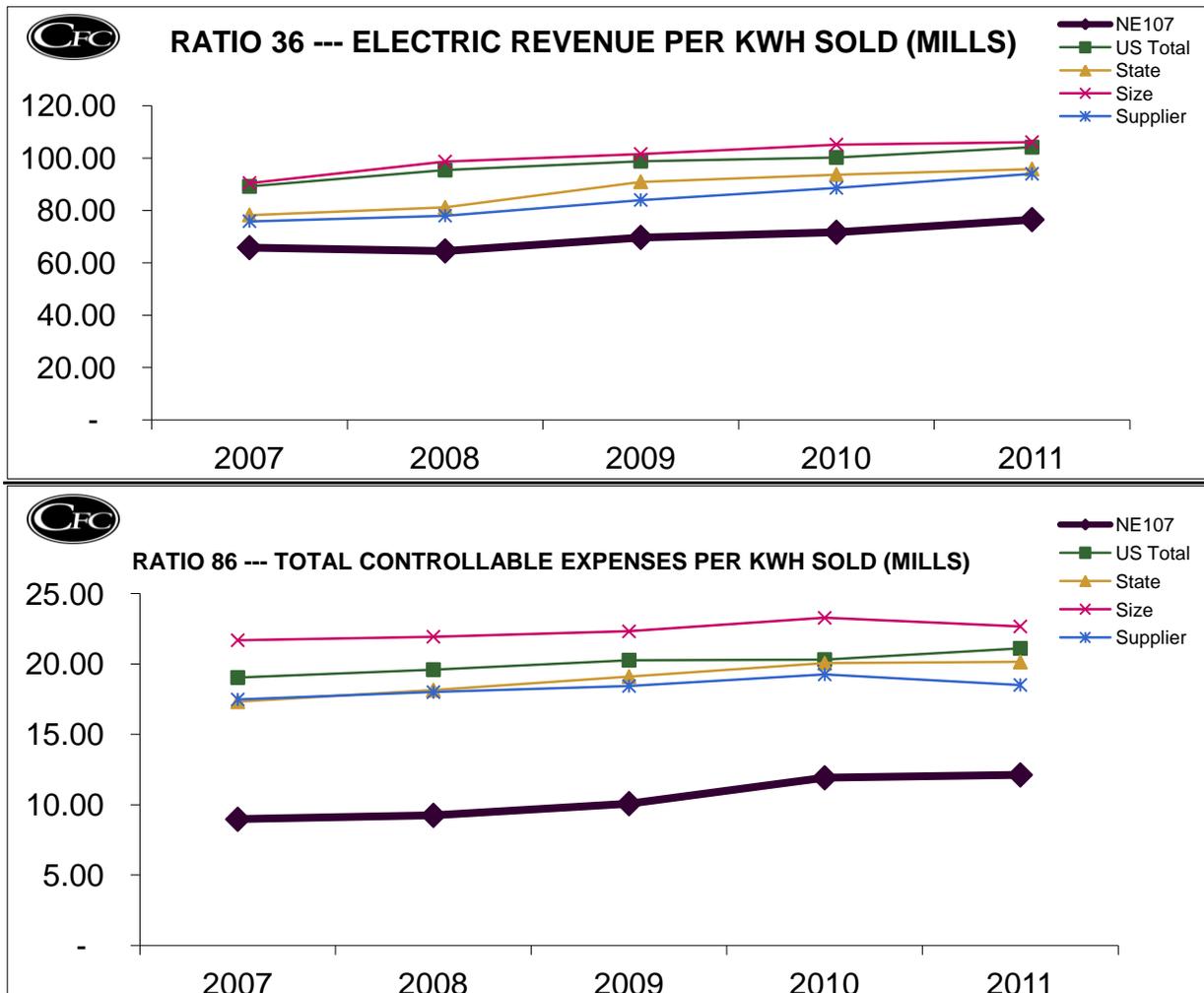
News from the Northeast Nebraska Public Power District

September/October, 2012

If your lights blink, maybe they are supposed to?

All of us as customers are more dependent on electricity than ever before to power the devices we enjoy and need. While most customers have a wide array of sophisticated electronic gear in their homes and businesses, there hasn't been an invention yet that can prevent a bird, squirrel, or tree limb from touching the pole top transformers and blinking the lights. The common blink, which last about 1 second, means that our electric system is working as it is supposed to. We have hundreds of automatic devices called 're-closers' that open the circuit when there is temporary trouble like an animal or a pole bumped with farm machinery. By being 'automatic', the re-closer will re-connect the circuit to restore power after about 1 second. Without this blink, the wire would burn in two or transformers and equipment would be damaged that would require a crew to fix. This would mean more people would be out of power for a few hours. Depending on how far out of the substation you may live, there may be several of these auto-reclosers installed on the line between your home and the substation. If any one of these auto-reclosers operates you will see a blink. Folks at the end of the line usually endure many more blinks than customers close to the substation. We occasionally get a question or complaint about 'Why do my lights always blink?' and we take those comments seriously. Often we can find a loose connection or damaged wire causing trouble. But just as often customers are amazed to learn that these auto-reclosers don't operate as often as they think. Blinks of 1 second are noticed much more now by customers even when they occur in the middle of the night. Most blinks and outages are caused by car wrecks, farm equipment, customers cutting trees into the lines, weather, animals or other foreign objects in the line. This doesn't mean that our equipment doesn't also fail, but with 3,000 miles of line exposed to the elements things are bound to happen. If your lights are blinking several times a month, then please give us a call and let us check out if there may be a problem we can fix.

NeNPPD (NE107 below) still operating efficiently and among the best in the nation for rural electric systems



Customers can choose to get text or email reminders about important billing dates and services

In addition to paying bills on line, customers can sign up to receive notices by text or email or both as reminder of the date the bill is due. An electronic alert can also notify customers if there is a returned check. Once the bill is paid a text or email confirmation can also be sent if desired. Customers can choose to be notified if their customer profile information is changed by anyone. To activate any of these voluntary alerts, go on-line to www.nnppd.com and select the 'pay bill' button. Once you log in with your unique account number and password, then select the tab for 'My Alerts'. You are free to select any or all of the above mentioned notices and your preferred way of being notified by text or email or both. This is yet another way you can choose to be reminded about your account activities. If you need help, call the office during business hours. There is no charge for this service from NeNPPD, but your standard texting charges from your cell phone provider will apply depending upon your plan.

Wholesale Power Cost increase for 2013

Our bulk power supplier, NPPD, is projecting a price increase to NeNPPD of about 3.5%. This is a reasonable amount and we appreciate NPPD's efforts to keep the increase to a minimum. About 70% of a customer's electric bill goes straight to NPPD to pay for the power delivered to homes, farms and businesses by NeNPPD. Bulk power costs have increased substantially in the last several years and have been the reason for our price increases. In the last 5 years the cost for wholesale power from NPPD has increased over 30%, but NPPD is still among the lowest priced producers in the nation. To put your bill in perspective, over 70 cents of each dollar paid to NeNPPD goes to pay our wholesale power bill. In many ways the consumer has more in control of the dollar amount of their monthly bill (by not being wasteful) than we do at NeNPPD.

Mistakes occasionally happen – please check your bill

Not very often, but occasionally, we get a meter reading wrong or enter a wrong number into a billing calculation. Even though computers do most of the figuring for bill amounts, humans still do a lot on keyboard input. Being human we can and do make mistakes. When mistakes are found we feel terrible and work with customers to make amends as best we can. Occasional mistakes are posting a payment to the wrong account, entering a wrong amount or reading or having a wrong formula in the computer program. Again, mistakes are rare, but if not caught mistakes can go on for a long time. NeNPPD has a policy that instructs our staff to make an immediate refund when a mistake has overbilled a customer. When the customer was under-billed and owes us money, then we provide a payment arrangement over about the same number of months that the error occurred. Our policy does limit error refunds or make up payments to 48 months, so that both NeNPPD and the customer have an obligation to review bills for errors. NeNPPD is a 'customer-owned', not-for-profit utility. This has IMPORTANT meaning in regard to billing errors. First, if we have under-billed a customer we are obligated to collect the full amount no matter how unpleasant that seems. We don't have profits from which to write off such errors. Other customers actually paid in their bills for the wholesale power consumed on the account that was under billed and the shortage needs to be restored. Most people are very good at questioning a bill they think is too high, but we see cases where a bill goes to nearly zero and the customer never says anything and months later owes a large amount. Because customers are literally the owners of NeNPPD, everyone has some responsibility to question a bill that doesn't look right compared to normal bills.

Cost of Service Study is underway

For practical reasons, NeNPPD prices power and energy using averages. We don't have 8,000 different rates geared to a unique set of expenses for each customer. That doesn't mean that we don't attempt to allocate the expenses required to purchase and deliver energy as reasonably as we can. Every few years the Board hires an independent rate consultant to allocate the cost of power and delivery expenses across similar kinds (or classes) of customers, like: residential, farm, commercial, irrigation, industrial, lighting, etc. Generally, the cost to serve a residence is more closely related to another house than trying to compare a house and a large industrial plant. The rate consultant uses actual accounting records and consumption patterns to allocate a portion of our power costs and plant costs to each class of customer. Then a price per kWh is developed for each customer type. This helps insure that one type of customer isn't paying more than the cost to serve them. This year we have retained the staff of the Nebraska Municipal Electric Association in Lincoln, NE to do our cost of service study. The results of this study will be reflected in our 2013 rates.

We say good-bye to Amanda Schweers and hello to Jessica Schmale

All of us that work daily at the District were disappointed to have Amanda resign her position with the District. Amanda ably assisted our customers as was an excellent employee. She took another position closer to her home in Ponca. To help us carry on we welcome Jessica Schmale, of Carroll, NE. Jessica will begin work on September 24th.