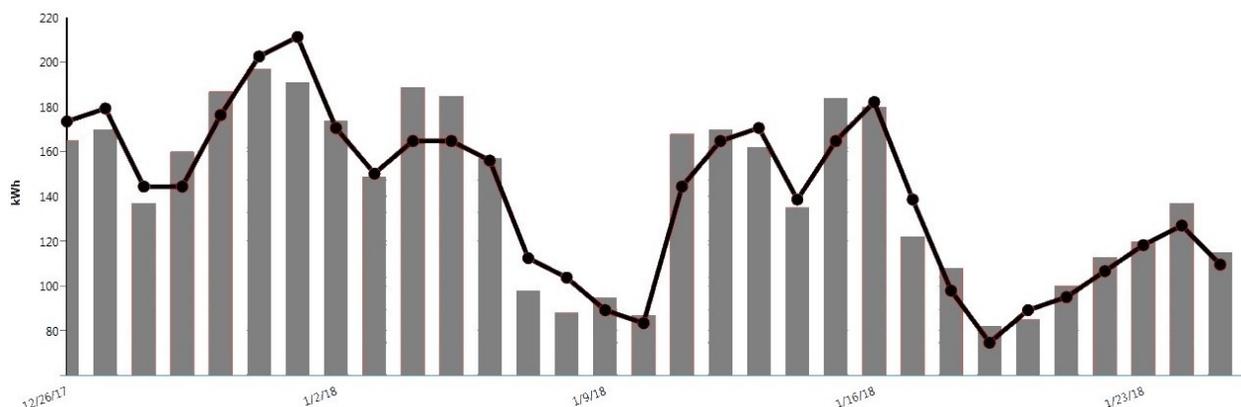


News from Northeast Power

February 2018

Cold Weather drives up electric bills due to increased use of electricity.

Our phones are ringing with questions about higher than normal monthly electric bills. Northeast Power has not raised its prices in 4 years, so the reason for higher bills is increased use of electricity due to extreme cold weather this winter. We are always happy to talk to customers and explain the charges on their electric bills. We can even do more to help you understand your daily electric consumption. We can show customers daily temperatures and how daily use of electricity follows the temperature. The chart below is an example of the information we examine to help customers understand how much they are spending on electricity. The vertical bars represent daily energy consumption. The horizontal line represents temperature. With an actual customer's use pictured below, you will see that electricity use almost exactly matches the weather pattern. The colder the temperature outside, the more energy this customer used to heat their home to a comfortable level.



2018 charges for energy have been reduced and further rate reductions expected in 2019 on.

Northeast Power is eliminating the future collection of a protested wholesale power charge. The charge, which was collected in 2016 and 2017, amounted to a little over 2% of the energy charge. Beyond 2018, Northeast has negotiated significant reductions in wholesale power cost, and those savings should permit retail rate charges to be lowered. Delivered wholesale power is Northeast's largest expense and accounts for nearly 70% of each dollar billed to our customers. See more information on the next page about how your electric bill money is spent.

We have options that make paying your electric bill easier

- 'Budget Billing' avoids high bills during the winter and summer when electric consumption is higher. Budget Billing allows for a consistent monthly amount that helps people better plan for their monthly bill.
- 'Pre-Pay' is an option that sends a daily text or email message with the kWh's used daily and the daily dollar amount of account balance. Many customers find this information useful in managing costs. The customer can pay any dollar amount they want at anytime just so their balance does not drop below zero. This is similar to prepaid phone plans. Many customers pay an estimated month's bill, but they still get the daily text or email showing their account balance and usage.

Be sure to avoid late fees

Managing your consumption can help lower your bill, but getting a late fee can take away any savings you might achieve. Late fees of \$10.00 are applied each month when a customer pays after the due date. That can add up to \$120 per year, which would be like paying an extra monthly bill. We do not want that, and neither do you. We offer many ways to avoid paying late:

- Bank Draft (Right now we will provide a one-time credit of \$10.00 off your bill for each account you enroll! Call the office or go to our website to fill out a bank draft form.)
- Credit Card Draft or “AutoPay”.

With “AutoPay”, you get to decide the schedule for the payment to be made to us.

If you are on a fixed monthly income like Social Security, or you get paid once a month, call us to see if we can align your bill due date with your pay day. Also, remember you can always call in your payment 24/7 with Visa, Mastercard or E- check for no additional charge.

How do I learn more about energy efficiency?

Visit our web page at www.northeastpow.com and click on the “Together We Save” link or the link for “Home Energy Suite”. Both web sites focus on energy saving steps you can make to lower your energy bills and avoid paying for more energy than you need.

Northeast Power continues to hold its cost steady

In 2005, Northeast Power needed \$20 per 1,000 kWhs (2 ¢ per kWh) sold to provide local electric service to our customers. 1000 kWhs is a typical residential monthly bill. Eleven years later, Northeast Power still only needs 2 ¢ per kWh. For each dollar billed to customers in 2017: 67 ¢ paid for delivered bulk wholesale power, 13 ¢ was reinvested into new electric lines, and 20 ¢ paid for local expenses needed to read meters, send bills, pay linemen to trim trees and maintain the electric lines and all the other cost of running a local business. Certainly, electric bills have increased with time, but the higher cost is due to increasing cost of bulk wholesale power. Earlier we noted we have made changes to lower our cost of bulk power.

Mark Linville appointed to the Board of Directors

Mark Linville from Pierce County near Randolph has been selected to fill the unexpired term of Dan Gansebom who recently retired. Mark is the President of First State Bank in Randolph, NE.

Northeast Power secures power supply from a Nebraska Wind Farm

Northeast has arranged with NextEra Energy Resources to purchase about 15% of the energy our customers need from the Cottonwood Wind Farm in Webster County, NE. NextEra is the nation’s largest developer of wind and solar energy. The purchase contract provides very low-cost wholesale energy at a fixed priced for 25 years, making this a low-cost supply for years to come.

New Logo

Notice our new logo! We are also in the process of updating our web page. Our web page has a new address on the world wide web. Please use www.northeastpow.com in the future to find us.

