

THE WIRE

CURRENT NEWS FROM THE ELKHORN RURAL PUBLIC POWER DISTRICT

October 2011

Serving the Elkhorn River Valley since 1940

Volume 20, Number 10

NPPD Announces Rate Increase for 2012

Nebraska Public Power District, our power supplier, has announced a proposed 6.5% rate increase for 2012 for its wholesale power customers, which includes Elkhorn Rural Public Power District. Over the past several years, NPPD has experienced increased costs, prompting a series of rate increases.

The increase for 2012 is mainly attributed to a 75% increase in coal transportation costs for 2012. This increase has a large impact on NPPD's fixed costs, since coal is used to generate up to 45% of the electricity NPPD produces, and is their second largest operating expense. Increased fuel costs will account for 4.0% of the 6.5% proposed rate increase.

Fuel costs at NPPD have increased more than 50% in the last five years. NPPD has done a great job of diversifying its generation fuel mix, with coal, natural gas, and enriched uranium, but all fuels have seen steady increases. Even at that, NPPD's overall fuel costs have increased about 50% since 2006 and 20% since 2008.

The second driver for the proposed 2012 rate increase can be attributed to an anticipated increase in annual debt payments for investments in the electric system plants and facilities. This driver accounts for the other 2.5% of the 6.5% proposed rate increase. NPPD has invested more than \$1 billion in new or existing plants and facilities in the past five years. These investments were necessary to keep up with customer demand for electricity and

to refurbish or build new power plants to address the aging power plants and facilities.

As a public power utility, NPPD (as well as Elkhorn RPPD) sets rates based on the cost of doing business. Revenue received is used to pay operating expenses and make necessary investments in maintenance, construction, and system upgrades. The rates do not include a profit margin for stockholders or investors. NPPD's main objective is to maintain a reliable electric system, while keeping the rates as low as possible for its customers.

How will NPPD's rate increase affect you in 2012? The ERPPD board of directors has authorized a rate study to determine how the 6.5% increase in power costs will impact its customers. Since power costs make up more than 67% of ERPPD's annual costs, you can expect a rate increase for 2012, but the amount of this rate increase is yet to be determined. However, we are comfortable in stating that it will be less than 6.5%.

Over the past few years, ERPPD has been able to control costs and was able to hold rate increases to the minimum needed to cover the rate increases from our power supplier, even though we continue to experience increases in the cost of maintaining an ever-aging distribution system, including cost increases in fuel, material, and supplies.

We at Elkhorn RPPD are doing everything we can to contain costs and

keep rates affordable for our customers, and we encourage our customers to practice energy efficiency and conservation. These practices will help delay NPPD's need for a new power plant and help you, our customers, reduce energy usage to help keep your costs down as the cost of electricity rises.

Our mission statement says it all: "Elkhorn Rural Public Power District is dedicated to providing **SAFE, RELIABLE, COST-EFFECTIVE** electricity for **ALL** customers."

Grassroots Mobilized to Support House Bill to 'Rein In' the EPA

Participants in the "Our Energy Our Future" campaign received a "Take Action Alert" on Friday, September 16. The alert was issued to show support for House bill H.R. 2401, the TRAIN act, Transparency in Regulatory Analysis of Impacts on the Nation.

The legislation was introduced in the House of Representatives to require the EPA to file an impact analysis of costly EPA regulations prior to their implementation.

These Take Action alerts are reserved only for imminent legislation that would have a direct impact on the reliability and affordability of your electricity.

You can add your voice to the grassroots campaign by completing the form on page 4 and returning it to our office. (see page 4 for more information)



Harvest Safety Tips

Farmers and farm family members face dangers every day. Although tragedies such as tractor rollovers and grain bin suffocation receive the most attention, electrocution and electrical burn accidents also occur on farms. Electrical safety is one of the priorities during the fall harvest.

The simple movement of a portable grain auger from one bin to another can have tragic results if the individuals involved are not extremely careful. The use of tractors with large cabs and antennas and oversized grain wagons can also result in preventable electrocution incidents.

Electrical equipment around fields, such as power lines in the end rows, may get overlooked during such a hectic time of year as harvest. However failure to notice overhead power lines can be a deadly oversight.

Most farmsteads could use a very careful overhead visual inspection of electric lines. Have you purchased taller and bigger equipment? Have you changed travel patterns through the farmstead? Have you added bins in new locations?

Today's farm equipment has a long reach when extended; and even when collapsed for roadway transport, many pieces of equipment may exceed the height of power lines. A daily check should be made of where equipment will be moving to ensure that it will clear power lines. But don't take matters into your own hands. They may not be as high as they look. Always use a spotter, someone with a broad vantage point, when working in the vicinity of power lines.

Maintain a 10 foot separation from a power line completely around it, whether you are driving underneath or passing a grain auger near it. A 53



Too close for comfort!

Always practice safety when operating machinery around power lines and electrical equipment.

year old Michigan truck driver who was cleaning sugar beets out of his truck unknowingly raised the bed into a 4,800 volt overhead power line. As he stood in the wet field and touched the energized truck bed, he was fatally burned.

In addition to conducting a field survey of power lines to locate potential hazards, employers should obtain safety information from utility companies for the benefit of their workers, if the lines are to remain energized.

Where possible, install electrical

safety warning signage to prevent equipment and personnel contact with power lines. This will also be beneficial to your suppliers who may be making deliveries to your farm. Always keep in mind that electricity doesn't allow mistakes. And neither should you.

We have "LOOK UP AND LIVE" stickers available at no cost to you. These stickers should be placed on any equipment capable of reaching the power lines. You can pick up the stickers at our office, or call us and we can mail some to you.

October is Public Power Month



Back in the 1930s, 90 percent of rural America was without electricity—while virtually all urban areas were being served. Investor-owned utilities opted not to serve the

rural areas, deeming it too expensive to set poles and string line. They said that there just wasn't enough profit to be made.

Rural residents came together to build their own electric companies. The work

they did was literally from the ground up—setting poles, stringing line, and bringing power to their friends and neighbors. In the spirit of neighborly help and determination, each local electric utility worked for the benefit of its consumer-owners.

Today your local public power district has the strength that comes from the unity of 600 public power districts and electric cooperatives nationwide. Together, these electric utilities pledge a higher quality of customer service, have state-of-the-art technology at their fingertips, and have as a resource the largest electric utility network in the United States (the National Rural Electric Cooperative Association). Suddenly a public power district with 9,200 customers is not so small anymore.

Electric customers in Nebraska get the best of both worlds—friendly size and personal service backed up with the

resources of the NRECA.

One of the advantages of a locally operated public power district is that the board of directors, the management, and the employees are your neighbors, working to provide **SAFE, RELIABLE, COST-EFFECTIVE** electricity for **ALL** customers.

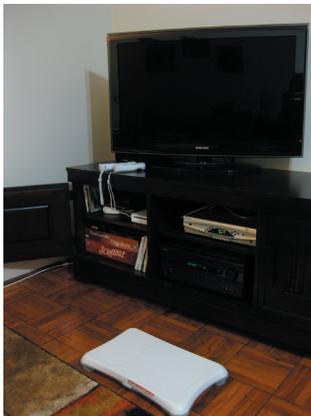
In the 1930s, it was estimated that a farm home would use about 50 kWh per month. Today, that usage averages about 20 times greater. But your local public power district has always worked and will always work to keep up with that growth.

This October, take a few minutes to imagine what life in your corner of Nebraska would be like without public power, then look around you and say a quiet "Thank You" for the benefits you get from it.

ENERGY NEWS

HD Cable Boxes, DVRs, Put a Drain on Household Energy Use

The high-definition cable or satellite set-top box in combination with a digital video recorder (DVR) that sits innocently by your TV may be using more electricity per year than a new energy-efficient refrigerator. (446 kwh per year as compared



to 415 kwh per year for a 21 cu. ft. Energy Star refrigerator). A recent study found that the boxes use \$3 billion in electricity every year in the U.S., with 66 percent of that power wasted while

the TV is not being watched or the DVR not recording.

Unfortunately, until cable boxes and DVRs become more energy efficient, there's no easy solution for consumers looking to save energy, explains Brian Sloboda, a senior program manager specializing in energy efficiency with the Cooperative Research Network (CRN), an arm of the Arlington, Va.-based National Rural Electric Cooperative Association.

"The simple answer is using the power button on the remote or adding a power strip to turn the power off when not in use," Sloboda says. "The problem is that when you cut off all of the power, your DVR will not record programs. You also won't be able to get automatic software updates, and the program guide may be wiped out."

Your best bet is to ask your cable or satellite provider for a box carrying the ENERGY STAR label, which certifies

that a product attains specific energy efficiency standards.

"Don't assume it's an ENERGY STAR box," Sloboda emphasizes. "Look for the logo on the front of the device."

Sources: The New York Times, Cooperative Research Network

Energy Efficiency
Month Tip of the

When buying a new appliance, check the black and yellow EnergyGuide label. This label provides an estimate of the product's energy consumption and efficiency. It also shows the highest and lowest energy efficiency estimates of similar models. Most major appliances—such as refrigerators, dishwashers, and clothes dryers—are required to have these labels.

Source: U.S. Department of Energy



“You Can Make a Difference”

Join the “Our Energy Our Future” Grassroots Campaign

A “Take Action Alert” was issued on Friday, Sept 16, to mobilize grassroots support for a House bill (H.R. 2401). The bill was dubbed the TRAIN act, which stands for Transparency in Regulatory Analysis of Impacts on the Nation. The bill would require the EPA to conduct an impact analysis of costly regulations prior to their implementation.

A big “THANK YOU” to those of you who are participating in the “Our Energy, Our Future” campaign. It is very easy to do, and yet has a tremendous impact on the decisions made in Congress.

The “Our Energy Our Future” campaign works to ensure that Americans have an affordable and reliable source of electricity for years to come. The campaign works like this: if there is legislation being debated in Congress that has a direct bearing on the rural electric industry, either favorable or detrimental, you will receive a “Take Action Alert” via email. This email will provide instructions on how you can voice your concerns to your Congressmen.

Simply complete the form below and return it to our office. We will sign you up for the campaign on your behalf. Then when the need arises, you will be ready to respond to a “Take Action Alert”. We want to make it as easy as possible for our customers to contact their representatives in Congress. Please contact Wayne McCormick at ERPPD, 800-675-2185, if you have any questions.

Remember, it truly is “Our Energy and Our Future” that is at stake, and we have a voice in Washington, DC.

Start the Dialogue With Your Elected Officials

Name _____ Account # _____
Home Address _____ City _____ State ____ Zip _____
Home telephone _____ Cell Phone _____ Is this your primary phone? ____ Yes ____ No
Email address _____
Signature _____

You can mail this form in with your bill payment or drop it off at our office. You can also email your information to us at erppd@erppd.com or call in the information during business hours at 1-800-675-2185.

BOARD OF DIRECTORS

with Board position and subdivision

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TreasurerI
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Joe Thiele
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DirectorIII

MANAGER

Tom Rudloff

For Emergency Service or Outage Reporting 1-800-675-2185

After Hours Note:

The entire 800-number *must* be dialed, even for a local call.

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Communicate Electronically With ERPPD

Internet: www.erppd.com

E-mail: erppd@erppd.com

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**Know what's below.
Call before you dig.**

**It's the law!
Call 811 Before
You Dig!**

Or 1-800-331-5666
Diggers Hotline
of Nebraska

Outage Checklist

In the case of an outage:

- First check to see if the fuses below the meter are good.

- If you have breakers, make sure they are on and have not kicked out.

- If you have a double-throw switch for standby power, make sure it is in the correct position.

- Check with neighbors to see if they have power. By doing this before calling us, we can determine if it is a line or an individual outage. This can help cut down on outage duration.

- Please, be prepared to give the name on the account, plus the consumer number and/or the legal location. This will assist us in sending our crews to the correct place.

Questions about your bill?

Please call the ERPPD office at 402-675-2185 or toll-free, 1-800-675-2185, during office hours, 8 a.m.-4:30 p.m. M-F, in regards to billing questions. When calling the office concerning billing problems, it will save time if you would have your meter serial number or customer account number. Remember to call the Battle Creek office if you have billing questions. All account payments should be mailed to:

**Elkhorn Rural
Public Power
District
P.O. Box 310
Battle Creek, NE
68715**