



THE WIRE



CURRENT NEWS FROM THE ELKHORN RURAL PUBLIC POWER DISTRICT

August 2020

Serving the Elkhorn River Valley since 1940

Volume 29, Number 8

ERPPD AN EXCELLENT VALUE

Last month in the *Wire*, the front page article was about electricity as a good value over time and in comparison to other common expenses like rent, medical care and education.

This month it is about the value Elkhorn Rural Public Power provides, as expressed by the financial numbers.



“The directors and staff at Elkhorn work for our customers to continue to provide value by watching costs, finding efficiencies and following our mission statement,” states Chief Financial Officer, Carmen Thelen.

Thelen continued, “Key statistics that measure how we are providing value to our customers include:

operating revenues, kWh usage, cost of service and investment in utility plant. The following is a review of each of those categories.”

Operating revenues - this is where the money comes from to run the district. In 2019, our total operating revenues were \$27.6 million. This is an increase from 2018 which came in at \$26.1 million.

The revenue is divided between the different rate classes:

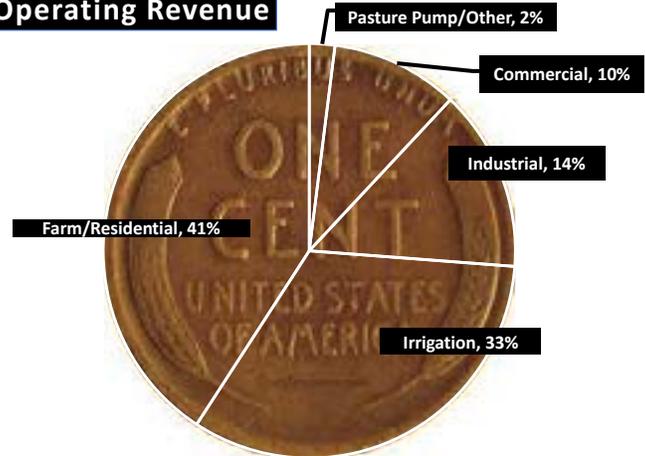
- farm/residential at \$11,201,763,
- irrigation close behind at \$9,094,071,
- industrial is \$3,739,896,
- commercial is \$3,033,195,
- and the rest of the revenue comes from pasture pumps and other.

The penny graphic top right shows the percentage of revenue from each of the rate classes.

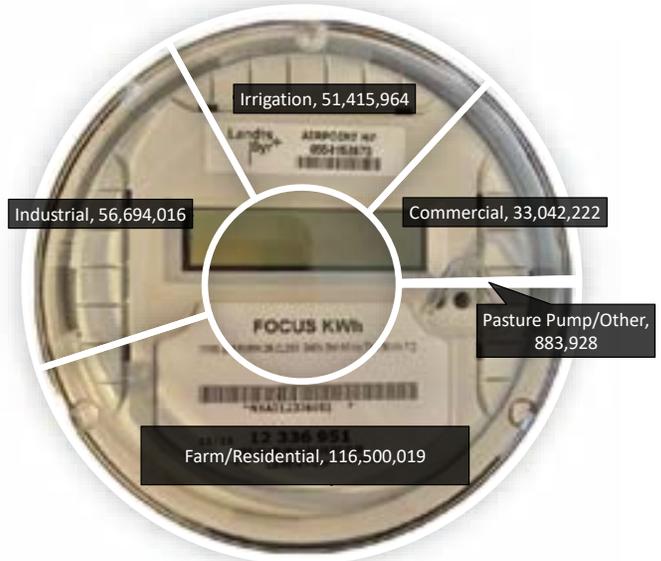
Going to the “meter”, the pie graphic, bottom right, shows how much electricity is consumed by our customers by rate class. The total usage for all rate classes in 2019 was 259 million kWh, up from 2018 when 241 million kWh were consumed.

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Operating Revenue

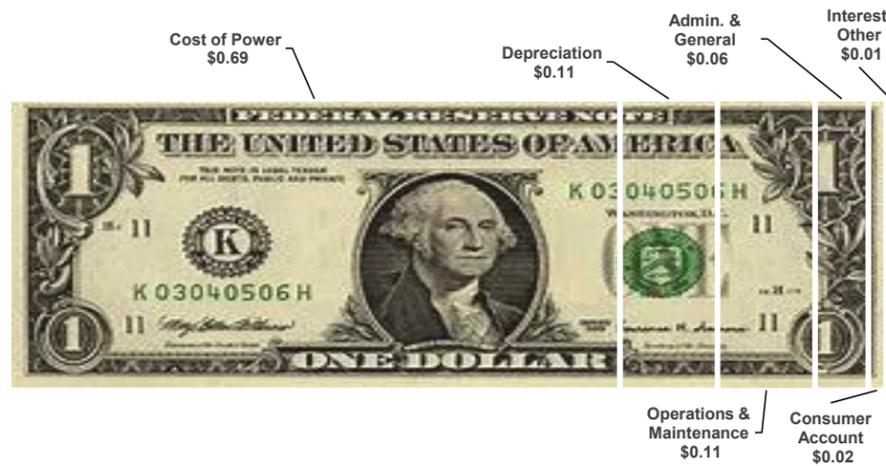


kWh Usage



EXCELLENT VALUE CONTINUED

Cost of Service



The cost of service is the expense of bringing power to your home or business, as you can see by the dollar graphic above.

Elkhorn's largest expense is the electricity purchased from our wholesale power provider for the power delivered to you.

Operations and Maintenance or O&M is the value of having your power to your home or business 99.9% of the time. There are many things that go into O&M - a safe and well trained staff, vegetation management, and well planned system maintenance programs such as pole testing.

Administration and consumer accounting includes insurance, office personnel, billing software, meter expenses, director fees and in lieu of taxes.

Total expenses in 2019 were \$25 million.

Utility plant brings back value through investment in the system. See the graphic to the right. Total Utility Plant as of December 31, 2019 was \$89,089,951.

Any margins at the end of

the year are invested back into the system, which provides value by offsetting any needed rate increases for infrastructure.

This is a significant difference from an investor owned utility, as those margins would be paid out to shareholders, who may not be served by the utility and only have profits in mind.

The distribution system makes up the bulk of utility plant. This is the meters, transformers, wires and poles that make up the system and connect the grid to our customers' homes and businesses. Our system is about 34% depreciated, which makes it a "newer" system, meaning that the system is hardened to withstand natural weather events, contributing to the reliability of electricity to you.

General plant includes trucks, tools, computers and other equipment that helps us to provide electricity.

Although transmission does not make up a significant amount of our plant, it is important to how we provide electricity. For more informa-

tion on the transmission work plan see the December *Wire* at www.erppd.com/about-erppd/newsletter.

What the numbers do not show is the dedication of the ERPPD board and staff to follow our mission and provide electricity as safely, reliably and cost-effectively as possible.

This look back at ERPPD's key financial statistics shows that we are in a good position to weather the current state of affairs. Having a stable financial position, allows us to be adaptive when unexpected changes or opportunities arise.

ERPPD remains a excellent value for our customers.

INVESTMENT IN UTILITY PLANT



ROAD SAFETY IS FOR EVERYONE

Work zones can be dangerous not just for workers but for drivers as well. Drivers and passengers are more likely to be killed in a road work zone accident. Nationally, 80% of the crashes in work zones involve drivers and passengers' deaths. Nebraska averages 2.7 work zone crashes every day.

(Source: drivesmartne.org)

So please be alert in road work zones. Following the safety rules to the right will help you be safe on the road.

Also remember, orange road signs are not just for highway construction zones; they also apply to utility work zones. Slowing down before entering work zones helps save lives, including the lives of our crew members, who must often work roadside to maintain or restore power.

Cars or trucks that go too fast not only endanger workers on the ground. Driving too fast or not



Be prepared for slow or stopped traffic as you approach a work zone, and follow these safety rules:

<p>1 PLAN YOUR TRIP</p> <p>You may avoid travel delays if you choose an alternate route around the work zone.</p>	<p>2 OBEY FLAGGERS</p> <p>Flaggers authority overrides conventional control devices.</p>	<p>3 DOUBLE YOUR FOLLOWING DISTANCE</p> <p>The most common crash type in work zones is the rear-end collision.</p>	<p>4 PROCEED CAUTIOUSLY</p> <p>Keep moving at a safe speed as you drive through the work zone; do not slow or stop to watch roadwork.</p>
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moving over can also put a line worker who is working high up in a bucket in serious danger by causing it to move or sway into high-voltage lines. Please, take extra care in work zones. That way everyone gets home safely!



PAY-AS-YOU-GO

It's like filling up your gas tank—only you're filling your **POWER** tank!

- No Deposits (put your existing deposit to work)
- No Late Fees
- Set Low Balance Alerts (text & email alerts)
- Monitor Your Electric Usage
- 24/7 Web Access
- 24/7 Payment Options
- Makes Budgeting Easy
- Easy to Get Started

Put your **POWER** in your **HANDS**



ASK US HOW



Call and speak with a Customer Service Rep. about Prepaid Billing at 1-800-675-2185

PREPAY BILLING: IN THE DRIVER'S SEAT

Prepaid billing puts you in control of your energy consumption and budget. You pay for the electricity before it is delivered - like filling your gas tank before driving your car - and then how much you spend is determined by how much you consume.



You can then “refuel” whenever you want.

You will never get behind or caught off guard by a high electric bill because you will always pay ahead.

You can see the advantages of prepaid billing in the graphic on the left.

Call the office at 800-675-2185 if you have questions or would like to enroll.

Frequently asked questions and a prepaid billing service agreement are also available on our website: www.erppd.com/customer-service/prepaid-billing.

Prepaid Electricity in Four Easy Steps



Energy Efficiency Tip of the Month

Spending more time at home? Try an online energy audit to assess the overall efficiency of your home. Visit www.energystar.gov, then enter “home energy yardstick” in the search box to get started!

