

North Central's News

Delivering a difference to parts of Knox, Antelope, Pierce, and Holt Counties Since 1945



Thoughts and Comments from General Manager Keith E. Harvey



Electric energy can be cheap while power is expensive and did you know that some northeastern states are getting their natural gas delivered from Russia?

I need to start with the story on the natural gas situation in the northeastern United States this winter. Believe me when I tell you that I cannot make this kind of a story up. While the United States is putting sanctions on Russia and are investigating all kinds of “collusion” with the Russians – their ships were off-loading natural gas in Boston Harbor in January. Did I mention that the U.S. has a surging amount of natural gas being extracted right here in this country? Has anyone seen Alice? The Mad-Hatter? The Queen of Hearts? Maybe we are on the Starship Enterprise and have entered a parallel universe where everything is upside down. No. The answer is much simpler than that and much more troubling – because it exposes some real serious issues.

It seems that the whole problem is political. Now that is something I can easily believe. In 2016, the powers that be in Massachusetts and New Hampshire blocked the financing of a \$3 billion Access Northeast pipeline that would have provided reliable natural gas to three New England states. Also, in 2016, Attorney General of Massachusetts Maura Healey’s office claimed that the state “could maintain electric reliability” without new infrastructure (Johnson, p. A-13). Having Russian

ships in Boston Harbor off-loading Siberian natural gas would suggest otherwise. It seems someone would figure out that replacing coal-fired and nuclear plants with natural gas-fired generation would necessitate the building of a robust natural gas delivery system. Oops – no pipelines allowed. “The Sierra Club is pushing the U.S. to abandon all fossil fuels, claiming the country is ready for 100% renewable energy” (Johnson, *ibid*). However, the most vulnerable citizens are not ready for the inflated consumers’ bills and destabilization of the electric grid that would go along with the Sierra Club’s suggestion.

Only 15% of America’s electrical power comes from renewables and they are intermittent in their production profiles. The natural gas boom in the United States has lowered natural gas prices to consumers by 27% and has made home heating and electrical generation more affordable (I do not know if that applies to natural gas shipped in from Siberia). “The anti-fossil-fuels campaign is neither realistic nor environmentally sound. Blocking pipelines and other energy infrastructure projects raises costs on American families while forcing them to rely on Vladimir Putin to heat their homes” (Johnson, *Ibid*). I’m glad I live in Nebraska.

I want to discuss a concept that is difficult for customers to grasp (and for some in the electric industry) and that is while energy may be cheap, power is expensive. It is a real misnomer to call energy power or power energy in the context of today’s electricity markets. The problem is one that is self-inflicted by the utility industry and maybe a public utility commission or two during the last several decades. What has happened is that many of the costs of providing electric power has been bundled into the kWh component. That way once a consumer got through the first block, the per kWh was reduced since most (or all) of the other

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costs were recovered. In a normal electric bill the kWh charge recovers the cost to operate and maintain the distribution system. Thus, if enough kWh are not sold, these costs are not recovered and this can lead to serious consequences for the utility and to reliability issues for the customers. Energy, or the actual cost of a kWh is relatively low compared to the cost of generation, transmission, transformation (to voltages that don't fry everything in your house), maintenance, upgrades, administrative functions, regulatory costs and the list goes on and on.

The only way to straighten out this misunderstanding about what true costs are within an electric system is to unbundle all of the costs and put them where they belong in a three part bill. The first thing that needs to happen is to move the rates towards making the facilities charge include the fixed costs that the utility needs to operate, even if a single kWh is not used by a customer. This is because North Central, or any utility, must continuously have

everything ready to deliver electricity when the customer wants it. The other component that needs to be included on an electric bill is a demand charge. This charge can be removed from the kWh charge and will collect more from those with the higher demand and less from those with lower demand. Currently, these are averaged into the bill, so low demand users are helping to off-set the bills of higher demand users. As the facilities charges are adjusted and a demand charge is added to the bill, kWh charges will be reduced in lock step with this to keep the utility's revenues at the same level as they are now. This is not a rate increase, but rather an adjustment to make the demand fairly billed and to collect fixed costs outside of the kWh charges. Some customers may see increases and some may see decreases, but this will make the bill a better reflection of the individual consumer's true cost.

The reason this is particularly important to North Central Public Power District customers is because, if all goes as planned, on January 1, 2019, this district will implement a demand charge

as a line item on every customer's bill (irrigation and large power services are already billed on demand), facilities charges will be adjusted and the price per kWh of energy will be adjusted as well. The "bottom line" should not change appreciably for any customer. Welcome to the world of accuracy in billing individual customers and putting expenses where they should be on the customers' bills. There will be more information on this transition as the details become available from North Central's rate analysts.

As long as we are discussing fixed costs being recovered through the kWh sales, we probably should also talk a little bit about net metering and how it is subsidized by all of the other customers on the utility's system. Net metering is a political incentive to help with the transition to renewable energy. Under net metering, any individual who installs 25 kW or less of renewable energy and uses most, or all of it at their own home or facility, can use the output to offset up to their entire electric bill in a month. If they

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North Central PPD Welcomes Two Utility Line Students



Dirk Mullner

North Central PPD would like to introduce two coop students Dirk Mullner and Grant Knutson who will be working for the district.

Dirk Mullner is the son of Bob Mullner and Krystl Mullner from Tilden, NE. He graduated from Battle Creek Public School and is currently attending Northeast Community College in the Utility Line Program. After graduation, he intends to pursue a job in the lineman field.

Most of Dirk's hobbies revolve



Grant Knutson

around the outdoors. He loves hunting and fishing, which takes up most of his free time, but also likes to ride dirt bikes with all his buddies.

Grant Knutson is the son of Christy Knutson of Neligh, NE, who is an ESU 8 nurse, and Todd Knutson of Battle Creek, NE, who works at Elkhorn Rural Public Power District. He is also attending Northeast Community College in the Utility Line Program with the aim to become a lineman after graduation. Grant enjoys hunt-

ing, fishing, and hanging out with his friends.

For several years North Central has offered Utility Line students from Northeast Community College (NECC) the opportunity to work at our district to gain additional work experience along side our trained and educated linemen. NECC is nationally recognized for preparing students for a career in this field. North Central is pleased to be a part of providing these future utility linemen with on-the-job training that will assist them in their career.



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offset their bill and still have excess, then the district will pay them avoided costs, which is much lower than full retail because it then is only the amount that is being avoided by not paying the normal power supplier. This is how it can work: Someone installs a 25 kW wind turbine and it generates about half of what they need in a month, but it occurs in the middle of the night when very little usage is taking place. It is put on the system at a time when the utility doesn't need it, but is forced to pay full retail for it if it helps offset the customer's total bill. At the end of the month, every kWh that is offset at full retail means that some of the fixed costs bundled in the rates are not being paid for by this customer because a law says so. If these customers do not pay their fair share of fixed costs, then who does? Want to guess? Go look in the mirror if you are one of the people who are not utilizing net metering. This is another reason to get the kWh cost to actual energy prices and then put the demand and facilities fee outside of this equation so that offset kWh are only offsetting actual kWh costs. Additionally, there are senators and groups that would like to raise this to 100 kW to further increase the amount that could be shifted to other ratepayers.

North Central is neutral on this as this is a state and federal law and we follow those to the letter. It should be noted that in the Nebraska Revised Statute § 70-2003, subparagraph 5, "A local distribution utility shall not be required to provide net metering to additional customer-generators, regardless of the output of the proposed generation unit, after the date during a calendar year on which the total generating capacity of all customer-generators using net metering served by such local distribution utility is equal to or exceeds one percent of the capacity necessary to meet the local distribution utility's average aggregate customer monthly peak demand forecast for that calendar year."

One last take on this subject: "Vermont's largest power utilities are urging the Public Utility Commission to slow the pace of net metering – the practice by which people and groups with solar arrays sell excess power to utilities – arguing that the program will cost ratepayers hundreds of millions of dollars over the next decade if growth continues (Threlkeld, P. 2). There are many issues on the plates of your local electric provider and we track them and evaluate them on a continuous basis. It is a scary world out there.

We at North Central PPD want to wish you a safe and prosperous spring.

Please remember that soon the kids will be out of school and running all over for their summer break. With everything that is going on in the world, please pause to realize how blessed we are to live in Nebraska. And North Central will work in the background to keep your electricity reliable, affordable and always just the flip of a switch away. We'll keep the genie safely in the bottle until you need him (or her) and then he/she will do your electrical bidding.

Johnson, Drew "Why is Russian Gas in Boston Harbor?". *The Wall Street Journal*. 18 March 2018:A13.

Nebraska Revised Statute § 70-2003.05. Retrieved from <https://nebraskalegislature.gov/laws/statutes.php?statute=70-2003>

Read, Shana. (2018, March 15) *When Energy is Cheap, but Power is Expensive*. Retrieved from <https://www.cooperative.com/news/Pages/When-Energy-Is-Cheap-but-Power-Is-Expensive.aspx>

Threlkeld, Kathryn. (2018, March 22) *Utilities: Net-metering to cost ratepayers tens of millions more*. Retrieved from <https://www.rutlandherald.com/articles/utilities-net-metering-to-cost-ratepayers--tens-of-millions-more/>

Chemical Spray Exposure can be Dangerous



Spraying crops with pesticides and herbicides is a necessary action to rid crops of unwanted pests and weeds. But for those unaware of proper chemical application, it can be dangerous. Extreme caution should be used when entering or working around the fields after they have been sprayed. Lingering traces of the chemicals pose a danger to the health of anyone that comes in contact with the fields. Our line crews often work along fields in the right-of-way or have to enter some fields and can be exposed to chemicals sprayed on nearby crops.

We are asking for your assistance in keeping our line crews safe by notifying our office or by posting the field to alert anyone in the area of possible chemical exposure. When posting, please list the date in which the level of chemicals will become harmless and the field can safely be entered. Your assistance in keeping everyone aware of any potential danger to chemical exposure is greatly appreciated.

2018 Tree Maintenance and Work Plan Projects

North Central Public Power District's (NCPPD) line crews have been busy in 2018. NCPPD started the year off with its annual tree trimming and tree removal program. This year, NCPPD worked in the Village of Brunswick. NCPPD would like to thank all the customers that gave tree trimming and removal permission to our line crews. Remember to look up before planting trees. If you have question or concerns planting trees, please call the Operations Department for more information

The 2018 Work Plan projects are underway. The first project is 4.5 miles of distribution line in the Knoxville area. This area is located 15 miles west and north of Verdigré. The project was recognized with the help of the RVW engineering firm. Replacing these 4.5 miles of line will help with reliability and voltage drop issues. NCPPD strives to keep electricity reliable and at a low cost. There are three other Work Plan projects planned for 2018 in other areas of the District.

Rain Plus Cold Weather Equals Ice Ice Equals Outages



Rain turned to ice during a storm the weekend of March 16-17, 2018. Although outages were seen all over, the majority were in the southeast of NCPPD's district. Most of the outages were a result of the ice coming off the lines.



North Central PPD accepting sealed bids on the following material

- 7 rolls of 7' tall chain link mesh, approximately 50' each
- 35-9' chain link fence posts-approximately (various diameters)
- 20-7' chain link fence posts-approximately (various diameters)
- 4 chain link top rails approximately 20' long

NOTE: Chain link material will sell as one lot.

The following items will be sold individually to the highest sealed bid:

- 21' steel pole (slightly bent) 9" diameter at bottom, 6" diameter at top
- 30' aluminum light pole with bullhorn on top. Triangular bolt mount
- Jonsered turbo 2095 chainsaw for parts (power unit only).

Items will be sold "as is" to the highest bidder. All sealed bids must be submitted to the NCPPD office no later than close of business on **May 10, 2018**. For further information, or to inspect the items, contact Brent at 402-358-5112. NCPPD reserves the right to reject any and all bids.

When was the last time you had your home's cooling system tuned up?



Linda Sokol,
Energy Advisor

If it has been of few years, now is the time to have your heating and cooling contractor inspect, service, and clean it. Typically, tune-ups on cooling systems that have been neglected for a few years can provide 5-15% energy savings, or more. Not to mention the unit can better perform from a comfort and equipment longevity stand point. Fortunately, there is a \$30 EnergyWiseSM incentive available to homeowners that have their cooling system tuned-up, regardless of what type or age of cooling system it is (air conditioner, air or water source heat pump).

\$30 incentive qualifications

- Incentives are available to customers who have their cooling system inspected and tuned-up by an HVAC contractor.
- Qualifying systems include residential central - air conditioners, air source and water source heat pumps that are served by North Central Public Power District.
- Even though the cooling system may be serviced or tuned-up frequently, the customer is only eligible for the EnergyWiseSM \$30 incentive a minimum of every three years.

Tune-Up Checklist

- ___ Clean Condenser Coil
- ___ Check Refrigerant Charge
- ___ Clean Indoor Coil
- ___ Check Belt / Lube Motor, if Needed
- ___ Blow Out Drain Line
- ___ Perform Visual Inspection of System
- ___ Discuss Proper Operation
- ___ Discuss/Review Proper Temperature Set-Back
- ___ Filter Service Schedule

If you are interested in getting the cooling system tune-up application, contact Linda Sokol at 402-358-5112.



Managing Trees Under Power Lines and Updating No Spray List

Power outages can occur when trees grow into or fall on power lines. This is not only an inconvenience, but can be very costly.

North Central PPD manages these invasive trees by spraying under and around its lines. This helps to control the underbrush from growing into the lines and to give lineman better access to the poles. If you have property that needs to be on NCPPD's No Spray List, please call the Operations Department at 402-358-5112 or 800-578-1060.

Brian York, NCPPD ROW/Maintenance employee, will be working in the Venus, Orchard, and Royal areas this summer.

From our homes to yours . . .

Biscuits and Gravy Casserole

Ingredients

- 1 lb bulk mild breakfast sausage
- ½ cup chopped onion
- ½ cup chopped red bell peppers
- 1 package (8 oz) white button mushrooms, chopped (about 2 cups)
- 1 teaspoon pepper
- ½ teaspoon salt
- ¼ teaspoon garlic powder
- ⅓ cup all-purpose flour
- 3 cups milk
- 2 oz cream cheese, softened
- 1 can refrigerated buttermilk biscuits

Directions

Heat oven to 350°F. Spray 13x9-inch baking dish or 3-quart casserole with cooking spray. In 10-inch nonstick skillet, cook sausage over medium-high heat, stirring occasionally, 7 to 8 minutes or until no longer pink; remove from skillet, and drain. In same skillet, cook onion, bell peppers, mushrooms, pepper, salt and garlic powder 3 to 5 minutes, stirring occasionally, until tender. Add sausage back to skillet. Stir in flour to coat; slowly stir in milk, and add cream cheese, simmering over medium-high heat 5 to 8 minutes and stirring until slightly thickened. Add hot sausage gravy mixture to baking dish. Separate dough into 8 biscuits; cut each biscuit into quarters, and place on top of hot gravy mixture in baking dish. Bake 27 to 30 minutes or until biscuits are cooked through and top is golden brown. Let stand 15 minutes before serving.



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Reporting Power Outage: 888-358-5112

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May 13, 2018
Mother's Day



FOR SALE: 2 Blue Tick coon dogs-males. \$50 each. Nine months old. Call 402-929-3471.

FOR SALE: IHC 3 point 13 spring shank high clearance chisel plow with gauge wheel. Call 402-887-5078.

FOR SALE: Earthquake rear tine tiller. Gear drive. Used very little. Call 402-887-5078.

FOR SALE: 1984 Chevy 4x4 1/2 ton pickup. New engine, transmission, transfer case. All new frame up parts. Would be excellent farm or work truck. Have over \$12,000 invested. First \$5000 cash gets it. Call 402-841-2242.

WANTED: Paying top dollar for scrap metal. Any kind of metal. Will pick up.

Please call 402-841-2242.

FOR SALE: '06 Yamaha 1100 Star, 12,003 miles, decked out; '03 Honda 750 Spirit, 8769 miles. Call 402-929-0013.

FOR SALE: Shark Steam Mop plus cleaning solutions and cleaning pads. Only used a couple of times. Call 402-842-2955.

Do you have something to sell or are you looking for something in particular? You may call, send or email (bargain.barn@ncppd.net) your description of what's for sale or what you are looking for to our office. The ad will run in the Bargain Barn section free for one month. Please include name and telephone number. No commercial ads will be accepted, personal items only.



Upcoming Events



Clown Festival
-Plainview

June 1-3

Kolach Days
-Verdigre

June 7-10

BerryPepper Days
-Creighton

June 15-17

Desperado Days
-Niobrara

July 20-22