
It's time to start thinking about another irrigation season. In this newsletter, we will bring you the latest information about our irrigation load management program, as well as any changes in rates or policies. If you need more information, try our website at www.perennialpower.com. You can also call us at (402) 362-3355, or toll-free (800) 289-0288 during regular business hours of 8am to 5pm Mon-Fri.

**Irrigation rates will increase in 2010**

Irrigation energy charges, will increase in 2010, while horsepower charges will remain the same as 2009. Although the energy charge increases will vary among control groups, irrigation rates will increase an average of 10.6%. The major reason rates will be higher again this year, is because purchased power costs are continuing to escalate.

**Future rate increases**

Our power supplier Nebraska Public Power District, is still reminding us that over the next several years, there will be continued upward pressure on wholesale rates due to higher cost of coal and other fuel, higher cost of transporting coal, capital improvements needed to replace aging infrastructure, and investments that will be needed at power plants to address emissions. This does not take into account any costs that may be associated with legislation or EPA regulations regarding potential climate change initiatives. Nebraska Public Power District's latest projections, show that Wholesale power costs may increase approximately 20% from 2010 through 2014.

**Future climate change legislation could significantly impact rates**

It is likely that we will soon see federal or state laws requiring more generation resources from higher cost renewable energy. Future climate change legislation will also likely demand more pollution control equipment at coal fired generation resources, which will cost millions of dollars. These higher costs will be passed onto consumers. As your power supplier, we are doing our part to make sure our lawmakers consider you, the ratepayer, when passing new climate change legislation. You can help too, by joining the over 1.5 million consumers just like you, who have logged onto www.ourenergy.coop to let their voices be heard. It's quick, and it's easy. Letters have already been prepared for you, reminding your representatives to consider 'you' when drafting new legislation. All you have to do is email them, and in just a few minutes you can contact all of your representatives. You will even get a response letter back from your representatives.

Our Energy, Our Future
A Dialogue With America

**Outlook for new irrigation services**

The demand for new electric irrigation services remains steady. If you are planning on building a new service or upgrading an existing one, be sure to come into the office early and let us know. Once you have met with one of our staking technicians and gone over your plans at the site, you will receive an application in the mail. We must receive your signed application before we will order any material for the job. Again, we ask that you begin this process early.

**Load control deadline**

Irrigation customers that want to have their wells controlled under a different load management option than what they are presently signed up for, will need to execute a new Interruptible Irrigation Service Agreement before March 15, 2010. If you would like to sign up for a different load control option, please contact Perennial's customer service department to request a new Interruptible Irrigation Service Agreement. The application is also available on our website on the irrigation page.

As a reminder, the potential hours for load control are from 9 a.m. - 11 p.m. However, the maximum amount of time that any irrigation well will be controlled during the 9 a.m. – 11 p.m. time-frame is 12 consecutive hours. The starting and stopping time can and usually will change from day to day.

**Sunday load control**

Due to increased load on Sundays, our power supplier NPPD has decided to no longer waive that day. What this means, is that Sundays will again be a day when load control is possible. The good news is that if you are controlled on Sunday, it can only be for 6 hours. Also, the maximum amount that any group can be controlled throughout the entire week is 72 hours. This will only affect the anytime control groups.

**Emergency Load Control**
In addition to regular load control hours, our power supplier could also ask us to control load on an emergency basis in the event that some of their equipment failed. If this happened, we would make the information available and keep you updated on our load control hot-line, as well as with our after-hours call center. This could affect all load control groups.

**Right to change load control option during season**
For every irrigation service that qualifies for the load management program, one time per season customers may cancel their existing Interruptible Irrigation service Agreement, and move to a plan of less control, including getting out of the load management program. All that needs to be done to implement this option, is sign a form authorizing the change, and pay a $150 service charge and the difference between the respective rates for each account requesting a change. This option gives customers the ability to adjust their amount of irrigation during adverse weather conditions.

**New load control switches to be installed**
Perennial will begin a pilot program in 2010, that will involve replacing about 75-100 load control switches. The new switches will integrate into our AMI system, using the same equipment as our new AMI meters (smart meters). For the most part, the switches will look the same as the old ones, minus the antenna. At this time we don't expect there to be any difference in the lights or operation. If we discover that there are some differences, we will contact those 75-100 irrigators and update everyone in 2011.

**Dollar impact of rate increase**
Shown below are average annual cost comparisons between 2009 and 2010, for each irrigation customer class. The Service Information is historical data for comparison.

**Irrigation Rate Schedule**

**Horsepower Charge**, per horsepower (*billed in May)*

| | 2009 | 2010 |
|---|---|---|
| Anytime Control | $14.00 | $14.00 |
| 3 Days Per Week Control | $22.00 | $22.00 |
| 1 Day Per Week Control | $27.00 | $27.00 |
| No Control | $31.00 | $31.00 |
| Pivot Wheels-Only | $33.00 | $33.00 |
| Re-Use Pump | $27.00 | $27.00 |

**Energy Charge**, per kilowatt-hour (*billed in Aug, Sep, Oct)*

| | 2009 | 2010 |
|---|---|---|
| No Control | | |
| First 50kWh/HP | $0.1890 | $0.2022 |
| All additional kWh | $0.0810 | $0.1068 |
| 1 Day Per Week Control | | |
| First 50kWh/HP | $0.1890 | $0.2022 |
| All additional kWh | $0.0700 | $0.0923 |
| Anytime Control | | |
| First 50kWh/HP | $0.1890 | $0.2022 |
| All Additional kWh | $0.0545 | $0.0718 |
| 3 Days Per Week Control | | |
| First 50kWh/HP | $0.1890 | $0.2022 |
| All additional kWh | $0.0630 | $0.0830 |
| Pivot Wheels Only | | |
| First 50kWh/HP | $0.1890 | $0.2022 |
| All additional kWh | $0.0735 | $0.0969 |
| Re-Use Pump | | |
| First 50kWh/HP | $0.1890 | $0.2022 |
| All additional kWh | $0.0860 | $0.1133 |

| | Service Information | | | | | | |
|---|---|---|---|---|---|---|---|
| Customer Class | # of services | Ave. HP | Ave. KWH | 2009 Bill | 2010 Bill | Annual $ Difference | % Inc. |
| Anytime Control | 408 | 69 | 15,836 | $2,621 | $2,986 | $365 | 13.93% |
| 3 Days/Week Control | 247 | 69 | 17,750 | $3,328 | $3,742 | $414 | 12.44% |
| 1 Day/Week Control | 438 | 67 | 21,024 | $3,873 | $4,373 | $500 | 12.91% |
| No Control | 64 | 33 | 10,899 | $2,084 | $2,344 | $260 | 12.48% |
| Pivot Wheels-Only | 712 | 11 | 833 | $489 | $504 | $15 | 3.07% |
| Re-Use Pump | 157 | 9 | 1,700 | $429 | $467 | $38 | 8.86% |

**Irrigation Efficiency program continues**
In fall of 2008, Perennial began developing a new program called EnergyWise. Energy Wise is a program that offers incentives to customers making energy efficiency changes. Our current programs include High Efficiency Heat Pumps, Commercial & Industrial Lighting, Compact Fluorescent Lighting, Refrigerator/Freezer Recycling, and Irrigation Efficiency.

ENERGYWISE
Use less. Spend less. Do more.

With the irrigation efficiency program, we are seeking to help irrigators utilize water and electric energy in the most efficient and cost-effective manner possible.

Irrigation is the lifeblood of many Nebraska farms. With irrigation, crop yields during dry years can more than double. Push a button, and the water flows. Unfortunately, some irrigation systems are inefficient which adds unnecessarily to costs. For example, a 10 percent decrease in an irrigation system's efficiency, depending upon many factors, may translate to an extra several hundred dollars spent each year. Moreover, sometimes as much as half of the water delivered through the system does not benefit the crop.

Many water districts have implemented, or are planning to implement, comprehensive restrictions on the amount of water that can be used for irrigation. Now, more than ever irrigation efficiency needs to be investigated.

While energy prices and rainfall are beyond anyone's control, irrigation operating costs can be managed better by investing in energy efficient technologies and practices. Many irrigators have found that making energy efficiency improvements to their irrigation systems, not only saves energy and water, but also can lead to improved productivity.

**What can be done?**

* Convert a high-pressure system to low-pressure.
* Rebuild or replace an inefficient pump.
* Convert gravity irrigation to center pivot or sub-surface drip irrigation.

**Questions to ask**

***Q*** Are there opportunities for me to improve system application efficiency or uniformity?

***A*** More than likely, yes! Visit your local irrigation contractor for options.

***Q*** Could improperly using a choke valve cause my irrigation system to use tens of thousands of kilowatt hours each year unnecessarily?

***A*** Yes. Surprisingly, many pumps operate at 75-80 psi and use a choke valve to supply pivots for 40 psi.

***Q*** Is my pump too old?

***A*** The average life of a pump before it needs refurbished or replaced is 18 years.

***Q*** Could improving my system's efficiency reduce the amount of water I need to pump?

***A*** Yes. Saving water means saving money!

***Q*** Would I be able to convert my delivery system to a lower pressure?

***A*** 20-25 psi pivots are not uncommon.

***Q*** Should I be using an end gun booster pump for low - pressure pivots rather than designing the main pump to produce enough pressure for the end gun?

***A*** Considering the limited amount of time the end gun operates, it is usually wiser to use a booster pump on low-pressure pivots.

To begin to answer these questions: Have your irrigation pump tested by a qualified irrigation pump service contractor, to determine the overall pumping plant efficiency.
Our program offers:

* Financial incentives to defray improvement costs associated with energy efficiency improvements to irrigation systems. (Payments up to 20 cents per kilowatt- hour saved.)
* Incentives that cover the cost of pump efficiency tests up to $350.

If you would like us to do an initial energy audit of your pumping system to see if you have energy efficiency opportunities, you will need to contact us for an application.
For more information about our EnergyWise program for irrigation pumps, stop by the office and visit with Mick Northrop, Marketing and Communications Coordinator.

The following is an open letter from the USDA Rural Development.

Dear Perennial Public Power District Irrigator:

We are writing to you today to make you aware of a Grant and Guaranteed Loan Program through USDA Rural Development. Eligible applicants include farmers, ranchers, and rural small businesses. We offer a Combination Guaranteed Loan financed through your local lender that allows you to take advantage of a 25% Grant on all eligible project costs. We can finance up to 75% of the total improvement project costs via this combination application. This may work with the EnergyWise incentives offered by Perennial Public Power District.

Potential eligible energy efficiency projects include: irrigation motor conversion, grain dryer upgrades, ventilation system improvements, shop building improvements or other energy efficiency upgrades. Potential eligible renewable energy projects include: solar, wind turbines, geothermal, hydrogen, methane digesters, or biomass. Eligible projects are for business purposes only, residential improvements are not eligible.

We partner with the energy auditor at Perennial to provide you with a potential energy savings provided from your improvements. If you are planning any type of improvement or contemplating a renewable technology as listed above, please contact our office for further details regarding our program. You may contact Jennifer Nelson (jennifer.nelson@ne.usda.gov) or Sara Seidel (sara.seidel@ne.usda.gov) at the Lincoln Office at 402-423-9683 ext 4.

Applications are currently being accepted for 2010. A full application must be received PRIOR to starting the project.

Contact Perennial or our office for a brochure to give you more information on this USDA Rural Development program. We look forward to answering your questions and working with your business on this exciting opportunity.

Jennifer Nelson, Area Specialist,USDA Rural Development

**Irrigation Well Outages**

Perennial gets more power outage calls in the summertime, than any other time of the year, primarily because of lightning and windstorms. After a storm, or at the beginning of irrigation season after the wells have been idle all winter, we get flooded with calls about irrigation services that are out of power. If you know some basic troubleshooting techniques, you can possibly fix a problem yourself, if it's on your equipment. At a minimum, you should own a volt meter to check voltage, and an ohm meter to check fuses. Be sure to follow all instructions you read and understand all safety rules, before using these tools.

Many times we are called out because wells won't start, only to discover that the problem is on the customer's equipment. To avoid a $150 service call, be sure to check the incoming voltage before calling Perennial. Check the voltage ahead of the fuses, in the disconnect switch below the meter. If proper voltage is present, this means that the problem is on your equipment, and an electrician will need to be called. If proper voltage is not present, call Perennial.


Well Number (Detailed view)

**Calling Perennial**

If you call in with service problems, we need to know some basic information about your well service. Most important is the name on your bill, and remember to mention if it is in a corporate name. Also include your legal description, well number, and meter number. This will help us pinpoint your service and speed up our response time. Remember, we need directions to the meter and not to the well. Sometimes the well and meter are across the road from each other in different sections. It is always a good idea to leave a phone number where you can be reached.

**After hours call center**

For several years we have employed NPPD as our after-hours call center. Service calls after regular business hours of 8:00 a.m. - 5:00 p.m. Mon - Fri, are routed to the NPPD Call Center in Norfolk. It is important to remember when you call after hours, that you will not be talking to a Perennial employee who is familiar with the service area. Because of this, it is important to make sure you supply the call center operator with as much information as possible. Please refer to the previous article (calling Perennial) for that information.

**Contact information**

Load Control Hot-line – (402) 362-4786

Office (during regular business hours of 8:00 a.m. to 5:00 p.m. M-F) – (402) 362-3355

Service Calls 24 hours a day (402) 362-3357 or toll-free (800) 289-0288

Website – www.perennialpower.com

**Load Control Messages on KRVN 880 Rural Radio**

Again this year, Perennial will have daily irrigation load control messages broadcasted on KRVN radio. Messages will be read at 8:29 a.m. Mon-Sat. If load control is expected, the radio announcer will say "Code Red" followed by a starting time for load control. If the announcer says "Code Green," this means that there is no load control that day. Early release messages (if necessary) will be scheduled for 4:59, 5:29, 5:59, 6:29, 6:59, 7:29, 7:59, 8:29, 8:59, 9:29 and 9:59.

**Billing information**

Beginning in 2010, energy bills for irrigation services will be sent out in August, September and October. As usual, annual horsepower charges are billed prior to the start of the irrigation season in May, and due by June 5th. It is important that these bills be paid on time to avoid a 1.33% per month finance charge.

**Name changes on your bill**

Please contact us as soon as possible if you are planning to irrigate additional land this year that is currently in someone else's name. We appreciate having all of that paperwork completed and turned in before we generate annual horsepower bills. If possible, we would like to have that information by March 15th.

**Help us get better connected to you!**

We want to be able to connect to you by email, so we can send you information faster, and more efficiently. Please call or write us with your email address, if you would like to be included in our database. Also be sure to tune in to our website at www.perennialpower.com for more information.