

Tornado slams into service area on June 20th

At 5:40 p.m. on June 20, 2011, an EF-2 tornado touched down four miles SW of Bradshaw, NE. The 1/4 mile-wide tornado produced wind speeds up to 130 m.p.h. and remained on the ground for 15 miles before it exited in northern York County.

According to the National Weather Service out of Hastings, NE, the tornado was upgraded to an even stronger EF-3 as it exited York County and entered Polk County four miles east of Polk. With windspeeds now up to 140 m.p.h. and a path increased to 1/2 mile-wide, the tornado continued another 10 miles before it lifted six miles W/NW of Osceola.

In York County several structures were destroyed including one house, a livestock building, several center pivots and grain bins. A train was also derailed near Bradshaw. Perennial experienced significant damage to lines and equipment along the path of the tornado. Sixty structures were damaged or broken. According to Perennial Manager of Operations Ardean Richert,



The EF-2 tornado that touched down four miles southwest of Bradshaw, created a 15 mile path of destruction before it exited northern York County
Above photo courtesy of John Sich

several services were completely destroyed, requiring replacement of nine meter loops and eighteen distribution transformers. “There were numerous areas of down or damaged conductor and much of the damaged line needed to be removed prior to starting the reconstruction process,” Richert said.

361 customers including irrigation, drying and commercial services were without power following the storm. By Tuesday evening 31 customers were still without electricity. By 8:30 p.m. on Wednesday crews had rebuilt several line segments and were able to restore electricity to the remaining residential customers. At the time of this writing clean-up was still underway, including the rebuilding of the remaining irrigation, grain drying and commercial services. Damage from the storm was estimated at \$175,000



- \$200,000. Fortunately there were no serious injuries reported.

Cost of electricity in 2012

by Jamey Pankoke

Recently our power supplier, Nebraska Public Power District (NPPD), announced a proposed 6.5% wholesale rate increase in January 2012. As explained by NPPD, the reason that rates will need to increase can be primarily attributed to two factors.



Jamey Pankoke

One is related to an increase in fuel and transportation costs associated with generating electricity. Specifically, next year NPPD is expecting that the cost to transport fuel used to power its fossil power plants will be 75% higher than this year. These higher fuel costs will account for 4.0% of the 6.5% proposed rate increase. Rising fuel prices is nothing new for NPPD. In fact, fuel costs – NPPD’s second largest operating expense – have increased more than 50 percent in the past five years.

The remaining 2.5% of the proposed 6.5% rate increase is due to anticipated higher debt payments associated with additional capital investments NPPD will need to make to upgrade the existing electric system, as well as to build new facilities.

There are some uncertainties linked to NPPD’s rate outlook. For example, if NPPD’s electric load and energy sales to its Nebraska customers throughout the rest of this year vary substantially from the present forecast, it could change the percentage that rates will ultimately need to increase in 2012. Other uncertainties that may alter the 6.5% proposed rate increase include coal prices, nuclear fuel prices, the amount of power that NPPD can sell to out-of-state customers, and the price they receive for these ‘off-system’ energy sales.

How will NPPD’s rate increase affect you? Approximately two-thirds of

what we charge you is used to pay our wholesale power costs. The remaining portion is used to pay for Perennial’s operating expenses and to make necessary investments in maintenance, construction and electric system improvements, all of which will also come at a higher cost as we go forward. However, the primary driver for our retail rate increase in 2012 will be the pass-through of NPPD’s wholesale rate increase. With this in mind, barring any unforeseen events, both in NPPD’s operations and ours, I am confident that we can keep our overall rate increase next year to less than 6.5%.

More people are using the internet and Perennial’s website

According to Internet World Stats (IWS), in 2010, just over 80% of Nebraskans used the internet and in 2011, over 52% used Facebook. As more people turn to the internet for news, weather, information and social networking, more companies like Perennial find it only natural to have a larger presence there as well.

Perennial launched its first website in 1998, at a time when far fewer people had internet access, but we “saw the writing on the wall.” The following is a quote from the October 1998 edition of Perennial News: “We took a somewhat proactive approach in the decision to create our website. In other words, there is not a huge demand for people wanting to access us via the internet, but there are some. We felt the demand for this type of service would grow rapidly and we wanted to be ready. We want our customers and perspective customers to have information at their fingertips 24 hours a day if they choose it.”

And grow it did. According to the IWS, in 2000, 44.1% of the U.S. population used the internet, and by 2010, that number had ballooned to 77.3%.

Today Perennial’s website at:

www.perennialpower.com offers:

- Online Bill Payment with first-rate security
- Online interactive forms including (Application For Service, Irrigation Load Control, etc.)
- Irrigation Load Control information and status
- Rates
- Perennial News On-line
- Community Events
- Energy Conservation and Perennial EnergyWise incentive programs
- And much, much more

Our website is designed to help make our customer’s lives easier. Check it out today!

Get up to \$300 for adding insulation to your attic



If you have little insulation in your attic (6 inches or less on average) and add at least six inches or R-19, take advantage of Perennial’s Energy Wise Residential Insulation Program. To be eligible, customers must have a heat pump or electric furnace or electric heat (baseboard, radiant, etc.). Customers participating in the residential Energy Wise attic insulation program are eligible for an incentive of \$.15/ square foot with a maximum incentive amount of \$300 per existing residential dwelling. New construction and/or additions do not qualify.

Call us today at (402) 362-3355 if you would like more about this rebate program.

Students attend youth energy camp

On July 11-15, Perennial sponsored three area students to attend the Annual Nebraska Rural Electric Association (NREA) Youth Energy Camp at the State 4-H Camp at Halsey National Forest. The trio joined about 75 students from 29 Nebraska rural power districts, one Colorado, one South Dakota and three Wyoming power districts. The companies are all members of the NREA.



(L-R) Alex Benorden, Blake Papik and Jake Kroll

Attending this year was Alex Benorden, son of Mark and Starlene Benorden of Exeter, Jacob Kroll, son of Robert and Laura Kroll of Miligan and Blake Papik, son of Doug and Melanie Papik of Exeter. Blake attended the camp last year and returned this year as a junior counselor.

The week was filled with educational workshops highlighted by a bus trip to Kingsley Hydro-Electric Power Plant near Ogallala and Gerald Gentleman Power Station near North Platte.

Leadership is stressed throughout the week-long camp as students get to compete for leadership roles on committees and take part in an ambassador

contest to win a free trip to Washington, D.C. Students also learn how public power districts operate.

The camp is open to all students who are currently a freshman, sophomore or junior, with parents who are customers of Perennial PPD or one of the other 34 NREA member-systems. If you have a son or daughter who would like to apply for camp next year, contact Perennial at (402) 362-3355 for more information. The camp is in its 31st year.

Wanted... highly motivated safety-conscious individuals who want to become line technicians

Perennial PPD is offering a \$1,000 per year scholarship to a student planning to enroll in a utility line program. Applicants must reside within Perennial's service area to be eligible.

We are a strong and growing company which is experiencing a high workload for new construction and maintenance. Combined with the fact that many senior line technicians are nearing retirement age, we are anxious to train and hire new line technicians for the future.

Receiving this scholarship does not guarantee future employment with Perennial, but recipients will receive strong consideration. Call us for more information at (402) 362-3355 or go to our website at www.perennialpower.com.

- Earn a great living doing what you enjoy.
- Earn competitive wages and benefits.
- Join a solid and growing company.
- Start a great future today..

August 2011

Perennial Public Power District

Double your incentive payment when you install a heat pump

Did you notice that your central air conditioner didn't work quite as well this summer as it did

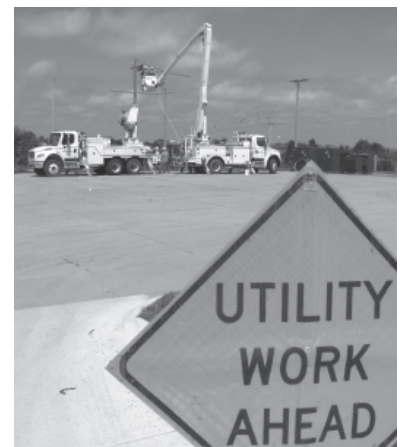


last year? If your unit is 20 years old or older, it could be time to replace it.

Did you know that you can replace your old central air conditioner unit with a high efficient heat pump? A heat pump will cool your home in the summer and heat your home in the winter, saving you money year around.

By combining a federal tax credit with our Energy Wise rebate, you can earn up to \$550 by installing a 15 SEER air-source heat pump. Low interest loans through the Nebraska Energy Office and a local bank are also available in lieu of the \$300 Energy Wise rebate that Perennial offers.

Heat pumps can be added to electric, natural gas or propane furnaces. Heat pumps typically save consumers 40% to 50% on their heating and cooling costs, when compared to standard furnaces and central conditioners. Call Perennial for more details on these incentive programs.



Irrigation News

by Jim Winchell

If you are like me, a few months back an Irrigation News Letter was mailed out explaining Perennial's load control, rates and billings involving irrigation services but do we remember what was said, maybe and maybe not. I will take parts out of that newsletter to assist us about load control and billings.

Load Control - Load Control is important to Perennial Public Power District and our consumers in keeping costs down.

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 15th of the irrigation year. 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.

A customer may cancel an agreed upon interruptible rate during the irrigation season, and forfeit all rights under the Interruptible Irrigation Service Agreement. If the previously agreed upon Interruptible Irrigation Service Agreement is cancelled or altered by request of the customer during the irrigation season, the customer shall pay a \$150.00 service charge and the difference between the charges already paid and the charges under the new control rate, as selected by the customer.

Only one change to the Interruptible Irrigation Service Agreement may be made during the irrigation season for each irrigation service and such change must be of lesser amount of control.

As a reminder, the potential hours for load control are from 9 a.m. - 11 p.m. Monday through Saturday. 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.

Irrigation Billing Change

The billing period for all irrigation rates will be for the months of June, July, August and September. The bills will be mailed to the customer in July, August, September and October. As stated earlier in this newsletter the billing is based on actual load (demand) and kilowatts hours and not horsepower. The bill make up includes a Facilities Charge, Purchased Power Demand Charge, Distribution Delivery Demand Charge and Energy Charge.

The bill terms are defined as:

- **Facilities Charge** - This charge is the minimum amount that Perennial needs to collect to cover the cost of the ongoing operation of the electric system facilities (i.e. poles, wires, etc.) that are needed to serve a customer, even if no electricity is consumed by the customer.
- **Purchased Power** - This charge is for the pass-through cost of wholesale power that Perennial purchases from Nebraska Public Power District (NPPD).
- **Distribution Delivery** - The expense of Perennial's day-to-day operations and other expenses associated with delivering power across Perennial's electric distribution system is recovered by this charge.
- **Energy Charge** - The kilowatt hour (kWh) charge for all energy used.

Load Control Contact

Load Control Hot-line (402) 362-4786 - A recorded message announcing control status is updated as necessary throughout the day.

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

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

Website www.perennialpower.com

Website is updated as necessary throughout the day.

Load Control Messages on KRVN.

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.

Community Events

- Strang Q 125 Celebration - August 12-13
- Yorkfest - September 8-10
- McCool Mustang Roundup - September 16-18