

August 2010

Pricing Power

Sometimes when customers open their electric bills, they question the amount of their bill especially when they believe they have used a lower amount of kilowatt-hours than the bill states. It should be first stated that the amount of electricity used in a month is in the eye of the beholder – what may not seem like many kilowatt-hours may actually be a fairly substantial amount when compared to other customers in the same rate class. In 2009, the average usage by a residential customer in Cuming County Public Power District (CCPPD) was 1,540 kWh per month resulting in an average electrical charge of \$121.65. It should be remembered that some customer's bills also have additional fees such as the:

- 5.5% state sales tax,
- A few customers have the 1% local sales tax,
- and the 12% lease fee, 5% gross revenue tax per individual villages.

Regardless of which residential class that a customer falls into, the largest component of their bill is the cost of power that CCPPD has purchased from Nebraska Public Power District (NPPD) for resale. For every dollar that a customer pays to CCPPD for electricity about 57¢ is paid to NPPD. The next highest category is 22¢ for employee costs. Materials for maintenance make up 10¢ of every dollar, not including materials used in

the construction process. The remainder is transportation and miscellaneous costs.

There are many benefits that customers receive from the 22% that goes to employee costs. If CCPPD did not have a single employee, and assuming that somehow, without any employees, the District could magically render a statement to all of its residential customers they would still have monthly electric bills close to \$94.89. So what does a Cuming County Public Power District customer get for 22% of their bill that is paid for employee costs?

You, the customer, receive 24/7 maintenance and upkeep on 1,537 miles of line ranging from 7,200 volts to 69,000 volts.

Additionally you get 19 employees all of whom are professional and well-trained. Due to the fact that CCPPD is a quasi-governmental agency and has issued tax-exempt bonds, it is subject to stringent accounting practices that require an independent, in-depth audit annually. It takes dedicated, educated employees to follow the record of all the financial transactions that occur during the course of business at the District. CCPPD employees have to deal with the EPA,

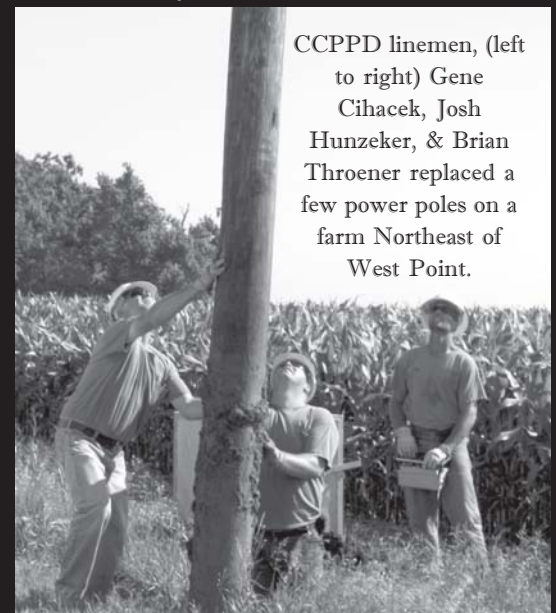
OSHA, FEMA, NEMA and the U.S. Fish and Wildlife Commission as well as many other state and federal regulatory agencies on a daily basis with such things as PCBs, safety, spill containment, migratory bird and raptor protection, fire retardant clothing and on and on.

Upper management creates short and long term financial forecasts and works with an engineering firm to plan and project future growth and maintenance needs as well as budgeting to ensure that funding is available without driving rates up unnecessarily.

However, the true test is what you get when a cold, winter storm comes

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All in a days work...



CCPPD linemen, (left to right) Gene Cihacek, Josh Hunzeker, & Brian Throener replaced a few power poles on a farm Northeast of West Point.



Monthly Newsletter of
**Cuming County
Public Power District**

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**EMPLOYEES
MANAGEMENT**

Elwood Moore General Manager
Randy Dickerson Mgr. of Operations
Kari Haase Mgr. of Finance & Admin

OFFICE SERVICES

Donna Feldhaus Exec Sec/Cashier
Craig Hanneman Office Services
Mary Troyer Accountant
Nicki Peters Customer Service

INFORMATION TECHNOLOGY

Monte Draper IT Administrator

OPERATIONS

Tim Martens General Foreman
Scott Haber Working Foreman
Willy Anderson Journeyman Lineman
Scott Case Journeyman Lineman
Gene Cihacek Journeyman Lineman
Josh Hunzeker Journeyman Lineman
Brian Throener Journeyman Lineman
Jess Hunke Apprentice Lineman
Tisha Alfson Technology Services Supv
Jim Yosten Engineering Technician
Sarah McGill Technical Services

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through the District and destroys part of the distribution system - plunging hundreds of people into darkness and cold. At this point the employees will move into their power restoration mode. The damage will be assessed and crews from other systems and even other states will be contacted and called in to help with the effort. As the linemen work in harsh conditions, the operations supervisors will be overseeing everything to ensure safety while determining which lines need to be restored first to get the most customers on the quickest. Other employees will be arranging for food and lodging for mutual aid crews coming in to help. Someone will be dealing with the media while someone else will be arranging for proper emergency financing to make sure that funds are available as needed. To someone looking in from the outside it might look like a cross between a fire drill and blind man's bluff, but the restoration effort is a well orchestrated utilization of all of the District's assets with the main focus being on human resources.

One final point that often is overlooked by customers is that the 57 percent of the bill that is paid to NPPD for power costs includes but is not limited to the following generation and transmission costs: fuel, maintenance, construction, debt service, labor, regulatory fees and legal fees. CCPPD's mission is to improve the quality of life for their customers in Cuming County and the surrounding area, with a commitment to safe, equitable and reliable electrical service. If you have any questions, please call the office at 402-372-2463.

Important to Note!!

Expansion plans, such as: crop drying facilities, feedlot and hog barn expansions, new farm shops, etc. need to all be reported to Cuming County Public Power District (CCPPD). Due to the extensive restoration from the storm in January and the recent line upgrades due to already reported

expansions, CCPPD crews have full schedules through the fall and into the winter months. Our number one goal is to take care of our customers and with your help, we can be more proactive and schedule things to help our customers in a more efficient way. Please report any and all expansion to CCPPD at 877-572-2463 or 402-372-2463.





- Meet Your Board - Rollin Bremerman

Each month we will introduce one of the CCPPD's board members and get to know them outside of the work they do for the District.

Rollin Bremerman is currently the Cuming County Public Power District Board Secretary and has been a board member since 1992. He and his wife Faye live on a farm North of Beemer. Their six daughters and their families all live in Nebraska. They currently have 16 grandchildren that keep them busy in their many sporting events and school organizations.

You will find Rollie out on his farm planting and harvesting crops, keeping up with the many cats and dogs and mowing the large yard. Faye is a Para-professional at Wisner-Pilger Elementary. Rollie also has fun restoring and driving his 5 antique John Deere tractors. He even has a pink one! He enjoys riding in the Great American Tractor Ride each year.



Rollie at the Great American Tractor Ride.

Being a board member takes time and effort. Reading up on current events affecting the electric industry is a job in itself. Aside from attending the monthly meetings, directors often take part in regular meetings of associations to which the District belongs or is affiliated with including the Nebraska Rural Electric Association. Please let Rollie know that you appreciate him taking time out of his daily routine to serve on the Cuming County Public Power District board.

Great American Tractor Ride 2010

Rain or shine the tractor ride went on without a hitch. It downpoured early that morning, but by 8:00 am when the ride was to start, the rain had stopped. Many riders were prepared with their rain coats and umbrellas in hopes they wouldn't have to use them. KTIC 840/107.9 The Bull put the sixth annual event together and had over 200 tractors show up. The riders are primarily from Nebraska and Iowa but also travel from South Dakota, Colorado, Kansas, Oklahoma, Michigan, Tennessee, Kentucky, Alabama and Florida. The drivers were full of smiles and big stories before the two day event began.



The tractors lined up before the start.

Flooding Causes Damage in Area

Rain and flooding upstream mid-June caused the banks of the Elkhorn River to swell and cause damage along it's course of travel. Two bridges in the area were damaged and many roads were closed for extended periods of time. Area fields were also flooded by the amount of rain in such a short period of time.



A field just North of Dodge.



The bridge over the Elkhorn River South of Wisner.

Car Seat Check Up

The Car Seat Check Up was held at Cuming County Public Power District Tuesday, June 22nd. It was a FREE check point with Child Passenger Safety Experts that checked car seats to make sure they were installed correctly. Did you know?...95% of child safety seats are being used **INCORRECTLY!** There were over 20 car seats that were checked over thoroughly. The event was sponsored by: Franciscan Care Services, Cuming County Public Power District, Graybeals, Lincoln Street Market, McDonalds and Subway.



Alicia Moyer (left), and her daughters Josephine & Katrina had their car seats checked by Car Seat Technicians; Krista Heineman and Stacey Heller (both car seat technicians work for Goldenrod Hills)

'Cuming' Events...

Cuming County Fair: West Point, NE, August 12-15, 2010.

Office Closed: September 6th for Labor Day.

West Point Dairy

West Point Dairy (located in the former Tyson facility just South of West Point) is running strong. They have 85 employees and hope to expand as there is need. They make 80-100 different labels for the butter that they ship to places all over the United States. The butter takes 48 hours to be made from the time the cream comes in until the butter is ready to be packaged. West Point Dairy opened their doors for their open house Sunday, June 28 from 1-3pm.



West Point Dairy Products LLC, South of West Point



People awaiting the tour through the factory.

Did You Know?
Cuming County Public Power District has 1,537 miles of line, which would extend from West Point, NE to Los Angeles, CA. There are 2.54 CCPPD customers per mile of that line.



Board Meetings

Regular meetings of the CCPPD Board are normally held on the second Wednesday of each month at the office. Notice of times and date changes are published monthly.

Board Of Directors

Dennis Weiler, President 372-2713
 Danny Kluthe, Vice Pres 693-2833
 Rollin Bremerman, Sec 528-3521
 Ed Kaup, Treasurer 372-2966
 Clarence Heiman 372-2604
 Doug Throener 372-5562
 Leroy Mostek 528-3872