

From the desk of the Manager

No Rate Increase in 2014

I'm happy to report that there will be **no rate increase** in 2014. Most of our annual cost to operate comes from purchasing bulk wholesale electricity from the Nebraska Public Power District (NPPD) to distribute to our consumers. Since this cost will not increase in 2014, no changes will be made to Cedar-Knox rates.

Irrigation Rush Continues

Cedar-Knox crews have been busy continually building and upgrading substations and circuitry to accommodate new irrigation loads that have (and will) come on line. We will be connecting roughly 4,300 new irrigation pumping horsepower to our distribution system prior to the 2014 growing season. More than 13 miles of new 3-phase line extensions will be built specifically to new irrigation pumps, along with the many other work-plan projects. Plans are well under way also to construct a new substation northwest of Crofton next spring. Cedar-Knox crews will build the new substation, but an outside contractor has been hired to construct the 6-mile stretch of 69 kV transmission line to serve it. This substation has been in our

long-range plan and generally is not irrigation-driven. It will relieve some load off of other substations and provide a main source to consumers along Lewis & Clark Lake.

Power Supply Contract Talks Continue

As I mentioned, we purchase the electricity that we distribute to your farms, homes and businesses from NPPD. We operate under a 20-year, "all-requirements" power purchase agreement that runs through 2021. NPPD generates electricity at various locations across the state using a diverse mix of fuels to power generators including coal, nuclear, hydro, wind, natural gas and fuel oil. NPPD will be 10% renewable by 2020 and currently claims to have one of the cleanest electricity portfolios in the region with the nuclear, wind and hydro resources helping make the total energy output more than 40% carbon-free. The "Gerald Gentleman" coal plant near Sutherland burns low-sulfur coal from Wyoming's Powder River Basin and is NPPD's largest generator and most economical base load plant.

In coming years, NPPD is seeking to renew agreements with its wholesale customers

to help securitize their debt on generation and transmission facilities upgrades and additions. New long-term commitments (contracts) would be looked at favorably by bond rating agencies, helping NPPD to maintain ratings and obtain low-cost financing on new debt. Our business relationship with NPPD has generally been a good one, but as we negotiate terms of a new agreement we want to ensure that the focus remains on low cost, reliable energy and what's best for our consumers.

Please enjoy a safe and happy upcoming holiday season!



Dan Leise

Happy Thanksgiving!

Cedar-Knox PPD will be closed November 28-29 for the Thanksgiving holiday.



COOPERATIVE ACTION NETWORK

On September 20, 2013 the Environmental Protection Agency (EPA) issued new proposed rules limiting the carbon dioxide (CO2) emissions of new coal- and natural gas-based power plants. The proposed rule sets stringent limits on CO2 emissions from coal plants in particular, essentially requiring the use "carbon capture and sequestration" technology or eliminating coal as a potential fuel source for future plants. According to a 2012 Congressional Budget Office report, engineers have estimated the CCS technology would increase the cost of producing electricity from coal-based plants by 75 percent.

ACTION ALERT - Let Your Voice be Heard

Since CCS is not commercially viable, the **Administration has abandoned its "all-of-the-above" energy strategy and embraced an "all-but-one" approach** that effectively prevents construction of new coal-based generation.

We have seen this all-but-one game before in our country's recent history. Concerned about natural gas supplies, Congress passed the ill-conceived Power Plant and Industrial Fuel Use Act of 1978, which prohibited burning natural gas to generate electricity. To meet growing demand for baseload power, utilities effectively were forced to choose either coal or nuclear.

With skyrocketing costs for building nuclear plants and the Three Mile Island accident, coal was the direction that was taken. Utilities invested heavily in coal plants in the 70's and 80's. It took nine years, but Congress finally repealed its mistake in 1987. There is no reason to repeat the mistakes of the past, but that appears what may happen again.

Contact the EPA by going online to **action.coop** and you will have the opportunity to get more information about the EPA's ill-conceived proposal. Click on "Send a message to EPA" and let your voice be heard. **Do this right away, because time is running out!**

If you have questions, contact our office.



Recipe Corner

MOIST COFFEE CAKE



Mix

- 1 box yellow cake mix
- 3 eggs
- 1 can apple pie filling or
- 6 cooked and peeled apples

Topping

- ½ Cup brown sugar
- 2TBS flour
- 2TBS cinnamon
- 2TBS butter
- 1 Cup chopped nuts (optional)

Combine cake mix and eggs. Add apple pie filling. Spread in greased 9X13 pan. Top with topping and swirl. Bake for 35 minutes @ 350 degrees.

Closed for the Holidays

Christmas Office closed Dec. 24 (afternoon) and all day Dec. 25th

New Year Office closed Jan. 1, 2014

Cedar-Knox PPD Calendars will be available at our CKPPD office in Hartington and also in some local businesses.

Harold Martindale Scholarship

Cedar-Knox PPD has awarded a scholarship in Memory of Harold Martindale since 1981. The \$2,000 scholarship will be awarded to a student who is enrolled in the two-year Utility Lineman Program for this fall and who is attending Northeast Community College.

Applications must be submitted to Northeast Community College by February 1st, 2014. Applications may be obtained from the website northeast.edu or from your guidance counselor at your local school. Qualifications will be outlined by Northeast Community College. If you have questions, you can also contact us at Cedar-Knox PPD.

In Memory



Pictured here are trees that were moved in recently on the east side of the CKPPD office by Rod Goeden. Rod is a CKPPD employee and he donated these trees and three others on the west side 10 years ago.

The trees planted 10 years ago were planted in memory of Jeff Steffen an employee of CKPPD who passed away. The new trees on the east are in memory of Eric and Miranda Becker's son Dylan who passed away this last July in an accident. Eric is a journeyman lineman for CKPPD.

Memorial plaques will soon be placed by the trees.

EN-LIGHT-ENING INFORMATION

Even purchasing light bulbs has become more complex. With the phase out of most standard incandescent, we are faced with more choices such as halogen, compact fluorescent (CFL) and light emitting diode (LED) lamps. Here are a few tips to help clear up some confusion.



- Instead of "watts" consider lumens. Watts measure the amount of energy required to produce light, where lumens measure the amount of light produced. The more lumens, the brighter the light.
- Purchase reputable brand name products when choosing any light bulbs. Now is not the time to choose the cheapest or store brand.
- Past energy-efficient lamps were very limited in color hues. Colors that we prefer are now available in different type of lamps including CFL, LED, and Halogen.
- These new lights are a little investment but the prices continue to drop on many of them. The payback can be significant over time.

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