

## From the desk of the Manager

### Horsepower Capacity Charge

We are off to an unprecedented start to the weather season this year. From winter flooding, ice storms, record snowfall in the mountains, above average tornadoes in the central plains, and the continued rains received causing historic flooding across the country it has definitely made another very challenging start for farmers. With the current moisture acquired and water table level being high, on top of an almost nonexistent irrigation need last year, it makes our irrigators question their costs on irrigation systems. Because of these concerns, we have heard a few of our irrigation customers ask “why do we need to pay a Horsepower (HP) Capacity Charge at the beginning of each season if I use the system or not?”



This HP capacity charge is much like the base charge every service from residential to commercial pays each month on their bill except this irrigation charge is collecting all twelve months at one time. The HP is based on your system’s peak Kilowatts used in a 15 minute period and then calculated into HP (746watts=1 HP). Your HP value is then applied to the chosen rate each year. Please keep in mind the average house with all-electric heat would calculate a peak of about 20-25 HP, whereas the aver-

age irrigation service in our district equals about 75 HP per system. This seasonal load requires a much larger infrastructure of poles, wires, transformers, substations, etc. to provide that amount of capacity compared to a residential service.

This base/HP charge covers the cost for your size of service to be ready for full load usage at any time 24/7/365. If you use a single kilowatt or not, Cedar-Knox has operational fixed costs and those fixed cost expenses include sub-transmission maintenance, distribution line maintenance, plant depreciation, line losses, equipment upgrades, aging infrastructure replacements, storm damage repairs, and administrative expenditures. We are constantly trying to stay ahead of any issues that may cause outages or reliability problems. Staying ahead of the growth and aging infrastructure curve allows us to handle an extreme usage year of drought and high temps with no major issues.

CKPPD is continually looking at parity in rates to maintain a true “Cost of Service” to all customers and to make certain every account pays their fair share. While rates are said to be “More of an art than a sci-

ence”, we regularly complete rate studies that show where our adjustments are needed. The last two years we have raised base charges to nearly every rate but lowered the energy (Kwh) charges to remain very near an overall net zero change per the latest rate study results. This was to help cover our costs seen on the fixed charges and not subsidize those expenses in our production or energy charges. Last year was a good example of not subsidizing charges in our energy or production costs. With little to no irrigation usage we would have come up well short of fixed costs on irrigation services. This places rates properly, setting us up to be as accurate as possible to our customers, which is what we strive for.

While reliability and convenience come at a price, we are always very concerned with our rates. Cedar-Knox PPD has always taken great pride in keeping our costs down to remain affordable and with having some of the lowest rates in the state currently, we will continue to sustain that in the Public Power pillars of Safe, Affordable, and Reliable power to all our valued customers!



Mike Lammers

### Irrigation Hotline and After Hours Phone System

Irrigation Hotline Number is **402-254-6322** to check the daily control status message that is recorded with any control hour information we have received.

After Hours Issues, please call **402-254-6291** or **800-891-5196** and press option 3 to talk to the irrigation load control program operator on call. They can help you with your irrigation radio control.

### Calendar Photos Needed

We plan to print 2020 calendars, but we hope you will help by sharing some pictures with us. The digital photos need to depict local scenery or events in the Cedar-Knox PPD service territory in a file with a .jpeg extension.

To submit your photo(s), please email them to [mjlamme@hartel.net](mailto:mjlamme@hartel.net) by July 31<sup>st</sup> for consideration. If your photo is selected, you will receive recognition in the calendar and a small prize in appreciation. Thank you!



# Service Anniversaries

With these five individuals, Cedar-Knox PPD is blessed to have 125 years collectively of knowledge, experience, and expertise. We thank them for their loyalty and commitment to Cedar-Knox PPD.



Doug Miller,  
Crew Foreman, 30 years  
as of 5-15-1989



Corey Stratman,  
Staking Engineer,  
30 years as of 6-6-1989



Matt Sudbeck,  
Crew Foreman,  
25 years as of 5-11-1994



Mike Lammers,  
General Manager, 25  
years as of 5-11-1994



John Freeman, Meter  
Technician/Journeyman  
Lineman, 15 years  
as of 5-17-2004

## Congratulations!



Carol McGregor, Office Manager, recently retired with over 38 years of service. She was honored with an open house and retirement party on her last day of work at CKPPD on April 26<sup>th</sup>. Carol is looking forward to spending more time with her husband Dave, her four kids, and seven grandkids. We thank Carol for her years of service and dedication to Cedar-Knox PPD.



## Congratulations!

Mary Lammers became the Office Manager at the end of April. Mary began her career at CKPPD as the Billing Clerk. Other positions she has held are Billing Supervisor and most recently Benefits Administrator/Administrative Assistant. Mary has also assisted with Load Management and the Automated Meter Infrastructure (AMI) program.

Mary recently completed the Management Internship Program (MIP) Select program. MIP Select is an intensive two-week learning experience focused on select cooperative utility management issues offered by the National Rural Electric Cooperative Association in conjunction with the University of Wisconsin in Madison, WI.

## Welcome Lynette!

Lynette Pinkelman started working for CKPPD March 19, 2019 as the Benefits Administrator/Administrative Assistant. Lynette and her husband Carl have three children: Keely (16), Chloe (5), and Wyatt (2). We welcome Lynette to the Cedar-Knox PPD family.



## Notice:

Current summer office hours of 7:30 a.m. to 4:30 p.m. will end August 30, 2019 before the Labor Day weekend.

The office will be closed on Monday, September 2<sup>nd</sup> for Labor Day. Starting Tuesday, September 3<sup>rd</sup>, office and crew hours will return to 8:00 a.m. to 4:30 p.m. Monday thru Friday.



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