

CURRENT FLASHES

CEDAR-KNOX PUBLIC POWER DISTRICT

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Wind Energy Development takes center stage at the State Capitol

Nebraska lawmakers took on the subject of wind energy development this session with admirable results. LB 1048 passed final reading on a 48-0 vote and was signed into law by Governor Heineman on April 12th. The bill, sponsored by Senator Chris Langemeier of Schuyler, was designed to promote the development of wind energy for export, while protecting the benefits of Nebraska's unique all-public power system. Senator Langemeier chairs the Natural Resources Committee. Environmental groups, wind developers, land-owners and public power all got in line to support the bill.

The Power Review Board (PRB) is a state agency that regulates Nebraska's publicly owned electric utility industry. Prior to LB 1048, large utility generation projects approved by the PRB had to show a need for the proposed facility, a non-duplication of facilities and had to be a least-cost resource. Since the public power system is generally designed to keep electricity as affordable and reliable as possible, wind energy has not always gotten serious consideration when capacity is needed – obviously partly because wind energy is not always available when needed – but mainly because certain federal tax incentives that are used to subsidize wind farms do not apply to public power. Simply put, as our power supplier adds wind generation to their generation mix, it increases the cost of our electricity. But allowing private companies to develop wind energy in Nebraska (for export) can create desired



rural economic development benefits while not affecting local electric rates.

In 2009 the Legislature conducted an interim study (LR 83) looking at ways to maximize our wind energy benefits while preserving the affordability and reliability of Nebraska's electricity. LB 1048 was the product of this study and the new law goes into effect on July 14th. Some of the important issues addressed in the bill are:

- **Protects land owners** by requiring a wind developer to establish a decommissioning process (to remove non-functional equipment at the end of its life cycle)

- **Provides wind developers** an exemption from public power's use of eminent domain for export projects

- **Provides for more steady tax revenue** – currently, tax revenue from the short-term depreciation schedule of a wind farm is hard for local governments and schools to manage. LB 1048 allows for a "nameplate capacity tax" that provides steady and consis-

FROM THE DESK
OF THE MANAGER

DAN LEISE



tent tax revenue for the life of the facilities.

- **Protects Nebraska rate-payers** by requiring that a private wind developer must pay for the transmission and infrastructure needed to carry the power to its destination

- **Benefits Nebraska rate-payers** by requiring a private developer to offer up to 10% of the output of a project to Nebraska's public utilities at a fair price – to help meet any renewable energy goals or renewable credit requirements

- **Protects Nebraska rate-payers** by requiring developers to have a ten year purchase agreement in place for the energy that is produced (Nebraskans get rate relief when excess native energy can be sold to the market. Requiring this purchase agreement will help safeguard this situation).

How much this will speed up wind development in Nebraska remains to be seen – but this bill does a good job of protecting Nebraska rate-payers (public power) and landowners while providing private developers a process to construct and own renewable energy projects here in Nebraska - for export to other states. Senator Langemeier and his committee did a great job of working with all stake-holders to sort out the details of this complex bill.

Our power supplier (NPPD) estimates that we currently have enough generation capacity to provide our electricity needs beyond the year 2020. We support their goal to eventually obtain 10% of our energy from renewable resources, but like them, we are opposed to a state or federal renewable energy standard that would mandate larger amounts and have a negative impact on rates.



Pictured above is Kelby Schommer dressed-up in a lineman gear.

Spring Means Field Trips

Recently, Holy Trinity 5th graders and their teacher Nancy Hochstein visited Cedar-Knox PPD. CKPPD employees gave demonstrations of how electricity travels to the ground and safety information about electricity was shared. We always welcome the opportunity to educate our youth whenever we can. If your school or organization is interested in a presentation, please contact us.

TORNADO SEASON APPROACHING

April through September is known as Tornado Season in Nebraska. Because of the sudden development of a tornado, law enforcement and weather bureau officials stress knowing what to do to protect against injury. Here are some steps you may want to adopt at your household in the event of a tornado.



1. Plan ahead. Know what you will do if you hear a warning siren.

2. If possible, stay close to home.

3. Seek shelter at the lowest level available; a basement, cellar or small interior room is best. Stay away from windows. Mobile homes should be evacuated.

If you are in the open, go to a low-lying area such as a ditch, but beware of rushing water, try to find a dry area.



Five years with Cedar-Knox PPD

Dusty Neuhalfen has worked for CKPPD for five years as of May 16, 2010.

Dusty is currently a journeyman lineman. He has participated in the Energy Youth Camp as a counselor.

Dusty enjoys _____ in his spare time. Congratulations Dusty, and many more years

ATTENTION

Anyone considering an increase in load on a service, such as, bins, motors, new HVACs systems, and building additions should contact Cedar-Knox PPD.

Proper service sizing is necessary to protect your equipment and Cedar-Knox PPD's system.

Please contact us before you implement these types of changes.

BOARD MEETINGS

Regular meetings of the CKPPD Board are normally held on the second Tuesday of each month at the main office in Hartington. Notice of times and date changes are published monthly.

FUTURE JOURNEYMAN LINEMAN



Teyton Grant Dendinger, arrived March 22, 2010 at 9:45pm weighing in at 9lbs 1 oz. Proud parents are Forrest and Ashley Dendinger. Forrest is a journeyman lineman and meter technician for Cedar-Knox PPD. Ashley is a pharmacist, and works at HyVee in Vermillion. Congratulations on the arrival of their first child.

Summer hours start Memorial day and run through Labor Day. Office 7:00 a.m. to 4:30 p.m. and Crew 7:00 a.m. to 3:30 p.m.

Have a safe Memorial Day Holiday



Irrigation Hotline: 402-254-6322