

Feb. 2009 Vol. 34 Issue 2

Essent

Essential news for NMPP Energy members

NEWSLETTER

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2009 Legislature Overview

State legislatures gear up for 2009

Energy issues expected to surface on legislature floors

**By Kevin Wickham,
Communications Specialist**

With the start of a new year comes the opening sessions of state legislatures. 2008 was a year of building momentum for renewable energy and energy efficiency/conservation issues in Nebraska. This year's legislative session looks for that momentum to turn to action as several bills are expected to hit the legislative floor.

The Nebraska Energy Plan is being updated by the Nebraska Energy Office for the first time in 16 years. NMPP Energy General Counsel Chris Dibbern expects the revised plan to trigger energy-related bills to hit the legislative floor this session. For more on the Nebraska Energy Plan, see Legislative Notes & Quotes on page 4.

Energy bills introduced in the Nebraska legislature so far this session include:

- LB14 – provides energy conservation standards for certain state buildings (Tom White);
- LB53 – changes provisions relating to formation, territory and the operating area of public power districts (Deb Fischer);
- LB217 – provides requirements for electrical entities placing wires across railroad rights-of-way (LeRoy Loudon);



2009 NMPP Legislative Guidelines available online

The Nebraska Municipal Power Pool's 2009 Legislative Guidelines are available on the Web site: www.nmppenergy.org.

They are used as a statement of legislative policy on behalf of NMPP members. NMPP management uses the guidelines to inform members of the legislature, government officials, the media and the public of its position on various issues that affect the electric power and natural gas industries.

- LB238 – adopts the Public Power Infrastructure Act and changes penalty provisions regarding trespass (Steve Lathrop);

Also included is a bill (LB361) introduced by Sen. Bill Avery on MEAN and ACE's behalf that would amend the Open Meetings Act to allow electronic voting at a public meeting.

In Colorado, several bills passed in 2008 on the heels of Gov. Bill Ritter's "New Energy Economy" initiative. In further advancing that

initiative, he is working with the General Assembly on several bills for the 2009 session, which began Jan. 7. They include:

- A proposal for an act requiring utilities to disclose to customers the amount of carbon dioxide use attributable to each customer. The proposal calls for the requirement only for municipal utilities with more than 80,000 customers (Gwyn Green);
- A bill requiring all new single-family homes come with a "solar-ready" option (Michael Merrifield/Morgan Carroll);
- A proposal to create the Renewable Energy Financing Act, which will facilitate financing for residential and business clean-energy projects (Carroll);
- A bill focusing on creating a plan for wind and solar projects for schools in rural Colorado (Andy Kerr/Gail Schwartz);
- A proposal that would require home-sellers to disclose their energy bills for the past 12 months to help prospective home buyers anticipate their monthly expenses (Dennis Apuan).

The Iowa General Assembly convened Jan. 12 for its 83rd session. Iowa state lawmakers will be trying to find a solution to a \$600 million budget shortfall.

A point of contention in that issue may be the Iowa Power Fund and whether it falls under scrutiny for impending cuts. The Iowa Power Fund was created in 2007 and consists of \$100 million to be used to promote the goals of energy independence.

Gunnison skates into new era

Community energized by grand opening of ice rink

At the cut of a ribbon last November, **Gunnison, Colo.**, Mayor Stu Ferguson ushered countless eager skaters out onto fresh ice at the Jorgensen Events Center. He also ushered in a new era of recreation facility development in Gunnison.

About 30 Gunnison youth immediately sliced across the brand new ice rink. Some had lined up 15 minutes before the ribbon cutting, shortly after 6 p.m. Not long after the mayor performed the ceremonial duties, the ice was filled with locals, young and old, shushing across a refrigerated sheet of frozen water.

Gunnison has been a member of the Nebraska Municipal Power Pool and Municipal Energy Agency of Nebraska since 1992.

The \$3.1 million rink and events center is the first of the city's trilogy of voter-approved recreation projects to be completed. That's fitting, considering it was the desire for an indoor ice rink that launched the effort that would later become the city's Initiative 1A, which included plans for both a community swimming pool and city-wide trail system.

It started when long-time local hockey player, coach



Gunnison County Times photo

Gunnison, Colo., Mayor Stu Ferguson cuts the ribbon as kids rush onto the ice of the new Jorgensen Events Center.

and all-around advocate for the sport Mark Schumacher had a conversation with Gunnison Parks and Recreation Director Dan Ampietro about getting an enclosed rink in Gunnison.

Schumacher, local hockey advocate Matt Schwartz and Ampietro then approached the "pool people" about the possibility of teaming up. Trail advocates were later brought on board.

"We thought it would be a great coalition, and then a bunch of other people put a committee together," Schumacher recalled.

A 1 percent sales tax increase, to pay for these upgrades, passed with flying colors in May 2007. Since then, the city and recreation advocates have worked incessantly to complete the projects.

From the beginning, city engineer Terry Zerger took a lead roll in overseeing construction

of the rink.

Not long after the building began going vertical, the city hired long-time local John Messner to be the facility manager.

Messner recalled that swarms of volunteers turned out on a daily basis in recent months to see how they could pitch in to complete the project.

The biggest volunteer turnout was for the installation of the rink's refrigerated flooring. Nearly 35 volunteers helped lay six miles of rebar, 13 miles of refrigeration tubing and 17,000 square feet of wire mesh prior to pouring of concrete.

"From that point on we've had volunteers just come in every day, whether I asked for volunteers or not," Messner said.

See 'GUNNISON' on page 3

NPGA approves Trinidad as new member

The National Public Gas Agency board of directors approved the City of Trinidad, Colo., as a member during its board meeting Jan. 7. Trinidad's membership becomes effective April 1.



Member News

The city of about 8,000 residents has been a wholesale

natural gas participant with NPGA since 2006, when it entered into a three-year firm natural gas purchase agreement. As a member, Trinidad will have representation on the NPGA board of directors and its gas supply management committee. City Utilities Supervisor Jim Fernandez will serve as Trinidad's representative on the NPGA board and City Manager Jim Soltis was named as board alternate.

Trinidad became a member of the Nebraska Municipal

Power Pool earlier this year.

"We welcome Trinidad as a member," said NPGA Chief Operating Officer John Harms. "We've been purchasing wholesale gas for the city for a few years and look forward to continuing to work on their behalf to secure long-term, reliable gas at the lowest cost possible."

NPGA provides 18 member communities that own their own gas system and more than 30 small and medium-sized participating communities in eight states with natural gas supply.

Gunnison

Continued from page 2

They've helped install board anchors, boards, glass, netting and benches.

Messner estimated this volunteer effort saved more than \$30,000 — which is money that ultimately went to improvements in the building. "There was a value to it that made the facility better," he said.

Indoors has advantages

The rink is being used by youth hockey teams as well as adult recreation and competitive leagues.

Fans and parents for years shivered under the shade of Gunnison's outdoor covered rink (which will still be used), or labored to stay warm while watching hockey at the former "lower" rink.

The indoor rink is kept at a comfy 40 degrees. "Which is a 60 degree swing from what some of the folks are used to in the

past," noted Ampietro.

Economic boost

Economic benefits of the facility have been long promoted by rink and other recreation proponents.

The rink will be able to have ice from Nov. 1-April 1, with the remaining seven months available for other uses.

"Generally, it was always the first or second week of December when we would get started in the rink," said Ampietro. "And we had several years where we had a January thaw and we were closed for a week or two. ... We've had the season end as early as Valentine's Day."

Gunnison Recreation Supervisor Dan Vollendorf said, based on his estimates, just the rink is expected to bring between \$400,000 and \$1.1 million additionally into the community annually.

NMPP welcomes new staff

Steve Hughes joined the Nebraska Municipal Power Pool staff in January as a PC/network support specialist.



Steve Hughes

Hughes has nearly 13 years of experience providing computer hardware, software and network

administration support to employees and clients. He most recently worked at Ameritas Life Insurance Corp. in Lincoln.

He is originally from Lincoln and has an associate's degree in microcomputer technology from Southeast Community College in Lincoln.

*Reprinted with permission by the Gunnison County Times

NMPP's perspective on state energy plan

The Nebraska Energy Office recently released a preliminary draft of its 2009 Energy Plan and took comments on it through late January.

The plan is forward looking, addressing new goals and policies for the state and could be improved with a few suggestions.

The plan will be finalized this year. It will lay out a vision to address the state's energy issues and shape its energy future.

The plan is broken into nine areas and all issues touch on energy, the environment and the economy. Each section has a policy statement, some more specific than others.

Legislative Notes & Quotes



By Chris Dibbern

Chris Dibbern is general counsel of NMPP Energy. Contact her at cdibbern@nmp-penergy.org or (800) 234-2595.

"There's more than one way to look at a problem, and they may all be right."

— Norman Schwarzkopf

The office asked for comments and suggestions. NMPP provided input on behalf of its members. They included the following points:

- The recession in 2009 might be the real driver on future energy plans.
- The plan needs to acknowledge the price of energy is now determined as a commodity that is bought/sold in the markets by speculators, thus driving rates up and down more erratically than before.
- Leading by example, NMPP clearly supports energy programs regarding efficiency, smart energy building codes, audits, conserva-

tion – including energy efficiency in public buildings as well as recycling.

• While renewable energy including wind, solar and bio-fuels may be the answer to energy independence, the plan needs to acknowledge the transmission needs, the intermittence problems and the economic impact the solutions may have on rates in the Midwest.

• A federal renewable portfolio standard (RPS) or renewable electric standard (RES) is expected to be introduced which may pre-empt a state RPS. In any such program, plans should factor in energy efficiency programs, clean power such as hydro, wind, solar, nuclear and natural gas. A good plan will demand realistic energy reduction numbers in an achievable manner.

ACE rollover rates the lowest

ACE, the Public Alliance for Community Energy, had the lowest rollover rates in 2008 among the three natural gas suppliers in the Nebraska Choice Gas program, according to information available at the Nebraska Public Service Commission.

The rollover rate is applied to customers that do not make a selection during the two-week Choice Gas selection period which ended May 1. Rollover rates from each supplier are set after the end of the selection period.

The rollover fixed rates of the three suppliers from 2008 were: \$1.285 (per therm) for ACE, \$1.351 for ONEOK Energy Marketing and \$1.408 for SourceGas Energy Services in the central

region. In the western region, the rollover rates were \$1.21 for ACE, \$1.279 for ONEOK and \$1.297 for SourceGas, according to the Nebraska Public Service Commission. Based on typical residential usage, ACE rollover rate customers may have saved \$100 or more over the course of the year due to ACE's lower rate.

As the only community-owned, not-for-profit supplier in the Choice Gas program, ACE strives to lower the price for customers through competition. ACE is preparing for the 2009 selection period, which begins April 17. Due to calendar fluctuation, the selection period ends one day earlier than usual, on April 30.



NMPP Energy's Web site audio series focusing on utility & community development issues

New Online Topic

How to Sell Your Community

NMPP Manager of Member Development Corinne Pederesen talks about how to better promote your community.

Listen at

www.nmppenergy.org

Click on the Community Insights link then click on the session link.

First impression program a good idea

I often talk about first impressions of visitors who might be driving through your community or riding through on a train if you are located near an Amtrak rail.

My church developed a first impression program, which asks visitors' perspective from the time they entered the parking lot – through the church service and after the service until they left the parking lot. Perhaps communities should consider doing a First Impressions program.

Community Development Clips



By Corrinne Pedersen

Things Worth Noting ...

On the bottom of a chamber of commerce e-mail the following was added:

"P.S. this week we salute our real estate agents. Buy from, and utilize, Chamber members as often as possible and eventually it becomes reciprocal!" The message was followed by a listing of local real estate agents. What a great way to recognize members.

A community leader in Lincoln recently resigned his position with Leadership Lincoln to work for Lincoln Public

Schools. In resigning, he made the following analogy when discussing the community of Lincoln and the various culture and ethnic backgrounds:

In a combination salad – you have lettuce, but when you add cucumbers, radishes, onions, hard-cooked eggs (naysayers in a community?), croutons and put the finishing touches of a dressing – all the ingredients want to keep their distinctive flavor and crunch. Tossed together, however, it becomes a delicious salad. We can look at our communities as a large combination salad and make a delectable treat.

Taking Action

Taking action with community development strategies and tactics may give you the success track of meeting the needs of the citizens. By strategies I mean general courses of action with regard to means and ends, and by tactics I mean the specific acts used to implement the strategy. Communities who send representatives to the NMPP Energy Annual Meeting in March in North Platte will learn strategies and tactics to help them "Take Charge Today... Stay on Track for Tomorrow!"

Corrinne Pedersen is manager of member development of NMPP Energy and can be contacted at cpedersen@nmppenergy.org or (800) 234-2595.

MEAN completes sale of Wygen I

The Municipal Energy Agency of Nebraska and Black Hills Corp. announced in January they have completed the \$51 million sale of 23.5 percent ownership in its Wygen I power generation facility to The Municipal Energy Agency of Nebraska (MEAN). Wygen I is an 85-MW coal-fired plant located near Gillette, Wyo.

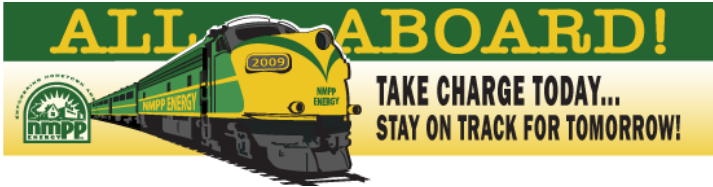
"We are pleased to continue our longstanding partnership with MEAN and look forward to being co-owners of the Wygen I facility," said David R. Emery, chairman, president and chief executive officer of Black Hills Corporation.

The agreement with MEAN also provides payments for costs associated with administrative services, plant operations and coal supply provided by Black Hills subsidiaries during the life of the facility. MEAN previously held a 10-year power purchase agreement with Black Hills to buy 20 MW of power annually from Wygen I. The existing Wygen I power purchase agreement between MEAN and Black Hills terminated concurrent with MEAN's purchase of the ownership interest.

"MEAN's purchase of an interest in the Wygen I facility will benefit our wholesale customers by providing them with competitively priced energy in a transmission-constrained area for years to come," said NMPP Energy Executive Director Gary Stauffer.

The Black Hills and MEAN transaction also received regulatory approval from the Nebraska Power Review Board and the Federal Energy Regulatory Commission (FERC) prior to the close of the transaction.

All aboard a tour... at the 2009 NMPP Energy Annual Meeting & Conference

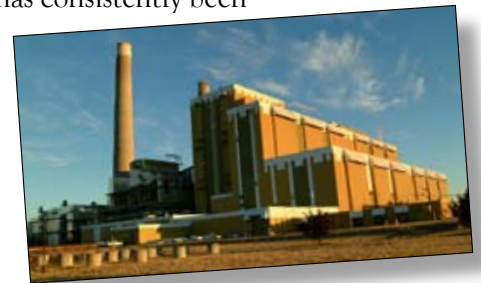


**NMPP Energy Annual Meeting & Conference
March 24-26, 2009 – North Platte, Neb.**

The tours for the 34th NMPP Energy Annual Meeting & Conference will be educational, interesting and downright entertaining. The stops on this year's tours:

Gerald Gentleman Station Power Plant & 5 Trails Winery Tour

The Gerald Gentleman Station, located near Sutherland, Neb., is the Nebraska Public Power District's largest electric generating facility and has consistently been recognized as one of the lowest cost, coal-fired generating units in the nation. It consists of two units that generate 665,000 and 700,000 kilowatts, respectively. The facility includes more than 33,000 tons of structural steel, 200,000 cubic yards of concrete and 620,000 linear feet of pipe. At full capacity, the 32-year-old facility burns as much as 840 tons of coal per hour. If you have never toured a commercial-scale power plant, it is an awe-inspiring experience.



The 5 Trails Winery in **Paxton, Neb.**, is the newest winery in Nebraska, opening its doors in December 2008. It offers five wines to enjoy in a relaxed, contemporary atmosphere. Tour participants will experience the winery's offerings, all produced from locally grown grapes ranging from semi-sweet to semi-dry fruit forward European styled in both red and white. The winery's grapes are grown in the Ida Vitis Vineyard which was established in 2000.

Curtis Community Tour

Tour participants to the city of **Curtis, Neb.**, will hear about the city's new Curtis Memorial Community Center, which was dedicated last fall. The facility includes a certified kitchen, teen center, gym, multipurpose rooms and is the home of city offices. Participants also will learn about the funding of the center, which included a large donation from an area native and partnerships between agencies and organizations.

Other stops on the tour will include the new Winfield Inn & Suites and Frontier Technology, where participants will see the latest in food safety technology. The last stop of the tour will be at the Nebraska College of Technical Agriculture where Dean Dr. Weldon Sleight will give a presentation on rural community partnerships and working with community leaders.

All tours end at the Opening Reception at the Golden Spike Tower and Visitor's Center

All tours will end up at the Golden Spike Tower and Visitor's Center, the site of the first night opening reception. Opened last June, the Golden Spike overlooks Union Pacific's Bailey Yard, the largest railroad classification yard in the world. The yard has enough room to fit 2,800 football fields. Transportation will be provided from the Quality Inn-Sandhills Convention Center.

**Registration
packets will
be mailed
soon!**



Photos courtesy
of NPPD and
5 Trails Winery

Champions are businesses and organizations that support NMPP Energy's



effort to provide products and services to members. Consider these businesses when your utility or municipality has a business need. If your business is interested in becoming an NMPP Energy Champion, call Tim Sutherland at (800) 234-2595.

THIS MONTH'S FEATURED CHAMPION

Lutz, Daily & Brain, LLC

CONSULTING ENGINEERS

Stop by our booth at the 34th Annual NMPP Annual Meeting and Conference in North Platte.

Lutz, Daily & Brain (LDB) has provided professional engineering services to municipal clients in Nebraska, Kansas, Colorado, Missouri, Wisconsin and Iowa since 1948. LDB's engineers, analysts and support staff work on utility related projects of all sizes utilizing the best tools in the industry, which include cutting edge 3D design software to generate clash free 2D deliverables automatically. 3D design also enables our clients and contractors to virtually walk through the project. In-house capabilities enable LDB to accomplish total design, from feasibility studies to architectural, structural, mechanical and electrical services.

LDB specializes in reports, feasibility studies, electric substations, electric transmission and distribution systems, electric interconnections, steam and diesel electric generating stations, combustion turbines, combined cycle electric plants, and water supply and distribution.

LDB's recently completed projects include upgrades to existing plants and systems, a new multiple engine 9.5 megawatt dual fuel power plant and a new 65 megawatt coal, biomass and petroleum coke fired steam electric plant.

LDB designs in Nebraska include coal-fired steam electric units in **Grand Island** and **Fremont** and a gas and oil-fired steam electric unit in **Fairbury**.

Champions Directory

Financial Services

Ameritas Investment Corp. Omaha, Neb.
Banc of America Securities LLC Denver, Colo.
D.A. Davidson & Co. Omaha, Neb.
Goldman Sachs & Co. New York, N.Y.
Nebraska Energy Federal Credit Union
Columbus, Neb.
RBC Dain Rauscher Denver, Colo.
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Utility Services & Supplies

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Sawvel & Associates, Inc. Findlay, Ohio
Sega Inc. Stilwell, Kan.
Stanley Consultants, Inc. Muscatine, Iowa

Legal Services

Spiegel & McDiarmid Washington D.C.

Telecommunication Services

River Oaks Communications Corp.
Centennial, Colo.

Upcoming Meeting Dates

February

25 NPGA Board

March

24 ACE Board

24-26 NMPP Annual Meeting

26 MEAN Committees

April

29 NPGA Board

Employment

Economic Development Executive Director

The City of **Burwell**, Neb., is looking for a dynamic leader to serve as its economic development director. Experience with budget preparation, grant writing, public relations, strategic planning & business development required. Bachelor's degree preferred or related experience in economic development. This is a full-time position. Salary is negotiable based on experience and skills. Call (308) 346-4509 for a complete job description. Send resume to: Burwell Economic Development, Board of Directors, Attn: Dan Bird, P.O. Box 670, Burwell, NE 68823. All applica-

tions must be received by Monday, Feb. 16, 2009. EOE

Utility Employee

The Village of **Arnold**, Neb. (pop. 630) is accepting applications for a utility employee. The individual is to assist in the maintenance and upgrade of all the departments. Departments include the pool, parks, community center, street, electric, water, sewer, and solid waste. Duties include but not limited to operating heavy equipment, snow removal, street maintenance, mowing and general upkeep of all Village-owned properties. Pre-Employment Drug & Alcohol Testing required. Certification in wastewater and water are desired but the Village is willing

to train. Must obtain CDL. Wage is based on experience. Please contact Village of Arnold, PO Box 70, Arnold, NE 69120; (308) 848-2228; arnoldvillage@gpcom.net for an application, job description and list of benefits. Resume and references must be attached to the application. Position will be open until filled. EOE.

To submit an ad

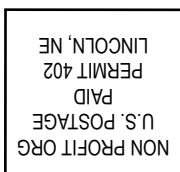
NMPP members can advertise job openings for free in the Essent newsletter and on the NMPP Energy Web site. The newsletter deadline is the 15th of each month to run the following month. E-mail Kevin Wickham at kwickham@nmppenergy.org.

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NEW S L E T T E R
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