

# ACE: 20 years of looking out for Nebraskans

Board recently approved  
\$250,000 distribution return

ACE, the Public Alliance for Community Energy, will mark its 20th year of participating as a natural gas supplier in the Nebraska Choice Gas program in April.

ACE formed out of a strong desire by a small group of communities to provide competitive natural gas rates, local control and a possible revenue return to Nebraska communities. Those remain as ACE cornerstones today.

“PACE will ensure competition in the marketplace and give communities the chance to exercise control over natural gas prices,” said the late Gary Lay, director of member services and marketing, back in 1998 when ACE (formerly known as PACE) began.

Shortly after forming, many more communities joined, boosting membership to more than 50 charter communities. ACE’s membership today stands at 72 communities and one public power district.

“There was a lot of unrest with the gas business in the state of Nebraska, cost-wise and distribution-wise – the cost was sky-rocketing,” recalled Paul Markowski, utility superintendent for the City of Ord, Neb., an ACE charter member. “At that time

## ACE Distribution Returns by Year

**Total: \$2.08 million to Nebraska ACE Communities**



The ACE Board recently approved returning \$250,000 to Nebraska ACE communities, bringing the total ACE has returned to more than \$2 million.

## Choice Gas selection period to run April 13-26

The 2018 Choice Gas selection period will run from April 13 through April 26. ACE will be providing competitive rates and rate options and signing up customers through its website ([www.ACEenergy.org](http://www.ACEenergy.org)) and call center.

ACE encourages all customers to make an active selection. ACE is also providing early signup pricing prior to the selection period.

If you have questions about the selection period or the Choice Gas program, call ACE at (800) 454-4759.

the local gas provider decided that they were going to come up with a choice program... a few of the communities got together and saw an opportunity within NMPP (Energy) of adding competition.”

To get ACE off the ground as an organization, communities paid a

start-up fee, which was reimbursed to the communities after just five years.

“At that time, the city council and city fathers thought it was important to the city of Ord to provide competition for our gas supply to try and get cheaper (gas) for our community,”

See 'ACE' on page 4



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**Last Call to Register!**

March 26-28

**2018**

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**Listen.  
 Learn.  
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 Engage.**

**NMPP Energy  
 Annual Meeting & Conference**

▼▼▼▼  
 The Lincoln Marriott Cornhusker Hotel  
 Lincoln, Neb.

**Agenda**

▼▼▼▼ **Monday – March 26**

- 1:30 p.m. MEAN Workshop
- 3 p.m. Registration Opens
- 4 p.m. ACE Board of Directors Meeting  
 2018 North American Energy Outlook — Brian Habacivich, Constellation Energy  
 (ALL INVITED)
- 6-9 p.m. Reception with Sponsors/Exhibitors

▼▼▼▼ **Tuesday – March 27**

- 6:30-7:45 a.m. Breakfast
- 7 a.m. Registration Opens
- 8 a.m. Opening Ceremony/Welcome
- 8:30 a.m. Keynote Speaker: Aaron Davis — “Attitude of a Champion”
- 9:45 a.m. Break
- 10-11:30 a.m. Panel Discussion — “Fiduciary Responsibility”  
 Mike Rogers, Attorney, Gilmore and Bell  
 Jeff Wells, Attorney, Fort Morgan, Colo.  
 Chris Dibbern, General Counsel, NMPP Energy
- 11:45 a.m. Lunch & Sponsor Recognition
- 1-2:30 p.m. Afternoon Breakout Sessions:  
 A) “Making the Business Case for Safety” — Rick Aguilar, CUSP, PHR (Director of Job Training & Safety at Kansas Municipal Utilities)  
 B) Panel Discussions on State Issues with Individual State Representatives
- 3 p.m. Break
- 4:15-5:45 p.m. NMPP Annual Meeting  
 NMPP Members Council Annual Meeting and Elections  
 NMPP Board of Directors Annual Meeting
- 6:30 p.m. Reception & Awards Banquet

**Parking Options**  
**Valet:** \$20 per car/24 hours  
**Self-park card:** \$16 per card/24 hours  
**Self-park by hour:** \$1.25 per hour (first hour free)

▼▼▼▼ **Wednesday – March 28**

- 7-8 a.m. Breakfast
- 8:15 a.m. Closing Speaker: Dr. Tom Osborne — “Leadership and Ethics”

# MEAN Executive Committee approves decrease in wholesale rates for 2018-19

*Targeted revenue requirement also decreases for new year*

The Municipal Energy Agency of Nebraska (MEAN) Executive Committee in February approved a 1.2 percent decrease in MEAN's long-term wholesale electric energy rate and a 2.2 percent decrease in its overall targeted revenue requirement from its current year for its 54 long-term (Schedule M) wholesale power participants for fiscal year 2018-19. The new rate will take effect May 1.

The decreases in the energy rate and targeted revenue requirement are due largely to the decrease in the average cost of energy (purchased and produced) during MEAN's budget year. It is the third straight year MEAN has lowered its targeted revenue requirement, which is the total net revenue required to cover MEAN's cost of operation.

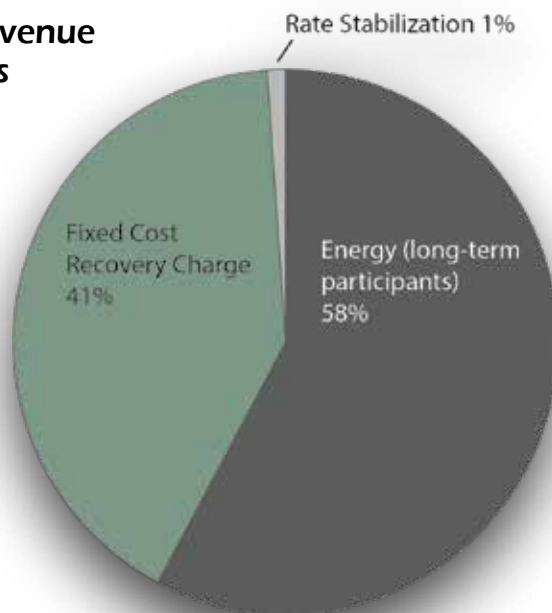
MEAN's wholesale electric rate structure includes a flat energy rate (usage) and a fixed cost recovery charge that allows MEAN to recover certain known costs and better handle energy usage volatility due to weather and other unpredictable factors. These two components are MEAN's primary sources of revenue.

## Fixed Cost Recovery Charge

The Fixed Cost Recovery Charge is 41 percent of MEAN's

## MEAN's Targeted Revenue Requirement Sources

MEAN's primary revenue sources include fixed costs and variable costs from energy sales throughout the fiscal year.



targeted revenue requirement. It covers certain known costs related to ownership of power resources, power contracts and operations. This charge is allocated to long-term (Schedule M) and 10-year (Schedule K) Participants based on each Participants' three-year historical average peak electric demand.

Accounting for certain known costs protects MEAN wholesale electric Participants from revenue volatility from energy sales caused by unpredictable factors such as weather-related usage fluctuations, unplanned resource outages, fuel costs and transmission congestion/outages.

## Electric Energy Sales

This source of revenue makes up approximately 58 percent of MEAN's targeted revenue requirement. Unlike the fixed cost recovery charge, energy sales are highly variable as usage depends on consumer need, which varies due to weather, time of day, conservation, etc.

The MEAN Board and Management Committee annually reviews rates and charges to ensure operating revenues are sufficient to pay operating expenses, including aggregate debt service obligations, capital costs, as well as to have an adequate rate stabilization fund and sufficient cash reserves in accordance with policies approved by the MEAN Board.



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# 100 percent renewable mandate fails in Colorado

A bill in the Colorado General Assembly (SB 18-064) requiring all electric utilities to derive their energy from 100 percent renewable sources by 2035 was recently postponed indefinitely by the body.

The Colorado Association of Municipal Utilities (CAMU) opposed the bill for several reasons.

While Nebraska Municipal Power Pool (NMPP) member communities are supportive of renewable measures, this bill included rate setting language pertaining to municipal net metering and violated the state constitution. NMPP supports each community's right to make this decision.

## Charging stations in Colorado

The Colorado Energy Office recently spoke to CAMU and its membership on the placement of electric vehicle charging stations being installed with funds from

### Legislative Notes



By Chris Dibbern

the Volkswagen Environmental Mitigation Trust.

The growth of electric vehicles and concepts of electric vehicle charging ports will continue to be a major discussion in all the states. Watch for the Volkswagen funds to be used for charging ports on major corridors across Iowa, Nebraska, Wyoming and Colorado.

## Iowa's Omnibus Energy Bill

In Iowa, NMPP is supporting SSB 3093/HSB 595, coined the Omnibus Energy Bill. This bill contains several provisions that impact municipal utilities, rural electric coops and investor-owned utilities. It adds municipal gas utilities to the provisions of Iowa measure 28F, allowing for joint financing of gas projects. The House and Senate subcommittees met on this bill in February.

## Nebraska Senators weighing eminent domain, renewables

In Nebraska, state senators continue discussing renewable energy with a bill aiming to restrict electric utilities' eminent domain

authority. LB 752 would prohibit Nebraska electric utilities from using eminent domain authority to obtain right of way on behalf of a third party accessing the infrastructure to sell electric energy. State law allows private companies to generate electricity in the state only if they use renewable technology such as solar panels or wind turbines.

## Federal News

The Public Service or Utilities Commissions in NMPP states are investigating the impact the 2017 Federal Tax Cuts and Jobs Act will have on privately owned utilities, subject to the states' jurisdiction.

Commissions are calling in privately owned electric, gas, water, sewer and solid waste facilities to track the tax savings resulting from the 2017 Federal Tax Act. Many are asking what the expected effect will be on revenue requirements, a detailed calculation of the impact of the Act on income calculation used in the last rate cases, or their recent income tax calculations.

## ACE: 20 years

Continued from page 1

said Markowski.

"Sitting in on the start of it and looking at it now, there's no way we even dreamt we would still be in existence," he said. "We started from scratch and a lot of other communities liked what we were doing and then it progressively grew. Nowhere in our imagination we would have dreamt that we would have the membership that we do now."

In addition to providing competitive rates and local control

to residents, ACE serves as an advocate on behalf of Choice Gas customers and provides a possible revenue stream back to Nebraska communities, instead of having profits go to out-of-state shareholders like an investor-owned gas supplier.

The ACE Board of Directors recently approved returning \$250,000 back to member communities, bringing the total revenue returned to Nebraska communities more than \$2 million. These funds have been used

over the years to fund a variety of community projects such as parks, playgrounds, youth programs and infrastructure improvements.

Through the years, natural gas suppliers competing in the Choice Gas program have come and gone, but ACE and its mission has remained a constant, serving as an example of communities working together in a grassroots effort to benefit consumers by ensuring competition, local control and keeping money in Nebraska communities.

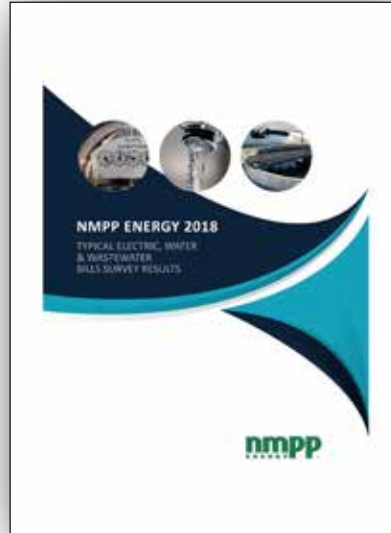
# 2017 Typical Bill Survey of regional utilities completed

The Nebraska Municipal Power Pool (NMPP) completed its annual Typical Bill Survey for participating members and non-members. This is the 34th year NMPP has conducted the survey, which includes electric, water and wastewater retail rates. Of the 139 utilities participating this year, 115 are NMPP members and 24 are non-member utilities operating in surrounding areas. Participants provided billing information for rates effective through December 2017.

The electric survey results are arranged by Rate Service Classes. The typical bills include the appropriate "Production/Energy Cost Adjustment" (PCA/ECA) and Franchise Fee, when applicable.

The composite statistics presented reflect ranking of typical bills by utility for each rate service class and usage level.

The survey includes an alphabetical listing by utility



and their membership affiliation. The survey is prepared by NMPP's Engineering Services staff.

Electronic copies of the survey were emailed to participating utilities. Hard copies of the survey are available for \$16 for NMPP Members and \$25 for non-members. Contact Thanh Le at (402) 473-8244 or tle@nmppenergy.org.

foundation of our risk management policies," said NMPP Energy Executive Director Bob Poehling. "Risk and compliance have become increasingly important to our business and our member participants."

With the promotion, Robin will serve as a member of the NMPP Energy management team. She has worked at NMPP Energy since 2012.

## **nmpp** ENERGY Staff news

### **Robin Spady**

Robin Spady recently was promoted to director of risk and compliance/regulatory counsel. She previously served as risk, compliance and regulatory counsel.



"Robin has done an outstanding job developing and implementing the

# ACE elects officers, committee members

The Public Alliance for Community Energy (ACE) elected new Board of Director officers and at-large Executive Committee members for fiscal year 2018-19 at the ACE board annual meeting Jan. 31 in Kearney, Neb.

Those elected as Board of Director officers for a 1-year term beginning April 1 were:

- Andrew Devine, city administrator, **Albion**, Neb., chair;
- Jeremy Tarr, electric line foreman, **Burwell**, Neb., vice chair;
- Chris Rector, city administrator, **Gibbon**, Neb., secretary/treasurer.;

Those elected to the at-large Executive Committee were:

- Nancy Kopejtka, city clerk/treasurer, **Atkinson**, Neb.
- Doug Schultz, city administrator/clerk/treasurer, **Curtis**, Neb.
- Randy Horst, village board chairperson, **Gurley**, Neb.
- Dale Wilkinson, city council representative, **Neligh**, Neb.
- Paul Markowski, utility superintendent, **Ord**, Neb.

The Executive Committee assists governing the organization between board meetings as necessary.

ACE is in its 20th year as a natural gas supplier in the Choice Gas Program in Nebraska. ACE supplies natural gas to nearly 18,000 customers and includes 72 communities and one public power district in Nebraska in its membership.



## D.A. Davidson & Co. provides client-focused approach to financing

D.A. Davidson & Co. is a leader in raising capital through fixed income banking, distribution, and advisory services. They offer a client-focused, disciplined approach for public finance, underwriting, trading, and sales services. A national financial services firm with operations in 26 states, they have been serving the Midwest and Rocky Mountain regions for more than 80 years.

They are committed to strengthening infrastructure, expanding economic development, and enriching the lives of people in our local communities and across the nation.

Its Omaha, Neb., operations, consists of origination of municipal bond issues for Nebraska and South Dakota and trading and institutional sales desks. Its office in Lincoln, Neb., focuses on the sales and distribution of fixed income securities, primarily municipal bonds. They also have public



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finance banking operations in Denver, Colo., and Des Moines, Iowa.

Our bankers' focuses include:

- Bond anticipation notes
- Housing and other agency financing
- School building bonds
- Public power financing
- Utility revenue bonds
- Lease-purchase financing

D.A. Davidson is proud to support NMPP and its member communities. Its Omaha-based team is available to help you finance your projects.

For more information, contact Paul Grieger, Cody Wickham, Andy Forney or Phil Lorenzen at (800) 206-7523 or visit [dadavidson.com/ficm](http://dadavidson.com/ficm).

For a complete listing of NMPP Energy Champion Businesses, see page 7

## Employment Opportunities

### Electric Superintendent

The City of **Pierce**, Neb., seeks a full-time electrical superintendent. Under administrative direction, the successful applicant will perform a variety of supervisory, administrative, skilled, technical, and maintenance work in the planning, construction, operation, repair, maintenance, and replacement of the City of Pierce electrical system.

The City's electrical system consists of the City of Pierce and the rural lines from Pierce to the Village of Foster. This person must be able to work in extreme weather conditions including responding to outages and be on call for after hours and weekend outages and emergencies. This person will be required to work with the other city departments when needed.

This individual must have a minimum of 3-5 years of experience of being a certified lineman, and must have completed college level courses in utility line work. A CDL license is preferred. The City of Pierce has an excellent benefit package. You can apply at the City Administrator's office, 106 S. 1st Street, Pierce, NE 68767. You can request an application and

a job description by e-mailing the city administrator at [cityadm@ptcnet.net](mailto:cityadm@ptcnet.net). If you have any questions, please call (402) 329-4164. The position is open until filled. EOE.

### Town Administrator

The Town of **Holly**, Colo., is accepting applications with resume for the position of town administrator. The Town of Holly is a small statutory municipality located in southeast Colorado along Highway 50 near the Colorado/Kansas state line. The municipality owns, operates and provides electric, water, wastewater and garbage/landfill services to residents.

The town administrator performs highly responsible management, administrative and professional duties as the chief executive officer of the Town government. Employees of this class are expected to exercise a high degree of independence, initiative and professional expertise in the administration and day-to-day management of the Town in accordance with policy established by the board of trustees, town, state, and federal laws, regulations and guidelines. An important aspect of this position is the very high

profile as the Town's chief executive officer and the overall responsibility for all Town departments. The individual filling this position serves at the pleasure of the board of trustees.

The position is full time permanent and offers salary with benefits. Graduation from an accredited four-year college or university with a degree in public administration, political science, business management or a closely related field, and two years of responsible administrative, municipal, public agency or private sector background. Master's degree in public administration preferred. These requirements are subject to change by the board of trustees on a case-by-case basis.

Current job description and application are available online at: [www.townofholly.com](http://www.townofholly.com). Interested applicants must submit application with resume (to include three work-related references). EOE. Position open until filled. Send information to: [clerk@townofholly.com](mailto:clerk@townofholly.com) or mail to Town of Holly, PO Box 458, Holly, CO 81047. Fax will not be accepted.

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## Support NMPP member communities through the Champions Business Program

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 Andrew Ross at (800) 234-2595.



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## Champions Business Directory of Services

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### **Financial**

Ameritas Investment Corp. (Ameritas.com).....	Omaha, Neb.
D.A. Davidson & Co. (dadavidson.com/ficm).....	Omaha, Neb.
First National Bank (Firstnational.com).....	Omaha, Neb.
UNICO Group, Inc. and Midlands Financial Benefits (unicogroup.com).....	Lincoln, Neb.
Nebraska Energy Federal Credit Union (ne-fcu.org).....	Columbus, Neb.
RBC Capital Markets (rbc.com).....	Denver, Colo.

### **Regulatory/Compliance**

Air Regulations Consulting (airregconsulting.com).....	Lincoln, Neb.
Power Plant Compliance (Powplant.com).....	Oketo, Kan.
NAQS Environmental Experts (naqs.com).....	Lincoln, Neb.

### **Utility/Community**

EnergySolutions, Inc. (energysolutions-inc.com).....	Omaha, Neb.
Fairbanks Morse Engine (Fairbanksmorse.com).....	Beloit, Wis.
Hometown Connections, LLC (Hometownconnections.com).....	Lakewood, Colo.
Hubbell Power Systems (Hubbellpowersystems.com).....	Bellevue, Neb.
Foundation for Educational Services (fes.org).....	Lincoln, Neb.
JK Energy Consulting, LLC (JKenergyconsulting.com).....	Lincoln, Neb.
Kriz-Davis Co. (Krizdavis.com).....	Grand Island, Neb.
NovaTech (Novatechweb.com).....	Lenexa, Kan.
PDS, Inc. (PDSinc.biz).....	Omaha, Neb.
Protective Equipment Testing Laboratory (petl.com).....	Great Bend, Kan.
REM Electric, Inc. (Davidsoncompanies.com).....	Nebraska City, Neb.
RESCO (Rural Electric Supply Cooperative) (resco1.com).....	Ankeny, Iowa
Solomon Corporation (Solomoncorp.com).....	Solomon, Kan.
Stanley Consultants, Inc. (Stanleyconsultants.com).....	Muscatine, Iowa

### **Computer/Technology**

Proteus (Proteus.co).....	Lincoln, Neb.
Salt Creek Software, Inc. (Saltcreek.com).....	Lincoln, Neb.

### **Engineering**

EPSIM Corporation (epsim.us).....	Boulder, Colo.
Exponential Engineering Company (exponentialengineering.com).....	Fort Collins, Colo.
JEO Consulting Group, Inc. (jeo.com).....	Wahoo, Neb.
Lutz, Daily & Brain, LLC (ldbeng.com).....	Overland Park, Kan.
Olsson Associates (Olssonassociates.com).....	Lincoln, Neb.
Power Engineers (powereng.com).....	Overland Park, Kan.

### **Insurance**

League Association of Risk Management (larmpool.org).....	Lincoln, Neb.
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### **Legal**

Chapman and Cutler, LLP (chapman.com).....	Salt Lake City, Utah
Spiegel & McDiarmid (spiegelmcd.com).....	Washington, D.C.

### **Telecommunication**

Consortia Consulting (consortiaconsulting.com).....	Lincoln, Neb.
River Oaks Communications Corp. (rivoaks.com).....	Centennial, Colo.



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## Education

### APPA Webinar: Diesel Emissions Monitoring at Waverly Utilities

March 21, 2018  
2-3 p.m.

Hear how Waverly (Iowa) Utilities used its own staff to replace its diesel emissions monitoring system with one that could be maintained by its own staff and meet compliance with the EPA's RICE-NESHAP rule. Why recreate the wheel? Learn from Waverly's example. Learn how the utility managed the challenges they faced and implemented the solutions they discovered.

**Registration information:** No charge for APPA DEED members; \$99 for APPA members; \$199 for nonmembers. Go to [www.publicpower.org](http://www.publicpower.org) and click on "event calendar".

## Equipment for sale

### 2005 Freightliner Digger Derrick Truck

The Southwest Public Power District in Palisade, Neb., is taking sealed bids on a Freightliner Digger Derrick Truck. For truck information and bid details, go to [www.swppd.com](http://www.swppd.com).

## Upcoming Meetings

- Feb. 13 .....MEAN Exec. Committee
- Feb. 15 .....NPGA Board
- March 26 .....ACE Board
- March 27 .....NMPP Board
- March 26-28 .....NMPP Energy Annual Conference

## Next newsletter will combine April/May

Due to the Annual Meeting & Conference scheduled for March 26-28, the Essent newsletter will not be published in April. The next issue will combine April/May and be published in early May.

## To submit an ad

NMPP members can advertise job openings for free in the Essent newsletter and on the NMPP Energy Web site. E-mail Kevin Wickham at [kwickham@nmppenergy.org](mailto:kwickham@nmppenergy.org).

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