

SPP reports electric load returns to normal

The Southwest Power Pool recently reported its regional electric system has largely returned to normal after a period of below-average electric load early in the pandemic.

While some specific areas in the 14-state region served by SPP has experienced below-average load, on the aggregate, the system has experienced average or above-average load consistently since late June.

In addition to load, SPP has also closely monitored generator outage trends over the course of the pandemic. It was identified early on the pandemic had led many generator owners to delay planned maintenance that, in turn, could contribute to a subsequent increase in unplanned outages if equipment failed.

Fortunately, the number of forced outages among SPP's generation fleet has been consistent with prior years. SPP had sufficient capacity and reserves to reliably serve demand throughout the summer. Normal maintenance activities are expected to resume during the fall season.

Utility rate ratchets

Continued from page 1

prompted a look at some specific exposures that some utilities may face and simple steps that can be performed to eradicate or lessen risk through the process. While this article will focus on electric utilities, many of this translates to other utilities (water, wastewater, natural gas, etc.) as well.

One of the largest COVID-19 impacts specific to economics and municipal utilities is large industrial, agricultural, processing, or manufacturing facilities cutting back due to social distancing and health regulations/precautions. In some communities, especially in the rural Midwest, there are oftentimes customers like these that make up a large portion of a municipal utility's system. If these customers were to cut back or even stop operations, there would be large swings to the municipal's system and revenue. At first glance this could be conceived as just a reduction in net revenues since in theory, whatever energy the retail customer did not use, the wholesale customer (in this case the municipal utility) doesn't have to purchase, right? Right?...

The answer to this question is an emphatic...maybe. And this brings us to ratchets.

A ratchet is a utility rate term used to identify charges that

'ratchet' up when a customer requires a large load — many times these are on wholesale accounts in transmission and generation.

The thought is if you require a certain amount of infrastructure to support your load, then this infrastructure has fixed and unavoidable costs associated with it (generation capacity, transmission capacity, distribution investments). In many cases, a utility will be charged for load on an ongoing basis for a period of time AFTER a certain load is metered/billed. This is called a ratchet. These ratchets can add up to millions over a period of years. If there are not retail rate mechanisms in place to pass these down to these large customers, the remaining ratepayers end up picking up the tab. For more information on how to identify these risks as part of a financial plan or Cost of Service Study, please contact Mandy Hansen, supervisor of member services at ahansen@nmppenergy.org.

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By Bob Poehling,
Executive Director

nmpp ENERGY

This Month at NMPP Energy

I hope this issue of the Essent newsletter finds you well during this unique and challenging time. Most of our NMPP Energy team continues to work remotely. Working in the office is an option for our team, but not a requirement through the end of the year as working remotely is serving us well.

Our Pandemic Response Team continues to meet regularly to monitor the COVID-19 situation. Our plan will remain fluid and flexible as we maintain the safety of our team and community. Here are some of the workstreams our team has been involved with the past month:

Nebraska Municipal Power Pool

- Utility rate study work was performed for Seward, Nebraska City and Kimball in Nebraska as well as Gunnison, Lamar and Glenwood Springs in Colorado and Kingman, Kan.
- PowerManager Refresher Training Conference sessions are being offered virtually due to the ongoing pandemic. The sessions will be led by staff from NMPP and Salt Creek Software and will be made available to all PowerManager software users.
- Updates are being made to the Customer Owned Generation Resource Guide.
- Work began on the 2020 Typical Bill Survey for electric, water and wastewater rates.
- Preparations were underway for the NMPP Board meeting set for Nov. 5.

Municipal Energy Agency of Nebraska

- Staff continued work on multiple projects as well as participation in teleconference meetings and training opportunities, including:
 - Western Markets Net Working Group
 - A proposed AMI project
 - Various Southwest Power Pool Meetings, including the Generating Testing Task Force, Supply Adequacy Working Group and Regional Tariff Working Group and the Western Energy Imbalance Service Market.
- Unit capability testing work was done in the Village of Pender, Neb.
- Member visits included Alliance, Ansley, Arnold, Bayard, Beaver City, Broken Bow, Calla-

way, Fairbury, Benkelman, Bridgeport, Chappell, Curtis, Gering, Grant, Imperial, Lyman, Mitchell, Morrill, Paxton, Pierce, Kimball, Sidney and Trenton in Nebraska and Haxtun, Fleming, Holyoke, Julesburg, Wray and Yuma in Colorado and Torrington in Wyoming.

- Preparations for MEAN committee meetings and the MEAN Board meeting set for Nov. 12-13.

National Public Gas Agency

- The shippers' group formed to negotiate with Southern Star Central Gas Pipeline met to discuss consultant fees.
- Winter and market outlook webinars were presented by two suppliers to NPGA. The outlook reinforced the bull natural gas market expected for this winter as well as 2021 and 2022. Near-term impacts of a contested election and Coronavirus vaccine effectiveness could make the market "wobbly."
- The Asset Management Arrangement in place to serve the loads of Lyons, Pender and Stromsburg in Nebraska was renewed for the winter season.
- Due to a negotiated settlement on Northern Natural Gas rates, a refund caused by higher interim rates charged from January through April is now being received in the form of a credit and will be passed on to participants Lyons, Pender, and Stromsburg, Nebraska.

Public Alliance for Community Energy

- Work continued on developing a new website platform to facilitate the Choice Gas extended five-week selection period. This includes software changes to allow for a more streamlined price quoting process to enhance the customer experience.
- The Nebraska Public Service Commission hosted three virtual townhall sessions to allow the public to provide input on the current Black Hills Energy (BHE) rate case with staff in attendance.
- Staff continued to gather marketing results from a survey to members and is exploring alternative marketing avenues and ideas with regards to the 2021 Choice Gas selection period.
- Preparations are under way for the ACE Board meeting on Nov. 10 by teleconference and the annual meeting of the Choice Jump Utilities Management Program (CJUMP) on Nov. 18.

MEAN purchases transformer simulator

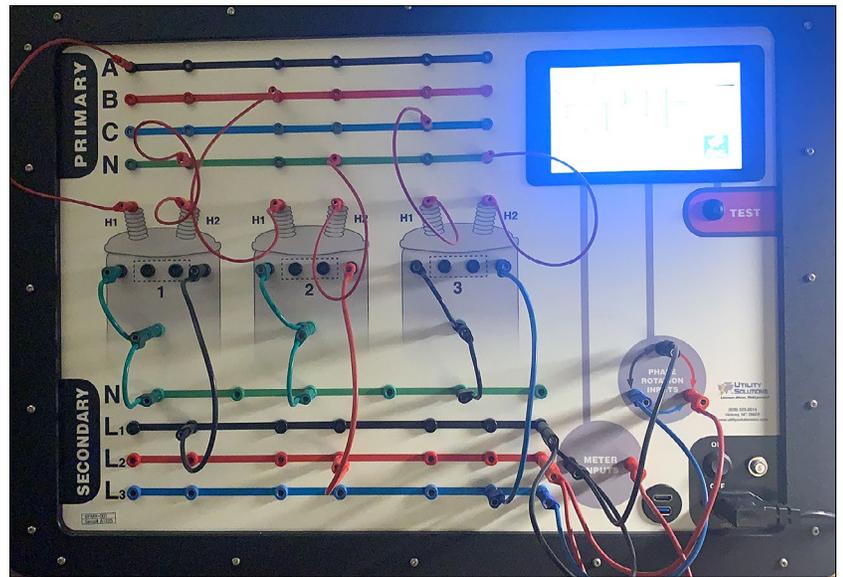
Equipment to be used for training opportunities

The Municipal Energy Agency of Nebraska recently purchased a transformer simulator trainer that will be used in utility training sessions.

The Load-Trainer II Transformer Simulator is a portable 3-phase trainer that provides an immersive learning experience for all levels of line-workers and utility workers.

The simulator includes color-coded patch cords and an interactive touchscreen to combine physical wiring environment with a computer-controlled simulation.

Key principles and concepts of electrical distribution systems can be demonstrated on the simulator. It also can simulate back-feeding and reduced capacity



NMPP Energy photo

The Load-Trainer II Transformer Simulator uses color-coded patch cords and an interactive touchscreen.

services so users learn and practice real-world troubleshooting.

The unit will be used for MEAN's utility training activities and can also be used for training

by individual MEAN communities upon request. Contact Rich Eyemann at reymann@nmppenenergy.org.

Handbook on public power governance now available

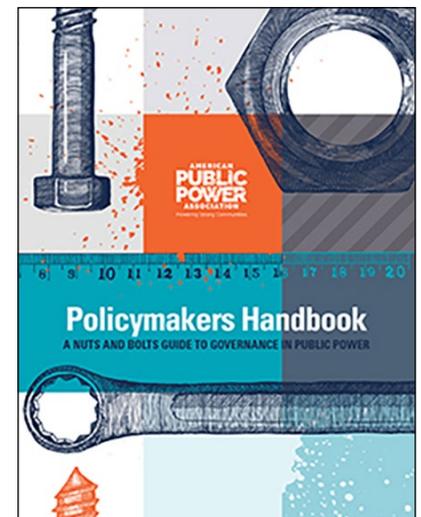
To provide an easy-to-read manual for municipal utility governing officials and managers, the American Public Power Association published the "Policymakers Handbook: A Nuts and Bolts Guide to Governance for Public Power".

Written by Steve VanderMeer of Hometown Connections, Inc., this overview explains governance duties and responsibilities, strategies for effective oversight and planning, and the benefits of being a public power community.

The handbook provides essential information on governance best practices. Topics include:

- What is Public Power/The Public Power Advantage
- Models of Public Power Governance
 - Types of Electric Utilities and Public Power Organizations
 - Charters, By-Laws, Codes of Conduct
 - Roles, Responsibilities and Duties
 - Board Recruitment, Orientation & Training

The 40-page handbook provides governing officials a handy reference to serving public power. Prices for individual copies is \$75 for APPA members and \$150 for



non-members. To order a copy, go to www.publicpower.org and click on the "Shop" link at the top of the page.

Three takeaways from recent APPA regulatory seminar

Several hundred attorneys attended the American Public Power Association Legal and Regulatory Seminar held virtually recently. Here are three of the major takeaways from the seminar regarding the electric utility industry.

Legislative Notes



By Chris Dibbern

FERC Order 2222

This new order by the Federal Energy Regulatory Commission (FERC) outlines the participation of Distributed Energy Resources (DERs) aggregation in markets operated by Regional Transmission Organizations and Independent System Operators. In a nutshell, the new order is to remove barriers to the participation of DER aggregations in the capacity, energy, and ancillary services markets by the six FERC jurisdictional RTO/ISO's. Order 2222 was four years in the making and will bring new renewable players into the markets.

Western Energy Imbalance Service Markets

Nebraska Municipal Power Pool staff Michelle Lepin and Brad Hans explained the Municipal Energy Agency of Nebraska's

(MEAN) role in the Western Energy Imbalance Service (WEIS) market, recently developed by the Southwest Power Pool. The panel presentation provided the current status of WEIS, and MEAN's perspective of the new market. The Energy Imbalance Service balances generation and load regionally and in real-time for participants in the West region. The start date is expected to be early 2021 but with FERC pending action, it may be a bit later.

Public Utility Regulatory Policies Act (1978)

The Public Utility Regulatory Policies Act (PURPA) was meant to promote conservation (reduce demand) and more use of domestic and renewable energy in the late 1970s. However, new changes in PURPA were recently released by FERC in Order 872. FERC made reforms which defined full avoided costs, prohibited gaming on the "one-mile rule" and terminated the purchase obligation from 20 megawatts (MW) down to five MW if there is access to organized markets.

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

JOC officers elected for 2020-21

The NMPP Energy Joint Operating Committee held annual officer elections for fiscal year 2020-21 at its September board meeting in Lincoln. The 12-member committee consists of the three representatives from each of the four NMPP Energy organizations.

The following officers were elected to one-year terms:

- Andrew Devine, city administrator, Albion, Neb., chairman;
- Chris Anderson, city administrator, Central City, Neb., vice chairman;
- Darrel Wenzel, CEO, Waverly, Iowa, secretary

The committee, which meets twice a year, reviews budgets of each of the organizations and approves the compensation structure and benefits of NMPP employees. The next JOC meeting is scheduled for Nov. 4.

CAMU honors Curtis Mitchell with public power award

The Colorado Association of Municipal Utilities (CAMU) recently presented Curtis Mitchell, former utilities director for the City of Fountain (Colo.) Utilities, with the Darrell T. Davis Shepherd Award. The award is given each year to recognize individuals for their meritorious service to public power in Colorado.

Mitchell retired in May after a 44-year career in the utilities field. He served as utilities director for Fountain since 2013. Prior to that role, he was Fountain's water conservation and supply manager. He served on the CAMU Board of Directors



Curtis Mitchell

since his election in 2016. He has worked hard to ensure that Fountain Utilities has stayed active in CAMU.

Source: CAMU

MEAN November meetings will be held virtually

The Municipal Energy Agency of Nebraska Board and Committee meetings originally scheduled for Nov. 12-13 in Kearney, Neb., will be held virtually due to the ongoing COVID-19 pandemic. Both Lancaster County (Lincoln) and Buffalo County (Kearney) have seen a recent surge in COVID-19 cases and holding in-person large group meetings makes it difficult to adhere to health guidelines.

ACE Board meeting moved to Nov. 10

The Public Alliance for Community Energy (ACE) Board meeting originally scheduled for Nov. 12 has been moved to Nov. 10 at 10 a.m. and will be held virtually. Contact Laurie Keiser (lkeiser@nmppenenergy.org) with any questions.

Employment Opportunities

Utilities Technician

City of **Bayard**, Neb., is seeking a full-time Utilities Technician. Bayard is a 2nd class city with a population of 1,209 and is located in scenic Western Nebraska, three miles north of Chimney Rock. The position is responsible for maintenance of the city owned electrical, water, wastewater, and streets. High school diploma or GED is required. Lineman Certification or electrical utility distribution system experience is preferred and will be given priority. Must possess, or be able to obtain, a Nebraska Class B driver's license, a Nebraska Grade 4 Water Operator Certificate, and a Wastewater Operator's Class L Certificate. Experience with heavy equipment including road grader, front-end loader, backhoe, and street sweeper is also beneficial.

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. E-mail info@nmppenenergy.org.

Salary is commensurate to experience. Benefits include 75 percent paid health insurance, employee paid dental and vision insurance, AFLAC, 50 percent paid short-term disability, vacation and sick leave, 125-flex account, holiday pay, and retirement investment opportunity. A pre-employment drug test and monthly random drug tests are also required. For more questions please contact Shelly Bowlin, City Clerk/Treasurer at Phone: (308)

586-1121. Fax: (308) 586-1834. Applications can be picked up at 445 Main Street or send resume to: City of Bayard, PO BOX 160, Bayard, NE 69334. Email: shelly.bowlin@cityofbayard.net. Application review will begin immediately. Position open until filled. EOE.

Electrical Lineman

The City of **Ord** (Neb.) Utilities is currently seeking applicants for a lineman position. It is desirable that candidates be graduates of a lineman program, but it is not required. Duties include working on both energized and de-energized distribution lines; building and maintaining underground and overhead systems; and instal-

See 'EMPLOYMENT' on page 8

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.



Champions Business Directory of Services

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.

Regulatory/Compliance

Air Regulation Consulting (airregconsulting.com).....	Lincoln, Neb.
NAQS Environmental Experts (naqs.com).....	Lincoln, Neb.

Utility/Community

Dogwood Energy	Columbia, Md.
EnergySolutions, Inc. (energysolutions-inc.com).....	Omaha, Neb.
Hometown Connections, Inc. (Hometownconnections.com).....	Lakewood, Colo.
GenPro Energy Solutions (GenProEnergy.com).....	Piedmont, S.D.
JK Energy Consulting, LLC (JKenergyconsulting.com).....	Lincoln, Neb.
Border States (borderstates.com).....	Fargo, N.D.
NovaTech (Novatechweb.com).....	Lenexa, Kan.
PDS, Inc. (PDSinc.biz).....	Omaha, Neb.
Protective Equipment Testing Laboratory (petl.com).....	Great Bend, Kan.
RESCO (Rural Electric Supply Cooperative) (resco1.com).....	Ankeny, Iowa
Sol Systems (solsystems.com).....	Washington, D.C.
Sunbelt-Solomon Solutions (sunbelt-solomon.com).....	Solomon, Kan.

Computer/Technology

Proteus (Proteus.co).....	Lincoln, Neb.
Quanta Technology (quanta-technology.com).....	Raleigh, N.C.
Salt Creek Software, Inc. (Saltcreek.com).....	Lincoln, Neb.

Engineering

ABP Engineering LLC (abpengineeringllc.com).....	Bennington, Neb.
Exponential Engineering Company (exponentialengineering.com).....	Fort Collins, Colo.
Farrabee Mechanical Inc. (farabeemechanical.com).....	Hickman, Neb.
Halker Consulting (Halker.com).....	Centennial, Colo.
JEO Consulting Group, Inc. (jeo.com).....	Wahoo, Neb.
Lutz, Daily & Brain, LLC (ldbeng.com).....	Overland Park, Kan.
Olsson (Olsson.com).....	Lincoln, Neb.
Shermco Industries (Shermco.com).....	Omaha, Neb.

Insurance

League Association of Risk Management (larpool.org).....	Lincoln, Neb.
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Legal

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

Telecommunication

Allo Communications (allocommunications.com).....	Lincoln, Neb.
Community Broadband Action Network (broadbandaction.com).....	Indianola, Iowa
River Oaks Communications Corp. (rivoaks.com).....	Centennial, Colo.



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NEWSLETTER

RETURN SERVICE REQUESTED

Employment (cont.)

lation of new services. Requirements include graduation from high school or equivalent, a valid Nebraska driver's license and residency in the City of Ord. Applications must be received by Dec. 11, 2020. Salary based on experience and qualifications; competitive benefits. Applications may be requested from the Ord City Office, 201 So. 17th, Street, P.O. Box 96, Ord, NE 68862 or (308) 728-5791. EOE.

Electrical Lineman/Foreman

The Village of **Morrill**, Neb., is accepting applications for a full-time electrical

lineman/foreman. The ideal candidate would have at least five years or more previous experience in construction, repair, maintenance and operation of the electric system. Applicants must be a U.S. citizen and possess a valid driver's license with the ability to obtain CDL within six months of hire.

Applications are available at Village of Morrill 118 S. Center St, Morrill, NE 68358 or online at www.villageofmorrill.com. Completed applications, along with a cover letter and resume, should be emailed to electrical@villageofmorrill.com

com or delivered to the Village Office address above or mailed to P.O. Box 305, Morrill, NE 69358 and will be accepted until position is filled. Salary package negotiable DOE, with excellent fringe benefits, including vacation, sick time, retirement, medical, and holidays. Village of Morrill does not discriminate on basis of race, color, national origin, sex, religion, age or disability in employment or provision of services. EOE

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