

Balancing the Budget

By Rick Nelson, General Manager

This is the time of year that I always talk about budgets, planning, and rates. We always are looking for ways to decrease costs so we can hold the line on rates.

I'll begin with the single largest part of our budget, wholesale power costs from NPPD. Wholesale power costs make up about 60% of our budget or 60 cents of every dollar you pay Custer. When there are changes in those costs it has a great impact on your monthly bill.

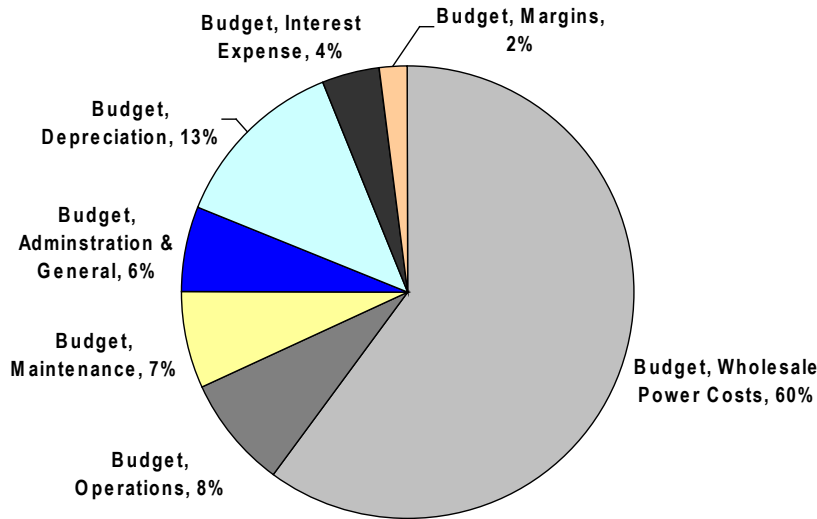
As we've discussed on the radio show, some of those increases are due to increased fuel costs and the economic slowdown, which reduced total electric demand. However, we still have to pay the huge mortgages and overhead on those power plants regardless of how much electricity they are selling.

This year NPPD's wholesale power costs went up by 9.8% on average. Since wholesale power is 60% of your bill from us, that translates in an increase in our costs of 5.9% just for wholesale power.

The remainder of our overall budget is labor, poles, wire, transformers, substations, and everything else that we purchase to operate the system. Although the big bucks are on the power supply side of the equation, we continually scrutinize the other side as well, looking for ways to keep costs down.

In our long term planning, we have several goals in mind. We want to educate you, the customer and owner of Custer PPD, on what is going on at your power district and nationally that will impact your electric rates.

We want to educate employees and prepare for your future power district to ensure we have leaders who can step up



to the plate when need arises.

We want to be good stewards of the community and help our kids with scholarships and provide safety education to schools and communities.

We need to continue to cut trees and maintain the system.

And, do all of that while providing you with extremely reliable electricity

at the lowest possible cost. Those are the things that drive our decision making.

With these goals in mind, we have identified cuts in some of our expenses for the proposed budget for 2011. We have also found ways to reduce the expenses in that 40% portion of your electric bill that we can control here at Custer. All of this will reduce the increase we'll have to ask for.

For example, we are looking at restructuring some benefits to employees and refinancing some debt that we use to rebuild the backbone of a system that will be around for generations. These actions could result in hundreds of thousands of dollars savings for the District.

We will continue to look for ways to reduce future rate increases, including the technology we are currently deploying. We will continue to provide you with reliable service. We will continue to be a good neighbor and to provide you with information that helps you use electricity conservatively.

Happily, we've been able to juggle those competing demands and keep the district in strong financial health. It's a real team effort, and YOU are part of that team!

Find Holiday Energy Savings in the Kitchen

Each year, from Thanksgiving to Christmas and through New Year's, friends and family gather to celebrate and enjoy the spirit of the season. While almost everyone knows they can save electric energy during the holidays by decorating with LED lights, most people do not consider the great energy-saving opportunities they have with another seasonal tradition: EATING! There are several ways to avert unnecessary energy use in the kitchen. Consider a few of these tips:

Refrigerators

Refrigerators and freezers get a real workout over the holidays. They are some of the larger energy consumers in your house, and they often account for as much as 15 percent of your home's total energy usage. Help your refrigerator and freezer to operate efficiently by keeping the doors closed as much as possible. Note, however, that leaving the door open while you take out the items is more efficient than opening and closing the door several times.

Keeping your refrigerator and freezer full during the holidays is easy and energy efficient. The mass of cold items inside the refrigerator reduces the appliance's temperature recovery time after the door is closed. Be careful not to cram them so full that cool air cannot properly circulate around the food.

Ovens

Typically, the holiday turkey, or whatever your favorite meat may be, will roast for hours. Since it is a long, slow cook, there is no need to preheat your oven. As a general rule, unless you are baking breads or pastries, you usually do not need to preheat.

Do not open the oven door to take a peek! Instead, turn on the oven light and check on the cooking through the window. Slightly opening the oven door lowers the temperature inside by as much as 25 degrees. That increases cooking time and wastes energy.

Self-cleaning ovens use less energy for normal cooking because of the higher insulation levels built into them. Consider using the self-cleaning feature right after using your oven, to take advantage of the residual heat.

Stovetops

When cooking on the range top, match the size of the pan to the heating element. More heat will go into the pan and less will be lost in the surrounding air. Clean burners and reflectors provide better heating while saving energy. If you need new reflectors, buy quality ones. The best on the market can save as much as one-third of the energy when compared to dull, non-reflective pans.



HONORING OUR VETERANS

Custer Power will be CLOSED on November 11 for Veterans Day and November 25 & 26 for Thanksgiving.

Celebrating Public Power Week

As the only totally public power state, Nebraska has much to be proud of including providing some of the lowest electric rates in the nation. All Custer Power customers were invited to stop in daily to sign up for the drawing of the book that NRECA published for their 75th Anniversary – “Local Lights-America’s Electric Cooperatives”. Everyone was invited to stop by for cake and coffee on Friday, October 8, 2010. Mark Becker from NPPD was a guest on the radio show October 1, and talked about the history of public power in Nebraska and the story of the Rural Electrification Administration, now known as the USDA Rural Utilities Services. Winners of the NRECA book were: Lloyd Ramsey, Jeri Sterner, Stanley Martin, Stacie Mattox, and Ernie Kleeb. A total of 233 customers signed up for the drawing.

The new booklet published by the Nebraska Power Association, “It’s Your Power”, was given to all customers who came in to pay their bill that week.



Stanley Martin was one of the lucky winners of an REA Anniversary book presented by his grandson and CPPD employee Patrick Martin.



Credit Card Payments

Custer Power is moving into the final stages of the process to start accepting credit, debit, as well as e-check payments. Customers will have the opportunity to make a payment through our website or through the phone. This will be a customer-initiated, on-line process, not an over the counter credit card payment.



Customers choosing to use this option need to be prepared before starting the payment process. A customer #, meter #, or account # must be entered for the payment to process successfully. A payment limit of \$400 has been set to keep the convenience fee required for each payment at the lowest rate.

The billing department will not be accepting credit card payments over the counter or by phone. This will be a customer-initiated process.

Super Skins

Prep Time: 15 min
Total Time: 30 min
Makes: 24 servings

What You Need

6 baking potatoes (2 lb.),
 baked
 2 Tbsp. oil
 1 jar (15 oz.) CHEEZ WHIZ
 Cheese Dip
 1/4 cup OSCAR MAYER Real
 Bacon Bits
 1/2 cup BREAKSTONE'S or KNUDSEN Sour Cream
 2 green onions, sliced



Make It

HEAT oven to 375°F.

CUT potatoes lengthwise in half; scoop out centers, leaving 1/4-inch-thick shells. (Reserve centers for another use.) Cut shells crosswise in half.

PLACE shells, skin-sides down, on baking sheet; brush insides of shells lightly with oil. Bake 15 min. or until golden brown.

MICROWAVE CHEEZ WHIZ in microwavable bowl on HIGH 3 min., stirring after 1-1/2 min. Pour into potato shells; top with remaining ingredients.

Nutrition Information

Calories 100	Total fat 6 g	Saturated fat 1.5 g
Cholesterol 10 mg	Sodium 280 mg	Carbohydrate 9 g
Dietary fiber 1 g	Sugars 2 g	Protein 3 g
Vitamin A 0 %DV	Vitamin C 4 %DV	Calcium 6 %DV
Iron 6 %DV		

Variation

Substitute 1/2 lb. (8 oz.) VELVEETA Pasteurized Prepared Cheese Product for the CHEEZ WHIZ and 4 slices OSCAR MAYER Bacon, cooked and crumbled, for the bacon bits.

The next Board Meeting will be held on Monday, November 29th at 10:00 a.m. An agenda of the items to be discussed at this meeting is the adoption of the District's proposed budget for 2011.

CUSTER CURRENTS

Newsletter of the CUSTER PUBLIC POWER DISTRICT

Broken Bow, NE - Phone 872-2451
www.custerpower.com

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 Hooker, McPherson, Logan and parts of
 Sherman, Garfield, Brown, Cherry,
 Lincoln, and Dawson Counties

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 and Loss Control
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Board Meetings

The regular monthly meeting of the Custer Public Power District Board of Directors is on the last Thursday of each month, beginning at 10:00 a.m. in the main office in Broken Bow on Hwy. 2.

An agenda for each regular meeting of the board is available for public inspection during business hours.

In the event of matters of an emergency nature or conflicts with other meeting dates, the Board of Directors will set changes. Any change in the monthly meeting date will be posted in the legal notice at the main headquarters building at Broken Bow and at each of the District's area service centers located in Callaway, Sargent, Stapleton and Thedford, Nebraska.