Public Power, A Story Worth Passing On

Rick Nelson, General Manager

As the General Manager of a public power system in Nebraska, Custer Public Power District, I know some of the history of public power in Nebraska.

Being so close to the subject, I sometimes catch myself thinking that everyone knows as much as they ought to about Nebraska's strong public power advantages and heritage.

That's not true, of course, so allow me to take you down memory lane. For some readers it may be familiar territory. For others, it may be new information and since October is Public Power Month and the first week in October is Public Power Week, I thought now would be a good time to take a review.

First let's explain what the term "public power" means. It means electric utilities that are owned by the public. They operate on a not-for-profit basis, at cost, as opposed to profit-making utility companies whose first loyalty is to shareholders who primarily live elsewhere.

Public power utilities come in three flavors. There are public power districts, which cover all or part of a county or several counties, and are much like a school district in that the business they operate is owned by the public and governed by a board of directors elected by the consumers in the area served during each general election.

Municipal utility systems are similar, except that they are creatures of city government and their operations are pretty much confined to city limits and the board of directors are either elected officials or appointed by the city council or mayor.

We also have a few cooperatives, primarily along the western and northern edges of the state. They, too, are not-for-profit but rather than being a quasi-governmental district, they are private corporations that use the cooperative business model. They are owned by the customers, who elect the board at their annual meetings.

In the early days of electricity in Nebraska, private, shareholder-owned, for-profit electric companies served mainly towns and urban areas. The Nebraska legislature -- and more specifically George Norris ---- realized that the private companies were not going to serve rural customers because they could not make a profit.

Norris developed state laws that gave people the ability to form public power districts and rural electric cooperatives. They also gave public power the right of eminent domain to ensure that Nebraska would be a completely public power state without private electric companies making a profit on electricity, since electricity had become a necessity for modern life rather than a luxury item.

Nebraska became and still is the only state in which 100% of the customers are served by electric utilities that they own. Not one penny of dividends is tacked onto electric bills and sent to out of state or to foreign investors.

Nebraska Public Power District (NPPD) was formed to serve retail operations and also to be a wholesale supplier to some rural public power districts and cooperatives. Some of these rural public power districts and cooperatives are actually served by a generation and transmission cooperative directly. The

Nebraska Generation and Transmission (NEG&T) Cooperative then purchases wholesale power from NPPD and passes it through to its members.

NPPD is the wholesale supplier for Custer Public Power through NEG&T, although we are three separate entities. NPPD supplies wholesale power to Custer. We buy it and then distribute it to you. This concept is the same for other public power districts and cooperatives in Nebraska served by NPPD. Having organizations like NPPD gives consumers the enormous advantages of scale and technical sophistication.

Custer PPD, like all the other PPDs in Nebraska, is not an isolated little "buggy whip" operation. It is part of a larger network that pools all kinds of resources for the good of the consumers.

Being in that network also gives us a certain measure of our own "energy independence." When we need to buy power, we are not at the mercy of out-of-state utility holding companies whose focus is maximizing profits for the next quarterly report.

Custer PPD was formed in 1943 to serve the rural customers in central Nebraska, which later included all or part of 13 counties. Custer PPD was formed by

consumer. They are customers who represent their fellow customers.

the customers that we serve. We are governed by seven local directors who are elected locally and all of whom receive their power from Custer PPD and pay the same electric rates as every other

This unique distinction of being the only state in the union which is 100% public power is one of the major reasons why residential rates in Nebraska is ranked below our neighboring states. For the most part states whose rates are lower are the lucky few whose geographic good fortune put them near huge hydro-electric resources, such as the Columbia River in America's northwest or huge coal fields in Kentucky.

There's one thing that I particularly like about all of this. It's a story that proves once again that here in rural Nebraska, we know how to take care of ourselves, take care of each other, take care of our communities, and take care of business.

It's a story worth passing on to the next generation.



We Need Your Calendar Photo Submissions!

Public Power

AN AMERICAN TRADITION THAT WORKS®

#PublicPowerWeek • October 4-10, 2015

The deadline is November 2, 2015. If you have questions, call Carol Fritzler at 308-872-2451.

Please read the following guidelines carefully.

- · Each photo must have an information form completed.
- · Do not write on the photograph.
- Emailed digital copies, CD's, or DVD's will be accepted.
- Use the highest resolution setting on your camera. Save digital files in original raw/untouched format to high resolution jpeq or tiff format only.



Custer's Lineworker Rodeo Team

Congratulations on a job well done! Each member of the team performed well and Jamie Hurlburt and Jon Berghorst came home 3rd in the Journeyman Hurt Man Rescue event.

Team Members Back L to R- Jon Berghorst, Jamie Hurlburt, Alex Meeks, Zach Hammond, Gordon Needs, Bob Denny, Spencer Burk. Front L to R-Judges Mike Needs and Mick Clark



Custer Public Power District 2015 12-C **Custer Public Power District**

Roasted Corn and Pepper Soup

TIME: 20 min. prep. Cook 8 hours YIELDS: 10-12 servings

INGREDIENTS

2 pounds beef stew meat, cut into 1-inch cubes

2 tablespoons canola oil

3/4 cup chopped onion

2 cloves garlic, minced

2 cans (14-1/2 ounces each) diced tomatoes in sauce

1 can (10-1/2 ounces) condensed beef broth, undiluted

1 can (10-1/2 ounces) condensed chicken broth, undiluted

1 can (10-3/4 ounces) condensed tomato soup, undiluted

1/4 cup water

1 teaspoon ground cumin



1 teaspoon chili powder

1 teaspoon salt

1/2 teaspoon lemon-pepper seasoning

2 teaspoons Worcestershire

1/3 cup picante sauce

8 corn tortillas, cut into quarters

1 cup (4 ounces) shredded cheddar cheese

CUSTER CURRENTS

Newsletter of the **CUSTER PUBLIC POWER** DISTRICT

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

Serving Custer, Loup, Blaine, Thomas, Hooker, McPherson, Logan and parts of Sherman, Garfield, Brown, Cherry, Lincoln, and Dawson Counties

Officers & Directors

Wayne V. Licking, Thedford	President
Brad Bartak, Merna	Vice President
Greg Smith, Milburn	Secretary
Brad Howard, Litchfield	Treasurer
John Blakeman, Merna	Asst. Treasurer
Lloyd Ramsey, Broken Bow	Director
Tom Roberts, Loup City	Director

Staff

Rick Nelson	General Manager
Tom Knott	Director of Operations
	and Loss Control
Cheryl Taylor	Director of Finance and
	Administration

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.

DIRECTIONS

In a large skillet, brown beef in oil. Transfer to a 5-gt. slow cooker; add the remaining ingredients except for tortillas and cheese. Cover and cook on low for 8-10 hours or until meat is tender.

To serve, place enough tortilla quarters to cover bottom of each bowl. Pour soup over tortilla pieces; sprinkle with cheese. Yield: 12 servings (3 quarts).

NUTRITIONAL FACTS: Calories: 247, Total Fat: 11 g, Cholesterol: 57 mg, Sodium: 989 mg, Carbohydrates: 16 g, Fiber: 2 g, Protein: 20 g

