

Perennial NEWS

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2023 Financial Report

Information on the financial health of the District.

Thank a Lineworker

April 8th is Lineworker Appreciation Day.



Financial Overview

The System

Perennial’s transmission and distribution system consists of 1,949 miles of line, providing power to approximately 7,774 meters in York and Fillmore counties in Nebraska. Perennial employs 31 people and the District headquarters is located in York, Nebraska.

Energy Sales

The District has several revenue classes that make up energy sales. The industrial and irrigation classes typically make up the largest portion of sales revenue. In 2023 the industrial class accounted for 40.7 percent of total sales revenue. Industrial load is more consistent, whereas irrigation is dependent on weather conditions and can vary year to year. Irrigation revenue was 29.2 percent of total revenue in 2023. In 2023 the irrigation season started earlier than normal because of a dry winter. Because of that, the District experienced the largest amount of irrigation sales in its history. Revenue from energy sales in 2023 totaled \$31,783,270, compared to \$29,514,920 million 2022, an increase of \$2,268,350.

The largest component of sales revenue is derived from selling kilowatt-hours (kWh). Total kWh sold in 2023 was 382.852 million, compared to 369.899 million kWh in 2022. In 2023 irrigation kWh sold in 2023 was 16.024 million greater than in 2022. The

industrial class had a minor decrease of 585,061 kWh in 2023.

Power Cost

The District does not have any generating facilities. They purchase 92 percent of their power requirements from Nebraska Public Power District. The other 8 percent is purchased from Bluestem Energy Solutions, which provides power from three wind turbines. Power costs were 72.7 percent of total cost of electric service in 2023. This means for every dollar spent seventy-three cents goes to purchased power cost. NPPD did not increase power production rates for 2023, therefore Perennial did not need to raise customer rates.

The District purchased 396.016 million kWh, at a cost of \$21.549 million in 2023. Power purchased from NPPD amounted to 363.015 million kwh at a cost of \$19.763 million. Power received from Bluestem was 33.001 million kwh at a cost of \$1.786 million. In 2022, total kWh purchased was 385.109 million at a cost of \$19.627 million.

Operation and Maintenance Expenses (Excluding Power Cost)

In addition to purchased power costs, the District spends dollars to keep the electric system reliable and efficient. Operation and maintenance expenses (less power cost) was \$5.454 million in 2023, compared to \$4.484 million in 2022. Repercussions from



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On Our Cover:

Josh Seaberg climbs a pole while practicing a pole top rescue.

the pandemic have included higher prices for materials and assets. Supply chain issues made critical components for the maintenance of the system harder to obtain, and with unknown availability in the future, the District purchased additional components to insure they would be available in the future.

Depreciation

Depreciation of system and capital assets is the largest non-operating expense. In 2023 depreciation expense was \$2.473 million, compared to \$2.363 million in 2022.

Long Term Debt

In 2023 the District did not incur any new debt. There are currently 3 outstanding bond issues, leaving total bond debt at \$7.9 million.

Non-Operating Revenue

With the rise in interest rates, the District earned more from investing some of its reserves. Interest income in 2023 was \$605,801 compared to \$152,651 in 2022.

Utility Plant

Each year the District plans for building and rebuilding areas of the system that need to be added or replaced. The District’s total utility plant increased \$3.196 million to \$83.311 million in 2023. Total utility plant in 2022 was \$80.116 million. At the end of 2023, the District’s equity in relation to assets was 82 percent.

Cash and Investments

As of December 31, 2023, cash and investments totaled \$14.608 million. Of that, \$3.214 million is restricted funds that are kept for rate stabilization and held in capital membership accounts.

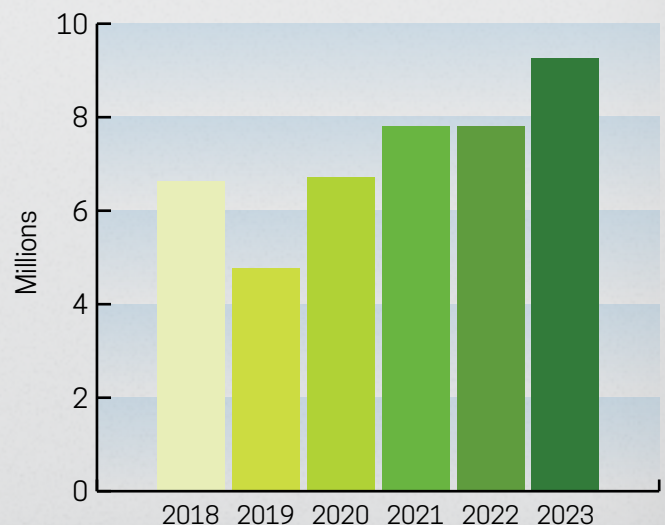
In Summary

Perennial ended 2023 in a strong financial position. With the economy seeing price increases in all areas of business, we will continue to be prudent in managing the finances of the District. Perennial’s management and board of directors always strive to utilize the District’s funds so that the system can be well maintained while keeping rates as low as possible. If you would like any further information or have any questions, you may contact the Mike Haumont, Manager of Finance and Accounting at 402-362-3355.

CONDENSED BALANCE SHEET DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Total Utility Plant in Service	83,139,150	79,171,561
Construction Work in Progress	172,837	944,235
Total Utility Plant	83,311,987	80,115,796
Accumulated Depreciation	21,777,036	20,564,545
Net Utility Plant	61,534,951	59,551,252
Cash and Investments	14,911,952	15,475,252
Accounts Receivable	2,817,292	2,694,458
Material and Other	1,652,869	1,299,530
Total Current Assets	19,382,113	19,469,239
TOTAL ASSETS	80,917,064	79,020,491
LIABILITIES AND EQUITY		
Operating Margins - Prior Years	66,272,258	63,151,610
Operating Margins - Current Year	2,251,256	2,933,354
Non-Operating Margins	713,001	187,294
Other Margins and Equity	483,500	483,500
Total Margins and Equity	69,720,015	66,755,758
Long-Term Debt	7,875,000	9,200,000
Accounts Payable	1,702,152	1,527,248
Consumer Deposits	537,068	520,428
Other Current and Accrued Liabilities	1,082,830	1,017,057
Total Current and Accrued Liabilities	11,197,049	12,264,733
TOTAL LIABILITIES AND EQUITY	80,917,064	79,020,491

Irrigation Revenues



Thank a lineworker on Lineworker Appreciation Day

Electric lineworkers provide an essential service: They install and maintain overhead and underground power lines that keep electricity flowing. These specialized workers are on call 24/7 in case severe storms or other circumstances cause the power to go out.

Lineworkers work with high-voltage electricity, often at great heights, in all kinds of weather conditions. Maintaining the power grid is physically demanding. To become proficient, most lineworkers go through a technical training program and first learn on the job as apprentices under the careful eye of seasoned lineworkers who have earned journeyman status.

Electric power line installers and repairers held approximately 122,400 jobs in 2022, according to the U.S. Bureau of Labor Statistics (BLS). Nearly half of these employees worked for electric power generation, transmission and distribution utilities.

Safety comes first

Lineworkers spend numerous hours in safety training each year and must understand and apply crucial safety regulations.

Protective clothing is required to shield lineworkers since they work around high voltages. Collectively, gear components can weigh up to 45 pounds.

According to the U.S. BLS, electric power line installers and repairers typically:

- Install, maintain or repair the power lines that move electricity.

- Identify defective devices, voltage regulators, transformers and switches.
- Inspect and test power lines and auxiliary equipment.
- String (install) power lines between poles, towers and buildings.
- Climb poles and transmission towers and use truck-mounted buckets to access equipment.
- Operate power equipment when installing and repairing poles, towers and lines.
- Know and implement safety standards and procedures.

When a problem is reported, lineworkers must identify the cause and fix it. This usually involves diagnostic testing using specialized equipment and repair work. To work on poles, they usually use bucket trucks to raise themselves to the top of the structure, although all lineworkers must be adept at climbing poles and towers when necessary. Workers use specialized safety equipment to keep them from falling when climbing utility poles and towers.

Storms and other natural disasters can cause extensive damage to power lines. When power goes out, line workers must work safely and efficiently to restore service. April 8, 2024 is Lineworker Appreciation Day, on this day and every day, we salute our lineworkers who work around the clock to keep the power on. Their safety, as well as yours, is our top priority.

P E R E N N I A L EMPLOYEE SPOTLIGHT

Chad Hoebelheinrich

Engineering Technician



Several people are involved in deciding where and how to construct a power line. Chad Hoebelheinrich is one of those

people. This May, we are recognizing Chad's 30 years of service to Perennial.

Chad Hoebelheinrich began working for the District in 1994 as an Apprentice Line Technician. He was promoted to Journeyman Line Technician in 1997. He accepted the position of Staking Technician in 2005 and has grown into his current role as Engineering Technician. The work done by engineering technicians helps ensure that Perennial's electrical grid is a well-designed system in compliance with construction specifications of Rural Utility Services and the National Electric Safety Code.

Hobelheinrich stated that "meeting customers and seeing the results of a

line he designed is the most rewarding part of his job."

Chad resides in York with his wife, Jennifer. His daughter Jordyn has two sons, Oaklend and L.J. His son Creighton and his wife, Andrea, have one son, Brantley. After work, Hoebelheinrich enjoys riding his motorcycle and spending time with his family.

Perennial is fortunate to have employees like Chad who take care in designing our power lines and services. Chad takes pride in serving the public and making sure everyone has safe and reliable electricity. Thank you, Chad, for 30 years of hard work and dedication!

Brian Soukup

Journeyman Line Technician



Brian Soukup will celebrate 25 years of employment at Perennial in May. After high school Soukup enlisted in the United States Army. After serving in the military, he enrolled in the Utility Line Program

at Mitchell Technical Institute (MTI) in Mitchell, South Dakota. After completing the program at MTI, he started his career at Perennial in May of 1999 as an apprentice line technician.

In 2003, Brian advanced to journeyman line technician from apprentice line technician after completing Perennial's apprentice line program. In 2004, Soukup received the National Rural Electric Cooperative Association's Good Neighbor Award for his quick thinking and help after he witnessed a roll-over accident on Highway 81. Today, Brian serves Perennial as a lead journeyman line technician in general maintenance and construction of overhead and underground electrical infrastructures.

Soukup stated "my favorite part of the job is improving Perennial's system reliability. I also enjoy working with the community, we have great customers at Perennial and I appreciate that."

Brian resides in rural McCool Junction with his wife Becky, their son Ja'. After work, he enjoys ranching, hunting, fishing, and spending time with his family. Additionally, Soukup coaches wrestling and football.

Perennial is privileged to have employees like Brian who work outdoors and take pride in serving the public and making sure everyone has safe and reliable electricity. Brian, we'd like to thank you for 25 years of hard work and dedication!

P E R E N N I A L EMPLOYEE SPOTLIGHT

Dustin Arduser

Journeyman Line Technician



15
YEARS

When asked about his favorite part of working as an electric Journeyman, Dustin Arduser stated that, "Getting to work outside was his favorite part of linework." That is good, since linemen must work in the rain, wind, sleet, snow and heat

and during all hours of the day or night, as necessary, to get the power back on for customers. They often have to work in less than ideal conditions during their normal workdays as well.

Dustin Arduser is celebrating 15 years of employment at Perennial in May. Attending Midland University for a couple years after high school did not seem to be leading down a path that he liked. So, Arduser enrolled in the Utility Line program at Northeast Community College (NECC) in Norfolk. After completing the program at NECC, he started his career at Perennial in May of 2009 as an apprentice line technician.

In 2012 Dustin advanced to journeyman line technician from apprentice line

technician after completing Perennial's apprentice line program and performing satisfactorily in the field for 3 years. Today, Dustin serves Perennial as a journeyman line technician in general maintenance and construction of overhead and underground electrical infrastructures.

Dustin resides in McCool Junction with his wife Carly, his son Beckett and daughter Scarlett. After work, he enjoys hunting, fishing, camping, and spending time with his family. Perennial is privileged to have employees like Dustin who work outdoors and take pride in serving the public and making sure everyone has safe and reliable electricity. Dustin, we'd like to thank you for 15 years of hard work and dedication!

Mark Becker

Board of Directors



15
YEARS

Mark Becker has served on Perennial's Board of Directors for fifteen years. He was elected to the Board of Directors in

2009 and his first meeting was January 20, 2009. While not present in the office every day, the Board is a very integral part of Perennial's day to day operations. The Board of Directors is responsible for establishing our electric rates, as well as all of the policies under which the district operates.

You could say Mark was raised in the district he serves, as he graduated from Exeter High School. Becker lives with his wife, Meg, on a farm southeast of Exeter. They have three children: Chase who lives in Omaha with his wife Laura and son Alban, Ashley who lives in York, and Kayla

who lives in Omaha with her husband Paul and their two daughters, Aria and Rayna.

In addition to being an elected board member, Mark also serves his community as President of the Exeter Rural Fire District. Besides being involved in his community, Becker's hobbies include gardening, traveling, and spending time with his family.

After 15 years on the board, Becker stated, "Being part of the team that keeps Perennial's electricity affordable, safe, and reliable is his favorite part of the job." If you see Mark, be sure to thank him for his service!

PERENNIAL EMPLOYEE SPOTLIGHT

David Gerken

Warehouseman/Apparatus Technician



David Gerken attended the utility line program at Northeast Community College (NECC) in Norfolk after graduating from high school and receiving Perennial's utility line scholarship. After completing the program at NECC, he started his career at Perennial in May of 2009

as an apprentice line technician; by 2012, he was promoted to Journeyman Line Technician. In 2016, he accepted the position of Warehouseman/Apparatus Technician.

David is responsible for managing Perennial's inventory of line materials and electrical equipment in the warehouse. He checks deliveries against purchase orders before unloading and storing materials and electrical equipment. Working from staking sheets generated by the engineering technicians, he assembles and issues the needed materials for line crews, service personnel, and contractors. Gerken also performs minor repairs and mechanical work on District vehicles and equipment, along with maintaining the headquarters building. To be able to

perform all of these tasks, David is great at multitasking.

Gerken stated, "This position has allowed me to work with both the inside and outside employees and has also allowed me more freedom to spend time with my family whenever I need or want to."

David lives in rural York with his wife Meghan and his daughter Izzabella, age 7, son Grayson, age 5, and daughter Adalynn, age 1. After work, Gerken enjoys spending time with his family, hobby farming, and hunting.

Perennial is lucky to have employees like David, who work both indoors and outdoors and take pride in making sure everyone has safe and reliable electricity. Perennial would like to thank David for 15 years of dedication and hard work!

Jeremy Coffey

Journeyman Line Technician



To be a line technician, you must have incredible physical and mental strength. Working on the line means hauling gear, pulling thick cable and wire, and not being bothered by working long hours day or night. Every day is different, from

challenging job sites to working in all types of extreme weather.

Working with high-voltage electric lines leaves absolutely no room for error. Mistakes from fatigue can be life-threatening in this job. Jeremy Coffey enjoys these challenges. Coffey has even stated that trouble shooting problems is his favorite part of the job.

Jeremy Coffey is celebrating working at Perennial for 10 years in May. Coffey attend the Utility Line program at Northeast Community College (NECC) in Norfolk after he graduated from high school as a recipient of Perennial's Utility Line Scholarship.

After completing the program at NECC, he started his career at Perennial in May

of 2014 as an apprentice line technician. Apprentice linemen must complete Perennial's apprentice line program and perform satisfactorily in the field for a number of years before they can advance to a journeyman line technician. Today, Jeremy serves Perennial as a journeyman line technician.

Coffey lives in McCool Junction with his wife Kaylee, and son Brayson. After work, Jeremy enjoys hunting, and going to the lake with his family. Perennial is blessed to have employees like Coffey who have mental and physical strength and take pride in serving the public and making sure everyone has safe and reliable electricity. Thank you for 10 years of hard work and dedication Jeremy!

Youth Energy Leadership Camp

Nebraska Rural Electric Association (NREA) Youth Energy Leadership Camp isn't just about electrical education; it is about having fun, making new friends, learning leadership skills and trying new things. All you need is your awesome personality! You could even win a trip to serve as a Nebraska Ambassador to the 2025 National Rural Electric Cooperative Association Youth Tour in Washington D.C.

To be eligible you must currently be in the 9th, 10th, or 11th grade and be a Perennial customer. This year's camp will be held July 22 - 26, 2024 at Camp Comeca in Cozad, Nebraska. Space is limited and this popular camp fills up fast. If you are interested in attending this exciting camp, please contact Courtney Giesenhagen by phone, 402-362-3355 or e-mail: cgiesenhagen@perennialpower.com. **Application deadline is Friday, May 10, 2024.**



A well-designed landscape can add beauty to your home and reduce home heating and cooling costs. Plant deciduous trees with high, spreading crowns to the south of your home to block sunlight in the summer and reduce the need for air conditioning. Deciduous trees lose their leaves in the winter, allowing sunlight to warm your home. Plant evergreen trees and shrubs with low crowns to block winter winds. Dense evergreen trees and shrubs planted to the north and northwest are the most common type of windbreak and can help lower energy used for home heating. Be sure to plant the right tree in the right spot.

Tree Planting Guide

