

# Perennial NEWS

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PERENNIAL PUBLIC POWER DISTRICT

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*A review of the 2021 financial year*

### The Power Behind Your Power

*April 11 is Lineworker Appreciation Day*





## 2021 Financial Summary

### The System

Perennial’s transmission and distribution system consists of 1,948 miles of line, providing power to approximately 7,600 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 make up the largest portion of sales revenue. The industrial class typically accounts for 40-45 percent of total sales revenue. Industrial load is more consistent, whereas irrigation is dependent on weather conditions and can vary year to year. The District had an increase in revenue from energy sales of \$739,377 in 2021. Revenue in 2021 was \$29.732 million, compared to \$28.992 million in 2020.

The largest component of sales revenue is derived from selling kilowatt-hours (kWh). Total kWh sold in 2021 was 379.115 million, compared to the 365.792 million in 2020. In 2021 we saw less precipitation, and it reflected in the increase of irrigation kWh sold, being 15.168 million more than 2020. In comparison, the industrial class saw no change in 2021.

### Power Cost

The District does not have any generating facilities. It purchases 91 percent of its power requirements from Nebraska Public Power District. The other 9 percent is purchased from Bluestem Energy Solutions, which provides power from three wind turbines. Power costs typically range from 78-83 percent of total operation and maintenance expense. In 2021, power cost was 81.5 percent of total operating costs, meaning for every dollar spent, 81.5 cents goes to purchased power cost. NPPD did not increase power production rates for 2021, therefore Perennial did not need to raise customer rates.

The District purchased 393.771 million kWh, at a cost of \$19.558 million in 2021. Purchased power from NPPD amounted to 360.997 million kWh at a cost of \$17.967 million. Power from Bluestem was 32.774 million kwh and cost \$1.592 million. In 2020, kWh purchased was 379.491 million at a cost of \$18.682 million.

### Operation & Maintenance Expenses (Excluding Power Cost)

In order to keep the electric system reliable and efficient, the District spends dollars in addition to power costs on the operation and maintenance of the system. Operation and



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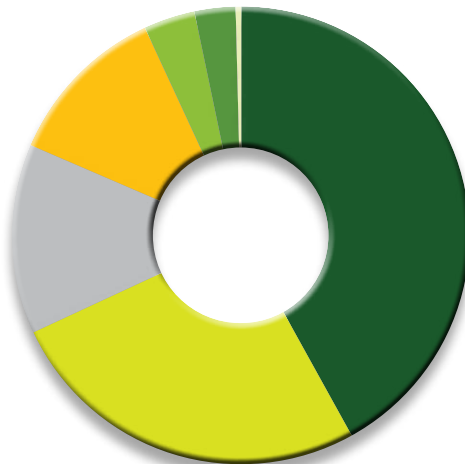
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### Revenue Sources

Large Commercial	42.0%
Irrigation	26.1%
Rural Residential	13.4%
Village/Public	11.6%
Dryer	3.6%
Small Commercial	2.9%
Other Revenues	0.4%

## Perennial PPD Operation & Maintenance Expense

Cost of Purchased Power	19,558,305.56
Distribution Expense - Maintenance	1,659,935.89
Administrative and General Expense	1,286,699.26
Distribution Expense - Operation	790,852.97
Customer Accounts Expense	412,175.68
Customer Service and Informational Expense	113,055.53
Sales Expense	106,959.31
Transmission Expense	59,108.40
<b>Total Operation &amp; Maintenance Expense</b>	<b>23,987,092.60</b>

maintenance expenses (less power cost) was \$4.429 million in 2021, compared to \$4.334 million in 2020.

## Depreciation

Depreciation of system and capital assets is the largest non-operating expense. In 2021 depreciation expense was \$2.207 million, compared to \$2.118 million in 2020.

## Long Term Debt

In 2021 the District issued \$6.445 million in bond debt. This money paid off an issue from 2016 with a higher interest rate and to finance the current work plan. At the end of 2021, bond debt was \$10.650 million.

## Non-Operating Revenue

With interest being minimal in 2021, the District saw even lower returns from investments in 2021. Interest income in 2021 was \$43,983 compared to \$150,068 in 2020.

## 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 went up \$3.25 million to a total of \$77.06 million. Total utility plant in 2020 was \$73.81 million. At the end of 2021, the District's equity in relation to assets was 82.21 percent, compared to 84.47 percent in 2020.

## Cash And Investments

As of December 31, 2021, cash and investments totaled \$17.056 million. Of that, \$2.402 million is restricted funds that are kept for bond debt reserves, rate stabilization, and held in capital membership accounts.

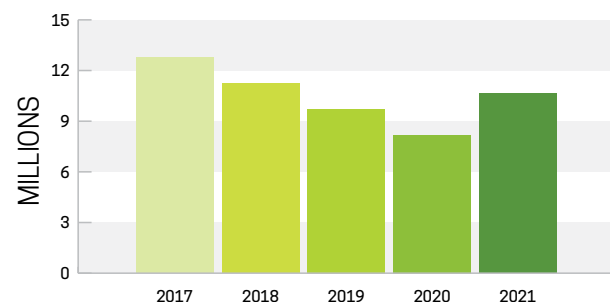
## In Summary

Perennial ended 2021 in a strong financial position. Perennial's management and board of directors always strive to manage 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 Mike Haumont, the Manager of Finance and Accounting at 402-362-3355.

## CONDENSED BALANCE SHEET - DECEMBER 31, 2021 AND 2020

	2021	2020
<b>ASSETS</b>		
Total Utility Plant in Service	75,950,435	73,327,380
Construction Work in Progress	1,111,825	481,465
<b>Total Utility Plant</b>	<b>77,062,260</b>	<b>73,808,845</b>
Accumulated Depreciation	20,273,550	19,430,015
<b>Net Utility Plant</b>	<b>56,788,710</b>	<b>54,378,830</b>
Cash and Investments	17,055,587	12,708,968
Accounts Receivable	2,737,010	2,978,251
Material and Other	926,214	1,094,935
<b>Total Current Assets</b>	<b>20,718,811</b>	<b>16,782,154</b>
<b>TOTAL ASSETS</b>	<b>77,507,521</b>	<b>71,160,984</b>
<b>LIABILITIES AND EQUITY</b>		
Operating Margins - Prior Years	59,627,017	55,619,912
Operating Margins - Current Year	3,443,308	3,822,623
Non-Operating Margins	81,284	184,483
Other Margins and Equity	483,500	483,500
<b>Total Margins and Equity</b>	<b>63,635,109</b>	<b>60,110,518</b>
Long-Term Debt	10,650,000	8,185,879
Accounts Payable	1,659,112	1,523,574
Consumer Deposits	507,120	209,091
Other Current and Accrued Liabilities	1,056,180	1,131,922
<b>Total Current and Accrued Liabilities</b>	<b>13,872,412</b>	<b>11,050,466</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>77,507,521</b>	<b>71,160,984</b>
<b>OPERATING REVENUE</b>		
	<b>29,848,624</b>	<b>29,113,053</b>
<b>Cost of Operations</b>		
Cost of Purchased Power	19,558,306	18,682,184
Distribution and Transmission Expenses	2,509,897	2,401,140
Customer Service Expenses	632,191	522,512
Administrative and General Expenses	1,286,699	1,410,261
<b>Total Cost of Operations</b>	<b>23,987,093</b>	<b>23,016,097</b>
Depreciation and Other Expense	2,273,547	2,119,244
Interest on Long-Term Debt	189,743	190,555
<b>TOTAL COST OF OPERATIONS</b>	<b>26,450,383</b>	<b>25,325,896</b>
<b>OPERATING MARGINS</b>		
	<b>3,398,241</b>	<b>3,787,157</b>
Investment and Other Income	126,350	219,948
<b>NET MARGINS</b>	<b>3,524,591</b>	<b>4,007,105</b>

## Bond Debt Balance



**You've likely noticed Perennial's crews out and about, working on power lines and other electrical equipment in our community. It's no secret that a lineworker's job is tough--but it's a job that's essential and must be done, often in challenging conditions.**

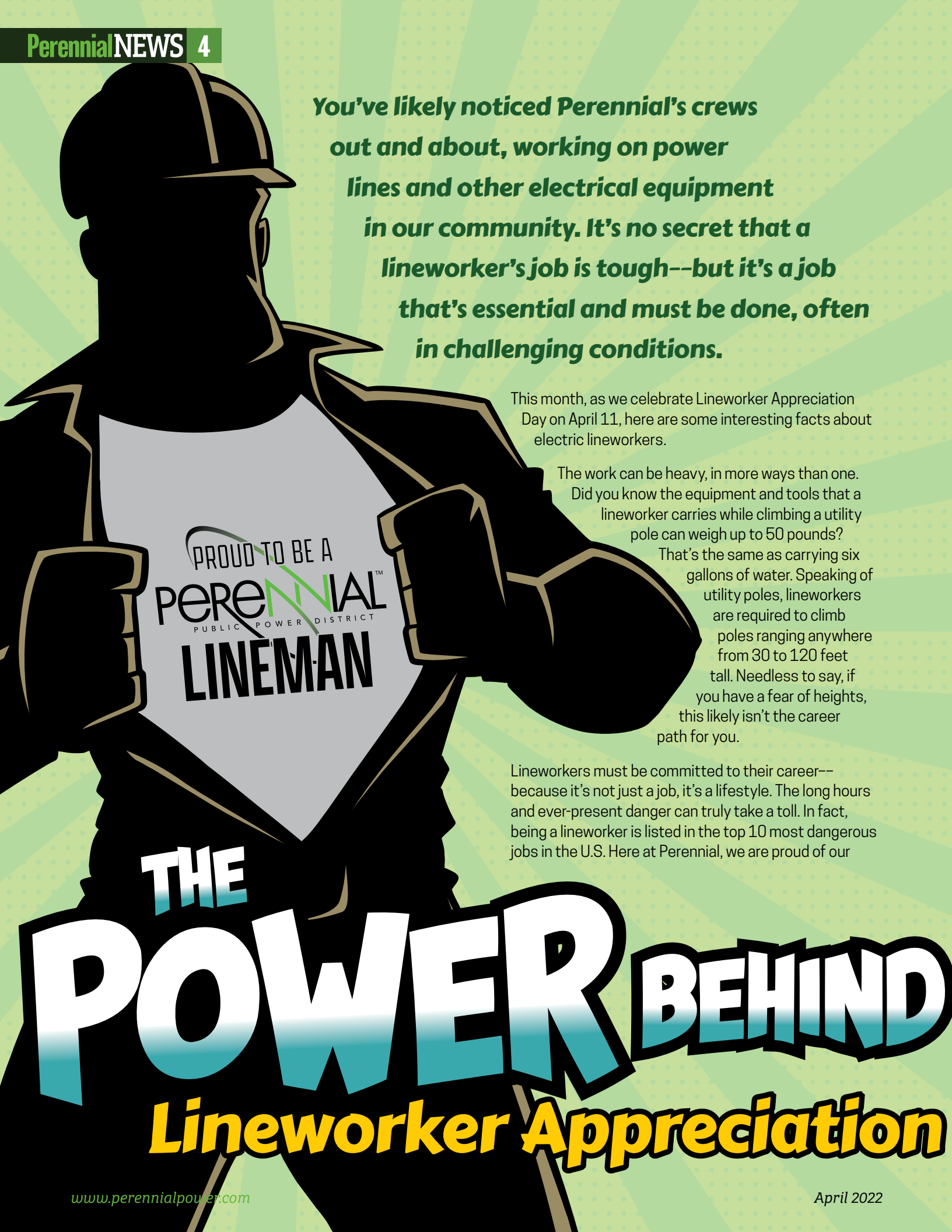
This month, as we celebrate Lineworker Appreciation Day on April 11, here are some interesting facts about electric lineworkers.

The work can be heavy, in more ways than one.

Did you know the equipment and tools that a lineworker carries while climbing a utility pole can weigh up to 50 pounds?

That's the same as carrying six gallons of water. Speaking of utility poles, lineworkers are required to climb poles ranging anywhere from 30 to 120 feet tall. Needless to say, if you have a fear of heights, this likely isn't the career path for you.

Lineworkers must be committed to their career--because it's not just a job, it's a lifestyle. The long hours and ever-present danger can truly take a toll. In fact, being a lineworker is listed in the top 10 most dangerous jobs in the U.S. Here at Perennial, we are proud of our



PROUD TO BE A  
**PERENNIAL**  
PUBLIC POWER DISTRICT  
**LINEMAN**

**THE**

**POWER BEHIND**

**Lineworker Appreciation**



safety record. At the time of writing this article Perennial has achieved four hundred and four days without a loss time accident.

Lineworkers often work non-traditional hours, outdoors in difficult conditions. While the job typically requires a college degree in utility line. It also requires technical skills, years of training, and hands-on learning. Did you know that to become a journeyman lineworker can take more than 7,000 hours of training (or about four years)? That's because working with high-voltage equipment requires specialized skills, experience, and ongoing mental toughness. Shortcuts are not an option, and there is no room for error in this line of work.

Despite the many challenges, Perennials' lineworkers are committed to powering our local community. During severe weather events that bring major power outages, lineworkers are among the first ones called. They must be ready to leave the comfort of their home and families unexpectedly, and they don't return until the job is done, often days later. That's why the lineworker's family is also dedicated to service. They understand the importance of the job to the community.

Nationwide, there are approximately 120,000 electric lineworkers. Here in both York County and Fillmore County,

Perennial has 17 lineworkers that are responsible for keeping power flowing 24/7, 365 days a year. To do this, they maintain almost two thousand miles of power lines across two counties and one thousand fifty-three square miles. In addition to the highly visible tasks lineworkers perform, their job today goes far beyond climbing utility poles to repair a wire. Today's lineworkers are information experts who can pinpoint power outages from miles away. Line crews now use laptops, tablets, drones, and other technologies to map outages, survey damage, and troubleshoot problems.

Being a lineworker may not seem like a glamorous job, but it is absolutely essential to the life of our community. Without the exceptional dedication and commitment of these hardworking men and women, we simply would not have the reliable electricity that we need for everyday life.

So, the next time you see a lineworker, please thank them for the work they do to keep power flowing, regardless of the time of day or weather conditions. After all, lineworkers are the power behind your power. Please join us as we recognize them on April 11, and follow "#ThankALineworker" on social media to see how others are recognizing lineworkers.



*Photo by Will Clayton.*

# YOUR POWER

## Day is April 11.

P E R E N N I A L  
**EMPLOYEE SPOTLIGHT**

**Orie Friesen**

*Board of Directors President*



**10**  
YEARS

Orie Friesen has served on Perennial’s Board of Directors for ten years and is currently the President of the Board. He was elected to the Board of Directors, and his first meeting was in March of 2012. 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 electric rates, as well as all of the policies under which the District operates.

Orie lives outside of Henderson with his wife, Linda. Their daughter Katie lives in Sidney, Iowa, with her husband, Bill along with their children Zach, Lizzy, and Mackenzie. Their son, Adam, lives with his wife Kelsie and daughter Ada in Goshen, Indiana. Their daughter Leah lives in Kansas City, Kansas.

Along with serving as a Director for the District, Friesen is a past Director for Mainstay Communications, a past

Board Member for Henderson Hospital Foundation. He has served on various boards and committees at his church, and he volunteers at the annual MCC Relief Sale. In his free time, Friesen enjoys woodworking, fishing, camping with family, and day road trips.

After ten years on the Board, Orie stated, “I have appreciated seeing how Perennial’s employees work together so well, respect and appreciate each other like family. And I appreciate the employee’s way of caring about their customers.”

Perennial would like to thank Orie for ten years of service to his community!

**Susan Walz**

*Customer Service Representative*



**10**  
YEARS

Susan Walz celebrated ten years of employment at Perennial in February. As a Customer Service Representative, Susan is one of the first people there to greet you when

walking into Perennial. Along with greeting customers at the front desk, Walz’s duties include answering the phone and assisting with customer energy billing.

When asked what she enjoys most about working for the District, Susan said, “I enjoy getting to know the customers, the positive work atmosphere, and working through the challenges of the job during irrigation season.”

Walz was raised in Hebron, Nebraska, and after high school, she attended Peru State College,

where she received her degree in Elementary Education.

Walz enjoys traveling, golfing, scrapbooking, and spending time with family in her free time. Susan resides in York with her husband, Scott, and daughter Ashlyn. Their son Nathan lives in Kalispell, Montana, with his wife Erin, and their son Jordan lives in Denver, Colorado.

Perennial is privileged to have employees like Susan who take pride in serving the public. Susan, Perennial would like to thank you for ten years of outstanding customer service!

# Youth Energy Leadership Camp

Every summer, kids gather from across Nebraska at the State 4-H Camp near Halsey, Nebraska, for a fun and worthwhile experience. Set in the Nebraska National Forest's beauty at Halsey, Youth Energy Leadership Camp (YELC) is casual yet educational, personally challenging, and free. The camp program offers each participant the opportunity to grow socially and learn something valuable at the same time.

While at camp, students will participate in engaging workshops, facilitating demonstrations and presentations by regional experts addressing the many issues affecting the rural electric program. Students will leave camp with a better understanding of public power in Nebraska and its governmental relations. A tour of Gerald Gentleman Power Station and the Kingsley Hydro-Electric Power Plant provides a first-hand look at the process of generating electricity.

While learning is prominent, it's not the only thing we do at camp. The week is intermingled with many fun activities: a dance, banquet, sporting activities, a cookout, and time to make new friends.

To be eligible for the camp, you must currently be in the 9<sup>th</sup>, 10<sup>th</sup>, or 11<sup>th</sup> grade and be a Perennial customer. This year's camp will be held **July 18 - 22, 2022**.

And the fun doesn't end there! While at camp, students have the chance to compete to be one of the three campers from YELC selected by their fellow campers to serve as Nebraska's Ambassadors to the National Rural Electric Cooperative Association's 2023 Rural Electric Youth Tour in Washington D.C. If selected, they'll get to spend a week in D.C. touring all of the historic sites, learning about their government, along with students from all over the nation.



Space is limited, and this popular camp fills up fast! If you are interested in attending this exciting camp, please fill out the application at the bottom of the page and send it back to Perennial or contact Courtney Giesenhagen by phone, 402-362-3355, or email: [perennial@perennialpower.com](mailto:perennial@perennialpower.com). The application deadline is Wednesday, May 11, 2022.



*Photo by Erin Dickey Creations, LLC*

## Gage Rhodes Receives Utility Line Scholarship

Perennial Public Power District has awarded one local student with a utility line scholarship. This scholarship will assist Gage Rhodes as he pursues his degrees in utility line.

Rhodes, the son of Jeff and Brandy Rhodes, currently attends McCool Junction High School, where he is a senior. Gage will be heading to Mitchell Technical College this fall to obtain his diploma in Power Line Construction and Maintenance.

The utility line scholarship will award Gage a \$1,000.00 per year scholarship to attend a college with an accredited utility line program. Congratulations to Gage. Perennial Public Power District wishes him well as he pursues his career as a utility line technician.

## Important Dates to Remember

**April** - Dig Safe Month and Distracted Driving Awareness Month

**April 11, 2022** - Lineworker Appreciation Day  
Remember to thank a lineworker today!

**April 11-15, 2022** - Work Zone Awareness Week

**April 15, 2022** - Load Control Deadline  
Load control changes need to be completed by today.

**April 17, 2022** - Easter  
Have a safe and happy Easter!

**April 29, 2022** - Arbor Day  
Remember to look up and look down before planting your trees today.

**May** - Electrical Safety Month

**May 11, 2022** - Youth Energy Leadership Camp Deadline  
Applications for Youth Energy Leadership Camp due today!

**May 30, 2022** - Memorial Day  
Perennial's office will be closed in observance of Memorial Day.



### Check Your AC Before Summer Heat Hits

When was your cooling system last serviced? Most manufacturers recommend an annual tune up for your home's cooling system. April is a great time to schedule this service so you can beat the summer rush when the pros are busiest.

A qualified professional can check the amount of refrigerant, accuracy of the thermostat, condition of belts and motors and other factors that can greatly impact the efficiency of your system.

A \$30 EnergyWise<sup>SM</sup> incentive is available through Perennial for having your home's cooling system tuned up.

### CALL BEFORE YOU DIG

It's Easy! It's Free!

Planning a digging project in your yard or on your property? If you dig without knowing what is located below, you could damage an underground line.

Not only could you become seriously injured, but you will be responsible for the cost of repairs. To avoid hassles and fines, call 811, the Call Before You Dig number, at

least two business days prior to breaking ground. (811 locators do not mark privately owned underground lines or pipes, such as service to outbuildings, sprinkler systems or invisible fences.)

An uneventful digging project is the best kind to have.

