

Rates rising average of 3.8 percent next month

By Jan Schultz

The Imperial Republican

Council members approved a new rate schedule for all customers of city of Imperial electricity with adoption of a resolution Monday night.

There are varying rates in the new schedule depending on the type of customer (e.g. residential, commercial), but the rate increase will be an average of 3.8 percent starting in October. The city uses different rates for summer and winter usage.

Another 3.8 percent increase will be put into place October 2013. The rates will be reviewed again in two years.

The suggested rate schedules were provided by a team from the Nebraska Municipal Power Pool (NMPP) after a rate study was conducted in Imperial.

When looking at the new rates and applying them to the current ones, several comparisons of actual bills the past year show a decrease in the summer rates if the KWhr usage was the same.

The majority of rate payers will see increases in the winter rate period based on those comparisons. The winter rate period starts Oct. 1.

In looking at the individual rates, irrigation users will see the largest increase at 7 percent, which Davison said is due to the fact they are seasonal users.

The lowest rate increase of 2.8 percent will be felt by the large GS three-phase electrical customers.

Public Works Supt. Pat Davison told city council members at Monday night's meeting that, unfortunately, industry professionals are expecting costs to continue to escalate.

Davison said some of that is due to the current administration's new restrictions on coal-powered plants.

"That trickles down and affects us," he said.

The council approved the resolution putting the rates into effect on a 4-0 vote.

In a report to the city council in April, an NMPP spokesman involved in the rate study noted the electric department realized a loss of net income of \$239,572 in 2011. No action on rates would continue to draw down those cash reserves.

NMPP's Phil Euler indicated in April that without the 3.8 percent rate increases, the cash reserves would be depleted by 2016.

More on Monday's nearly four hour city council meeting will be reported in upcoming issues.

Electric rate

increases start Oct. 1, 2012

Rate class □□□□□□□□ %

Residential 3.8%

Rural Residential 3.6%

Rural GS Single Phase 3.6%

New electric rates will be felt most during winter usage

Rural GS Three Phase 5.8%
Irrigation 7.0%
GS Single Phase 5.3%
GS Three Phase 2.8%
General Service
Demand 3.6%
Total 3.8%