

THE SERGEANT BLUFF

HORIZON

PIONEER VALLEY DAYS

Pioneer Valley Days is August 11th through August 14th. Many of the events will be located at the Parks & Recreation Complex at 903 Topaz Drive in Sergeant Bluff (see schedule below). Bring your beer coolers and chairs. No hard alcohol allowed. To learn details or register to an event, please visit: www.cityofsergeantbluff.com.

PVD SCHEDULE

Thursday, August 11

Prince, Princess & Cutie Contest @ 6:00 pm

Friday, August 12

Pickelball Tournament - 9:00 am
Petting Zoo - 6:00 pm
Big Wheels Race - 7:00 pm
Drive-in Movie - 9:00 pm, "Inside Out"

Saturday, August 13

5K Run - 7:30 am
Bike Ride - 8:00 am
Shown N Shine – Main St – 9:00 am
Parade – Main St - 10:00 am
Backyard BBQ Bash - 11:00 am
LIVE Bands – 11:00 am to 6:00 pm
Archery Tournament – 11:00 am
Small Business Fair – 11:00 am
Bags Tournament – 11:30 am
Wiffle Ball Tournament – 11:30 am
Co-ed Sand Volleyball Tourney – 11:30 am
Horsehoes Tourney – 11:30 am
Family Fun Day – 12:00 pm to 4:00 pm

Sunday, August 11

Table Tennis Tourney – 9:30 am
Co-ed Softball Tourney – 9:30 am
GeoCaching Scavenger Hunt – 12:00 pm
Pie Bake Off – Baker Museum – 1:00 pm

SENIOR CENTER ICE CREAM SOCIAL

The Senior Center located at 909 Topaz Drive will have an Ice Cream Social from 7:00 pm to 9:00 pm on August 13th with a tour of the facility and discussion. They hope to receive suggestions for future activities that would interest attendees.



The People of Community United Methodist Church, located at 101 Baker Road, is a proud sponsor of the City of Sergeant Bluff's Welcome Packet for new residents.



CALENDAR

- Aug 2 – Planning & Zoning Meeting @ 7:00 pm
- Aug 3 – Senior Committee Meeting @ 3:30 PM
- Aug 9 – Council Meeting @ 5:30 PM
- Aug 17 – Parks Board @ 5:30 PM
- Aug 19 – Utility Bill Due Date
- Aug 23 – Council Meeting @ 5:30 PM
- Aug 30 – Community Action Team @ 12:00 PM
- Aug 14, 25 – Recycle Days

WHERE

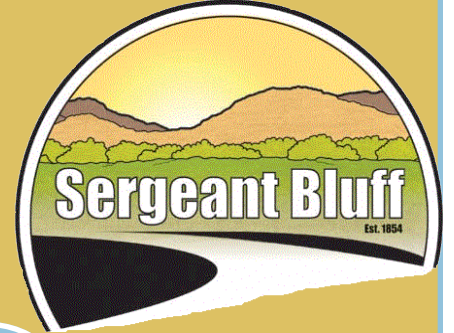
Sergeant Bluff Community Center

903 Topaz Drive

COMMCON 5

Come one come all for an update on the future of YOUR community.

*A movie for the kids will be playing in
the Fireside Room



TIME

6:00 PM

DATE

Tuesday, August 23rd

FREE FOOD



CATERED

Please join presenters: Mayor Jon Winkel

IMPORTANT NOTICE

Sergeant Bluff Officials Addressing Electric Rate Pressures

The City of Sergeant Bluff is taking steps to address significant pressures that are impacting the City's electric retail rates.

As part of these steps, the City Council implemented a temporary Power Cost Adjustment (PCA) charge to all electric utility customers beginning with the July 2016 electric bill. A PCA is a temporary mechanism the City Council can apply to recover unbudgeted increases in electric power costs.

The PCA was decided on during an electric rate design study conducted by the Nebraska Municipal Power Pool (NMPP), a non-profit organization that assists municipalities with utility rate designs and other utility services. NMPP consultants advised utility staff and City officials the PCA was necessary for the electric utility to recoup approximately \$500,000 in unbudgeted wholesale power and transmission costs passed on to the City over the last several years. The PCA charge will be billed at a rate of 1.50 cents per kWh and will expire with the billing period ending on May 20, 2017. The PCA charge amounts to \$15 per month on a typical residential electric bill, based on 1,000 kWh usage.

In addition to the PCA, the City Council will consider a 19 percent electric rate increase at its July 26th meeting. If approved, the adjusted rate would add \$12.40 to a typical residential customer's electric bill, based on 1,000 kWh usage.

Significant Changes in Wholesale Power Markets and Transmission Costs

A combination of abrupt changes in the wholesale power markets with substantial Transmission increases from MidAmerican Energy have impacted the City's overall costs significantly over the last several years. The City's wholesale power supplier is the Municipal Energy Agency of Nebraska (MEAN), a not-for-profit, member-owned organization that provides wholesale electricity to primarily small municipalities in Iowa, Nebraska, Colorado, and Wyoming. The City is a long-term power requirements participant/owner of MEAN. Under this contract, MEAN is obligated to provide all of the City's power supply, outside any federal hydropower allocation. In turn, the City has fixed cost obligations associated with the long-term cost/ownership of power supply from MEAN.

Sergeant Bluff electric rates remain competitive regionally and nationally

While these increases are significant, they are not isolated to Sergeant Bluff or even their power and transmission providers. Electric rates and costs have risen dramatically nationwide largely due to increased Coal and Carbon legislation, which heavily impacts Midwest utilities, who for decades have enjoyed the low cost and reliability of these resources. The City's electric rates remain extremely competitive with other local and regional electric utilities. In 2015, the City's summer electric rate for a residential customer (1,000 kWh) ranked 10th lowest out of 152 regional utilities, according to an annual typical bill survey conducted by NMPP. According to the survey, the average Sergeant Bluff residential electric bill (based on 1,000 kWh) was \$93.30 compared to the overall survey average of \$124.31. Including the proposed rate adjustment, Sergeant Bluff's typical residential electric bill (based on 1,000 kWh) of \$105.70 would still be significantly below the survey average. Charts outlining these comparisons to other local utilities are available at the city office.

Sergeant Bluff Electric Rate Pressures Fact Sheet

The City of Sergeant Bluff is experiencing pressure to its electric rates due to several factors, including changes and trends in regional wholesale power markets where the City receives its power supply. Below you can find some facts regarding the issue:

✓ **Power Cost Adjustment and proposed rate increase**

Following a recently completed electric rate design study for the City by the Nebraska Municipal Power Pool (NMPP), the City implemented a temporary Power Cost Adjustment (PCA) charge of 1.50 cents per kWh to all electric utility customers that went into effect on electric bills July 1. The PCA is a temporary mechanism that can be applied to recover costs from fluctuations in wholesale power costs. The PCA was implemented to recoup approximately \$500,000 in unbudgeted wholesale power costs to the City.

Going forward, the City Council is considering implementing a 19 percent increase to electric rates at the July 26th, 2016 City Council meeting to address factors impacting the City's electric rates.

✓ **What is the Impact to a Typical Residential Customer?**

The temporary PCA charge adds \$15 to a residential customer's monthly summer electric bill based on 1,000 kWh usage. The proposed rate increase would add \$12.40 to a customer's monthly summer electric bill based on 1,000 kWh usage.

✓ **Where does Sergeant Bluff receive its wholesale power and transmission?**

The City receives power at the wholesale level from the Municipal Energy Agency of Nebraska (MEAN). The City is a long-term power requirements participant/owner of MEAN. MEAN is a non-profit power supplier that is owned by its participating members. Each long-term power participating community has a representative on the MEAN Managing Committee and/or Board of Directors. The City has its power delivered via transmission lines via MidAmerican Energy Company (transmission).

✓ **Changes in wholesale electric markets**

A transition to organized regional power markets has occurred over the past several years, prompted by federal authorities' goal to enhance overall system reliability of the U.S. electric grid. These regional entities are responsible for coordinating the generation and transmission of electricity in their regions as well as setting wholesale electric market prices for all utilities in the region. Prior to these regional markets, utilities sold and transmitted electricity primarily through bi-lateral transactions (utility-to-utility).

✓ **How does this change impact Sergeant Bluff?**

The regional power markets, while enhancing coordination and reliability, reduce revenue opportunities from energy sales, including to non-members. This revenue is used to help offset participating community rates.

Other trends impacting rates

- Low natural gas prices and an influx of renewable energy into these regional footprints have resulted in lower market prices for participating utilities. Lower market prices means reduced sales revenues for utilities. This sales revenue is used to help offset rates to participating communities.
- Transmission costs charged to the City by MidAmerican Energy have risen 12.3 percent annually from 2010-2015.

✓ **Sergeant Bluff's electric rates remain regionally competitive**

The City's electric rates remain competitive with other regional electric utilities. In 2015, the City's summer electric rate for a residential customer (1,000 kWh) ranked 10th lowest out of 152 regional utilities, according to an annual typical bill survey conducted by NMPP. According to the survey, the average Sergeant Bluff residential electric bill (based on 1,000 kWh) was \$93.30 compared to the overall survey average of \$124.31. Including the proposed July 26 rate increase, Sergeant Bluff's typical residential electric bill (based on 1,000 kWh) of \$105.70 would still be significantly below the survey average.