



Omaha Together One Community (OTOC)

QUESTIONS FOR OTOC ACCOUNTABILITY SESSION OCTOBER 17, 2016 WITH OPPD CANDIDATES

Question 1 - Rate Restructuring

Last December, the board approved an increase to its monthly “fixed” service fee from \$10.25 per household to \$30.00 to be phased in over a four-year period. At the same time, OPPD stated that they would decrease the “variable” per kilowatt-hour usage fee. After considerable research, OTOC decided to oppose the rate restructuring as proposed because:

1. Low use customers using 200-800 kWh per month, which includes low-income and fixed income seniors, would pay more for using the same amount of electricity as before;
2. High use customers consuming 1,000 kWh or more would actually pay **less** for the same amount of electricity;
3. There would be reduced incentives for all customers to conserve energy; and
4. The policy makes investing in rooftop solar, energy efficient appliances and other forms of energy conservation harder to justify economically.

On top of this increased fixed fee, OPPD also raised kWh/hour rates by 4% beginning in January 2016.

OTOC worked to educate our community on this issue, hosting educational meetings with OPPD senior management attended by more than 200 people. As a result, citizens provided feedback to OPPD **opposing** the fixed fee increase with more than 500 written comments, a letter signed by more than 30 organizations, plus many oral comments at Board Meetings. Despite this negative feedback, the OPPD Board passed the increase anyway.

Question 1: Starting with Mr. Moody, will you work with OTOC to reverse this fixed fee increase during your first year on the Board?

If so, what alternatives to this policy would you propose? If not, why do you support this fee increase?



Omaha Together One Community (OTOC)

Question 2 - Transparency and Public Input

OPPD is a public power utility and there are many benefits for all of us as customer-owners. A part of the Board's job description is to "serve as representatives of OPPD's customer-owners and build relationships throughout OPPD's service territory and the region." OTOC understands that Board members must also build a working relationship with OPPD's senior management to effectively lead the utility.

OTOC would like to see the Board give more time to the public to contemplate proposals, **especially** when a change proposed by senior management draws considerable public interest and concern. During last year's discussion of OPPD's rate restructuring, OTOC repeatedly asked OPPD's senior management and Board to delay a decision by three months so that viable alternatives could be thoughtfully considered. Despite these pleas, senior management presented a revised proposal on December 15, 2015. **Two days later** the OPPD Board voted on this new proposal. Two OPPD Board members attempted to slow down the process and ultimately voted against the revised proposal, resulting in a rare 6 to 2 split.

OTOC would like to see OPPD Board Members better represent the public's voice and concerns when these important decisions are being made.

Question 2: Starting with Mr. Mulligan, please answer yes or no, On decisions that are publically controversial, will you as a Board member require that there is sufficient time to consider public concern and input? Please answer in 30 seconds.

And secondly, in the past the OPPD Board has too heavily relied on information provided by management in its decision making process. What independent information will you seek out in making Board decisions? Please answer in one minute, Mr. Mulligan first.



Omaha Together One Community (OTOC)

3: Increasing commitment to renewable energy

Background Information

After working with OTOC and many others, OPPD has established a generation plan that expects to produce 30% of retail electricity from renewable sources. I would like to thank OPPD for that on behalf of OTOC and everybody's grandchildren.

However, OPPD's renewable energy goal remains at 30%. MidAmerican Energy, across the river in Iowa, has plans in place to produce 85% of its energy from wind, with a goal to move toward 100%. Currently, MidAmerican's residential prices are lower than OPPD's.

Question:

Starting with Mr. Moody, will you commit to increase to 50% by 2025, the amount of energy that OPPD produces from sustainable sources such as wind and solar?



Omaha Together One Community (OTOC)

Question 4: Energy Conservation

Other utilities in our region encourage their customers to conserve energy, even though that means less revenue for them because they are selling less electricity. For example, our closest large utility, MidAmerican Energy just across the river in Council Bluffs, provides rebates when households replace their appliances and heating or cooling systems with more energy efficient equipment. For example, MidAmerican Energy provides rebates of between \$675 and \$1050 for replacing a central air conditioner with certified efficient air conditioners that are rated SEER 14 and higher.

MidAmerican Energy even provides discounted pricing on Energy Star LED light bulbs. Lighting often uses 10-15% of a home's electricity, and changing an incandescent bulb to an LED can result in savings greater than the purchase cost of the bulb as early as the first year that it is installed. In fact, anyone can walk into the Home Depot in Council Bluffs and buy LED bulbs at half the price of bulbs in Nebraska, at just \$5 each. This is because MidAmerican Energy is making it so easy and financially accessible to save energy by discounting the bulbs in stores they normally shop without any rebate or paperwork at all for its customers.

In comparison, OPPD has few rebates or discounts, and none on LED bulbs for households. OPPD does give a heat pump rebate, but the amounts are lower than MidAmerican Energy and the efficiency requirements are stricter.

Reducing electricity use is important as our community works to reduce the pollution caused by our current energy generation. Reduced use during critical peak periods also saves everyone money, because it avoids the cost of adding additional power plants or generation.

Question: Starting with Mr. Mulligan, as a Board Member, will you work with OTOC to encourage OPPD to incentivize its customers to reduce energy use? If so, what specific programs would you support?