



PRESS RELEASE

Stacy Wemhoff
Communications Coordinator
swemhoff@loup.com
(402) 562-5711

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Loup Board Approves Retail Rate Change for 2024

COLUMBUS, Neb. —The Loup Power District Board of Directors approved a 3.5 percent retail rate increase at its monthly December meeting. The increase comes amid increasing material prices and supply chain issues.

“Even with the retail rate increase, Loup’s retail rates remain among the lowest in Nebraska and the nation,” said Loup Board Chairman Steve Heesacker.

Loup’s overall rates are 30.3 percent below the national average and 9.5 percent below the Nebraska average based on data from a 2021 American Public Power Association survey. This places Loup in the lowest tenth percentile both statewide and nationally.

Loup’s average residential customer will see an annual increase of about \$60 for electricity costs, although the exact amount depends upon seasonal rates and usage.

Before voting to increase retail rates, Board members reviewed current rate levels for all classes of customers as well as budgeted revenue and expenses. In addition, management performed a retail cost-of-service study.

As part of this review, the Board analyzed purchased power costs from Nebraska Public Power District (NPPD), Loup’s wholesale power supplier, and anticipated future costs.

Loup has seen an increase in material costs in recent years coinciding with nationwide supply chain issues and inflation pressure. In addition, Loup is projecting a large increase in construction projects in the next six years due to anticipated load growth.

Rich Aerni, chairman of Loup's Rate Committee, said the Board worked with management to successfully keep rates steady between 2018 and 2022. Loup was able to do that despite the 2019 storm that damaged District's hydroelectric system and the impact of the COVID-19 pandemic in 2020 and 2021. Loup is still working to recover approximately \$5 million in construction costs from the federal government for repairs made to the hydroelectric system from the 2019 storm. This has affected the District's cash position.

"With the increase in construction and material costs, the Board felt it was prudent to implement this increase in retail rates to maintain Loup's financial health," Aerni added.

Energy or kilowatt-hour (kWh) usage and seasonal usage patterns are always the determining factor in a customer's bill. Customers in all rate classifications have opportunities to reduce their costs by taking advantage of numerous programs offered by Loup.

These programs include energy incentives and home energy audits. For more information on Loup's retail rates and energy-saving programs, visit the Loup's website at www.loup.com.

ABOUT LOUP POWER DISTRICT: For 90 years, Loup Power District has provided reliable, low-cost electricity to customers in Boone, Colfax, Nance and Platte Counties and part of Madison County. Loup also provides economic development and maintains five parks in these areas. More information about Loup is available at www.loup.com.

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