



## PRESS RELEASE

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FOR IMMEDIATE RELEASE  
12-29-2022

# Loup Board Approves Retail Rate Change for 2023

**COLUMBUS, Neb.** — After five years of stable rates, the Loup Power District Board of Directors approved a 1.6 percent retail rate increase at its monthly December meeting. The increase comes amid increasing power costs, material price increases and supply chain issues.

“Even with the small retail rate increase, Loup’s retail rates remain among the lowest in Nebraska and the Nation,” said Loup Board Chairman Alan Drozd.

Loup’s average residential customer will see an annual increase of \$21.41 for electricity costs.

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

As part of this review, the board analyzed the purchased power costs from Nebraska Public Power District (NPPD), the District’s wholesale power supplier. NPPD’s overall costs to Loup are expected to increase approximately six percent in 2023, due in large part to a change in the Production Cost Adjustment and small wholesale rate changes.

The District has also seen an increase in material costs in recent years, which coincides with nationwide supply chain issues and inflation pressure.

Chris Langemeier, chairman of Loup’s Rate Committee, said the Board worked with management to successfully keep rates steady since 2018. They were 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.

“However, with the increase in wholesale power costs and material cost increases, the Board felt it was prudent to implement a small increase in retail rates to maintain the District’s financial health,” Langemeier added.

Langemeier indicated the Board has implemented a long-term strategy to maintain its reserve margin at reasonable levels and keep retail rates competitive.

Loup Power District’s overall rates are 24.8 percent below the national average and 8.1 percent below the Nebraska average based on data from a 2020 American Public Power Association survey. This places Loup Power in the lowest tenth percentile both statewide and nationally.

Energy or kilowatt-hour (kWh) usage is always the determining factor in a customer’s bill. Customers in all rate classifications continue to have opportunities to reduce their costs by taking advantage of numerous programs offered by the District.

These programs include energy incentives and home energy audits. For more information on the District’s retail rates and energy-saving programs, visit the District’s website at [www.loup.com](http://www.loup.com).

**ABOUT LOUP POWER DISTRICT:** For almost 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. The District also provides economic development and five parks in these areas. More information about Loup is available at [www.loup.com](http://www.loup.com).

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