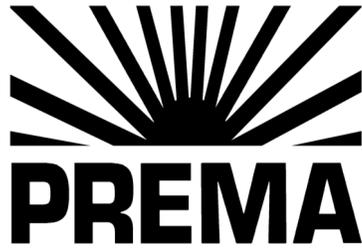


January, 2014



PLUGGED IN WITH . . .

Panhandle Rural Electric Membership Association



No Rate Increase For 2014 As PREMA Board Approves \$13M Budget

The PREMA board approved a \$13.2M budget for 2014 at its November regular board meeting. Making up the largest share of the total revenue was irrigation sales at 57% followed by residential sales at 29%. The power cost of \$7.6M is 63% of the total operating expenses of \$12M. The cost of operation and maintenance of our power lines is \$2M, which is 16.7% of the total operating expenses. Much of this cost is for the ongoing maintenance programs such as tree trimming, pole inspection, and breaker maintenance. These programs have proven to reduce many outages, thus reducing overtime needed to repair these problems.

Our 2014 budget does show positive operating margins, before G&T capital credits. RUS, PREMA's primary lender, requires PREMA to meet certain financial ratios and this budget meets those requirements.

As a member of Tri-State G&T, we are allocated capital credits based on our amount of purchases. We estimate our 2014 allocation to be \$720,000. With that and other non-operating revenue, we are estimating bottom line net margins to be right at \$1M. This also satisfies an RUS requirement.

Air Link Membership Endorsed By PREMA

As your local air ambulance, Air Link understands the critical aspect of time in treating medical emergencies. For those of us living in rural America, our recovery can depend on how much time it takes to be transported to emergency medical treatment. Air Link can cut that transportation in half.

Air Link cares about you and your loved ones. Their mission statement is to make it possible for people living in rural areas to get the life-saving emergency care they need, when they need it.

In the event that you are flown by Air Link for a life or limb-threatening emergency, your Air Link membership will work with your benefits provider to secure payment for your flight. Whatever your benefits provider pays will be considered payment in full. Even with medical insurance, an air medical transport can leave you with unexpected out-of-pocket expenses, burdening your finances and family. As an Air Link member, you will have no out-of-pocket expenses related to your flight if you are flown by Air Link or any AirMedCare Network participating provider.

Be watching in your next PREMA electric billing for more information about Air Link membership.



Just a reminder that meters are now read on the first day of the month. The bills are mailed by the 10th of the month. And payment is now due by the 25th of each month.

This will allow PREMA and our customers to have more timely information if there are questions regarding usage and billing.

Feel free to call Janet in billing if you have any questions about this billing date change. PREMA thanks you in advance for your cooperation.

**PREMA WOULD
LIKE TO ANNOUNCE THAT
THERE IS NO
PLANNED RATE
INCREASE FOR
2014.**

EDUCATIONAL & FUN GAMES. CHECK THEM OUT!

There is a new online game geared for kids in grades 3-5. PREMA's power supplier, Tri-State G&T, has worked with the American Farm Bureau Foundation for Agriculture to launch an exciting series of games to help teach young students across the U.S. about the value of electricity and how it is used to power different regions of the country.

POWER UP shows players the vital role that electricity plays in supporting agriculture. The theme of the game is to teach young people about the many different aspects of energy resources, while providing information about the positives and drawbacks of each.



POWER UP is found on the myamericanfarm.org website. This site is loaded with games to play, each aiming to teach children where food comes from and how those products get from the farm to their dinner plate. The online, interactive aspect of the educational project lets students learn about agriculture while having fun. In addition to family fun activities, a number of games reinforce core American educational curriculum standards of science, math, geography and language arts.

PREMA customer, Vickie Thompson, treated the office with homemade cinnamon rolls in November. She noted her appreciation of the work PREMA does to keep the power on and wanted to do something before the Season of Giving got too busy. Thank you Vickie! Ready to enjoy the rolls are Meter Technician Stacey Amm and Journeyman Linemen, Guy Swartz, Nick Paradeis, Travis Lurz and Cody Childers.



Scholarship Information

REMEMBER—Scholarship applications are due in the PREMA office by 5:00 P.M. on Friday, February 14, 2014. The applications were printed in the PREMA insert of the December edition of the Rural Electric Nebraskan. Applications are also available at the PREMA office, from your area High School Guidance Counselor or on our website at prema.coop.

The Nebraska Cooperative Council Education Foundation will provide five scholarships for the 2014/2015 academic year to students at the University of Nebraska-Lincoln (UNL) College of Agricultural Sciences and Natural Resources and the Nebraska College of Technical Agriculture (NCTA) at Curtis.

Eligibility is restricted to sons/daughters of a parent/legal guardian who has been an active member, director or employee for at least the prior three years of a cooperative which has been a member in good standing of the Council for at least five years.

Applications for these scholarships are available from local cooperative managers or on the Council's website at nebr.coop.

If you have questions regarding either of these scholarship opportunities, please contact Gina at the PREMA office, and she will be happy to help you.

Electricity Costs for a 1500W Space Heater

Some customers have been inquiring about unusually high electric bills. After talking with them about checking stock well heaters, well pumps, and pressure tanks, the subject of space heaters usually comes up.

A 1500 watt heater, like the one pictured to the right, can be the source of the increase on the bill. One space heater of this size uses 1.5 kwh per hour. If that heater runs 24/7 for a month, that is a total of 1,080 kwh.

Using the residential service rate, the kwh cost alone for that single space heater is \$136.44. And PREMA has found that often times, more than one space heater is in use.

Just something to think about.....



Notes From Load Management

The Load Management program is in place for the 2014 irrigation season. There will be no change in the program for 2014. All irrigators should be receiving a letter of information for Load Management.

Please call the office at 762-1311 if you do not receive this letter by February 1st.



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