

By Tim Linscott

Managing Editor

If Municipal Energy Association of Nebraska (MEAN) were a pop star, they could have a hit with the Britney Spears song, "Oops, I did it again."

Earlier this year a long-standing lawsuit between MEAN and Southwest Power Pool (SPP) was settled out of court. Grant's share of the lawsuit settlement to pay was nearly \$50,000.

Dana Harris, Grant city administrator, explained to city officials recently that a rate increase was coming in wholesale power at 9.75 percent next year.

Harris also explained that a three percent PEA (Pooled Energy Adjustment), which has not been enacted since 2003, would be passed on to MEAN customers, retroactive back to April of this year.

The city currently has a \$22,000 bill with MEAN due in July, 2014 for the PEA. When the back bills are all added up, the city will owe between \$30,000-\$40,000 to MEAN.

The PEA was passed along to MEAN power customers because MEAN is \$2.1 million over budget.

"This is one more big thing we have to pay to figure in to electric rates," Harris told council members. "Everyone is in the same boat."

Gering is passing down a 10 percent increase next year to its customers and does not include the PEA costs.

"There is not a lot of room to raise rates, but we have to in order to pay the bills," Harris explained.

She shared her frustration with the council, explaining that by under-projecting the budget, along with the lawsuit, it makes things hard to swallow for customers.

"If they had a rate increase because power simply went up, fine, but because of a screw-up six months ago and they make it a retroactive increase, that's frustrating," Harris said.

Harris said that the city is bound by its contract with MEAN, as are several other municipalities, and has been forced to raise rates to maintain a quality electrical system.

"We don't want another increase but every time we turn around MEAN hits us with something," Harris said.

The Grant public works board will analyze the situation and make a recommendation on what rate increases, if any, would be prudent to the city council and mayor.

The council will make a final decision after the first of the year.