

By Tim Linscott

Managing Editor

A policy change by the city of Grant has Midwest Electric officials pondering if economic development or even development of home sub-divisions may be hampered by the move.

In September the Grant City Council added a policy on new electrical hook-ups, assessing the charge of hooking into the city system to the property owner.

Prior to the change in policy the city paid for new properties or businesses hooking into the system with no official policy.

City officials felt the new policy would be more equitable as taxpayers would not have to pay the bill for service hookup for individual homes or businesses.

Grant Mayor Michael Wyatt recently questioned the policy after several queries were driven his way in regard to the policy.

“It has been brought to my attention some questions about our policy change to the new (electrical) hook-ups,” Wyatt said at the Nov. 12 Grant City Council meeting. “Any new electrical installation has to be paid by the consumer in whole. Before that it was the city that was paying, some questions have come up.”

Officials from Midwest Electric came forward at the Nov. 26 council meeting to share their thoughts on how they felt the policy change may hinder economic development locally. Having the city pay for the hook-up was incentive to be on the local electrical grid if the customer did not have to foot the bill and may be costly in the end for homeowners.

Calvin Dahlkoetter and Jayson Bishop attended the meeting to discuss with the council several key items they felt needed to be evaluated by the council in regard to the policy.

Midwest Electric does the installation for new commercial and residential hook-ups for the city and Dahlkoetter explained the new policy is creating accounting problems for his firm on what to charge.

“It is hard to figure out 100 percent. It is hard to figure out what to charge because we close quarterly,” Dahlkoetter said.

Bishop explained that since the projects are billed quarterly, if only one project is billed out in a quarter, the entire overhead of the project is billed to that one customer. However, if several projects are done in a quarter, it is spread out evenly between all of the property owners.

Bishop used the example of if a homeowner wanted to install an 100 amp transformer and pays for it, then upgrades to a 200 amp transformer and pays for it again, only to move and it is taken down. The new owner may have to pay for a transformer a third time.

“I look at it this way, this is your infrastructure, it is here forever. People pay to have it installed in their home and then they leave, it is still your infrastructure,” Dahlkoetter said.

Bishop asked that the policy be reviewed to accomplish the same goal the city is after but have definite rates.

“If someone comes to town and wants to build, I want to be able to tell them a cost, not say, ‘I think this will be the cost’ and give them a different number three months later,” Dahlkoetter said.

Some downsides Dahlkoetter felt were associated with the policy included scaring new businesses off with installation costs. He mentioned a business asked for an estimate on an electrical hook-up and it was \$7,000.

“I was scared to tell them that cost,” Dahlkoetter said.

Dana Harris, Grant city administrator, attended a MEAN Municipal Energy Agency of Nebraska (MEAN) meeting recently and spoke with several electric service managers from municipalities of various sizes and concluded there is no one uniform way that an installation policy is conducted.

“Some cities pay 100 percent, some have the customers pay 100 percent, some pay 50/50,” Harris said.

It was suggested policy having one policy for residential, another for commercial with considerations for inside and outside the city limits.

Council member Tim Pofahl said the public works board and Midwest Electric need to work together to look at the policy.

It was agreed that the policy will be re-examined and a report will be given to the council soon.