

Rate & Service Regulation Manual Modernization

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Service Regulations and Schedules

Purpose of the Rates and Service Regulations

- The Electric Rate Schedules and Service Regulations of the Omaha Public Power District is currently a 115-page document detailing both
 - How retail customers receive electric service, and
 - Outlines the charges for varying service levels
- There are currently 41 different rates and riders included in the Electric Rate Schedules.

Service Regulations and Schedules

Why Review Now?

- While the language in the rate manual has largely remained unchanged, the electric utility industry has not.
- The overall purpose of this initiative is to conduct a thorough review of the entire manual in order to better service our customer/owners and other customers by:
 - Updating service regulations and rates to reflect changes in industry standards, technology and customer behavior.
 - Rewriting language, as necessary, to increase ease of understanding for customers, employees and other stakeholders.
 - Ensuring consistency and alignment amongst and between all rates and service regulations

Service Regulations and Schedules

Overall Status

- Resource the team with cross functional team comprised of subject matter expert staff from: **COMPLETED**
 - Financial Services
 - Customer Service
 - Public Affairs
- Conduct research on peer utility rate manuals to identify best practices **COMPLETED**
- Identify areas for which clarity and consistency could be improved between the rates and service regulations **COMPLETED**
- Create standard templates **COMPLETED**
- Simplify wording in schedules while maintaining intent of offering **COMPLETED**
- Pursue customer feedback on proposed changes **COMPLETED**
- Disposition customer feedback from the power panel **COMPLETED**
- Define and socialize a change management plan including the effective date of changes **IN PROGRESS**

Service Regulations and Schedules

Power Panel Research Summary

- **Overall findings:**
 - Customers appreciate that the nature of a Rates Manual doesn't lend itself to be as creatively customer-centric as say a marketing piece. However, customers want OPPD to communicate rates and service regulations information to them in ways they can readily understand.
 - OPPD's proposed Service Regulations outperformed its current Service Regulations.
 - OPPD's proposed Rates Schedule stimuli did not outperform its current Rates Schedules.
- **Key findings:**
 - **Quantitative:** Of the new pages tested, *Service Regulations Billing NEW* outperformed its old version. All other new versions performed below, or on par in comparison.
 - **Qualitative:** The bar is low for rates manuals considered to be *easy to understand* with many respondents indicating there's no stand-out company doing it the best.

Service Regulations and Schedules

Power Panel Research Summary

- Key findings (continued):
 - Qualitative:
 - Layout / Look and Feel – Customers expect simple, clean, modern layouts – the less text and shorter sentences there are, the less overwhelming it seems.
 - Content / Ease of Understanding – Use plain language, as if you’re explaining something to a primary school student. Include relatable examples, glossaries, FAQ’s, context and clarity.
 - Visuals – Employ visuals, charts, tables and flow charts that help readers digest the information, taking the pressure off the customer to read the entire page.
 - Navigation – Improve ease of navigation, ability to quickly click to other reference pages and skim to what’s important by improving contextual layout and information relevance.

Service Regulations and Schedules

Feedback Disposition

- Customer feedback has been incorporated in various sections
 - Rewrote the introduction to explain what is included in the document and explain the billing components of the Rates.
 - Feedback that was not favorable regarding the Rate Schedules was primarily addressed in the Quick Start Guide
 - Customer Experience developed the Quick Start Guide for OPPD's website
 - Explains the billing components included in the rate, a graph showing the kWh charges, and visuals showing how rates are set
 - Currently have quick start guides for Residential and Business (small commercial) Customers
 - Some feedback is actionable
 - Some may not be actionable with this evolution but could be covered later via rates education, outreach, etc
- Finalized Legal and Brattle review and incorporated feedback throughout the document

Service Regulations and Schedules

Example: Definitions

Omaha Public Power District Energy Plaza – Omaha, NE	CURRENT	Service Regulations Effective February 1, 2017 Resolution No. 6162	NEW	DEFINITIONS
				Auxiliary Generating Unit A Customer operated generating unit that is used only to provide standby power to replace power normally supplied by a Primary Generating Unit.
2.		Cogeneration: Sequential production of electric energy as well as steam or other forms of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes.	NEW →	Billing Demand Demand as calculated in the Determination of Demand section and applied to the bill of a Customer who takes service under OPPD's Demand Rate Schedules.
3.		Consumer: Any person, partnership, association, firm, corporation (public or private), or governmental agency taking service from the District at a specific location, whether the service at that address be in their name or some other name.	NEW →	Cogeneration Concurrent production of electric energy and thermal energy used for heating or cooling purposes.
4.		Curtailable Consumer: A Consumer who can curtail load according to the provisions of Rate Schedules 467, 467E, 467H, 467L or 467V.	NEW →	Curtailable Load A Customer's Load contracted to be reduced during periods identified by OPPD.
5.		Demand Meter or Check Meter: The device, or devices, and any auxiliary equipment including demand registers required to measure the electric service or to measure the 15-minute period of greatest electrical energy consumption supplied by the District to a Consumer at a point of delivery.	UPDATED →	Curtailable Customer A Customer who has contracted to curtail Load according to the provisions of Rate Schedules 467, 467E, 467H, 467L or 467V.
6.		District: Omaha Public Power District.		Customer Any person, partnership, association, firm, corporation (public or private), limited liability company, governmental agency, or other entity taking service from OPPD at a specific location, whether the service at that address is in their name or some other name.
7.		Emergency Generating Unit: A Consumer operated generating unit that is normally only used during an outage of the electric service from the District, for testing, or during curtailment by a Curtailable Consumer.	NEW →	Customer Owned Generation (COG) Distributed Generation (DG) not owned and operated by a Nebraska electric utility, but typically owned and operated by a Customer of the utility.
8.		Equivalent Electrical Load: The electrical power required to operate mechanical load at the nameplate horsepower. One horsepower will be converted to Equivalent Electrical Load using an 85% efficiency. (One horsepower mechanical equals 877 watts electrical.)	NEW →	Demand The instantaneous rate at which energy is delivered to an electrical Load and measured in either kilowatts (kW) or kilovolts-amperes (kVA).
9.		Farm: Premises where the Consumer lives and the occupation of the Consumer is predominantly the cultivation of land and raising and selling of farm products which originate through production on the premises served, but not premises where the Consumer is engaged in a commercial activity, such as the processing and selling at retail of dairy products, production and selling of sod grass, etc.	NEW →	Demand Meter The device(s) and any auxiliary equipment, including Demand registers, required to measure the Electric Service or to measure the 15-minute period of highest electrical energy consumption supplied by OPPD to a Customer at a Point of Delivery.
10.		Federal Holidays: New Year's Day, Martin Luther King Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day, or the days these holidays are observed in the District's Service Area.	NEW →	Demand Response (DR) Customer adjustment or control of their electrical Load in response to a signal from the electric utility. Customers with DR capability are typically voluntary participants in special utility DR rate programs.
			NEW →	Demand Side Management (DSM) See Load Management.
			NEW →	Distributed Energy Resource (DER) Includes Distributed Generation (DG) and may generally include Load Management and Demand Response technologies.
			NEW →	Distributed Generation (DG) Electric generation and/or Energy Storage technologies, generally characterized as 'distributed' in nature and interconnected to a utility distribution system at or near Customer Loads. DG may consist of one or more generators or resources. Energy sources used by DG to generate electricity may be from renewable or non-renewable sources.
			NEW →	Electric Service The service by which OPPD supplies power to a Customer's Point of Delivery, either by overhead or underground wires.

Service Regulations and Schedules

Example: Rate Schedule Consistent Formatting

CURRENT

Omaha Public Power District
Energy Plaza - Omaha, NE

Electric Rate Schedule
Effective January 1, 2019
Resolution No. 6093

SCHEDULE NO. 110

RESIDENTIAL SERVICE

[Return to Rates List](#)

Availability:

To single-family dwellings, farms including only one residential dwelling, trailers, or to each of the units of flats, apartment houses, or multi-family dwellings, when such units are metered individually in the District's Service Area. A "unit" shall be a trailer, apartment, flat, or unit of a multi-family dwelling, equipped with cooking facilities.

The single phase, alternating current, electric service will be supplied at the District's standard voltages of 240 volts or less, for residential uses, when all electric service furnished under this Schedule is measured by one meter. This Rate Schedule includes service for air-conditioning motors not exceeding 7 1/2 horsepower each, other motors not exceeding 3 horsepower each; but excludes X-ray and other appliances producing abnormal voltage fluctuations. Not applicable to shared or resale service.

Monthly Rate:

A Service Charge of: \$30.00 plus

An Energy Charge of:
Summer 9.36 cents per kilowatthour for all kilowatthours.

For kilowatthour consumption of more than 100 kilowatthours and less than 401 kilowatthours, a credit of \$2.07 per month will be applied.

The summer rate will be applicable June 1 through September 30.

Winter 8.63 cents per kilowatthour for the first 100 kilowatthours,
7.46 cents per kilowatthour for the next 900 kilowatthours,
5.27 cents per kilowatthour for all over 1000 kilowatthours.

The winter rate will be applicable October 1 through May 31.

The provisions of Rate Schedule No. 461 – Fuel and Purchased Power Adjustment apply to this rate schedule.

Minimum Monthly Bill: \$32.07

Late Payment Charge:

A Late Payment Charge in the amount of 4% of the Monthly Rate and applicable taxes will be assessed if the current month's bill payment is not received by the District on or before the due date.

For customers on the District's Level Payment Plan, the Late Payment Charge will be calculated as 4% of the current month's level payment amount.

Omaha Public Power District
Energy Plaza - Omaha, NE

Electric Rate Schedule
Effective January 1, 2019
Resolution No. 6093

SCHEDULE NO. 110

RESIDENTIAL SERVICE

Reconnection Charge:

If a Consumer whose service has been terminated has such service reconnected within 12 months of such termination, a reconnection charge equal to the minimum monthly charge for the preceding 12 months, or any part thereof, shall be collected by the District.

Service Regulations:

The District's Service Regulations form a part of this schedule.

District Level Payment Plan:

Upon mutual agreement, the Consumer may elect to be billed on the District's Level Payment Plan.

Large Farm and Residential Service:

Large Farm and Residential Service may be provided under this Schedule for larger motors, welders, crop dryers, snow melting equipment, elevators, hoists, or similar equipment; where the District's distribution facilities are suitable for the service required. Transformers larger than 25 kVA capacity may be installed at the District's option.

Special Conditions:

If a building served through one meter can be a residence for two, three or four families, each family unit having separate cooking facilities, this schedule, except the summer credit, may be applied through mutual agreement between the Consumer and the District, by multiplying the number of kilowatthours in each block, except the Service Charge of the Monthly Rate, by the number of dwelling units in the buildings; otherwise, the General Service Schedule will apply.

The Consumer's water heating and space heating equipment shall be a type approved by the District and shall be installed in accordance with the District's Service Regulations.

NEW

RATE SCHEDULE NO. 110

Standard Residential Service

APPLICABILITY

This Rate Schedule is applicable to all Customers throughout OPPD's Service Area who meet the criteria to be a Residential Customer as defined in the Service Regulations.

Customers taking Electric Service as single-phase alternating current will be supplied at OPPD's standard voltages of 240 volts or less, for Residential uses, when all-Electric Service furnished under this Schedule is measured by one Meter unless otherwise specified in the Service Regulations. Not applicable to shared or resale service.

BILLING COMPONENTS

Service Charge: \$30.00 per month

Energy Charge:

Energy Usage	Summer (June 1 – Sept. 30)	Non-Summer (Oct. 1 – May 31)
0 - 100 kWh	9.36 cents/kWh	8.63 cents/kWh
101 - 1,000 kWh	9.36 cents/kWh	7.46 cents/kWh
1,001+ kWh	9.36 cents/kWh	5.27 cents/kWh

A credit of \$2.07 per month will be applied to summer monthly kWh consumption of more than 100 kWh and less than 401 kWh.

Rider Schedule No. 461 – Fuel and Purchased Power Adjustment applies to this Rate Schedule.

Minimum Monthly Bill: \$32.07

The minimum monthly bill is calculated as the service charge and the summer energy credit. Any energy usage by the Customer during a billing period is charged in addition to the minimum bill.

Late Payment Charge:

A Late Payment Charge in the amount of 4% of the Billing Components and applicable taxes will be assessed if the current month's bill payment is not received by OPPD on or before the due date. For Customers on OPPD's Level Payment Plan, the Late Payment Charge will be calculated as 4% of the current level payment amount.

ADMINISTRATIVE

Service Regulations

Customers under this Rate Schedule must comply with all OPPD Service Regulations.

Rates and Service Regulations

Example: Quick Start Guide

RESIDENTIAL RATES

[Home](#) > [Residential](#) > Residential Rates

AFFORDABLE, RELIABLE AND ENVIRONMENTALLY SENSITIVE ENERGY SERVICE

Residential Billing Components:

- Your **Service Charge** will be the same amount every month. This charge is billed to all customers regardless of the amount of electricity used.
- Your **Energy Charge** is based on the amount of energy used during the billing period. Energy use is priced per kilowatt-hour (kWh). One kilowatt (kW) equals 1,000 watts (w). For example, if you use an 1,500w appliance for 4 hours, you use 6kWh of electricity.

For complete information, view OPPD's [Service Regulations and Schedules](#).

How to Read Your Bill

Energy Efficiency

Customer-Owned Generation

Residential FAQ

RATES EXPLAINED

Residential Service - Rate 110

This rate is for residential customers who meet the [rate criteria](#).

Service Charge: **\$30.00/month**

Energy Charge:

Summer (June 1 - Sept. 30)
All kWh 9.36 ¢/kWh

Non-summer (Oct. 1 - May 31)
0-100 kWh 8.63 ¢/kWh
101-1,000 kWh 7.46 ¢/kWh
1,001+ kWh 5.27 ¢/kWh

Minimum Monthly Bill: \$32.07

Residential Conservation Heat Pump - Rate 115

This rate is for residential customers with an electric heat pump who meet the [rate criteria](#).

Service Charge: **\$30.00/month**

Energy Charge:

Summer (June 1 - Sept. 30)
All kWh 9.36 ¢/kWh

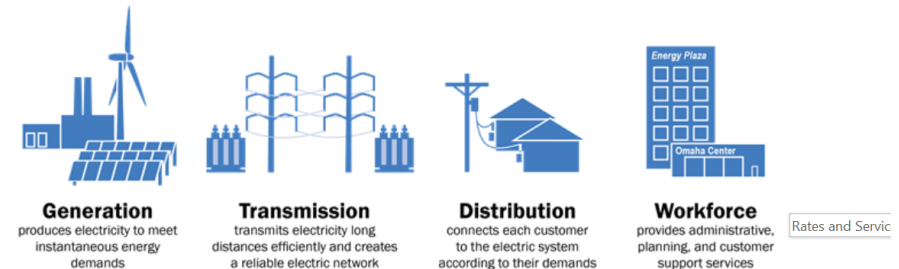
Non-summer (Oct. 1 - May 31)
0-100 kWh 8.63 ¢/kWh
101-880 kWh 7.46 ¢/kWh
881+ kWh 4.31 ¢/kWh

Minimum Monthly Bill: \$32.07

The [Fuel and Purchase Power Adjustment](#) will apply to the above rates.

HOW ARE RATES SET?

Each rate schedule is determined by gathering all costs of providing electric services for OPPD's customer-owners. Costs are categorized into generation, transmission, distribution, and workforce. Next, these categorized costs are divided into billing components and are included in each of the different rate schedules.



RESIDENTIAL SERVICE - RATE 110

Summer (June 1 - Sept. 30)

Service Charge: **\$30/month**
Energy Charge:



Non-Summer (Oct. 1 - May 31)

Service Charge: **\$30/month**
Energy Charge:



Service Regulations and Schedules

Next Steps

- Finalize and execute the Change Management Plan to ensure smooth implementation of the enhanced document and quick start guides.