

October 11, 2013

Nebraska Public Power District
Attn: Pat Pope, CEO
1414 15th Street
PO Box 499
Columbus, NE 68602-0499

Dear Mr. Pope,

We write to you as leaders of our businesses, schools, communities, and civic organizations, mindful of the responsibilities we assume as customer-owners of the Nebraska Public Power District. We are concerned that our disproportionate reliance on coal is causing permanent health and economic challenges. We urge you to make investments in each of us, and our communities, by purchasing locally produced wind power at today's historically low rates.

Each of us depends on reliable and affordable electricity. But we believe that the \$2.7 billion dollars we spend each year to meet our electricity needs can be managed in a more productive manner. It is our opinion that an investment in wind power is an investment in Nebraska's future, and that's important to us. The affordability of wind energy, the local economic development this technology creates, and growing health concerns all require that we take advantage of the present opportunity.

Due in part to the Production Tax Credit, which expires at the end of the year, wind energy costs have fallen by more than 40% over the last five years. As a result, wind energy installments accounted for 42% of all new capacity installed in 2012. That year was the strongest ever for wind power, installing a record 13,124 megawatts (MW) of electric generating capacity, leveraging \$25 billion in private investment, and achieving over 60,000 MW of cumulative capacity. This technology now provides more than 20% of the electricity in Iowa and South Dakota and more than 12% in nine states.

Even before prices fell, utilities across the nation found it economically advantageous to increase their investment in wind energy. The Illinois Power Agency recently found that increased investment in wind lowered each residential customer's bill up to 1.2%. The Public Utilities Commission of Ohio found that the addition of renewable sources of power is pushing down the cost of electricity statewide. Minnesota utilities are adding wind above and beyond the state requirement, touting customer savings as they do, and Michigan's largest electricity providers are able to eliminate customer surcharges due to the amount of money they've saved.

The economic development potential these investments create can be astounding. Wind power installations result in total county-level personal income of approximately \$11,000 per megawatt and create an additional 0.5 jobs per megawatt. The median increase in county-level employment is estimated at 0.4%. We have the potential to exceed these numbers. Ranked third nationally, the National Renewable Energy Laboratory estimates that almost 92% of Nebraska has suitable conditions for wind-powered electricity generation. Unfortunately, we rank only 25th in installed wind capacity, far behind neighboring states like Iowa, South Dakota, Kansas, and Colorado but also behind such states as Indiana, Minnesota, New Mexico, and Oklahoma.

Those states reap the benefits, improving their communities, while we sit idle. Wyoming, where we annually send in excess of \$338 million in exchange for coal, generates up to 13% of their electricity from wind. This transfer of wealth blatantly robs Nebraskans of economic opportunity here at home, where wind accounts for less than 4% of our energy. We currently rank as the sixth most dependent state on coal as a percentage of its resource mix. From 2005 to the summer of 2010, as we increased our reliance on coal, the overall wholesale rates increased approximately 31% and retail rates rose approximately 22%. In 2012 our rates again increased, by 6.5%. All the while we continue to develop Wyoming's economy, lowering their taxes and creating their jobs, while sacrificing our own.

Finally, the health concerns shared by Nebraskans across the state are real and should not be ignored. Our power plants annually emit 71,000 tons of sulfur dioxide (SO₂) and 44,000 tons of nitrogen oxide (NO_x). Additionally, Nebraska's power plants also pump an estimated 26 million metric tons of carbon dioxide (CO₂) emissions into the earth's atmosphere. At least 78 of our water bodies are home to toxic levels of mercury. Nationally, the health care costs created by this ongoing and overlooked pollution total \$700 million or more annually and lead to approximately 100 premature deaths and 3,500 instances of problems with bronchitis and respiratory problems each year. Every year those pollutants also cause at least 13,600 lost work days due to illness and as many as 81,000 minor restricted activity days in which both children and adults must slow down their normal activities because of respiratory health effects. On the other hand, the wind energy currently in place reduces carbon dioxide emissions by nearly 100 million tons per year, the equivalent of taking 17 million cars off the road.

These concerns have led us to question the decisions being made by the Nebraska Public Power District. Our quality of life, and the strength of our future, depends on leaders willing to take a stand. Public power means doing more than lining the pockets of out-of-state companies. The same tired arguments, focusing on cost and intermittency, lose credibility each day as utilities in bordering states continue to invest in their local economy. If wind energy works there, it can work here. We're writing because we know that it's important to protect the Good Life. We're counting on you to help us.

Sincerely,

Rachel Wise, State Board of Education District 3 – Oakland

Dr. Amanda McKinney, Women's Health Center – Beatrice

Pamela Thompson, Three Rivers Housing Development Corporation – Tekamah

Chuck Karph, Panhandle Area Development District – Mitchell

Andrea Wall, Pastor of Faith Formation Bethesda Mennonite Church – Henderson

Frank Schersing, Ho Chunk Community Development Corporation – Winnebago

Dr. Merlin Friesen, Community Health Center and Hospital – Beatrice

Steve Fuxa, Butler County Agriculture Society – David City

North Star Neighbors – Fullerton

Patty Plugge, Burt County Economic Development Corporation – Tekamah

Karen Harrington, Harrington Security Bank - Laurel

Freedom Farms – Keith County

Voyant Analytics – Lincoln and Surrounding

Swanson Farms – Hastings

Askamit Resource Management – Lincoln and Surrounding

Yoachim Farms – Hebron

Silver Hills Vineyard and Winery – Tekamah

Al Guenther, Professor Emeritus University of Nebraska – Dunbar

Mike Wall, Henderson City Council – Henderson

Firstar Fiber – Omaha and Surrounding

Cody Uhing, Republic Insights – Tekamah

Leisure Lawn – West Point

Rachel Higgins, Bryan Health Registered Respiratory Therapist – Valparaiso

Pat Borgelt, City Clerk – Tilden

Nebraska Food Cooperative – Lincoln and Surrounding

Schwerco – West Point

Annette Junck, Economic Developer – Laurel

Demmel Farms – Ogalalla