

## WHEAT BELT ∰ CONNECTION ∰

SEPTEMBER 2020

Jim Weeda

Manager of Technologies

Technology and Cybersecurity Update



Hello! I'm Jim Weeda, the Manager of Technologies at Wheat Belt PPD. I've been with Wheat Belt for almost 19 years now and have worked with almost all of the technologies at the company over those years. In 2014, I was asked to manage the Technology Department and since then, I have been responsible for supporting the majority of the technologies at Wheat Belt.

With technology comes the risk of being hacked. Cybersecurity is a big concern when it comes to protecting our customer's, and employee's data, as well as all of our internal network equipment and our power grid. It's also a very big challenge for a small company to manage all of the security risks.

Part of our strategic planning is to plan and implement the necessary equipment and controls to mitigate a potential cyber attack. Over the last few years, we have taken important steps forward in securing our facilities and our networks. We have set up extensive backup processes to protect against ransomware, installed next generation firewalls to prevent network intrusion, deployed endpoint security to protect the computers from malware, and began monthly training to teach Wheat Belt employees how to protect customer and *Continued on Page 12-D* 

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# 💈 DRAWING WINNER 🇯

Congratulations to Houser Land & Cattle, our July "Lucky Winner"! Mrs. Houser has received a \$50 credit for her prompt payment.

Housers are part of the original Cheyenne County settlers. The entire family was born and raised in the county. They purchased Hand's Dairy in 1965 and milked until 1989. Houser Land & Cattle was formed in the early 1990's as a cow-calf operation and dry land farming. The family dryland farming business continues still today.

If you would like to be included in our next drawing, and avoid the \$5 delinquent fee, please send your payment before the 15th of the month.

For your convenience, we offer several payment options. Please give us a call or visit wheatbelt.com, and select the Customer Engagement menu.

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### Employee Spotlight

#### Mark Cape

Operations Department With Wheat Belt since: May 15, 1985



We are featuring our Maintenance Equipment Operator, who has been with Wheat Belt for 35 years. We had the chance to ask him a few questions. Enjoy getting to know Mark!

#### Birthplace: Sidney

Cities/towns you have lived in: Dalton and Sidney

**Family:** Sons, Coyle and Brady; daughters, Sharyn and Alexandra; son-in-law Ben and grandson Oliver



Hobbies and favorite place to be: Hunting and trail riding in the mountains; Glenwood Springs, Colorado riding mountain trails on horseback.





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What do you like most about your job? Being outdoors and interacting with customers

Where is the best place you have traveled to and why? Alaska. It's so wild and beautiful. I've been lucky enough to hunt and fish there several times. Nice to have family there!

If you could travel to any place, where would it be and why? Australia, it has always been interesting to me.

One random fact about you: I'm a lefty

What is the one thing you cannot resist? Ice cream

If you won the lottery, what is the first thing you would do? Retire

What is the first concert you attended? Eddie Money

What chore do you absolutely hate doing? Washing windows

Favorite food: Thick, juicy ribeye

**Favorite sport:** College basketball and Husker football



If you could meet anyone, living or deceased, who would you meet? Larry Bird



Rural Electric Nebraskan

Timothy Lindahl General Manager/CEO

Tim's Tidbits

#### Cost Savings Update



As with you, we are not immune to the challenges that the Corona Virus has created. Last month I discussed the additional pressure that we had due to the storm pattern that we have been in this year. We continually make adjustments to the organization to be able to handle these risks, and more importantly, utilize the funds from the rates we charge as efficiently and prudently as we can. This does not always mean always cutting costs, a cost that needs cut was probably a cost that should not have existed. Over the last decade, we have made several improvements to the system that continue to pay back, well over the cost of the projects.

One of our early projects was converting to an advanced metering infrastructure (AMI). We had anticipated a seven year return on that investment. The return was actually slightly over three years. This system is currently in an evolution to a next generation system that will continue to improve our costs, but more importantly, will allow us to create optional rates and other programs that will have the potential to save you a great deal of money on your electricity bills.

We had the need to sell some of our transmission assets to comply with regulatory requirements. We would have had to create a regulatory department to comply with these new regulations and we also had a significant need to replace much of the aging infrastructure relating to it. This removed a significant risk and allowed these items to be managed by an organization that was already geared to manage these assets. Not only did this generate cash, it has significant ongoing savings.

Our new headquarters was designed and approved to be cost neutral. There is a yearly cost to the facility in the form of depreciation and operating expenses. These expenses are offset by saved sales tax and utility costs. Sale of our old facilities was not needed to make this a cost



neutral project. In 2019, our savings were about \$17,000 greater than what we had projected before construction. These savings will continue to increase each year as we purchase higher amounts of inventory for system improvement projects, savings will be realized by avoiding city sales tax on those purchases.

We completed the construction of a new substation this summer. When we have highly loaded and long electrical circuits, it creates loss of energy as electricity passes through. By building the new substation, we are able to shorten circuits, lower the load on circuits, and in the process, decrease the amount of electricity that is lost. An early estimate of the savings in losses from the first phase of this project shows about a \$15,000 per month savings in the summer. Once the project is complete, this will continue to increase. Other benefits will allow us to have a more reliable system, and an improved power quality.

Energy losses account for a large part of our budget. We implemented utilizing data analytics to determine where we could make low cost improvements that result in significant loss savings. This is not only good economically, but good for energy efficiency and the environment. Utilizing the data we receive from our various sources, including our AMI system, we can fine tune our system. In addition, we are working with a company to develop Artificial Intelligence software to predict where we will have outages, predict equipment failures, and provide us with a better picture of where we can improve. It is less expensive most times to repair something before it breaks and it is better for you when we can fix something before an outage happens.

A few months back, I wrote an article on how we were involved at the Federal Energy Regulatory Commission (FERC) in challenging the justness and reasonableness of our wholesale rates, and in particular, the costs that are imposed on us by other states. We were awarded settlement on our wholesale rates and are currently in the process of working through a settlement. This may result in a savings to our wholesale rate, which is 67% of our budget.

We continually work to improve the organization and how we are staffed. We recently went through a reorganization to better serve you, and do so in a more cost effective manner. In the coming years, we will continue to evolve the organization and align ourselves with the changing industry. Our realignment focuses on our core strategies of Modern Energy, Infrastructure, Technology, Customer Engagement, and Rural Broadband. All of these strategies are designed to help you directly, or at a minimum, help us serve your electric needs better.

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#### TECHNOLOGY continued from Page 12-A

employee data as well as our network and facilities. There are many moving parts to cybersecurity and we work with trusted vendors to assist with the challenges that we face.

There is a lot more to technology than just cybersecurity. Wheat Belt continues to research and install tools that help us to stay within the guidelines of regulations and help our employees to work more efficiently. From mobile tools to an advanced metering infrastructure, from offline backups to cloud storage, from a more secure email platform to policies and training, we are working our hardest to keep up with the world around us and finding ways to make sure we can continue to provide our customers with a safe, reliable and efficient product.

#### COST SAVINGS UPDATE continued from Page 12-C

We utilize debt as a tool where it makes sense and can have benefits to the rates we charge. We recently sold \$2 million of Municipal Bonds, locking in an interest rate of 1.84% for twenty years. We watch the debt markets closely and capitalize on favorable terms when we can, utilizing the funds for improving the electric system.

Our retail rates are average for Nebraska. This is despite having the sixth highest cost of wholesale power in the state (which is 67% of our rates) and being the fifth least dense system in the state, meaning that we have 2 meters for every one mile of electric line we maintain.

We will continue to work on these prudent investments to become more efficient, more reliable, and safe. Our focus on efficiency allows for the best operation of the system, in good times and in bad. Thank you for all you do for this great state.



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