

utilities add to expense of apartment life

by pat gentzler

For students living in apartments, especially those who are moving away from home or off campus for the first time, the unexpected cost of utilities can drive the expense of apartment living far beyond what was originally expected.

Deposits alone can take a large chunk out of a student's budget.

Students doing business with Lincoln Telephone and Telegraph Co. and Cengas for the first time are required to pay a deposit or obtain a co-signer.

Cengas offers a third alternative to new customers. The deposit and co-signer are not necessary if the customer agrees to be



on an "early payment list," said Dick Sievers, region administration for Cengas. Customers on this list agree to pay their bill seven to 10 days after it is received.

Once the new customer has established a good credit rating with Cengas and LT&T, usually after 12 months, deposits are returned with 6 percent interest and co-signers are released from responsibility.

Frank Grant of Lincoln Electric System's customer service office said that normally, no deposit is required to obtain electric service. "Unless," he said, "we've had some unfortunate experience with the customer."

Of course, there are apartments which have the cost of utilities included in the

we bill the owner of the property," she said.

The treatment of gas and electric costs vary from landlord to landlord. Some of the apartments handled by the Nebraska Real Estate Corporation have individual furnaces, and the tenant takes care of the costs, Henkelmann said.

Whatever policy a landlord has about utilities, tenants should have a knowledge of what they're paying for and what it's all going to cost.

Gas rates are determined primarily by wholesale cost, Sievers said. Cengas' wholesale supplier is Northern Natural Gas.

On August 24, natural gas rates at Cengas "went up slightly," Sievers said. With the rate hike came a change in the rate system. Before, the more a consumer used, the less each additional unit cost. That does not promote conservation, Sievers said, so now the rate for the last unit of gas purchased is closer to the rate for those used earlier, though it is still less.

A minimum cost of \$2.50 is required. The consumer is entitled to 500 cubic feet of natural gas for that \$2.50, Sievers said. The next 4,500 cubic feet cost \$2.25 per thousand cubic feet. Anything over 5,000 cubic feet costs the consumer \$2.05 per thousand cubic feet.

A typical, residential customer uses 1,382,000 cubic feet of natural gas during the course of a year, totaling \$310.63 at the present rates, he said.

Phil Euler, power supply analyst of Lincoln Electric System, said there is "no profit margin" in the budget because the city owns the utility. Price to the consumer, therefore, is the cost of production.

The winter rate on electricity is lower than that in the summer, Euler said. In the summer, because of air conditioners, all generator units are put to use, including older, less efficient units that are not needed in the winter. Since it costs more to produce electricity on a less efficient unit, the cost of electricity naturally goes up, Euler explained.

The two different rate structures for electricity are a signal to customers of what's going on, he said. In the past, the rates were averaged and were constant throughout the year similar to the rate system at Cengas.

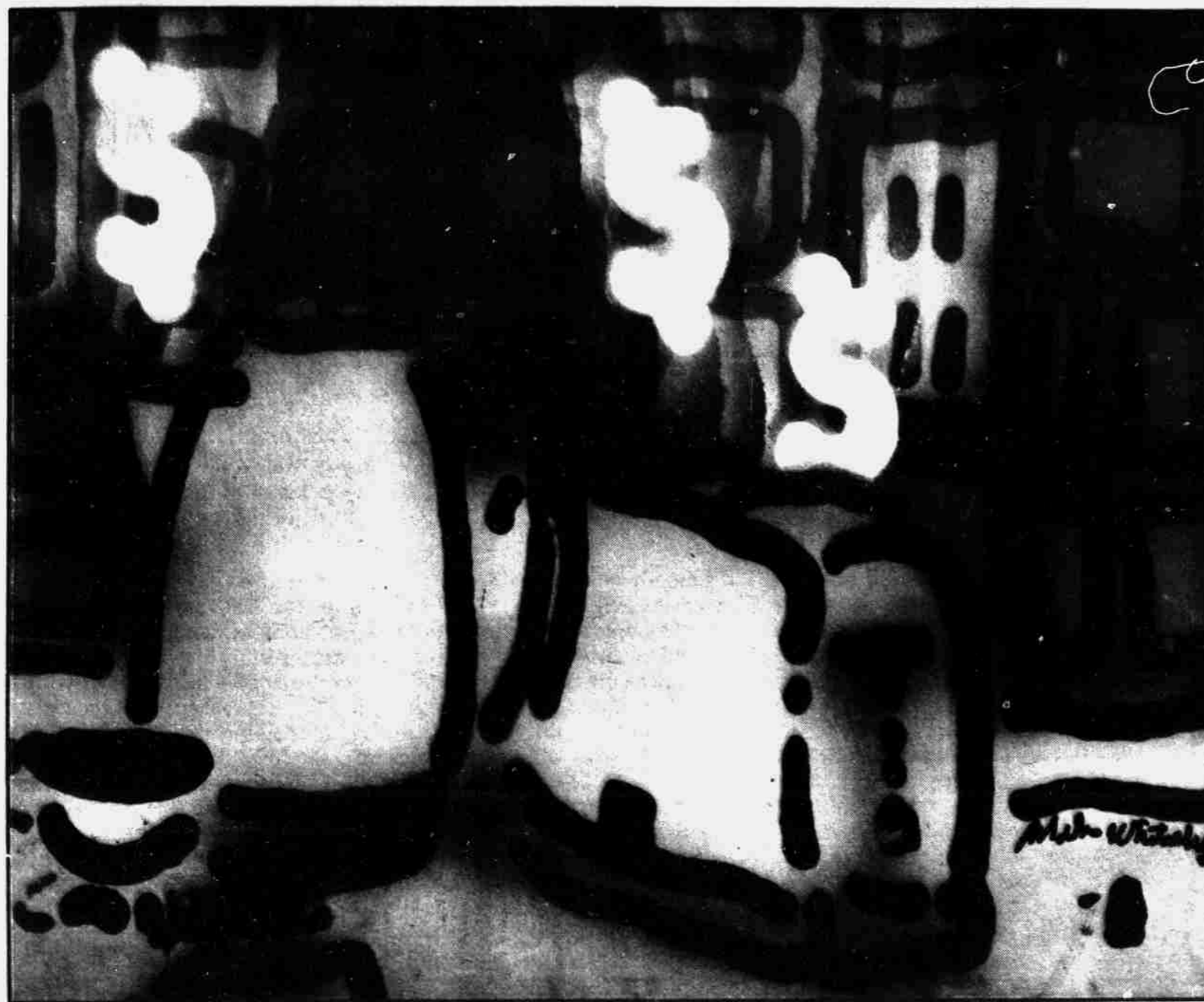
Electricity is sold in units called kilowatt hours. A kilowatt hour can operate ten 100-watt light bulbs for one hour, or a television for two hours or a half hour to an hour with one kilowatt hour.

The first 300 kilowatt hours metered in the winter costs the consumer 3.2 cents each. The next 700 kilowatt hours of electricity costs 2.85 cents each. Each kilowatt hour over 1,000 consumer costs 1.75 cents each. In addition to these costs, a \$3.20 deposit is required of each customer.

One standard rate of 3.85 cents per kilowatt hour is charged in the summer.

Water is sold in units of 100 cubic feet. For the first 16 units per living unit in a building, the cost is 25 cents each. The next 30 units cost 31 cents apiece, and every unit past 46 costs 39 cents a unit.

Water usage for sewer systems is 28 cents per unit plus an \$8 minimum cost.



landlords, tenants

tion of the apartment itself, as well as any furniture or appliances, Lange said.

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Lange said that if the landlord does not provide a checklist, then you should take it upon yourself to make one.

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"This preventive measure" is a good thing to have should you decide to take your landlord to court, Lange noted.

Peg Beranek, of Beranek Investments with 200 apartment units, said reasons for withholding damage deposits are skipping lease, non-payment of rent, insufficient notice when moving out and for cleaning and damages.

However, she said she expects to pay for the "normal wear and tear" of an apartment.

Beranek said in the 15 years she and her husband have been renting apartments, they have had few problems—despite the extra partying by students.

Lange said when you move out you should leave a forwarding address and a request that the deposit be returned within

14 days.

If it is not returned and the landlord, when reached, refuses to return it, Lange suggested you take him to small claims court. It costs \$3 to file and \$3 to serve the complaint.

Lange suggested when a large sum is involved, the student might want to hire an attorney, since attorney's fees will be paid by the landlord if you win.

When any damage deposit is withheld, Lange said, the landlord must provide a list of the damage and its costs.

rent. This is convenient for the tenant because "there is only one check to worry about," said Priscilla Henkelmann, a Nebraska Real Estate Corporation agent. Then paying a deposit or obtain a co-signer is unnecessary. Rent rates do not change according to gas or electricity consumption, she said.

However convenient, the "utilities included" apartment may not be the best deal for those tenants who do not consume large amounts of utility services.

There are apartments with some utilities covered by the rent and other services left up to the tenant.

Water is often taken care of by landlords, said Ruth Shephard, Lincoln Water System secretary. "A majority of the time,