



John Neer, President
 Brian Terry, Vice President
 David Ausmus, Board Member
 David Wilt, Board Member
 Renita Waldron, Secretary
 Stephanie Wilson, General Manager

March 17, 2021

Re: Natural Gas Commodity Rates Impact to Customer Statements

Dear Customer:

While continuing to pursue financial relief measures and investigations into price gouging for February 2021 natural gas prices, at the Board of Public Works (BPW) meeting held on March 15, 2021 it was approved to begin recovering the \$2,151,680.51 natural gas expense incurred in the event that relief is not provided. A typical bill for the month is estimated to have calculated \$313,709.80. The retail rate for natural gas was not increased for March 1, 2021 utility statements to account for this drastic commodity increase. Also, the effects of the frigid temperatures mid-February 2021 increased Macon Municipal Utilities’ electricity commodity costs as well. However, the BPW is utilizing reserves to pay for this extra expense of nearly \$1 million and not passing it along to customers.

Beginning with April 1, 2021 statements, an extra charge for natural gas will be added to your utility bill. While the plan will be reviewed monthly and approved by the BPW annually, it is anticipated to require 36 months to replenish natural gas reserves. Winter and summer adders were approved in an attempt to provide a much steadier addition for customers to not excessively burden any one time of year. The rate will be displayed on your monthly statement as “**Gas (ccf) 2021 Adder**”. Please see below:

Residential:	<u>Nov – May Statements</u>	<u>Jun – October Statements</u>
Adder	\$ 0.17 per ccf	\$ 1.365 per ccf
Average Usage	82 ccf per month	10 ccf per month
Average Increase	\$13.94 per month	\$13.65 per month
Commercial:	<u>Nov – May Statements</u>	<u>Jun – October Statements</u>
Adder	\$ 0.12 per ccf	\$ 1.07 per ccf
Average Usage	295 ccf per month	66 ccf per month
Average Increase	\$35.40 per month	\$70.62 per month

For customers enrolled in the Budget Billing program, when setting your payment beginning with May 1, 2021 statements, MMU will take the extra steps to include this natural gas recovery cost. Letters will be sent by early April letting you know this newly calculated amount.

If you would like to encourage elected officials at the state and federal level to continue to find answers to the historic high natural gas prices for February 2021, our representatives are listed below:

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| <u>State of Missouri</u> | <u>Federal</u> |
| Senator Cindy O’Laughlin | Senator Roy Blunt |
| Representative Ed Lewis | Senator Josh Hawley |
| Attorney General Eric Schmitt | Representative Sam Graves |
| Governor Mike Parsons | |

Please contact MMU with questions at (660) 385-3173 during normal business hours.

Sincerely,

Stephanie Wilson
 General Manager