



Kansas Municipal Gas Agency
Executive Committee Meeting Minutes
January 25, 2023*

Committee Members	City	Present/ Absent	KMEA Staff
Mike Shook	Coffeyville	Present	Kay Forsen
Ethan Reimer	Halstead	Present	Paul Mahlberg
Nathan Law	Louisburg	Present	Mike Meyer
Chad Buckley	Lyons	Present	Dixie Riedel
Rod Willis	Osage City	Present	Terri Pemberton
Stephanie Ashby	Walton	Present	John Weber
Gus Collins	Winfield	Present	

**Participated via Lifesize*

Item No. 1 – Call the Meeting to Order

President Gus Collins called the meeting to order at 10:31 a.m., which was held virtually via LifeSize. A quorum was present.

Item No. 2 – Seek Approval of the following items:

- **December 15, 2022 Executive Committee Meeting Minutes**

Rod Willis made a motion to approve the December 15, 2022 Executive Committee meeting minutes. The motion was seconded by Nathan Law and carried unanimously.

- **Financials for the month of November & December 2022**

John Weber presented the November and December 2022 financials. He also reviewed the net equity chart, delivered vs. budget volume chart, and legal fund balance.

Ethan Reimer made a motion to approve the financials. The motion was seconded by Stephanie Ashby and carried unanimously.

Item No. 3 – General Manager Report

Paul Mahlberg provided an update on the following topics:

- **Personnel** – Paul reminded the Committee of Joni’s retirement and notified the Committee that Lisa Ferguson has been hired as a replacement, and she starts work on Monday, January 30, 2023.

Item No. 4 – Gas Director Report

Dixie Riedel provided the Gas Director Report, which included:

- Purchased Volume (2020-2022 YTD).
- SSC, EGT & PEPL Daily Index Pricing (Dec 1, 2022 – Jan 24, 2023; and Current vs Prior Year).
- Storage Inventory (dated January 13, 2023 and comparing 5-year max and min vols).
- NOAA Forecast (6-10 & 8-14 Day Temperature Outlook) – Dixie noted that some systems have posted critical notices due to the forecasted cold weather.
- Industry News – Dixie provided updates on industry trends on production, consumption, and exports.

Item No. 5 – Old Business

- **Gas Prepay Update** – Paul reported that KMGGA has received comments back from 3 cities on the draft agreement sent out last month. KMGGA staff is working to update the contract based on those comments and plans to have a “final” version out next week. Cities will be able to take the “final” version to their governing bodies for approval. KMGGA staff is available to attend any council meetings to assist with the presentation of the contract.
- **Winter Storm Uri Update** – Terri gave an update on the City of Mulberry case and the case filed by the Office of the Attorney General in Shawnee County against Macquarie.
- **State Loan Update** – Paul gave an update on the level of repayment of the Winter Storm Uri related loans. Paul also provided a report from the State Treasurer’s office, noting that interest rates for 2023 are increased compared to 2022, and mentioning that KMGGA will stay in communication with the Treasurer’s office regarding the loans. Discussion ensued regarding the increased interest rate and how the cities are nonetheless still thankful for the loans.

Item No. 6 – New Business

- **Winter Storm Elliott Recap** – Dixie provided an overview of what KMBA experienced during the December 2022 winter weather event, and how the updated purchase policy performed. It was noted that despite all best efforts, for reasons outside the control of KMGGA, such as production failures, supply cuts, and suppliers unwilling to bid on deals, there were times when complying with the policy lead to increased prices. In order to conform to the policy, deals were done that extended through the end of December, when the gas was only needed for the holiday weekend. This led to higher priced gas being sold off at the lower daily prices. Dixie also noted issues that resulted from the Jayhawk facility going to zero at times during the weather event.

Paul mentioned that as a result of the experiences during Winter Storm Elliott, KMGGA is exploring options to assist with cost mitigation, such as hedging products, and speaking with various entities regarding Portfolio and Supply management opportunities. KMGGA will continue to gather information from additional sources and report back to the Committee. The Committee was supportive of the efforts to explore such options.

Terri updated the Committee on conversations with the KCC regarding the performance of the Jayhawk facility. Terri will continue the dialog with the KCC on this issue.

Key Dates were discussed:

- KMGGA Board of Directors Spring Meeting – April 26
- KMGGA/KMEA Annual Conference – October 19-20

Item No. 7 – Discuss and set date, time, and location for the next Executive Committee Meeting

The next KMGGA Executive Committee meeting will be held at 10:30 a.m., Wednesday, February 22, 2023, in Winfield, KS.

Item No. 8 – Adjourn Meeting

The meeting was adjourned at 12:16 p.m.



Mike Shook