



Kansas Municipal Gas Agency
Executive Committee Meeting Minutes
September 14, 2023

Committee Members	City	Present/ Absent	KMGGA Staff/Guests
Tony Lawson	Coffeyville	Present	Paul Mahlberg
Ethan Reimer	Halstead	Present	Dixie Riedel
Gary Emry*	Hesston	Present	Lisa Ferguson
Nathan Law*	Louisburg	Present	John Weber
Rod Willis	Osage City	Present	Terri Pemberton
Stephanie Ashby	Walton	Absent	Mike Meyer
Gus Collins	Winfield	Present	Tyson McGreer

**Participated virtually*

Item No. 1 – Call the Meeting to Order

President Gus Collins called the meeting to order at 10:32 a.m., which was held at the KMGGA office in Overland Park. A quorum was present.

Item No. 2 – Seek approval for the following items:

- **August 1, 2023 Executive Committee Meeting minutes**
Nathan Law made a motion to approve the August 1, 2023 Executive Committee Meeting minutes. The motion was seconded by Ethan Reimer and carried unanimously.
- **Financials for the month of July 2023**
John Weber presented the July 2023 financials. He also reviewed the net equity chart, deliveries vs. budget volume chart, and legal fund balance. Rod Willis made a motion to approve the July 2023 financials. The motion was seconded by Ethan Reimer and carried unanimously.

Item No. 3 – WoodRiver Energy Gas Supply Update

Dixie Riedel provided an update on pricing for cities and reviewed pricing scenarios, based on several variable factors. Discussion ensued.

Paul Mahlberg said the agreement with WoodRiver is taking some time to finalize, so the initial draft of the gas management agreement wasn't ready until yesterday. Paul estimates the agreement is currently 95% complete.

Terri Pemberton provided a quick review of the current draft and noted some key points of the document. Terri talked about which responsibilities would transfer to WoodRiver and which responsibilities would remain with KMGGA.

Paul provided some additional information regarding the NAESB contract, and the confirmations under the NAESB contract including working through acceptable invoicing and payment terms. Ethan Reimer made a motion to authorize the General Manager to execute the Gas Management Agreement subject to final revision of the document acceptable to legal and management staff. Rod Willis seconded the motion, and the motion carried unanimously.

Item No. 4 – 2024 Annual Budget Presentation

Paul presented the proposed 2024 KMGGA Budget providing background on the changes from the 2023 Budget. In addition, Paul provided detailed information on the KMEA fee allocation to KMGGA which will be presented for consideration to the Joint Board. Discussion ensued. Rod Willis made a motion to recommend the 2024 Annual Budget as presented to the KMGGA Board of Directors for approval. Ethan Reimer seconded the motion, and the motion carried unanimously.

Item No. 5 – Gas Director Report

Dixie Riedel presented the Gas Director Report, which included:

- Purchased Volume (Jan 2021 – Aug 2023)
- Daily Index Pricing (July 1, 2023 – September 11, 2023, and current vs prior year)
- Projected Storage Inventory through 2023 (Aug 2021 – Aug 2023)
- Projected Pricing (Oct 2023 – Mar 2026)
- Industry News – Dixie provided updates on industry trends on production, consumption, and exports.

Item No. 6 – General Counsel Report

Terri Pemberton on the following:

- KGS – Settlement discussions are underway and have been occurring since last week. Any settlement reached by the parties is due to be filed on September 15th, so there will likely be a motion filed with the KCC to extend that deadline. The hearing date is not until November.
- Attorney General Activities – The Commodities Exchange Ace case has been removed to Federal Court and is currently under advisement. An order will be issued at some point
- City of Mulberry – BP agreed that city wouldn't have to pay anything additional to what they've already paid thus far. Now the issue is moot and the case should be dropped. Waiting for the court to issue a decision.
- Two class action lawsuits were filed on September 12 by the law firm of Foulston Siefkin against several gas suppliers to recoup losses attributed to alleged inflated costs during Winter Storm Uri. The first lawsuit was filed against four gas suppliers on behalf of citizens of KMGGA member cities, and the 2nd lawsuit was filed against seven gas suppliers on behalf of customers of Kansas Gas Service. We are working with our outside legal firm, Steve Mauer, to consider our options and will report back to the Executive Committee. In the meantime, staff will continue to monitor the situation.

Item No. 7 – General Manager Report

Paul Mahlberg provided updates on the following topics:

- Paul and Dixie met recently with Missouri municipal gas group. We may work with them on future gas supply, and this group may be interested in working with WoodRiver as well
- Gas Prepay Update – It appears that the Minnesota Municipal Gas Agency's prepay project is at a standstill. Paul mentioned that KMEA is looking into a prepay program on the Dogwood power plant with a group out of Alabama (Blackbelt). It's more likely that this prepay will be completed. Discussion was held and it was decided that KMGGA staff should explore the Blackbelt prepay and whether it could work under the new WoodRiver arrangement.
- Paul mentioned the dates of the Annual Conference (October 19-20) and Tyson provided a brief update, with final preparations underway however it's not too late to register to attend.

Item No. 8 – Old Business

Paul reported that the Awards Committee has met and have made their selections for the recipients of the awards for this year. In addition, the Nominating Committee met and have finalized their recommendations on the elections during the Board meeting in October.

Item No. 9 – New Business

None

Item No. 10 – Executive Session

At 12:01 p.m., Ethan Reimer moved to enter into executive session for 10 minutes to discuss personnel matters, and to include the Executive Committee and the General Manager. Tony Lawson seconded this motion and the motion carried unanimously. The executive session ended at 12:11 p.m., with no action taken.

Item No. 11 – Discuss and set date, time, and location for the next Executive Committee Meeting

Due to KMEA's Annual Conference taking place October 19-20, an Executive Committee meeting isn't planned for next month. However, if the need arises a virtual meeting can be scheduled for October. The next Executive Committee Meeting will take place in November and the date and time will be determined at a later date via Doodle poll.

Item No. 12 – Adjourn Meeting

The meeting was adjourned at 12:17 p.m.



Ethan Reimer