



Kansas Municipal Gas Agency
 Executive Committee Meeting Minutes
 March 25, 2026

Committee Members	City	Present/ Absent	KMGGA Staff/Guests
Tara Pierce	Argonia	Present	Paul Mahlberg
Chris Weiner*	Coffeyville	Present	Dixie Riedel
Ethan Reimer	Halstead	Present	Terri Pemberton
Jason Thrasher*	Hesston	Present	Mike Meyer*
Nathan Law*	Louisburg	Present	Lisa Ferguson*
Katie Hodge*	Osage City	Present	Brooke Kistler*
Gus Collins	Winfield	Present	

Item No. 1 – Call the Meeting to Order

President Gus Collins called the meeting to order at 10:33 a.m., which was held in Argonia, KS, and virtually via Microsoft Teams. A quorum was present.

Item No. 2 – Seek Approval for the Following Items:

- **February 26, 2026, Executive Committee Meeting Minutes**
 Tara Pierce made a motion to approve the minutes of the Executive Committee meeting held on February 26, 2026. The motion was seconded by Ethan Reimer and carried unanimously.
- **Appropriations Report for February 2026**
 Mike Meyer presented the Appropriations Report for February 2026. Ethan Reimer made a motion to approve the February 2026 Appropriations Report. Chris Weiner seconded the motion, and the motion was carried unanimously.

Item No. 3 – Gas Directors Report

Dixie Riedel provided updates on the Natural Gas Industry market. She shared that warmer temperatures in February have kept natural gas prices low and the war in Iraq isn't impacting daily prices yet, although she mentioned that projected future monthly pricing will be slightly elevated because of the conflict. Dixie reported that gas production continues to grow, and she anticipates a continued increase in production from the Haynesville, Permian and Appalachian areas of the country. She noted that the current administration is pushing for more oil production which means more associated natural gas production. Dixie also shared that natural gas storage levels are sitting above the 5-year average and gas consumption set records in January 2025 and January 2026 and will continue to trend up for the foreseeable future due to data center growth. Lastly, Dixie provided a Winter Storm Consumption Comparison for Winter Storm Uri, Winter Storm Elliot, and Winter Storm Fern.

Item No. 4 – General Counsel Report

Terri Pemberton reported that she just completed an auditor letter for our annual audit performed by RubinBrown, which is nearly finished. She then provided an update on the KCC – Blackhills/KGS territory dispute and said she recently spoke with the attorney representing KGS to discuss the situation. Terri

stated if the commission continues to pursue the matter it will take things into uncharted territory, and she'll be encouraging the commission to back down from taking the dispute any further. She reported there's nothing new with the Winter Storm Uri class-action lawsuits but mentioned the AG in Oklahoma has consolidated their cases.

Item No. 5 – General Manager Report

Paul Mahlberg provided an update on the new Mid-States facility and shared that the groundbreaking ceremony took place on March 2, construction began on March 17, and KMEA closed on the financing on March 19.

Paul asked the Executive Committee to assist staff in choosing a date and time for the upcoming KMG Board of Directors Spring meeting, which will be held virtually. It was the consensus of the Executive Committee to schedule the meeting for Monday, April 27, 2026, at 2:00 p.m.

Item No. 6 – Old Business

- **Natural Gas Prepay Update**

Paul Mahlberg reported that the gas prepay pricing was completed on March 17, and the closing is scheduled for tomorrow. A gross discount of 38.5¢/MMBtu was achieved, which equates to a net discount for KMG of 34.5¢/MMBtu (less the 4¢ administrative fee that MMGA receives). This breaks down to a monthly discount of 21.0¢/MMBtu, an annual refund of 13.5¢/MMBtu, and a total savings of nearly \$2.5 million during the initial discount period that's locked in through 2035.

Paul said staff are looking for guidance from the Executive Committee on how to allocate the prepay savings, how to handle membership changes, and how much to pass onto the members (and whether to include all 27 LDC members). Paul gave a presentation with options for management of the prepay savings and handling membership changes, as well as a breakdown of the LDC member/pipeline structure. Staff are recommending a policy be approved by the Executive Committee at a future meeting after we get some direction from the Committee. The Executive Committee recommended including all 27 LDC members in the allocation of the prepay savings, handling membership changes on a case-by-case basis (with the Executive Committee determining if and/or to what extent a new member participates in the prepay discount), and potentially allocating a small amount from the annual refund into a special KMG fund for members (with the majority of the savings distributed to members).

Item No. 7 – New Business

- **Gas Acquisition Agreement Term Discussion**

Paul Mahlberg gave a presentation on the provisions of the current Gas Acquisition Agreement and other considerations. He shared that the agreement's based on a "Contract Year" that runs from May 1 through April 30, and it can be terminated by either party with one (1) year prior written notice (but notice must be given prior to April 30 to terminate for the next April 30). Paul said KMG can only purchase gas supply through the terms of the contract, and due to the one-year notice requirement this means gas can only be purchased one to two winters in advance. Staff are recommending that we make an amendment to the current agreement to extend the notice provision as this will allow gas to be bought/hedged further in advance. Paul asked the Executive Committee for their feedback on amending the notice provision of the agreement from a one-year notice to a two-year or a three-year notice. The other option would be to create an entirely new agreement, which would require significant work. The Executive Committee is recommending that staff make an amendment to the notice provision of the current Gas Acquisition Agreement to allow for a three-year notice.

Item No. 8 – Executive Session, if necessary

None needed.

Item No. 9 – Discuss and set date, time, and location for the next Executive Committee Meeting

The next Executive Committee meeting will take place on Wednesday, May 20, 2026, at 10:30 a.m., to be held in Halstead, KS and virtually.

Item No. 10 – Adjourn Meeting

The meeting was adjourned at 12:25 p.m.



Nathan Law