



City of Louisburg
215 S. Broadway, Louisburg, KS 66053
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March 2, 2021

To: House Financial Institutions and Rural Development
From: Nathan Law, City of Louisburg
Date: March 3, 2021
RE: Testimony in Support of City Utility Low-Interest Program

Members of the House Financial Institutions and Rural Development:

Thank you for spending time reviewing what has quickly proven to be an unprecedented issue in a continued unprecedented time.

As you are aware there has been a significant impact on communities in Kansas as a result of the widespread weather event last month. Louisburg has felt the impact of that event against the natural gas system. The City of Louisburg is a member of the Kansas Municipal Gas Agency, a function of the Kansas Municipal Energy Agency. That agency acts on behalf of the City of Louisburg, and 48 other member jurisdictions, to secure natural gas quantities to serve the needs of our community. The sustained weather event in February resulted in the expected quantities of natural gas being insufficient to keep residences to a temperature necessary just to keep pipes from freezing, and businesses to a temperature to keep operating and free from similar damage. The resulting impact to Louisburg was daily overages at varying prices. Those daily index prices rose at one point to 88 times the normal daily index pricing for our area of the state. A typical February natural gas bill to the City of Louisburg is around \$100,000. The expected end-of-month natural gas bill for the City of Louisburg is expected to be around \$3,800,000. As you can see, the primarily six-day weather event drove a monthly natural gas bill up by a multiple of 38 due to those daily index prices at times a multitude of 88. As of this writing the City of Louisburg does not have the operating or reserve funds to pay the expected natural gas bill of \$3,800,000 if/when it comes due.

The Governing Body of Louisburg adopted a resolution Monday, March 1, to declare a state of local financial emergency in the City as a result of the expected natural gas utility bill. That mirrors a resolution adopted by Miami County Commission on Wednesday, February 24, declaring a county state of local financial emergency as a result of the impacts to the local jurisdictions from both natural gas and electric utility bills.

Please consider options to assist local jurisdictions as a result of this weather event and resulting financial disaster. It would be beneficial to residents, businesses, school districts and other entities of our community and the communities of the state of Kansas.

Respectfully,


Nathan Law

City Administrator