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To: House Financial Institutions and Rural Development

From: Alan Lanning, City Manager

Date: March 2, 2021

Subject: Testimony in Support of City Utility Low-Interest Program

The extreme weather crisis event in February is putting a strain on the City of Goodland and our customers. Prairie Land/Sunflower has not confirmed **actual** costs for electricity passed on to the City of Goodland during this crisis event. However, the City of Goodland has been notified that our bill could be as high as \$1,500,000, which is approximately seven times our monthly bill. It is impossible for a municipality to be able to afford such a bill, much less our customers. The City does not have the cash available to pay for these costs and it would be detrimental to our budget. Our community is low income and businesses are struggling to remain open. Our citizens cannot afford their utilities if these costs are passed on. We are under contract with Sunflower however, we are not protected from a price spikes like this.

The City of Goodland was called on by Sunflower to generate using our power plant during this time. We generated for 79 hours to assist them and prevent the City from experiencing blackouts. They indicated we will receive a credit for our costs but it is unfortunate the credit is not afforded the same value as we are being charged, as our credit is valued at approximately 1/7th of the Sunflower charges.

The City of Goodland is like other municipalities and looking for options to assist with additional electricity and gas costs during this crisis. We would appreciate the assistance of a low interest loan to spread additional costs during this event over a period of time so we do not strain our cash, budget and customers.