CAPITOL OFFICE

201 West Capitol Avenue, Room 236 Jefferson City, MO 65101-6806 Telephone: (573) 751-2689 E-Mail: Jeff.Porter@house.mo.gov



COMMITTEES

Vice Chair - Insurance
Vice Chair - Transportation
Special Committee on Homeland Security
Joint Committee on Transportation
Oversight

MISSOURI HOUSE OF REPRESENTATIVES JEFF PORTER

State Representative District 42

March 31, 2021

Governor Michael L. Parson Capitol Building, Room 216 Jefferson City, Missouri 65102

Re: Request for Immediate Financial Support to the Communities Faced with Unprecedented Energy Bills

Honorable Governor Parson,

On behalf of all the included signatures, we write today for your acknowledgement of this ongoing issue, and in addition, to request immediate action to provide financial support for the constituents, communities and public institutions that relied on natural gas for heat during a record-breaking cold, harsh winter weather stretch.

As you are well aware, in February 2021 winter weather crippled our great State of Missouri when it devastated us with dangerously low Arctic-like temperatures, snow and ice for an extended period. Consequently, the increased energy demand paired with natural gas supply constraints during that time, significantly influenced the price of wholesale natural gas and electricity.

Unfortunately, Missouri residents and their hometown utilities are now faced with this massive increase in the cost of wholesale energy prices, and are looking at unaffordable natural gas and electric bills that must be paid in full – in less than one month. In detail, 40 natural gas utilities and 86 hometown, citizen-led electric utilities are subject to these exorbitant price increases. They are currently burdening the weight of how to pay this increase by either depleting reserves, causing long-term liquidity and credit issues, or passing these dramatic bill increases directly to customers in one-time monthly bill. Neither option readies customers, or their communities to begin the recovery needed coming out of the COVID-19 pandemic.

Therefore, we would like to suggest a solution to work with you to ensure that communities that rely on hometown natural gas and electric utilities find prompt relief from the crisis. We propose setting aside \$50 million, to start, for these citizen-led utilities to borrow against at 0% interest for up to 5 years. This will allow not-for-profit, consumer-directed utilities – 40 natural gas and 86 electric hometown utilities in the State – the capital necessary to pay these historic, one-time wholesale bills, and recover the costs by spreading out the impact on residents and businesses without hitting them with a one-month lump sum bill. All funds lent would be recovered and paid back in full to the State.

It should be noted that surrounding States in the Midwest – such as Kansas, Iowa, Illinois and Minnesota, who were also impacted by this severe weather crisis, are already implementing similar programs to help

mitigate the cost impact to consumers where the borrowed funds will be paid back in full over an agreed length of time. Missourians, especially any low-income households, seniors, and veterans whose livelihoods are solely dependent on fixed-incomes, should not have worries about not being able to afford daily necessities like food and medicine, due to unprecedented heating bills.

We look forward to working with you to ensure that natural gas remains an affordable energy choice for the thousands of Missouri families, farmers and businesses, now and in the future. We stand ready to assist you in any way possible and appreciate your attention to this critical matter.

Sincere regards,

Jeff Porter State Representative

District 42

Representative Signature and District #	
Gell Salklion \$10	Knows Greggy # 51
Donah #3	Latricia Fele # 126
154	way ready
Mrs #52	Anchew McDaniel #150
De da 59	Danco Harelon 65
18m Juny 53	Mar 15/1 106
Jab / 129	Brank Shedon 11
Puly Veit 59	Any + Many # 4
Ann Kelley 127	That Wiema #103
Bridger Walsh Moore 93	1 COUNTY #69

Herman Morse #151

k #142 Uaugh R-30 # 48 and Billento Dliay Tull anschouch #9 136 Jule Honder 117 # 145 Sich francu L. Geedy Black #7 only #162 #139 Dinkins 144 #109 F.C Haden Arst 43 #63

ish. 8151 37th Michael 67th #17