

## City of Oronogo Sale of Natural Gas Utility

### Frequently Asked Questions (FAQ)

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#### Why is the City considering selling its natural gas utility services?

Both the age of the current system and increasing regulations create additional liability and increase the costs of maintaining it. The natural gas system is a complex system, and the City doesn't specialize in natural gas. Therefore, we feel it is best to leave it to the professionals.

#### Who is Spire?

[Spire](#) is the fifth largest publicly traded natural gas company in the United States, serving more than 1.7 million customers in Missouri, Alabama and Mississippi. Spire is committed to advancing communities and enriching the lives of their customers through the strength of its energy.

Spire has been part of the Southwest Missouri community for many years, providing natural gas service to Joplin, Webb City, Carl Junction and Carthage communities. The firm's regional office is located in Joplin, approximately 15 minutes from Oronogo.

Spire provides energy to small and large, residential and commercial, industrial and agricultural customers throughout the region. The company focuses on delivering affordable, reliable and clean energy to the communities they serve.

#### What services does Spire offer customers?

- *Customer service*: Spire's Connect Center team is there to answer questions, schedule service, take payments and help with assistance resources.
- *Assistance options* : Spire's dedicated team of community support specialists are available to connect customers with assistance options and programs that fit their needs. Budget billing, payment arrangements and assistance programs are available for qualified customers who have been impacted by the coronavirus pandemic, have a medical condition, are on a limited income or have other needs.
- [Energy efficiency rebates](#) – *ways to save energy and money*: Spire offers [rebates](#) for residential and commercial customers on select energy-efficient appliances.
- [Financing programs](#): Spire offers residential and commercial customers special [financing options](#) when it's time to upgrade or select new appliances.
- [Weatherization](#): In addition to rebates and financing options for energy-efficient appliances, Spire offers programs for free [weatherization services](#) for customers who qualify based on income.

- [Free energy assessment tool](#): Spire offers a free [online energy assessment tool](#) for Missouri residential customers that provides recommendations to save energy and money.
- [Spire's natural gas contractors network](#): Spire can help customers find a contractor from the company's network of [preferred natural gas contractors](#) who offer HVAC, plumbing and other related services.
- *Several ways to pay natural gas bills*: Spire offers customers several payment options so they can choose what's most convenient. Customers may pay by phone, online using the 24/7 customer portal My Account, pay-by-text, in-person at select locations or mail. [Learn more](#)

### **If Spire provides my natural gas service, how would my new natural gas bills compare to current bills? Would my natural gas rates go up?**

Based on current rates\*, your natural gas bill would likely remain comparable to what you see today. Natural gas market prices are currently increasing throughout the nation, so the gas cost component of your bill may go up because of this.

Gas rates are based off the cost of purchasing natural gas. As with any resource or energy commodity, market prices fluctuate. Spire has a large footprint and gas supply in Missouri to help with potential fluctuations in cost. Gas costs are passed on dollar for dollar with no mark up.

The City and Spire buy gas from the same markets so the City would see the similar natural gas supply increases. But the City can change rates every time the costs changes.

Because Spire is a utility regulated by the Missouri Public Service Commission (MPSC), Spire can change or adjust the amount charged for the cost of natural gas only with approval from the Commission, or MPSC. This type of adjustment request can occur up to three adjustments per year.

Spire is also in front of the MPSC for a rate review. Bills could increase as much as 5% depending on the outcome of the rate review. This would be effective November 11, 2021.

\* as of September 25, 2021

### **Would I still be able to pay my natural gas bill at the City of Oronogo offices?**

You would no longer be able to pay your natural gas bill at the City offices, but Spire offers several [ways to pay](#) so you could choose an option that works best. Spire customers can pay by phone, online, pay-by-text, or in-person at select locations or mail. [Learn more about ways to pay a Spire bill.](#)

### **What would my natural gas bill look like?**

You would be able to choose a convenient, paperless bill with online bill access 24/7 using Spire's My Account customer portal. Or, you would be able to receive bills each month in the mail.

Spire bills would include the following:

- information about a customer's natural gas usage
- current charges
- payment due date
- contact information and
- helpful information and messages.

[Learn more about Spire bills](#)

### **What would happen if I couldn't pay my bill or I missed a payment?**

Spire's dedicated team of community support specialists would be available to connect you with [assistance programs](#) that fit individual needs. Programs are available for qualified customers who have been impacted by the coronavirus pandemic, have a medical condition, are on limited incomes or have other needs. [Learn more about assistance programs](#)

### **How would I be able to access my Spire account information?**

You would be able to access your Spire account 24/7 through online self-service tools. Spire's customer portal lets customers view and manage their account anytime, anywhere. Or, customers can call Spire's customer service team at 800-582-1234 for assistance. [Learn more about My Account](#)

### **I don't have natural gas now, how would I add service in the future?**

Spire's tariff with the Missouri Public Service Commission allows for customers to receive 175 feet of main pipeline and 75 feet of service line to natural gas service at no charge. Customers are responsible for all connection charges and service initiation fees. Businesses and households wishing to add natural gas service would learn more by contacting Spire's customer service team at 800-582-1234.

### **Would Spire be making improvements or changes to the Oronogo natural gas system?**

There are no current plans to make changes to the existing system other than adding natural gas service to new residential developments. In the future, Spire anticipates updating existing meters with the company's automated meter reading system. Spire will assess additional improvements.

### **Who would I call if I smelled gas?**

If you, as a Spire customer, would ever smell natural gas – a rotten egg smell -- here is what you would do:

- Immediately leave the building and head to a location where no smell of gas can be detected. Until you've reached a safe distance, avoid smoking and using electronics like garage door openers or alarm systems, and don't turn on or off any lights. Most importantly, stay away from the area of the smell and keep others away as well.
- Once you're at a safe location, customers should call Spire's 24/7 emergency line right away at 800-582-1234 or call 911.
- If you don't own the office or residence, it's a good idea to notify the property owner or manager in case repairs need to be made inside.
- Steer clear of the area until you're told it's safe by a gas safety professional (Spire employee, police, fireman or other first responder on scene).

### **Who would I call if my natural gas went out?**

Spire is available to help customers 24 hours a day, 7 days a week if gas goes out or there's an emergent issue with their natural gas service. You would call Spire's customer service center at 800-582-1234. In an emergency, you should call 911.

### **Does Spire service appliances?**

Through Spire's network of preferred [natural gas contractors](#), customers can search online for contractors who fit customer needs based on where you live, services needed and other factors. [Learn more](#)

### **What will the City do with the money received from the sale?**

The City will be able to use the proceeds as *general funds*. That means the money could be used for Capital Improvements (ex: park improvements, sewer improvements, stormwater improvements, city hall improvements) or to relieve debt owed by the City. But the use of funds is determined by the City Council at the time of expenditure. So, no definitive purpose can be designated.

### **How long is the agreement?**

The State of Missouri limits franchise agreement for utility service to 20 years. The voters could then approve a new or continued franchise agreement.

### **What will happen to the City employees who now work with the natural gas service?**

The City employees are part of the Public Works Department and currently are responsible for streets, water, sewer, parks, and gas. Due to the growth of the city, staffing will not change. The other areas included in Public Works will require more maintenance. This will allow the City to

maintain its current staff without possibly hiring as many additional employees due to the growth.

**How much is the City receiving for the sale of the utility?**

The purchase is \$510,000.00 (Five hundred ten thousand dollars) plus the cost of expansion in the newly developed areas. Reimbursement costs are estimated at \$110,000.00 (One hundred ten thousand dollars) for a total estimate of \$620,000.00 (Six hundred twenty thousand dollars). If the costs of current gas system expansion exceed \$110,000.00, then that additional costs will be added to this purchase price to reimburse the City for expansion improvements.

**When would this take effect?**

If approved by the voters, the Missouri Public Service Commission will need to approve the acquisition. The final approval and closing of the sale would likely be in Spring 2022.

**Will the City lose out on future revenue going forward?**

The City will lose the fees it currently collects from gas system customers. But it will save by eliminating the costs of maintenance and operation of the system that includes equipment, training and certification of employees and work hours.

**Will tax revenue increase due to this sale?**

There will be a franchise fee that will be paid to the City for gas sold to customers.

Learn more about Spire at [SpireEnergy.com](https://www.spireenergy.com).