

Gas Committee Meeting Minutes,

October 16th, 2017

The meeting was called to order by Alderman Notheisen at 6:37pm. In attendance were Aldermen Hopkins, Darter, Thomas and Heller. Also in attendance from the City were Shawn Kennedy, Tim Birk, Aldermen Buettner and Trantham and Mayor Smith. Blake Bastien, of CenterPoint Energy was our guest.

Minutes from the July 3rd were previously approved on August 14th at the Utility Meeting.

Chairman Notheisen introduced Blake Bastien of CenterPoint Energy to comment on the current pricing, market conditions of Natural Gas and the history of our natural gas futures program. Blake concluded his remarks with the recommendation that we continue on our path of quarterly purchases of Natural Gas Futures even if it is at a lesser level.

As the discussion worked its way around the table, the mood was to continue to purchase futures at the 30% level, down from the 50% level. The Mayor and Tim Birk both supported reducing our purchasing to the 30% level.

Alderman Heller made a motion to stay on our program at 30% of annual purchases. The motion was seconded by Alderman Hopkins. The motion was passed 4-1, with Alderman Thomas voting no, because he

wanted to maintain the 50% level. Alderman Darter voted yes but was reluctant to support continuing the program at the 30% level, because he was not supportive of the program but felt that 30% was better than 50%.

We also discussed the future of our relationship with Missouri River Transport (MRT) our current method of transporting our gas. Evidently, Laclede Gas (now ESpire) is planning to build its own gas transportation line having a negative impact on MRT profitability. MRT will be going to FERC (Federal Energy Regulation Commission) in 2018 to request higher fees. In 2015, the City of Waterloo, in conjunction with several other small municipalities in Southern Illinois hired a Gas Attorney in Washington D.C. to plead our case and we will probably need to do so again.

Motion to adjourn was made by Alderman Heller and seconded by Alderman Darter. Motion passed 5-0

Submitted by Steve Notheisen.