



# Big Picture: Financial Impact of February 2021 Winter Storm on Utility Consumption and Output

# Timeline: February 12<sup>th</sup> – February 19<sup>th</sup>, 2021

Gas prices rose from about \$9.00 to close at over \$44.00

February 12th

February 13<sup>th</sup>-14th

Begin to see impact on electric prices as high gas prices and cold temperatures affected the market

Electric prices rose to unprecedented levels due to curtailment of gas to generation and the inability of wind to provide megawatts to the grid

February 15th

Municipal diesel generation across Kansas was called on to help with the shortfall

February 15<sup>th</sup>-19<sup>th</sup>

- ❖ Ottawa units ran through this period and helped to offset escalating pricing along with providing a measure of reliability.
- ❖ We were able to reduce our exposure to the market but still have around \$1,200,000.00 in costs from this extended winter event.
- ❖ We have been working on a plan to mitigate these costs to our customers which we outline in the following slides.

	GENERATION		ENERGY	
	REVENUE		COST	SAVINGS
<b>2/15/2021</b>	\$466,987.87		\$800,108.125	<b><u>58.37%</u></b>
<b>2/16/2021</b>	\$679,384.79		\$699,643.418	<b><u>97.10%</u></b>
<b>2/17/2021</b>	\$440,075.77		\$587,787.400	<b><u>74.87%</u></b>
<b>2/18/2021</b>	\$486,923.32		\$952,731.123	<b><u>51.11%</u></b>
<b>2/19/2021</b>	\$255,907.95		\$179,161.59	<b><u>142.84%</u></b>
<b>2/20/2021</b>	\$5,998.63		\$20,803.17	<b><u>28.84%</u></b>
<b>TOTALS</b>	<b>\$2,335,278.33</b>		<b>\$3,240,234.823</b>	<b><u>72.07%</u></b>
<b>SAVINGS = GENERATION REVENUE / ENERGY COST</b>				
<b>AVERAGE COST 3RD WEEK FEBRUARY 2018 - 2020</b>				
	MONDAY		\$10,081.05	
	TUESDAY		\$10,538.73	
	WEDNESDAY		\$10,156.99	
	THURSDAY		\$9,739.02	
	FRIDAY		\$10,236.58	
	SATURDAY		\$9,308.46	
		Total	\$60,060.81	

# February 17<sup>th</sup>, 2021

EMP <sub>1</sub>	Forecasted Load	Hourly Average Temperature	Cost per Megawatt	Extended
02/17/2021 00:00	50.236	6	\$2,325.20	\$116,808.55
02/17/2021 01:00	49.611	6	\$2,235.00	\$110,880.39
02/17/2021 02:00	49.136	7	\$2,312.33	\$113,618.65
02/17/2021 03:00	48.920	8	\$2,315.33	\$113,265.89
02/17/2021 04:00	50.122	8	\$2,231.18	\$111,831.30
02/17/2021 05:00	53.008	8	\$2,228.46	\$118,126.42
02/17/2021 06:00	57.432	8	\$2,425.46	\$139,298.73
02/17/2021 07:00	59.261	9	\$2,421.25	\$143,485.76
02/17/2021 08:00	59.656	12	\$2,339.47	\$139,563.66
02/17/2021 09:00	59.326	14	\$2,403.37	\$142,582.09
02/17/2021 10:00	58.704	15	<b>\$2,448.38</b>	\$143,729.88
02/17/2021 11:00	57.985	17	\$2,221.19	\$128,795.82
02/17/2021 12:00	57.228	19	\$2,228.37	\$127,525.10
02/17/2021 13:00	56.001	20	\$2,231.76	\$124,980.57
02/17/2021 14:00	54.764	20	<b>\$2,151.57</b>	\$117,828.69
02/17/2021 15:00	54.677	20	\$2,158.93	\$118,043.82
02/17/2021 16:00	55.646	20	\$2,223.41	\$123,723.87
02/17/2021 17:00	58.574	19	\$2,223.05	\$130,212.64
02/17/2021 18:00	<b>60.019</b>	18	\$2,209.46	\$132,609.46
02/17/2021 19:00	58.930	16	\$2,219.16	\$130,775.10
02/17/2021 20:00	57.025	15	\$2,209.34	\$125,987.44
02/17/2021 21:00	53.960	14	\$2,250.38	\$121,430.45
02/17/2021 22:00	50.327	14	\$2,216.47	\$111,548.39
02/17/2021 23:00	<b>47.780</b>	13	\$2,256.41	\$107,811.27
Min	<b>47.78</b>	6	<b>\$2,151.57</b>	
Average / Total	1318.328	14	\$2,270.20	\$2,994,463.92
Max	<b>60.019</b>	20	<b>\$2,448.38</b>	

# February 18<sup>th</sup>, 2021

EMP <sub>1</sub>	Forecasted Load	Hourly Average Temperature	Cost per Megawatt	Extended
02/18/2021 00:00	50.914	10	\$4,004.52	\$203,885.98
02/18/2021 01:00	51.131	10	\$3,352.80	\$171,432.17
02/18/2021 02:00	51.143	9	\$4,462.85	\$228,243.38
02/18/2021 03:00	51.608	8	\$4,464.54	\$230,405.72
02/18/2021 04:00	52.883	8	\$3,630.78	\$192,006.33
02/18/2021 05:00	53.939	7	\$4,564.44	\$246,201.17
02/18/2021 06:00	56.538	8	\$3,354.99	\$189,684.42
02/18/2021 07:00	56.819	9	\$3,334.66	\$189,471.99
02/18/2021 08:00	57.388	11	\$3,633.85	\$208,539.27
02/18/2021 09:00	57.975	13	\$3,835.55	\$222,365.72
02/18/2021 10:00	58.223	16	\$3,843.56	\$223,783.59
02/18/2021 11:00	58.220	18	\$3,844.16	\$223,806.94
02/18/2021 12:00	58.913	19	\$3,831.91	\$225,749.20
02/18/2021 13:00	58.838	20	\$3,850.15	\$226,535.13
02/18/2021 14:00	58.962	21	\$3,845.58	\$226,742.85
02/18/2021 15:00	58.103	21	\$3,826.57	\$222,334.91
02/18/2021 16:00	58.621	20	\$3,821.28	\$224,007.08
02/18/2021 17:00	59.854	18	\$3,832.04	\$229,362.74
02/18/2021 18:00	60.577	16	\$3,830.63	\$232,048.07
02/18/2021 19:00	58.994	14	\$3,807.11	\$224,596.53
02/18/2021 20:00	57.159	13	\$3,802.08	\$217,323.21
02/18/2021 21:00	55.635	12	\$3,794.76	\$211,121.64
02/18/2021 22:00	54.134	11	\$3,797.83	\$205,591.57
02/18/2021 23:00	53.811	10	\$3,805.67	\$204,787.12
Min	50.914	7	\$3,334.66	
Average / Total	1350.382	13	\$3,840.51	\$5,180,026.72
Max	60.577	21	\$4,564.44	

# First of two extra weekly bills from KMEA, normally billed only monthly.

## KANSAS MUNICIPAL ENERGY AGENCY

6300 West 95th Street, Overland Park, KS 66212-1431

PHONE: 913-677-2884

### Energy Management Project No. 1

Service Month: February 2021.

SPP Invoice for 2/10-2/16/21

Invoice Date: February 26, 2021

Invoice No. EMP1-OT-SPP-02-21

City of Ottawa

Remit payment to:

KMEA EMP1 Operating Fund

6300 W. 95th Street

Overland Park, KS 66212-1431

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SPP Integrated Marketplace Charges - Includes Load & Load Related Items	
3,720,800 kWh at \$1.18056 per kWh.	4,392,623.10
SPP Integrated Marketplace Credits - Includes Resource Injections (i.e. GRDA, KCP&L, etc.)	
-2,807,623 kWh at \$1.02367 per kWh.	(2,874,085.96)
Generation	(981,511.50)

Total Amount to be withdrawn from your account on: March 2, 2021

\$ 537,025.64

Invoice for second billing will be sent tomorrow and withdrawn from our account on Tuesday.

We believe there are some other charges to be incurred related to our firm products and increased costs they incurred.

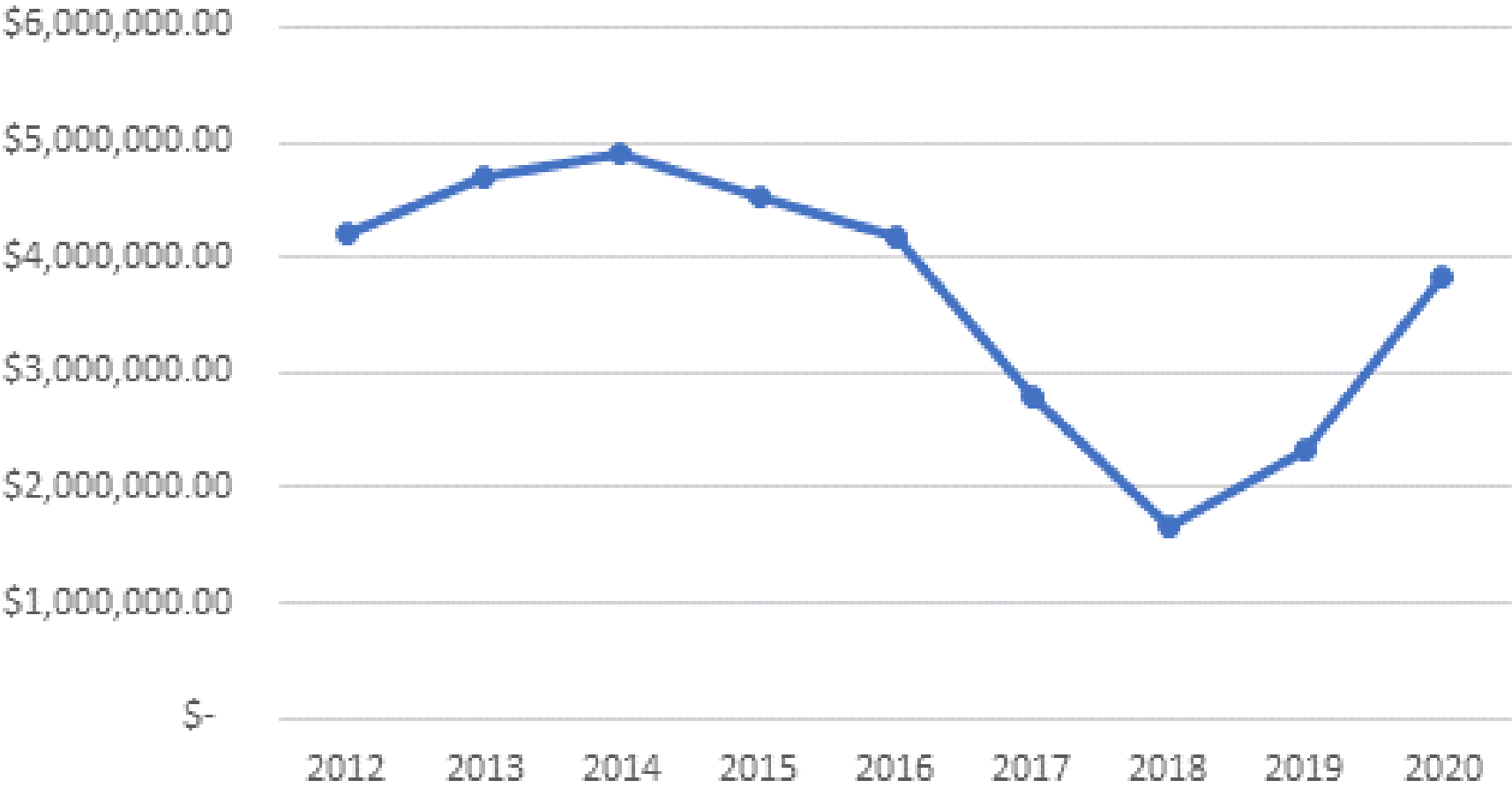
We do not know what they will be at this time and like us they are working to spread those costs to alleviate pressure on customer.

Billing for storm week:	
February 10-16, 2021	\$537,025.64
February 17-23, 2021	\$654,515.31
Total:	\$1,191,540.95

Our feeling at this time is that we will be able to handle these costs through our normal rate structure.

Efforts to Rebuild Cash Balance

Electric Utility Fund Year Ending Balance





# Estimate by Class of Extra Expenses

	SERVICE/TBL	NUMBER BILLED	% of Total Accts	BILL CONS	% of Total Consptn billed	\$ 1,200,000.00
Residential Urban	100-100	5,312	87%	4,824,416	41%	\$ 497,495.31
Rural Residential	100-105	7	0%	5,010	0%	\$ 516.63
Small Business	100-110	629	10%	830,797	7%	\$ 85,672.05
Rural Small Business	100-115	5	0%	5,619	0%	\$ 579.43
City & School	100-125	43	1%	861,913	7%	\$ 88,880.74
Streetlight	100-130	1	0%	1,294	0%	\$ 133.44
Large Power	110-120	107	2%	5,107,843	44%	\$ 526,722.39
<b>TOTAL:</b>		<b>6,104</b>	<b>100%</b>	<b>11,636,892</b>	<b>100%</b>	<b>\$ 1,200,000.00</b>

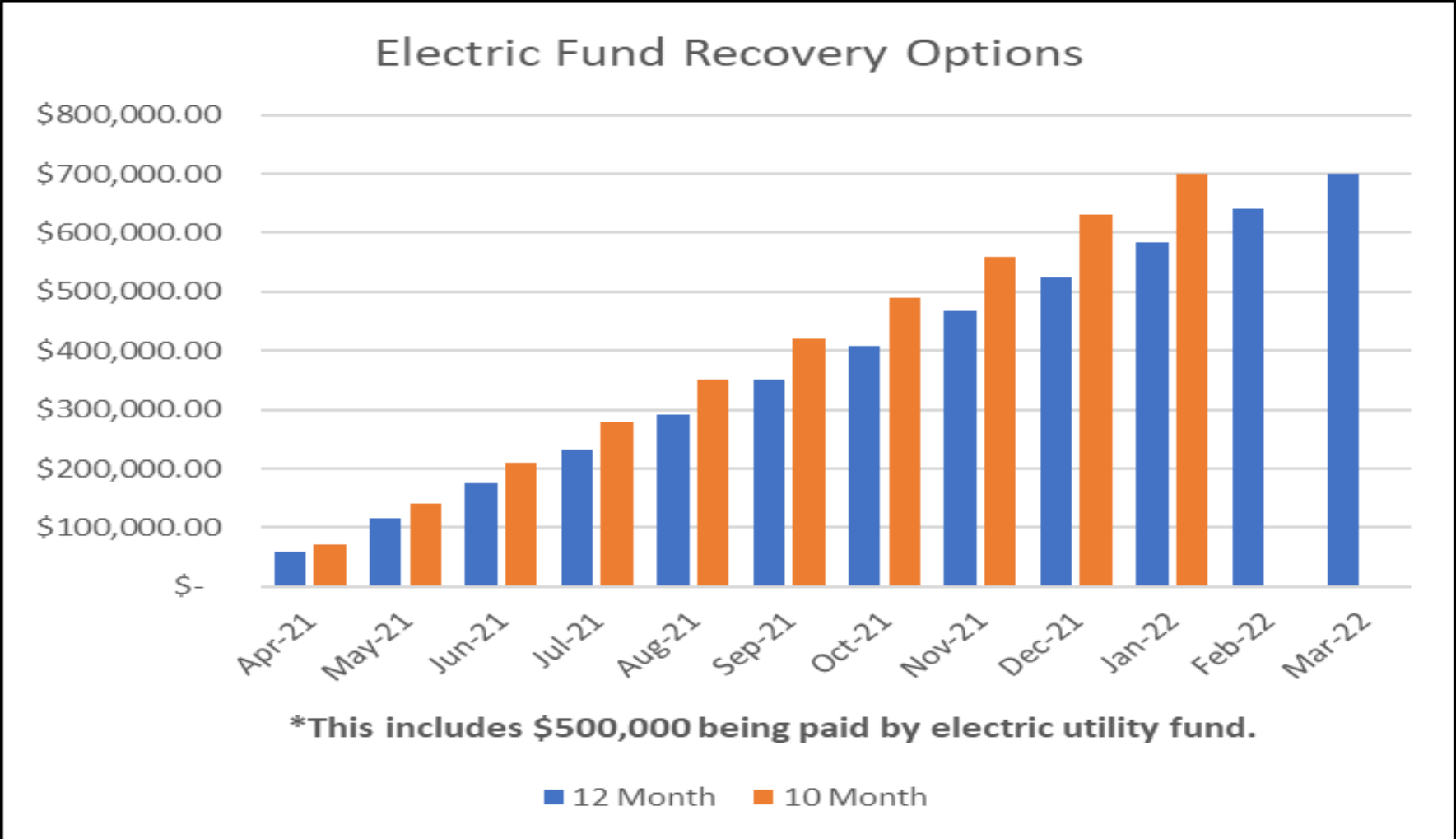
# \$1.2 Million Spread Over 10 Months

	SERVICE/TBL	\$	<b>1,200,000.00</b>	\$ Per Bill	Over 10 Months
Residential Urban	100-100	\$	497,495.31	\$ 93.65	\$ 9.37
Rural Residential	100-105	\$	516.63	\$ 73.80	\$ 7.38
Small Business	100-110	\$	85,672.05	\$ 136.20	\$ 13.62
Rural Small Business	100-115	\$	579.43	\$ 115.89	\$ 11.59
City & School	100-125	\$	88,880.74	\$ 2,066.99	\$ 206.70
Streetlight	100-130	\$	133.44	\$ 133.44	\$ 13.34
Large Power	110-120	\$	526,722.39	\$ 4,922.64	\$ 492.26
	<b>TOTAL:</b>	\$	<b>1,200,000.00</b>	\$ <b>7,542.62</b>	\$ <b>754.26</b>


# Utility Only Passing on \$700K Over 10 Months

	SERVICE/TBL	\$	<b>700,000.00</b>	\$ Per Bill	Over 10 Months
Residential Urban	100-100	\$	290,205.60	\$ 54.63	\$ 5.46
Rural Residential	100-105	\$	301.37	\$ 43.05	\$ 4.31
Small Business	100-110	\$	49,975.36	\$ 79.45	\$ 7.95
Rural Small Business	100-115	\$	338.00	\$ 67.60	\$ 6.76
City & School	100-125	\$	51,847.10	\$ 1,205.75	\$ 120.57
Streetlight	100-130	\$	77.84	\$ 77.84	\$ 7.78
Large Power	110-120	\$	307,254.73	\$ 2,871.54	\$ 287.15
	<b>TOTAL:</b>		<b>\$ 700,000.00</b>	<b>\$ 4,473.04</b>	<b>\$ 447.30</b>

# Time to Recover from Feb. 2021 Storm



We anticipate the earliest we could add the surcharge would be for the utility bill due April 10<sup>th</sup> for Zone 25



**CITY OF OTTAWA**  
 101 S. Hickory St.  
 PO Box 60  
 Ottawa, KS 66067-0060  
 (785) 229-3600  
<http://www.ottawaks.gov>

Name	Account Number
XYZ COMPANY	1111-111111-11
Service Address	Bill Date
1111 N PROXIMITY PARK	02/03/2021

Monthly Bill Cycles			
	Bill Covers Dates	Mail Out Date	Due Date
Zone 10	2nd to 2nd	7th	25th
Zone 18	10th to 10th	15th	3rd
Zone 25	20th to 20th	22nd	10th
Zone 01	25th to 25th	28th	15th

Feedback?  
Questions?