

To: House Financial Institutions and Rural Development  
From: Audree Aguilera, City Administrator  
Date: March 2, 2021  
RE: Testimony in Support of City Utility Low-Interest Program

The City of Altamont operates the Municipal Electric and Gas Utilities. The Gas Utility serves 482 accounts. The Electric Utility serves 513 accounts. The population is around 1,100 people.

This Artic Blast will result in a complete elimination of cash reserves to fulfill our obligation. Our normal monthly obligation for gas and electric is around \$40,000. At this time the City of Altamont's obligation is \$1 million for the gas and electric usages of February 2021. If in any circumstance where that costs is passed down to the population at once it would result in an economic crisis for our city. Our city is heavily populated by Social Security dependent individuals who already face monthly decisions between medications, groceries, and utilities. Businesses are already struggling to keep doors open with the economic impact from COVID-19. To add the cost from the Arctic Blast on top of that would be hardship not many could survive. This would close businesses, residents would leave, and Altamont would blow off the map.

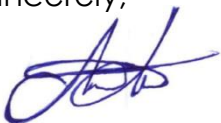
Access to the proposed City Utility Low-Interest Loan Program described in House Bill 2429 would allow Altamont Municipal Utilities to borrow from the State to cover the extraordinary electric and gas prices the City incurred due to the extreme weather crisis in February 2021.

A normal gas and electric bill runs around \$100 each. After this storm, a \$100 gas bill would equate to a \$4,000 gas bill for one month! A \$100 electric bill would equate to a \$1,000 electric bill for one month. By spreading this out over 10 years, we could have an Energy Cost Adjustment of just an extra \$10 -\$15 per bill. This type of increase is much more survivable and manageable than the contrary described.

The City of Altamont greatly appreciates you support in providing and approving the City Utility Low-Interest Program legislation.

If you should need any other information please contact me at your convenience.

Sincerely,



Audree Aguilera

