February 2021 Winter Storm Electric Surcharge

During the unprecedented February cold weather, the Kansas Power Pool (where we purchase our electricity) experienced approximately $20 million in extraordinary expenses due to increased natural gas prices. Due to available emergency reserve funds, KPP was able to utilize those funds and not pass those immediate needs on to member cities for payment. Without these reserves, we could have faced a $.25+ per kwh surcharge.

But, you might be wondering, “Isn’t all of our electricity wind energy from the wind farm south of town?” The answer is yes, but it’s more complicated than just a yes. The wind farm company sells the power generated to the Kansas Power Pool and then we purchase from KPP. We have the energy certification that says all of our energy is wind energy, but we are still grid tied. That’s why we saw the potential for blackouts during the winter storm, because we rely on grid distribution of electricity.

KPP is one of two municipal energy agencies in Kansas and consists of 24 member cities. You can learn more about Kansas Power Pool at www.KPP.agency

The KPP Board of Directors faces the need to replenish its reserve fund to not be financially compromised. They have elected to charge a $.01 per kwh surcharge for 24 months or until their reserve fund reaches a desired level.

The Greensburg City Council has voted to absorb half of this expense to our electric customers. The City will pay half a cent ($.005) per kwh and customers will pay half a cent. This surcharge will be in effect for 24 months or until KPP is no longer charging the surcharge. For the average homeowner, this should have a minimal impact. For every 1,000 kwh used, that will be an additional $5. This surcharge will be implemented on the next utility bills that will be due June 10th.

We hope that this cost share will lessen the burden of this increase to residents and businesses without depleting City reserve funds. If you have any questions, please don’t hesitate to give us a call or stop in.