

NEWS

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Take the surprise out of bill paying

It's still not too late to sign up now for a surprise-free winter! The Level Payment Plan makes bill paying simple. It divides your annual gas and water bill into 12 equal payments.

There's never a late fee and you earn 4 percent interest whenever you have a credit balance. Accounts are balanced in June. To sign up, call **554.6666**.

Buying a house?

If you're buying a house, check with the seller or Realtor about the existing water service or private line. When was it installed? Have there been any repairs? When the service is very old and made of a material that can corrode, the service line may be deteriorated. If the water service line leaks, you are responsible for repairs. See more about your water service on page 2.



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Your customer-owned utility

Natural gas price outlook

After last winter's high energy costs, you may wonder what to expect this coming winter. Since the cost of gas is deregulated, prices will be high when demand is high and supplies are low.

The U.S. Department of Energy expects gas prices to remain moderate to high until 2002 due to the demand for the clean-burning fuel. Since it is a clean-burning fuel, natural gas is in greater demand than oil, coal or nuclear fuel. In 2000, U.S. consumption of natural gas reached an all-time high of 22.8 trillion cubic feet, 4.8 percent higher than in 1999. The previous record was 22.1 trillion cubic feet in 1972.

Business and industry continue to be the largest users of natural gas. The fuel also is the fastest growing energy source for electric generation. If this summer brings drought conditions in the U.S., the demand for natural gas to generate electricity for air-conditioning will result in even a greater demand for the fuel. And, if we have a colder than normal winter again, expect to pay high prices.

We advise you to expect the worst and prepare for next winter by weatherizing your home and replacing inefficient heating equipment. It's also a good idea to sign up for the Level Payment Plan.

As a distribution company and public utility, M.U.D. does not profit from gas prices. The price we pay the supplier for gas is passed directly to our customer-owners. Our base rate, the cost to operate and maintain the system, has not increased since 1992.

Communities receive \$3.6 million in-lieu-of-taxes

Annual payments by M.U.D. in-lieu-of-taxes boosted the treasuries of 10 metro area communities by a total of \$3,593,841. In-lieu-of-tax payments are based on 2 percent of gross revenues derived from the sale of natural gas and water in communities served by M.U.D. Payments were made as follows:

City of Omaha -- \$3,352,275

City of Bellevue - \$173,347

City of Elkhorn -- \$14,837

City of LaVista -- \$14,662

Village of Boys Town -- \$14,484

City of Ralston -- \$8,581

City of Fort Calhoun -- \$4,708

Village of Springfield -- \$4,070

Village of Bennington -- \$3,979

City of Yutan -- \$2,898

The District also pays motor vehicle license fees, wheel and gasoline taxes, permit fees and all other excise and general sales taxes.

Board Meetings

August 8, September 5,

October 3, November 7

9 A.M., 1723 Harney St.

Call 449.8153 for agenda

What's yours? What's ours?

Water

Main: Large pipe laid in or along a street. The main usually is four inches or more in diameter with a fire hydrant attached to it. We are responsible for water mains.

Corporation: A valve connecting the main to the water service line. We are responsible for corporations.

Service Line: Most customers have a water service—the line a home builder laid from your house to our main. If the main is across the street, the service may run under the street. You own and maintain the water service line.

Private Line: Some customers have a private water line, usually of small diameter, less than four inches. A private water line may parallel a street, a main or both. Sometimes a private line is shared by several customers. Like a water service line, the property owner or owners own and maintain private water lines.

Meter: Measures the amount of water used. You own the water meter. However, we maintain it, and must have access to the meter for readings and maintenance. We will replace it if it is defective.

Stop Box: Provides access to the curb stop or valve. Usually located between the back of the curb and property line. If the stop box is too high, it may be a hazard for anyone walking over it and should be lowered. You are responsible for maintenance of the stop box.

Repairs

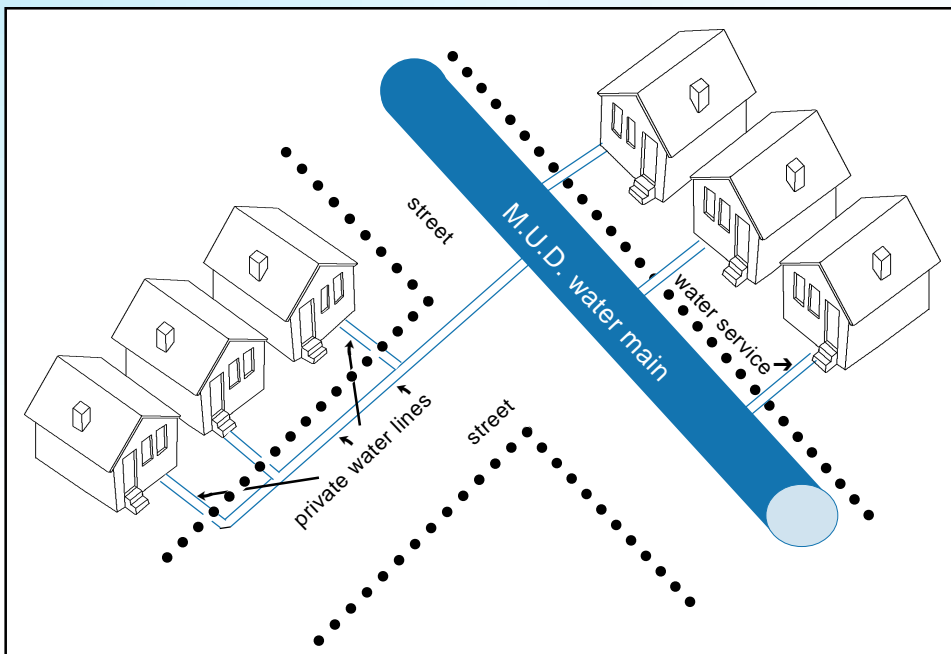
Mains: Buried water pipes can break or leak. We may find leaks on routine checks. However, if you are aware of a leak, call us at **554.6666**. When the leak is from a main, we repair it.

Service Lines: We issue notices for leaking or broken water services. Codes require that repairs be made by a master plumber, licensed by your city. You must get a permit from M.U.D. before any repair is done.

Your plumber determines if the water service can be repaired, or will advise you of options. You may call us to verify the type of repair needed. You are responsible for making sure repairs are made.

Water will be turned off when the leaking or broken service line causes damage, is a safety hazard, or if you fail to make arrangements for repair. The property owner is responsible for disconnect charges.

NOTE: Water service lines may not be relocated, repaired or modified without a permit from M.U.D. Any work must be inspected by the District.

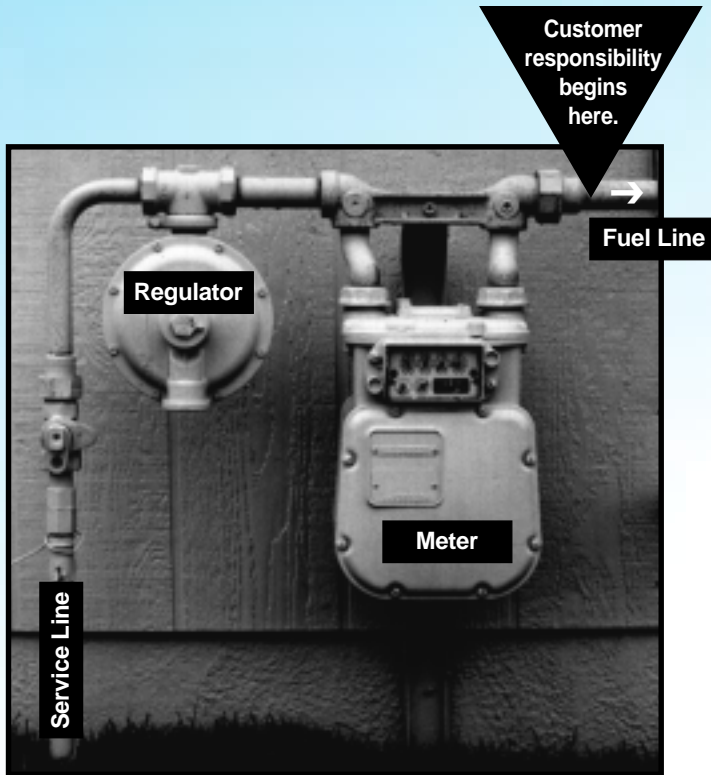


What's yours? What's ours?

Gas

Natural gas is delivered by an underground **service line**. The service line runs from the main in the street to the meter. M.U.D. is responsible for maintenance, repair and location of the service line, including the regulator and meter.

The customer is responsible for the **fuel line** on the "house side" of the meter. The fuel line begins after the meter as noted on the picture.



Buried natural gas fuel line after the meter

If the underground fuel line is not maintained, it may be subject to potential hazards of corrosion (rust) and leaks.

1. Inspect the buried fuel line periodically for leaks.
2. If the buried fuel line is metal, inspect it periodically for corrosion.
3. Repair any unsafe condition.

Contact a qualified plumber or heating contractor to provide location, inspection and repair services for buried lines. **M.U.D. does not repair or locate customer-owned fuel lines.**

The **service line** will be located at no charge when you call the Diggers Hotline, **344.3565**. However, Diggers Hotline does not locate buried fuel lines after the meter.

When excavating near a buried **fuel line**, locate the line in advance and excavate by hand. If you have any questions, call us at **554.6666**.

Flex connectors

Flex connectors are corrugated metal tubing used to attach appliances to the natural gas line in your home or apartment.

Some of the connectors in homes or apartments more than 15 years old have manufacturer defects and may deteriorate over time, causing gas leaks, fire or explosions.

We notified our customer-owners about defective flex connectors in 1990, 1991, 1992, 1993, 1994 and 1997. Many of you took advantage of our free connector check. If the connector was checked, we have a record. There is no need for concern if:

- You have not installed any gas appliances since the check.
- New connectors were used when new appliances were installed.

However, if a "used" connector was installed with a new appliance or if the flex connectors were never checked, one of our service technicians will check the connections free of charge.

Call 554.6666 to schedule an appointment. Do not move the appliance. You run the risk of damaging a safe connector or making a faulty one worse.

If a connection is faulty, we will replace it for a \$58 charge. You also may call a qualified heating contractor to replace the connector.

Make every drop count and save money

Besides protecting a precious natural resource, wise water use saves you money by reducing summertime water bills.

The minimal water use customer, who uses 62,000 gallons of water per year pays \$101.48. The average residential customer using 110,000 gallons of water per year pays \$162.09 or \$13.50 a month. If you use 225,000 gallons of water, the cost will be \$343.79. (Note ccf = 100 cubic feet or 748 gallons of water)

Even at these rates, our customer-owners continue to enjoy among the lowest water rates in the Midwest as shown below. One penny buys 10 gallons of M.U.D. tap water.

	Cost for 110,000 gallons	% higher than M.U.D.
Kansas City, MO	\$353.58	118.14%
Indianapolis, IN	279.87	72.66%
Council Bluffs, IA	237.15	46.31%
St. Paul, MN	212.06	30.83%
Des Moines, IA	202.45	24.90%
Denver, CO	194.19	19.80%
Milwaukee, WI	193.20	19.19%
Lincoln, NE	167.01	3.04%
M.U.D.	162.09	



Chloramine update

Beginning in early 2002, chloramines will be added in the water treatment process to reduce disinfection by-products. We previously scheduled the change for December 1, 2001.

The change will provide better-tasting water and better position us to meet future drinking water standards.

Chloramines do not dissipate through boiling or exposure to the air in open containers as rapidly as chlorine. Fish tank, aquarium and pond owners will need to use appropriate filtration equipment or water treatment products to neutralize chloramines. These products are available at pet supply stores. For more information about chloramines, see our website: www.mudomaha.com



Mark your calendar

Street of Dreams, August 4-19, 156th & Ida Sts., sponsored by the Metropolitan Omaha Builders Association.

Added convenience: **Pay your M.U.D. bill at any Hy-Vee store in the metro area.**

Backflow prevention

In compliance with the Safe Drinking Water Act, Nebraska Health and Human Services requires M.U.D. to make sure backflow preventors are installed and tested every year. We keep records of these tests and issue notices when testing is due.

This requirement does not apply to lawn sprinkler systems unless they use booster pumps or chemical injection systems. Also check your city's plumbing code for their regulations.

Meter tampering

Natural gas and water services are safe and reliable, however illegal tampering with pipes and meters can be hazardous and costly.

Tampering can lead to fires, explosions or water damage—endangering people and property.

If you know or suspect anyone of tampering with lines or meters, call 554.6666. You don't have to give your name. All information is confidential. Your tip could prevent injury or save a life.

Customer Service

7:30 A.M. - 5:15 P.M., weekdays

554.6666

Gas or Water Emergencies

554.7777

Meter Reading Hotline

449.8161