

# News *from your customer-owned utility*

Vol. 18 No. 1 2005

## Financial counseling

A United Way of the Midlands representative will be in the lobby of our downtown office, 1723 Harney St., through March 31 to provide financial counseling to customers facing utility shut-offs.

To make an appointment, call 211. Hours are 8 a.m. to 4:30 p.m., weekdays.

### United Way of the Midlands First Call for Help

Dial: 211  
7 a.m. - 7 p.m., daily

## Operations report

As we apply new technologies to our operations, we see improved efficiencies and opportunities to trim our employee numbers, primarily through attrition. Twenty-five years ago, the District had 3.15 employees per 1,000 customers; today the ratio is 2.12 employees per 1,000 customers.

In 2004 we achieved an all-time high safety record with a 13-percent drop in injuries and a 6-percent reduction in vehicle accidents. We also invested nearly \$900,000 to update security equipment and procedures.

Employees and retirees donated an all-time high of \$99,473 to the United Way of the Midlands in 2004. There was a record number of 12 Bridgebuilders who each gave a minimum of \$1,000 to help community programs and agencies.

## Customers have lowest gas cost

To ensure our customers continue to have the lowest gas costs in the Midwest and nationwide, the District unveiled a three-year plan in 2004 to upgrade its two propane-air plants. These peakshaving facilities, along with our liquefied natural gas plant, save customer-owners more than \$7 million per year in pipeline reservation charges.

We began a project to increase the output capacity of the 42-year-old propane air plant at 117th and Fort streets by 50 percent. A consultant was hired to design the upgrade and system expansion. Bids for the construction contract will be let in the fall of 2005. The \$2.3 million project is targeted for completion in October 2006.

The second phase of the project, to begin in 2006, will replace equipment installed in 1959 at the 63rd and Oak Propane Air Plant. We expect to complete the \$1.3 million upgrade by October 2007.

### Where does my gas dollar go?

Gas	81 cents
Operations and maintenance	10 cents
Depreciation and reinvested earnings	7 cents
Payments to cities	2 cents

**Transportation contract** — In January 2005, the District's board of directors approved a pipeline contract with Northern Natural Gas Co. that will save customer-owners more than \$45

### Cost for 70 therms of natural gas

January 1, 2004  
includes service charge

M.U.D.	\$61.63
Washington, DC	64.91
Louisville, KY	65.51
Indianapolis, IN	67.15
Reno, NV	68.00
Milwaukee, WI	68.12
New Orleans, LA	68.21
Los Angeles, CA	68.77
Columbus, OH	70.62
Austin, TX	72.86
Nashville, TN	73.44
Cincinnati, OH	80.87
Knoxville, KY	82.48
Chicago, IL	83.73
Jacksonville, FL	96.53

million over the life of the 10-year agreement. Effective November 1, 2006, the new contract translates into a 23-percent annual savings compared to current charges for natural gas transportation. A highly competitive bidding process between two pipeline companies resulted in the lower bids. The bottom line is that customer-owners can expect to see substantial savings in transportation costs beginning in 2007.



1723 Harney St • Omaha NE 68102  
website: [www.mudomaha.com](http://www.mudomaha.com)  
e-mail: [customer\\_service@mudnebr.com](mailto:customer_service@mudnebr.com)

## Receive a moisture sensor

Last year our customer-owners helped 998 households of needy older and disabled neighbors pay heating bills with a total of \$200,915 through the Heat Aid Fund.

When you pledge \$2 or more per month or make a one-time donation of \$10 or more, you will receive a moisture sensor which tells when potted plants or your lawn needs water. Contributions to the Fund are tax-deductible. To make a pledge, call **554.6666**, or mark the Heat Aid Fund box on the front of your bill statement.

The District established the Fund in 1983, and contracts with the Salvation Army to administer it.

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## Furnace recall for manufactured homes

Unitary Products Group (UPG) of York International Corp. is recalling approximately 226,000 gas furnaces, which can overheat, causing heat-exchanger cracking, burn-through and, in extreme cases, furnace wrapper burn-through.

The recall involves Coleman, Coleman Evcon and Red T brand furnaces, which were sold between 1995 and 2000 as original equipment in manufactured homes and as replacement furnaces in manufactured homes. Consumers should not use the heating function of these furnaces until it has been inspected and repaired.

Contact UPG to schedule a free inspection and repair of any furnace involved in the recall. Call UPG toll-free at 888.665.4640 between 8 a.m. and 5 p.m. CT Monday through Friday or visit their website at [www.dgatprogram.com](http://www.dgatprogram.com).

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## Platte West update

Contractors began work in April 2004, and moved more than 1.2 million cubic yards of earth on the site, at 216th and Q streets. The earthwork will be completed in the spring of 2005. Pumping operations were tested and wells were surveyed. Well tests will continue throughout construction and after the facility goes on-line in 2008. Platte West will have a total of 42 wells when it's completed.

In 2004, the Board of Directors approved an agreement with Kiewit Construction Co. to provide pre-construction services. They will assist with planning, project development and construction issues. Directors also approved \$11.3 million to buy equipment for the treatment plant and wellfield.

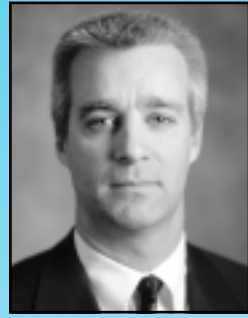
The District plans to spend \$63 million on Platte West in 2005. Directors will award the construction services contract with a plan to follow a 1,000-day construction schedule. Work will begin on the installation of a 54-inch transmission main in 216th Street from Center to Q streets.

Scheduled to go on-line in 2008, the \$311-million facility will add 104 million gallons of high quality drinking water to the existing 234-million-gallon-per-day capacity of our Florence and Platte South Water Treatment Plants. This triangle of reliability should meet the water needs of the metro area and adjacent counties for the next 75 years.

**State Street Pump Station** — We installed a 36-inch water main in 2004 from 138th to 165th streets at a cost of \$2.2 million in conjunction with the new State Street Pump Station. Scheduled to go on-line in April 2005, the \$3.13 million pump station at 141st and State streets, will help maintain water pressure and move water to west central Omaha until the Platte West Water Treatment Plant becomes operational. With the addition of the State Street Pump Station, the District will have a total 14 pump stations in the metro area.

*(printed on recycled paper)*

## 2005 chairman



**David J. Friend**

The Board of Directors elected **David J. Friend** chairperson for 2005. He was elected to the board in 2000.

Directors chose **Mary Kay Begley** vice-chairperson. She was elected to the board in 1988 and re-elected in 1994 and 2000.

Other directors are: **Tim Cavanaugh, Thomas F. Dowd, Mark Doyle, Jack Frost** and **John S. McCollister**.

The board meets at 9 a.m. the first Wednesday of every month at 1723 Harney St.

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## Water rate comparisons

The annual cost of water (*January 2, 2004*) for the average residential M.U.D. customer, who uses 110,000 gallons of water per year, is \$166.82.

	<b>Annual Bill</b>	<b>% above M.U.D.</b>
Kansas City	\$316.98	90%
Indianapolis	281.34	69%
Des Moines	272.37	63%
Council Bluffs	267.61	60%
Milwaukee	231.26	39%
St. Paul	225.59	35%
Denver	213.99	28%
Lincoln	181.59	9%

Totals include service charge based on 5/8-inch residential meter. M.U.D.'s figure also includes the 2 percent in-lieu-of-tax payment to municipalities.

**Gas, water emergencies  
554.7777**

**Meter Reading Hotline  
449.8161**

**Customer Service  
554.6666**