

Ten communities receive \$4.5 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 \$4,506,338. 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. We made the following payments:

City of Omaha	\$4,182,721
City of Bellevue	240,776
Village of Boys Town	18,730
City of Elkhorn	18,074
City of LaVista	14,313
City of Ralston	8,988
City of Bennington	6,759
City of Fort Calhoun	6,223
City of Springfield	5,605
City of Yutan	4,149

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

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.

Your bill has a new look

We continually strive to meet your expectations for quality service. The District recently updated its billing system and beginning this month, you have a **new account number** and will notice a new look to your gas and water bill.

Your bill is in a larger and easier-to-read format. The format also includes graphs comparing current and previous gas and water use. Information is arranged for quick and simple reference, plus some new added features give more detail on your account and use of gas and water. In addition, the new system allows faster payment posting.

If you bank on-line to pay your utility bill, you will need to give your new account information to your financial institution. If you use our bank draft plan (automatic bill payment), we have given your new account number to your financial institution.

Go to pages 2-3 to see an explanation of your bill. If you have questions about the new format, call Customer Service, 554.6666.

Beware of impostors, people asking for money

We receive periodic reports of imposters claiming to be M.U.D. employees.

Most M.U.D. employees wear uniforms, and all carry photo I.D. cards. If someone comes to your door claiming to be with the gas or water company, don't let them in until you see their M.U.D. photo I.D. If they don't have one, call the police.

- Our employees do not collect money from customers at their homes or businesses.
- We do not ask customers to pay in cash in advance to restore service or test meters.
- We do not call customers to ask for credit card information.

Questions? Call **554.6666**.



1723 Harney St • Omaha NE 68102

website: www.mudomaha.com

e-mail: customer_service@mudnebr.com

Your Customer-Owned Utility

Lowest gas cost

M.U.D. gas customers continue to enjoy natural gas rates that are 15 to 20 percent lower than the rates of area investor-owned utilities. In 2003, the average residential gas customer used 938 therms of natural gas at a cost of \$694 or 7.5 percent lower than the all-time high in 2001 when the cost was \$746 for 967 therms of gas.

We lock in 25 percent of the gas needed for winter and use a portfolio of U.S. and Canadian suppliers for monthly purchases. By buying large volumes of gas from numerous suppliers and regions, the District ensures reliability while negotiating the most economical prices.

Our peakshaving facilities save customer-owners \$7.5 million in transportation fees for capacity on the pipeline to deliver gas to Omaha. In 2004, we will begin a two-year project to rehabilitate and expand our peakshaving facilities. These improvements will save customer-owners an additional \$1 million a year in lower pipeline-demand charges.

Platte West update

The District received the federal permit to proceed with the Platte West Project on May 16, 2003. The project includes a water treatment plant at 217th & Q Sts. that will increase our pumping capacity by more than 40 percent, adding 100 million gallons of high quality drinking water to the existing 234 million gallons-per-day capacity from the Florence and Platte South Water Treatment Plants. The three facilities will form a triangle of reliability.

In 2003, we bought the land for the project and focused on design and environmental work. Site excavation is scheduled for Spring 2004. We plan to complete the design phase by Spring 2005.

Scheduled to go on-line in 2008, the Platte West Plant will be an "economic growth engine" for the metro area and adjacent counties for the next 50 to 60 years.

Your wise water use decisions will be extremely important until Platte West goes on-line. We will continue to ask you to voluntarily restrict summer water use as we have the past three summers.



(printed on recycled paper)

2004 chairman



Jack Frost

The Board of Directors elected **Jack Frost** chairperson for 2004. He was elected to the board in 1986, and re-elected in 1992 and 1998.

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, David Friend** and **John S. McCollister**.

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

Rate comparisons

The annual cost of water for the average residential M.U.D. customer, who uses 110,000 gallons of water per year, is \$166.50.

	Annual Bill	% above M.U.D.
Kansas City	\$353.58	112%
Indianapolis	281.34	69%
Council Bluffs	267.61	61%
Milwaukee	231.26	39%
St. Paul	225.59	36%
Denver	213.99	29%
Des Moines	202.45	22%
Lincoln	177.63	7%

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