

PHMSA GRANT – FAQs

What grant did M.U.D. receive?

M.U.D. was awarded a \$10 million grant through the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration's (PHMSA) Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) grant program for the 2022 funding cycle.

What is the source and goal of the grant program?

The NGDISM grant program, established by President Biden's historic Bipartisan Infrastructure Law, is aimed at mitigating safety risk and methane emissions from the natural gas distribution pipes.

How will M.U.D. use the grant funds?

M.U.D. will use the funding toward our ongoing program to update critical natural gas infrastructure in the communities we serve. Through the District's infrastructure replacement program, the low-pressure cast iron gas mains and services are being modernized with safer and more efficient high-pressure plastic gas pipe.

Where will these projects be located?

Many of the pipes targeted to be replaced are in older sections of M.U.D.'s service area and within historically disadvantaged communities. The cast-iron main replacements have been concentrated in areas east of 72nd Street in Omaha.

What benefits will customer-owners receive from these projects?

These neighborhoods will see a direct economic benefit, including increased property values, as well as improved safety, reliability and affordability of their natural gas services. The plastic pipes are installed along streets and sidewalks with a new gas service and new meter on the outside of the home or business — whereas many of the existing gas meters were found inside the customers' homes.

Relocation of meters from inside the home to outside the home greatly improves safety, allowing for more efficient inspection of the meter and its appurtenances. M.U.D. has replaced over 47,000 services to date. Not only have these improvements helped the community avoid more costly repairs and replacements in the future, but they have also enabled M.U.D. to provide a more reliable natural gas service to its customers while maintaining lower, more stable rates.

What is the environmental impact of replacing this gas infrastructure?

Removal of cast iron pipes also has environmental benefits through the reduction of gas leaks and methane emissions. The replacements between 2008-2022 have removed approximately 420,000 metric tons of carbon dioxide (CO₂) emissions through leak reduction, equal to the emissions displacement of:

- Nearly 465 million pounds of coal burned;
- 47 million gallons of gasoline consumed; or
- 52,904 homes' energy use for one year.

Over the next 10 years, M.U.D. can expect to remove an estimated 340,000 metric tons in additional CO₂ emissions for the overall cast iron gas main replacement program.

What work will be funded through the grant and is there a deadline to spend the funds?

The District has identified a number of large infrastructure replacement projects and funding will go toward replacing gas infrastructure, modernizing gas meters and replacing gas regulator stations. The projects must be completed by the end of 2026.

How much progress has been made with M.U.D.'s infrastructure replacement program?

M.U.D.'s infrastructure replacement program began in 2008 prioritizing the replacement of 560 miles of cast-iron gas mains – approximately one-fifth of the entire gas system. So far, over 420 miles have been replaced. The plan is to replace the remaining miles by the end of 2027.

How is M.U.D.'s infrastructure replacement program funded?

Gas rates include a monthly fee to provide long-term funding for the program. The District also issues bonds, as needed, to help fund infrastructure replacement. We also continue to look for other funding opportunities, including additional grants and low-interest loan programs that are in the best interests of our customers and ratepayers.

Where can I get more information?

For more information about M.U.D.'s infrastructure replacement program, including an interactive map of current projects, visit mudomaha.com and search for **Projects in Your Neighborhood**.