

MPUA NEWS RELEASE

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FOR IMMEDIATE RELEASE

HANNIBAL BOARD OF PUBLIC WORKS TO SEE UTILITY SAVING FROM MULTI-STATE PROJECT

COLUMBIA, MO, Jan. 14, 2020 – Hannibal Board of Public Works will see lower electric costs from the construction of a northern Missouri transmission project under development, which will assist in delivering low-cost energy to local customers. The local municipal utility is owned and operated in the public interest, for the benefit of Hannibal residents.

In Hannibal, a community of nearly 18,000 residents, energy supply from the project would mean an approximate \$750,000 in projected annual savings for the community and its utility customers. Statewide, its impact is \$12.8 million annually on electric consumers.

Ewell Lawson, spokesperson for the Missouri Public Utility Alliance, stated, “This project lowers electric costs for 39 communities and over 350,000 Missourians statewide. Projects like this are just the kind of development needed to spur economic activity and job creation in Hannibal and rural towns across Missouri - all without state subsidy.”

Special state legislation has been filed over the last four years by special interests seeking to stop the project. While the bills have been annually defeated, they were filed again this year.

Lawson wondered whether singling out one project should be a concern to anyone planning to develop large scale projects in the state. Lawson said, “What signal are we sending about our state’s desire for job creation and economic progress if we change the rules at the last minute?”

He added, “The Grain Belt Express is a public utility that has followed all the legally required steps the state imposes on any other utility provider when proceeding with such a significant project. I’d hate for our communities, and their customers, to lose such an opportunity with substantial savings.”

In March 2019, the Missouri Public Service Commission (PSC) voted to approve the Grain Belt Express project. The decision cleared the path for the transmission line to bring low-cost, clean energy into Missouri. The PSC decision, welcomed by communities across the state, advanced a process beginning in 2016, when a state municipal utility commission, of which Hannibal Board of Public Works is a part, approved a proposal to lower electric supply costs and increase the wholesale power agency’s renewable supply.

By purchasing transmission on the Grain Belt Express, municipal utilities will replace more costly power contracts set to expire as the transmission project is built. This project will deliver low-cost renewable electricity to Missouri homes and businesses. Today, 39 Missouri communities serving greater than 350,000 people have signed on to realize at least \$12.8 million in annual savings for their customers through an agreement between Invenergy, a public utility developer, and the Missouri Joint Municipal Electric Utility Commission.

The transmission line, unanimously approved by the PSC after five years of vetting, will be one of Missouri’s largest transmission infrastructure projects, an estimated \$525 million investment. Unlike other large-scale economic development projects, the Grain Belt Express is not seeking state incentives. School districts and other local jurisdictions in the eight counties along the development route will receive \$7.2 million in tax revenues in its first year of operation, as it also creates 1,500 trade, construction, and manufacturing jobs in Missouri.

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About the Missouri Public Utility Alliance (MPUA):

The Missouri Public Utility Alliance is a multi-state association of more than 120 city-owned electric, water, gas, wastewater, and broadband utilities in Missouri, Arkansas, Illinois, Mississippi and Nebraska. MPUA provides support to its members in the areas of electric and natural gas supply, water and wastewater compliance, mutual aid disaster assistance, financing, safety training and utility operations. MPUA also advocates on behalf of municipalities on utility issues at the national and state levels.