

# Midwest Energy, Inc. Current Comments

November 2024

Making energy work for YOU

## Fleet Costs Outpace Inflation Long Lead Times, Skyrocketing Costs Persist

Midwest Energy has a fleet of more than 245 vehicles, including digger derrick and service bucket trucks, pickup trucks and sedans. These vehicles collectively log more than 2.5 million miles each year, and each needs to be ready to go to work at a moment's notice to respond to service runs, outages and natural gas calls.

In 2021, vehicle prices spiked and inventories tightened as vehicle manufacturers struggled to get components and chips to build cars and trucks.

"There was a window of time when equipment was not available, so we were maintaining existing equipment in our fleet for several additional years, taking on increased

maintenance costs," said Gary Burnett, Midwest Energy's Fleet Manager.

While supply chain pressures have eased, high prices and long delivery times persist for the specialty vehicles Midwest Energy uses, such as digger derrick trucks and service bucket trucks.

"We are currently receiving bucket trucks that we ordered in 2022," Burnett said. "The cost of replacements has also increased, with digger trucks increasing from \$390,000 in 2021 to \$540,653 today. Lead times for digger trucks and large bucket trucks remain much longer than they were prior to 2021," Burnett said.

For years Midwest *Continued*



## NATURAL GAS RATE CASE MEETING

Midwest Energy is seeking Board approval of a natural gas rate case, and changes to language in electric and natural gas tariffs, with changes to be effective Jan. 1, 2025. Details on the proposal are available at [www.mwenergy.com/residential/natural-gas-rate-changes](http://www.mwenergy.com/residential/natural-gas-rate-changes).

Under the proposal, an average residential gas customer would see their bill increase roughly 58 cents per month. An average commercial gas customer would see an increase of 76 cents per month.

Midwest Energy's Board of Directors will consider and vote on the proposed changes at an open public meeting on Monday, Nov. 18 at 1 p.m. at the Midwest Energy office, 1330 Canterbury Dr. in Hays. All Midwest Energy members are welcome to attend.

## Inflation and Availability

2021 2024

### Freightliner/Altec Digger Truck



<b>Cost</b>	<b>\$390,000</b>	<b>\$540,653</b>
<i>Delivery Time</i>	<i>24 weeks</i>	<i>80+ weeks</i>

### Service Bucket Truck



<b>Cost</b>	<b>\$152,600</b>	<b>\$227,000</b>
<i>Delivery Time</i>	<i>21 weeks</i>	<i>72 weeks</i>



MIDWEST ENERGY, INC.

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# Fleet Costs, Lead Times Continue to Climb

Energy has used innovative practices to keep costs low. This included the practice of re-using the service bodies that hold tools on the backs of service and crew trucks, and refurbishing small hydraulic bucket units, then re-mounting them on a new chassis instead of simply buying an entire new unit. The savings over buying a fully new unit were substantial - more than \$100,000 per unit in some cases- and with 31 such trucks on the road, the numbers add up.

"Refurbishments and re-mounts continue to be a practice, but the company we used to do the small hydraulic bucket trucks is discontinuing that part of their business, so we're hoping they'll reconsider and in the meantime we are looking for alternatives," Burnett said.

"We're still in a position of keeping our vehicles on the road longer, but even that has a higher cost. Labor rates in repair shops are up about 30 percent, and lead times on parts - even small items like air

filters or fuel pumps - have gone out to three weeks or more in some cases," Burnett said.

"We thought things would return to normal faster," Burnett added. "Pickup trucks, SUVs and other smaller vehicle lead times are back closer to normal, but it's going to be longer for the rest," he added.

"We'll do what we have to do to keep these trucks on the road. There isn't any other option," Burnett concluded.

## Stay Safe: Know the Signs of a Gas Leak

Natural gas is colorless and odorless before processing. That's why Midwest Energy, and all gas utilities, add a chemical to the gas to make it smell like rotten eggs.

That rotten egg smell is a telltale sign of gas in the air, and an indication of a gas leak. But there are others.

Signs of a gas leak may include a hissing sound around the meter or pipes, air bubbles in standing water,

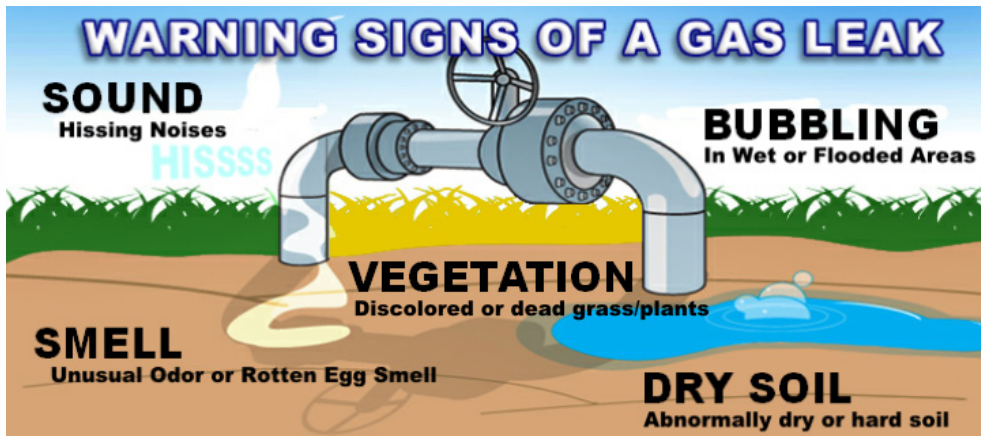
or dying vegetation where the gas has displaced oxygen.

If you smell, see or suspect a gas leak, please take the following steps immediately:

- 1) Stay calm and don't panic.
- 2) Evacuate the premises. Everyone (pets included) in the home should leave the building immediately and meet at a pre-chosen safe place.
- 3) Don't light a match, smoke, flip

a switch, ring a doorbell, or touch appliances or electronics, including your phone. Doing so can produce sparks that might cause the gas to ignite.

- 4) Contact Midwest Energy at (800) 222-3121.



### ENERGY EFFICIENCY TIP OF THE MONTH

If you're heading out of town during the holiday season, remember to set your home to vacation mode. You can save energy while you're away by lowering your thermostat a few degrees or creating an "away" schedule with a smart or programmable thermostat. Newer water heaters include a vacation mode setting to help you save on water heating costs, or you can simply lower the temperature manually.

Small actions can also stack up to energy savings. Unplug devices that consume energy when they're not in use, including phone chargers, toothbrush chargers, TVs and gaming consoles.

Atwood, KS • Colby, KS • Great Bend, KS • Hays, KS

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**1-800-222-3121**  
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