Kemper County Utility District Annual Meeting—January 10, 2024 Chairman's Report

Welcome

On behalf of the Board of Commissioners, welcome to the annual meeting of the Kemper County Utility District. It is my pleasure to work alongside the current appointed commissioners who were introduced earlier.

At this time, I would like to mention four former commissioners who were instrumental in the establishment of the Board and much of the progress to this point. They are:

William Clay Michael Dudley James Granger Dwight Jackson

Their dedication and tireless efforts laid a solid foundation for our initiative.

As commissions, we accepted the appointment to this Board with the initial goal of expanding natural gas from the Tennessee Valley Authority Combustion Turbine plant north of De Kalb to Highway 45. The anticipated gas line will run along Highway 16 following the pathway of existing EMEPA lines. Completion of this project would provide natural gas to additional citizens of the county, the campus of East Mississippi Community college, and the Town of Scooba.

Summary of Highlights

Numerous and varied funding sources were/are needed to support a project of this magnitude, The Board is proud the announce the current sources:

During the 2020 Regular Legislative Session, House Bill 1730 Section 105 provided grant funding of \$750,000 to assist Kemper County with the costs of the Natural Gas Line project. This legislation established the 2020 Kemper County Natural Gas District Fund. The agreement stated that the funds must be spent within 36 months.

During the 2022 Regular Legislative Session House Bill 1353 provided additional funding of \$500,000 through the 2022 Local Improvements Projects Fund.

For fiscal year 2023, the Appalachian Regional Commission approved funding for Business Site Development to the Kemper County Natural Gas Line (Project Number: MS-21499-1). This ARC funding totaled \$240,000.

These funding streams were included in the previously presented Financial Statement.

While thankful for the above mentioned funding sources, the Board of Commissioners realized that additional resources must be secured and the scope of our project may need to expand to justify funding requests and prove of value to the county.

As a result of creative efforts, Senate Bill 3141 was passed during the 2023 Regular Legislative Session, authorizing the Kemper County Board of Supervisors to expand the scope of authority

of the Kemper County Natural Gas District to become a public utility district with the authority to administer additional public utility services, including, but not limited to, the provision of drinking water. The Bill also authorized the revision of the name Kemper County Gas District to the Kemper County Utility District, The changes will, hopefully, expand future grant opportunities and, in turn, enhance the lives of our citizens.

Achievements

The first step toward attaining the goal of extending Natural Gas along Highway 16 to Highway 45 is to construct a reducing station at the existing Tennessee Valley Authority Kemper Combustion Turbine plant. To gain access to the easements, the Kemper County Utility District paid \$40,670.05 to TVA. This total included the easement permission and necessary environmental studies. After months of discussions and negotiations, we are proud to announce that a License Agreement between the Tennessee Valley Authority and the Kemper County Board of Supervisors has been agreed upon granting a 30-foot wide permanent utility easement for purposes of installation of a gas pipeline over approximately .12 acre portion of the TVA CT plant.

This agreement allows for the HB 1730 grant funds to be utilized within the specified 36 month period.

Recognition

The Utility Board of Commissioner extends thanks to the Kemper County Board of Supervisors for entrusting this Board with this large and important task.

Special recognition goes out to members of the Mississippi Legislature for their support. They are:

Former Senator Sampson Jackson Former Representative Michael Ted Evans Senator Rod Hickman

Also, on behalf of the Board, I would like to recognize Wayne Henson for his support and guidance from the beginning of these organized efforts—Special thanks to Mr, Henson for laying the literal 'groundwork' for this endeavor many years ago and continuing to champion this effort.

We are also fortunate to have the support services of Terrell Temple of Engineering Plus, Kacey Bailey of Glover, Young, Hammock, Walton & Simmons, PLLC, and Todd "Ike" Kiefer of Empirical Energy for his administrative support.

Special Announcement

The Kemper County Utility District will begin site preparation and construction on the reducing station located at the Kemper County TVA CT plant.

Future Initiatives

The Board will continue to pursue grant and legislative funding opportunities.

Once natural gas reaches Highway 45 at Scooba, the Board will work to expand service south along Highway 45. This service will extend to the Kemper County Industrial Site.