

Seneca seeks loan for energy cost relief

(KMZA)--The city of Seneca, facing a high utility bill due to last month's extreme cold, will seek a low-interest loan from the state.

The Seneca City Council, during a special meeting Wednesday evening, approved a resolution authorizing the city to apply for a loan not to exceed \$695,000. The Council also approved an ordinance authorizing the execution of a loan agreement between the city and state.

Seneca contracts with the Kansas Municipal Energy Agency to purchase electricity, which the city then distributes to its customers.

The city's February bill was for over \$830,000, which they plan to pay under protest. In comparison, the city's electric bill in January was \$134,000.

The Council voted to file a complaint with the Federal Energy Regulatory Commission for potential price gouging.

Governor Laura Kelly last week signed a bill establishing a \$100 million low-interest loan program for municipal utilities facing high utility bills after February's frigid temperatures.

The loan program is being administered by the Kansas State Treasurer's Office using idle funds.

Cities will have up to 10 years to pay the loans back.

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