

Spickard/Laredo School Districts Cut Off From Propane Supplier; Contracts Not Honored
News

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The Spickard and Laredo school districts are facing sharply higher propane costs after being curtailed from their contract prices.



School administrators Mike Garrett of Spickard and Phil Fox of Laredo say the Spickard and Laredo districts have been informed United Propane gas of Paducah, Kentucky no longer is providing propane to commercial customers because of a lack of supplies. Garrett said the disruption is until after April 1st. Fox said the Laredo district was told it was for the rest of this winter.

Garrett said Spickard had a contract for propane at nearly one dollar nine cents a gallon. Fox said Laredo had a contract for nearly one dollar 19 cents a gallon. United Propane gas is using a clause in the contract to no longer provide propane to commercial customers.

Both school administrators said they are able to get propane through MFA at Trenton, but current prices are much higher than the contracted charges they had been paying Through united propane gas.

Garrett said the current price was nearly Four dollars sixty cents a gallon. Fox described the charge at nearly five dollars a gallon.

The Spickard district was down to a 15 percent supply of propane, but was able to get propane through MFA, whom Garrett praised for its help. Garrett said MFA is to give as much advance notification as possible if it has to cut off the Spickard district. However, he said a cutoff is not anticipated at this point.

The Laredo district still has about a 50 percent Propane supply. Fox indicated thermostats in the school have been lowered to save on heating costs. He also said the district plans to stretch its supply as long as possible, and add small amounts of propane at a time in hopes propane charges drop.

Fox indicated he's been in contact with UPG's general counsel at Paducah regarding what he called overcharges and a couple other issues. Fox indicated the company was working on the Laredo district's concerns. Laredo entered its propane contract last June for nearly one dollars nineteen cents a gallon. He said the first few fill-ups in the fall were fine. However, starting December 18th, Fox said the district was charged anywhere from one dollar twenty eight cents a gallon to one dollar ninety nine cents a gallon. The overcharges total over one thousand dollars. Both the Laredo and Spickard districts were notified Friday their contacted propane no longer was available this winter.

Laredo school administrator Phil Fox clarified that Laredo Worked locally with suppliers when propane bids were sought Last summer. He said three local companies submitted bids in June. And the board of education went with the bid from a local company, Midwest Propane. It's on Pleasant Plain in north Trenton and is a distributor of United Propane Gas.