

A Division of Montana-Dakota Utilities Co.

In the Community to Serve®

## Change in Gas Event Surcharge

New Seasonal Rate Effective April 1, 2022



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In February 2021, an extensive cold weather event resulted in an unprecedented increase in natural gas pricing across a large portion of the country, including the Great Plains Natural Gas Co. (Great Plains) Minnesota gas service territory.

On August 5, 2021, the MPUC decided that the February 2021 severe weather event should be investigated in a contested case proceeding. The contested case investigation has been referred to the Minnesota Office of Administrative Hearings. The proceedings before the Administrative Law Judges were held February 17, 18, 21 and 22, 2022. Public Input Sessions were held on March 3, 2022 at 1:00 pm and 6:00 pm.

## **Gas Event Surcharge**

The Commission also authorized Great Plains to start recovery of a portion of these unusually high costs effective beginning September 1, 2021 and continuing for the next twenty-seven months. The Gas Event Surcharge is included as a separate line item on customers' bills and billed through a volumetric, or per dk, surcharge. The Gas Event Surcharge rates will be adjusted seasonally over the twenty-seven months with the first fifteen months at a lower rate and the remaining twelve months at a higher rate. The next adjustment is now being implemented effective with service rendered on or after April 1, 2022. The rates for the first fifteen months are included in the table below:

Firm Gas Sales Service (Rates 60 & 70) (Rates 71, 73, & 85)
September 1, 2021 ......\$1.57860 per dk....\$0.58250 per dk
November 1, 2021 ......\$1.57860 per dk....\$0.23298 per dk
April 1, 2022 ......\$1.57860 per dk...\$0.23298 per dk
November 1, 2022 ......\$1.57860 per dk...\$0.23298 per dk

The Gas Event Surcharge was designed to mitigate winter ratepayer impacts with seasonal adjustments to apply lower rates in the winter and higher rates in the summer. An average residential customer using 6.8 dk per month will see an average monthly bill increase of \$6.24; however, the actual bill impact will change each month depending on the amount of natural gas you use.

## **Exempt from Surcharge**

The MPUC also approved an exemption from paying the Gas Event Surcharge for qualifying low-income customers. Qualifying low-income customers will see the Gas Event Surcharge on their natural gas service bills but immediately following the surcharge line, those customers will see a Gas Event Surcharge Discount crediting the surcharge amount billed.

## **Prorated Bill**

The first bill you receive may be prorated, depending on the date your meter was read. Bills are prorated to reflect rates and/or surcharges in effect at the time you actually use the service, rather than when your bill is prepared. This means that any gas used prior to April 1, 2022 will reflect the November 1, 2021 surcharge and any gas used on or after April 1, 2022 will reflect the April 1, 2022 surcharge.

It is important to Great Plains that our customers stay connected. If you have a past-due account, whether from an ongoing or recent financial hardship, please contact Customer Service to pay your bill or to set up a payment plan. The Company offers payment plans or its Gas Affordability Program (GAP) or is able to get you in contact with local Community Action Agencies for energy assistance or additional programs to help get your account current. We are here to help. Please call now. You can reach Customer Service at 1-877-267-4764, Monday through Friday 7:30 AM to 6:30 PM.