

## **BHE Polar Vortex – FAQ's**

### **Why are you adding this cost to my bill now?**

The cost of a customer's natural gas is passed on to our customers with no mark-ups. The winter weather event in February caused the largest natural gas price increases in the last twenty years. We have been working closely with the Nebraska Public Service Commission to determine the best path forward to manage the impact of increased natural gas costs for customers.

### **How long will I have to pay for this?**

Beginning July 1, the natural gas costs incurred during the polar vortex period will appear as an additional line-item on customer bills. At the request of Black Hills Energy, the recovery of these natural gas costs will span for the next 3-years.

### **Why are you spreading the cost over three years?**

The financial well-being of our customers is important to us and we recognize how these additional costs can impact a family budget. We remain committed to supporting reasonable energy costs. Spreading the cost over the course of 3-years will result in a lessened impact to bills during the 3-year period.

### **What will be the average increase on my bill?**

Because this cost is reconciled based on the amount of natural gas you use each month; the amount will fluctuate each month based on your usage. Residential customer will see an average monthly increase of \$10 and an average commercial customer will see an average increase of approximately \$38 each month with the costs varying seasonally. This does not impact customers who participate in the Choice Gas program or opted into the 2020-2021 Annual Price Option program.

### **Where can I see these cost on my bill?**

Beginning in July, the natural gas costs incurred during the polar vortex period will appear as an additional line-item, on the second page, of your bill.

### **What billing management options do you have to support customers?**

Customers worried about affording their bill are encouraged to enroll in [Budget Billing](#), a free payment plan that averages the amount you pay each month. This budget option supports customers looking to avoid the seasonal increases in bills that result during extreme weather by averaging out usage during the past year.

### **You previously said to expect an increase in their bills, but due to higher usage not due to higher prices. Why are you changing this now?**

The cost of a customer's natural gas is passed on to our customers with no mark-ups. It was important that we take time to review and understand actual usage and cost associated with the increased prices of natural gas during the February 2021 winter weather event. We have been working closely with the utility commissions in each state we serve to determine the best path forward to manage the impact of increased natural gas costs for customers.

### **Why are you price gouging customers?**

Black Hills Energy purchases gas for delivery to customers from large suppliers and that cost is directly passed on to our customers with no mark up by Black Hills Energy.