



# CONSUMER INFORMATION

## NATURAL GAS BILL CHARGES

Some of these items are optional and may not be on your bill.

**Customer Charge:** A flat fee per month that does not vary with gas usage. This part of the rate is charged to customers to cover the costs operating and maintaining the gas distribution infrastructure, including pipes, meters, employees, etc.

**Distribution Charge:** The charges for the delivery of natural gas to your home or business from your utility company.

**Purchase Gas Commodity:** This is the actual market cost of the gas and transportation. There is no revenue in this item. Your cost is based on usage and your usage is measured in therms. A **therm** is a unit of measurement indicating the heat energy and calculates the actual energy used.

**Energy Charge, Purchased Gas Cost Adjustment (PGA), or Gas Cost Reconciliation (GCR):** These are mechanisms to true up the actual gas purchased price versus the estimated gas purchased price. Your cost is based on usage.

**City Sales Tax:** A tax assessed by and remitted to the city to fund general municipal obligations. City sales taxes, if they exist, vary by city.

**State Sales Tax:** A tax assessed by and remitted to the state (currently at 5.5%). It funds general state government obligations.

**Occupation or Franchise Fee :** A tax assessed to utility companies (passed on to customers) by the city for the right to do business in the community. Occupation or Franchise Tax, if they exist, vary by city.

**State Regulatory Assessment:** A fee assessed to consumers to fund the Regulatory Commission. This fee is collected through utility billing and is returned to the State of Nebraska.

**City Approved Economic Development Surcharge:** This surcharge is an economic development fee that has been in effect for certain NorthWestern Energy customers since 1999. Surcharges collected are returned to the city.

**Pipeline Replacement Charge or System Safety and Integrity Rider Charge (SSIR):** A fee to assist utility companies in maintaining and replacing piping infrastructure to promote the safety and integrity of the natural gas system.