



# UNDERSTANDING YOUR WINTER ENERGY BILLS

This winter, our South Dakota customers may be receiving higher bills. This is due to three main factors:

**1. Higher natural gas prices** – Natural gas prices are higher this winter than last winter. Gas prices have more than doubled from January 2021 to January 2022. For the last several years, we've enjoyed incredibly low natural gas prices. This year, prices are 87% higher than the 10-year average, due to lower supply and increased demand. NorthWestern Energy buys natural gas on the market, and, therefore, we have little control over gas prices. To help manage price impacts, a significant amount of winter heating natural gas is purchased by NorthWestern during the summer to take advantage of lower prices.

The market price of natural gas is reflected in the Purchase Gas Commodity on your bill. The monthly service rate, which covers the cost of the pipes and other infrastructure required to deliver natural gas to homes and businesses, is unchanged.

**2. Colder weather** – According to the National Weather Service, December 2021 and January 2022 were colder than last winter. For example, the average temperature in Aberdeen in January 2021 was 25 degrees, compared to 12 degrees in January 2022. When it's colder outside, it takes more natural gas to heat our homes, so your natural gas usage is likely higher than it was this time last year. Higher usage results in higher bills.

**3. Impacts from the cold weather in February 2021** – The extremely widespread frigid winter weather in February 2021 caused energy demand to skyrocket. Natural gas prices during last February's cold spell were much higher than normal. Customers are paying an additional 33 cents per therm in their Purchase Gas Commodity cost to cover the additional natural gas costs incurred during that extreme weather event.

Learn more about resources and programs available as well as valuable energy efficiency tips at [NorthWesternEnergy.com/heretohelp](https://NorthWesternEnergy.com/heretohelp).

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***Delivering a Bright Future***

# HELP IS AVAILABLE

If you're concerned about your ability to pay your energy bill, reach out to us right away. There are programs that may be able to help.

- **The SD Cares Housing Assistance Program\*** offers financial assistance to help stabilize housing situations for renters and homeowners who have been impacted by COVID-19 and the related economic crisis. Homeowners who have a past due utility bill or mortgage statement may qualify. Learn more at [www.sdhda.org/social-programs/cares-act-housing-assistance-program](http://www.sdhda.org/social-programs/cares-act-housing-assistance-program)
- **The Low Income Energy Assistance Program\* (LIEAP)** provides financial assistance to low-income South Dakota customers to help pay their home heating bills. Learn more at [dss.sd.gov/economicassistance/energyassistance/lowincome.aspx](http://dss.sd.gov/economicassistance/energyassistance/lowincome.aspx)

- **The Free Weatherization Program\*** helps low-income households by making their homes more energy efficient. Learn more by calling the South Dakota Department of Social Services, Office of Energy Assistance at (800) 233-8503.
- **The Energy Crisis Intervention Program\* (ECIP)** offers assistance to households in crisis who have not received LIEAP assistance this heating season. To learn if you qualify and to apply, contact the South Dakota Department of Social Services, Office of Energy Assistance at (800) 233-8503.

## My Energy Account

Sign up for a My Energy Account at [NorthWesternEnergy.com/create-manage-account](http://NorthWesternEnergy.com/create-manage-account). You can track your energy use, make payment arrangements to pay your outstanding balance in installments, and more.

*\*Program qualifications may apply.*