



## IMPORTANT NOTICE REGARDING UPCOMING RATE CHANGES

We want to let you know about an upcoming rate change requested to go into effect in November. Vermont Gas (VGS) has filed a request with the Vermont Public Utility Commission (“Commission”) for an overall rate increase of 2.9%. The effective date of this change is dependent on the regulatory review process but is anticipated to go into effect in November 2020. A typical residential customer pays about \$1,230 a year for natural gas. With this change that would increase by about \$34 a year or just under \$3 /month. As we work toward maintaining our core values of safety, climate, customers and culture, we are committed to keeping our rates low and stable for current and future customers.

The overall rate change is comprised of a 2.7% increase in the Natural Gas Charge portion of your bill and a 3% increase in the Daily Access and Distribution Charges. To limit the increase in the Daily Access and Distribution Charges to 3%, VGS has also requested that the Commission allow us to return to customers approximately \$5.6 million of the System Expansion and Reliability Fund (“SERF”) that the Commission authorized in 2011 for future use to help bring natural gas service to more Vermonters.

Please note that the increase in the Natural Gas Charge portion of the bill is based on rates in effect as of February 14, 2020. The actual percent change will depend on natural gas costs at the time of the November 2020 rate change and, under our current regulatory framework, the Natural Gas charge will continue to change quarterly until then.

Pending regulatory approval, the residential rate components will be adjusted as follows:

| Rate Components                    | Current Rates | Proposed Rates Effective November, 2020 |
|------------------------------------|---------------|---|
| Natural Gas Charge (per ccf)       | \$0.3063      | \$0.3146                                |
| Daily Access Charge (per day)      | \$0.7622      | \$0.7847                                |
| Distribution Charge (per ccf)      | \$0.6504      | \$0.6696                                |
| EEU Charge (per ccf)               | \$0.0480      | \$0.0480                                |
| Assistance Program Fee (per month) | \$0.11        | \$0.11                                  |

The rates proposed in this filing would be in effect during the first year of VGS’s proposed three-year regulation plan. The plan was filed in September for review by the Public Utility Commission. If approved, VGS’s rates for the three-year period will be established in an efficient and transparent manner, ensuring customers continue to see stable rates and pay only VGS’ reasonable costs to provide safe, reliable service aligned with clean energy goals.

Please note that VGS has submitted this rate request and its regulation plan via e-PUC, the Public Utility Commission’s on-line case and document management system. Interested customers can view both filings either at <http://www.vermontgas.com/account/rates/> or at <https://epuc.vermont.gov/>

While the Commission would generally hold a public hearing in this case, due to the on-going COVID-19 pandemic, all public hearings are postponed until further notice. However, the Commission welcomes comments regarding the filings via e-PUC, the Commission’s electronic filing system, under case numbers 19-3529-PET (regulation plan) and 20-0431-TF (rate increase) at <https://epuc.vermont.gov/>. Alternatively, the Commission accepts comments by mail at 112 State Street, Montpelier, VT 05620-2701, and by email at [puc.clerk@vermont.gov](mailto:puc.clerk@vermont.gov). Please note the case number(s) in your comments.

