



FAQ

Was this a rate increase?

No. This was not a permanent base-rate increase. The higher January bills reflect the cost of natural gas purchased during an extreme weather event when wholesale prices rose sharply, combined with increased customer usage during the storm. We expect bills to normalize as market conditions and usage return closer to typical levels.

Why did natural gas prices go up so much?

Prices rose because demand for heating increased sharply across a wide region at the same time supply was temporarily reduced by extreme cold. When demand rises and supply tightens at the same time, wholesale prices can spike very quickly.

Why was production down?

Extreme cold can temporarily disrupt natural gas production and delivery. Wells, processing equipment, and related systems can experience freeze-offs and other cold-weather interruptions, which reduces available supply until conditions improve.

Why didn't CNINGA hedge more?

Hedging is a tool, but it involves tradeoffs and cost. Planning decisions are made using available market information and standard forecasting tools. We are reviewing whether additional protections should be added for future extreme events.

Is this due to poor forecasting?

Forecasts are one input used for planning, and they are based on probabilities, not certainty. We are explaining the information available at the time and the decisions made with that information, while also taking steps to strengthen future protections.

Why didn't you warn customers sooner?

We understand customers want earlier notice. One of the biggest changes coming out of this event is better customer communication – faster alerts and clearer updates when market conditions change quickly.

Why can't CNINGA absorb the cost instead of passing it to customers?

CNINGA purchases gas to serve customers and must manage those costs responsibly as a public utility. While we cannot erase wholesale costs from an extreme event, we can provide payment flexibility, promote bill-smoothing options like levelized billing, and pursue longer-term strategies to reduce exposure.

Why are some bills much higher than others?

Bills varied because the impact depended on both usage and home/business conditions during the storm. Factors like home size, insulation, furnace efficiency, and thermostat settings affected how much gas each customer used while wholesale prices were elevated.