

Expect Higher Heating Bills This Winter

Like the price of gasoline, the costs of natural gas and other heating fuels are the highest ever. As a result, your heating bills are expected to be dramatically higher this winter. Even with the higher prices, natural gas continues to be the best home heating value there is – and the most popular choice, too.

Why are natural gas prices higher?

Wholesale natural gas prices have been rising because natural gas demand is increasing, particularly for gas-fueled power plants. Prices are affected by weather, too. If winter weather is cold, higher demand for natural gas will push prices up even more. Aquila does not profit from natural gas price increases. Customers pay what Aquila has already paid for natural gas supplies – and not a penny more. Gas supply costs represent about 60% of your natural gas bill.

What is Aquila doing to reduce the effect of gas supply price increases?

Aquila is committed to providing reliable natural gas service for customers at the best market prices available. The company uses a portfolio approach when purchasing natural gas supplies – purchasing its normal winter gas requirements in late spring and obtaining up to 80% of its natural gas supply from fixed price contracts, gas placed in storage and options contracts. The remaining winter gas supply is purchased at the beginning of or during each winter month at market prices.

What is Aquila doing to help customers cope with higher heating bills?

Aquila's free StreamLINE® level payment plan helps make energy bills more predictable for customers by averaging energy bills over a 12-month period. Call 1-800-303-0752 to sign up.

Aquila offers payment arrangements for customers who have trouble paying their energy bill. Call 1-800-303-0752 if you expect to have problems paying your bill.

The Aquila Cares program provides money to local assistance organizations to help qualifying individuals pay their energy bills and for the cost of repairs to vital heating and cooling systems. Aquila donates up to \$100,000 annually for energy assistance – 50 cents for every dollar that customers contribute.

Act Now To Hold Down Your Heating Bills

Using energy wisely can help reduce your home heating costs:

- Lower your furnace thermostat setting by 10% to 15% for eight hours and cut annual heating costs as much as 10%.
- Use caulk or weather stripping to seal doors and windows; can reduce monthly energy bills as much as 10%.
- Have your furnace checked annually by a professional to be sure it's operating at top efficiency.
- Lower the water heater temperature a few degrees, and use cold water whenever possible.
- Take five-minute showers, not baths. Typically a shower uses 10 to 20 gallons of water, and a bath requires about 30 gallons.
- Check your furnace filter monthly and replace if needed.
- Keep shades, blinds and drapes open during the day, closed at night.
- Go to ***www.aquila.com*** for more energy-saving tips and information.

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