

# ENERGY INSIGHTS

NOVEMBER 2021

A newsletter for customers of Holyoke Gas & Electric

For a Spanish version of this piece, please visit [www.hged.com/newsletter](http://www.hged.com/newsletter).  
Para obtener una versión en español de este artículo, visite [www.hged.com/newsletter](http://www.hged.com/newsletter).

## What to Expect this Winter | Natural Gas

With a significant increase in the cost of natural gas, driven by escalated global demand and shortages in U.S. supply, **we are asking customers to prepare for higher-than-normal gas bills this winter.** During the pandemic, the price of natural gas hit a 10-year low and recently, the market price doubled compared to last winter. This market shift will impact natural gas rates.

If you are a natural gas customer, your HG&E gas rate is made up of three components, which include:

- **Customer Charge:** Fixed monthly amount that covers maintenance and repair of meters and other customer-related expenses.
- **Distribution Charge:** Covers the cost of transporting natural gas through HG&E's distribution system, including the necessary measures related to safety and reliability.
- **Purchased Gas Adjustment (PGA):** Reflects the cost of purchasing natural gas and transporting it to HG&E's distribution system. The PGA is driven by market conditions and is adjusted as needed throughout the year.

Here is what to expect this winter.

- A planned 3% adjustment to the distribution charge is expected to take effect in January 2022 in order to keep pace with the cost of services provided.
- Compared to November 2020, expect the PGA component of your bill to increase significantly. This increase is driven by market conditions outside of HG&E's control.
- With these changes, the average residential heating customer using 185 ccf of gas per month during the winter will see a bill increase of approximately \$51 (24%) compared to last winter.

### WAYS TO OFFSET THE INCREASE IN NATURAL GAS PRICES THIS WINTER

Manage your energy use and payments by taking advantage of HG&E's innovative energy efficiency programs, assistance, and rebates, including:

- **PROMPT PAYMENT DISCOUNT:** All customers who pay their bill in full within 15 days of receipt receive 10% discount on their bill.
- **REBATES & INCENTIVES:** HG&E offers various rebates and incentives to help you improve your energy efficiency and reduce your energy bills. [hged.com/rebate](http://hged.com/rebate)
- **RESIDENTIAL ENERGY CONSERVATION PROGRAM:** Financial assistance at 0% interest for qualifying energy efficiency projects. [hged.com/recp](http://hged.com/recp)
- **FUEL ASSISTANCE:** Programs available for qualifying households to assist with heating costs.
- **PAYMENT PLAN:** HG&E is happy to discuss a payment plan arrangement that works for you.

We know any increase to your bill is challenging and our team is here to help you get ready for the winter heating season ahead. Visit [hged.com/save](http://hged.com/save) or contact Customer Service by calling (413) 536-9300 for additional information.

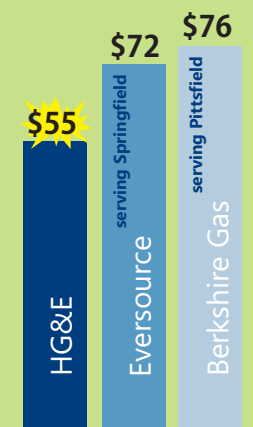
## RATE COMPARISONS

### LOWEST ELECTRIC RATE



**October 2021:** Residential customer consuming 500 kWh/month. Amounts shown include all discounts and use the fixed default generation supply price.

### LOWEST NATURAL GAS RATE



**October 2021:** Residential customer consuming 45 CCF/month. Amounts shown include all discounts.

# Update: Natural Gas Moratorium

[hged.com/moratorium](http://hged.com/moratorium)

Due to supply constraints during periods of high demand, HG&E issued a natural gas moratorium on all requests for new or increased natural gas service in 2019. Regionally, the demand for natural gas has outpaced supply, leading to several area utility moratoriums. **If you are doing any work that involves natural gas equipment in your home or business, please ask your contractor to contact HG&E before starting any work in order to avoid any confusion.**



For more information call **(413) 536-9300** or visit [hged.com/moratorium](http://hged.com/moratorium).

## What does the moratorium mean to you?

### Customers **can...**

- **Replace** existing active equipment (equal or less connected load)
- **Remove** gas equipment
- **Activate** a gas service that has been utilized in the last 12 months (only for equipment that was actively consuming gas)

### Customers **cannot...**

- **Add** new equipment that will increase the customer load
- **Activate** a gas service that was previously abandoned
- **Activate** an old gas service that has not been in use in the previous 12 months

*For example, if a customer purchases a new property that has an existing gas service, but the gas has not been "turned on" since January 2019, they cannot activate that service.*

HG&E continues to evaluate options that would alleviate the local natural gas capacity issue, but there is currently no timeline in place to lift the moratorium due to limited options. In the meantime, if you are interested in natural gas service, please complete the Natural Gas Service Interest Form by visiting [hged.com/NGInterest](http://hged.com/NGInterest). HG&E will continue to review new service interest and contact customers with additional information.

## Heating & Cooling Alternative - Air Source Heat Pump (Mini-Split)



Air source heat pumps (also known as mini-splits) are an energy efficient, electric heating and cooling option for homes and businesses. In cooling mode, air source heat pumps operate like a central air conditioner. In heating mode, this advanced technology reverses operation to provide efficient space heating. These systems can help significantly reduce emissions and costs compared to oil, propane or electric resistance heating systems, especially with HG&E's electric mix, which is 94% carbon-free! HG&E offers rebates and incentives for qualifying, highly efficient heat pumps. Please visit [hged.com/heatpump](http://hged.com/heatpump) to learn more!

## Weatherization Assistance



Taking steps to air-seal and insulate your home will help reduce overall energy consumption. A tighter, more insulated home will not only save you money on operating costs and reduce your carbon emissions throughout the year -- it may also allow you to buy smaller, less expensive heating and/or cooling equipment in the first place. HG&E offers various incentives to help you weatherize your home including rebates and financial assistance at 0% interest through our Residential Energy Conservation Program. Customers may also be eligible for grants through the Low Income Weatherization Assistance Program. Please visit [hged.com/weatherization](http://hged.com/weatherization) to learn more!



EMPOWERING YOUR WORLD

**HG&E Main Office**  
99 Suffolk Street  
Holyoke, MA 01040  
(413) 536-9300  
[www.hged.com](http://www.hged.com)

**Customer Service Hours:**  
Monday - Friday  
8:30 am - 4:30 pm

**Contact Customer Service:**  
(413) 536-9300  
[Customer\\_Accounts@hged.com](mailto:Customer_Accounts@hged.com)

**Marketing/Communications:**  
Kate Sullivan Craven  
[ksullivan@hged.com](mailto:ksullivan@hged.com)

## Payment Options

**Online Payment**  
[www.hged.com/payonline](http://www.hged.com/payonline)

**Phone Payment**  
(413) 536-9300 (Option 5)

**Drive Thru/Walk In**  
99 Suffolk Street  
Holyoke, MA 01040  
(413) 536-9300

**Mail**  
P.O. Box 4165  
Woburn, MA 01888-4165

**Holyoke Drop Boxes**  
HG&E, 99 Suffolk Street  
C-Mart, 1500 Northampton Street  
DB Mart, 494 Westfield Road  
Stop & Shop, 28 Lincoln Street  
Stop & Shop, 2265 Northampton Street  
Union Mart, 297 Apremont Highway

## Holiday Closings

Veterans' Day  
Thursday, November 11

Thanksgiving Day  
Thursday, November 25

Christmas Day  
Friday, December 24

New Years Day  
Friday, December 31

## Commissioners

Francis J. Hoey, III  
Robert H. Griffin  
James A. Sutter

## Manager

James M. Lavelle