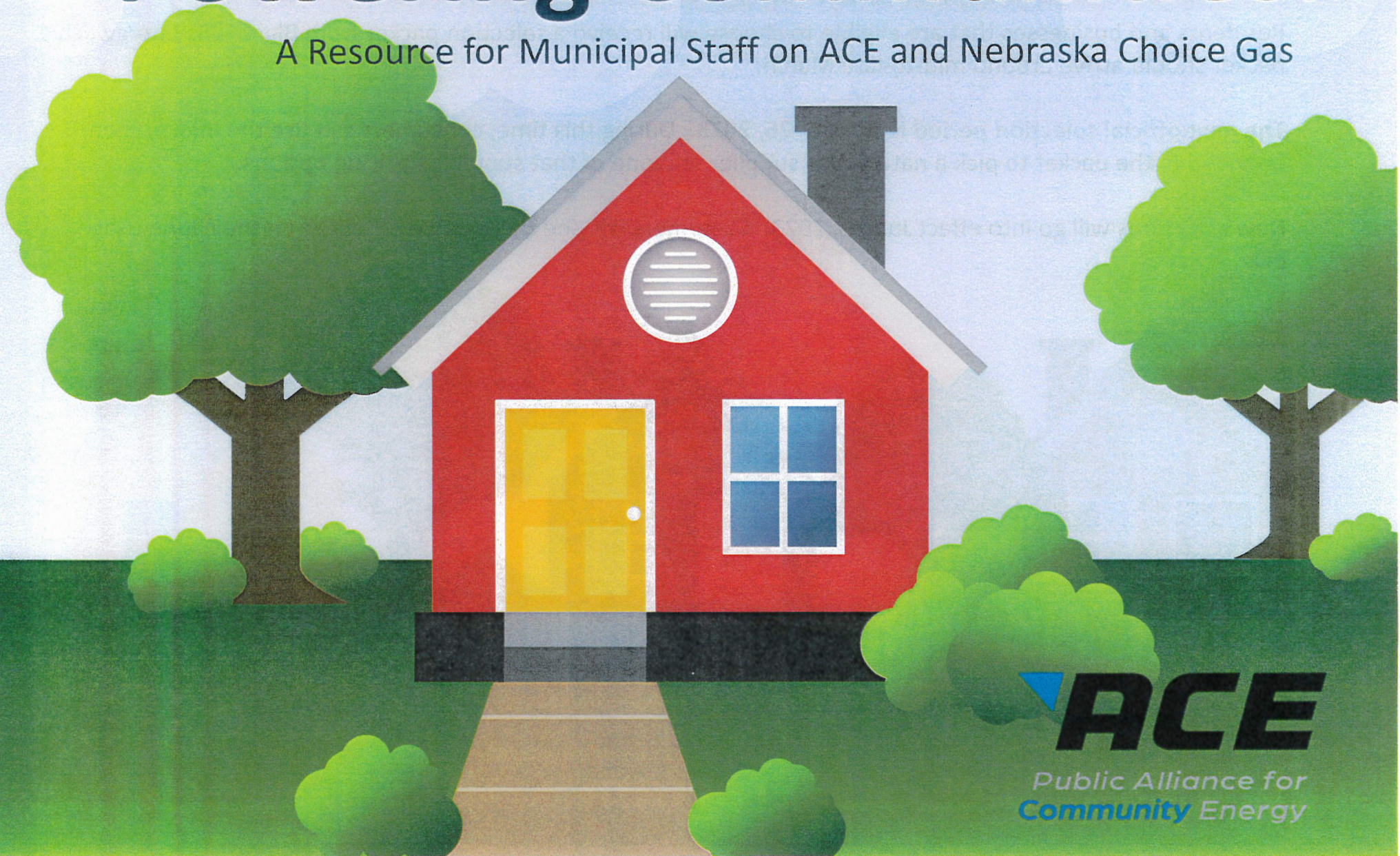


Heating Homes. Powering Communities.

A Resource for Municipal Staff on ACE and Nebraska Choice Gas



 **ACE**
Public Alliance for
Community Energy

Choice Gas happens every spring.

Since 1998, approximately 2/3 of Nebraska has had the power to choose a natural gas supplier through the Nebraska Choice Gas Program.

Residents and businesses that are eligible to choose will receive a selection packet from Black Hills Energy. This packet should arrive around mid-to-late March.

The next official selection period is April 6 -26, 2023. During this time, consumers can use the information provided in the packet to pick a natural gas supplier and one of that supplier's pricing options.

New selections will go into effect June 1, 2023. Customers will see this change reflected on their June usage bill.



Nebraska Choice Gas Program The Power to Choose.

Nebraska Municipalities Eligible for Choice Gas*

ACE members are in blue

Western Region	Central Region					
Alliance	Ainsworth	Byron	Eustis	Huntley	Ogallala	Shelton
Bayard	Albion	Cairo	Ewing	Imperial	Orchard	Spalding
Bridgeport	Amherst	Cambridge	Fairfield	Indianola	Ord	St. Edward
Broadwater	Ansley	Campbell	Farnam	Inman	Orleans	St. Paul
Chadron	Arapahoe	Cedar Rapids	Foster	Juniata	Osmond	Stamford
Chappell	Arcadia	Chapman	Franklin	Kearney	Overton	Sutherland
Crawford	Atkinson	Chester	Fullerton	Kenesaw	Oxford	Sutton
Dalton	Atlanta	Clay Center	Funk	Laurel	Palmer	Trumbull
Gering	Axtell	Clearwater	Genoa	Lawrence	Paxton	Upland
Gordon	Bartley	Coleridge	Gibbon	Lexington	Petersburg	Utica
Gurley	Bassett	Comstock	Giltner	Litchfield	Phillips	Venango
Hay Springs	Beaver City	Cozad	Glenvil	Long Pine	Plainview	Waco
Hemingford	Belden	Creighton	Gothenburg	Loomis	Pleasanton	Wausa
Henry	Belgrade	Crofton	Grant	Loup City	Polk	Western
Kimball	Benedict	Curtis	Greeley	Marquette	Primrose	Wilcox
Lewellen	Benkelman	Danbury	Guide Rock	Mason City	Ragan	Winside
Lodgepole	Bertrand	Dannebrog	Hartington	Maxwell	Randolph	Wood River
Lyman	Berwyn	Davenport	Harvard	McCook	Ravenna	
Minatare	Big Springs	Deshler	Hazard	Milligan	Red Cloud	
Mitchell	Bladen	Doniphan	Heartwell	Minden	Republican City	
Morrill	Bloomfield	Edgar	Hebron	Naponee	Riverdale	
Oshkosh	Bloomington	Edison	Henderson	Neligh	Riverton	
Potter	Blue Hill	Elgin	Hershey	Nelson	Roseland	
Rushville	Brady	Elm Creek	Hildreth	Newport	Ruskin	
Scottsbluff	Broken Bow	Elwood	Holbrook	North Loup	Sargent	
Sidney	Brule	Elyria	Holdrege	O'Neill	Saronville	
Terrytown	Burwell	Emmet	Holstein	Oakdale	Scotia	

*This is not a complete list of all communities that have Choice Gas-eligible meters. However, all natural gas meters in these communities are eligible to participate in the program.

Who's Who of Choice Gas

Black Hills Energy is the natural gas distribution company for much of the state, but they also own and manage the Nebraska Choice Gas program. Black Hills Energy sets program rules and parameters and provide suppliers with the information they need to attract and serve customers.

The Nebraska Public Service Commission is the regulatory body that oversees the distribution side of natural gas service as well as Choice Gas program activity.

There are currently 7 suppliers in the Nebraska Choice Gas program. Every supplier that participates must meet reliability standards established by the Nebraska Public Service Commission and Black Hills Energy.

Current Suppliers include:

ACE (Public Alliance for Community Energy)

Black Hills Energy Services (not the same as Black Hills Energy, the Utility. They are a legally separate affiliate.)

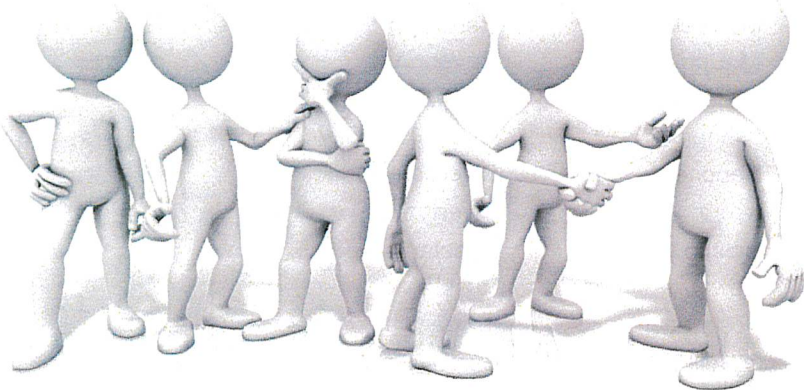
Constellation Energy

Symmetry Energy

Uncle Frank Energy Services

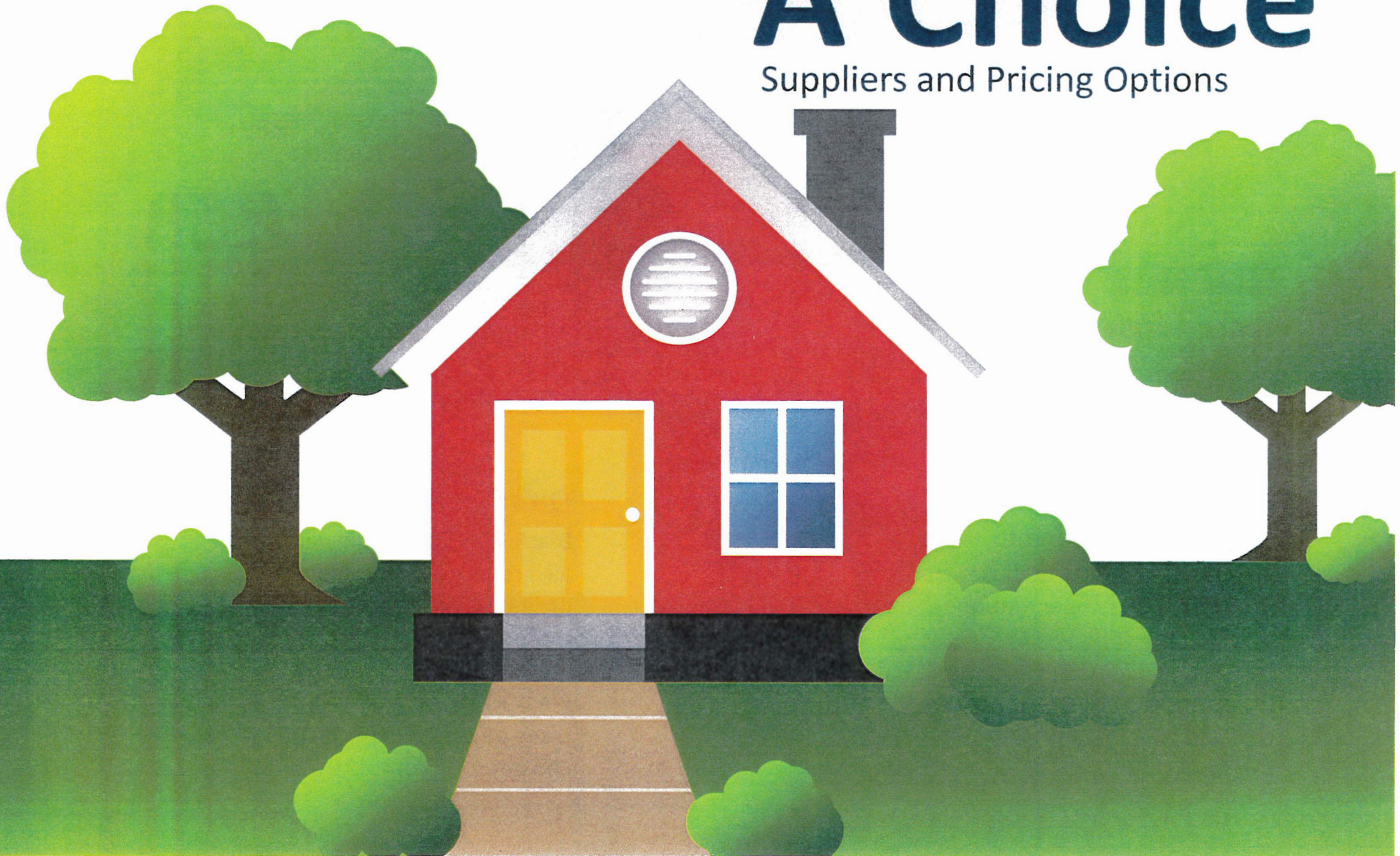
Vista Energy Marketing

WoodRiver Energy, LLC



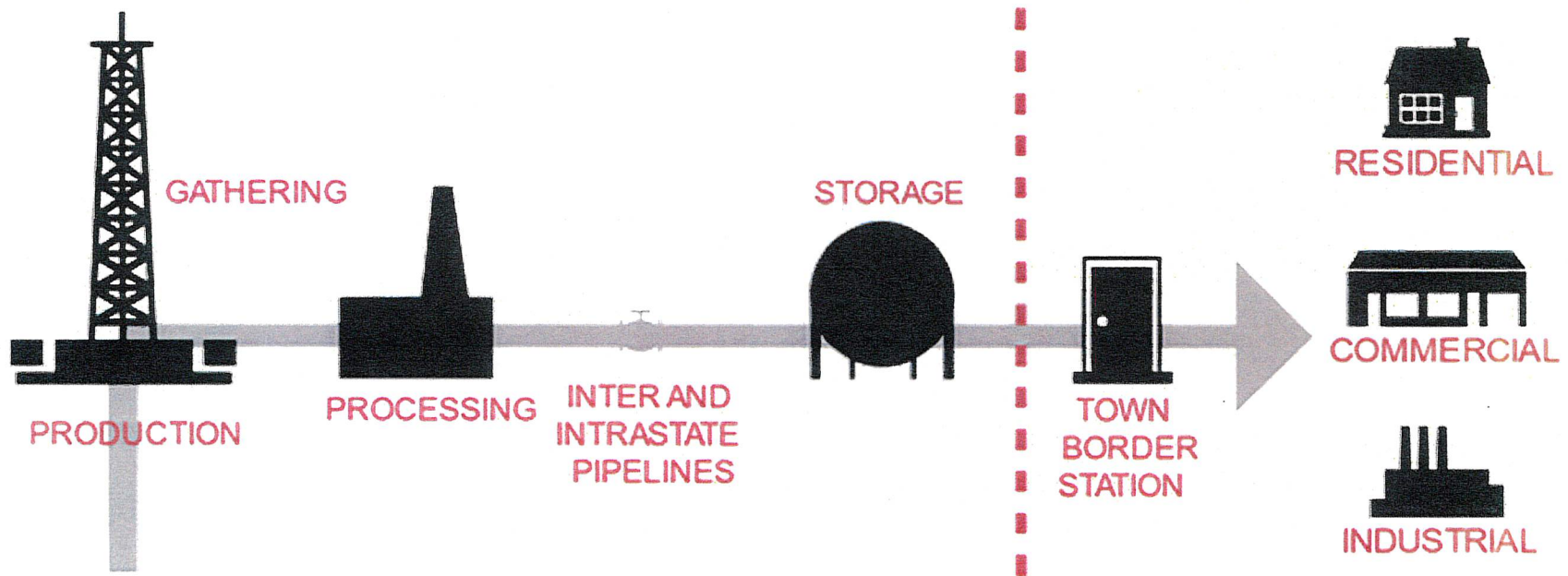
What's in A Choice

Suppliers and Pricing Options



Supplier vs. Distributor

Everybody in Choice Gas territory of Nebraska has a natural gas supplier, even if they didn't pick one. How is a supplier different from Black Hills Energy?



Supplier — Ground to Town

Suppliers (like ACE) purchase, store and deliver gas to the local border station on a customer's behalf.

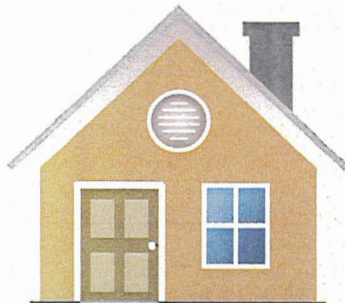
*This is reflected on a natural gas bill as the **Commodity Charge**.*

Distributor — Town to House

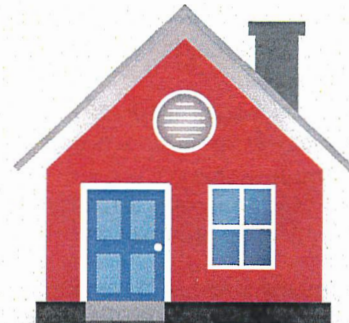
Black Hills Energy delivers gas to consumers. They also read meters, maintain local pipelines and prepare billing statements for every Choice Gas customer.

Black Hills Energy's services, distribution charges, taxes and fees will not change because of supplier chosen.

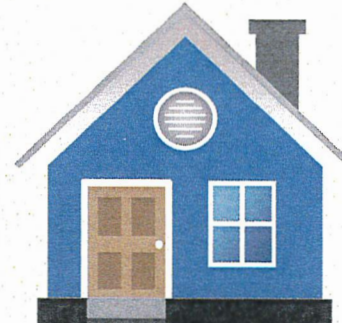
What is a Commodity Charge?



Natural gas is traded on the market like corn or wheat. That is why it is called a "commodity."



A customer's natural gas consumption is measured in therms which is about the energy content of 100 cubic feet of gas.



The *average* residential natural gas user consumes about 800 to 1,000 therms in a year.



Choice Gas suppliers compete annually to earn the right to supply natural gas commodity to consumers.

Finding Your Commodity Charge Price



Delivery and distribution: Costs to bring energy to your address.	\$28.04
Billing Details for 09/06/22 - 10/05/22, 29 days.	
Customer Charge	\$15.59
State Regulatory Assessment, 24/29 days	\$0.17
State Regulatory Assessment, 5/29 days	\$0.04
Safety and Integrity Charge	\$2.07
Distribution Chg 20 Therms @ \$0.50858	\$10.17
Distribution Chg 0 Therms @ \$0.15	\$0.00
Energy supply: Cost of natural gas.	\$25.70
Billing Details for 09/06/22 - 10/05/22, 29 days.	
Public Alliance for Community Energy	\$0.00
Commodity Charge 20 Therms @x.xxx	\$XX.XX
Other costs: Credits, adjustments and other charges.	\$0.00
Taxes and fees: Local and state taxes and fees.	\$3.68
Billing Details for 09/06/22 - 10/05/22, 29 days.	
Franchise Fee 20 Therms @ \$0.0087	\$0.17
City Sales Tax \$53.91 @ 1%	\$0.54
State Sales Tax \$53.91 @ 5.5%	\$2.97
Total charges this month	\$57.42

All Choice Gas customers receive their billing statements from Black Hills Energy, no matter who they have as a supplier.

The supplier's cost to serve a customer is called the Commodity Charge. Customers can find this charge in the billing details section of their natural gas bill on page 2. All other charges listed in that section are related to Black Hills Energy.

The first line names the customer's supplier. The "0.00" after the supplier's name is just a place holder.

The second line shows how many therms were consumed and what price the customer is paying for that consumption.

Not all Commodity Charge Prices are the same

Suppliers can offer a variety of pricing options and use unique names to distinguish their products from the competition. They also set the terms and conditions that apply to their pricing options. Make sure to ask questions to ensure an apples-to-apples comparison.

The most common pricing options offered are:

Fixed rate

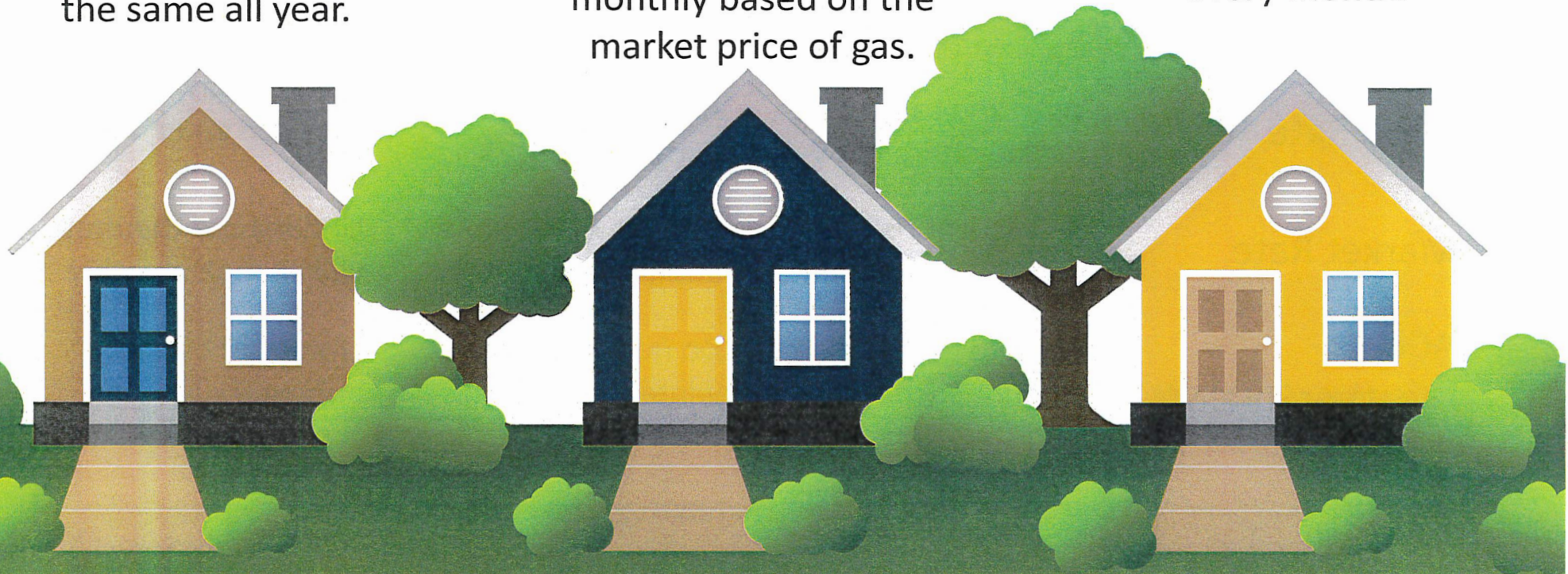
The price per each therm used stays the same all year.

Market rate

The price per each therm used changes monthly based on the market price of gas.

Fixed monthly bill

The entire gas bill stays the same every month.



Did you know? ACE's Fixed monthly bill product is called ACE WeatherShield™

Which Pricing Option is the Best?

Nobody can predict what the natural gas market or the weather will do, so there is no way to know which pricing option will be the cheapest in any given year.

ACE suggests reviewing these considerations when helping a customer choose the best option for them:

Designed for customers who:

Fixed Rate	Want the same rate for the entire gas year	Are uncomfortable with risk	Want to pay for what they use when they use it
Market Rate	Will accept risk with potential for benefit	Are knowledgeable about the market	Understand their rate will change monthly
ACE WeatherShield™	Want to pay the same amount each month	Do not like high winter heating bills	Like exact budget numbers

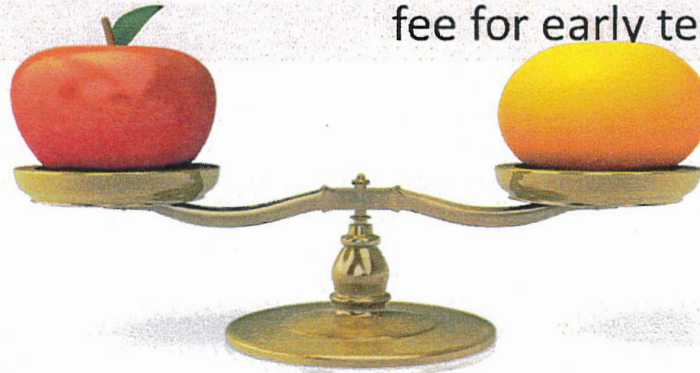
If a customer chooses a fixed or market rate, they can contact Black Hills Energy at any time to enroll in a levelized payment plan called **Budget Billing**.

Budget Billing vs. ACE WeatherShield™*

Black Hills Energy offers a levelized payment plan to all Choice Gas customers on a per therm rate, regardless of supplier. It functions differently than a fixed monthly bill program like ACE WeatherShield™. **Perhaps one of the biggest things to note** is if a customer is on Budget Billing and wants to switch to ACE WeatherShield™, they will be required to pay their Budget Billing balance down to zero before the transition.

To help customers make an informed decision about which works best for them, here are a few things to note:

Budget Billing	ACE WeatherShield™
Payment plan for customers on a per therm rate	Pricing option offered by ACE
Levelized payment may fluctuate based on actual usage	Gas bill will not change for the term of the agreement
Customers can start/stop at any time	New rates go into effect June 1
True-up upon exiting the program	No true-up. However, there is a \$99 exit fee for early termination



* Some conditions may apply. To review ACE WeatherShield's complete terms and conditions, visit ACEenergy.org. To learn more about Black Hills Energy's Budget Billing payment plan, visit BlackHillsEnergy.com.

Choosing a Supplier



Making a Choice – What is Required

Thanks to technological advancements over the past two decades, customers have a variety of ways to choose a natural gas supplier during the annual Choice Gas selection period. However, every valid selection requires these three components:

Account Number

Found on the selection form or customer billing statement.

This tells the system who the customer is.

Control Number

Found on the selection form *and changes every year.*

This tells the system the customer is authorizing a selection.

Confirmation Code

Given to customer by the supplier.

This tells the system what to charge the customer.



Lost selection form?

Customers can contact Black Hills Energy at 877-245-3506 or go online to ChoiceGas.com for their control number.

2022 NEBRASKA CHOICE GAS SUPPLIER SELECTION FORM

Residential/Commercial program selection period: Friday, April 1 - Thursday, April 21, 2022

To choose your supplier, please follow the instructions on the back of this form. If you don't submit a valid selection on or before Thursday, April 21, 2022, you'll automatically roll over to your current supplier and price option at a price the supplier determines after the selection period ends. If you roll over any Choice Gas price option, the first rate will be available no later than 15 days after the selection period ends. The final rollover rate will not carry over from the previous year unless the supplier agrees to do so, and it may be different from prices quoted during the selection period.

Only one selection per service address is permitted. The first valid selection you submit will be your final choice. We strongly encourage you to participate in the selection process.

If you move from one service address to another or if a new customer moves to an existing service address, that customer will continue with the gas supplier and price option previously selected for that service address.

The control number on this form is specific to your service address and is used to make sure no one else can submit a selection for you.

Note: The control number is for your selection security. If you provide it to a supplier, you've authorized them to submit your Choice Gas selection.

Non-jurisdictional: Participation in this program is not required. By participating in this residential program, you agree to be bound by all applicable laws and regulations.

Sample A. Samplename
Optional 2nd name
123 Anystreet
Apartment 123
Anytown, NE 12345-6789
112345678901

ACCOUNT # 0000000000
CONTROL # 00000000
STATE REGION:
Current Supplier: Companyname
Current Price Option: Price Option X
Account Class XX
Service address code
Premise # 000000000000
Customer Name
c/o Name if needed
123 Anystreet
Anytown, US 12345

Sample Form

Please choose one supplier and one price option. You agree to. We encourage you to participate in the selection process.

WoodRiver Energy, LLC 877-790-4990 woodrivergas.com	<input type="checkbox"/> Fixed Rate (1 Year) <input type="checkbox"/> Fixed Rate Per Therm (1 Year) <input type="checkbox"/> Market Index Rate (1 Year)	<input type="checkbox"/> Fixed Rate (2 Year) <input type="checkbox"/> Fixed Rate Per Therm (2 Year) <input type="checkbox"/> Market Index Rate (2 Year)	Confirmation Code
Symmetry Energy 888-200-3788 (Se habla español) symmetryenergy.com/choice	<input type="checkbox"/> Fixed Rate (1 Year) <input type="checkbox"/> Fixed Rate Per Therm (1 Year) <input type="checkbox"/> Market Index Rate (1 Year)	<input type="checkbox"/> Fixed Rate (2 Year) <input type="checkbox"/> Fixed Rate Per Therm (2 Year) <input type="checkbox"/> Market Index Rate (2 Year)	Confirmation Code
Uncle Frank Energy Services 833-372-6564 (Se habla español) unclefrankenergy.com	<input type="checkbox"/> Fixed Rate (1 Year) <input type="checkbox"/> Fixed Rate Per Therm (1 Year) <input type="checkbox"/> Market Index Rate (1 Year)	<input type="checkbox"/> Fixed Rate (2 Year) <input type="checkbox"/> Fixed Rate Per Therm (2 Year) <input type="checkbox"/> Market Index Rate (2 Year)	Confirmation Code
ACE (Public Alliance for Community Energy) 800-454-4759 (Se habla español) ACEenergy.org	<input type="checkbox"/> ACE WeatherShield® (Guar. Fixed Mo. Bill) (1 Year) <input type="checkbox"/> Guaranteed Fixed Rate per Therm (1 Year) <input type="checkbox"/> Guaranteed Market Index Rate (1 Year)	<input type="checkbox"/> ACE WeatherShield® (Guar. Fixed Mo. Bill) (2 Year) <input type="checkbox"/> Guaranteed Fixed Rate per Therm (2 Year) <input type="checkbox"/> Guaranteed Market Index Rate (2 Year)	Confirmation Code
Vista Energy Marketing 888-508-4782 (Se habla español) rockinyoursavings.com	<input type="checkbox"/> Go Big! Fixed Rate (Fixed Monthly Bill) (1 Year) <input type="checkbox"/> Go Big! Fixed Index Price (1 Year) <input type="checkbox"/> Go Big! Fixed Price (1 Year)	<input type="checkbox"/> Go Big! Fixed Rate (Fixed Monthly Bill) (2 Year) <input type="checkbox"/> Go Big! Fixed Index Price (2 Year) <input type="checkbox"/> Go Big! Fixed Price (2 Year)	Confirmation Code
Constellation Energy 877-274-5710 NebraskaGas.com	<input type="checkbox"/> Budget Assist (Fixed Monthly Bill) (1 Year) <input type="checkbox"/> Fixed Rate Per Therm (1 Year) <input type="checkbox"/> Market Index Rate (1 Year)	<input type="checkbox"/> Budget Assist (Fixed Monthly Bill) (2 Year) <input type="checkbox"/> Fixed Rate Per Therm (2 Year) <input type="checkbox"/> Market Index Rate (2 Year)	Confirmation Code
Black Hills Energy Services 800-215-3035 trueBHES.com	<input type="checkbox"/> WinterGuard® (Fixed Monthly Bill) (1 Year) <input type="checkbox"/> Fixed Rate Per Therm (1 Year) <input type="checkbox"/> Market Index Rate (1 Year) <input type="checkbox"/> Extended Smart Rate (1 Year)	<input type="checkbox"/> WinterGuard® (Fixed Monthly Bill) (2 Year) <input type="checkbox"/> Fixed Rate Per Therm (2 Year) <input type="checkbox"/> Market Index Rate (2 Year) <input type="checkbox"/> Extended Smart Rate (2 Year)	Confirmation Code

0000000000 ACCOUNT # 0000000000 CONTROL # 00000000 DEADLINE DATE Thursday, April 21, 2022

Please sign and date below
By signing below, I confirm my natural gas supplier for this service address beginning the first billing cycle in June 2022.

Please print name _____ Signature _____ Date _____

Please detach and retain this portion for your records

Account Information		Usage Information in Terms:			
ACCOUNT # 0000000000	CONTROL # 00000000	BILL DATE	USAGE	BILL DATE	USAGE
Current Supplier: Companyname		01/2021	0000	07/2021	0000
Account Class XX		02/2021	0000	08/2021	0000
Current Price Option: Price Option XX		03/2021	0000	09/2021	0000
Premise # 000000000000		04/2021	0000	10/2021	0000
Customer Name		05/2021	0000	11/2021	0000
c/o Name if needed	Service address	06/2021	0000	12/2021	0000
123 Anystreet	123 Anystreet or Code				
Anytown, US 12345	Service City, NE 12345				
		TOTAL USAGE	XXXX,XXX		

Record your 2022 selection for your records
Supplier selected: _____ Confirmation code submitted: _____ Price quoted: _____

This is a sample of the selection form mailed to all eligible Choice Gas customers. If a customer chose a multi-year rate last year, they won't receive a form this year.

Lost selection form?

Customers can obtain their control number by contacting Black Hills Energy at 877-245-3506 or Choicegas.com.

Making a Choice – How to “Lock it In”

Prices often fluctuate during the selection period, but if a customer doesn't actively lock in a price when they can, it could cost them. Rollover customers (customers that don't choose) keep the same supplier they had previously for another 1-year term, but the customer's new price may be higher than pricing offered during the selection period.* When suppliers compete for a customer's business, the customer wins!

How does a customer lock in a selection? There are many ways:

Website - Supplier

Visit ACEenergy.org for a quote. The website offers step-by-step instructions to lock it in.

Phone Line - Supplier

Call ACE at 800-454-4759 to discuss options and lock in a price with our friendly team of customer service representatives.



Snail Mail – Choice Gas

Mail a signed selection form directly to Black Hills Energy by the end of the selection period. Clearly print the supplier's confirmation code on the form. The current mailing address is: Choice Gas Program, PO Box 1158, Rapid City, SD 57709.

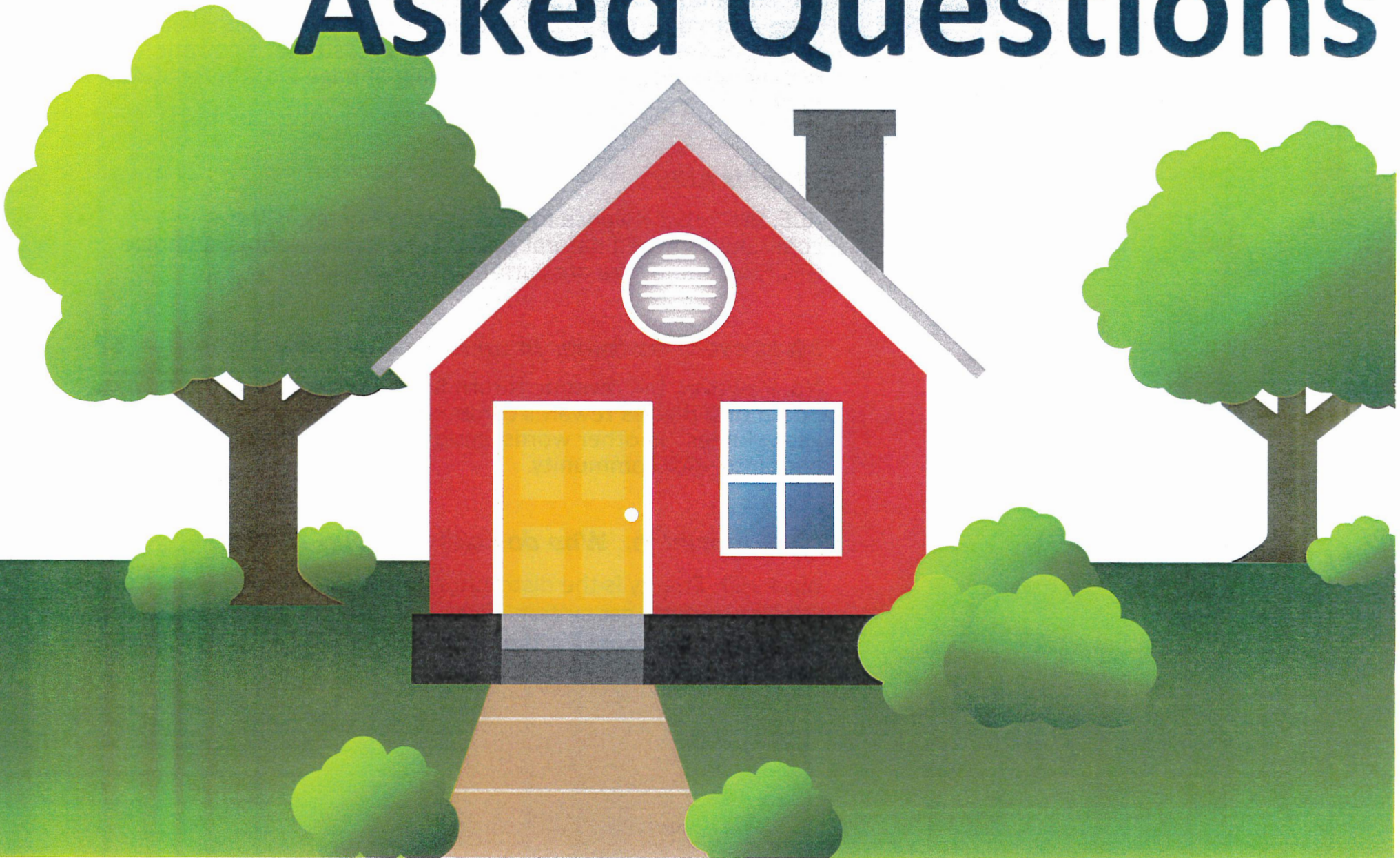
Website – Choice Gas

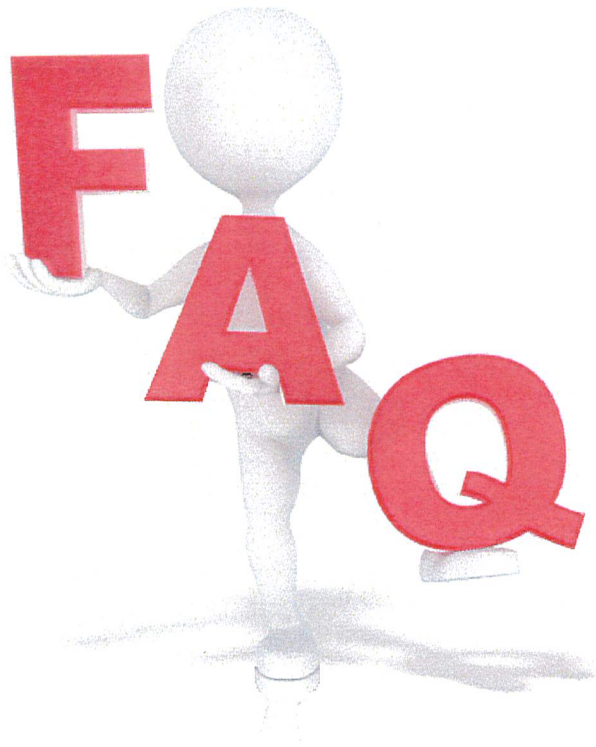
Visit ChoiceGas.com to register a selection using a valid supplier confirmation code. The website offers step-by-step instructions to lock it in.

Selections must be registered on or before midnight (CDT) of the last day of the selection period.

*Based on selection period result reports released annually by the Nebraska Public Service Commission.

Frequently Asked Questions





What is the Choice Gas Program?

It is an annual program administered by Black Hills Energy that gives customers the power to choose a natural gas supplier and pricing option that suits their budget. A customer's current pricing option can be found by looking at page 2 of their natural gas bill.

What is ACE?

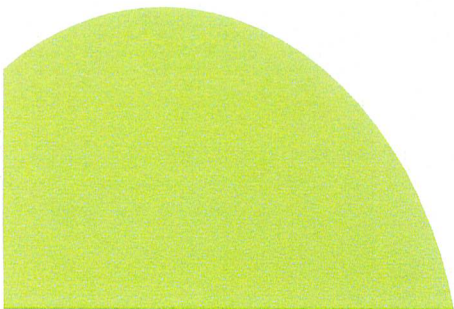
ACE, the Public Alliance for Community Energy, is the community-owned natural gas supplier in the Nebraska Choice Gas Program. There are currently 76 members.

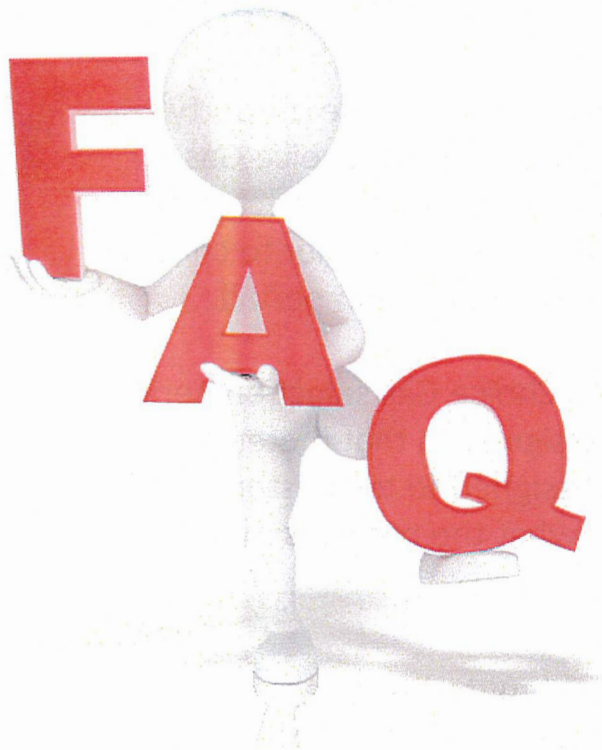
Must every customer in an ACE community choose ACE?

No. However, the revenue return formula adopted by the ACE Board of Directors rewards communities based on ACE customer gas volumes. In other words, choosing ACE can help put money back into your community.

I just moved in. Who do I call to set up service?

Black Hills Energy is the distributor and is therefore in charge of the local natural gas system. They will turn on the gas and set up a customer's account for them. Black Hills Energy can be reached by calling 877-245-3506.





What if I lose my selection form?

Customers can contact Black Hills Energy via phone (877-245-3506) or web (ChoiceGas.com) to obtain a control number. The account number should be listed on a recent natural gas bill.

What if I have a problem with my gas system?

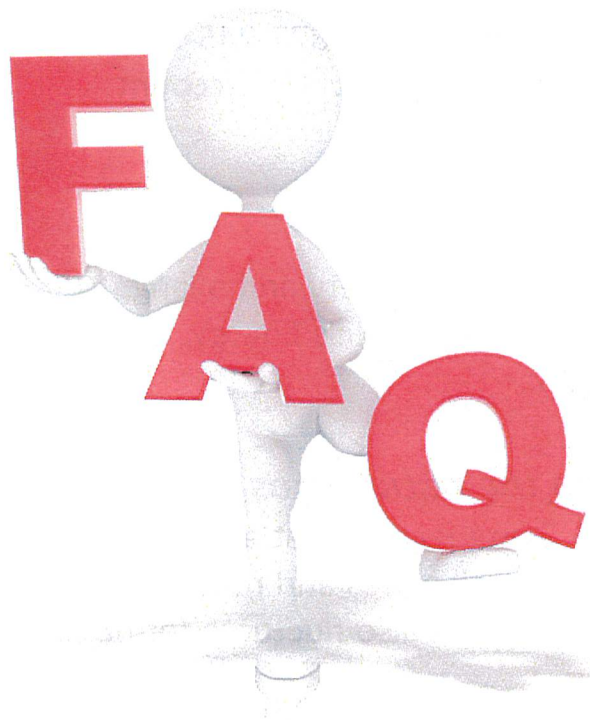
Any problems with meters, gas delivery, system safety and billing remain the responsibility of the distributor, Black Hills Energy, which can be reached by calling 877-245-3506.

What are some factors impacting the natural gas market?

Natural gas is traded as a commodity. Some factors that affect the natural gas market include weather, crude oil prices and natural gas supply and demand. However, the market can also fluctuate for no apparent reason.

What happens to my choice when I move?

A customer's Choice will not transfer when they move. If they remain in Choice Gas territory, the new property will keep the supplier previously assigned to it. The new owner will be able to choose a new supplier during the next selection period. *The rate assigned may not be the same as what the previous owner was paying.*



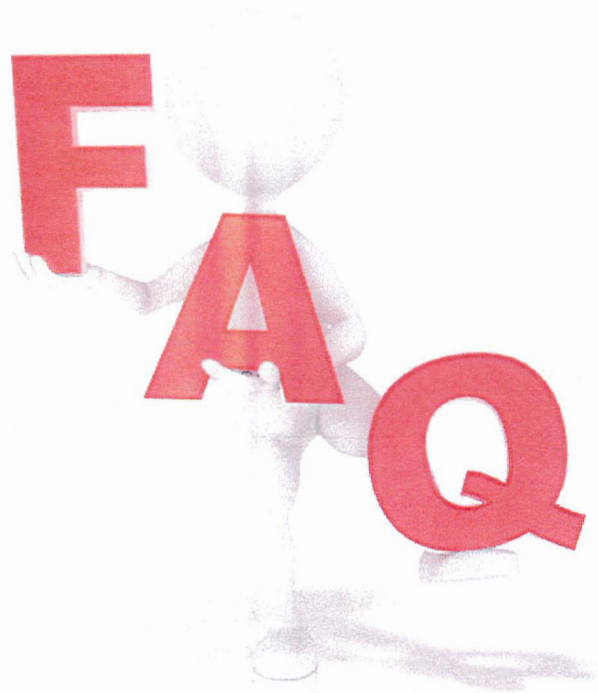
If I bought a new property after the selection period, do I get still get to choose?

If a customer is purchasing new construction or if the property's meter has been inactive since before the previous Choice Gas selection period, the customer may receive a new connect selection form from Black Hills Energy which allows the customer to choose a natural gas supplier outside the traditional selection period.

If the meter was active during the last Choice Gas selection period, the customer will have the supplier assigned to that meter until the next selection period. A rate will be assigned to the customer by the supplier and may not be the same as what the previous owner had.

What's a "valid" selection?

A selection is considered valid when submitted through one of the accepted submission methods on or before Wednesday, April 26, 2023. The first valid selection Black Hills Energy receives is considered a customer's final choice. Mail-in selection forms must be signed to be valid.



Which is cheaper: fixed or market?

Since ACE cannot predict the market, we do not know which option will be the lowest cost for the upcoming gas year. Fixed rates are based on the gas futures market and market rates change each month according to actual market price.

However, although ACE can't predict which will be cheapest, some options are better suited to individual customer characteristics.

Designed for customers who:

ACE WeatherShield™	Want to pay the same amount each month	Do not like high winter heating bills	Like exact budget numbers
Fixed Rate per therm	Want a fixed rate for the entire gas year	Are uncomfortable with risk	Want to pay for what they use when they use it
Market Rate	Will accept risk with potential for benefit	Are knowledgeable about the market	Understand their rate will change monthly

Where are market prices found?

The Wall Street Journal and web carry NYMEX and futures prices which can be used to monitor overall market conditions. However, ACE uses the CIG market which is a non-published index.

Why CIG instead of NYMEX?

The CIG index more accurately reflects the cash price of natural gas to our region. NYMEX is a publicly traded market which establishes pricing primarily for the east coast

**Choose ACE.
Choose Nebraska.**

