

City of Shawneetown Gas Customer,

I wanted to take a moment of your time to explain a few things that have been going on with your gas bills and in the gas department in the past. I hope the explanation will make your monthly bill easier to read and help you understand where your money goes. In the past, there have been times when miscalculations or omitting certain charges have taken place for all customers and that has saved you money, at the expense of the City Gas Department accounts. At this point, we have corrected all situations and we wanted to inform all customers as to what your gas bill actually says.

For those with a Residential Gas Bill, you will notice 5 line items. They will appear like this on your bill:

G CONS MA-This is the exact charge that Consumers Gas charges each consumer for the maintenance and service on your gas meter each month. The city makes no money on this charge as it is passed on from them to you. They bill the city (# of meters x \$17) and we pay that bill monthly to Consumers. Currently, they charge you \$17/meter and that charge went up by \$5 a meter earlier in the year.

G USAGE-This is the charge that each unit of gas costs you, the consumer. The only way the City of Shawneetown makes any money off the gas system is when we sell units of gas. Currently, the city makes \$5 per each unit that we bill out. This money is used to pay Gas Department employees and expenses. We purchase our gas wholesale from Consumers Gas Company and have no control over what they charge you per unit. Gas is a commodity and the price fluctuates from time to time (just like gasoline, grain and other commodities.)

G TAX-The 1st G TAX is the State of Illinois' Gas Usage Tax. The state requires that all gas purchased pay one of two fees: either \$.024/therm or 5% of your cost. We now have it set in our system to bill you whichever way is cheapest. This ensures that you pay the least tax possible.

G METER R-This is the charge that is required by Rural Development for us to pass on to you to keep money in the Gas Capital Outlay account. This money is not a profit for the Gas Department to use on salaries or monthly expenses. We have paid off the bond for the gas system and have decreased this to the minimum allowed by our auditors. This money can only be used for major gas system maintenance/replacement in the future.

G TAX-This is the second tax from the State of Illinois. This tax should only be \$.45/meter for Residential customers and is called the Energy Assistance Charge. The state collects this tax monthly from the city and is based on Residential and Commercial meters. Commercial charges are \$4.50/meter

I hope this explanation helps you understand what each gas bill item is. If you have any questions about your bill or the Shawneetown Gas Department, please feel free to attend any City Council Meeting, 2nd Monday of the month. If you have a specific question about the above information, you may email me at cityofshawneetown@gmail.com.

Sincerely,

Matt Martin
Shawneetown City Clerk