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**FOR IMMEDIATE RELEASE**

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## **Increase to natural gas purchased gas adjustment**

**Rocky Mount, N.C.** – City of Rocky Mount natural gas customers will see an increase to the cost of natural gas service this winter due to the increased cost of natural gas that has affected much of the United States.

During a meeting on Monday, December 13, the Rocky Mount City Council was advised of a Purchased Gas Adjustment (PGA) from \$0.00 to \$0.20 per therm. This yields a residential gas rate of \$1.32/therm for the first 10 therms and \$1.05/therm for over 10 therms. The increase to the PGA means the cost to the average residential customer using 100 therms will increase from \$121.70 to \$141.70 per month. The PGA increase is effective January 1, 2022 and will remain in place until June 30, 2022.

“The last time we had to increase the PGA was in May 2018,” said Chris Beschler, director of Energy Resources. “We’ve been fortunate over the last few years that the weather has not caused us to adjust our gas prices. However, the wholesale cost of natural gas has increased significantly, and we must increase the PGA to account for this increase.”

**Purchased Gas Adjustment:** Natural Gas is a commodity traded on the open market and its price is based on supply and demand. In addition to buying natural gas on the open market, the city of Rocky Mount also pays to have it transported from the wellhead to the city. Rates are set using a base rate that accounts for transportation, commodity and utility costs. Based on the fluctuating price of the delivered natural gas, the city’s rates may be adjusted each month using a rate mechanism called the Purchase Gas Adjustment (PGA). The city of Rocky Mount does not profit from the fluctuations in gas costs. Instead, all costs associated with increases or decreases in the commodity price of natural gas are passed along to customers.

### **About Rocky Mount**

The city of Rocky Mount, located in the Coastal Plains of North Carolina, was incorporated in 1867 and lies in Edgecombe and Nash Counties. Rocky Mount is a two-time All-America City on the Tar River. Serving as the Gateway to Eastern North Carolina, the city's 875 employees serve approximately 58,000 residents daily.

The city’s mission is to advance community well-being, safety and quality of life by delivering excellent public services and actively collaborating with the community toward a fulfilling and inspired future for its citizens. As a publicly owned utility, the city of Rocky Mount is committed to safe, reliable service for its customers and operates in Nash and Edgecombe counties, providing

customers with electricity, natural gas, water, wastewater (sewer), refuse, recycling and/or stormwater services. To learn more, visit [www.rockymountnc.gov](http://www.rockymountnc.gov) for news and updates.

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