



Dear UniGas Customers,

Earlier this year all Texans were impacted by Winter Storm Uri. At UniGas, we understand that our customers were surprised by the increased cost in their monthly bill as a result of the spike in natural gas prices caused by the winter storm. During the storm, UniGas's costs to purchase adequate gas supply increased to unprecedented levels. This was not unique to UniGas – ALL natural gas utility providers and consumers were impacted by this extraordinary storm.

Below is an update on what we're doing in response to your feedback.

What Happened?

The winter storm's extremely low temperatures caused a drastic increase in demand for natural gas throughout Texas. Additionally, several major natural gas pipelines encountered operational interruptions which caused significant constraints to the gas supply. To ensure that safe and reliable natural gas service to customers throughout this extreme weather event, all Texas utility companies (including UniGas) were required to continue purchasing gas at unprecedented volumes and prices.

What's Next?

We understand that none of our customers want to see their utility bill increase and we can assure you that we're doing everything we can to reduce the financial burden of these extraordinary costs on our customers.

On April 13, 2021, we received formal approval by the Railroad Commission of Texas to extend the recovery of extraordinary costs related to the storm over a period of 18 months, in equal installments (link to Final Order may be found on the website in FAQs). The primary goal of this action was to minimize the impact to customers by extending the collection of those costs over a longer period.

However, we have listened to you and appreciate your feedback and concerns. It has become clear that the current formula to recover the high gas costs incurred by customers (as a result of Winter Storm Uri) was too burdensome.

As a result, we are pleased to report that in further meetings with the Railroad Commission, we received additional approval to extend the recovery period from 18 months to 60 months to reduce the monthly consumer burden. Please look for your revised bill in the next few days. For those that have already paid your bill, your account will receive a credit. If you have questions, please contact the office staff at info@txgas.net or 281.252.6700.

In addition to this adjustment, we have decided to temporarily suspend the Winter Weather Installment Fee on future bills while House Bill 1520 (H.B. 1520) is considered in the Texas Legislature.



H.B. 1520 has not yet passed, but it will effectively spread the recovery of the costs over a much longer period of time for all gas utility providers and will be applicable to all utilities across Texas.

We encourage you to contact your local representatives and urge them to pass this bill. It will provide further relief to all Texans.

Please know that we will continue to explore every possible solution to minimize the impact to our customers. We will continue to be transparent and upfront with you throughout the process.

Thank you for your loyalty, patience and understanding during this unprecedented time.

Regards,

Robert Barnwell

Robert S. Barnwell
President and CEO