



Charge Descriptions

- **Distribution Charge** – A variable charge billed each month to cover a portion of Nicor Gas’ cost to make gas service available to customers. The charge varies based on the quantity of gas used in the bill period.
- **Monthly Customer Charge** – A fixed charge billed each month to cover a portion of Nicor Gas’ cost to make gas service available to customers. This is the minimum charge for most customers. The total monthly customer charge that appears on the bill may include Rider 1 and Rider 26 costs, if applicable.
- **Rider 1 Customer Charge Adjustment** – A fixed monthly charge mandated by the State which funds low-income energy assistance programs, renewable energy, and clean coal technologies. The cost is included in the monthly customer charge.
- **Rider 2 Franchise Cost Adjustment** – A charge for municipal franchise agreements.
- **Rider 6 Natural Gas Cost** – The price we pay our suppliers for the natural gas we purchase and deliver to your home. The price may change each calendar month and is filed with the Illinois Commerce Commission (ICC).
- **Rider 7 Governmental Agency Compensation Adjustment** – An adjustment for governmental fees and added costs, excluding franchise costs. The charge may change each month and is filed with the ICC.
- **Rider 12 Environmental Cost Recovery** – Covers our costs for the environmental investigation and cleanup of former manufactured gas plants. Nicor Gas receives no profit from these charges.
- **Rider 26 Uncollectible Expense Adjustment** – A fixed monthly charge or credit which recovers or refunds the difference between Nicor Gas’ actual annual uncollectible expense and the amount of uncollectible expense included in our delivery service rates. This cost is included in the monthly customer charge.
- **Rider 30 Energy Efficiency Program** – A charge that pays for costs related to energy efficiency programs as approved by the ICC.
- **Rider 32 Qualified Infrastructure Charge** – A charge that pays for the costs of qualified infrastructure investments allowed under Section 9-220.3 of the Public Utilities Act.
- **Municipal Use Tax Rate** – Some Municipalities charge this tax passed on your gas use. Your local municipality has an ordinance requiring collection of this.
- **Municipal Utility Tax Rate** – Some municipalities charge this tax based on utility revenue. It is authorized by Section 8-11-12 of the Illinois Municipal Code and is applied according to the local municipality’s ordinance.
- **State Revenue Tax** – This is mandated by the State of Illinois. It is not a sales tax.