



Letter to the Editor

Hoosiers are paying more at the grocery and gas pump and may be noticing higher electric bills as well. We want to share background on what's driving Duke Energy electricity costs and what we're doing to help.

Since mid-2021, costs for coal and gas to produce the energy that powers Indiana homes, businesses and assembly lines have increased significantly. Fuel accounts for a significant portion of our electric costs, averaging as much as 30% of a total bill. That's why when there are volatile energy markets, it can have a big impact.

In fact, Duke Energy Indiana is seeing the highest sustained prices for fuel that we have witnessed in a decade. Global demand and tight fuel supplies as well as labor shortages at coal mines and railroads are affecting the cost of the power we produce as well as what we purchase in the energy markets. We also have been working to overcome supply chain challenges to ensure we have sufficient supplies of fuel available for summer and winter—the times of highest electric demand.

These are not permanent rate increases. Fuel costs rise and fall, and we pass those costs to our customers with no markup, so customers pay what we pay. Our priority is to purchase fuel at the best possible price, through steps such as long-term contracts and using a diversity of suppliers. To lessen the impact on customer bills, we are spreading recovery of some of these fuel costs over a longer period to reduce the rate impact.

Unfortunately, as we approach the summer, the bill impact will continue to increase, and we expect that to continue throughout the year. If you are struggling financially to pay your electric bill, contact us at 800.521.2232. We can discuss payment plans and resources for help.

We also recommend tools such as High Bill Alerts and Budget Billing that can help customers to manage their bills. Financial assistance also is available through our Share the Light program, where eligible customers can receive up to \$300 in energy bill assistance. You can find more information on these programs at [Lower My Bill ToolKit - Home - Duke Energy \(duke-energy.com\)](https://www.duke-energy.com/lower-my-bill-toolkit).

We have found that many of our customers are missing out on state and federal assistance programs for which they are eligible. To learn more, visit [Indiana Low Income Home Energy Assistance Program | Benefits.gov](https://www.in.gov/benefits/2753.htm).

We know that higher electric bills can be a hardship for many, and we want to connect customers to resources for help.

A handwritten signature in black ink that reads "Stan Pinegar".

Stan Pinegar
President
Duke Energy Indiana