

# The Pipeline

Straight talk & tips for Snow's customers

## FAQ

## Frequently Asked Questions About Price Protection Programs

### General Questions

**Q. What causes fuel price instability?**

A. Global demand, a devalued dollar and unregulated futures trading, just to name a few. Most factors influencing the market are outside the United States, giving us even less control.

**Q. Who profits from price increases?**

A. OPEC, global fuel companies and the commodities market. Local fuel dealers like us don't. When the cost of fuel increases, we have to pay the increases just like you.

### Price Protection Program

**Q. What is Price Protection Program Insurance?**

A. This insurance protects you against price instability. The capped rate is the highest price per gallon you'll pay during the program—even if market prices are higher.

**Q. What if fuel prices decline?**

A. Your price per gallon drops to our daily retail price.

**Q. If prices drop below the capped price, have I wasted money on Price Protection Insurance?**

A. Every year, you pay premiums for auto, medical and home insurance *in case* something happens. You may go years without having an insurance claim, but when you have a car accident or a medical emergency, the insurance is there to cover the expenses. With Price Protection Insurance, you're "covered" whether prices increase or decrease. You'll always pay our lowest market price and never pay more than our capped price. The cost of Protection Insurance is worth the small investment to eliminate the risk of the unknown and give you peace of mind.

**Q. Who determines the cost of the insurance?**

A. Hedging Companies determine insurance costs. We purchase insurance on your behalf at the prevailing rates. Please know we share the cost of this fee and do not derive any profit from it.

**Q. How do I purchase price protection insurance?**

A. Snow's purchases insurance for every gallon of fuel they buy for the Capped Program. The number of gallons you contract for are all insured under this program.

**Q. Do I need to pay for insurance upfront?**

A. Only if you are pre-paying for your fuel. If you pay for your fuel in installments, the insurance fee will be incorporated into your monthly payment.

**Q. Is the insurance fee refundable?**

A. No. We have already paid for the insurance on your behalf.

**Q. Are there penalties for breaking a Price Protection Program Contract?**

A. Yes. The contract termination fee is \$295.

## Snow's Fuel Company

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