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August 25, 2009

By Hand Delivery

James J. McNulty, Secretary
 Pennsylvania Public Utility Commission
 Commonwealth Keystone Building
 400 North Street, 2nd Floor (filing room)
 Harrisburg, PA 17120

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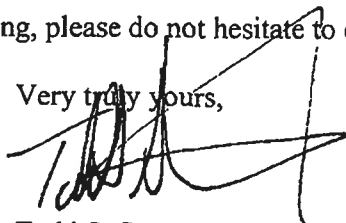
Re: Natural Gas Distribution Companies and the Promotion of Competitive Retail
 Markets; Docket No.: L-2008-2069114; **JOINT COMMENTS OF SHIPLEY ENERGY
 COMPANY, INTERSTATE GAS SUPPLY, INC. AND DOMINION RETAIL, INC. TO
 PROPOSED RULEMAKING ORDER**

Dear Mr. McNulty:

Enclosed for filing with the Commission are an original and fifteen (15) copies of the Joint Comments of Shipley Energy Company, Interstate Gas Supply, Inc. and Dominion Retail, Inc. to Proposed Rulemaking Order.

If you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,



Todd S. Stewart

TSS/bes

Enclosures

cc: James H. Cawley, Chairman
 Tyrone Christy, Vice Chairman
 Wayne E. Gardner, Commissioner
 Kim Pizzingrilli, Commissioner
 Robert F. Powelson, Commissioner

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BEFORE THE
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NATURAL GAS DISTRIBUTION :
COMPANIES AND THE PROMOTION :
OF COMPETITIVE RETAIL MARKETS :

Docket No.: L-2008-2069114

**JOINT COMMENTS OF SHIPLEY ENERGY COMPANY,
INTERSTATE GAS SUPPLY, INC. AND DOMINION RETAIL, INC.
TO PROPOSED RULEMAKING ORDER**

Shipley Energy Company, Interstate Gas Supply, Inc., and Dominion Retail, Inc., (“Collectively “Natural Gas Suppliers” or “NGSs”) hereby offer their Joint Comments to the Proposed Rulemaking Order (“Rulemaking Order”), issued by the Pennsylvania Public Utility Commission (“Commission”) on March 27, 2009 at the above-captioned Docket. Notice of the Order was published in the Pennsylvania Bulletin on July 11, 2009. 39 Pa Bull. 3461. Accordingly, Comments are due to be filed with the Commission’s Secretary on or before August 25, 2009. (Rulemaking Order, Ordering Paragraph No. 5). These Joint Comments are filed in accordance with the Commission’s Rulemaking Order.

A. Introduction

The Natural Gas Suppliers wish to thank the Commission for fulfilling its commitment, in its SEARCH Order,¹ to address competitive issues in a rulemaking proceeding before the end of the first quarter of 2009. The Commission’s Rulemaking Order provides a balanced approach to establishing mechanisms that will allow for more robust competition. The Commission has acted decisively in seeking to reduce or eliminate the current disparities caused by the price to compare and its relationship to purchased gas costs and the under/over collection recovery

¹ *Investigation into the Natural Gas Supply Market: Report on Stakeholder’s Working Group (SEARCH); Action Plan for Increasing Effective Competition in Pennsylvania’s Retail Natural Gas Supply Service Market*, Docket No. 1-00040103F0002 (Final Order and Action Plan, entered September 11, 2008).

mechanisms, and has proposed to establish basic rules for voluntary purchase of receivables (“POR”) programs in its regulations. Importantly, the Commission seeks the input of all stakeholders on what it might need to do to address capacity release issues and other issues such as cost recovery for expenses related to competition.

The NGSs offer their comments on these and other issues raised in the Proposed Rulemaking Order and have attached their suggested modifications to the proposed regulations for the Commission’s consideration. As always, the NGSs stand ready to assist in clarifying these comments or to address additional issues or concerns.

B. Reformation of Price to Compare

The NGSs are quite pleased that the Commission chose to address the Price to Compare (“PTC”) issue in this Rulemaking Order. The lack of market relevance and the hidden utility subsidies in the currently formulated PTC make it one of the most serious hindrances to the further development of competition. The Commission has proposed to require the Natural Gas Distribution Companies (“NGDCs”) to unbundle (or remove) costs associated with natural gas commodity procurement out of base rates and instead collect those costs through the PTC. The PUC also has proposed to require NGDCs to adjust gas costs on a monthly basis, which will have the inevitable effect of more closely aligning gas costs with the rates customers pay for gas. In short, the PUC has gone a long way to ensure that customers are aware of the benefits of competition through a more accurate and transparent pricing mechanism.

1. Unbundling

The proposed regulation 52 Pa. Code § 62.223, will require NGDC’s to remove costs associated with natural gas commodity procurement from base rates --- where they are paid for by all customers --- and instead collect those costs as part of the commodity costs --- paid for

only by those customers who purchase gas commodity from the NGDC. The *status quo*, where not all gas procurement related costs are recovered through commodity costs, has a deleterious side effect; it masks the true cost of the commodity from default service customers by hiding those costs elsewhere. This cost shifting has the further negative impact of causing default service to appear to be less expensive than it would if all associated costs were recovered via the commodity rate; and, it causes customers who have decided to purchase their gas supply from an NGS to pay for goods and services that they do not use and for which they do not cause any costs. These negative side effects put natural gas suppliers at a competitive disadvantage *vis-a-vis* default service. At present, a customer that compares an NGS offer to the price to compare, does so under the extreme likelihood that the comparison will incorrectly reflect the true difference in price.

When the most significant default service related cost categories are fairly removed from base rates and collected along with commodity costs in the price to compare, natural gas suppliers are more able to compete on an equal basis. One example is Columbia Gas of Pennsylvania's recent removal of the bad debt expense associated with commodity sales from base rates and the adjustment of commodity rates to collect a like amount in the commodity rate. The reallocation of this single cost element significantly reduced the unfair burden on customers that shop for natural gas supply and illustrates the benefits of proper unbundling. The NGSs recognize that unbundling all costs associated with natural gas commodity service provided by NGDCs may not be possible or practical, but the more significant avoidable costs can be identified and removed with relative ease. Accordingly, the NGS support the proposed regulation. Moreover, the NGSs applaud the Commission for understanding the need for

immediate action in this area by requiring that, prior to filing their next base rate case, NGDCs create a rider to transition these costs on a more current basis.

2. Monthly Adjustment of Gas Costs.

Due in part to the current volatility in the natural gas commodity market and also in part to the somewhat anachronistic requirements for forecasting and adjusting gas cost rates on a going forward basis, the NGDCs in Pennsylvania have recently had a fairly poor record of aligning projections of gas costs (over a three-month period) with the actual gas costs and the consumption of the gas.² In recent years, the majority of NGDCs have maintained significant balances in their under/over collection accounts. That is, NGDCs consistently have mis-predicted the price of natural gas in the forward periods—a reflection of the difficulty of projecting gas costs into the future, not of any failing on the part of NGDCs. The result is that NGDCs end up charging customers a gas cost rate (or “GCR”) that can be significantly lower, or higher, than the actual cost of the gas that customers use. The mechanism to recover undercollections provides an economic incentive to the NGDC, in that the dollar amount of the under-collections are collected as part of the e-factor adjustment and are not reflected in the gas cost rate, and interest (at a rate of 4%) is charged to customers on the under-collected amount while a greater rate of interest (6%) is charged to the NGDC for over-collections. This skewed mechanism provides an unequal incentive to keep the forecast price of gas lower than what it would be if the undercollection amount were included in the PTC.

This mis-alignment between costs and rates creates a continual lag that has proven to be quite harmful both to customers and to natural gas suppliers for several reasons. Customers burning gas provided by the NGDC do not know in advance how much that gas will eventually cost them when they use it. Most customers are unaware that the gas cost rate of the NGDC is

² See Exhibit B attached hereto.

not the entire amount they pay for gas. They also do not know that the "price-to-compare" does not include the e-factor that recovers the lag of persistent under collections.³ What this all means in real terms is that today there is no way for an NGS to offer customers a "price" that offers any meaningful resemblance to an NGDC "rate", creating a perpetual apples to oranges comparison. The NGSs have attached, as Exhibit B, a chart that illustrates the continuing balances in the under/over collections accounts (illustrated as the e-factor).

The mis-match of forecast to actual gas costs over a three month period means that a significant portion of gas costs are recovered through the e-factor which is not part of the PTC.⁴ Large e-factor rates, some are more than 20% of the gas cost rate, remove significant portions of the cost of commodity service from the PTC, which invariably makes natural gas supplier offers appear to be more expensive than NGDC offers--when the opposite is often the case.

This mis-match problem is largely a result of the application of the statutory requirements, but not entirely. Section 1307(f)⁵ was legislated at a time when most local distribution companies purchased gas under long term contracts from pipelines or affiliates or both (which is not the case today), and at a time when there was far less volatility in the

³ It also is likely that a great many customers have no idea that the price they are charged for gas is subject to retroactive adjustment.

⁴ Vice Chairman Christy has proposed that NGDCs be required to project gas costs a year into the future and provide this forecast to customers so that customers can better evaluate NGS offers. Such a proposal is not a workable solution for a number of reasons. First, NGDC e-factors demonstrate quite plainly that such forecasts are not particularly accurate (even over a three-month period) which provides the potential to unintentionally mislead customers into making bad decisions. Second, such forecasts can provide a false sense among customers that the forecast is actually the price they would pay if they took default service from their NGDC, which would be an incorrect conclusion and which could similarly lead to bad economic decision making. Finally, as we have seen in the past with errant quarterly adjustments to gas cost rates, one bad forecast is all it takes to cause customers to leave their NGS and return to default service, only to realize a few months later, when it is too late to return to the NGS at the same price, that the forecast was wrong and they should have stayed put. In short, such a scheme would provide NGDCs with too much control over the way in which NGS offers, and existing service were perceived, with absolutely no chance of any negative financial repercussions to the NGDC if the forecast proved to be inaccurate. Providing historical data to customers might assist them in understanding the ways in which gas prices can and do vary, but forecasts, particularly NGDC forecasts, are inherently unreliable and would likely do more harm than good.

⁵ 66 Pa. C.S. § 1307(f).

wholesale market. The § 1307(f) process it is not well adapted to the reality of today's wholesale or retail markets. The Commission does, however, have the flexibility to require monthly adjustment of gas costs rates by regulation.⁶ Monthly adjustment should significantly improve the current process because it should reduce, and eventually eliminate, large under (and sometimes over) collections by requiring projection of future gas costs on a more current basis, one month as opposed to three, which should provide for a more accurate forecast.

The NGSs submit that it also is important to provide for a more timely collection of any over or under collection balances to further ensure the minimization of any e-factor adjustment. The regulation should also expressly require that the e-factor be adjusted monthly as well so that any over/under collection balance from the prior month will be collected within the next month. This rolling monthly true up methodology makes sense because the over/under amount will have accrued only over one month, it should be small, and collecting it on a current basis will prevent the large e-factor adjustment. By minimizing the e-factor and presenting customers with a more accurate and market reflective gas cost rate, customers will have more accurate price signals and consumption signals and customers will be able to more accurately discern whether a marketer's offer compares favorably with the price to compare.

Some parties have expressed a concern that having rates vary monthly may cause problems for customers with fixed or limited incomes and that monthly adjustment will cause more volatile rates. Monthly adjustment will mean that rates will change more often, but the best solution is not to distort the price of gas to customers and to allow for the buildup of a large under collection lag that accrues interest that customers must also pay—which is what happens today. Rather, the better solution is to promote the use of budget billing, which levels off the payments customers make while not disguising the cost of gas and not causing customers to pay

⁶ 66 Pa. C.S. § 1307(f)(1)(ii).

interest. Budget billing was developed specifically to address the issue of volatility in pricing and is far better suited to the task than artificially leveling the “cost” in the short term and then collecting the additional dollars later—with interest. Such a process is neither “normal” nor understandable to most customers and takes away any chance that customers may have to adjust their behavior in light of changing prices.

Likewise, concerns that moving to monthly reconciliation will create an “ugly SOLR” are misplaced. There has been no proposal to change the least cost procurement requirements of 66 Pa. C.S. § 1318, so it appears to be safe to assume that NGDCs will not alter their procurement methodologies. Rather, NGDCs would only be required to shorten the period over which they project future gas costs to a single month and, under the NGS’s proposal, to collect any difference between the projection and their actual costs from the previous month over the same future one month period. It may be true that default service customers may see a slight increase in gas costs as result of the unbundling process, but those would not be new costs. Rather, any increase would be the result of the removal of subsidies to those costs that currently are born by shopping customers. Accordingly, there does not appear to be any basis to call this proposal “ugly”—which is just a shorthand (and inaccurate) way of suggesting that it would increase the SOLR rate artificially. To the contrary, the current situation where customers never know the actual cost of their natural gas commodity purchases from NGDCs, with the resulting inability to evaluate competitive offers, is far more problematic because it harms customers and robs them of accurate information with which to make judgments about shopping. Additionally, the current method does not permit the customer to financially plan and budget their natural gas commodity purchases.

Some parties may even suggest that a consequence of NGDCs being required to adjust gas costs on a monthly basis, is that NGDCs will be *required* to offer a “fixed rate option that recovers natural gas costs over a 12-month period, subject to annual reconciliation. . .”⁷ A careful reading of the entirety of 66 Pa. C.S. § 1307(f)(1)(ii) however, makes it clear that the Commission is authorized to promulgate regulations regarding adjustment of gas cost rates and fixed rate options, and that the only restriction on the Commission’s authority in this regard, is that the “Commission shall not prohibit such adjustment or fixed rate option.”⁸ Accordingly, while it would appear that NGDCs would have the option to propose fixed rate options, the Commission retains the ability to regulate such offers, up to the point of prohibition, and as importantly, the Commission possesses the authority to ensure that no NGDC be required to make such an offer as a consequence of monthly adjustment.⁹ The Commission’s existing regulations do not make that point clearly and require modification.¹⁰

The NGSs do not believe that requiring a reconciled, 1-year fixed rate offer is in the best interests of customers, or the development of a competitive marketplace. While such programs may have some “curb appeal” to customers, the fact that the rate would be fixed for a year, and then subject to retroactive adjustment based upon actual costs should be a frightening proposition. Customers could accumulate rather large liabilities if the annual fixed price offering is off by even a small percentage. Moreover, the Commission has previously considered such

⁷ 66 Pa. C.S. § 1307(f)(1)(ii), which requires in pertinent part:

In the event that the natural gas distribution company adjusts rates more frequently than quarterly, it shall also offer retail gas customers a fixed-rate option which recovers natural gas costs over a 12-month period, subject to annual reconciliation under paragraph (5). The Commission shall, within 60 days of the effective date of this subparagraph, promulgate rules or regulations governing such adjustments and fixed rate option, but the commission shall not prohibit such adjustment or fixed rate option.

⁸ *Id.*

⁹ The Natural Gas Suppliers have included in their Exhibit A, a proposed addition to proposed §62.223, noted as subsection (k), that would address this point.

¹⁰ 52 Pa. Code § 53.69

NGDC fixed price offerings, albeit non-reconciled offers, and found them to be harmful to competition.¹¹ The current regulations, require that all costs could be recovered, but do not make it clear from whom those costs would be recovered. Moreover, the regulations do not address how NGDCs would be held accountable for the accuracy of such offerings due to the significant potential for abuse of customers and competitors alike. The statute offers little guidance other than to prohibit the prohibition of such offers. Nonetheless, such requirements would need to be developed, either on a case by case basis, or through modifying the existing regulations.

As part of the process of moving to the monthly adjustment of gas costs and e-factor, the NGSs submit that it also is appropriate to shorten the time period for which customers are required to pay the e-factor adjustment when customers initially migrate to competitive supply (also known as the "migration rider"); from one year to one month. Once the current under-collection balances are recovered, and NGDCs are collecting over/under balances on a next-month basis, it would become appropriate to reduce the migration rider payment to one month as well. NGDC's would not be harmed by such a change because they will know the scheduled level of switching in advance of each month and should be able to mitigate any supply issues accordingly. A significant migration over a relatively short period has not yet occurred and should not be considered as a reason for not shortening the migration process. Such a change is authorized by 66 Pa. C.S. §1307(f)(6). Accordingly, the NGSs recommend that such a modification be included within the proposed regulations.

C. POR

The Commission previously has determined that POR programs are one of the most effective means of promoting competition, and recently has issued a number of orders to

¹¹ *Pennsylvania Public Utility Commission, et al. v. Columbia Gas of Pennsylvania, Inc.*, Docket Nos. R-00049783, et seq.(Opinion and Order entered November 4, 2005, at pp. 61-62).

promote the deployment of voluntary POR programs. Those orders include one issued December 11, 2008, wherein the Commission reversed an outdated determination (made nearly ten years ago at the outset of competition in the natural gas industry)¹² that effectively prohibited natural gas distribution companies from terminating an NGS customer that fails to pay the NGDC when the NGDC purchased an NGS's receivables and billed the customer.¹³ This change (allowing for termination) was prompted by Columbia Gas of Pennsylvania's recent rate case, where Columbia had proposed to purchase the receivables of natural gas suppliers and also proposed that it be allowed to terminate customers who failed to pay bills for which Columbia had purchased the receivables.¹⁴ In that case, the Commission rejected the POR program for the sole reason that the interim guideline cited above would have prohibited termination for non-payment of purchased receivables. However, by revising the guideline in its December 11, 2008 Order, the Commission has paved the way for future POR programs.

Close on the heels of the Commission's December 11 Order, the Commission issued interim guidelines for POR programs in an Order entered December 19, 2008.¹⁵ That rulemaking proposed a number of requirements and safeguards for POR programs including a requirement that termination can only be undertaken for receivables for commodity sales. The Commission has now proposed to promulgate the interim guidelines as regulations and has largely adopted the interim guidelines as the basis for those regulations. The most significant

¹² *Tentative Order Re: Guidelines for Maintaining Customer Services at the Same Level of Quality pursuant to 66 Pa. C.S. 2206(a), Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. C.S. § 2207(b), § 2208(e) and (f), and Addressing the Application of Partial Payments*; Docket No. M-00991249F0003 (Order Entered August 26, 1999) ("1999 Order").

¹³ *Revision of Guidelines for Maintaining Customer Services, Establishment of Interim Standards for Purchase of Receivables ("POR") programs, postponement request filed by TW Phillips Gas & Oil Company and National Fuel Gas Distribution Company*; Docket Nos. M-2008-2068982, et al. (Order issued December 11, 2008).

¹⁴ *Pa. P.U.C. v. Columbia Gas of Pennsylvania, et al.*, Docket Nos. R-2008-2011621, et seq. ("Final Order entered October 28, 2008").

¹⁵ *Establishment of Interim Guidelines for Purchase of Receivables ("POR") Programs*, Docket Nos. M-2008-2068982, et al. (Order entered December 19, 2008).

modification to the interim guidelines was the Commission's determination that it should not require natural gas suppliers who wish to participate in POR programs to participate in the NGDC consolidated billing program. The NGSs believe that this is a reasonable enhancement to POR programs generally and very well may aid in the eventual development and offering of more innovative products. In short, the NGSs fully support the Commission's proposed regulations and believe that they are an important next step in allowing broader deployment of POR programs across all NGDC territories in Pennsylvania.

D. Mandatory Capacity Assignment

The Rulemaking Order requests comments on how the Commission can address capacity issues in a way that encourages competition. Most, but not all NGDCs release some upstream pipeline capacity and some storage capacity to NGSs. A subset of those NGDCs release the pipeline and storage capacity at rates that are the equivalent of what the utility pays for the capacity. Similarly, another potentially different subset of NGDCs release a "bundle" of capacity resources that are usable to serve the supplier's actual customers. In short, while most NGDCs release or assign some type of capacity, there are few NGDCs today that release both upstream pipeline capacity, storage capacity and the relevant related capacity resources. The NGSs would like to see regulations that define the categories so that NGDC transportation programs can be redesigned if need be. Moreover, the approach proposed below is fair to all parties, and allows NGDCs to maintain reliability while fairly apportioning the costs and the benefits of the utility's past capacity purchases.

The NGSs believe that some form of regulation is needed to require that capacity be released to marketers that serve customers--both upstream pipeline capacity and storage capacity.

Said capacity should follow the customer, that is, if the customer migrates from the NGDC to a marketer, the bundle of capacity assets must follow the customer to the marketer, and so on—where ever the customer goes, that capacity follows. Those assets must be under the control of the marketer to use as they see fit in serving their customers, and should be recallable by the NGDC only in the case of an NGS default. Likewise, the capacity that is released should be an equitable share of the pipeline and storage capacity assets of the NGDC that are physically usable to serve the customer as well as economically usable – i.e., not the most expensive option. Finally, the capacity should be priced at the NGDC’s actual cost of the capacity released and not some inflated “maximum tariff price”. In the short term, such regulations would provide the basis for NGDCs to make adjustments to their capacity release mechanisms, so that NGSs get an equitable share of the assets to use to serve the customers that pay for those assets. Over the longer term, the Commission should consider providing for more NGS input when long term capacity contracts are set to expire, and should reconsider the threshold issue of whether NGDCs should continue to secure long term capacity contracts on behalf of marketers.

The NGSs have included specific language (attached as Exhibit A) that they believe will effectuate these goals.

E. NGDC Costs of Competition Related Activities and Regulatory Assessments

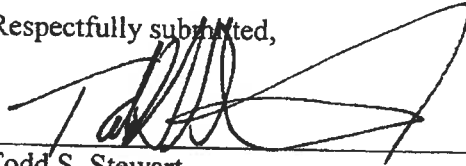
The Commission has proposed that NGDCs be authorized to collect costs associated with enhancing competition through a surcharge to be collected from all customers, based on the premise that all customers benefit from the meaningful opportunity to choose, regardless of whether they actually choose. Such a surcharge would recover costs such as billing system improvements and consumer education. The NGSs wholeheartedly support such an initiative.

Likewise, the NGSs support the Commission's proposal to create a surcharge mechanism to collect regulatory assessments from all customers. Utilities are entitled to collect these costs from customers, but due to the variability of these costs, it is difficult to do so in a base rate case environment. Accordingly, the NGSs support an assessment surcharge similar to State Tax Adjustment Surcharge or STAS that currently is used to collect certain taxes.

F. Conclusion

The Natural Gas Suppliers hope that these comments are of use to the Commission in its quest to develop fair and open competition in Pennsylvania's retail natural gas markets. The Natural Gas Suppliers believe that the modifications that they have proposed will enhance and improve upon the framework proposed by the Commission in its Rulemaking Order and urge the Commission to consider them in that light. The goal, obviously, is to create a set of market parameters on a statewide basis that remove the most significant barriers to competition in the short term. In the longer term, a mechanism to identify new issues and address them in a timely manner would also be helpful. The NGSs wish to again thank the Commission for its leadership and to offer their assistance in any future efforts of this nature.

Respectfully submitted,



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Counsel for Shipley Energy Company, Interstate Gas Supply, Inc., and Dominion Retail, Inc.

Dated: August 25, 2009



EXHIBIT A



Exhibit A

[NGSs PROPOSED MODIFICATIONS]

TITLE 52. PUBLIC UTILITIES
PART I. PUBLIC UTILITY COMMISSION
Subpart C. FIXED SERVICE UTILITIES
CHAPTER 62. NATURAL GAS SUPPLY CUSTOMER CHOICE
Subchapter G. NATURAL GAS DISTRIBUTION COMPANIES
AND COMPETITION

§ 62.221. **Purpose.** To foster a competitive retail marketplace for natural gas service to residential and small commercial customers, it is essential that consumers be able to compare the price of gas purchased from their incumbent NGDCs with that offered for sale by NGSs. This subchapter sets forth a number of regulatory changes which will provide a more level playing field between NGDCs and NGSs and, therefore, promote competition for natural gas supplies.

§ 62.222. **Definitions**

The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

Act -- The Natural Gas Choice and Competition Act (66 Pa.C.S. §§ 2201 -- 2212).

GPC -- *Gas procurement charge* -- A mechanism by which the effect of natural gas procurement costs removed from an NGDC's base rates are recovered.

GPRR -- *Gas procurement reduction rate* -- An equal offsetting credit to the GPC, billed to all residential and small commercial customers.

NGDC -- *Natural gas distribution company* -- As defined in § 2202 of the act (relating to definitions).

NGPA -- *Net gas procurement adjustment* -- A tariff rider designed to create a rate neutral adjustment to currently existing base rates and the PGC rate to develop a reasonable PTC by shifting SOLR costs related to procurement from the base rate cost of distribution to the PTC.

NGS -- *Natural gas supplier* -- As defined in § 2202 of the act.

Natural gas supply service -- The provision of natural gas to end users as defined at 52 Pa. Code § 62.72 (relating to customer information disclosure).

PGC -- Purchase gas cost -- Natural gas costs which are collected, with adjustments, by NGDCs from their customers pursuant to 66 Pa. C.S. § 1307(f) (relating to recovery natural gas costs).

POR -- Purchase of receivables -- Program by which an NGDC purchases the accounts receivable of NGSs.

PTC -- Price to compare -- A line item that appears on a retail customer's monthly bill for SOLR service. The PTC is equal to the sum of all unbundled natural gas costs and natural gas procurement costs-related charges to a default service customer for that month of service.

SOLR -- Supplier of last resort -- A supplier approved by the Commission under section 2207(a) of the act (relating to obligation to serve) to provide natural gas supply services to customers:

- (i) Who contracted for natural gas that was not delivered.
- (ii) Who did not select an alternative NGS.
- (iii) Who are not eligible to obtain competitive natural gas supply.
- (iv) Who return to the supplier of last resort after having obtained competitive natural gas supply.

Small business customer -- As defined at 52 Pa. Code § 62.72.

§ 62.223. Price to compare.

- (a) A NGDC shall establish a GPC. The GPC shall be added to the cost of supply rate developed under 66 Pa. C.S. §1307(f) (relating to recovery of natural gas costs) to create a comparable PTC. The GPC shall be adjusted and reconciled annually in conjunction with the 1307(f) process to become effective with new PGC rates.
- (b) A NGDC shall remove all natural gas procurement costs from its base rates as part of its next filing under 66 Pa. C.S. § 1308(d) (relating to general rate increases). The expenses shall be recovered through a separate GPC surcharge. The NGDC shall include a proposed tariff rider to establish a GPC within the requirements of 66 Pa. C.S. §1307 (relating to sliding scale of rates; adjustments).

- (c) A NGDC, in its next purchased gas cost filing under 66 Pa. C.S. § 1307(f), shall submit a proposed tariff rider to establish a NGPA within the requirements of 66 Pa. C.S. §1307.
- (d) The NGPA shall be designed to create a rate neutral adjustment to currently existing base rates and the PGC rate to develop a reasonable PTC by shifting SOLR costs related to procurement from the base rate cost of distribution to the PTC.
- (e) The proposed NGPA tariff rider shall establish a GPC on a per MCF/DTH basis to be applied to customers' bills receiving SOLR service for the recovery of gas procurement costs currently recovered through base rates, and a GPRR on a per MCF/DTH basis, as an equal offsetting credit to the GPC, billed to all residential and small commercial customers.
- (f) The GPC and NGPA riders shall identify:
 - (1) How the surcharge will be calculated.
 - (2) Which costs will be recovered through the surcharge by:
 - (i) Customer class and cost category
 - (ii) FERC account number including the specific sub-accounts used to recover eligible procurement costs.
- (g) The NGPA rider shall remain in effect until establishment of new base rates and a PGC rider following a base rate proceeding under 66 Pa. C.S. § 1308(d).
- (h) The GPC shall be adjusted monthly.
- (i) The GPC shall be subject to audit.
- (j) A NGDC shall adjust its PGC and e-factor on a monthly basis. The e-factor adjustment shall be calculated to collect any over or under collection of PGC revenue within the next month.
- (k) No NGDC shall be required to offer a fixed-rate option that recovers natural gas costs over a 12-month period, subject to annual reconciliation, as provided in 66 Pa. C.S. § 1307(f)(1)(ii), as a consequence of compliance with the foregoing.

§ 62.224. **Purchase of receivables programs.**

(a) ***Program design.***

- (1) A NGDC may purchase accounts receivable from licensed NGSs which operate on the NGDC system and who wish to sell the receivables.
- (2) A NGDC may purchase receivables associated with natural gas supply service charges and may not purchase other receivables that may be incurred by NGSs. The NGS shall certify that charges do not include receivables for any other products or services.
- (3) A NGDC may voluntarily purchase NGS accounts receivable at a discount to recover incremental costs associated with POR program development, implementation and administration.
- (4) When a NGDC chooses to purchase accounts receivable at a discount, it shall negotiate the discount rate with the NGS on its distribution system.
 - (i) It shall give fair notice to the NGSs of the time and place of negotiation.
 - (ii) It shall apply the same discount rate to all accounts receivable it purchases on its system.
 - (iii) It shall renegotiate the discount rate not less than once every 5 years.
- (5) POR programs shall include only receivables on residential and small business customer accounts.
- (6) When a NGDC purchases accounts receivable from a NGS through a Commission-approved POR program and the accounts receivable are comprised only of charges for basic natural gas supply, the NGDC may terminate service to customers for failure to pay NGS supply charges.
- (7) To ensure that a NGDC's affiliated suppliers do not receive an advantage over non-affiliated suppliers, a POR program must be designed and implemented in accordance with 52 Pa. Code §§ 62.141 - § 62.142. (relating to standards of conduct).
- (8) A NGDC POR program shall be included in a supplier coordination tariff, as defined by Commission rules, regulations and orders, and approved by the Commission prior to implementation.

- (9) A NGDC may include the difference between its cost of the purchased receivables and the amounts it has actually collected as part of its uncollectible expense in its next base rate case when it agrees to share with its customers the losses or gains associated with POR program collections.
- (10) The NGDC shall track its POR program purchases and collections.

(b) *Customer care.*

- (1) A NGS shall follow Commission regulations relating to customer service including Chapter 56 (relating to standards and billing standards), §§ 62.71-62.80 (relating to customer information disclosure), and § 62.114 (relating to standards of conduct and disclosure for licensees).
- (2) A NGS shall respond to customer complaints regarding rate disputes in not more than 30 days consistent with Chapter 56 § 141 (relating to dispute procedures), § 151 (relating to general rule) and Chapter 62 § 79 (relating to complaint handling process) of the Commission regulations.
- (3) A NGDC shall follow Chapter 14 of the Public Utility Code (relating to responsible utility customer protection) and Chapter 56 of Commission regulations when terminating service to a customer for failure to pay NGS natural gas supply charges purchased under the POR program.
- (4) Reconnection of service to NGS customers following termination must be made in accordance with provisions of Chapter 14 of the Code and applicable Chapter 56 regulations.
- (5) A NGDC shall agree to inform all customers that service may be terminated for failure to pay NGS supply charges by a separate bill insert that specifically describes the policy for termination of service.
- (6) An enrollment letter issued by a NGDC at the time of selection of the NGS shall inform customers that service may be terminated for failure to pay NGS supply charges.

(c) *Satisfaction of the security requirements for licensing.* A NGS's accounts receivable may be used to satisfy in full or in part the security required for licensing as a natural gas supplier.

§ 62.225. Release, assignment or transfer of capacity.

~~(a) A NGDC holding contracts for firm storage or transportation capacity, including gas supply contracts with Pennsylvania producers, or a city natural gas distribution operation, may release, assign or transfer the capacity or Pennsylvania supply, in whole or in part, associated with those contracts to licensed NGSs or large commercial or industrial customers on its system.~~

~~(1) A release, assignment or transfer shall be made on a nondiscriminatory basis.~~

~~(2) A release, assignment or transfer shall be at the applicable contract rate for capacity or Pennsylvania supply and shall be subject to applicable contractual arrangements and tariffs.~~

~~(3) The amount released, assigned or transferred shall be sufficient to serve the level of the customers' requirements for which the NGDC has procured the capacity determined in accordance with the NGDC's tariff or procedures approved in its restructuring proceedings.~~

(a) Each NGDC holding contracts for firm storage or transportation capacity shall implement a capacity release or assignment program in its next 1307(f) filing that complies with the following requirements:

(4) NGDCs shall release, assign or sell to each NGS operating on its system, an equitable share, on a per-customer basis, of upstream pipeline capacity and storage capacity ("equitable share").

(5) Said equitable share of capacity assets shall follow the customer regardless of what entity provides natural gas supply services to the customer.

(6) The equitable share shall contain assets that are usable to serve the customer, that are a practical alternative to serve the customer, and are sufficient to serve that customer.

(7) The equitable share shall be under the control of the natural gas service provider.

(8) The equitable share shall be priced, either directly to the customer or to the natural gas supply service provider, at the NGDC's weighted average cost of the equitable share assets. The NGDC shall take all practical steps to receive or preserve any available discounts to pipeline charges.

§ 62.226. Natural gas distribution company costs of competition related activities.

- (a) As part of its next annual filing pursuant to 66 Pa. C.S. § 1307(f), a NGDC may include a proposed tariff rider to establish a non-bypassable reconcilable surcharge filed within the requirements of 66 Pa. C.S. § 1307 designed to recover the reasonable and prudently incurred costs of implementing and promoting natural gas competition within the Commonwealth.
- (b) The surcharge shall be calculated annually and adjusted to account for past over- or under-collections in conjunction with the 1307(f) process to become effective with new PGC rates.
- (c) The surcharge shall be recovered on a per unit basis on each unit of commodity which is sold or transported over its distribution system without regard to the customer class of the end user.
- (d) Before instituting the surcharge, a NGDC shall remove the amounts attributable to promoting retail competition from its base rates. This may be done through a 66 Pa. C.S. § 1308 (relating to voluntary changes in rates) rate case filed not less than 5 years after first seeking recovery through a 66 Pa. C.S. § 1307 nonbypassable mechanism.
- (e) Until a NGDC which seeks a nonbypassable recovery of its costs of promoting retail competition files a base rate case under 66 Pa. C.S. § 1308(d), the NGDC shall eliminate the effect of recovery of these costs in base rates though the filing of a credit to its base rates equal to the amount in base rates. This may be established through the filing of a fully allocated cost of service study and a proposed tariff rider in the NGDC's proceeding under 66 Pa. C.S. § 1307(f) to establish a revenue neutral adjustment clause to credit base rates for the costs associated with promoting retail competition that are currently reflected in base rates and to recover fully those costs through a nonbypassable reconcilable surcharge. The credit and surcharge shall be adjusted not less than annually through the 66 Pa. C.S. § 1307(f) process.

(f) The revenue neutral adjustment clause rider shall remain in effect until establishment of new base rates under 66 Pa. C.S. § 1308(d) which include a fully allocated cost of service study to remove these costs from base rates.

(g) The surcharge shall be subject to audit.

§ 62.227. Regulatory assessments.

- (a) As part of its next annual filing pursuant to 66 Pa. C.S. § 1307(f), a NGDC shall include a proposed tariff rider to establish a nonbypassable reconcilable surcharge filed within the requirements of 66 Pa. C.S. § 1307 designed to recover the NGDC regulatory assessment payments made pursuant to 66 Pa. C.S. § 510 (relating to assessment for regulatory expenses upon public utilities).
- (b) The surcharge shall be calculated annually and shall include costs associated with regulatory assessments for the Public Utility Commission at 66 Pa. C.S. § 510, the Office of Consumer Advocate at 71 P.S. § 309-4.1 (relating to assessment upon public utilities, disposition, appropriation and disbursement of such assessments), and the Office of Small Business Advocate at 73 P.S. § 399.46 (relating to assessment upon public utilities; disposition, appropriation and disbursement of such assessments). The NGDC shall include in its annual filing:
- (1) Copies of its most recent annual bills for the Commission for each assessment.
 - (2) Copies of adjusted bills or refunds received since its prior filing.
 - (3) Proof of payment of each bill.
- (c) The surcharge shall be recovered on a per unit basis on each unit of commodity which is sold or transported over its distribution system without regard to the customer class of the end user.
- (d) The surcharge shall be adjusted annually to account for past over- or under-collections in conjunction with the 1307(f) process to become effective with new PGC rates.
- (e) Before instituting the surcharge, a NGDC shall remove the amounts attributable to the regulatory assessments from its base rates. This may be done through a 66 Pa. C.S. §

1308 rate case filed not less than 5 years after first seeking recovery through a 66 Pa. C.S. § 1307 nonbypassable mechanism.

- (f) Until a NGDC which seeks a nonbypassable recovery of its regulatory assessments files a base rate case under 66 Pa. C.S. § 1308(d), the NGDC shall eliminate the effect of recovery of assessment payments in base rates through the filing of a credit to its base rates equal to the amount of assessment costs in base rates. This may be established through a fully allocated cost of service study and a proposed tariff rider in the NGDC's next proceeding under 66 Pa. C.S. § 1307(f) to establish a revenue neutral adjustment clause to credit base rates for the assessment costs reflected in rates and to recover fully those assessment costs through a nonbypassable reconcilable surcharge. The credit and surcharge shall be adjusted not less than annually through the 66 Pa. C.S. § 1307(f) process.
- (g) The revenue neutral adjustment clause rider shall remain in effect until establishment of new base rates under 66 Pa. C.S. § 1308(d) which include a fully allocated cost of service study to remove these costs from base rates.
- (h) The surcharge shall be subject to audit.

EXHIBIT B

2772



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

August 25, 2009

James J. McNulty, Secretary
PA Public Utility Commission
400 North Street
PO Box 3265
Harrisburg, PA 17120-3265

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2009 SEP -1 AM 11:40
INDEPENDENT REGULATORY
BUREAU OF ENERGY

Re: Natural Gas Distribution Companies and the Promotion of
Competitive Retail Markets

Docket No. L-2008-2069114

Dear Mr. McNulty:

Enclosed please find an original and (10) ten copies of Office of Trial Staff (OTS)
Comments in the above-mentioned proceeding.

If you have any questions, please contact me at (717) 787-1976.

Sincerely,

Carrie B Wright

Carrie B. Wright
Prosecutor
Office of Trial Staff
PA Attorney I.D. #208185

Enclosure
CBW/clp

RECEIVED
2009 AUG 25 AM 10:56
PA PUC
SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Natural Gas Distribution :
Companies and the Promotion of : Docket No. L-2008-2069114
Competitive Retail Markets :

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2009 AUG 25 AM 10:56
SECRETARY PA PUC BUREAU

COMMENTS OF THE OFFICE OF TRIAL STAFF

I. INTRODUCTION

In 1999, the Legislature enacted the Natural Gas Choice and Competition Act (“Act”)¹ requiring the restructuring of the natural gas utility industry. The Act provides retail customers the ability to choose their natural gas suppliers. The Act also granted the Pennsylvania Public Utility Commission (“Commission”) the responsibility to investigate the level of competition after the law went into effect and to report its findings to the General Assembly.²

In October 2005, the Commission reported to the General Assembly that its investigations found “a lack of effective competition in Pennsylvania’s retail natural gas supply market.”³ As a result, the Commission convened the Natural Gas Stakeholders Group in order to discuss the possible avenues for increasing

¹ 66 Pa.C.S. §§ 2201-2212.

² 66 Pa.C.S. §§ 2204(g).

³ *The Report to the General Assembly*, Docket No. I-00040103, October 2005, available at <http://www.puc.state.pa.us/PcDocs/570097.pdf>. Pg 67

Pennsylvania's retail natural gas competition. One area in which the group found it was appropriate to initiate comments for rulemaking was regarding the Natural Gas Distribution Companies ("NGDC") and their role in the promotion of competitive retail markets including the use of the Price to Compare ("PTC"). By order entered and adopted on March 26, 2009, the Commission proposed rulemaking⁴ to ensure removal of barriers to retail competition and to enable consumers to shop for gas that is being marketed on a level playing field.

The Office of Trial Staff ("OTS") is responsible for the representation of the public interest in Commission proceedings involving issues that have an impact on rates. This responsibility requires the balancing of the interest of ratepayers and utility companies. As will be discussed further in the comments below, OTS believes that in order for the NGDC to enable customers to make informed choices regarding the purchase of natural gas services, the NGDC should be required to report the PTC on all customer bills and label it as such. The most efficient way to present the PTC in "an understandable format that enables customers to compare prices and services on a uniform basis"⁵ is by requiring the NGDC to report their PTC on all customer bills.

Accordingly, OTS submits its comments addressing the Proposed Rulemaking Order and specifically the placement of the PTC for enhancing retail competition. OTS asserts that the PTC can enhance retail competition and

⁴ *Proposed Rulemaking Order*, Docket No. L-2008-2069114, March 26, 2009, p 67, available at: <http://www.pabulletin.com/secure/data/vol39/39-28/1223.html>.

⁵ 52 Pa.C.S. §§ 62.71

promote the public interest only when it is easily accessible and explicitly described.

II. COMMENTS ON PRICE TO COMPARE

The PTC is the dollar amount charged by the NGDC and used by customers to compare prices on natural gas. As noted in the Proposed Rulemaking Order, the “PTC lies at the heart of the retail choice.”⁶ Specially, the PTC provides NGDC’s customers with a dollar amount that can be compared with other Natural Gas Suppliers (NGS) to determine whether savings can be achieved by changing their NGS.

After review of the Proposed Rulemaking Order, OTS maintains that for the PTC to be meaningful, it not only needs to be accurate, but also needs to be accessible. Accessibility is a key component to enhancing retail competition as it provides customers with the ability to utilize the PTC. OTS asserts that the most accessible way of reporting the PTC is on the customers’ bill. Moreover, Christopher Perdue of UtiliPoint International Inc. stated that “the billing statement is the only regularly scheduled communication that most utilities have with their customers, the utility bill functions as a critical touch point between utilities and their customers.”⁷ As customer bills are a routine form of communication between the company and its customers, it serves as the best

⁶ *Proposed Rulemaking on Natural Gas Distribution Companies and the Promotion of Competitive Retail Markets*, Docket No. L-2008-2069114, July 11, 2009, available at: <http://www.pabulletin.com/secure/data/vol39/39-28/1223.html>.

⁷ Perdue, Christopher, *Strengthening Relationships Via the Utility Bill*, July 17, 2009, available at: <http://www.utilipoint.com/IssueAlert/article.asp?id=3164> (See also Exhibit 1).

forum to provide customers with information on the PTC. OTS notes that currently both UGI Utilities Inc. and UGI Penn National Gas provide the PTC to customers on their billing statement.⁸ Furthermore, customer bills are a cost effective approach to reporting the PTC as those companies not presently listing a PTC on customer's bills will incur nominal expense for including this critical information.

Another critical component to promoting retail competition is enhancing the retail customers' ability to identify and understand how to use the PTC. OTS maintains that in order to make the PTC easily identifiable it should be listed separately and labeled by all NGDCs as "Price to Compare" on the customers' bill. Furthermore, the PTC should be accompanied by an explanatory statement in the explanation of terms section⁹ on the company's billing statement. The explanatory statement should define what the PTC is and how customers can employ it. For example, UGI defines the PTC as "[t]he dollar amount charged by the NGDC, used by consumers to compare prices and potential savings with other natural gas suppliers."¹⁰ A definition of the PTC should be created and this same definition should be used uniformly across all NGDCs on their customer bills. Notably, Christopher Perdue of UtiliPoint International Inc. also stated that the ability to use explanatory messages can reduce expensive customer inquiries to the

⁸ See Exhibit 2 (includes a sample bill for all NGDCs).

⁹ OTS notes that all NGDC's with the exception of PECO have an explanation of terms section or its equivalent. Please see exhibit 2 for NGDC sample bills.

¹⁰ See Exhibit 2.

utility call center and eradicate customer frustration.¹¹ Furthermore, use of this uniform term and definition will provide customers with the information necessary to make informed choices regarding the purchase of natural gas services.

In fact, retail gas customers in Pennsylvania have reported dissatisfaction with the lack of information provided to them which impacts their ability to negotiate lower rates.¹² Customers have also indicated their interest in obtaining an up-to-date rate on the cost of natural gas.¹³ This frustration denotes that current practices employed by NGDC's are inadequate and fall short of the NGDC's obligation under section 62.71 of the Pennsylvania Public Utility Code ("Code"). The Code specially requires that:

...all natural gas providers enable customers to make informed choices regarding the purchase of all natural gas services offered by providing adequate and accurate customer information. Information shall be provided to customers in an understandable format that enables customers to compare prices and services on a uniform basis.¹⁴

To fulfill this obligation, NGDC's should be required to clearly report the PTC and an easily understandable definition of the PTC on each customer's bill. As argued above, this information will enable customers to compare prices and make

¹¹ Perdue, Christopher, *Strengthening Relationships Via the Utility Bill*, July 17, 2009, available at: <http://www.utilipoint.com/IssueAlert/article.asp?id=3164> (See also Exhibit 1).

¹² Hornick, Bernie, *The Tribune-Democrat: A simple call' could lower gas bill*, (March 01, 2009) available at: http://www.tribune-democrat.com/local/local_story_060233143.html/resources_printstory; Green, Elwin, *Pittsburgh Post-Gazette, Upper St. Clair woman encourages haggling over gas prices* (February 25, 2009) available at: <http://www.post-gazette.com/pg/09056/951359-68.stm> (See also Exhibit 3).

¹³ *Id.*

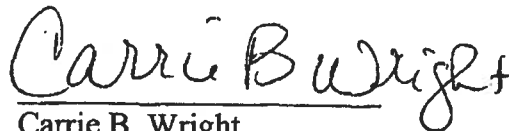
¹⁴ 52 Pa.C.S. §§ 62.71

informed choices. Furthermore, retail competition will be promoted and the public interest advanced. OTS believes that the public interest is served when effective retail competition exists.

III. CONCLUSION

For the reasons set forth above, OTS submits that providing the PTC on customer bills, followed by an explanatory statement defining its use is in the public interest as it promotes retail competition.

Respectfully submitted,



Carrie B. Wright

Prosecutor

PA Attorney I.D. #208185

Richard A. Kanaskie

Senior Prosecutor

PA Attorney I.D. #80409

Office of Trial Staff
The Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, Pennsylvania 17105-3265

Dated: August 25, 2009



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Strengthening Relationships Via the Utility Bill - By Christopher Perdue

Daily IssueAlert

6/17/2009

Free

With the global economy remaining in the grip of a severe downturn that shows little signs of slowing, it is evident that a utility's success depends on its ability to strengthen its current customer relationships. Since the billing statement is the only regularly scheduled communication that most utilities have with their customers, the utility bill functions as a critical touch point between utilities and their customers. With new technologies, utility bills can now serve as streamlined vehicles announcing new services and providing customized communications designed to appeal to particular customers.

Billing statements can provide a meaningful way to support a utility's products, culture, and brand. An effective bill should be designed to help customers become more knowledgeable about the services they are buying, and keep customers informed of upcoming changes in service. It should also be easy to read and convey a pleasant tone. Bill production and presentment print technology now provides an increasingly broad range of capabilities that can enhance the overall appearance of a bill and make it easier to understand.

Charts and graphs can be used to reveal how spending and usage compares to prior periods, or to explain more complicated issues, such as changes in service or whether the utility customer is using the best pricing plan based on their historical usage pattern.

Statement effectiveness can be improved with robust content enablement solutions that provide capabilities for digitized icons, formatting, and clean typography that draw attention to products or services being promoted. With such technology a monthly bill can advance a utility's image through the use of dynamic graphics, company logos, and fonts.

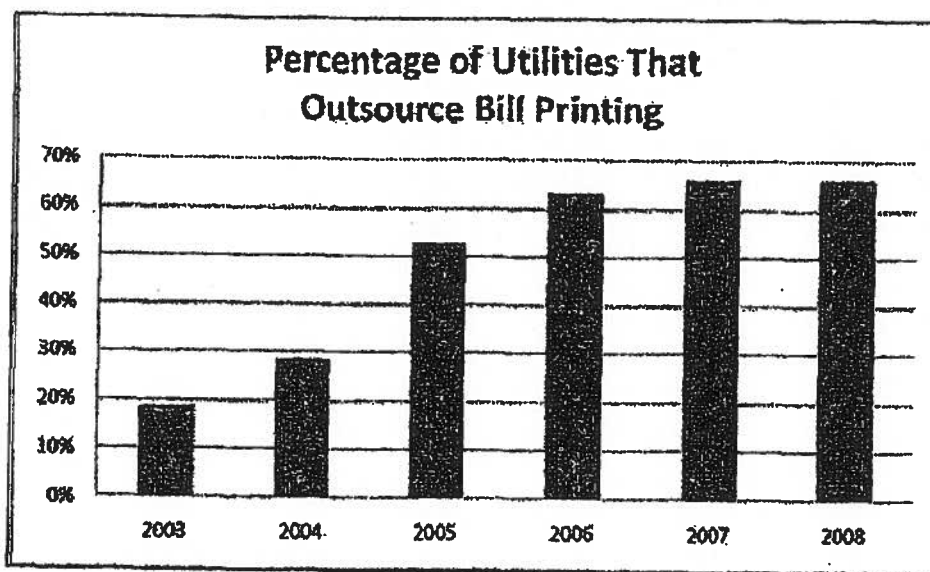
Utilities are also adding a valuable promotional element to the existing billing statement. The combining of the traditional bill with promotional offers and community service elements allows utilities to develop proactive marketing messages to be placed on the billing statement, where the attention of the customer is already focused. With the proper solution, it is possible to provide highly personalized billing. By utilizing available white space on documents to incorporate messages relevant to the customer, each bill can be personally tailored to offer a customized roster of information about the bill, seasonal energy saving tips and new products and services specific to individual customers.

In addition to increasing customer satisfaction, improving marketing, reducing complexity, and potentially spurring quicker payments, another often overlooked benefit of transforming the utility bill is the possibility of lower costs to the utility. An effective bill can help reduce expensive customer

inquiries to the utility's call center. Research conducted by UtiliPoint International suggests over 15 percent of calls received at utilities resulted from customers who simply didn't understand their bills. By clearly detailing the most important aspects of the utility bill (the amount due, the date due, account number, etc.) and the ability to use highlight color and explanatory messages to clarify information at the point of need, utilities can circumvent a large number of calls, eradicate customer frustration, and help ensure customers pay the proper amount at the correct time.

The Outsourcing Approach

Facing a challenging and struggling economy, many utilities are adopting cost-containment strategies that are forcing a consideration of outsourcing what is not "core" to their business. One area of increased outsourcing is bill print. According to research conducted by UtiliPoint International, over 60 percent of utilities are outsourcing some or all of their bill printing operations.



Source: UtiliPoint International, Inc.

While utilities consider outsourcing this business process, they are often reluctant to relinquish "control" of their content and communications processes. However, with today's solutions utilities can build a strategy which allows them to completely control the content of their communications, while successfully outsourcing the print/presentation portion. Thus, a utility can leverage the strengths of the outsourcer—namely reducing print costs—but maintain control of their important processes and content.

Outsourcing at BG&E

One utility that has decided to outsource part of their bill print operations is Baltimore Gas & Electric Company (BG&E). As the nation's first gas utility and one of the earliest electric utilities, BG&E has provided energy service to Central Maryland for nearly 200 years. Currently, the utility has more than 620,000 gas customers and nearly 1.2 million electric customers. When BG&E sold the wing of its building that housed its printing, inserting and mailing equipment, it took a serious look at how to strategically handle these non-core business functions going forward. The utility felt that outsourcing made sense because it would be able to take advantage of another company's investment in cutting-

edge technology and equipment. Additionally, BG&E began looking at ways to boost its customer satisfaction and decrease call center volume. With these initiatives in mind, BG&E began exploring options to enhance customer service by redesigning its monthly statement to be easier to understand and more relevant to the customer.

To save on printing and mailing costs, as well as improve customer satisfaction with their bill, the utility decided to reduce the number of pages by deleting information that was no longer required by customers. BG&E also increased the font size and arranged information into columns to make it easier to read. All summary level information was placed on the front of the bill, and all of the bill details were moved to the back. The utility also recognized that having the ability to move to duplex printing would even further reduce costs.

Along with these redesign goals, BG&E also wanted to maintain control of the statement content in-house—giving them the ability to create targeted messages and campaigns without having to rely on a service provider for costly revisions.

BG&E's outsourcer provided software that featured an intuitive visual interface and viewer components that allows for quick and easy changes. As a result, employees no longer need specialized programming skills to create applications and make document revisions. By keeping these functions in-house, BG&E is in complete control over its document creation processes.

The new statements have resulted in significant productivity improvements and cost savings, and now allow BG&E to customize statement stubs with timely and personalized messages—a process that previously required IT to modify and test COBOL code, making turnaround time unacceptable.

By streamlining its statements and deleting unnecessary items, BG&E has successfully reduced all but less than one percent of its statements from two pages to one. "Our cost savings have been dramatic," says Cohen. "We've reduced our paper output by seven million sheets per year and are saving \$297,000 annually in printing and mailing costs alone. Additionally, customers now have less paper to file," said Don Cohen, then senior information management analyst at BG&E.

Conclusion

To remain competitive and forward-thinking utilities must implement a strong customer communication strategy to ensure customer satisfaction. With advancing technologies, utility companies can communicate more effectively and directly with their customers. Content enablement solutions, whether as part of a current or future CIS upgrade or bill redesign or as part of a strategy to outsource what is not "core" to their utility, can be an answer to reducing costs in the current economic downturn and at the same time increasing customer satisfaction.

For more information on this topic, please download the free white paper at [http://utilipoint.com/reports/Whitepapers.asp?title=Trends in an Economic Downturn: Cost Containment vs. Increase Customer Satisfaction—Can You Have Both?](http://utilipoint.com/reports/Whitepapers.asp?title=Trends%20in%20Economic%20Downturn-Cost%20Containment%20vs.%20Increase%20Customer%20Satisfaction-Can%20You%20Have%20Both?)

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The Parts of Your Gas Bill

1. Customer Charge

A basic service charge that covers the cost of billing, meter reading, underground pipelines and equipment. It is the same amount no matter how much gas you use.

2. Distribution Charge

The charge for delivering gas to your home or business from the point where interstate pipelines connect with our pipelines. This charge is based on how much gas you use.

3. Gas Cost Adjustment

The amount we bill or credit to your account for differences between projected and actual gas costs for the previous year's gas supply.

4. Gas Supply Charge

We buy all of the gas our customers use. This charge is the amount we pay for gas and the cost of delivering it to us by interstate pipelines. We are not allowed to make a profit on this charge, and we may adjust it quarterly to reflect changes in gas prices.

5. State Tax Adjustment Surcharge

A charge that reflects changes in rates for state taxes already included on your bill.

UGI BILL INFORMATION
 100 Milestone Dr. Dept. 1000, 1000
 Columbia, MD 21046
 410-326-1000

Customer Information
 Account No. 123456789
 Service Address 123 Main St.
 City, State, Zip 10000, MD, 21000

Usage Information
 Meter No. 12345
 Reading Date 10/01/08
 Reading 10000
 Previous Reading 9000
 Difference 1000

Charges

Charge	Rate	Usage	Amount
Customer Charge	\$1.00		\$1.00
Distribution Charge	\$0.50	1000	\$0.50
Gas Cost Adjustment	\$1.00		\$1.00
State Tax Adjustment Surcharge	\$0.50		\$0.50
Total			\$3.00

Payment Information
 Payment Due Date 10/15/08
 Payment Amount \$3.00

Customer Service
 Call 410-326-1000 for assistance.

UGI CENTRAL MESA GAS 0083092-1

01406 304210080191005

GENERAL INFORMATION**Bill Questions?**

If you have a question about the bill, please call UGI before the bill's due date. UGI's phone number, your due date and billing rate can be found on the front of the bill. A detailed rate schedule can be requested. You may also contact UGI at our web site, www.ugi.com.

Hearing or speech impaired customers, TDD only, call 1-800-654-5988. To discuss an overdue account, call 1-800-272-9844, weekdays 8AM to 5PM and Saturday from 8AM to 1PM.

Bill Payments

Paying your bill by mail is convenient. Simply use the envelope provided with your bill. You may also pay at one of our payment centers. A list of the payment centers is available upon request. UGI offers a plan where your bank deducts your payment automatically from your checking or savings account. Please call us if you are interested in this service. To pay by phone, please call 1-877-503-2956

Electronic Check Conversion Notice - When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account on the same day we receive your payment, and you will not receive your check back from your financial institution. If you do not want us to use information from your checks to make electronic fund transfers, please call us at 1-888-343-1088 to opt out. Any opt out election you make will be effective until you notify us otherwise.

Need Your Natural Gas Service Turned Off?

To ensure that your natural gas service is turned off on the day that you want, please contact UGI seven days in advance.

Third Party Notification - Budget Billing Plan - Operation Share - Customer Assistance Program (CAP) Call us to discuss these UGI Programs.

EXPLANATION OF TERMS

Ccf - 100 cubic feet of gas. **Mcf** - 1,000 cubic feet of gas. This is a measure of gas usage.

Commodity Charges - The charges for basic gas supply service which is sold either by volume (ccf or Mcf) or heating value (dekatharms).

Customer Charge - A monthly charge to cover natural gas distribution company (NGDC) costs such as maintaining the gas lines, meter reading and billing.

Distribution Charges - The charges for the delivery of natural gas from the point of receipt into the NGDC's system.

Estimated Bill - A bill based on your previous use and weather conditions. UGI may need to estimate your bill due to extreme weather conditions, emergencies, or any other circumstances that prevent UGI from taking a meter reading.

Late Payment Charge - Fee that UGI charges if you do not pay your bill on time. It is a fixed monthly percentage of the amount owed.

Price to Compare - The dollar amount charged by the NGDC, used by consumers to compare prices and potential savings with other natural gas suppliers.

State Tax Surcharges - Charges approved by the PUC. It is a special charge to recover state taxes UGI pays.

EMERGENCIES: to report a Gas Leak only, call 1-800-609-4844, 24 hours a day

PHILADELPHIA GAS WORKS <small>100 W. MONTGOMERY AVENUE, PHILADELPHIA, PA 19124-0050</small>		Page: 1 of 3 Billing Date: 9/04/2003 Account Number: 23423423																										
<p>1 MONTHLY STATEMENT From 8/01/2003 thru 9/02/2003</p> <p>Account for: JOHN SMITH 123 LAKE STREET PHILADELPHIA, PA 19122</p>	<p>3 GENERAL INFORMATION</p> <p style="text-align: center;"><u>CONTACT US</u></p> <table style="width: 100%; border: none;"> <tr><td>Gas Leaks & Emergencies</td><td style="text-align: right;">215 235-1212</td></tr> <tr><td>Billing & General Information</td><td style="text-align: right;">215 235-1000</td></tr> <tr><td>Appliance Service</td><td style="text-align: right;">215 235-2050</td></tr> <tr><td>Theft of Gas</td><td style="text-align: right;">215 684-6383</td></tr> <tr><td>Foreign Language Assistance</td><td style="text-align: right;">215 235-1000</td></tr> <tr><td>Hearing Impaired TTY Line</td><td style="text-align: right;">215 236-4646</td></tr> <tr><td>Representantes Gas Hablan Español</td><td style="text-align: right;">215 235-2175</td></tr> </table> <p style="text-align: center;"><i>Web Site - www.pgworks.com</i></p> <p style="text-align: center;"><u>CUSTOMER SERVICE CENTERS</u> (Hours 9 a.m. - 5 p.m.)</p> <table style="width: 100%; border: none;"> <tr><td>Center City</td><td>1137 Chestnut St. (M, T, Th, F)</td></tr> <tr><td>Germantown</td><td>210 W. Chelton Ave. (T, W, F)</td></tr> <tr><td>S. Philadelphia</td><td>1601 S. Broad St. (M, W, Th)</td></tr> <tr><td>Frankford</td><td>4410 Frankford Ave. (T, Th, F)</td></tr> <tr><td>N. Philadelphia</td><td>1337 W. Erie Ave. (M, W, Th)</td></tr> <tr><td>W. Philadelphia</td><td>5230 Chestnut St. (M, T, W, F)</td></tr> </table>		Gas Leaks & Emergencies	215 235-1212	Billing & General Information	215 235-1000	Appliance Service	215 235-2050	Theft of Gas	215 684-6383	Foreign Language Assistance	215 235-1000	Hearing Impaired TTY Line	215 236-4646	Representantes Gas Hablan Español	215 235-2175	Center City	1137 Chestnut St. (M, T, Th, F)	Germantown	210 W. Chelton Ave. (T, W, F)	S. Philadelphia	1601 S. Broad St. (M, W, Th)	Frankford	4410 Frankford Ave. (T, Th, F)	N. Philadelphia	1337 W. Erie Ave. (M, W, Th)	W. Philadelphia	5230 Chestnut St. (M, T, W, F)
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<p>4 MESSAGE CENTER</p> <p>PGW is now accepting certain credit cards as payment of your bill. Please fill out and sign the back of the payment receipt and mail to PGW. Any questions regarding this type of payment method, please call 235-1000.</p> <p style="font-size: small; text-align: center;">Questions or complaints about your bill? Please call us before the Due Date at 215-235-1000. Or write to: PGW P.O. Box 7789, Phila., PA 19109-7789</p>																												
<p style="font-size: x-small;">Please return this portion with your payment. Write your account number on your check or money order made payable to PGW.</p>																												
<p>5</p> <p><input type="checkbox"/> Place "X" in box for address corrections. Print corrections on reverse side.</p>	<p>Account Number: 23423423 Due Date: September 24, 2003 Please Pay: \$491.93</p> <p>Amount Enclosed: <input type="text" value="0000000000"/></p>																											
<p>John Smith 123 Lake Street Philadelphia, PA 19122</p>	<p>Philadelphia Gas Works P.O. Box 7789 Philadelphia, PA 19109-7789</p>																											

1. Monthly Statement – This section gives the billing date and your account number.
2. Payments Summary – This area provides an account and billing summary, including the amount payable and billing due date.
3. General Information – Here you'll find a listing of key PGW phone numbers, locations, and operation schedules of our six Customer Service Centers.
4. Message Center – The Message Center is used for important messages and timely updates about your service.
5. Tear-Off Section – This is the tear-off portion of your bill, which you may fill in and include with your payment to PGW.

EXPLANATION OF TERMS

BUDGET PLAN

This plan is available to all residential customers who are not in arrears. It spreads your payments over a 12 month plan. You may stop the Budget Plan at any time. To do so, or for more information, call 215-235-1000 or visit any of our Customer Service Centers.

PAYMENT AGREEMENT PLANS

If you are behind and cannot pay your full bill, PGW offers special payment plans. Call our Collection Department at 215-235-1777 or visit any of our Customer Service Centers.

METER READING INFORMATION

PGW shall use its best effort to obtain an actual meter reading regularly, and at least every six months for customers without automatic meter reading devices. When the meter is not read, we estimate your gas use. To avoid estimates, you may read your own meter and call us the reading by calling 215-235-2244 at any time. We also offer stamped, pre-addressed post cards, which you can use to read us your meter reading by the specified date. To request a supply of these cards, call 215-235-1000, or write us at P.O. Box 9900, Philadelphia, PA.

CUSTOMER CHARGE

A monthly charge to cover NGDC costs such as maintaining the lines, meter reading and billing.

DISTRIBUTION CHARGES

The charge for delivery of natural gas from the city gate to the consumer.

COMMODITY CHARGE

The charge for basic gas supply service which is sold either by volume (ccf or mcf) or heating value (dekathons).

RIGHTS AND OBLIGATIONS

A summary of your rights and obligations as a PGW customer will be made available upon request.

A Rate Schedule and an explanation of how to verify the accuracy of a bill and an explanation of the various charges will be made available upon request.

Electronic Check Payment Authorization

When you pay by check, preauthorized bank draft, ACH, or by a telephone authorized transaction you expressly authorize PGW. If your check is dishonored or returned for any reason, to automatically debit your account for the amount of the check plus a processing fee not to exceed the state maximum legal limit (plus all applicable sales tax). The use of a check for payment is your acknowledgment of this policy and its terms.

CCF

100 cubic feet of gas. This is a measure of gas usage.

MCF

1000 cubic feet of gas. This is a measure of gas usage.

GAS COST ADJUSTMENT

Amount billed or credited each month to account for differences between projected and actual gas supply costs of the Natural Gas Distribution Company.

DEKATHERMS (DTH)

A measure of the heat content value of gas. Gas usage is determined by multiplying the MCF used by the heat content value of the gas. One DTH equals approximately nine hundred seventy cubic feet.

NATURAL GAS DISTRIBUTION COMPANY (NGDC)

A state regulated utility which owns the gas lines and equipment necessary to deliver natural gas to the consumer.

Weather Normalization Adjustment (WNA)

An adjustment approved by the Pennsylvania Public Utility Commission as a way to help PGW stabilize its income and operate more efficiently within its budget during the heating season.

MIGRATION FEE

Applies to customers switching to an alternative gas supplier or interruptible service. Credits or surcharges a customer's bill for gas costs that the company paid during the time that the customer bought gas from PGW but which have not yet been fully recovered from or paid back to customers.

NATURAL GAS SUPPLIER

If you have selected a Natural Gas Supplier other than PGW, the Natural Gas Supplier is responsible for the billing of Natural Gas Supplier charges. PGW will bill for gas delivery according to the tariff for your rate class.



Commodity prices and charges are set by the Natural Gas Supplier you have chosen. The Public Utilities Commission regulates the distribution prices and services.

Mailing Address

Name _____
 Street _____
 City _____ State _____ Zip _____
 Telephone (_____) _____

Service Location (Address of Property)

Street _____
 City _____ State _____ Zip _____
 Telephone (_____) _____

		John Smith 123 Lake Street Philadelphia, PA 19122	Page: 3 of 3 Billing Date: 9/04/2003 Account Number: 23423423			
1 Account Summary						
	\$500.00	\$350.00	\$180.00	\$55.35	\$286.58	\$491.93
2 Current Basic Charges						
SA ID # 6789012345, 123 Lake Street Rate Class: GS Residential Heat and Domestic						
Supply Charges						
Commodity Charge 175 Ccf @ \$0.74784.....						\$130.87
Total Supply Charges.....						\$130.87
Delivery Charges						
Customer Charge.....						\$12.00
Distribution Charge 175 Ccf @ \$0.53023.....						\$92.79
Gas Cost Adjustment 175 Ccf @ \$0.30385, 30 days.....						\$53.17
Weather Normalization Adjustment.....						\$21.00 CR
Total Delivery Charges.....						\$176.96
Pa Sales Tax 7% of 267.83.....						\$18.75
TOTAL CURRENT CHARGES						\$286.58
3 Non Basic Charges						
81672003 - Merchandise Repair Charge.....						\$50.00
Total Non Basic Charges						\$ 50.00
4 Adjustment Detail						
Late Payment Charge.....						\$5.35
Total Adjustments						\$5.35
5 Meter Detail						
Meter #: 2223344		Service Point: 911011201		Next Meter Read: 10/03/2003		
08/1/2003	12200	Actual	9/02/2003	12375	Estimated	175 175 1026 179.9
6 Energy Usage Information						
COMPARATIVE GAS USAGE						
Usage Information	This Month	This Year	Last Year	HISTORICAL DATA		LAST 12 MONTHS
Avg Daily Usage (Ccf)	5.8	6.0	6.0			Total Ccf 1705
Billing Days	30	29	29	SONDOPUNJAS		Avg Ccf 142
Avg Daily Cost	\$6.13	\$6.57	\$6.57			ACTUAL Not Tracked

1. Account Summary – This section of the bill provides a summary of your bill as of your current billing date.
2. Current Basic Charges – This area of the bill itemizes your gas cost and service charges in more detail.
3. Non-Basic Charges – Here you will find non-gas charges such as merchandise repairs.
4. Adjustment Detail – This section includes adjustments such as additional charge or credits to your bill.
5. Meter Detail – This gives information on your current gas usage and metering information.
6. Energy Usage Information – This section gives a comparison between the current billing period and your gas usage for the same period last year as well as a chart showing your monthly gas usage for the past 12 months.

REASONS FOR HIGHER THAN NORMAL NATURAL GAS BILLS

There are several factors that may affect your natural gas bill. In addition to having your current month's gas bill available, it is helpful (if it is available) to have the prior year's bill for reference. Place your mouse over one of the numbered sections for helpful tips about higher than normal bills. *(Note: To properly view this page, your internet browser must be Netscape 6.0 or higher, Internet Explorer 5.0 or higher, or Mozilla Firefox 1.5 or higher.)*



UGI
 GAS SERVICE
 Billing Summary for Service to:
 JOHN G. SMITH
 123 YOUR STREET
 ANYTOWN PA 17551

Past Bill Information - UGI Utility	
The account balance on your last bill was	1 \$ 38.61
Thank you for your payment of	-38.61
Your balance as of 10/12/2004	0.00

Customer Number
 310 123 4567 89

Rate Classification:
 Residential Heating

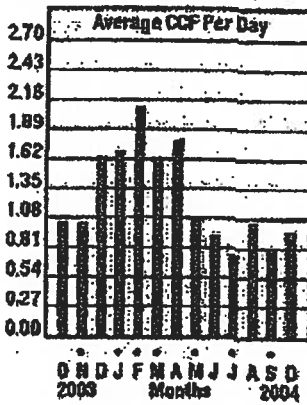
Billing Period: 4
 09/09/2004 to 10/07/2004 (28 days)
 Company Read

QUESTIONS?
 Call 800-322-4431 or write to UGI at
 PO BOX 13009
 Reading, PA 19612-3009

* Your current UGI charges include
 State taxes totaling \$ 1.36.
 CPT 310 123 4567 89 1

Current Bill Information - UGI Utility

Customer Charge	6 8.55
Commodity Charge (27 CCF at \$0.88185)	23.81
Distribution Charge (Fixed 27 CCF at \$0.36370)	9.82
PA State Tax Surcharge	-0.05
Total Current Charges - UGI Utility	42.13
UGI Utility charges owed this bill	\$ 42.13
Total Amount Due, Please Pay by Due Date (11/02/2004)	\$ 42.13



Average	Last Year	This Year
3	1.04	0.96
CCF/day	61°F	63°F
Daily temperature		

Meter Information - Next Read Date December 9, 2004 2

Meter Number	Previous Reading	Present Reading	CCF Used
5068094	9215 (estimated)	9242 (company)	27

- Messages from UGI**
- * Your current price to compare is \$ 0.88179 /CCF.
 - * Your total annual usage is 471 CCF. Your average monthly usage is 39 CCF.
 - * We can make your energy costs easier on your budget with our 12 month Budget Billing plan. Your monthly payment would be approximately \$ 82.00. For more information about this plan call UGI.
 - * Help prevent pipeline damage, accidents and service disruptions. If you see someone digging near your home please call UGI.
 - * Your annual budget year began November 2003.
 To date you have been billed 5 \$1,434.00
 To date you have used \$1,669.45

If you pay at a payment agent please take your entire bill. Make check payable to UGI. Keep this part for your records. Important information is on the back of this bill.



UGI Utilities, Inc.
 Post Office Box 13009
 Reading, PA 19612-3009

Please pay by the due date to avoid the late charge. Please return this portion with your payment.

CPT 310 123 4567 89 1

*****AUTO** MIXED AADC 195

JOHN G. SMITH
 123 YOUR STREET
 ANYTOWN PA 17551

Due Date	November 2, 2004
Amount Due	\$ 42.13
With Credit	\$ 42.66

OTHER FACTORS THAT MIGHT EFFECT YOUR UGI BILL:

- Were new natural gas appliances installed in your home? If so, please call us so we can update your information.
- Are there more people living in your home for this billing period versus other periods? This could include people visiting for extended periods of time, a new baby in the home, or a child home from college. All of these factors may account for additional usage - more hot water used or a higher temperature setting for the heat.
- If you converted to gas heat since the billing period you're using for comparison there will be an increase in the amount of your bill.
- Check the temperature settings - a natural gas water heater thermostat setting should be 120 degrees for customers without a dishwasher and 140 degrees for customers with a dishwasher. It is recommended you set your home heater thermostat no higher than 68 degrees, health permitting. Households with infants, elderly, or ill members may require a higher thermostat setting. The thermostat setting must remain at the lower temperature for an extended period of time in order for the impact on your heating bill to be noticed.
- Review our [energy savings tips](#) that can assist in helping to keep your energy bills lower.

How to Contact Us

1-888-460-4332
For DirectLink self-service 24 hours/day
For billing questions or complaints, please
call 7 a.m. - 5:30 p.m., Mon. - Fri. before due date
For quickest response,
call 11 a.m. - 3 p.m., Mon. - Fri.

1-888-460-4332
For gas leaks or odor of gas 24 hours/day
Press option 2 after the greeting

711
For hearing-impaired relay

www.columbiagas.com
Click on DirectLink e-Services for account information,
online billing and payment services, financial assistance,
and other useful tools.

Billing Options

E-Bill Go paperless! Sign up for one of our e-bill options and view your bill online.

Customer CHOICE Purchase your natural gas from an unregulated supplier and have more control over the gas cost portion of your bill, which amounts to nearly two-thirds of your bill. Columbia Gas will still deliver the gas and provide safe, reliable service.

Payment Options

Online Pay free by electronic check at our Web site.

ZipCheck Authorize your bank to pay your bill automatically each month. Enroll online.

NCO EasyPay Call 1-800-284-8572 or link from our Web site to pay by credit/debit card, or e-check. A convenience fee will apply.

Authorized Payment Centers Call or visit us online to find a payment center near you. Agents charge a fee for each transaction.

Mail Return coupon below with payment to:

Columbia Gas of Pennsylvania
P.O. Box 742537
Cincinnati, OH 45274-2537

Gas Meter Information

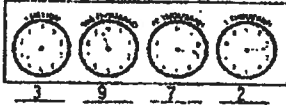
Actual Reading A meter reader has read the meter. You're required to provide us access to read the meter at least once a year or risk shut-off. Please contact us to make arrangements if access is required.

Estimated Reading During the months we don't read the meter, we accurately estimate your reading based on the history of usage at the service address and normal temperatures for the billing period. We verify the reading the next time we read the meter to make sure you pay only for the energy you've used.

Gas Usage We measure your gas usage in Ccf equal to 100 cubic feet

How to Read the Meter When a pointer is between two numbers on a dial-type meter, read the smaller number except when the pointer is between 9 and 0. Record the reading on the dials from left to right.

Example:



Billing & Payment Summary

Customer Name	
Previous Amount Due on 04/30/2009	\$209.54
Payments Received by 04/29/2009	- \$206.04
Optional Services Payment	- \$3.50
Balance on 05/06/2009	= \$0.00
Charges for Gas Service This Period	+ \$130.17
Charges for Optional Services	+ \$3.50
Amount Due by 06/01/2009	= \$133.67

Billing & Payment Notes

At your request, your account information has been omitted from future customer lists unless you notify us otherwise. You do not need to return the enclosed form.
A late payment fee of 1.25% per month will be charged on any balance of the current total Amount Due that remains unpaid on or after the due date.
See back of bill for Detail of Charges for Gas Service.

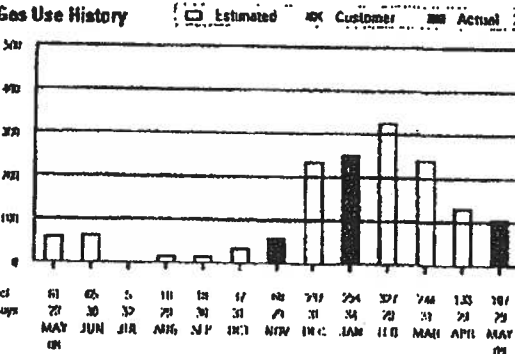
Remember winter heating bills? Get a jump on next winter and spread the cost of winter heating more evenly over the year. Just pay \$149.00 instead of the amount due this month for your utility service, plus any charges for Optional Services, and you'll be enrolled in the Budget Payment Plan automatically. See the enclosed bill insert for more information, or visit us online and click on "Manage Your Account". The Budget plan is your best option to manage your winter heating bills.

Service Summary

Service Location	
Pittsburgh PA 15202-1843	
Meter Number	Meter Readings (29 Billing Days)
	Actual Reading on 5/6 7719
	Estimated Reading on 4/7 7612
	Gas Used (Ccf) = 107

Service Summary Notes

Your next actual meter reading date is 7/7/2009
To avoid a calculated bill next month, report your meter reading at 1-800-837-3721 from a touch-tone phone, or 1-888-460-4332 from a rotary phone, on June 5, 2009. Your PSID number is 400064789. See meter reading instructions in the left column of your bill.



Daily Comparisons

Month	Avg Daily Temp	Avg Daily Usage
May '09	53.9°	3.7
Apr '09	45.1°	4.8
May '08	56.5°	2.1

Your Average Monthly Usage is 125 Ccf
Your Total Annual Usage is 1505 Ccf

pd 5/27/09
ck# 1473

Payment Coupon

Turn Me Over for more details about your account

Legal Notices

Public Utility Commission The Pennsylvania Public Utility Commission (PUC) is the state regulatory agency that provides oversight, policy guidance, and direction of distribution prices and services from Columbia Gas of Pennsylvania and suppliers.

Rate Schedule Copies of rate schedules are available for inspection upon request. Call 888-460-4332 for an explanation of charges and how to verify the accuracy of a bill.

Check Processing Information If you pay your bill by check, you authorize us to convert the check into a one-time electronic fund transfer from your checking account. Funds could be withdrawn from your account as early as the day after we receive your payment. Your check will not be returned to you, but the transaction will be noted on your financial statement. If you do not want your check converted, please call 1-888-895-9555, 8 a.m. - 8 p.m., Mon. - Fri EST.

Bankruptcy Notices Mail to Columbia Gas of Pennsylvania, Revenue Recovery, 200 Civic Center Dr., Columbus, OH 43215.

Other Correspondence (except payments) Mail to Columbia Gas of Pennsylvania, P.O. Box 2318, Columbus, OH 43216-2318

Safety Tips

Odor of Gas We add a distinctive odor to your natural gas to alert you to a leak in or around your home. If you smell an odor of gas:

1. Leave the building immediately. Leave the door open on your way out, and don't use light switches or matches.
2. Call our 24-hour emergency number from a nearby phone and wait for our service crew to arrive to explain the situation.

Call Before You Dig If you're planning a home construction or landscaping project, call PA One Call at 811 at least 72 hours before you start to dig. A representative will mark the approximate location of underground utility lines on your property.

Employee Identification All of our employees and approved meter readers and contractors carry photo identification. If someone claims to represent the gas company, ask to see identification. Call the police if you see suspicious activity.

Detail of Charges for Gas Service

Monthly Customer Charge	\$11.50
Distribution Charges 107 Ccf at \$0.41680 per Ccf	\$44.59
Transition Cost Surcharge	\$0.00
Gas Cost Adjustment 107 Ccf at \$0.19522 per Ccf	\$20.89
Gas Supply Charges 107 Ccf at \$0.49743 per Ccf	\$53.23
State Tax Adjustment Surcharge	\$0.04
Total Charges for Service This Period	\$130.17

Service Charges Notes

Your bill includes \$1.12 in state taxes.

Detail of Optional Services

Gas Line Guarantee (CSP Tel. 1-888-442-7349)	\$3.50
Total Charges for Optional Services This Period	\$3.50

Optional Services Notes

Columbia Service Partners charges are for non-gas services which customers choose to buy from Columbia Service Partners.

For questions about your Columbia Service Partners billing call 1-888-442-7349.



0905

Amount Due
DIRECT PAY

We will automatically deduct \$136.00 from your checking account on June 18, 2009.

=====

ERIE PA 16508

Account Number: [REDACTED]

*-89-147-AM-06880 00000000000000000000000000000013600005

15-ER

GREENGARDEN BLVD
ERIE PA 16508

[View Current Bill Inserts](#)
[View Your Rights & Responsibilities](#)



National Fuel

FOR EMERGENCIES CALL: 1-800-444-3130

For questions or service call National Fuel: (814) 871-8200 7:00am to 6:00pm Mon-Fri

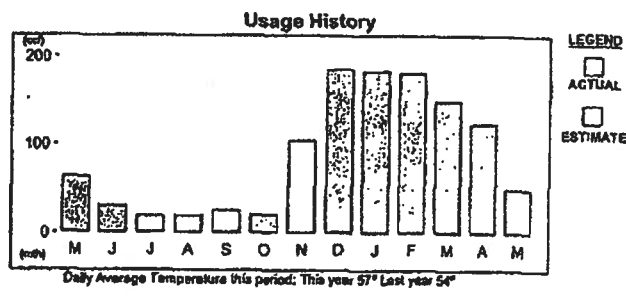
Account Number: [REDACTED]
Service Address: GREENGARDEN BLVD
Name: [REDACTED]
Service Classification: 01-PA RESIDENTIAL

General Information
Your Natural Gas Delivery Company is:
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
1100 STATE ST
PO BOX 2081
ERIE PA 16512
Office Hours: Monday-Friday 8:30am to 4:30pm
WWW.NATIONALFUELGAS.COM

Your Natural Gas Supplier is:
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
1100 STATE ST
PO BOX 2081
ERIE PA 16512
WWW.NATIONALFUELGAS.COM

Account Summary as of May 28, 2009 (Complete detail of Current Month Charges on reverse side)	
Last Month's Ending Balance	136.00
Direct Debit Payment Received	-136.00
Balance Remaining	0.00
National Fuel Budget Plan Monthly Payment Amount	136.00
Total Account Balance	136.00

Budget Plan Summary	
National Fuel	
Plan year ends: Mar 2010	
Current Month Charges:	77.40
Budget Plan Add:	58.60
Monthly Budget Plan Amount:	136.00
Actual Charges to Date:	259.68
Budget Billed to Date:	272.00
Plan Difference to Date:	-12.32



Meter No.	Read Date	Present Read	Read Type	Gas Usage	Prev. Read Date	Prev. Read	Read Type	Additional CCF	Total Meter CCF
32365	05/21/2009	1041	ESTIMATED		04/23/2009	992	CUSTOMER	0	49
Total Consumption (ccf) for 28 days									49
12 Month Total Usage 1086 ccf				12 Month Average 90 ccf					
				Next Meter Read on or about 06/22/2009					

Please see other side for more information

Messages

Thank you for your payment.
 We will automatically deduct \$136.00 from your checking account on June 18, 2009.
 Please call with any question or complaint prior to the due date.

BILLING INFORMATION - Understanding your bill

The State Regulatory Commission approves all charges for gas service. You may review a copy of our current rate schedule at any of our offices. You may do this to check your monthly bill or to read about various charges on your bill. Terms that may appear on your bill are described below.

Bill Payment: You can pay your bill by mail, by Direct Pay, online or at our local offices. You can also pay at any authorized payment agent where there will likely be a processing fee assessed by the agent at the time of payment.

Budget Plan Add or Deduct: This is the amount added to or subtracted from your current bill to equal your budget plan monthly payment amount.

CCF: One hundred cubic feet of gas; a measure of quantity. One ccf will heat about 160 gallons of your tap water to 130° F - the average hot water temperature.

Customer Charge: A monthly charge to cover Natural Gas Distribution Company costs such as maintaining the gas lines, meter reading and billing.

Delivery Charges: The charges for the delivery of natural gas from the point of receipt into the Natural Gas Distribution Company's system. The Pennsylvania Public Utility Commission regulates delivery prices and services.



Estimated Reading: Normally we try to read your meter every other month. We have estimated this reading because we were either unable to read your meter, or we were not scheduled to do so.

GAC (Gas Adjustment Charge): A charge that reflects the monthly changes (up or down) in the Company's actual cost of purchased gas.

Gas Supply Charges (commodity): The charges for basic gas supply service, which is sold either by volume (ccf or mcf) or heating value (dekatherms). The Natural Gas Supplier you have chosen sets commodity prices and charges.

Neighbor-For-Neighbor Heat Fund: You may make voluntary donations to this fund to help elderly or disabled individuals or those facing medical emergencies pay their utility bills.

State Tax Adjustment: A surcharge on gas rates charged to customers, which permits utilities to recover portions of various state taxes.

Current Month Charges	77.40
Includes the following Gas Supply and Delivery Service Charges:	
Gas Supply Charges	 National Fuel
Commodity: 49 ccf x 0.878178	43.03
Total Gas Supply Charges:	43.03
Delivery Service Charges	 National Fuel
Customer Charge	11.54
Delivery of 48 ccf x 0.403385	19.38
Delivery of 1 ccf x 0.287650	0.29
Gas Adjustment Charge of 49 ccf x 0.088220	3.24
State Tax Adjustment	-0.06
Total Delivery Service Charges:	34.37

Customers with Hearing Disabilities (TDD/TTY):
 Dial 7-1-1 or 1-800-662-4220
 For Gas Emergency provide Relay Operator with
 1-800-444-3130
 For Billing/Service provide Relay Operator with
 (814) 871-8200



Account Number: [REDACTED]
 Date Prepared: March 25, 2009

Next Meter Reading: 03/22 - 05/28/2009

For questions about Dominion Peoples charges call 1-800-764-0111. Avoid an estimate-enter a read between 04/24 & 5 p.m. on 04/28/2009 at www.dom.com.

Summary of Basic Charges		Monthly Usage Comparison	
Credits And Charges Since Your Last Bill		Average Daily Temperature For This Billing Period	
Balance from last bill	\$298.45	2008	2009
Payment on Mar 12, 2009 - Thank You	102.00 CR	80°F	36°F
Balance	\$196.45	Gas Use in MCF	
Current Charges:			
Rate For Residential		Average monthly use: <input type="checkbox"/> 7.9 MCF	
Customer Charge - 1 Month	\$11.00	Total annual use: <input type="checkbox"/> 84.8 MCF	
Delivery Charge		Online Period And Meter Readings	
12.2 MCF @ \$2.5807	31.81	Date	Read Type
Capacity Charge \$0.6713 per MCF	8.97	Mar 24, 2009	Actual
Commodity Charge \$7.5429 per MCF	92.02	Mar 24, 2009	Estimate
Gas Cost Adjustment \$2.5486 per MCF	31.09		
State Tax Surcharge Cr @ 1.54%	.49 CR		
Total Current Charges	\$172.20		
Total Account Balance	\$368.65		
Dominion Peoples current charges include \$1.05 in state taxes.			
Please Pay: Budget Amount Due of \$102.00 by April 15, 2009			
Current Budget Amount:		\$102.00	
Help people without heat or light by donating to the Dollar Energy Fund. Please add \$4 to your monthly gas payment.			

Please detach and return this coupon with a check made payable to Dominion Peoples. Please see reverse side for mailing address change instructions.

DUE DATE: Apr 15, 2009 Account No: [REDACTED]

\$102.00	[REDACTED]
Budget Amount Due	Amount Enclosed



DOMINION PEOPLES
 PO BOX 28784
 RICHMOND VA, 23261-0784



PECO

Page 2

Name: JOE CUSTOMER
Service Address: 2501 MARKET ST. UPPER MARSY
Phone Number: 215-843-4000
Account Number: 12345-67890
Issue Date: 02/10/2009

General Information
 Next scheduled meter reading: March 10, 2009
 Payment Information: PECO Energy, 2301 Market St, Philadelphia, PA, 19101, walk-in business hours Monday through Friday 8:30AM to 5:00PM. For additional payment options, go to www.peco.com/ehome. If you have any questions or concerns, please call 1-800-494-4000 before the due date.
 To pay by phone, call 1-877-432-9984. (A convenience fee will apply.)
 Si tiene alguna pregunta, favor de llamar al numero 1-800-494-4000 antes de la fecha de vencimiento.

Meter Information

Meter Date	Meter Number	Load Type	Reading Type	Previous Meter Reading	Present Meter Reading	Diff	MdC X	Usage
02/07	015556120	General Service	Total Ccf	8213 ACT	8322 ACT	108	1	698
02/07	105241312	General Service	Total kWh	47390 ACT	47777 ACT	387	1	387
		Total Ccf Used108					
		Total kWh Used387					

Current Period

Gas Residential Heating Service Service 01/08/2009 to 02/09/2009 - 32 Days

Customer charge				\$10.75
Natural Gas Supply Charges	108 Ccf	X	\$0.95411	130.04
Distribution Charges	108 Ccf	X	0.38466	39.30
Balancing Service Charges	108 Ccf	X	0.04025	4.33
Gas Cost Adjustment Charges	108 Ccf	X	0.01904	2.06
State Tax Adjustment				-0.19
Total current charges				\$186.39

Electric Residential Service Service 01/08/2009 to 02/09/2009 - 32 Days

Customer charge				\$5.38
Generation Charges	387 kWh	X	\$0.06600	25.54

continued ...

When paying in person, please bring the entire bill.

Return early this portion with your check made payable to PECO. Please write your account number on your check.

Check here to enroll in Power Pay Automatic Account Debit and complete form on reverse side.

Check here to please a donation to NEAF and complete form on reverse side.

To pay by phone call 1-877-432-9984. A convenience fee will apply.

12345 6789 00000 0000

Account Number: 12345-67890

Payment Receipt Stamp

PECO ENERGY - PAYMENT PROCESSING
 2301 MARKET ST.
 PHILADELPHIA, PA 19101

Please pay this amount by 02/03/2009 \$249.09

000002490000000000

123456789000002490980630207352

- 1 Customer, Service Address and Phone Number
Your name, service address and phone number. You will be billed for services used at this address.
- 2 Customer Account Number
Please use this number when requesting information about your account or when paying your bill.
- 3 Meter Information
Your meter number and information.
- 4 Billing Details Shows how much energy you used during the current billing period.
- 5 Calculation of Charges
Itemized PECO charges appear.
- 6 Amount Due and Date
This section reflects the total amount due and the date that it is due to PECO or your energy supplier.
- 7 Payment Stub Fill in the amount of your payment - be sure to include your stub when paying by mail or at one of our authorized payment locations.



Page 2

Name: JOE CUSTOMER
 Service Address: 2301 MARKET ST, UPPER DARBY
 Phone Number: 215-842-4000
 Account Number: 12345-87690
 Issue Date: 02/10/2009

Current Period ... continued

Transmission Charges	387 kWh	X 0.00550	2.13
Distribution Charges	387 kWh	X 0.04830	18.61
Transition Charges	387 kWh	X 0.02920	11.30
State Tax Adjustment			-0.04
Total current charges			\$62.70

Other Basic Charges

Thank you for your payment of \$246.63

Total amount due

\$ 249.09

Message Center **8**

Thank you very much for paying your bill on time.

New charges contain estimated total state taxes of \$16.27, including \$3.82 for State Gross Receipts Tax. PECO Energy's new charges contain \$8.26 Intangible Transition Charges.

If you were on our budget billing program, your bill this month would have been \$143.00. To begin using budget billing, please pay this amount rather than the amount shown on your bill. Your account will automatically be placed on budget billing.

To learn more about the new bill format, please visit www.pecoservice.com.

Your Usage Profile **10**

Gas Residential Heating Service

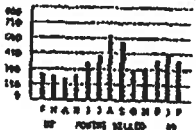
12-Month Usage (Total ccf)



Month Billed	Avg Daily Usage	Avg Daily Temp
Current Month	3.8	38
Last Month	3.8	38
Last Year	4.6	38
Avg Ccf per Month		37
Total Annual Ccf Usage		464

Electric Residential Service

12-Month Usage (Total kWh)



Month Billed	Avg Daily Usage	Avg Daily Temp
Current Month	12.9	38
Last Month	13.4	38
Last Year	8.8	38
Avg kWh per Month		137
Total Annual kWh Usage		1644

8 Message Center This area of your bill will display important messages from PECO or your energy supplier.

9 Total Amount Due

10 Usage Profile Charts with usage and average cost per month.

Meter Reading/Usage Information

	READING	READ DATE	READ TYPE
This Month:	53	5/01/09	Actual
Last Month:	42	4/02/09	
Current Usage:	11	Mcf in 29 DAYS	

Service ID#: 112023000
 Residential Service
 Account Number: 1120230002
 Meter Number...: 1918224
 Gas Used At...: 208 CENTRAL DR BUTLER



▬-Estimated ▬-Actual ▬-Customer Read

Annual Usage: 143 Mcf
 Average Monthly Usage: 11 Mcf

General Information

Natural Gas Distribution Company (NGDC)
 For the NGDC portion of your bill notify:
 T. W. Phillips Gas and Oil Co.
 205 North Main St.
 Butler, PA 16001
 1-800-222-5101
 www.twphillips.com

Natural Gas Supplier (NGS)

Billing Information

NGDC Charges:
 Balance From Last Bill \$+447.00
 Late Charges 0
 Adjustments 0
 Transfers 0
 Payments Received -Thank You \$-165.00

Distribution Charges:
 Customer Charge 12.50
 Delivery Charge 53.73
 11 Mcf @ 4.8847
 Gas Cost Adjustment 8.32
 11 Mcf @ .7568
 Commodity Charge 84.26
 11 Mcf @ 7.6600

State Tax Adj @.0023- .03CR

NGDC Charges \$+440.78

NGS Charges:

NGS Charges 0

TOTAL ACCOUNT BALANCE \$-440.78

BUDGET AMOUNT DUE 155.00

THE BUDGET AMOUNT DUE WILL BE PAID 05/27/09 USING GASCHECK.
 Your Monthly Budget Amount Decreased Because
 of A Change in Your Gas Usage or Cost of Gas.
 Commodity prices and charges are set by the Natural Gas Supplier you have chosen.
 The Public Utility Commission regulates distribution prices and services.
 Your new charges include an estimated total State Tax of \$ 1.94
 Please read your meter between 06/02/09 and 06/02/09 and call 1-888-427-7335
 and enter your read to avoid an estimated bill next month.

Please return this portion with your payment.



Account Number	Due Date	Amount Due	Amount Enclosed
1120230002	5/27/09	155.00	

Make checks payable to: T.W. Phillips Gas and Oil Co.

Here Here

Check if Change of Address

|||||
 T.W. Phillips Gas and Oil Co.
 P.O. Box 37745
 Philadelphia, PA 19101-5045

STACI KLINGLER
 208 CENTRAL DR
 BUTLER PA 16001

1120230002300001550002

T. W. Phillips Gas and Oil Co.

General Information

General Questions

Office hours 8:00 A.M. to 5:00 P.M.
Closed Saturday and Sunday
724-287-2751
1-800-222-5101

Emergencies

Gas Leaks - 724-287-2751 or
1-800-222-5101 - 24 hour service

Automated Billing Information

24 hours - 7 days a week
1-888-GAS-SEEK
1-888-427-7335

Billing and Service Questions

If you have a question or complaint about your bill, please contact our Customer Service Office before the due date of your bill:

205 North Main Street
Butler, PA 16001
1-800-222-5101

Hearing Impaired
1-800-442-7548

Information You Can Get at Our Office

- ✓ Rate Schedules
- ✓ An explanation of the charges on your bill
- ✓ An explanation of how to verify that your bill is correct

Understanding Your Bill

Budget Payment Plan - A program to level out gas payments over the year. It helps ease the burden of your high winter heating bills. Payment troubled customers may also participate in this plan. Please contact our Customer Service Office if you would like more information or would like to participate.

Commodity Charge - The charge for basic gas supply service which is sold either by volume (CCF or MCF) or heating value (dekathems).

Credit Reporting - All accounts are reported to national credit bureaus. Your good payment history is an asset and gives you a reference when applying for a loan or credit card.

Customer Charge - Helps us recover some of our costs of providing you with safe and dependable gas service. These costs include maintaining your gas meter, meter reading, billing and record keeping. We bill the customer charge each month whether you use any gas or not.

Delivery Charge - The charges for the delivery of natural gas from the natural gas distribution company's system to your home or business.

Distribution Charges - The charges for the delivery of natural gas from the point of receipt into the NGDC's system.

Due Date - The date your bill must be paid by. If you pay your bill in person, your payment must reach our office by the Due Date. If you pay by mail, your payment must be postmarked by the Due Date.

Employee Identification - Every T. W. Phillips' employee who visits your home or place of business carries an official identification card bearing his or her name, signature and picture. For your protection, please ask to see it.

Gas Cost Adjustment - The amount billed or credited each month to account for differences between projected and actual gas supply costs of the NGDC.

Late Charge - A charge we add to your bill if you do not pay by the Due Date. The charge is 1.25% per month for residential customers, and 1.50% per month for all other customer classifications.

MCF - An abbreviation for 1,000 cubic feet, a standard measure of gas volume.

Meter Readings

Actual Reading - A reading our meter reader gets directly from your meter.

Estimated Reading - On months we do not read your meter, we estimate your usage. We base the estimate on your past use and weather conditions. You can avoid receiving an estimated bill by reading your own meter. We will then bill you based on your read.

Customer Reading - A reading you get directly from your meter. You then call in your reading through our automated system or by calling our Customer Service Office during normal office hours. For more information, please call our Customer Service Office.

NGDC - Natural Gas Distributing Company - A state-regulated natural gas utility which owns the gas lines and equipment necessary to deliver natural gas to the consumer. (Formerly called local distribution company)

NAS - Natural Gas Supplier - An entity that sells or arranges to sell natural gas to customers that is delivered through the distribution lines of an NGDC.

Payment - You can pay by mail or in person at any authorized payment agency. Please contact our Customer Service Office for the nearest agency.

Surcharge - A charge or credit for changes in state taxes. The surcharge recovers some of the Pennsylvania taxes we pay that are not included in our base rates.

Pennsylvania Customer: Front of Bill

Account # 11111111111111111111
 Meter # 123456789
 Billing Cycle Monthly
 Service Dates 01/01/01 to 12/31/01
 Service Address 123 Main St.,
 Philadelphia, PA 19104-1234
 Telephone 800-432-3232

EQUITABLE
 GAS
 1234 Main St.
 Philadelphia, PA 19104-1234
 Telephone 800-432-3232

Current Gas Usage

Meter	12/01/01	11/01/01	10/01/01	09/01/01	08/01/01	07/01/01	06/01/01	05/01/01	04/01/01	03/01/01	02/01/01	01/01/01
Usage	1000	1200	1100	1300	1400	1500	1600	1700	1800	1900	2000	2100

Average Temperature: Average Monthly Usage: Annual Usage: 7000

Estimated Gas Usage

Meter	12/01/01	11/01/01	10/01/01	09/01/01	08/01/01	07/01/01	06/01/01	05/01/01	04/01/01	03/01/01	02/01/01	01/01/01
Usage	1100	1300	1200	1400	1500	1600	1700	1800	1900	2000	2100	2200

Amount Due \$45.00

Minimum Payment \$10.00

Due Date 02/01/02

Payment History

Date	Amount	Balance
12/01/01	\$10.00	\$35.00
01/01/02	\$10.00	\$25.00
02/01/02	\$25.00	\$0.00

Current Gas Usage

Estimated Gas Usage

Compare to Last Bill

Request to Change Service

Request to Change Credit

Request to Change Service

Request to Change Credit

Compare to Last Bill

Request to Change Service

Request to Change Credit



Account Number
 Our system has assigned an account number which supplements your customer and location numbers. This account number should be used for referencing your payments on a check or when making on-line or phone payments.



Meter Number
 The meter number is located within the "Current Gas Usage" section of your bill. Also, the number has been reduced to 7 digits instead of 10. Please keep your bill handy to enter the complete meter number if you use our Automated Phone System or Web site to submit your meter reading.

Pennsylvania Customer: Back of Bill

Available Services and Information

Employee Identification - Every Equitable Gas employee or contractor carries a company identification card. For your protection, always ask to see ID.

Budget Plan - This offers an easy way for you to "even out" your gas bills throughout the year. The amount of your monthly payment is based on a 12-month average of your bill, allowing you to pay about the same amount each month. (The amount might change due to changes in rates, temperatures, usage, or other factors.) To become a budget customer, pay the budget amount shown on the front of the bill. If no amount is shown, contact the Customer Service Center for details. You must write or call to cancel participation in the budget program, and you could be removed from the budget program if your account is delinquent; any remaining account balance becomes payable by the due date of your current bill.

Direct Payment - Automatically pays your gas bill directly from your checking or savings account. Participating customers will see "ENAP" shown in the due-date portion of the bill. Sign up at www.eqt.com or through the Customer Service Center.

Credit Card/Easy Pay - Pay with your credit card or personal check over the phone. Additional handling charges apply. To make payments, call NCO Financial at 1-800-824-8353.

Payment Centers - Bring the payment coupon from your current bill and pay in person at a local payment agency. Note: Payment centers charge a small handling fee on all payments and most accept cash, check or money order. Visit www.eqt.com or contact the Customer Service Center for the location nearest you.

Third-party Notice - Helps avoid the loss of gas service by sending a copy of any shut-off notice to a person or agency you select. The third party is not responsible for payment of your bill.

Contacting Equitable Gas

Please call, e-mail or write to the Customer Service Center with questions before the due date on your bill.

In writing: Equitable Gas
P.O. Box 6796
Pittsburgh, PA 15212

EMERGENCIES (24 hours) 800-253-8928
Customer Service Center 412-385-3060
Toll-free 800-954-6336
Hearing Impaired (TTY) 412-442-3094

Call Before You Dig 811

Report Gas Theft 800-431-0801

Web site www.eqt.com
E-mail customerservice@eqt.com
(non-emergencies only)

A complete schedule of rates is available at www.eqt.com or through the Customer Service Center.

EP60030

About Your Bill

Account Number - One of two numbers that help identify customer accounts. Please use this number when calling or writing about your account.

Bill Number - Identifies a specific bill.

Commodity - The charges for natural gas supply, which is sold in Mchfs. (If you choose a natural gas supplier, the commodity charge will appear in a separate section of the bill with the supplier information.)

Current Gas Usage - The current meter reading, last reading and amount of gas used for this billing period.

Customer Charge - A fixed, monthly charge that helps Equitable Gas provide safe, reliable service. This charge includes the cost of maintaining the meter and preparing bills. You must pay the Customer Charge even if you do not use any gas.

Customer Number - One of two numbers that help identify customer accounts.

Distribution - The charges for the delivery of natural gas from Equitable Gas to your home.

Gas Cost Adjustment - The amount billed or credited each month to account for differences between projected and actual gas supply costs.

Gas Usage History - A graph showing how much gas you used for the last 13 months.

Location Number - Identifies a specific location served by Equitable Gas.

Mcf - 1,000 cubic feet of gas, a measure of gas usage.

Meter Number - Identifies the meter located at the service address.

Meter-reading Terms

- Actual - reading by a company representative or through the electronic system.
- Estimate - reading based on previous usage and recent weather conditions.
- Customer - reading you give Equitable Gas.
- Electronic - actual reading by a device attached to the meter.

Sales Tax - Taxes collected and paid to the Commonwealth of Pennsylvania. You do not pay this tax if you live at the residential service address shown on the front of the bill.

State Tax Surcharge - The amount billed or credited to your account as a result of changes in the level of certain Pennsylvania taxes paid by Equitable Gas.

State Taxes - Estimated taxes collected and paid to the Commonwealth of Pennsylvania.

Update basic contact information by checking the box(es) on the front of the payment coupon and completing the below form. If you are moving, call the Equitable Gas Company Customer Service Center to transfer or cancel service. Please do not use the coupon for any other correspondence.

Please note changes to your mailing or service address:

Street Address

City/State/Zip

- ↑ This is a change to my mailing address.
- ↑ This is a change in my service address.

Phone



A simple call' could lower gas bill

The Tribune-Democrat

'A simple call' could lower gas bill

By BERNIE HORNICK
The Tribune-Democrat

March 01, 2009 11:30 pm

— Charles Wissinger of Roxbury called the newspaper to save fellow readers a buck. If your circumstances are just right, he can save you big-time money on your Dominion Peoples Plus natural gas bill.

Not Dominion Peoples. Dominion Peoples Plus.

Wissinger was commiserating with some buddies about their gas bills over at Coney Island one recent day.

Wissinger's own January bill topped \$500.

He told a friend that his commodity charge was \$15.99 per thousand cubic feet.

"He said, 'That's way higher than it should be,'" Wissinger recalled.

"'Call this number and ask for a lower rate.'"

Wissinger dialed and spoke with a company representative.

"He said, 'Oh, we'll take that to \$9.29.' Just like that," he recalled.

Dan Donovan, director of media relations for Dominion Peoples Plus, explained.

He said 25 percent of Dominion gas customers are enrolled in the Dominion Peoples Plus, a contract in which customers can lock in their gas rates for a year or two in hopes of saving money. And those contracts with DPP — the marketing arm of Dominion — can be broken by customers at any time without exit fee, Donovan said.

Over time, the rates fluctuate with natural gas prices so the contracts become cheaper or more expensive.

Different folks have different rates depending on when they signed up.

Essentially, what Wissinger did was to substitute his more expensive contract with a contract that became cheaper as prices went down.

But the onus is on the consumer to call and make the change. Dominion is not going to call to offer it.

Also, in general, a longer contract — say, for two years — is going to offer cheaper gas prices than a shorter contract, Donovan said. That's because Dominion can get better prices from the gas suppliers by guaranteeing more demand over a longer term.

He said locking in rates is popular with the heating public because, "People are tired of surprises. Gas is like a yo-yo."

"Natural gas is the most volatile commodity, more than oil. It rises faster and goes down faster," Donovan

said. He said that's the role Dominion Peoples Plus plays: It allows customers to better budget for their heating bills.

He said pricing risk is involved on both sides, the company's and the customers'. Prices with the plus program generally are cheaper than what Dominion Peoples offers, Donovan said, but not right now.

Wissinger was pleased with how things turned out.

"After I hung up I thought, 'Wow, that was too easy,'" the 71-year-old railroad retiree said.

He figured that — had he called last summer — he and his wife, Mary Ann, could have saved \$400 in heating bills. His January bill alone would have been \$150 lower, he said.

"I'm just concerned that people aren't aware they can get a lower rate," Wissinger said. "It really surprised me how few people know how easy it is to lower your bill with just a simple call."

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Upper St. Clair woman encourages haggling over gas prices



post-gazette **NOW** BUSINESS / PERSONAL BUSINESS
Pittsburgh Post-Gazette

Upper St. Clair woman encourages haggling over gas prices

Wednesday, February 25, 2009

By Elwin Green, Pittsburgh Post-Gazette



ppm Pavaluk/Post-Gazette

Cindy Golding, from Upper St. Clair, was shocked when she called her natural gas supplier, Dominion Peoples Plus, to switch to Dominion Peoples and received an offer to have her gas bill placed 42 percent lower than what she was being charged.

Cynthia Golding is on a crusade.

It began when Ms. Golding, of Upper St. Clair, saw that her gas bill for November was \$387; the highest it had ever been before then was \$315.

"Oh well," she told herself. "It'll come down next month."

But the next month's bill was \$521.

"I thought, 'Oh my God, I have a leak,'" she said.

She called Dominion Peoples Plus, her natural gas supplier since 2001, and learned that the jump in her gas bill was due, not to a leak, but to a price increase, to \$15.99 per thousand cubic feet (mcf) that had taken effect July 1, just about the time that the wholesale price for natural gas reached its highest point of 2008.

She called her utility, Dominion Peoples, and discovered that their "price to compare" for gas was only \$7.54 per mcf. She called Dominion Peoples Plus back and told them she intended to switch suppliers.

She says the Dominion Peoples Plus customer service representative told her that if she switched to Dominion Peoples she would incur an additional charge that would result in her paying \$10.66 per mcf. She said the Dominion Peoples Plus customer service representative then offered her a price of \$9.29. She accepted that price and kept Dominion Peoples Plus as her natural gas supplier.

She did two more things.

First, she called the state Public Utility Commission to complain. Her complaint to the PUC centered on the Dominion Peoples' representative not telling her about the additional charge (a gas adjustment charge), and the fact that she might never have known that she could negotiate her price with Dominion Peoples Plus if she had not called.

Second, she began telling everyone she knew that she had gotten her price for natural gas reduced just by making a phone call. The success stories began to mount.

Joan Kerling, also of Upper St. Clair and another Dominion Peoples Plus customer, called and was offered a price of \$9.29 per mcf, down from \$15.39.

Rozanne Wilson, of Monroeville, had her Dominion Peoples Plus price reduced to \$10.45 per mcf, from \$15.45.

Upper St. Clair woman encourages haggling over gas prices

Frank Stoy, of Washington, Pa., got his price reduced to 89 cents per hundred cubic feet, rather than \$1.29 per ccf, by visiting the Web site for his supplier, IGS Energy.

While they all expressed pleasure about saving money, they also expressed perplexity or even anger about the way that they obtained those savings. Their common feeling is that if a lower price is available, customers should not have to call to obtain it.

Ms. Kerling said when she called, the customer service representative she spoke with suggested that she check back periodically to see if a new, lower price is available.

"I said, 'Why don't you just automatically lower it?'" she said.

Sonny Popowsky, the state's consumer advocate, said competitive suppliers, who typically offer long term agreements to provide gas at a fixed price, have good reason for not offering a lower price automatically to all customers.

"If you lock in a price for a year or two years, they will lock in a gas supply to serve you for that period of time," he said. "They can't wait and buy their gas on the spot market and hope that the price goes down. If the price goes up, you get the benefit. If the price goes down, you have to stay with your fixed price."

Ms. Golding and friends are proving that the "have to" is somewhat theoretical.

A customer always can call to see if a lower price is available, said Dominion Peoples Plus spokesman Dan Donovan. But calling does not guarantee a lower price. "Sometimes we say, 'No, we don't have another price,' because we couldn't buy gas any cheaper."

He emphasized that the price that a customer pays is "individually negotiated between us and the customer. We both agree on a period of time, we both agree on a rate." But "it's not a rate determined by a commission. It's a price between two parties."

As for lower prices becoming available after that deal has been made, Mr. Donovan compared it to buying detergent for \$2, using it for a while, then noticing that the same detergent is on sale for \$1.50.

"Are you ticked off about it?" he said.

Ms. Golding said she is angry, not for her own sake, but for the sake of others.

"I have no problem paying any bill," she said. "I don't want senior citizens to not buy food and pay \$15.99 [per mcf] to heat their whole house because nobody's telling them" that a lower rate is available.

One way for consumers to keep track of trends in pricing among competitive suppliers is by visiting the Office of Consumer Advocate's Web site, which offers a guide to natural gas choice ([view a PDF](#)).

While this may be the season for customers of competitive suppliers to negotiate price reductions, Barbara Stern, of Shaler, discovered that this is not necessarily the time to sign up with such a supplier. A Dominion Peoples customer, she checked with Agway Energy Services and Dominion Peoples Plus to see if either could offer her a fixed price that would be lower than the \$7.54 that is Dominion Peoples' price to compare.

"Based on the information I had, Dominion Peoples was much less expensive," she said.