



Office of the Ohio Consumers' Counsel

Your Residential Utility Consumer Advocate

CONSUMERS' FACT SHEET

Office of the Ohio Consumers' Counsel

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THE FACTS ABOUT NATURAL GAS BUDGET BILLING



Budget billing programs can help consumers spread natural gas expenses over 12 months and are available to all residential customers who owe no more than their current bill, except those on the Percentage of Income Payment Plan (PIPP) or another payment plan. In this fact sheet, the Office of the Ohio Consumers' Counsel (OCC), your residential utility consumer advocate, provides details about the respective budget payment plans offered to customers of Duke Energy Ohio, Columbia Gas of Ohio, Dominion East Ohio, and Vectren Energy Delivery of Ohio.

To calculate a monthly charge, budget billing payments are determined by looking at historical usage or the usage at the residence over the past 12 months, the expected cost of natural gas and the expected weather. Budget amounts may be adjusted throughout the year depending on the actual cost of natural gas and weather conditions. Customers should contact their local utility or the OCC for more information about eligibility. Here are a few terms customers should know when considering whether to go on a budget payment plan.

Budget billing – Divides the projected annual gas costs into 12 equal payments.

Budget billing reviews and adjustments – Budget amounts may be reviewed by the utility one or more times throughout the year. These reviews take into consideration any differences between the budget amount, natural gas costs, and the actual amount of natural gas used. *If a customer paid more* for natural gas than was actually used, the company may recalculate the budget billing amount and reduce the payment. *If a customer paid less* for natural gas than was actually used, the company may recalculate the budget billing amount and increase monthly payments.

Year-end review and balancing – At the end of the budget year, any remaining balances may be rolled into a new budget payment amount or a full payment may be required.

Budget billing programs

The following pages include an explanation of the budget billing programs for each of the major regulated natural gas

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companies. This information is believed to be accurate, but is not guaranteed. Please contact your natural gas company for more information before you enroll in its budget billing program.

Duke Energy Ohio Annual Plan

When: Any time throughout the year.

How: Toll free at 1-800-544-6900 or online at www.duke-energy.com.

Eligibility: Residential customers with an average monthly bill of \$3,100 or less.

Periodic account reviews and adjustments:

Customers pay the same budget amount for 11 months. In the sixth month, a mid-year review is conducted. If the review results in a difference of 30 percent more or less per month, customers will receive a message on the following month's bill recommending that Duke Energy be allowed to adjust the monthly budget amount higher or lower to reflect usage more accurately. The customer must call Duke Energy if he or she agrees to have the budget amount adjusted. Otherwise, the budget amount will not change.

Year-end review and balancing:

In the 12th month, customers will see an adjustment made on their bills to make up for any difference between the past 11 months' payments and actual natural gas usage. This could result in either a credit or a charge. Any charges must be paid in full by the due date on that month's bill. In addition, a new budget billing plan amount is set for the next program year.

Duke Energy Ohio Quarterly Plan

When: Any time throughout the year.

How: Toll free at 1-800-544-6900 or online at www.duke-energy.com.

Eligibility: Residential customers with an average monthly bill of \$3,100 or less.

Periodic account reviews and adjustments:

An initial monthly payment is determined. Duke Energy reviews the actual usage every three months. If a customer's usage varies by 10 percent more or less from the monthly payment, a message will appear on the next bill and the company will automatically adjust future payment amounts either higher or lower to reflect the actual cost.

Year-end review and balancing:

At the end of the Budget Billing year, any credit to your account or balance you owe will be divided by 12 months and be automatically rolled into your new monthly bill installment.

Columbia Gas of Ohio

When: The program officially begins in August, but customers may enroll at any time. Enrolling in the program after August may result in a higher budget amount because the payments are spread over fewer months.

How: Toll free at 1-800-344-4077, online at www.columbiagasohio.com or by paying the budget amount that appears on the August bill.



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The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, represents the interests of 4.5 million households in proceedings before state and federal regulators and in the courts.

The state agency also educates consumers about electric, natural gas, telephone and water issues.

For more information, please visit the OCC website at www.occ.ohio.gov.



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Periodic account reviews and adjustments:

Budget amounts are reviewed in March. If the review results in a difference of \$4 per month more or less than the current budget payment, the company will adjust the budget amount to reflect the new payment beginning with the April bill.

Year-end review and balancing:

In July, the company performs a 12-month review, which could result in either a credit or a charge. Any charges must be paid in full by the due date on that month's bill. In addition, a new budget billing plan amount is set for the next program year.

Dominion East Ohio Gas

When: Customers can enroll any time. Enrolling in the program during the late summer or winter heating seasons may result in a higher budget amount because the usage and rates are generally higher.
How: Toll free at 1-800-362-7557 or online at www.dominionenergy.com.

Periodic account reviews and adjustments:

Budget accounts are reviewed each May and November. If the account balance is considerably more or less than the budget amount, a recalculation takes place. If no recalculation is needed, the budget review will take place at least once every six months. Changes will not be made more than two months in a row.

Year-end review and balancing:

There is no 12-month or year-end adjustment. Accounts are reviewed periodically throughout the year.

Vectren Energy Delivery Ohio

When: Any time throughout the year.
How: Toll free at 1-800-227-1376. Customers who have an online account can enroll at www.vectren.com.

Periodic account reviews and adjustments:

Budget bills are reviewed in early summer. Any adjustments, either credits or charges as a result of this review, are automatically figured into the new budget amount for the next 12-month period.

Year-end review and balancing:

There is no 12-month or year-end adjustment. Accounts are reviewed in early summer.

Common questions and answers about budget billing

Q. What if I no longer want to be in a budget billing program?

A. Customers must contact their natural gas company and request to be removed from the budget billing program.

Q. What happens if I miss a monthly budget payment?

A. Customers must pay their budget amount by the due date indicated on the bill or they may be dropped from the budget billing program.

Q. If I have a competitive natural gas supplier can I still be on budget billing?

A. Yes. Currently, the natural gas companies perform billing for competitive suppliers so you are able to participate in budget billing. However, if you have chosen a supplier that offers a variable rate, your budget billing payment could go up or down depending on whether the supplier's rate increases or decreases. Contact your natural gas company if you have additional questions.

Q. My budget payment just increased. Is there anything I can do to minimize future adjustments to my payment amount?

A. Yes. Contact the gas company and find out what factors caused the budget to increase. You might also look on the bill to determine the rate you are paying for natural gas. To help identify ways to conserve natural gas and reduce heating costs, you can contact the Office of the Ohio Consumers' Counsel toll free at 1-877-742-5622 or visit the publications page online at www.occ.ohio.gov.