

Office of the Public Advocate

Briefing to the Joint Standing Committee on Energy, Utilities and
Technology Committee: Natural Gas

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Overview

- The Office of the Public Advocate intervenes on behalf of consumers in most cases involving gas utilities before the PUC.
- This presentation:
 - Overview of typical residential natural gas bill
 - Recent and upcoming OPA cases involving gas utilities

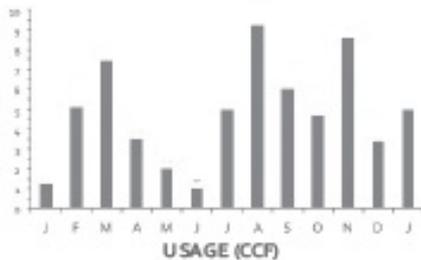
Components of a natural gas bill



energy for life.

AMOUNT DUE \$00.00

ACCOUNT NUMBER 1234567-1234567 BILL DATE 2/23/13 DUE DATE 3/19/13 NEXT METER READING DATE 3/24/13



Smith Residence, 100 Main St, Portland, ME 04206

AT A GLANCE

AMOUNT OF LAST BILL.....	\$000.00	TOTAL CURRENT CHARGES.....	\$00.00
PAYMENT - THANK YOU.....	-\$000.00	PLEASE PAY AMOUNT.....	\$00.00
YTD BUDGET AMOUNT.....	\$000.00	YTD ACTUAL AMOUNT.....	\$000.00

METER NUMBER	METER PREVIOUS	READING PRESENT	METER CONSTANT	METERED USAGE	NUMBER OF DAYS	METERED DEMAND	RATE CODE
00000	00000	00000		000.00 CCF	00		R2
BALANCE FORWARD							\$00.00
GAS - SERVICE 1/20/13 - 2/20/13							
Metered Usage				000.00 CCF x \$0.00000 = 000.00 therms			
Delivery Charges							
Customer Chg						00.00	
Distribution Chg - First				00.00 therms x \$0.00000		00.00	
Distribution Chg - Next				000.00 therms x \$0.00000		00.00	
EERA				00.00 therms x \$0.00000		00.00	
ERC				00.00 therms x \$0.00000		00.00	
Total Current GA Charges							\$00.00
GAS - SUPPLIER SVC 2/01/13 - 2/20/13							
Supplier Charges						\$00.00	
Cost of Gas				00.00 therms x \$0.00000		00.00	
Total Current GS Charges							\$00.00

MESSAGES

Underground natural gas pipelines crisscross the nation, supplying many of our energy

Delivery Charges

- Recover the costs of constructing, operating and maintaining local gas distribution infrastructure
- Typically fixed customer charge + usage-based charge
 - May include additional surcharges to recover specific costs
- Established in rate proceedings before the Maine PUC
- Vary from company to company based on costs of service and rate plan

Residential Delivery Charge Comparison

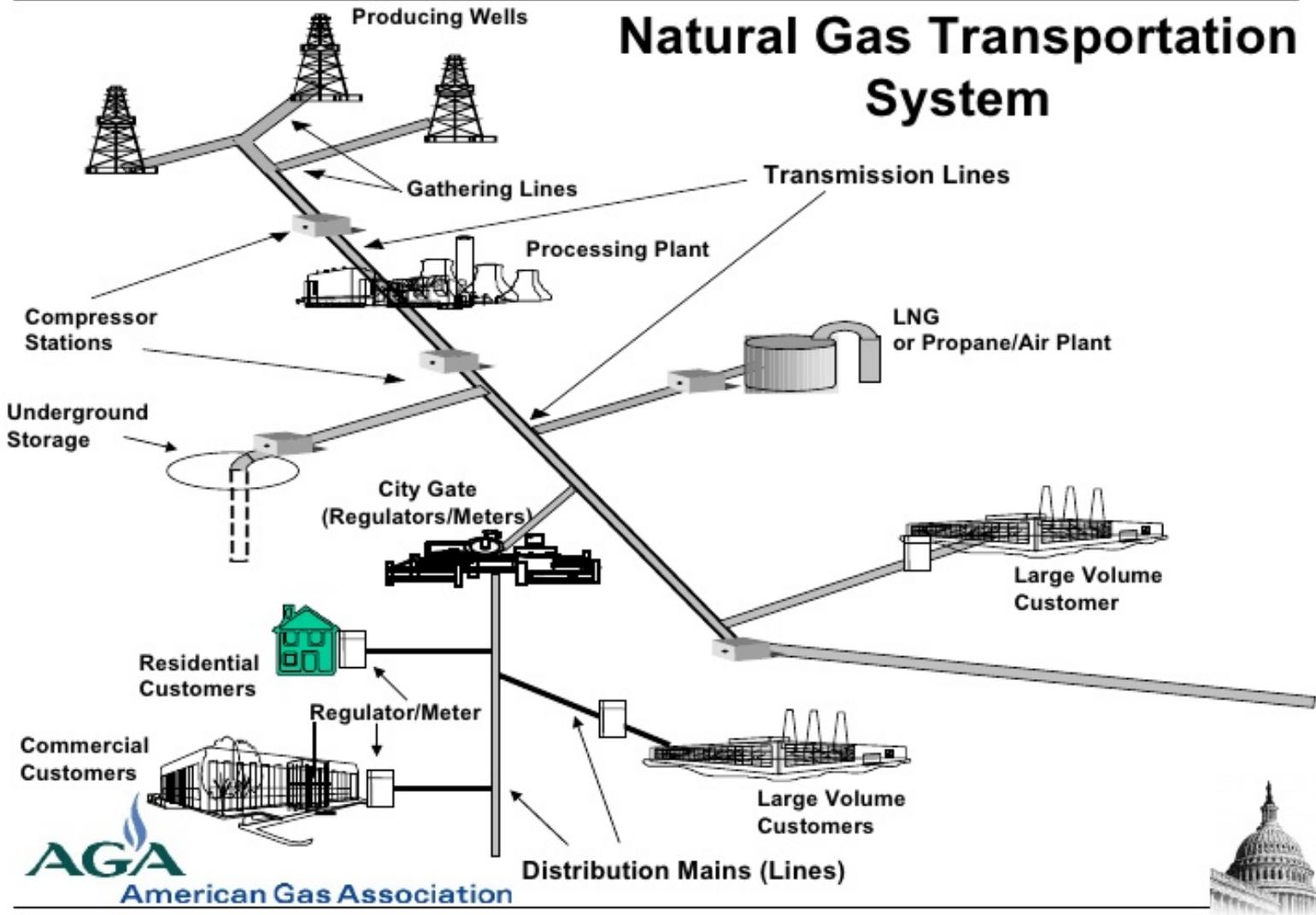
	Bangor Gas Company	Maine Natural Gas	Summit Natural Gas	Unitil
Customer Charge	\$14.29	\$24.34	\$20.21	\$23.06
Unit charge	\$.356 per therm	\$.348- \$.392 per therm	\$.859 per therm	\$.3244-\$.4235 per ccf
Total February Delivery Charge*	\$67.15	\$77.00	\$147.75	\$74.06

*Assumes average February residential heating customer usage of 145 ccf/148.5 therms

Supply Charges

- Recover the cost of the gas delivered to the customer
 - Commodity
 - Pipeline transportation
 - Storage
 - Peaking resources/contracts
 - Hedging contracts

Natural Gas Transportation System



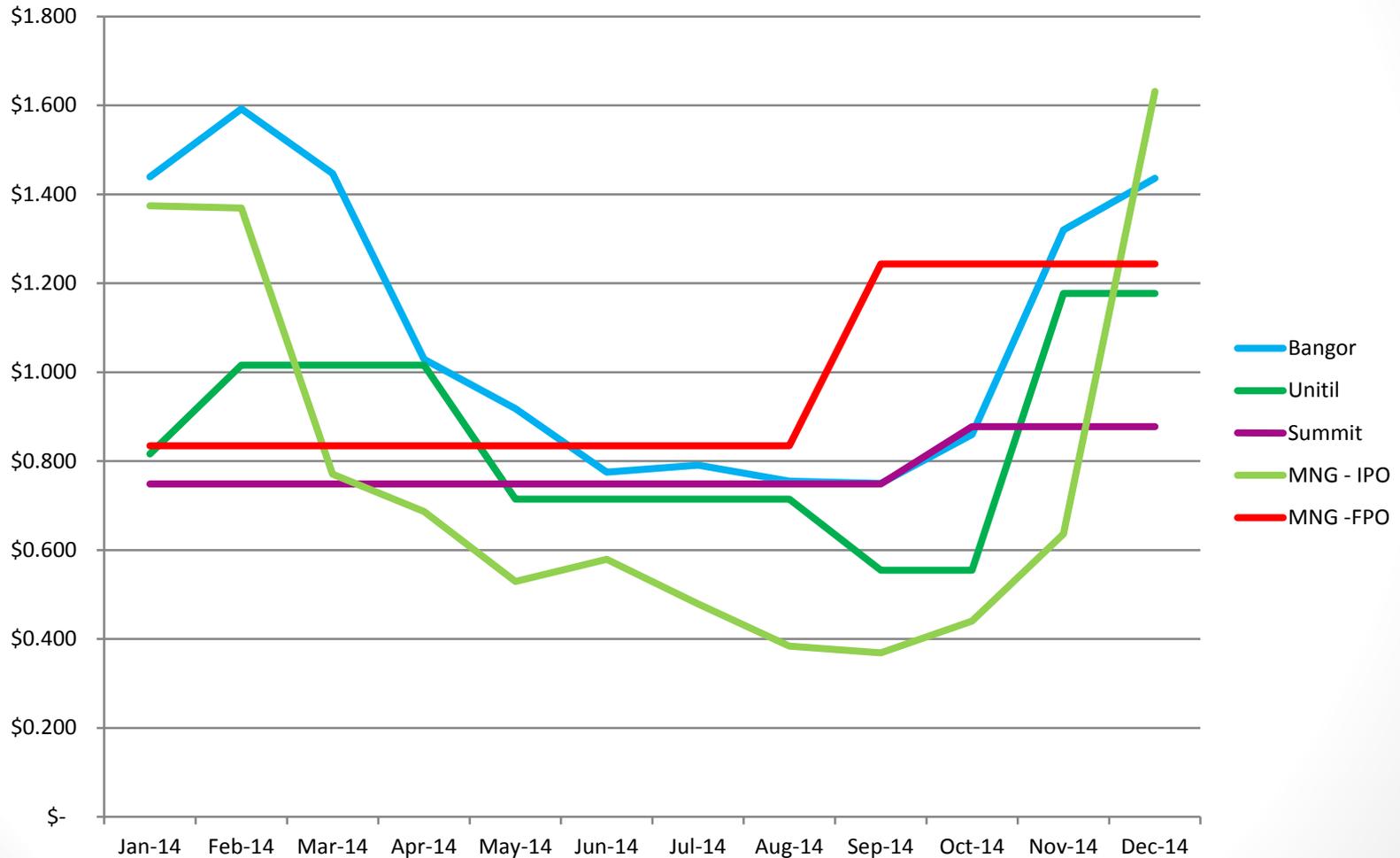
Supply Charges

- Costs are a pass-through:
 - Distribution companies provide initial estimates of per-unit costs
 - Estimates are later reconciled to actual costs
- Initial estimates and later reconciliation are subject to MPUC review and approval
- Commercial and industrial customers may obtain supply from competitive providers

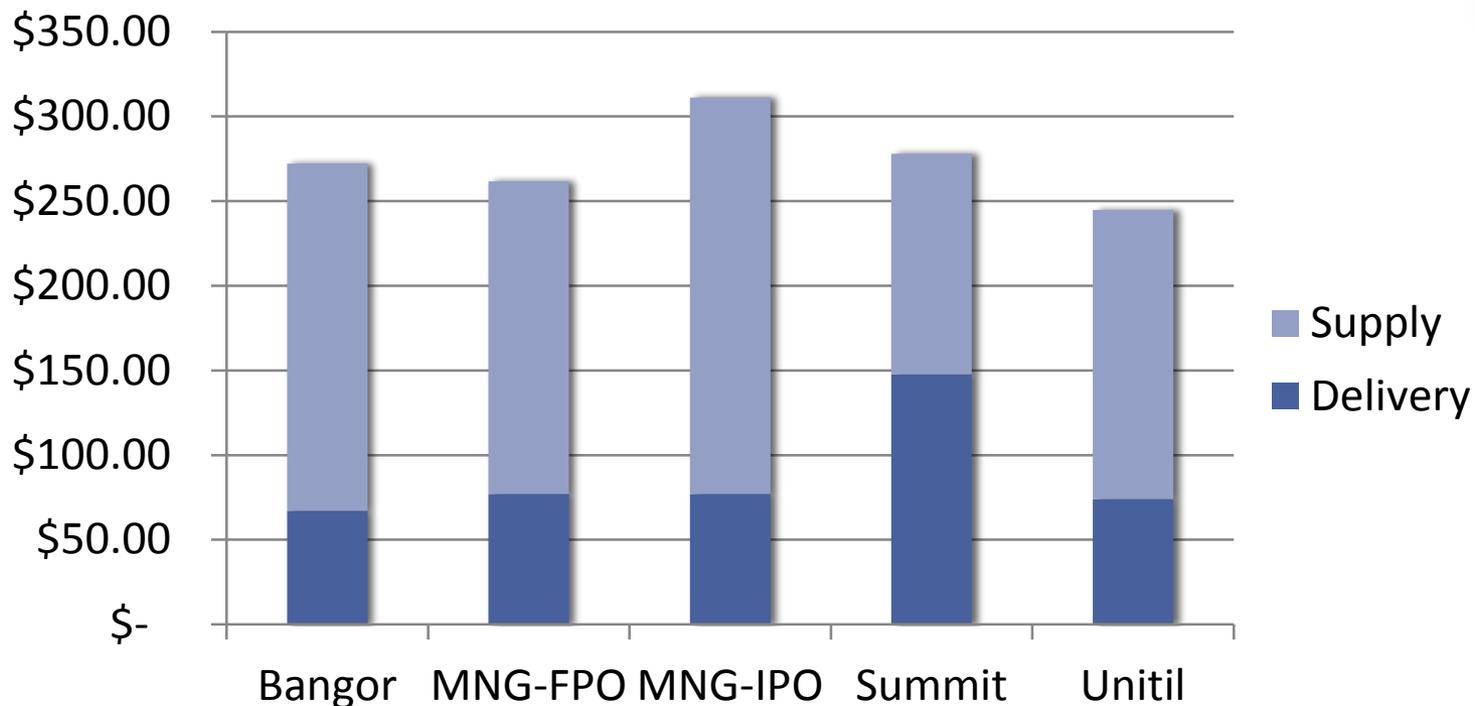
Supply Charges by LDC

- Bangor Gas
 - Monthly Energy Charge + Past Gas Cost Adjustment
- Maine Natural Gas
 - Monthly Index Price Option (NYMEX)
 - One or Two Year Fixed Price Option
- Summit Natural Gas
 - Annual Cost of Gas Adjustment (October – September)
- Unitil
 - On-peak Cost of Gas (November – April)
 - Off-peak (May – October)

Natural Gas Supply Charges (2014)



Estimated February 2015 Residential Bills



	Bangor	MNG-FPO	MNG-IPO	Summit	Unitil
Delivery	\$ 67.15	\$ 77.00	\$ 77.00	\$ 147.75	\$ 74.06
Supply	\$ 204.90	\$ 184.65	\$ 234.20	\$ 130.26	\$ 170.67
Total	\$ 272.05	\$ 261.65	\$ 311.20	\$ 278.02	\$ 244.73

*Assumes average February residential heating customer usage of 145 ccf/148.5 therms