



CHOOSING A NATURAL GAS MARKETER

If you are trying to set up new natural gas service or if you would like to switch marketers, there are a few things to consider to help you make a decision. If you are a customer in the Atlanta Gas Light Service area, you have the choice of any natural gas marketer certified by the Georgia Public Service Commission (GPSC). You have the power to choose who you use!

PER-THERM PRICING

It is important to know which marketer has the lowest per-therm price; however, these marketers may have higher monthly customer service charges (see table below).

For example, say you use 50 therms per month. Gas Marketer A has a therm price at \$1.30 per therm, and Gas Marketer B is \$1.50 per therm. Your consumption charge (therms used times price per therm) for Gas Company A is \$65 (50 X \$1.30), but your consumption charge for Gas Marketer B is \$75 (50 X \$1.50).

At first glance, Gas Marketer A appears to be less expensive. However, if Gas Marketer A has a \$25 customer service charge per month and Gas Marketer B has a \$5 customer service charge per month, the totals will be different. Adding in the customer service charge makes the Gas Marketer A's bill \$90 and Gas Marketer B's bill \$80.

Finally, you'll have to add-in your Atlanta Gas Light (AGL) base charge. This charge will be the same regardless of the marketer you select.

Now, following is an itemization of the bill components for both Marketer A and Marketer B:

	GAS MARKETER A	GAS MARKETER B
Therms used	50	50
Per-Therm Price	\$1.30	\$1.50
Consumption Charge (Therms x Per-Therm Price)	\$65.00	\$75.00
Customer Service Charge	\$25.00	\$5.00
AGL Service Charge (if applicable)	\$18.00	\$18.00
Total Bill	\$108.00	\$98.00 ← The lower of the two

CREDIT

If you have good credit, then there is typically a lower deposit to set up your natural gas service. Lower credit scores usually mean higher deposits and customer service charges. Some marketers use your utility credit score; others use your overall credit score. The highest deposit you can be charged is \$150. Each marketer has its own criteria to calculate your deposit. Be sure to examine all of your options with your marketer.

MARKETER REPUTATION

All natural gas marketers in the Atlanta Gas Light service area are certified through the Georgia Public Service Commission (GPSC). To obtain a certificate of authority, an applicant must demonstrate to the Commission's satisfaction that it possesses adequate financial and technical capability to sell or offer to sell natural gas within the state of Georgia. Even when marketers go through the process of becoming certified, their reputation in the community is important. Be sure to ask your friends and family which marketer they use and see if they are happy with their service.

OTHER THINGS TO CONSIDER

Most marketers offer a lot of options when it comes to choosing a plan. There are many different plans that marketers don't even list on the GPSC's website. That means that it is up to you as a consumer to ask the marketer representative about other plans they offer.

If you have been a natural gas customer for over 12 months, you have an option for budget billing. It averages your bills over 12 months, and your marketer will bill you this amount every month. They use this billing process so there are no "big" surprises when you get your bill in the colder months. Your current bill is compared to the average of your bills at the end of 12 months, sometimes earlier if the difference between your average and current usage becomes large. The difference is spread over the next twelve months if the customer remains on budget billing. If the customer cancels budget billing, what you owe the company is due in full.

Also, if you are low income, have bad credit or have been denied service, there is a Regulated Provider in Georgia that will give you service. The Regulated Provider is selected by GPSC using a competitive bid process. The Regulated Provider is chosen every 2 years. Check the GPSC's website to obtain the contact information for the current Regulated Provider.

MAKING THE DECISION

Now that you have these tools, you can effectively choose a marketer that is right for you. Taking these simple steps can help you save money and empower you with the knowledge to make the best decision.

SOURCES

"Consumer Corner – Natural Gas," Georgia Public Service Commission, available at http://www.psc.state.ga.us/consumer_corner/cc_gas/cc_gas.asp.

AUTHORS

Jason C. Jones, M.A., Natural Gas Program Coordinator
Jorge H. Atiles, Ph.D., Housing Specialist

REVIEWERS

Cynthia Johnson, Georgia Public Service Commission
Bernard Cameron, Georgia Public Service Commission
Al Pless, U.S. Department of Energy, Southeastern Power Administration

JANUARY 2008 – HACE-E-60-12

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, The University of Georgia Cooperative Extension and the U.S. Department of Agriculture cooperating.

J. Scott Angle
Dean and Director

Laura D. Jolly
Dean and Associate Director



For more natural gas information, visit us at www.fcs.uga.edu/naturalgas