

## Understanding Your Natural Gas Bill

**Ccf:** One hundred cubic feet; a unit used to measure natural gas usage.

**Competitive Retail Natural Gas Service Surcredit Rider** (Duke Energy Ohio, Columbia Gas of Ohio, and Dominion East Ohio): An adjustment used to reimburse customers for charges attributable to natural gas commodity sales service for customers that no longer purchase their natural gas from the local utility. The surcredit rider will remain in effect until the local utility establishes new base rates and recalculates the surcredit rider for CHOICE customers, who no longer purchase natural gas from their local utility.

**Contract Term:** The length or duration of the contract (i.e. monthly, yearly, multiple-year).

**County Sales Tax:** When natural gas is purchased from a supplier, the natural gas is subject to Ohio sales or use tax. Because county sales tax rates vary throughout Ohio, the county sales tax is not included in the supplier's total rate.

**Current Offer:** Comprised of suppliers' current commodity options and base rates, exclusive of sales tax, the local utility transportation charge, and customer service charges. Commodity options may be a fixed, variable, or stable rate plan.

**Expected Gas Cost (EGC):** A component of the GCR rate, the EGC is the price the local utility expects to pay for natural gas in the upcoming GCR rate period. For example, if the GCR rate is filed on a monthly basis, the local utility will calculate the EGC for the following month. Gas costs recoverable through the EGC include the cost of purchasing the gas itself as well as the cost of transporting the gas from the producing region to the local utility's service territory through the interstate pipeline system.

**Fixed Rate Plan:** A constant rate for the contracted period.

**Gas Cost Charges** (Duke Energy Ohio): Similar to the GCR rate, the gas cost charges apply to CHOICE customer bills in lieu of the GCR rate. The gas cost charges include: the supplier's gas charge, sales tax, gas surcredit rider, gas cost recovery transition rider, contract commitment cost recovery rider, and a gross receipts tax on the riders.

**Gas Cost Recovery (GCR) Rate** (Columbia Gas of Ohio, Duke Energy Ohio): A mechanism that provides a dollar-for-dollar recovery of costs incurred by a local utility to purchase and deliver natural gas to its system. The GCR rate enables the local utility to correct any over or under collections of natural gas costs in previous periods.

**Gas Usage Charge** (Duke Energy Ohio): Comprised of a residential firm transportation charge (base residential service usage charge), Percentage of Income Payment Plan (PIPP) rider, and a gross receipts tax that is applied to all Duke Energy Ohio customer bills.

**Gross Receipts Tax:** When natural gas is purchased from a local utility, it is not subject to Ohio sales or use tax. The local utility must pay a gross receipts tax, which is included in the GCR rate charged for the natural gas based on the volume of gas consumed (per Ccf or Mcf).

**Mcf:** One thousand cubic feet; a unit used to measure natural gas usage.

**Migration Rider** (Dominion East Ohio): The rider recovers the costs of balancing gas deliveries to Dominion East Ohio's system and the customers' actual consumption. This rider is adjusted quarterly.

**Stable Rate Plan:** A variable rate for a fixed period of time.

**Standard Service Offer (SSO) Rate** (Dominion East Ohio, Vectren Energy Delivery of Ohio): The SSO rate replaces Vectren Energy Delivery of Ohio's Gas Cost Recovery (GCR) mechanism. The SSO also replaces the GCR for all Energy Choice-ineligible customers of Dominion East Ohio. The SSO is based on the New York Mercantile Exchange month-end settlement price, plus a Retail Price Adjustment of \$1.40 (Dominion) or \$2.35 (Vectren) per thousand cubic feet (Mcf). The SSO rate varies each month and represents costs associated with securing natural gas for customers.

**Standard Choice Offer (SCO) Rate** (Dominion East Ohio): The SCO rate replaces the Standard Service Offer (SSO) rate on the bills of all Dominion East Ohio Energy Choice-eligible customers. These customers are assigned to an alternative supplier at the SCO rate, and the supplier's name appears on their bill. The SCO is based on the New York Mercantile Exchange month-end settlement price, plus a Retail Price Adjustment of \$1.40 per thousand cubic feet (Mcf). The SCO rate varies each month and represents costs associated with securing natural gas for customers.

**Supplier Name:** PUCO-certified suppliers that are actively enrolling new customers.

**Surcredit Rider** (Duke Energy Ohio, Columbia Gas of Ohio, and Dominion East Ohio): An adjustment used to reimburse customers for charges attributable to natural gas commodity sales service for customers that no longer purchase their natural gas from the local utility. The surcredit rider remains in effect until the local utility establishes new base rates and recalculates the surcredit rider for CHOICE customers, who no longer purchase natural gas from their local utility.

**Total Rate:** Comprised of the supplier's natural gas commodity prices, plus the transportation rate charge.

**Transportation Rate Charge:**

- (Columbia Gas of Ohio): The transportation rate charge, which can fluctuate quarterly, is comprised of a base rate, Percentage of Income Payment Plan rider, temporary base rate revenue rider, excise tax rider, uncollectible expense rider, and competitive retail natural gas service surcredit rider.
- (Duke Energy Ohio): The transportation rate charge, which can fluctuate quarterly, is comprised of a gas usage charge and gas cost charges.
- (Dominion East Ohio): The transportation rate charge, which can fluctuate quarterly, is comprised of a base rate, Percentage of Income Payment Plan rider, uncollectible expense rider, competitive retail natural gas service surcredit rider, and a migration rider.

**Transportation Rate Charge** (Vectren Energy Delivery of Ohio): The transportation rate charge, which can fluctuate quarterly, is comprised of a base rate, transportation program cost, migration rider, Percentage of Income Payment Plan rider, excise tax rider, uncollectible expense rider, and gross receipts excise tax.

**Variable Rate Plan:** A fluctuating rate within the contracted period.