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## Georgia Public Service Commission

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**For IMMEDIATE RELEASE**

**NEWS RELEASE**

**26-08**

### **PSC WARNS OF RISING HEATING COSTS** *Urges Consumers to Prepare for higher natural gas prices*

ATLANTA, September 15, 2008 – Heating homes and businesses this winter is likely to cost more as a result of higher natural gas prices, the Georgia Public Service Commission (Commission) says.

“Natural gas prices are at levels not seen since the fall of 2005 when Hurricane Katrina disrupted supplies,” said Commission Chairman Chuck Eaton, “Despite recent decreases in prices, it appears likely that natural gas costs this winter will be higher than the last two years. Consumers should begin preparing for the winter heating season now by taking some simple steps. Weatherizing your home can make a big difference when cold weather arrives.”

Eaton also urged consumers to look into budget billing plans and compare marketer pricing options. He also advises consumers who might qualify for heating assistance programs to begin preparing for the application process now.

Homeowners with natural gas, the most popular heating source in the United States, will pay \$1,059 on average to heat their homes this winter, a 23.8% increase, according to the early forecast by the Energy Information Administration, the statistical arm of the U.S. Department of Energy. The EIA's projections are based on government meteorologists' expectations for a winter that is colder than last year but warmer than the average seen from 1971 to 2000. An especially cold winter would hit household budgets even harder.

A number of factors have contributed to the increase in natural gas prices which are driven by supply and demand. Natural gas prices have been moving higher since 2003 with most of the increase due to rising demand that has strained the ability of producers to keep pace. The Commission does not regulate the price of natural gas. Natural gas marketers in the Atlanta Gas Light delivery area which serves 1.5 million customers are allowed to set prices according to market conditions. Natural gas prices charged by marketers can change on a monthly basis.

Atmos Energy which serves customers in Columbus and Gainesville is allowed to recover the cost of natural gas on a dollar for dollar basis.

A consumer fact sheet follows.

## CONSUMER FACT SHEET

Georgia consumers can take a number of steps to reduce the impact of higher natural gas costs. They include:

**Budget Billing:** Consumers who are on a budget, retired or on a fixed income may find budget billing to be an attractive payment option. It allows consumers to make levelized monthly payments on their bills, and is available whether consumers have fixed or variable rate plans. Budget billing can help consumers avoid the spikes in their winter heating bills.

**Energy Conservation:** Conservation is vital to any plan of action to lower one's monthly utility bill. Purchasing energy-efficient equipment such as a furnace, hot water heater and/or stove, caulking around doors and windows, insulating walls, floors and the attic, are some things consumers can do to lower their winter heating bills. Of course, if you don't need to have any of your equipment replaced, be sure to have these inspected by a professional to insure operation at maximum efficiency.

**Weatherization:** Weatherization assistance for low-income families is available in Georgia. This assistance is offered through a program administered by the Georgia Environmental Facilities Agency. For information on weatherization assistance go to: <http://www.gefa.ga.gov/>

**Low Income Assistance:** Low income consumers may qualify for assistance with their heating bills through the Low-Income Home Energy Assistance Program (LIHEAP). It is administered by the Georgia Department of Human Resources who distribute this federal grant money through local community action agencies. Consumers may also be eligible for assistance through other programs sponsored by their local utilities or social service agencies. Information about LIHEAP is available at <http://www.dhr.ga.gov/>

It is also a good time to see if you're getting the best value for your dollar. The Commission publishes a monthly price-comparison chart of all natural gas marketers' plans – fixed and variable. Check the price you pay your marketer with the price of other marketers to see whether it is in your best interest or not to change to another marketer. Also, the Regulated Provider is available to serve low-income citizens and those who are not able to obtain service from any of the certificated marketers in Atlanta Gas Light Company's service area.

For more assistance, visit our website, [www.psc.state.ga.us](http://www.psc.state.ga.us), to get information to help you manage your utility bills, to assist in selecting a natural gas marketer, and to get additional conservation tips.

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