



CUBFacts^{Natural Gas}

Rules to Live by for Natural Gas Customers

1) Read your bill. If you see the word “estimated” or “EST” on your bill, that means your gas utility didn’t actually read your meter. It estimated how much gas you used this month based on your usage the year before. Unfortunately, sometimes utilities won’t read a meter for months and then slap customers with a huge make-up bill because it underestimated their usage during that time. To avoid such nightmares, call your utility and find out why it’s not reading your meter. Consider doing your own meter reading each month. (CUB can show you how.) If you do get a huge make-up bill related to an estimating mistake, state regulations prohibit your utility from back-billing you for more than 12 months from when the error was discovered.

2) Consider the budget plan. If you would like to even out your heating bills and prevent drastic month-to-month increases in the winter, your utility offers a “budget” plan. With one exception, this program costs nothing extra for gas customers.* The utility estimates how much gas you are going to use in the coming year and assigns you a monthly budget-billing amount, based on how much gas you used last year, gas-price predictions, and weather forecasts. The utility will adjust the amount if your usage increases or the price of gas shoots up. At the end of the year, you will receive a credit if the company overestimated your usage or you will be billed the difference if the company underestimated your usage. Nicor customers beware. An unregulated affiliate of Nicor Gas, called Nicor Advanced Energy, markets a plan called “Lock 12,” which sounds very similar to the budget-billing plan but is not the same. In fact, it poses

a high risk that you will pay much more than on Nicor Gas’ budget plan.

**Note: Unlike any other utility in the state, Nicor Gas charges interest on any debits that you build up under its budget plan. (It also pays interest on any credits.)*

3) Save energy, save money. Buy a programmable thermostat and set it at 68 degrees for the day and 62 degrees at bedtime. In most homes, you can save about 2 percent of your heating bill for each degree that you lower the thermostat. (NEVER turn your heat so low that it’s a health risk or turn your heat off completely. That will lead to frozen pipes and high repair bills if they burst.) Set your water heater to 120 degrees and cover it with an insulating blanket. Buy highly efficient compact fluorescent light bulbs. Caulk leaky windows and insulate openings around air conditioner window units. Close doors to rooms you’re not using, and consider heavy drapery and plastic window coverings. Finally, have a heating contractor perform an “audit” to determine how to heat your home more efficiently.

4) Be wary of maintenance plans. Your utility may try to sell you a pipe-maintenance plan, even if you don’t need it. An affiliate of Nicor Gas, for example, offers a \$5 per month plan called “Comfort Guard” that covers repairs to exposed gas pipes, including the connector that links appliances to the main gas line. An affiliate of Peoples Gas offers a similar program, “Pipeline Protection” at \$3 a month. For some people — especially those whose homes have potentially dangerous uncoated brass connectors installed before 1980 — such a repair program

may be helpful. However, for many others it may just be a waste of money. If the old brass connectors have already been replaced in your home, the new plastic connectors should last a lifetime. If your house still needs them replaced, a home warranty may cover the work. Finally, Comfort Guard and Pipeline Protection don't cover renters. Before signing up, read the fine print and determine exactly what the plan does and does not cover.

5) Look before you leap. In northern Illinois, unregulated gas companies are allowed to compete with the traditional utility for your business. Sales representatives — who sometimes simply identify themselves as from “the gas company” — pitch their offers door to door, by mail, and over the phone. CUB has received complaints of misleading marketing and rip-offs regarding the alternative suppliers. In fact, more often than not these “deals”

end up costing more money than the rates of the traditional utility. (See CUB's Gas Market Monitor, at www.CitizensUtilityBoard.org, or call CUB.) Unless you've taken a day to read the fine print and are certain you like the offer, we recommend that you don't sign up for something over the phone or at the door and don't give out your account number. To be safe, ask if your utility can put a free block on your account to prevent unauthorized changes to your service.

6) Call CUB. If you have questions or complaints about your gas service, call CUB's Consumer Hotline, 1-800-669-5556, or go to our “Home Heating Survival Guide,” at www.CitizensUtilityBoard.org.