



Office of the Ohio Consumers' Counsel

Your Residential Utility Consumer Advocate

CONSUMERS' FACT SHEET

Office of the Ohio Consumers' Counsel

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VECTREN ENERGY DELIVERY OF OHIO: COMPARING YOUR NATURAL GAS CHOICES

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Natural Gas Choice Program

Have you ever calculated your natural gas bill to make sure what you have been charged is correct? Would you like to know what you may pay if you switch to a natural gas supplier? The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, has provided a worksheet on Page 3 of this publication as a way to verify your current bill and to see what you could pay if you choose a new supplier. The chart below and on Page 2 lists weekly offers submitted by competitive suppliers.

Monthly SCO Rate

Vectren customers who purchase their natural gas directly from the utility are charged the Standard Choice Offer (SCO). This rate combines the price of natural gas reported on the New York Mercantile Exchange (NYMEX), a retail price adjustment, or adder, of 10.5 cents per hundred cubic feet (Ccf) of natural gas and adjusted for a British Thermal unit, which is used to measure the energy content of natural gas. The SCO varies each month as the NYMEX rate changes, but the 10.5 cent adder will remain the same through March 31, 2013.

Vectren Energy's Standard Choice Offer (SCO) rate is: \$0.40708 (40.708 cents) per Ccf and will be effective for February 2012.

Because the SCO rate changes every month, and it can take between 30 and 45 days to switch from Vectren to another natural gas supplier, it may be difficult to compare potential savings.

The current SCO was determined in January 2012 through a retail auction. It differs from the SSO rate only in that a supplier's name will appear on the bill. There is no contractual link between that supplier and the customer.

Verifying your bill

It may be a good idea to double check the amount you are being charged for natural gas by performing your own calculation. To verify the amount you owe, you will need to know your monthly gas usage for the billing cycle. The best way to calculate this information is to know your billing cycle dates and take a meter reading at the beginning and end of the cycle. The billing cycle information can be found on your natural gas bill.

Supplier:	Offer (per Ccf)	Type of Rate	Contract Term
Direct Energy PMB #51 7385 N. State Route 3 Westerville, OH 43082 1-888-566-9988 (toll free) www.directenergy.com	\$0.589	Fixed rate	6 months
IGS Energy P.O. Box 9060 Dublin, OH 43017 1-877-444-7427 (toll free) www.igsenergy.com	\$0.598 \$0.699 (max rate)	Fixed rate Variable rate	Through December 2012 Through December 2012

Supplier:	Offer (per Ccf)	Type of Rate	Contract Term
MXenergy 595 Summer St. Stamford, CT 05901 1-800-785-4373 (toll free) www.mxenergy.com	\$0.549 \$0.699 \$0.589	Variable rate Fixed rate (\$150 ETF) Fixed rate (\$150 ETF)	Month to month 6 months 1 year
Ohio Natural Gas P.O. Box 78760 Atlanta, GA 30357 1-888-466-4427 (toll free) www.onlyong.com	\$0.5690 \$0.5690 \$0.3990 \$0.5990	Fixed rate (\$75 ETC) Fixed rate (\$150 ETC) Variable 2 month discount for new customers Variable rate	6 months 1 year Month to month Month to month
Vectren Source P.O. Box 3037 Evansville, IN 47730 1-800-516-6753 (toll free) www.vectrensource.com	\$0.479	Fixed rate (\$100 ETF)	1 year
Volunteer Energy Services 790 Windmill Dr. Pickerington, OH 43147 1-800-977-8374 www.veenergy.com	\$0.4834	Variable rate	Month to month

This information has been obtained by the Office of the Ohio Consumers' Counsel and should be used only as a guide. The OCC is not responsible for selections you make based on the information contained herein. Contact the supplier before enrolling to verify its rate, contract terms and availability in your county. For more information about the natural gas choice programs and participating suppliers visit www.pickocc.org.

The following example shows how to determine your usage:

- ▶ May 1 is the beginning of the billing cycle and the meter shows the number 8764 Ccf.
- ▶ The end of the billing cycle is May 31 and the meter shows a reading of 8799 Ccf.
- ▶ Subtract the 8764 Ccf from 8799 Ccf for a total usage of 35 Ccf for the month of May.

Add those amounts into the first columns on the worksheet on Page 3 and complete the calculations to find what you should owe. Then compare the amount from your calculation to the amount on your natural gas bill. All the numbers on the worksheet are rounded up to the nearest cent, so the amount you calculate may vary from

the amount on your bill by a few cents. Once you know what you pay Vectren to supply your natural gas you can compare it to other suppliers. You will need to know the average amount of natural gas you use each month, your county sales tax and the rate offered by the supplier.

Who can help

For more information about choosing a natural gas supplier, important questions to ask before you enroll, reading your natural gas meter or understanding the charges on your bill, visit www.pickocc.org for a free copy of our fact sheets [Gas Choice 101](#) and [Your Natural Gas Bill Made Easy](#). A list of Vectren's historical natural gas rates can be found at http://www.pickocc.org/publications/natural_gas/Historical_GCR_rates_Vectren.pdf.

What do these offers mean?

Fixed Rate: This is a fixed price per unit of gas that will not change for the length of your agreement. Typically, agreement periods range anywhere from six months to three years.

Variable Rate: This type of agreement offers a price per unit of natural gas that can change over a period of time, based on various conditions. Consumers considering a variable rate agreement should ask the supplier how often the rate is subject to change and what factors will cause the rate to change.

Percentage off the Standard Choice Offer (SCO): This agreement offers a discount off the natural gas company's monthly SCO. This charge makes up the largest portion of your monthly natural gas bill. While the percentage of discount a supplier offers will remain the same for the duration of the agreement, the actual price will vary with monthly changes in the wholesale price of natural gas.

Hybrid Programs: These offers often have different rates associated with seasonal changes. Most offers charge one rate for the winter months (November – April) and another rate during the summer months (May-October). Other hybrid offers may have a variable rate for a period of time and a fixed rate for the remainder of the agreement period.

Incentive Offers: In addition to the rate, some supplier offers may include incentives or discounts. You may see a fixed or variable rate offer that includes a certain month of the year for free or a rebate at the end of the agreement period. Other offers may include gift certificates or promotional coupons. The added incentives should be accounted for when you are trying to estimate what, if any, money you would save by choosing a certain supplier.

Calculating your choices

(see chart below)

Line 1 - The currently effective Standard Choice Offer (SCO) per Ccf.

Line 7 - Includes charges for pipeline maintenance, employee wages, investments in property and equipment and taxes. Residential customers pay the gas transportation charge regardless of whether they choose a gas supplier other than Vectren.

Lines 7, 10 and 11 - Includes gross receipts tax.

Line 11 - The Distribution or Distribution Replacement Rider is charged for recovery of replaced gas mains and service risers.

Calculating your choices - Vectren Energy Delivery of Ohio				
* Rates are in \$'s per Ccf and are rounded to the nearest cent. Sample calculation is based on a usage of 100 Ccf.	SAMPLE		WORKSHEET	
	If you stay with Vectren Energy Delivery:	If you choose a new supplier:	If you stay with Vectren Energy Delivery:	If you choose a new supplier:
1. Standard Choice Offer (SCO)	\$ 0.41		\$ 0.41	
2. County Sales Tax at 7.00%	+ \$ 0.03		+ \$ 0.03	
3. Gas Rate and Tax You Pay Vectren Energy Delivery of Ohio	= \$ 0.44		= \$ 0.44	
4. Supplier Gas Price (choose an offer from page 2)		\$ 0.48		<input type="text"/>
5. County Sales Tax - see page 4 for your county sales tax (Sample uses 7.00%)		+ \$ 0.03		+ <input type="text"/>
6. Gas Rate with Sales Tax You Pay Supplier		= \$ 0.51		= <input type="text"/>
7. Gas Transportation Charge (GTC)	+ \$ 0.06	+ \$ 0.06	+ \$ 0.06	+ \$ 0.06
8. Your Monthly Gas Usage in Ccf	x 100	x 100	x <input type="text"/>	x <input type="text"/>
9. SCO and GTC multiplied by total usage	= \$ 50.00	= \$ 57.00	= <input type="text"/>	= <input type="text"/>
10. Monthly Customer Charge	+ \$ 19.27	+ \$ 19.27	+ \$ 19.27	+ \$ 19.27
11. Distribution Rider	+ \$ 1.33	+ \$ 1.33	+ \$ 1.33	+ \$ 1.33
12. TOTAL BILL	= \$ 70.60	= \$ 77.60	= <input type="text"/>	= <input type="text"/>

PLEASE NOTE: This worksheet does not represent all possible offers and should be used only as a guide. The OCC is not responsible for selections you make based on your calculations.

COMPARING YOUR ENERGY CHOICES

VECTREN ENERGY DELIVERY OF OHIO NATURAL GAS CHOICE PROGRAM

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The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, represents the interests of 4.5 million households in proceedings before state and federal regulators and in the courts.

The state agency also educates consumers about electric, natural gas, telephone and water issues.

For more information, please visit the OCC website at www.pickocc.org.

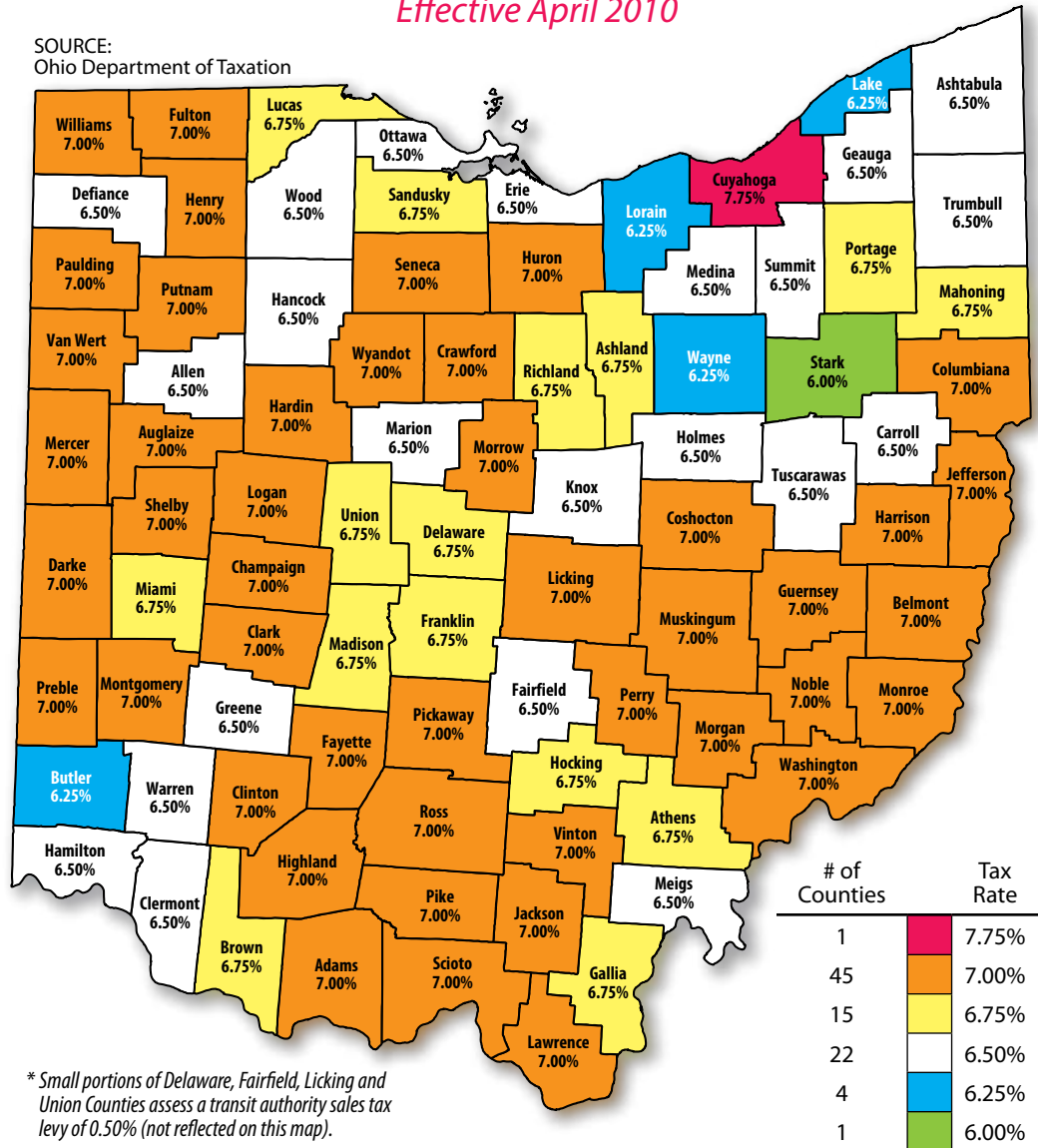


The Office of the Ohio Consumers' Counsel is an equal opportunity employer and provider of services.

Total state and local sales tax rates by county.

Effective April 2010

SOURCE: Ohio Department of Taxation



* Small portions of Delaware, Fairfield, Licking and Union Counties assess a transit authority sales tax levy of 0.50% (not reflected on this map).

County	Tax Rate	County	Tax Rate	County	Tax Rate	County	Tax Rate
Adams	7.00%	Fairfield	6.50%	Licking	7.00%	Portage	6.75%
Allan	6.50%	Fayette	7.00%	Logan	7.00%	Preble	7.00%
Ashland	6.75%	Franklin	6.75%	Lorain	6.25%	Putnam	7.00%
Ashtabula	6.50%	Fulton	7.00%	Lucas	6.75%	Richland	6.75%
Athens	6.75%	Gallia	6.75%	Madison	6.75%	Ross	7.00%
Auglaize	7.00%	Geauga	6.50%	Mahoning	6.75%	Sandusky	6.75%
Belmont	7.00%	Greene	6.50%	Marion	6.50%	Scioto	7.00%
Brown	6.75%	Guernsey	7.00%	Medina	6.50%	Seneca	7.00%
Butler	6.25%	Hamilton	6.50%	Meigs	6.50%	Shelby	7.00%
Carroll	6.50%	Hancock	6.50%	Mercer	7.00%	Stark	6.00%
Champaign	7.00%	Hardin	7.00%	Miami	6.75%	Summit	6.50%
Clark	7.00%	Harrison	7.00%	Monroe	7.00%	Trumbull	6.50%
Clermont	6.50%	Henry	7.00%	Montgomery	7.00%	Tuscarawas	6.50%
Clinton	7.00%	Highland	7.00%	Morgan	7.00%	Union	6.75%
Columbiana	7.00%	Hocking	6.75%	Morrow	7.00%	Van Wert	7.00%
Coshocton	7.00%	Holmes	6.50%	Muskingum	7.00%	Vinton	7.00%
Crawford	7.00%	Huron	7.00%	Noble	7.00%	Warren	6.50%
Cuyahoga	7.75%	Jackson	7.00%	Ottawa	6.50%	Washington	7.00%
Darke	7.00%	Jefferson	7.00%	Paulding	7.00%	Wayne	6.25%
Defiance	6.50%	Knox	6.50%	Perry	7.00%	Williams	7.00%
Delaware	6.75%	Lake	6.25%	Pickaway	7.00%	Wood	6.50%
Erie	6.50%	Lawrence	7.00%	Pike	7.00%	Wyandot	7.00%