



## Office of the Ohio Consumers' Counsel

Your Residential Utility Consumer Advocate

# CONSUMERS' FAQ

Utility questions, concerns or complaints?

CALL TOLL FREE:

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## FREQUENTLY ASKED QUESTIONS:

# DOMINION EAST OHIO SCO



Since April 1, 2009, customers who have purchased their natural gas supply directly from Dominion East Ohio Gas have been billed at the Standard Choice Offer (SCO). They have been charged the monthly wholesale price of natural gas plus a retail price adjustment. This price was the result of a retail auction held in February 2009 that established the SCO rate. Another auction was held at the same time, establishing the Standard Service Offer (SSO), which was exactly the same rate, but available to customers who were either on the Percentage of Payment Plan (PIPP) or otherwise ineligible to enter into a contract with a retail supplier.

In February 2010, two similar auctions were held which established a new retail price adjustment fee to be added to the monthly wholesale price of natural gas for SCO and SSO customers.

The following frequently asked questions and answers provided by the Office of the Ohio Consumers' Counsel (OCC), your residential utility consumer advocate, will help you understand these changes. As was the case a year ago, **there will be no interruption in any customer's natural gas service. Dominion East Ohio will continue to transport and deliver natural gas to your home.**

### Q. How was the new price for Standard Choice Offer customers determined?

A. In February 2010, Dominion held two auctions, allowing independent natural gas suppliers to bid to supply Dominion SCO and SSO customers with natural gas. To determine the price, the lowest bid (\$1.20 per thousand cubic feet (Mcf) in both auctions) became the amount added (called the "adder") to the wholesale price of natural gas listed monthly on the New York Mercantile Exchange (NYMEX). The NYMEX is a "stock market" for energy commodities, such as natural gas. The monthly price of natural gas is listed on the third business day before the start of a month.

### Q. What is the difference between the SCO and SSO?

A. The SCO is the rate at which Dominion customers who are eligible to participate in the utility's Energy Choice program or a municipal aggregation, but choose not to do so, are billed for their supply of natural gas. The SSO is the rate at which customers participating in the Percentage of Income Payment Plan (PIPP), or otherwise ineligible to participate in Energy Choice, are billed.

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The SSO differs from the SCO in several respects. The most noticeable difference is that the SCO includes the name of a natural gas supplier on the customer's bill, whereas with the SSO, no supplier's name is listed. In addition, while the SCO and SSO rates are the same, SCO customers pay their local county sales tax on the supply portion of their bill; under the SSO rate, they pay an excise tax.

**Q. When will the Standard Choice Offer be in effect?**

A. The new SCO will go into effect April 1, 2010 and remain in effect through March 31, 2011.

**Q. Did the auction rate have to be approved?**

A. Yes. The winning bid from the auction was submitted to the PUCO for approval. The OCC's position is that the results are a fair representation of competitive market prices.

**Q. Will the Standard Choice Offer have to be filed at the PUCO every month?**

A. The SCO changes each month based on the price on the NYMEX. The adder portion of the SCO will remain the same each month. Dominion will file a monthly tariff change at the PUCO, which retains ultimate authority over the SCO.

**Q. What happens when the adder expires in March 2011?**

A. Dominion can either continue to offer the SCO or file suggested changes with the PUCO.

**Q. Will my natural gas service be affected by the change?**

A. No. Dominion will continue to deliver natural gas to your residence, read your meter and provide your customer service needs as it always has.

**Q. What if I am currently an SCO customer?**

A. Customers on the SCO in April 2010 may be reassigned to another participating supplier.

**Q. What if I am currently a choice customer?**

A. You will continue to receive your natural gas service from the supplier you selected.

**Q. What if I am currently in an aggregation program through my local government?**

A. You will continue to receive your natural gas service from the supplier chosen to serve the aggregation program.

**Q. If I'm a choice customer and my supplier defaults, or my Gas Choice or opt-in governmental aggregation contract ends, who will supply my natural gas service and at what rate?**

A. After receiving your natural gas from Dominion at the SCO rate for up to two consecutive billing periods, Dominion will assign a competitive retail natural gas supplier to supply your natural gas. At that point, you may either contact Dominion and request to remain with the natural gas company and be billed at the SCO rate or choose to enter a contract agreement with another independent supplier.

While you will not be able to choose which supplier you are assigned through the SCO, the rate you are billed will be the same, based on the auction results and the price of natural gas on the NYMEX.

If you take no action, you will be randomly assigned to a supplier at that supplier's monthly variable rate, which may be higher than Dominion's SCO rate.

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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 and resolves complaints from individuals.

To receive utility information, brochures, schedule a presentation or file a utility complaint, residential consumers may call 1-877-PICKOCC (1-877-742-5622) toll free in Ohio or visit the OCC Web site at [www.pickocc.org](http://www.pickocc.org).



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**Q. If I'm a new customer establishing service with Dominion for the first time or if I'm re-establishing service after being disconnected for more than 10 days, how will my monthly rate be determined?**

A. After having received service from Dominion at the SSO rate for up to two consecutive billing periods, you will be assigned by Dominion to a retail supplier at the SCO rate.

**Q. What if I am currently participating in the Percentage of Income Payment Plan (PIPP)?**

A. Your natural gas service was determined by a separate wholesale auction. You will receive your natural gas service through an SSO. The adder determined at the SSO auction also was \$1.20 per Mcf and will be added to the NYMEX price to determine your monthly rate. Unlike customers receiving the SCO, you will not see the name of a supplier on your bill.

**Q. What if I want to leave the SCO and choose my own supplier?**

A. You can do so at any time. In most cases, if you decide to switch to a different supplier offering a lower rate, it generally takes 45-60 days for the new rate to go into effect. There are no penalties or switching fees if you choose either a new supplier or municipal aggregation program.

**Q. What if I want to switch from a supplier back to the SCO?**

A. You can do so, but you would be well advised to review the terms of your contract to determine whether there is an early cancellation fee. Because it generally takes 45-60 days for the switching of rates to take effect, it may be best to switch during the spring or summer months, when usage tends to be less.

**Who can I call if I have questions about the changes?**

Residential consumers may call the OCC to ask questions about these changes. Our Customer Service representatives can be reached toll free at:

**1-877-PICKOCC**  
(1-877-742-5622)

Information is also available online at:  
**[www.pickocc.org](http://www.pickocc.org)**