



Public Service Commission Chairman Lane's Column



September 14, 2020

Anticipating Lower Natural Gas Bills

I have good news for West Virginians who use natural gas in their homes. Most of you are going to see your gas bills decrease after November 1. This will be especially good news for families who may be struggling to pay the bills due to the difficulties brought on by COVID-19.

Every year by August 1, gas utility companies are required to file Purchased Gas Adjustment (PGA) cases with the Public Service Commission. The PGA is an estimate of the prices utilities expect to pay for gas from their suppliers for the period of November 1 through October 31 of the following year, as well as a "true up" of actual costs from the previous year. The PGA does not include any profit for the utility.

The price of natural gas is determined by competitive markets and is not controlled or regulated by the PSC. The PSC does investigate gas utilities' purchasing practices to ensure that they obtain a reliable gas supply at the lowest possible market price.

This year almost all the natural gas utilities in the state have requested a decrease in their PGA rates – and some decreases are quite significant. More than 96% of the state's residential natural gas customers will benefit from the lower costs, while increased gas costs will affect less than 4% of customers.

The two largest gas utilities in the state are among those requesting lower rates. Hope Gas dba Dominion Energy West Virginia requested a 9.16% decrease and Mountaineer Gas Company has asked for a 4.52% decrease. Three companies requested decreases of more than 22% – Standard Gas Company (26.08%), Consumers Gas Utility Company (24.19%) and Southern Public Service Company (22.54%).

I hope that this news will brighten your day and help to keep you and your family warm throughout the upcoming heating season.

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