



# Public Service Commission of West Virginia

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## Natural Gas Rates Lowered Across West Virginia

The Public Service Commission of West Virginia has ordered natural gas utilities to lower the purchased gas portion of their rates for the upcoming heating season. The lower interim rates go into effect November 1, 2015. Final rates will be set in early 2016.

Customers of Mountaineer Gas Company will see the purchased gas portion of their bill drop from \$6.293 per Mcf to \$4.812 per Mcf, a decrease of 23.5%. Customers of Hope Gas Company will see the purchased gas portion of their bill drop from \$4.66 per Mcf to \$3.252 per Mcf, a decrease of 30.21%.

The Commission does not regulate the price of natural gas; that price is determined by competitive markets. The Commission does examine the gas purchasing practices of gas utilities and ensures the utility did everything possible to obtain a reliable gas supply at the lowest market price.

By law, gas utilities are permitted to recover their costs to purchase natural gas. The gas rates of customers are adjusted annually to account for the cost of gas in a process called a Purchased Gas Adjustment (PGA) proceeding before the Commission. The PGA is an estimate of expected prices utilities will have 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 for the previous year. The PGA does not include any profit for the utility.

More information is available on the PSC website: [www.psc.state.wv.us](http://www.psc.state.wv.us)

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