

Feb. 17, 2006

Hi.. I just received word on the 17th of February (today) that I could take part in the Natural Gas hearings if I let you know by the 17th. I will be happy to submit a formal request, but am hoping this notice will hold a spot for me.

I am the Consumer Editor for KDKA and have been reporting on the Gas Choice program for almost a decade now. With new offers in the market for the first time in two years, I have been on the phone with hundreds of consumers..I am not exaggerating ..that is literal. Add onto that hundreds of emails and I would love to share what I have learned from consumers about the problems with the Gas Choice program.. and suggestions about how it could work.

The main problem from the get go is that the utilities were allowed to decide how they wanted to present the offers.. Columbia uses ccfs, Dominion and Equitable use mcfs. Since consumer reporters are often the ones to explain the programs to consumers of all three companies at once... having to explain mcfs and ccfs is just extra unnecessary baggage. So much baggage that many reporters feared to venture into it. Thus information to consumers is limited if not cut off completely.

The gas cost adjustment is not considered part of gas choice.. but really should be. We ask consumers to compare a price from the utilities, which is an estimated cost, to a "written in stone" price from suppliers. That gas company price to compare is a "smoke and mirrors" number because it may say ten dollars.. but then the gas cost adjustment comes along and we say oh never mind.. we are adding on two dollars so it was really twelve dollars.

The biggest advantage of Gas Choice is the fact that the gas cost adjustment (yes I know it can be a minus and probably will be next quarter) but historically it has been a plus. Gas choice participants for over a year are NOT paying \$1.86 per mcf gas cost adjustment from Dominions this quarter, NOT paying \$1.11 from Equitable and NOT paying Columbia an extra ten cents. Those are huge savings most consumers are not aware of because gas cost adjustment is not said to be part of the Gas Choice program.

Question: Is it really necessary to make consumers wait one year to get rid of that charge? Can't one or two quarters square things up?

One big downer for consumers is that you can't get your new prices for two billing cycles..sometimes three. That puts consumers in the position of switching based on a price that will most likely have changed by the time their application goes through. I understand that the switch lag is because of the problem of slamming. Steps have been put in place to protect consumers and check to make sure that this is a switch they authorized. That was a big problem in the beginning when every tom, dick and harry was out there selling natural gas. Today that is no longer a problem and is hurting consumers rather than helping them.

Question: This is the electronic age. We can do everything with the click of a button. Consumer Gas Choice switches should be given a priority so that consumers can take advantage of the savings this program offers them.

Remember it has been almost ten years since we educated consumers about gas choice. Most have forgotten, died or weren't even paying gas bills back then. It's time to revisit the whole issue of educating consumers.

These are just my thoughts.. and since my entire life has been taken over by frustrated consumers, I would appreciate the opportunity of being part of any changes in the program.

Thank you..
Yvonne Zanos
Consumer Editor KDKA
412-575-2586
zanos@kdka.com