

NEWS RELEASE GEORGIA PUBLIC SERVICE COMMISSION

FOR IMMEDIATE RELEASE: August 7, 2001 CONTACT: Bill Edge, Public Information Officer

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Public Service Commission issues alert:

Time is running out to restore natural gas service

With thousands of shut off cases backlogged, Cold weather may catch some Georgians without heat

ATLANTA - The Georgia Public Service Commission today issued an alert to Georgians who have had their natural gas shut off for non-payment, and to those who have been notified of service disconnection for non-payment, to contact their marketer now to pay their natural gas provider for past service in order to restore service before winter.

"We're concerned that if people don't act now, they will be caught with no heat when cold weather sets in," said Lauren "Bubba" McDonald, Jr., PSC Chairman. "This is a very serious situation. Today there are 40,000 Georgians whose gas service is still shut off for non-payment and there are more than 100,000 who are on the list to have their service terminated. These folks are clearly at risk of not having heat when winter hits."

Two factors contribute to the impending crisis: the high number of disconnected customers and the length of time it takes to reconnect customers' natural gas service because of the required physical inspection of the home.

Overwhelming demand for service reconnections once cold weather sets in may prevent reconnects from being processed in a timely fashion. This concern has prompted

the Georgia Public Service Commission to issue an alert for customers to take action now.

VOLUME OF SHUT OFF CASES

More than 70,000 gas customers in Georgia already have been shut off for non-payment, and less than 50 percent of those customers have been reconnected. There are 100,000 more households scheduled to have their gas service shut off for non-payment over the next three months.

Since April 1, 2001, the number of shut off cases in Georgia is 120 percent higher than the monthly average of the past five years. The increase in shut off cases only compounds the historical 30 percent spike in reconnection requests at the fall season's first cold snap.

CONTRIBUTING FACTORS

Two primary factors contributed to the high number of shut off cases in Georgia this year. First, natural gas prices were higher during the winter of 2000-2001 because supplies of natural gas could not meet demand, and secondly, the fact that last winter was one of the coldest winters on record increased customers' usage of the higher-priced natural gas.

RECONNECTION OF SERVICE TAKES TIME

Reconnecting natural gas service is not as simple as restoring telephone service or electrical power. First, once payment is received or customers eligible to establish payment arrangements have done so, the marketer notifies AGLC that the account is available for reconnection. Only then is an AGLC-qualified technician dispatched to a customer's home to conduct a safety inspection, restore service and re-light all natural gas appliances within the premises. Because the visit requires entering a customer's home, an appointment must be scheduled and the on-site process can take up to 45 minutes to complete.

NO SIGNIFICANT BENEFIT TO POSTPONE RECONNECTION

Consumers that have had their gas shut-off will be responsible for payment of base charges for the months that service was disconnected, in addition to a reconnection fee.

These base charges, charged by AGLC to the marketer, cover fixed costs that could be hundreds of dollars for some consumers. Marketers will pass these charges on to consumers before service is restored. In essence, consumers are penalizing themselves by waiting to restore their gas service.

TAKE ACTION NOW

From the consumer's first contact with a marketer, the entire reconnect process could take more than a week to complete. Consumers who are disconnected or scheduled for a disconnection are strongly encouraged to contact their natural gas marketer immediately to make payment arrangements, if they are eligible, and schedule the reconnection of their gas service.

Listed here are Georgia's certified natural gas marketers and their phone numbers:

ACN Energy – 1-800-348-6496

Energy America – 1-888-305-3828

GasKey – 678-336-2290 or 1-877-427-1539

Georgia Natural Gas – 1-888-807-1297 or 678-290-3437

Infinite Energy Inc. – 1-877-342-5434

SCANA Energy Marketing – 1-877-467-2262 or 1-800-252-1613

Shell Energy Services – 1-877-486-5300

The New Power Company – 1-800-392-0622

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