



IMPORTANT INFORMATION NATURAL GAS CHOICE

October 21, 2009

Dear Member & Residents,

Recently the office has received complaints about soliciting taking place in the community by Alternative Gas Suppliers (AGS). The Board and Management want to bring to your attention important information regarding this issue.

On the reverse side of this notice is a Consumer Alert from the Michigan Public Service Commission. Additional information on this topic is available at www.michigan.gov/mpsc and www.colonialsquarecoop.com

Please take the time to review this important information before you consider changing you natural gas supplier.

FYI: Door-to-door solicitation of this type is not allowed in our community. If you experience soliciting please contact the office to report the event. Any documentation is helpful when reporting.

Very truly yours,

Colonial Square Management Team

Dist: coop (427)



Equal Housing Opportunity



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Consumer Alert

Making an Informed Choice

Many Michigan residential natural gas customers now have the option of participating in the Natural Gas Customer Choice Program (Choice) or remaining a full-service customer with their current gas utility. If you participate in Choice, you will buy your natural gas from an **Alternative Gas Supplier (AGS)**. If you are considering purchasing natural gas from an AGS, there are a few things you should keep in mind.

- **You will be committing to a contract with the AGS.** The rate you will be charged for the natural gas will be set by the AGS and is **not regulated by the Michigan Public Service Commission (MPSC)**. You need to understand the terms and conditions of your contract before you commit to it.
- **Your current natural gas utility will continue to deliver the natural gas to your home, read your meter, and send your bill** whether you continue to be a full-service utility customer or you choose to purchase your natural gas from an AGS. The rates charged for these services are regulated by the MPSC.
- **You do not have to select an AGS to supply your natural gas** if you want to continue as a full-service customer of your regulated natural gas utility. The choice is yours.

When considering whether to remain a full-service customer of a regulated natural gas company or to sign a contract with an AGS, it is important to compare your options and understand that your choice is for the cost of gas only. Natural gas purchased from an AGS may or may not be less expensive than that purchased from the regulated utility. Read all contract provisions carefully. For additional information on choosing an AGS, see [Natural Gas Choice Is Here](#) at the Commission's website.

Sample bills of a full service utility customer and an AGS gas choice customer are compared below.

Example Full-Service Customer Utility Bill

Example AGS Customer Utility Bill

<u>Current Charges</u>	
Customer Charge ¹	\$8.50
Distribution Charge ¹ 100 Ccf @ 0.163440 =	\$16.34
Gas Cost Recovery or Cost of Gas Charge X Ccf @ current regulated rate ² =	\$?
Michigan Sales Tax – 4%	\$ _____
Total Current Bill	\$Total

<u>Current Charges</u>	
Customer Charge ¹	\$8.50
Distribution Charge ¹ 100 Ccf @ 0.163440 =	\$16.34
Alternative Natural Gas Supplier Charge or AGS Cost of Gas Charge X Ccf @ AGS unregulated contract price ³ =	\$?
Michigan Sales Tax – 4%	\$ _____
Total Current Bill	\$Total

1. Charges assessed by your utility for meter reading, billing, and delivering (distributing) the gas to your home. These charges are regulated by the MPSC and are the same whether you are a full-service or Choice customer.
2. *Gas Cost Recovery (GCR) or Cost of Gas Charge* is the price per Ccf (hundred cubic feet) for gas used during the billing period. The annual GCR price may fluctuate within a range **set by the MPSC for full-service customers**.
3. *AGS Cost of Gas Charge* is the price you pay if you are a Choice customer. This price is **not regulated by the MPSC. It is this price that you compare with the GCR price for full-service customers**. Depending on your contract, this price may be fixed for the term of your contract or may vary during the contract term.

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