

Natural Gas Choice is Here

What to Know About Switching to an Alternative Gas Supplier

spotlight

If you are a natural gas customer, you may have the choice of purchasing your natural gas from an Alternative Gas Supplier (AGS) at **unregulated prices**.

Traditionally, your only option for natural gas was to have a utility purchase and deliver the service to your home under rates regulated by the Michigan Public Service Commission (MPSC). The Gas Customer Choice Program provides the option of continuing as a full-service customer with your utility or shopping for natural gas, purchasing it from an AGS, and having it delivered by your current utility company. AGSs operate in areas served by Consumers Energy, DTE Energy (also known as Michigan Consolidated Gas Company), Michigan Gas Utilities, and SEMCO Energy. One key to successful participation in the Gas Customer Choice Program is to become knowledgeable about the rates, terms, and conditions of your purchase.

Some Things You Should Know About Michigan's Gas Customer Choice Program:

- You do not have to switch to an AGS.
- If you stay as a full-service customer of your current utility, your natural gas rates will continue to be regulated by the MPSC.
- If you choose to purchase your natural gas from an AGS, the gas rate you are charged for natural gas will **NOT** be regulated by the MPSC. You will be responsible for choosing the AGS and complying with the contract made between you and the company.
- Whether you stay with your utility as a full-service natural gas customer or contract with an AGS for your natural gas supply, your current natural gas utility will continue to deliver the gas, read your meter, bill you, and handle gas line emergencies as they do now. Your natural gas utility will also continue to charge you for delivery and the customer charge as they do now at rates regulated by the MPSC. When you receive your bill, you will pay your current natural gas utility and the utility, in turn, will pay your AGS.

Become an Informed Shopper – Questions to Ask

- What rate will you be charged? Will the rate remain constant for the term of the contract (a “fixed rate”) or can the rate change from month to month (a “variable rate”) ? If it varies, how much and how will you be informed of rate changes? How long will you be guaranteed this price?
- Is there a cancellation penalty after the 30-day unconditional cancellation period? If so, how much? The cancellation penalty could be a set amount.
- How do you cancel your contract after the 30-day unconditional cancellation period? Do you cancel over the telephone or in writing? How long will it take to cancel the contract?
- What happens at the end of the contract? Does it continue unless you take steps to cancel it? If it does continue, will you be contacted about price changes? If so, how?
- What is the process for handling a billing dispute with the AGS?
- How will you contact the AGS if you have billing questions? Is there staff available during regular business hours to take your call?

Standard Precautions Customers Should Take:

- Get identification information if someone comes to your door marketing AGS services.
- Be mindful when allowing strangers into your home.
- Do not give the representative your utility account number or your original bill unless you want to switch suppliers. You do not need to provide this information in order to learn about the AGS or to receive information on the program. You will need to provide your utility account information if you decide to contract with an AGS.
- Shop and compare prices, terms, and conditions of the various AGSs and those of your local utility before making a decision to change suppliers. You do not need to switch to the first AGS that contacts you. You have the right to stay a full-service customer of your local utility and get your natural gas at regulated prices. You can check current utility rates on the MPSC's [utility rates](#) website.
- Read the contract and make sure you understand it before signing it. Get all contracts in writing.
- If you sign up over the telephone, a third party verification call needs to be completed and a copy of the contract must be sent to you within 7 days. Read the contract immediately and if you have concerns contact the AGS. You can cancel the contract without penalty as long as you do so within 30 days, counting from the day after you agreed to the service.

Additional Information About The Gas Customer Choice Program

- All residential customers must be mailed a confirmation letter from the AGS within 7 days of signing up.
- All residential and small commercial customers are entitled to a 30-day unconditional cancellation period, counting from the day after they initially sign up.
- If you switch to an AGS, the change will occur at the beginning of the utility's next billing cycle, which generally means it may take 2 to 6 weeks for the actual change to show up on your bill.
- If you decide to cancel the contract and return to full-service from your natural gas utility, contact your AGS. You will be required to stay with your utility for the next 12 months. Cancellations can be done through verbal or written communication with the AGS, you may want to send your cancellation request *certified mail* so you have a record of it. It may take 2 to 6 weeks for the change to show up on your bill.
- You may change AGSs one time in any 12 month period at no cost to you. A fee of \$10 will be required by your utility for each additional change of AGS within the same 12 month period.

For More Information:

For more information about the Gas Customer Choice Program, go to the MPSC's [Gas Customer Choice](#) website. You can also obtain information by visiting your utility's website, or calling them:

- [Consumers Energy](#): 800-477-5050
- [DTE Energy](#): 800-477-4747
- [Michigan Gas Utilities](#): 800-401-6402
- [SEMCO](#): 800-624-2019

Many AGSs also have websites, which can be reached from the MPSC's Customer Choice webpage.