



# UNDERSTANDING YOUR NATURAL GAS BILL



A Publication of the New Jersey Division of Rate Counsel



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## YOUR NATURAL GAS BILL

The cost of natural gas is an important issue for all of us, especially during the winter months. However, when most people read their natural gas bill they don't understand where the charges come from and what the various terms mean. If you fit this description, don't worry. We have used an actual natural gas bill and explained the maze of numbers and terms found on your billing statement. We hope this information on your natural gas usage and specific charges will help you choose sensible, efficient energy solutions for your home. If you have additional questions about your natural gas bill, please contact our office.

Here are the charges and information contained in your natural gas bill:

**NJR** New Jersey Natural Gas  
A New Jersey Resources Company

1415 Wyckoff Road  
P.O. Box 1378  
Wall, NJ 07715-0001  
www.njliving.com

**Billing or Service Telephone Numbers:**

WITHIN NEW JERSEY	1-800-221-0051
FROM OUT OF STATE	1-732-938-7977
REPORTING GAS LEAKS	1-800-GAS-LEAK (1-800-427-5325)

**ACCOUNT NUMBER** 12-3456-7890-12  
**BILL TYPE** Monthly 003  
**CURRENT METER READING IS** Calculated  
**NEXT SCHEDULED READING** On or about April 17  
**SERVICE ADDRESS** 123 STREET LN ANYTOWN  
**100 \$ OF CUBIC FEET USED (CCF)** 94 x **BTU CONTENT** 1.063 = **BILLING UNITS USED THERMS** 99.92  
**THIS SERVICE PERIOD GAS CHARGES** 114.04

**TOTAL AMOUNT DUE** \$114.04  
**DUE DATE** April 10, 2004  
**SHOWS PAYMENTS RECEIVED BY** March 18, 2004  
**PLEASE READ REVERSE SIDE**

**Amount From Last Bill** 126.02  
**March 4 Payment - Thank You** -126.02  
**Balance Forward** .00  
**This Period Gas Charge** 114.04  
**Total Amount Due** \$114.04

**BILL CALCULATION**

99.92 Therms x .7399 BGS	=	73.93
99.92 Therms x .3359 DEL	=	33.56
Residential Customer Charge	=	6.54
<b>THIS SERVICE PERIOD GAS CHARGES</b>		<b>\$114.04</b>

**USE COMPARISONS**

<b>March</b>	<b>2003</b>	<b>2004</b>
Billing Days	25	27
CCF Billed	88	94
CCF Per Day	3.5	3.5
Degree Days	784	806

**BUDGET OPTION \$96.00 OTHER CHARGES**

To join our Budget Plan pay the Budget Option and any other charges. Your future bills would be for the budget amount and would include a summary of charges and payments. Budget term is 12 months, reviewed each year in July.

**(A) Billing or Service Telephone Numbers:** These numbers connect customers to the company's 24-hour customer service lines. Use these numbers to request account information, report a problem with service, or express any of your concerns.

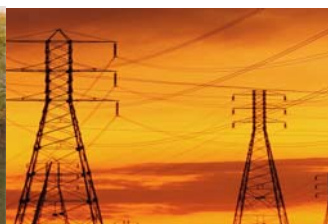
**(B) Total Amount Due:** This is the total amount the customer owes for the billing period. It includes the current monthly charge plus any unpaid balance from earlier bills.

**(C) Due Date:** This is the date by which payment must be made.

**(D) Customer Name and Service Address:** Here is the responsible name(s) on the account. The mailing address may be different than the actual service address.

**(E) Address:** This is the address of the gas company to which written correspondence can be sent.

**(F) Account Number:** This is your customer account identification. For faster service, refer to this number when communicating with your utility. If you receive service at more than one location, you will have a different account number for each location.



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**(G) Bill Type:** This indicates the type of billing cycle by which the gas company charges you. In this case (as in most), the customer is billed monthly

**(H) Current Meter Reading:** This section indicates if your current meter reading was based on an actual reading where the company physically reads your meter, or (estimated) where the company charges you based on the weather and past usage. An estimated reading is done when the weather is too bad to permit a meter reading or when no one is home to allow meter access.

**(I) Next Scheduled Reading:** This is the approximate date that the gas company will perform its next meter reading.

**(J) Service Period:** This is the period for which you are being billed. In this example, the customer is being billed for the period February 17 - March 15th.

**(K) Meter Number:** This is the serial number of the meter that is recording your gas usage.

**(L) Meter Reading Information:** This section details your current meter reading versus your previous meter reading from the last billing cycle. Your previous reading is subtracted from your current reading to determine usage for the current service period.

**(M) Cubic Feet Used:** This number indicates the volume of gas used. It is calculated using the difference between your present and previous meter reading.

**(N) Billing Units Used:** This is the actual number of therms used during the billing period. This number is calculated by multiplying the number of cubic feet used by the British Thermal Unit (BTU) content. A British Thermal Unit is the amount of heat required to raise the temperature of one pound of water by one degree Fahrenheit.

**(O) Service Period Gas Charges:** This is the total monthly charge for the current billing cycle.

**(P) Account Summary:** This section contains your previous balance, any payments received during the billing period, your current gas charges and, if applicable, your home services monthly payment.

**(Q) Special Messages:** Look here for messages from your utility for money-saving ideas or special customer events.

**(R) Bill Calculation:** This section shows the prices and method used to calculate your bill. It also distinguishes between the cost of the fuel itself (Basic Gas Supply or BGS) and the cost of delivering it (represented by DEL). These prices are calculated based on the number of therms consumed. During certain times of the year, this section will also include a "balancing charge" that covers the cost of balancing customer consumption with actual gas deliveries, which ensures an adequate gas supply.

**(S) Use Comparisons:** This section compares the amount of gas you used this month to the amount used in the same month, one year ago. In this example, the bill compares March 2003 to March 2004.

**(T) Budget Option:** This is an optional program offered by this utility. It allows you to balance your monthly gas bills by paying 12 equal payments over the course of the year. This budget option will vary in price among consumers. Other utilities will have different names for this same service.

#### THE FLIP SIDE OF YOUR GAS BILL



Often, questions about your natural gas bill may be answered by the information on the bill's flip side. Most gas bills disclose contact information, hours of service, office locations, and even names of state agencies that can potentially help you.



Additionally, some gas bills will supply a list of terms and definitions concerning utility industry terminology that may not be common knowledge. These terms are not necessarily the same for all gas companies, so please take the time to briefly familiarize yourself with the terms that apply to your gas provider.

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