



Customer Connection

www.michigangasutilities.com

FALL 2007



NATURAL GAS PRICES COULD DIP THIS FALL.

Weather and Storage Must Cooperate

Prices for natural gas may drop this fall, which is good news for Michigan Gas Utilities customers, who are just about to enter the heating season. In the end, however, natural gas is a highly volatile traded commodity and prices can change drastically. The following factors (not an all-inclusive list) may impact natural gas pricing:

- Weather in the Gulf of Mexico must stay calm. So far this season, that's been the case. But if tropical storms or hurricanes threaten or damage natural gas production facilities, prices could go up. Customers experienced this situation after hurricanes Katrina and Rita struck the Gulf in 2005.
- The nation must continue putting natural gas into storage at a consistent pace. Hot summer weather increased demand for natural gas used for producing electricity. That substantially dented storage levels, but overall storage still remains ahead of schedule.
- If crude oil prices jump significantly, it could affect natural gas prices. This is largely because some companies that use crude oil have the ability to switch fuels. If crude oil prices rise, they may switch to natural gas, which will increase the demand and push up natural gas prices.

What is Michigan Gas Utilities doing to help manage natural gas prices?

First, know that Michigan Gas Utilities does not profit from natural gas price increases. Customers pay what Michigan Gas Utilities has already paid for natural gas supplies – not a penny more – and those gas supply costs represent about 75% of your natural gas bill.

Michigan Gas Utilities is committed to providing reliable natural gas service to customers at the best market prices. So the company uses a portfolio approach when purchasing natural gas supplies. It purchases 61% of normal winter gas requirements from April through October leading up to the upcoming winter, with a portfolio mix of fixed price natural gas purchases and gas placed in storage. The remaining winter gas supply is purchased at the beginning of or during each winter month at the best market prices available.

What is Michigan Gas Utilities doing to help customers manage their heating bills?

Michigan Gas Utilities' free Budget Billing payment plan helps make energy bills more predictable for customers by averaging energy bills over a 12-month period. Michigan Gas Utilities also offers payment arrangements for customers who have trouble paying their energy bills.

Visit us online at michigangasutilities.com or call 800-401-6402 to learn more.

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NATURAL GAS IS SAFE AND SIMPLE.



At Michigan Gas Utilities, we're committed to meeting your natural gas needs in the safest manner possible. That's why we offer these safety tips and answers to questions about natural gas — a safe, reliable and cost-effective energy source:

- Teach young children to stay away from gas appliances.
- Have your furnace and other gas appliances checked regularly by a professional to be sure they're properly vented.
- Keep an approved, charged fire extinguisher near gas appliances.
- If your natural gas appliances are more than 20 years old or are moved frequently, check flexible connectors. If the accordion-like piping is not connected properly, it may leak.

questions about natural gas buried piping?

"How do I know if I own buried piping?"

The portion of buried piping that you own is generally the portion of gas line on your side of the meter. Many customers do not own any buried gas piping.

"What are gas line maintenance requirements?"

Michigan Gas Utilities complies with a United States Department of Transportation (DOT) order that requires us to notify customers who may own buried natural gas piping not maintained by Michigan Gas Utilities. The customer is responsible for maintaining this buried piping (an example would be the piping that connects the gas meter to a customer's natural gas line). "Maintain" means to monitor buried piping for corrosion and survey it for leaks, and if an unsafe condition is found, shut off the flow of gas. If Michigan Gas Utilities becomes aware of an unsafe condition, we will advise our customer of the need to repair the unsafe condition or assist in repairing the unsafe condition.

"What are customers' responsibilities regarding buried piping?"

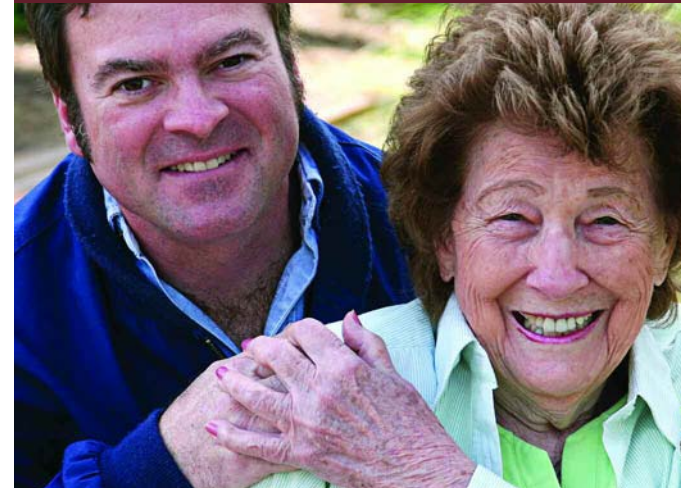
Michigan Gas Utilities does not maintain customer-owned buried piping. All customers should have a qualified professional periodically inspect the buried piping for leaks, and customers who own buried metallic piping should also have a qualified professional periodically inspect the buried piping for corrosion. If the buried piping is not maintained, it may be subject to potential hazards of corrosion and leakage.

Customers' buried piping should be repaired or replaced if any leaks or unsafe conditions are discovered.

"How do I know if I have a natural gas leak?"

Signs of a natural gas leak include:

- Areas of dead vegetation directly above the buried piping
- A meter dial that continues to move after all natural gas appliances and equipment have been shut off
- An unexplained sudden increase in gas consumption
- A distinct natural gas odor



help us help our neighbors

Winter is just around the corner. For many, it's a difficult time, especially for the elderly, disadvantaged or disabled. At Michigan Gas Utilities, we believe we have a responsibility to help those in need in our communities – in winter and all year long. Through THAW, the Heat and Warmth Fund of Michigan, we provide assistance to residents who are struggling with their energy bills or emergency energy-related expenses.

Would you like to help? Make your tax-deductible* donation to THAW today, and we'll do our part by matching your gift at 50 cents on the dollar.

Here's how to contribute:

1. Contribute year-round by simply completing the form below and enclosing it with your utility stub and payment check.
- OR**
2. Make a one-time contribution by mailing a check, money order or cashier's check payable to: **The Heat and Warmth Fund**

**1212 Griswold Street, 10th Floor
Detroit, MI 48226**

Remember: You must first complete and return the contribution form before any dollars can be directed to the THAW program. Money added to your utility bill without first completing and returning the form will be credited to your next utility bill.

I would like to include my monthly contribution to THAW on my utility bill. My monthly contribution is:

\$1 \$3 \$5 \$10 \$20 Other

My utility account # _____
Street address _____

I authorize Michigan Gas Utilities to add my monthly contribution to my utility bill. I understand that my contribution amount will be separately detailed on my bill and that I may revoke it at any time by calling Michigan Gas Utilities at **800-401-6402**.

Signature _____

Name (please print) _____

Date _____

Phone (home) _____

(work) _____

Thank you for helping your community.

*Please retain a record of your contributions for tax purposes.

If you think you may have a gas leak, leave the house immediately and **call Michigan Gas Utilities' emergency line at 800-401-6451** or call **911** if you aren't able to locate our emergency number. Michigan Gas Utilities will investigate all suspected natural gas leaks at no cost.

"What if there is a leak?"

You will be notified if a leak is discovered in your piping during a natural gas survey. If the leak represents a probable hazard to persons or property, gas service will be disconnected until the proper repair or line replacement is made.

"Who is responsible for the cost of maintenance and repairs?"

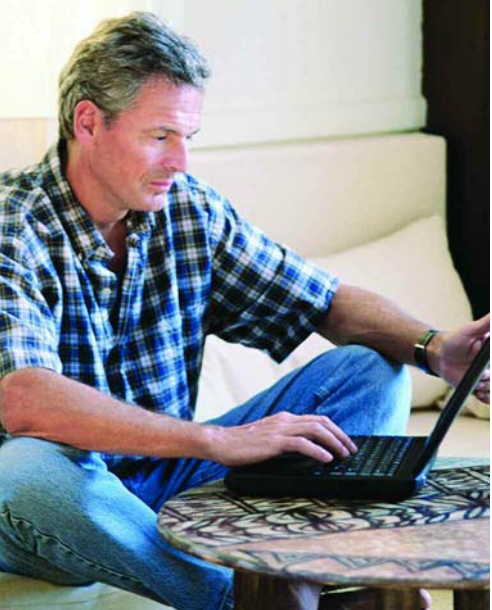
All costs associated with the maintenance and repair of a customer's piping are the responsibility of the customer or property owner.

"Who can do the maintenance for me?"

Customers may choose to have repairs, replacements or maintenance performed by any qualified contractor or by Michigan Gas Utilities. Proper construction of buried piping is critical for operational safety. Only approved installation practices and materials should be used.

"How can I locate buried piping?"

When excavating near buried gas piping, the piping must be located in advance and the excavation done by hand. Call **811** at least three days prior to digging for assistance in locating underground utilities in the area.



convenient payment options

Pay your Michigan Gas Utilities bill the way that's most convenient for you. Choose from these options:

Mail

Use the reply envelope in your monthly bill.

Automatic Payment

Sign up to have your bill paid automatically from your checking or savings account.

Quick Payment

When you want to pay quickly, use your credit card, debit card or checking account to pay by phone or online.

Walk-In

To pay in person, visit a Michigan Gas Utilities payment office or one of our authorized pay stations.

For more information on these options, call 800-401-6402 or visit us at our Web site: michigangasutilities.com

ELIMINATE THE WAIT.

At Michigan Gas Utilities, we do our best to avoid waiting time for customers calling our 24-Hour Customer Service, but sometimes the number of calls we receive jumps significantly. This sudden increase in calls can add up to longer waits for those calling in.

To eliminate the wait altogether, why not go directly to michigangasutilities.com instead? You can find many of the answers you need right online in minutes.

Options for paying your bill

At **Payment History** and **Amount Due** you can view past payments made to Michigan Gas Utilities and your current amount due. **Paying My Bill**, provides you with information on convenient payment options, such as Automatic Payment and Budget Billing. If you need to make a payment today, do it with Quick Payment. Or, if you have a past-due balance, make Payment Arrangements online.

To start, stop or move service

Go to **I'm Moving** and get everything you need to open, close or transfer your account.

Submit your latest meter reading

If you regularly read your own meter, you can **Submit a Meter Reading** online.

For help managing your energy costs

Find ideas to help you manage your energy use and costs at **Energy-Saving Tools & Ideas**. Learn low- to no-cost ways to reduce your energy bills with Energy-Saving Tips.

Save yourself time and get the information you need.

Go to michigangasutilities.com today.



**MICHIGAN
GAS UTILITIES™**

Customer Connection is published quarterly by Michigan Gas Utilities. Questions or comments can be sent to:

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Important Numbers

24-Hour Customer Service
800-401-6402

24-Hour Gas Emergency
800-401-6451

Call before you dig
811

On the Web

www.michigangasutilities.com