



# Mountaineer Gas Company

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## Press Release for Immediate Distribution

August 1, 2012

### Mountaineer Gas Company files to Lower Natural Gas Costs

Mountaineer Gas Company, West Virginia's largest natural gas utility company, has filed to lower its Purchased Gas Rate by \$1.13 per Mcf and therefore lower the average monthly bill by \$6.78 or 10.80%. This represents an average annual decrease in the cost of residential gas usage of \$81.36.

The reduction, that would benefit the more than 219,000 customers of Mountaineer Gas Company, results from the annual process that adjusts the "Purchased Gas Rate." The West Virginia Public Service Commission annually makes modifications to this portion of the rate structure, which is based on the company's gas supply plans and the current projections of natural gas market conditions. The annual adjustment of purchased gas expenses are passed through to customers with no markup or profit margin.

Mountaineer also has a Base Rate increase request pending at the West Virginia Public Service Commission to become effective in early November. If the full amount of this increase requested is granted, a typical residential customer of Mountaineer Gas Company, who uses 72 Mcf per year, is still expected to save about \$40.56 or 5.38% in the coming 12-month period.

Tom M. Taylor, President of Mountaineer Gas Company said, "We are very pleased that our customers will be realizing the benefit of the lower costs of natural gas services. Our core mission is to provide safe and reliable natural gas service to our customers at the best available price. All rates of Mountaineer Gas Company must be approved by the West Virginia Public Service Commission and we will continue to work with them to accomplish this mission".

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