

DeKalb-Cherokee Gas reduces rates

In July the Board of Directors of DeKalb-Cherokee Gas voted to decrease the price of natural gas to its customers.

Starting in September, customers of DeKalb-Cherokee Gas will see an average 18% reduction in their natural gas rates. This decrease in price will affect residential, commercial, industrial and agricultural customers throughout the district.

“Our cost control and natural gas purchasing strategies, coupled with lower natural gas costs, have enabled us to decrease prices to DeKalb-Cherokee Gas customers,” said Board Chairman Fort Payne Mayor Bill Jordan.

The decrease is made possible because the price of natural gas on the futures market has declined. The decrease in price should translate to an average of \$31 per month per customer during the winter heating season. That number is based on the average usage of DC Gas’ residential customers during the winter of 2009/2010.

The winter of 2009/2010 was the coldest winter residents of North Alabama have experienced in over 30 years. Many residents saw their monthly bill double compared to the previous year. Early forecasts do not predict as cold a winter in 2010/2011.

Bills may not be as high as last year due to less usage and the rate reduction. Customers should keep in mind that their monthly bill is based on usage multiplied by the rate.

“I’m happy right now that our natural gas customers will get a break on their heating bills this winter,” said Jordan.

“While we don’t know what the wholesale prices of natural gas will be in the future, given increased global demand and price volatility, my hope is that our customers won’t be looking at an increase for quite a while,” said DeKalb-Cherokee Gas General Manager Keith Davis

“We are pleased we were able to work with our suppliers on this new contract and secure these lower rates for all our customers.”

Davis added this reminder, ““The price we pay for natural gas makes up about eighty percent of the average bill. It’s strictly a pass-through: We charge what we pay for it. We only make money on the delivery service portion of the bill.

“I hope the reaction of customers is to breathe a sigh of relief but at the same time not let their guard down. Customers need to be mindful of conservation steps they can take. If you want to spend less, you need to use less energy.”

Federal Tax Credits up to \$1500 for Rinnai Tankless Water Heaters

Homeowners who purchase and install a qualifying Rinnai tankless water heater between Jan. 1, 2009 and Dec. 31, 2010 will now be eligible for a tax credit equal to 30% of the full purchase and installation price up to a maximum of \$1500.

Guidelines

- The Rinnai tankless water heater must be “placed in service” between January 1, 2009 and December 31, 2010. The IRS defines “placed in service” as when the product is ready and available for use.
- The Rinnai tankless water heater must be installed in or on the taxpayer’s principal residence in the United States.
- The tax credit is ONLY available for existing homes.
- The maximum amount that a taxpayer may claim for all qualifying energy efficient home improvements including the purchase and installation of a Rinnai tankless water heater is \$1,500 over the lifetime of the credit (2009 & 2010).
- Rinnai tankless water heaters installed in 2008 are not eligible for the tax credit.

What are the advantages of a tankless hot water heater system?

Also known as a point of use water heater or on demand, this innovative product generates hot water immediately when you open the hot water faucet. The unit then turns itself off when the faucet is closed, thus saving energy costs. The energy consumed is only for heating the water that is needed for that specific time. Since there is no storage of hot water and no constant heating and re-heating of water as in standard water heaters, you’re not wasting energy when you don’t need it.