



Variable Pricing Overview

Patriot Energy Group’s Independence Plan is designed for those who wish to purchase natural gas at a market-based variable price, but lock in their “basis” (price for transportation between NYMEX pricing point and utility city gate) at a fixed level. This solution is perfect for clients who wish to participate in variably-priced markets but at the same time ensure stable transportation rates. The Independence Plan is most beneficial to clients who expect market prices to decline and want to avoid locking in natural gas supplies at current market rates.

Lock-in a fixed basis and pay for the commodity per the closing price of NYMEX natural gas contract for each month of the contract period.

Key Points

- Potential Savings – If the market rate goes down, you would potentially save compared to a higher fixed price. Also there is no built in premium that fixed rate plans often carry to offset risk.
- Flexible Terms – Terms up to 36 months.
- Fixed Basis Stability – This is the price for transportation between NYMEX pricing point and utility city gate which is locked-in for the length of the term.
- Usage Bands – If the amount of gas you use in a given month is more than the amount you contracted, the overage may be subject to a higher Market Rate. A “Usage Band” offers a cushion so this is less likely to occur. In addition, often times if you use less gas than your contract states you will be credited the difference.

Independence Plan vs. Utility/Supplier

