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# News Release

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## **Baltimore Gas and Electric Company's Residential Natural Gas Customers Should Anticipate about a 25 Percent Reduction in Winter Heating Bills**

*Estimate is compared to last winter and based on lower commodity prices and an anticipated decrease in usage*

**BALTIMORE**, Oct. 5, 2009 – Baltimore Gas and Electric Company (BGE), a subsidiary of Constellation Energy (NYSE: CEG), today announced that its residential customers who purchase natural gas from BGE can anticipate a decrease of approximately 25 percent when compared to last winter in the gas portion of their total bill. This is for the upcoming winter heating season which begins Nov. 1, 2009 and runs through March 31, 2010. This reduction is primarily due to declines in the commodity price for natural gas and an anticipated decline in customer usage.

“We estimate the delivered cost for natural gas will be about \$1.04 per therm this winter heating season compared to \$1.32 last winter,” said Mark D. Case, senior vice president of strategy and regulatory affairs for BGE. “Assuming a return to normal weather this winter, we expect customer usage on average will also be lower when compared to last winter which was colder than normal. This combination of price and usage declines, as well as BGE’s innovative demand response programs, should help customers better manage their energy bills.”

To serve as a stabilizing influence against the variability of winter market prices, and in order to moderate overall cost of winter heating bills, BGE purchases and stores in advance, about half of its winter natural gas supply, prior to the start of winter.

Additionally, many customers are taking advantage of BGE’s *Smart Energy Savers Program*<sup>SM</sup> to better manage their energy use and lower their energy bills. BGE’s

*Smart Energy Savers Program*<sup>SM</sup> includes BGE's *Quick Home Energy Check-up*, *PeakRewards*<sup>SM</sup> and other offerings.

Customers should also consider enrolling in BGE's *Budget Billing* program which evens out payments over a 12 month period so customers are not as affected by seasonal fluctuations in usage.

Despite lower prices and innovative programs, BGE recognizes that there are some customers who may still be challenged to pay their heating bills.

"BGE remains committed to helping our limited income customers access energy assistance funding and continues to host energy assistance expos and conservation workshops," said Jeannette M. Mills, senior vice president of customer relations and account services for BGE. "Through a combination of on-site community outreach and support and direct mail, we have reached more than 430,000 customers so far this year. But customers should not wait until they are in crisis to apply for energy assistance. They may contact their local Office of Home Energy Programs during normal business hours to apply for energy assistance."

Limited income customers may also be eligible for weatherization assistance including the repair or replacement of inefficient gas furnaces and heat pumps through BGE's Limited Income Energy Efficiency program.

BGE reminds customers that there are a number of steps that everyone can take to reduce energy consumption and lower heating bills:

- Have the furnace checked by a licensed professional to be sure it's operating efficiently.
- Change the furnace filter regularly.
- During the winter, for systems other than heat pumps, set thermostats at 68 °F or lower during the day and 65 °F at night.
- Consider a programmable thermostat which can save 10-25% in energy costs year-round. Customers can receive a new Honeywell programmable thermostat directly from BGE when enrolling in *PeakRewards*<sup>SM</sup>.
- Install an approved insulation blanket around the water heater and insulate the first three feet of water pipe (keep insulation at least 6 inches from the flue on gas water heaters).
- Wash clothes in cold or warm water and rinse in cold water.
- Caulk and weather strip windows and doors.
- Shop for a natural gas supplier – some may be able to offer a lower or fixed price for gas.
- Take advantage of initiatives offered through *BGE's Smart Energy Savers Program*<sup>SM</sup> to help save on your overall energy bill.
- Go to [www.bge.com](http://www.bge.com) and [www.bgesmartenergy.com](http://www.bgesmartenergy.com) for more energy saving tips.

BGE, [www.bge.com](http://www.bge.com), headquartered in Baltimore, is Maryland's largest gas and electric utility, delivering power to more than 1.2 million electric customers and more than 640,000 natural gas customers in Central Maryland. The company's approximately 3,000 employees are committed to the safe and reliable delivery of gas and electricity, as well as enhanced energy management, conservation, environmental stewardship and community assistance. BGE is a wholly owned subsidiary of Constellation Energy, [www.constellation.com](http://www.constellation.com), a FORTUNE 500 company also headquartered in Baltimore, with subsidiaries that generate, sell and provide other energy-related services to customers throughout North America.

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