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As an energy service company, JJT Energy is helping area businesses reduce their operating costs

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Building owners and facilities managers know that energy costs represent a major overhead, and they are always looking at ways to trim this expense. One place to look is on the natural gas bill. Since New York State deregulated that industry a decade ago, businesses and consumers have been given more options when it comes to buying this vital commodity. No longer bound to the local gas utility, customers can shop around for natural gas providers, often at a savings of anywhere from 8% to 12%, according to Tom Graham, a principal at JJT Energy, an energy service company, or ESCO.

While deregulation has fostered competition, which has been good for the consumer, it has also given rise to the fast-growing ESCO industry, and Graham's JJT Energy has become a leading force in the region's natural gas supply market.

"Deregulation offers the freedom of choice and the opportunity to save on your natural gas costs by purchasing the product through an ESCO," said Graham. "With constant pressure on the bottom line, savvy business owners and managers need to find ways to cut costs, and one of the easiest places to look is on the natural gas bill."

A commodity, natural gas is bought on the open market by JJT and then delivered to utilities like Con Edison or National Grid, who in turn distribute it to JJT's customer. The utility company still continues to handle meter readings, billings, repairs and make emergency calls. Since JJT Energy does not have the same overhead costs as the utility, it is able to offer its customers highly competitive rates, with a variety of pricing options.

JJT Energy offers three flexible pricing plans and will assist clients in selecting one that best fits their needs. A fixed-rate plan locks in one rate for the term of the agreement, typically six months or one year. The variable-rate plan takes advantage of market fluctuations so in the event of falling prices, the customer can capitalize on lower gas prices and flexible market conditions. And, a monthly variable/fixed price option enables JJT's customers to seize upon potential decreases in the cost of natural gas allowing them to switch from a variable price to a fixed price if they feel that the market is changing.

"Switching gas suppliers is a relatively easy process, even from another ESCO. You simply give us your existing supplier account number and say 'I'd like to switch.' It's a very straightforward and seamless process," said Graham. The utility continues to bill the customer each month, but will identify JJT Energy as the natural gas supply company, resulting in only one monthly gas bill.

Formed nearly two years ago by Graham and his brother Joe, JJT Energy has seen a steady rise in businesses and homeowners signing up to lower their gas bills. The brothers, who co-owned a construction management and general contracting business specializing in medical facilities, saw that business declining due to the recession and turned to the burgeoning ESCO market. They

learned all they could about the gas industry, secured the necessary financing, and went through a highly rigid approval process with the Public Service Commission and today JJT Energy's customer base is nearing 425, and continues to grow.

The Graham's pride themselves on a strict adherence to a high standard of ethics and customer service cultivated over many years as business owners. Joe Graham cautions consumers to beware of "slamming" and other disreputable practices by unscrupulous sales reps. "Some consumers report being 'slammed' by dishonest salespeople claiming to be working for the utility or offering very attractive deals," he said. "They will ask for the customer's account number and if you give it to them they consider that as good as a contract. You could be on a variable or much higher rate and not realize it until you get your next bill." JJT also advises consumers to carefully look at the monthly bill to determine the entity servicing you and where the gas is coming from. If you have been "slammed," the Graham's advice is to contact your local utility, which will switch you back immediately. They also urge consumers who have been victims of this deceptive practice to file a complaint with the PSC.

In addition to the ease of conversion, JJT's entire process is transparent. The company provides its prospects and customers with a contract clearly outlining all the terms and conditions, so there are no hidden surprises. "We approach our business in a very forthright and open manner," said Doug Mauch, JJT's managing partner in charge of sales. "It's that openness that helps close so many deals and lets the client know that we back up our promises with actions."

JJT Energy, whose client base has been growing exponentially, attributes its success to a rather simple pledge. "If you don't feel you are saving money with JJT, you are free to switch back to your old supplier at any time, with no termination fees," said Mauch.

"We're confident that once a customer sees the real savings they won't want to switch back," said Joe Graham.

JJT's recent successes include converting a number of high-profile Long Island and metro-area organizations such as D'Addario & Co., a leading manufacturer of guitar strings and musical accessories; Cameron Engineering & Associates, LLP; Thomas A. Glynn & Son Funeral Home; and all of Bank of Smithtown's 29 branches on Long Island and in New York City. Savvy restaurant owners and managers are finding that lower natural gas costs help keep customer prices down and several establishments like Cabo, City Cellar, Dunkin' Donuts NYC, Grimaldi's, Chadwick's at the Station and DeBono's Delicatessen and Caterers have already realized immediate savings with JJT.

Joe and Tom Graham sum up the many benefits of switching to an ESCO quite simply, "We buy the gas, the utility delivers and you save." Mauch said, "It's really that easy."