

Plan ahead to lower AC bill



ROSIE ROMERO
ON THE HOUSE

If you're a typical consumer, you probably get riled up over what your cellphone plan costs; you start researching how to save by switching providers. You're also looking for the best deal in town on every gallon of gas.

But like most Arizona residents, when it comes to all those summertime bills for air-conditioning, you probably have very little idea of why you pay what you do and what you can do about it.

But you can zero in on these bills and change the pattern. A typical utility bill, for example, has 14 different charges — a delivery-service

charge, a meter-reading charge, a generation-of-electricity fee and on and on. There are also five taxes and fees before you finally get the bottom-line total in dollars and cents. Ignore all that. It is what it is, and there's not much you can do about all those fees.

Instead, check out the bill to find how many kilowatt-hours (kWhs) of electricity you used for the month. That's the most important number, says Steve Koepp of Advanced Home Systems in Phoenix, a company that helps homeowners control their utility costs.

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The main things you want to control on your bill are the number of kilowatt-hours you use and what you pay per kilowatt-hour. Simply take your total cost on your electric bill and divide it by the total kilowatt-hours to find cost per kilowatt-hour. Now you know the two most important things.

The amount of electricity you use, of course, depends partly on how big your home and family are. But the cost per hour can vary dramatically depending on the residential service plan you pick.

For simplicity, some homeowners choose a standard or basic plan from their utility company, whether it's Arizona Public Service or Salt River Project, that charges them the same rate all winter but charges varying summer rates, depending on how many kilowatt-hours are used. These standard plans may be easier to understand, but they can be much more costly in the long run, especially if your home is 1,000 square feet or more in size.

Under the APS standard plan, from May through October, the warmest months, you can pay from 9.687 cents to 17.257 cents per kilowatt-hour, depending on how many you use.

To really save money, you can move to a plan that offers a lower cost per kilowatt-hour in times of less demand. Most utility companies, including APS and SRP, have these plans. During summer after-



Getting your air-conditioning unit to work less during what utility companies call "peak hours" can be a money-saver. THINKSTOCK

noons when every house uses its AC, fans and cooking appliances, power costs a utility more than it does in the evening or the middle of the night, when demand drops.

What follows are warm-weather charges on the APS Time Advantage 7 p.m.-noon plan. Note that the cost is four times as much on-peak than off-peak:

» 6.618 cents per kilowatt-hour during off-peak hours, 7 p.m.-noon, May through October, from Monday through Friday, all day Saturday and Sunday and six holidays.

» 24.477 cents per kilowatt-hour during on-peak hours, noon-7 p.m., May through October, Monday through Friday.

These plans give homeowners more control over how they spend their energy dollars. You should run washing machines and dryers at night

and in the morning instead of mid-afternoon. You can also set programmable thermostats to run the AC more steadily at night and in the morning; then, when noon arrives and the price goes up, your house may be so chilled that you might not even notice if the AC goes off for a couple of hours.

But you do have to watch the clock and change some of your habits. Your average cost per kilowatt-hour can drop if you do that.

Some service plans can charge even much less per kilowatt-hour. But they also impose something called a "demand charge" that can be very expensive if you don't pay close attention to what you are doing.

Here are warm-weather charges under the APS Combined Advantage 7 p.m. to noon plan:

» 4.417 cents per kilowatt-hour during off-peak hours,



Thermostats are getting more technical, like this digital model by Lennox. LENNOX RESIDENTIAL

7 p.m.-noon, May through October, from Monday through Friday, all day Saturday and Sunday and six holidays.

» 8.867 cents per kilowatt-hour during on-peak hours, noon-7 p.m., May through October, Monday through Friday.

These rates certainly sound great, but there is a catch: a demand charge of \$13.50 for every kilowatt (this is different from a kilowatt-hour) that you use in your highest hour of energy use during on-peak hours. This amount could range up to \$100 or more if you have one hour of really high electric use.

How could that happen? What if you throw a dinner party that starts at 6 p.m. and during that time, you get the house really cold with your AC, for the comfort of your guests; you run the oven or range a lot preparing the food; you're piping in mood music; and maybe you ran a cycle or two in the dishwasher just before guests arrived. For the peak hour of electric use during that event, the utility will multiply all your

kilowatts used by \$13.50 and add that to your bill.

Controlling those demand charges can be tricky. One way that some homeowners do it is by having a computer installed on their electric box that can monitor the levels of their electrical use and automatically regulate use of power by major consuming appliances temporarily when they get too close to exceeding what they want to pay for a demand charge. The homeowner sets the limit on the computer.

Most people hardly notice what's going on when a temporary management scenario happens, Koepp says.

So there are options for homeowners who want to save on power bills. It starts by deciphering your electric bill to figure out what those kilowatt-hours cost. If you can do simple math, you can change your energy spending by switching to another service plan and save big.

Next week: We talk about closing down summer cabins and preventing pipes from freezing; it's mainly a problem in the mountains, but it's an issue that even desert residents can experience.

For more do-it-yourself tips, go to rosieonthehouse.com. An Arizona homebuilding- and remodeling-industry expert for 35 years, Rosie Romero is the host of the Rosie on the House radio program from 8-11 a.m. Saturdays on KTAR-FM (92.3) in Phoenix, KQNA-AM (1130) in Prescott and KAZM-AM (780) in Sedona, KAFF-AM (930) in Flagstaff and KNST-AM (790) in Tucson. Call 888-767-4348.