

Two programs use technology to cut costs

If your home has central air conditioning, we invite you to volunteer for a new program that may lower your bills by shifting electric use away from peak-use times. This latest initiative, along with our existing Time-of-Use rates, uses technology to pass along the savings to participating customers.

Groton Electric has partnered with the American Public Power Association's Demonstration of Energy-Efficient Developments (DEED) program to offer a demand response initiative.

The program targets home central air conditioning systems using technology to automatically shift electric demand away from peak-use hours. A successful pilot program included 10 local homes this year, and the program is now set to include up to 60 new volunteers by next summer.

Why are peak-hours important?

Simply put, the electricity our customers use during just a few peak-use hours a year dramatically affects GELD's wholesale power costs.

That's because a significant portion of Groton's power costs is based on our share of the electricity used during New England's largest energy-hour (known as the peak-hour) each month. The more energy our customers use during that hour each month, the higher our costs.

How much do we save by cutting peak-hour demand? For every 1% reduction, GELD's annual wholesale power costs are cut by about \$22,000. And that helps hold down electric bills for everyone in Groton.

How will demand response work?

After a qualified residential customer with central air conditioning volunteers, a licensed electrician will install a module to their existing thermostat and attach a device to an open port on their Internet modem. This allows access and control of their thermostat through an interactive website.

During peak-use periods, the home temperature will be increased by three degrees over a three-hour period. For more savings, customers may choose to allow a modification of six degrees. This only occurs a few times per year and is typically the third day of a heat wave where there is minimal cooling during the previous night.

Our goal is to reduce GELD's transmission and capacity payments by reducing our contribution to the peak-hours for our region. After we quantify the energy savings, we will determine a favorable rate for customers who voluntarily

participate. If you are interested or would like more details, please call Tammi or Barbara at 978-448-1150.

Time-of-Use customers make the shift

Along with demand response, our two-tiered approach to power cost reduction also includes time-of-use shifting. Our Time-of-Use (TOU) customers are successfully shifting energy use away from peak times, and have already reduced their contribution to our wholesale power costs by 17%. They are also enjoying lower monthly electric bills.

While the TOU option will not save money for everyone, it's a good choice for those who can shift a significant amount of power use away from weekdays from 11 a.m. to 7 p.m. – which is billed at a premium under TOU – and are able to take advantage of lower rates from 11 p.m. to 7 a.m. all week.

Using hourly data collected with our two-way radio meter reading system, we can calculate TOU rates for customers who shift their use to off-peak hours – for example, putting a timer on a pool pump and only running it from 11 p.m. to 7 a.m. This high use pump would only use power at the lowest off-peak rate.

For more information about TOU, see the articles featured on our website at grotonelectric.org/newsletters.php. (Select October 1, 2008 and January 1, 2009.)

Wholesale power bill components

GELD's wholesale power bills contain three main components: transmission, capacity, and generation charges. Transmission charges cover the cost to move electricity from power plants to our substation. *Capacity charges are related to maintaining plants and equipment in case power is needed. Generation charges pay for the electric current produced at power plants.

GELD's annual transmission costs are over \$1 million, and our annual capacity costs are just under \$1 million. Our demand response and time-of-use programs target these two power cost components.

**On your Groton Electric bill, capacity and generation are combined in the generation portion of the bill.*

Direct Payment

Never miss another early pay discount!

Join the over **1200 customers** who enjoy Direct Payment. Direct Payment is available to all our customers at no charge. Simply complete the form at the bottom of the page, return it to us, and we'll do the rest.

Direct Payment is an easy way to simplify your life, with the added benefit of making sure you always get the prompt payment discount. You can't beat the convenience—no more watching the calendar, searching for postage or trekking to the office during inclement weather.

Here's how it works

- As usual, you'll receive your bill on the first of each month.
- You'll have plenty of time to look over your bill and speak to us if you have any questions before your payment is made.
- On the 12th of each month, your checking account will be debited for the discounted amount due.

It couldn't be easier. It saves you time and you never have to worry about receiving your early pay discount again - it's automatic!

Now you can pay your monthly electric bill without the bother of writing a check, mailing an envelope or stopping by our office. Just sign up for Direct Payment, and we will automatically deduct your payment from your checking account each month.

Frequently Asked Questions

- Q. When does it start?
- A. After you sign up, it starts with your next bill. You will see a note on your bill, "Do not pay, auto debit on 12th"
- Q. What if I think my bill is incorrect?
- A. You have until noon on the eighth to call us to dispute the bill before the payment is deducted from your account on the twelfth.
- Q. Can I cancel Direct Payment?
- A. Yes. You can cancel the program at any time by either calling us, notifying us in writing, or dropping by our office. Please notify us before noon on the eighth of the month if you wish to cancel a specific payment.
- Q. If I already pay my bills online through a third party payment service like Bank of America Online Banking, why should I change?
- A. When you pay your bill through a third party payment service, you may think that it is a direct electronic transfer; however, it is not. These services issue checks that need to be manually processed, costing us time and money. Also, many services charge a transfer fee, while ours is free. Our Direct Payment program is an actual electronic transfer from your checking account to our bank account.

Office Hours: Mon. - Fri., 8:00 am - 4:00 pm.

Sign up for Direct Payment Today

To sign up for Direct Payment, complete this form and return it **(with a voided check)** to our office at 23 Station Ave., Groton, MA 01450. You may enclose this completed form with your payment if you wish.

Customer Name _____

Address _____ Phone number _____

Groton Electric Account Number (located to the right of your address on the bill) _____

Financial institution _____ Routing Number _____

Checking Account Number _____

Signature _____ Date _____

I agree to establish debit payment from my checking account beginning with my next bill. I authorize the Groton Electric Light Department to instruct my financial institution to make payments directly from the account indicated on this form. I understand that I will control the payments, and that if I wish to discontinue this service I may simply notify Groton Electric at any time.