

The 2 types of Energy Conservation asked for by NEC

Energy conservation is the decision and practice of using less energy. Turning off the lights when you leave the room, unplugging appliances when they're not in use, and raising your thermostat are all examples of energy conservation. The two main reasons people conserve energy are to gain more control over their energy bill and reduce the demand on the electric grid and earth's natural resources.

As the days are getting hotter, with triple digit temperatures statewide, you've seen two types of energy conservation requests from NEC. Peak and ERCOT Conservation Appeals. What is the difference in these requests and how do they affect you as an NEC member?

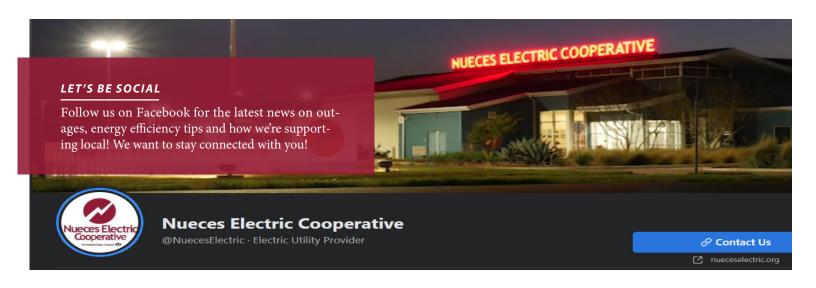
Peak Conservation Requests

Conservation requests to control the peak is requested conservation during the high electricity demand times, usually, 2:00 pm to 7:00 pm. By reducing energy use during system peaks each summer, we help to lower electric bills for all members for the following year. Each year, we try to manage the highest 15-minute interval of electricity demand during each of the 4 summer months. The lower NEC's demand is during these 15 minute peaks, the lower our costs-- and in turn your costs --will be the following year. The four peak events occur once each month in June, July, August, and September, usually between the hours of 2 and 7 p.m. They're triggered when system demand is highest: usually on the hottest days of the month during the post-work/dinner hours when we're all arriving home, turning on the air conditioning, starting dinner, and running large appliances like dishwashers. We can't avoid peaks, but we want to do all we can to prevent those peaks from going higher by reducing the amount of energy we use during peak times. Every bit counts toward a lower bill next year.

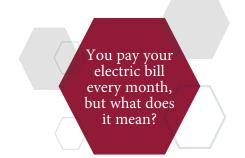
Conservation Appeals from the Grid Operator, ERCOT

With extreme hot weather driving record power demand across Texas, the Electric Reliability Council of Texas (ERCOT) may issue Conservation Appeals. When ERCOT does this, they expect that there are not enough generation resources to meet the demand expected, and so it asks all Texas electricity companies to ask Texans and Texas businesses to voluntarily conserve electricity to reduce the demand on the grid. Some of the factors that may drive the need for these conservation requests are record high electric demand and generation resources that become unavailable. Generation resources can become unavailable due to wind not blowing, cloud cover over solar resources, and thermal generation that needs to go offline for maintenance. During these events ERCOT continues to use all tools available to manage the grid effectively and reliably, including using reserve power and calling upon large electric customers who have volunteered to lower their energy use. NEC recommends our members do their best to conserve energy during these times. If we all conserve energy during these times, we can work together to minimize the chances of suffering rotating outages.

NEC realizes that energy conservation is a conscious choice that members make to minimize their energy usage. We, at NEC, appreciate our members understanding and cooperation during these hot summer months. We strive to keep our members updated and educated on ways to conserve energy, when to conserve energy, and reasons why we are requesting energy conservation. Together we can beat this heat and keep our cost down.



Understanding Your Bill



1. Customer Service Charge

Customer Service charge is a flat, fixed rate designed to cover NEC's costs for poles, wires, transformers and equipment. It also supports fleet, facility, customer service and administrative functions, such as line maintenance, tree clearing, safety equipment, and general administrative responsibilities.

2. Service Delivery Charge

The Service Delivery Charge varies with the amount of energy NEC delivers over the power lines. If you use less electricity, these charges go down, but if you use more, this portion of your bill goes up.

3. Power Provider

NEC Members have the right to choose their retail electric providers, resulting in separate billing charges for the delivery and power of members. Most providers have chosen to bill separately for their power supply services.

4. Current Charges Due

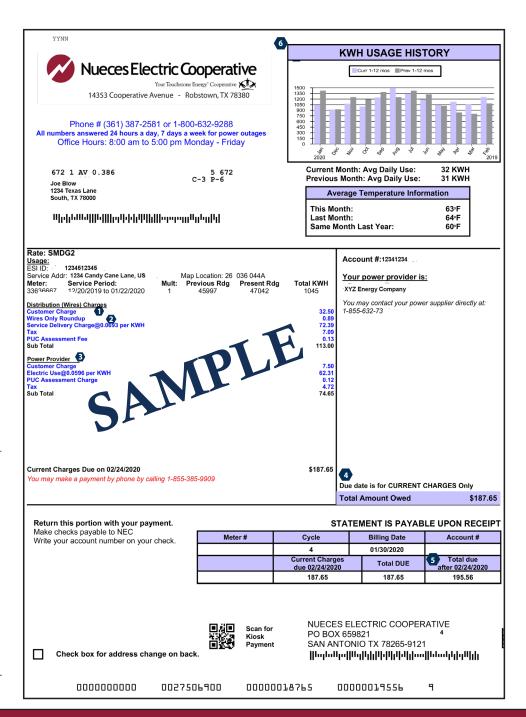
Current amount to be paid based on electric energy (kWh) consumed.

5. Total Amount Due (After Due Date)

An amount that has passed the date of payment deadline. Failure to pay the Past Due Amount may result in disconnection of service.

6. kWh Usage History

This chart on your bill includes your current energy usage history along with your average daily uses for the current and previous month.



What is Kilowatt-Hour (kWh)?

The kilowatt-hour is the basic measurement used to calculate your bill. Any electronic device has a certain amount of electricity it needs to function, also known as its wattage. For example, the average ceiling fan is 50 watts. If you use that ceiling fan for 20 hours in one month, your ceiling fan will have consumed one kilowatt-hour.