



CUBFacts Energy Efficiency

Power Smart Pricing for Ameren Customers

What is the “Power Smart Pricing” program?

Illinois is first in the nation to launch a statewide residential real-time pricing program, which offers Ameren and ComEd customers a new way to pay for electricity.

While it’s not right for everyone, the program could help cut power costs for those willing and able to change how and when they use major appliances, such as the air conditioner, dishwasher, clothes dryer, and dehumidifier.

The program also helps reduce demand for pollution-causing coal-fired power plants and it can help prevent blackouts by reducing stress on the electricity system during “peak” times, when power usage and prices are at their highest. While savings aren’t guaranteed, participants in the program have cut their power bills by an average of 17 percent over the last few years.

How do I learn more about Power Smart Pricing?

Go to www.PowerSmartPricing.org, or call **877-655-6028**. Ameren’s program is managed by CNT Energy, a Chicago nonprofit organization.

How does Power Smart Pricing work?

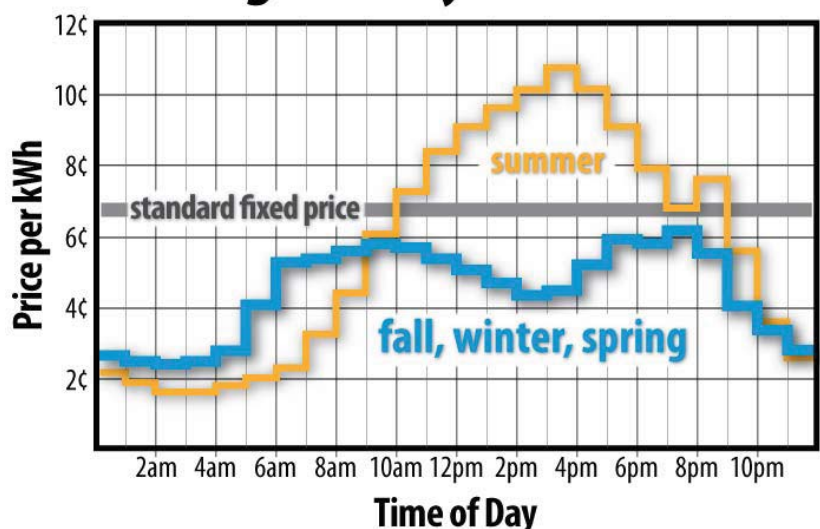
Ameren traditionally charges their residential customers a fixed electric rate that changes only by the season (winter or summer). However, the power smart pricing program bills customers at a price that changes each hour according to the actual market price.

For example, the summer market price may dip to about 2 cents per kilowatt-hour (kWh) just after midnight, when electricity usage is at its lowest. However, as the day progresses, demand for power could push the price to 13 cents per kWh—or much more—during “peak” electricity-usage times in the late afternoon and early evening. (Winter prices tend to be highest later in the evening.)

Compare that range to Ameren’s fixed summer rate of about 7 cents per kWh for most customers. (The utility’s standard winter rates for most customers range from about 5.8 cents per kWh to 7.2 cents per kWh.)

Typically, the average hourly market price over a year is lower than the standard utility flat rates. The key to saving money in the Power Smart Pricing program is reducing your electricity usage during “peak” times, when market power prices are at their highest.

Average Hourly Price Patterns



How can I save money in the program?

The Power Smart Pricing program gives you a number of tools to help you adjust your electricity-usage habits. If the price is expected to climb above a certain predetermined level (13 cents per kWh), you will be called or e-mailed the night before, allowing you to change the next day's power-usage plans to avoid any high-price times.

On a regular basis, you can plan your energy usage by checking the "day ahead" prices – a highly accurate estimate of the approaching day's hourly prices – either by phone or via the Internet.

Power Smart Pricing also will provide tips on cutting your energy costs and personalized online account information to track whether or not you are saving under the program.

Is Power Smart Pricing right for my household?

If you consistently use above 300 kWh in a month or have a monthly electric bill that is more than \$30, the program could be right for you. It's perfect for people who want to take more responsibility for their electricity usage and are curious about how to cut their power bills by changing when they use their electricity.

The program isn't right for people with relatively small bills, people who rely on medical equipment, and those who prefer the simplicity of paying a fixed rate for power. Others, such as senior citizens or families with small children may not be willing or able to change their electricity usage patterns because of family responsibilities or health concerns. Such customers may need to use their dishwasher or air conditioning often during peak power-usage times, when the market price of power at that moment could be well beyond the regular utility flat rate.

If you heat your home with electricity, you should consult CNT Energy to find out whether the program could help you save money. Call CNT at 877-655-6028 to learn more.

What are the requirements of the program?

The program requires a minimum 12-month commitment. It also requires a special meter that reads electricity usage on an hourly basis. The meter, which has to be accessible to the power company, will be installed at no charge, but you will have to pay a \$2.25 monthly fee for leasing it. (Typical savings should more than cover the \$27 annual cost of this fee.) Ameren is currently authorized to accept 110,000 customers into the program. Those who enroll after may pay a higher fee.

Real-time Tips for Saving Money

Things you can do to save during expensive "peak" hours:

- Temporarily change your central air conditioner to a warmer temperature. If you have a window air conditioner, turn it off or put it on a warmer setting.
- If the summer heat gets to you, plan a trip to the beach or a pool during the peak hours. You also can go to an air-conditioned public space, such as a movie house, a museum, an art gallery, a shopping mall, or library.
- If you have an electric stove or oven, grill or enjoy a cool meal like a sandwich or salad.
- If possible, use energy-guzzling appliances like the dishwasher, washer and dryer, and basement dehumidifier in the morning or evening when prices are lower.

For general tips on saving money by using less energy, visit www.CUBEnergySaver.com. For information about incentives to make investments in energy efficiency, visit www.CUBLiveWire.org.

How will my electric bill look different?

You will pay all the charges on your electric bill now, with two differences. First, your monthly bill will have the \$2.25 monthly “meter lease” fee added to it. (This charge is in addition to the “meter charge” already on your bill. That fixed charge, which all electric customers pay, covers the costs associated with such tasks as meter reading and testing the meter equipment.)

Also, you won't pay Ameren's standard per-kilowatt-hour electricity rate. Remember, under real-time pricing, you could be charged a vastly different rate for each hour of electricity usage over the course of a month. Your bill will include the number of kilowatt-hours you used over the course of the billing period and a total cost for that electricity. Ameren customers who want more detail will be able to find an online breakdown of how much electricity they used and the rate they paid each hour over that period at www.PowerSmartPricing.org. On the website, you can also view a comparison of what you would have paid under your utility's standard rates versus what you paid in the power-smart pricing program. You can also request this bill comparison by mail.

If you have any additional questions about these programs, please call CUB, 1-800-669-5556, and ask for Rebecca Devens, environmental programs coordinator, or Celia Christensen, environmental outreach coordinator.

CUB works hard to maintain the accuracy and timeliness of this information, but programs often change and/or run out of money. CUB is not responsible for the administration of any of the programs described in this fact sheet. If you are having trouble applying for or receiving benefits from any of the programs described above, please contact the administrator of that program. Please notify CUB if you find any inaccuracies here.