

HELPING CUSTOMERS MANAGE HIGH BILLS

ENERGY MATTERS

Anthony Fiore
Superintendent of Electric Utilities
Freeport Electric

Why are electric prices rising?

▶ Demand is Rising

- Our demand for electricity is at an all-time high. Greater use of computers, electronic products, and home entertainment items has contributed to rising demand.

▶ Cost of Building Generating Facilities

- The cost of building generating facilities has increased substantially because of rising costs of raw materials and strong competition for engineering services and key parts and equipment.

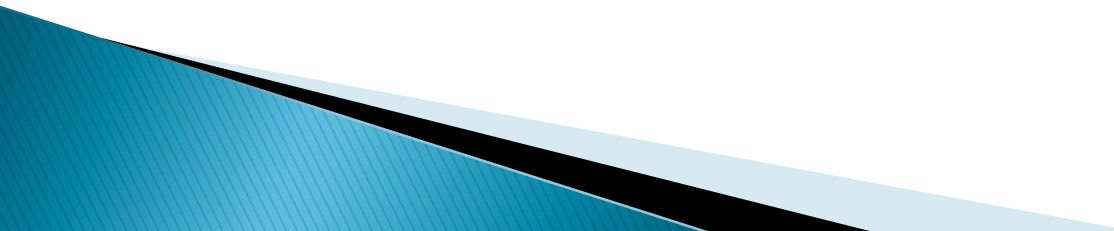
▶ Cost of Fuels

- The cost of fossil fuels (coal, natural gas and oil) used to generate electricity has increased significantly in the last few years and in turn has led to an increase in the cost of generating electricity.

▶ Cost of Wholesale Purchases

- *The cost our customers pay for electricity reflects the price that Freeport Electric pays for the electricity we provide. As a not-for profit public power utility, we work to keep costs as low as possible. The price of wholesale power purchased from RTO markets typically reflects the price of gas-fired generation, even if the power is generated at lower-cost coal, nuclear, or hydro facilities. This raises the price to end-use customers, while increasing the profit margin for low-cost generators.*

What is Freeport Electric Doing

- ▶ Securing power through long-term contracts.
 - ▶ NYPA's Low Income Winter Weatherization Program.
 - ▶ Implementing our EECAP program
 - ▶ Hedging fuel contracts.
 - ▶ Customer education programs.
- 

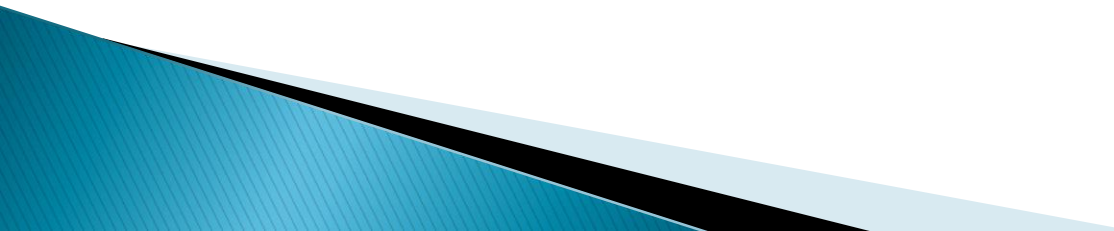
What you can do to help lower your bills

- ▶ Turn lights, appliances, and electronics off when they are not in use. Today's larger homes have lot of rooms where operating TVs, radios, computers, and lights may be forgotten. Unplug idle power adapters and cell-phone chargers, too, or use a power strip with a switch for convenience. For outdoor lights, install motion sensors or a combination of photo sensors to turn lights on and timers to turn them off.
- ▶ Replace at least five incandescent light bulbs with high-efficiency, compact fluorescent lamps (CFLs). Energy Star labeled CFLs use 75 percent less energy and last six to ten times longer than standard incandescent bulbs do. A CFL that uses 13 to 17 watts will give as much light as a 60-watt incandescent bulb. Today's CFLs come in a variety of shapes, sizes, and tints.

What you can do to help lower your bills

- ▶ Install a programmable thermostat. In winter, lower the temperature when you are typically at work or asleep. You can save about 5 percent on your heating bill if your setback averages out to two degrees around the clock. The reverse is true in summer: a higher thermostat setting will save you money. As you program your thermostat, remember to give it a little time to warm or cool the whole house to your comfort level.
- ▶ Regularly change or clean filters in heating and cooling equipment. During peak heating or cooling season, change or clean filters monthly. A new filter may cost about \$3, but can save you \$5 or more per month. You will also enjoy the cleaner air.
- ▶ Use fans. According to Energy Star, you can raise summer air-conditioner settings by 3 to 5 degrees with no loss of comfort if you add ceiling fans. Switch reversible fans in winter, to pull cool air upward and force warm air back down.

What you can do to help lower your bills

- ▶ Control direct sunlight through windows. In summer, block it using blinds, screens, film, outdoor awnings, vines, and trees. In cold weather, reverse your thinking. As long as you control glare, the sun can bring welcome warmth in winter.
 - ▶ Perform basic weatherization. This includes repairing holes and cracks that let in drafts and weather-stripping or caulking around doors and windows. It also includes plugging leaks and fixing gaps in insulation on ducts and pipes.
 - ▶ Try washing most clothes in cold water, and always rinse in cold. Clothes washed in cold water fade less, have fewer wrinkles, and may save up to a hundred dollars annually on water heating.
- 

What you can do to help lower your bills

- ▶ Don't over dry your clothes. Today, many clothes driers have energy-saving moisture sensors that shut off the heat when the clothes are dry. If you don't have this feature, test a few loads, and remember how long they take to dry. Running a typical drier for 15 minutes less per load can save you up to \$35 per year. Also, remember to clean the lint trap after every load.
- ▶ If you have an old refrigerator or freezer that you barely use, unplug it. These old appliances can add up to 15 percent to your electric bill. You can save energy in your regular fridge by keeping the condenser coils clean, placing it in a well-ventilated, relatively cool spot, and keeping it full but not overloaded. If your freezer is usually empty, you can improve cold airflow by storing some extra ice.

Twist Your Way to Energy Savings

Want to save up to \$30? Invest \$3 to \$15 in an energy-efficient compact fluorescent light bulb.

That's right:

By paying a little more for a twisty CFL that will last up to five years, you can save by buying fewer bulbs and by lowering your electric bill.

Now, add up the savings if you replace every incandescent light bulb in your home with a CFL.

A bonus: A CFL doesn't put off much heat when it burns, unlike the incandescent light bulbs you're probably burning now. The result: The CFL doesn't add heat to the air in a room you're trying to cool off when it's hot outside. Less added heat means your air conditioner doesn't have to work so hard. That can save you even more.

Wattage x Hours Used Per Day ÷ 1,000 = Daily Kilowatt-hour (kWh) consumption

(1 kilowatt (kW) = 1,000 Watts) Multiply this by the number of days you use the appliance during the year for the annual consumption. You can then calculate the annual cost to run an appliance by multiplying the kWh per year by your local utility's rate per kWh consumed.

Incandescent Bulb	Compact Florescent Bulb *	Bulb Lifetime Savings
40 Watt	9-11 Watt	\$15-\$25
60 Watt	13-17 Watt	\$25-\$30
75 Watt	18-20 Watt	\$30-\$35
100 Watt	23-26 Watt	\$40-\$45
150 Watt	32-42 Watt	\$50-\$70

•(approximate equivalent wattage)

•Calculation is based on 8,000-hour bulb lifetime burning 3 hours per day at 9 cents per kWh.

Let the Sunshine in

You don't have to install big, expensive panels on your roof to use solar power. Simply let the sun into your home, especially on cold days.

It's the most powerful source of energy around us.

Here are three ways you can help the sunshine keep your home warmer this winter.

- Clean your windows. Even the sun can't peek through windows that are covered with grime left behind by snow or rain that splashes your panes.
- Open your drapes. Invite the sunshine into west- (or southwest-) facing windows during the day. Close your blinds and drapes after dark. If privacy is a concern, add light-colored sheer panels that you can keep closed all day without blocking the sun's rays.
- Trim your hedges. Overgrown shrubs and trees can shade your windows too much.

Thank You

- ▶ We ask for your continued patience and support as we try to keep prices as low as possible while providing reliable power to our customers.