

UNDERSTANDING DEMAND RATES



A Touchstone Energy® Cooperative 



UNDERSTANDING DEMAND

Demand Charge

Demand is the rate at which a member uses electricity during a specific time period, measured in kilowatts (kW).

Energy Charge

Energy charges are based on the total amount of electricity a member uses during the billing period, expressed in kilowatt per hour (kWh).

One way to understand demand is to use an automotive analogy.

The odometer on your car measures the total miles driven (similar to your total energy use).

Demand is like your speedometer, measuring the speed at which that energy is used. The more electricity you use at one time the higher your speed, or the higher your demand.

Lane-Scott must have enough capacity to handle a single point in time where the demand is at its peak. Even if that is the only time during the year it is needed.

WHY IS THE RATE STRUCTURE CHANGING?

Lane-Scott's costs are driven by the need to satisfy members' highest demand, even if it only occurs once each month.

That's like building and maintaining a six-lane highway to accommodate traffic for one major event a year when, for most of the year, a two-lane highway would suffice.



It's More Objective & Economical

With our three-part rate structure, less emphasis will be put on a flat customer charge, and more on the demand YOU put on the system.

This ensures those who put larger demand on the grid pay for a more proportionate share of fixed costs.



A Three-Part Rate Structure Aligns with the Electric Utility's Cost Drivers

We are billed monthly from our power supplier based on a three-part rate. Ultimately, members are paying for the demand we are charged by our supplier. Implementing a member demand rate means we are billing our members in the same way our co-op is billed.



You Have Greater Control Over Your Energy Savings

By adding a demand component to bills, members will have two ways in which to control their energy:

Managing demand and using energy efficiently.

HOW CAN I SAVE ON MY DEMAND CHARGE?

Reduce Electricity Use

By reducing your electricity use, you can lower your energy charge.

Spread Out Appliance Use

As more appliances and equipment run at the same time, your demand for power increases.

Think in 15-minute Increments

Our meters measure demand in 15-minute increments. Spreading use out just 15 minutes will reduce your recorded demand.

Demand Billing

Your highest peak demand will be used to calculate your demand charge for that month's billing period.

Just one "bad" day, or high demand usage will negate your energy savings effort for the month.

Creating energy savings habits will help keep your demand consistent.

Common High Electricity Users

- HVAC Systems
- Space Heaters
- Electric Vehicles
- Refrigeration
- Water Heaters
- Electric Dryers
- Electric Welders
- Dishwashers (heating elements)
- Any Large Electric Run Equipment

Use SmartHub to Monitor Your Usage

Using our account management website or app, you can see your demand and energy usage.

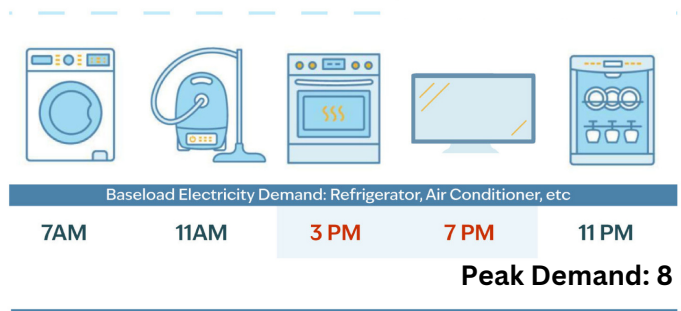
Demand reads are reflected at midnight each day for the previous day.

If your peak demand during that 24-hour period is higher than previous days, the chart will reflect a new peak.

Spreading out the use of major appliances and electric equipment is the easiest way to **manage your demand and your electric bill.**



Peak Demand: 4 kW



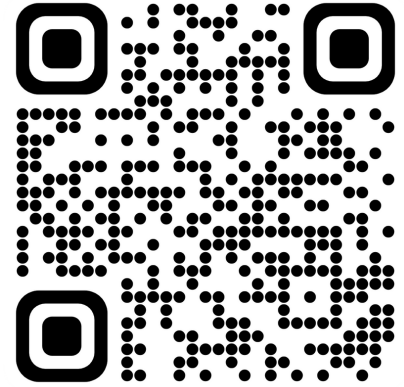
TO DOWNLOAD SMARTHUB

On a Mobile Device

Download the SmartHub app on your phone.



Or scan this QR code



On a Website

Go to www.lanescott.coop

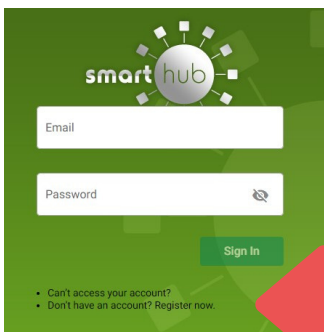
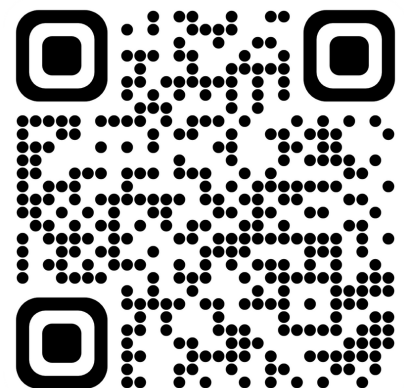
Click the SmartHub Login button at the top.



Or

Go directly to SmartHub at :

<https://lanescott.smarthub.coop/Login.html>



Click on "Don't Have an Account? Register Now."

To register, you will need to know your Lane-Scott Electric account number. If you have multiple accounts, SmartHub will upload all accounts once registered.