



Time-of-Use Service

Time-of-Use Service is an optional billing method for **residential** customers to purchase their electricity based on **when** the actual use of electricity occurs. Pricing for Time-of-Use Service is lower for electricity used during periods of low overall electric demand (off-peak hours) and higher during periods of higher electric demand (onpeak hours). By shifting the consumption of electricity to periods of lower demand, you may take advantage of lower-cost energy.

How does time-of-use billing work?

Customers who use Time-of-Use Service have special meters installed at their homes that measure how much and when electricity is used. You will be billed on-peak and off-peak rates for the Energy Delivery charge, Market Price Charge and Market Price Adjustment. You will also receive an annual letter that compares total charges for your usage under the Time-of-Use and standard rates.

Will this save money on my bill?

It takes a significant commitment to limit energy to the off-peak period. In order to realize a savings, you must use at least approximately 70 percent of your electricity during off-peak hours, depending on your monthly usage (see the chart, below). Changes in market prices for electricity may require higher levels to be used during off-peak hours in order to realize savings and avoid higher charges. Even if you can change your life-style to fit one of the off-peak time periods, only a few days of elevated on-peak usage could eliminate any potential savings, and may result in higher charges than using standard rates. You may be able to limit your on-peak use during one season, however varying weather conditions and daylight changes may make it difficult during others.

What are the peak hours?

You can choose from one of three time periods for your weekday, **on-peak** hours:

- 1) Monday through Friday, 8 a.m. to 8 p.m.
- 2) Monday through Friday, 9 a.m. to 9 p.m.
- 3) Monday through Friday, 10 a.m. to 10 p.m.

Your selection should coincide with the period you expect to consume the least amount of electricity. The on-peak and off-peak rates are the same for all three periods. After enrollment, you may change your initial on-peak time period once - subsequent changes can be made at a charge of \$25 to cover the cost of resetting the meter. All weekends and six major holidays per year (New Year’s Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day) are included in off-peak hours.

How much energy must be used during off-peak hours?

The following provides examples of the proportion of electricity that must be used during off-peak hours to break even under the program at various levels of total electric use per month, based on rates in effect July 1, 2007:

| Total Monthly usage, kwh | 500 kwh | 750 kwh | 1,000 kwh | 1,500 kwh | 2,000 kwh |
|--|------------|------------|------------|------------|------------|
| Percent to be used during off-peak hours to break even | 71 percent | 69 percent | 68 percent | 67 percent | 66 percent |

For example, a resident enrolled in the Time-of-Use Service using 1,000 kilowatt-hours of electricity per month and shifting 68 percent of their electricity use to off-peak hours will pay the same amount under standard residential electric service and the Time-of-Use Service. Using more electricity during off-peak hours will provide savings as compared to the standard rates, while using less than 68 percent will result in higher charges.

To illustrate potential savings, a resident using 1,000 kilowatt-hours of electricity per month and shifting 75 percent of their usage to off-peak hours will save approximately four percent over standard residential rates. If this same resident were to shift only 60 percent of the usage to off-peak hours, the charges will be about four percent higher than standard residential rates.

What is the difference between the two rates?

The chart below compares on- and off-peak charges under the Time-of-Use program, and standard residential electric charges, in effect July 1, 2007:

| Billing Line Items | Time-of-Use Charges | Standard Residential Charges |
|---------------------------------|--------------------------------|------------------------------|
| Customer Charge | \$19.00 | \$16.00 |
| Energy Delivery charge | | 3.955 ¢ |
| On-peak energy delivery charge | 6.751 ¢/kwh | |
| Off-peak energy delivery charge | 2.250 ¢/kwh | |
| Market Price Changes | | Market supply charges |
| On-peak market price charge | 118 percent of standard charge | |
| Off-peak market price charge | 86 percent of standard charge | |

All other billing charges that apply to both standard and Time-of-Use rates are the same.

How do I shift my energy use to off-peak hours?

There are many ways, for example:

- Use a timer on large electric appliances, such as electric water heaters, set to operate during off-peak hours only.
- Save laundry chores until off-peak hours.
- Reduce air conditioning use on weekdays during your peak hours.
- Use a programmable thermostat to lower heating temperatures in the winter and to raise cooling temperatures in the summer during your peak hours.
- Wait until off-peak times to run the dishwasher, pool pump, hot tub, or other large energy users.
- Limit the use of humidifiers or dehumidifiers during peak hours.

While it is not necessary to shift all of your electric use to off-peak hours, you should try to shift at least approximately 70 percent (see the chart on the previous page). The more electricity usage you can shift, the more you can save.

Can I sign up for a short time and then switch back to standard residential rate?

You must sign on for a minimum of one year.

How do I sign up?

Fill out and sign the attached form, and mail to: **Central Hudson Gas & Electric, Corp; Time of Use Service; 284 South Avenue; Poughkeepsie, NY 12601**

Enrollment will coincide with a new two-month billing cycle and is subject to meter availability.

Application for Residential Time-of-Use Service

Name _____

Account Number _____

Address _____

Primary & Alternate telephone numbers _____

Email address _____

My peak time selection is (check one):

8 a.m. to 8 p.m. Monday through Friday

9 a.m. to 9 p.m. Monday through Friday

10 a.m. to 10 p.m. Monday through Friday

I hereby make application to Central Hudson Gas & Electric Corporation to enroll and to be placed on Residential Time-of-Use Service (Service Classification No. 6).

I understand that I will be billed for the electricity purchases I may make at prices established and calculated for Time-of-Use Service, and I will pay for such purchases when the bill is rendered. I understand that the minimum term of service is 12 months from the date I first take service under this rate, and that enrollment is subject to meter availability and coincides with the start of a new two-month billing cycle.

I understand that I do not have to use less electricity to save money on the Time-of-Use Service, however to do so I must monitor my usage so that at least approximately 70 percent of the electricity I consume is used during offpeak hours; and that changes in market prices for electricity may require that I use higher levels during off-peak hours in order to realize savings and avoid higher charges. I further understand that for the purpose of this program, on-peak hours are defined as one of the following time periods of my initial choosing: 8 a.m. to 8 p.m., 9 a.m. to 9 p.m., or 10 a.m. to 10 p.m., Monday through Friday (60 hours per week). All weekday overnight hours after the onpeak period and all weekend hours from the end of the on-peak period Friday night, until Monday morning are defined as off-peak (108 hours per week). Six major holidays per year (New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas) are also included in off-peak hours. I may change my on-peak time period once, and any subsequent changes will be charged \$25.

All electricity usage for the on-peak and off-peak hours will be measured by my time-of use meter. My usage will be billed every two months (every month if I am a budget billing customer) showing the peak and off-peak kilowatt hours.

Customer signature

date

Sign enrollment form and mail to:

Central Hudson Gas & Electric Corp.
Time-of-Use Program
284 South Avenue
Poughkeepsie, NY 12601

