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New time-of-use rates a reason for AMRs

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09.19.11 - 11:54 am

By converting 30,000 existing electric units to Automated Meter Reading technology, Cleveland Utilities is taking a proactive approach that will help to offset rising costs while also preparing for the coming of new TVA time-of-use peak demand power rates.

At last report, CU crews and a contractor have installed about 8,000 of the AMR meters.

As previously reported, the move to the higher-tech AMR remote-reading units follows years of research in which the local public utility expects to save on manual meter-reading costs which include manpower, wear-and-tear on company vehicles and fuel burned by on-the-road meter readers.

The AMRs also will expedite identification and response time to isolated power outages, and the remote-reading meters will make CU ready for the official start of TVA's new power rate structure whose time-of-use cycle will begin within the next two to three years.

TVA is already billing its public utility partners such as Cleveland Utilities wholesale using time-of-use rates, but residential and commercial customers are not yet being billed retail by this method.

Making its customers aware of the new time-of-use structure — which means peak-demand electric use will be more expensive than off-peak hours — began several months ago in a joint campaign by Cleveland Utilities and TVA.

Since that time, CU has also begun the conversion from its existing electric meters to the AMR units. The new remote-reading meters, also known in the technology industry as "SmartMeters," will allow the public utility to bill its customers using the TVA time-of-use structure.

Volunteer Energy Cooperative, which serves 110,000 customers in 17 counties, converted to a form of AMR six years ago. This included 17,500 Bradley County customers.

VEC's high-tech meters transmit data from the customer to the substation and then to the billing department over existing power lines. The CU version transmits data using Radio Frequency (RF) signals. Both methods are considered AMR units which were launched as part of the utility industry's new Advanced Metering Infrastructure technology.

AMI technology was first introduced in the 1970s.

As a support piece for preparing customers for peak-demand billing, CU is expanding its public awareness campaign of a 2-year-old in-home energy evaluation program. It's this simple, CU officials stress. Customers who are

serious about taking control of how the coming TVA time-of-use peak demand power rates will impact their monthly bills should consider this program.

Also known as a home insulation audit, the free-of-charge initiative brings trained specialists into homes serviced by CU and who will conduct an extensive evaluation in order to offer recommendations on improvements that can save on energy use.

Homeowners who commit to making at least \$150 worth of insulation upgrades will be eligible for 50 percent rebates from CU on materials purchased and labor costs. Maximum rebate amount will be \$500, according to David Orr, customer relations supervisor.

Types of home improvements eligible for CU rebates include attic insulation, floor insulation, caulking, weather stripping, plastic ground cover under houses in crawlspaces and storm windows, among others. A full inventory of home improvements and insulation upgrades that are eligible for CU rebates may be obtained by contacting the local public utility at 472-4521 and ask for the in-home energy evaluation program.

Immediate program contacts are Orr and Jamie Creekmore, customer relations representative.

Because the in-home energy program focuses mostly on insulation and related features, household appliances are excluded from rebate consideration. Specifically, items not eligible for rebates include water heaters (including tankless), dishwashers, refrigerators, room air conditioners, programmable thermostats, window film or solar sunscreen, radiant barriers, clothes washers, clothes dryers, insulated garage doors and storm doors.

“The program is intended for individual homeowners, not rentals such as apartments,” Orr explained. “Duplexes are eligible for an in-home evaluation but the request has to come from the owner, not the tenant.”

Until now, the utility hasn’t publicly advertised the program because “word of mouth” is serving the same purpose. However, with the full impact of TVA’s new time-of-use peak demand rates coming in two to three years, the rebate initiative is expected to get a lot more interest among CU customers, Orr explained.

Cleveland Utilities subcontracts the home insulation inspections program to Chuck and Brad Gibson, a father and son team who are trained specialists in energy-saving techniques through modern home insulation initiatives. (Chuck Gibson is a TVA retiree.

“They are both highly trained and very knowledgeable in this field,” Orr said. “When customers call to schedule an in-home appointment, they will be working with Chuck and Brad.”

For those interested in pursuing the program, these are the step-by-step

procedures:

- Call CU and request the free in-home energy evaluation or visit the website at www.energyright.com.
- Once the request is made, the person's name will be placed on a waiting list; wait times are running consistently at four to five weeks.
- In-home evaluators (Gibsons) will contact the homeowners to schedule an appointment for the evaluation.
- Once the evaluation is complete, the auditor will give the homeowner a list of TVA-qualified weatherization contractors to perform the improvements work.
- The contractor will perform the work; homeowners will pay the contractors upfront (in some cases, the work can be done by the homeowner following pre-approval by CU).
- Submit all paid receipts to Cleveland Utilities.
- An energy evaluator will then contact the homeowner to schedule and perform a follow-up inspection.
- If improvements pass the inspection, CU will reimburse the homeowner for 50 percent of the costs of qualifying expenses up to a maximum of \$500.

Although the in-home energy audit is free of charge, homeowners are asked to commit to spending at least \$150 on home improvements in order to justify the evaluation expense, Orr explained.

According to wording on an in-home evaluation program brochure, "This is such a great program we encourage only those who want to invest in a plan to save money to apply."

The impact of TVA's new time-of-use peak period rates is not expected to be felt by CU's residential customers for another two to three years. Until then, the public utility is encouraging area residents to make lifestyles and in-house changes that can help to reduce energy consumption. Those who make no changes will bear the biggest brunt of the peak-demand rates, according to Tom Wheeler, CU general manager.

"If people don't react, they will see their bills get higher," Wheeler cautioned.

TVA's peak energy-use periods are defined as the Winter Peak Period and the Summer Peak Period.

The Winter Peak Period is December through March and time of day is 5 to 11 a.m. Monday through Friday. The Summer Peak Period is June through September and time of day is 1 to 9 p.m. Monday through Friday. Weekends and federal holidays are considered off peak.

A peak period rate means that kilowatt-hours burned during this time will be more expensive to the homeowner than times that are off peak.

(Editor's Note: This concludes the Cleveland Daily Banner's five-part Monday series on the new Automated Meter Reading units now being installed by Cleveland Utilities. The 3-year initiative will continue until CU has changed out 30,000 existing meters. Additional information about TVA's new time-of-use rates and the AMR meters will be published as it becomes available).

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