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News Memo

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ELECTRIC POWER RATES TO RISE SLIGHTLY IN DECEMBER

ATHENS, Tenn. – Power rates for AUB customers will rise slightly in December relative to the fall season rates of October and November.

The December residential rate for a kilowatt hour of electricity will be \$0.08665, or about 8.7 cents. November's rate was about 8.3 cents per kilowatt hour, said AUB's Wayne Scarbrough.

“The rise in rates for December is primarily the result of TVA's seasonal rate schedule, wherein we are moving from the transition rates of the fall to winter-season rates for the next four months. The December fuel cost adjustment from TVA is slightly higher as well,” he said.

TVA's rate structure includes four months of winter-season rates from December through March; four months of summertime rates from June through September; and four months of transition rates in April/May and October/November.

“Summer season rates are the highest and winter rates are the second highest,” Scarbrough said, noting that the summer-season rate in September was about nine cents per-kilowatt hour.

“For those who subscribe to letting the market move with the consumer forces placed upon it, there you go. Demand for energy is highest in summer and second highest in winter and prices tend to follow,” he said.

This inherently can make for wintertime bills that are larger than those in the fall and spring.

However, the price per kilowatt hour is not the single driving factor of higher bills or even the most influential aspect of the amount of your heating bill in winter, Scarbrough said.

“Certainly the price of the energy commodity—whether it is electricity or natural gas—plays a notable role in the amount of your bill. But consider that the fall season rate and the new December rate are only about four-tenths of a penny different.

“The larger driver in having a big bill in winter is that in the winter we all use a lot more energy to maintain a set temperature in our house or office. The cold weather makes our heating systems kick on more often and stay on longer,” Scarbrough said.

As we move into the year's coldest months AUB encourages all customers to take a close look at the efficiency of their home and energy use habits.

- Set thermostats at 68 degrees or lower and wear warmer clothing while indoors;

- Seal every crack that allows air to move in or out of your home;
- Insulate attics and attic access-door openings;
- Wrap your water heater in an insulating blanket made for that purpose;
- Use ceiling fans to help circulate warm air;
- Limit opening and closing doors to the outside and keep primary doors closed when possible; screen doors do little to keep warm air in and cold air out;
- Keep curtains and blinds open on south- and east-facing windows during the heat of the day to capture the sun's warmth; close them at night to retain the heat;
- Turn off anything you are not using including lights, TVs, entertainment units, coffee makers, etc.
- Use compact fluorescent bulbs; they very little heat, are much more efficient than normal bulbs, and last up to seven times longer.

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