

Putting a freeze on energy bills:

Why prices are increasing, and what you can do about it



**Cape Light
Compact**



Working Together Toward A Smarter Energy Future

Electricity prices have increased



- Everyone's prices have increased, depending upon your provider rates may double for the winter period
- Cape Light Compact customers saw the change starting in December
- High prices throughout the region are likely to last at least several years

Why is this happening?

Why? Short story: natural gas.



- Natural gas became more attractive for generating electricity in New England
- As a result, New England tripled its portion of electricity generated from natural gas
- At the same time, increased gas usage for heating
- But, there are no additional pipelines to bring gas into New England for decades
- As a result, region faces pipeline constraints during winter
- This drives electricity prices through the roof.

For today, “gas” = natural gas, not gasoline

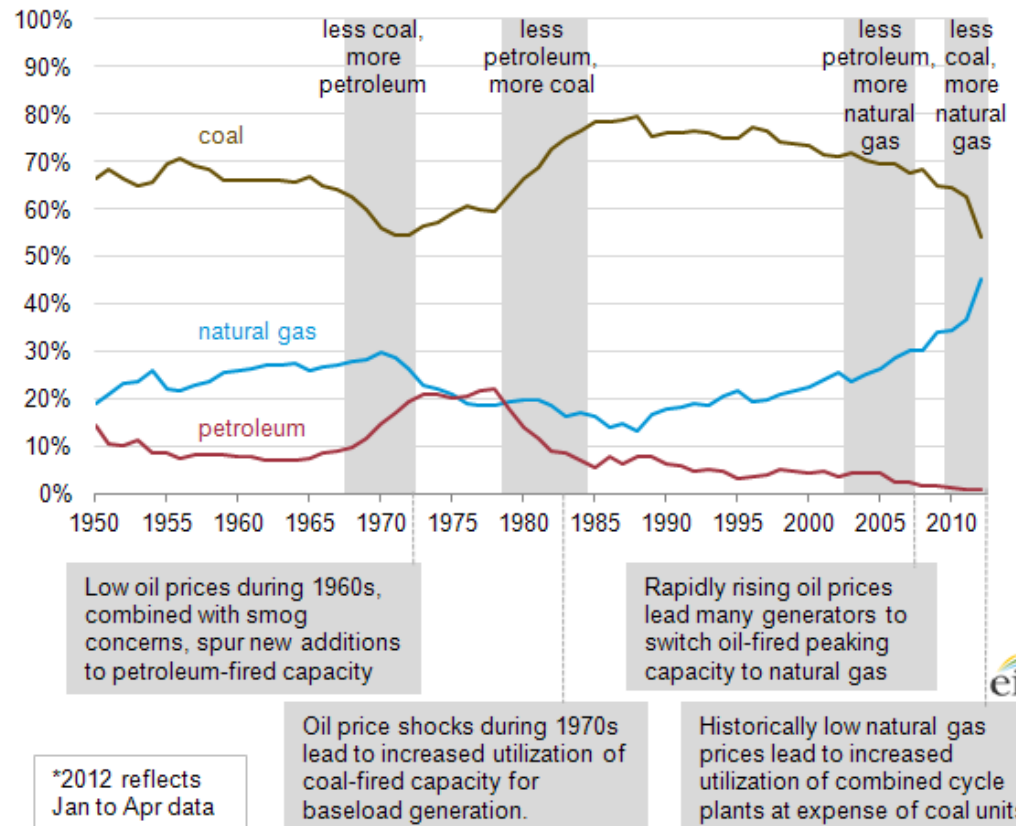
What drives electricity sources?



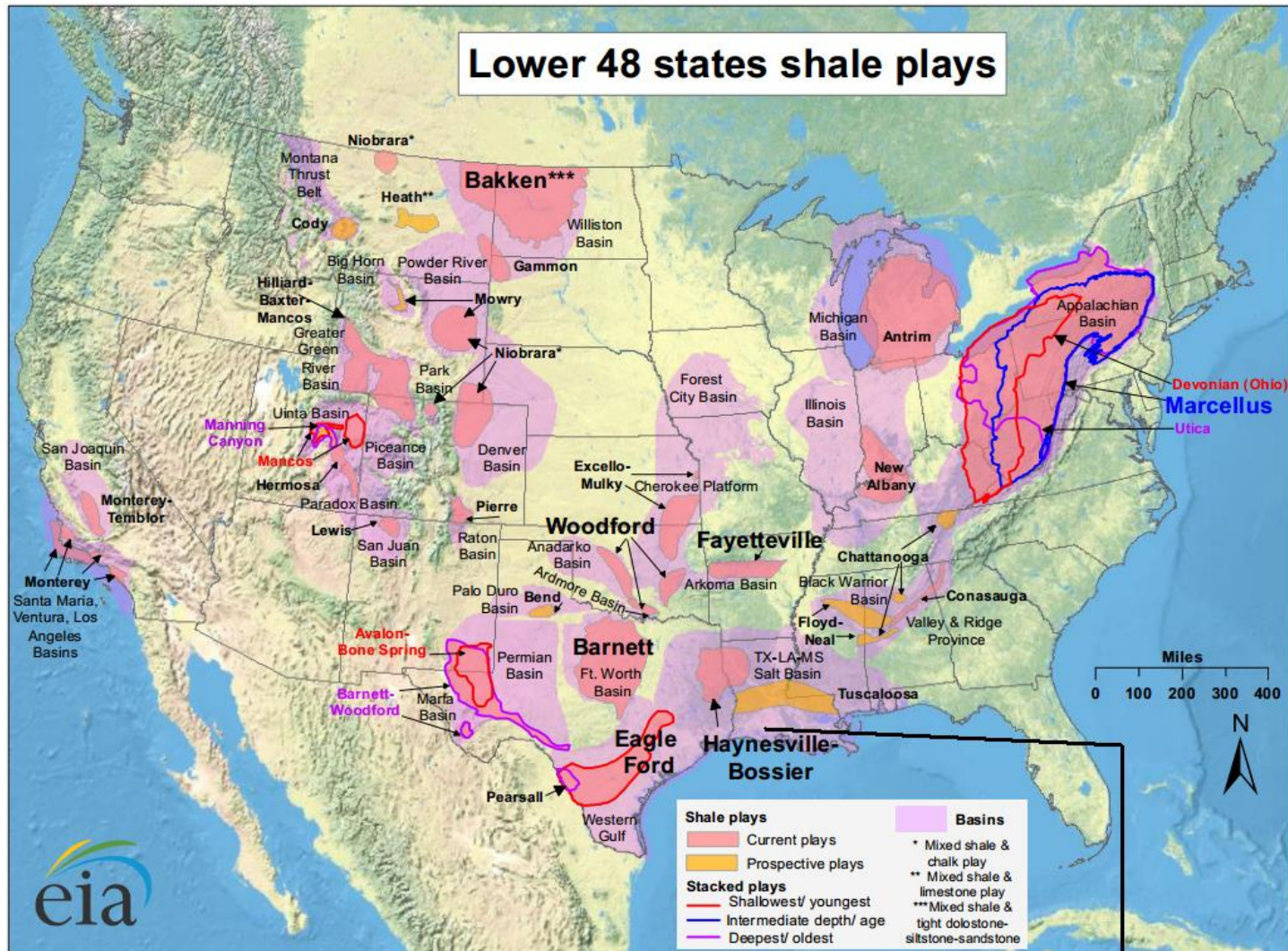
Prices!

- Changes in generation tech/efficiency
- Fuel availability
- Environmental regulations (see SO₂)
- More recently, renewable portfolio standards

Annual share of fossil-fired electric power generation, 1950 - 2012*



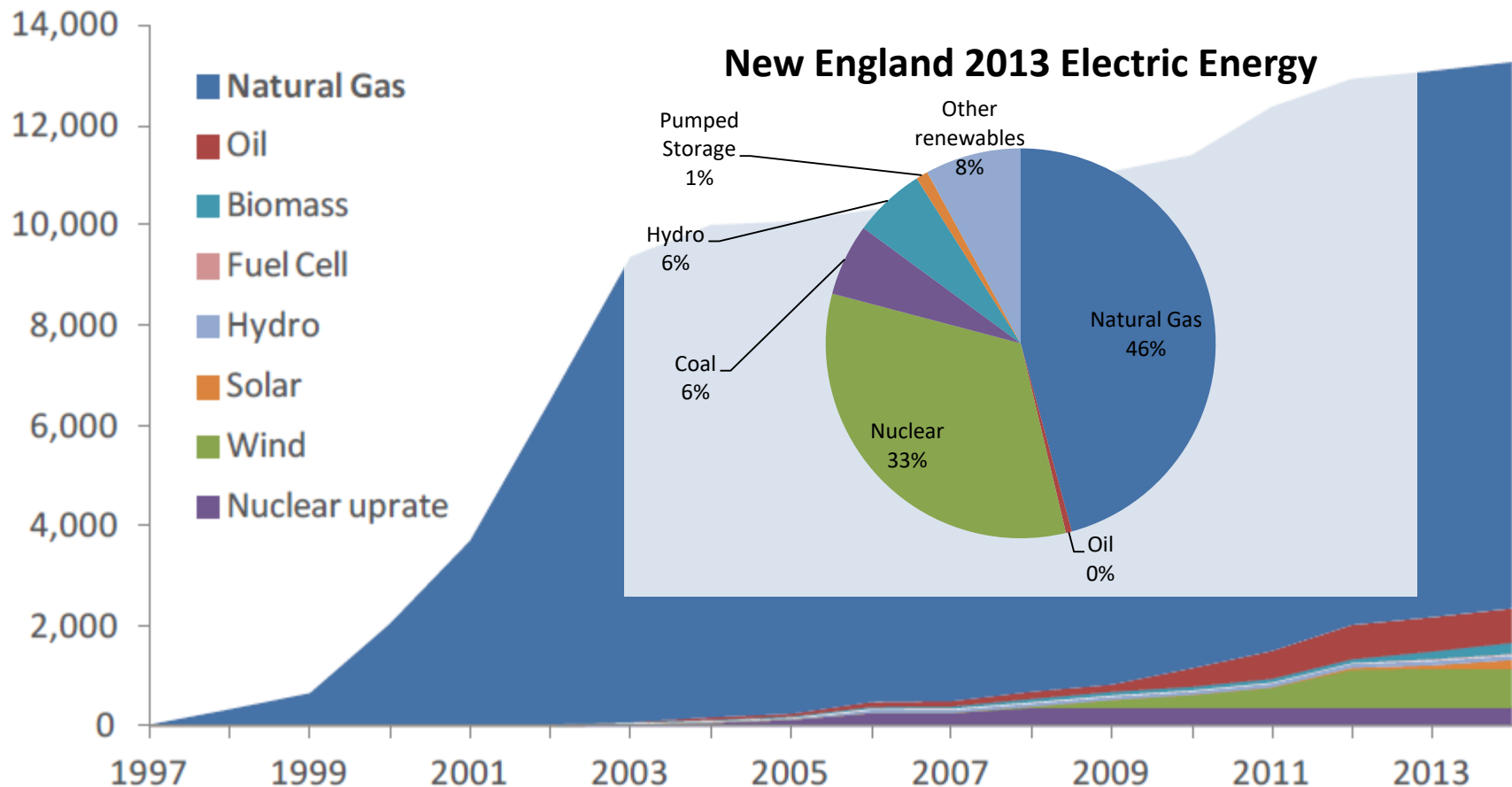
Where is the gas?



Huge increase in electricity from gas



Cumulative New Generating Capacity in New England

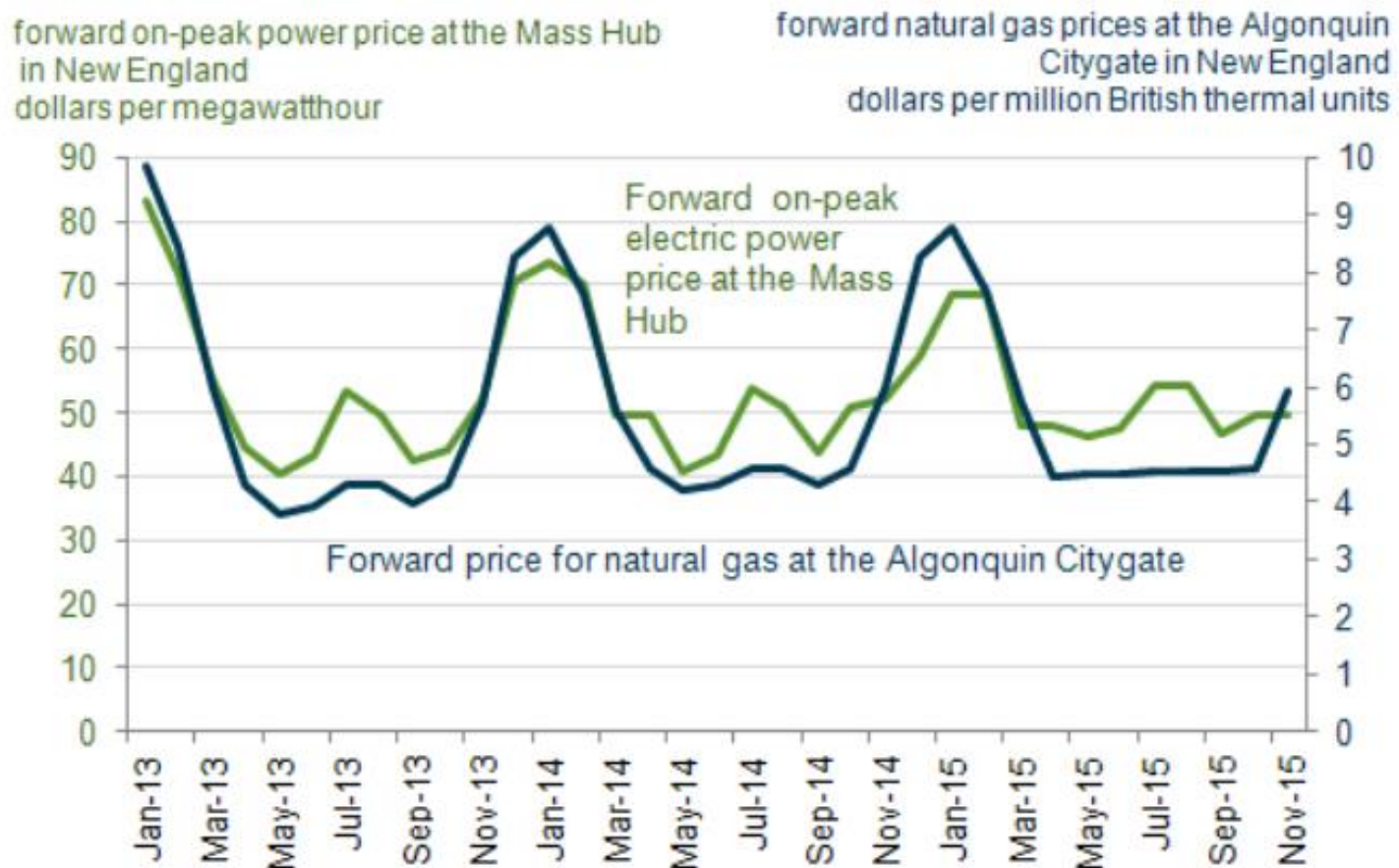


Source – ISO-New England

As a result, gas prices = electricity prices

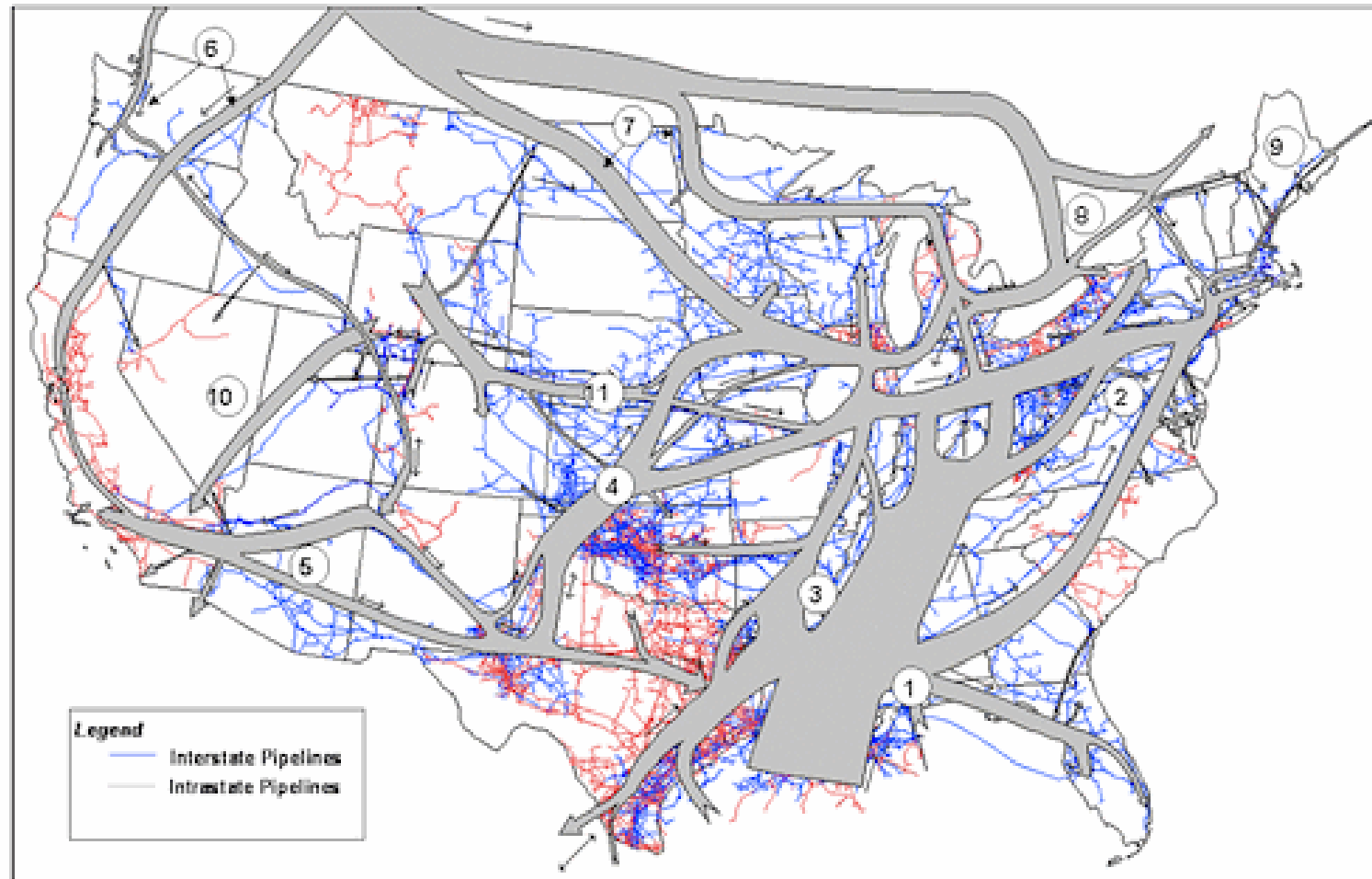


Figure 13. Forward electric power and natural gas prices in New England



Source: EIA, http://www.eia.gov/forecasts/steo/special/pdf/2013_sp_01.pdf

What's the problem? Gas is cheap, right? We're at the end of the pipeline.



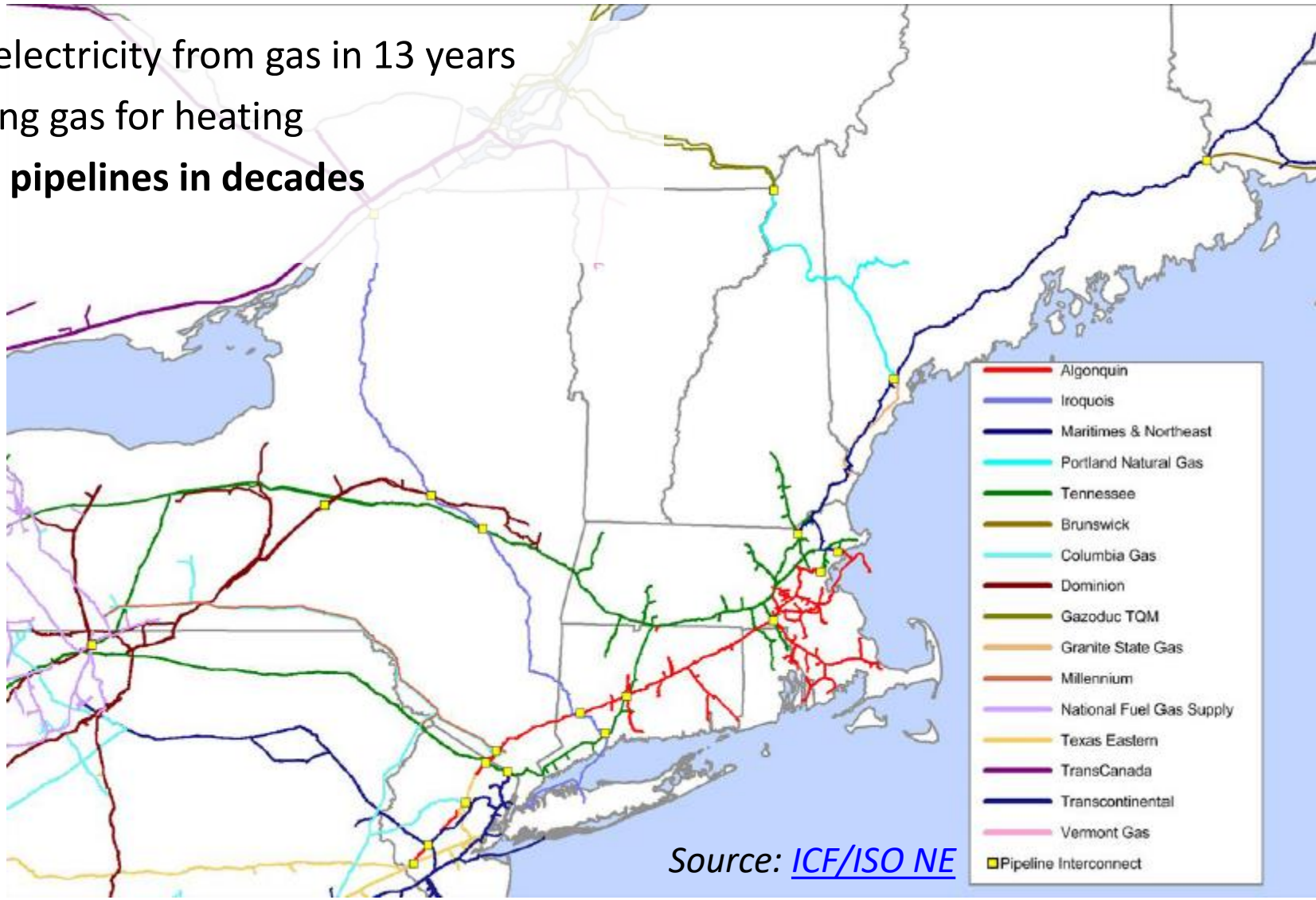
Source: Energy Information Administration, Office of Oil and Gas, Natural Gas Division, GasTran Gas Transportation Information System.

The EIA has determined that the informational map displays here do not raise security concerns, based on the application of the Federal Geographic Data Committee's *Guidelines for Providing Appropriate Access to Geospatial Data in Response to Security Concerns*.

And, we haven't expanded the pipeline

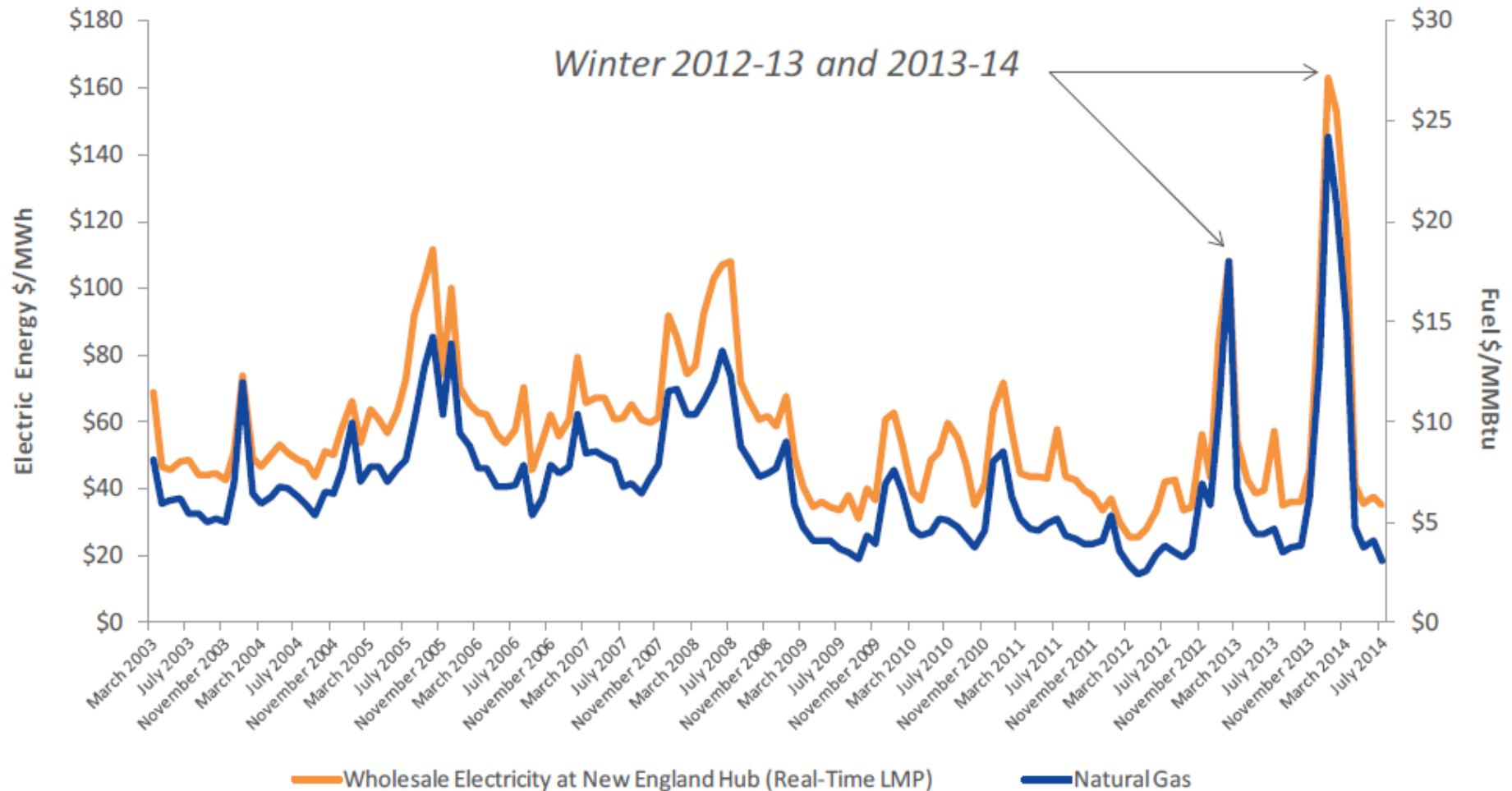


- Tripled electricity from gas in 13 years
- Increasing gas for heating
- **No new pipelines in decades**



Source: [ICF/ISO NE](#)

So, gas and electricity prices can skyrocket, esp. during cold winters



Source – ISO-New England

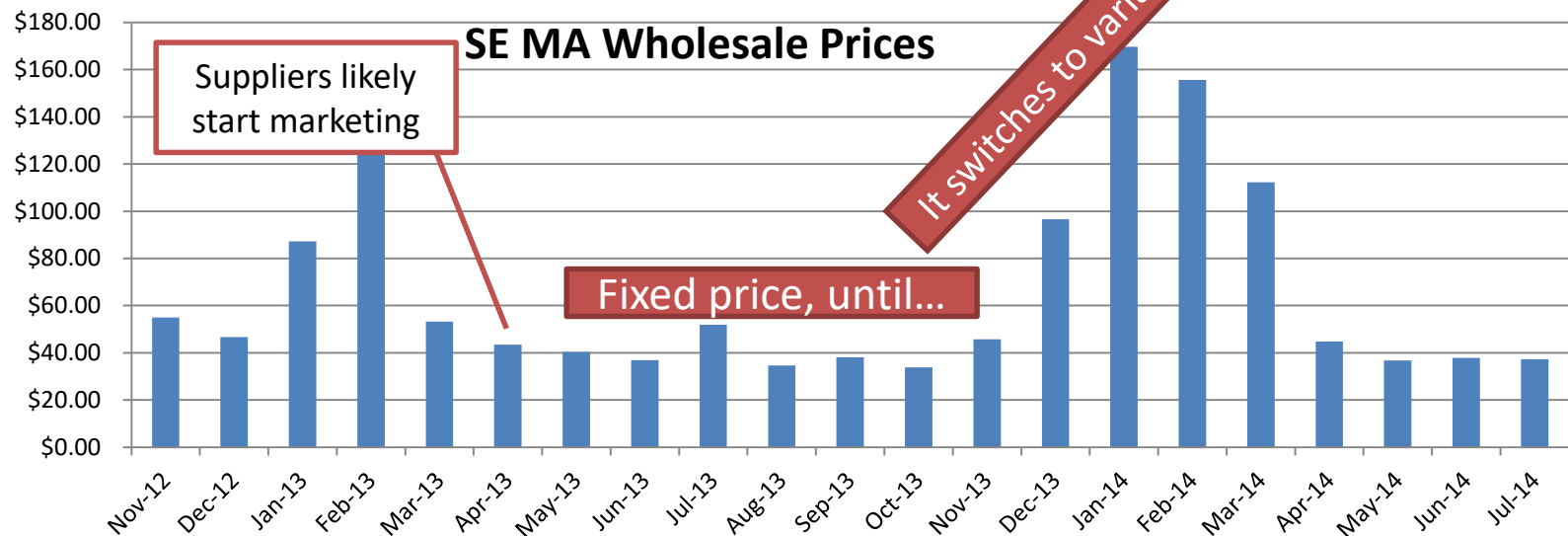
What might lower prices?



- More natural gas pipeline into region – not likely to happen for at least a few years. The only project underway (which will also take a few years) too small to have large effect on prices.
- Warmer winters – not likely to make a significant difference
- Efficiency and distributed generation?

Bottom line – the region is facing high prices for at least a few years, if not more

Look out for suppliers!



- Because of volatile prices and other factors, expect an influx of competitive suppliers contacting you this spring
- Be wary of suppliers offering fixed prices for 3 or 6 months – prices may seem attractive, but you'll be bumped to monthly variable prices at the end of the contract, usually at the worst points in the year!
- Other good questions:
 - Change in law language – freedom for them to change “fixed” prices
 - Termination fees
- Call the Compact if you have questions!

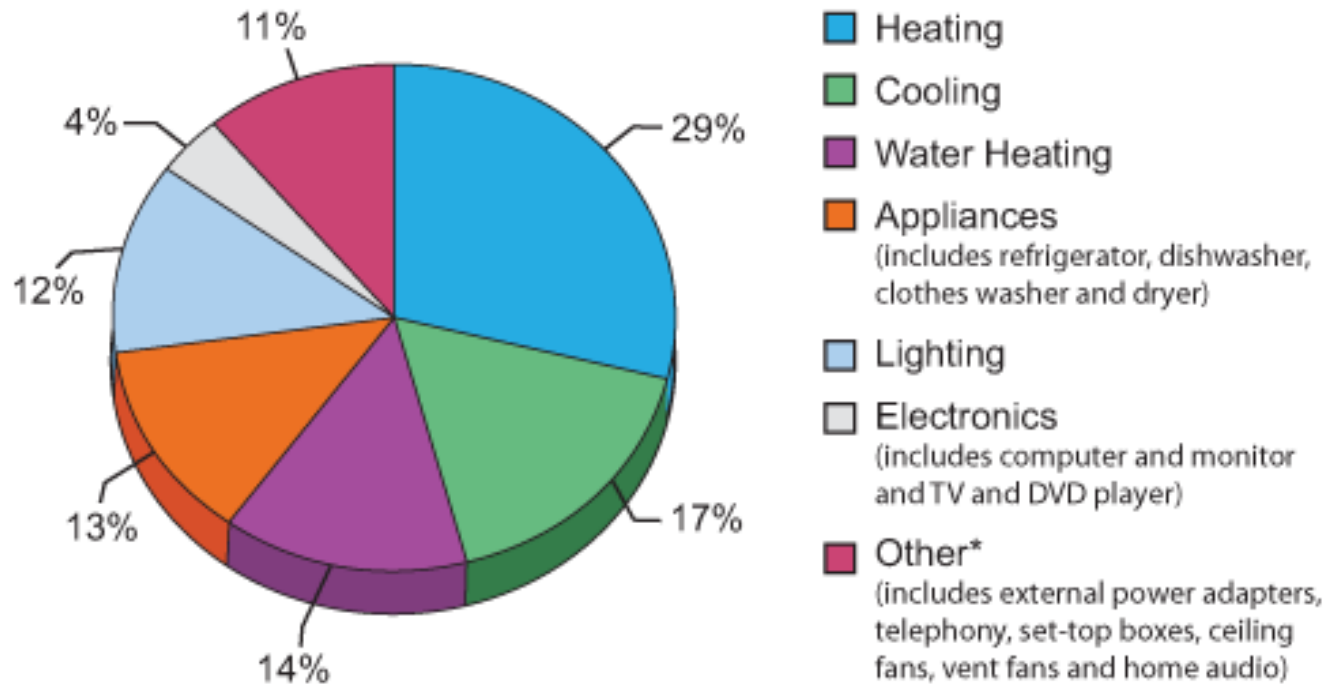
General rule – if it seems too good to be true...

What can you do? Efficiency.



Where Does My Money Go?

Annual Energy Bill for a typical Single Family Home is approximately \$2,200.



The average U.S. household spends \$100 per year to power devices while they are off (or in standby mode).
-www.energystar.gov

Do-it-Yourself: Lighting



- **Local retailers** work with us to sell LEDs and CFLs at a reduced cost. To find a local retailer, check out www.masssave.com/quick-tools or look for our logo in stores.

Do-it-Yourself: 2nd refrigerator or freezer



- If you have a second refrigerator or freezer that you are not using but it still works, it can be huge energy hog.
- You can **call JACO Recycling at 1-877-545-4113** to schedule your free pickup. Make sure to clear the area for the crew to safely remove it, and you will receive a \$50.00 rebate check.



Be Your Own Detective: Part 1



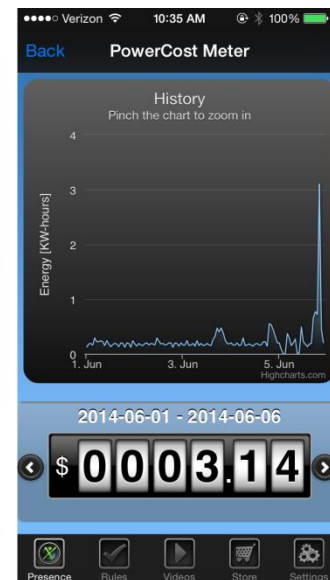
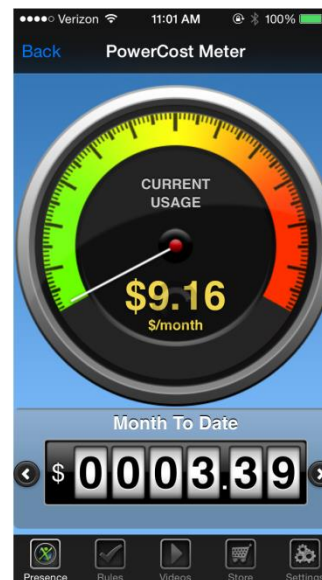
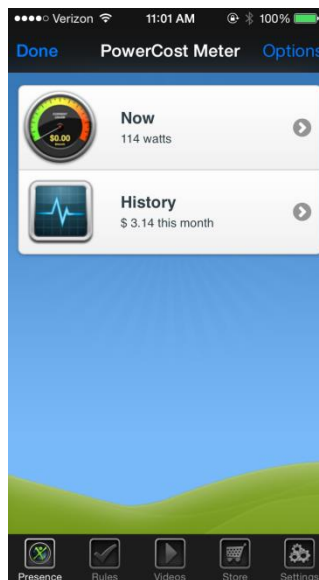
- The best way to reduce your energy usage is to understand how you use it. Go to your **local library** and check out one of our **Home Energy Detective Kits**. It's a great tool to see how much energy various electrical devices in your home consume.



Be Your Own Detective: Part 2



You can also sign up for our **Smart Home monitoring** effort where a device is added to your meter (no electric wiring involved) and connected to your Wi-Fi. This connection will give you **near real-time feedback** on how much electricity you're using and can show you how energy efficiency upgrades affect your consumption.



www.capelightcompact.org/smart

Home Energy Assessments



- The home energy assessment is a great way to find out where you may be able to save energy in your home.
- We are currently experiencing an increased waiting time to schedule assessments as more and more Cape and Vineyard residents are calling to sign up.
- We are working to reduce wait times by increasing capacity in a manner that maintains our high level of quality.

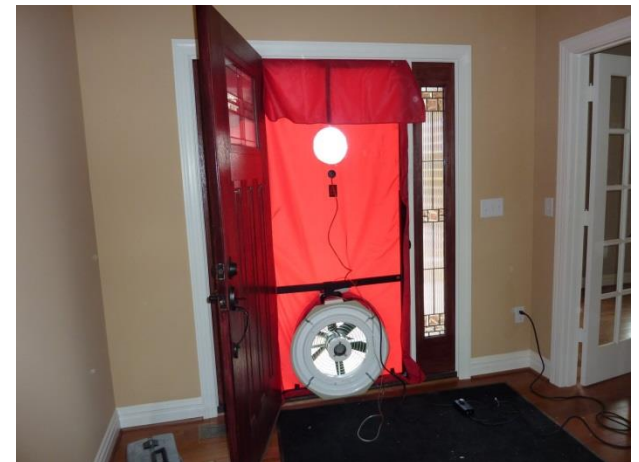
Home Energy Assessment



A qualified Energy Analyst performs an energy assessment on your home using a “Whole-House” approach which includes:

- Analysis of historical energy consumption using utility bills
- Comprehensive Assessment Identifying Energy Efficiency Opportunities
- Combustion Appliance Testing (checking for safety and efficiency)
- Replacing Incandescent light bulbs with Installation of Energy Efficient Lighting
- Identification of Cost-Effective Energy Efficiency Opportunities
- Home Energy Action Plan- Providing Recommendations and energy savings projections
- Generous Incentives for recommended measures

Call 1-800-797-6699 to sign up



HEAT Loan



0% Loan for up to \$25,000 with Repayment Terms up to 7 Years for Eligible Measures Including:

- *Loan eligibility is determined by the lender. Must have Home Energy Assessment
- Air Sealing, Insulation and Duct Improvements
- Domestic Hot Water Systems
- Heating Systems and Thermostat Controls
- Central Air Conditioning Systems
- Pre-Weatherization Barrier Remediation
- Requires a Home Energy Assessment

HEAT Loan
Minimum Standards and Requirements

The HEAT Loan is available to eligible homeowners in Cape Light Compact service areas who have a Home Energy Assessment (HEA) completed by a qualified energy auditor. The HEA must be completed by a qualified energy auditor who is a member of the National Association of Energy Auditors (NAEA) or the International Association of Certified Energy Auditors (IACETA).

Customer Eligibility
To be eligible for a HEAT Loan, the homeowner must be a resident of Cape Light Compact service areas and have a HEA completed by a qualified energy auditor.

Insulation, Air Sealing, and Duct System Improvements
The HEAT Loan is available for the following measures:
• Attic insulation: R-30 or higher for gable ends and R-49 or higher for flat roofs.
• Basement insulation: R-10 or higher for walls and R-25 or higher for floors.
• Duct system improvements: Duct sealing and insulation for heating and cooling systems.

Domestic Hot Water Systems
The HEAT Loan is available for the following measures:
• Water heater: Energy Star certified water heater with an Energy Factor (EF) of 0.90 or higher.
• Tankless water heater: Energy Star certified tankless water heater.

Heating Systems and Thermostat Controls
The HEAT Loan is available for the following measures:
• Heating system: Energy Star certified heating system with an Annual Fuel Utilization Efficiency (AFUE) of 80% or higher.
• Thermostat: Programmable thermostat.

Central Air Conditioning Systems
The HEAT Loan is available for the following measures:
• Central air conditioning system: Energy Star certified central air conditioning system with a Seasonal Energy Efficiency Ratio (SEER) of 13 or higher.

Pre-Weatherization Barrier Remediation
The HEAT Loan is available for the following measures:
• Foundation: Foundation repair and waterproofing.
• Siding: Siding repair and replacement.

Measure	Minimum Standard
Attic Insulation	R-30 or higher for gable ends, R-49 or higher for flat roofs
Basement Insulation	R-10 or higher for walls, R-25 or higher for floors
Duct System Improvements	Duct sealing and insulation for heating and cooling systems
Water Heater	Energy Star certified water heater with an Energy Factor (EF) of 0.90 or higher
Tankless Water Heater	Energy Star certified tankless water heater
Heating System	Energy Star certified heating system with an AFUE of 80% or higher
Thermostat	Programmable thermostat
Central Air Conditioning System	Energy Star certified central air conditioning system with a SEER of 13 or higher
Foundation	Foundation repair and waterproofing
Siding	Siding repair and replacement

If you have any questions regarding these minimum standards and requirements, contact:
RICE Engineering at 508-558-1926

Income Eligible Programs & Resources Available



Household Size	Maximum Gross Annual Income
1	\$32,618
2	\$42,654
3	\$52,691
4	\$62,727

- To apply for **Fuel Assistance** call South Shore Community Action Council www.sscac.org:
 - 508-778-0870 (Hyannis – only open during winter)
 - 877-383-5243 (Plymouth – open year round)
- To apply for **electric discount rate**:
 - Call NSTAR at 800-566-2080
- For help **managing past due electric bills**:
 - Call NSTAR at 866-315-2496 and inquire about their Arrearage Forgiveness Program
- To apply for **natural gas discount rate**:
 - Call National Grid at 800-532-9600

Income Eligible Programs & Resources Available



Household Size	Maximum Gross Annual Income
1	\$32,618
2	\$42,654
3	\$52,691
4	\$62,727

- For limited income households who are not eligible for fuel assistance, call The Good Neighborhood Energy Fund, operated by your local Salvation Army:
 - 1-800-344-3047
 - www.magoodneighbor.org
- Mass 2-1-1: For non-emergency social service programs, dial 211 or visit www.mass211.org

Thank you



For more information, please visit

www.capelightcompact.org