

The what, how and why of electric rate plans.

Energy providers are developing new ways for you to pay for the electricity that you use at home. This guide will help you better understand different rate plans and save on energy costs. **Are you ready to become a more empowered energy consumer?**



Discover Your Rate Plan Options

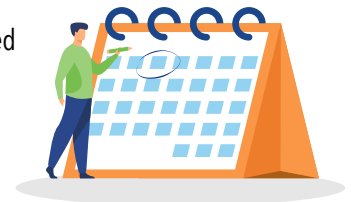
Historically, energy utilities have used a traditional fixed rate. With this rate plan, you pay for your electricity based on the dollar amount per unit of energy used (kWh). A fixed rate is still commonly used today, but that is changing. Now, you have more options than ever before.

Subscription Rate

You pay the same bill amount every month over the course of a year. This amount is recalculated annually based on your energy usage habits.

Pros: This is a great option if you're on a fixed budget and want to avoid any surprises on your bill.

Cons: If you use more energy than anticipated, your bill amount may go up the next year.



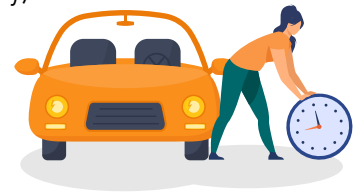
Time of Use (TOU) Rate

A Time of Use (TOU) rate varies based on the time of day, season and type of day (i.e., weekday/weekend/holiday). Energy is priced higher during peak usage times, which can be in the morning, late afternoon or early evening depending on the time of year, i.e. winter or summer.

Pros: You control when you use energy. For example, run your dishwasher at night when energy prices are much lower.

Cons: It can be challenging for some people to change their energy usage habits or the times they use energy due to work or family responsibilities.

Electric Vehicle Rate *This is a special TOU rate just for EV owners. Charge your EV during off-peak periods (typically overnight) for significant savings.*



Tiered Rate

With this rate plan, pricing is organized in tiers based on how much total energy you use. For example, you may be charged one price for the first 500 kWh of energy used and another price for additional usage.

Pros: You'll save money if you are generally a low-use customer.

Cons: You'll be charged more if you use a large amount of energy.



Net Metering

You'll receive a credit on your bill for producing extra energy from a renewable source you own (i.e., photovoltaic solar panels).

Pros: Receive money back while giving back to the electric grid.

Cons: Net metering isn't available in every state. For states with net metering, you might only receive partial credit depending on local policies.



Peak Time Rebates

You can earn bill credits for reducing energy consumption during a critical event, which typically occurs on the hottest summer days.

Pros: You'll help to reduce grid demand and your monthly bill.

Cons: By reducing energy usage, you may experience greater discomfort or inconvenience for a short timeframe.



What rate plan is right for you?

There is no one-size-fits-all electric rate plan – it's all about the best fit for your lifestyle. **Narrow down your options with this helpful Q&A.**



1. Are you flexible on when you use energy (day and time) and want more control over your usage?

Consider a TOU rate and switch your energy usage to off-peak hours.

2. Do you prefer your energy bill to be a flat fee?

Try a subscription or tiered rate to pay a flat monthly fee (like a Netflix subscription).

3. Would you prefer a consistent monthly bill?

Consider a subscription rate for consistent bills, even with usage fluctuations.

4. Do you currently own or plan to own an electric vehicle?

Take advantage of an electric vehicle rate. You'll save money by charging your EV during off-peak periods.

5. Does your energy usage stay about the same each month?

A tiered rate could be a great option for you.

6. Do you currently have or plan to install solar panels?

Consider a Net Metering rate plan if you have rooftop solar. You'll get a bill credit each month!

Did you find a rate plan that fits you?

Take these next steps to get started:

- 1 Discover how to decode your energy bill at [WhatIsSmartEnergy.com/PowerBill](https://www.whatismyenergy.com/powerbill)
- 2 Reach out to your energy provider to see available rate plans.

