PPL Electric Utilities receives approval for time-of-use pricing options

Program will give customers chance to save money by conserving electricity at 'peak' times

PPL Electric Utilities will tap the power of its advanced meters to give residential and small-business customers another option for saving money on their electric bills.

The company on Thursday (1/28) received Pennsylvania Public Utility Commission approval to offer new time-of-use pricing options to residential and small-business customers who have not chosen other electricity suppliers.

"This will give customers another option for controlling what they spend on electricity," said Robert M. Geneczko, vice president of Customer Services for PPL Electric Utilities. "Of course, customers have the opportunity to save even more money by switching to another supplier."

Under time-of-use rate options, the generation price a customer pays varies by season and by time of day (time-of-use pricing does not apply to distribution or transmission charges). Prices are lower during "off-peak" hours, like nighttime, weekend and morning hours. They are higher during peak hours of electricity use, when demand is greatest. By comparison, customers on traditional rates pay the same generation price around the clock.

Because time-of-use prices differ throughout the day, customers have an opportunity to save money by shifting electricity use to off-peak hours. Steps could include adjusting thermostats during peak hours; installing timers on water heaters, pool pumps, dehumidifiers and other equipment to make sure they're off during peak times; and postponing laundry and other activities until off-peak hours when demand and prices are lower.

Geneczko said the new options are not meant to compete with offers made by competitive suppliers.

"Customers may very well find better prices and spend less by switching to a competitive supplier," he said. "We encourage customers to look at all of their options and make the choice that is best for them."

Geneczko said time-of-use pricing options are possible because of investments the company has made in advanced metering in recent years.

"We're able to automatically track and share monthly, daily and hourly electric usage information with all of our customers," he said. "That allows us to offer new choices, but it also allows competitive suppliers to offer their own time-of-use prices, if they choose."

The key is being able to track hour-by-hour power use and bill customers accordingly, said Geneczko.

Customers will be able to start signing up for the new options in March. The change to time-of-use pricing for those who enroll will begin in June. Additional information will be included on the Web and with customer bills in March.

The following are the peak and off-peak hours for most residential customers, as well as the anticipated prices:

Months	Peak Hours	Generation Charge Peak Hours	Generation Charge Off-Peak Hours
Oct - May	5 p.m. – 7 p.m. weekdays	14.16 cents/kWH	10.00 cents/kWh
Jun - Sep	1 p.m. – 6 p.m. weekdays	15.63 cents/kWh	9.19 cents/kWh
By comparison, residential customers pay 10.13 cents/kWh for generation around the clock on our standard rate. Please note that this figure is different from the "price to compare," which also includes transmission charges.			

PPL Electric Utilities earns no profit from the generation portion of customers' bills and will not profit from the new time-of-use options.

All PPL Electric Utilities customers can view hourly electricity-usage information through the company's Energy Analyzer at www.pplelectric.com to get a better feel for how they use energy. The tool allows customers to test and monitor their ability to shift energy usage to off-peak hours.

PPL Electric Utilities Corporation, a subsidiary of PPL Corporation that provides electricity delivery services to about 1.4 million customers in Pennsylvania, has consistently ranked among the best companies for customer service in the United States. More information is available at www.pplelectric.com.

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