

Guarantee

How long will the heat rate be available?

The heat rate is guaranteed through 2014 and will not exceed the lowest residential block rate during that time. Due to the uncertainty of future national energy policy we cannot guarantee the rate will be available past 2014. If the program does continue beyond 2014 it is projected that minimum home energy efficiency standards would need to be met for continued eligibility.

Beginning in 2010 the heat rate will only be available during the heating season. The heating season begins in September and ends in May. Regular residential rates apply during the non-heating season.

Energy Cost Comparisons

Comparing heating operation costs requires an understanding of BTU's and fuel conversion measurements. To make it easier the chart to the right takes BTU equivalents and converts them to prices per energy unit. Reading across each row, the cost per unit is easily compared between electricity, natural gas and propane.

To compare costs look at each row for the different heating types and efficiencies. In the first row electricity at 5.4 cents a kWh (Park Electric's current heat rate) equates into \$1.16 a gallon for an 80% AFUE efficient propane heater and \$1.42 a gallon for a 98% efficient furnace.

That means if you can buy propane for \$1.16 a gallon heating costs are the same as 5.4 cents per kWh of electricity. If propane costs more than \$1.16 a gallon then heating with an 80% efficient propane furnace is more expensive than heating with electricity at 5.4 cents a kWh.

Energy Cost Comparison

| Electricity kWh 100% | Propane Gallon 80% | Propane Gallon 85% | Propane Gallon 98% | Nat. Gas Dkt 98% |
|-------------------------|-----------------------|-----------------------|-----------------------|---------------------|
| \$0.054 | \$ 1.16 | \$ 1.23 | \$ 1.42 | \$ 15.41 |
| \$0.056 | \$ 1.20 | \$ 1.27 | \$ 1.47 | \$ 16.08 |
| \$0.059 | \$ 1.26 | \$ 1.34 | \$ 1.55 | \$ 16.94 |
| \$0.086 | \$ 1.84 | \$ 1.96 | \$ 2.26 | \$ 24.69 |
| \$0.090 | \$ 1.93 | \$ 2.05 | \$ 2.36 | \$ 25.84 |
| \$0.095 | \$ 2.03 | \$ 2.16 | \$ 2.49 | \$ 27.28 |

Chart compares cost of heating based on fuel unit and heater efficiency. To fully understand, read explanation under Energy Costs (to the left of chart)

To download a Heat Meter Request Form please go to our website at www.parkelectric.coop

Heat Rate Program



P.O. Box 1119

5706 U.S. Hwy 89 South
Livingston, MT 59047

Phone: (406) 222-3100

Toll Free: (888) 298-0657

info@parkelectric.coop

Heat Rate Program

What is the heat rate?

The heat rate is a special rate available to residential class services that use an electric heating system as the primary heat source. The heat rate is currently 5.4 cents per kilowatt-hour.

Who is eligible for the heat rate?

Only the primary living quarters of a residential class service is eligible for the heat rate. Buildings other than the primary living quarters cannot be included on the heat rate. Barns, shops, sheds, outbuildings and guest houses are not eligible.

What electric heating systems qualify?

Qualifying electric heating systems include:

- Hard wired electric resistant heaters
 - Radiant panels
 - Electric boilers
 - Electric forced air furnaces
 - Air source and ground source heat pumps
- *Any backup heating needed for heat pump installations cannot be electric heat. If a backup heating system is required it must be another fuel source.

Electric resistant storage water heaters also qualify for the heat rate. On-demand electric water heaters do not qualify. The total load on the heat meter cannot exceed 40 kW.

How does the Heat Rate Program work?

Qualifying heating systems are wired through a separate meter. Park Electric provides the meter but all other materials, installation and wiring are the responsibility of the homeowner or their electrician. An electrical permit is required.

To get started a Heat Meter Request Form must be submitted to Park Electric. Once approved, complete the heat system installation and wiring. For correct installation of the heat meter and sub-panel please refer to the diagram to the right. The line or source side must be wired into the top of the meter box and the load side into the bottom. After all wiring is completed schedule an appointment for Park Electric to install the meter.

