

Power Smart Pricing Update

February 2008



We Value Your Feedback!

Our team at CNT Energy is constantly working to help you get the most from Power Smart Pricing. Your input helps us serve you better.

If you have suggestions on how program information or services could be improved, please don't hesitate to contact us at **1-877-655-6028** or **info@powersmartpricing.org**.



Happy New Year!

We hope you had a good experience with Power Smart Pricing during 2007. As you know, 2007 was the first year that this program was available to residential customers in Illinois. Thank you for leading the way and joining the first group of customers to take advantage of real-time electricity pricing. Power Smart Pricing had a great first year, and we're looking forward to make the program even better during 2008!

CNT Energy is currently working with the Ameren Illinois utilities to provide Power Smart Pricing with individual savings summaries for 2007. Your personalized summary will compare your costs with Power Smart Pricing with what you would have paid under the standard rate. **Based on an initial sample of bills, we estimate that typical participants have saved an average of 10 percent on their electricity bills! Watch your mailbox this February for your individual savings update!**

In the meantime, please log into your account at www.powersmartpricing.org to see information about your costs and electricity usage. During 2008, CNT Energy will continue to improve the information and tools that are available to participants. We look forward to serving you in the year ahead!

Customer Survey Results

In addition to administering Power Smart Pricing, CNT Energy works on a variety of other projects that focus on helping people save energy and money. This includes conducting research on how energy-saving programs and services can be improved.

Input from our customers is essential for these efforts, and we will periodically send you surveys asking about your energy opinions and experiences. Of course, you are not required to respond, but we really appreciate it when you do. Your feedback helps us improve the services we provide. Recently, we sent Power Smart Pricing participants a survey asking about your experiences with the program.

Nearly 60 percent of all participants returned the surveys. Thanks to all of you who responded! A majority of respondents said you found participating in the program "quick and easy" (57%). Most of you said the updates were helpful (83%), and a smaller majority (62%) said the high price alerts were useful.

We also received many interesting comments and suggestions, and we've been following up with some of you who had specific questions. If you had a specific question and have not heard from us yet, please feel free to contact us. And if you still have a survey at home it's not too late to return it.



Winter Price Patterns Made Easy

During the winter, market-based electricity prices tend to be relatively low most of the time. This means that most people will find it easy to save on electricity with Power Smart Pricing at this time of year. Some people will be able to save during the winter months without making any changes in their daily routines. To get even more value from Power Smart Pricing, you can shift some of your electricity usage (running the dishwasher or clothes dryer for example) to hours when prices are particularly low.

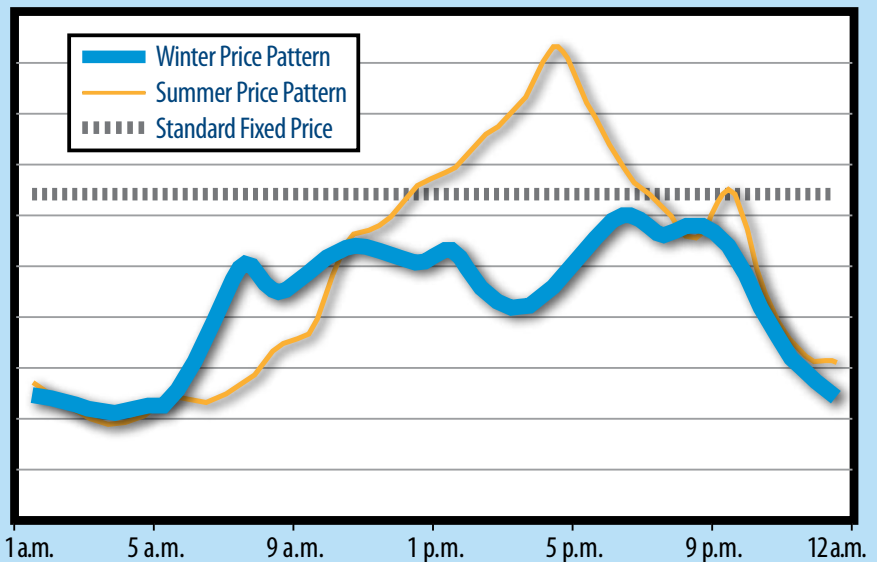
You can check daily prices online at www.powersmartpricing.org, but you don't necessarily have to check everyday. The graph below shows the price pattern for a typical winter day. Simply keep this pattern in mind when deciding when to run more energy-intensive appliances.

Of course, while high-price periods don't happen often during the winter, they can still occur—particularly when cold snaps push up natural gas prices, increasing the cost of operating gas-burning power plants. As always, **CNT Energy will alert you in advance if prices are expected to be above 13 cents per kWh.** To update your contact information for these high price alerts, contact CNT Energy. For more tips on saving energy and money during the winter, go to www.powersmartpricing.org!



You can increase your savings with Power Smart Pricing by running appliances such as clothes dryers and dishwashers during hours when electricity prices are low.

Typical Winter Electricity Price Patterns



Lighting for the Future

Move over, Thomas Edison. There are some improvements coming to the future of household lighting that will give the industry a much-needed switch. Rising electricity prices and a demand for energy efficiency have invigorated innovation in bulb technology. Compact fluorescent lights (CFLs), halogen, and light-emitting diodes (LEDs) are emerging as cost effective alternatives to Edison's incandescent bulb. Technological advances, increasing demand, and lower prices have set the course for light bulbs to change world wide.

The transition to the new lighting technology will be most noticeable in the hardware store. The new, more efficient bulbs are manufactured to fit the existing sockets that were designed for incandescent bulbs. As designs continue to improve, the new bulbs will effectively match all of the functions found in traditional bulbs. For example, efficient dimmable bulbs and bulbs with various light qualities are currently available, and are becoming cheaper to design and manufacture. The existing options are well worth the small investment, and more features will be available in the future.

Halogen

Halogen light bulbs are similar to incandescent bulbs, but they last longer and are slightly more efficient. In a halogen bulb, gases surround a small filament that produces light when heated. The lights are sometimes used in retail settings since they produce an attractive light that is similar to light from standard incandescent bulbs. The main drawback of halogen lights is that the bulbs can become extremely hot. In particular, the U.S. Department of Energy advises against using halogen torchieres, which can pose a fire hazard. In the future, safer, more efficient halogen light bulbs may become available.

Compact Fluorescent

Compact fluorescent light bulbs are popular alternatives to incandescent lights, and the technology is advancing rapidly. CFLs use only a quarter as much electricity as standard incandescent bulbs, and are very affordable. They also last up to ten times longer than incandescent bulbs—which means CFLs will easily pay for themselves. The bulbs are so efficient they have earned government endorsements. Australia plans to phase out incandescent bulbs entirely and replace them with efficient CFL bulbs by 2012.

CFLs contain a gas that produces invisible ultraviolet energy when it comes in contact with electricity. The white coating of the bulb then transforms the ultraviolet energy into visible light. The bulb is formed into coils or tubes to maximize the surface area, and therefore increase the amount of light that is produced.



Halogen bulbs last longer than traditional incandescent bulbs, but can pose a fire hazard in torchiere lamps (above).



CFL bulbs use only a quarter as much electricity as incandescent bulbs and last up to ten times longer.



CFL bulbs are energy efficient and inexpensive. They are available for nearly every home lighting application and come in a variety of sizes and light colors.

Lighting, continued

Recent improvements to the bulbs include faster light-up times, dimmable lighting options, more compact sizes, and options with a warm light quality that is similar to incandescent light. Today it's possible to find CFLs for nearly every application, including recessed lighting, small lamps, and outdoor fixtures. As technology advances, even better bulbs will become available in more varieties.

Compact fluorescent bulbs last a long time, so it could be years before one burns out. When they do burn out, the bulbs should be disposed of properly because they contain a small amount of mercury. Recycling used bulbs is the best disposal option. Contact your local solid waste department for information about recycling programs in your area. Some retailers also collect used bulbs for recycling. Go to www.epa.gov/bulbrecycling for more information.



LED

More progress is needed before light-emitting diodes (LEDs) become a feasible household lighting option. Currently, bulbs that match the output of a 25-watt incandescent bulb cost around 40 dollars. However, the technology has exciting potential. LEDs last ten times longer than CFLs, are much cooler than halogen bulbs, and use 80 percent less electricity than standard incandescent bulbs. LED holiday lights now on the market use only one tenth the electricity of similar incandescent lights, and the LED bulbs can last 20 years. Prices for LEDs have been falling, and new applications are being developed. Eventually LEDs will have an important place in the household lighting market.



LED lights are found in devices such as flashlights, but LED bulbs for home lighting are expensive. Future generations of LED lamps could offer excellent energy efficiency and a lower price tag.

A Brighter Future

More efficient lighting can have a big impact on energy bills and the environment. According to the ENERGY STAR website, "If every American home replaced just one light bulb with an ENERGY STAR qualified bulb, we would save enough energy to light more than 3 million homes for a year, more than \$600 million in annual energy costs, and prevent greenhouse gases equivalent to the emissions of more than 800,000 cars."

Experts recommend replacing the four or five most used light bulbs in your home with energy efficient ones. All this just adds to the age-old question: how many people does it take to change a light bulb?

We're Here to Help!

If you have any questions about Power Smart Pricing, please feel free to contact CNT Energy at (877) 655-6028 or info@powersmartpricing.org.