

## 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 on the inside of this brochure. The line or source side must be wired into the top of the box and the load side into the bottom. After all wiring is completed, schedule an appointment for Park Electric to install the meter.

## How long will the heat rate be available?

The electric heat rate is guaranteed to remain in effect so long as Park Electric's power supplier provides an electric heat incentive rate and will not exceed the lowest residential block rate. The heat rate shall only be available during the heating season.

The heat rate is only available during the heating season. In Montana, this season is considered October—April. Regular residential rates apply during the non-heating season, May through September.

## Questions?

Additional information and related forms can be found at [www.parkedelectric.coop](http://www.parkedelectric.coop).

## Energy Cost Comparisons

Comparing heating operation costs requires an understanding of BTU's and fuel conversion measurements. To make it easier, the chart below 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 per kWh equates into \$1.16 per gallon for an 80% AFUE efficient propane heater and \$1.42 per gallon for a 98% efficient furnace.

That means if you can buy propane for \$1.16/gallon heating costs are the same as 5.4 cents/kWh of electricity. If the cost of propane is more or the efficiency is less, then heating with electricity is less expensive.

Electricity kWh	Propane Gallon	Propane Gallon	Propane Gallon	Nat. Gas Dkt
100%	80%	85%	98%	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

# Heat Rate Program



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## What is the heat rate program?

The heat rate is a special rate available to residential class services for the months of October through April that use an electrical heating system as the primary heat source. The current heat rate is 5.4 cents per kWh.

## 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. Such ineligible buildings would include: barns, shops, sheds, out buildings, garages (both attached and detached), and guest houses.

## What electric heating systems qualify?

Qualifying electric heating systems include:

- Hard wired electric resistance 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.

Emergency heat strips within the pump unit cannot be included in the heat meter loop.

Beginning October 1, 2016 domestic water heaters will not be allowed on the heat rate.

