



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. The maximum load of the heating system on the heat meter cannot exceed 40 kW.

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 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 wired in the heat meter sub panel.

How does the heat rate program work?

Qualifying heating systems are wired through a separate meter. Park Electric provides only the heat meter. The materials, wiring, and the installation are the responsibility of the homeowner or their electrician. Please refer to the diagram on the inside of this brochure for examples of proper installation of the heat meter and sub panel. The line or source side must be wired into the top of the meter socket and the load side into the bottom. An electrical permit is required. After all wiring is completed, the member or their electrician must contact Park Electric to schedule an appointment for heat meter installation. During this appointment PEC will inspect and verify that only approved heating system components are wired through the heat meter. Once the installation meets PEC's requirements, the heat meter will be installed.

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. 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.

How to apply for the meter program?

The member must complete and return the heat meter request form available on our website.

Questions?

Feel free to call the office. Additional information and related forms can also be found at www.parkelectric.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 100%	Propane Gallon 80%	Propane Gallon 85%	Propane Gallon 98%	Natural 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

Recommended Heat Meter Installation

