MEL COLEMAN
CEO

Factors that impact your energy bills

February brings some of the coldest weather of the year. As our home heating systems work harder and longer to keep us warm, we typically see higher energy bills.

There are a few key factors that affect electricity usage, as well as a few ways you can make a meaningful impact on home energy savings.

When you receive your North Arkansas Electric Cooperative (NAEC) monthly bill, you're provided with a summary of how much electricity you used during the billing cycle. You can also log in to your account at **naeci.com** or the NAEC app to see how electricity consumption spiked on colder days or when relatives visited.

But you might be surprised to learn that beyond monthly energy consumption, there are external factors that can impact the cost of electricity.

Fuel prices

NAEC purchases electricity from our wholesale generation electric cooperative, Arkansas Electric Cooperative Corporation (AECC), then we deliver power to our local communities. The cost of generating and transmitting electricity from AECC accounts for a significant portion of the cost to provide electric service to local homes and businesses. The cost of fuels used to generate that electricity, such as natural gas, fluctuates based on supply and demand. While these fluctuations can impact the cost of electricity, we work closely with AECC to plan and help stabilize the cost to our members.

Extreme weather

As everyone knows, no one can control the weather. However, we review weather patterns and forecasts to prepare for increased electricity demand. When temperatures become extremely cold or hot and the demand for electricity spikes, the price can also increase.

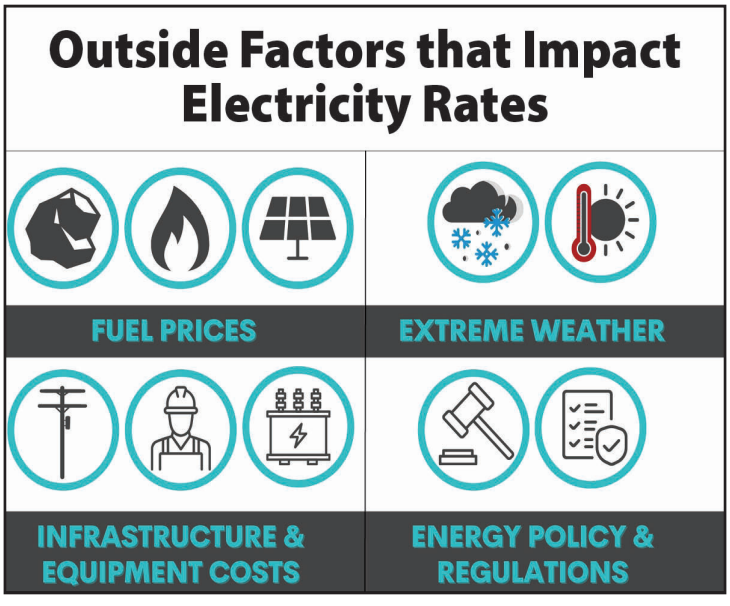
Infrastructure and equipment

To cover the costs associated with providing electricity to homes or businesses, members pay a monthly service availability charge. This flat monthly fee ensures the cost of equipment, materials, labor and daily operations is covered. To ensure the reliable service members expect and deserve, we must maintain the local grid, including power lines, substations and other equipment.

Energy policy and regulations

Federal energy policies and regulations can have a profound impact on electricity costs. As energy shifts to intermittent sources, such as solar, and stricter regulations for reliable resources like natural gas and coal increase, costly upgrades and new facilities are needed. These additional costs are ultimately passed on to you.

As the demand for power consumption continues to increase, electric cooperatives are working with members of Congress to advocate for common-sense energy policies.



You have control

While many external factors that impact electricity costs are out of our control, you have the power to manage energy use at home. Since heating and cooling account for a major portion of home energy use, adjusting the thermostat to the lowest comfortable setting in winter can help save energy and money. Service your heating and cooling system annually, and replace dirty filters as needed.

Seal air leaks around windows, doors and other areas where gaps are possible to help your heating and cooling system work less.

As always, we continue to work diligently to provide reliable power at an affordable cost.

Scholarship applications due April 1

The North Arkansas Electric Cooperative (NAEC) member-funded Operation Round Up® program awards thousands of dollars in scholarships to local graduating high school seniors each year. In 2024, 15 students were awarded $1,000 scholarships, and three students were awarded $4,000 scholarships to be disbursed in $1,000 installments for up to four years.

NAEC is accepting applications for the 2025-2026 scholarship program. The application is available at **naeci.com** or through high school counselors' offices.

Applicants must mail or deliver the typed application to NAEC by April 1. They must include a transcript and two letters of recommendation — with at least one from a nonschool employee who is not a relative.

To be eligible for the scholarship, high school seniors must graduate at the end of the 2025 school year, and their parents or legal guardians must be NAEC members. Applicants also must have a grade-point average of 3.0 or higher on a 4.0 scale through the first semester of senior year. The scholarship must be used to attend an accredited institute of higher learning on a full-time basis. For more information, please contact Tori Moss, NAEC marketing and communications director, at (870) 895-6210 or **tmoss@naeci.com**.

Members can help fund future scholarships by enrolling their accounts in Operation Round Up. Volunteers allow their electric bills to be "rounded up" to the next dollar each month. Call (870) 895-3221 to join today!

NAEC North Arkansas Electric Cooperative, Inc.
A Touchstone Energy® Cooperative

HEADQUARTERS
225 S. Main St.,
Salem

DISTRICT OFFICES
824 Hwy 56,
Ash Flat

1520 Hwy 62/412 E.,
Mountain Home

CONTACT NAEC
(870) 895-3221
info@naeci.com

PAY/VIEW BILL
naeci.com ▸ Account Login

REPORT OUTAGE
(870) 895-3221
(844) 335-4461
NAEC App
naeci.com ▸ Outage Viewer

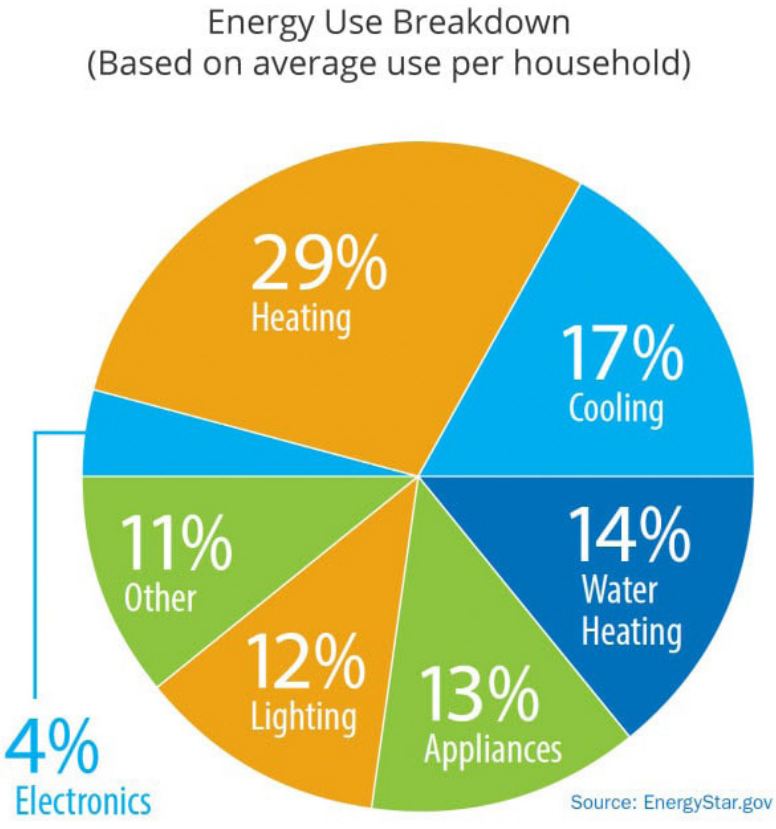
FOLLOW NAEC
Twitter.com/NorthARElectric
Facebook.com/NorthARElectric

Operation Round Up® supports scholarships for recent high school graduates and donations to local nonprofit organizations. Members can help fund them by "rounding up" their electric bills. Just call (870) 895-3221.

More co-op news on page 26

Energy bills ‘boil’ down to one thing — heat

BY MITCH ROSS



This pie chart can help people understand their energy bill and how different equipment contributes to the overall energy use in their home. It is very helpful for people to see what the big energy users are so that they can focus their efforts on reducing energy consumption in these categories.

Heating, cooling and water heaters are always top of the list for me when I’m helping someone lower their bill. Although 46% of the bill may be heating and cooling, 14% water heating, 13% appliances, and so on, if you add it up, 95% of energy use “boils” down to one concept: heat.

The energy required to create or move heat is 95% of what’s going on with your energy bill!

How heat moves

Heating: Heat is either moved via a heat pump refrigeration cycle or created via a type of friction in electric resistance heat.

Cooling: Your air conditioner is also simply moving heat. Via a refrigerant cycle, heat is “picked up” from inside the home and transferred to the outside.

Water Heating: Heat is created via resistance or transferred via heat pump, typically to a tank of water.

Refrigerators: Heat is gathered from inside and moved out through a refrigeration cycle.

Appliances: From washing and drying clothes, washing dishes, cooking and so on, most of the energy consumed deals with creating or moving heat.

Other: Electronics such as lights, fans and plug-in devices typically consume more energy via heat as a byproduct than their actual intended uses.

Why dwell on this? Understanding this concept can help you adopt practices and solve problems that even an energy auditor might not pick up on in a visit to your home. For example, if you put hot food in a refrigerator, you are using energy to transfer that heat to the outside of the fridge. By simply waiting until it cools off, you would use less energy.

Also, if you use a lot of candles or candle warmers in the summer, you are paying extra on your bill to remove that created heat out of the home by way of the air conditioner. Doing these and other heat-creating activities, such as baking heavier dishes in the cooler months, will help reduce your annual energy use.

By focusing on the concept of heat, I’ve been able to find other creative ways to further lower my energy use, and my hope is that this focus can help you as well!

Mitch Ross is the energy efficiency manager for the Electric Cooperatives of Arkansas.