

Residential Time-of-Use Rate FAQ

Marshall Municipal Utilities



What is a Time-of-Use Rate (TOU)?

Time-of-Use, or TOU, rates change during different periods of the day based on the cost of wholesale electricity at the time it is used.

How do TOU rates work?

With TOU rates, the cost of electricity varies based on the supply and demand for it during different time periods. The goal of TOU rates is to encourage people to shift their electricity usage away from on-peak hours and towards off-peak hours. Not only does this help reduce the strain on the energy grid, but it also helps save customers money.

What are the on-peak and off-peak hours?

On-peak hours differ during the summer and winter. On-peak hours during the summer months (May – October) are 1:00 p.m. to 8:59 p.m. On-peak hours during the winter months (November – April) are 9:00 a.m. to 8:59 p.m.

How is the TOU rate different than the standard rate we've been using?

With a TOU rate, you pay more for using energy during on-peak hours and less for use during off-peak hours. With MMU's standard rate, you are charged the same amount no matter when you use energy. The standard rate is based on the blended cost of electricity throughout the day.

What are the benefits of switching to a TOU rate?

The biggest reason MMU is now offering a residential TOU rate is to align the rate you pay with the cost of producing electricity. Shifting some electric use to times of lower demand can lower the strain on the energy grid which helps with reliability. By encouraging customers to use energy during off-peak times, we can help ensure that electricity is there for us when we need it. Lowering the strain on the grid also affects the amount of money the city pays to get electricity to their customers, as demand determines the cost.

How much will my bill be?

The TOU rate for Marshall Municipal Utilities is \$0.1414 per kilowatt-hour (kWh) for on-peak and \$0.0556 per kWh for off-peak hours. If switching to the TOU rate, it is important to be mindful when you are consuming energy. You could see an increase in your monthly energy costs if you do not take the necessary steps to lower your usage during on-peak hours.

How can I save money on TOU rates?

With TOU rates, you have more control over your energy bills. When you shift your energy use to off-peak times, you can save because wholesale electric prices are lower. If you remain on the standard rate the price is the same throughout the day so the only way to reduce your bill is to use less electricity.

**Savings will vary by customer/household.

How can I reduce my usage during on-peak hours?

If you need to use electricity during on-peak hours, there are many ways you can reduce your usage. The list below includes some of our favorites.

- Heating and cooling can use a lot of energy. Adjusting your thermostat during off-peak and on-peak hours can help reduce your usage. In the summer, raise the thermostat a few degrees in the summer peak periods and lower the thermostat in the winter during peak periods. Adjusting the thermostat when no one is home also helps reduce usage.
- Avoid heating up your home during the hottest part of the day by closing window coverings on windows that receive direct sunlight and avoid using heat-producing appliances.
- Invest in smart home technologies that help control your electric use based on the time of day.
- Run appliances, such as your washer, dryer, and dishwasher during off-peak hours using the delay start feature. Always wait to run appliances until you have full loads.
- If you have an electric water heater, consider lowering the temperature on the device a few degrees. Wash clothes in cold water and take short showers.
- Look out for electronics that are always plugged in. These quietly suck energy even when they are in their “off” mode. Plugging these electronics into power strips where possible can help you turn them off when not in use.
- Got an electric car? Plug it in during off-peak hours.

The best way to save energy is to adjust your behavior and/or invest in energy efficiency. Many do-it-yourself projects like sealing air leaks and adding insulation have short payback periods. They aren't expensive and there are instant savings.

How do I enroll in a TOU rate?

If you're interested in switching to the TOU rate, you can do so by visiting our office at 75 E. Morgan, or contacting us at (660) 886-6966 any time Monday through Friday from 8:00 a.m. to 4:00 p.m.

How can I see my usage information?

The fastest way to view your usage is to scan the QR code on your MMU bill, or go to <https://marshallmunicipalutilitiesmo.municipalonlinepayments.com/marshallmunicipalutilitiesmo/utilities>. Once you have created an account you can view your past consumption by clicking on Consumption.