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With higher rates coming, it is time to act.

With afternoon temperatures near 70, desert dwellers could be forgiven if high summer utility bills are not top of mind.

But both major utilities serving the Valley will be charging more for electricity this summer when temperatures rise, and there are several options available now for businesses and homeowners to save money.

Salt River Project wants to raise July and August rates for homeowners 9.3 percent, just months after another increase based on the cost of power. Likewise, Arizona Public Service Co. is raising bills based on the price of power, fuel for power plants and transmission fees.

We asked the utilities for their advice on keeping bills low. We also profile two Phoenix companies focused on energy efficiency.

Supermarket Energy Technologies helps grocery stores reduce their energy bills with a variety of efficiency-enhancing technology, much of which is eligible for rebates from power companies.

Catalyst Communities is developing solar-powered townhouses that are guaranteed not to have an electricity bill for the first five years.

— Ryan Randazzo

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INSIDE, D7

■ SRP, APS offer tips on preparing for summer electricity demand.

■ Supermarket Energy Technologies helps grocers pare bills.

■ Catalyst Communities gambles on energy-wise home buyers.

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Townhomes to go all-solar

By Ryan Randazzo
THE ARIZONA REPUBLIC

Catalyst Communities founder Chad Gifford is gambling. He's willing to bet there are 36 home buyers in central Phoenix that are so frugal with their electricity that he'll pay their utility bills if they buy his solar-powered town houses.

Catalyst Communities will give buyers a credit for their electricity bills for the first five years so they won't have any electricity bill.

If residents use more electricity than the credit, Catalyst will pay the difference. If buyers use less electricity than the credit, they can keep the money.

"We think this community appeals to like-minded people who are conscious about the environment," Gifford said. "We are willing to take that risk."

The proposed project, Aura, is at 25th Street and Campbell Avenue, just south of Camelback Road. Floor plans for the proposed community will range from \$800,000 to \$1.2 million.

Private investors are financing the project, according to Aura.

"You notice what globally is happening with energy prices and what is happening with global warming," Gifford said. "There is an impetus for doing something different in the marketplace."

Gifford hopes to have the proper permits in hand and begin building in spring. A sales office is scheduled to open next week.

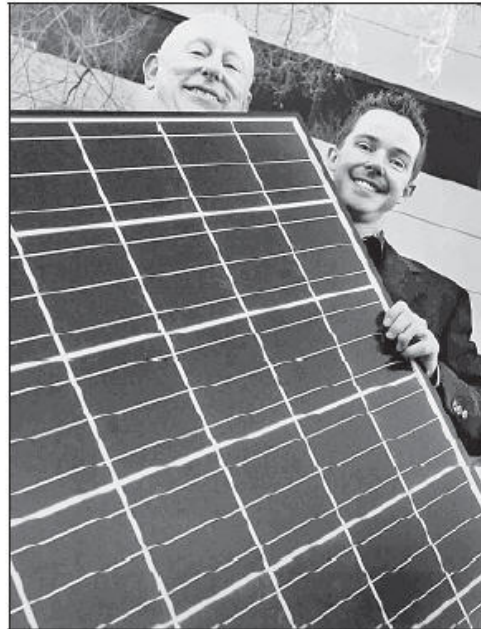
The rooftop solar arrays will cover about two-thirds of the homes' energy needs, while efficient design, such as insulating window glass, will keep demand low, he said.

The development is planned in Salt River Project territory. The utility pays wholesale prices for surplus electricity generated from rooftop solar systems but doesn't carry kilowatt-hours over from one month to the next, like Arizona Public Service Co., which credits its customers at retail rates.

"We've taken the pain out of trying to give back," Gifford said. "You can have a luxury feel and you don't have to compromise."

Agenera, a Phoenix commercial solar-power provider, is consulting for Gifford on the solar-power systems for Aura.

"For some people, if they are ecologically minded and frugal, it will cover about 100 percent of their energy needs," Agenera founder Mike Eisele said. "But the typical homeowner needs some electricity



RANDY REID/THE ARIZONA REPUBLIC

Chad Gifford (right) and Mike Eisele display solar panels for their residential development near 24th Street and Camelback Road.

Catalyst Communities

Office: Sales office opens Jan. 25 at 3200 E. Camelback Road, Suite 103.

What: The developer's first Valley project is planned to include 36 town houses powered by rooftop solar panels.

Founder: Chad Gifford.

Phone: 888-206-0094.

Web: www.auraatcamelback.com.

Modus Development

Office: 3219 E. Camelback Road, Suite 291.

What: Developing three communities in Phoenix and Scottsdale, two with planned solar and a third offering the technology as an option.

Founder: Ed Gorman.

Phone: 602-421-2221.

Web: www.modusdev.com.

at night, and at Aura you still are connected to the utility (for those needs)."

Other Valley boutique developers, including Modus Development, have proposed high-end, solar-powered homes.

Initial interest in a small solar-powered project near the Indian Bend Wash Greenbelt in Scottsdale is so strong that Modus is adding solar as an option at a central Phoenix project just north of Gifford's development and another in Scottsdale, founder Ed Gorman said.

"Everybody wants to be 'green,' but they don't always understand the technology," Gorman said. "You tell them it will save them money, and they get it."

Utility regulators hope the pioneers like Catalyst and Modus are successful so more builders join in.

"This ought to be an option for home buyers just like putting in granite countertops," Arizona Corporation Commissioner Kris Mayes said. "In this time of rising energy prices, it is a more important option for homeowners."

Mayes has been meeting with major builders in the region the past year to ask why they don't offer solar systems on new homes, which is easier and more cost-effective than adding a system later, she said.

Developers tell her that anything that adds to the price of a home is problematic in the currently sluggish market. She has suggested a minimum wiring the attics in new homes to be "solar ready."

"The fact of the matter is energy prices are rising across the country and solar is a way to shield them from those cost increases," Mayes said.

Tips to cut back on electricity use

We asked Salt River Project and Arizona Public Service Co. for advice on what customers can do now to keep summer bills down before summer price increases.

Jerry Thieken
SRP senior project manager and energy expert

1 Shield windows: Air-conditioning is more than one-half the summer bill, and about half of its efforts fight heat coming in from windows. Exterior shades and trees are inexpensive. Replacing old glass with energy-efficient designs is the more expensive way to go.

2 Maintain air-conditioning units: Replace air filters.

3 Watch the pool: Cut back hour use of pool pumps. And keep the chemical balance correct to reduce motor use.

4 Close the fireplace flue: "You can't believe how many times the auditor goes in a house and looks and the flue is open."

5 Dry loads of clothes in succession: "You spend some money just heating the unit up. There's no sense in letting the unit cool."

Maria Arellano
APS spokeswoman

Tom Hines
APS energy-efficiency program manager

1 Check your rate plan: The utility offers an online rate comparison based on household habits, offers an equalizer plan to spread big summer bills out over the year and auto-payment options that save customers 48 cents a month.

2 Start simple: Turn air-conditioner to "auto" position and set time to adjust run times.

3 Use CFLs: Compact-fluorescent bulbs are available at hundreds of Valley retailers thanks to a subsidy to manufacturers from APS. They use 75 percent less energy, last 10 times longer than standard bulbs and save about \$25 over their life.

4 Use efficient equipment: The utility will pay up to 75 percent of the incremental cost of businesses replacing inefficient equipment.

5 Check for duct leaks: Rebates up to \$250 for a household duct inspection are available.