

Energy Buzzwords Create Confusion for Consumers

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Consumers simply do not understand the electric energy industry and are struggling with all of the buzzwords they are currently hearing in the media. IBM and Distributed Energy Financial Group recently conducted surveys on consumers' understanding of electric energy terms.

Consumers have a basic understanding of what energy efficiency and conservation are but have the misconception that these are difficult to achieve. Less than 30 percent of consumers understand smart metering or demand side management. Consumers scored the highest in defining renewables and alternate energy sources. Individuals in the 35-54 age category are most likely to take action, such as driving fuel efficient vehicles, according to the DEFG survey.

What does this mean to us as electric energy providers? We have a responsibility to educate our members on these issues, especially in explaining how generation affects their electric bill. Our ultimate goal is to create a partnership with members on managing and conserving electric use to control costs.

Beginning in April, South Mississippi Electric will include four-page inserts into the *Today in Mississippi* newspaper, explaining many of these topics. Five inserts are planned between April 2008 and April 2009, covering topics such as electricity 101, coal, nuclear, renewables and energy efficiency. *Today in Mississippi* is the newspaper of the Electric Power Associations of Mississippi. It has the largest circulation in the state with more than 400,000 newspapers delivered monthly.

Here are a few of the buzzwords and their definitions that are being discussed in the media presently.

Climate change: A term used to refer to all forms of climatic inconsistency, but especially to significant change from one prevailing climatic condition to another. In some cases, "climate change" has been used synonymously with the term "global warming"; scientists, however, tend to use the term in a wider sense inclusive of natural changes in climate, including climatic cooling.

Global warming: An increase in the near surface temperature of the Earth. Global warming has occurred in the distant past as the result of natural influences, but the term is today most often used to refer to the warming some scientists predict will occur as a result of increased emissions of greenhouse gases.

Renewable energy resources: Energy resources that are naturally replenishing but flow-limited. They are virtually inexhaustible in duration but limited in the amount of energy that is available per unit of time. Renewable energy resources include: biomass, hydro, geothermal, solar, wind, ocean thermal, wave action, and tidal action.

Energy efficiency, Electricity: Refers to programs that are aimed at reducing the energy used by specific end-use devices and systems, typically without affecting the services provided. These programs reduce overall electricity consumption. Examples include high-efficiency appliances, efficient lighting programs,

high-efficiency heating, ventilating and air conditioning (HVAC) systems or control modifications, efficient building design, advanced electric motor drives, and heat recovery systems.

Demand-side management (DSM): The planning, implementation, and monitoring of utility activities designed to encourage consumers to modify patterns of electricity usage, including the timing and level of electricity demand. It refers to only energy and load-shape modifying activities that are undertaken in response to utility-administered programs. Demand-Side Management covers the complete range of load-shape objectives, including strategic conservation and load management, as well as strategic load growth.

Smart Meter: This refers to a type of advanced meter that identifies consumption in more detail than a conventional meter; and optionally, but generally communicates that information via some network back to the local utility for monitoring and billing purposes.

Source: Platts, November 26, 2007 and the Energy Information Administration