



SENSIBLE SOLAR AZ™ SUN CITY SOLAR AZ™



Sensible Solar Az
Business ID: 1000036348
BBB Rating: A+

THE TRUE COST OF APS ENERGY

16+ Fees, Taxes & Surcharges that Solar effectively reduces and eliminates

How to read your APS bill

If you live in the Grand Canyon State, there's a good chance you're a customer of Arizona Public Service (APS) – they are the largest utility company in AZ, serving more than 1.8 million customers.

Many electricity customers throughout the country receive their electric bill every month and pay it without really diving into the details of what they're actually paying for...and we're here to help break it down. We review the important parts of your APS bill, and how that changes once you install solar panels and for many a battery storage system. Solar effectively removes you from buying most if not all of your electricity from APS, but instead produce your own at a much lower cost.

How APS calculates your monthly electricity bill

There are two factors in how much you'll owe on your electricity bill: your electricity usage and your rate plan/schedule.

Electricity usage

How much electricity you use in a given month is calculated in kilowatt-hours (kWh). This number may change significantly from season to season based on your consumption habits – many people use more electricity during summer months when they run their air conditioning units, and will see lower electricity bills during colder months.

It's important to keep track of how your monthly electricity usage changes over time, rather than just looking at the overall cost of your bill. Seeing that your electricity bill is increasing because of an uptick in consumption (which you can control), rather than due to a change to utility rates, gives you the opportunity to change your electricity usage habits and save money

Understanding your electricity consumption is especially important because this impacts which rate plans you're eligible for; APS established tiers that specify the number of kWh of electricity you can use before jumping up a plan and paying a more expensive rate – more on that topic below.

Rate plan

Next up, rate plans: you may or may not know which rate plan you're on (or even that you have the opportunity to change it). Utility companies have default rate options that remain in place unless you proactively request to be on a different rate.

APS offers plans that not only vary in pricing, but in structure: two of the most common types are a **fixed-rate plan** and a **time-of-use plan**. If you're on a fixed-rate plan you're charged a fixed rate for each kWh of electricity you use.

However, you're placed on different fixed rate plans depending on how much electricity you use.

APS' time-of-use (TOU) plans (e.g., Saver Choice, Saver Choice Plus, Saver Choice Max), on the other hand, charge a different rate for electricity depending on the day, time, and season.

This type of rate structure is called a "time varying rate", since the cost of electricity varies based upon the time that you use it.

You can benefit from lower rates during times when demand for electricity is lower (morning and late at night), but pay more during "peak hours" when demand for electricity is high (evening hours).

Types of electricity bill charges

Electricity bills often have a lot of confusing terms and line-items, making it difficult to identify the all-in rate you're paying for electricity. However, most of these line items can be categorized into three separate buckets: **supply**, **distribution/transmission**, and **miscellaneous**. These rates cover the electricity you use, getting the electricity to your home or business and any other charges and fees related to the maintenance of the grid.

Supply

It's easiest to think of supply charges as paying for the actual electricity you use. APS labels most of their supply charges as "generation" on their bills.

Utilities across the state of Arizona and the country charge different amounts for electricity supply depending on the power plant it comes from and the cost of the fuel (i.e., coal or natural gas). Supply charges also vary by season, with higher rates typically occurring in the hot summer months when demand for electricity is higher.

Distribution and transmission

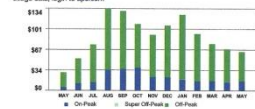
Distribution and transmission charges, sometimes referred to as delivery charges, are the fees from APS to send you the electricity. The utility company uses these charges to build and maintain the poles and electrical wires that deliver electricity from power plants to your property. You can think of the delivery charge as effectively the same as paying for shipping and handling for any product you buy online.

Miscellaneous charges (16+)

In addition to paying charges for electricity supply and demand, utility companies often include a number of miscellaneous charges. Sometimes, these charges are a fixed amount unrelated to how much electricity you use, while other times they're presented as a volumetric rate, where you pay more each month based on how much you use. Some examples of this on an APS bill are the customer account charge, meter reading, LFCR adjustor, a billing charge, local & municipal taxes and an environmental benefits surcharge.

Compare Your Monthly Energy Cost

Your energy cost this month is \$64.09 excluding your renewable export credit, taxes, adjustments and other charges. To view more detailed historical usage data, login to [aps.com](#)



Your May Statement Details

To learn more about your bill charges visit [aps.com/billdetails](#)

Energy	\$64.09
The charge for APS to generate energy and deliver it to you	\$1.58
System Benefits Charge (437.00 kWh x \$0.00361/kWh)	\$1.58
Federal Transmission And Ancillary Services (437.00 kWh x \$0.01097/kWh)	\$4.79
On-peak delivery service charge (46.00 kWh x \$0.03459/kWh)	\$1.60
Off-peak delivery service charge (391.00 kWh x \$0.03459/kWh)	\$13.56
On-Peak Generation of Electricity (46.00 kWh x \$0.28469/kWh)	\$13.06
Off-Peak Generation of Electricity (Summer) (391.00 kWh x \$0.07418/kWh)	\$29.00
Basic Service and Other Charges	\$17.85
Charges and credits for service	\$13.74
Grid Access Charge	\$4.11
Adjusters	\$15.84
Charges for programs and services, like fuel, renewable energy and energy efficiency that are added monthly	\$0.00
Environmental Benefits Surcharge (17 kWh at \$0.242 per kWh)	\$3.50
Power Supply Adjustment	\$6.11
Federal Transmission Cost Adjustment	\$0.46
LFCR Adjustor	\$0.92
Count Resolution Surcharge	\$0.65
Taxes and Fees	\$6.14
City and state mandated charges	\$0.23
Regulatory Assessment	\$0.00
Franchise Fee	\$0.00
State Sales Tax	\$0.26
County Sales Tax	\$0.08
City Sales Tax	\$0.00
Monthly Credits and Other Charges	-\$175.31
Other credits and charges	-\$175.31
Renewable Energy Sent To APS This Month (2,301.00 kWh x \$0.07615/kWh)	-\$175.31
Net Electricity Cost	-\$175.31

Every day, safe and informed

We prepare for summer storm season, but sometimes rain, wind and lightning can knock out power. We care about your safety and want to keep you informed with alerts if there is an outage in your area. You can help us by making sure your contact information is current. Learn more about managing your alert preferences at [aps.com/alerts](#) and visit the APS Outage Center at [aps.com/outagecenter](#).

How Your Energy Usage is Calculated

Meter Number: 1646289			
Meter Reads	Apr 22	May 22	Total
Total Read	14023	14740	427 kWh
On-Peak	1402	1538	46 kWh
Off-Peak	—	—	391 kWh
On-Peak Energy			\$10.83
(Rates are higher during on-peak hours, 4pm-7pm weekdays, but lower all other off-peak hours.)			
46 kWh x \$0.24414/kWh (Generation, Delivery & Transmission)			
Off-Peak Energy			\$48.26
(Rates are lower for all other off-peak hours during weekdays and all day on the weekends plus designated holidays.)			
391 kWh x \$0.12343/kWh (Generation, Delivery & Transmission)			

Look Into Your May Energy Cost

Comparison	Last Month	This Month	This Month
Monthly Usage (kWh)	494	451	437
Percentage of On-Peak	20.91%	6.64%	24.70%
Percentage of Off-Peak	79.09%	93.36%	75.30%
Average Temperature	72°F	80°F	79°F
Days in Billing Period	32	29	30
Energy Cost	\$68.49	\$76.88	\$64.09
Total Cost (Export Credit Included)	\$75.58	\$76.12	\$75.59
Total Cost Per kWh	\$0.16	\$0.17	\$0.17
Average Daily Cost	\$2.38	\$2.62	\$2.12

Glossary of terms:

- Customer account charge**—The minimum charge for having service available, whether you used electricity or not.
- Delivery service charge**—A charge, based on your kWh usage and/or kW demand, to build and operate the equipment for delivering electricity to your home, including lines, poles, transformers and substations.
- Environmental benefits surcharge**—A charge to cover the costs of programs approved by the Arizona Corporation Commission, including energy efficiency and renewable energy projects.
- Federal environmental improvement surcharge**—A charge to recover a portion of the cost of investments and expenses for environmental improvements at APS's generation facilities designed to comply with environmental standards mandated by federal laws or regulations.
- Systems benefits charge**—A charge to cover the costs of programs approved by the Arizona Corporation Commission, including low-income assistance, demand side management, customer education, environmental, renewables, long-term public benefit research and development, nuclear fuel disposal and nuclear power plant decommissioning programs as well as other programs approved by the Commission.
- Power supply adjustment**—An adjustment mechanism to recover fluctuations in fuel and purchased power costs.
- Metering**—A charge for providing and servicing the meter.
- Meter reading**—A fixed fee to determine your energy use.
- Billing**—The cost of calculating and providing your monthly statement.
- Generation of electricity**—The cost of producing the electricity you used this month.
- Demand charge on-peak - generation**—The cost of producing the electricity you used this month based on your kW demand.
- Federal transmission and ancillary services**—The cost for moving high voltage electricity from generating facilities and other sources to the APS distribution lines.
- Federal transmission cost adjustment**—A cost, based on your kWh usage, to adjust for annual charges in transmission-related costs procured to serve retail customers.
- LFCR adjustor**—A charge to recover fixed costs of providing service, such as power poles, wires, and other delivery infrastructure, that are lost due to mandated energy efficiency and rooftop solar.
- Tax expense adjustor**—An adjustor that provides a reduction to customer bills based on recent changes to the federal corporate income tax rate.
- Regulatory assessment**—A cost imposed on customers of state-regulated utilities to help fund the Arizona Corporation Commission and Residential Utility Consumer's Office.
- Franchise fee**—A charge by a municipality for APS's use of the public rights-of-way for its facilities.

What will my APS bill look like after going solar?

After you install solar panels, you will continue to receive your monthly electricity bills from APS. Each monthly bill will include a summary of the amount of electricity you purchased (i.e. how much electricity APS delivered to you from the grid) and the amount of electricity you sold (i.e. how much solar electricity you exported to the grid). This is net metering in action: **net metering** is a solar incentive that allows you to claim credits for any excess solar electricity you send to the grid. (Note: Arizona export rates—the amount you are paid for excess solar sent to the grid—are lower than import rates—what you pay for electricity. You can use these credits to counterbalance what you pull from the grid at times when your solar panel system isn't generating enough electricity to meet your needs (like at night).

Net metering credits: RCP rates

Towards the bottom of your bill, you'll also see a "Net electricity credit" balance: this shows how much credit you received from exporting solar to the grid. Importantly, unlike other states, Arizona does not provide retail credits for excess electricity you sell to the grid. Instead, APS customers sell their extra solar electricity at **resource comparison proxy rates (RCP rates)**, which are slightly lower than retail values for electricity. What you see as the "net electricity credit" balance is the credit APS is providing based on how many kWhs of solar electricity you sent back to the grid and applicable RCP rate.

RPS rates change each year, but once you go solar, you lock in your RCP rate for 10 years. Additionally, APS' RCP rates cannot drop in value by more than 10 percent from one year to the next. From September 1st, 2024 until August 31st, 2025, this rate is \$0.068 cents per kWh, then \$0.0612 cents for 2025/2026.

Grid access charge

Importantly, you'll notice a new line item on your bill after going solar: **the grid access charge**. This fee, not a component of APS' other TOU plans, is a charge for connecting your solar panel system to the grid. The charge depends on the production of your solar panel system ranging from \$3-10 per month - a real bargain, when you reduce or eliminate the 16+ fees, taxes and surcharges with solar which amount to 45-65% of your bill.

SERVICES AND SERVICE ENHANCEMENTS



Solar Service



Solar + Battery
Storage Service



Add-on Battery
Service



Protection Service



ROOF
REPLACEMENT



EV CHARGERS



STANDBY GENERATORS

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SENSIBLESOLARAZ.COM



SCAN QR CODE
View our Solar Programs



Business ID: 1000036348

BBB Rating: A+



Free Appointment



Use this QR code or go to our website
Use the 'Get a FREE Quote' link.
Fill out the 1 minute form.
We will contact you and start
you on your solar journey.