

Just How Bad Will Heating Bills Get This Winter?

Description

No, it's not just in your head. In the last few weeks, your everyday needs have gotten more expensive.

Gas is hitting historic highs at \$1.45 per litre. Bacon, butter, sirloin steaks, and potatoes have all gone up, too. And if you're in the market for new furniture, don't expect a deal anytime soon.

In addition to these, we're all going to feel a bit more cash-strapped this fall and winter. Unless you live off the grid or hibernate in Florida, your utility bill is most likely going to be more expensive than normal. How much more expensive? Let's take a look.

Higher costs of natural gas

The first cause of concern: natural gas.

Many gas distributors have already warned customers that natural gas prices will go up. FortisBC, for instance, expects B.C. customers to pay 9% to 12% more per month for heating, while Enbridge expects a price hike from \$7 to \$44 per year. Manitoba Hydro, on the other hand, expects customers to pay around 8.7% more per year, with higher consuming customers paying 19% more.

In a country that has basically two seasons (a long winter and a very short summer), the rising cost of natural gas is very worrying, especially since more than half of Canadian households depend on it for heat.

The problem is with supply. As with other commodities in short supply, many producers of natural gas are reluctant to return to pre-pandemic outputs. That, in effect, is causing the price of natural gas to rise.

Students, seniors, and low-income families will most likely suffer the most from these higher costs. It could also hurt grocery stores and wholesale retailers, as higher energy costs will make producing and storing food much more expensive.

Don't use natural gas? Furnace oil and propane are going up, too

Natural gas is one cause for concern, but so are furnace oil and propane. The average cost for furnace oil hit \$1.33 litres earlier this month, which is \$.47 more than last year (\$.86) and \$.19 more than 2019 (\$1.14). A 35% increase year over year is nothing to scoff at, even if the pandemic of 2020 may have caused prices to be somewhat skewed.

Propane costs are following a similar upward trend, which may result in rural communities that lack access to affordable electricity or natural gas spending more on heat this winter.

What can you do?

Though it's still earlier in the winter, the price hikes that we're witnessing are most likely going to stay with us, at least until the beginning of next year. If you're struggling to pay the heating bill, here are a few things you can do to save money.

1. Plug up holes

atermark Take a look at windows and doors and see if you can find holes, gaps, or cracks. Even the smallest of holes can produce a draft, which will make your heating bill a bit more expensive. Make sure your house is properly sealed, so no heat leaks from your house.

2. Open curtains in the morning

When the sun is out, make sure you harvest as much warmth as you can. A dark house will be harder to heat, but a house exposed to light may help you save.

3. Keep your furnace filter clean

As with air filters in your car, a clean furnace filter can help your natural gas furnace run more efficiently. In general, you should replace or clean your filter at least once every six months.

4. Turn your ceiling fan to "clockwise"

A little-known trick that can keep your home heated for longer periods of time is to use your ceiling fan. Yes, it's bizarre. But it works. Just set your ceiling fan to clockwise (there should be a little toggleswitch on the motor housing), and keep your fan on low.

5. Don't go above 22 degrees

You'll save more money if you keep your thermostat between 20 to 22 degrees during the day and 16 to 18 degrees at night. For those sensitive to the cold, wear heavier clothes to keep yourself warm. You may not be able to walk around in basketball shorts and a t-shirt, but hey — at least you're saving money.

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