

## Explaining demand

The distinction between how much electricity you need right now and how much you need in total over time is important. Imagine you want to fill a swimming pool with water. You could fill it in minutes with a fire hose. Or you could fill it in hours with a trickle from a garden hose. In both cases, you get the same amount of water. But *how much water you get how fast* is quite different, and that difference incurs costs to the system.

That cost to the system is where demand comes in— the cost to deliver *what* the customer wants *and when* they want it.

[rmi.org/residential-demand-charges-next-big-thing-electricity-rate-design](http://rmi.org/residential-demand-charges-next-big-thing-electricity-rate-design)

