

BILLS YOU CAN CUT FAST

ENERGY AND GAS SAVINGS

Energy costs are boiling over. The U.S. Department of Energy estimates Americans will typically spend \$2,350 on home energy costs in 2008, up from \$2,100 a year ago. Moreover, households are slated to spend \$3,950 on gas for the year. Fortunately, some relatively cheap fixes are available, and many begin in the home.

For example, weatherstripping, caulking doors or sealing windows can keep out cold and heat, lowering your heating and cooling bills. Every little step helps, and if you can't afford new windows or storm windows, plastic film kits aren't a bad alternative.

Other tips for cutting home energy costs include:

- Installing a programmable thermostat. These handy gadgets let you turn up the heat or air conditioning just before you get home rather than paying to keep your empty dwelling comfy all day. Households that use these thermostats typically save \$180 per year, far more than the roughly \$100 it costs to purchase the thermostat, according to the Department of Environmental Protection.

- Being efficient. Clean and change furnace air filters and wrap your water heater. These moves help your appliances run more efficiently and cheaply. Seal ducts on air and heating systems to improve efficiency by as much as 20 percent.

- Lower the water heater temperature to 130 degrees Fahrenheit. That's hot enough to kill germs and safely wash dishes. Do laundry in cold water.

Meanwhile, you can also trim vehicle gas costs with the following steps:

- Adopt good driving habits. You'll save a bundle if you stop speeding. If you typically race around at 70 mph instead of 55 mph, you're lowering your vehicle's fuel efficiency by as much as 17 percent.

FOOD AND GROCERIES

The average American household spends an average of \$6,111 per year on food. But with prices rising quickly, food is taking an increasingly bigger bite out of our budgets. How can you save on something so fundamental? It's actually not difficult. A family of four can slash \$240 from its monthly food budget by switching from pricey meals to lower-cost options. The key is to embrace culinary change rather than fearing it.

Store shelves are crammed with relatively expensive prepackaged convenience foods designed to save time. But what we need to do is try to remember two simple words: whole foods, instead of buying prepared, frozen, twice-baked potatoes, buy a real live whole potato. It costs a fraction of the price, pennies per pound. And it even tastes better.

Here are some ideas for saving at the supermarket:

- Buy food less frequently. If you're running to the market before dinner each night, it's time to quit. Instead, think about what you want to eat for the next few days, and buy groceries at once. You'll save money, time and gas.

- Use a shopping list. A full two-thirds of purchases at grocery stores are impulse buys. To reduce that temptation, make a shopping list and stick to it.

- Pay with cash. You'll be more likely to stick to your shopping list.

- Stick to the perimeters of the supermarket. That's where you'll find all the unprocessed basics you need - dairy products, meats, bread - while avoiding inner aisles brimming with tempting, processed foods that drain budgets.

- Buy in season. Craving strawberries in January? You'll pay top dollar. With that in mind, make it a habit to eat what is in season locally. Guard against cravings by canning or freezing fresh items so you can enjoy those berries any time of year.

- Cook cheaper meals. Instead of serving huge portions of meat, use it to supplement larger portions of rice or pasta in affordable casseroles.

BANKING AND CREDIT

Individuals pay banks, brokerages, credit card companies and other vendors a slew of extra fees, charges, interest and penalties. Americans spend \$36 billion annually on bank fees alone.