4. Setting Up House

For the past twenty-odd years of your life, it’s likely that electricity, cable, and heat were just there and you never gave much thought to where they came from, how much they cost, or how they got into your house or dorm room. For those of you facing the prospect of renting your very first apartment, “setting up house” can be a bit overwhelming. We’ll start by breaking down the essential and nonessential utilities to help you plan what you’ll need to do before you move in and to prepare your budget.

Essential Utilities

Electricity

There’s no getting around it: you need electricity. Find out the name of the regional electric company from your landlord, neighbors, or co-workers or look it up online by searching—you guessed it—“electric company” and your city or zip code. There is usually a toll-free number to call or an online system to help you establish your account. You can set this up in advance and have the company turn on the electricity beginning the day you move in.

Most electric companies give you the option of being on a “budget plan” or paying for the actual amount of electricity you use each month, which can vary greatly from summer to winter. The budget plan averages electricity costs for that apartment from the previous twelve months and then charges that averaged amount each month. At the end of the year they take the actual meter reading; if you overpaid, you get a credit on your account. If you used more electricity than the average, you’ll be sent an additional bill. Many prefer this type of budget plan because monthly bills will not fluctuate, making it easier to manage expenses. If you live in an apartment where you’re responsible for paying for heat or air conditioning, this cost can significantly add to your monthly expenses. If your apartment doesn’t have a thermostat that can be programmed to put out less heat during the day when you’re not home, make
it part of your morning routine to turn down the heat before you leave each
day. You’ll be happy you did when the bills arrive!

Depending on where you live, your electric company may have the option
for some or all of your electricity to come from renewable energy sources.
For more information on getting your electricity from the “Green Power
Network,” check with your electric company or refer to the U.S. Department
of Energy website.

Gas

Some apartments have a gas stove and/or gas heat. Usually the landlord will
give you this information, but if you aren’t sure, look at the stove. If it has
a flame burner, you will need to connect the gas. In some regions the gas
company and the electric company are the same, and you get one monthly bill
for both utilities. In many areas there are two separate companies that provide
service. Check with your landlord to determine how these utility companies
are organized.

Non-Essential Utilities

Telephone

Having a phone in your apartment was once considered an essential utility,
but with the wide variety of cell phone plans currently available, many people
choose to spare the expense of having a phone in their home and use their cell
for all calls. If you choose to get telephone service, do a little research ahead of
time to determine what plans the provider offers and which plan would be the
best for you. Don’t let them talk you into getting additional services you don’t
want or a more expensive plan you don’t need. You can always add services
later if it turns out that you need them.

Cable

Many of you may put cable into the “essential” category, but it is an expendable
luxury if you are on a tight budget. Depending on where you live, you may
not have a choice of which company provides your cable service, but some
metropolitan areas have access to more than one cable company. Every cable
company has a variety of plans, ranging from the most basic channels to
the most expensive premium cable channels. It is not uncommon for cable
companies to run specials for free installation, free premium channels for a
limited time, or other discounted deals. Find out the exact terms of the special
before agreeing to anything. Expanded service and premium channels are the usual culprits for extremely high cable bills, so unless you can’t bear to go without “Sports Center” or “The Daily Show” you may want to forgo these channels and stick to reruns of “Glee.”

Internet Service

It was very easy connecting to the wireless service at Yale, but in the real world there may be a bill collector on the other side of that service. Be sure to research internet service providers in your area and assess your needs before signing up for a service that may not be necessary. Keep in mind that you might not really need service at home, especially if you can get online with your smartphone or have wireless hotspots nearby. Also, when shopping around for internet service providers, look into package deals. The cable company may offer discount internet service to customers who are signed up for cable; the phone company typically has similar deals.

Note

If you are living with roommates, it is not a good idea to have all the utilities in one person’s name. While having a utility in your name is good for establishing credit (if the bills are paid on time) if your roommate bails on you, you don’t want to be stuck with your name on all the bills!

Non-Utility Essentials

Renters Insurance

You’re required to insure your car, but few people think about insuring the contents of their apartments. Landlords and management companies insure the building, but their insurance doesn’t cover your personal possessions in case of damage including broken pipes, fire, theft, or other dangers. That means you are responsible for insuring your own possessions. Additionally, renters insurance protects you from being liable if someone is unintentionally injured in your apartment, bitten by your dog, or if your personal possessions are stolen. You may be surprised at how quickly the value of your books, clothes and furniture add up. Most of you will be fortunate enough never to experience a burglary, fire, or other catastrophe, but some of you won’t be so lucky. Strongly consider getting renters insurance to put your mind at ease. Meg Martinez ’10 states “when in doubt, buy the insurance.”
Typically, renters insurance is inexpensive with policies as low as $10 per month. Most insurance agencies will give you an additional discount on your car insurance if you also open a renters policy. Shop around to see who offers the best deal. Before you begin searching, make a list of the contents of your apartment and determine how much it may cost to replace your possessions. This list will come in handy when deciding how much coverage you need and will help if you ever need to file a claim. If you are living in areas where floods and/or earthquakes are a concern, make sure to get a policy that covers damages associated with these; this coverage is not always standard and may need to be added separately. Be sure to clarify whether your possessions are insured at current value or replacement cost. Current value is the amount it would cost to replace your insured items minus an amount for depreciation due to age and use (e.g. used furniture and electronics are worth less than new; how much less depends on how old and well-used the items are). Replacement cost is the amount it would cost to replace the insured items with comparable items, without regard to age and condition. You would be shocked at how low the current value of your possessions is in the insurance company’s eyes. Starting out, either one is fine, but as you move from just-for-now furnishings to pieces you plan to keep for awhile, you may want your policy to reimburse at replacement value.

Miscellaneous

Here are a few additional tasks to complete before and after moving.

Before you move, provide the post office with your updated address so your mail can be forwarded; this can be done online at www.usps.com. You also need to provide your new address to all creditors, your bank, your employer, Yale, and your friends and family. Don’t forget about magazine and newspaper subscriptions; the post office will only forward your magazines for a few months before they start sending them back. You can do most of this online through company websites.

Also, before you move, look into auto licensing and registration procedures in your new state of residence. States typically require you to get a new license and transfer your auto registration within a certain period of time after relocating. Checking this before you move will help you plan what you need to do in the first few weeks and budget for the DMV licensing and registration fees. The amount of time you have to transfer your license and register your vehicle can vary from state to state, but on average it’s 30 days. Though few people enjoy spending a day at the DMV, you need to get this done as soon as possible.