

Residential Guide to Understanding Your Utility Bill

Closely inspecting your utility bill is the first step to energy conservation

NOTE: Looking at the history of your energy use is a good habit to practice. If you used more energy this month compared to the same month last year, consider looking for ways to save energy around your home. Keep in mind that your energy use is affected by weather, so using more energy than a previous month isn't always cause for alarm.

NOTE: The bill featured in this guide may not exactly match your own, but will have similar elements. Use this guide and your utility's website as tools to help understand your bill.

utility name
www.utilitywebsite.com

SERVICE FOR: ACCOUNT NUMBER: Page 1 of 2
DATE DUE: May 12 2017 AMOUNT DUE: \$46.00

ACCOUNT SUMMARY
Previous Bill Amount: \$78.50
ePayment Received 03/25/17 THANK YOU: -78.50
Current Charges: 46.00
Amount Due on 5/12/17: \$46.00

SUMMARY OF CURRENT CHARGES
Electric Charges: \$32.15
Gas Charges: 13.85
Total Current Charges: \$46.00

CURRENT CHARGES
Electric Charges
RATE PLAN: 039 - Residential Service
METER READING: Electric Meter read on 04/19/17 at 01:22 pm (Next scheduled read date 3/19/17)
METER NO. BILLING PERIOD DAYS CURRENT PREVIOUS CONSTANT KWH
00123456 3/21/17 - 4/19/17 29 44803 - 44655 X 1 = 148
Basic Facilities Charge: 10.00
148 kWh X \$ 0.137010: 20.28
Renewable Energy Resources: 0.34
Franchise Fee 5.00% paid to the City of Natural Gas: 1.53
Total Electric Charges: \$32.15

Electric Usage History - kWh
Bar chart showing usage from April to May 2017. Usage is highest in April and May.

Gas Usage History - Therms
Bar chart showing usage from April to May 2017. Usage is highest in April and May.

4 Historical Energy Usage

Some utilities provide graphs, charts, or tables that show how much energy you've used during past billing periods. Keep in mind, this information may be available even if you do not see it on your bill. Call your provider's customer service line for more information.

5 Explanation of Charges

You're not always just paying for your energy when you pay your bill. Other charges that may be included are:

Account charges or basic facilities charge

A consistent charge on every bill added to pay for utility actions that enable you to receive service.

Renewable energy charges

This charge helps fund the research and development of renewable energy programs.

Franchise fee

This fee is used to allow the utility to recoup the cost of using the local government's public rights of way.

Riders

An additional charge on your bill. The purpose of a rider may vary, but can be for something temporary, beyond the utility's control, or optional to the customer.

5a Energy Charge

This charge is the amount of energy you've consumed multiplied by the amount the utility charges per unit of energy.

1 Charges for This Month's Bill

All of the charges associated with your bill equal the total you pay, displayed here. Some utilities supply both electricity and natural gas, and both charges will be included in this total.

2 Rate Plan Name

Your rate is what your utility charges you for the energy you use. It is wise to familiarize yourself with your **rate plan** through the utility's website or customer service line, as noted in the definitions section of this guide.

3 Billing Period Usage Summary

This section provides the exact dates of your billing period. As noted in the definitions section of this guide, your previous billing period **meter** reading is subtracted from the current billing period meter reading to find how much energy you have consumed since your last reading. This is the amount of energy you will be charged for on this month's bill.

utility name
www.utilitywebsite.com

CUSTOMER SERVICE: 1-800-123-4567
STATEMENT DATE: Apr 21 2017
ACCOUNT NUMBER: 000123456
DATE DUE: May 12 2017
AMOUNT DUE: \$46.00

Payment Options
By Mail: Pay by check or money order in the enclosed envelope.
Online: Visit utilin.com to pay directly from your bank account or credit card.
By Phone: Call toll-free, 24 hours a day to pay using your credit card, debit card or directly from your bank account. There is a fee of \$3.50 per transaction that UtilityMatrix receives for providing this service. Additional limitations may apply.
Business Office: UTILITIES CUSTOMER SERVICE OFFICE, 123 BILL ST, NATURAL GAS, SC 45678

Gas Charges
RATE PLAN: 325 - Res Standard Ser
METER READING: Gas Meter read on 04/19/17 at 10:23 am (Next scheduled read date 3/19/17)
METER NO. BILLING PERIOD DAYS CURRENT PREVIOUS CONSTANT USAGE (CCF) BTU FACTOR THERMS
000123456 03/21/17 - 04/19/17 29 5297 5295 1 2 1.0280 = 2
Basic Facilities Charge: 10.90
Base - 2 Therms X \$ 1.144690: 2.29
Franchise Fee 5.00% paid to the City of Natural Gas: 0.66
Total Gas Charges: \$13.85

Additional Tips for Understanding Your Bill

Weather Normalization Adjustments for Natural Gas

Some utilities rely on weather data when determining what to charge customers for the delivery of natural gas in order to recover their fixed costs associated with equipment and infrastructure. In 1992, the Public Service Commission of South Carolina approved a method to use the difference between “normal” weather, calculated from historical data gathered by the National Oceanic and Atmospheric Administration, and the actual weather experienced in the billing period to adjust the amount you are charged for natural gas. In heating seasons where weather is colder than usual, the price for natural gas is reduced, and in milder-than-usual heating seasons the price for natural gas is increased.

Time of Use/Demand Rate Structures

“Time of Use” billing and electricity demand charges are two ways that utilities may seek to manage customer demands and reduce costs. Utilities use these billing structures to send price signals to customers. This approach encourages reducing energy use during times of the day when it costs the utility more to generate or purchase energy. By keeping the total electricity demand low, the utility delays building new power-generating facilities. The example bill in this guide does not use either of these techniques, but certain rates do.

On-Peak or Time of Use

The term “on-peak” refers to the time of the day when the demand for energy in homes is elevated, typically in the morning and evening when residents are home. The exact time, as well as the cost of energy during these times, is dictated by the utility and explained in your rate plan. The cost of energy during on-peak hours is higher; careful planning of when you use energy can save you money.

Demand

Demand is the sum total of your power draw. If you add up all of the **watts** each appliance in your home is using right now, you get your current demand. The more appliances you turn on, the more your demand increases. Utilities may charge you for the maximum demand (in kW) used within the billing period in addition to the energy used (in kWh).

Opting In/Out

Depending on your eligibility for the various rates your utility provides, you may be able to opt-in or opt-out of these billing methods. A significant amount of money can be saved by using on-peak and/or demand pricing to your advantage.

For example, if using a rate with a “time-of-use” or “on-peak” component, a utility’s cost and your cost could be reduced if you perform tasks during off peak times when electricity is cheaper.

Switching Rates

While researching your rate, look for other rates your utility offers and whether or not you qualify to subscribe. There may be opportunities to save money by subscribing to a different rate. Contact your utility or check out their website to get additional information about different rate structures.

Definitions

Rate Plan: A description of your rate. Usually available through your utility’s website.

Watt (W): A unit of electric power, or the rate at which electricity is used.

Demand: The sum total of your power draw, measured in watts, a higher demand means more electricity is needed at once.

Kilowatt-hour (kWh): The total amount of energy consumed, found by multiplying power (kW) by the number of hours you have that demand.

Meter: The device through which the utility “gives” you your energy, it has a measurement device on it to determine how much electricity or natural gas is passing through.



For more information about the different parts of a utility bill, as well as energy saving tips, visit [ENERGY.SC.GOV](https://www.energy.sc.gov)/Residential