

Understanding gas and electricity bills

If you don't understand what all the numbers on your electricity and gas bills are, don't worry, you're not alone. But it's worth taking the time to understand your bills, as this is a good way to take control of your energy use and start saving money.

Most complaints people make to their energy supplier are about bills, so taking some time to understand them can save you money, time and stress.

First of all, there are three things to check your bills for:

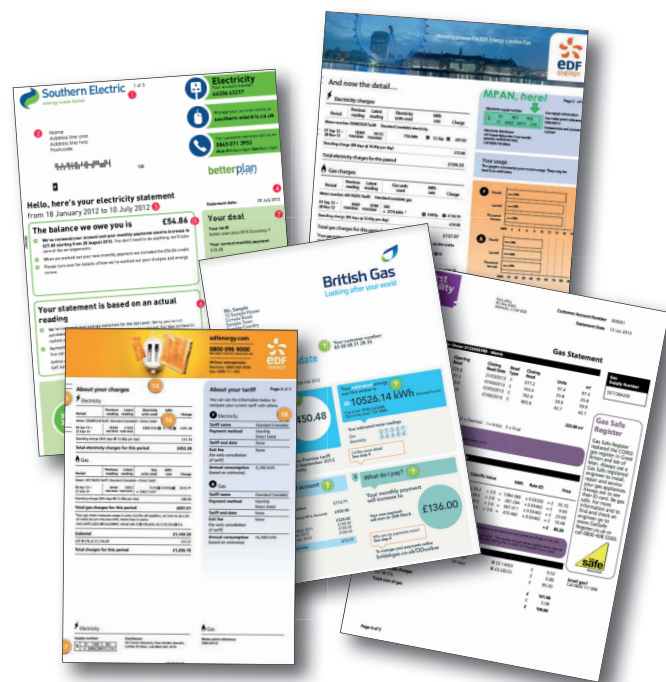
- 1 That you're being billed for the right amount.
- 2 That you're not building up any debt.
- 3 If there's a cheaper tariff you can move to (your bill will show this).

This factsheet will help you do this.

NB electricity and gas bills can look very similar, and if you have the same supplier for both, you may only get one.

The type of bill you receive will depend on how you pay for your gas or electricity, for example whether your bill is a demand for payment, or if it is a statement of what you've already paid (by direct debit or pay-as-you-go).

Those who pay on **receipt of bill** will receive their bill quarterly (sometimes monthly) stating the amount that is owed minus any payments already made. The bill will also show *when* the payment is due and *how* the amount was calculated. The customer then settles the bill in one payment or in instalments, or can set up a quarterly direct debit.



Those who pay by **monthly direct debit** and **pay-as-you-go** customers will receive a statement every 3, 6 or 12 months. This shows the current balance of the account and is not a request for payment.

Rather, it shows your latest payments and the amount of credit or debit your account is in. Your account should normally be in credit as a direct debit pays for your gas and/or electricity up front. Expect a small debit in spring which will become a credit by the end of the summer, as you use more energy in winter.

If you've overpaid or underpaid in the past, suppliers will often lower or raise your direct debit to compensate, so it may not reflect how much energy you actually use. If your statement shows a significant credit or debit, submit a meter reading and ask your supplier to reassess your direct debit – the sooner you do this the better. You can ask for any excess credit to be refunded.

If you are **struggling to pay your bills**, contact your energy supplier **as soon as possible**. They will set up a manageable payment plan to help you. For advice or support with this, contact an energy or debt advice service. Don't just ignore your energy suppliers request for payments.

If you're juggling several different debts, speak to a specialist debt advice service before agreeing any further payment plans.



Paperless billing

Many suppliers give customers a discount if they manage their bills online and stop receiving paper bills in the post. Online accounts provide greater awareness of your gas or electricity usage and balance and allow you to see bills, provide meter reads and sometimes even switch tariff.

But for many people this change means they're less likely to look at their bills than if it arrived through the post, which may end up causing problems.

Mr G Smith
123 Fore Street
Newtown NT3 5ZZ

1 Account number **1234 0000 789**

2 Bill date **16 February 2016**

Your gas and electricity bill

Period: 10 November 2015 – 15 February 2016 **2**

Last period

Balance on last statement (10 Nov 2015): 3	£10.50	in debit
Payments received: 4	£273.00	in credit
Direct Debit 25 November 2015:	£91.00	
Direct Debit 27 December 2015:	£91.00	
Direct Debit 25 January 2016:	£91.00	
Your account balance on 14 February 2016: 5	£262.50	in credit

This period

Previous account balance:	6	£262.50	in credit
Charges for this period (including VAT):		£304.78	
Your new account balance: 7		£42.28	in debit

Could I pay less? **9**

Your Personal Projection for the next 12 months for gas is £582.54 and for electricity is £475.23 (based on your annual consumption, tariff prices, discounts and VAT).

Electricity

10 Our cheapest overall tariff

Online Fixed Saver September 2017

Estimated annual saving: £43

Gas

Our cheapest overall tariff

Online Fixed Saver September 2017

Estimated annual saving: £56

Need help?

Call 0845 000 246

Mon - Fri: 07.00 - 20.00

Saturday: 08.00 - 18.00

Sunday: 08.00 - 12.00

Please have your customer reference number handy when you call us

Your actual meter reads:

Gas: 8780

Electricity: 19151

What do I pay? **8**

£91

Your next monthly payment of £91.00 will be taken on 25th February 2016. You don't have to take any action.

What's on your bill?

1 Account or customer number. This is unique to you, and you'll need it when you contact your supplier.

2 Bill date and bill period. The bill date is when the bill or statement was sent out. The bill period is the date range that the bill or statement relates to.

3 Balance on last statement. This shows the balance carried over from the last bill or statement you received. It should match the account balance on the last bill or statement you received.

4 Payments received.

This records payments made since the last bill or statement. If it's a bill, your payment(s) to pay off the last bill should be recorded here. If it's a statement, you should see all your monthly direct debits or your top-ups. If any of these payments are missing you need to contact your supplier.

5 Previous account balance.

This is the outstanding balance from the last bill or statement less any payments made since. On a bill, this figure will be £0.00 if you have paid off your previous bill. On a direct debit statement this figure should be a considerable credit.

6 Charges for this period (including VAT).

This records the total costs incurred of all the gas and/or electricity used within this billing period. To see more about how this is calculated see sections 13-15 below.

7 Your new account balance.

This is what you owe, or are owed, in total. It's a combination of the charges for this period plus the balance from the previous period, taking account of all of payments received.

8 What do I pay?

This is how much you pay currently if you are paying by direct debit, or how much you owe if it's a bill. It may be more or less than your average monthly usage to account for previous over or under payment.

9 Personal projection.

This is a prediction of how much your gas and/or electricity will cost over the next year.

10 Cheaper tariffs.

Your bill or statement must show whether there is a cheaper tariff you could switch to with your current supplier. Your supplier's customer service team can usually also advise if there is a better tariff for you. Your supplier normally only displays cheaper tariffs they offer, but another supplier might be much cheaper.

11 About your tariff.

The 'about your tariff' box contains all the information needed to compare your tariff against the market including.

About your tariff

ELECTRICITY

Tariff name Price Fix May 2016
Payment method Direct Debit
Exit date 31 May 2016
Exit fee Not applicable
Annual consumption 2983 kWh

GAS

Tariff name Price Fix May 2016
Payment method Direct Debit
Exit date 31 May 2016
Exit fee Not applicable
Annual consumption 9734 kWh

Tariff Comparison Rate (TCR)

Electricity: 15.55p per kWh
 Gas: 4.62p per kWh

The TCR can be used to compare the price of energy tariffs across suppliers. The TCR is not based on your actual consumption but is based on the energy of a typical consumer using 13,500 kWh of gas and 3200 kWh of electricity. It should be used as a guide only.

About your charges

Electricity | Meter: S63G09043

Period	Previous reading	Latest reading	Electricity units used	kWh rate	Charge
10 Nov 15 – 15 Feb 16	18395 <i>Estimated</i>	19151 <i>Your read</i>	756 kWh x	13.55p =	£102.44

Standing charge (88 days @ 18.00p per day) = £15.84
 Total electricity charges for this period £118.28

Gas | G4K68890234

Period	Previous reading	Latest reading	Gas units used	kWh rate	Charge
10 Nov 15 – 15 Feb 16	8440 <i>Estimated</i>	8780 <i>Your read</i>	340 = 3776 kWh* x	4.042p =	£152.63

Standing charge (88 days @ 22.00p per day) = £19.36
 Total gas charges for this period £171.99

*Your gas meter measures usage in units, but we bill in kWh. Here's how it works:

GAS UNITS USED x CALORIFIC VALUE (39.1) x VOLUME AS (1.02264) ÷ 3.6. So: 340 x 39.1 x 1.02264 ÷ 3.6 = 3776 kWh

Subtotal

VAT @ 5% of £290.27

Total charges for this period

£290.27

£14.51

£304.78

Your electricity supply number is:

S	01	801	902
12	0002	0075	216

Your gas meter point reference number is: 50 63 45 19 04

- The name of your tariff.
- How you pay for fuel.
- The date your defined-length tariff ends (if you have one).
- Any exit fees you may have to pay. These can apply on any defined length tariff and you pay them if you switch to a different tariff more than four weeks before the tariff end date (above).
- Usage over last 12 months. This is your estimated annual usage, calculated from all the meter readings received. This is the best figure to use when comparing tariffs.

12 Tariff comparison rate (TCR).

This is a summary of the unit rate, standing charge, discounts and VAT into one figure, to help with comparisons. It's

better to use a comparison service to compare suppliers based on your usage as TCRs assume average usage.

13 Meter readings.

If you have an *estimated read*, your bill or statement will generally say 'estimated' or 'e' next to the reading. If it says 'c' or 'a' then it's a 'customer supplied' or 'actual' reading. You should provide an accurate reading every 3-6 months, or more often if you've recently moved in or changed supplier.

14 Unit rate.

This is the price you pay per unit of gas or electricity, both of which are measured in kilowatt hours (kWh). If you are on Economy 7 there will be two electricity unit rates: one

for peak times, the other for off-peak*. Your gas meter will *measure* gas in either cubic meters (m³) or 100s of cubic feet (hcf), but, like electricity, gas is *sold* in kilowatt hours. The way this is calculated is shown on your bill. Our example bill shows a calculation for a metric meter. You can convert from hcf to m³ by multiplying by 2.83.

15 Standing charge.

This is the charge you pay per day, regardless of how much gas and/or electricity you use. Some suppliers have no daily standing charge, or reduce it if you pay by direct debit.

16 VAT.

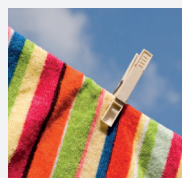
VAT on domestic electricity and gas is 5%. If you're paying more than this, then you're being charged a commercial rate and should contact your supplier immediately.

17 Meter point reference number (MPRN) and Meter Point Administration Number (MPAN).

These are your unique supply numbers: MPAN or 'S number' for electricity and 'MPRN' for gas. By law they must appear on your meter but are not usually printed on your meter. When you switch supplier, it helps to provide these numbers.

* If you are on Economy 7 and use less than a third of your electricity at night, you'd probably be better off on a single-rate tariff.

A few ways to cut your electricity and gas use, and save money ...



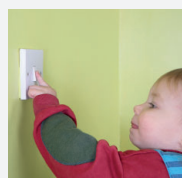
Give your clothes a day in the sun; and give your tumble drier a break. Clothes dried in the fresh air feel great, and there are drying days in winter, too.

When you're cooking, keep the oven door shut as much as possible; every time you open it, nearly a quarter of the heat escapes.



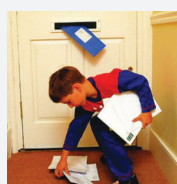
Food in the oven cooks faster when the air inside flows freely, so don't put foil on the racks.

Don't leave your phone on charge all night. It only needs three hours – and try not to leave the TV and other kit on stand-by.



Catch 'em young. Encourage your children to switch off electric toys and lights that they're not using. They'll soon get the hang of saving energy.

Cup of tea or coffee? Only fill the kettle with as much water as you'll actually use (but make sure you cover the metal element at the base).



Dodge the draught!

Fit draught-excluders to your front door, letter box and key hole, and draw your curtains at dusk to keep the heat in.

Buying a new appliance? Check the energy label and buy A-rated goods for the most efficient.

Be a friend to your freezer. Defrost it regularly to help it run more efficiently.

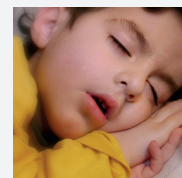


Turn your heating down by just 1 degree. You'll hardly notice the change in temperature, but it'll make a big difference to your heating bill.



Wait until you have a full load before running the dishwasher or washing machine. One full load uses less energy (and water) than two half-loads.

Sleep tight. Make sure all the lights are turned off when you go to bed, or use a low-wattage night light if you do need to leave one on.



Put your fridge in a good spot.

Somewhere the air can circulate behind it, but not next to a cooker or radiator.

New computer?

Laptops typically use around 85% less energy than a new desktop PC.



St James Court
St James Parade
Bristol BS1 3LH

0117 934 1400
www.cse.org.uk
info@cse.org.uk

Charity: 298740
Founded: 1979

The Centre for Sustainable Energy is a national charity that helps people change the way they think and act on energy.

Our Home Energy Team offers free advice on domestic energy use to householders in Bristol, Somerset, Wiltshire, South Gloucestershire and Dorset.



Contact us

PHONE 0800 082 2234

EMAIL home.energy@cse.org.uk

WEB www.cse.org.uk/loveyourhome

TWITTER @cse_homeenergy