

ELECTRIC BILL MADE EASY



Office of the Ohio Consumers' Counsel
"Your Residential Utility Consumer Advocate"
www.occ.ohio.gov



Understanding how to read your electric bill is important. The bill is required to include several pieces of information to help consumers know how much electricity they have used and how much it will cost them. The Office of the Ohio Consumers' Counsel (OCC) developed this fact sheet to help consumers better understand their electric bills.

Read your bill monthly

It is important that you read your bill each month, look for any unusual charges, and keep track of your normal electricity usage. Your bill may also contain important updates. If you have an alternative supplier, you may see additional charges on the same or separate bill.

Establishing Service

To set up the utility service, contact your local electric utility, and give them your service address, personal information, and start date. Your landlord, realtor, or seller should know who provides electric service at your new address. If a meter is present, the utility company must start the service within three business days of your request. Ask when you can expect your first bill. The utility has more time to start service if a new meter needs to be installed. Check with the utility company.

Creditworthiness

Before you can establish service in your name, the utility may require you to make sure you can pay for service by checking your credit. To establish credit with the utility, you must meet one of the following criteria:

- Be a creditworthy property owner; or
- Have a prior account with a similar type of utility within the past two years, and not had more than two late payments, or had service disconnected in the past year; or



- Secure a guarantor, who is a customer of the utility, to pay for up to 60 days of service if you fail to pay your bill.

If you do not meet the criteria, you may be required to pay a deposit to establish credit with the utility. The deposit may not exceed an average 30-day bill plus 30 percent. If the utility keeps your deposit for more than six months, it must pay interest on the deposit. After 12 months, the utility will review your account and determine if the deposit should be refunded or credited to the account.

When paying a deposit, the utility should send you a receipt with the following information: name, address, deposit amount, length of time the deposit must be held by the utility to qualify for interest, the interest rate to be paid, and conditions for refunding your deposit.

Usage and meter reading

The amount of electricity consumers use each month is measured in kilowatt hours (kWh).

Electric utility companies are increasingly using advanced meters (i.e. smart meters) equipped with



two-way communication technology to provide real-time meter readings.

Automated meters allow utilities to regularly obtain actual meter readings. If you don't have one, the company may not always be able to read your meter and can use estimated readings to calculate your usage. Consumers can request two actual meter readings per calendar year if their bill has been estimated for more than two consecutive months. Consumers also may be able to provide their own meter readings to the electric company. Contact your utility first to verify.

The OCC recommends that you learn how to read an electric meter to make sure you are being charged the right amount. See OCC's website at www.occ.ohio.gov to learn more.

Fees and charges

Electric bills have four charges that when added up determine how much you owe:

- **Customer Charge** - A monthly fixed fee established to pay for the costs associated with equipment, maintenance, and grid connection.
- **Generation Service Charge** - A kilowatt-hour based volumetric charge to produce electricity. Generation can be either the utility's default rate (standard offer) or through an alternative supplier, such as aggregation or an energy marketer.
- **Transmission Service Charge** - A kilowatt-hour-based volumetric charge moves high-voltage electricity from power plants to the electric utility's distribution lines; and
- **Distribution Service Charge** - A kilowatt-hour-based volumetric charge for delivering electricity to your home, including the use of local wires and other equipment to move electricity.

The customer charge and the distribution and transmission service charges are all delivery charges that must be paid to the electric utility monthly regardless of how much electricity is used or how the electric generation is obtained. To better understand these components that make up your bill, see OCC's *Understanding Your Ohio Electric Bill: Where Your Money Goes* at www.occ.ohio.gov/content/understanding-your-ohio-electric-bill-where-your-money-goes.

Some electric utilities could list other company-specific charges or credits. Bills have an area for an explanation of terms or definitions for charges you may not understand. For an online list of utility terms and definitions, visit the Public Utilities Commission of Ohio's *Apples to Apples* website at <https://energychoice.ohio.gov/Pages/Glossary%20of%20Terms.aspx>.

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Required items on bills

Your electric bill must include your name, address, account number, payments/credits on your account, and the Price to Compare. It also shows billing information, contact details, usage history, and late payment fees.

The Price to Compare is the electric utility's price for generation and some related transmission charges. You may be able to save money by choosing a supplier with a lower rate. Learn more with OCC's *How to Make Wise Energy Choices* fact sheet at: www.occ.ohio.gov/factsheet/wise-energy-choices.

Budget Billing

Ohio's regulated electric utilities offer budget billing plans that allow customers to pay a fixed monthly amount to avoid high bills during heating and cooling seasons.

Each utility has its own unique budget billing plan that lasts for up to 12 months. The utility may review the account periodically and adjust the budget amount accordingly. Customers are responsible for any remaining balance at the end of the budget period or they may receive a credit for any overpayment.

To cancel or enroll, contact your utility directly and review the terms and conditions before signing up.

PIPP Plus customers

The Percentage of Income Payment Plan (PIPP Plus) is a payment arrangement to help eligible electric (and natural gas customers) pay their utility bills. Consumers enrolled in PIPP Plus cannot be charged a security deposit to establish service. For more information about PIPP Plus see OCC's *Know the Facts: PIPP Plus* fact sheet at www.occ.ohio.gov/factsheet/percentage-income-payment-plan-pipp-plus.

Paying the bill

There are different ways to pay your electric bill. Some are free, like automatic direct payments and online bill payments. Others cost extra, like using a credit card or electronic check, or paying at agent locations.

It is important to allow for processing time when paying your bill. OCC encourages consumers to pay well before the due date to avoid disconnection. In addition, the Federal Trade Commission encourages consumers to use a secure browser, read the privacy policy, keep records of their payments, and review their credit card statements if they are paying online.

Electric Utility Sample Bill and Contact Information

AES Ohio

Sample bill: www.aes-ohio.com/your-residential-bill
1-800-433-8500

American Electric Power (AEP)

Sample bill: www.aepohio.com/account/bills/UnderstandingYourBill.aspx
1-800-672-2231

Duke Energy Ohio

Sample bill: www.duke-energy.com/home/billing/reading-your-bill
1-800-544-6900

FirstEnergy

Sample bill: www.firstenergycorp.com/content/customer/help/billingpayments/about_your_bill.html

Illuminating Company: 1-800-589-3101

Ohio Edison: 1-800-633-4766

Toledo Edison: 1-800-447-3333

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