

Understanding your electricity bill

Understanding energy bills can be difficult, but it's very important to make sure you can, as you might find you are being overcharged.

- Every property on mains electricity has a 'Meter Point Administration Number' – or MPAN. This is a long number that enables any power supplier to identify your property and this is used when you switch supplier. Figure 1 shows a typical MPAN number.

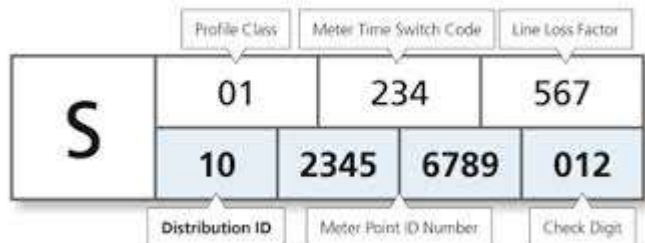


Figure 1 – Typical MPAN number

- Your MPAN identifies your property but every electricity meter in the country also has its own reference number. If you have two meters, you will have two meter numbers on your bill. Check you are being billed for the correct meter, as power companies sometimes make mistakes.
- Some tariffs include a 'standing charge'. This is an amount you pay every day, regardless of what you use. In general, if you are paying a standing charge, your unit electricity costs should be cheaper.
- Your bill will show you the meter readings at the start and the end of the billing period and how much you have used. The numbers will show the number of units or kilowatt-hours (kWh) you have used.
- Your bill will always indicate if the readings are;
 - ❖ 'Actual' – read by an official meter reader who visits your house
 - ❖ 'Customer' – read and submitted by you
 - ❖ 'Estimated' – a guess made by your supplier.
- You may only get an 'actual' reading once every two years, so it's really important to check the readings are accurate. See Factsheet 3, *How to Read Your Electricity Meter*.
- Electricity is sold under many different tariffs. Split rate tariffs or day/night tariffs give you cheaper electricity at off peak times but peak units tend to be more expensive. The Economy 7 tariff means you get 7 hours of cheap rate electricity overnight.
- A single rate tariff means the costs are the same all the time, while other tariffs charge the first few units at a higher price, with the rest cheaper.
- Figure 2 shows a typical electricity bill for a property on an Economy 7 tariff.

Energy charges this period		
Electricity		
This is the name of the tariff		Your meter number - these are the same because this is a single meter dual tariff
NSC Option :Night		Meter number D05L19908
Start Reading	Meter readings (kWh) at the start and end of the billing period	12801 Customer read 13 Feb 13
End Reading		12869 Customer read 07 Mar 13
Units used		68 = 68 KWh (kilowatt-hrs) used
13/02/13 to 06/03/13		Consumption charge, 68 kWh x 6.324p = £4.30
NSC Option :Day		Meter number D05L19908
Start Reading		21596 Customer read 13 Feb 13
End Reading		21869 Customer read 07 Mar 13
Units used		273 = 273 KWh (kilowatt-hrs) used
13/02/13 to 06/03/13		Consumption charge, secondary 219 kWh x 13.877p = £30.39
13/02/13 to 06/03/13		Consumption charge, primary 54 kWh x 24.458p = £13.21
		Total electricity charges £47.90
		Total energy charges this period £ 47.90
Discounts		
Internet discount	credit	-£0.30
Total discounts		-£0.30
VAT		
Vat at 5.00% on £47.60		£2.38
Total VAT		£2.38

Figure 2 – A typical Economy 7 electricity bill

- Your bill will then ask you for payment, unless you are paying by direct debit, in which case it will show how much you have paid and whether you are in credit or debit.
- In general, monthly direct debit accounts are cheaper than paying quarterly by cheque or over the counter.
- With monthly direct debit accounts you tend to be in credit during the summer, but in deficit by the end of the winter.
- **It's well worth regularly switching supplier to get a better deal.** See Factsheet 5, *Switching Your Energy Supplier*.
- If you have a query about your electricity charges you should contact your supplier by phone or email to resolve any excess charges. Your supplier's phone number and website will be on your energy bill. Most enquiries are dealt with satisfactorily within 8 weeks. If you're not happy with your supplier's response you can contact the Energy Ombudsman to complain about your electricity bill or supplier at www.ombudsman-services.org. The Citizens Advice can help you with the process if you contact them using their consumer helpline on 0808 2231 133, alternatively use their website www.citizensadvice.org.uk.

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