READING YOUR ELECTRIC BILL

When you pay your electric bill each month, do you know exactly what goes into your bill? Probably not. Understanding the charges on your electric bill can help you lower your bill. Moreover, knowing how to read your electric bill is a good way to check for errors and can help you monitor your exact energy usage. Below, we will examine an actual electric bill and explain the maze of numbers found on your billing statement.

In the past, you paid your electric bill in one bundled sum. This was because all parts of your electric service (generation, transmission and distribution) were provided by one of four New Jersey local utilities (PSE&G, JCP&L, Conectiv or Rockland Electric Company). With the introduction of energy deregulation, the generation, transmission and distribution portions of your bill were separated, or unbundled, and itemized to show all of the charges that add up to your total amount.

These are the charges and information contained in your electric bill.

(A) Account Number: This is your customer account identification. For faster service, refer to this number when communicating with your utility. If you receive service at more than one location, you will have a different account number for each location.

(B) Customer and Mailing Address: Here is the responsible name(s) on the account and the mailing address (this may be different than the actual service address).

(C) Phone Number: This is the number for your utility's 24-hour customer service line.

(D) Inquiries Via Mail: This is the address where you can send written correspondence to the utility.

(E) Due Date: This is the date by which your total amount due must be paid.

(F) Meter Reading Information: This is the date of your next scheduled meter reading. Your utility also provides telephone numbers to re-schedule your next meter reading should you not be available on that day. You can also read the meter yourself and call in the reading (See page 4 on how to read your meter). Keep in mind if you read the meter yourself, it is still considered an estimated reading.

(G) Account Summary: This section contains your previous balance, any payments received during the billing period and your current electric charges.
Customer Service Centers: Your utility has several customer service centers located throughout their service territory where you can pay your bill or obtain customer service assistance.

Bill Form Definitions:

Delivery: This is the charge for delivering electricity, or for balancing and transporting natural gas, to homes. This includes the cost of government mandated programs designed to achieve public policy goals, such as energy conservation. PSE&G will continue to deliver electricity and/or natural gas to its customers and is still the company that customer call if they have problems with their service.

Supply: For electricity, this is the charge for generating electricity, including the cost of the transmission from generation facilities to PSE&G’s local electric distribution system. For gas, this is the charge for the natural gas commodity excluding the cost of the interstate delivery or PSE&G’s local gas distribution system.

Basic Generation Service (BGS): This is the charge for generation of electricity for those customers who do not choose a competitive electric supplier. The BGS charge includes the cost for Energy, Generation Capacity and Transmission.

Basic Gas Supply service (BGS): This is the charge for the gas commodity for those customers who do not choose a competitive gas supplier.

Securitization Transition Charges: The Electric Delivery charges include costs and associated taxes for transition bonds, collected by PSE&G on behalf of PSEG Transition Funding LLC.

Usage: This is the amount of kilowatt-hours (kWh) used during the billing period. This amount will vary due to the number of days in the billing period, family size, appliance use, temperature, etc. Your usage is based on either an actual meter reading or an estimate.

Meter Number(s): This is the serial number of the meter recording your kilowatt-hour usage.

Rate Schedule: This determines how you are billed. There are several different rate types including: residential, commercial or industrial. In this example, the rate type is RS or residential.

Delivery Charge: This charge is for delivering power from the power plant over high-voltage transmission lines and then over lower-voltage distribution lines to homes and businesses. Also included are charges for administering customer account services as well as other costs not related to electricity supply costs that the BPU allows the utilities to charge customers. Remember, regardless of whom you choose to supply your power, your local distribution company will continue to provide the delivery of your electricity.

Supply Charges: This is the cost of producing power. Your electric supply may be purchased from the competitive market, if you choose. This section also provides your price to compare. In order to save money, you must buy your electricity from a supplier at a cost that is less than your price to compare. Your price to compare may vary each billing period depending on your usage.
Why Your Electric Bills Vary Monthly

Billing Periods – Electric bills vary due to the length of the billing period, which can range from 28 to 31 days. Your bill provides an average of the kilowatt-hours used. Be sure to look at these figures and not just the total dollar amount of the bill when comparing monthly bills.

Monthly Fluctuations – Your use of electricity may be different each month and will cause your bills to vary. Weather conditions, a new appliance, a vacation, a change in lifestyle, a new baby, an additional family member or guest, can all affect your monthly bill.

Seasonal Use – On shorter, cooler winter days, more electricity is used due to increased lighting, heating and hot water use. With longer, warmer summer days comes longer use of air conditioners and fans. Extra trips to the refrigerator or freezer during summer months for cool drinks and ice also use more electricity.

Vacations – Your bill may be lower when you are away on vacation, but if it is not, check the dates of the billing period. Make sure they coincide with the days you were on vacation. Remember, many electric appliances continue to work even when you are on vacation. The refrigerator, water heater, clocks, security system, television, VCR and the radio continue to use electricity unless you unplug them. Also, remember that you may have extra laundry before and after your vacation which will increase your bill if you have an electric dryer and/or hot water heater.

Generation Costs – The price of fuel and purchased power used to produce electricity fluctuates. Any increase or decrease in these costs will be reflected in your monthly bill. Additionally, billing rates occasionally change after justification and approval by the New Jersey Board of Public Utilities.

Why Your Electric Bill May Not Be The Same As Your Neighbors

Neighbors with similar electric bills are uncommon, even if their homes are identical in size, have the same number of family members, and have the same type and number of appliances. Each family has its own unique interests and lifestyles. Some families cook a lot, use more hot water and use appliances often. Other families may practice energy conservation. These differences in lifestyles will be reflected in monthly bills. The use of electricity varies according to a family’s needs, activities, numbers, age, type and efficiency of appliances. Your bill will rarely, if ever, be the same as your neighbors.¹

¹ Source, www.heco.com
HOW TO READ YOUR METER

ELECTRIC & GAS METERS

Our energy needs vary widely - by season, day of the week, even hour of the day.

This information about how to read your electric meter and gas meters will be useful in showing you how to measure your consumption. This will give you greater control of your energy budget through an understanding of the ways your use of energy affects your monthly bill.

How Your Meter Measures Electricity and Gas

Your electric meter has either four or five dials that register the amount of electricity you have used in kilowatt-hours (kwh). Your gas meter will have either three or four dials that register the amount of gas you have used in cubic feet. The way both your electric and gas meters work is similar to the odometer in your car. When the hand on one dial makes a complete circle, the hand on the dial to its left moves up one number. As you can see in the diagram below, the hands and numbers on the dials run clockwise or counterclockwise.

Here Is How To Read Your Meter

To get the most precise reading, start with the dial on the right. Always record the number the hand has just passed (remembering that the dial might be going counter-clockwise) and not the number it is approaching.

In the example below, beginning with the right dial the hand is directly on the 2, so you would record 2. The next dial to the left has the hand between the 9 and 0, so you would record 9. Continue reading the remaining two or three dials this way.

Once you have recorded all of the numbers, you then read them from right to left.

In our example, the meter reads 27592. This is your current meter reading. To determine the amount of electricity you have used since the last time you recorded your meter reading, you would subtract your previous meter reading from the current reading.

For example, if your last reading was 26521, then the amount of kwh used is 1,071 kwh. Divide the kwh used by the number of days between readings to calculate the kwh per day.

Keep in mind that when the power company representative reads your meter, they **DO NOT** set it back to zero. Therefore, the dials keep turning until the next time the meter is read.

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**REMEMBER**

Tampering with an electric meter to make it show less consumption, or bypassing the meter entirely, is illegal and dangerous. When someone uses electricity without paying for it, others pay more.

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