

Understanding your electricity bill

Why are bills complicated?

Energy bills are getting easier to understand, as there has been lots of pressure applied to energy companies over the years to simplify bills. Many people are frightened by terms like kWh's and MPANs, as they are not used by many people in day to day living. Energy bills have lots of numbers on them, and most people are frightened by numbers to some degree. Whilst bills may become easier to read in the future, most of us will always find them challenging.

Becoming energy bill aware

Once you become energy bill aware, you are more likely to read your energy bill. You are more likely to think about energy efficiency, and then more likely to regularly switch suppliers.

What is the key information I need to know?

123456789		S	12	345	678	Energy Company
Date of bill: 21 July 2021		10	6622	6633	100	0800 123 456
						Mon-Fri 8am - 8pm

Mr Smith
1 Great Street
Oldham
OL0 0OL

Hello Mr Smith

Your Electricity Bill

For 19 June 2021 - 20 July 2021 (31 days)	
1 The balance on your latest bill	£12.50 in credit
2 You paid us 1 payment of £40	£40 Debit
3 Your charges for this period (Including VAT@5%)	£46.81
4 Your new account balance	£5.69 in credit

Your new account balance is 1 (£12.50) + 2 (£40) - 3 (£46.81) = 4 (£5.69).
This becomes the balance on your next bill and shows whether you owe the energy company any money.

Electricity					
Meter 123456789			Tariff: Best tariff 2021		
Period	Previous reading	Latest reading	Electricity units used	kWh rate	Charge
19 June 21 - 20 July 21	33724 A (Actual)	33972 E (Estimate)	248	17.0 pence	£42.16
Standing charge (31 days @ 15.00p per day)					£4.65
Total electricity charge for this period (excluding VAT@5%)					£46.81

The reading taken at the end of your last bill minus the reading taken on the 20th July.

= units used (248)

£0.17 is the kWh rate multiplied by units (248) = £42.16

Actuals versus estimates

An actual reading is where you or a meter reading agent supply a meter read. An estimate is where no meter read exists and the energy company makes a best guess. The energy company will use your previous billing information to help make that estimate. If you don't take readings over a long period of time, your bill will become less accurate and you could either accrue a large credit, which means the energy company owes you a lot of money. Or you could end up in debit, meaning you owe the energy company a lot of money.

You can take a meter read whenever you like and submit this to your energy supplier. That actual reading will always be used, even if it only covers part of your latest bill.

Get into the habit of supplying regular meter reads and you will reduce the risk of getting large unwanted energy bills.

Still struggling

Our Community Impact Team can support you if you need help understanding or paying energy bills. Get in touch by emailing CommunityImpact@fcho.co.uk or call 0161 393 7117.

Contact details

We are here to support you and you can contact us in the following ways:



0161 393 7117



Tellus@fcho.co.uk



First Place, 22 Union Street, Oldham OL1 1BE

Any Questions?...
Visit Cleo at fcho.co.uk

