



Australian Government
Department of Industry



Ethnic Communities'
Council of NSW inc.

BEST

BUSINESS ENERGY SMART TIPS



Understanding your electricity bill

If you understand your bill, you can find ways to reduce energy use, save money or find a better deal. You can track if your energy cost and usage is rising over time and develop a plan to save costs and energy.

How do I read my electricity bill?

Most energy bills contain similar information and each company displays the information differently. You can find instructions on how to read your bill from your electricity company's website.

If you need help to read your bill, hearing impairment and translation services are available from most energy companies.

What am I paying for?

The price of energy under your contract is called the tariff. This has two main charges, how much you have used and the cost of supplying the electricity.

1. Usage

You are charged for how much electricity you have used. This is usually listed on the back page of your bill and is called the usage charge, variable charge or the consumption charge. Electricity used is measured per kilowatt hour (kWh). Your usage over time can also be displayed in a table of average daily use. This is important if you want to find out if your usage has changed throughout the year.

You pay for your usage in cents per kilowatt hour. This is displayed on the back page in the section where your costs are calculated. How much you are paying is dependent on your contract with your supplier.

Your bill may refer to off peak, peak and shoulder. This is a time of day or time of use tariff. This is charged depending on what time of the day you use your electricity, in the quieter or the busier times. Each



company use different times of day to describe what is off peak, peak and shoulder. By using electricity when it is a lower cost you can make savings.

Alternately you may have one fixed rate called a single rate or flat rate tariff. You are charged for how much electricity you use no matter what time of day that it is used. For smaller businesses this is the most common tariff.

2. Fixed charges

This charge is also known as the service charge, network or supply charge. This part of your tariff is for the delivery and maintenance of your electricity supply to your business each day regardless of your usage. It will mostly stay the same for each bill. For many businesses this fixed charge may be the biggest cost of your bill.

Other costs – fees

Your business may be charged for fees when you end or change a contract, pay late or become disconnected or need to be reconnected. If you are having difficulty paying or you think you have been overcharged ring and let your company know straight away.

How can I save money?

- ✓ Reduce your use of energy by undertaking no cost, low cost and longer term actions. See the Business Energy Smart Tips Checklist at www.eccnsw.org.au/best
- ✓ If you are on a time of use tariff change when you use energy to take advantage of lower costs in the off peak and shoulder time of day.
- ✓ Talk to your supplier about discounts on the whole bill, fixed charges or usage tariff.

Some companies now also add your Greenhouse Gas Emissions to show your impact on the environment. By reducing your electricity usage, your impact on the environment is reduced.

Other information

- Trade & Investment Resources & Energy:
http://www.energy.nsw.gov.au/__data/assets/pdf_file/0007/368458/3.9-02-Electricity-Bill-Final.pdf
- Energy Made Easy:
www.energymadeeasy.gov.au

