# **5 Tips for Understanding Your Electric Bill**

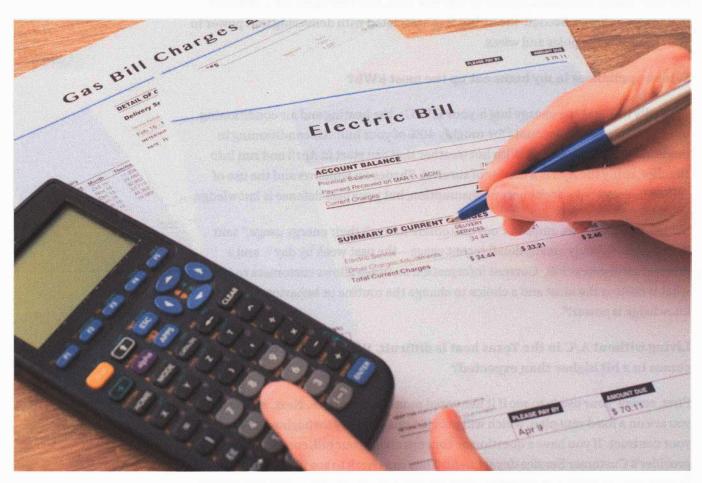
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Electric bill charges paper form on the table

For years, I was one of those "get the electric bill and just pay

it" people, not bothering to dig into the details. But a recent move to a new residence and curiosity how my energy costs might change prompted me to do some digging. What I discovered would save me thousands over the next several years.

Figuring an expert was needed, I asked JP Campione, Manager, Retention Strategy, at Direct Energy, to answer some questions about the billing process. What I learned was that reading my electric bill was essential to understanding the "how much" – how much energy I was using and how much I was paying. It can also provide clues for lowering those costs as well.

### What's the basic makeup of an electric bill?

No matter who your electricity provider is, your bill has two main parts. First are the number of kilowatt hours (kWh) measured. The kWh tells your Retail Electric Provider (REP) how much electric power you used, and that's how they calculate your energy charge. Second the utility fees associated with delivering that power to your home via the poles and wires.

### Which appliances in my home eat up the most kWh?

Typically in Texas the energy hog is your HVAC – the heating and air conditioning unit. This one device accounts for roughly 40% of your bill! Air conditioning in modern homes is essential; With hot weather that can start in April and run into October, using the A/C is a matter of survival. Shades on windows and the use of ceiling fans can pare back energy consumption, but your best defense is knowledge.

"At Direct Energy, we empower our customers to track their energy usage," said Campione. "Weekly emails detail recent usage – the past week by day – and a forecast for the next bill. Current information on usage allows customers to identify what is costing the most and a choice to change the routine or behavior. So – knowledge is power!"

# Living without A/C in the Texas heat is difficult. What can I do when my bill comes in a bit higher than expected?

First, review your usage to see if it increased month over month. Next, make sure you are on a fixed rate plan, which will provide rate stability throughout the term of your contract. If you have a question or concern about your bill, contact your provider's Customer Service department. They can check to see if there was an error in calculating your usage. However, if it's all 'you not pressing the off switch,' ask if your provider has an average-billing plan. That means you agree to pay a similar amount every month based on your usage history.

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where weekend hours are free. Those kWh show up on your bill, but you're not charged for them.

### What are some ways I can decrease my electric bill?

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"Our Free Power Weekend plan starts on Fridays at 6 pm and runs through Sunday at midnight, all year long. That's the most free weekend hours of any provider in Texas\*."

## There are great plans to choose from, but what else can make for a "friendlier" electric bill?

In a competitive market like Texas, providers know that even the best rate needs a little extra added value to stand out. While these will vary with each company, Campione explained that Direct Energy has put together a sort of "whole home" concept.

"Through strategic partnerships, Direct Energy offers various types of home-related products and services, like HVAC maintenance plans, surge protection and home warranties."

### To Wrap Up...

Texans are fortunate that the competitive market provides options from which to choose. Although each household's electric bill will be different in a variety of ways, reading and understanding that bill is easier when you know some of the basics.

If you have questions about a charge or want to investigate how to decrease your costs, call your provider—there should be experts standing by to help. If the company has an active social media presence, you can check that out for information, products and services, and community forums. For a good example, click through to Direct Energy's Facebook page.

### Disclaimer

\*Most free hours weekend electricity claim as of May, 17 2017 when compared to other retail electric providers offers listed on the powertochoose.org website. Subject to change.

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