Making Sense of Your Electric Bill

Your electric bill is generally divided into three categories: delivery charges, supply charges, and taxes.

Traditionally, delivery charges, which cover the cost of getting electricity to homes, have been set by the Illinois Commerce Commission (ICC) after 11-month rate cases. However, Ameren and ComEd now set those rates through a legislatively approved formula that is subject to ICC review.

The cost of the actual power (the supply charge) that ComEd and Ameren send to their customers is left up to the market.

Electricity usage is billed by the kilowatt-hour (kWh)—roughly enough power to clean a load of dishes in the dishwasher or run a window air conditioning unit for an hour.

A customer’s previous and current meter readings are listed on the bill, along with the dates they were taken. The difference between the two readings is the electricity usage for the current billing period (typically a month).

A utility company should read a customer’s meter at least once every other month. If it doesn’t read your meter, your monthly bill will be estimated, and “E,” “EST,” or “ESTIMATED” will appear on it. That means your usage for that month was based on last year’s usage for the same month, adjusted for weather.

If the company doesn’t read your meter for two consecutive months, call it and find out why. Request an actual reading, or call CUB, at 1-800-669-5556, to learn how to read your own meter.

Sample bill

Electric bills differ depending on the utility, but CUB created this sample bill to give you a general idea of what’s what. The number next to each charge corresponds with number next to the description on following page.

![Sample bill table](image-url)

1. **Customer Charge**
2. **Standard Metering Charge**
3. **Distribution Facilities Charge**
4. **IL Electricity Distribution Tax Charge**
5. **Electricity Supply Charge**
6. **Purchased Electricity Adjustment**
7. **Transmission Services Charge**
8. **Environmental Cost Recovery Adj**
9. **Energy Efficiency Programs**
10. **Franchise Cost**
11. **State Tax**
12. **Municipal Tax**

This is where energy-efficiency makes the biggest impact.

When your utility asks for a rate hike, it's trying to increase these charges.
Glossary of Charges
You may see some or all of these charges on your bill. The number next to each charge corresponds to the number on the sample bill on the previous page.

Delivery Charges:
(1) Customer charge (basic service charge). This flat fee covers the administrative costs of doing business, such as billing, postage, and building rent costs. The ICC must approve this charge.

(2) Distribution delivery charge (distribution facilities charge). This per-kWh charge, set by the ICC, covers the costs of delivering power to your home and maintaining the equipment and wires that carry the electricity. This charge also covers fixed costs not recovered through the customer charge.

(3) Meter charge (standard metering charge). This charge, set by the ICC, covers the costs of meter reading and other services such as installing, maintaining, and testing meter equipment.


Supply Charges:
(5) Energy charge (a.k.a. electricity supply charge, purchased electricity). This per-kWh rate is for the actual power you use. The rate is multiplied by how many kWhs you use. ComEd and Ameren are supposed to pass these energy costs on to customers with no markup. However, this charge may be slightly higher than the actual market price because it is adjusted for other costs, such as “line loss.” That’s when power traveling over the lines is lost as it gives off heat.

(6) Market value adjustment (purchased electricity adjustment). Your utility is supposed to pass the price of electricity on to customers with no markup. This monthly adjustment, a credit or a debit, attempts to “true-up” any discrepancy (over or under) between what Ameren or ComEd paid for electricity and what you paid for the energy charge.

(7) Supply cost adjustment. This charge covers other administrative costs connected to procuring power. ComEd does not have a separate line item for this charge, but rolls it into the energy charge.

(8) Transmission service(s) charge. This is similar to the distribution charge, which covers the delivery of power from the utility to your home. However, this charge covers delivery from the power generator to your utility. If your utility wants to increase this charge, it has to get approval from the Federal Energy Regulatory Commission (FERC). ComEd’s charge, for example, is 1.262 cents per kWh. Ameren’s charge is 0.911 cents per kWh.

Other Charges:
(9) State tax (Illinois state electricity excise tax). This state tax is a third-of-a-cent per kWh.

(10) Municipal tax. State law caps the amount of utility taxes that cities can impose. The utility collects the money through a rate that’s less than a penny per kWh and forwards it to the municipality. It’s also called the “local government compliance charge.”

(11) Environmental cost recovery. This charge covers clean-up costs at former gas-manufacturing sites. It’s also called the “environmental factor EPA charge” and the “electric environmental adjustment clause.”

(12) Franchise cost. Some cities require a utility to pay a fee or provide other benefits in exchange for the right to deliver electricity to them. Utilities recover those costs from the customers in those communities.

(13) Energy Efficiency Programs. Under the Public Utilities Act, ComEd and Ameren can recover the costs of energy-efficiency and “demand-response” programs designed to help consumers save money. This per kWh charge covers programs such as air-conditioner cycling, appliance recycling, and Hourly Pricing. Learn more about these incentives at CitizensUtilityBoard.org.

Meter Information:
(14) Read Date. The last date your meter was read.

(15) Meter Number. Your electric meter’s ID number.

(16) Load Type. Residential customers have “General Service.”

(17) Reading Type. Your electric usage is measured in kilowatt-hours.

(18) Previous. The previous month’s meter reading.

(19) Present. The current month’s meter reading.

(20) Usage. The number of kilowatt-hours your household consumed during the last billing period, equal to the difference between your present and previous meter readings.
### What Your Electric Utility Charges (through May 2017):

<table>
<thead>
<tr>
<th>Company</th>
<th>Monthly Customer Charge*</th>
<th>Energy Charge Non-Summer</th>
<th>Energy Charge Summer</th>
<th>Distribution Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ameren Zone 1</strong> (formerly CIPS)</td>
<td>$12.35</td>
<td>5.497/kWh, 0-800 kWh</td>
<td>4.637¢/kWh (June-Sept. 2016)</td>
<td>Summer: 4.727¢/kWh</td>
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<td></td>
<td></td>
<td>3.759/kWh, over 800 kWh</td>
<td></td>
<td>Non-summer: 2.770¢/kWh for the first 800 kWh, 1.485¢/kWh after</td>
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<td>(Oct 2016-May 2017)</td>
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<tr>
<td><strong>Ameren Zone 2</strong> (formerly CILCO)</td>
<td>$12.54</td>
<td>5.497/kWh, 0-800 kWh</td>
<td>4.637¢/kWh (June-Sept. 2016)</td>
<td>Summer: 4.727¢/kWh</td>
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<tr>
<td></td>
<td></td>
<td>3.759/kWh, over 800 kWh</td>
<td></td>
<td>Non-summer: 2.770¢/kWh for the first 800 kWh, 1.485¢/kWh after</td>
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<td>(Oct 2016-May 2017)</td>
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<tr>
<td><strong>Ameren Zone 3</strong> (formerly IP)</td>
<td>$12.70</td>
<td>5.497/kWh, 0-800 kWh</td>
<td>4.637¢/kWh (June-Sept. 2016)</td>
<td>Summer: 4.727¢/kWh</td>
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<tr>
<td></td>
<td></td>
<td>3.759/kWh, over 800 kWh</td>
<td></td>
<td>Non-summer: 2.770¢/kWh for the first 800 kWh, 1.485¢/kWh after</td>
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<td></td>
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<td>(Oct 2016-May 2017)</td>
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<tr>
<td><strong>ComEd</strong></td>
<td>$10.48</td>
<td>5.111¢/kWh (Oct 2016-May 2017)</td>
<td>4.928¢/kWh (June-Sept. 2016)</td>
<td>Space heat: 1.262¢/kWh for single-family, 2.096¢/kWh for multi-family</td>
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<tr>
<td></td>
<td>for single-family homes and buildings with two units ($11.92 space heat customers)</td>
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<td></td>
<td>Non-space heat: 3.272¢/kWh for single-family, 3.304¢/kWh for multi-family</td>
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<td></td>
<td>$7.57 for buildings with three or more units ($8.05 space heat customers)</td>
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<td><strong>Real-Time Pricing customers pay an additional $0.39—rolled into the customer charge—to cover program costs.</strong></td>
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<td><strong>MidAmerican Energy</strong></td>
<td>$7.70</td>
<td>2.705¢/kWh for first 1,000 kWh</td>
<td>5.695¢/kWh for all usage</td>
<td>2.729¢/kWh</td>
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<td>0.878¢/kWh for usage over 1,000 kWh</td>
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</table>

*The customer charge listed may include small fees for state funds to subsidize heating costs for low-income consumers and to develop renewable energy and “clean-coal technology.” It also may include a fee to recover the costs of real-time pricing programs, which allow homes to pay an hourly rate for power; a fee to cover utility billing costs associated with alternative retail energy suppliers; and an uncollectibles charge.