

Electric Bill Breakdown

What are we paying for?

- 1. Choose a sample bill.
- 2. What information is found on an electric bill?
- 3. How are people charged for electricity?
- 4. How does electricity use change from month to month? Why might this happen?
- 5. How might the information on this bill, plus your thoughts about question #4 help people make changes in the way they use electricity?
- 6. At home: Get a copy of your home's last electricity bill. Use it to make a plan for saving!





Each month the electric bill arrives and many do little with their bill other than give a quick glance at the amount due. Electric bills have a lot of information, some of which can be used to monitor and make changes to the amount of electricity used each month. One of the first things to figure out is how utility companies determine charges for electricity.

Consumers are charged for the number of kilowatt-hours (kWh) they use during a billing cycle. While the number of kWh a customer uses is the basis for an electric bill, utility companies vary in their pricing structures. Contact the provider to learn about their specific pricing structure.

As an example, Central Maine Power (CMP) charges a flat rate for the first 100 kWh used each month and for every kWh after that charges \$0.060333* per kilowatt-hour. This makes up the "Electricity Supply" portion of their bill. In Maine, electricity companies own the wires, poles, transformers, meters, and other equipment needed to deliver the electricity to our homes and businesses. The price for this service is listed in the "Electricity Delivery" portion of the bill.

^{*}rate as of 5/2012