



energy retail association



## Understanding your electricity and gas bills

Code of Practice for Accurate Bills

Since 1998, electricity and gas companies have been able to compete with each other and customers have been able to shop around and choose the best energy supplier for them. It is a competitive market with thousands of customers switching supplier every week.

## What is this Code?

Britain's energy suppliers now send out around 200 million bills a year to households across the country. Most customers have no problem with their bill. However, any problem is unacceptable, which is why the companies decided to come together to develop this Code of Practice for Accurate Bills.

The most important thing to remember is that billing is an arrangement between your supplier and you. This Code of Practice explains how you and your supplier can keep your energy account running smoothly.

### **This leaflet explains:**

- What the Code of Practice for Accurate Bills covers
- What you can expect from your energy supplier regarding bills and statements
- What you can do to make sure you receive the right bill at the right time

The Code of Practice has been developed by the Energy Retail Association for British Gas (including Nwy Prydain and Scottish Gas), EDF Energy, npower, Powergen and Scottish Power. These companies all support the independently-audited Code of Practice and are committed to the high standards it contains.





## 1. How is your bill calculated?

Your home will have an electricity meter and gas meter, if you use gas, and these meters keep track of the amount of energy you use. Your energy supplier will use the readings from your energy meters to calculate the amount of your bill, which you will receive regularly.

## 2. Reading your meter regularly

Your energy supplier will try to read your meter on a regular basis - every two years at the very least. However, if your meter is inside your home, and your supplier cannot get in to read it, then your supplier will ask you to send them your own meter reading. Your supplier will provide you with an explanation of how to read your meter if you need this.

**Remember, your bill will be more accurate if your supplier has your actual meter reading.**

## 3. Estimated bills

If your energy supplier does not have an actual meter reading, they will send you an estimated bill based on your past levels of energy consumption and/or the average consumption for your type of property.

Your bill will make it clear whether it is based on a reading by you, by your supplier or an estimated amount.

If you receive an estimated bill, it is always a good idea to compare the estimated reading on the bill with the actual reading on your meter. You can send your meter reading to your supplier at any time and if it arrives too late for your current bill or statement, it will be used to improve the accuracy of future bills.

## 4. Understanding your bill

Legal requirements mean that your bill must carry a lot of information but suppliers do make every effort to ensure that your bill is as clear and understandable as possible.

**The key features on your bill will be:**

- Explanation of how the bill has been calculated
- When the payment is due
- A clear indication of any change in price
- Ways to contact your supplier with any questions

Your bill will also have gone through a process, which will double check any amount which appears to be unusually large or small before it is sent.

Your energy supplier will also regularly test its bills with various panels of customers to make sure they are easy to understand.

## 5. If your energy supplier owes you money

If it is agreed that your supplier owes you money then it will be refunded in accordance with your payment plan. Alternatively, you may be able to carry it over to pay for future consumption.

With monthly Direct Debit you spread your energy costs over the year, building up credit for the colder months. This evens out the payments and your supplier will not normally refund your account in the summer as this credit will be used to pay for the higher bills in the winter.

## 6. Pre-payment meters

If you have a pre-payment meter, such as a token meter, a charge card or key, then your supplier will provide you with a quarterly or annual statement on your use of electricity and gas.

Your energy supplier will tell you when it may be necessary for your pre-payment meter to be adjusted, for example, if there is a change in price.

**Remember that your supplier may need to get access to your pre-payment meter to update it.**



## 7. Additional help

There are a wide range of services and payment options available for customers who have difficulty paying their energy bills. These may include advice on energy efficiency, which may help to lower your bills or offering you a different payment method, for example a pre-payment meter.

Call your energy supplier immediately if you are having difficulties paying your electricity and/or gas bills. You can also request that your bills and related correspondence are sent to a relative, friend or nominated third party.

Disconnection of your energy supply, for non-payment of bills, is only used as a last resort and there are detailed procedures to safeguard vulnerable customers from this.

## 8. Are you moving home?

If you are moving home then remember to notify your supplier and provide them with your final electricity and gas meter readings. When you arrive at your new home, you should also take your new meter readings and give these to your supplier.

If you cannot provide the actual meter readings then your old and new bills will have to be estimated.

## 9. Are you changing supplier?

If you are changing supplier then your new supplier will ask you to provide the electricity and gas meter readings or explain how they will obtain the readings.

The energy suppliers will then communicate between themselves to make sure that they agree on the meter readings and will tell you if any more information is necessary.

If you cannot provide the actual meter readings or the supplier does not obtain the readings then your old and new bills will have to be estimated.





## 10. What about mistakes by the supplier?

If your supplier is at fault, and you do not receive a bill for more than two years, then from July 2006 any outstanding debt that relates to energy consumed more than two years ago will be cancelled. From July 2007, this will reduce to one year.

Your energy supplier will provide you with details of how any queries about your bill can be answered. If you have a complaint against your supplier then they will provide you with details of how your complaint will be handled.

If your supplier has been unable to resolve your complaint, they will provide you with details of how you can raise your complaint with the independent Energy Supply Ombudsman who offers a free service to customers of energy supply companies. You must try and resolve your complaint with your supplier before you are eligible to seek assistance from the Energy Supply Ombudsman.

## 11. Commitment to this Code

Your energy supplier will have systems in place to make sure it is complying with all aspects of this Code of Practice for Accurate Bills. As a further sign of commitment to this Code, the Energy Retail Association has appointed independent auditors to review the compliance. An independent Code Manager also monitors the day-to-day performance and a range of sanctions are in place in the event of non-compliance with any part of this Code of Practice.

The industry is confident that this Code of Practice will improve billing standards even further so that customers can consistently enjoy the level of service they expect.

## Further enquiries

If you have any queries about your bill or this Code of Practice you should contact your supplier, who will take into account your individual circumstances to try to resolve any problems to your satisfaction.

You can also contact energywatch, the independent gas and electricity watchdog, for free and impartial advice and information about energy supply on 08459 060708.

## Contact details

By email: [info@energy-retail.org.uk](mailto:info@energy-retail.org.uk)

By post: Energy Retail Association  
4th Floor  
17 Waterloo Place  
London  
SW1Y 4AR  
UK