Electric Bills Explained

The following example explains line items found on residential electric bills

**Electric Delivery Charges**

Delivery charges represent Central Hudson’s costs for delivering electricity to homes and businesses over our region’s network of electric lines, operating and maintaining the delivery infrastructure, and providing an array of customer services.

- **Basic Service Charge:** Includes maintenance of electric lines, meter reading, and other costs.
- **Delivery Service Charge:** The cost to deliver electricity to customers, whether purchased from Central Hudson or another supplier.
- **MFC Administration Charge:** This merchant function charge reflects the cost incurred when independent marketers bill through Central Hudson’s billing system. Customers receiving a separate bill avoid this charge.
- **Transition Adjustment:** This charge recovers revenues lost to utilities when customers purchase their energy supply through independent marketers.
- **System Benefits Charge (SBC):** Mandated by the state, this charge is to fund a number of initiatives, including energy efficiency programs, assistance for low-income customers, energy research & development, and also to encourage the use of renewable energy sources.
- **Revenue Decoupling Mechanism (RDM):** A mechanism intended to minimize the impact to Central Hudson resulting from reduced energy consumption as efficiency programs are implemented.
- **Total Delivery Charges:** The total cost to deliver electricity for all customers, whether purchasing energy from Central Hudson or an independent supplier. Includes Basic Service Charge.

**Electric Supply Charges**

Supply charges are Central Hudson’s costs for electricity purchased on behalf of its customers on the wholesale market. Note that Central Hudson does not mark up supply charges.

With deregulation, customers are able to choose their electric and natural gas suppliers. Unbundled bills allow customers to see and compare supply prices so that they can make informed decisions.

**Other Items**

- **NYC & Local Revenue Taxes and Surcharges:** Taxes and surcharges imposed by the State of New York and local authorities, to be collected from all customers.
- **For This Billing Period:** This last paragraph indicates your average price of electricity per kWh for the billing period, exclusive of taxes and delivery charges. This price can be used to compare other suppliers’ electricity offers.