

# 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.

**a Basic Service Charge:** Includes maintenance of electric lines, meter reading, and other costs.

**b Delivery Service Charge:** The cost to deliver electricity to customers, whether purchased from Central Hudson or another supplier.

**c 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.

**d Transition Adjustment:** This charge recovers revenues lost to utilities when customers purchase their energy supply through independent marketers.

**e 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.

**f Revenue Decoupling Mechanism (RDM):** A mechanism intended to minimize the impact to Central Hudson resulting from reduced energy consumption as efficiency programs are implemented.

**g 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.

| Electric  | Meter #  | RATE E150 HEATING          |
|---|--|----------------------------|
| Electric Service Charges 1286 kWh at a cost of \$207.11         |  |                            |
| Average Daily Cost for Electric \$6.9037                        |  |                            |
| Amount of Electricity Used                                      |  |                            |
| Aug 02, 2018  | Present Reading (est.)   | 92735                      |
| Jul 03, 2018  | Previous Reading (act.)  | 91449                      |
| Electricity Used (kWh)  |  |                            |
| 1286  |  |                            |
| Cost for Electricity Used (for 1.0 months)                      |  |                            |
| ENERGY DELIVERY CHARGES:  |  |                            |
| <b>a</b>  | Basic Service Charge   | 1.0 Mos @ 21.00 21.00      |
| <b>b</b>  | Delivery Svc Chg   | 1286 kWh @ 0.07563 97.26   |
| <b>c</b>  | MFC Admin Chg  | 1286 kWh @ 0.00180 2.31    |
| <b>d</b>  | Transition Adj   | 1286 kWh @ 0.00017 0.22    |
|   | Bill Credit  | 1286 kWh @ -0.00190 -2.44  |
| <b>e</b>  | SBC/RPS Chgs   | 1286 kWh @ 0.00698 8.98    |
|   | Purch. Power Adj   | 1286 kWh @ 0.00000 0.00    |
| <b>2</b>  | Misc. Charges  | 1286 kWh @ 0.00279 3.59    |
| <b>f</b>  | RDM Chg  | 1286 kWh @ -0.00280 -3.60  |
| <b>g</b>  | Total Delivery Chrgs   | 127.32                     |
| ENERGY SUPPLY CHARGES:  |  |                            |
| (You may choose another supplier for this part of your service) |  |                            |
|   | MFC Supply Chg   | 1286 kWh @ 0.00325 4.18    |
| <b>3</b>  | Market Price   | 1286 kWh @ 0.06674 85.83   |
| <b>4</b>  | Market Price Adj   | 1286 kWh @ -0.01047 -13.46 |
|   | Total Supply Chrgs   | 76.55                      |
|   | NYS & Local Taxes and Surcharges   | * 3.24                     |
|   | TOTAL ELECTRICITY COST   | \$207.11                   |
| <b>#</b>  | For this billing period, the average cost of energy we purchased for you was \$0.05952 per kWh (excluding taxes). You can use this number to compare our price to other suppliers' prices. |                            |

**1 Purchase Power Adjustment:** Usually a credit, this item reflects the long-term power purchase agreements that have been negotiated between Central Hudson and the new owners of its former power plants.

**2 Miscellaneous Charges:** Credits and charges related to transactions with, for example, the grid operator. For non-demand customers also includes costs associated with the Company's Targeted Demand Response Program, the Company's Distributed System Implementation Plan, the costs associated with certain elements of Value Stack Compensation related to the purchase of generation, and the Company's Commercial System Relief Program.

**3 Market Price:** The average wholesale price of all energy required to meet the needs of Central Hudson's full service customers (those who purchase supply from Central Hudson, as well as delivery).

**4 Market Price Adjustment:** An adjustment — either plus or minus — of the previous month's market price of energy to reflect any differences caused by the timing of billing and collection.

### Other Items

**\* NYS & 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.