

Background on Bill Comparisons for Non-Competitive Markets

Each month the Electric Division compiles an electric bill comparison of various utilities in Texas that are not yet open to competition and a few utilities from other states. The purpose of this schedule is to compare the costs of specific amounts of usage in various rate classes within a given month.

The participating utilities provide electric bill information in the following categories:

Residential		Commercial		Industrial	
kWh (Energy)	kW (Demand)	kWh (Energy)	kW (Demand)	kWh (Energy)	kW (Demand)
500	--	7,500	35	87,000	300
1,000	--	15,000	35	174,000	300
				145,000	500
				290,000	500
				720,000	2,500
				1,440,000	2,500

Each utility calculates a "typical" customer's bill for each level of usage based on the rate schedule under which the customer would most likely be served. Most utilities have a Residential Rate Schedule and possibly one or more Commercial and/or Industrial Rate Schedules. Where more than one rate schedule may apply, the utility has the choice of deciding which rate schedule will be reflected in its calculation.

The dollar amount shown will include all regular charges billed by that utility. For example, at 500 kWh, a typical residential customer's bill will usually include a customer charge, the energy charge for 500 kWh, and possibly a fuel factor charge. Seasonal rate changes will be reflected in the bill comparison as they occur. The bills for the utilities in Texas are verified using a computer spreadsheet that reflects the utility's rate schedules in its current tariff manual. The residential bill amount shown for the previous year is taken from last year's bill comparison. Rate information supplied by the utilities outside of Texas is not subject to verification by Commission staff.

The three columns on the right of the first page of the bill comparison provide an indication of the cost of average residential usage with a particular utility. The bill amounts shown are the result of a calculation by the utility that applies current rates to the previous year's average residential kWh usage for the same month. Many variables influence the amount of electricity used, including weather, income level, heating source, and structural efficiency. An all-electric home will demand more electricity than a similar structure with multiple energy sources (e.g. gas, solar, and electricity).

The basic information in the bill comparison is furnished by the utilities included in the report and is intended to give an overview of current electric bills throughout the state and certain markets outside of Texas.

This survey is compiled by the Electric Division of The Public Utility Commission of Texas. The information contained in this survey should not be construed as advocating or necessarily reflecting

any policy position of the Public Utility Commission of Texas, or any other organization. The survey is made available for informational purposes only.

The data and computations are provided by each participating utility listed.