Electricity costs explained



Your electricity bill includes a cost breakdown, and while they don't all look exactly the same, here are examples of the common charges you may see on your bill.

Flat rate (Usage)
Your electricity use is charged at a flat rate per unit of electricity used.

Peak/Off-Peak (Usage)
You pay a lower rate for using electricity in 'off-peak' hours.

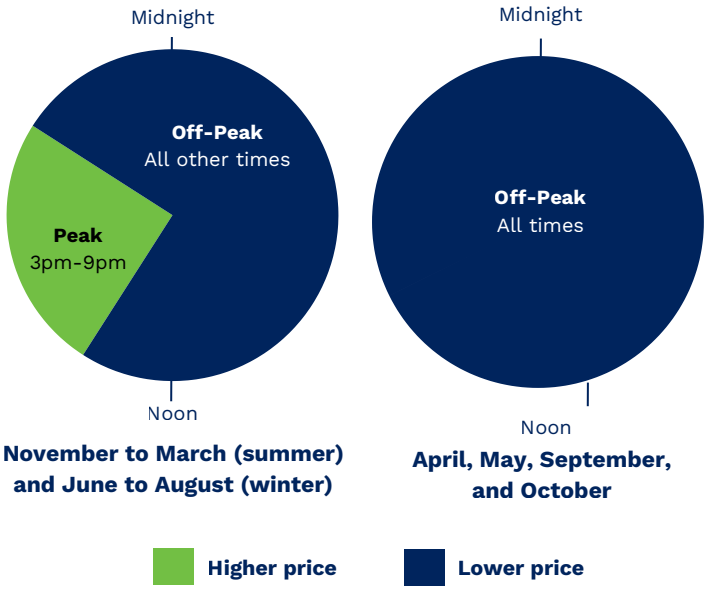
Supply Charge
This is a daily fixed charge that applies to the number of days in the billing period.

Demand Charge
A variable charge based on the level of demand your household places on the network during a specified time period.

Peak and Off-Peak Pricing

There are times in the day everyone is looking to use electricity putting greater pressure (demand) on our electricity network. This is typically when everyone is coming home from work or school and using a lot of appliances. This is called a Peak period.

To relieve that pressure, energy providers introduced off-peak periods to reward people with cheaper rates who were able to shift their energy use to a different time of day.



Depending on your retailer your peak and off-peak times may be different. Check your bill for how this might be structured for you.

Flat Rate vs. Peak / Off-Peak

If you're able to shift when you use electricity to off peak times, it may be a good idea to talk to your retailer about a Time of Use (Peak / Off-Peak) plan instead.

Retailer Pricing

Whilst networks like Ausgrid set pricing for retailers on the infrastructure chargers (~30% of your bill), retailers decide how they bundle and structure costs to consumers, incorporating their retailer cost and the cost of generation.

For more information visit
ausgrid.com.au/WaysToSave

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