

## Overview

Budget Billing is a free service offered by NYSEG/RG&E which helps customers by spreading their energy costs evenly over 12 months; preventing the seasonal highs and lows of heating and/or cooling costs. Monthly payments are calculated by dividing electric and/or gas usage amounts for a location over the past year by 12. With the Budget Billing service, customers can anticipate and budget their energy payments.

Enrollment in the Budget Billing service is easy, methods include: online at our websites; completing the enrollment section on the back side of their bill stub and returning it with their payment; calling our self-service phone numbers; or calling our Customer Service numbers and speaking with a Customer Service representative.

Customers enrolled in Budget Billing service receive a bill either monthly or bi-monthly depending on their normal bill cycle. The bill displays a Budget Billing Summary informing the customer of the following:

- 12-month Budget Billing plan end month;
- current amount due;
- actual energy charges since the start of the Budget Billing year;
- Budget Billing amounts billed thus far; and
- The difference between the actual charges and the budget amount billed.

Accounts enrolled in the Budget Billing service are reviewed regularly and in a timely manner for accurate installment amounts:

- Every three months we review the account and, if necessary, we adjust the budget payment utilizing the most recent 12 month average billing amounts.
- At the end of each Budget Billing year, the budget billing “summary” is invoiced. This amount may be a debit or credit based on the amount used over the 12 month budget year versus the amount billed. Resulting credit amounts can be released to the customer at their request or would remain on the account toward the customers next bill.
- After balancing the account in the 12<sup>th</sup> month, the budget program starts again. Budget Billing amounts are recalculated and the period starts over.
- Customers are encouraged to track their payments versus energy use in the Budget Billing Summary we include on the bill each month.

## Eligibility

All customers are eligible for Budget Billing service unless they are:

- In arrears and have not entered into a deferred payment agreement
- Customers who have indicated their term of service is less than 1 year?

- On a seasonal billing rate
- A DSS Voucher customer
- A Mandatory Hourly Pricing (MHP) customer

### **Calculations for monthly Budget Billing Amounts**

Budget Billing amounts are calculated by dividing the customer's prior 12 months of electric and/or gas bills by 12. A minimum of 6 months of electric and/or gas bills are required for the system to calculate a budget amount. If the customer is billed bimonthly, this calculation is then doubled.

In the event that a calculation cannot be determined due to lack of historical usage for the current customer, the budget calculation can be done manually or a quote from a prior customer at the premise can be used. For the manual calculation, the most recent bill history for the premise, up to twelve months, is used. The billed amounts are summed and divided by the number of billed months. For a brand new build, customers are encouraged to request a budget after a year's worth of history is available.

### **Requests for Budget Billing Service Quotes:**

The same calculation noted above is also used when providing a customer a Budget Billing service quote requested during the Move-In process. If the person requesting the information is not yet a customer, we are able to provide a Budget Billing service quote based on the current account holder's usage for the desired service address.

### **Regular Meter Readings**

Regular meter readings – by the Company or customer – are necessary for accurate Budget Billing service bill. Otherwise the Budget Billing amounts will be based on estimated energy use and not actual consumption.

### **Review Process and Adjustments**

Budget Billing accounts are automatically reviewed every three months to ensure that the Budget Billing amounts billed reflect the customer's actual usage throughout the Budget Billing year. These reviews minimize large debit or credit amounts at the end of the Budget Billing year. During reviews, any Budget Billing balance falling within the range of the established parameters results in an automatic Budget Billing amount recalculation and amount due for any remaining Budget Billing amounts due.

No action is taken for recalculated budget billing amounts that result in a change which is less than lower range and a manual review is performed for recalculated budget billing amounts that result in a change that are greater than the range. Also, a customer can request a manual review of their budget at any time.

## Dunning

Customers enrolled in Budget Billing service who do not pay their monthly Budget Bill will be subject to late payment charges based on the full bill amount and can be removed from the Budget Billing due to arrears.

If a customer is in arrears for an amount greater than \$100:

- Their account will be removed Budget Billing service on the 33<sup>rd</sup> day from the bill statement date.
- The removal from Budget Billing will only take into consideration *Budget Billing* arrears. Any other charges (i.e., IP, balance transfer, etc.) on the account that fall past due will not cause the account to be removed from Budget Billing service. The difference between the Budget Billing amount billed and the actual cost of energy (Budget Billing balance) is billed at the next billing date after the removal. A message on the bill (page 2) informs the customer that their account was removed from Budget Billing service – refer below:


Your account has been removed from Budget Billing service because of past due budget billing amounts. If you would like to be re-enrolled in Budget Billing, please pay all past due amounts; then contact us at [1.800.572.1111 (NYSEG); 1.800.743.2110 (RG&E)], Monday through Friday, 7 a.m. to 7 p.m.

- Customer's whose accounts are removed from Budget Billing due to arrears, will be eligible to re-enroll in Budget Billing service after they have paid their past due charges or entered into an installment plan.

## Billing

A customer can start Budget Billing service at any time during the calendar year. Once enrolled, the Budget Billing service starts with the next bill issued.

### Sample Budget Billing Invoice #1



CANDI BARR

**Account Number:** 2001-1237-567

**Statement Date:** May 13, 2016

**Amount Due:** \$110.97

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*Service Address: 1234 DEWEY AVE, ROCHESTER NY 14616*  
*Next Scheduled Read Date: On or about June 09, 2016*

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**Account Summary**

Previous invoice	\$110.97
Payments received as of 05/12/16	-110.97
Balance forward	0.00
Miscellaneous charges	0.97
Budget billing amount	110.00
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This amount will be deducted from your bank account on 06/05/16.	\$110.97

To avoid a 1.5% late payment charge, please ensure payment is received by the date displayed below.

Residential

Residential consumer discount \$ 1.23

See details beginning on page 3

See messages on page 2

**Budget Billing Summary** <sup>1</sup> Plan End Date: 06/2016

Current Month	Actual Charges since 07/01/15	Budgets Billed since 07/01/15	Budget Balance (after payment)
110.00	1,626.06	1,642.00	-15.94

Customer is ahead \$15.94 in their budget after payment


2
3
4
5

### Budget Billing Summary:

1. **Plan End Date:** month and year the Budget Billing service is scheduled to be reviewed after 12 months. The difference in the cost of energy used compared to the total payments made will be due at this time.
2. **Current Month:** The monthly Budget Billing service amount due for all services enrolled (i.e., electricity, natural gas, electricity and natural gas).
3. **Actual Charges Since 07/01/15:** The total consumption costs since the beginning of the current Budget Billing service year. The "actual charges since" date will reflect the start date of the customer's Budget Billing year.
4. **Budgets Billed Since 07/01/15:** The total dollar amount of Budget Bills sent to the customer in the current Budget Billing service year, including the current month's Budget Billing amount.

5. **Budget Balance (after payment):** The total amount the customer is ahead or behind in the Budget Billing year to date; referred to as the Budget Billing Differential. This is the difference between the actual consumption charges and the Budget Billing service monthly amounts billed to the customer.

**Sample Budget Billing Service TRUE-UP Bill – Page 1 of Bill**

		CANDI BARR	
		<b>Account Number:</b>	2001-1237-567
		<b>Statement Date:</b>	June 10, 2016
		<b>Amount Due:</b>	<b>\$76.13</b>

Service Address: 1234 DEWEY AVE, ROCHESTER NY 14616  
Next Scheduled Read Date: On or about August 10, 2016

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**Account Summary**

Previous invoice	\$110.97	
Payments received as of 06/09/16	-110.97	
Balance forward	0.00	
Miscellaneous charges	0.97	
Budget billing amount	110.00	1
Budget billing balance	-34.84	2
This amount will be deducted from your bank account on 07/03/16.		3
To avoid a 1.5% late payment charge, please ensure payment is received by the date displayed below.		

Residential  
Residential consumer discount \$ 1.27  
See details beginning on page 3  
See messages on page 2

**Budget Billing Summary** **Plan End Date: 06/2016**

Current Month	Actual Charges since 07/01/15	Budgets Billed since 07/01/15	Budget Balance (after payment)
110.00	1,717.16	1,752.00	-34.84


4 5 6

- Budget billing amount:** current month's installment
- Budget billing balance:** The total amount the customer is ahead or behind in Budget Billing to date; Otherwise known as the Budget Billing Differential.
- Total amount due:** 12<sup>th</sup> month bill plus Budget Billing balance after payment.
- Actual Charges since 07/01/15:** Total consumption costs used from start of Budget Billing service year to end of Budget Billing service year (07/2015-06/2016).
- Budgets Billed since 07/01/15:** Total Budget Bill amount billed from start of Budget Billing service year to end of Budget Billing service year (07/2015-06/2016).
- Budget Balance (after payment):** Total amount the customer is ahead or behind on their Budget Billing service year; otherwise known as the Budget Billing

Differential. This is the difference between the actual consumption charges and the Budget Billing service amounts billed to the customer for the entire Budget Billing year. The customer pays this amount with the last monthly Budget Bill in addition to the final monthly Budget Billing service amount. .

**Sample Budget Billing Service TRUE-UP Bill – Page 2 of Bill**

**Bill Messages:** A message will be displayed on page 2 of the customer's true-up bill informing them of the Budget Billing monthly amount for the new Budget Billing service year.

	<b>Invoice Number:</b> 12906150182
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<b>Messages</b>	<b>Page 2 of 5</b> Notification to the customer of new Budget Billing installment amount.
<div data-bbox="212 932 1317 1037" style="border: 1px solid black; padding: 5px;">Thank you for being a Budget Billing customer. Your new plan amount has been recalculated at \$141.00 for the next year. Please pay the amount stated on your bill -- your new budget amount begins next month. If you wish to be refunded any excess credit at the end of the budget year, instead of having a credit on your bill, please contact customer service.</div> <p>You can choose to purchase your electricity supply from an energy services company (ESCO) or RG&amp;E. If you choose an ESCO, what you pay for your electricity supply depends on your agreement with the ESCO (your cost could be more or less than what you would have paid RG&amp;E). With any supply choice, RG&amp;E will continue to deliver electricity to you and you will continue to pay RG&amp;E delivery, transition, and basic service charges. With ESCO supply, you would not have to pay RG&amp;E's merchant function charge nor RG&amp;E's bill issuance charge (if your ESCO charges appear on your RG&amp;E bill) and you may have some tax savings.</p>	

## Retail Access Account Budget Billing Service Calculations

Customers receiving electricity and/or natural gas **supply** service from a supplier (ESCO) other than NYSEG/RG&E and enrolling in our Budget Billing service will have their Budget Billing amount reduced if receiving electricity and/or natural gas supply service from a supplier (ESCO) for less than 6 months. Conversely, customers receiving NYSEG/RG&E electricity and/or natural gas supply service for less than 6 months in the prior 12 months, will have their Budget Billing amount increased.

The budget review process will adjust budget amounts if the customer has changed supply options within the last 6 months as described in the paragraph above. An inbox notification is created to have budget amounts manually reviewed for customers switching from NYSEG/RG&E supply service to ESCO supply service or for customers returning to NYSEG/RG&E supply service from an ESCO.

## Ending Budget Billing Service

A customer may request to be removed from Budget Billing service at any time by using our Budget Billing form at [nyseg.com](http://nyseg.com), using our Write to NYSEG form at [nyseg.com](http://nyseg.com) or by calling Customer Service and speaking with Customer Service Representative at 1.800.572.1111/add RGE also, Monday through Friday, 7 a.m. to 7 p.m.

When a customer chooses to end Budget Billing service before the end of their Budget Billing year, any difference in the actual energy used compared to the Budget Billing service amounts billed and paid, are applied to their next bill. This also applies to when a customer's account is removed from Budget Billing service due to nonpayment.