Advisors Toolkit
Factsheet No 1.a

Billing and Payment

Who supplies electricity and gas to the home?

To find out who supplies a home with electricity or gas contact the following distribution companies:

Electricity:

- for Central &Southern Scotland **0330 101 0300**
- for Northern Scotland **0345 026 2554**

Gas:

- for Scotland **0870 608 1524**

What next – setting up an account?

First, phone the electricity and/or gas supplier with the meter readings. The previous tenant might not have given a final reading and it's important to make sure that the new tenant's bills are accurate right from the start of their tenancy. If the home already has a prepayment meter, ask the supplier to ensure that any debts outstanding from a previous customer are cleared from the meter.

If the householder wants to change their supplier, they do not usually need their landlord's permission, but it may be advisable to check first because some landlords have contracts with suppliers.

Changing energy supplier can be a fairly simple way to save money, but it is worth shopping around for the best deals – that includes asking the current supplier whether the bill payer is on the best tariff they offer. There are many different tariffs to choose from. If there is access to the internet, try using one of the independent price comparison websites. These list most of the tariffs available. Online deals are often amongst the cheapest. If the householder's new home has both electricity and gas, they should consider buying both fuels from the same supplier ('dual fuel'), because they may get a further discount.

For access to approved comparison websites:

https://www.ofgem.gov.uk/consumers/energy-supplier-comparison-data

The householder must keep a note of their meter readings during the transfer process to ensure they are billed correctly by both the existing and new supplier(s). See more on Switching in Factsheet 1.c Tariffs and Factsheet 1.d Switching.

However, if the householder has a debt with their current energy supplier that has been outstanding for 28 days or more it may prevent a transfer (though prepayment meter customers can switch even if they have an outstanding debt of up to £500).

How to pay for fuel

There are several different ways to pay for electricity and gas. It is important to choose the method of payment that suits the householder's circumstances – there are potential difficulties as well as benefits associated with all payment arrangements.

See more on each in the Factsheets in Chapter 2 Paying for Energy

See also Factsheet 1.c Tariffs and Factsheet 2.a Understanding Fuel Bills and Annual Statements

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Factsheet No 1.b

Meters and How to Read Them

Electricity Meters

There are three types of electricity meter in common use – standard (credit), variable rate (credit) and prepayment meters. (see also factsheet 1.f – smart meters)

- *Standard (credit) meters:* A standard meter usually measures electricity consumption in terms of kilowatt-hours – the amount of energy used by a load of one kilowatt over the period of one hour. With this type of meter, all electricity units are charged at the same rate, 24 hours a day.
- *Variable rate (credit) meters:* Variable rate meters operate on the same principle as standard meters, but give more than one reading, i.e. for daytime/standard electricity usage, and for overnight/off-peak electricity usage.
- *Prepayment meters:* Prepayment meters accept tokens/keys or cards that can be 'topped up' at a variety of local outlets. If a customer stops paying for electricity, the electricity supply can be cut off by a relay fitted into the meter. Prepayment meters are for both standard and off-peak supplies.

Gas Meters

There are two types of meter in common use – credit and prepayment meters.

- *Standard (credit) meters*: The majority of gas customers have a credit meter which records the amount of gas used. For many older meters – imperial meters – gas usage is measured in cubic feet. For newer metric meters, gas usage is measured in cubic meters. These gas units need to be converted into kilowatt hours by:
    - multiplying units used by 2.83 to give the number of cubic meters of gas used (**if the meter is a newer metric one measuring gas in cubic meters this part of the calculation is not needed**)
    - multiply by the temperature and pressure figure (1.02264)
    - multiply by calorific value (approximately 39.25, though the exact calorific value can be found on a gas bill)
    - divide by 3.6 to get the number of kilowatt hours (kWh)
- *Prepayment meters*: Prepayment meters accept tokens/keys or cards that can be 'topped up' at a variety of local outlets. If a customer stops paying for gas, the supply can be cut off by a relay fitted into the meter.

Reading Meters

Digital/Electronic Credit Meters:

The majority of meters have an electronic or digital display i.e. a straight row of numbers. These should be read from left to right. Electricity and newer gas metric meters have five numbers in a row whilst old-style gas imperial meters have four numbers in a row. Always ignore a red digit (or any number after a decimal point) when recording a meter reading.

If the householder has electric central heating there will be either one or two meters showing up to three sets of numbers. Electricity is usually charged at two different rates with a night (off peak) rate considerably cheaper than a day (peak) rate. It may be worth using certain electrical appliances, such as the washing machine, during the cheaper night hours. If there are three sets of numbers, all the electricity for heating is recorded separately at a 'control' rate. All the electricity used for lighting and appliances is recorded at day or night rates, depending on time of use. Some variable rate meters only have one digital display. They will either flash up the different rate readings in a cycle or have a button that needs to be pressed to make the display cycle through the readings for the different rates.

Dial Credit Meters:

Some older meters have a 'dial' display - dials with pointers which move from 0 – 9 which should be read from left to right. For electricity read all five dials, ignoring the final (usually red) dial. Older gas dial meters (imperial, recording in cubic feet) should be read in the same way, but for only 4 dials. The dials rotate clockwise and anticlockwise alternately.

- Read along the five dials from left to right
- Write the numbers down from left to right
- If the pointer on any of the dials is between two numbers, record the lower number
- If the pointer is exactly on a number, record the next lowest number - unless the pointer on the dial to its right has passed zero

Prepayment Meters (PPM):

The vast majority of PPMs will constantly display the amount of credit remaining. A range of additional information is available, usually by pressing a button.

Electricity PPMs may show a letter to identify the screen being shown, or will give a text description of the information being shown. Pressing the (usually) blue button will change the display screen. Gas PPMs may show a number to identify the screen being shown. Pressing the (usually) red button will change the display screen. The displays on PPMs will 'scroll' through a cycle which will include:

- fuel used
- fixed charges (if applicable)
- rate(s) per unit of fuel
- credit inserted (meter top-ups)
- current credit
- outstanding debt (if applicable)

- debt repayments per week
- emergency credit level

Different makes and models of PPM may show slightly different ranges of information.

Most PPMs are ‘topped up’ using:

- an online app
- keys - electronically coded keys which are specific to the meter and contain tariff information which is updated when the card is charged
- smartcards – cards which download information about usage onto the card to send back to the supplier when the smartcard is topped up
- tokens or cards (paper) – these are rarely used now. PPMs that accept these top-ups need to be adjusted manually whenever the tariff changes

For information on Smart Meters, see Factsheet 1.f

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Factsheet No.1.c

Tariffs

There is a range of tariffs available from each energy supplier. Suppliers may also offer 'bundled' products and rewards with tariffs. Bundled products might include things like boiler maintenance cover. Rewards might include things like supermarket shopping points. For example, customers might be offered Nectar points for choosing a particular tariff, for providing regular meter readings or for referring. All tariffs have a standing charge and a single unit rate, however suppliers can set the standing charge at zero if they wish. Dual fuel and online account management discounts are also available and apply uniformly across all tariffs as £/pence per year.

Price comparison websites allow more accurate comparison of the tariffs available. It is best to use sites that have the Ofgem Confidence Code logo. The Ofgem list of approved sites that offer a free comparison and switching service for consumers is below. Many of these sites also offer a telephone service.

www.uswitch.com
www.simplyswitch.com
www.unravelit.com
www.switchgasandelectric.com
www.energylinx.co.uk
www.myutilitygenius.co.uk
www.theenergyshop.com
www.moneysupermarket.com
www.runpathdigital.com
www.energyhelpline.com
www.quotezone.co.uk

Citizens Advice also offers a free, impartial, online, energy comparison service – https://energycompare.citizensadvice.org.uk/

To ensure that comparisons are as accurate as possible; customers should have the following information to hand:

- name of current tariff
- details of previous electricity/gas use in kilowatt hours (preferably annual use)

Please note that some customers who have a specific tariff for electric storage heating (often referred to as a 'time of use' or off-peak tariff) may find it difficult to make accurate comparisons because relatively few suppliers are able to offer like-for-like tariffs. Some time of use tariffs are not displayed on comparison sites. However, relevant suppliers must make all their single rate tariffs available to domestic customers on restricted tariffs/meters. This information can be found on Factsheet 1d

Suppliers are required to give all their customers personalised information on the cheapest tariff they offer for them. This information appears on each bill/statement and on a range of other customer communications.

Ofgem requires suppliers to provide personalised estimates – a Personal Projection (PP) - which takes account of a customer's usage to enable them to compare tariffs more accurately when switching.

For more detail see Factsheet 2.a Understanding Fuel Bills and Statements and Factsheet 1.d Switching

Price Caps (default tariffs)

The Domestic Gas and Electricity (Tariff Cap) Act 2018 came into force in July 2018. The Act introduced a temporary tariff cap from January 2019 for all customers on Standard Variable Tariffs (SVTs) and default tariffs. This will be known as the default tariff price cap.

The default tariff price cap differs slightly on the basis of geography, payment method and meter type. It limits how much a supplier can charge those on default tariffs and SVTs per unit of energy.

The cap is currently updated each quarter in January, April, July and October.

Note – those previously protected by earlier price caps were automatically transferred to the default tariff price caps. This means that those using prepayment meters and/ or receiving the Warm Home Discount will have a default price cap.

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Switching

Most gas and electricity consumers can switch supplier, unless they have an outstanding fuel debt (the debt threshold for prepayment meter customers however is £500), or have a term in their lease which prohibits them from switching supplier. Also, those with a specific tariff for their electric storage heating may find it more difficult to find a comparable tariff to switch to (but see note, below).

Switching supplier could save householders money, as tariffs change and suppliers compete with one another. It is important that consumers ensure they are on the cheapest tariff possible and this may be with another supplier. Switching supply can take a couple of weeks and during that time supply continues from the existing supplier and there is no break in the supply of gas or electricity.

The process of switching requires having information to hand on the current payment arrangements and tariffs of the householder. There are a number of price comparison websites (PCWs) which make the process of comparison straight-forward. The information that is used for these comparison tools should be as accurate as possible to ensure a correct picture of what is available and the likely savings, so the householder should have the following information to hand:

- name of current supplier
- tariff name
- details of previous electricity/gas use in kilowatt hours (preferably annual usage)

The name of the tariff and energy consumption details are on the annual energy statement. If this is not available, ask the supplier for details of annual usage in kilowatt hours.

A householder can switch via price comparison sites or by directly contacting the energy supplier they have chosen to switch to. The new supplier will take the details of the customer and contact their existing supplier to make all the arrangements. This process is normally straightforward and the householder will receive written confirmation of their new contract, the tariff and the date on which it will commence.

The Energy Switch Guarantee is an industry-led list of 10 commitments. The key pledges are:

- your supply won't be disrupted during the switching process
- switching is free
- customers can switch to a new tariff within 5 working days
- your new supplier will send you the details of your new supply arrangement and you will then have 14 days to change your mind.
- your current supplier will send you your bill no later than 6 weeks after the date of switch and if they owe you money they will refund you no later than 14 days after that.

Full details are at https://www.energy-uk.org.uk/our-work/energy-switch-guarantee/

Suppliers provide a range of information in a specific format, intended to help with comparison and switching. This includes a Personal Projection (PP).

You can also refer to the Confidence Code - a voluntary code of practice for domestic energy price comparison services by following this link: https://www.ofgem.gov.uk/publications-and-updates/confidence-code-code-practice-online-domestic-price-comparison-services-0

See also Factsheets 2.a Understanding Fuel Bills and Statements and Factsheet 1.c Tariffs

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Factsheet No 1.e

Insulation and Other Physical Measures

Installing insulation and undertaking other physical measures such as draughtproofing ensure that a home is as energy efficient as possible which can help save money.

See more about individual insulation types and physical measures to improve energy efficiency in Chapter 3 Insulation and other Physical Measures.

Grants and/or interest-free loans are available for certain households. You can find information on current support available in Scotland in Factsheets 4.b and 4.c

Energy Action Scotland runs a City and Guilds Energy Awareness training course. This course is designed for and aimed at those providing energy advice to clients and those wishing to have a greater understanding of domestic energy efficiency.

For more information on this and other courses run by Energy Action Scotland, see our website – www.eas.org.uk

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Smart Meters

Smart meters will replace almost all existing electricity and gas meters in GB homes. Previously the deadline for the rollout was 2020, but this has now been extended to 2030. Smart meters measure electricity and gas consumption and can send this information direct to a customer as well as 'submitting' automatic meter readings to suppliers. Smart meters can also receive information remotely e.g. tariff changes. The cost of the smart meter roll-out will ultimately be paid for through energy bills.

Smart meters are linked to a communications hub, which is installed in a home at the same time as the electricity/gas meters themselves. The communications hub links in turn to a wireless network run by the Data and Communications Company smart (DCC), which is responsible for establishing and managing the smart metering communications infrastructure. smart DCC manages all communications between smart meters and energy suppliers.

Customers will receive an in-home display (IHD) device when a smart meter is installed. The IHD will show how much energy is being used and how much it is costing, with information shown in kilowatt hours and pounds/pence. It might also indicate whether consumption is low, medium or high (though it is not yet clear who will decide what constitutes low/medium/high use for a particular household, nor whether there will be any 'tailoring' to take household need into account).

Smart meters mean an end to estimated fuel bills. Householders will no longer have to take readings themselves or wait for a meter reader. Smart meters and IHDs are intended to give customers greater control by letting them see how much energy is being used (and how much it is costing) at different times of the day, week, month or year, which could help aid decisions about energy usage. It is estimated that this will save householders an average of £33 a year. However, whether it is possible to save money will depend on customers being able to understand and use the information from IHDs to work out where energy use could safely be reduced.

Smart meters work in both credit and prepayment (PPM) form. Many PPM customers have more flexible payment options available to them with smart meters, including remote top-up facilities. Smart metering enables **remote switching** between credit and PPM mode. Suppliers will also be able, if necessary, to implement **remote disconnection**. The Ofgem rules and licence conditions protecting customers that currently govern pre-payment and disconnection also apply to remote switching and remote disconnection.

Energy suppliers are responsible for supplying and installing smart meters, with each supplier devising its own delivery schedule. Smart Energy GB is the national campaign for smart metering – they provide information about what each supplier is doing – see http://www.smartenergygb.org/get-a-smart-meter/energy-suppliers. Suppliers are fitting smart meters on an ongoing basis, and the industry and

Government are working to ensure technology compatibility and interoperability as the roll-out progresses.

Ofgem has enacted the Smart Metering Installation Code of Practice (SMICoP), which protects consumers by prohibiting sales attempts during installation (unless previous consent has been given by the household). The SMICoP also allows customers to make choices on how much data an energy supplier can collect from the smart meter and whether they can share details about energy consumption with other organisations. Licence conditions allow suppliers to access monthly consumption data for billing and other regulatory purposes without needing consent. There will be a clear opt-out for daily collection of data, and an opt-in will be required for use of the most detailed half-hourly consumption data.

Suppliers must offer their customers a smart meter, but it is not compulsory for a customer to accept. Customers cannot refuse a meter replacement if this is being carried out for safety reasons, for example, but they can request that the 'smart' functions are not activated.

Customers can request a smart meter from their supplier, though installation timescales may vary according to the supplier's own schedule.

Examples of smart meters/IHDs.

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Renewables

Installing domestic renewable technologies can help to limit the amount of electricity and gas which households need to buy from energy suppliers, or minimise how much heating fuel a household needs to purchase for its heating requirements. This can help save money. There are often financial incentives available, including the Renewable Heat Incentive (see Factsheet 4.e Renewable Heat Incentive)

There are many different technologies available for producing electricity or generating heat. See more about these technologies and how they work in Chapter 6 Renewables.

Energy Action Scotland runs a City and Guilds Renewable Energy in the Home training course. This course aims to increase the knowledge and understanding of energy advisors on household renewables and low carbon technologies as realistic interventions to reduce fuel poverty.

For more information on this and other courses run by Energy Action Scotland, see our website – www.eas.org.uk

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Energy Saving Tips

- If the home has a hot-water tank or cylinder, it should have at least 8cm (3 inches) of insulation. This will reduce the cost of heating the water and keep it hot for longer
- If there is no thermostat on the hot-water tank it is worth looking into having one fitted. The hot water thermostat should be set at around 63°C (140°F), as this is usually hot enough for most household use
- Only switch the hot water on for the hours when hot water is needed. It is more expensive to leave it on all day. An hour in the morning and an hour in the afternoon/evening is usually enough for most people's needs
- The room thermostat on the central heating should be set at 21°C (70°F) for the living room. Do not waste energy by opening windows - turn down the room thermostat or individual radiator controls instead
- With storage heaters, it is important to close the damper or output dial, (sometimes called the boost) before going to bed or if the house is unoccupied during the day
- Make sure your boiler is serviced regularly. This will help it run more efficiently and ensure that it is in safe working order
- Regularly 'bleeding' your radiators, to get rid of air trapped inside, will keep them warmer
- Small shelves placed about 5cm (2 inches) above radiators help push warm air towards the centre of the room. If the radiators have individual thermostats these can be turned down a little – especially in rooms that are not used all the time
- Installing reflector panels behind radiators can reduce heat being wasted through external walls
- Heavy curtains at the windows will help to keep the heat in and closing them as soon as it starts to go dark also helps. But make sure the curtains are tucked behind any radiators at the windows
- Use low energy light bulbs in rooms where the lights are on for long periods of time. Low energy CFL bulbs use around 75–80% less energy than incandescent bulbs and last for approximately 8,000 hours. LED bulbs are more expensive to buy, but give an instant and brighter light. They use around 90% less energy than incandescent bulbs and can last up to 50,000 hours making them the cheapest option over their lifetime.
- Do not leave appliances on standby but switch them off at the wall instead
- Wait until you have a full load before using your washing machine, or choose the economy or half-load setting if possible. Always choose the shortest cycle that's practical for your needs
- When using an electric oven, turn it off about ten minutes before the end of cooking time – it will continue to cook at the same temperature
- Always choose the correct sized saucepan for the amount of food you are cooking. Cutting food into smaller pieces, choosing the right size of ring or burner on the cooker and putting lids on pots will all help to reduce cooking time and therefore save energy