## What is Budget Billing?



## What is budget billing?

Usually, gas and electric costs vary month by month based on usage. For example, if you have gas heating, your gas bill will be higher in the wintertime. With budget billing, you will pay a fixed amount every month, based on your average bill.

## How is the monthly bill calculated?

- The utility company (either PECO or PGW) takes your average usage over the past year and then divides that amount evenly over the next 12 months.
  - If you are a new customer and don't have a year of previous usage, then the amount will be based on the previous resident's usage or the average usage in your area.
- Every few months, the monthly amount is recalculated to ensure that you are still paying for your average usage. **This means that if your usage goes up, your monthly budget bill will also go up.** However, be aware that your monthly bill will not immediately reflect your usage.

## Would budget billing be helpful for you?

- Budget billing may be a good option if:
  - Your income is fixed month to month and
  - o You've lived in your house for at least a year **and**
  - Your usage follows the same patterns every year (i.e. lower gas bill in the summer, higher in the winter), since your budget bill will be pretty much the same from month to month.



CLS is accepting new clients! If you are facing utility issues, call our intake line at 215-981-3700 and leave a message. For more information, visit <u>clsphila.org</u>