

**Sustainability**



# Quick guide to managing energy bills with your prepayment meter



## Managing Your Energy Costs



Knowing how your meter works can help you get more energy for your money and help stop you getting into debt.

### Energy costs

Your energy bills are made up of two charges. A Standing Charge, this is a daily charge, in pence, added to your fuel bills and a Unit Rate which charges you a set amount for each unit of energy you use, in pence, per kilowatt hour (p/kWh).

### Debt repayment

If you get into debt on your fuel bills, you may have had a prepayment meter installed by your supplier to help you pay back your debt. They will arrange affordable weekly payments to be taken from the money you put on your meter.

### Display screens

You can scroll through the display screens to see how much credit you have left and how much you are paying for your fuel. If you have a fuel debt you will need to insert your key or card in the meter to see how much you have still to pay off. Visit your supplier's website for their prepayment meter guide or you can request one by phone.

## Running out of credit



If you run out of credit on your meter you can still get gas or electricity through a limited amount of emergency credit. This will give you time to get a top up.

- You will receive a maximum of £5 to £10 emergency credit, depending on supplier.
- If you use emergency credit, or run out of credit, the daily standing charge will still be added to your meter. You will need to pay the emergency credit off when you top up and buy enough credit for you to continue using your electricity or gas.

**Remember:** If you are going away from home for any length of time, make sure you have enough credit on your meter to cover any repayment arrangements, standing charges and to keep your appliances (fridge, freezer and heating) running.

If you run out of electricity credit over a weekend or bank holiday (from 6 pm Friday to 9 am on first, non-bank holiday, weekday) the electricity supply is maintained through a 'Protected Supply' until 9 am on Monday (or for example, 9 am on Tuesday if Monday is a bank holiday). You will need to have a minimum amount of credit left on your meter, from 1p or 50p, the amount will depend on your supplier.



### **Beware of running out of credit if you have weekly repayments for a debt.**

If your supplier is unable to take a payment, this will break your agreement with them and you will need to contact your supplier to set this up again or risk additional costs.

## Beware of building up charges on your gas meter

If you repeatedly use emergency credit you could build up a debt on your gas meter. This will limit the heating you can afford over the winter. If you do not top up with enough to clear the standing charges and credit when you top up, the meter will:

- take 70% of the top-up towards any arrears; and
- use the remaining 30% to pay for gas use

If you don't use your gas for any length of time or your gas is capped-off you still need to pay your standing charge to your energy supplier. If you ignore the daily standing charge it can grow into a debt of £100's over several years. It can also cost a lot more to use electric heaters instead of your gas central heating.

Don't ignore the situation, ask for help. Contact your supplier or WDH for advice.

## Options for managing energy bill debt

### Budgeting checklist for more manageable bills

Do I have an affordable repayment arrangement for my fuel debt?	<input type="checkbox"/>
Could I save money by switching tariff or supplier?	<input type="checkbox"/>
Could I be more energy efficient?	<input type="checkbox"/>
Does my home have enough loft insulation and cavity wall insulation?	<input type="checkbox"/>
Am I eligible for the Warm Home Discount?	<input type="checkbox"/>
Have I checked what help I can get to manage my finances?	<input type="checkbox"/>
Would I be better off with a credit meter? (Must be debt free.)	<input type="checkbox"/>

## Debt repayment arrangement with your supplier

To repay a debt on your energy bill account, your supplier will arrange for an affordable repayment to be taken each week from your meter. You could ask your supplier to increase your debt repayments over the summer and decrease them in winter to combat the higher usage when energy bills are higher.

## Third party deduction (Fuel Direct)

If all other budget arrangements with your supplier have failed, it can be arranged for your fuel debt and ongoing energy use to be paid for directly out of your benefits (certain benefits only).

See guide: How to Manage Energy Bills and Debt with your Prepayment Meter



### How much energy do you use?

Since July 2010 energy suppliers have to send customers an annual energy statement. Make sure you get yours.

## Finding a better energy deal



If you haven't switched energy tariff or supplier in the last two years, or are on a standard tariff, you could be missing out on big savings. You may be able to switch energy provider on a prepayment meter even if you are in debt by up to £200 (each fuel), and in some cases up to £500 in debt (each fuel). Check you are on the best tariff every year, you could save every time.

**Which is the best tariff for you?** – This will depend on how much energy you use. A comparison service will work out which tariff is the cheapest option for you. Be wary of doorstep sellers asking you to switch to their energy supplier. Never sign anything on the doorstep.

## Switching your Prepayment meter supplier



Before you switch, check the following information about your existing energy tariff.

**Does your tariff have an exit fee?** This will charge you if you leave before the end of the tariff period.

**Do you receive a Dual Fuel Discount?** These are applied yearly. If you switch before the end of your tariff year you will not receive this.

**Do you currently get the Warm Home Discount?** Some of the newer suppliers are not involved in this scheme. Check with the supplier first so you don't lose out.

1. Have your energy use information ready for comparison:

The 'Magic 5'

- Postcode.
  - Supplier/s.
  - Tariff Name.
  - Payment Type - Prepayment.
  - Energy usage (kWh) in last 12 months.
2. Use Switch and Save to find your cheapest suitable tariff.
  3. Request the switch (you have around 7-14 days to change your mind).
  4. Provide a meter reading to your new supplier when they request it.
  5. Start using your new suppliers key/card from the date they give you.
  6. Switching should take around 4 to 5 weeks

**To see if you can save money by switching tariff or supplier use an Ofgem accredited price comparison website.**

## Switching supplier while in debt



You can switch with a debt by transferring the debt to your new supplier. This is done through a process called the Debt Assignment Protocol. This needs you to agree to your new supplier discussing your debt with your old supplier.

You will receive a letter from your old supplier asking you to call the new supplier to give them permission to discuss your debt with your old supplier.



**Important:** Although the letter from your old supplier will state that it is blocking your switch, this is only until you contact your new supplier and agree to them discussing your debt - This is part of the process and you should not give up.

Once agreed the new supplier will then deal directly with the old supplier to transfer the debt and complete the switch.

See guide: How to Switch Prepayment Meter Energy Supplier – Even with Debt

## Changing to a credit meter



Prepayment meters allow you to budget by only paying for your energy use up front. Cheaper tariffs and bigger savings can be made on a credit meter. It is important to consider the advantages and disadvantages of a credit meter, make sure it is right for you and your circumstances. If you pay for a prepayment meter tariff by direct debit it could be worth you considering changing to a credit meter.

Some suppliers charge for changing from a prepayment meter to a credit meter. Consider switching to a supplier that won't charge, you can then ask them for a credit meter at a later date.

See guide: How to Change from a Prepayment Meter to a Credit Meter

## Additional support

For further help and information visit any WDH service access point, or phone OneCALL on 0345 8 507 507 and ask them to direct you to:

- Sustainability Team - Energy Efficiency and Switching Advice.
- Assets Team - Loft and Cavity Wall Insulation information.
- OneCALL – Damp and Mould.
- Financial Inclusion or Cash Wise - help managing your finances.
- Visit [www.wdh.co.uk](http://www.wdh.co.uk) for answers to some frequently asked questions and the following factsheets:

How to Manage Energy Bills and Debt with your Prepayment Meter

How to Switch Prepayment Meter Energy Supplier – Even with Debt

How to Change from a Prepayment Meter to a Credit Meter

## Useful Contacts

### Find out who your supplier is.

Gas – call the Meter Number Helpline on 0870 608 1524.

Electricity - visit [www.northernpowergrid.com](http://www.northernpowergrid.com) or phone 0845 330 0889.

### Energy efficiency advice.

The Home Heat Helpline provides advice on managing energy costs - 0800 33 66 99

The Energy Saving Trust and Energy Saving Trust Advice Service - 0300 123 1234

### To help resolve issues with your supplier:

Citizens Advice consumer service and helpline - 03454 04 05 06

Energy Ombudsman - 0330 440 1624  
[www.ombudsman-services.org](http://www.ombudsman-services.org)