

Billing Terms

Please find the following definitions for terminology on your billing statement. The term “TDU” stands for Transmission and Distribution Utility and is defined below.

Account: A unique number that identifies your electric account. Your account number is defined by your service address. If you have more than one service address you may have more than one account number.

Advanced Meter Charge: A charge assessed to recover a TDU’s charges for Advanced Metering Systems, to the extent that they are not recovered in a TDU’s standard metering charge.

Balance Forward: The amount of dollars you owe on your previous invoices.

Base Charge: A charge assessed during each billing cycle without regard to your demand or energy consumption.

Billed Deposit: A deposit that is sometimes required when you set up new service, or if your service has been interrupted due to Penstar Power not receiving payment. It is not prepayment of your invoice. You must still pay each month for the energy you use. The deposit is held until twelve consecutive months of timely payments have been made, or until the account is closed. If you transfer service with Penstar Power the deposit is transferred and applied to the new service location. Possible waivers will vary for each customer.

Billing Address: The address to which your bill is sent. This address may be different than the address where your energy is delivered.

Billing Cycle: The start and end dates for a specific invoice. Information in the summary pertains to activity within this timeframe only. These dates are approximately the same each month.

Bill Date: This is your meter read date. It is also the last day included in the charges on the invoice.

Connection Fee: A one-time fee charged by your TDU to connect electric service at an address.

Competition Transition Charge: A charge assessed to recover a TDU's charges for non-securitized costs associated with the transition to competition.

Contract: The Terms of Service (TOS), the Electricity Facts Label (EFL), Your Rights as a Customer document (YRAC), and the document of enrollment.

Contract Documents: The TOS, EFL and YRAC.

Contract Expiration: The time when the initial term contract is completed.

Contract Term: The time period the contract is in effect.

Current Bill: Amount due for electric charges based on usage during the most recent billing period. This is only one component of the invoice you pay. If you have unpaid charges from the previous billing period, this will be included in the Total Amount Due. The Current bill amount includes the Customer Charge, Energy Charge, and Sales Tax, but it excludes any applicable Late Fees, Surcharges, and any prior unpaid Balance Forward. It reflects electricity consumed in the current period.

Current Meter Read: The Current Meter Reading represents the current reading taken when your electric meter was read on the date indicated. The previous month's meter reading is subtracted from the current month's meter reading to determine how many kilowatt hours (kWh) of consumption you should be billed for. This reading is supplied by the TDU and is usually obtained when reading the meter. Meter readings occur approximately every 28-32 days.

Customer Charge: TDU charge for the cost of billing REPs for the electric service of their customers.

Deferred Payment Plan Balance: Unpaid balance (amount you owe from previous invoices) that is billed in increments over time. Any deferred payment plan amount due is included in the Total Amount due.

Demand Charge: A charge based on the rate at which electricity is delivered to or by a system at a given instant, or average over a designated period, during the billing cycle.

Disconnect/Reconnect Fee: Amount charged to disconnect or reconnect your service at your location in the event of non-payment of the electric invoice. This amount varies based on the type of disconnection.

Distribution Company Charges: Amount charged for services (such as running new service wires, installing a meter, conducting a voltage test, or disconnecting or reconnecting service) provided by your TDU. It may also be called Discretionary Charges. The amount is determined by the TDU.

Distribution System Charge: Charge that covers the TDU costs of transporting electricity from transmission facilities over distribution lines and through transformers to a customer's service lines.

Due Date or Payment Date: The date by which Penstar Power should receive your payment to avoid any associated late charges. Late charges are typically 5% of the amount you owe.

Energy Charge: A charge based on the electric energy (kWh) consumed.

Energy Efficiency Cost Recovery Factor: A charge assessed to recover a TDU's costs for energy efficiency programs, to the extent that the TDU charge is a separate exclusively for that purpose that is approved by the Public Utility Commission.

ESI ID for Electric Service Identifier: An identifier that the industry uses to uniquely identify the home, business or guard light location.

Final Bill: The last invoice for service at your location. It can be mailed to any address you request.

Fixed Rate Product: A retail electric product with a term of at least three months for which the price (including recurring charges) for each billing period of the contract term is the same throughout the contract term, except that the price may vary from the disclosed amount solely to reflect actual changes in the Transmission and Distribution Utility (TDU) charges, changes to the Electric Reliability Council of Texas (ERCOT) or Texas Regional Entity administrative fees charged to loads or changes resulting from federal, state or local laws that impose new or modified fees or costs on a REP that are beyond REP's control.

Guard Light Amount: A predetermined monthly fee for electric service to a guard light (outdoor light for security purposes). This fee is based on the wattage or size (such as 75/100/150/200 or 400 watt) of your specific guard light.

Guard Light Kilowatt-Hours Used: The amount of electricity, expressed in kWh that you are charged for your guard light in a given month.

Hurricane Cost Recovery Factor: This is a charge from your TDU to cover the cost of repairs and restoration from hurricanes.

Indexed product: A retail electric product for which the price, including recurring charges, can vary according to a pre-defined pricing formula that is based on publicly available indices or information and is disclosed to the customer, and to reflect actual changes in TDU charges, changes to the ERCOT or Texas Regional Entity administrative fees charged to loads or changes resulting from federal, state or local laws or regulatory actions that impose new or modified fees or costs on a REP that are beyond the REP's control. An indexed product may be for a term of three months or more, or maybe a month to month contract.

Interest Applied: The interest accrued on your original deposit at the rate approved by the Public Utility Commission of Texas.

kW: Kilowatt the standard unit for measuring electricity demand, equal to 1,000 watts.

kWh: Kilowatt-hour, the standard unit for measuring electricity energy consumption equal to 1,000 watt-hours.

Kilowatt-hours Used: The amount of electricity (kWh) used in a month. This is calculated by subtracting the prior month's meter reading from the current month's meter reading.

Late Payment Penalty: A charge assessed for late payment in accordance with the Public Utility Commission rules.

Meter (Meter Number): The number identifying the meter at your service location. A meter is a device that measures your electricity usage.

Actual: Usage determined by your TDU reading the meter assigned to your service address.

Estimated: Usage determined by an estimate of your past energy or history of your location. For example, usage may be estimated when your meter cannot be accessed due to a locked gate.

Adjusted: Usage determined by an actual reading in person performed after an estimated read to make sure the estimated read was accurate. This adjusted read may occur close to the time of the estimated read or it may occur at the next month's regular read date.

Metering Charge: A charge assessed to recover a TDU's charges for metering a customer's consumption to the extent that the TDU charge is a separate charge exclusively for that purpose that is approved by the Public Utility Commission of Texas.

Miscellaneous Gross Receipts Tax Reimbursement: A fee assessed to recover the miscellaneous gross receipts tax imposed on retail electric providers operation in an incorporated city or town having a population of more than 1,000.

Month-to-month contract: A contract with a term of 31 days or less. A Month-to-month contract may not contain a termination fee or penalty.

Mult (Multiplier): For some meters the actual amount of energy used is too large to be registered and the meter displays a fraction of the actual energy used. A multiplier is then applied to the difference between the present and previous reads to determine the customer's actual energy usage.

Nuclear Decommissioning Charge: A charge assessed to recover a TDU's charges for the dismantling and decontamination of nuclear generating sites.

Payments: The total amount of funds received up to the date an invoice was generated.

Previous Bill or Previous Charges: The amount owed from your previous invoice. This amount includes any unpaid balance from previous invoices.

Previous Meter Read: Meter reading from the prior invoice statement. This reading may be actual, estimated, or adjusted.

Price: The cost for a retail product that includes all recurring charges excluding state and local sales taxes, and reimbursement for the state miscellaneous gross receipts tax.

PUC Assessment: A fee assessed to recover the statutory fee for administering the Public Utility Regulatory Act.

Rate: Identifies your account's rate plan which determines the rate you are billed.

Rate Case Surcharge: TDU surcharge that reimburses the TDU for their expenses and the expenses of other interveners required to be paid by the TDU to participate in a rate case.

Recurring charge: A charge for a retail electric product that is expected to appear on a customer's bill in every billing period or appear in three or more billing periods in a twelve-month period. A charge is not considered recurring if it will be billed by the TDU and passed on to the customer and will either not be applied to all customers of that class within the TDU territory, or cannot be known until the customer enrolls or requests a specific service.

Sales Tax: Sales tax collected by authorized taxing authorities such as the state, cities and special purpose districts.

Statement Date: The date the bill was generated. Therefore, the invoice covers the usage prior to that date as indicated by the current meter reading date; it does not cover the usage between the Bill Date and the date which you receive the invoice.

Storm Recover Charge: This is a charge from your TDU to cover the cost of repairs and restoration from storms.

Storm Recovery Tax Credit: A credit from your TDU for deferred federal income tax benefits associated with storm restoration costs.

System Benefit Fund: This is a required TDU charge that helps fund low-income assistance, customer education and energy efficiency programs.

Term contract: A contract with a term in excess of 31 days.

TDU (Transmission and Distribution Utility): The utility that owns or operates the equipment or facilities that transmits or distributes electricity to your location. The TDU is also responsible for reading your meter and setting prices related to your Distribution Company Charges.

TDU Delivery Charges: The total amounts assessed by a TDU for the delivery of electricity to you over poles and wires and other TDU facilities not including discretionary charges.

Transmission Cost Recover Factor (TCRF): A charge from the TDU that covers the incremental cost of changes to the transmission system. TDUs are allowed to make changes to the TCRF twice a year on March 1st and September 1st. TCRF charge are reconciled when the TDU files for complete rate case.

Transmission Distribution Surcharges: One or more TDU surcharges on a customer's invoice in any combination. Surcharges include charges billed as tariff riders by the TDU.

Transmission System Charges: TDU charge that covers the cost of transporting electricity from generators over high voltage transmission lines to distribution facilities.

Transition Charge: A Charge assessed to recover a TDU's charges for securitized costs associated with the transition to competition.

Total Amount Due: Total amount that your currently owe Penstar Power. It includes any unpaid amount from your previous invoice plus the total current charges, which may include customer charge, energy charge, sales and additional charges such as late fees, surcharges and deferred payment plan balances.

Variable price product: A retail product for which price may vary according to a method determined by the REP, including a product for which the price, can increase no more than a defined percentage as indexed to the customer's previous month's price. For residential customers, a variable price product can be only a month-to-month contract.