Level Pay Plan

The cost of your utility bill changes every month depending on how much energy you use. For example, in the warmer summer months, you may use more electricity to cool your home. Receiving an unusually high bill can be stressful. By enrolling in the Level Pay Plan, you will be able to pay the same amount every month on your utility bill. This can help you with budgeting, and avoid the surprise of a large bill.

NOTE: If you receive your energy from Pacific Gas and Electric Company (PG&E) the program is called the Balanced Pay Plan. It’s a different name, but the program works the same as other utility companies’ Level Pay Plans.

How It Works

The utility company will review your bills for the past 12 months to determine how much energy you typically use. The company will base your new Level Pay Plan payment amount on your past usage by taking the average of your previous bills.

It is important to understand that the Level Pay Plan does not reduce the amount of your bill. You will still need to pay for ALL of the energy you use. The Level Pay Plan simply evens out your payments to help you budget better.

This average will be the monthly amount you will pay on the new plan. You will pay the same bill amount every month. Some months you will pay for more energy than you actually use, and other months you will pay for less energy than you actually use.

Every few months, the utility company will review the actual amount of energy you have used and will compare that to the amount you have paid. If you have paid for less energy than you used, you will need to pay the amount you have
underpaid to make your account even. If you have paid for more energy than you actually used, a credit will be applied to your account. Your new monthly payment amount will be adjusted to reflect your most recent actual energy use.

Although the Level Pay Plan program is similar in every utility company, some companies will review and reassess charges every three months while others will reassess charges every six months. Your local CHANGES organization can provide you with these reassessment details for the utility companies in your area. Your CHANGES organization will also show you how to track your actual usage and compare it to the amount you paid on the Level Pay Plan.

Is the Level Pay Plan Right for You?

The Level Pay Plan may be a good choice if you want to know exactly how much you will pay for your energy cost in most months. You should also be prepared to pay the additional charges every few months when the company conducts a review of your usage and makes adjustments.

Customers Who May Not Benefit

Although your bill will be at a fixed rate each month, every few months your utility company will conduct a review that may result in a charge if your usage increased. If you think that you will have difficulty paying any additional amounts owed after the review period, the Level Pay Plan may not be the best plan for you.

Your CHANGES organization can help you enroll in the Level Pay Plan. It can also check your bills, help you fill out paperwork, talk to the utility company for you, and answer your questions and/or concerns.

Contact your local CHANGES organization for assistance:

CHANGES is a program of the California Public Utilities Commission – www.cpuc.ca.gov