

What is leveled billing?

By Rachel Leduc for CPI Security



If you've ever opened an email from your utility company and felt shocked by your energy consumption, you're not alone. Energy usage fluctuates with the season, and depending on the weather or holidays, a routine bill can turn into a financial surprise. This is where leveled billing comes in.

By averaging your monthly consumption, your utility bill suddenly becomes a predictable part of your budget instead of something you have to brace yourself for. If you've been living in your home for a year, you can call your utility company and see if you're eligible for average monthly payments. Here are some other ways leveled billing can pay off:

Reduced Financial Stress

Paying the same amount each month means you don't have to worry about large, seasonal spikes in utility bills. This can help reduce financial stress, especially during months when expenses are higher than usual. If you're on a fixed income or managing a tight budget, a predictable bill helps avoid periods of financial strain.

Helps Avoid Late Fees or Service Interruptions

Since the payment amount is fixed, it's easier to ensure that payments are made on time, helping you avoid late fees or disruptions in service. A steady payment plan will mean you're less likely to fall behind on utility payments, which could potentially lead to penalties or disconnection of services.

No Surprises

Because utility usage varies seasonally, higher heating costs in winter, higher cooling costs in summer, leveled billing averages these fluctuations, so you're not hit with a larger-than-expected bill during high-usage months. Depending on quarterly or annual adjustments, if you end up using less energy than anticipated, your provider will adjust the total monthly amount. Similarly, if you use more energy than expected, your provider will spread the difference over the remaining months.

Helps with Energy Efficiency Planning

When your bill stays roughly the same month-to-month, it can encourage you to focus on improving energy efficiency. Small adjustments in energy usage won't lead to drastic bill increases but may help lower the amount you pay overtime, especially when the adjustment occurs annually. Some leveled billing programs offer rewards or incentives for reducing energy consumption, which can help lower your future monthly payments.

When you couple energy conservation with a Smart Thermostat it gives you complete control over your utility bill. Our Smart Thermostat actually learns your routine to help you conserve energy, or you can set a schedule to make sure your furry, four-legged friends stay comfortable when you're not home.

Better for Long-Term Savings Goals

Knowing that you can predict your energy costs makes it easier to plan for long-term financial goals, such as saving for a big purchase or paying off debt. It may also make it easier to implement an energy-saving plan, as you can track progress through annual adjustments. When fluctuating bills constantly catch you off guard, it can be hard to save and plan for the future.

At CPI Security, we're here to give you true peace of mind and help you find ways to save for the future. We want to help you feel safe and secure, which means making sure your finances are safe and secure as well. Check out our list of smart home products that can help you save money and schedule your savings.