Understanding your bill: small business customers

Below are explanations of the items related to your monthly electric bill. The Florida Public Service Commission (PSC) regulates FPL’s electricity rates.

**Customer charge**: A fixed monthly amount to cover the cost of the meter, billing and customer service. It is applicable whether or not electricity is used in a given month.

**Fuel charge includes**: The cost for fuel required to provide each kilowatt-hour (kWh) of electricity. Florida Power & Light Company makes no profit on fuel costs, which are adjusted at least once a year.

**Non-fuel charge**:  
- **Base energy charge**: The costs other than fuel to produce and deliver electricity, including the cost of operating power plants and maintaining the grid.
- **Energy Conservation Cost Recovery (ECCR) Charge**: Cost of programs designed to reduce electric demand and consumption through efficiency measures.
- **Capacity Cost Recovery Clause (CCRC)**: Cost for purchasing electricity from non-FPL owned resources as well as certain nuclear-related expenses.
- **Environmental Cost Recovery Clause (ECRC)**: Cost to meet environmental laws and regulations.

**Gross receipts tax**: A tax of about 2.56 percent on a customer’s electric bill that is paid to the state of Florida.

**Other taxes and fees**: Vary by area, as established by local governing bodies. FPL collects these costs for distribution to the appropriate entities.

- **Franchise charge**: FPL competes with municipalities and county governments for the right to serve electric customers. If a local government chooses, it can enter into a contract with FPL that enables the government to charge residents a contractual amount, the franchise fee, in exchange for its agreement to not form an electric utility for the term of the franchise.
- **Utility/municipal tax**: A tax imposed by a municipality or county government on the sale of electricity.
- **Florida sales tax**: A 6.95 percent tax levied by the State of Florida on the purchase of electricity.
- **Discretionary sales surtax**: A surtax that is charged by many Florida counties.

**NOTE**: The term “base rate” refers to the total of the customer charge and base energy charge. It is not a separate item on the bill.

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**Typical 1,500-kWh Small Business Customer Monthly Bill June 2020:**

$145.42 (excludes municipal tax, franchise charge, and sales taxes where applicable)