

Understanding your bill: residential 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 providing 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.

Non-fuel charge* includes:

- » **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.
- » **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.
- » **Temporary hurricane recovery surcharge**: 12-month charge to recover costs directly associated with storm recovery, such as FPL's response to Hurricane Matthew in 2016, as well as replenish the reserve for future storms.¹

Storm charge*: Used to repay the bonds issued during the 2004 and 2005 hurricane restoration efforts and to partially replenish the storm damage reserve fund for future storms.

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.

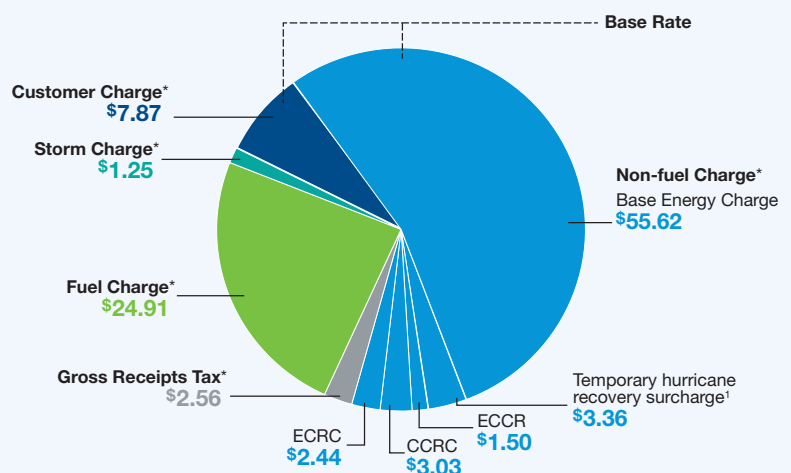
- » **Franchise charge***: FPL competes with municipalities and county governments for the right to serve electric customers. If a local government chooses, it can enter into a contract with FPL that enables the government to charge residents a contractual amount, the franchise fee, in exchange for its 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.

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.

Typical 1,000-kWh
Residential Customer
Monthly Bill in
March 2017:
\$102.54

Lowest typical bill in the state

(based on available comparisons of the state's electric utilities)



Disclaimer: Estimates include the state gross receipts tax but do not include credits, local taxes or fees that may be applicable in some jurisdictions.

* Items listed on the bill

¹ The temporary hurricane recovery surcharge is a 12-month surcharge that will be part of customers' bills from March 2017 - February 2018.