

# 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.

**Base 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.
- » **Storm Protection Plan Cost Recovery Clause (SPPCRC)**: Cost to strengthen the grid in order to reduce restoration costs and outage times during major storms, as well as improving day-to-day service reliability.
- » **Transition Credit**: Addresses difference in costs to serve FPL and former Gulf Power customers in a reasonable manner for all customers. Transition credit will decline to zero over a five-year period, fully aligning rates by Jan. 1, 2027.

**Gross receipts tax and Regulatory assessment fee\***: FPL pays a tax equal to 2.6% of gross electric and operating revenues to the state and the Florida Public Service Commission.

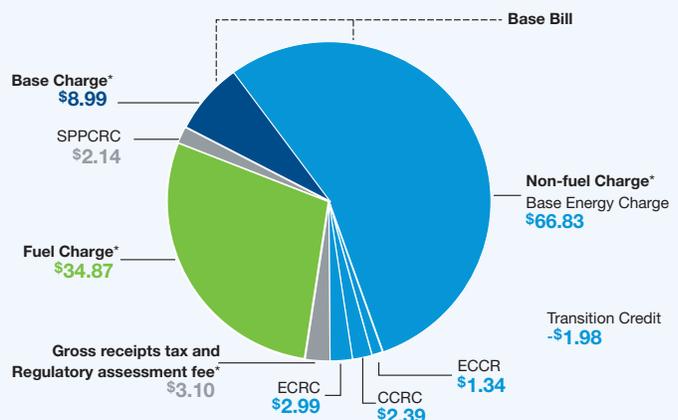
**Other taxes and fees**: Vary by area, as established by local governing bodies. FPL collects these costs for distribution to the appropriate entities.

- » **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 bill" refers to the total of the base charge and base energy charge. It is not a separate item on the bill. Residential customers whose monthly base electric service costs fall below \$25 are subject to a minimum \$25 base bill.

Typical 1,000-kWh  
Residential Customer  
Monthly Bill in  
January 2022:

**\$120.67**



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

\* Items listed on the bill