

Understanding Your Electric Bill

Although billing formats vary from one company to the other, here are some of the billing components you could expect to find on your school's electric bill.

Meter Number – most meters on your facilities are digital and have a unique meter number. Generally speaking, each meter is the basis for an electric billing account. Some meters are more sophisticated than others allowing you to download an hourly load profile for that facility.

Meter Constant or Multiplier – The digital readout on the meter is not the KWH. It is a meter unit that must be multiplied by the designated constant for that meter to determine the total KWH used.

Rate – each meter is assigned a rate by which it will compute charges. Information on rates can be obtained from the electric utility company or the Florida Public Service Commission.

- **General Service (GS)** – this is the simplest rate to understand since it is very similar to your residential rate. The total kilowatt-hours (KWH) that are consumed are simply multiplied times the KWH rate. There is also another KWH-based component to the rate that relates to fuel costs to the electric company. The most common rates used in Florida have not changed for years, however, the fuel adjustment factor has changed recently as often as every six months when fuel costs are going up significantly. This rate is used for smaller loads.
- **General Service Demand (GSD)** – this is the most common rate for most schools. It consists of two rates, one for consumption (KWH) and one for demand (KW). The demand rate is a charge for peak power use during the billing period. In the summer this might be the hottest day during the billing period when all the air-conditioners were running at the same time. Peaks in the summer can occur between noon and 2 PM. In the winter, the peak might be in the early morning when heat strips are all coming on at the same time.
- Other special rates include “Time of Use” or “Interruptible” which are more complicated.

Customer Charge – this is a small fee to maintain the account. This is charged every month whether you use any electricity or not.

Energy Charge – Total consumption, KWH, times the rate per KWH.

Fuel Charge – an additional cost per KWH to account for the cost of generating electricity. Very seldom do you see the electric “rate” increase. Utility companies are allowed to increase the cost per KWH during the year by increasing the fuel charge. This may be referred to by other terms on your bill, such as, “power cost adjustment,” “bulk power cost adjustment,” or some other term.

Demand Charge – the cost of the highest power peak, measured in KW, during the billing period. An elementary school can average as much as 300-500 KW, a middle school 600-800 KW, and a high school 1000-1400 KW at any point during the month. Rates per KW can range from \$3.00 to \$6.00.

Energy Management Cost Adjustment – Utility companies are allowed to charge a small cost per KWH for conservation programs, such as free auditing, that help reduce energy consumption.

Gross Receipts Tax – this is a tax that is applied to all energy related charges.

Franchise Fees – An additional cost added by a municipality, usually a town, where the meter is located.

Billing Period – The time, in days, between meter readings. This can vary, usually between 28 and 33 days. Sometimes the units are estimated if an actual reading is not performed.