

# Understand your electric bill and take control of your savings

Knowing your business's expenses has never been more important, and your monthly electric bill is a valuable tool that can help. After all, the more you know about your energy usage, the more control you'll have over the costs.

Your business is unique, right down to the way you use energy. Your FPL bill reflects your business' specific energy usage and patterns.

To help you better understand your bill and how you can save, this fact sheet will explain:

- » How FPL charges for electricity
- » How to determine your current rate schedule
- » What rate options are available to help you save energy and money

# **How FPL charges for electricity**

Every FPL customer is billed for electricity used during a billing period. Depending upon the amount you use and your usage level, your bill may be made up of two components, energy and demand. Here's the difference:

» Energy – the total amount of electricity used, measured in kilowatt-hours (kWh). A kilowatt-hour is the number of kilowatts used in an hour and represents 1,000 watts. For example, the energy used by a 100-watt light bulb for 10 hours equals 1,000 watt-hours or 1 kWh (100 watts X 10 hours = 1,000 watts or 1 kWh). » Demand – reflects how much electricity is used at any given moment. A demand-measuring meter constantly tracks and records the highest 30 minute average level of kilowatt demand (kWd) each monthly billing period. Demand charges are measured either by demand-measuring meters for larger commercial (over 20 kW) and industrial accounts or incorporated in the energy charge.

## Making sense of demand

To further understand the difference between demand and energy, it may help to compare electricity demand to water demand.

The measurement of energy is similar to measuring the total gallons of water used during a month, and the measurement of demand is similar to the largest amount of water flowing through an intake valve at one time (i.e., maximum gallons per minute).

For example, assume the kWh listed are equivalent to gallons of water.

- » Customer 1 uses a steady, low level of electricity during the entire month to reach a "gallon" level.
- » Customer 2 reaches the "gallon" level in the first few days, then levels off for the remainder of the month.

Both businesses used the same amount of electricity overall, but Customer 2 placed a greater demand on FPL's system during a few days of his electricity use, or "intake."

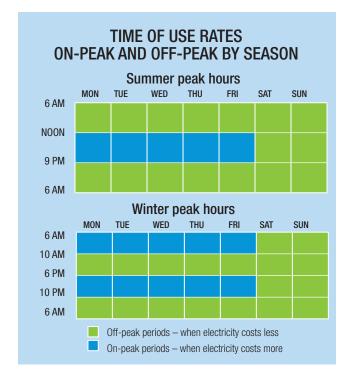
FPL has to generate or replace capacity with reserves to meet both peak and steady use of electricity, which is why it charges for demand.

### Options to help you save

To help you save energy and money, FPL offers several rate options, including:

1. Contract rate – allows you to move up if you are near the threshold of the next rate class. Consider contracting up if your business is currently billed under a GS-1 general service rate (non-demand) and uses between 8,000 and 10,000 kWh each month.

By contracting up, you agree to be billed a demand minimum of 21 kWd a month, plus your energy usage. Your total charges will be less than on the non-demand rate. The minimum demand charges vary according to each rate class.



2. Annual and Seasonal Time of Use (TOU) rate – allows you to lower electric bills without reducing power consumption, as long as you are able to shift electricity use to off-peak times, or if your business operates between 16 and 24 hours per day.

Here's how it works: On the standard rate, there is no difference in what you're charged for electricity use during peak and off-peak periods. But with TOU rates, you pay a lower rate for off-peak usage and a higher rate for peak period usage. The more energy consumption you're able to shift off-peak, the greater the savings.

## **Start saving today**

If you have questions about your bill or want to see if you could save by switching to one of our alternative rate plans, call our Business Care Center at 1-800-FPL-5566 (1-800-375-5566), or contact your Customer Manager. For more information about your bill or other account services available online, visit the Business section at www.FPL.com.

