

# UTILI-FACTS

## Charges on Your Electric Bill

Retail Electric Providers offering electric service in deregulated areas of Texas may provide different billing formats; however, the following are some of the charges most likely to appear on your electric bill regardless of which provider you choose.



**Base Charge** – flat fee applied each month regardless of the amount of kilowatt (kWh) used.



**Current Charges** – the current charges for electric service as disclosed in your terms of service document, including applicable taxes and fees. If you are on a level or average payment plan, the level or average payment due shall be clearly shown in addition to the current charges.



**Demand Charge** – a charge based on the rate at which electric energy is delivered to or by a system

at a given instant during the billing cycle.

**Energy Charge** – a charge based on the electric energy (kWh) consumed.

**Meter Charge** – a charge assessed to recover a TDU's charges for metering your consumption, to the extent that the TDU is a separate charge exclusively for that purpose that is approved by the Public Utility Commission.

**Recurring Charges** – identifies and itemizes any recurring charges other than for electric service.

**Non-Recurring Charges** – identifies and itemizes any non-recurring charges such as late fees, returned check fees, restoration of service fees, or other fees disclosed in the Retail Electric Provider's Terms of Service Agreement.

**Amount Due** – balances from the preceding bill, payments made since the preceding bill and amount due with a checkbox for the customer to voluntarily donate money to the bill payment assistance program.

**New Services or Products** – notice of any new products or services being provided to the customer since the previous bill.

**Changes in Rates** – any change in the customer's rates or

charges consistent with the Terms of Service Agreement, such as a variable rate feature or changes to regulatory charges

**Late Payment Penalty** – a one-time penalty of not more than 5% may be charged on a delinquent bill. Outstanding delinquent balances cannot be re-penalized. Penalty does not apply to residential or small commercial customers of the Provider of Last Resort (POLR).

**Sales Tax** – sales tax collected by authorized taxing authorities, such as the state, cities, and special purpose districts.

**Advanced Metering Charge** – a PUC-authorized charge for electric delivery companies to recover the costs for their Advanced Metering Systems. This charge will be shared among all electricity in the TDU's service territory. Your monthly charge will be added to your electricity bill for the next several years. For more information, including the length of the charge, contact your Retail Electric Provider.

**Competition Transition Charge** – a charge assessed to recover a TDU's charges for nonsecuritized costs associated with the transition to competition.

**Energy Efficiency Cost Recovery Factor** – a charge assessed to recover a TDU's costs for energy efficiency programs, to the extent that the TDU charge is a separate charge exclusively for that purpose that is approved by the Public Utility Commission.

**PUC Assessment** – a fee assessed to recover the statutory fee for administering the Public Utility Regulatory Act.

**REP Charges** – Retail Electric Providers may bundle all charges associated with your electric service into the price per kWh or they may separate the charges using the following:

**TDU Delivery Charges** – charge to cover the cost of moving electricity from the generation plant to your home.

**Transmission Distribution Surcharges** – one or more TDU surcharge(s) on a customer's bill in any combination. Surcharges include charges billed as tariff riders by the TDU.

**Transition Charge** – utilities are allowed to securitize or refinance their regulatory assets and/or stranded costs (assets that become uneconomical as a result of deregulation) as long as it benefits ratepayers. Securitizing debt provides funding at a lower cost than traditional utility funding. Utilities are also allowed to recover the transaction costs of securitization through this fee. (Continued on back)

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**System Benefit Fund** – a non bypassable charge set by the PUC, not to exceed 65 cents per megawatt hour. Pays for energy efficiency and customer education programs.

**Miscellaneous Gross Receipts Tax Reimbursement** – a fee assessed to recover the miscellaneous gross receipts tax imposed on retail electric providers operating in an incorporated city or town having a population of more than 1000.

**Nuclear Decommissioning Fee** – fee that covers the cost of safely removing a nuclear generation facility from service, reducing residual radioactivity to a level that permits release of the property for unrestricted use and termination of license. Only the local wires company or transmission and distribution

utility can assess this fee to any company that uses its wires to deliver electricity to consumers.

**Minimum Usage Fee** – A fee charged when a customer uses a certain amount of usage.

**Amount Due** – The total amount due by the due date of the bill. The total may include a past due amount, but does not extend the due date of the delinquent amount beyond the original bill or disconnection notice if issued.

\* Please know that city-owned utilities, rural cooperatives, or other areas that have not entered the competitive electric market may not reflect the same charges outlined in this fact sheet.

**QUESTIONS:**

Call: 1-888-782-8477, in Austin 512-936-7120  
(TTY 512-936-7136) (FAX 512-936-7003)

Write: PUC - Consumer Protection Division  
P.O. Box 13326, Austin, TX 78711-3326

Online: <http://www.puc.texas.gov/consumer/complaint/Complaint.aspx>

