

## Bill Definitions

### Utilities

**Customer Charge** - Each utility service has a fixed customer charge to recover those costs that GRU must incur to provide service whether or not any consumption is used. Meter repair and replacement expenses, monthly meter reading expenses and the costs of producing and mailing the utility bill are examples of such costs.

**Electric and Gas Use Charges** - Electric and gas use charges vary in amount with the level of utility service the customer actually uses. These charges recover those costs that GRU incurs in delivering the utility service to the customer such as costs associated with operating and maintaining the respective transmission and distribution systems—the electric and gas lines. Also included in each energy charge is a taxable portion of fuel costs (see Fuel Adjustment Charge below).

**Manufactured Gas Plant Cost Recovery Factor** - When GRU purchased the privately owned Gainesville Gas Company in 1990, the utility assumed responsibility for cleanup of residual coal tar contamination at the former site of the gas plant on Depot Avenue. To recover a portion of the cost of this remediation, a per-therm fee is charged for natural gas. This fee is reassessed each year based on the changing costs of the cleanup.

**Fuel or Purchased Gas Adjustment Charges** - The electric and gas fuel adjustment charges vary in amount with the level of electricity or gas the customer actually uses. For electric service, this charge recovers the cost of the fuel used to generate electricity. For gas service, fuel costs are those paid by GRU to natural gas and liquid propane gas suppliers. In 1973, the Florida legislature “froze” the amount of fuel costs subject to utility taxes or surcharges. GRU’s fuel adjustment charges are the difference between what fuel costs today and what it cost on October 1, 1973, and are exempt from utility taxes and surcharges. [Sec. 166-231, Florida Statutes]

**Water Use Charge** - The water use charge varies in amount with the level of water the customer actually uses. It recovers the operating and maintenance costs associated with drawing the water out of the Floridan Aquifer, treating it to drinking water standards, and pumping it through underground water pipes to your business.

**Wastewater Billing Charge** - Wastewater billing charges recover the operating and maintenance costs of pumping wastewater from your business to one of our two wastewater reclamation facilities, processing and treating the wastewater so that the residual wastewater meets drinking standards, and disposing of the wastewater and wastewater by-products. Since wastewater usage cannot be metered, non-residential customers are billed on 95% of their metered water use.

### City of Gainesville

**Stormwater Fee** - Section 27-236 of the Gainesville Code of Ordinances authorizes the City to levy a fee to fund the Stormwater Management Utility Program. GRU is only the billing agent and revenues collected are passed directly to the City. The basic measurement is 1 ERU (equivalent residential unit of 2,300 sq. ft.).

### Taxes and Surcharges

**Electric Surcharge** - The Florida Public Service Commission has authorized an electric surcharge be levied on electric charges to customers receiving electric service outside the city limits and equal to the utility tax (10%) levied on electric charges to customers receiving electric service inside the city limits. [Sec. 27-27(c), Gainesville Code of Ordinances]

**Natural Gas Surcharge** - Section 27-272.1 of chapter 27 of the Gainesville Code of Ordinances authorizes the City to levy a natural gas surcharge on customers receiving natural gas service outside the city limits equal to the utility tax (10%) levied on customers receiving natural gas service inside the city limits. [Sec. 27-27(c), Gainesville Code of Ordinances]

**Water and Wastewater Surcharges** - Section 180.191 of the Florida Statutes authorizes the city to levy a 25% surcharge on water and wastewater charges to customers receiving such services outside the city limits. [Sec.27-128(b) and 27-169(b), Gainesville Code of Ordinances]

**Utility Tax** - Section 166.231 of the Florida Statutes authorizes cities and “charter” counties to levy a utility tax. The City of Gainesville, Alachua County, and the City of Alachua all levy a 10% utility tax on electric, gas, and water charges. These tax revenues are passed directly to the levying authority.

**Florida Gross Receipts Tax** - Chapter 12B-6 of the Florida Administrative Code levies a 2.5% tax on the gross receipts of electric and gas industries in the State of Florida and allows this amount to be recovered from all customers regardless of tax exempt status. These tax revenues are passed directly to the State and are used for Public Education Capital Outlay funding. The DOR factor the Florida Gross Receipts Tax for natural gas is determined by the Department of Revenue.

**State Sales Tax** - A tax levied by the State of Florida on nonresidential electric and gas charges. [Sec. 212.05, Florida Statutes]

**Electric Wild Spaces Surtax** - This is a 0.5% discretionary sales tax on electric and gas charges to support the Alachua County Wild Spaces & Public Places program. There is a maximum purchase cap of \$5,000 and the tax is in effect from 1/1/2017 until 12/31/2024.

**School Board Surtax** - This is a 0.5% discretionary sales tax on electric and gas charges to support improving facilities of the Alachua County School Board. There is a maximum purchase cap of \$5,000 and the tax is in effect from 1/1/2019 until 12/31/2030.

### Adjustments & Service Charges

**Late Fee** - A late fee of \$1 or 1.5% of the amount of the bill, whichever is greater, will be charged on any unpaid current balance at the close of business on your due date. Past due balances do not apply and may be subject to disconnection terms. [Sec. 27-14(e), Gainesville Code of Ordinances]

**Returned Payment Fee** – Fees vary based on returned payment amount. A returned payment up to \$50.00 will be charged a \$25 service charge, \$50.01 - \$300 will be charged \$30, \$300.01- \$800 will be charged \$40, over \$800 will be charged 5% of the face value. Accounts may be placed on a cash only payment basis for two (2) or more returned checks in a 12-month period. [Sec. 27-14.3, Gainesville Code of Ordinances]