

# Explanation of Current Charges



## Natural Gas Bill

**CCF** - The unit of energy used to measure natural gas, equal to 100 cubic feet of gas.

**Customer Charge** - This monthly charge helps cover basic administrative costs, such as billing, customer service, meter reading and more. This charge applies even if you do not have any usage for the month.

**Gas Distribution Charge** - This charge is for the costs to transport the gas you use through our pipeline system as well as keeping that system safe and reliable.

**Gas Cost Recovery** - This charge represents the actual cost DTE pays for the natural gas you use. There is no mark-up – you pay what we pay.

**IRM Surcharge** - This surcharge helps fund the replacement of cast-iron service lines with newer, safer materials across the communities we serve.

**Reservation Charge** - This represents the cost of acquiring and storing enough natural gas to maintain a safe and reliable supply for you, even during the most extreme high-use weather conditions.

**Other Delivery Surcharges** - This item includes charges related to the delivery of natural gas to you. This includes the Energy Waste Reduction surcharge which supports energy efficiency programs for DTE Gas customers designed to help reduce usage, lowering bills.

**Residential Michigan Sales Tax** - Michigan Sales tax on residential natural gas is 4%. This applies to all bill charges.

**Alternative Gas Supplier charges** - This section only applies if you have chosen to purchase natural gas from an alternative gas supplier (AGS). You will not see a Gas Cost Recovery section if you receive natural gas from another supplier – you will only see this section.



## Electric Bill

**KWH** - The unit of energy used to measure electricity, equivalent to the amount of electrical energy consumed by a 100-watt lamp burning for ten hours.

**On Peak Capacity Charge** - This charge covers the fixed costs of generating electricity during higher demand.

**On Peak Non-Capacity Charge** - This charge pays for variable costs, operations, and maintenance during higher demand.

**Off Peak Capacity Charge** - This charge covers the fixed costs of generating electricity during lower demand.

**Off Peak Non-Capacity Charge** - This charge pays for variable costs, operations, and maintenance during lower demand.

**Power Supply Cost Recovery (PSCR)** - The actual cost of the fuel and other sources DTE uses to produce electricity, including the cost of the purchase and transport of the electricity from generating plants to the delivery system. There is no mark-up – you pay what we pay.

**Other Power Supply Volumetric Surcharges** - This item includes Securitization charges related to the retirement of certain generating plants in order to support long-term savings for customers.

**Service Charge** - This monthly charge helps cover basic administrative costs, such as billing, customer service, meter reading and more. This charge applies even if you do not have any usage for the month.

**Distribution** - The distribution charge is the amount you pay per KWH for delivering your electricity across our wires as well as maintaining the grid.

**LIEAF Factor** - Funds collected through the Low-Income Energy Assistance Fund (LIEAF) surcharge, a state-mandated charge, are remitted directly to the state and help provide heating assistance to low income customers across Michigan.

**Other Delivery Volumetric Surcharges** - This item includes charges related to the delivery of power to customers. This includes the Energy Waste Reduction surcharge which supports energy efficiency programs for DTE Electric customers designed to help reduce usage, lowering bills and the cost to build new power plants. It also includes the Nuclear Surcharge which covers costs associated with decommissioning, low-level radioactive waste disposal, site security and radiation protection at DTE's Fermi 2 Nuclear Plant. It includes the Distribution Securitization charge related to certain costs associated with tree trimming on the distribution system.

**Residential Michigan Sales Tax** - Michigan Sales tax on residential electricity is 4%. This applies to all bill charges except the LIEAF factor.