

Fuel Adjustment Calculations

July-September, 2014

True-Up Calculation

	FUEL COST RECOVERY
	Balance
Fuel Adjustment Stabilization Fund	
Balance as of May, 2014	\$476,052
Maximum true-up balance allowed per City Commission policy	\$900,000
Minimum Desireable Balance	\$500,000
True-up Amount Added	\$250,000

Estimated Quarterly Fuel Cost

	Estimated Wholesale Fuel Cost	Estimated Retail Sales MWh
Estimated Total	\$5,222,362	123,525

Quarterly Fuel Cost Recovery Factor Calculation

Estimated Quarterly Fuel Cost (\$)	\$5,222,362
True-up added to Fuel Adjustment Calculation (\$)	<u>\$250,000</u>
Total to be collected from April - June, 2014 fuel cost recovery (\$)	\$5,472,362
April - June 2014 Fuel Cost Recovery Factor (\$/kWh)	\$0.04430
Fuel Cost Recovery Factor (January-March)	\$0.04034
Change in Fuel Cost Recovery (\$/kWh)	\$0.00396
Change in Fuel Cost Recovery (\$/1,000 kWh)	\$3.96

Note: Preliminary fuel costs received for July indicate that the calculations above provided insufficient fuel cost recovery including the true-up during July. The City is therefore adding an additional true-up of \$100,000 to be recovered in August and September. As a result, of the extra true-up, the fuel adjustments previously calculated for July-Sept. will be increased by .123¢ per kWh. This will amount to about a 1 % increase (including franchise fees and taxes) for 1,000 kWh residential customers. For commercial customers, the increase will be about 1-1.4% depending on consumption and rate class.