

# Fuel Adjustment Calculations

Effective July 1, 2021

**Note:** Typically the City of Winter Park calculates and implements the fuel adjustment annually, effective January 1 of each year. Extraordinary changes in the price of fuel may cause the need for more frequent changes to the fuel adjustment. Approximately 80% of the wholesale power purchased by the City comes from natural gas-fired power plants. Natural gas prices for 2021 are now projected to be 18.1% higher than originally projected. As a result, a mid-year correction is required.

## True-Up Calculation

	Balance
Fuel Adjustment Stabilization Fund	
Balance as of November 30, 2020	\$1,277,302
Maximum Balance Allowed per Fuel Adjustment Tariff	1,100,000
Target true-up balance year end 2021	\$745,000
Over-Collection to be returned to customers (Jan - Dec 2021)	\$532,302

## Estimated Fuel Cost January-December 2021

	Estimated Wholesale Fuel Cost	Estimated Retail Sales KWh
<b>Estimated 12 month Fuel Cost</b> (Updated as of June 14, 2021)	<b>\$12,093,042</b>	<b>423,000,000</b>

## Fuel Cost Recovery Factor Calculation (January - December 2021)

Estimated Period Fuel Cost (\$)	\$12,093,042
True-up added to Fuel Adjustment Calculation (\$)	<u>-\$532,302</u>
Total to be collected for 12 month period (\$)	\$11,560,740
Estimated Fuel Cost Recovery for 2021 (Original Fuel Adjustment)	<u>\$10,143,540</u>
Estimated Fuel Cost Recovery for 2021 (\$/kWh)	\$0.02398
Required Additional Recovery	\$1,417,200
Whole year Increase (\$/kWh)	\$0.003350
July- December proportion of annual sales	55.0%
Six-month Fuel Cost Recovery Factor per retail kWh (\$/kWh)	\$0.00609
Revised fuel adjustment for July-December 2021	\$0.03007
Previous Fuel Cost Recovery Factor Implemented January 1, 2021	\$0.02423
Change in Fuel Cost Recovery (\$/kWh)	\$0.00584
Change in Fuel Cost Recovery (\$/1,000 kWh)	\$5.84