

Regulators consider electric utility fuel costs

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The state's public electric utilities went before regulators Monday with a mixed forecast for costs to buy fuel for the state's power plants in 2007, a cost that is passed directly on to consumers.

The biggest electric company, Florida Power & Light, is projecting that customers' bills will go down about \$5 per month, largely because of a new more efficient power plant it plans to bring on line next year.

FPL is also asking the Public Service Commission to let it reduce the hurricane surcharge that customers are currently paying, as it sells bonds to cover recent storm-related costs. That would further lower consumers' monthly bills by about another 50 cents.

But several companies are asking the PSC to approve slight increases in fuel charges. St. Petersburg-based Progress Energy Florida, the state's second largest electric company, is asking for a fuel charge that will mean an increase just about 80 cents a month for the average customer. The company had initially forecast a much bigger increase, but decreasing costs for oil and gas led to a lower prediction.

Tampa Electric customers would see their fuel charge go up nearly \$5 a month. The biggest increase among the major producers would be at Gulf Power Co., which serves the western Panhandle. The company's projected increase is just under \$10 a month for a customer who uses 1,000 kilowatts a month. The company points out its customers still have lower bills than customers of most other companies.

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