

# Power Line

\_\_\_\_\_ April 2022

## Soaring cost of fuel causes \$4 increase on members' bills

Due to the rising costs to generate power, Clay Electric Cooperative is implementing an increase in its rates, beginning with April billing cycles. Members using the industry household average of 1,000 kWh of power will pay \$123.90, a \$4 increase. The previous cost was \$119.90 and took effect in January.

The additional amount each member pays each month will vary based on how much electricity is used. The higher cost will be reflected in the Power Cost Adjustment (PCA) on members' power bills.

The PCA is increasing as a result of higher-than-forecast natural gas prices, which is making the power the co-op purchases from its wholesale power provider, Seminole Electric, more expensive. About 70 percent of the fuel used to generate power in Florida is natural gas.

Clay Electric General Manager/CEO Ricky Davis said markets are currently predicting natural gas prices will continue to climb and fluctuate in 2022 and the soaring generation costs are projected to cost Seminole Electric members an extra \$40 million the rest of year.

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*Clay Electric Cooperative was rated by our customers*

**#1 in Customer Satisfaction  
with Residential Electric Service  
Among Cooperatives**

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# COST OF POWER

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“We work hard to maintain our costs and provide affordable electricity, but these large fuel increases to generate power make this rate change unavoidable,” Davis said. “This is one of only a few increases in the PCA since 2018 due to historically stable coal and natural gas prices.”

The PCA is a separate line item on each Clay Electric bill statement, which reflects the increases/decreases in the co-op’s cost of power. The co-op’s cost of wholesale power is now more than 70 percent of Clay’s total expenses, so it’s critical the co-op makes sure it recovers all of its wholesale power costs in its retail sales.

When the cost of power is greater than the amount included in the base rate, the PCA is a charge. When the cost is less, it is a credit.

For more information on the PCA or rates, visit [ClayElectric.com](http://ClayElectric.com).

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## Storm evacuation help for those with special needs

With storm season approaching, it’s vital for members to be prepared.

If you or someone you know has special needs and requires assistance in case of an evacuation, your local government can help. Contact your local county emergency management office to learn about shelters in your area.

Visit [floridadisaster.org/shelters](http://floridadisaster.org/shelters) or call 1-800-342-3557 to register with the county emergency operations center.

Power Line is an informational publication of Clay Electric Cooperative, Inc. It is distributed monthly with members’ statements. If you have questions or comments about Power Line, write Justin Caudell at P.O. Box 308, Keystone Heights, FL 32656; or email: [Jcaudell@clayelectric.com](mailto:Jcaudell@clayelectric.com). Clay Electric Cooperative’s Board of Trustees will meet at noon Thursday, April 28 in Keystone Heights.