

EXPLANATION OF THE ELECTRIC CHARGES ON THE CURRENT UTILITY BILL

- The council passed Ordinance No. 2024-003 that commenced on January 1, 2024.
- The changes were implemented on the February 10, 2024 bill. We bill in arrears and would effect the billing period of December 27, 2023 thru January 27, 2024.
- In order to accurately bill energy utilities, the City decided to separate the cost of purchasing the energy and the cost of generating the energy into two line items.
 - The cost of purchasing the energy is a set rate (adopted for Fiscal Year 2024) + the Customer Charge (base rate).
 - The cost of generating the electric energy is the Power Cost Recovery Factor or “Fuel Adjustment” as shown on the bill. The PCRf is subject to change on a monthly basis based upon the market conditions.

What is Power Cost Recovery Factor (PCRf)

The PCRf is the variable portion of the wholesale power costs. It changes, as needed, based on factors in the wholesale market, including but not limited to, increases or decreases in cost of natural gas, which is the fuel that generates the majority of the electricity in Texas. If you've noticed the price of gas for your vehicle fluctuating at the pump, then you won't be surprised to learn the price of natural gas is doing the same.

Ninety-nine percent of your power comes from natural gas, along with renewables such as wind and solar. Natural gas prices can trend up or down depending on supply and demand. The Houston Ship Channel factors the supply-side that affects prices to include natural gas production, imports and storage inventory levels. Increases in supply tend to pull prices down, while decreases in supply tend to push prices up.

These are the current **fixed** electric rates that generate the first line item on the bill. Included is the amount of energy that is consumed X the Energy Charge + the Customer Charge:

EXHIBIT D – ELECTRIC RATES

ELECTRIC		FY 2023	Adopted FY 2024
Residential Inside	Customer Charge	\$ 15.00	\$ 15.00
	Energy Charge	\$ 0.1128	\$ 0.0463
Residential Outside	Customer Charge	\$ 15.00	\$ 15.00
	Energy Charge	\$ 0.1128	\$ 0.0463
Senior Inside	Customer Charge	\$ 14.25	\$ 14.25
	Energy Charge	\$ 0.1072	\$ 0.0406
Senior Outside	Customer Charge	\$ 14.25	\$ 14.25
	Energy Charge	\$ 0.1072	\$ 0.0406
Commerical Inside	Customer Charge	\$ 35.00	\$ 35.00
	Energy Charge	\$ 0.1128	\$ 0.0463
Commerical Outside	Customer Charge	\$ 35.00	\$ 35.00
	Energy Charge	\$ 0.1128	\$ 0.0463

The bill prior to February 10, 2024:



City of Castroville

1209 Fiorella Street
Castroville TX 78009
Phone 830-931-4070
Fax 830-931-6373
www.castrovilletx.gov



Account Number	Amount Due
	\$218.30
Due Date	After Due Date Pay
01/25/2024	\$239.32
Account Name	
Service Address	
Amount Enclosed	

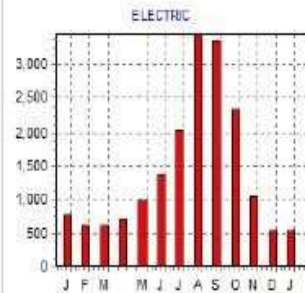
There will be a charge on all returned checks.
Please return this portion with your payment.
When paying in person please bring both portions of this bill.

CUSTOMER ACCOUNT INFORMATION - RETAIN FOR YOUR RECORDS

Name		Service Address			Account Number	
Status	Service Date		#Days	Bill Date	Penalty Date	Due Date
	From	To				
ACTIVE	11/27/2023	12/27/2023	30	01/10/2024	01/25/2024	01/25/2024

PREVIOUS BALANCE 232.00
PAYMENTS 232.00-

CURRENT READING	PREVIOUS READING	USAGE	CURRENT BALANCE
6869	6341	528	74.56
9	8	1	35.35
2783	2775	800	23.20
			3.20
			40.00
			27.30
			0.25
			5.00
			5.17
			4.27



CURRENT BILL \$218.30

The bill after February 10, 2024



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PREVIOUS BALANCE 232.00
PAYMENTS 232.00-

CURRENT READING	PREVIOUS READING	USAGE	PAST DUE AMOUNT
6869	6341	528	39.45
9	8	1	35.35
2783	2775	800	23.20
			3.20
			40.00
			27.30
			0.25
			5.00
			5.17
			4.27



CURRENT BILL \$219.04

BILL COMPARISON

PREVIOUS BILL CALCULATION

Energy Consumption 528

$$528 \times .1128 \text{ (rate)} + 15.00 \text{ (base rate)}$$

$$59.5584 + 15.00 = \text{\textcolor{red}{\$74.56}}$$

CURRENT BILL CALCULATION

Energy Consumption 528

$$528 \times .0463 \text{ (rate)} + 15.00 \text{ (base rate)}$$

$$24.4464 + 15.00 = \text{\textcolor{blue}{\$39.45}}$$

+

PCRF (Fuel Factor)

$$528 \times .0679 \text{ (this month's rate)} = \text{\textcolor{blue}{\$35.8512}}$$

$$\text{\textcolor{blue}{\$39.45}} + \text{\textcolor{blue}{\$35.85}} = \text{\textcolor{red}{\$75.30}}$$

The comparison difference of the two methods of billing is **\text{\textcolor{green}{\\$0.74}}**

CITY PUBLIC SERVICE (CPS) vs CITY OF CASTROVILLE

My CPS bill for the month of July

Electric

Residential Electric

Service Availability Charge	\$9.50
Energy Charge 1,647 kWh x \$0.07503	\$123.57
Peak Capacity Charge 1,047 kWh x \$0.0215	\$22.51
Fuel Adjustment 1,647 kWh x \$0.01199	\$19.75
Regulatory Adj 1,647 kWh x \$0.01494	\$24.61
Total Electric Bill (Non-Taxable)	\$199.94

Comparison Bill Calculation to the City of Castroville

$$1,647 \text{ kWh} \times .0463 = 76.2561$$

$$1,647 \text{ kWh} \times .0679 = \underline{111.8313} \text{ (PCRF)}$$

\$188.09

The difference is **\$11.85**