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BIOMASS RATE HIKE HARD ON "All-Electric" HOUSEHOLDS

Gainesville has high electric rates, but because about 38% of residential customers use natural gas for heating and other purposes, the average monthly residential electricity consumption is—according to GRU's we bist--only about 870 kWh. But knowing the average consumption tells us nothing about the impact of GRU's rates on the majority of residents who cannot get or use natural gas.

comment

Having natural gas provides major financial advantages, especially in winter, because gas is cheap, when considered on an energy content basis. One therm of natural gas costs the customer A little over a dollar, but it contains the equivalent of over 29 kWh of heat energy, which would cost \$4.63 if paid for at the rate all-electric households pay. In winter electric bills can be brutal for the "all-electric household" that make up the majority of GRU's residential customers.

The table below compares the January 2011 electric consumption and bills of all-electric households in four Gainesville neighborhoods with households in those same neighborhoods that use natural gas.

Comparison of Households Without and With Gas ^a			
	All -Electric	With Gas	Total
Number of Households	166	598	764
Electric Bill	\$264.42	\$125.20	\$159.17
kWh	1,623	846	1,014
Fuel Adjustment	\$84.38	\$56.22	\$52.72
Future Fuel Adjustment	\$137.76	\$71.92	\$86.17
kWh>750	891	257	384
\$ for >750 kWh	\$90.85	\$26.17	39.168
# customer >750	127	242	384
% customers >750	77%	40%	50%
kWh > 1000	691	168	440
# > 1000	110	147	257
% over 1000	66%	25%	34%
For Households with Gas			
Therms	95		
Gas Bill	\$97.93		
Total Energy Bill	\$244.43		
Electric kWh	846		
kWh equivalent of gas	2,793		
Total kWh	3,639		
Cost if billed as elec	\$632.80		
Savings	\$388.37		

Conclusions:

All-Electric household electric usage and bills were over twice as high as gas households.

All-Electric households averaged 891 kWh in the top rate tier compared to 257 for gas households.

All-electric households averaged \$84.38 in fuel adjustment fees, compared to \$56.26 for gas households.

77% of all-electric households used more than 750 kWh, but only 40% of gas households did.

66% of all-electric households used more than 1000 kWh, but only 25% of gas households.

The kWh equivalent of natural gas used by gas households averaged 2793 therms,

All-electric households that used as many kWh as the total kWh of gas households would pay \$632.80, or \$388.37 more than the gas households paid.

Knowing the average for combined group of all-electric and gas households provides no insight into the impact of electric rates on the majority of GRU's residential customers, but that's all GRU tells about electric customers.

The biomass plant will add at least 3.3 cents per kWh to the fuel adjustment rate. Future fuel adjustment charges will be about 8.5 cents/kWh and add more than \$50 per month in January to all-electric household bills, but only about \$30 for gas households.