

TVA fuel cost adjustment to decrease July 1

Duck River Electric members will see the price paid for electricity decrease for the third straight quarter, beginning July 1, as TVA decreases its quarterly fuel cost adjustment (FCA).

The decrease over the previous quarter will amount to about a \$3-\$5 savings per month for the average residential consumer as the actual July through September FCA amount is decreased from \$.00864 to \$.00561 per kilowatt-hour of energy used. The decrease is due to a reduction in the prices paid for coal and natural gas that are used as fuels in TVA power plants as well as increased hydro generation.

The FCA reflects TVA's fluctuating costs to generate power, including fuel and power purchased from outside resources.

Like many utilities around the country, TVA uses a fuel cost adjustment to recover the costs of fuel used to generate electricity and the cost of electricity bought from other suppliers.