



Florida Public Service Commission

Consumer Bulletin

E. Leon Jacobs, Jr., Chairman



The Rising Costs of Natural Gas and Electricity

The nation is experiencing the highest natural gas prices in recent history. They are caused by colder than normal weather, historically low gas storage levels and higher than normal demand from electric generation plants. With this in mind, rising natural gas and oil costs have caused many of Florida's gas and electric companies to request an increase in their fuel prices in order to recover these high costs.

Recently, the Florida Public Service Commission (PSC) voted to approve eight natural gas companies' petitions to increase their Purchased Gas Adjustment (PGA) caps. A PGA cap is a charge to consumers that allows companies to recover their costs of natural gas. Under the PGA cap, companies can raise the charges -- up to the level of the cap -- when the cost of natural gas rises, and can lower the charges when the costs fall.




The PSC also recently approved the requests of two of Florida's largest investor-owned electric companies for an increase in their fuel prices. These companies use natural gas and oil to fire their electric plants and generate electricity.

Florida statutes allow companies to pass their direct fuel costs to you, the consumer. The PSC's discretion in this matter is very limited by law.

The PSC encourages you to seek more information on electric and natural gas issues.

If you would like more information on electricity or natural gas, please contact the PSC at **1-800-342-3552**. You may also contact us by e-mail at contact@psc.state.fl.us, or visit our Internet home page at <http://www.floridapsc.com>.

To Reduce Your Electric And Gas Bills, You Can:

-  Conserve energy.
-  Take advantage of bill payment plans, if offered by your utility, to even out your monthly bills.
-  Take advantage of government energy assistance programs if you qualify. You may also contact the PSC and request a copy of our **Where to Find Help** booklet. If you or someone in your family is having difficulty paying electric or gas bills, this booklet can help you find sources of assistance in Florida.

E. Leon Jacobs, Jr. is the Chairman of the Florida Public Service Commission. The PSC sets the rates utility companies charge for natural gas, electric and telephone service within the state. In 36 counties, it sets the price you pay for the water you drink, if your water company is privately-owned.