

PUBLIC UTILITIES COMMISSION
HIBBING, MINNESOTA
STEAM FOSSIL FUEL ADJUSTMENT
RATE 16001-16005

The purpose of the FFA is to recover fuel costs in excess of the Base Cost per Mlbs sold during the test year. If the monthly cost per Mlbs sold is less than the Base Cost, there is no FFA. If the monthly cost is greater than the Base Cost, an FFA would be charged.

The allocation of actual costs to the Steam Department is based on the amount of coal consumed in the production of steam. This cost is divided by the prior month steam sales to compute the cost of steam sold per Mlbs.

The initial Base Cost per Mlbs sold is based on a seasonal rolling average of Steam Department fuel cost allocated to the Heat Department divided by the steam sales during the test year plus 10 percent thereof.

The FFA shall be calculated under this clause unless service to a customer is covered by a contract with a different method of determining the FFA. The amount of FFA is applicable to all metered or estimated meter sales, except sales covered under contract, and is not subject to the maximum charge provision of the rate schedule.

Effective Date October 15, 1978
First Revision February 1, 1980
Second Revision February 1, 1981
Third Revision March 1, 1982
Fourth Revision January 1, 1997
Fifth Revision January 1, 1998
Suspended January 1, 2007