

# Corpus Christi Caller-Times

## CPL wants average \$41-a-month hike

Small commercial firm's bill would go up about \$102

By From staff and wire reports  
October 6, 2005

CPL Retail Energy and TXU Energy are asking the Public Utility Commission for permission to raise rates by January, citing 50 percent increases in costs of natural gas, a fuel often used to generate electricity.

CPL, the incumbent electric provider in the Corpus Christi area, filed a request to raise electricity rates 30 percent - an average monthly increase of about \$40.76 - for residential customers using 1,000 kilowatt hours per month, according to CPL Retail Energy's filing.

A bill for a small commercial customer using 2,500 kilowatts per month would increase 25 percent, about \$102.08 per month, according to the filing.

Dallas-based TXU Energy, the incumbent provider in Dallas and other areas of North and Central Texas, has asked for permission to raise rates by 24 percent - an average monthly increase of about \$30 for residential customers. The company is a competitor in Corpus Christi.

TXU also asked the commission Tuesday to allow it to raise rates about 12 percent - equal to about \$15 each month - through the end of the year. That increase would go into effect by early November.

"We are requesting this increase in stages, so that the impact of the increase is not felt as strongly," TXU Energy spokesman Carlos Santos said Wednesday.

An incumbent provider is the company that was the monopoly provider before deregulation. Other companies can undercut the incumbent's rates, called the Price to Beat. Texas electric deregulation rules allow incumbent providers to file for rate increases to cover hikes in natural gas prices.

When incumbents are granted increases, the competitors that undercut their prices typically raise their rates accordingly.

TXU Corp. announced Tuesday that it filed a fuel factor adjustment request for TXU Energy's Price to Beat electricity rates. TXU cited increases in natural gas and wholesale power prices, but said it delayed filing the request as part of a September agreement with the commission and the Office of Public Utility Council.

A CPL Retail Energy spokeswoman reached late Wednesday, referred questions to executives who could not be reached for comment.

"Oh, my goodness," Tim Morstad, an analyst with the Consumers Union, a nonprofit consumer advocate, told The Dallas Morning News as he began leafing through TXU's filing Tuesday. "Wow, this is very, very high."

### Rate hikes

CPL Retail Energy and TXU Energy are asking for permission to raise rates by January.

**30%**

Amount of increase requested

**\$40.76**

Average monthly increase for residential customers

**24%**

Amount of increase requested

**\$30**

Average monthly increase for residential customers

Santos said TXU Energy is hoping that the PUC approves the requests no later than its open meeting Oct. 28.

The company said that if the increase is approved, it would voluntarily adopt an across-the-board discount for its Price to Beat customers.

Terry Hadley, spokesman for the state's utility commission, encouraged electric customers to use the HYPERLINK <http://www.powertochoose.org> Web site or call the toll-free hotline at 866-797-4839 to shop for the lowest rate.

"We would recommend people shop quickly," Hadley said, noting competitors mirror incumbent rate increases. "Prices can change quickly when filings like these are made."

*Caller-Times business writer Alison Beshur and the Associated Press contributed to this report.*

Copyright 2005, Caller.com. All Rights Reserved.