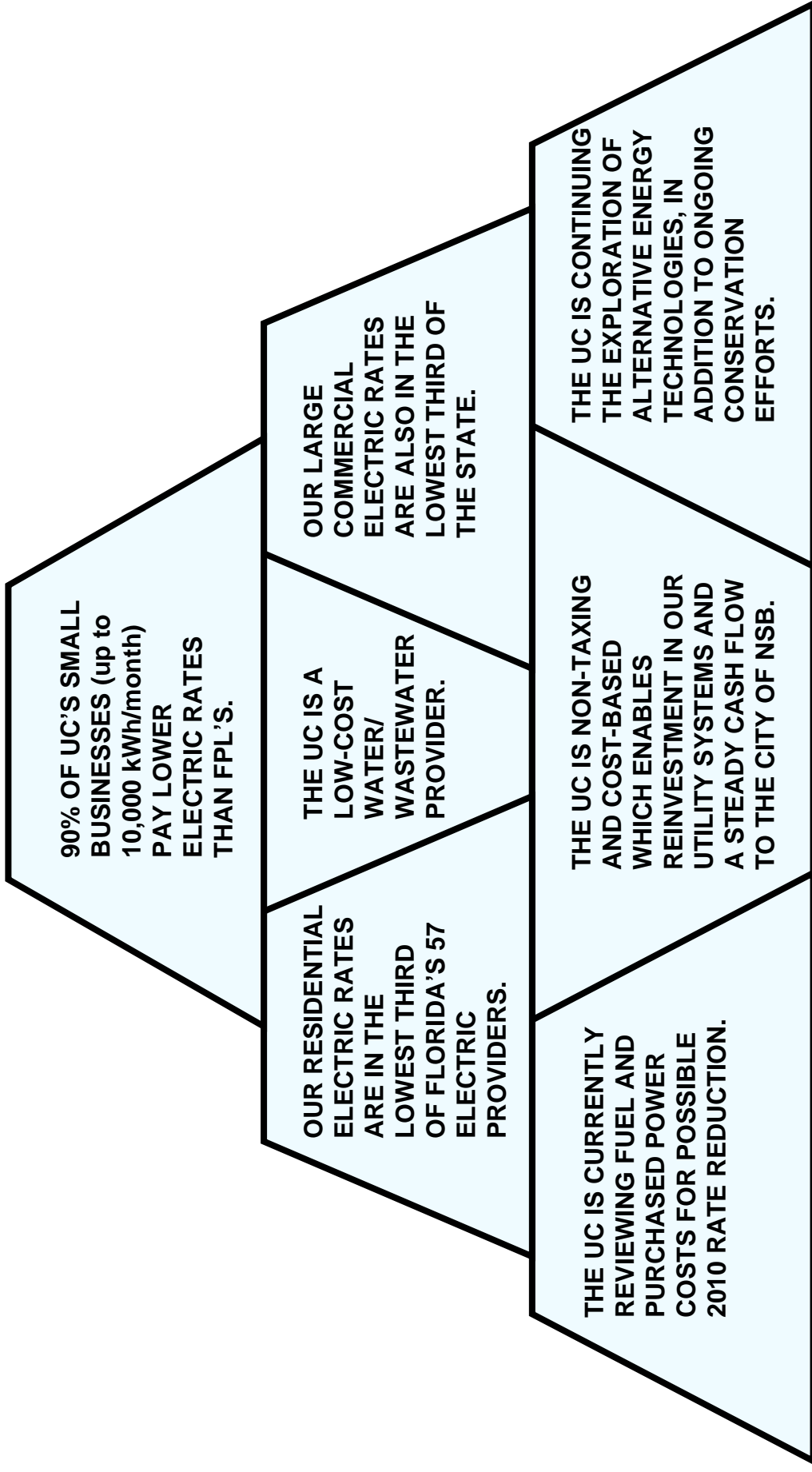


HOW YOUR LOCAL UTILITY STACKS UP



UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH, FLORIDA



For further details, please come see us at 200 Canal Street or visit our website, www.ucnsb.org

Due to the current economy, any spending has become a concern in everyone's budget. This informational sheet was developed to provide you with a further understanding of Utilities Commission (UC) rates as your local, low-cost utility provider. Below are some key points you should know:

- **The Utilities Commission's electric costs are in the lowest third of residential electric providers when compared to the listed 33 municipal electric providers and to the 57 total providers within the State of Florida.** According to FPL's rate structure, the UC block rates are lower than FPL's block rates above 1,000 kWh.
- For the UC's small business customers, our electric rates are below the 5 lowest cost municipal systems and are lower than FPL's for customers below the 40 KW – 10,000 kWh consumption level. **Approximately 90% of New Smyrna Beach's small businesses are included in the 40 KW – 10,000 kWh consumption level and pay less than FPL.**
- **The UC's electric costs are again in the lowest third of commercial electric providers in the State for large demand and/or industrial customers, above the 300 KW – 60,000 kWh consumption level.** The UC rates in this customer class are higher than FPL's. FPL subsidizes this rate class from residential and small businesses. This 10% of the UC's commercial customers, which includes the electric usage at the UC's water and wastewater plants, fall within the large demand rate class.
- The UC has carried and recovered an approximate \$4.5 million balance in fuel and purchased power costs for over a year to maintain lower electric rates and to assist our customers. **The UC is currently reviewing fuel and purchased power costs for possible rate reductions in 2010.**
- The UC is a non-taxing, legislatively-created municipal utility service provider. No customer class does or is allowed to subsidize another. These requirements extend to all UC services, i.e., **no free services are allowed and UC customers do not subsidize new developments and/or businesses nor do UC customers incur the financial risks for private projects.** These requirements also protect the UC ratepayers, the rate revenues, and enables dedicated, continued reinvestment in and maintenance of our utility systems and facilities while providing a steady cash flow to the City of New Smyrna Beach.
- The UC is also a low cost water, wastewater, and reuse water service provider. Currently, **many municipal water/wastewater providers are often subsidized by taxes and are now facing insufficient revenues with deficiently maintained systems.** As reported in local newspapers, many of those municipal systems are now requesting or implementing large rate increases.