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Commonwealth Utilities Corporation

An Equal Opportunity Provider and Employer

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Fuel Adjustment Charge Remains the Same for the Month of July

(Tuesday, July 3, 2018) - Saipan, CNMI – The Commonwealth Utilities Corporation (CUC) announces that the Fuel Adjustment Charge (FAC) remains at \$0.22317 per kWh for the month of July.

Although there has been a slight decrease in the Mean of Platts Singapore (MOPS) monthly pricing from June to July as notified by Mobil Oil Mariana Islands, Inc., the decrease did not equal or exceed a 4.5 percent differential of the average per gallon cost of fuel. Accordingly, there will be no adjustment made to the overall CUC kWh rate for the month of July.

CUC is required, pursuant to an order previously issued by the Commonwealth Public Utilities Commission (CPUC), to adjust (up or down) the FAC pass-through rate when the Mean of Platts Singapore (MOPS) monthly pricing equals or exceeds a 4.5 percent differential of the average per gallon cost of fuel used in the calculation of the current FAC rate.

The FAC is one of two components that make up the CUC Electric kWh Rate, which is used to purchase fuel. The second component is the CUC Base Rate, which is used to fund operations, projects, and debt service. This Base Rate has not been increased since April 17, 2014.

CUC first instituted LEAC in 2009 to recover fuel and fuel related costs, a system also used by power providers in Guam and the Virgin Islands. In May 2015, the CPUC authorized CUC to change the name of LEAC to FAC to provide customers a more accurate description of the rate.

About CUC

The Commonwealth Utilities Corporation is a non-profit autonomous agency of the CNMI government which provides electric power, water, and wastewater services to the islands of Saipan, Tinian, and Rota.