BILL 2014-15

****** Third Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: March 17, 2014

RE: Electric Rates

Issues

The City's bulk electricity provider, Platte-Clay Electric will raise its rates, effective April 1 of this year. The rate increase needed to account for the purchase cost increase is approximately 1.45%. The last increase was in 2009, but this increase is small, relative to past increases.

Recommendation

Staff recommends that the proposed rate schedule be adopted and incorporated into the code of ordinances to take effect on May 1, 2014.

Bill 2014-15

AN ORDINANCE REPEALING THE CURRENT ELECTRICAL RATES AND ESTABLISHING NEW ELECTRICAL RATES FOR CONSUMERS OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI MUNICIPAL UTILITIES

WHEREAS, the City of Cameron's wholesale electric provider (Platte-Clay Electric Cooperative) has announced an increase in power rates as of April 1, 2014; and

WHEREAS, that increase needs to be passed on to our electric customers for financial reasons; and

WHEREAS, after internal review of the rate structure, new rates are being recommended to offset the Platte-Clay increase.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AS FOLLOWS:

Section 1. Repeal the existing Sec. 12-321. Residential service schedule (R-1). (b) Net rate and (c) Net minimum and replace them with a new sub-section (b) and sub-section (c) as follows:

Sec. 12-321. Residential service schedule (R-1).

(b) *Net rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 40 kWh, per kWh……..	$0.1859
Next 960 kWh, per kWh……	$0.1118
Excess kWh, per kWh……	$0.0905

(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall not be less than seven dollars and thirty cents ($7.43).

Section 2. Repeal the existing Sec. 12-321a. Residential with electric heat service schedule (R-2), sub-section (b) Net rate and sub-section (c) Net minimum and replace with a new sub-section (b) and sub-section (c) as follows:

Sec. 12-321a. Residential with electric heat service schedule (R-2).

(b) *Net rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 40 kWh, per kWh…….	$0.1859
Next 960 kWh, per kWh……...	$0.1118
Excess kWh, per kWh……..	$0.0824

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(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall not be less than seven dollars and thirty cents ($7.43).

This rate shall apply to energy usage during the months October through May. Otherwise the rates from residential service schedule R-1 will apply.

Section 3. Repeal the existing Sec. 12-322. Commercial service schedule (SC-1). sub-section (b) Net rate and sub-section (c) Net minimum and replace them with a new sub-section (b) and sub-section (c) as follows:

Sec. 12-322. Commercial service schedule (SC-1).

(b) *Net rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 50 kWh, per kWh…….	$0.1859
Next 1150 kWh, per kWh…….	$0.1118
Next 1800 kWh, per kWh…….	$0.0935
Excess kWh, per kWh……..	$0.1021

(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall not be less than nine dollars and fifteen cents ($9.30).

Section 4. Repeal the existing Sec. 12-322a. Commercial with electric heat service schedule (SC-2). sub-section (b) Net rate and sub-section (c) Net minimum and replace them with a new sub-section (b) and sub-section (c) as follows:

Sec. 12-322a. Commercial with electric heat service schedule (SC-2).

(b) *Net rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 50 kWh, per kWh……	$0.1859
Next 1150 kWh, per kWh……	$0.1118
Next 3800 kWh, per kWh……	$0.0844
Excess kWh, per kWh…….	$0.0917

(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall not be less than nine dollars and fifteen cents ($9.30).

This rate shall apply to energy usage during the months October through May. Otherwise, the rates from commercial service schedule SC-1 shall apply.

Section 5. Repeal the existing Sec. 12-324. Large commercial service schedule (LC-1). sub-section (a) Availablity, sub-section (b) Rate and Sub-section (c) Net minimum and replace them with a new sub-section (b) and sub-section (c) as follows:

Sec. 12-324. Large commercial service schedule (LC-1).

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(a) *Availability*. This schedule is available for electric service to any Customer on the lines of the City when the measured demand exceeds (15) kilowatts, but is not more than five hundred (500) kilowatts for three (3) consecutive months.

(b) *Rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 100 hours use of Metered Demand, per kWh …….$0.1486
Next 200 hours use of Metered Demand, per kWh …… $0.0761
Excess kWh, per kWh …… $0.0690

(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall be not less than the Metered Demand kW times the Minimum Bill Demand Charge. ($9.30/kW).

Section 6. Repeal the existing Sec. 12-324a. Large commercial with electric heat service schedule (LC-2). sub-section (a) Availability, sub-section (b) Rate and sub-section (c) Net minimum and replace them with new sub-section (b) and sub-section (c) as follows:

Sec. 12-324a. Large commercial with electric heat service schedule (LC-2).

(a) *Availability*. This Schedule is available for electric service to any Customer on the lines of the City with permanently installed electric heating equipment which provides for all heating, when the measured demand exceeds fifteen (15) kilowatts, but is not more than five hundred (500) kilowatts for three (3) consecutive months. The use of electric heating equipment with natural gas, propane or butane peaking units will not be considered under this rate.

(b*) Rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 100 hours use of Metered Demand, per kWh …….$0.1187
Next 200 hours use of Metered Demand, per kWh …… $0.0761
Excess kWh, per kWh …… $0.0690

This rate shall apply to energy usage during the months October through May. Otherwise, the rates from large commercial service schedule LC-1 shall apply.

(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall be not less than the Metered Demand kW times the Minimum Bill Demand Charge. ($6.39/kW).

Section 7. Repeal the existing Sec. 12-325. Industrial service schedule (P1-1). Sub-section (a) Availability, sub-section (b) Rate and sub-section (c) Net minimum and replace them with a new sub-section (a), sub-section (b) and sub-section (c) as follows:

Sec. 12-325. Industrial service schedule (P1-1).

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(a) *Availability*. This schedule is available for electric service to any customer on the lines of the city when the measured demand exceeds five hundred (500) kilowatts or more.

(b) *Rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 100 hours use of Metered Demand, per kWh …….$0.1811
Excess kWh, per kWh …… $0.0644

(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall be not less than the Metered Demand kW times the Minimum Bill Demand Charge. ($11.67/kW).

Section 8. Repeal the existing Sec. 12-325a. Industrial with electric heat service schedule (P1-2). sub-section (a) Availability, sub-section (b) Rate and sub-section (c) Net minimum and replace them with a new sub-section (a), sub-section (b) and sub-section (c) as follows:

Sec. 12-325a. Industrial with electric heat service schedule (P1-2).

(a) *Availability*. This schedule is available for electric service to any customer on the lines of the city with permanently installed electric heating equipment which provides for all heating, when the measured demand exceeds five hundred (500) kilowatts or more. The use of electric heating equipment with natural gas, propane or butane peaking units will not be considered under this rate.

(b) *Rate*. This schedule is subject to the power cost adjustment clause in section 12-329 of this division.

First 100 hours use of Metered Demand, per kWh …….$0.1461
Excess kWh, per kWh …… $0.0644

This rate shall apply to energy usage during the months October through May. Otherwise, the rates from industrial service schedule P1-1 shall apply.

(c) *Net minimum*. The total net monthly bill calculated on the rates established in (b) of this section, shall be not less than the Metered Demand kW times the Minimum Bill Demand Charge. ($8.17/kW).

Section 9. This ordinance hereby repeals all other ordinances pertaining to all electrical rates heretofore established for the user of electricity in the City of Cameron, Missouri, and any and all other ordinances inconsistent herewith. This ordinance shall take effect and be in full force May 1, 2014

Section 10. The Mayor is authorized to sign this ordinance approving it on behalf of the City.

Section 11. The City Clerk is directed to attest to the Mayor's signature.

Third Reading

Passed and approved on first reading this 17th day of March 2014.
Passed and approved on second reading this 7th day of April 2014.
Passed and approved on third and final reading this 21st day of April 2014.

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Mayor Dennis M. Clark

ATTEST:

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City Clerk/Finance Clerk

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