

AN ORDINANCE AMENDING SECTIONS 1048.02 AND 1048.04 OF THE STREETS, UTILITIES AND PUBLIC SERVICES CODE TO ADOPT AN ADJUSTED ELECTRIC RATE STRUCTURE AND SCHEDULE OF CHARGES.

WHEREAS, the City's Department of Public Works has completed an electric rate and cost of service study through the consulting firm of Courtney & Associates that is recommending electric rate adjustments and an amended schedule of charges for City Council's consideration; and

WHEREAS, the last comprehensive electric rate adjustments taking into account cost of service and cost of power were passed by this Council in 1996, pursuant to Ordinance 96-43; and

WHEREAS, this Council has studied the consultant's proposed adjustments and amendments and after such study and a public hearing, desires to adopt the same;

NOW, THEREFORE, Be It Ordained by the Council of Hudson, Summit County, Ohio, that:

Section 1. Section 1048.02 of the Streets, Utilities and Public Services Code is hereby amended to read as follows:

"1048.02 RATE SCHEDULES.

The following rate schedules and other provisions for the sale of electric service to the consumers thereof by the Municipality are hereby established for all bills payable on or before the tenth day of each month. The monthly charge per customer shall be computed as follows:

(a) Residential.

Energy ~~e~~**Charge:**

kWh-

~~Per kWh~~

~~First 1,600~~_____

~~\$0.07942~~

~~Over 1,600~~_____

~~0.0627~~

All kWh

\$0.115 per kWh

Customer ~~e~~**Charge:**

~~6.237~~ **\$7.00** per meter

\$8.00 per meter (effective 1/1/16)

\$9.00 per meter (effective 1/1/17)

\$10.00 per meter (effective 1/1/18)

Minimum eCharge:	6.237 per meter per month <u>Applicable Customer Charge</u>
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Residential rates are available for residential lighting and appliance service, to installations serve through one meter for each family unit in a residence or apartment. When the service is used through the same meter for both residential and commercial purposes, commercial rates shall apply.

(b) Controlled Electric Water Heating Service. Service is furnished through a separate meter. The hours of service are controlled by a time switch. This rate schedule is not available to new customers. ~~Customers currently served under this rate schedule will be required to reconfigure their wiring such that service to the electric hot water heater will be metered with the customer's normal service.~~

Energy eCharge:	\$0.0660 <u>\$0.1010</u> per kWh
Customer eCharge:	3.091 <u>\$5.00</u> per meter
Minimum eCharge:	3.091 <u>\$5.00</u> per meter per month

(c) Commercial-Small. **This rate is available to all customers that take service from facilities owned by the Municipality and have a peak load of less than 100 kW.**

Energy eCharge:	
<u>kWh</u>	<u>Per kWh</u>
First 2,000	\$0.10714 <u>\$0.145 per kWh</u>
Next 28,000	\$0.0935 <u>\$0.132 per kWh</u>
Next 70,000	\$0.6963
<u>Over 30,000</u>	<u>\$0.108 per kWh</u>
Over 100,000	\$0.0633
Customer eCharge:	6.237 <u>\$10.00</u>
Minimum eCharge:	6.237 <u>\$10.00</u> per meter per month

Where a transformer installation is used solely to furnish service to a single customer, the Municipality may meter the service on the primary side of the transformer or transformers and in such case the applicable monthly energy charge shall be reduced by two percent. Where the transforming, controlling, regulating and protective equipment is owned by the customer, and the Municipality meters the service on the primary side of the transformer or transformers, the applicable monthly energy charge shall be reduced by an amount in addition to the above two percent reduction, subject to the approval of such transforming, controlling, regulating and protective equipment by the Manager.

The amount of the additional reduction shall be determined as follows:

Where a demand meter has been installed by the Municipality, the additional reduction shall equal the lesser of forty cents (\$.40) per KVA of maximum monthly demand or three and one-half percent of the energy charge.

Where a demand meter has not been installed by the Municipality, the additional reduction shall equal the lesser of twenty-five cents (\$.25) per KVA of installed nameplate transformer capacity or three and one-half percent of the energy charge.

(d) Commercial-Large. This rate is available to all customers that take service from facilities owned by the Municipality and have a peak load of greater than 100 kW.

Energy Charge:

All kWh

\$0.085 per kWh

Demand Charge:

All kW

\$10.00 per kW of Billing Demand

Customer Charge:

\$100.00 per meter

Minimum Charge:

Customer Charge plus Demand Charge

The Billing Demand shall be equal to the highest measured 15-minute integrated or equivalent thermal kW demand witnessed during the billing period, but not less than 100 kW.

Where a transformer installation is used solely to furnish service to a single customer, the Municipality may meter the service on the primary side of the transformer or transformers and in such case the applicable monthly Energy Charge and Demand Charge shall be reduced by two percent. Where the transforming, controlling, regulating and protective equipment is owned by the customer, and the Municipality meters the service on the primary side of the transformer or transformers, the applicable monthly Demand Charge shall be reduced by \$0.50 per kW of Billing Demand, subject to the approval of such transforming, controlling, regulating and protective equipment by the Manager.

(d)(e) Power Supply Cost Adjustment Factor. ~~The residential, controlled electric water heating and commercial energy charges~~ The Residential, Controlled Electric Water Heating, Commercial-Small and Commercial-Large Energy Charges set forth above shall be increased or decreased monthly by the Power Supply Cost Adjustment Factor (PSCAF). The PSCAF shall be determined each month to the nearest \$0.0000 per kWh by the following formula:

$$\text{PSCAF} = [\text{TPSC}/\text{TPE} - \text{BPSC}] \times \text{ELF}$$

PSCAF = Power Supply Cost Adjustment Factor

TPSC = Total Power Supply Cost, Excluding the Cost of Power to Serve Schedule E2 Rate Customers (\$)

BPSC = Base Power Supply Costs = \$0.~~0431~~**0758** per kWh

TPE = Total Purchased Energy, Excluding the ~~Cost of Power~~**Energy Required** to Serve Schedule E2 Rate Customers (kWh)

ELF = Energy Loss Factor = 1.07

(f) Excise (kWh) Tax Adjustment. . The Residential, Controlled Electric Water Heating, Commercial-Small and Commercial-Large rates set forth above shall be increased by an amount equal to the excise (kilowatt-hour) tax imposed on the City's electric distribution system under Ohio Revised Code 5727.81. Said increase shall be automatically adjusted to reflect any change in the kilowatt-hour tax imposed by Ohio Revised Code 5727.81.

(g) Economic Development Rate "E".

- (1) Availability. Economic development rate "E" shall be open to any new full requirements customer or any existing full requirements customer having measurable local growth where service is supplied at primary voltage and the new load is greater than 200 kW. This rate is not available for street lighting or resale purposes.
- (2) Nature of service. Service shall be alternating current, sixty cycles, three-phase, 2,400 nominal volts or more, the supply voltage in each case to be determined by the Division of Hudson Public Power ~~Department~~.
- (3) Installation charge. See Standard Rules and Regulations.
- (4) Rate. Rates will be subject to negotiation with the City, taking into consideration the customer's load and energy requirements and usage characteristics, the facilities and investment required to serve the customer and other matters relating to the service.
- (5) Minimum charge. The minimum charge shall be negotiated with the City.
- (6) Delayed payment charges. Any bill which is not paid within thirty days of the due date shown thereon shall have a delayed payment charge of one and one-half percent per month added to its net amount in accordance with Section 1048.04
- (7) Special taxes. Bills shall be increased to offset any specific tax or excise imposed by any government authority upon the electric utility's generation or the sale of electrical energy.
- (8) Determination of maximum demand. For new customers, the maximum demand, or rate of use of electric energy, shall be the greatest average load in kilowatts during any fifteen-minute period during each month as determined by instruments installed by the Division of Hudson Public Power ~~Department~~ for that purpose.

For existing customers, unless the new load is separately metered, the maximum demand shall be the greatest average load in kilowatts during any fifteen-minute period during each month, less the average maximum demand for the twelve months prior to establishing service under this rate.

- (9) Adjustment of maximum demand. The Division of Hudson Public Power ~~Department~~ may measure or test the power factor of the customer's load during periods of maximum energy use. If the power factor is found to be less than eighty-

five percent lagging, the maximum kW demand shall be increased by the ratio that eighty-five percent bears to the power factor of the customer's load.

- (10) Determination of billing demand. The billing demand each month shall be the maximum demand for such month, but not less than sixty percent of the highest billing demand of the preceding eleven months, and in no case less than 200 kW.
- (11) Term and form of contract. Service shall be provided under a written contract which will include the rates, terms and conditions of service and be subject to Council approval.
- (12) Rules and Regulations. Service shall be pursuant to the **Division of** Hudson Public Power's ~~Department's~~ Standard Rules and Regulations."

Section 2. Existing Section 1048.02 of the City's Streets, Utilities and Public Services Code is hereby repealed as of the effective date of this Ordinance.

Section 3. Section 1048.04 (b) of the City's Streets, Utilities and Public Services Code is hereby amended to read as follows:

"(b) All charges must be paid on or before the fifteenth day of the month next following the close of the period for which they are billed or service will be discontinued. A reconnection charge of ~~thirty~~ **fifty** dollars (\$~~3~~**5**0.00), in addition to all other charges and fines, shall be paid by any customer as a condition of resumption of service following discontinuation for nonpayment of a bill or violation of any other rule or regulation requiring discontinuation of service. **The charge for a reconnection after the normal business hours of the Municipality shall be one hundred fifty dollars (\$150.00).**"

Section 4. Existing subsection 1048.04 (b) of the City's Streets, Utilities and Public Services Code is hereby repealed as of the effective date of this Ordinance.

Section 5: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 6: This Ordinance shall take effect and be in force from the billing cycle due and payable on July 10, 2015.

PASSED: _____

William A. Currin, Mayor

ATTEST:

Elizabeth Slagle, Clerk of Council

I certify that the foregoing Resolution was duly passed by the Council of said Municipality on _____, 2015.

Elizabeth Slagle, Clerk of Council