

ORDINANCE NO. 9-08

AN ORDINANCE TO AMEND SECTION 3-313 OF THE CITY CODE; TO INITIATE A 4.5% INCREASE IN THE TARIFF OF RATES TO BE CHARGED CUSTOMERS FOR CURRENT FROM THE ELECTRIC DISTRIBUTION SYSTEM OF THE CITY; TO PROVIDE FOR BILLING THEREOF; TO REPEAL THE ORIGINAL SECTION 3-313; TO PROVIDE FOR PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM; TO PROVIDE FOR A TIME WHEN THIS ORDINANCE SHALL TAKE EFFECT

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEWARD, NEBRASKA:

Section 1. MUNICIPAL ELECTRICAL SYSTEM; RATES. Section 3-313 of the City code is amended to read as follows:

3-313 Municipal Electrical System; Rates and Billing. As a tariff of rates based on monthly consumption by each consumer of current from the Electric Distribution System of the City, the following schedule based on meter readings is established.

One meter shall be installed to service one user. If additional buildings are required for a given user, they shall be interconnected by the customer to obtain one meter. If additional meters and services are requested by the customer, each shall be treated as a separate customer. It will be at the City's sole discretion to determine what installation of service is most appropriate and beneficial to the system as a whole, which decision will be based on, but not limited to, proximity, continuity, similarity and compatibility of service. This requirement shall take effect with the kilowatt hour usage from the 1st day of October, 2002. Any services metered differently prior to this date will be grand fathered in.

RATES:

Summer Rate:

The summer rate shall apply to the Customer's use from June Billing through September Billing.

Winter Rate:

The winter rates shall apply to the Customer's use from October Billing through May Billing.

Terms and Conditions:

1. Usage may be fractionalized on the actual days of service for application of a change in rate.
2. Service will be furnished under the City's General Terms and conditions.
3. Extension made for service under this schedule are subject to the provisions of the City's rules governing Extension of Service and Facilities
4. The rates set forth herein may be increased by the amount of any new or increased governmental tax imposed and levied on transmission, distribution, production, or the sale of electrical power.

RESIDENTIAL LIGHT, HEAT AND POWER (RE)

SUMMER PERIOD:

A. Monthly rate for Summer Period effective July, 2008 Billing:

Customer Charge, per month.....\$9.93
Plus Energy Charge of:
First 700 Kwh, per kWh.....\$0.095
Over 700 kWh, per kWh.....\$0.100

WINTER PERIOD:

B. Monthly rate for Winter Period effective July, 2008 Billing

Customer Charge, Per Month.....\$9.93
First 700 kWh, per kWh.....\$0.085
Over 700 kWh, per kWh.....\$0.039

C. Available:

Within established City limits.

D. Applicable:

To single-family residences and individually metered apartments for all domestic purposes when all service is supplied through a single meter, provided ratings of individual single-phase motors do not exceed five (5) horsepower.

E. Character of Service:

AC, 60 cycles, 120/240 volt, 3 wire, single-phase; or 120 volt, 2 wire.

F. Small Business in Residential District:

Any property located in a Residential Zone of the City which conduct a small business inside the home which is legal under the Zoning Ordinance of the City shall be considered residential for the purposes of this Section.

GENERAL SERVICE (CE)

SUMMER PERIOD:

A. Monthly Rate for summer period effective July, 2008 Billing:

Customer Charge, per month.....\$17.02
Plus Energy Charge of:
First 1,600 kWh, per kWh.....\$0.106
Over 1,600 kWh, per kWh.....\$0.088

WINTER PERIOD:

B. Monthly Rate for Winter Period effective July, 2008 Billing:

Customer Charge, per month.....\$17.02

Plus Energy Charge of:

First 1,600 kWh, per kWh.....\$0.094

Over 1,600 kWh, per kWh.....\$0.055

C. Minimum Bill:

The Customer Charge plus, for special installations, \$1.23 per kVA of requested transformer capacity

In case of equipment having abnormally low annual utilization factors or unusual operating characteristics, special minimum charges may be prescribed by the City.

D. Available:

Within established City rate areas.

E. Applicable:

To any customer for lighting, heating, and power purposes where all service is taken through a single meter at one location, and where the Customer's demand does not exceed 49 kW for three consecutive months. Rating of individual single-phase motors and other single-phase power and heating units served under this schedule shall not exceed ten (10) horsepower except by special permission.

F. Character of Service:

AC, 60 cycles, 120 volts or 120/240 volts, single-phase; 240 volts, three-phase, three-wire; 120/240, 120/208, volts, or 277/480 volts, three phase, four wire; or at any of the City's standard distribution voltages, as available. Customers requiring service at secondary voltages other than that already established by the City shall be required to provide suitable space for location of the City's transformation, metering and associated equipment. Secondary voltage other than that already established shall be provided by special permission only.

G. Fluctuating Loads:

Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all nonbetterment costs of isolating the load from the balance of the City's system so that the load will not unduly interfere with service on the City's lines. In addition Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

GENERAL SERVICE DEMAND (GD)

Rate: Subject to application of Production Cost Adjustment.

SUMMER PERIOD:

A. Monthly rate for Summer Period effective July, 2008 Billing

Customer charge, per month.....\$56.72

Demand Charge:

Per kw per month of billing demand.....\$22.96

Plus Energy Charge of:

For all usage, per kWh.....\$0.025

WINTER PERIOD:

B. Monthly rate for Winter Period effective July, 2008 Billing

Customer charge, per month.....\$56.72

Demand Charge:

Per kw per month of billing demand.....\$15.95

Plus Energy Charge of:

For all usage, per kWh.....\$0.025

C. Minimum Bill: \$392.00 per month, or demand charge, whichever is greater.

D. Determination of Billing Demand:

The billing demand shall be the greater of 1 or 2 below.

1. The highest measured demand (corrected for power factor if required) during any fifteen ******(15) minute period occurring in the current billing period.

2. Sixty five percent (65%) of the highest measured demand (corrected for power factor if required) during any fifteen ******(15) minute period occurring in June, July, August or September Billings of the preceding eleven (11) months.

******This time period will change automatically to thirty (30) minute period as meters are replaced by the City of Seward.

E. Available:

Within established City rate areas.

F. Applicable:

To existing Customers, or to new Customers with demands of 50 kilowatts, but not more than 500 kilowatts for 3 consecutive months whose entire requirements are taken through one meter, under a contract of standard form. Customers who reach this limit for 3 consecutive months will be billed this rate on the 4th

month. All GD customers will be reviewed annually in October to determine their status in this rate class. (Not applicable to resale, stand-by or auxiliary service.)

G. Character of Service:

AC, 60 cycles, single- or three-phase, at any of the City's standard voltages (35,000 volts or less) where the service may be supplied by a single power transformation.

H. Fluctuating Loads:

Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all nonbetterment costs of isolating the load from the balance of the City's system so that the load will not unduly interfere with service on the City's lines. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

I. Power Factor Adjustment:

For loads of 50 kW or more, or at the option of the City for loads of less than 50 kW, power factor-capable demand meters may be installed and adjustments will be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 90%. If the power factor, as measured by the electric department, is lower than 90%, the monthly demand charge will be multiplied by the ratio of 90% bears to the measured power factor, or at the city's option, the power factor may be corrected at the Customer's expense. In the general course of maintenance and replacement of equipment, the City may replace existing demand meters with power factor-capable demand meters, at its option, at which point the customer will be subject to power factor adjustments as defined above.

LARGE POWER (LP)

Rate: Subject to application of Production Cost Adjustment:

SUMMER PERIOD:

A. Monthly rate for Summer Period effective July, 2008 Billing

Demand Charge:
Customer charge, per month.....\$70.89

Per kw per month of coincident billing demand.....\$20.14
Per kw per month of non-coincident billing demand...\$ 7.09

Plus Energy Charge of:
For all usage, per kWh.....\$0.025

WINTER PERIOD:

B. Monthly rate for Winter Period effective July, 2008 Billing

Demand Charge:
Customer charge, per month.....\$70.89

Per kw per month of coincident billing demand.....\$14.32
Per kw per month of non-coincident billing demand...\$14.32

Plus Energy Charge of:
For all usage, per kWh.....\$0.025

Off Peak Demand Billing (June-September Billings)

Customers with demands of 500 kW or more for 3 consecutive months may be billed on an off-peak rate comprised of a coincident and non-coincident demand billing component. All other provisions and requirements of this rate schedule remain intact.

For purposes of this schedule, coincident peak shall mean the customer's peak demand occurring at the same time as that of the City. Non-coincident demand shall be the positive difference between the customer's measured peak monthly demand and their coincident peak demand.

Coincident demand shall be billed at the above on-peak rate. Non-coincident demand shall be billed at \$5.23/kw. Ratcheted demand for October through May shall be based upon the customer's coincident summer peak. The ratchet for June through September Billings is waived.

C. Minimum Bill: \$806.00 per month, or demand charge, whichever is greater.

D. Determination of Billing Demand:

The billing demand shall be the greater of 1 or 2 below.

1. The highest measured demand (corrected for power factor if required) during any thirty (30) minute period occurring in the current billing period.
2. Sixty five percent (65%) of the highest measured demand (corrected for power factor if required) during any sixty (60) minute period occurring in June, July, August or September Billings of the preceding eleven (11) months.

E. Available:

In the general area served by the City from lines of 35,000 volts or less.

F. Applicable:

To existing Customers, or to new Customers with demands of 500 kilowatts or more for 3 consecutive months whose entire requirements are taken through one meter, under a contract of standard form. Customers who reach this limit for 3 consecutive months will be billed this rate on the 4th month. All LP customers will be reviewed annually in October to determine their status in this rate class. (Not applicable to resale, stand-by or auxiliary service).

G. Character of Service.

AC, 60 cycles, single- or three-phase, at any of the City's standard voltages (35,000 volts or less) where the service may be supplied by a single power transformation.

H. Fluctuating Loads:

Customers operating equipment having a highly fluctuating or large instantaneous demand, such as welders and X-ray machines, shall be required to pay all nonbetterment costs of isolating the load from the balance of the City's system so that the load will not unduly interfere with service on the City's lines. In addition, Customers who fail to provide adequate corrective equipment shall be required to own and maintain their own transformers.

I. Power Factor Adjustment:

For loads of 500 kW or more, or at the option of the City power factor adjustments will be made in the billing demand, when the power factor, as determined by test, at the time of the Customer's maximum use is less than 90%. If the power factor, as measured by the electric department, is lower than 90%, the monthly demand charge will be multiplied by the ratio 90% bears to the measured power factor, or at the City's option, the power factor may be corrected at the Customer's expense.

In the general course of maintenance and replacement of equipment, the City may replace existing demand meters with power factor-capable demand meters, at its option, at which point the customer will be subject to power factor adjustments as defined above.

RURAL RESIDENTIAL LIGHT, HEAT AND POWER (NE)

SUMMER PERIOD:

A. Monthly Rate for Summer Period effective July, 2008 Billings

Customer Charge, per month.....\$11.14
Plus Energy Charge of:
First 900 kWh, per kWh.....\$0.097
Over 900 kWh, per kWh.....\$0.100

WINTER PERIOD:

B. Monthly Rate for Winter Period effective July, 2008 Billings

Customer Charge, per month.....\$11.14
Plus Energy Charge of:
First 900 kWh, per kWh.....\$0.089
Over 900 kWh, per kWh.....\$0.041

C. Minimum Bill

The Customer Charge plus \$1.23 per kVa per month of excess transformer capacity above 25 kVa installed to supply the Customer's service

D. Available:

In the territory serviced by the City outside of the corporate limits.

E. Applicable:

To rural residences for domestic and other farm uses which may be served from existing distribution lines and where the total required kVa does not exceed that which may be supplied from a fifty (50) kVa distribution transformer. Rating of individual single-phase motors and other single-phase power and heating units served under this schedule shall not exceed ten (10) horsepower except by special permission.

F. Character of Service:

AC, 60 cycles, 120/240 volts, single-phase, three-wire; or 120 volt, two-wire

MUNICIPAL USES

A. Monthly Rate effective July, 2008 Billing:

All kwh, per kWh.....\$0.083

B. Available

To any customer meeting City criteria for service under this schedule, and to any electrical load in which the City has the sole investment and interest.

Character of Service:

120/240 volts, Ac, as available.

LOAD MANAGEMENT ADJUSTMENT

Not later than December 31 of each year, the Mayor and City Council shall review the effectiveness of the load management and conservation program for the previous twelve (12) months and shall determine what, if any, revenues can be returned to the rate payers. The amount so determined shall be returned as a percentage of kWh charges and kW charges during the subsequent billings October-May. This credit shall apply to all rates included herein.

PRODUCTION COST ADJUSTMENT (PCA)

All electrical usage in the Service Ara may be subject to application of a Production cost Adjustment (PCA). The rates as defined above include a PCA base of \$0.04533/kWh, on an annual basis.

Whenever the total monthly Production Cost exceeds, or is less than, the PCA Base, a PCA may be included in the billing charges. The adjustment shall be calculated in accordance with the following formula and shall include a loss adjustment based upon the previous year's sales and purchases data.

PCA - (Actual Average Monthly Cost * (1 + Loss Factor) - Cost Base

Production costs shall include all costs of purchased power and energy. The Loss Factor shall be equal to the difference, expressed as a fraction, between net system energy purchased for the previous year and annual retail sales for the same period.

DELINQUENT BILLS; NOTICE

All bills are delinquent on the fifteenth (15th) day of the month. Thereafter, upon notice to consumer as provided by this Article and by law, and non-payment pursuant to said notice, service shall be discontinued.

RATES EFFECTIVE:

The rates provided herein shall become effective and billings made therefrom and after the first day of October, 2005, 2006 and 2007 respectively as determined after review of the annual Electric budget.

DISCRIMINATION PROHIBITED

No electric current shall be furnished to any consumer under any other rate than as provided in this Article, and there shall be no discrimination in rates between consumers using equal amounts of current for the same purpose under the same conditions.

SERVICE BEYOND CORPORATE LIMITS

The City, by resolution of its Mayor and Council, shall have the power and authority to contract with any person, persons, association or corporation, to sell electric current for light, heat and power purposes beyond its corporate limits when, in the judgment of the Mayor and Council, it is beneficial to the City to do so.

Section. 2. REPEAL. All ordinances or provision or portions of ordinances in conflict here with are hereby repealed.

Section 3. WHEN OPERATIVE. This ordinance shall take effect and be in full force from and after its passage, approval and publication in pamphlet form as required by law.

Passed and approved this 3rd day of June, 2008.

THE CITY OF SEWARD, NEBRASKA

ATTEST:

Roger E. Glawatz, Mayor

Debra Schaefer
Administrator Assistant/
City Clerk-Treasurer

(SEAL)