



ST. CHARLES
S I N C E 1 8 3 4

AGENDA ITEM EXECUTIVE SUMMARY

Title: Request for approval of an Ordinance Authorizing a New Electric Rate - Primary Metered Rate 9

Presenter: Glynn Amburgey

Please check appropriate box:

<input type="checkbox"/>	Government Operations	<input checked="" type="checkbox"/>	Government Services 04.23.12
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input type="checkbox"/>	

Estimated Cost:	\$	Budgeted:	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>
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If NO, please explain how item will be funded:

Executive Summary:

Electric industry standard provides for a reduced rate for customers who are metered before the transformer. Our Large Power (Industrial) Rate 7 is designed to return our cost of service on the customer side of the transformer. A primary meter rate will compensate the customer for losses in the transformer that we charge for in our rate 7. This change is in response to a request by one of our industrial customers who is primary metered.

The result of this additional rate 9 will be to provide primary metered customers who are currently billed under rate 7 a lower rate to compensate for the losses in the transformer which we normally absorb with meters on the secondary side. Since the meter is on the primary side of the transformer, it is not appropriate to charge the customer the normal rate 7 charge.

Attachments: *(please list)*

Primary Meter Rate 9 Ordinance

Recommendation / Suggested Action *(briefly explain):*

Recommendation to approve and authorize the Mayor and Clerk to execute the Primary Meter Ordinance.

For office use only:

Agenda Item Number: 5.v

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE MUNICIPAL CODE OF THE CITY OF ST. CHARLES - TITLE 13, "PUBLIC UTILITIES", CHAPTER 13.08, "ELECTRICITY" – RENUMBERING SECTION 13.08.250, "RATE 6 – GOVERNMENTAL OUTDOOR SPORTS LIGHTING – RATES, CHARGES, AND SERVICE REQUIREMENTS" AND ADDING A NEW SECTION 13.08.292, "RATE 9-PRIMARY METERED LARGE GENERAL SERVICE – RATES, CHARGES AND SERVICE REQUIREMENTS"

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION ONE: That Title 13, "Public Utilities", Chapter 13.08, "Electricity", Section 13.08.250, "Rate 6 – Governmental Outdoor Sports Lighting – Rates, Charges, and Service Requirements" is hereby renumbered as Section 13.08.265.

SECTION TWO: That Title 13 "Public Utilities", Chapter 13.08 "Electricity", is hereby amended by adding thereto a new Section 13.08.292, as follows:

"13.08.292 Rate 9 – Primary Metered Large General Service – Rates, Charges and Service Requirements.

A. Availability. Electrical energy is available under the Primary Metered Large General Service rate to any customer using the city's electric system for all requirements other than residential service where such customer is metered at the primary level (12 kV or higher) and has a monthly peak kilowatt demand of at least 450 kilowatts during the billing period. Any customer on this rate whose monthly peak demand has not exceeded 450 kilowatts in the preceding twelve billing periods will be billed at the rate described in Section 13.08.260.

B. Charges for this rate shall be as follows:

1. Monthly Customer Charge. The net monthly customer charge shall be one hundred sixty five dollars (\$165.00) per meter.

2. Power Factor Correction. Customers are required to maintain power factor above .85 lagging. If customer's metered power factor is below .85 in the current billing cycle, the customer billing demand will be adjusted in the current billing cycle according to the formula: Billing Demand = $(1 + (.85 - \text{Power Factor})) \times \text{metered demand}$.

3. Demand Charge. The net demand charge shall be as follows:

\$16.02 per kilowatt

4. Energy Charge. The net energy charge shall be as follows:

\$0.049 per kilowatt-hour On-Peak

\$0.0392 per kilowatt-hour Off-Peak

5. The definition of On-Peak and Off-Peak Periods: Energy On-Peak Periods, for purposes hereof, shall be the hours of 9:00 a.m. to 10:00 p.m. on Monday through Friday, except on days on which the following holidays are generally observed: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and, if one of the foregoing holidays occurs on a Tuesday or Thursday, the immediately

preceding Monday or immediately following Friday, respectively. Energy Off-Peak Periods shall be all other hours.

Demand Peak Periods, for purposes hereof, shall be the hours, 9:00 a.m. to 10:00 p.m. on Monday through Friday, except the holidays designated above. Demand Off-Peak Periods shall be all other hours.

6. Minimum Charge. The net minimum monthly charge shall be the net monthly customer charge.

7. Gross Charge. The gross charge shall be ten percent more than the sum of the net customer charge, net demand charge and net energy charge.

8. The terms and conditions stated in Sections 13.08.010 through 13.08.210 apply to this rate and service hereunder shall be subject thereto.

C. General Requirements:

1. The customer's wiring shall be so arranged that all service hereunder may be supplied through a single metering installation adequate for a normal load equal to the maximum thirty-minute demand of the customer, at a power factor of eighty-five percent lagging. Except in multi-occupancy business premises where each business shall be serviced as an individual customer. Nothing in this rate shall be deemed to preclude a residential occupancy on the customer's property from being served as a separate customer on a residential rate.

2. Measurement of Demand and Kilowatthours Supplied. Where two or more metering installations are provided on the customer's premises, the demand in any thirty-minute period shall be determined by adding together the separate demands at each metering installation during such thirty-minute period except that:

In case the demand at any metering installation is registered by an indicating or cumulative demand meter, the demand at such installation in each thirty-minute period of any month shall be assumed to be the same as the highest demand in any thirty-minute period of such month.

Where two or more metering installations are provided on the customer's premises and are for the same customer, and if one or more installations qualified for rate 5 and one or more installations qualified for rate 9, then the metering installation readings shall be combined and billed at rate 9.

3. The terms and conditions stated in Sections 13.08.010 through 13.08.210 apply to this rate and service hereunder shall be subject thereto.”

SECTION THREE: That after the adoption and approval hereof this Ordinance shall (i) be printed or published in book or pamphlet form, published by the authority of the Council, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

SECTION FOUR: That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, expressly repealed.

SECTION FIVE: That this Ordinance shall be in full force and effect forty (40) days from and after its passage, approval and publication as provided by law. The rates set forth herein shall be effective for the first bills issued subsequent to the effective date of this Ordinance.

PRESENTED to the City Council of the City of St. Charles, Illinois, this _____ day of _____, 2012.

PASSED by the City Council of the City of St. Charles, Illinois, this _____ day of _____, 2012.

APPROVED by the Mayor of the City of St. Charles, Illinois, this _____ day of _____, 2012.

Donald P. DeWitte, Mayor

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes:

Nays

Absent:

Abstain: