ORDINANCE NO. 2019-32

AN ORDINANCE TO AMEND SECTIONS 237-3.1 THROUGH 237-3.13 OF THE MUNICIPAL CODE; TO INITIATE AN ELECTRIC RATE ADJUSTMENT THAT WILL INCREASE TOTAL SYSTEM REVENUES GENERATED BY RATES CHARGED TO CUSTOMERS FOR SERVICES FROM THE ELECTRIC DISTRIBUTION SYSTEM OF THE CITY BY 1.5% EFFECTIVE WITH THE JANUARY 2020 BILLING; TO PROVIDE FOR BILLING THEREOF; TO REPEAL THE ORIGINAL SECTIONS 237-3.1 THROUGH 237-3.13; 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. Sections 237-3.1 through 237-3.13 of the Municipal Code shall be amended as follows:

§237-3.1. Determination of rates:

A. 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.

B. 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.

C. Effective date: January 2020 billing

D. Rates:

(1) Summer rate: The summer rate shall apply to the Customer's use from June Billing through September Billing.

(2) Winter rate: The winter rates shall apply to the Customer's use from October Billing through May Billing.

E. 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) Extensions 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.

§237-3.2. Residential Light, Heat and Power (RE).

A. Summer period:

(1) Customer charge, per month: $21.00.

(2) Plus energy charge of: all KWh, per kWh: $0.0980.

B. Winter period:

(1) Customer charge, per month: $21.00.

(2) Plus energy charge of: First 700 kWh, per kWh: $0.0980.

(3) Over 700 kWh, per kWh: $0.0730.

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, three-wire, single-phase.

F. Small Business in Residential District: any property located in a Residential Zone of the City which conducts a small business inside the home which is legal under the Zoning Ordinance of the City [1] shall be considered residential for the purposes of this section, in accordance with the definition in §237-2.8B(1). [2]

[1] Editor's Note: See Ch. 410, Zoning and Subdivision.
[2] Editor's Note: Amended at time of adoption of Code (see Ch. 1, General Provisions, Art. 1)

§237-3.3. Commercial service (CE).

A. Summer period:

(1) Customer charge, per month: $39.00.

(2) Plus energy charge of: All kWh, per kWh: $0.0948

B. Winter period:

(1) Customer charge, per month: $39.00

(2) Plus energy charge of: First 1,600 kWh, per kWh: $0.0948.

(3) Over 1,600 kWh, per kWh: $0.0698.

C. Available: within established City rate areas.

D. 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 four 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.

E. Character of Service: AC, 60 cycles, 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.

§237-3.4. General service demand (GD).

A. Summer period:

(1) Customer charge, per month: $110.00.

(2) Demand charge: per kW per month of billing demand: $19.00.

(3) Plus energy charge of: for all usage, per kWh: $0.0606.

B. Winter period:

(1) Customer charge, per month: $110.00.

(2) Demand charge: per kW per month of billing demand: $15.00.

(3) Plus energy charge of: for all usage, per kWh: $0.0556

C. Determination of billing demand: the billing demand shall be the greater of Subsection C(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 thirty (30) minute period occurring in June, July, August or September Billings.

D. Available: within established City rate areas.

E. Applicable: to existing customers, or to new customers with demands of 50 kilowatts, but not more than 500 kilowatts, for four (4) consecutive months whose entire requirements are taken through one meter, under a contract of standard form. Customers who reach this limit for four (4) consecutive months will be billed this rate on the fifth (5^{th}) month. (Not applicable to resale, stand-by or auxiliary service.)

F. 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.

§237-3.5. General service demand - low load factor (GD-LLF)

A. Summer period:

(1) Customer charge, per month: $110.00.

(2) Demand charge: per kW per month of billing demand: $0.00.

(3) Plus energy charge of: for all usage, per kWh: $0.1920.

B. Winter period:

(1) Customer charge, per month: $110.00.

(2) Demand charge: per kW per month of billing demand: $0.00.

(3) Plus energy charge of: for all usage, per kWh: $0.1920.

C. Available: within established City rate areas.

D. Applicable: an alternate to the GD rate to existing customers, or to new customers with demands of 50 kilowatts, but not more than 500 kilowatts, for four (4) consecutive months whose entire requirements are taken through one meter, under a contract of standard form. Customers who reach this limit for four (4) consecutive months may request to be billed under this rate on the fifth (5^{th}) month. (Not applicable to resale, stand-by or auxiliary service.)

E. Removal from GD-LLF: when a customer requests to be billed on the GD-LLF rate, the customer will be bill on GD-LLF for a minimum of twelve (12) months. After twelve (12) months, the customer can request to be billed on the GD rate and must remain on the GD rate for twelve (12) months before eligible to request to be billed again on the GD-LLF.

F. 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.

§237-3.6. Large power (LP).

A. Summer period:

(1) Customer charge, per month: $160.00.

(2) Demand charge: per kW per month of billing demand: $18.70.

(3) Plus energy charge of: for all usage, per kWh: $0.04600.

B. Winter period:

(1) Customer charge, per month: $160.00.

(2) Demand charge: per kW per month of billing demand: $14.50.

(3) Plus energy charge of: for all usage, per kWh: $0.04200.

C. Determination of billing demand: the billing demand shall be the greater of Subsection C(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 thirty (30) minute period occurring in June, July, August or September Billings of the preceding eleven (11) months.

D. Available: in the general area served by the City from lines of 35,000 volts or less.

E. Applicable: to existing customers, or to new customers with demands of 500 kilowatts or more for four (4) consecutive months whose entire requirements are taken through one meter, under a contract of standard form. Customers who reach this limit for four (4) consecutive months will be billed this rate on the fifth (5th) month.

F. 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.

G. Power factor adjustment:

(1) 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.

(2) 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.

H. Economic Development Rate. Available to any Large Power customer that meets ALL the following conditions:

(1) Provides new or additional load of 1,000 kW or greater on a monthly basis;

(2) Has a monthly load factor, calculated by dividing the energy usage by the product of the peak demand and the number of hours in the month, of 60% or greater;

(3) The customer has entered into a written service agreement with the City of Seward and the Nebraska Public Power District (NPPD) pursuant to NPPD Rate Schedule SPP No. 6, Economic Development Rate Schedule;

(4) The customer has entered into an agreement with either the State of Nebraska or other political subdivision to provide an economic development project under state or local law; and

(5) The customer has met all other requirements of the Economic Development Rate Schedule.

(6) Rate:

(a) NPPD customer charge, per month: $500.00.

(b) NPPD energy charge of: All kWh, per kWh: $0.025.

(c) City of Seward customer charge, per month: $155.00.

(d) City of Seward energy charge: All kWh, per kWh: $0.015.

(7) The above rate shall apply to both summer and winter periods.

(8) The Economic Development Rate is subject to change based upon the written service agreement with the City of Seward and NPPD as well as NPPD Rate Schedule SPP No. 6, Economic Development Rate Schedule.

§237-3.7. Rural Residential Light, Heat and Power (NE).

A. Summer period:

(1) Customer charge, per month: $30.50.

(2) Plus energy charge of: all kWh, per kWh: $0.0980.

B. Winter period:

(1) Customer Charge, per month: $30.50.

(2) Plus energy charge of:

(e) First 900 kWh, per kWh: $0.0980.

(f) Over 900 kWh, per kWh: $0.0730.

C. Available: in the territory serviced by the City outside of the corporate limits.

D. 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.

E. Character of service: AC, 60 cycles, 120/240 volts, single-phase, three-wire.

§237-3.8. Power cost adjustment (PCA).

A. Applicability:

(1) All electric rates are subject to application of a production cost adjustment. The PCA may be determined from time to time and when approved shall be applied monthly for a period of not more than twelve (12) months. The PCA calculations will be based on the FY projected and actual twelve (12) months includable expenses and the current budget actual and projected sales subject to the PCA. The City may invoke the PCA when unexpected increases in the cost of power or other emergencies are estimated to be greater than a deviation of 10% in FY power costs budgeted.

(2) At the end of any PCA application period, any under or over collected revenues may be added to the next FY estimate of power costs to determine if another PCA is necessary for the next twelve (12) months or shorter period.

B. Formula for calculating the PCA factor:

(1) The following formula is used to determine the power cost adjustment charge when it is invoked. The PCA will be calculated to the nearest one-tenth of a $1.00/MWh or $0.10/KWh.

(2) When unexpected increases in the cost of power or other emergencies are estimated to be greater than a deviation of 10% in FY power costs budgeted the PCA formula is:

PCA = (Total Estimated Cost Difference from Budget for Application Period) divided by (Estimated kWh Sales for Application Period)

Where:

Total Estimated Cost Difference	= Revise after Budget the Fuel and Purchased Power + Transmission

	Expense - Budgeted Fuel and Purchased Power + Transmission Expense
Application Period =	the number of months (1 to 12) that the PCA will be in force
Estimated KWH sales =	Projected kWh retail sales during the Application Period

§237-3.9 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.

§237-3.10. Rates effective.

The rates provided herein shall become effective with the billing beginning January 2020 or as determined after review of the annual electric budget.

§237-3.11. 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.

§237-3.12. 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.

§237-3.13 Special circumstances.

No electricity shall be billed to any consumer under any other rate not provided for by this article provided; except that if, in the opinion of the Electric Superintendent and the City Clerk-Treasurer, and after review with the City Administrator, there is a change in the nature of electricity being used, an adjustment to the billings can be made to apply the correct the rate classification(s), or in cases of erroneous or missing load meter data an adjustment to similar usage as the year before, or an average usage may be used, if supporting information is available to make such estimates.

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 19th day of November, 2019.

THE CITY OF SEWARD, NEBRASKA

Joshua Eickmeier, Mayor

ATTEST:

Bonnie Otte
Assistant Administrator/
City Clerk-Treasurer/
Budget & Human Resource Director

(SEAL)