

RESOLUTION NO. 2012-3

RESOLUTION APPROVING ELECTRIC RATES FOR THE CITY OF CENTRAL CITY, NEBRASKA

WHEREAS, the City of Central City, Nebraska, owns and operates an electric distribution system which provides for the electric power needs of its citizens: and,

WHEREAS, the City must purchase the electric commodity from Nebraska Public Power District (NPPD) and must pay for that commodity and associated transmission services based on rates set by the NPPD Board of Directors: and,

WHEREAS, the City Council has determined that a rate adjustment to the General Commercial Rate is warranted,

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF CENTRAL CITY that effective April 1, 2012, the General Commercial electric fees/rates for the City of Central City, Nebraska are hereby amended as shown below.

MUNICIPAL ELECTRIC DEPARTMENT; ELECTRIC BILL AND RATES

Each user of the city electric system shall pay for the services provided by the city based on the amount of electricity used as measured by electric consumption from electric meter(s) acceptable to the City.

Section 1. Residential Electric Service

a. Availability

To all residential customers in single family residences for all domestic uses within the City limits including lighting, cooking, refrigeration, household appliances, hot water heating and motors. Individual single-phase motors or heating equipment shall not exceed 5 hp or 5 kw in size. Seasonal billing shall be in effect.

b. Character of Service

Energy will be supplied from the Department's regularly used voltages, 60 Hertz, alternating current, single or three phase if available.

c. Rate Schedule

Schedule A	Winter	Summer
Customer Charge per month	\$12.42	\$12.42
First 750 kWh used per month	.0912	.1143
All over 750 kWh used per month	.0539	.1024

Summer rates start with the June 18th billing. Winter rates start with the October 18th billing.

d. Minimum Bill

The customer charge - \$12.42 per month.

e. Terms and Conditions

When two or more flats, apartments or dwelling units are served by one meter, the kWh of each block shall be multiplied by the number of individual units so served.

Where a portion of a residential dwelling is used for commercial purposes, the residential rate shall apply provided (1) the service is all taken through one meter, (2) the residential load exceeds the commercial load and (3) the connected commercial load does not exceed 3 kW. In all other cases, the residential and commercial service will be separately metered and billed under the applicable rate or billed as commercial.

Where rooms are rented out, the residential rate shall apply to the first two rooms. Three rooms or more shall be considered an apartment and the use blocks multiplied by each multiple of three rooms rented.

f. Tax Clause

This rate may be increased by the amount of any new or increased governmental tax imposed or levied on transmission, distribution, production or sale of electricity.

g. Fuel Adjustment

This rate and bills for service rendered thereunder may be adjusted from month to month to reflect changes from base costs of "Power Production Cost Adjustment" charged to the City of Central City by the Nebraska Power District under the terms of its contract to furnish electricity to the City of Central City.

Section 2. General Commercial Service Rate

a. Availability

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 is normally not in excess of 100 kW. Rating of individual single phase motors and other single phase power and heating units shall not exceed 10 horsepower (10 hp). Not available for standby, breakdown, share or resale service.

b. Rate Schedule

	Winter	Summer
Customer Charge per month	\$20.71	\$20.71
First 1000 kWh or less used per month	0.1062	0.1316
Next 2000 kWh used per month	0.0918	0.1133
All additional used per kWh	0.0758	0.0993

c. Minimum Bill

The customer charge - \$20.71 per month

d. Character of Service

Service shall be 60 Hertz, A.C., single and three phase at the standard primary voltages in use by the Electric Department.

e. Power Factor Adjustment

The customer will be expected to maintain at his expense a power factor of 95% or better. If the power factor, as measured by the electric company, is lower than this, the customer will be required to correct it.

f. Tax Clause

This rate may be increased by the amount of any new or increased governmental tax imposed and levied on transmission, distribution, production or sale of electricity.

g. Fuel Adjustment

This rate and bills for service rendered thereunder may be adjusted from month to month to reflect changes from base costs of "Power Production Cost Adjustment" charged to the City of Central City by the Nebraska Public Power District under the terms of its contract to furnish electricity to the City of Central City.

h. Load Management Credit

A monthly credit of \$1.50 per ton of load controlled air conditioning / refrigeration load will be provided during the four summer months.

Section 3. Large Light and Power Rate

a. Availability

To any customer whose normal total demand is 100 kW, or more, provided the entire requirements are taken through one meter; not applicable to resale, standby, temporary, supplemental, auxiliary or shared service.

b. Rate Schedule

Customer Charge:
\$103.58 per month

Production Demand Charge:

Pay an amount equal to 110% of the NPPD production demand rate for that month, multiplied by the maximum customer demand for the same month.

Transmission / Ancillary Service Charge:

An amount equal to 110% of the total of the rates for Transmission Line, Transmission Substation, all Ancillary Services, and Sub-transmission Planning, multiplied by the Customer's peak demand during the hour when Central City established its peak demand for billing of these services.

Plus an energy charge in summer months of:

\$0.0494 per kilowatt-hour for the first 50,000 kWh used per month and \$0.0372 per kilowatt-hour for all additional uses.

Plus an energy charge in winter months of:

\$0.0494 per kilowatt-hour for the first 50,000 kWh used per month and \$0.0344 per kilowatt-hour for all additional uses.

Summer rates start with the June 18th billing. Winter rates start with the October 18th billing.

c. Minimum Bill

Not less than \$730.85 per month.

Section 4. Electric Space Heating Rate

a. Availability

No new customers will be eligible for this rate after the effective November 8, 2010.

b. Rate Schedule

Commercial (Average monthly usage less than 10,000 kWh)

Customer Charge		\$20.70 per month
First 1,000 kWh or less	at	\$0.1174 per kWh
Next 2,000 kWh	at	\$0.1065 per kWh
Over 3,000 kWh	at	\$0.0539 per kWh

c. Minimum Bill

The Customer Charge

Section 5. Irrigation Service Rate

a. Rate Schedule:

Fixed Charge:

\$30.17 per horsepower (\$30.17/hp) connected to load management per year plus energy charge.

\$47.40 per horsepower (\$47.40/hp) not connected to load management per year plus energy charge.

Energy Charge:

\$0.0591 per kilowatt hour (\$0.0591/kWh) for all energy used if connected to load management.

\$0.0844 per kilowatt hour (\$0.0844/kWh) for all energy used if not connected to load management.

b. Minimum Bill

The minimum bill is the fixed charge.

c. Character of Services

Service shall be 60 Hertz, AC., single and three phase at the standard primary voltages in use by the Electric Department.

d. Tax Clause

This rate may be increased by the amount of any new or increased governmental tax imposed and levied on transmission, distribution, production or sale of electricity.

e. Fuel Adjustment

This rate and bills for service rendered there under may be adjusted from month to month to reflect changes from base costs of "Power Production Cost Adjustment" charged to the City by Nebraska Public Power District under the terms of its contract to furnish electricity to the City.

Section 6. Occupancy Tax

An Occupancy Tax of \$0.0033 per kWh shall be imposed upon any electrical consumer within the City Limits of Central City who does not purchase electricity from the City. The tax shall be collected by direct billing from the City or through the alternative electric utility provider.

Any ordinance or resolution passed and approved prior to the passage, approval, and publication of this resolution and in conflict with its provisions is repealed.

This resolution shall take effect and be in full force from and after its passage, approval, and publication as required by law.

The provisions of this resolution are separable, and the invalidity of any phrase, clause, or part of this resolution shall not affect the validity or effectiveness of the remainder of this resolution.

PASSED, APPROVED AND ADOPTED THIS 12th DAY OF MARCH, 2012.

Clayton Erickson, Mayor

ATTEST:

Linda Jensen, City Clerk

(SEAL)

Resolution 2012-3 Impact Summary

Resolution 2012-3 changes certain summer and winter rates for General Commercial Customers only.

The Winter Rate from 0 to 1,000 kWh will drop from \$0.1108 to \$0.1062.

This is a 4.2% reduction in this portion of the rate.

We anticipate a reduction of revenues of \$6,296.61 based on 2011 consumption.

A future rate increase of 0.2% will be needed to offset these lost revenues.

The Winter Rate from 1,000 to 3,000 kWh will drop from .1062 to .0918.

This is a 13.6% reduction in this portion of the rate.

We anticipate a reduction of revenues of \$19,631.00 based on 2011 consumption.

A future rate increase of 0.8% will be needed to offset these lost revenues.

The Summer Rate from 0 to 1,000 kWh will drop from .1354 to .1316.

This is a 2.8% reduction of this portion of the rate.

We anticipate a reduction of revenues of \$2,508.76 based on 2011 consumption.

A future rate increase of 0.1% will be needed to offset these lost revenues.

The total reduction in revenues is projected at \$28,436.37

With \$3,314,777 in anticipated revenues, this equates to about 0.8% of our revenues. This is also 1.9% of the cash reserves of the electric department.

A future rate increase of 1.1% across all rate classes would be anticipated to cover the revenue shortfall created by this rate adjustment.