ORDINANCE NO. G-13-07

AN ORDINANCE AMENDING CHAPTER 26, UTILITIES, ARTICLE II, ELECTRICITY, SECTION 26-23. RATE SCHEDULES OF THE COFFEYVILLE CODE OF ORDINANCES, CITY OF COFFEYVILLE, KANSAS, AND REPEALING ANY AND ALL CONFLICTING ORDINANCES, OR PARTS THEREOF.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF COFFEYVILLE, KANSAS:

Section 1. That Chapter 26, Utilities, Article II, Electricity, Section 26-23, Rate Schedules, be hereby amended so the NON-KCC REGULATED electric rates read as follows:

Sec. 26-23. Rate Schedules.

ALL NON-KCC REGULATED ELECTRIC RATES ARE SUBJECT TO APPLICATION OF THE PRODUCTION COST ADJUSTMENT (PCA-02).

The electric rate schedules are as follows:

RATE SCHEDULE RU-02
RESIDENTIAL URBAN DOMESTIC SERVICE–CODE 01

Availability:

To all single-family residential customers located inside the city limits with service taken through a single meter for domestic use. This rate schedule is not available for residential premises used for commercial purposes, rooming houses of more than four (4) rooms for rent, duplexes or apartments with more than one kitchen whether rented or not. Such customers shall be billed on other applicable rate schedules.

Character of Service:

Single-phase 120/240 volts and those residential customers who have three-phase equipment installed. Customers served by one single-phase and one three-phase meter at a common location may have the summation of the metered consumptions combined within a single bill under this rate.

Monthly Rates:

	SUMMER	WINTER
Customer Charge:		
Single Phase:	$4.59	$4.59
Three Phase:	13.77	13.77
First 500 KWH, Per KWH	0.0735	0.0735
Next 200 KWH, Per KWH	0.0713	0.0713
Balance, Per KWH	0.0713	0.0649
Minimum Bill:		
Single Phase:	$4.59	$4.59
Three Phase:	13.77	13.77

All three-phase residential service installed after November 1, 1970, shall be billed under the general service schedule.

NOTE: Reference Sec. 26-22 which defines Summer as being June through September and Winter as being October through May.

RATE SCHEDULE RR-02
RESIDENTIAL RURAL DOMESTIC SERVICE–CODE 04

Availability:

To all single-family residential customers located outside the city limits, but within three miles, with service taken through a single meter for domestic or family farm use. This rate schedule is not available for residential premises used for commercial purposes, rooming houses of more than four (4) rooms for rent, duplexes or apartments with more than one kitchen whether rented or not. Such customers shall be billed on other applicable rate schedules.

Character of Service:

Single-phase 120/240 volts and those residential customers who had three-phase equipment installed. Customers served by one single-phase and one three-phase meter at a common location may have the summation of the metered consumptions combined within a single bill under this rate.

Monthly Rates:

Customer Charge:	SUMMER	WINTER
Single Phase	$ 5.14	$ 5.14
Three Phase	15.39	15.39
First 500 KWH, Per KWH	0.0784	0.0784
Next 200 KWH, Per KWH	0.0746	0.0746
Balance, Per KWH	0.0757	0.0703
Minimum Bill:		
Single Phase	$ 5.14	$ 5.14
Three Phase	15.39	15.39

All three-phase residential service installed after November 1, 1970, or prior, if used for other than domestic service, shall be billed under other applicable rate schedules.

RATE SCHEDULE GS-02
GENERAL SERVICE SCHEDULE– CODE 10

Availability:

To all customers in the service area of the department through a single meter for nonresidential use.

Character of Service:

At such phase and voltage as the department may have available for the customer's location and requirements for secondary service. Customers served by one single-phase and one three-phase meter at a common location may have the summation of the metered consumptions combined within a single bill under this rate.

Monthly Rates:

General Service Demand:

First 10 KW, Per KW	No Charge
Above 10 KW, Per KW	$2.04
First 500 KWH, Per KWH	0.1070
Next 2,500 KWH, Per KWH	0.0894
Next 47,000 KWH, Per KWH	0.0662
Balance, Per KWH	0.0623

Minimum Bill:

$8.00 plus highest demand charge recorded in last 12 months.

Reactive Power Adjustment:

The department, at its option, may measure the reactive power taken. A charge of $0.01 shall be made for each lagging kilovar hour per month that exceeds thirty-three (33) percent of the kilowatt hours used in the month. Leading kilovar hours will not be credited against lagging kilovar hours. (Reactive adjustment will be zero if power factor is 95 percent or greater.)

Metering Adjustment:

When the department installs a primary meter that does not compensate for transformer losses, the customer's total bill including fuel adjustment and reactive power adjustment shall be decreased by two (2) percent. No discount is allowed when the department furnishes more than one transformer bank.

Determination of Demand:

Kilowatt demand will be determined by suitable demand instruments, or at the department option, by demand tests, and shall be the highest average kilowatt demand measured in any thirty-minute period during the month. Customers using less than 3000 KWH per month will not be subject to the demand charge.

Metering Option:

At the department's option suitable metering equipment may be installed on the primary side of the transformer serving the customer.

RATE SCHEDULE GSH-02
GENERAL SERVICE ALL-ELECTRIC
SCHEDULE–CODE 11

Availability:

To all customers in the service area of the department through a single meter for nonresidential use where electric energy is used to supply all energy on the customer's premises, including permanently connected space heating load which is not less than thirty (30) percent of the total connected load.

This rate is also available for non-all-electric customers that use electric energy for space heating, provided that the space is also cooled in summer by electric refrigeration.

Character of Service:

At such phase and voltage as the department may have available for the customer's location and requirements for secondary service. Customers served by one single-phase and one three-phase meter at a common location may have the summation of the metered consumptions combined within a single bill under this rate.

Monthly Rates:

Summer: Same as General Service Demand Rate

Winter:

First 10 KW, Per KW	No Charge
Above 10 KW, Per KW	$2.04
First 500 KWH, Per KWH	0.1070
Next 2,500 KWH, Per KWH	0.0894
Next 47,000 KWH, Per KWH	0.0596
Balance, Per KWH	0.0552

Billing Demand:

The billing demand shall be the maximum demand determined by demand instruments, or at the city's option, by demand tests, and shall be the highest average kilowatt demand measured in any thirty-minute period during the month; however, the billing demand for the months of October through May shall not be more than the highest billing demand established during the preceding June through September period.

Minimum Bill:

Summer: $8.00 plus demand charge
Winter: $8.00 plus demand charge

RATE SCHEDULE LP-II-02
LARGE POWER (II) SCHEDULE - CODE 12

Availability:

To all non-residential customers within the established City service area with loads equal to or greater than 4,000 kW/month and less than 20,000 kW/month.

Applicable:

Optional to all non-residential loads not serviced under another applicable rate.

Character of Service:

AC, 60 Hertz, single or three-phase, at any of the City's standard voltages (13,800 volts or less) where the service may be supplied by a single power transformation.

Monthly Rates:

Customer charge	$190.00 per month		
Demand charge	SUMMER $8.20	WINTER $7.05	per kilowatt hour for all use
Energy Charge	$ 0.0300	$ 0.0300	per kilowatt hour for all use
Ratchet	80.0%		

Minimum Bill: (1) Billing demand charge shall be the greater of (a), (b) or (c) below:

(a) The highest measured demand (corrected for power factor, if required) during any thirty (30) minute period occurring in the current billing period.

(b) Eighty percent (80%) of the highest measured demand (corrected for power factor, if required) during any thirty (30) minute period occurring in June, July, August or September of the preceding eleven (11) months.

(c) 4,000 kilowatts

(2) Customer charge and energy charge.

Power Factor Adjustment:

For load of 15 kW or more, power factor adjustments will be made in the billing demand, when the power factor, as determined by meter or test, at the approximate or actual time of the customer's maximum use is less than 95 percent lagging. If the power factor, as measured, is lower than 95 percent, the monthly demand charge will be multiplied by factor of 95 percent divided by the actual power factor. The power factor may also be corrected at the customer's expense if it proves detrimental to system operation.

Example:

4,000 kW (Summer)		Monthly Bill	KWh Average
(a) 584,000 kWh	(20% load factor)	$ 50,510.00	$ 0.0865
(b) 1,168,000 kWh	(40% load factor)	68,030.00	0.0582
(c) 1,460,000 kWh	(50% load factor)	76,070.00	0.0521
(d) 1,752,000 kWh	(60% load factor)	84,830.00	0.0484
(e) 2,044,000 kWh	(70% load factor)	93,590.00	0.0458
(f) 2,336,000 kWh	(80% load factor)	102,350.00	0.0438

4,000 kW (Winter)		Monthly Bill	KWh Average
(a) 584,000 kWh	(20% load factor)	$ 45,910.00	$ 0.0786
(b) 1,168,000 kWh	(40% load factor)	63,430.00	0.0543
(c) 1,460,000 kWh	(50% load factor)	72,190.00	0.0494
(d) 1,752,000 kWh	(60% load factor)	80,950.00	0.0462
(e) 2,044,000 kWh	(70% load factor)	89,710.00	0.0439
(f) 2,336,000 kWh	(80% load factor)	98,470.00	0.0422

RATE SCHEDULE AR-02
AREA LIGHTING SERVICE-CODE 13

Availability:

Available to all customers in the service area of the Electric Department.

Character of Service:

For dusk to dawn lighting. The department will furnish, install and maintain a complete yard light to be operated by photoelectric control.

Monthly Rate:

Lighting Fixtures:

150 Watt HPS Area Light on existing pole	$ 7.00
250 Watt HPS Flood Light on existing pole	$11.00

NOTE: Incandescent floodlights and extra poles and secondary are no longer available. These charges are included in this section for existing consumers only.

Incandescent Flood Lights:

1500-watt lamp on existing pole prior to May 1, 1980	$20.00

Extra Poles and Secondary:

For each additional pole set and span of secondary existing prior to May 1, 1980.	$1.80

RATE SCHEDULE LP-I-02
LARGE POWER (I) SCHEDULE– CODE 14

Availability:

To all customers in the service area of the department through a single meter for nonresidential use with loads between 1,000 and 4,000 kW.

Character of Service:

At such phase and voltage as the department may have available for the customer's location and requirements for secondary service. Customers served by one single-phase and one three-phase meter at a common location may have the summation of the metered consumptions combined within a single bill under this rate.

Monthly Rates:

General Service Demand:

First 10 KW, Per KW	No Charge
Above 10 KW, Per KW	$ 1.85
First 500 KWH, Per KWH	0.0970
Next 2,500 KWH, Per KWH	0.0810
Next 47,000 KWH, Per KWH	0.0600
Balance, Per KWH	0.0565

Minimum Bill

$8.00 plus highest demand charge recorded in last 12 months.

Reactive Power Adjustment:

The department, at its option, may measure the reactive power taken. A charge of $0.01 shall be made for each lagging kilovar hour per month that exceeds thirty-three (33) percent of the kilowatt hours used in the month. Leading kilovar hours will not be credited against lagging kilovar hours. (Reactive adjustment will be zero if power factor is 95 percent or greater.)

Metering Adjustment:

When the department installs a primary meter that does not compensate for transformer losses, the customer's total bill including fuel adjustment and reactive power adjustment shall be decreased by two (2) percent. No discount is allowed when the department furnishes more than one transformer bank.

Determination of Demand:

Kilowatt demand will be determined by suitable demand instruments, or at the department option, by demand tests, and shall be the highest average kilowatt demand measured in any thirty-minute period during the month.

Metering Option:

At the department's option suitable metering equipment may be installed on the primary side of the transformer serving the customer.

RATE SCHEDULE HV - 07
HIGH VOLTAGE SERVICE –CODE 15

Availability:

To all non-residential customers within the established City service area with a load equal to or greater than 20,000 kW in at least one month of any consecutive twelve-month period.

Applicability:

To customers or loads within the service territory of the City who can be served directly from a dedicated substation connected to the City's existing transmission system. Customer shall be responsible to pay for any costs associated with extensions or expansions required to serve new or additional loads under this rate.

Character of Service:

Customers who otherwise meet the qualifications of this rate shall take service at the primary voltage of 12,470 volts or higher. Customers desiring lower service voltage shall pay for or provide their own transformation to such lower voltage. Customer shall be responsible for any costs associated with maintenance and back-up of customer owned transformation. Metering shall be on the primary side of the dedicated transformer(s) serving the load. However, City may, at its option, elect to install the metering on the secondary side of the dedicated transformer(s), in which case the metered data shall be compensated to reflect losses through the transformer(s). Other terms and conditions of service for this service classification are as set forth in the City of Coffeyville Utilities Rules and Regulations, as the same may be amended from time to time.

Monthly Rates and Service Charges:

The monthly rates and service charges are as follows:

Customer Charge:	$ 1,000.00 per month
Demand Charge:	$ 9.636 per kW of Billing Demand
	$ 0.50 per kVar of reactive Billing Demand
Energy Charge:	$ 0.02310 per kWh
Delivery Charge:	$ 0.003 per kWh

Purchased Power Adjustment:

The Demand and Energy Charges set forth above, which are based on the City's cost of purchased power, shall be adjusted each month as follows:

The Capacity Charge set forth above shall be adjusted upward or downward each month pursuant to the following formula:

CCA = [ECC – BCC] x 1.10, where

CCA = Capacity Charge Adjustment in $/kW-month

ECC = Effective Capacity Cost in $/kW-month of purchased power required to serve customers under this rate

BCC = Base Capacity Cost = $8.76 per kW-month

The Energy Charge set forth above shall be adjusted upward or downward each month pursuant to the following formula:

ECA = [EEC – BEC] x 1.10, where

ECA = Energy Charge Adjustment in $/kWh

EEC = Effective Energy Cost in $/kW-month of purchased power required to serve customers under this rate

BEC = Base Energy Charge = $ 0.0210 per kWh

Transmission, Wheeling and Ancillary Charges:

Customers served under this rate shall pay a proportionate share of all transmission, wheeling and ancillary charges incurred by the City in connection with the delivery of purchased power to the City's electric system, determined as follows:

MTC = [CBD / CPD] x TTC, where

MTC = Monthly Transmission Charge, which is the Customer's proportionate share of the transmission, wheeling and ancillary charges incurred by the City in connection with the delivery of purchased power to the City's electric system during the billing period.

CBD = Customer's Billing Demand for the billing period, as set forth herein

CPD = City's Peak Demand, which shall be the City's highest measured demand (corrected for losses, as required), including the demand of Customer's served under this rate, during any thirty (30) minute period occurring during the billing period.

TTC = Total Transmission Costs, which includes all transmission, wheeling and ancillary charges incurred by the City associated with the delivery of purchased power to the City's electric system during the billing period.

Transmission System Upgrade Charge:

Customers served under this rate shall pay; either as a lump sum direct assignment or an allocation of monthly carrying charge, a proportionate share of all transmission system upgrade

costs incurred by the City in connection with the delivery of purchased power to Customers served under this rate, determined as follows:

MTUC = [PDR / CPDR] x TTUC, where

MTUC =	Monthly Transmission System Upgrade Charge
PDR =	Customer's Peak Demand of Record, which shall be the Customer's highest measured demand (corrected for losses, as required) during any thirty (30) minute period occurring since the initiation of service under this rate
CPDR =	City's Peak Demand of Record, which shall be the City's highest measured demand (corrected for losses, as required), including the demand of Customers served under this rate, during any thirty (30) minute period occurring since the initiation of service under this rate
TTUC =	Total Transmission System Upgrade Costs, which includes all transmission system upgrade related costs incurred by the City associated with the delivery of purchased power to the City's electric system during the billing period.

Monthly Minimum Charge:

The Monthly Minimum Charge shall be the sum of the Customer Charge plus the applicable Demand Charge.

Billing Demand:

Billing Demand shall be the greater of (a), (b) or (c) below:

(a) The highest measured demand (corrected for losses, as required) during any thirty (30) minute period occurring in the current billing period.

(b) Fifty percent (50%) of the highest measured demand (corrected for losses, as required) during any thirty (30) minute period occurring in the preceding eleven (11) months.

(c) 20,000 kilowatts

Reactive Billing Demand:

The Reactive Billing Demand shall be the highest measured reactive (kVar) demand (corrected for losses, as required) during any thirty (30) minute period occurring in the current billing period.

Electric Service Agreement:

The Customer may be required, as a condition of service and prior to the commencement of service under this rate, to execute an Electric Service Agreement with the City, setting forth any and all applicable additional terms and conditions of service, including the minimum term of service

required to permit the recovery through rates of any capital costs, if any, incurred by the City incurred by the City in connection with providing service under this rate.

Miscellaneous:

The City's Power Cost Adjustment Rate Schedule PCA-02 shall not be applicable to service provided under this rate.

RATE SCHEDULE EDR-02
ECONOMIC DEVELOPMENT RIDER - CODE E (1 thru 5)

Purpose:

The purpose of this economic development rider is to encourage industrial development in the City's service territory.

Availability:

Electric service under this rider is not available in conjunction with service provided pursuant to large power schedule – LP-II-02 (Code 12), GS/LP-IOP-02 (Code 17) or any special contract agreements.

The rider is available until rescinded by City Ordinance.

Applicability:

Upon the request of the customer and acceptance by the City, the provisions of this rider will be applicable to customers who qualify as:

(1) New industrial customers; or

(2) Additional facilities of existing industrial customers; and

(3) The annual load factor of the new customer or additional facilities is reasonably projected to equal or exceed an annual load factor of 50% within two years of the new industrial customer or additional facilities first receiving service from the City. The projected annual customer load factor shall be determined using the following formula:

(Projected Annual kWh Energy) divided by (8760 hours in year) = Projected kW Customer Demand; and

(4) The peak demand of the new customer or additional facilities is reasonably projected to be at least 500 kW within two years of the addition of the new customer, or additionally separated metered facilities, or negotiated net load increase first receiving service from the City.

Request for service under this Rider shall be accompanied by sufficiently detailed information to enable the City to determine whether the new customer or additional facilities meet the above criteria including items (1), (2), (3) and (4). All requests for service under this Rider will be considered by the City; however, requests which do not conform to the purpose and availability of this Rider as stated above will not be approved.

Incentive Provisions:

Industrial Customers that qualify for the Economic Development Rider shall receive an adjustment to their demand and energy charge of 25% during the first year, 20% during the second year, 15% during the third year, 10% during the fourth year, and 5% during the fifth year. After the fifth year, this incentive provision shall cease. The economic development rider adjustment or discount is not applicable to penalties or other non-usage charges.

Term:

The City may discontinue the availability of this Rider at any time.

Example:

1000 kW Load - 50% Load Factor		Monthly Bill	kWh Average
*GS Schedule (GS-02) - Code 10	365,000 kWh	$25,032.50	$0.0686

*Economic Development Rider 365,000 kWh

Year 1	25% Discount	$18,774.38	0.0514
Year 2	20% Discount	20,026.00	0.0549
Year 3	15% Discount	21,277.62	0.0583
Year 4	10% Discount	22,529.25	0.0617
Year 5	5% Discount	23,780.87	0.0652

Five Year Total Savings (15.0%) $18,774.38

RATE SCHEDULE SE-02
SPECIAL ELECTRIC SCHEDULE

Construction Service:

Temporary services to be used by contractors may be billed on the applicable general service rate schedule. Conditions of service including cost and ownership of the service entrance and its supporting structure shall be the same as for all other customers. The customer shall be billed the estimated total cost of installing and removing the service at the time the service is requested which minimum charge shall be $100.00.

Temporary Power Service:

Temporary service for carnivals, shows, circuses, exhibits, camp meetings, etc., shall be billed an installation charge of the estimated total cost of installing and removing the service and a demand charge of $1.76 per KVA of transformer capacity required. The energy charge shall be $0.0814 per KWH.

RATE SCHEDULE MU-02
MUNICIPAL SCHEDULE

Availability:

To miscellaneous municipal service that is billed.

Character of Service:

Single-phase 120/240 volt.

All KWH, Per KWH $0.0744

Minimum Bill:

$4.70 per month.

RATE SCHEDULE PCA-02
PRODUCTION COST ADJUSTMENT

All electrical usage in the area served by the City of Coffeyville may be subject to application of a Production Cost Adjustment (PCA). The rates for energy to all customers may be increased by 0.001 cents per kilowatt-hour (kWh) for each 0.001 cent or major fraction thereof, increase in the aggregate cost of fuel and energy per kWh as computed by the following formula:

$$Adjustment = \left(\left[\frac{F+E}{G+P} \right] * LF \right) - b$$

Where:

F = Total fuel cost during the current month to supply electric energy to customers.

E = Total cost of purchased power, energy, and transmission thereof, and all other related costs therefore, including, without limitation, transmission and power supply studies.

G = kWh (gross) generated during the current month.

P = kWh purchased from wholesale suppliers for the current month.

LF = Loss factor shall be equal to the greater of 1.07 or one (1) plus the difference, expressed as a fraction, between system energy purchased and generated for the previous year and annual retail use for the same period to account for distribution losses, plant use, and energy furnished free by the utility to the city.

b = Base cost of $0.0408 per kWh (Summer) and $0.0335per kWh (Winter).

This adjustment may be made each month, and shall be computed on the cost of fuel and energy purchased during the monthly period immediately preceding the period for which the energy is furnished. An estimated adjustment may be applied to the rates in advance when the city has reason to believe combined fuel and energy costs will exceed the base cost during the next monthly period. An example of such a case would be when generation is scheduled during an upcoming month and there was no generation during the current month. Any amount added to a monthly bill under the PCA shall not be reduced by any other adjustment. Any month where the PCA computes as a negative number a zero

adjustment will occur. Application of the PCA during any monthly period shall be at the option of the city.

Section 2. That any and all conflicting ordinances or parts of ordinances are hereby repealed.

Section 3. That except as herein or otherwise amended, Ordinance No. G-92-02 shall remain in full force and effect.

Section 4. This Ordinance shall be effective upon publication in the official city newspaper.

Passed and approved this 27th day of August, 2013.

_____
David George, Mayor

ATTEST:

_____
Cindy Price, City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
Paul Kritz, City Attorney

Coffeyville Municipal Light & Power

2013 Electric Rate Restructuring

August 27, 2013

Current Rate Codes

- Code 01 – Residential Urban Domestic Service – residential service
- Code 04 – Residential Rural Domestic Service – rural residential service
- Code 06 – Residential Rural Domestic Service – Under KCC Jurisdiction – rural residential service located more than 3 miles outside city limits
- Code 09 – General Service – Under KCC Jurisdiction – nonresidential service located more than 3 miles outside city limits
- Code 10 – General Service – nonresidential service
- Code 11 – General Service – All Electric – nonresidential service where electric energy is used to supply all energy on the customer's premises
- Code 12 – Large Power (II) – nonresidential service with demand loads equal to or greater than 4,000 kW/month and less than 20,000 kW/month
- Code 14 – High Voltage Service - nonresidential service with demand loads between 1,000 kW/month and 4,000 kW/month
- Code 15 – High Voltage Service - nonresidential service with demand loads equal to or greater than 20,000 kW/month
- Code 17 – General Service/Large Power (I) Off-Peak Discount – nonresidential service with agreement to interrupt service upon four hours notice during summer months (June – September)

Rate Code Structure - Example

- Each rate code (with the exception of Rate Codes 12 & 15) has billing tiers based on customer's usage.

- Example – Rate Code 14 –
  - First 500 KWH, per KWH $0.0970
  - Next 2,500 KWH, per KWH $0.0810
  - Next 47,000 KWH, per KWH $0.0600
  - Next 150,000 KWH, per KWH $0.0565
  - Balance, per KWH $0.0520

Rate Restructuring Recommendations

- Jerry McKenzie, Mgt. of America, Inc.
  - Met with commissioners on July 2, 2012
  - Discussed Financial Forecasting Model
  - Proposed Eliminating Two Rate Tiers in each of the applicable rate codes
    - Projections showed an increase in revenue of approximately $786,000 as a result of elimination of two rate tiers.

Staff Recommendations

- Propose Eliminating Only One Rate Tier in each of the applicable rate codes
  - Projections showed an increase in revenue of approximately $347,000 as a result of elimination of one rate tier.

Rate Code Structure - Example

- By eliminating one billing tier, the tier structure would change to the following:

- Example – Rate Code 14 -
  - First 500 KWH, per KWH $0.0970
  - Next 2,500 KWH, per KWH $0.0810
  - Next 47,000 KWH, per KWH $0.0600
  - Balance, per KWH $0.0565

- For customers with high usage, that power will be purchased at a higher rate than previously charged with rate codes including more billing tiers.

Effect on Customers

- Residential – (Inside City Limits)

Average Usage/Month	Monthly Increase	Annual Increase
1,200 KWH or less	$0.00	$0.00
1,500 KWH	$3.80	$45.60
3,000 KWH	$22.80	$273.60

Those residential customers who use less than 1,200 KWH per month will not be affected by the tier elimination.

Effect on Customers

- Commercial –

Average Usage/Month	Monthly Increase	Annual Increase
50,000 KWH or less	$0.00	$0.00
100,000 KWH	$113.00	$1,356.00
150,000 KWH	$226.00	$2,712.00

Those General Service Commercial customers who use less than 50,000 KWH per month will not be affected by the tier elimination.

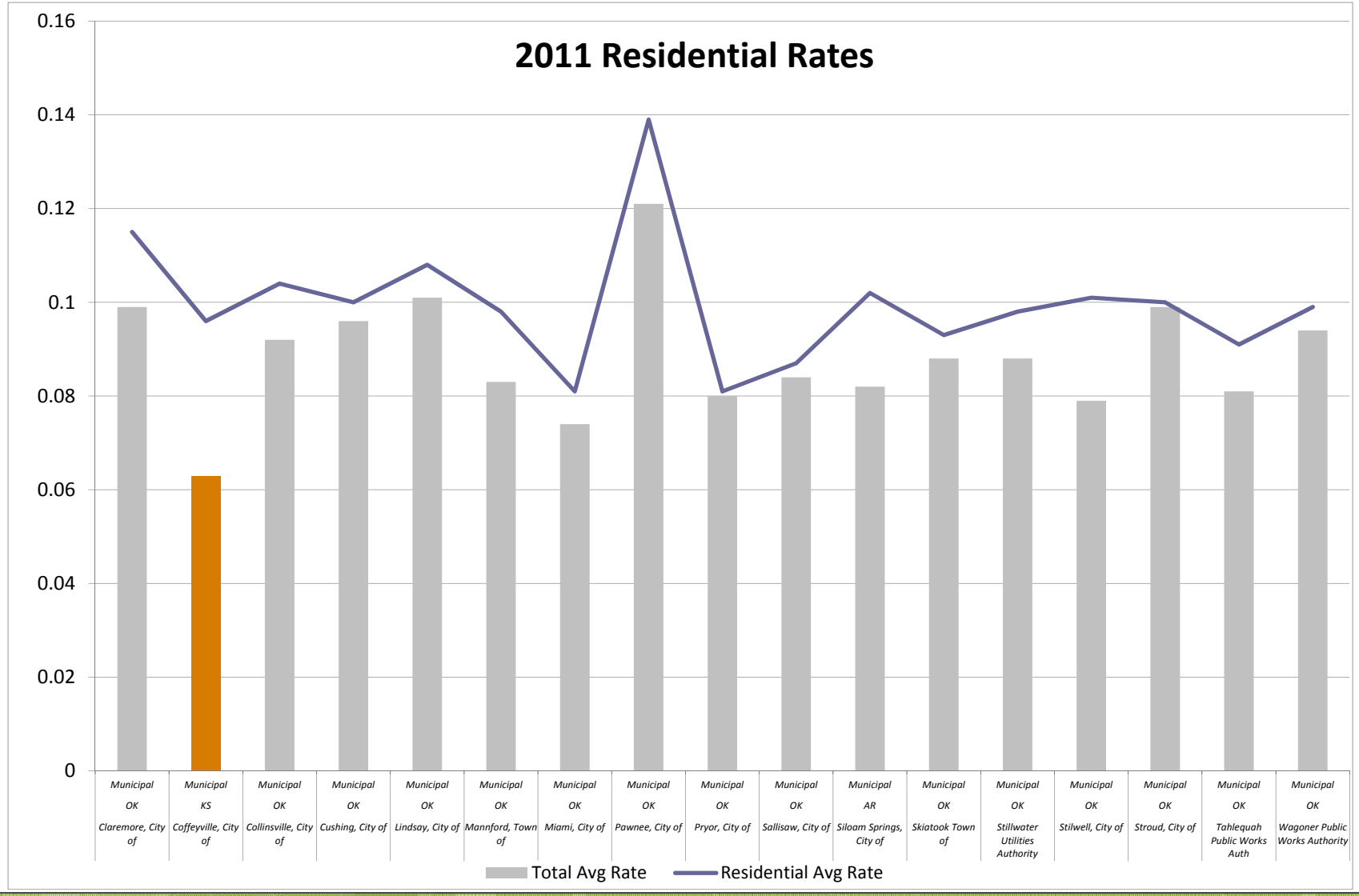
Effect on Customers

- Industrial – Rate Code 14

Average Usage/Month	Monthly Increase	Annual Increase
200,000 KWH or less	$0.00	$0.00
750,000 KWH	$2,475.00	$29,700.00
1,500,000 KWH	$5,850.00	$70,200.00

Those Large Power Industrial customers who use less than 200,000 KWH per month will not be affected by the tier elimination.

How do our Current Rates Compare?



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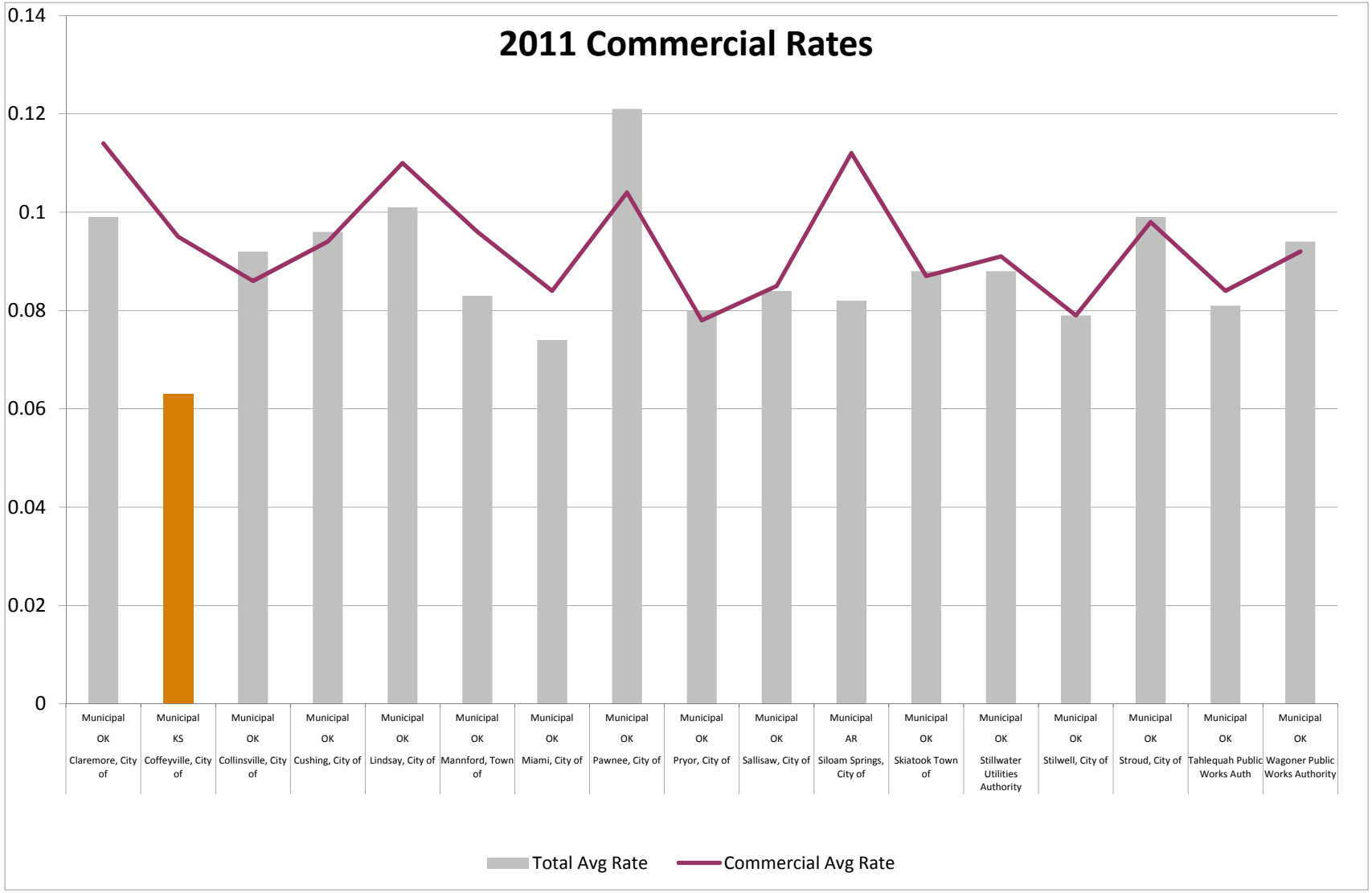

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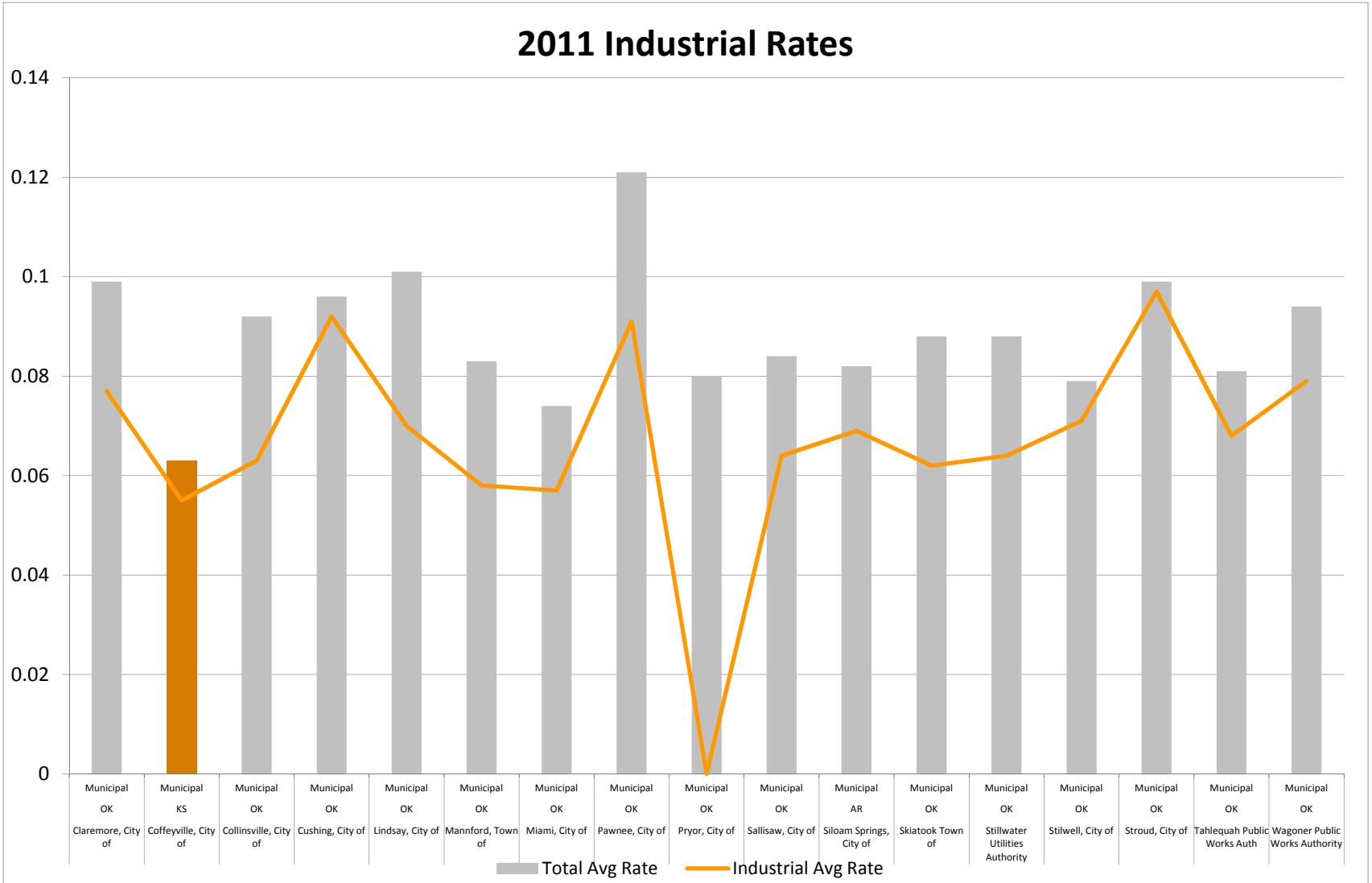

Off Peak Discount Customers – Rate Code 17

- Must agree to interrupt service if called upon by the utility in exchange for a discounted electric rate
- Four Customers -
  - Acme Foundry
  - Bartlett Milling
  - Sherwin Williams
  - Murrow Foundry
- This provision of the rate code has not come into play
- *Recommendation* – eliminate Rate Code 17 from our billing structure

Rate Code 17 Elimination

- Moving those four customers to their appropriate rate code generates $155,796 in additional revenue *
- Approving G-13-07 eliminates one rate tier within those rate codes which generates another $67,182 in additional revenue *
- Total Affect to those four customers on Rate Code 17 = $222,978

* - Based on 2012 usage

Questions????