

ORDINANCE NO. 817

AN ORDINANCE ADJUSTING RATES, MINIMUM CHARGES, AND THE ENERGY COST ADJUSTMENT FOR ELECTRIC UTILITY RATES IN THE CITY OF WASHINGTON, KANSAS; AND AMENDING CERTAIN SECTIONS OF CHAPTER XXI, UTILITIES, ARTICLE 4, ELECTRIC UTILITY, OF THE CODE OF THE CITY OF WASHINGTON, KANSAS.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WASHINGTON, KANSAS:

Section One. Chapter XXI, Article 4, Section 21-401(b), regarding Residential Electric Rates is hereby amended to read as follows:

(b) MONTHLY RATE:

0.1255 per kWh for usage from and after August 1, 2022

0.1275 per kWh for usage from and after August 1, 2023

Section Two. Chapter XXI, Article 4, Section 21-401(c), regarding the minimum charge for Residential Electric Rates is hereby amended to read as follows:

(c) MINIMUM CHARGE: Each customer shall pay a minimum charge of five dollars and twenty cents (\$5.20) per month, which charge shall be in addition to the charge for any electricity used; provided, however, that said charge shall increase to seven dollars and fifty cents (\$7.50) from and after August 1, 2024. In the event the same customer orders a disconnection or reconnection of electric service at the same premises within a period of twelve (12) months, the City shall collect as a reconnection charge the sum of such minimum bills as would have accrued during the period of disconnection.

Section Three. Chapter XXI, Article 4, Section 21-402(b) regarding Commercial Electric Rates is hereby amended to read as follows:

(b) MONTHLY RATE:

0.1255 per kWh from and after August 1, 2022

0.1275 per kWh from and after August 1, 2023

Section Four. Chapter XXI, Article 4, Section 21-402(c) regarding the minimum charge for Commercial Electric Rates is hereby amended to read as follows:

(c) MINIMUM CHARGE: Each customer shall pay a minimum charge of seven dollars and twenty-eight cents (\$7.28) per month, which charge shall be in addition to the charge for any electricity used; provided, however, that said charge

shall increase to ten dollars (\$10.00) from and after August 1, 2024. In the event the same customer orders a disconnection or reconnection of electric service at the same premises within a period of twelve (12) months, the City shall collect as a reconnection charge the sum of such minimum bills as would have accrued during the period of disconnection.

Section Five. Chapter XXI, Article 4, Section 21-403 regarding Energy Cost Adjustment is hereby amended to read as follows:

Whenever the monthly average cost of energy (fuel, lube oil and purchased electric energy) exceeds, or is less than, 54.0 mills per kilowatt-hour sold, a charge shall be added to each customer's next monthly electric service bill in the amount of .01 mill per KWH for each 0.1 mill, or major fraction thereof, by which said average cost exceeds 54.0 mills.

This Energy Cost Adjustment shall be applied to all users to whom bills are rendered and from whom money normally is collected; likewise, all and only the energy sold to such users shall be the basis for the determination of the average cost. Cost of energy shall include all the direct costs of fuel, lube oil and electric energy purchased, plus taxes, freight, surcharges or adjustments applied thereon.

The Energy Cost Adjustment shall be for the most recent month, being the sum of energy cost actually paid in that period adjusted by the previous month's carry-over revenue, divided by the sum of the estimated energy sold in the same period (the period being the normal period for billing and for bill payment most nearly coinciding under the city's normal accounting practices), minus the ECA base of 54.0 mills. The carry-over revenue is the difference between the actual total revenue recovered and the actual cost of energy. The formulas for calculating the ECA and carry-over revenue are as follows:

$$\text{ECA} = \frac{\$dc + \$co}{\text{kwh} \times 0.84} - \$.054$$

Where ECA = energy cost adjustment factor applied to bills

\$dc = direct cost of energy as described above

\$co = dollars carried over from previous month

(See below)

kwhn = net kilowatt hours furnished to the bus (equals gross kwh generated minus plant use kwh plus kwh purchased), as actually metered

0.84 = multiplier which assumes 16% loss and free kilowatt hours (This is the assumed average which is corrected monthly by the carry-over dollars added to or subtracted from the actual monthly cost).

0.054 = base energy charge included in rates

The monthly carry-over dollars which are to be applied to the present month are computed as follows:

$$\text{\$co} - (\text{ECA}' = 0.054) (\text{kwh}'\text{s} - \text{kwhn} \times 0.84)$$

Where kwh's = actual kilowatt hours sold against which an energy cost adjustment charge is made from month immediately preceding

kwh'n = net kilowatt hours furnished to the bus from the month immediately preceding

ECA' = energy cost adjustment factor applied in the month immediately preceding.

The city may apply a negative Energy Cost Adjustment in the event the cumulative carry-over dollars of over-recovery exceeds [\$120,000] so as to limit the over-recovery amount.

Section Six. The provisions of this Ordinance shall be included and incorporated in the code of the City of Washington, Kansas, as an addition or amendment thereto.

Section Seven. Any provision of this ordinance which shall be declared to be invalid shall not affect the validity and authority of any other sections of said ordinance.

Section Eight. This Ordinance shall take effect and be in full force and effect after its publication in the Washington County News, the official city newspaper.

Passed by the Governing Body of the City of Washington, Kansas, and approved by the Mayor, this 5th day of July, 2022.

Ryan Kern, Mayor

ATTEST:

Denise M. Powell, City Clerk