

ORDINANCE NO. 2597

AN ORDINANCE REVISING TITLE 13 UTILITIES, CHAPTER 13.25 ELECTRIC RATES OF THE GARDNER MUNICIPAL CODE.

WHEREAS, said Gardner Municipal Code, Chapter 13.25 Electric Rates was identified as needing to be revised following the adoption of an Ordinance establishing the Utility Advisory Commission.

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

SECTION ONE: The Governing Body of the City of Gardner, Kansas now deems it advisable to revise Chapter 13.25 "Electric Rates" as follows:

13.25.010 Electric Rates.

All customers of electrical current supplied by the electric distribution system of the City shall pay for this service in accordance with one of the following rates:

A. Residential.

1. Eligibility for the residential electric rate is limited to dwelling units supplied through one meter for domestic use. This rate is not available to dwelling units used for commercial purposes; however, if the customer's wiring is so arranged that electric service for domestic and non-domestic purposes can be metered separately, then this rate is available to that portion used for domestic purposes.
2. Rate.

- a. Service charge: \$ 6. 72; and
- b. \$0. 1038 per kilowatt hour.

B. School District 231.

1. The School District 231 rate is available to any building used by U.S. D. 231 School District.
2. Rate.

- a. Service charge: \$ 11.13; and
- b. \$12. 22 per kilowatt hour for all kilowatts of billing demand; and
- c. \$0.0413 per kilowatt hour

C. City of Gardner.

1. The City of Gardner rate is available to any building or facility owned by the City.
2. Rate.

- a. Service charge: \$ 0.00; and
- b. Demand charge: \$ 0.00; and
- c. Energy charge: \$ 0.0565

D. Commercial Rates.

1. Classification Determination.

Commercial customers will be classified as either Small, Medium or Large Commercial Customers. Classification for new commercial customers (customers with less than 12 months historical usage data) shall be determined by the City of Gardner Utility staff based upon historical electric usage at the property/meter or based upon the size of the electrical service or when the property/meter has no historical data or the service supplied to the

property/meter has been altered. Classification for accounts with at least 12 months historical usage data shall be determined on an on-going basis by averaging the account's electricity usage over the 12 months preceding the applicable billing cycle.

2. Commercial Classifications.

a. Commercial Customer Defined.

A Commercial Customer is a customer whose principle use of the property associated with the account is committed to a use other than a residential, City or USD 231 use. Generally a Commercial property use for purposes of determination of the applicable utility rate charge includes retail, assembly, residential care, food and beverage, health care, lodging, personal storage, service, recreation, entertainment, office, employment, civic, manufacturing, freight and distribution, communications, natural resource extraction, utility and other uses commonly considered as commercial or industrial in nature.

b. Commercial Demand Charge.

All Commercial Customers will be billed a demand charge based on the highest demand indicated during any 15-30 minute interval during the billing period.

b. Small Commercial.

- i. The Small Commercial rate shall apply to Commercial Customers whose peak kW demand is less than or equal to 25 kW each month.
- ii. Rate.
 - 1). Service charge: \$10.00;
 - 2). \$ 5.00 per kilowatt hour of billing demand; and
 - 3). Energy charge: \$0.0786 per kilowatt hour.

c. Medium Commercial.

- i. The Medium Commercial rate shall apply to Commercial Customers whose peak kW demand is in excess of 25 kW but less equal to or less than 200 kW each month.
- ii. Rate.
 - 1). Service charge: \$20.00;
 - 2). \$ 9.75 per kilowatt hour of billing demand; and
 - 3). Energy charge: \$0.0645 per kilowatt hour.

d. Large Commercial.

- i. The Large Commercial rate shall apply to Commercial Customers whose peak kW demand is in excess of 200 kW each month.
- ii. Rate.
 - 1). Service charge: \$35.00;
 - 2). \$ 14.50 per kilowatt hour of billing demand; and
 - 3). Energy charge: \$0.0540 per kilowatt hour.

13.25.020 Determination of demand.

The electric demand of a customer shall be measured in kilowatts (kW). The demand shall be determined by demand instruments or, at the City's option, by demand tests and shall be the highest demand indicated during any 15- to 30-minute interval during the billing period.

13.25.040 Estimation of bills.

In case any meter shall stop or for any reason fail to register or upon failure to read the meter, then the City of Gardner may estimate the monthly bill for electric to based on the average quantity consumed during the preceding 12 months.

13.25.050 Power cost adjustment.

Electric Charges for all classes of customers shall be increased or decreased each billing period by the amount of a power cost adjustment. The power cost adjustment shall be calculated by dividing the sum of City' s net cost of purchasing wholesale power and for the cost of fuel used to produce electric power for the past 12 billing periods by the City's total retail power sales for the past 12 billing periods. The base total power cost rate per kilowatt-hour shall be subtracted from this quotient to determine the power cost adjustment per kilowatt-hour. When a new base rate is calculated, the old rate will be adjusted in equal increments over a 12- month period until it equals the new rate. The Utility Advisory Commission shall make a recommendation to the Governing Body to set the base rate at an amount less than or equal to the calculated factor.

13.25.060 Yard lights fee.

The fee for yard lights owned and maintained by the City utilized for private purposes shall be as follows: \$13.65 per billing period for each 250 watt fixture.

13.25.070 Pole attachment charges.

The **City** will charge for the use of Gardner electric poles as follows:

- A. For each attachment to a utility pole, the annual fee will be \$17.95, payable quarterly. The number of attachments to be charged will be based on the total number of attachments as of January 1st of each year beginning January 1st, 2010.
- B. Permission to attach and the method of attachment are at the discretion of the Governing Body.
- C. Unified School District No. 231, the City of Gardner, and Kansas City Power and Light will not be charged.

13.25.080 Renewable energy resource rate.

An owner or operator of a qualified electric energy generation unit which is powered by a renewable generator as defined by Kansas State Statute K.S.A. 66-1,184 (2009) and has an electric generating capacity of not more than the following wattage schedule may apply for parallel generation services with the City of Gardner:

- A. Residential customer – 25 kilowatts or less.
- B. Commercial customer – 200 kilowatts or less.

If all technical requirements are met, including demonstrated compliance with K.S.A. 66-1,184, the Application for Interconnection is accepted by the Utility Director and an Interconnection Agreement is approved by the Governing Body, the Customer-generator shall be allowed to interconnect to the City's electric system.

The Customer-generator shall be fairly and equitably compensated for energy supplied to the City. The City shall measure the Customer-generator produced electricity fed to the grid and provide compensation to the Customer-generator on a monthly basis. Such compensation shall be recalculated and updated on April 1st of each year at the rate of 100% of the electric utility's monthly system average cost of energy per kilowatt hour except that in the case of renewable generators with a capacity of 200 kilowatts or less, such compensation shall be not less than 150% of the electric utility's monthly system average cost of energy per kilowatt hour. As provided for within the Interconnection Agreement, the electric utility may credit such compensation to the customer's account or pay such compensation to the customer at least annually or when the total compensation due equals \$25 or more.

SECTION TWO: All other ordinances not in conformity herewith are hereby repealed or amended to conform hereto.

SECTION THREE: This Ordinance shall take effect upon January 1, 2020 or after its passage, approval and publication as provided by law, whichever occurs later.

PASSED by the City Council this 22nd day of January, 2019.

SIGNED by the Mayor this 22nd day of January, 2019.

CITY OF GARDNER, KANSAS

(SEAL)

/s/ Steve Shute
Steve Shute
Mayor

ATTEST:

/s/ Amy Nasta
Amy Nasta
City Clerk