

EMERGENCY ORDINANCE 34-14

AN EMERGENCY ORDINANCE TO RESET THE RATES FOR ELECTRIC USE
PROVIDED BY DOVER ELECTRIC AND LIGHT UTILITY AS STATED IN THE BODY OF
THIS ORDINANCE.

WHEREAS, the city of Dover electric utility has historically operated its electric utility in an efficient and economic manner and said operation has insured reliable, economic and efficient electric service for the citizens of Dover; and

WHEREAS, rates were last adjusted in 1994 and 2006; and

WHEREAS, re-adjustment of rates is necessary to facilitate and insure the continued efficient, economic and reliable operation of Dover's electric utility; and

WHEREAS, the adjustment of these rates, as recommended after a study by Dover's engineering firm, will facilitate the safe, reliable, efficient and economic operation of this utility and will enhance the health, safety and welfare of the citizens of Dover.

NOW THEREFORE BE IT ORDAINED BY DOVER CITY COUNCIL:

I.

Commencing with the billing cycle immediately following the passage of this ordinance, the rates for the use of Dover's electric utility and service shall be established as follows:

Residential Rates

Monthly Rate

Customer Charge: \$6.71

Energy Charges:

First 800 kWh, per kWh \$0.12215

Next 700 kWh, per kWh \$0.11655

All remaining kWh, per kWh \$0.10914

Minimum Charge:

The minimum monthly charge shall be the Customer Charge

Power Cost Adjustment Clause: Power Cost Adjustment Clause

A Power Cost Adjustment (PCA) factor will be included in each bill for service rendered. The adjustment shall be the product of the total kilowatt-hours times the PCA. The PCA will be adjusted as determined by the Utility Office based on increases/decreases in purchased power cost, fuel cost, ash disposal fees, environmental fees and other fuel related costs. The PCA is in units of \$/KWH and is applied to those KWH sales that are subject to the PCA.

The formula used to calculate PCA is as follows:

$$PCA = (PRC - (BASE * KWHSOLD)) / KWHPKA$$

Where

PRC = Power related costs including purchased power, fuel, ash disposal, environmental costs and fuel related costs.

BASE = Base of power related cost included in the existing rates. This value is 0.06893 \$/KWH

KWHSOLD = Retail sales of electricity (KWH), includes all rate classes, does not include sales to City owned facilities.

KWHPCA = Retail sales of electricity (KWH) subject to PCA Adjustment.

General Service Rates (Commercial)

Monthly Rate

Customer Charge: \$6.37

Energy Charges:

First 50 kWh per kW of demand, per kWh \$0.15640

Next 150 kWh per kW of demand, per kWh:

First 3000 kWh per kWh \$0.13609

Over 3000 kWh per kWh \$0.11447

All remaining kWh per kWh \$0.10093

Minimum Billing:

The minimum monthly charge shall be the customer charge.

Primary Metering:

When the metering occurs at the primary voltage of the line serving the customer, the kWh as metered shall be multiplied by 0.95.

Primary Service:

When the customer maintains the necessary equipment, a credit of \$0.220 per kW of demand will be applied to the monthly bill.

Determination of Demand:*

The monthly billing demand shall be the greater of:

- The highest recorded demand during the billing month.
- 60% of the highest billing demand for the past six months.
- 5kW.

*Applicable to all commercial and small industrial customers having demands or contracting for demands less than 50 kW for a six (6) month period or longer.

Power Cost Adjustment Clause: Power Cost Adjustment Clause

A Power Cost Adjustment (PCA) factor will be included in each bill for service rendered. The adjustment shall be the product of the total kilowatt-hours times the PCA. The PCA will be adjusted as determined by the Utility Office based on increases/decreases in purchased power cost, fuel cost, ash disposal fees, environmental fees and other fuel related costs.. The PCA is in units of \$/KWH and is applied to those KWH sales that are subject to the PCA.

The formula used to calculate PCA is as follows:

$$PCA = (PRC - (BASE * KWHSOLD))/KWHPCA$$

Where

PRC = Power related costs including purchased power, fuel, ash disposal, environmental costs and fuel related costs.

BASE = Base of power related cost included in the existing rates. This value is 0.06893 \$/KWH

KWHSOLD = Retail sales of electricity (KWH), includes all rate classes, does not include sales to City owned facilities.

KWHPCA = Retail sales of electricity (KWH) subject to PCA Adjustment.

Industrial Rates**

Monthly Charge

Energy Charge:

First 30 kWhr per kVA of demand, per kWh	\$0.17434
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Next 170 kWhr per kVA of demand:

First 2000 kWhr, per kWh	\$0.13135
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Next 8000 kWhr, per kWh	\$0.11855
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Next 90,000 kWhr, per kWh	\$0.10653
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All over 100,000 kWhr, per kWh	\$0.09834
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For kWhr in excess of 200 times kVA:

First 200,000 kWhr, per kWh	\$0.08848
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All remaining kWhr, per kWh	\$0.08273
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Minimum Charge:

The minimum monthly shall be \$2.75 per kVA of demand.

Primary Metering:

When the metering occurs at the primary voltage of the line serving the customer, the kWhr as metered shall be multiplied by 0.95.

Primary Service:

When the customer maintains necessary equipment, a credit as follows shall be applied:

2,300-12,000 delivery voltage	\$0.220 per kVA
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23,000 and over	\$0.360 per kVA
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Determination of Demand:

The monthly billing demand shall be the greater of:

- The highest recorded demand during the billing month.
- 60% of the highest billing demand for the past six months.
- 50 kVA

Power Factor Adjustment:

For any month when the average lagging power factor is less than eighty five percent (85%), the utility shall make an additional charge of one percent (1%) of the total billing amount for each five percent (5%) between the average lagging power factor and eighty-five percent (85%).

Power Cost Adjustment Clause: Power Cost Adjustment Clause

A Power Cost Adjustment (PCA) factor will be included in each bill for service rendered. The adjustment shall be the product of the total kilowatt-hours times the PCA. The PCA will be adjusted as determined by the Utility Office based on increases/decreases in purchased power cost, fuel cost, ash disposal fees, environmental fees and other fuel related costs.. The PCA is in units of \$/KWH and is applied to those KWH sales that are subject to the PCA.

The formula used to calculate PCA is as follows:

$$PCA = (PRC - (BASE * KWHSOLD))/KWHPCA$$

Where

PRC = Power related costs including purchased power, fuel, ash disposal, environmental costs and fuel related costs.

BASE = Base of power related cost included in the existing rates. This value is 0.06893 \$/KWH

KWHSOLD = Retail sales of electricity (KWH), includes all rate classes, does not include sales to City owned facilities.

KWHPCA = Retail sales of electricity (KWH) subject to PCA Adjustment.

** Applicable to all commercial and industrial customers having demands or contracting for demands in excess of
50 kW for a six (6) month period or longer.

Private Outdoor Lighting

Rate per month, per lamp:

189 watt incandescent**	\$7.99
295 watt incandescent**	\$10.49
175 watt mercury vapor	\$8.48
250 watt mercury vapor	\$10.87
400 watt mercury vapor	\$14.71
100 watt high pressure sodium vapor	\$10.42
250 watt high pressure sodium vapor	\$17.27
250 watt high pressure sodium vapor flood	\$22.43
400 watt metal halide flood	\$22.18

Term:

The minimum term for the private outdoor lighting ("Security Lights") service rate is one (1) year.

** Being eliminated from service, not available for new installation

Penalties

A penalty of five percent (5%) shall be assessed all residential, commercial and industrial customers who fail to pay their electric bills on or before the fifteenth day after said bill is issued by the utility billing office.

II.

In the first billing cycle in each successive calendar year subsequent to the passage of this ordinance, commencing with August 1, 2015 and thereafter, absent the enactment of an ordinance by council to adjust electric rates, there shall be a one percent increase in the customer or monthly rates, the energy charges, and the private outdoor lighting charges established by this ordinance. Said one percent increase shall be imposed on the rates charged in the prior calendar year.

III.

That it is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were taken in conformance with all applicable open meeting laws and that all deliberations of this Council and of any of its committees that resulted in those formal actions were in compliance with all legal requirements including open meeting requirements.

IV.

This ordinance is declared an emergency ordinance necessary to preserve the health, safety and welfare of the citizens of the City of Dover and shall take effect immediately upon its passage. Otherwise, it shall be effective on the earliest date allowed by law. The need to re-establish rates so that the Dover electric utility can operate in an efficient and responsible economic fashion constitutes an emergency.

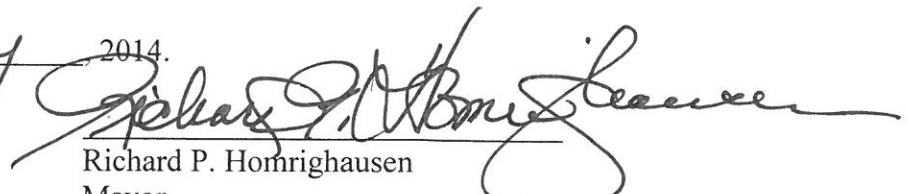
Passed this 21st day of July, 2014.

Attest:


Julie Leggett
Clerk of Council


Shane Gunnoe
President of Council

Approved this 21st day of July, 2014.


Richard P. Homrighausen
Mayor

Publish summary once and publish on city and state web sites
Recommended by the Utility Committee