

RESOLUTION NO. 692

**A RESOLUTION RELATING TO RATES TO BE CHARGED
FOR ELECTRICAL SERVICE, ESTABLISHING
EFFECTIVE DATES, AND REPEALING RESOLUTION
666.**

RECITALS

1. Pursuant to M.M.C. Chapter 13.24.005, the Council is authorized to establish rates for utility service pursuant to Resolution. The rates were last modified in 2014 through the adoption of Resolution 666.

2. Since the adoption of the current rates, the City has authorized a study of the utility rates and the Council has reviewed the resulting recommendations. Based upon that review of the available information, the Council has determined a rate increase of an amount less than the recommendations is appropriate so as to not unduly impact the system's customers while also maintaining the long term fiscal stability of the system.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY, THE MAYOR SIGNING IN AUTHENTICATION THEREOF:

SECTION I: On and after the effective date stated in Section III, the following rates shall be charged and the

following classifications shall be established: PROVIDED THAT, such rates shall be subject to annual adjustment as provided in Section III:

SCHEDULE 1

RESIDENTIAL RATES

1.1: Availability: Applicable to domestic use of all residential customers, including single-phase motors with individual rate capacity of 7 ½ HP or less. Service under the Residential Rate shall apply to electric service in single-family and multi-family private dwellings, and their appurtenances, those uses set forth below, for general farm service, including water-heating, but not for resale to others.

The Residential Rate shall also apply to service for institutions such as clubs, fraternities, orphanages, or homes, recognized as rooming or boarding houses; the space in an apartment or other residential building primarily devoted to use as an office or studio for professional or other gainful purposes.

(c) The residential rate shall not apply to assisted care and living facilities, including nursing homes.

1.2: Rate:

Meter Service Charge - \$15.00 per meter per month

Consumption Charge - \$.0762 per KWH

Minimum Charge - \$23.20 per month (Includes meter service charge of \$15.00.)

Delivery Point - The above rates are based upon the supply of service to the entire premises through a single delivery and metering point. Separate supply for the same customer at other points of consumption, or at a different voltage or phase, shall be separately metered and billed. For the purpose of maintenance responsibility, the customer is responsible for the service line from the meter to the building.

SCHEDULE 2

LARGE RESIDENTIAL AND COMMERCIAL LIGHTING AND POWER RATES

Availability: Applicable to all large residential (greater than 7 ½ Hp) and commercial light, heat, and power customers, including but not limited to facilities of municipal corporations including school districts and hospital districts, assisted care and living facilities, including nursing homes, as well as for religious organizations or other service organizations providing services at properties which qualify for exemption from real estate taxes. Energy supplied under this schedule shall not be submetered for resale or resold to others.

A. Single-Phase Power:

Meter Service Charge - \$20.50 per month per meter.

Consumption Charge - \$.0811 per KWH.

Demand Charge - \$3.14 per KW.

Minimum Charge - \$30.45 per month (Includes meter service charge of \$20.50.)

B. Three Phase Service:

Meter Service Charge - \$36.00 per month per meter

Consumption Charge - \$.0811 per KWH

Demand Charge - \$3.14 per KW.

Minimum Charge - \$45.95 per month (Includes meter service charge of \$36.00.)

Delivery Point - The above rates are based upon the supply of service to the entire premises through a single delivery and metering point. Separate supply for the same customer at other points of consumption, or at a different voltage or phase, shall be separately metered and billed except that where two or three points of delivery have already been installed in an old commercial building or where, in the opinion of the distributor's authorized representative, it would be impractical for the customer to alter his/her wiring to the extent necessary in an old commercial building, separate services requiring two or three meters may be billed as one meter.

For the purpose of maintenance responsibility, the customer is responsible for the service line from the meter to the building.

SCHEDULE 3

INDUSTRIAL LIGHTING AND POWER SERVICE

Availability: Available to industrial consumers for light, heat, and power. Energy supplied under this schedule shall not be submetered for resale and resold to others.

A. Industrial Customer

Energy Charge - \$.0492 per KWH

Demand - \$6.19 per KW

1. Billing Demand: The billing demand shall be the higher of the following demands:

a. The measured demand.

b. 80 percent of the highest demand measured during the preceding eleven months.

2. Minimum Charge: The minimum monthly charge shall be \$30.70 for those customers with less than 65 KW installed capacity. For those customers with 65 kva installed capacity or more, the minimum monthly charge will be \$.72 per KW.

3. Determination of Demand: Demand measure shall be made by suitable instruments at the point of delivery during the 30-minute period in which the consumption of energy is greatest during the month for which determination is made.

4. Adjustment Demand Charge for Power Factor: All loads with installed capacities of 75 kva and above shall be billed for power factor by increasing the Measured Demand by 1 percent for each 1 percent or major fraction thereof by which the average power factor is less than .95 lagging. Unless specifically otherwise agreed, the Distributor shall not be obligated to deliver power to the purchaser at any time at a power factor below .75 lagging.

5. Tax Additions: To the above rate proportional increases may be added to compensate for any gross revenue kilowatt hour or

other form of tax hereafter imposed by any municipal, county, state, or federal taxing body.

6. Contract requirements: Customers whose measured demand is 100 KW or more may be required to execute a contract for a minimum term of five (5) years.

7. Delivery Point: The above rates are based upon the supply of service to the entire premises through a single delivery and metering point. Separate supply for the same customer at other points of consumption, or at a different voltage or phase, shall be separately metered and billed.

For the purpose of maintenance responsibility, the customer is responsible for the service line from the meter to the building.

SCHEDULE 4

STREET LIGHTING RATE

(ON EXISTING POLES)

Availability: To the City of McCleary.

Applicable: To overhead street lighting from dusk to dawn every day for lighting streets, alleys, thoroughfares, grounds, and parks.

Specifications: The system shall be of overhead construction consisting of poles, aerial circuits, mast arms, and standard luminaries. The charges below are for energy and re-lamping only.

Under grounding and new or replacement installations, except when such installation shall be required as part of a development, shall be paid for by the City of McCleary. Maintenance shall be by the Light and Power Department.

Monthly Rate:

<u>Lamp Rating</u>	<u>Lamp Type</u>	<u>Energy and Relamp Charge</u>
100 watt	HPS	\$4.18 per month
200 watt	HPS	\$6.49 per month

SCHEDULE 5

SECURITY LIGHTING

Availability: Available to all system users.

Specifications: The pole will be pressure-treated and manufactured and installed in accordance with the City of McCleary's standards. The lighting hardware and equipment will be provided by the City of McCleary Light and Power Department.

Monthly Rate - Flat Charge:

\$9.65 per month.

General Terms and Conditions: In addition to the monthly flat charge, as to any newly installed security lighting, the applicant shall also pay, at the time of application, an amount to be determined by the Director of Public Works as representing the costs of the pole and installation. For additional terms and conditions see above.

SECTION II: ANNUAL ADJUSTMENT OF CERTAIN RATES:

A. In recognition of the benefit of fiscal predictability for customers of the system and management, as of December 16th, 2017, and each calendar year thereafter, as to the consumption and demand charges only, a rate adjustment of each shall be implemented which shall be the greater of following:

(1) three percent (3%) or

(2) the monetary amount which is the result of the following calculation:

Methodology of Calculation of CPI Based Adjustment: The then existing utility rate shall be multiplied by a figure established as the average of the Seattle-Tacoma-Bremerton Area Bi-Monthly Index CPI-U (June compared with June) and the US All City Average CPI-U for the same period. [Example: S-T-B Area Bi-monthly Index CPI-U is 3.5% and the US All City Average CPI-U for that period is 2.5%. The multiplier to be utilized is 3.0%. If the existing rate is \$4.00, the result would be an increase of \$0.12 for an adjusted rate of \$4.12.]

B. PRINCIPALS OF APPLICATION:

1. The average for the CPI multiplier, if not an even 1/10th of a percent, shall be rounded upward to the nearest 1/10th of a percent.

2. Application of annual adjustment rate to classifications:

a. As to the base rate for any classification, the resulting product of the calculation carried out pursuant to SSA

shall be rounded to the next highest 1/10th of a dollar, if the initial calculation does not so result.

b. As to the overage rate for any classification, the resulting product of the calculation carried out pursuant to §§A shall be rounded to the next highest 1/100th of a dollar, if the initial calculation does not so result.

SECTION III: EFFECTIVE DATE:

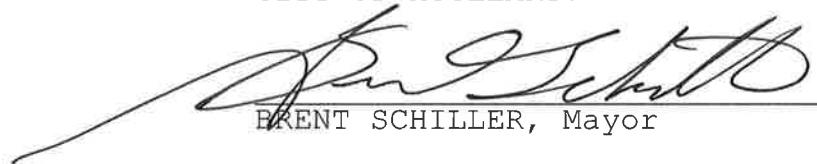
The rates established by Section I of this Resolution shall become effective as to all power metered on and after the 16th day of December, 2016, for billing on and after the 31st day of January, 2017.

SECTION IV: REPEAL:

Resolution Number 666 shall be and is hereby repealed as of the effective date for utilization of the new rates, as established in this resolution. Such repeal shall not effect any obligation which arose under the provisions of that resolution.

PASSED THIS 14th DAY OF DECEMBER, 2016, by the City Council of the City of McCleary, and signed in approval therewith this 14th day of December, 2016.

CITY OF McCLEARY:


BRENT SCHILLER, Mayor

ATTEST:


WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

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12/07/2016
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