

CITY COUNCIL MEETING

JAN 21 1981

Continued January 21, 1981

ORDINANCE
ADOPTING NEW
ELECTRIC RATE
SCHEDULE
ENERGY PURCHASE

ORD. NO. 1220
INTRODUCED

Council was informed that to encourage individuals to construct and operate small power generation facilities (particularly those using wind, solar or other renewable energy sources), the Federal Energy Regulatory Commission (FERC) has specified that all excess energy so generated, be purchased by the servicing electric utility. FERC has further stipulated that the purchase price be based on the utility's "avoided cost" (i.e. the cost to obtain power and energy from its normal source). Electric rate schedule EP as presented for Council's perusal, has been prepared to satisfy these requirements, which become effective March 20, 1981.

Following discussion, Mayor Pro Tempore McCarty introduced Ordinance No. 1220 adopting a new electric rate schedule "EP - Energy Purchase". The motion was seconded by Councilman Murphy and carried by unanimous vote.

COUNCIL COMMUNICATION

TO: THE CITY COUNCIL

DATE

NO.

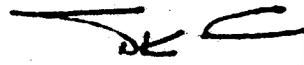
FROM: THE CITY MANAGER'S OFFICE

January 8, 1981

SUBJECT: NEW ELECTRIC RATE SCHEDULE - ENERGY PURCHASE

RECOMMENDED ACTION: That the City Council approve new electric rate schedule EP (copy attached), for the purchase of energy from customers with small qualifying electric generating facilities.

BACKGROUND: To encourage individuals to construct and operate small power generation facilities*, the Federal Energy Regulatory Commission (FERC) has specified that all excess energy so generated, be purchased by the servicing electric utility. FERC has further stipulated that the purchase price be based on the utility's "avoided cost" (i.e. the cost to obtain power and energy from its normal source). Electric rate schedule EP has been prepared to satisfy these requirements, which become effective March 20, 1981.



David K. Curry, Utility Director

* Particularly those using wind, solar or other renewable energy source.