

ELECTRIC RATE
INCREASE
APPROVED

Agenda item K-8 - "Consideration of proposed electric utility rate increase" was introduced by Utility Director Henry J. Rice who apprised the Council that Lodi's retail electric rates were last adjusted in July, 1984. Since that time, the cost of the City's wholesale electricity has changed significantly. The City currently receives bulk power from at least three sources: NCPA (geothermal), PG&E and WAPA. These bulk power increases of approximately \$1.6 M represent a cost item over which we have no control and which must be passed through directly to the consumer. These increases are due to PG&E rate increases in January 1985, as well as WAPA increases in late 1984 and 1985.

In order to offset the increased cost of power, it is proposed to raise retail electric rates an average of 17%.

The residential rate (EA) has been set at City cost for 0-440 kwh, which is between 4.5% and 6% below PG&E's winter/summer average retail charge; consumption above 440 kwh has been set an average of 7% below PG&E. Commercial and Industrial rates are set approximately 7% below PG&E at benchmark levels of consumption, which are as follows:

Commercial/Small Industrial (EB)	1,550 kwh per month
Intermediate Industrial (S-I)	33,800 kwh per month
Large Industrial (S-II)	2,300,000 kwh per month

This proposal will increase annual revenue by approximately \$3.3 million.

FUTURE PLANS: Additional wholesale power supplier cost increases are anticipated; however, these proposed rates should remain stable so long as power supplier cost increases are modest.

Discussion followed with questions being directed to the City Manager and Utility Director Rice.

URGENCY
ORDINANCE
1348 ADOPTED

Mayor Pro Tempore Hinchman then moved for adoption of Urgency Ordinance No. 1348 - An Ordinance approving electric rate increases effective with utility bills prepared on or after March 1, 1985. The motion was seconded by Council Member Reid and carried by unanimous vote.

COUNCIL COMMUNICATION

TO: THE CITY COUNCIL	DATE	NO.
FROM: THE CITY MANAGER'S OFFICE	February 15, 1985	
SUBJECT: ELECTRIC RATE PROPOSAL		

RECOMMENDED ACTION: That the City Council approve electric rates as proposed herein, to become effective with utility bills prepared on or after March 1, 1985.

BACKGROUND INFORMATION: Lodi's retail electric rates¹ were last adjusted in July 1984. Since that time, the cost of the City's wholesale electricity has changed significantly. The City currently receives bulk power from at least three sources: NCPA (geothermal), PG&E and WAPA. These bulk power² increases of approximately \$1.6 M represent a cost item over which we have no control and which must be passed through directly to the consumer. These increases are due to PG&E rate increases in January 1985, as well as WAPA increases in late 1984 and 1985.

PROPOSAL DETAILS: In order to offset the increased cost of power, it is proposed to raise retail electric rates an average of 17%.^{3 4}

The Residential rate (EA) has been set at City cost⁵ for 0-440 kwh, which is between 4.5% and 6% below PG&E's winter/summer average retail charge; consumption above 440 kwh has been set an average of 7% below PG&E.⁶ Commercial and Industrial rates are set approximately 7% below PG&E at benchmark levels of consumption, which are as follows:

Commercial/Small Industrial (EB)	1,550 kwh per month
Intermediate Industrial (S-I)	33,800 kwh per month
Large Industrial (S-II)	2,300,000 kwh per month

This proposal will increase annual revenue by approximately \$3.3 million.

FUTURE PLANS: Additional wholesale power supplier cost increases are anticipated; however, these proposed rates should remain stable so long as power supplier cost increases are modest.


Henry J. Rice
Utility Director

¹ i.e. base rates.
² Now melded from three sources.
³ Actual range is 15% to 18.75%, depending on customer classification.
⁴ Copies of proposed rates are attached.
⁵ Includes maintenance, operating and customer related expenses.
⁶ Reference attached table and graph.

ELECTRIC RATE SCHEDULES

Ordinance No.

SCHEDULE EA

DOMESTIC SERVICE

APPLICABILITY:

Domestic service is applicable to domestic lighting, heating, cooking and single-phase domestic power service in single-family dwellings and in flats and apartments separately metered by the City and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATES:

	<u>Per Meter</u> <u>Per Month</u>
<u>Minimum Charge:</u>	\$1.65
<u>Energy Charge:</u>	
First 440 kwhr, per kwhr . . . . .	.04864
Over 440 kwhr, per kwhr . . . . .	.07677

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power.

SPECIAL CONDITIONS:

- (a) When a business or commercial establishment is conducted in conjunction with a residence and both are measured through one meter, this rate does not apply.
- (b) Service on this schedule will be supplied at the single-phase secondary voltage available - either 120/240 or 120/208 volts.

Effective

Ordinance No.

SCHEDULE EB
GENERAL SERVICE

APPLICABILITY:

General service is applicable to single-phase or polyphase alternating current service, or to a combination thereof.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATES:

	<u>Per Meter</u> <u>Per Month</u>
Single-Phase Service:	
Customer Charge:	\$1.65
Energy Charge (to be added to Customer Charge):	
All kwhr, per kwhr . . . . .	.07253

Polyphase Service:

The single-phase rate plus \$1.20 per meter per month.

Minimum Charge:

\$2.85 per month, but not less than \$.90 per month per kva of connected welder load and per horsepower of polyphase connected motor load.

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power.

Effective

Ordinance No.

SCHEDULE EL

OUTDOOR DUSK-TO-DAWN LIGHTING

APPLICABILITY:

Outdoor dusk-to-dawn lighting is applicable to City-owned and maintained outdoor overhead lighting service where street light service is not available.

RATES:*

For each 6,000 lumen gas discharge lamp - \$9.84 per month.

For each 18,000 lumen gas discharge lamp - \$18.00 per month.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

CHARACTER OF SERVICE:

Lamps shall be approximately 6,000 or 18,000 lumen gas discharge with luminaire and bracket, as specified by City of Lodi Utility Department, and shall be supported on City-owned poles which are used to carry distribution system circuits for other City purposes and shall be at locations approved by City of Lodi. Lamps will be controlled to burn from dusk to dawn each night so as to give approximately 4,380 hours of lighting service annually.

LAMP SERVICING AND RELOCATIONS:

Upon receipt of notice from customer of failure of light to operate as scheduled, the City of Lodi Utility Department will, within a reasonable period of time, make the necessary repairs.

City of Lodi will, at customer's request, relocate existing outdoor lighting service equipment, provided customer reimburses the City for the net expense to City incurred therewith.

Any additional facilities required other than mentioned in character of service shall be at customer's expense prior to installation.

* Include fuel cost adjustment, subject to change.

Effective

Ordinance No. ✓

SCHEDULE EM

DOMESTIC SERVICE - MOBILE HOME PARKS

APPLICABILITY:

Mobile home parks domestic service is applicable to domestic lighting, heating, cooking and power supplied to mobile home parks through a master-meter and sub-metered to all individual mobile home units.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATES:

	<u>Per Meter</u> <u>Per Month</u>
Customer Charge:	\$1.65
Energy Charge (to be added to Customer Charge):	
First 440 kwhr per mobile home space wired for service, per kwhr. . . . .	.04864
Over 440 kwhr per mobile home space wired for service, per kwhr. . . . .	.07677
Service Discount (from above charges): \$5.29 per mobile home space wired for service, per month.	

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power.

SPECIAL CONDITION:

It is the responsibility of the customer to notify the City Finance Department within 15 days following any change in the number of mobile home spaces wired for service.

Effective

Ordinance No.

SCHEDULE EP

ENERGY PURCHASE

APPLICABILITY:

Energy purchase schedule EP is applicable to qualifying customer-owned alternating current generating facilities of 100 kw capacity or less, operating in parallel with the City's electric system.

RATE:

Energy Price	<u>Per Meter</u> <u>Per Month</u>
All purchased kwhr, per kwhr	\$0.02700

Fuel Cost Adjustment:

An amount equal to the product of the purchased kilowatt hours (per meter per month), times an adjustment amount per kilowatt hour, will be added to the price computed using the above rate. The adjustment amount per kilowatt hour will be equal to the P.G.&E. wholesale unit fuel cost adjustment for the month during which the energy is delivered.

SPECIAL CONDITIONS:

A contract is required for all energy purchased under this schedule.

Effective
Ordinance No.

SCHEDULE S

GENERAL SERVICE - DEMAND METERED

APPLICABILITY:

General service - demand metered is applicable to single-phase or polyphase alternating current service, or to a combination thereof.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATE I:		Per Meter
Demand Charge:		Per Month
First 50 kw of billing demand or less		\$125.00
Over 50 kw of billing demand, per kw.		2.75
Energy Charge (in addition to the Demand Charge):		
All kwhr, per kwhr . . . . .		.05750

RATE II:		
Demand Charge:		
First 2,000 kw of billing demand or less		\$5,000.00
Over 2,000 kw of billing demand, per kw		2.75
Energy Charge (in addition to the Demand Charge):		
First 500 kwhr per kw of billing demand, per kwhr. . . . .		.05632
All excess, per kwhr . . . . .		.02817

Minimum Charge, per month:
The Demand Charge constitutes the minimum charge for both rates I and II:

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power. (The fuel cost adjustment amount is not subject to any adjustment for voltage or power factor.)

SPECIAL CONDITIONS:

(a) Maximum Demand: The maximum demand in any month will be the maximum average power taken during any 15-minute interval in the month, but not less than the diversified resistance welder load. However, when the recorded monthly maximum demand has exceeded 400 kw for three consecutive months and thereafter until it has fallen below 300 kw for twelve consecutive months, a 30-minute interval may be used. In cases where the use of energy is intermittent or subject to violent fluctuations, a 5-minute interval may be used. A thermal type of demand meter which does not reset after a definite time interval may be used.

SCHEDULE S

GENERAL SERVICE - DEMAND METERED

(Continued)

SPECIAL CONDITIONS:

(b) Billing Demand: The billing demand to be used in computing charges will be the actual maximum demand as determined under Special Condition (a) above for the current month.

(c) Off-peak Demand: Any customer whose billing demand has exceeded 400 kw for three consecutive months and thereafter until it has fallen below 300 kw for twelve consecutive months may, upon request, for billing purposes, and under a contract for service for a period of five years, have demands ignored which occur between 10:30 p.m. and 6:30 a.m. of the following day and on Sundays and the following holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day and Christmas Day, as said days are specified in Public Law 90-363 (U.S.C.A. Section 6103).

(d) Voltage: Service on this schedule will be supplied at the transmission or the primary distribution voltage available or, at the option of the customer, at the secondary voltage available. Where secondary voltage is desired and polyphase power is to be combined with single phase, a four-wire service will be supplied.

(e) Voltage Discount: (1) When delivery hereunder is made at the same primary distribution voltage as that of the line from which the service is supplied, or (2) when sufficient capacity is not available in distribution facilities existing in the area to supply the customer's requirements, and the City has elected to supply service from a transmission line due to operating necessity, a discount will be allowed on the above charges, including the minimum charge. Rate I discount will be 4% of the demand and energy charge. Rate II discount will be 15¢ per kw of billing demand in the month. The City retains the right to change its line voltage at any time, after reasonable advance notice to any customer receiving a discount hereunder and affected by such change, and such customer than has the option to change his system so as to receive service at the new line voltage or to accept service (without voltage discount) through transformers to be supplied by the City.

(f) Power Factor: When the billing demand has exceeded 400 kw for three consecutive months and thereafter until it has fallen below 300 kw for twelve consecutive months, bills will be adjusted for weighted monthly average power factor as follows:

The total charge (except the minimum charge) for any month as computed on the above rates will be decreased or increased, respectively, by 0.1% for each 1% that the average power factor of customer's load in the month was greater or less than 85%, such average power factor to be computed (to the nearest whole per cent) from the ratio of lagging kilovolt ampere hours to kilowatt hours consumed in the month.

(g) Schedule Availability: Rate I is available only for loads of less than 1,500 kw. Both Rates I and II are available only on an annual basis.

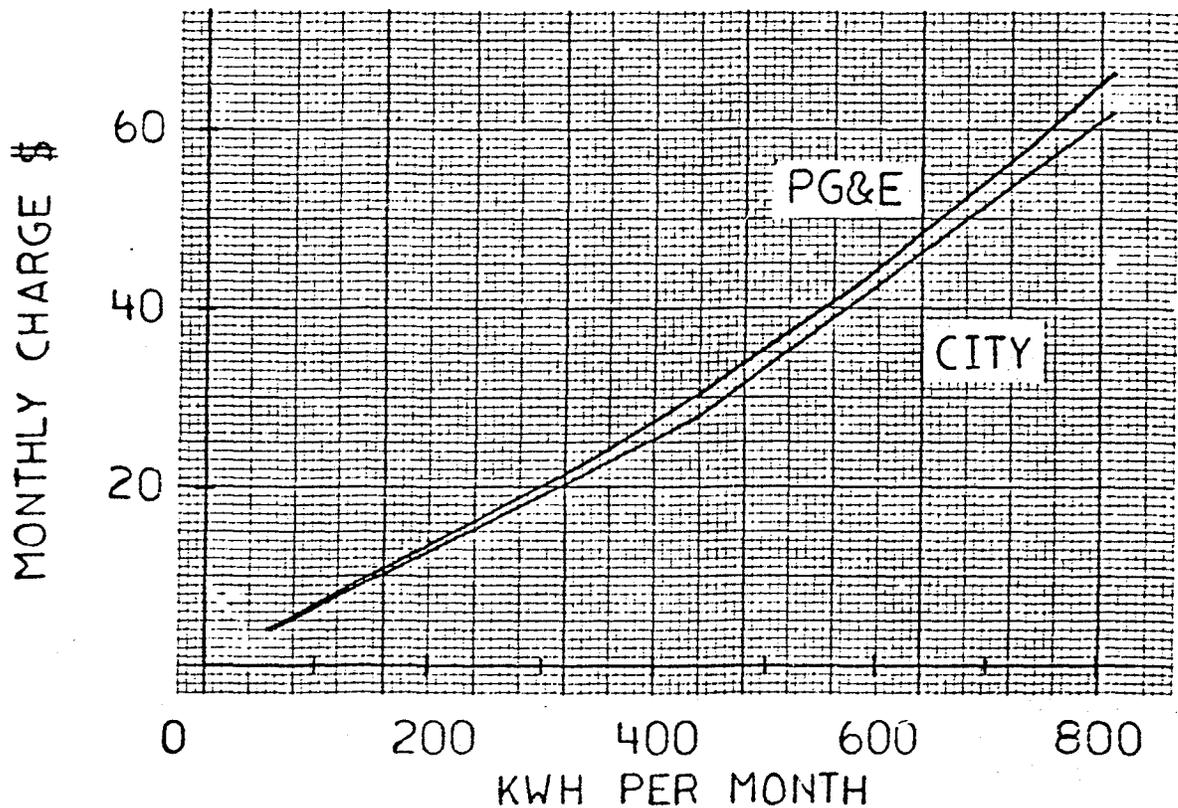
Effective

Ordinance No.

RESIDENTIAL RATE COMPARISON (PROPOSED CITY RATE)

RELATIONSHIP TO PG&E WINTER/SUMMER AVG. CHARGE *

<u>250KWH</u>	<u>400KWH</u>	<u>550KWH</u>	<u>750KWH</u>	<u>1000KWH</u>
- 4.8%	- 6.6%	- 4.5%	- 5.3%	- 9.7%



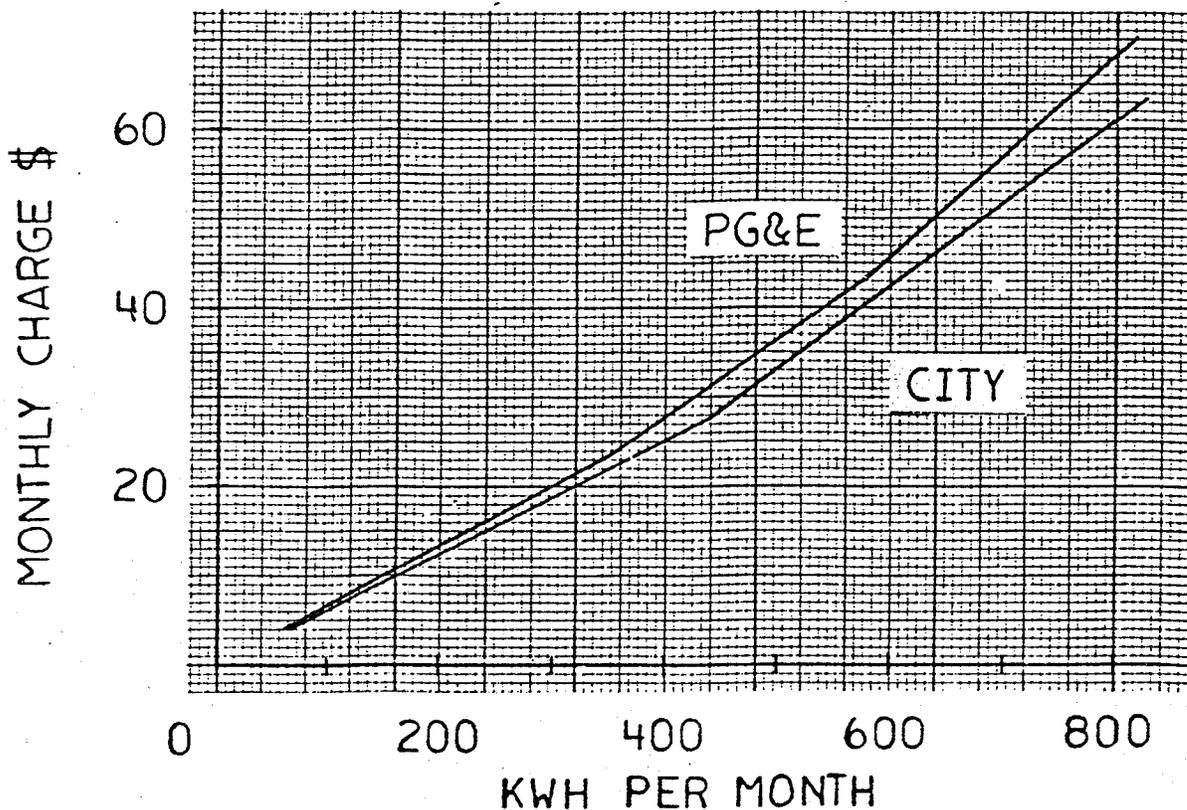
* EFFECTIVE JANUARY 1, 1985

RESIDENTIAL RATE COMPARISON

(PROPOSED CITY RATE)

RELATIONSHIP TO PG&E WINTER CHARGE *

<u>250KWH</u>	<u>400KWH</u>	<u>550KWH</u>	<u>750KWH</u>	<u>1000KWH</u>
- 4.8 %	- 8.3 %	- 6.6 %	- 9.8 %	- 12.6 %

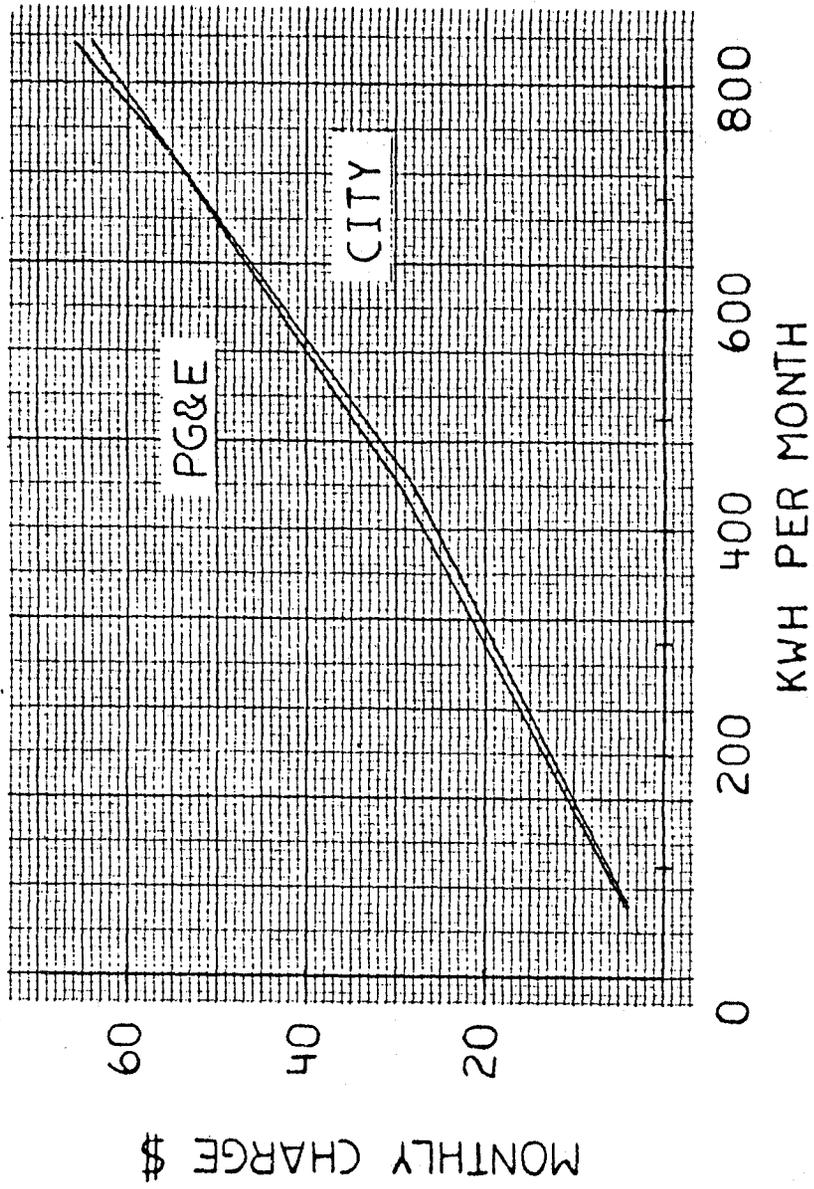


* EFFECTIVE JANUARY 1, 1985

RESIDENTIAL RATE COMPARISON (PROPOSED CITY RATE)

RELATIONSHIP TO PG&E SUMMER CHARGE *

<u>250KWH</u>	<u>400KWH</u>	<u>550KWH</u>	<u>750KWH</u>	<u>1000KWH</u>
- 4.8%	- 4.8%	- 2.3%	- 0.3%	- 6.5%



* EFFECTIVE JANUARY 1, 1985

ORDINANCE NO. 1348

AN ORDINANCE REPEALING ORDINANCE NO. 1321 OF THE CITY OF LODI AND ENACTING A NEW ORDINANCE ESTABLISHING RATES FOR THE SALE OF ELECTRIC ENERGY BY THE CITY OF LODI

The City Council of the City of Lodi does ordain as follows:

SECTION 1. Ordinance No. 1321 entitled, "An Ordinance Repealing Ordinance No. 1250 of the City of Lodi and Enacting a New Ordinance Establishing Rates for the Sale of Electric Energy by the City of Lodi" is hereby repealed as of the effective date of this ordinance.

SECTION 2. The sale of electric energy by the City of Lodi shall be the rates hereinafter set forth.

SECTION 3. Schedule EA - Domestic Service - See schedule attached hereto, marked Exhibit "A" and thereby made a part hereof.

Section 4. Schedule EB - General Service - See schedule attached hereto, marked Exhibit "B" and thereby made apart hereof.

Section 5. Schedule EL - Outdoor Dusk-to-Dawn Lighting - See schedule attached hereto, marked Exhibit "C", and thereby made a part hereof.

Section 6. Schedule EM - Domestic Service - Mobile Home Parks - See schedule attached hereto, marked Exhibit "D", and thereby made a part hereof.

Section 7. Schedule EP - Energy Purchase - See schedule attached hereto, marked Exhibit "E", and thereby made a part hereof.

Section 8. Schedule S - General Service - Demand Metered - See schedule attached hereto, marked Exhibit "F", and thereby made a part hereof.

Section 9. The foregoing Ordinance No. 1348 was introduced and adopted as an Urgency Ordinance by a unanimous vote of the City Council in a Regular Meeting of the City Council of the City of Lodi held the 20th day of February, 1985, and shall be in force and take effect with utility bills prepared on or after March 1, 1985.

Section 10. All Ordinances and parts of Ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 11. This Ordinance shall be published one time in the Lodi News Sentinel, a daily newspaper of general circulation printed and published in the City of Lodi.

Approved this 20th day of February, 1985

John R. Snider

Mayor

Attest:

Alice M. Reimche
Alice M. Reimche
City Clerk

State of California
County of San Joaquin, ss.

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1348 was adopted as an urgency ordinance by unanimous vote of the Council at a Regular Meeting of the City Council of the City of Lodi held February 20, 1985 and was thereafter ordered to print by said Council by the following vote:

Ayes: Council Members - Reid, Olson, Pinkerton,
Hinchman, & Snider (Mayor)

Noes: Council Members - None

Absent: Council Members - None

Abstain: Council Members - None

I further certify that Ordinance No. 1348 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

Alice M. Reimche
Alice M. Reimche
City Clerk

Approved as to form

Ronald M. Stein
Ronald M. Stein
City Attorney

City of Lodi
Lodi, California

Canceling Ordinance No. 1321

SCHEDULE EA
DOMESTIC SERVICE

APPLICABILITY:

Domestic service is applicable to domestic lighting, heating, cooking and single-phase domestic power service in single-family dwellings and in flats and apartments separately metered by the City and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATES:

	<u>Per Meter</u> <u>Per Month</u>
<u>Minimum Charge:</u>	\$1.65
<u>Energy Charge:</u>	
First 440 kwhr, per kwhr . . . . .	.04864
Over 440 kwhr, per kwhr . . . . .	.07677

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power.

SPECIAL CONDITIONS:

- (a) When a business or commercial establishment is conducted in conjunction with a residence and both are measured through one meter, this rate does not apply.
- (b) Service on this schedule will be supplied at the single-phase secondary voltage available - either 120/240 or 120/208 volts.

City of Lodi
Lodi, California

Canceling Ordinance No. 1321

SCHEDULE EB

GENERAL SERVICE

APPLICABILITY:

General service is applicable to single-phase or polyphase alternating current service, or to a combination thereof.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATES:

	<u>Per Meter</u> <u>Per Month</u>
Single-Phase Service:	
Customer Charge:	\$1.65
Energy Charge (to be added to Customer Charge):	
All kwhr, per kwhr . . . . .	.07253

Polyphase Service:

The single-phase rate plus \$1.20 per meter per month.

Minimum Charge:

\$2.85 per month, but not less than \$.90 per month per kva of connected welder load and per horsepower of polyphase connected motor load.

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power.

City of Lodi
Lodi, California

Canceling Ordinance No. 1321

SCHEDULE EL

OUTDOOR DUSK-TO-DAWN LIGHTING

APPLICABILITY:-

Outdoor dusk-to-dawn lighting is applicable to City-owned and maintained outdoor overhead lighting service where street light service is not available.

RATES:*

For each 6,000 lumen gas discharge lamp - \$9.84 per month.

For each 18,000 lumen gas discharge lamp - \$18.00 per month.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

CHARACTER OF SERVICE:

Lamps shall be approximately 6,000 or 18,000 lumen gas discharge with luminaire and bracket, as specified by City of Lodi Utility Department, and shall be supported on City-owned poles which are used to carry distribution system circuits for other City purposes and shall be at locations approved by City of Lodi. Lamps will be controlled to burn from dusk to dawn each night so as to give approximately 4,380 hours of lighting service annually.

LAMP SERVICING AND RELOCATIONS:

Upon receipt of notice from customer of failure of light to operate as scheduled, the City of Lodi Utility Department will, within a reasonable period of time, make the necessary repairs.

City of Lodi will, at customer's request, relocate existing outdoor lighting service equipment, provided customer reimburses the City for the net expense to City incurred therewith.

Any additional facilities required other than mentioned in character of service shall be at customer's expense prior to installation.

* Include fuel cost adjustment, subject to change.

City of Lodi
Lodi, California

Canceling Ordinance No. 1321

SCHEDULE EM

DOMESTIC SERVICE - MOBILE HOME PARKS

APPLICABILITY:

Mobile home parks domestic service is applicable to domestic lighting, heating, cooking and power supplied to mobile home parks through a master-meter and sub-metered to all individual mobile home units.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATES:

	<u>Per Meter</u> <u>Per Month</u>
Customer Charge:	\$1.65
Energy Charge (to be added to Customer Charge):	
First 440 kwhr per mobile home space wired for service, per kwhr. . . . .	.04864
Over 440 kwhr per mobile home space wired for service, per kwhr. . . . .	.07677
Service Discount (from above charges): \$5.29 per mobile home space wired for service, per month.	

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power.

SPECIAL CONDITION:

It is the responsibility of the customer to notify the City Finance Department within 15 days following any change in the number of mobile home spaces wired for service.

City of Lodi
Lodi, California

Canceling Ordinance No. 1321

SCHEDULE EP

ENERGY PURCHASE

APPLICABILITY:

Energy purchase schedule EP is applicable to qualifying customer-owned alternating current generating facilities of 100 kw capacity or less, operating in parallel with the City's electric system.

RATE:

Energy Price	<u>Per Meter</u> <u>Per Month</u>
All purchased kwhr, per kwhr	\$0.02700

Fuel Cost Adjustment:

An amount equal to the product of the purchased kilowatt hours (per meter per month), times an adjustment amount per kilowatt hour, will be added to the price computed using the above rate. The adjustment amount per kilowatt hour will be equal to the P.G.&E. wholesale unit fuel cost adjustment for the month during which the energy is delivered.

SPECIAL CONDITIONS:

A contract is required for all energy purchased under this schedule.

SCHEDULE S

GENERAL SERVICE - DEMAND METERED

APPLICABILITY:

General service - demand metered is applicable to single-phase or polyphase alternating current service, or to a combination thereof.

RELIABILITY:

The City will endeavor at all times to provide a regular and uninterrupted supply of service, but in case the supply of service shall be interrupted or irregular or defective or fail from causes beyond its control or through ordinary negligence of employees, servants or agents, the City will not be liable.

RATE I:		Per Meter
Demand Charge:		<u>Per Month</u>
First 50 kw of billing demand or less		\$125.00
Over 50 kw of billing demand, per kw.		2.75
Energy Charge (in addition to the Demand Charge):		
All kwhr, per kwhr . . . . .		.05750

RATE II:		
Demand Charge:		
First 2,000 kw of billing demand or less		\$5,000.00
Over 2,000 kw of billing demand, per kw		2.75
Energy Charge (in addition to the Demand Charge):		
First 500 kwhr per kw of billing demand, per kwhr. . . . .		.05632
All excess, per kwhr . . . . .		.02817

Minimum Charge, per month:
The Demand Charge constitutes the minimum charge for both rates I and II:

Fuel Cost Adjustment:

A fuel cost adjustment will be included in each bill for service. The adjustment amount shall be the product of the total kilowatt hours for which the bill is rendered times the adjustment amount per kilowatt hour. The adjustment amount per kilowatt hour will be calculated to recover fuel cost amounts charged the City by the Pacific Gas and Electric Co., Northern California Power Agency and other suppliers of bulk power. (The fuel cost adjustment amount is not subject to any adjustment for voltage or power factor.)

SPECIAL CONDITIONS:

(a) Maximum Demand: The maximum demand in any month will be the maximum average power taken during any 15-minute interval in the month, but not less than the diversified resistance welder load. However, when the recorded monthly maximum demand has exceeded 400 kw for three consecutive months and thereafter until it has fallen below 300 kw for twelve consecutive months, a 30-minute interval may be used. In cases where the use of energy is intermittent or subject to violent fluctuations, a 5-minute interval may be used. A thermal type of demand meter which does not reset after a definite time interval may be used.

SCHEDULE S

GENERAL SERVICE - DEMAND METERED

(Continued)

SPECIAL CONDITIONS:

(b) Billing Demand: The billing demand to be used in computing charges will be the actual maximum demand as determined under Special Condition (a) above for the current month.

(c) Off-peak Demand: Any customer whose billing demand has exceeded 400 kw for three consecutive months and thereafter until it has fallen below 300 kw for twelve consecutive months may, upon request, for billing purposes, and under a contract for service for a period of five years, have demands ignored which occur between 10:30 p.m. and 6:30 a.m. of the following day and on Sundays and the following holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day and Christmas Day, as said days are specified in Public Law 90-363 (U.S.C.A. Section 6103).

(d) Voltage: Service on this schedule will be supplied at the transmission or the primary distribution voltage available or, at the option of the customer, at the secondary voltage available. Where secondary voltage is desired and polyphase power is to be combined with single phase, a four-wire service will be supplied.

(e) Voltage Discount: (1) When delivery hereunder is made at the same primary distribution voltage as that of the line from which the service is supplied, or (2) when sufficient capacity is not available in distribution facilities existing in the area to supply the customer's requirements, and the City has elected to supply service from a transmission line due to operating necessity, a discount will be allowed on the above charges, including the minimum charge. Rate I discount will be 4% of the demand and energy charge. Rate II discount will be 15¢ per kw of billing demand in the month. The City retains the right to change its line voltage at any time, after reasonable advance notice to any customer receiving a discount hereunder and affected by such change, and such customer than has the option to change his system so as to receive service at the new line voltage or to accept service (without voltage discount) through transformers to be supplied by the City.

(f) Power Factor: When the billing demand has exceeded 400 kw for three consecutive months and thereafter until it has fallen below 300 kw for twelve consecutive months, bills will be adjusted for weighted monthly average power factor as follows:

The total charge (except the minimum charge) for any month as computed on the above rates will be decreased or increased, respectively, by 0.1% for each 1% that the average power factor of customer's load in the month was greater or less than 85%, such average power factor to be computed (to the nearest whole per cent) from the ratio of lagging kilovolt ampere hours to kilowatt hours consumed in the month.

(g) Schedule Availability: Rate I is available only for loads of less than 1,500 kw. Both Rates I and II are available only on an annual basis.