



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Set Public Hearing for May 1, 2013, to Consider the Lodi Industrial Equipment Pilot Charging Rate

MEETING DATE: April 17, 2013

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Set a Public Hearing for May 1, 2013, to consider the Lodi Industrial Equipment Pilot Charging Rate.

BACKGROUND INFORMATION: Staff is recommending the creation and implementation of the Lodi Industrial Equipment Pilot Charging Rate. This rate would be provided to large commercial and industrial customers that own, operate and store electric, battery rechargeable industrial equipment at their Lodi properties. Such equipment is defined as any piece of industrial equipment such as, but not limited to, forklifts, telescopic forklifts, forklifts with drum handlers, pivoting jib boom cranes, transfer carts and forklift stackers that operate on a minimum 12 volt rechargeable battery. This new rate is proposed to serve as a business development tool, while helping to reduce peak hour charging.

The proposed rate is \$0.10427/kilowatt hour, and this rate is offered from 10 p.m. to 6 a.m., Monday through Friday, and 24 hours on weekends and national holidays. In the event a customer opts to charge such industrial equipment between 6 a.m. and 10 p.m., the electric rate charged will be \$0.3300/kilowatt hour. The customer will be required to install a separate electric meter to be eligible for this industrial equipment charging rate. The proposed "Schedule IE" is attached for reference.

In the electric utility industry, concerns are mounting over the impacts of rechargeable battery-operated equipment and electric vehicles on local electric distribution systems. The concern stems from the potential of customers over-loading certain electric transformers by charging said devices during peak energy usage times. By providing a rate incentive for off-peak recharging, the utility will potentially experience less stress on the distribution system during times when energy is in its greatest demand.

This new rate would be offered as a pilot from July 1, 2013 to June 30, 2015.

FISCAL IMPACT: The magnitude of the financial impact for the proposed Lodi Industrial Equipment Pilot Charging Rate will be dependent upon the total number of participants.

FUNDING: Not applicable.


Elizabeth A. Kirkley
Electric Utility Director

PREPARED BY: Rob Lechner, Business Development Manager
EAK/RSL/1st

APPROVED: 
Konradt Bartlam, City Manager



CITY OF LODI ELECTRIC UTILITY DEPARTMENT

SCHEDULE IE

INDUSTRIAL EQUIPMENT CHARGING SERVICE

APPLICABILITY:

This schedule is applicable to all single-phase or three-phase commercial and industrial customers separately metered by the City of Lodi. This schedule shall only be available to customers who purchase and install a separate electric meter dedicated to charging rechargeable battery industrial equipment ("IE Meter").

The minimum charge is \$5.00. Between the hours of 10:00 p.m. to 6:00 a.m. Monday through Friday (including City observed holidays and weekends) the charge for a meter dedicated exclusively to charging rechargeable battery industrial equipment shall be a flat rate of \$0.10427/kWh plus the ECA set forth in Section 13.20.175 of this Code ("ECA"). At all other times, the charge shall be a flat rate of \$0.33000/kWh plus the ECA.

This Schedule IE may not be combined with any other electric rate or rate discount on the IE meter and all surcharges, including, but not limited to the California Energy Commission fee, solar surcharge, public benefits charge, state energy tax, and other assessments or charges after the date of this rate schedule shall be in addition to this rate schedule.

The Rate Schedule referenced above shall be effective on applicable electric utility billings prepared by the City of Lodi on or after July 1, 2013 and said utility rate discounts shall expire on June 30, 2015.

RATES:

Minimum Charge\$5.00

IE Charging period (per kWh)	\$0.10427
Non-IE Charging period (per kWh)	\$0.33000

ENERGY COST AJUSTMENT (ECA):

An energy cost adjustment shall be included in each bill for service as provided in Section 13.20.175 Schedule ECA – Energy Cost Adjustment.

BILLING CYCLE CHARGE (MONTHLY BILL):

The billing cycle charge is the higher of the sum of the Minimum Charge and the ECA or the sum of the Energy Charge and the ECA.

CITY OF LODI

ELECTRIC UTILITY DEPARTMENT

SCHEDULE IE

INDUSTRIAL EQUIPMENT CHARGING SERVICE

DEFINITION OF TIME PERIODS:

Times of the day are defined as follows:

IE Charging period: 10:00 p.m. to 6:00 a.m. Monday through Friday (including City observed holidays and weekends)

Non-IE Charging period: 6:00 a.m. to 10:00 p.m. Monday through Friday (excluding City observed holidays)



*Please immediately confirm receipt
of this fax by calling 333-6702*

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: PUBLIC HEARING TO CONSIDER CREATION OF THE LODI INDUSTRIAL
EQUIPMENT PILOT CHARGING RATE

PUBLISH DATE: SATURDAY, APRIL 20, 2013

LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
LNS ACCT. #0510052 City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, APRIL 18, 2013

ORDERED BY: RANDI JOHL
CITY CLERK

Jennifer M. Robison
JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)
Phoned to confirm receipt of all pages at _____ (time) JMR MB (initials)



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER CREATION OF THE LODI INDUSTRIAL EQUIPMENT PILOT CHARGING RATE

On Thursday, April 18, 2013, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider creation of the Lodi Industrial Equipment Pilot Charging Rate (attached and marked as Exhibit A) was posted at the following locations:

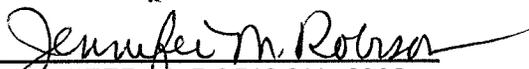
Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 18, 2013, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. ROBISON, CMC
ASSISTANT CITY CLERK

MARIA DITMORE
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: May 1, 2013

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, May 1, 2013**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) Creating the Lodi Industrial Equipment Pilot Charging Rate.

Information regarding this item may be obtained in the Electric Utility Department, 1331 South Ham Lane, Lodi, (209) 333-6762. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

Randi Johl
City Clerk

Dated: April 17, 2013

Approved as to form:

D. Stephen Schwabauer
City Attorney