



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Public Hearing to Consider Introducing an Ordinance Amending Lodi Municipal Code Chapter 13.20. – Electrical Service – by Repealing and Reenacting Section 13.20.300, “Schedule SS – Standby Service Rate” – In Its Entirety

MEETING DATE: July 17, 2013

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Public hearing to consider introducing an ordinance amending Lodi Municipal Code Chapter 13.20. – Electrical Service – by repealing and reenacting Section 13.20.300, “Schedule SS – Standby Service Rate” – in its entirety.

BACKGROUND INFORMATION: In an effort to update the current Standby Service (SS) Rate Schedule available to commercial and industrial customers, staff is proposing to simplify this tariff by eliminating specific rates and increasing the size of privately-owned generating facilities from a generating capacity of 100 kilowatts (kW) or greater, to 1 megawatt (MW) or greater.

This revision to the SS tariff more closely aligns the intent of a standby service tariff, which is typically designed to address large, privately-owned generating facilities. It should also be noted, in light of recently installed commercial and industrial customers photovoltaic systems (several in excess of 100 kW), but less than 1 MW, staff also feels that this is the appropriate time to adjust this element of the SS tariff.

In addition, staff’s proposal to eliminate specific rates in the tariff, and instead require that any privately-owned generating facility, greater than 1 MW, be addressed through a City Council-approved standby service agreement provides for current economic conditions for both energy and demand charges. Note: in the current SS tariff, the “contract” or agreement provision does exist, but has not been utilized or enforced.

FISCAL IMPACT: The fiscal impact is unknown at this time, and will be dependent upon the total number of privately-owned generating facilities installed that are greater than 1 MW.

FUNDING: Not applicable.



Elizabeth A. Kirkley
Electric Utility Director

APPROVED: 

Konradt Bartlam, City Manager

CITY OF LODI

ELECTRIC UTILITY DEPARTMENT



SCHEDULE SS

STANDBY SERVICE

APPLICABILITY:

This schedule is applicable to commercial/industrial customers who would otherwise qualify for Schedule G2, G3, G4, G5 or I1 and who have privately-owned generating facilities with a combined nameplate rating greater than 1 megawatt (1 MW) on their premises and where the City must stand ready to supply electric service to replace such a facility. This schedule will apply in addition to any other schedule applicable to the customer of record; any multiple generation facilities for one customer of record will be under one contract.

SERVICE BY CONTRACT:

Service under this schedule shall be provided on a contract basis to commercial/industrial customers who have privately-owned generating facilities on their premises. Contracts shall be subject to terms approved by the City Council and shall obligate the customer to pay the City for its costs associated with providing standby service for the actual life of the privately-owned generating facilities and for three months following written notice to the City of Lodi Electric Utility of the removal of the privately-owned generating facilities from operation.

ORDINANCE NO. _____

AN ORDINANCE OF THE LODI CITY COUNCIL
AMENDING LODI MUNICIPAL CODE CHAPTER 13.20 –
ELECTRICAL SERVICE – BY REPEALING AND
REENACTING SECTION 13.20.300, “SCHEDULE SS –
STANDBY SERVICE” – IN ITS ENTIRETY

=====

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Section 13.20.300. “Schedule SS – Standby Service” is hereby repealed and reenacted in its entirety to read as follows:

APPLICABILITY:

This schedule is applicable to commercial/industrial customers who would otherwise qualify for Schedule G2, G3, G4, G5 or I1 and who have privately-owned generating facilities with a combined nameplate rating greater than 1 megawatt (1 MW) on their premises and where the City must stand ready to supply electric service to replace such a facility. This schedule will apply in addition to any other schedule applicable to the customer of record; any multiple generation facilities for one customer of record will be under one contract.

SERVICE BY CONTRACT:

Service under this schedule shall be provided on a contract basis to commercial/industrial customers who have privately-owned generating facilities on their premises. Contracts shall be subject to terms approved by the City Council and shall obligate the customer to pay the City for its costs associated with providing standby service for the actual life of the privately-owned generating facilities and for three months following written notice to the City of Lodi Electric Utility of the removal of the privately-owned generating facilities from operation.

SECTION 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 5. This ordinance shall be published pursuant to law and shall become effective 30 days from the date of passage and adoption.

Approved this ____ day of _____, 2013

ALAN NAKANISHI
MAYOR

ATTEST:

RANDI JOHL-OLSON
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl-Olson, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held July 17, 2013, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2013, by the following vote:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

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

RANDI JOHL-OLSON
City Clerk

Approved to Form:

D. STEPHEN SCHWABAUER
City Attorney



**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 INTRODUCING ORDINANCE
AMENDING THE STANDBY SERVICE RATE

PUBLISH DATE: SATURDAY, JUNE 22, 2013

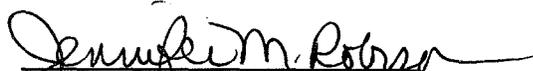
LEGAL AD

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, JUNE 20, 2013

ORDERED BY: RANDI JOHL
CITY CLERK


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 INTRODUCING ORDINANCE AMENDING THE STANDBY SERVICE RATE

On Thursday, June 20, 2013, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider introducing ordinance amending the standby service 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 June 20, 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: July 17, 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, July 17, 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) Introduce ordinance amending the standby service 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: June 19, 2013

Approved as to form:

D. Stephen Schwabauer
City Attorney