



**CITY OF LODI  
COUNCIL COMMUNICATION**

TM

**AGENDA TITLE:** Set Public Hearing for July 17, 2013 to Consider Amending the Standby Service Rate

**MEETING DATE:** June 19, 2013

**PREPARED BY:** Electric Utility Director

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**RECOMMENDED ACTION:** Set a Public Hearing for July 17, 2013 to consider amending the Standby Service Rate.

**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.

A handwritten signature in black ink, appearing to read "Elizabeth A. Kirkley".

Elizabeth A. Kirkley  
Electric Utility Director

**PREPARED BY:** Rob Lechner, Business Development Manager

EAK/RSL/lst

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**APPROVED:**

A handwritten signature in black ink, appearing to read "Konradt Bartlam".

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.



*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, 2<sup>nd</sup> 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