

RESOLUTION NO. 2002-140

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING REVISION IN THE MARKET
COST ADJUSTMENT (MCA) SCHEDULE

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WHEREAS, the revision to the MCA schedule for the Home Comfort Discount (HCD) benefits the customers who were most affected by the changes in the MCA last summer; and

WHEREAS, under this summer's HCD, those customers in the residential EA class and the Commercial G1 and G2 classes will receive a reduced electric rate for consumption above last summer's level of consumption; and

WHEREAS, because the Electric Utility Department (EUD) currently has a surplus in power for the impending summer months, it wishes to make this surplus energy available to its own customers before being sold to the electric market place; and

WHEREAS, this structure preserves a target EUD revenue level yet provides the opportunity for customers to choose to consume efficiently above last summer's levels at a reduced cost. The greatest benefit from this discount will accrue to customers who conserved the most last summer; and

WHEREAS, the EUD continues to advocate efficient use of energy. The MCA and the EUD electric rate structure communicates higher cost in the summer than in the winter for base consumption. The EUD will continue aggressively marketing its public benefit funded demand-side management and energy efficiency programs; and

WHEREAS, the Residential All Electric Rate (EE) MCA is adjusted in the MCA schedule to reflect changes in PG&E's rate baselines and to competitively meet PG&E's structure.

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council does hereby authorize a revision to the Market Cost Adjustment (MCA) Schedule attached as Exhibit A.

Dated: June 19, 2002

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I hereby certify that Resolution No. 2002-140 was passed and adopted by the Lodi City Council in a regular meeting held June 19, 2002 by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Howard, Land, Nakanishi, and Mayor Pennino

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk



City of Lodi
Electric Department
SCHEDULE MCA – MARKET COST ADJUSTMENT

APPLICABILITY:

When in effect, this schedule is applicable to all areas served by the City and to all kilowatt-hours billed under all rate schedules as defined under the special conditions of the rate schedules labeled Purchased Power Adjustment. Generally, power supply costs will be recovered through application of the base rates. In the event that substantial changes in projected power supply costs occur, either increases or decreases, the Market Cost Adjustment will be activated to provide for increases or decreases in the City's charges for electric service.

Rates:

The Market Cost Adjustment (MCA) is applied to specific classes as a cents per kWh charge by a Market Cost Adjustment Billing Factor (MCABF). For some classes, the MCA may be zero. The following schedule provides the MCABF by class.

| MARKET COST ADJUSTMENT BILLING FACTOR | | |
|--|----------------------|-----------------------|
| The Market Cost Adjustment Billing Factor by designated rate schedule, in cents per kilowatt-hour, shall be shown in this Section. Certain classes may have a tiered MCABF by level of monthly consumption. Certain classes are eligible for Home Comfort Discount component of the MCA as designated by (HCD) as described below. Seasonal MCA change for some classes is designated by Winter and Summer as defined by the rate class it applies to. | | |
| Class | Cents per kWh | Date Effective |
| EE under 300 kWh | 2.500 | August 1, 2001 |
| EE 301 to 600 kWh | 2.500 | August 1, 2002 |
| EE above 600 kWh | 2.700 | August 1, 2002 |
| EA under 300 kWh Winter | 2.500 | August 1, 2002 |
| EA 301 to 600 kWh Winter | 3.500 | August 1, 2002 |
| EA above 600 kWh Winter | 4.500 | August 1, 2002 |
| EA under 300 kWh Summer | 2.500 | August 1, 2002 |
| EA 301 to 600 kWh Summer | 3.500 | August 1, 2002 |
| EA above 600 kWh Summer | 4.500 | August 1, 2002 |
| EA under 440 kWh Summer (HCD) | 0.00 | August 1, 2002 |
| EA above 441 kWh Summer (HCD) | -3.818 | August 1, 2002 |
| ED, EF | 0.000 | August 1, 2001 |
| EM | 0.000 | August 1, 2001 |
| EL | 0.000 | August 1, 2001 |
| G1 | 3.000 | August 1, 2001 |
| G1 (HCD) | -3.467 | August 1, 2002 |
| G2 | 3.000 | August 1, 2001 |
| G2 (HCD) | .5630 | August 1, 2002 |
| G3 | 1.900 | August 1, 2001 |
| G4 | 1.900 | August 1, 2001 |
| G5 | 1.300 | August 1, 2001 |
| I1 | 0.000 | August 1, 2001 |

The Home Comfort Discount (HCD) Eligibility

The HCD applies to designated classes as per the MCA schedule above as specified by the HCD code. The HCD is provided for those customers with a consistent billing history that consume more energy on a kWh per day basis between a billing month in 2002 as compared with a billing month in 2001. The HCD MCA replaces the MCA for that consumption beyond the previous year's consumption. The non-HCD MCA applies to all consumption at the previous year's consumption. Customers receiving any other discount are not eligible for the HCD. The HCD applies to bills rendered between August 1, 2002 and through October 1, 2002.

A consistent billing history is required. A consistent billing is defined as follows:

- No change in address
- No change in rate class
- Billing history allowing a comparison to the previous year
- Billing days between 20 and 50 days available for both periods is required.