

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2013-06

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SECTION 15.01.020 OF THE SITKA GENERAL CODE ENTITLED "ELECTRICAL RATES" BY INCREASING RATES FOR ALL CUSTOMERS TO FUND APPROVED ELECTRICAL UTILITY CAPITAL PROJECTS INCLUDING THE BLUE LAKE HYDROELECTRIC EXPANSION PROJECT

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code ("SGC").

2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstance shall not be affected.

3. **PURPOSE.** This ordinance will increase the electrical rates at SGC 15.01.020 for all consumer groups to provide sufficient revenues to meet all fiscal requirements to complete approved capital projects, including the Blue Lake Hydroelectric Expansion Project. The ability to acquire reasonable cost financing for these projects requires electric rate increases to meet financial margins and revenue bond covenants.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that SGC 15.01.020 is amended as follows (new language underlined; deleted language stricken):

15.01.020 Electrical rates.

* * *

B. Residential Services.

* * *

2. Energy Charges.

First 1,000 kWh	<u>\$0.0920</u> \$0.0800 per kWh
1,001 to 2,000 kWh	<u>\$0.0978</u> \$0.0850 per kWh
2,001 to 3,000 kWh	<u>\$0.1380</u> \$0.1200 per kWh
Over 3,001 kWh	<u>\$0.1840</u> \$0.1600 per kWh
Customer charge is \$15.00 per month – Minimum bill is \$35.00 per month	

C. General Service. (Commercial, Industrial and Government.)

* * *

2. Energy Charges.

First 500 kWh	\$0.0868 \$0.0755 per kWh
501 kWh to 10,000 kWh	\$0.1035 \$0.0900 per kWh
10,001 kWh to 100,000 kWh	\$0.1035 \$0.0900 per kWh
Over 100,001 kWh	\$0.1035 \$0.0900 per kWh
Customer charge is \$39.00 – Minimum bill is \$50.00 per month	

3. Demand Charges.

First 25 kW	No charge
Over 265 kW	\$5.18 \$4.50 per kW

D. Boat Service.

* * *

2. Energy Charges.

First 150 kWh	\$0.1254 \$0.1090 per kWh
All additional kWh	\$0.1254 \$0.1090 per kWh
Customer charge is \$6.75 – Minimum bill is \$21.25 per month	

E. Street and Security Light Service.

* * *

2. Rate per Month. This fee is in addition to the actual installation charges required for installing the desired fixture.

Monthly unmetered street or security light energy rate is calculated as follows:

(0.482 kWh per lamp watt) times (the wattage of the lamp) = kWh per month.	
Example: 0.482 kWh x 100 Watt lamp = 48 kWh per month.	
Monthly energy rate is: kWh per month times <u>\$0.1785</u> \$0.1552 per kWh.	
kWh per month x <u>\$0.1785</u> \$0.1552 /kWh= <u>\$8.57</u> \$7.45 per month energy rate.	
Typical lamp energy rates:	
70 Watt	<u>\$6.02</u> \$5.23 per month

100 Watt	\$8.57 \$7.45 per month
150 Watt	\$12.91 \$11.17 per month
175 Watt	\$15.06 \$13.04 per month
250 Watt	\$21.51 \$18.63 per month
400 Watt	\$34.41 \$29.95 per month
1,000 Watt	\$86.04 \$74.81 per month

* * *

F. Interruptible Service—Large Consumer.

* * *

3. Rate per Month. Basic customer charge for each month or portion of a month: one hundred dollars.

Energy Charge. The energy charge for all kilowatt-hours shall be 0.0317 times the city and borough's price per gallon for number 2 heating oil, assuming an overall oil heating system efficiency of seventy percent and the use of the price paid by the city and borough of Sitka for number 2 heating oil for all of the city and borough-owned buildings. The rate will vary monthly with the price paid by the city and borough of Sitka for number 2 heating oil for all city-owned buildings. The maximum energy charge for all kilowatt hours under this rate shall be ten nine cents per kilowatt hour.

* * *

5. **EFFECTIVE DATE.** This ordinance shall become effective on July 1, 2013.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 12th day of February, 2013.

Mim McConnell, Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk