

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-06S on second and final reading.

CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-06S

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL
CODE CHAPTER 15.01 ENTITLED "ELECTRIC UTILITY POLICIES" BY AMENDING
SECTION 15.01.020 ENTITLED "ELECTRICAL RATES" TO ALLOW FOR A SEASONAL
INCREASE IN ELECTRICAL RATES

- 1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.
- 2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.
- 3. **PURPOSE.** The purpose of this ordinance is to amend the rates section of the electric utility policies to allow for a seasonal increase in electrical rates. In addition, this ordinance provides for a discretionary annual adjustment to the electric rates by ordinance of the assembly based on the Consumer Price Index for Anchorage.
- 4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Chapter 15.01 "Electric Utility Policies" is amended by amending section 15.01.020 "Electrical rates" (new language underlined; deleted language stricken):

**Chapter 15.01
ELECTRIC UTILITY POLICIES**

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Sections:

15.01.020 Electrical rates.

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15.01.020 Electrical rates.

A. All ~~billings~~ electric rates are subject to sales tax if applicable. These rates are effective for all electricity billed after October 1, 2017, regardless of when electricity was consumed.

The assembly shall consider annually an adjustment to the electric rates, based on the Consumer Price Index, at a time when any adjustment could be made effective July 1st of the year applied. An adjustment, if any, shall be based on the prior year annual report for the municipality of Anchorage, Alaska, from the United States Department of Labor and Workforce Development, Consumer Price Index, and determined to be the percent change to the current year from the percent change of the prior year, and will be effective July 1st of any year applied. The first such adjustment date may be July 1, 2018.

B. Residential Services.

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1. Applicable to all residential customers for all uses in the home or residence, subject to the rules and regulations and customer services policies of the city and utility.
2. Energy Charges.

<u>First 1,000 All kWh from the first billing cycle in October through the last billing cycle in March</u>	\$0.1203 0.120 per kWh
<u>Over 1,000 kWh All kWh from the first billing cycle in April through the last billing cycle in September</u>	\$0.1370 0.192 per kWh
Customer charge is \$20.48 per month	

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C. General Service—Small.

1. Applicable to all nonresidential customers for all uses, including lighting, heating and power, when the electricity consumed in the preceding twelve months is less than one hundred thousand kWh and has a measured demand of less than fifty kW, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: restaurants, retail vendors, churches, fueling stations, and service industries.
2. Energy Charges.

<u>First 500 kWh kWh from the first billing cycle in October through the last billing cycle in March</u>	\$0.1860 0.1180 per kWh
<u>All kWh from the first billing cycle in April through the last billing cycle in September-501 kWh to 10,000 kWh</u>	\$0.1880 0.1504 per kWh
10,001 kWh to 100,000 kWh	\$0.1279 0.1471 per kWh
Over 100,001 kWh	\$0.1250 0.1438 per kWh
Customer charge is \$40.95 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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D. General Service—Large.

1. Applicable to all nonresidential customers for all uses, including lighting, heating and power, when the electricity consumed in the preceding twelve months is equal to or greater than one hundred thousand kWh or has a measured demand equal to or greater than fifty kW, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: grocery stores, industrial users, and seafood processing facilities.

2. Energy Charges.

First 500 All kWh	\$0.1860 0.1450 per kWh
501 kWh to 10,000 kWh	\$0.1303 0.1498 per kWh
10,001 kWh to 100,000 kWh	\$0.1274 0.1465 per kWh
Over 100,001 kWh	\$0.1244 0.1431 per kWh
Customer charge is \$63.00 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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E. General Service—Public Authority.

1. Applicable to all noncommercial and nonresidential customers for all uses, including lighting, heating and power, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: schools, tribal governments, and other public government buildings.

2. Energy Charges.

First 500 All kWh	\$0.1860 0.1470 per kWh
501 kWh to 10,000 kWh	\$0.1309 0.1504 per kWh

10,001 kWh to 100,000 kWh	\$0.1270 <u>0.1471</u> per kWh
Over 100,001 kWh	\$0.1250 <u>0.1438</u> per kWh
Customer charge is \$47.25 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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F. Boat Service.

1. Applicable to separately metered boats, lights, heaters, pumps or other uses.
2. Energy Charges.

<u>First 150 All kWh from the first billing cycle in October through the last billing cycle in March</u>	\$0.1420 <u>0.120</u> per kWh
<u>All additional kWh All kWh from the first billing cycle in April through the last billing cycle in September</u>	\$0.1420 <u>0.1576</u> per kWh \$.1920 per kWh
Customer charge is \$20.48 per month	

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5. **EFFECTIVE DATE.** Ordinance 2017-06S shall become effective on the first billing cycle after October 1, 2017.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 28th day of March, 2017.

Matthew Hunter, Mayor

ATTEST:

Sara Peterson, CMC
Municipal Clerk