

Sponsors: Hunter / Potrzuski

POSSIBLE MOTION

I MOVE TO approve Ordinance 2018-39
on second and final reading.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator

From: Jay Sweeney, Chief Finance and Administrative Officer

Reviewed: Mayor Hunter and Assembly Member Potrzuski

Date: August 6, 2018

Subject: Approval of Ordinance 2018-39

Executive Summary

Mayor Hunter and Assembly Member Potrzuski have requested that an ordinance be prepared to repeal the Plug-in Electric Vehicle (PEV) Incentive Credit. Staff has been asked to provide background and a brief fiscal note for the ordinance.

Background and Discussion

Ordinance 2015-23, adopted by the Assembly on May 4, 2015, provided for PEV incentive credits. The amount of the credits authorized were (1) \$120 per vehicle for residential customers, with a maximum of 2 PEVs per household; and (2) \$200 per vehicle for general service customers, with a maximum of 5 PEVs per customer.

The amount of PEV incentive credits utilized have been small since Ordinance 2015-23 was adopted. The total of credits obtained since inception of the program has been \$5,640, which breaks out as follows:

FY2016 – 2 credits, \$240
FY2017 – 22 credits, \$2,640
FY2018 – 23 credits, \$2,760

Fiscal Note

Due to the very small utilization of incentive credits by the public, elimination of the incentive credit will have very little impact on the financial condition and performance of the electric utility and no rate impact.

CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2018-39

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 15 “PUBLIC UTILITIES” OF THE SITKA GENERAL CODE BY REPEALING CHAPTER 15.01 “ELECTRIC UTILITY POLICIES” SECTION 15.01.020 “ELECTRICAL RATES”

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

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.** The purpose of this ordinance is to repeal the plug-in Electric Vehicle (PEV) Incentive Credit, currently offered to residents of Sitka who have purchased a PEV and use city and borough electricity to charge PEV.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code section 15.01.020 “Electric Rates” at subsection O is amended to read as follows (new language underlined; deleted language stricken):

TITLE 15
PUBLIC UTILITIES

Chapter 15.01
Electric Utility Policies

Sections:

- 15.01.005 Definitions.
- 15.01.010 Statement of purpose.
- 15.01.012 Level of authority and responsibilities.
- 15.01.020 Electrical rates.
- 15.01.025 Customer and city rights and responsibilities.
- 15.01.030 Deposits—Fees.
- 15.01.035 General requirements.
- 15.01.040 Service connections.
- 15.01.045 Line extension.
- 15.01.050 Subdivisions.
- 15.01.055 Mobile home parks, RV parks, private marinas and boat docks.
- 15.01.060 Rental structures.
- 15.01.065 Motors and controllers.
- 15.01.070 Undesirable characteristics.
- 15.01.075 Special equipment.
- 15.01.080 Customer generation.

15.01.020 Electrical rates.

* * *

~~O. RESERVED Plug-in Electric Vehicle (PEV) Incentive Credit. A one hundred twenty dollar annual PEV energy credit will be applied to all eligible residential class customers that register and operate a plug-in electric vehicle within the CBS up to a maximum of two PEVs per household. A two hundred dollar annual PEV energy credit will be applied to all eligible general service customers that register and operate a plug-in electric vehicle within the CBS up to a maximum of five PEVs.~~

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5. EFFECTIVE DATE. This ordinance shall become effective October 1, 2018.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 30th day of August, 2018.

Matthew Hunter, Mayor

ATTEST:

Melissa Henshaw, CMC
Acting Municipal Clerk

1st reading 8/14/18
2nd reading 8/30/18

Sponsors: Hunter/ Potrzuski