

**ORDINANCE NO. B2009-07**

AN ORDINANCE AMENDING AND ADOPTING AS AMENDED AN ORDINANCE RELATING TO CHAPTER 50 ELECTRICITY OF THE CITY OF BARDSTOWN'S CODE OF ORDINANCES. AN ORDINANCE AMENDING AND ADOPTING AS AMENDED AN ORDINANCE STYLED: "AN ORDINANCE ESTABLISHING AND FIXING A SCHEDULE OF RATES TO BE CHARGED BY THE CITY OF BARDSTOWN FOR ELECTRICAL CURRENT USED BY RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS OF THE CITY OF BARDSTOWN; PROVIDING AND PRESCRIBING FOR BILLING, DUE DATES AND PENALTY FOR FAILURE TO PAY CHARGES DUE WITHIN THE TIME SO PRESCRIBED; ESTABLISHMENT AND FIXING A FUEL ADJUSTMENT SURCHARGE FOR ALL CUSTOMERS REGARDLESS OF CLASSIFICATION", AND RESTYLING THE SAME SO THAT AS RESTYLED THE SAME SHALL READ AS FOLLOWS:

"AN ORDINANCE ESTABLISHING AND FIXING A SCHEDULE OF RATES TO BE CHARGED BY THE CITY OF BARDSTOWN FOR ELECTRICAL CURRENT USED BY RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS OF THE CITY OF BARDSTOWN; PROVIDING AND PRESCRIBING FOR BILLING, DUE DATES AND PENALTY FOR FAILURE TO PAY CHARGES DUE WITHIN THE TIME SO PRESCRIBED; ESTABLISHMENT AND FIXING A POWER COST ADJUSTMENT SURCHARGE FOR ALL CUSTOMERS REGARDLESS OF CLASSIFICATION"

THE CITY COUNCIL OF THE CITY OF BARDSTOWN, KENTUCKY, DOES ORDAIN AS FOLLOWS:

SECTION 50.01. - DEFINITIONS.

For purpose of this chapter the following words and phrases shall have the following meanings ascribed to them respectively:

(A) "COMMERCIAL CUSTOMER." Those locations engaged in wholesale or retail trade, public business, processing, manufacturing, offering services, and any other trades or occupations. Further multiple unit dwellings where electricity is measured through one meter or a house meter shall be deemed commercial.

(B) "INDUSTRIAL CUSTOMER." Those locations engaged in heavy industry, institutional, public, or large commercial power users which require primary metering.

(C) "RESIDENTIAL CUSTOMER." Those locations occupied and used principally as a single-family dwelling.

SECTION 50.02. - RATES FOR RESIDENTIAL CUSTOMERS

E-1 - Residential Customers

That there be and is hereby established and fixed a schedule of rates which the City of Bardstown will charge for the sale by it of electrical current at retail to its customers both within and without the corporate limits of the City of Bardstown, measured through a single meter, and said rate is as follows:

First 25 KWH.....	\$6.50 minimum
Next 175 KWH.....	\$0.06 per KWH
Next 300 KWH.....	\$0.052 per KWH
Next 500 KWH.....	\$0.0518 per KWH
All over 1000 KWH.....	\$0.0515 per KWH
<b>Customer Charge.....</b>	<b>\$7.28</b>
<b>All KWH.....</b>	<b>\$0.06315 per KWH</b>

SECTION 50.03. - RATES FOR COMMERCIAL CUSTOMERS.

That there be and is hereby established and fixed a schedule of rates which the City of Bardstown will charge for the sale by it of electric current at retail of its commercial customers both within and without the corporate limits of the City of Bardstown, and said rates are as follows:

E-2 - Commercial

For those commercial customers using electrical current without kilowatt demand metering and measured through a single meter, rates are as follows:

First 25 KWH.....	\$7.00 minimum
Next 25 KWH.....	\$0.09 per KWH
Next 50 KWH.....	\$0.08 per KWH
Next 900 KWH.....	\$0.07 per KWH
Next 2000 KWH.....	\$0.062 per KWH
All over 3000 KWH.....	\$0.059 per KWH
<b>Customer Charge.....</b>	<b>\$10.00</b>
<b>All KWH.....</b>	<b>\$0.07414 per KWH</b>

E-3 Large Power

For those commercial customers using electrical current with kilowatt demand metering, rates are as follows:

Minimum.....	\$175.00
All KW.....	\$6.11 per KW
All KWH.....	\$0.0365 per KWH
<b>All KW.....</b>	<b>\$7.44 per KW</b>
<b>All KWH.....</b>	<b>\$0.04445 per KWH</b>

Any commercial customer taking service under the E-2 or E-3 rate herein established may request service from either the E-2 or E-3 commercial rates after he has given the City thirty (30) days notice in writing of his election providing said customer pays the cost of necessary equipment and installation and/or removal costs, if any. No refund will be made of any money paid for the previous consumption due to a difference of rate.

E-4 Industrial (City owned distribution facilities\*)

Minimum.....	\$1000.00
All KW.....	\$6.11 per KW
All KWH.....	\$0.0345 per KWH
<b>All KW.....</b>	<b>\$7.50 per KW</b>
<b>All KWH.....</b>	<b>\$0.04234 per KWH</b>
Power Factor Correction KW.....	\$1.00 per KW adjusted

E-5 Industrial (Customer owned distribution facilities\*)

Minimum.....	\$1000.00
All KW.....	\$5.11 per KW
All KWH.....	\$0.0345 per KWH
<b>All KW.....</b>	<b>\$6.33 per KW</b>
<b>All KWH.....</b>	<b>\$0.04277 per KWH</b>
Power Factor Correction KW.....	\$1.00 per KW adjusted

\* - As set out in the Electric Department's Rules and Regulations

SECTION 50.04. SECURITY LIGHTS.

One 175-watt security light \$6.55 per month

Larger security lights shall be subject to negotiated price contract as set by the officer in responsible charge. If the city must set a pole for the light, a \$0.50 per month charge will be added.

SECTION 50.05. SERVICE.

(A) Inspection fee, electric

Refer to electrical inspection ordinance

(B) Temporary pole service, one house per service \$30 for 110 volt or 220 volt

(C) After-hour services. All service calls made after hours will be charged to the account of the customer, provided that it is not a fault of the city. An additional \$15 service charge will be made for after-hours turn-ons.

(D) Deposits. Each single residential unit or multiple-residential unit shall tender to the city, with the application for any utility connection, a deposit as set forth in the rate table below. These rates apply to residential customers only. Deposits for commercial establishments will be determined at the time of application for utilities which shall be in the sum equivalent to six weeks' billing for all connected utility services. The deposit shall be retained by the city and if necessary, upon termination of service, applied towards payment of any delinquent balances or refunded to the user (residential or commercial) after two years, provided all balances have been kept current during the two years and no checks were returned for any reason during that period. Persons presently on city utilities who move to another residence on city utilities will not be required to update their deposit, provided their paying record meets the criteria set forth above. Persons who have received their refund and moved to another residence on city utilities will not be required to make a new deposit. Persons disconnected for nonpayment will be required to increase to these new amounts.

<u>Deposits</u>	<u>Owner</u>	<u>Renter</u>
Electric	\$80	\$120
Water	\$30	\$45
Sewer	\$40	\$45

SECTION 50.06. SURCHARGE.

~~There is established and fixed as an add-on charge, referred to and designated as a fuel adjustment surcharge, which shall be charged to each customer to recover the cost of the wholesaler's fuel adjustment charge. The surcharge shall be adjusted from time to time to reflect the fuel adjustment charge currently allowed by the Federal Energy Regulatory Commission to the wholesale supplier of the city. The fuel adjustment charge applied to each customer's monthly bill shall be a multiplication of the total KWH consumption per month by the rate charged to the city by the wholesale supplier. The fuel clause, as approved by FERC Docket ER83-656-000, WPS-83 Rate, is applicable.~~

**There is established and fixed as an add-on charge, referred to and designated as a Power Cost Adjustment (PCA) surcharge, which shall be charged to each customer to recover the monthly change in cost of purchased wholesale power and will reflect the fuel adjustment charge and annual changes to the wholesale rate based on formulaic modification allowed by the Federal Energy Regulatory Commission, per FERC Docket No. ER08-1588-000. The PCA is expressed as dollars per kWh and is multiplied by the energy (kWh) sold during each billing period to each customer. The PCA is designed to be calculated monthly based on actual power costs and energy sales for the applicable month. The following formula has been designed to calculate the PCA:**

**PCA = A / B - Base Rate where,**

**PCA = The cost adjustment expressed as dollars per kWh to be multiplied by the energy (kWh) sold during each billing period to customers on rates subject to the PCA.**

**A = Actual wholesale power cost for the applicable month (includes all wholesale power costs as billed by Kentucky Utilities).**

**B = Actual retail energy in kWh subject to the PCA for the applicable month.**

**Base Rate = The Base Rate is the base wholesale power cost, exclusive of SEPA power cost, expressed as dollars per kWh, included in the base rates established herein for all retail customers.**

SECTION 50.07. POWER FACTOR.

(A) The reference in this section to "power factor" or "pf" is in accordance with the accepted technical meaning of this term.

(B) The City expects the customer's electrical system to be at or near unity power factor. However, the City will permit the customer's system during normal operation, to have a power factor not lower than 90% either lagging or leading. Where the customer's power factor is less than 90%, the City reserves the right to require the customer to furnish, at his own expense, suitable corrective equipment to maintain a power factor of 90% or higher. At the City's option, in lieu of the customer providing the above corrective equipment, the City may add an adjustment to the maximum measured KW load for billing purposes each month when the power factor is less than 90%, in accordance with the following formula: (BASED ON POWER FACTOR MEASURED AT TIME OF MONTHLY MAXIMUM KW LOAD)

$$\frac{\text{Maximum Measured KW Load} \times 90\%}{\text{Power Factor (in percent)}} - \text{Maximum Measured KW Load} = \text{pf Correction KW}$$

(C) The City reserves the right to install a KVA meter or metering equipment of a type whereby power factor can be determined for use in the above formula.

SECTION 50.08 BILLING; WHEN DUE; PENALTY.

(A) The obligation to provide electricity, water, sewer, garbage and sanitation services is closely related to the general welfare, health, safety, and protection of the lives and property of the people of the city. The failure of such services constitutes a hindrance to the protection of the lives and property of the citizens of the city. Therefore, the officer in responsible charge is authorized and directed to render and collect under his or her supervision all electric, water, sewer, and garbage charges and bills and to present the bills and charges for electricity, water, sewer, and garbage services simultaneously each month to all electric, water, sewer, and garbage customers, each bill showing each separate item. All bills for electricity, water, sewer, and garbage service shall be paid by the final date shown on such bills, and all accounts not paid by such time shall be subject to discontinuance of all electricity, water, sewer and garbage services.

(B) All customers of the city will be billed monthly on or about either the first day (Cycle One) or the fifteenth day (Cycle Two) of each month for all electric service used by them. All bills shall be due and payable immediately upon receipt thereof, and if not paid on or before either the fifteenth day of the month for Cycle One customers or the thirtieth day of the month, or the last day of February, for Cycle Two customers following the billing, a sum equal to 5% of the amount of the charges shall be added as a penalty as well as an additional service fee of \$3 per account, which shall be promptly paid by each customer in default. Any customer who fails to pay for electric service pursuant to this section by the fifteenth day of the month for Cycle One customers or the thirtieth day of the month, or the last day of February, for Cycle Two customers shall be notified by mail of customer's delinquent status, and shall be given a deadline to respond. If at that time, no response has been given to the officer in responsible charge, electric service shall be disconnected without further notice. Reconnection of service shall be made only after payment of all current and past-due bills, service fees and penalties, to include an additional \$25 reconnect charge for customers within the city limits, or a \$45 reconnect charge for customers

outside the city limits. An additional charge of \$15 shall be assessed for reconnects after-hours pursuant to § 50.05. Payments made for service fees and disconnect and reconnect charges are not additive if more than one utility service is delinquent.

(C) The officer in responsible charge is hereby authorized to discontinue the furnishing of electricity, water, sewer, garbage and refuse and rubbish disposal services to any customer who is in default of the payment of the charges set forth on any bill for any of these services, as outlined above.

SECTION 50.09. COMPLIANCE WITH FEDERAL REGULATIONS.

The city undertakes to comply with all lawful regulations of the Federal Energy Regulatory Commission (FERC) codified in Subpart C of 18 CFR Part 292 dealing with arrangements with qualifying co-generation and small power production facilities under Section 210 of the "Public Utility Regulatory Policies Act" of 1978 (PURPA).

SECTION 50.10. TAMPERING WITH ELECTRIC METERS; FINES.

Customers shall be held responsible for tampering with, breaking seals of, interfering with, connecting or disconnecting the city's electric meter(s), or other electrical equipment of the city installed on the customer's premises, and shall be held liable for same according to law. Notwithstanding, any person who reconnects or bypasses a meter that has been disconnected for nonpayment of service will be assessed \$150 for the first occurrence and \$300 per occurrence for any additional occurrences in addition to any other applicable balances, fees or charges due. Likewise, any person who establishes electric service by bypassing, connecting or reconnecting a meter will be assessed \$100 per occurrence. No one except the employees, or agents of the city shall be allowed to connect, disconnect or make any internal or external adjustments to any meter or any other piece of apparatus, which shall be the property of the city.

SECTION 50.11. EFFECTIVE DATE.

The amendments in this ordinance shall take effect from and after its passage and publication as required by law. Rates contained herein shall be effective for **July 1, 2009** billing.

SECTION 50.12.

Part 1. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Part 2. The invalidity of any section, clause, sentence, or provision of this ordinance shall not affect the validity of any other part of this ordinance.

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J. Richard Heaton, Mayor

ATTEST:

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Bobbe Blincoe, City Clerk

Dated: 6/23/09.