

**AN ORDINANCE ADOPTING NEW ELECTRIC
RATE STRUCTURE AND CLASSIFICATIONS**

WHEREAS; the Lucas Village Council has for many years maintained a municipally owned and operated electric system within the Village, and;

WHEREAS; Ordinance No. 0-21-97, enacted December 27, 1997, adopted a new rate structure for electrical service by Village, and;

WHEREAS; modification of said rate structure is desirable in order to allow for fluctuations in the cost of purchased power and to fund the appropriate level of capital improvements for the Village electric system, and;

WHEREAS; the Council and Administration for the Village of Lucas deem it appropriate, after reviewing the Cost of Service Study results, heretofore establishing a need to restructure the Village electric rates.

WHEREAS; immediate modification to the electric rate schedule is required to assure a sound and adequate financial position for the municipal electric system with respect to ongoing operations and required capital improvements.

NOW, THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF LUCAS, OHIO AS FOLLOWS:

SECTION 1. That the rate structure schedules adopted by council in Ordinance 0-21-97 are hereby amended to include the Power and Capital Improvement Cost Adjustment (PCA) clause set forth in Section 3 E hereto and an increase in Code 5 (Commercial with Demand) set forth in Section 3 C.

SECTION 2. That it is found and determined that all formal actions of the Council, since the introduction of projected revenue shortages in Code 5 of March 1998, relating to the adoption of this ordinance were adopted in an open meeting of the Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings that were open to the public in compliance with all legal requirements.

SECTION 3. The rates charged for electrical service and the implementation of the PCA within the Village shall be established and effective August 1, 1998 as follows:

A. Residential Metered Service (Code 0)

The minimum monthly charge shall be \$1.50 plus the monthly maintenance charge.

The monthly maintenance charge shall be \$5.00.

Usage of the first 500 kilowatt hours (kWh) shall be billed at a rate of \$.0850. The remaining kWh usage shall be billed at a rate of \$.0750.

B. Commercial Single Phase Service (Code 2)

The minimum monthly charge shall be \$5.00 plus the monthly maintenance charge.

The monthly maintenance charge shall be \$10.00.

Usage of the first 500 kilowatt hours (kWh) shall be billed at a rate of \$.1100. The remaining kWh usage shall be billed at a rate of \$.0950.

C. Commercial Three Phase Service - Demand (Code 5)

The minimum monthly charge shall be \$30.00 plus the monthly maintenance charge.

The monthly maintenance charge shall be \$30.00.

There will be a demand charge at the rate of \$10.00 per Kilovolt-amperes.

Usage shall be billed at a rate of \$.0550 per kilowatt hours (kWh).

D. Commercial/Seasonal Service (Code 4)

The minimum monthly maintenance charge shall be \$30.00 in months which usage occurs.

There will be demand charge at the rate of \$5.50 per Kilovolt-amperes.

Usage shall be billed at a rate of \$.0850 per kilowatt hours (kWh).

E. Power and Capital Improvements Cost Adjustment (PCA) Clause

The Cost of power provided under electric rates of the Village of Lucas are indexed to the actual cost of wholesale power purchased by the Village plus the cost of electric capital improvements. The Village Administrator and Clerk-Treasurer shall determine for each month, through a financial comparison analysis process, the amount of dollars (CI) to be recovered or remitted as a part of the PCA for said electrical capital improvements. The energy charges for each kilowatt hour for power sold under the Village's rate schedules shall be adjusted each month upward or downward pursuant to the following:

$$\text{PCA/kWh} = \left[\frac{\$ \text{Monthly Costs of Power} + \text{CI} - \$0.0428}{\text{Power Purchased (kWh)}} \right] \times 1.18$$


SECTION 4. That this measure shall take effect and be in force and after the earliest time allowed by law, after its passage.

Passed: September 15, 1998



Mayor


APPROVED AS TO
FORM:



Edward C. Baran
Village Solicitor



President of Council



Clerk-Treasurer

1st Reading - August 18, 1998

2nd Reading - September 1, 1998

3rd Reading - September 15, 1998