

# City of Bandon

<b>CITY COUNCIL AGENDA DOCUMENTATION</b>	<b>DATE:</b> November 6, 2017
<b>SUBJECT:</b> Resolution 17-10: Adopting a New Electric Rate Schedule, Effective December 1, 2017	<b>ITEM #:</b> 5.2.2

## BACKGROUND

On October 1, 2017, the Bonneville Power Administration raised the rates for the generation and transmission of electric power to the City of Bandon by a consolidated rate of **5.28%**. This consolidated rate increase is the result of a 5.4% increase in the wholesale power rate and a .07% decrease in the power transmission rate.

According to the Rate Impact Model (RIM) for the BP-18 rate period, the rate increase will result in an estimated \$119,825 in additional annual charges for wholesale power and transmission. The RIM compares our anticipated bills in the upcoming FY to what those bills would have been under the old rates, holding loads constant.

The City Council is granted authority to increase electric utility rates to cover the cost of rate increases charged to the City of Bandon by the Bonneville Power Administration under Section 48 of the Bandon City Charter, and by the Bandon Municipal Code, Title 13, Chapter 13.24.050.

The proposed increase was discussed with the Utilities Commission during their meeting on October 11, 2017. The Utilities Commission voted unanimously to recommend that the City Council approve an Electric Utility increase to cover the cost of the recent increase by Bonneville Power Administration. A list of 10 reasons has also been forwarded to the Council by the Utility Commission and included with this agenda item.

### *Doing the math...*

$\$119,825 \text{ (increase)} / \$5,000,000 \text{ (projected electric utility sales for FY17-18)} = .024 \text{ or } 2.4\%$

Therefore, a 2.4% increase in electrical utility rates will need to be applied to off-set the estimated \$119,825 annual increase in BPA charges. This increase would be applied across-the-board for all electrical service customers.

### *A little history...*

The five most recent electric rate increases were:

October 1, 2015	City of Bandon rate increase of 4%, following a consolidated BPA rate increase of 11.5%
August 1, 2014	City of Bandon rate increase of 5.83%, following a consolidated BPA rate increase of 12.32%
October 1, 2011	City of Bandon rate increase of 5.0%, following a consolidated BPA rate increase of 10.6%
June 30, 2007	City of Bandon rate increase of 5%, BPA info not available
August 1, 2006	City of Bandon rate increase of 3%, BPA info not available

## FISCAL IMPACT

The BPA rate increase is estimated to cost the City of Bandon an additional \$89,868.78 from October 1, 2017 through June 30, 2018.

If the rate increase goes into effect December 1, 2017, it is estimated to generate an additional \$69,897.92 in electric utility sales revenue, which would recover 78% of the estimated additional charges by BPA for this fiscal year and 100% of the estimated additional charges in FY18-19, if no further rate increases are proposed by BPA between now and June 30, 2019.

A following "representative" utility bills were utilized to measure the relative impact of the proposed rate increase. A monthly electric bill average was taken from January 2017 through October 2017 and the 2.4% rate increase was applied to determine a sample impact:

<u>Customer Type</u>	<u>Average Bill</u>	<u>Average Monthly Increase</u>
• Residential (one person)	\$ 98.30	\$ 2.36
• Residential (couple)	\$ 163.46	\$ 3.92
• Residential (family)	\$ 219.47	\$ 5.27
• Commercial (large)	\$ 5,712.16	\$ 137.09
• Commercial (large)	\$ 7,038.06	\$ 168.91
• Industrial (cranberry)	\$ 128.22	\$ 3.08
• Industrial (cranberry)	\$ 67.95	\$ 1.63
• Commercial (motel)	\$ 962.77	\$ 23.11
• Commercial (motel)	\$ 602.80	\$ 14.47

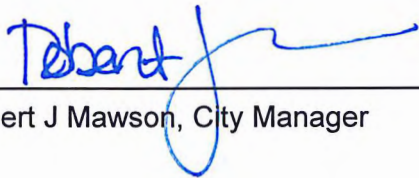
## **ATTACHMENTS**

- Resolution #17-10
- Proposed New Electric Rate Schedule (effective December 1, 2017)
- Utility Commission Recommendation
- BPA Notice of Rate Increase
- BPA Rate Impact Model – Summary Sheet
- City Charter Section 48
- BMC Chapter 13.24.050
- Recent Historical Rate Increase Documentation

## **RECOMMENDATION**

Motion to approve Resolution 17-10 adopting a new Electric Rate Schedule, effective December 1, 2017.

## **SUBMITTED BY**



Robert J Mawson, City Manager

**RESOLUTION NO. 17-10**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY  
OF BANDON, OREGON, AMENDING THE ELECTRIC RATE SCHEDULE.**

WHEREAS, the City Council has determined that retail electric rates must be increased by two point four percent (2.4%) to provide adequate funds to offset an October 1, 2017 Bonneville Power Administration (BPA) wholesale consolidated electric rate increase of 5.28%; and

WHEREAS, notwithstanding the City Charter limitations on the City Council's ability to increase utility rates, the City Council has City Charter authority to increase retail electric rates to offset Bonneville Power Administration wholesale electric rate increases; and

WHEREAS, the Mayor and City Council have determined that the new retail electric rates should become effective for all electric utility customers beginning December 1, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that the charges for electric power shall be in accordance with the "City of Bandon Electric Utility Rates" schedule, dated "December 1, 2017," which is attached hereto and incorporated herein by reference; and

BE IT FURTHER RESOLVED that these electric rates shall be effective for all electric customers, beginning December 1, 2017; and

BE IT FURTHER RESOLVED that all previous electric rates in conflict herewith are hereby repealed, and all other electric service fees and policies shall remain as existing.

ADOPTED by the City Council of the City of Bandon, this 6<sup>th</sup> day of November, 2017.

\_\_\_\_\_  
Mary Schamehorn, Mayor

*Attest:*

\_\_\_\_\_  
Denise Russell, City Recorder

CITY OF BANDON  
ELECTRIC UTILITY RATES  
December 1, 2017

	Inside City Rates	Outside City Rates
<b>RESIDENTIAL</b>		
Basic Charge (mo)	6.85	14.84
1 <sup>st</sup> 650 kwh (mo)	0.0740	0.0740
All other usage (kwh)	0.0810	0.0810
<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b>		
Basic Charge (mo)	12.93	20.92
Consumption (kwh)	0.0766	0.0766
3 Phase Basic Charge (mo)	10.74	10.74
<b>LARGE COMMERCIAL &amp; INDUSTRIAL*</b>		
Basic Charge (mo)	12.93	20.92
Consumption (kwh)	0.0625	0.0625
3 Phase Basic Charge (mo)	10.74	10.74
Demand (kwh)	7.80	7.80
<b>KVAR ACCOUNTS**</b>		
Basic Charge (mo)	12.93	20.92
Consumption (kwh)	0.0564	0.0564
3 Phase Basic Charge (mo)	10.74	10.74
Demand (kwh)	7.80	7.80
<b>YARD LIGHTS</b>		
100 Watt Sodium Vapor	13.19	13.19
200 Watt Sodium Vapor	18.43	18.43
Installation Charge	69.15	69.15
<b>STREET LIGHTS</b>		
All consumption (kwh)	No Charge	No Charge
<b>FLAT RATE FEE</b>		
Misc. Non-metered Uses (Phone booths, etc.) (mo)	15.74	15.74
<b>CABLE STATIONS</b>		
Basic Charge (mo)	12.54	12.54
Per Booster (mo)	9.25	9.25

\* Large Commercial & Industrial are customers which have a demand of 50 kW for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are Industrial customers which have a demand plus a reactive factor.



### **Reasons for Electric Rate Increase to Offset BPA Increase Now:**

1. An electric rate increase is in the current FY 2017-2018 budget, so the budget will not properly balance without it.
2. The Charter Amendment authorizing the increase was approved and is anticipated by the voters.
3. When the BPA rate increases were offset by retail rate increases in the past, the City received absolutely no objections or protests from the public that I'm aware of.
4. Only the City Council is authorized by the City Charter to increase the electric rates. Getting it on the agenda and increasing the rates in advance of the power being used by the customers takes a minimum of approximately 2 months. Delaying the implementation will result in potential revenue losses that cannot be recaptured.
5. Since the City paid off prior electric utility loans which included rate covenants several years ago, a rate increase to offset the BPA increase is the only way to increase rates without voter approval.
6. No other City money measures are on the upcoming election ballot, so this is an ideal time to minimize the financial impact on the voters and taxpayers at a time that no other money matters such as the anticipated Water Reservoir General Obligation Bond are being voted on.
7. Increasing rates a small amount when possible will ultimately mean lower impacts on the electric customers than waiting until a large increase is absolutely necessary and the issue has to be placed on the ballot. Eventually, all electric system costs will have to be passed on to the customers, since this is the only source of revenue.
8. A small retail rate increase of approximately 2.5% will only increase a \$100 monthly bill by \$2.50.
9. The BPA increase will cost the Electric Utility an estimated \$120,000 per year. Offsetting this "power and transmission purchase" cost increase will free up \$120,000 per year on the "operation and distribution" side of the enterprise for making the improvements specified in the "Municipal Business Plan" for the Electric Utility.
10. If the retail electric rate increase is not imposed immediately, it would be apparent that there is no necessity to offset this particular BPA increase, which I would argue means any efforts to recapture these specific losses without voter approval in the future would not be allowed under the City Charter provisions which specifically allow such increases without voter approval only "to increase electric utility rates to cover the cost of rate increases charged to the City of Bandon by Bonneville Power Administration." Why take a chance that the City could have to defend any such action in court?

**I would entertain a motion "That the Utilities Commission recommend that the City Council act as quickly as possible to increase electric utility rates to cover the cost of the recent fiscal year 2018 increase charged to the City of Bandon by Bonneville Power Administration."**

## Robert Mawson

---

**From:** Garrett,Paul D (BPA) - PSW-6  
**Sent:** Wednesday, July 26, 2017 2:43 PM  
**To:** Robert Mawson; Denise Russell (drussell@ci.bandon.or.us)  
**Subject:** BP-18 Rate Increase Model  
**Attachments:** BANDON\_RIMBasicFY2018\_20170726.xlsx

Hi Robert and Denise,

Please find attached your Rate Impact Model (RIM) for the BP-18 rate period, as well as a link ([here](#)) to the website where the BP-18 Record of Decision will be posted shortly. As you may have read from the press release I sent earlier this afternoon – on average the rate case resulted in a 5.4% wholesale power rate increase and a transmission rate decrease of 0.7%. Below are a couple tables that provide some detail on the outcome of this rate case and how they are changing from the current BP-16 rate period.

For the City of Bandon specifically, your rates are expected to increase **5.28%** (cell D5 of the “Summary” tab), right on average.

A couple other notes on the attached RIM:

- Cells B13:N13 of the “Summary” tab contain monthly estimated power bills for BPA’s FY 2018. These may be helpful for budgeting. If you need estimates for FY 2019 please let me know and I can provide.
- At a high level, the RIM compares your anticipated bills in the upcoming FY to what those bills would have been under the old rates, holding loads constant. The percentages may not hold if you’re applying it to last year’s bills as loads would have been different.
- To address the new BP-18 rate that will recover the cost of incremental spill resulting from the recent injection from the ninth circuit, a tab titled “Spill” that will enable you to test scenarios on how your bills will change under various scenarios. The simple way to do this is to input an amount into cell D10 and see the incremental bill amounts in cells L91:Q91. For context it was estimated that the cost of the spill might be around \$40m per year in rate case testimony, but some of that could be offset by cost reductions.
- An estimate of transmission charges may be found in cell B60 of the “Summary” tab, and monthly amounts in cells B96:N96 of the “FinalBP18calcs” tab.

In addition, the Administrator notes in the preface to the ROD that BPA is not expecting a Cost Recovery Adjustment Clause (CRAC) for BP-18. BPA will be posting specifics around the CRAC and other financial news on Friday, July 28 for BPA’s Quarterly Business Review (QBR) on August 1st.

If you have any questions please let me know. Thank you,

-Paul

Paul Garrett  
Account Executive  
Power Services  
Bonneville Power Administration

(503) 230-4553

---

BP-18 Final Power Rates	Rate (\$/MWh)	Change from BP-16 (%)
-------------------------	---------------	-----------------------

Priority Firm Tier 1 Average Net Cost of Power		
Overall	35.57	5.4
Slice – firm only	41.79	2.8
Slice – firm and non-firm	33.74	5.5
Non-Slice	36.14	5.2
PF Tier 2 Rates (see chart below)		
PF Exchange	61.86	5.3
New Resource Firm (NR)	78.95	7.0
Industrial Firm (IP)	43.51	3.8
Firm Power and Surplus Products and Services (FPS)	Negotiated	

	PF Tier 2 Rates (mills/kWh)		Change from BP-16 (%)
	FY 2018	FY 2019	
Short-Term	27.20	24.97	-15.5
Load Growth	47.68	45.42	-1.8
Vintage Rate 1-2014	51.40	53.02	11.3
Vintage Rate 1-2016	46.50	48.02	12.8

Product	Unit of Measure	Current Rate (BP-16)	BP-18 Final Rate	Change from BP-16 (%)
Formula Power Transmission.1	(\$/kW)*	1.63	1.66	1.7
FPT.3 -- First year	(\$/kW)*	1.59	1.59	0.0
FPT.3 -- Second year	(\$/kW)*	1.63	1.63	0.0
Integration of Resources (IR)	(\$/kW)*	1.79	1.79	0.2
Point-to-Point (PTP)	(\$/kW)*	1.49	1.47	-1.2
Network Integration (NT)	(\$/kW)*	1.74	1.73	-0.5
Southern Intertie (IS)	(\$/kW)*	1.23	1.04	-15.6
Montana Intertie (IM)	(\$/kW)*	0.60	0.51	-14.9
Eastern Intertie (IE)	(mills/kWh)	1.48	1.46	-1.4
SCD for PTP	(\$/kW)*	0.30	0.32	7.0
SCD for NT	(\$/kW)*	0.35	0.38	7.4
Utility Delivery (UD)	(\$/kW)*	1.29	1.28	-0.2
Power Factor Penalty -- Lagging	(\$/kVar)*	0.00	0.00	0.0
Power Factor Penalty -- Leading	(\$/kVar)*	0.00	0.00	0.0
WECC Charge	(mills/kWh)	0.05	0.05	0.0
Peak Charge	(mills/kWh)	0.05	0.05	0.0
PTP + SCD	(\$/kW)*	1.79	1.79	0.2
NT + SCD	(\$/kW)*	2.09	2.10	0.9
IS + SCD	(\$/kW)*	1.53	1.36	-11.2



## BPA Power RIM - Summary tab

Bandon, City of - Forecast Year FY2018

Rate Impact: BANDON	BP-18 Final	BP-16 Final	% Rate Impact
Tier 1 Effective Rate (\$/MWh)	\$ 37.11	\$ 35.25	5.28%

TIER 1 POWER RATES (USING BP-18 LOAD FORECAST)	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Annual
BP-18 Final (\$/MWh)	\$ 38.92	\$ 31.28	\$ 32.89	\$ 37.68	\$ 41.14	\$ 40.29	\$ 38.68	\$ 32.22	\$ 38.38	\$ 40.73	\$ 37.06	\$ 38.55	\$ 37.11
BP-16 Final (\$/MWh)	\$ 37.12	\$ 30.36	\$ 32.62	\$ 36.25	\$ 39.16	\$ 37.84	\$ 39.72	\$ 27.56	\$ 34.43	\$ 36.83	\$ 34.49	\$ 38.70	\$ 35.25
DIFFERENCE:	\$ 1.80	\$ 0.92	\$ 0.27	\$ 1.43	\$ 1.98	\$ 2.44	\$ (1.04)	\$ 4.66	\$ 3.96	\$ 3.90	\$ 2.57	\$ (0.14)	\$ 1.86

TIER 1 POWER CHARGES (USING BP-18 LOAD FORECAST)	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Annual
BP-18 Final (\$)	\$ 195,417	\$ 195,076	\$ 221,658	\$ 272,073	\$ 243,392	\$ 242,658	\$ 210,731	\$ 150,172	\$ 169,241	\$ 178,390	\$ 164,429	\$ 174,871	\$ 2,413,345
BP-16 Final (\$)	\$ 186,391	\$ 189,326	\$ 219,835	\$ 261,743	\$ 231,671	\$ 227,934	\$ 216,421	\$ 128,437	\$ 151,788	\$ 161,308	\$ 153,021	\$ 175,525	\$ 2,292,419
DIFFERENCE:	\$ 9,026	\$ 5,750	\$ 1,823	\$ 10,330	\$ 11,721	\$ 14,724	\$ (5,690)	\$ 21,735	\$ 17,453	\$ 17,082	\$ 11,408	\$ (654)	\$ 120,926

BP-18 FINAL LOAD FORECAST DATA USED TO CALCULATE RATE IMPACTS		
	BP-18 Final	BP-16 Final
Total Retail Load (aMW)	7.423	7.423
Avg Customer System Peak (MW)	11.847	11.847
Existing Resources	0.000	0.000
Above-RHWM Load	0.000	0.029
New Resources	0.000	0.000
Tier 2	0.000	0.000
TOCA	0.107500%	0.108330%
CHWM	7.753	7.753
RHWM	7.516	7.565
RTISC	6944.846	6983.085
Composite Charge (% of System)	\$2,738,820	\$2,681,520
Non-Slice Charge	(\$385,236)	(\$398,640)
Net Customer Charge	\$2,353,584	\$2,282,880
Demand	\$134,997	\$131,058
Load Shaping HLH	(\$17,408)	(\$32,683)
Load Shaping LLH	\$45,131	\$19,789
Load Shaping Total	\$27,723	(\$12,894)
Irrigation Rate Discount	\$0	\$0
Low Density Discount	\$0	\$0
REP Refund	(\$98,196)	(\$97,644)
EPP REC Charges	\$0	\$0
Load Shaping Charge True-Up	(\$4,763)	(\$10,981)
GTA Delivery	\$0	\$0
PBL Provided Reg. & Freq. Response	\$0	\$0
TSSA Real Power Losses	\$0	\$0
WECC Dues	\$0	\$0
Transfer Reserves (Spinning + Supplemental)	\$0	\$0
Tier 1 Charges	\$2,413,345	\$2,292,419
Tier 1 Load (MWh)	65,029	65,029
Tier 1 Effective Rate (\$/MWh)	\$37.11	\$35.25
Tier 2 Short Term	\$0	\$0
Tier 2 Load Growth	\$0	\$0
Tier 2 Load Growth Rate Billing Adjustment	\$0	\$1,645
Tier 2 Vintage (VR1-2014)	\$0	\$0
Tier 2 Vintage (VR1-2016)	\$0	\$0
Resource related charges (RSS, GMS, TSS, TCMS)	\$0	\$0
Tier 2 Vintage or New Resource Remarketing	\$0	\$0
TOTAL Power Charges	\$2,413,345	2,294,064
Total PF Load (Tier 1 and Tier 2) (MWh)	65,029	65,029
TOTAL Effective Rate (\$/MWh)	\$37.11	\$35.28
TOTAL Transmission Charges	\$422,171	\$421,627
TOTAL Power and Transmission Charges	\$2,835,516	\$2,715,691

### Notes:

- (1) This Rate Impact Model (RIM) uses load forecasts which are published in the BP-18 Rate Case Billing Determinant Model.
- (2) BP-18 Tier 1 Charges include REP Refund, Irrigation Rate Discount, and Low Density Discount.
- (3) BP-16 Tier 1 Charges may include EPP RECs, if included such amounts reflect customer contract amounts.
- (4) BP-18 Total Power Charges include Tier 1 Charges, Tier 2 Charges, Resource Support Services Charges, and other resource related charges (such as Transmission Scheduling Service).
- (5) This RIM keeps load forecasts (TRL and CSP) constant when determining BP-18 Initial and BP-16 Final Charges. However, it varies TOCAs, RTISC, RHWM, and Above-RHWM Loads by Rate Study. Please also note that the difference in total hours between leap year and non-leap year will affect the aMW amounts shown.
- (6) BP-18 and BP-16 Tier 1 Charges may include Transfer Charges, if applicable. Such charges were determined using load estimates from the BP-18 Initial Proposal. TSSA Real Power Losses are estimated based on a sample year, they represent a very rough estimate and not an accurate forecast.
- (7) We have included transmission charges for budgeting purposes. See the posted Transmission rates model for more details: <https://www.bpa.gov/Finance/RateCases/BP-18/Pages/Models-and-Datasets.aspx>. The BP-18 Initial transmission charges included in this RIM are forecast annual transmission charges at BP-18 Initial Proposal rates spread evenly into each month and the BP-16 Final transmission charges are forecast annual transmission charges at BP-16 Final rates spread evenly into each month.

**Disclaimer:** Bonneville Power Administration provides this information as an estimate of the impact of power rate proposals on individual customers. BPA makes no commitment to the accuracy of this information and intends that it be used solely for illustrative purposes. This information is subject to change at any time.



## City Charter

### Section 48.

Voter Approval Required for New Taxes or Fees. Except by consent of the voters, the City Council shall not impose any new tax or new user fee, nor increase any tax, utility rate, user fee or other charge exceeding taxes, rates, fees and charges in effect on February 13, 1995. Except by consent of the voters any new tax or new user fee, and any increase in taxes, utility rates, fees and charges exceeding those in effect on February 13, 1995 are hereby revoked. The City Council retains authority to increase electric utility rates to cover the cost of rate increases charged to the City of Bandon by Bonneville Power Administration or other like electric providers and to raise taxes as allowed by the Oregon Constitution. (As added by election held September 19, 1995, by a vote of 618 Yes to 349 No.)

## BMC Title 13

### Chapter 13.24.050 Revisions.

The Rate Schedule for electric service and the Service Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time and such changes shall be effective as though originally incorporated herein. It is the Utility's intent that its rules and regulations comply at all times with applicable law. Should applicable law be amended or interpreted contrary to the express language of any provision, that provision is automatically amended so as to be deemed in compliance. Further, should any provision of the rules and regulations be found invalid or without legal effect, that provision shall be disregarded without affecting the remainder of the rules and regulations.

# City of Bandon

<b>CITY COUNCIL AGENDA DOCUMENTATION</b>	<b>DATE:</b> September 14, 2015
<b>SUBJECT:</b> Electric Rate Increase	<b>ITEM NO:</b> 5.2.1

## **BACKGROUND:**

The City of Bandon purchases all of its electric power from Bonneville Power Administration (BPA). Those wholesale rates will increase by 7.1% for power, and 4.4% for transmission on October 1, 2015. Since the purchase of power and transmission makes up only a portion of the cost of running our electric utility, passing this increase along to our retail customers would mean a 4% overall increase in the City of Bandon's retail power rate.

The proposed 4% increase in the retail power rate was included in the budget for Fiscal Year 2015/16, as the City Charter does allow a pass-through increase to our customers when BPA increases the rate the City pays for power. The most recent increase was also a BPA pass-through, of 5.83% implemented August 1, 2014.

The proposed increase would apply equally across all electric customers, from residential to large commercial and industrial, both inside and outside the City.

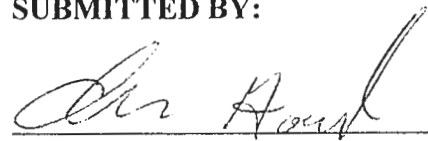
## **FISCAL IMPACT:**

Resolution No. 15-12 would increase all electric rates by 4%. This would mean an additional \$4.35 per month (from \$108.71 to \$113.06), plus 10% tax, for an inside-City residential customer using 1,400 KWh of power. The rates for all other customer classifications would be adjusted proportionately. Outside-City rates are higher, although the 10% tax is not applied.

## **RECOMMENDATION:**

**MOTION:** Adopt Resolution No. 15-12.

## **SUBMITTED BY:**

  
\_\_\_\_\_  
Christopher Good, City Manager

**RESOLUTION NO. 15-12**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY  
OF BANDON, OREGON, AMENDING THE ELECTRIC RATE SCHEDULE.**

WHEREAS, the City Council has determined that retail electric rates must be increased by four percent (4%) to provide adequate funds to offset an October 1, 2015 Bonneville Power Administration (BPA) wholesale electric rate increase of 11.5% for combined power and transmission costs; and

WHEREAS, notwithstanding the City Charter limitations on the City Council's ability to increase utility rates, the City Council has City Charter authority to increase retail electric rates to offset Bonneville Power Administration wholesale electric rate increases; and

WHEREAS, the Mayor and City Council have determined that the new retail electric rates should become effective for all electric bills issued after September 30, 2015.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that the charges for electric power shall be in accordance with the "City of Bandon Electric Utility Rates" schedule, dated "October 1, 2015," which is attached hereto and incorporated herein by reference; and

BE IT FURTHER RESOLVED that these electric rates shall be effective for all electric billings issued after September 30, 2015; and

BE IT FURTHER RESOLVED that all previous electric rates in conflict herewith are hereby repealed, and all other electric service fees and policies shall remain as existing.

ADOPTED by the City Council of the City of Bandon, this 14<sup>th</sup> day of September, 2015.

\_\_\_\_\_  
Mary Schamehorn, Mayor

*Attest:*

\_\_\_\_\_  
Christopher Good, City Recorder



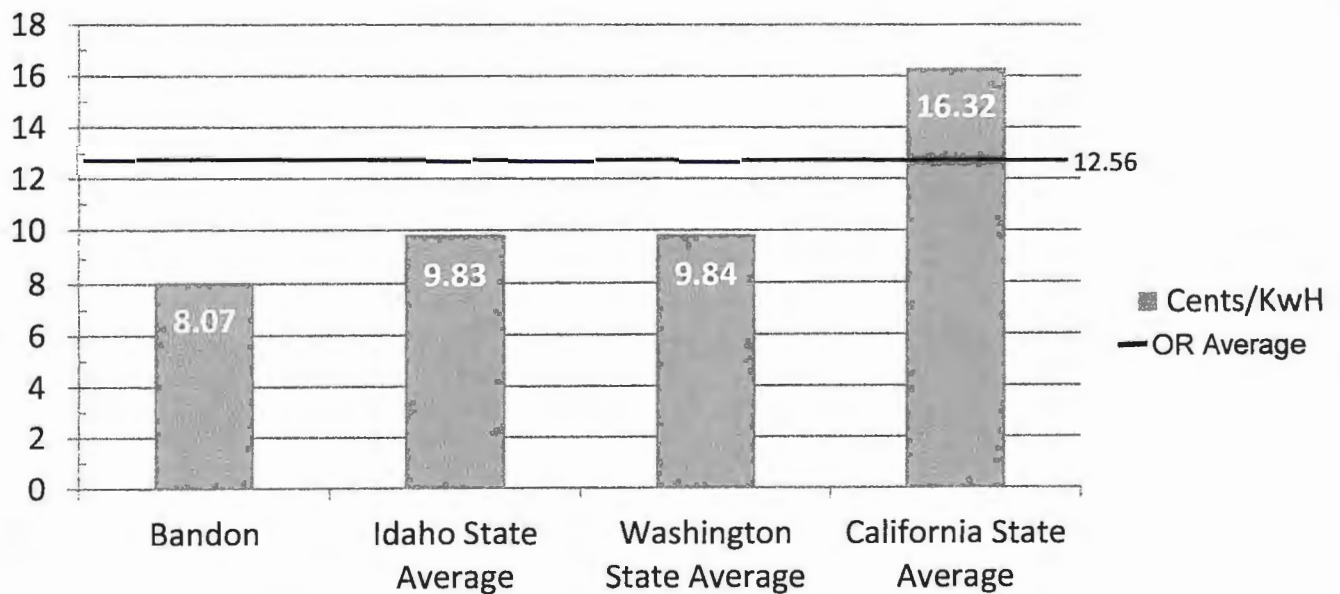
CITY OF BANDON  
ELECTRIC UTILITY RATES  
October 1, 2015

	Inside City Rates	Outside City Rates
<b>RESIDENTIAL</b>		
Basic Charge (mo)	6.69	14.49
1 <sup>st</sup> 650 kwh (mo)	0.0723	0.0723
All other usage (kwh)	0.0791	0.0791
<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b>		
Basic Charge (mo)	12.63	20.43
Consumption (kwh)	0.0748	0.0748
3 Phase Basic Charge (mo)	10.49	10.49
<b>LARGE COMMERCIAL &amp; INDUSTRIAL*</b>		
Basic Charge (mo)	12.63	20.43
Consumption (kwh)	0.0610	0.0610
3 Phase Basic Charge (mo)	10.49	10.49
Demand (kwh)	7.62	7.62
<b>KVAR ACCOUNTS**</b>		
Basic Charge (mo)	12.63	20.43
Consumption (kwh)	0.0551	0.0551
3 Phase Basic Charge (mo)	10.49	10.49
Demand (kwh)	7.62	7.62
<b>YARD LIGHTS</b>		
100 Watt Sodium Vapor	12.88	12.88
200 Watt Sodium Vapor	18.00	18.00
Installation Charge	67.53	67.53
<b>STREET LIGHTS</b>		
All consumption (kwh)	No Charge	No Charge
<b>FLAT RATE FEE</b>		
Misc. Non-metered Uses (Phone booths, etc.) (mo)	15.37	15.37
<b>CABLE STATIONS</b>		
Basic Charge (mo)	12.25	12.25
Per Booster (mo)	9.03	9.03

\* Large Commercial & Industrial are customers which have a demand of 50 kW for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are Industrial customers which have a demand plus a reactive factor.

## Electricity Cost Analysis



# City of Bandon

## CITY COUNCIL AGENDA DOCUMENTATION

DATE: 6/2/14

SUBJECT:

**RESOLUTION NO. 14-10: ELECTRIC RATE INCREASE**

ITEM NO:

**5.A.1**

### BACKGROUND:

The City of Bandon purchases all of its electric power from Bonneville Power Administration (BPA). Those wholesale rates, including both power and transmission costs, increased by an estimated 12.32% (from \$35.47/MWh to \$39.84/MWh) on October 1, 2013. Electric Fund balances have continued to be monitored to determine whether a retail rate increase would be necessary. Although there was no rate increase last year, a retail rate increase of 5.83% has been included in the proposed fiscal year 2014-2015 budget to offset the BPA wholesale rate increase. The proposed increase would become effective for all electric bills issued on or after August 1, 2014. The last retail electric rate increase was a 5.0% increase in 2011.

Since the proposed retail rate increase is intended only to offset the latest BPA wholesale rate increase, it would be allowed by the City Charter without requiring voter approval.

### FISCAL IMPACT:

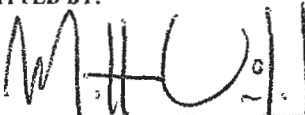
Resolution No. 14-10 would increase all electric rates by 5.83%. This would mean an additional \$5.99 per month, (from \$102.72 to \$108.71), plus 10% tax, for an inside-City residential customer using 1,400 KWh of power. The rates for all other customer classifications would be adjusted proportionately. Outside-City rates are higher, although the 10% tax is not applied.

Also attached is a spreadsheet comparing electric rates before and after the proposed August 1, 2014, increase.

### RECOMMENDATION:

**MOTION: Adopt Resolution No. 14-10.**

SUBMITTED BY:



**MATT WINKEL, CITY MANAGER**



**RESOLUTION NO. 14-10**

**A RESOLUTION OF THE MAYOR AND CITY  
COUNCIL OF THE CITY OF BANDON, OREGON,  
AMENDING THE ELECTRIC RATE SCHEDULE.**

WHEREAS, the City Council has determined that retail electric rates must be increased by 5.83% to provide adequate funds to offset an October 1, 2013 Bonneville Power Administration (BPA) wholesale electric rate increase of 12.32% for combined power and transmission costs; and

WHEREAS, notwithstanding the City Charter limitations on the City Council's ability to increase utility rates, the City Council has City Charter authority to increase retail electric rates to offset Bonneville Power Administration wholesale electric rate increases; and

WHEREAS, the Mayor and City Council have determined that the new retail electric rates should become effective for all electric bills issued on or after August 1, 2014.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that the retail rates for electric power shall be in accordance with the City of Bandon Electric Utility Rates schedule, dated August 1, 2014, which is attached hereto and incorporated herein; and

BE IT FURTHER RESOLVED that these retail electric rates shall be effective for all electric billings issued on or after August 1, 2014; and

BE IT FURTHER RESOLVED that all previous electric rates in conflict herewith are hereby repealed, and all other electric service fees and policies shall remain as existing.

ADOPTED by the City Council of the City of Bandon, this 2<sup>nd</sup> day of June, 2014.

\_\_\_\_\_  
Mary Schamehorn, Mayor

*Attest:*

\_\_\_\_\_  
Juana Bell, City Recorder

**CITY OF BANDON  
ELECTRIC UTILITY RATES  
August 1, 2014**

	Inside City Rates	Outside City Rates
<b>RESIDENTIAL</b>		
Basic Charge (mo)	6.43	13.93
1 <sup>st</sup> 650 kwh (mo)	0.0695	0.0695
All other usage (kwh)	0.0761	0.0761
<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b>		
Basic Charge (mo)	12.14	19.64
Consumption (kwh)	0.0719	0.0719
3 Phase Basic Charge(mo)	10.09	10.09
<b>LARGE COMMERCIAL &amp; INDUSTRIAL *</b>		
Basic Charge (mo)	12.14	19.64
Consumption (kwh)	0.0587	0.0587
3 Phase Basic Charge(mo)	10.09	10.09
Demand (kwh)	7.33	7.33
<b>KVAR ACCOUNTS**</b>		
Basic Charge (mo)	12.14	19.64
Consumption (kwh)	0.0530	0.0530
3 Phase Basic Charge(mo)	10.09	10.09
Demand (kwh)	7.33	7.33
<b>YARD LIGHTS</b>		
100 Watt Sodium Vapor (mo)	12.38	12.38
200 Watt Sodium Vapor (mo)	17.31	17.31
Installation Charge	64.93	64.93
<b>STREET LIGHTS</b>		
All consumption (kwh)	No Charge	No Charge
<b>FLAT RATE FEE</b>		
Misc. Non-metered Uses (Phone booths, etc.) (mo)	14.78	14.78
<b>CABLE STATIONS</b>		
Basic Charge (mo)	11.78	11.78
Per Booster (mo)	8.68	8.68

\* Large Commercial & Industrial are customers which have a demand of 50 kW for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are Industrial customers which have a demand plus a reactive factor.

**ELECTRIC RATE COMPARISON**  
Before and After August 1, 2014

**Inside City Rates**

	Old Rate	Inc. 5.83%	New Rate
<b>RESIDENTIAL</b>			
Basic Charge (mo)	6.08	0.354464	6.43
1st 650 kwh (mo)	0.0657	0.00383031	0.0695
All other usage (kwh)	0.0719	0.00419177	0.0761

<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b>			
Basic Charge (mo)	11.47	0.668701	12.14
Consumption (kwh)	0.0679	0.00395857	0.0719
3 Phase Basic Charge(mo)	9.53	0.555599	10.09

<b>LARGE COMMERCIAL &amp; INDUSTRIAL *</b>			
Basic Charge (mo)	11.47	0.668701	12.14
Consumption (kwh)	0.0555	0.00323565	0.0587
3 Phase Basic Charge(mo)	9.53	0.555599	10.09
Demand (kwh)	6.93	0.404019	7.33

<b>KVAR ACCOUNTS**</b>			
Basic Charge (mo)	11.47	0.668701	12.14
Consumption (kwh)	0.0501	0.00292083	0.0530
3 Phase	9.53	0.555599	10.09
Demand (kwh)	6.93	0.404019	7.33

<b>YARD LIGHTS</b>			
100 Watt Sodium Vapor (mo)	11.7	0.68211	12.38
200 Watt Sodium Vapor (mo)	16.36	0.953788	17.31
Installation Charge	61.35	3.576705	64.93

<b>STREET LIGHTS</b>			
All consumption (kwh)	No Charge		

<b>FLAT RATE FEE</b>			
Misc. Non-metered Uses (Phone booths, etc.) (mo)	13.97	0.814451	14.78

<b>CABLE STATIONS</b>			
Basic Charge (mo)	11.13	0.648879	11.78
Per Booster (mo)	8.2	0.47806	8.68

**Outside City Rates**

	Old Rate	Inc. 5.83%	New Rate
	13.16	0.767228	13.93
	0.0657	0.0038303	0.0695
	0.0719	0.0041918	0.0761

	18.56	1.082048	19.64
	0.0679	0.0039586	0.0719
	9.53	0.555599	10.09

	18.56	1.082048	19.64
	0.0555	0.0032357	0.0587
	9.53	0.555599	10.09
	6.93	0.404019	7.33

	18.56	1.082048	19.64
	0.0501	0.0029208	0.0530
	9.53	0.555599	10.09
	6.93	0.404019	7.33

	11.7	0.68211	12.38
	16.36	0.953788	17.31
	61.35	3.576705	64.93

No Charge			
-----------	--	--	--

	13.97	0.814451	14.78

	11.13	0.648879	11.78
	8.2	0.47806	8.68

\* Large Commercial / Industrial are customers which have a demand of 50 kW for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are Industrial customers which have a demand plus a reactive factor.



**RESOLUTION NO. 14-10**

**A RESOLUTION OF THE MAYOR AND CITY  
COUNCIL OF THE CITY OF BANDON, OREGON,  
AMENDING THE ELECTRIC RATE SCHEDULE.**

WHEREAS, the City Council has determined that retail electric rates must be increased by 5.83% to provide adequate funds to offset an October 1, 2013 Bonneville Power Administration (BPA) wholesale electric rate increase of 12.32% for combined power and transmission costs; and

WHEREAS, notwithstanding the City Charter limitations on the City Council's ability to increase utility rates, the City Council has City Charter authority to increase retail electric rates to offset Bonneville Power Administration wholesale electric rate increases; and

WHEREAS, the Mayor and City Council have determined that the new retail electric rates should become effective for all electric bills issued on or after August 1, 2014.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that the retail rates for electric power shall be in accordance with the City of Bandon Electric Utility Rates schedule, dated August 1, 2014, which is attached hereto and incorporated herein; and

BE IT FURTHER RESOLVED that these retail electric rates shall be effective for all electric billings issued on or after August 1, 2014; and

BE IT FURTHER RESOLVED that all previous electric rates in conflict herewith are hereby repealed, and all other electric service fees and policies shall remain as existing.

ADOPTED by the City Council of the City of Bandon, this 2<sup>nd</sup> day of June, 2014.

  
Mary Schamehorn, Mayor

Attest:

  
Juana Bell, City Recorder

**CITY OF BANDON  
ELECTRIC UTILITY RATES  
August 1, 2014**

	Inside City Rates	Outside City Rates
<b>RESIDENTIAL</b>		
Basic Charge (mo)	6.43	13.93
1 <sup>st</sup> 650 kwh (mo)	0.0695	0.0695
All other usage (kwh)	0.0761	0.0761
<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b>		
Basic Charge (mo)	12.14	19.64
Consumption (kwh)	0.0719	0.0719
3 Phase Basic Charge(mo)	10.09	10.09
<b>LARGE COMMERCIAL &amp; INDUSTRIAL *</b>		
Basic Charge (mo)	12.14	19.64
Consumption (kwh)	0.0587	0.0587
3 Phase Basic Charge(mo)	10.09	10.09
Demand (kwh)	7.33	7.33
<b>KVAR ACCOUNTS**</b>		
Basic Charge (mo)	12.14	19.64
Consumption (kwh)	0.0530	0.0530
3 Phase Basic Charge(mo)	10.09	10.09
Demand (kwh)	7.33	7.33
<b>YARD LIGHTS</b>		
100 Watt Sodium Vapor (mo)	12.38	12.38
200 Watt Sodium Vapor (mo)	17.31	17.31
Installation Charge	64.93	64.93
<b>STREET LIGHTS</b>		
All consumption (kwh)	No Charge	No Charge
<b>FLAT RATE FEE</b>		
Misc. Non-metered Uses (Phone booths, etc.) (mo)	14.78	14.78
<b>CABLE STATIONS</b>		
Basic Charge (mo)	11.78	11.78
Per Booster (mo)	8.68	8.68

\* Large Commercial & Industrial are customers which have a demand of 50 kW for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are Industrial customers which have a demand plus a reactive factor.

# City of Bandon

## CITY COUNCIL AGENDA DOCUMENTATION

DATE: 9/12/11

SUBJECT:

**RESOLUTION NO. 11-23: ELECTRIC RATE SCHEDULE**

ITEM NO:

5.A.1

### BACKGROUND:

As recommended in the Budget Message and discussed at the Budget Committee meetings, the adopted fiscal year 2011-2012 budget includes an electric rate increase for the upcoming year. Based on last November's preliminary Bonneville Power Administration (BPA) projection of an 8.5% wholesale rate increase on October 1, 2011, it was initially anticipated that a 4% retail rate increase would be necessary to offset that increase. Last month (August), however, the City received final notification from BPA that their rates will be increasing by 10.6% on October 1. To offset this increase in wholesale rates, the City will have to increase the retail rates charged to its customers by 5%. The last electric rate increase was in 2007.

City Charter amendments which were adopted in 1995 restrict the ability of the City Council to increase utility rates. However, a pre-existing 1994 bond financing agreement requires the City to maintain electric rates at a level necessary to properly operate and maintain the system, and to meet the debt service obligations. Also, the Charter amendment specifically allows the City Council to increase retail electric rates to offset wholesale electric rate increases.

### FISCAL IMPACT:

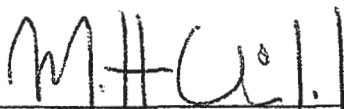
Resolution No. 11-23 would increase electric rates by 5%. Those new rates would become effective for all electric bills issued after October 1, 2011.

For an inside-City residence using an average of 1,200 kWh per month, the 5% increase would raise the monthly utility bill by \$4.18 (from \$84.16 to \$88.34), plus the 10% utility sales tax. For comparison to other surrounding utility rates, an attachment has been included, illustrating the proposed Bandon electric rates for an average inside-City residence using 1,200 kWh per month, and a large commercial customer (motel) using an average of 15,420 kWh, compared to corresponding rates for Coos-Curry Electric and Pacific Power.

### RECOMMENDATION:

**MOTION: Adopt Resolution No. 11-23.**

SUBMITTED BY:



**MATT WINKEL, CITY MANAGER**



**RESOLUTION NO. 11-23**

**A RESOLUTION OF THE MAYOR AND CITY  
COUNCIL OF THE CITY OF BANDON, OREGON,  
AMENDING THE ELECTRIC RATE SCHEDULE.**

WHEREAS, the City Council has determined that electric rates must be increased by five percent (5%) to provide adequate funds to offset an October 1, 2011 Bonneville Power Administration (BPA) wholesale electric rate increase, to properly operate and maintain the electric system, and to meet electric system debt service obligations; and

WHEREAS, notwithstanding the City Charter limitations on the City Council's ability to increase utility rates, the City Council has City Charter authority to increase electric rates to offset wholesale electric rate increases, and is required by pre-existing agreements which provided bond financing for electric system improvements to maintain electric rates at a level which will provide adequate funds for properly operating and maintaining the electric system and meeting debt service obligations; and

WHEREAS, the Mayor and City Council have determined that the new electric rates should become effective for all electric bills issued on or after October 1, 2011.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that the charges for electric power shall be in accordance with the "City of Bandon Electric Utility Rates" schedule, dated "October 1, 2011," which is attached hereto and incorporated herein by reference; and

BE IT FURTHER RESOLVED that these electric rates shall be effective for all electric billings issued on or after October 1, 2011; and

BE IT FURTHER RESOLVED that all previous electric rates in conflict herewith are hereby repealed, and all other electric service fees and policies shall remain as existing.

ADOPTED by the City Council of the City of Bandon, this 12<sup>th</sup> day of September, 2011.

\_\_\_\_\_  
Mary Schamehorn, Mayor

*Attest:*

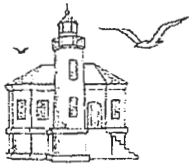
\_\_\_\_\_  
Matt Winkel, City Manager/Recorder

**CITY OF BANDON  
ELECTRIC UTILITY RATES  
October 1, 2011**

	Inside City Rates	Outside City Rates
<b>RESIDENTIAL</b>		
Basic Charge (mo)	6.08	13.16
1 <sup>st</sup> 650 kwh (mo)	0.0657	0.0657
All other usage (kwh)	0.0719	0.0719
<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b>		
Basic Charge (mo)	11.47	18.56
Consumption (kwh)	0.0679	0.0679
3 Phase Basic Charge(mo)	9.53	9.53
<b>LARGE COMMERCIAL &amp; INDUSTRIAL *</b>		
Basic Charge (mo)	11.47	18.56
Consumption (kwh)	0.0555	0.0555
3 Phase Basic Charge(mo)	9.53	9.53
Demand (kwh)	6.93	6.93
<b>KVAR ACCOUNTS**</b>		
Basic Charge (mo)	11.47	18.56
Consumption (kwh)	0.0501	0.0501
3 Phase Basic Charge(mo)	9.53	9.53
Demand (kwh)	6.93	6.93
<b>YARD LIGHTS</b>		
100 Watt Sodium Vapor	11.70	11.70
200 Watt Sodium Vapor	16.36	16.36
Installation Charge	61.35	61.35
<b>STREET LIGHTS</b>		
All consumption (kwh)	No Charge	No Charge
<b>FLAT RATE FEE</b>		
Misc. Non-metered Uses (Phone booths, etc.) (mo)	13.97	13.97
<b>CABLE STATIONS</b>		
Basic Charge (mo)	11.13	11.13
Per Booster (mo)	8.20	8.20

\* Large Commercial / Industrial are customers which have a demand of 50 kW for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are Industrial customers which have a demand plus a reactive factor.



TO: MATT WINKEL  
CITY MANAGER

DATE: AUGUST 16, 2011

FROM: SANDI BUTLER *sb*  
ASSISTANT FINANCE DIRECTOR

SUBJECT: ELECTRIC RATE COMPARISONS

Listed below are the current calculations for PP & L for residential electric service with an average of 1,200 kwh and also calculations for large commercial single phase service with demand with an average of 15,420 kwh and an average demand of 51.80 (PP & L had a 1% rate increase in June, 2011). The calculations shown for the City of Bandon factors in an increase of 5% in October, 2011, and also for Coos-Curry Electric Co-op factors an increase of 2% which takes effect in October, 2011.

	<u>Residential</u>	<u>Large Commercial</u>
City of Bandon	\$ 88.34	\$1,226.25
Coos Curry Electric Co-op	111.34	1,242.55
PP & L	97.87	1,361.38

sb  
08/16/11

## City Manager

---

**From:** Farleigh, Kevin S - PSW-6 [ksfarleigh@bpa.gov]  
**Sent:** Tuesday, July 26, 2011 5:54 PM  
**To:** 'citymanager@ci.bandon.or.us'  
**Subject:** Bandon's Projected Rate Impact  
**Follow Up Flag:** Follow up  
**Flag Status:** Red  
**Attachments:** RIM1 5\_Cs\_Premium\_BandonSummary.pdf

Greetings Matt,

To follow up on my prior email on BPA's release of final rates, attached is a one-page file that shows the projected rate increase for Bandon. This analysis is specific to Power at this point, but we will be working on the analysis that shows the combined power/transmission rate impact for Bandon.

Regarding this attached document, the primary number to consider is the **8.6%** in bold blue font. This is the projected rate increase for Bandon, and is comparable to Bandon's 6.6% rate impact that was calculated with the release of the Initial Proposal last November (note that both these numbers exclude the effect of the CRC rate credit, which goes away with the new rates; if you include that credit, Bandon's effective rate increase is 10.6%, which is shown highlighted in yellow on the far right and is comparable to 8.5% under the Initial Proposal).

When you compare these latest results to those under the Initial Proposal, the primary driver for the higher projected rate impact is Bandon's updated load forecast. With this forecast, Bandon's system peak was increased relative to the energy use, which raised the forecasted amount of billed demand.

The last thing I'd add is a short explanation of the chart at the top half of the page, which is organized into three columns. The first column displays results of the Initial Proposal rates and applies to them an older vintage of load forecast for Bandon (i.e. the forecast used in setting the Initial Proposal rates). The second column applies Bandon's updated load forecast to the Initial Proposal rates. The third column applies the updated load forecast to the final rates, and is the basis for the calculation of the 8.6% rate impact.

Please contact me with any questions. Thanks.

Kevin

**Kevin Farleigh**

Account Executive  
Bonneville Power Administration  
905 N.E. 11th Ave.  
Portland, OR 97232  
Office: (503) 230-4055  
Cell: (503) 757-7261  
Fax: (503) 230-3242

8/23/2011



Percent		Total BP-12 10-11 12-12
6.6%		8.6%
6.6%		8.6%
8.5%		10.6%
0.0%		0.0%
8.5%		10.6%

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Initial Proposal Nov '10												
PF-10 \$(000)	\$160	\$208	\$232	\$209	\$184	\$164	\$141	\$94	\$75	\$101	\$123	\$133
PF-12 Init \$(000)	\$167	\$177	\$210	\$225	\$209	\$199	\$212	\$79	\$128	\$136	\$108	\$129
PF-10 \$/MWh	\$31.20	\$33.05	\$33.94	\$29.27	\$29.91	\$27.77	\$25.68	\$20.03	\$16.91	\$22.61	\$27.19	\$28.74
PF-12 Init \$/MWh	\$32.38	\$28.05	\$30.76	\$31.56	\$34.01	\$33.73	\$38.66	\$16.89	\$28.83	\$30.51	\$24.00	\$27.77
Final Rates July 2011												
PF-10 \$(000)	\$157	\$206	\$232	\$210	\$179	\$162	\$140	\$92	\$74	\$101	\$122	\$131
PF-12 Final \$(000)	\$170	\$179	\$210	\$228	\$208	\$203	\$221	\$88	\$120	\$97	\$136	\$138
PF-10 \$/MWh	\$31.37	\$33.21	\$34.63	\$29.60	\$30.08	\$27.97	\$25.95	\$20.11	\$16.98	\$22.78	\$27.39	\$28.82
PF-12 final \$/MWh	\$33.89	\$28.64	\$31.24	\$32.19	\$34.89	\$34.94	\$40.96	\$19.14	\$27.44	\$22.07	\$30.88	\$30.32

RIM 1.5 Summary Run dated 4/19/2000

**RESOLUTION NO. 07-13**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY  
OF BANDON, OREGON, AMENDING THE ELECTRIC RATE SCHEDULE.**

WHEREAS, the City Council has determined that electric rates must be increased by five percent (5%) to provide adequate funds for properly operating and maintaining the electric system, and meeting debt service obligations; and

WHEREAS, existing agreements which provided bond financing for electric system improvements require the City to maintain electric rates at a level which will provide adequate funds for properly operating and maintaining the electric system, and meeting debt service obligations; and

WHEREAS, those bond financing agreements pre-dated the City Charter amendments which limit the authority of the City Council to increase utility rates; and

WHEREAS, the Mayor and City Council have determined that the new electric rates should become effective for all electric bills issued after June 30, 2007.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that the charges for electric power shall be in accordance with the "City of Bandon Electric Utility Rates" schedule, dated "July 1, 2007," which is attached hereto and incorporated herein by reference; and

BE IT FURTHER RESOLVED that these electric rates shall be effective for all electric billings issued after June 30, 2007; and

BE IT FURTHER RESOLVED that all previous electric rates in conflict herewith are hereby repealed, and all other electric service fees and policies shall remain as existing.

ADOPTED by the City Council of the City of Bandon, this 11<sup>th</sup> day of June, 2007.

---

Mary Schamehorn, Mayor

*Attest:*

---

Jo Anne Lepley, City Recorder

**CITY OF BANDON  
ELECTRIC UTILITY RATES  
July 1, 2007**

	Inside City Rates	Outside City Rates
<b>RESIDENTIAL</b>		
Basic Charge (mo)	5.79	12.53
1 <sup>st</sup> 650 kwh (mo)	0.0626	0.0626
All other usage (kwh)	0.0685	0.0685
<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b>		
Basic Charge (mo)	10.92	17.68
Consumption (kwh)	0.0647	0.0647
3 Phase Basic Charge(mo)	9.08	9.08
<b>LARGE COMMERCIAL &amp; INDUSTRIAL *</b>		
Basic Charge (mo)	10.92	17.68
Consumption (kwh)	0.0529	0.0529
3 Phase Basic Charge(mo)	9.08	9.08
Demand (kwh)	6.60	6.60
<b>KVAR ACCOUNTS**</b>		
Basic Charge (mo)	10.92	17.68
Consumption (kwh)	0.0477	0.0477
3 Phase Basic Charge(mo)	9.08	9.08
Demand (kwh)	6.60	6.60
<b>YARD LIGHTS</b>		
100 Watt Sodium Vapor	11.14	11.14
200 Watt Sodium Vapor	15.58	15.58
Installation Charge	58.43	58.43
<b>STREET LIGHTS</b>		
All consumption (kwh)	No Charge	No Charge
<b>FLAT RATE FEE</b>		
Misc. Non-metered Uses (Phone booths, etc.) (mo)	13.30	13.30
<b>CABLE STATIONS</b>		
Basic Charge (mo)	10.60	10.60
Per Booster (mo)	7.81	7.81

\* Large Commercial / Industrial are customers which have a demand of 50 kW for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are Industrial customers which have a demand plus a reactive factor.

RESOLUTION NO. 06-13

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY  
OF BANDON, OREGON, AMENDING THE ELECTRIC RATE SCHEDULE.

WHEREAS, existing agreements which provided bond financing for electric system improvements require the City to maintain electric rates at a level which will provide adequate funds for properly operating and maintaining the electric system, and meeting debt service obligations; and

WHEREAS, those bond financing agreements pre-dated the City Charter amendments which limit the authority of the City Council to increase utility rates; and

WHEREAS, the City Council has determined that electric rates must be increased by three percent (3%) to provide adequate funds for properly operating and maintaining the electric system, and meeting debt service obligations; and

WHEREAS, the Mayor and City Council have determined that the new electric rates should become effective for all electric bills issued after July 31, 2006, to ensure proper billing under the new electric rate schedule for all customers, including those who disconnect from electric service after July 31, 2006.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that, effective for all electric utility bills issued after July 31, 2006, the charges for electric power shall be in accordance with the "City of Bandon Electric Utility Rates" schedule, dated "July 1, 2006," which is attached hereto and incorporated herein by reference.

ADOPTED by the City Council of the City of Bandon, this 5<sup>th</sup> day of June, 2006.

---

Mary Schamehorn, Mayor

*Attest:*

---

Marie Ducharme, CMC  
City Recorder

**CITY OF BANDON  
ELECTRIC UTILITY RATES  
July 1, 2006**

	Inside City Rates	Outside City Rates
<b>RESIDENTIAL</b> Basic Charge (mo) 1 <sup>st</sup> 650 kwh All other usage (kwh)	5.51 0.0596 0.0652	11.93 0.0596 0.0652
<b>SMALL COMMERCIAL &amp; INDUSTRIAL</b> Basic Charge (mo) Consumption (kwh) 3 Phase Basic Charge	10.40 0.0616 8.65	16.84 0.0616 8.65
<b>LARGE COMMERCIAL &amp; INDUSTRIAL *</b> Basic Charge (mo) Consumption (kwh) 3 Phase Basic Charge Demand (kwh)	10.40 0.0504 8.65 6.29	16.84 0.0504 8.65 6.29
<b>KVAR ACCOUNTS**</b> Basic Charge (mo) Consumption (kwh) 3 Phase Basic Charge Demand (kwh)	10.40 0.0454 8.65 6.29	16.84 0.0454 8.65 6.29
<b>YARD LIGHTS</b> 100 Watt Sodium Vapor 200 Watt Sodium Vapor Installation Charge	10.61 14.84 55.65	10.61 14.84 55.65
<b>STREET LIGHT</b> All consumption (kwh)	No Charge	No Charge

\* Large Commercial / Industrial are customers which have a demand of 50 kwh for more than half of any 12 month period or are expected to have such a demand if they are a new customer.

\*\* KVAR Accounts are