

BILL NO. _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING CITY OF INDEPENDENCE POWER & LIGHT DEPARTMENT SCHEDULE OF ELECTRIC RATES TO BE EFFECTIVE FOR THE MONTHLY BILLING PERIOD BEGINNING OCTOBER 1, 2020, UNDER WHICH ELECTRIC UTILITY SERVICE SHALL BE FURNISHED TO ALL CUSTOMERS OF INDEPENDENCE POWER & LIGHT.

WHEREAS, the existing schedules of electric rates for Independence Power & Light Department customers were established by the Independence City Council through the passage of Ordinance No. 17184 (November 2008), Ordinance No. 17248 (February 2009), Ordinance No. 18323 (July 2014), Ordinance No. 18382 (October 2014), Ordinance No. 18619 (August 2016),; and Ordinance No. 18997 (March 2019),

WHEREAS, the existing rate schedules are not competitive with regional utility rate schedules; and,

WHEREAS, staff and consultant recommends that the Department's existing rate schedules be adjusted to be competitive with regional utilities and,

WHEREAS, the City Council passed a resolution that the electric rates be reduced by at least 6% and the new rates be simplified for our customers, and,

WHEREAS, the City Council passed a resolution that the department establish a Municipal rate for accounts paid for by the General Fund that reduces electric rate bills, and,

WHEREAS, the existing FA-1 rate schedule will be replaced by a forward-looking Power Cost Adjustment schedule (PCA) initially base-lined to \$0.00/kWh and adjusted annually or as deemed necessary by the Power & light General Manager; and,

WHEREAS, it is recommended that a new Regulatory & Environmental Compliance Rider schedule (RER), initially set to \$0.00/kWh, be established to recover costs imposed by existing and future governmental mandates and environmental costs that are not otherwise recovered under the proposed rate schedules; and,

WHEREAS, the proposed rate adjustments have been reviewed by the City Council and approved by the Public Utilities Advisory Board; and,

WHEREAS, the City Manager and the Power & Light Assistant General Manager recommend approval of the proposed rate schedules;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, AS FOLLOWS:

SECTION 1. That the schedules of rates, designated pages 1 through 79, are hereby adopted to be the electric rates at which electric utility service is provided to all Independence Power & Light Department customers within the corporate limits of Independence, Missouri; beginning on October 1, 2020, and with the Municipal Rate being effective July 1, 2020 a copy of which is marked as Exhibit 1

and attached hereto, incorporated by reference thereto, and made a part hereof as though fully set out herein.

SECTION 2. That the existing rate structure will sunset within three years of the implementation of the new structure with all accounts being transitioned by October 2023.

SECTION 3. That the Power & Light General Manager, or any designee, is/are authorized to determine and implement the calculation of the power cost adjustment schedule in accordance with the provision of Schedule PCA, the calculation of the regulatory and environmental Rider cost adjustments with the provision of the Schedule RER, and the avoided cost application rates for each 12-month period after December 31, 2020 in accordance with the applicable provisions of Schedule NM (Customer-Generator Net Metering Contract Service Rider) adopted in Section 1 of this Ordinance.

SECTION 4. That the Power & Light Director, or any designee, is/are authorized to enter into any Agreement provisions with eligible customers and administer the terms, conditions and other provisions of the Schedules of Rates adopted in Section 1 of this Ordinance.

SECTION 5. That Ordinance No's. 17184, 17248, 18323, 18382, 18619, 18997, and all other ordinances or parts of ordinances in conflict herewith, shall be the same are hereby repealed.

PASSED THIS _____ DAY OF _____, 2020 BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

City Manager