

ORDINANCE NO. 1348

AN ORDINANCE MODIFYING THE BASE AVERAGE COST OF WHOLESALE POWER; REPEALING ORDINANCES IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Baldwin City, Kansas, owns an electric utility system established to provide electric utility service to customers inside and outside the city limits; and

WHEREAS, Chapter XV, Article 2, of the Code of the City of Baldwin City, Kansas, provides for the provision and billing of electric service by the municipal electric utility; and

WHEREAS, the Base Average Cost for acquiring wholesale power must be adjusted from time to time in order to reflect the actual cost of wholesale power in order to include the most accurate Power Cost Adjustment numbers in the monthly utility billing.

NOW THEREFORE, BE IT ORDAINED by the Governing Body of the City of Baldwin City, Kansas, as follows:

Section 1. Modify Section 15-231 to Chapter XV, Article 2, of the Code of the City of Baldwin City, Kansas to reflect adjustment calculation of the Power Cost Adjustment:

Section 15-231. POWER COST ADJUSTMENT. A power cost adjustment will be added each month to the energy charge per kWh for all customers of the municipal electric utility. The power cost adjustment ("PCA") is to be computed each month using the Averaged Actual Delivered Cost of energy for the most recent three month period (determined by dividing the actual cost of purchased power for that three month period by the annual kilowatt-hours used for that same period), and a compensation factor of 1.10 for distribution system losses and energy furnished free by the municipal electric utility to the City of Baldwin City.

$$\text{PCA} = [\text{Cost} / \text{kWh} \times 1.10] - \text{Averaged Actual Delivered Cost}$$

For purposes of this formula, the following applies:

PCA = Power Cost Adjustment, stated as a cost per kWh, rounded to the nearest \$0.0001

Cost = the month's cost of purchased power and fuel for power plant generation

kWh = the month's kilowatt hours of purchased power and power plant generation

1.10 = Multiplier used to compensate utility for accounted losses or energy given away at no charge such as street lighting, line losses both Internal (distribution) and External (transmission), and theft.

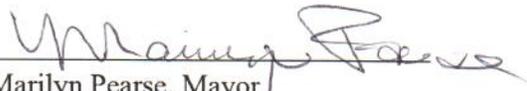
Section 2. Relevant portions of Ordinance No. 1307, Ordinance 1339 and any other ordinance or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent necessary to resolve such conflict.

Section 3. If any part of this ordinance is declared invalid for any reason, such invalidity shall not affect the remaining valid portions of this ordinance. To this end, the ordinance is declared severable:

Section 4. This ordinance shall be effective upon adoption by the governing body, approval by the Mayor, and publication as required by law. The change included herein shall be applied to utility billings immediately.

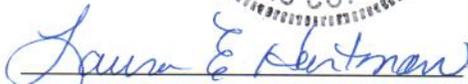
NOW, THEREFORE, BE IT ENACTED by the governing body of the City of Baldwin City, Kansas, on this 1st day of August, 2016.

APPROVED:


Marilyn Pearse, Mayor

ATTEST:




Laura E. Hartman, City Clerk

APPROVED AS TO FORM:


Matt Hoy, City Attorney