

Public Hearing

Electric Rate for Wind Power Tariff

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Rates Manager

January 13, 2015

Background

- October 14 City Council Meeting
 - Utilities filed 2015 Rate Case and requested public hearing for November 25
 - Wind Power Electric Rate Schedule tariff sheet
 - Wind Power tariff expires December 31, 2014
 - At that time no replacement wind contract was in place
- November 19 Utilities Board Meeting
 - Approved a two-year extension of the wind contract for 20,000 MWh/year
 - Cost of wind not sold will be recovered from all electric customers
- December 9 City Council Meeting
 - Approved 2015 Rate Case with Wind Power tariff reserved for future use

Review of Rate Filing Timeline

- December 8, 2014 Special Utilities Board Meeting
 - Reviewed anticipated Wind Power – Electric Rate Schedule filing
- December 9, 2014 City Council Meeting
 - Request for Hearing to consider Wind Power – Electric Rate Schedule
- January 13, 2015 City Council Meeting
 - Public rate hearing
 - Request suspension of Post-Hearing Procedures of City Council
 - Waive the requirement of a Decision and Order
 - Allow immediate approval of Resolution
 - If approved, Wind Power – Electric Rate Schedule will be effective January 14, 2015

Wind Power – WPWR Rate Calculation

Line No.	Description	Amount
(a)	(b)	(c)
1	Wind Power Cost per MWh	\$ 49.00
2	Conversion to kWh	1,000
3	Total Wind Power Cost per kWh (line 1/line 2)	\$ 0.0490
4	Conversion to 1 Block (100 kWh)	100
5	Energy Charge Rate Per Block (line 3 x line 4)	<u>\$ 4.9000</u>

Wind Contract Cost Under Recovery

- Should there be any unrecovered wind contract costs through this Wind Power tariff, the cost will be recovered from all electric customers through the Electric Cost Adjustment (ECA)
 - Total wind power purchase agreement expense
 - Less: Wind Power revenue
 - Equals cost to be recovered from all electric customers through ECA

Procedural Compliance

- Formal filing with City Clerk on December 9, 2014
- Rate Case Documents posted online December 9, 2014
- Published Legal Notice on December 11, 2014
- Mailed Legal Notice on December 12, 2014

Wind Awareness - Customer Outreach

- Updated website to include:
 - Communication regarding wind program and pricing
 - Rate Case Documents
- Letter sent to all existing wind customers
- Large customers individually contacted
- Utilities anticipates full program subscription
 - Utilities will confirm program subscription level after the January bill cycle
 - If not fully subscribed:
 - Utilities will implement additional awareness campaign
 - Any unsubscribed power is utilized in Utilities' total source of generation to serve all customers

Office of City Auditor Comments



Denny Nester
City Auditor

Public Questions and Comments

City Council Questions and Comments

Break **(if required)**

Utilities' Response