

CHAPTER 51: ELECTRICAL SERVICE

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§ 51.01 RESIDENTIAL ELECTRICAL SERVICE RATES.

(A) *Availability.* Residential electrical service rates will be charged only to residential customers in the City and in rural areas immediately adjacent to the City. The residential property must be a single residence and the electrical service must be used by the customer for domestic purposes only.

(B) *Rates.* Residential electrical service rates shall be established by the City Council upon the recommendation of the Utility Board. The residential electrical service rates are as set forth in the City's fee schedule.

(C) *Purchased power adjustment clause.* Bills computed under the rate schedule are subject to adjustment by the City in accordance with the purchase power adjustment clause.

§ 51.02 MULTI-UNIT BUILDINGS.

Where residential service in multi-unit building is measured through one meter, the minimum bill and energy blocks shall be multiplied by the number of units served. In houses where five or more rooms equipped for living purposes are for rent, each of the five rooms or fraction thereof, exclusive of apartments, shall be counted as an apartment.

§ 51.03 RULES FOR APPLICATION OF RESIDENTIAL SERVICE RATES.

(A) *Residential service rate availability.* This rate is available to any residential customer for domestic purposes only, in a single private residence, except as hereinafter provided.

(B) *Household appliances and equipment.*

- (1) All normally sized equipment for domestic illuminating, heating, cooking, and power used strictly for household purposes may be supplied through one meter.
- (2) Motors and other equipment which interfere with service to neighboring customers, all motors larger than five horsepower and snow melting installations or other temporary or seasonal loads totaling more than 10 kilowatts will not be permitted under the residential service rate.

(C) *Minimum charge.*

- (1) Only single-phase service, rendered through one meter, is available under the residential service rate.
- (2) Three phase service, service to motors larger than five horsepower, and service to snow melting installations totaling more than 10 kilowatts will be charged using such rates as are available to commercial customers.

(D) *Water heater installation specifications.* Water heaters that are located on properties that are receiving the residential service rate must meet the following specifications:

- (1) The water heater must be equipped with two thermostatically operated non-inductive heating elements designed for 240 volts. One element shall be near the bottom and the other not more than one-fourth the distance from the top of the tank and so connected or interlocked that they cannot operate simultaneously;
- (2) The bottom heating element and the top heating element of the water heater must be each 5500 watts or less; and
- (3) The water heater installation may consist of two or more tanks, provided that each tank meets the specifications for a single tank and that all are located on the same premises for one customer's use.

§ 51.04 MANUFACTURED HOME PARKS.

If electrical service is billed to a manufactured home park owner and not individual residents, the minimum bill and energy blocks shall be multiplied by the number of manufactured homes served.

§ 51.05 COMMERCIAL ELECTRICAL SERVICE RATES.

(A) *Availability.* The following commercial electrical service rates will be charged to commercial or industrial customers in the City and commercial and industrial customers in rural areas immediately adjacent to the City.

(B) *Delivery.*

- (1) Electrical service is available to commercial and industrial customers at secondary voltages of:
 - (a) 120/240 volt, single-phase, three-wire;
 - (b) 120/240 volt, three-phase, four-wire;
 - (c) 240 volt, three-phase, three-wire; or
 - (d) 120/208 volt, three-phase, four-wire.
- (2) Other secondary voltages may be made available to commercial or industrial customers through a special arrangement with the City.

(C) *Purchase power adjustment clause.* Bills computed under this rate schedule are subject to adjustment by the City in accordance with the purchase power adjustment clause.

(D) *Monthly minimum charge.*

(1) Single-phase service = monthly facility charge.

(2) Three-phase service = same as for single-phase service.

(3) Determination of connected load = the name plate rating of the connected equipment shall be the basis for determining connected loads. The kilowatt connected load for motors shall be assumed to be .8 kilowatt per horsepower of nameplate rating.

(4) For purposes of this section, new service and professional consumers operating a commercial enterprise out of a residence shall be considered commercial customers. That portion of the residence in use for commercial purposes shall be separately metered and billed on the commercial service rate.

(E) *Rates.* Rates shall be established by the City Council upon recommendation of the Utility Board. The rates are set forth in the City's fees schedule.

§ 51.06 INDUSTRIAL SERVICE RATES.

(A) *Availability.* The following industrial electrical service rates as set forth in this section shall be charged to industrial customers in the City and industrial customers in rural areas immediately adjacent to the City who provide their own substation and related equipment necessary to receive electrical service from the City's electrical power system.

(B) *Delivery.* Electrical service is available to industrial customers at primary voltages of 12, 470/7200 or 4160/2400, three-phase, four-wire. Power and energy used by the customers under this rate will be measured by demand (kilowatt) and energy (kilowatt-hour) metering devices.

(C) *Prompt payment provision.* A penalty of 10 percent of the gross amount billed, less sales tax, shall be added to all utility service bills remaining unpaid after the fifteenth day of the month in which the bill is rendered.

(D) *Billing demand.*

(1) The demand in kilovolt-amperes for billing purposes shall be determined by dividing the maximum demand in kilowatts by the monthly average power factor, but in no month shall the demand to be billed be considered as less than 50 percent of the greatest demand in kilovolt amperes billed during the preceding 11 months. In any event the demand to be billed shall not be less

than 100 kilovolt amperes. The maximum demand in kilowatts shall be the greatest 15-minute load during the month in which the bill is rendered.

- (2) The transmission charge billing demand for any billing period shall be 100 percent of the metered demand coincident to the City's highest metered demand measured during designated on-peak hours for any billing period during the most recent full summer season giving effect to adjustments. For purposes of this section, the "summer season" is defined as the period of June through September.

(E) *Power factor charge.*

- (1) The charge for an average power factor lower than 95 percent lagging or leading shall be computed as follows:
 - (a) The average power factor shall be determined by dividing the registration of the reactive volt-ampere-hour meter by that of the watt hour meter. The resultant sum shall then be compared against the power factor chart (reference Meter and Instrument Department, General Electric Company) on file with the City's Utility Department; or
 - (b) As determined or calculated by meter.
- (2) The power factor charge will be based on an adjustment added to the kilowatt demand charge calculated as follows: actual recorded kilowatt maximum demand for the month times the power factor required (.95) divided by the average power factor for the month. The resultant sum minus the actual recorded kilowatt is the power factor penalty and will be charged at current demand rates.

(F) *Large power seasonal and large power time of use tariffs.* As determined by the City's wholesale power supplier.

(G) *Other terms and conditions.*

- (1) The City's wholesale power supplier reserves the right to revise any of the tariffs with 90 days' notice.
- (2) The City's customers must remain on this rate for a minimum of 12 months, reapplying annually thereafter. However, the City can request that its wholesale power supplier terminate this rate for any of its customers after two months by notifying the supplier in writing.
- (3) Metering facilities and their placement at the customer's premises will be subject to inspection by the City or the City's wholesale power supplier.

When requested, the customer must lend assistance to the City or the City's wholesale power supplier in verifying the correctness of the meter reading. Upon request, the City will provide billing data to the City's wholesale power supplier related to the City's customers' total electric usage, as authorized by the Minnesota Statutes Chapter 13.

(4) The City reserves the right to terminate these rates with 90-days' notice.

(H) *Rates.* Rates shall be established by the City Council upon the recommendation of the Utility Board. The rates shall be set forth in the City's fee schedule.

§ 51.07 INDUSTRIAL PEAK CONTROLLED RATE.

As determined by the City's wholesale power supplier.

§ 51.08 ECONOMIC DEVELOPMENT INCENTIVE RATE.

As determined by the City's wholesale power supplier.

§ 51.09 PURCHASE POWER ADJUSTMENT CLAUSE (PPAC).

(A) During emergency periods or periods of high-priced energy, the City's wholesale power supplier may activate an emergency energy rate. During the emergency energy rate period, all wholesale energy purchased from the City's wholesale power supplier above current City billing demand cap will be charged to the City under the City's wholesale power supplier's wholesale emergency energy rate schedule.

(B) The total cost of electric energy purchased by the City during an emergency period will be billed to all customers of the City's electric utility through the Purchased Power Adjustment Clause (PPAC).

(C) The emergency energy cost will be applied to the energy used during the month that the emergency energy rate was implemented. It shall be billed by the City along with the normal charges for regular electric service. Electric accounts with time of use metering will be charged based on the actual energy used during the emergency energy period.

(D) The City will attempt to notify electric utility customers when an energy emergency may be occurring as soon as reasonably possible.

(E) In order to provide some level of electric service to all customers in the City during emergency conditions, the City reserves the right to implement rolling blackouts or random load shedding.

§ 51.10 ACCESS FEE.

(A) An electric system access fee is to be charged for the connection of all new

electrical services to the City electric distribution system. The electric system access fee is to recover part of the capital costs associated with the addition of new services that will be connected to the electric distribution system. Electrical facilities covered by the access fee include: distribution substation, sectionalizing and over-current devices and primary distribution feeders. Electric system access fees shall be established by the City Council and set forth in the City's fee schedule.

(B) All primary electrical distribution facilities must be installed by the City or its contractor. All electric distribution equipment to the point of final distribution must be operated, maintained, and replaced as determined by the City.

(C) The point of electrical distribution delivery will be determined by the City. The point of delivery will normally be at the secondary of a distribution transformer or at an assigned secondary pedestal. All new and replacement secondary distribution facilities shall be installed underground. The property owner is responsible for all costs associated with secondary service from the City point of delivery.

(D) The electrical system access fee must be paid to the City in full prior to obtaining a building permit and beginning construction. The developer or property owner will be required to furnish easements as required to allow the City to install and maintain its electrical distribution equipment.

<i>Access Fee Schedule</i>	<i>January 1, 2001</i> (Note 1)
Residential - single-family	\$ 200
Residential - multi-family first unit	\$ 500
Residential - multi-family each additional unit	\$ 100
Commercial - 50 KVA or less	\$ 700
Commercial - greater than 50 KVA	\$1,400
Industrial - small (Note 2 and 3)	\$1,000
Industrial - large (Note 2 and 3)	\$2,700

Note 1: An excess per foot charge shall apply beyond the normal point of delivery. An excess charge of \$4 per foot for single-phase (primary or secondary) from normal point of delivery. An excess charge of \$8 per foot for three-phase (primary or secondary) from normal point of delivery.

Note 2: All industrial accounts are responsible for the installed cost of their distribution transformer. All distribution transformer and equipment connected to the distribution system shall be approved for use by Lake City electric utilities. Lake City electric utilities are responsible for furnishing and maintaining all metering equipment, except for the meter socket.

Note 3: Industrial accounts served electric power through the unbundled rate shall also

be responsible for the cost of the primary backbone distribution facilities serving them.

(E) *Connection fee:*

- (1) Before installing a meter, a new customer must pay the connection fee to the City;
- (2) The connection fee is based on the size of service in amps;
- (3) The size of the service will be determined from a copy of state electrical inspection form;
- (4) The connection fee shall be calculated on a per amp basis. This fee shall be paid to the City along with any required deposits.

<i>Example:</i>	<i>Service Size</i>	<i>Connection Fee</i>
	150 amps	\$ 150
	200 amps	\$ 200
	400 amps	\$ 400
	800 amps	\$ 800
	1200 amps	\$1,200
	2000 amps	\$2,000

§ 51.11 LIABILITY FOR REPAIRS.

After the initial connection has been made to the electrical service, the applicant or occupant or other user of the property shall be liable for, but the City may perform, in its sole discretion and subject to the receipt of permission and a right of entry agreement, except in cases of emergency affecting the public health, safety, and welfare, all repairs between the City's electrical distribution system and the structure located on the premises. It shall be in the sole discretion of the City to repair or replace the electric service line. This policy permitting City repair between the City's electrical distribution system and the structure located on the premises shall be funded by an additional utility fee. The City Council shall establish this utility fee and shall set forth any eligibility requirements and opt-out provisions therein. The amount of the fee shall be set forth in the City's fee schedule. This service must be provided to all single family, duplexes, four plexes, and townhouses. Large apartment complexes and commercial and industrial properties are not included in this program. For any repairs performed by the City, the City shall not be responsible for the restoration of the excavation site, including, but not limited to, seeding or placement of sod, trees, shrubs, flowers, underground irrigation, or any other improvements not specifically mentioned herein which may be disturbed, destroyed, or removed during the repair or replacement of the electric service line. The City shall provide, in its sole discretion, only the initial repair or replacement of any impervious surface, should it be necessary in the performance of the repair of the property's electric service. Nothing herein will prevent the City from recovering the cost of repairs from the applicant, owner, or other occupant or other user of such premises or any other

party in the event it can be established that said parties were the cause of the damages requiring the repairs.

§ 51.12 RESPONSIBILITY FOR ELECTRIC SERVICE CHARGES.

All electric utility accounts must be carried in the name of the property owner, regardless of whether the property owner is occupying the property. In the event that a tenant is occupying the property, the tenant may be added to the electric utility account and may pay for the electric service, but in the event that the tenant does not pay the charges, any outstanding charges will be the responsibility of the property owner. Any unpaid electric service amounts may be certified by the City to the county auditor with taxes against the property served for collection as other taxes are collected in accordance with Minnesota Statutes Sections 415.01, 366.01, and 366.012 and applicable provisions of the City Code.