(Ordinance Summary published in The Mulvane News on <u>Jan. 24</u>, 2019 and the full text of the Ordinance made available at www.mulvanekansas.com for a minimum of one (1) week from the date of publication.)

ORDINANCE NO. 1511

AN ORDINANCE AMENDING TITLE VII, CHAPTER 700, ARTICLE IV, TITLED ELECTRICAL RATES OF THE CODE OF THE CITY OF MULVANE, SEDGWICK AND SUMNER COUNTIES, KANSAS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MULVANE, KANSAS, that the following is hereby adopted as Title VII, Chapter 700, Article IV, Section 700.290.D.4. Residential Rates-Net Monthly Rates-Parallel Generation Charges; Section 700.300.A.3. General Service—Commercial-Parallel Generation Charges; Section 700.310.D.7. Large General Service- Parallel Generation Charges; Section 300.320 City Rate; and Section 700.340.B.4. Athletic Fields- Parallel Generation Charges:

SECTION 700.290.D.4. Parallel Generation Charges. Any residential customer that installs an energy producing system or renewable generator with a capacity of 25 kilowatts or less may, upon request of such customer, enter into a contract with the City for parallel generation whereby such customer may attach or connect to the City's delivery and metering system an apparatus or device for the purpose of feeding excess electrical power which is generated by such customer's energy producing system into the City's electrical system and compensation therefore. Such contract shall comply with the requirements of K.S.A. 66-1,184 et seq., as amended. The cost of any equipment required to be installed for such attachment or metering and installation shall be the sole responsibility of the customer and such equipment shall not cause damage to the City's electric system or equipment or present an undue hazard to City personnel.

In addition to all other charges under this Article, any customer that has entered into a contract with the City pursuant to this subsection shall pay a monthly parallel generation charge calculated as Average Monthly Renewable Energy times Unrecovered Energy Revenue less Avoided Demand times the Capacity Demand Rate (i.e., (Average Monthly Renewable Energy x Unrecovered Energy Revenue) – (Avoided Demand x Capacity Demand Rate)).

The following definitions shall apply to this subsection:

Annual Electric Sales means the total amount of electricity in kWh sold by the City in the previous fiscal year.

Annual Energy Production means the annual energy production of the customer's energy producing system according to the National Renewable Energy Laboratory.

Annual Energy Rate means the Annual Energy Rate of the KPP as reported on the corresponding monthly invoice.

Average Monthly Renewable Energy means Annual Energy Production/12.

Average Revenue per kWh means Revenue from Energy Charges/Annual Electric Sales.

Avoided Demand means 10% of the Capacity Demand Rate.

<u>Capacity Demand Rate</u> means the capacity demand rate of the KPP as reported on the corresponding monthly invoice.

KPP means The Kansas Power Pool ("KPP"), a Municipal Energy Agency.

<u>Miscellaneous Energy Costs</u> means any generation fuel costs incurred by the City and not recovered from the KPP.

Revenue from Customer Charges means the total revenue of the City from all electricity customer charges in the prior fiscal year.

Revenue from Demand Charges means the total revenue of the City from all electricity demand charges in the prior fiscal year.

Revenue from Electric Operations means the total revenue of the City from all electric operations in the prior fiscal year.

<u>Revenue from Energy Charges</u> means Revenue from Electric Operations – Revenue from Customer Charges – Revenue from Demand Charges.

<u>Unrecovered Energy Revenue</u> means Average Revenue Per kWh – Annual Energy Rate – (Annual Energy Production/Annual Electric Sales).

SECTION 700.300.A.3. Parallel Generation Charges. Any commercial customer charged pursuant to this Section that installs an energy producing system or renewable generator with a capacity of 200 kilowatts or less may, upon request of such customer, enter into a contract with the City for parallel generation whereby such customer may attach or connect to the City's delivery and metering system an apparatus or device for the purpose of feeding excess electrical power which is generated by such customer's energy producing system into the City's electrical system and compensation therefore. Such contract shall comply with the requirements of K.S.A. 66-1,184 et seq., as amended. The cost of any equipment required to be installed for such attachment or metering and installation shall be the sole responsibility of the customer and such equipment shall not cause damage to the City's electric system or equipment or present an undue hazard to City personnel.

In addition to all other charges under this Article, any customer that has entered into a contract with the City pursuant to this subsection shall pay a monthly parallel generation charge calculated as Average Monthly Renewable Energy times Unrecovered Energy Revenue less Avoided Demand times the Capacity Demand Rate (i.e., (Average Monthly Renewable Energy x Unrecovered Energy Revenue) – (Avoided Demand x Capacity Demand Rate)).

The definitions set forth in Section 700.290.D.4. shall apply to this subsection.

SECTION 700.310.D.7. Parallel Generation Charges. Any commercial customer charged pursuant to this Section that installs an energy producing system or renewable generator with a capacity of 200 kilowatts or less may, upon request of such customer, enter into a contract with the City for parallel generation whereby such customer may attach or connect to the City's delivery and metering system an apparatus or device for the purpose of feeding excess electrical power which is generated by such customer's energy producing system into the City's electrical system and compensation therefore. Such contract shall comply with the requirements of K.S.A. 66-1,184 et seq., as amended. The cost of any equipment required to be installed for such attachment or metering and installation shall be the sole responsibility of the customer and such equipment shall not cause damage to the City's electric system or equipment or present an undue hazard to City personnel.

In addition to all other charges under this Article, any customer that has entered into a contract with the City pursuant to this subsection shall pay a monthly parallel generation charge calculated as Average Monthly Renewable Energy times Unrecovered Energy Revenue less Avoided Demand times the Capacity Demand Rate (i.e., (Average Monthly Renewable Energy x Unrecovered Energy Revenue) – (Avoided Demand x Capacity Demand Rate)).

The definitions set forth in Section 700.290.D.4. shall apply to this subsection.

SECTION 700.340.B.4. Parallel Generation Charges. Any athletic field customer charged pursuant to this Section that installs an energy producing system or renewable generator with a capacity of 200 kilowatts or less may, upon request of such customer, enter into a contract with the City for parallel generation whereby such customer may attach or connect to the City's delivery and metering system an apparatus or device for the purpose of feeding excess electrical power which is generated by such customer's energy producing system into the City's electrical system and compensation therefore. Such contract shall comply with the requirements of K.S.A. 66-1,184 et seq., as amended. The cost of any equipment required to be installed for such attachment or metering and installation shall be the sole responsibility of the customer and such equipment shall not cause damage to the City's electric system or equipment or present an undue hazard to City personnel.

In addition to all other charges under this Article, any customer that has entered into a contract with the City pursuant to this subsection shall pay a monthly parallel generation charge calculated as Average Monthly Renewable Energy times Unrecovered Energy Revenue less Avoided Demand times the Capacity Demand Rate (i.e., (Average Monthly Renewable Energy x Unrecovered Energy Revenue) – (Avoided Demand x Capacity Demand Rate)).

The definitions set forth in Section 700.290.D.4. shall apply to this subsection.

This Ordinance shall take effect on and be in full force after its adoption by the governing body of the City, approval by the Mayor and either (a) publication once in the official newspaper

of the City, or (b) publication of a summary hereof certified as legally accurate and sufficient by the City Attorney.

[Remainder of Page Intentionally Left Blank]

PASSED, ADOPTED AND APPROVED by the governing body of the City of Mulvane, Sedgwick and Sumner Counties, Kansas, this 21st day of January, 2019.

ATTESTAE KANALINI

CITY OF MULVANE, KANSAS

By

Shelly Steadman, Mayor

By Osler Debra M. Parker, City Clerk