

RESOLUTION NO. 2010-12

A RESOLUTION REVISING THE UTILITY RATE SCHEDULE
IN THE CITY OF VOLGA, SOUTH DAKOTA

BE IT RESOLVED by the City Council of the City of Volga, South Dakota that the following rates, charges and regulations for municipal electrical service are hereby adopted.

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1. Residential Service

APPLICABLE TO: Residential customers for all domestic uses in single-family dwellings and individually metered apartments within the service territory of the City of Volga Electric Utility and within the City limits of Volga, including use of motors of not more than 5 horsepower individual capacity.

SERVICE AVAILABLE: Single-phase, 60 hertz, 120/240 volt, 400 amp max., 3-wire, single meter.

MONTHLY RATE:

Customer Charge (No kWh)	\$6.40 per meter
plus	
Energy Charge	
All kWh @	9.5¢
Minimum Charge	\$5.00 per month

PROMPT PAYMENT PROVISIONS: All charges are net. If the bill is not paid by the 26th day of the month following the billing date, a late payment charge of 10 percent of the balance due shall apply.

SALES TAX: Sales tax to be added to all electric bills so as to be in compliance with the provisions of the laws of the State of South Dakota.

2. Out-of-City Service

APPLICABLE TO: Residential, commercial, or farm customers within the service territory of the City of Volga Electric Utility and outside of the City limits of Volga,

including use of motors of not more than 5 horsepower individual capacity, where the maximum monthly consumption in any 12 month period is less than 5000 kWh.

SERVICE AVAILABLE: Single-phase, 60 hertz, 120/240 volt, 400 amp max., 3-wire, single meter; or three-phase, 60 hertz, 240/120V, 208Y/120V, or 480Y/277V, 4-wire, single meter.

MONTHLY RATE:

Customer Charge (No kWh)	\$12.00 per meter
plus	
Energy Charge	
All kWh @	10.3¢
Minimum Charge	\$5.00 per month

PROMPT PAYMENT PROVISIONS: All charges are net. If the bill is not paid by the 26th day of the month following the billing date, a late payment charge of 10 percent of the balance due shall apply.

SALES TAX: Sales tax to be added to all electric bills so as to be in compliance with the provisions of the laws of the State of South Dakota.

3. Small Commercial Service

APPLICABLE TO: Any commercial, industrial, city, or farm load within the service territory of the City of Volga Electric Utility and within the City limits of Volga, for all purposes, where the maximum monthly consumption is less than 5000 kWh.

SERVICE AVAILABLE: Single-phase, 60 hertz, 120/240 volt, 400 amp max., 3-wire, single meter; or three-phase, 60 hertz, 240/120V, 208Y/120V, or 480Y/277V, 4-wire, single meter.

MONTHLY RATE:

Customer Charge (No kWh)	\$12.00 per meter
plus	
Energy Charge	
All kWh @	9.0¢
Minimum Charge	\$5.00 per month

PROMPT PAYMENT PROVISIONS: All charges are net. If the bill is not paid by the 26th day of the month following the billing date, a late payment charge of 10 percent of the balance due shall apply.

SALES TAX: Sales tax to be added to all electric bills so as to be in compliance with the provisions of the laws of the State of South Dakota.

4. Large Commercial Service

APPLICABLE TO: Any commercial, industrial, city, or farm load within the City of Volga Electric Utility service territory, for all purposes, where the maximum monthly consumption is more than 5000 kWh, or where the metered maximum demand in any one month exceeds 25kW.

SERVICE AVAILABLE: 60 hertz, three-phase, 240/120 V, 208 Y/120 V, or 480 Y/277 V, 4-wire. Special voltages may be provided at the discretion of the utility. Utility furnishes only one transformer bank and/or one meter.

MONTHLY RATE:

Customer Charge	\$14.50 per meter
+	
Energy Charge All kWh	2.7¢
+	
Demand Charge All kW @	\$13.00
Minimum Charge	\$5.00 per month

METERED DEMAND: The metered demand for any month shall be the maximum kilowatt demand established by the consumer for any thirty-minute interval during the month as indicated or recorded by a demand meter.

POWER FACTOR ADJUSTMENT: If the customer's average monthly power factor falls below 90%, leading or lagging, the utility may adjust the metered demand by the ratio of 90% to the measured average monthly power factor in percent. Example:

$$\begin{aligned} \text{Metered Demand} &= 739 \text{ kW} \\ \text{Ave. Mo. Power Factor} &= 73.0\% \\ \text{Ratio} &= 90/73 = 1.2329 \\ \text{Adjusted Demand} &= (739)(1.2329) = 911 \text{ kW} \end{aligned}$$

ADJUSTED DEMAND: The adjusted demand consists of the metered demand adjusted for power factor, if applicable.

BILLING DEMAND: The billing demand shall be the maximum measured thirty-minute integrated demand in the billing month, but not less than twenty percent (20%) of the maximum thirty-minute demand established in any of the twelve preceding months.

MEASUREMENT OF DEMAND AND ENERGY: When there are two or more demand and energy metering installations on the customer's premises, the metered quantities shall be determined by adding together the separate meter readings before application of the rate, unless special provisions are agreed to by the utility. At the customer's request, and

at the customer's expense, and at the Utility's discretion, the Utility may install special metering that will allow coincident demand billing.

PROMPT PAYMENT PROVISIONS: All charges are net. If the bill is not paid by the 26th day of the month following the billing date, a late payment charge of 10 percent of the balance due shall apply.

SALES TAX: Sales tax to be added to all electric bills so as to be in compliance with the provisions of the laws of the State of South Dakota.

5. Large Industrial Service

APPLICABLE TO: Any industrial load within the City of Volga Electric Utility service territory, for all purposes, where the metered maximum demand in any one month exceeds 2000kW.

SERVICE AVAILABLE: 60 hertz, three-phase, 208 Y/120 V or 480 Y/277 V, 4-wire, or standard primary voltage available at point of delivery. Special voltages may be provided at the discretion of the utility.

MONTHLY RATE COMPONENTS: The rate to Large Industrial customers will consist of the following components:

Customer Charge:	A monthly fixed charge intended to recover costs related to providing customer service functions.
Energy Charge:	A charge per kWh of energy used by the customer, equal to the cost of energy from the City's supplemental power supplier Heartland Consumers Power District.
Power Supply and Transmission Demand Charge:	A charge per kW of monthly demand <u>coincident with the City's peak billing demand interval</u> , equal to the demand charge imposed by the City's supplemental power supplier Heartland Consumers Power District, plus the transmission charge imposed by the City's transmission service provider East River Electric Power Cooperative.
Facilities Demand Charge:	A charge per kW applied to the customer's highest demand interval during the billing month, irrespective of when it occurs. This charge is intended to recover capacity-related costs in excess of power supply- and transmission-related capacity expenses.

ENERGY COST ADJUSTMENT: The City of Volga Electric Utility will apply a pass-through energy cost adjustment to recover any additional costs of purchased power imposed on them by Heartland Consumers Power District, through its use of the Power Cost Adjustment feature contained in its contract with the City of Volga.

INITIAL MARCH 2010 RATE:

March 1, 2010 Rate

Customer Charge

\$50.00 per meter

plus

Energy Charge

All kWh @

2.676¢

plus

**Power Supply and
Transmission Demand Charge**

All kW @

\$19.76 (applied to customer's
coincident peak demand)

plus

Facilities Demand Charge

All kW @

\$1.80 (applied to customer's non-
coincident peak demand)

COINCIDENT DEMAND: The coincident demand amount used for determining the Power Supply and Transmission Demand Charge for any month shall be the maximum thirty-minute kilowatt demand established by the consumer during the month, coincident with the City's monthly maximum demand interval used for establishing its billing peak, as indicated or recorded by a demand meter.

NON-COINCIDENT DEMAND: The non-coincident demand amount used for determining the Facilities Demand Charge for any month shall be the maximum thirty-minute kilowatt demand established by the consumer for any thirty-minute interval during the month as indicated or recorded by a demand meter, irrespective of when it occurs.

POWER FACTOR ADJUSTMENT: If the customer's average monthly power factor falls below 90%, leading or lagging, the utility may adjust the metered demand by the ratio of 90% to the measured average monthly power factor in percent. Example:

Metered Demand = 739 kW

Ave. Mo. Power Factor = 73.0%
Ratio = $90/73 = 1.2329$
Adjusted Demand = $(739)(1.2329) = 911$ kW

ADJUSTED DEMAND: The adjusted demand consists of the metered demand adjusted for power factor, if applicable.

MEASUREMENT OF DEMAND AND ENERGY: When there are two or more demand and energy metering installations on the customer's premises, the metered quantities for each interval in a billing period shall be determined by adding together the separate meter readings before application of the rate.

PROMPT PAYMENT PROVISIONS: All charges are net. If the bill is not paid by the 26th day of the month following the billing date, a late payment charge of 10 percent of the balance due shall apply.

SALES TAX: Sales tax to be added to all electric bills so as to be in compliance with the provisions of the laws of the State of South Dakota.

PAYMENT FOR FACILITIES: For initial facilities and for extension of facilities (including new delivery points and associated circuitry), the customer shall compensate the City of Volga at the cost of the facilities. The payment terms shall be as mutually agreed upon at the time the request to extend facilities is made.

For replacement of failed equipment or equipment that has exceeded its useful life, the City of Volga will replace the same at its expense.

This Resolution is necessary for the support of the municipal government and shall take effect immediately upon publication.

Passed and approved this 1st day of March, 2010.

CITY OF VOLGA, SOUTH DAKOTA

s/ Mary A. Bjerke
Mayor

ATTEST:

s/Nicole A. Rawden
Finance Officer