

ORDINANCE 1343

AN ORDINANCE OF THE TOWN OF RUSTON, WASHINGTON, RELATING TO ELECTRIC UTILITY RATES, FIXING A TYPOGRAPHICAL ERROR IN THE RATE INCREASE, CHANGING THE DEFINITION FOR CUSTOMERS ENTITLED TO THE ELECTRICAL UTILITY RATE AS "SENIOR/DISABLED LOW-INCOME" CUSTOMERS, ADDING A NEW SUBSECTION TO ALLOW LOW INCOME CUSTOMERS TO ESTABLISH A BUDGET BILLING PLAN, ADDING A NEW SECTION TO ADOPT RESTRICTIONS ON TERMINATING ELECTRICITY DURING WINTER MONTHS FOR LOW INCOME CUSTOMERS, AMENDING RUSTON MUNICIPAL CODE SECTIONS 18.01.010, 18.01.015 AND 18.01.030 AND ADOPTING A NEW SECTION 18.01.035.

WHEREAS, on June 20, 2011 the Town Council adopted Ordinance 1335 which amended Chapter 18.01 of the Ruston Municipal Code ("RMC") to update the Town's Electrical Utility Rates; and

WHEREAS, Ordinance 1335 established a two-step increase in electrical power rates; and

WHEREAS, these increases were for the purpose of passing on rate increases from the electricity provider, Tacoma Power; and

WHEREAS, the Town Council held a public hearing on the rate increases reflected in this Ordinance on May 2, 2011; and

WHEREAS, the first of these increases took effect on July 1, 2011 and the second increase is scheduled to take effect on April 1, 2012; and

WHEREAS, it has come to the attention of the Town that there were typographical errors in that Ordinance that must be corrected; and

WHEREAS, in Ordinance 1335 the Town also established lower rates for disabled/senior low income customers; and

WHEREAS, the definition of who qualifies for the reduced rates under the disabled/senior low income classification should be amended to make it consistent with state law; and

WHEREAS, in accordance with RCW 35.21.300(4) the Town is required to allow any person qualifying as low income to establish a "budget plan" for the payment of utilities; and

WHEREAS, 18.01.015 should be amended to provide for the "budget plan" consistent with state law; and

WHEREAS, in accordance with RCW 35.21.300, there are limitations on the Town's ability to terminate electrical service during the winter months for customers who are "low income"; and

WHEREAS, the Town's billing procedures set forth in RMC 18.01.030 do not include these limitations; and

WHEREAS, in order to be consistent with state law a new section should be added to the Ruston Municipal Code to adopt the requirements for terminating service to customers who are "low income";

NOW, THEREFORE,

**THE TOWN COUNCIL OF THE TOWN OF RUSTON HEREBY ORDAINS AS
FOLLOWS:**

Section 1. Section 18.01.010 of the Ruston Municipal Code Section is hereby amended to read as follows:

18.01.010 - Rates.

Electric power shall be sold by meter to all persons in the Town of Ruston who desire the same at the following rates:

(a) Residential/Commercial Rate.

(1) Customer charge (minimum charge): \$10.00 per month or any fraction thereof;

(2) Energy charge: \$0.068 cents per KWh for all kilowatt hours, beginning July 1, 2011; and \$0.073 cents per KWh for all kilowatt hours, beginning April 1, 2012;

(3) Reconnect fee: \$50.00.

(b) Utility Bill Late Charge.

(1) A late charge of \$15.00 will be added to the unpaid balance of each utility bill on the fifteenth day of the month in which such balance is due.

(2) All late charges shall be apportioned between the utility funds as determined by the Mayor.

Section 2. Section 18.01.015 of the Ruston Municipal Code Section

is hereby amended to read as follows:

18.01.015 - Senior/disabled low-income residential rates.

~~Senior/disabled low income residential rates as set forth in (b) below shall be available for single residences and individually metered apartments for those meeting the following guidelines:~~

(a) Definitions.

(1) "Senior" shall mean a natural person who is 62 years of age or older.

(2) "Disabled" shall mean a natural person who meets one or more of the following qualifications (i) qualifies for permanent special parking privileges under RCW 46.19.010, (ii) a blind person as defined in RCW 74.18.020, or (iii) a disabled, handicapped, or incapacitated person as defined under any other existing state or federal program.

(3) "Low income" shall mean a natural person whose total income, including his or her spouse or cotenant, does not exceed the amount specified in RCW 84.36.381(5)(a) or as it may be amended from time to time or who is eligible for "low income energy assistance" in accordance with 42 U.S.C. § 8624(C)(1) or as it may be amended from time to time.

(b) In order to qualify as a "Senior Low Income" or "Disabled Low Income" the qualifying natural person must meet both the definition of "Low Income" and the definition of either "Senior" or "Disabled" as described above. Furthermore, this section is only applicable if the qualifying person or the spouse of that person is billed by the Town for electrical services.

(1) Are 62 years of age or older, and have a minimum annual income of not more than 60 percent of the Washington State median income for a one person household, as computed in the Federal Register published by the Department of Health and Human Services, or does not exceed 60 percent of the Washington State median income for all members of the household as computed in the Federal Register published by the Department of Health and Human Services; or

(i) Receive supplemental security income pursuant to 42 U.S.C. Section 1381-1383; or

(ii) Are disabled and receive funds from a disability program as a result of a disability that prevents them from working consistent with the requirements of 42 U.S.C. Section 401 et seq., in accordance with SSA Pub. No. 64-039 and have a maximum annual income of not more than 60 percent of the Washington State median income for a one person household, as computed in the Federal Register published by the Department of Health and Human Services, and does not exceed 60 percent of the Washington State median income for all members of the household as computed in the Federal Register published by the Department of Health and Human Services; and

(2) Are billed or are the spouse of a person billed by the Town.

(3)(c) Eligibility shall be certified by the Utility Clerk.

(4)(d) Senior-Disabled Low-Income Residential Rates.

- (1) Customer charge (minimum charge): \$6.00 per month or any fraction thereof;
- (2) Energy charge: ~~cents~~ \$0.0494 per KWh for all kilowatt hours beginning on July 1, 2011, and \$0.0526 for all kilowatt hours beginning on April 1, 2012.
- (3) Reconnect fee: \$15.00.

(e) Utility Bill Late Charge. A late charge of \$10.00 will be added to the unpaid balance of each utility bill on the fifteenth day of the month in which such balance is due.

(f) In addition to the above reduced rates for persons qualifying as senior/disabled low income, any residential customer who qualifies as "low income" shall be permitted to opt for a "budget billing plan" whether he or she pays reduced rates or not. The budget billing plan shall provide the customer with equal monthly payments that will cover the annualized cost of electricity to the property. This plan may be established at any time of year. The amount of the budget billing payment will be established by the Utility Clerk based upon historical averages for the property address and may be adjusted from time to time to account for actual use.

Section 3. Section 18.01.030(b) of the Ruston Municipal Code is hereby amended to read as follows:

18.01.030 Meter Reading and Payment of Bills.

...

(b) Bills shall be payable on or before the fifteenth day of the month. Except as provided for in RMC 18.01.035, In case of nonpayment the Town may cut off the service after 24-hour notice has been given to such customer on or before the first day of the following month, and no person shall have any claim for damages or right of action against the Town for cutting off service on or after said date on account of nonpayment. If service is cut off for nonpayment, a fee of \$50.00 (\$100.00 during nonbusiness hours) shall be paid to the Town in addition to all sums due for current before

service is renewed.

...

Section 4. A new Section 18.01.035 is hereby added to the Ruston Municipal Code to read as follows:

18.01.035 Limitation on termination of service for residential heating for low income customers.

(a) The Town shall not terminate service for residential space heating between November 15 and March 15 if the customer:

(1) Notifies the Town of the inability to pay the bill, including a security deposit. This notice should be provided within five business days of receiving a payment overdue notice unless there are extenuating circumstances. If the customer fails to notify the Town within five business days and service is terminated, the customer can, by paying reconnection charges and fulfilling the requirements of this subsection, have service restored.

(2) Provides self-certification of household income for the prior twelve months to a grantee of the department of commerce which administers federally funded energy assistance programs or provides other verification that the customer meets the definition of "low income" as described in RMC 18.01.015;

(3) Has applied for home heating assistance from applicable government and private sector organizations and certifies that any assistance received will be applied to the current bill and future utility bills;

(4) Has applied for low-income weatherization assistance to the utility or other appropriate agency if such assistance is available for the dwelling;

(5) Agrees to a payment plan and agrees to maintain the payment plan. The plan will be designed both to pay the past due bill by the following October 15 and to pay for continued utility service. If the past due bill is not paid by the following October 15, the customer shall not be eligible for the protections under this section until the past due bill is paid.

The plan shall not require monthly payments in excess of seven percent of the customer's monthly income plus one-twelfth of any arrearage accrued from the date application is made and thereafter during November 15 through March 15. A customer may agree to pay a higher percentage during this period, but shall not be in default unless payment during this period is less than seven percent of monthly income plus one-twelfth of any arrearage accrued from the date application is made and thereafter. If assistance payments are received by the customer subsequent to implementation of the plan, the customer shall contact the utility to reformulate the plan; and

(6) Agrees to pay the moneys owed even if he or she moves.

(b) The Town shall:

(1) Include in any notice that an account is delinquent and that service may be subject to termination, a description of the customer's duties in this section;

(2) Assist the customer in fulfilling the requirements under this section;

(3) Be authorized to transfer an account to a new residence when a customer who has established a plan under this section moves from one residence to another within the same utility service area;

(4) Be permitted to disconnect service if the customer fails to honor the payment program. The Town may continue to disconnect service for those practices authorized by law other than for nonpayment as provided for in this section. Customers who qualify for payment plans under this section or under RMC 18.01.015(f) who default on their payment plans and are disconnected can be reconnected and maintain the protections afforded under this chapter by paying reconnection charges and by paying all amounts that would have been due and owing under the terms of the applicable payment plan, absent default, on the date on which service is reconnected; and

(5) Advise the customer in writing at the time it disconnects service that it will restore service if the customer

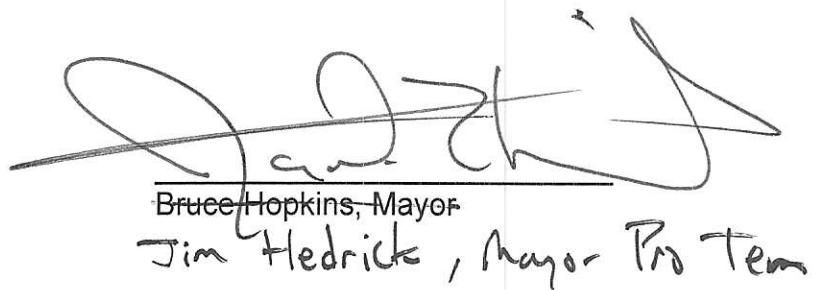
contacts the utility and fulfills the other requirements of this section.

Section 5. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 6. Publication. This Ordinance shall be published by an approved summary consisting of the title.

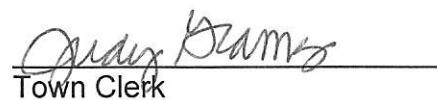
Section 7. Effective Date. A summary of this Ordinance, consisting of its Title, shall be published in the official newspaper of the Town and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED by the Town Council of the Town of Ruston, signed by the Mayor and attested by the Town Clerk in authentication of such passage on this ____ day of October, 2011.



Bruce Hopkins, Mayor
Jim Hedrick, Mayor Pro Tem

ATTEST/AUTHENTICATED:



Judy Adams

Town Clerk

APPROVED AS TO FORM:

Carol Morris, Town Attorney

Filed with the Town Clerk: _____
Passed by the Town Council: _____
Published: _____
Effective Date: _____
Ordinance Number: _____