

**ORDINANCE NO. 1404**

**AN ORDINANCE OF THE CITY OF RUSTON, WASHINGTON, RELATING TO ELECTRIC UTILITY RATES, AMENDING RUSTON MUNICIPAL CODE SECTION 18.01.010 TO INCREASE RATES FOR 2013 AND 2014 TO PASS THROUGH INCREASES CHARGED TO RUSTON BY TACOMA POWER AND TO CREATE A NEW FINANCIAL PENALTY WHEN THE POSTING OF DELINQUENCY NOTICES AT A CUSTOMER'S SERVICE ADDRESS IS REQUIRED, AND AMENDING RUSTON MUNICIPAL CODE SECTION 18.01.015 TO INCREASE RATES FOR LOW-INCOME SENIORS FOR 2013 AND 2014, AND ESTABLISHING AN EFFECTIVE DATE.**

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WHEREAS, the City of Ruston is permitted to provide its residents with electrical power in accordance with RCW 35.92.050; and

WHEREAS, the City of Ruston is entitled to set the rates for such electrical utility in accordance with RCW 35.84.010; and

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

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

WHEREAS, since that time, Tacoma Power has again increased its rates for the next two years, necessitating the City to pass through these rate increases; and

WHEREAS, to provide certainty to its customers, the City will again institute the two step rate increase over two years consistent with Tacoma Power, including a rate increase for its low-income senior rates; and

WHEREAS, due to a delay in passing through the 2013 rate increase, the City has run a deficit on its electrical utility. In order to recoup this deficit, the 2014 rate increase will occur on February 1, 2014, rather than April 1, 2014 (the date of Tacoma Power's 2014 increase); and

WHEREAS, the City has instituted a \$15.00 late fee for customer's whose accounts are unpaid by the 15<sup>th</sup> of each month; and

WHEREAS, approximately ten (10) percent of customers are not paying their delinquent accounts until such time as the City places a "shut-off" notice (doorhanger) on the door to the customer's service location or until the City employee arrives later to pull the customer's meter; and

WHEREAS, the cost to deliver these doorhanger notices is approximately \$15.00 per customer per visit and this cost is not currently being recouped from the delinquent customer; and

WHEREAS, the cost to place these doorhangers should be added as an additional penalty for delinquent accounts to ensure that the cost of notice is borne by the delinquent customer and not by all rate-payers; and

WHEREAS, on May 7, 2013 the City Council held first reading of this Ordinance; and

WHEREAS, on May 21, 2013, the Council adopted this Ordinance during its regular meeting at second reading; **NOW, THEREFORE**

**THE CITY COUNCIL OF THE CITY 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 City 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 per KWh for all kilowatt hours, beginning July 1, 2011; and \$0.073 per KWh for all kilowatt hours, beginning April 1, 2012;~~ \$0.076 per KWh for all kilowatt hours, beginning June 1, 2013; and \$0.080 per KWh for all kilowatt hours, beginning February 1, 2014.
  - (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.
  - (3) An additional \$15.00 fee will be charged for each shut-off notice doorhanger that is delivered to the customer's service location due to failure to make timely payment after assessment of the late charge. This is in addition to the \$15.00 late fee already assessed in (b)(1) above.

**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.**

- (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~~ City for electrical services.
- (c) Eligibility shall be certified by the Utility Clerk.
- (d) Senior-Disabled Low-Income Residential Rates.
  - (1) Customer charge (minimum charge): \$6.00 per month or any fraction thereof;
  - (2) Energy charge: ~~\$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; and \$0.055 per KWh for all kilowatt hours beginning June 1, 2013; and \$0.058 per KWh for all kilowatt hours beginning February 1, 2014.~~
  - (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. 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 4. Publication.** This Ordinance shall be published by an approved summary consisting of the title.


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

ADOPTED by the City Council of the City of Ruston and attested by the City Clerk in authentication of such passage on this 21<sup>st</sup> day of May, 2013.


APPROVED by the Mayor this 21<sup>st</sup> day of May, 2013.

  
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Bruce Hopkins, Mayor

ATTEST/AUTHENTICATED:

  
\_\_\_\_\_  
Judy Grams, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Jennifer Robertson  
Office of the City Attorney

FILED WITH THE CITY CLERK: \_\_\_\_\_  
PASSED BY THE CITY COUNCIL: \_\_\_\_\_  
PUBLISHED: \_\_\_\_\_  
EFFECTIVE DATE: \_\_\_\_\_  
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