ORDINANCE NO. 1494

ORDINANCE OF OF RUSTON, AN **ELECTRIC UTILITY** TO WASHINGTON, RELATING **MUNICIPAL** RATES. AMENDING RUSTON SECTIONS 18.01.010 AND 18.01.015 TO INCREASE RATES FOR ALL CUSTOMERS TO PASS THROUGH INCREASES CHARGED TO RUSTON BY TACOMA POWER, AND ESTABLISHING AN EFFECTIVE DATE.

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 July 7, 2015 the City Council adopted Ordinance 1460 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 ensuring the continued financial stability of the City's electrical utility; and

WHEREAS, since that time, Tacoma Power has again increased its rates with a new twostep increase and an increase in the fixed charge by \$3.00 per month in 2017 and another \$3.00 per month in 2018, necessitating the City to pass through these rate increases, including another \$0.50 per month in 2017 to keep up with the rate charged by Tacoma; and

WHEREAS, the fixed charge increases help pay for infrastructure and to replenish depleted reserves to ensure that the City's electrical utility will continue to be financially and operationally stable for many years; and

WHEREAS, the Tacoma increase took effect on April 15, 2017; and

WHEREAS, on April 18, 2017 the City Council held first reading of this Ordinance; and

WHEREAS, on May 2, 2017, 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 of Ruston who desire the same at the following rates:

- (a) Residential/Commercial Rate.
 - (1) Customer charge (minimum charge): \$10.00\frac{\$13.50}{13.50}\$ per month or any fraction thereof starting on June 1, 2017 and \$16.50 per month or any fraction thereof starting on April 1, 2018;
 - (2) Energy charge: \$0.080\\$0.0872 per KWh for all kilowatt hours, beginning February 1, 2014 June 1, 2017; and \$0.083\\$0.092 per KWh for all kilowatt hours, beginning August 1, 2015 April 1, 2018.
 - (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 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-\$9.50 per month or any fraction thereof starting on June 1, 2017 and \$12.50 per month or any fraction thereof starting on April 1, 2018;
 - (2) Energy charge: \$0.058 \$0.063 per KWh for all kilowatt hours beginning February 1, 2014 June 1, 2017; and \$0.060 \$0.066 per KWh for all kilowatt hours beginning on August 1, 2015 April 1, 2018.
 - (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.

<u>Section 4</u>. <u>Publication</u>. 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. The new electrical utility rates set forth in this Ordinance shall take effect on June 1, 2017.

ADOPTED by the City Council of the City of Ruston and attested by the City Clerk in authentication of such passage on this <u>2nd</u> day of <u>May</u>, 2017.

APPROVED by the Mayor this 2nd day of May, 2017.

Bruce Hopkins,