

Introduced by Councilmember _____

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PASADENA AMENDING THE LIGHT AND POWER RATE ORDINANCE, CHAPTER 13.04 OF THE PASADENA MUNICIPAL CODE, TO RESTRUCTURE ELECTRIC RATES.

The People of the City of Pasadena ordain as follows:

SECTION 1. This ordinance, due to its length and the corresponding costs of publication, will be published by title and summary as permitted by Section 508 of the Charter. The approved summary of this ordinance reads as follows:

SUMMARY

The purpose of Ordinance No. _____ is to restructure electricity rates for customers of the Pasadena Water and Power Department. The Ordinance creates three general customer groups: residential; commercial and industrial; and street lighting and traffic signals. Rates are segmented into the main components associated with electricity service (distribution, transmission and energy). Rates applicable to commercial and industrial class customers are segmented by demand and by primary or secondary voltage levels. The Ordinance provides a \$2 per month discount to multi-family residential customers with at least four meters per location. The Ordinance provides seasonal flat rate or time-of-use rate options available to all customers. The Ordinance gives customers optional rates for self-generation, green power, and curtailable service (available only for medium and large commercial and industrial customers).

SECTION 2. Subsections C and F of 13.04.020 of the Pasadena Municipal Code are hereby amended to read as follows:

“C. “Department”, “Pasadena Water and Power” or “PWP”, as herein used, means the "municipal water and power department of the City of Pasadena.”

“F. Power:

- a. Real Power – the work producing part of “apparent power” or rate of supply of energy – usually expressed in kilowatts (kW)
- b. Reactive Power– the portion of “apparent power” which does no work but must be supplied to power equipment, such as motors – usually expressed in kilovars (kvar).

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- c. Power Factor – The ratio of real power (kilowatts) to apparent power (kilovolt-amperes) for any given load and time (maximum value = 1.0).”

SECTION 3. Section 13.04.040 of the Pasadena Municipal Code is hereby amended to read as follows:

“13.04.040 Residential Single-Family Service.

The rates and conditions of services hereunder shall be as provided by Schedule R-1, as follows:

**SCHEDULE R-1
Residential Single-Family Service**

- A. **Applicability.** Applies to separately metered single-family dwellings and to individual family accommodations.
- B. **Character of Service Furnished.** Single phase 120/240-volt or 120/208-volt service when used for residential purposes only, 60-cycle alternating current service.
- C. **Conditions of Use.** Motors with more than 150 amps locked rotor are not served under this schedule.
- D. **Rates.** Customers shall pay the sum of distribution and customer charge, transmission services charge and energy services charge as specified below.
 - 1. **Distribution and Customer Charge:** Customers taking service under Schedule R-1 shall pay a distribution and customer charge based on their kWh used during the billing month as follows:

<u>kWh Usage per Month</u>	<u>Distribution and Customer Charge per Meter per Month</u>
0 – 250	\$3.82
251 – 350	\$7.82
351 – 450	\$15.82
451 – 550	\$22.82
551 – 650	\$28.82
651 – 750	\$35.82
751 – 1,000	\$42.82
Greater than 1,000	\$56.82

2. **Transmission Services Charge:** Customers taking service under Schedule R-1 shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170.

3. **Energy Services Charge:** Customers taking service under Schedule R-1 shall have two energy rate options.

3.1 Option A – Seasonal Flat Rate:

<u>Season</u>	<u>Energy Services Charge per kWh</u>
Summer	\$0.07073
Winter	\$0.06147

3.2 Option B – Time-Of-Use Rate:

<u>Time-of-Use</u>	<u>Energy Services Charge per kWh</u>
Summer On-Peak	\$0.10204
Summer Off-Peak	\$0.05882
Winter On-Peak	\$0.06642
Winter Off-Peak	\$0.05641

This option is subject to meter availability. The customer shall be responsible for the cost of installing the metering equipment required for this service.

3.3 Power Cost Adjustment: Power cost adjustment to be added to energy services charge. Rate Options A and B are subject to adjustment as provided in Section 13.04.173.

4. **Application Charge:** For each application for new service, or customer originated account change, to be added to the first bill \$5.00

E. **General Conditions.**

1. **Selection of Energy Rate Option.** The default energy rate option for customers under Schedule R-1 is Option A – Seasonal Flat Rate. A customer may choose to receive energy under either Option A or B; however, when a customer requests a change of energy rate option, that customer may not change to another energy rate option before twelve months have elapsed.

F. Special Provisions.

1. **Lifeline Service.** Each customer who receives a senior citizen or disability exemption from the utility users' tax imposed by Chapter 4.56 shall receive a 25-percent discount from the distribution and customer charge for the first 180 kWh used per month. Customers eligible for this discount shall also receive a 25-percent discount on the first 180 kWh per month of transmission services charge and energy services charge. Such discounts shall apply only during such times as the customer is receiving the exemption from the utility users' tax. The customer shall notify PWP when eligibility for lifeline service no longer exists. Failure to notify PWP, may result in back-billing to the customer plus interest at a rate to be determined by PWP.

2. **Time Periods.** Time periods are defined as follows:
 - a. Summer months are defined as June through September. Winter months are defined as October through May.

 - b. Summer On-peak hours: 12:00 noon to 8:00 p.m.
Summer Off-peak hours: 8:00 p.m. to 12:00 noon
Winter On-peak hours: 6:00 a.m. to 10:00 p.m.
Winter Off-peak hours: 10:00 p.m. to 6:00 a.m.

 - c. Weekend and holiday hours are all off-peak

 - d. Holidays are New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas."

SECTION 4. A new Section 13.04.045 is hereby added to the Pasadena Municipal Code to read as follows:

"13.04.045 Residential Multi-Family Service.

The rates and conditions of services hereunder shall be as provided by Schedule R-2, as follows:

SCHEDULE R-2
Residential Multi-Family Service

- A. **Applicability.** Applies to separately metered multi-family dwellings and to individual family dwellings in multi-family dwellings. Multi-family dwellings are apartments, condominiums or town houses with at least four meters at the same physical location.
- B. **Character of Service Furnished.** Single phase 120/240-volt or 120/208-volt service when used for residential purposes only, 60-cycle alternating current service.
- C. **Conditions of Use.** Motors with more than 150 amps locked rotor are not served under this schedule.
- D. **Rates.** Customers shall pay the sum of distribution and customer charge, transmission services charge and energy services charge as specified below.
 - 1. **Distribution and Customer Charge:** Customers taking service under Schedule R-2 shall pay a distribution and customer charge based on their kWh used during the billing month as follows:

<u>kWh Usage per Month</u>	<u>Distribution and Customer Charge per Meter per Month</u>
0 – 250	\$3.82
251 – 350	\$7.82
351 – 450	\$15.82
451 – 550	\$22.82
551 – 650	\$28.82
651 – 750	\$35.82
751 – 1,000	\$42.82
Greater than 1,000	\$56.82

- 2. **Residential Multi-family Discount:** Customers taking service under Schedule R-2 shall receive a monthly multi-family discount of \$2.00 toward their monthly distribution and customer charge.
- 3. **Transmission Services Charge:** Customers taking service under Schedule R-2 shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170.

4. Energy Services Charge: Customers taking service under Schedule R-2 shall have two energy rate options to choose from for their energy services.

4.1 Option A – Seasonal Flat Rate:

<u>Season</u>	<u>Energy Services Charge per kWh</u>
Summer	\$0.07073
Winter	\$0.06147

4.2 Option B – Time-Of-Use Rate:

<u>Time-of-Use</u>	<u>Energy Services Charge per kWh</u>
Summer On-Peak	\$0.10204
Summer Off-Peak	\$0.05882
Winter On-Peak	\$0.06642
Winter Off-Peak	\$0.05641

This option is subject to meter availability. The customer shall be responsible for the cost of installing the metering equipment required for this service.

4.3 Power Cost Adjustment: Power cost adjustment to be added to energy services charge. Rate Options A and B are subject to adjustment as provided in Section 13.04.173.

5. Application Charge: For each application for new service, or customer originated account change, to be added to the first bill \$5.00

E. General Conditions.

1. **Selection of Energy Rate Option.** The default energy rate option for customers under Schedule R-2 is Option A – Seasonal Flat Rate. A customer may choose to receive energy under either Option A or B; however when a customer requests a change of energy rate option that customer may not change to another energy rate option before twelve months have elapsed.

F. Special Provisions.

1. **Lifeline Service.** Each customer who receives a senior citizen or disability exemption from the utility users' tax imposed by Chapter 4.56 shall receive a 25-percent discount from the distribution and customer charge for the first 180 kWh used per month. Customers eligible for this discount

shall also receive a 25-percent discount on the first 180 kWh per month of transmission services charge and energy services charge. Such discounts shall apply only during such times as the customer is receiving the exemption from the utility users' tax. The customer shall notify PWP when eligibility for lifeline service no longer exists. Failure to notify PWP, may result in back-billing to the customer plus interest at a rate to be determined by PWP.

2. **Time Periods.** Time periods are defined as follows:
 - a. Summer months are defined as June through September. Winter months are defined as October through May.
 - b. Summer On-peak hours: 12:00 noon to 8:00 p.m.
Summer Off-peak hours: 8:00 p.m. to 12:00 noon
Winter On-peak hours: 6:00 a.m. to 10:00 p.m.
Winter Off-peak hours: 10:00 p.m. to 6:00 a.m.
 - c. Weekend and holiday hours are all off-peak
 - d. Holidays are New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas."

SECTION 5. Section 13.04.050 of the Pasadena Municipal Code is hereby amended to read as follows:

"13.04.050 Small Commercial and Industrial Service.

The rates and conditions of services hereunder shall be as provided by Schedule S-1, as follows:

SCHEDULE S-1
Small Commercial and Industrial Service

- A. **Applicability.** Applies to single-phase and 3-phase general service, including lighting and incidental small power, through a single meter. Applies to service below 30 kW demand.

- B. Character of Service Furnished.** Single-phase 120/240 volt, and 120/208 or 240 volt 3-phase, 60-cycle alternating current service.
- C. Conditions of Use.** Single-phase motors 1/2 HP and larger shall be connected at 240 volts or 208 volts. Motors 5 HP and larger shall be connected 3 phase. Motor-connected loads in excess of 49 HP are not served under this schedule for new service after April 1, 1969.
- D. Rates.** Customers shall pay the sum of customer charge, distribution charge, transmission services charge, and energy services charge as specified below.

- 1. Customer Charge:** Customers taking service under Schedule S-1 shall pay customer charge during the billing month as follows:

	<u>Per Meter Per Month</u>
Customer charge:	
Single-phase service	\$ 9.66
Three-phase service	\$ 13.01

- 2. Distribution Charge:** Customers taking service under Schedule S-1 shall pay a distribution charge during the billing month as follows:

All kWh per month \$ 0.02796 per kWh

- 3. Transmission Services Charge:** Customers taking service under Schedule S-1 shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170.

- 4. Energy Services Charge:** Customers taking service under Schedule S-1 shall have two energy rate options.

4.1 Option A – Seasonal Flat Rate:

<u>Season</u>	<u>Energy Services Charge per kWh</u>
Summer	\$0.06901
Winter	\$0.06030

4.2 Option B – Time-Of-Use Rate:

<u>Time-of-Use</u>	<u>Energy Services Charge per kWh</u>
Summer On-Peak	\$0.10463
Summer Off-Peak	\$0.05706
Winter On-Peak	\$0.06431
Winter Off-Peak	\$0.05611

This option is subject to meter availability. The customer shall be responsible for the cost of installing the metering equipment required for this service.

4.3 Power Cost Adjustments: Power cost adjustments to be added to energy services charge. Rate Options A and B are subject to adjustment as provided in Section 13.04.173.

5. Minimum Monthly Charge:

Single-phase service \$ 9.66
Three-phase service \$ 13.01

6. **Application Charge**: For each application for new service, or customer originated account change, to be added to the first bill \$5.00

E. General Condition.

1. **Selection of Energy Rate Option.** The default energy rate option for customers under Schedule S-1 is Option A – Seasonal Flat Rate. A customer may choose to receive energy under either Option A or B; however, when a customer requests a change of energy rate option, that customer may not change to another energy rate option before twelve months have elapsed.

F. Special Provision.

1. Customers connected to 120/208 volt service whose sole usage of electricity is for residential purposes as defined by the PWP, shall be billed on the residential rate schedule.

2. **Time Periods.** Time periods are defined as follows:

a. Summer months are defined as June through September. Winter months are defined as October through May.

b. Summer On-peak hours: 12:00 noon to 8:00 p.m.
Summer Off-peak hours: 8:00 p.m. to 12:00 noon
Winter On-peak hours: 6:00 a.m. to 10:00 p.m.
Winter Off-peak hours: 10:00 p.m. to 6:00 a.m.

c. Weekend and holiday hours are all off-peak

- d. Holidays are New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas."

SECTION 6. Section 13.04.060 of the Pasadena Municipal Code is hereby amended to read as follows:

"13.04.060 Medium Commercial and Industrial Service - Secondary.

The rates and conditions of services hereunder shall be as provided by Schedule M-1, as follows:

**SCHEDULE M-1
Medium Commercial and Industrial Service - Secondary**

- A. **Applicability.** Applies to 3 phase general service, including power and lighting, measured with demand meter. Applies to service at 30 kW demand or greater, but less than 300 kW demand. Any customer served under this schedule whose monthly maximum demand has registered less than 30 kW or greater than 300 kW for twelve consecutive months is no longer eligible for service under this Schedule M-1 and must take service under another applicable rate schedule. This schedule is subject to meter availability. Applies to services metered and delivered at voltages less than 17 kV.
- B. **Character of Service Furnished.** 3 phase 240, 480, 120/208 or 277/480 volt, 60 cycle alternating current service.
- C. **Conditions of Use.** Motors of 50 HP or more shall be served as determined by PWP.
- D. **Rates.** Customers shall pay the sum of customer charge, distribution charge, transmission services charge, and energy services charge as specified below.
 - 1. **Customer Charge:** Customers taking service under Schedule M-1 shall pay customer charge during the billing month as follows:

Per Meter Per Month

Customer charge: \$ 41.08

2. **Distribution Charge:** Customers taking service under Schedule M-1 shall pay distribution charge during the billing month as follows:

All kilowatts of demand \$ 6.87 per kW

3. **Transmission Services Charge:** Customers taking service under Schedule M-1 shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170.

4. **Energy Services Charge:** Customers taking service under Schedule M-1 shall have two energy rate options.

4.1 Option A – Seasonal Flat Rate:

<u>Season</u>	<u>Energy Services Charge per kWh</u>
Summer	\$0.07338
Winter	\$0.06213

4.2 Option B – Time-Of-Use Rate:

<u>Time-of-Use</u>	<u>Energy Services Charge per kWh</u>
Summer On-Peak	\$0.10218
Summer Off-Peak	\$0.06063
Winter On-Peak	\$0.06578
Winter Off-Peak	\$0.05785

This option is subject to meter availability. The customer shall be responsible for the cost of purchasing and installing the metering equipment required for this service.

- 4.3 Power Cost Adjustment: Power cost adjustment to be added to energy services charge. Rate Options A and B are subject to adjustment as provided in Section 13.04.173.

5. **Minimum Monthly Charge:**

Minimum monthly charge \$ 247.18

6. **Application Charge:** For each application for new service, or customer originated account change, to be added to the first bill \$5.00

E. General Condition.

1. **Selection of Energy Rate Option.** The default energy rate option for customers under Schedule M-1 is Option A – Seasonal Flat Rate. A customer may choose to receive energy under either Option A or B; however, when a customer requests a change of energy rate option, that customer may not change to another energy rate option before twelve months have elapsed.

F. Special Provision.

1. **Determination of Billing Demand.** "Billing Demand" shall not be less than 30 KW. "Billing Demand" means the greater of (1) the kilowatts of measured maximum demand occurring during the current month or (2) the highest demand recorded in the last twelve months, including the current billing month. Demand is determined to the nearest kW. Demand meters will be adjusted to measure the maximum integrated demand over a 15-minute interval, or if the demand is of an intermittent character, PWP may adjust the meters to measure the demand during a shorter interval.
2. **Time Periods.** Time periods are defined as follows:
 - a. Summer months are defined as June through September. Winter months are defined as October through May.
 - b. Summer On-peak hours: 12:00 noon to 8:00 p.m.
Summer Off-peak hours: 8:00 p.m. to 12:00 noon
Winter On-peak hours: 6:00 a.m. to 10:00 p.m.
Winter Off-peak hours: 10:00 p.m. to 6:00 a.m.
 - c. Weekend and holiday hours are all off-peak
 - d. Holidays are New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas.
3. **Power Factor Penalty and Discount.**
 - a. Existing Loads: If a customer's load operates at a power factor of less than 75 percent, PWP may

require installation of equipment to correct the power factor to 75 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 75 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on the monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

- b. **New Loads:** On or after July 1, 2002, if a customer's load operates at a power factor of less than 85 percent, PWP may require installation of equipment to correct the power factor to 85 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 85 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on the monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

- 4. **Regulation by PWP.** PWP may at any time inspect or test any power equipment and estimate or measure the demand, starting currents, power factor or other characteristics of such equipment to determine proper billing or compliance with the requirements of this chapter.

5. **Curtable Service.**

- a. **Rates:** PWP may solicit customer bids for curtable service. In making such solicitations, PWP shall inform bidders of: a) the time period(s) that would likely be subject to curtailment; and b) limitations, if any, on PWP's right to curtail service, including limitations on the number of curtailments, the duration of each curtailment, and minimum notice of

curtailments. Bidders shall specify: 1) the minimum load level to which their service may be curtailed; and 2) the minimum price that they would accept for each kWh curtailed. For hours in which the bidder provides this service to PWP, the bidder shall receive from PWP a billing credit equal to the product of the quantity of customer load actually curtailed and the hourly curtailment price which was bid and accepted by PWP.

- b. **Actual Curtailment Quantities:** In each hour that PWP curtails a customer's service, PWP will quantify that hour's actual curtailment quantity by subtracting the customer's metered load in that hour from the customer's "normal load" for that hour. The customer's "normal load" for an hour is defined as the average of the customer's loads for the same hours of the five most recent "comparable days" that have not been subject to curtailments or objectively identifiable abnormal circumstances that have significantly affected customer consumption. "Comparable days" are as follows: for curtailments on Sundays and holidays, recent Sundays and holidays; for curtailments on non-holiday weekdays (Monday through Friday), recent non-holiday weekdays; and for Saturdays, recent Saturdays. Thus, by way of an example, the "normal load" for a Tuesday on the hour ending 3:00 pm would be the average of the loads in each of the hours ending 3:00 pm on the five most recent non-holiday weekdays that were not subject to curtailment."

SECTION 7. A new Section 13.04.064 is hereby added to the Pasadena Municipal Code to read as follows:

"13.04.064 Medium Commercial and Industrial Service - Primary.

The rates and conditions of services hereunder shall be as provided by Schedule M-2, as follows:

SCHEDULE M-2
Medium Commercial and Industrial Service - Primary

- A. **Applicability.** Applies to 3 phase general service, including power and lighting, measured with demand meter. Applies to service at 30 kW demand or greater, but less than 300 kW demand.

Any customer served under this schedule whose monthly maximum demand has registered less than 30 kW or greater than 300 kW for twelve consecutive months is no longer eligible for service under this Schedule M-2 and must take service under another applicable rate schedule. This schedule is subject to meter availability. Applies to services metered and delivered at voltages equal to or greater than 17 kV.

- B. Character of Service Furnished.** 3 phase, 60 cycle alternating current service at normal primary or sub-transmission voltages.
- C. Conditions of Use.** Motors of 50 HP or more shall be served as determined by PWP.
- D. Rates.** Customers shall pay the sum of customer charge, distribution charge, transmission services charge, and energy services charge as specified below.

- 1. Customer Charge:** Customers taking service under Schedule M-2 shall pay customer charge during the billing month as follows:

Per Meter Per Month

Customer charge: \$ 57.25

- 2. Distribution Charge:** Customers taking service under Schedule M-2 shall pay distribution charge during the billing month as follows:

All kilowatts of demand \$ 6.66 per kW

- 3. Transmission Services Charge:** Customers taking service under Schedule M-2 shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170.

- 4. Energy Services Charge:** Customers taking service under Schedule M-2 shall have two energy rate options.

4.1 Option A – Seasonal Flat Rate:

<u>Season</u>	<u>Energy Services Charge per kWh</u>
Summer	\$0.07154
Winter	\$0.06121

4.2 Option B – Time-Of-Use Rate:

<u>Time-of-Use</u>	<u>Energy Services Charge per kWh</u>
Summer On-Peak	\$0.10128
Summer Off-Peak	\$0.05970
Winter On-Peak	\$0.06481
Winter Off-Peak	\$0.05713

This option is subject to meter availability. The customer shall be responsible for the cost of installing the metering equipment required for this service.

4.3 Power Cost Adjustment: Power cost adjustment to be added to energy services charge. Rate Options A and B are subject to adjustment as provided in Section 13.04.173.

5. **Minimum Monthly Charge:**

Minimum monthly charge \$ 257.05

6. **Application Charge:** For each application for new service, or customer originated account change, to be added to the 1st bill \$5.00

E. **General Condition.**

1. **Selection of Energy Rate Option.** The default energy rate option for customers under Schedule M-2 is Option A – Seasonal Flat Rate. A customer may choose to receive energy under either Option A or B; however, when a customer requests a change of energy rate option, that customer may not change to another energy rate option before twelve months have elapsed.

F. **Special Provision.**

1. **Determination of Billing Demand.** "Billing Demand" shall not be less than 30 KW. "Billing Demand" means the greater of (1) the kilowatts of measured maximum demand occurring during the current month or (2) the highest demand recorded in the last 12 months, including the current billing month. Demand is determined to the nearest kW. Demand meters will be adjusted to measure the maximum integrated demand over a 15-minute interval, or if the demand is of an intermittent character, PWP may adjust the meters to measure the demand during a shorter interval.

2. **Time Periods.** Time periods are defined as follows:
- a. Summer months are defined as June through September. Winter months are defined as October through May.
 - b. Summer On-peak hours: 12:00 noon to 8:00 p.m.
Summer Off-peak hours: 8:00 p.m. to 12:00 noon
Winter On-peak hours: 6:00 a.m. to 10:00 p.m.
Winter Off-peak hours: 10:00 p.m. to 6:00 a.m.
 - c. Weekend and holiday hours are all off-peak
 - d. Holidays are New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas.

3. **Power Factor Penalty and Discount.**

- a. Existing Loads: If a customer's load operates at a power factor of less than 75 percent, PWP may require installation of equipment to correct the power factor to 75 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 75 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on the monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

- b. New Loads: On or after July 1, 2002, if a customer's load operates at a power factor of less than 85 percent, PWP may require installation of equipment to correct the power factor to 85 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 85 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on their monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

4. **Regulation by PWP.** PWP may at any time inspect or test any power equipment and estimate or measure the demand, starting currents, power factor or other characteristics of such equipment to determine proper billing or compliance with the requirements of this chapter.

4. **Curtable Service.**
 - a. **Rates:** PWP may solicit customer bids for curtable service. In making such solicitations, PWP shall inform bidders of: a) the time period(s) that would likely be subject to curtailment; and b) limitations, if any, on PWP's right to curtail service, including limitations on the number of curtailments, the duration of each curtailment, and minimum notice of curtailments. Bidders shall specify: 1) the minimum load level to which their service may be curtailed; and 2) the minimum price that they would accept for each kWh curtailed. For hours in which the bidder provides this service to PWP, the bidder shall receive from PWP a billing credit equal to the product of the quantity of customer load actually curtailed and the hourly curtailment price which was bid and accepted by PWP.

 5. **Actual Curtailment Quantities:** In each hour that PWP curtails a customer's service, PWP will quantify that hour's actual curtailment quantity by subtracting the customer's metered load in that hour from the customer's "normal load" for that hour. The customer's "normal load" for an hour is defined as the average of the customer's loads for the same hours of the five most recent "comparable days" that have not been subject to curtailments or objectively identifiable abnormal circumstances that have significantly affected customer consumption. "Comparable days" are as follows: for curtailments on Sundays and holidays, recent Sundays and holidays; for curtailments on non-holiday weekdays

(Monday through Friday), recent non-holiday weekdays; and for Saturdays, recent Saturdays. Thus, by way of an example, the “normal load” for a Tuesday on the hour ending 3:00 pm would be the average of the loads in each of the hours ending 3:00 pm on the five most recent non-holiday weekdays that were not subject to curtailment.”

SECTION 8. A new Section 13.04.067 is hereby added to the Pasadena Municipal Code to read as follows:

“13.04.067 Large Commercial and Industrial Service - Secondary.

The rates and conditions of services hereunder shall be as provided by Schedule L-1, as follows:

SCHEDULE L-1
Large Commercial and Industrial Service - Secondary

- A. **Applicability.** Applies to 3 phase general service, including power and lighting, measured with demand meter. Applies to service at 300 kW demand or greater. Any customer served under this schedule whose monthly maximum demand has registered less than 300 kW for twelve consecutive months is no longer eligible for service under this schedule L-1 and must take service under another applicable rate schedule. This schedule is subject to meter availability. Applies to services metered and delivered at voltages less than 17 kV.
- B. **Character of Service Furnished.** 3 phase 240, 480, 120/208 or 277/480 volt, 60 cycle alternating current service.
- C. **Conditions of Use.** Motors of 50 HP or more shall be served as determined by PWP.
- D. **Rates.** Customers shall pay the sum of customer charge, distribution charge, transmission services charge, and energy services charge as specified below.
 - 1. **Customer Charge:** Customers taking service under Schedule L-1 shall pay customer charge during the billing month as follows:

Per Meter Per Month

Customer charge: \$ 109.29

- 2. Distribution Charge:** Customers taking service under Schedule L-1 shall pay distribution charge during the billing month as follows:

All kilowatts of demand \$ 6.87 per kW

- 3. Transmission Services Charge:** Customers taking service under Schedule L-1 shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170.

- 4. Energy Services Charge:** Customers taking service under Schedule L-1 shall pay energy services charge as follows:

4.1 Time-Of-Use Rate:

<u>Time-of-Use</u>	<u>Energy Services Charge per kWh</u>
Summer On-Peak	\$0.10394
Summer Off-Peak	\$0.05843
Winter On-Peak	\$0.06579
Winter Off-Peak	\$0.05659

- 4.2 Power Cost Adjustment: Power cost adjustment to be added to energy service charge. Rate Options A and B are subject to adjustment as provided in Section 13.04.173.

- 5. Minimum Monthly Charge:**

Minimum monthly charge \$ 2,170.29

- 6. Application Charge:** For each application for new service, or customer originated account change, to be added to the 1st bill \$5.00

E. General Condition.

1. **Selection of Energy Rate Option.** The default energy rate option for customers under Schedule L-1 is Option A – Time-of-Use Rate. A customer may choose to receive energy under either Option A or B; however when a customer requests a change of energy rate option that customer may not change to another energy rate option before twelve months have elapsed.

F. Special Provision.

1. **Determination of Billing Demand.** "Billing Demand" shall not be less than 300 KW. "Billing Demand" means the greater of (1) the kilowatts of measured maximum demand occurring during the current month or (2) the highest demand recorded in the last twelve months, including the current billing month. Demand is determined to the nearest kW. Demand meters will be adjusted to measure the maximum integrated demand over a 15-minute interval, or if the demand is of an intermittent character, PWP may adjust the meters to measure the demand during a shorter interval.

2. **Time Periods.** Time periods are defined as follows:
 - a. Summer months are defined as June through September. Winter months are defined as October through May.
 - b. Summer On-peak hours: 12:00 noon to 8:00 p.m.
Summer Off-peak hours: 8:00 p.m. to 12:00 noon
Winter On-peak hours: 6:00 a.m. to 10:00 p.m.
Winter Off-peak hours: 10:00 p.m. to 6:00 a.m.
 - c. Weekend and holiday hours are all off-peak
 - d. Holidays are New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas.

3. **Power Factor Penalty and Discount.**
 - a. Existing Loads: If a customer's load operates at a power factor of less than 75 percent, PWP may require installation of equipment to correct the power factor to 75 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 75 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on the monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The

discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

- b. **New Loads:** On or after July 1, 2002, if a customer's load operates at a power factor of less than 85 percent, PWP may require installation of equipment to correct the power factor to 85 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 85 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on their monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

- 4. **Regulation by PWP.** PWP may at any time inspect or test any power equipment and estimate or measure the demand, starting currents, power factor or other characteristics of such equipment to determine proper billing or compliance with the requirements of this chapter.

5. **Curtable Service.**

- a. **Rates:** PWP may solicit customer bids for curtable service. In making such solicitations, PWP shall inform bidders of: a) the time period(s) that would likely be subject to curtailment; and b) limitations, if any, on PWP's right to curtail service, including limitations on the number of curtailments, the duration of each curtailment, and minimum notice of curtailments. Bidders shall specify: 1) the minimum load level to which their service may be curtailed; and 2) the minimum price that they would accept for each kWh curtailed. For hours in which the bidder provides this service to PWP, the bidder shall receive from PWP a billing credit equal to the product of the quantity of customer load actually curtailed and the hourly curtailment price which was bid and accepted by PWP.

- b. **Actual Curtailment Quantities:** In each hour that PWP curtails a customer's service, PWP will quantify that hour's actual curtailment quantity by subtracting the customer's metered load in that hour from the customer's "normal load" for that hour. The customer's "normal load" for an hour is defined as the average of the customer's loads for the same hours of the five most recent "comparable days" that have not been subject to curtailments or objectively identifiable abnormal circumstances that have significantly affected customer consumption. "Comparable days" are as follows: for curtailments on Sundays and holidays, recent Sundays and holidays; for curtailments on non-holiday weekdays (Monday through Friday), recent non-holiday weekdays; and for Saturdays, recent Saturdays. Thus, by way of an example, the "normal load" for a Tuesday on the hour ending 3:00 pm would be the average of the loads in each of the hours ending 3:00 pm on the five most recent non-holiday weekdays that were not subject to curtailment."

SECTION 9. Section 13.04.070 of the Pasadena Municipal Code is hereby amended to read as follows:

"13.04.070 Large Commercial and Industrial Service - Primary.

The rates and conditions of services hereunder shall be as provided by Schedule L-2, as follows:

SCHEDULE L-2
Large Commercial and Industrial Service - Primary

- A. **Applicability.** Applies to 3 phase general service, including power and lighting, measured with demand meter. Applies to service at 300 kW demand or greater. Any customer served under this schedule whose monthly maximum demand has registered less than 300 kW for twelve consecutive months is no longer eligible for service under this Schedule L-1 and must take service under another applicable rate schedule. This schedule is subject to meter availability. Applies to services metered and delivered at voltages greater than 17 kV.
- B. **Character of Service Furnished.** 3 phase, 60 cycle alternating current service at normal primary or sub-transmission voltages.

C. **Conditions of Use.** Motors of 50 HP or more shall be served as determined by PWP.

D. **Rates.** Customers shall pay the sum of customer charge, distribution charge, transmission services charge, and energy services charge as specified below.

1. **Customer Charge:** Customers taking service under Schedule L-2 shall pay customer charge during the billing month as follows:

Per Meter Per Month

Customer charge: \$ 125.47

2. **Distribution Charge:** Customers taking service under Schedule L-2 shall pay distribution charge during the billing month as follows:

All kilowatts of demand \$ 6.66 per kW

3. **Transmission Services Charge:** Customers taking service under Schedule L-2 shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170

4. **Energy Services Charge:** Customers taking service under Schedule L-2 shall pay energy services charge as follows:

4.1 Time-Of-Use Rate:

<u>Time-of-Use</u>	<u>Energy Services Charge per kWh</u>
Summer On-Peak	\$0.09852
Summer Off-Peak	\$0.05580
Winter On-Peak	\$0.06617
Winter Off-Peak	\$0.05629

4.2 Power Cost Adjustment: Power cost adjustment to be added to energy service charge. Rate Options A and B are subject to adjustment as provided in Section 13.04.173

5. **Minimum Monthly Charge:**

Minimum monthly charge \$ 2,123.47

6. **Application Charge:** For each application for new service, or customer originated account change, to be added to the first bill \$5.00

E. General Condition.

1. **Selection of Energy Rate Option.** The default energy rate option for customers under Schedule L-2 is Option A – Time-of-Use Rate. A customer may choose to receive energy under either Option A or B; however, when a customer requests a change of energy rate option, that customer may not change to another energy rate option before twelve months have elapsed.

F. Special Provision.

1. **Determination of Billing Demand.** "Billing Demand" shall not be less than 300 KW. "Billing Demand" means the greater of (1) the kilowatts of measured maximum demand occurring during the current month or (2) the highest monthly demand recorded in the last twelve months, including the current billing month. Demand is determined to the nearest kW. Demand meters will be adjusted to measure the maximum integrated demand over a 15-minute interval, or if the demand is of an intermittent character, PWP may adjust the meters to measure the demand during a shorter interval.
2. **Time Periods.** Time periods are defined as follows:
 - a. Summer months are defined as June through September. Winter months are defined as October through May.
 - b. Summer On-peak hours: 12:00 noon to 8:00 p.m.
Summer Off-peak hours: 8:00 p.m. to 12:00 noon
Winter On-peak hours: 6:00 a.m. to 10:00 p.m.
Winter Off-peak hours: 10:00 p.m. to 6:00 a.m.
 - c. Weekend and holiday hours are all off-peak
 - d. Holidays are New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, and Christmas.
3. **Power Factor Penalty and Discount.**
 - b. Existing Loads: If a customer's load operates at a power factor of less than 75 percent, PWP may

require installation of equipment to correct the power factor to 75 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 75 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on the monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

- b. **New Loads:** On or after July 1, 2002, if a customer's load operates at a power factor of less than 85 percent, PWP may require installation of equipment to correct the power factor to 85 percent or better. A penalty of one percent for each percent the average monthly power factor falls below 85 percent shall be added to the monthly bill.

A customer having a maximum demand of 50 kW or more shall be allowed a discount on their monthly bill of 0.333 percent for each percent the average monthly power factor exceeds 85 percent. The discount shall not exceed 5 percent. The power factor shall be computed to the nearest one percent. The discount shall be computed to the nearest 1/10 of one percent.

- 4. **Regulation by PWP.** PWP may at any time inspect or test any power equipment and estimate or measure the demand, starting currents, power factor or other characteristics of such equipment to determine proper billing or compliance with the requirements of this chapter.

5. **Curtable Service.**

- a. **Rates:** PWP may solicit customer bids for curtable service. In making such solicitations, PWP shall inform bidders of: a) the time period(s) that would likely be subject to curtailment; and b) limitations, if any, on PWP's right to curtail service, including

limitations on the number of curtailments, the duration of each curtailment, and minimum notice of curtailments. Bidders shall specify: 1) the minimum load level to which their service may be curtailed; and 2) the minimum price that they would accept for each kWh curtailed. For hours in which the bidder provides this service to PWP, the bidder shall receive from PWP a billing credit equal to the product of: a) the quantity of customer load actually curtailed; times b) the hourly curtailment price which was bid and accepted by PWP.

- b. **Actual Curtailment Quantities:** In each hour that PWP curtails a customer's service, PWP will quantify that hour's actual curtailment quantity by subtracting the customer's metered load in that hour from the customer's "normal load" for that hour. The customer's "normal load" for an hour is defined as the average of the customer's loads for the same hours of the five most recent "comparable days" that have not been subject to curtailments or objectively identifiable abnormal circumstances that have significantly affected customer consumption. "Comparable days" are as follows: for curtailments on Sundays and holidays, recent Sundays and holidays; for curtailments on non-holiday weekdays (Monday through Friday), recent non-holiday weekdays; and for Saturdays, recent Saturdays. Thus, by way of an example, the "normal load" for a Tuesday on the hour ending 3:00 pm would be the average of the loads in each of the hours ending 3:00 pm on the five most recent non-holiday weekdays that were not subject to curtailment."

SECTION 10. Section 13.04.071 of the Pasadena Municipal Code is hereby amended to read as follows:

"13.04.071 Special Load Management and Conservation Service.

- A. PWP may enter into temporary special rate agreements with selected Schedule M-1, Schedule M-2, Schedule L-1, and Schedule L-2 customers where load management will result in operating efficiency benefits to PWP. The purpose of this rate agreement shall be to encourage experimentation in load management and conservation programs within customer premises and allow evaluation of load management's effect on the power system.

- B. Said temporary rate agreements shall not exceed twelve months' duration. At that time PWP shall cancel the special rate or develop a class of service applicable to all like service.”

SECTION 11. New Subsection 13.04.075 (G) is hereby added to the Pasadena Municipal Code to read as follows:

“13.04.075 Long Term Contracts.

- G. Effective July 1, 2002, concurrent with the enactment of the comprehensive rate restructuring referred to in Section F, references in this Section 13.04.075 to former rate schedules G-2, P and PV which are no longer in effect shall be deemed to refer to Schedule M-1, Schedule M-2, Schedule L-1 or Schedule L-2 as appropriate.”

SECTION 12. Subsections C and D of 13.04.080 of the Pasadena Municipal Code are hereby amended to read as follows:

“C.	Rate.	Per Meter Per Month
1.	Distribution Charge: All kW of standby capacity.....	\$ 6.87 per kW
2.	Energy Charge: Energy shall be billed in accordance with the rate schedule which would otherwise apply if the customer had no generating equipment.	
3.	Minimum monthly charge: The demand charge or \$ 137.40, whichever is greater.	
4.	Application charge: For each application for new service, or customer originated account change, to be added to the first bill	\$ 5.00

D. Special Conditions.

- 2. Service Connections. Service connections shall be made so that at no time will the customer's generating equipment be connected to or operated in parallel with PWP's system. Switching devices used for service connections shall be approved by PWP.

SECTION 13. Section 13.04.085 (Cool Storage Time-of-Use Service) of the Pasadena Municipal Code is hereby repealed in its entirety.

SECTION 14. Section 13.04.090 of the Pasadena Municipal Code is hereby amended to read as follows:

“13.04.090 Street Lighting and Traffic Signal Service.

The rates and conditions of services hereunder shall be as provided by Schedule S, as follows:

**SCHEDULE SL
Street Lighting and Traffic Signals**

- A. Applicability.** Applies to outdoor street, highway and area lights and traffic signals, whether publicly or privately owned, where the poles, electrolier standards and lighting equipment are owned by the customer. For such lights as are burned from 30 minutes after sunset to 30 minutes before sunrise, 4140 hours of service per year will be used for cost calculation purpose.

- B. Rate.** Unmetered street lighting and signs not included in the Flat Rate section will be billed under the Metered Rate section using the hours of service per year set forth in subsection A. Unmetered load, including without limitation, traffic signals, street lighting, signs with extended hours of operation, bus shelters, and irrigation controllers will be billed under the Metered Rate section by extrapolating usage from a sample test metering period. All services covered under this section, whether billed under the Flat Rate or Metered Rate section shall also be subject to the transmission services charge and power adjustment charge in accordance with Section 13.04.170 and Section 13.04.173.

1. Flat Rate. Lamp Size	Monthly Charge (\$) Per Lamp
<u>Incandescent</u>	
1,000 lumens	\$ 0.64
1,500 lumens	0.76
2,500 lumens	1.33
4,000 lumens	2.14
6,000 lumens	3.05
10,000 lumens	4.63
67 watts	0.59
69 watts	0.60

103 watts	0.89
150 watts	1.29
202 watts	1.73
303 watts	2.59

Mercury Vapor

3,500 lumens	1.10
7,000 lumens	1.80
11,000 lumens	2.50
20,000 lumens	3.96
35,000 lumens	6.69
54,000 lumens	9.46

Fluorescent

213 watts	1.83
248 watts	2.14

High Pressure Sodium

35 watt	0.35
50 watt	0.49
70 watt	0.87
100 watt	1.20
150 watt	1.66
200 watt	2.11
250 watt	2.69
310 watt	3.28
400 watt	4.08
4-60 watt unit bus stop	3.29
2-40 watt unit bus stop	3.29
Metal Halide	2.72

2. Metered Distribution Rate.

- A. For metered street lighting, all energy will be billed at \$0.02487 per kWh.
- B. For metered traffic signals and signs, all energy will be billed at \$0.03682 per kWh.

3. Unmetered Distribution Rate

- A. For unmetered traffic signals and signs, all energy will be billed at \$0.03682 per kWh.

4. Transmission Services Charge: Customers taking service under

Schedule SL shall pay a transmission services charge for each kWh delivered to the in accordance with Section 13.04.170.

5. **Energy Services Charge:** Customers taking service under Schedule SL shall pay energy services charge of \$0.065 for each kWh delivered.
6. **Power Cost Adjustment:** Power cost adjustment to be added to energy service charge. The energy service charge is subject to adjustment as provided in Section 13.04.173.

SECTION 15. Section 13.04.120 of the Pasadena Municipal Code is hereby amended to add subsection C to read as follows:

- “C. Access to electric meters at the customers facilities shall be provided at all times. If access to the customers meter is prohibited by a locking device on a gate, door or other access entries, customers shall provide PWP with a key to allow access by meter readers or other authorized personnel for the purpose of inspecting and/or maintaining and/or reading the meter. PWP is authorized to install at the customer’s facility a lock box accessible only to PWP authorized personnel for the purpose of securing the key on site to gain ready access to the customer’s electric meter.

SECTION 16. Section 13.04.170 of the Pasadena Municipal Code is hereby amended to read as follows:

“13.04.170 Transmission Services Charge.

- A. The Transmission Services Charge (TSC) is designed to capture the “Transmission Revenue Requirement” as defined in Subsection C.4 below and shall be based on actual data obtained from the city's accounting system, forecast data obtained from the annual operational plan approved by the City Council, and updated forecast data prepared monthly by PWP.
- B. PWP shall calculate the TSC on a quarterly basis, and the revised value for this charge shall remain in effect for three months.
- C. For purposes of this section, the following definitions apply:
 1. ‘Direct Access Customers’ shall mean customers who choose an energy supplier other than PWP, taking service under Section 13.04.095.

2. 'Full Service Customers' shall mean customers who choose PWP as their energy supplier.
3. 'System Energy Sales' means the estimated total energy sales delivered to all customers, including Direct Access Customers.
4. 'Transmission Revenue Requirement' (TRR) means the sum of all costs related to the high-voltage transmission of energy, including, but not limited to, all transmission contracts, wheeling fees, pertinent labor and operating costs, associated general fund transfer, operating margin, debt service, and ISO access fees, less the sum of all wholesale revenues received in connection with the sale of any transmission entitlements.

D. The TSC shall be calculated quarterly as follows:

1. Commencing July 1, 2002, a separate Transmission Services Charge Fund (TSCF) account shall be maintained for balancing costs and revenues associated with high-voltage transmission and related services. Any Transmission Access Charge Fund (TACF) over collection or under collection existing on July 1, 2002 shall be deposited in the TSCF balance.
2. The TSCF account balance shall be calculated as the sum of actual revenues from the TSC less the actual TRR.
3. The TSC shall be calculated based on the forecasts for the following twelve months for TRR, System Energy Sales, and the TSCF balance as follows:

$$\frac{[\text{TRR Forecast} - \text{TSCF Fund Balance}]}{[\text{System Energy Sales Forecast}]}$$

4. The result of the formula shall be rounded to the nearest mill per kilowatt-hour. This shall be the Transmission Service Charge to be implemented.
5. The TSC for customers served under Schedule M-2 and Schedule L-2 or for service metered and delivered at 17kV or higher shall be reduced by \$0.00027 per kWh."

SECTION 16. A new Section 13.04.173 is hereby added to the Pasadena Municipal Code to read as follows:

“13.04.173 Power Cost Adjustment.

- A. A Power Cost Adjustment (PCA) shall be added to the energy services charge set forth in the service schedules of this chapter. Each customer shall pay the applicable energy services charge plus a PCA for each kWh delivered to the customer.
- E. The PCA shall be based on actual data obtained from the city's accounting system, forecast data obtained from the annual operational plan approved by the City Council, and updated forecast data prepared monthly by PWP.
- F. PWP shall recalculate the PCA each month, and the resulting values for these charges shall be automatically implemented on the first day of the following month.
- G. For purposes of this section, the following definitions apply:
 - 1. ‘Direct Access Customers’ shall mean customers who choose an energy supplier other than PWP, taking service under Section 13.04.095.
 - 2. ‘Energy Costs’ means the sum of all costs related to the procurement and generation of energy for delivery to Full Service Customers, including, but not limited to, Power Production Costs and Purchased Power Costs, operating margin, debt service and the general fund transfer associated with these costs.
 - 3. ‘Energy Cost Forecast’ means the forecast of projected Energy Costs for the twelve months immediately following the last actual billing period. This forecast shall be updated monthly by PWP.
 - 4. ‘Energy Services Charge Revenue Forecast’ means the forecast of projected Energy Services Charge Revenue for the twelve months immediately following the last actual billing period. The energy services charge set forth in the schedules reflects the energy cost forecast as of July 1, 2002, based on the approved rate restructuring plan approved by the City Council adjusted to each customer group’s load profile, and shall remain in effect until modified by Ordinance.

5. 'Energy Revenue Credit' is a percentage of the Wholesale Net Income used to reduce the Energy Charge. The Energy Revenue Credit shall be applied when the Wholesale Net Income is greater than zero and shall be determined at least quarterly based on the actual accounting data as follows: (i) 75% of the Wholesale Net Income shall be applied as a credit; (ii) additional amounts may be authorized by Council Resolution.
6. 'Energy Revenue Forecast' means the forecast of projected Energy Revenue Credits for the twelve months immediately following the last actual billing period. This forecast shall be updated monthly by PWP.
7. 'Fuel Costs' means the sum of the cost of fuel gas consumed, the cost of fuel oil consumed, and the cost of procuring, scheduling, testing and in-plant handling of that fuel gas and fuel oil. Fuel oil includes both residual fuel oil and distillate fuel oil.
8. 'Full Service Customers' shall mean customers who choose PWP as their energy supplier.
9. 'Full Service Energy Sales Forecast' means the forecast of projected energy sales (in kilowatt-hours) to Full Service Customers for the twelve months immediately following the last actual billing period. This forecast shall be updated monthly by PWP.
10. 'Power Production Costs' means the sum of all costs for the generation of electric energy at facilities owned and operated by PWP, including, but not limited to, Fuel Costs, labor, operating and maintenance expenses, materials, and emissions credits.
11. 'Purchased Power Costs' means the cost of energy and ancillary services, including, but not limited to, capacity and energy charges from third parties and all non-transmission charges charged by the California Independent System Operator (ISO).
12. 'System Energy Sales' means the estimated total energy sales delivered to all customers, including Direct Access Customers.
13. 'Wholesale Net Income' means the sum of revenues realized from wholesale energy and ancillary service sales, less the associated Production Cost and Purchased Power Cost attributable to the wholesale sales.

H. The PCA shall be added to the energy service charge set forth in the service schedules, and shall be calculated monthly as follows:

1. Commencing July 1, 2002, a separate Energy Services Charge Fund (ESCF) account shall be maintained for balancing costs, revenues, and credits associated with energy delivered to Full Service Customers. Any Energy Charge Fund over collection or under collection existing on July 1, 2002 shall be deposited in the ESCF balance.
2. The ESCF account balance shall be calculated as the sum of actual revenues from the Energy Services Charge, the Energy Revenue Credit, and any other credits authorized by the City Council, less the actual Energy Costs incurred.
3. The ESCF shall have a target reserve balance which equals the forecast annual ECF amount divided by twelve.
4. The Energy Services Charge shall be calculated based on the Energy Cost Forecast, Energy Revenue Credit Forecast, Full Service Energy Sales Forecast, and the ESCF balance as follows:

$$\frac{[\text{Energy Cost Forecast} - \text{Energy Revenue Credit Forecast} - \text{Fund Balance}]}{[\text{Full Service Energy Sales Forecast}]}$$

5. The PCA shall be calculated based on the twelve month forecast of Energy Services Revenue, Energy Cost, Energy Revenue Credit, Full Service Energy Sales, ESCF balance and Fund Reserve Target as follows:

$$\frac{[\text{Energy Cost Forecast} - \text{Energy Revenue Credit Forecast} - \text{Fund Balance} - \text{Energy Services Revenue Forecast}] + \text{Fund Reserve Target}}{[\text{Full Service Energy Sales Forecast}]}$$

6. The result of the formula shall be rounded to the nearest mill per kilowatt-hour. This shall be the PCA to be implemented.”

SECTION 18. A new Section 13.04.178 is hereby added to the Pasadena Municipal Code to read as follows:

“Section 13.04.178 Self-Generation Service

Schedule SG

Self-Generation Service

- A. Availability:** Available and mandatory to customers with self-generation or cogeneration capacity.
- B. Rates:** Rates for this service shall be the same as for the schedule under which the customer would ordinarily take service, with the following exceptions:
1. For Self-Generation Service customers in the Residential and Small Commercial and Industrial groups, the monthly Customer Charge and the Distribution Services Charge shall respectively be the same as those of the Medium Commercial and Industrial Class – Secondary (M-1).
 2. In each month, billing demand will be the greater of the maximum fifteen minute kW of the absolute net power that the customer received from or injected into the PWP power system during the current month or preceding eleven months.
 3. In each month, the billing determinant for the Transmission Services Charge shall be the sum, over the hours of the month, of the hourly net power that the customer received from the PWP power system, but in no event less than zero for the month.
 4. For energy charges and energy credits, billing determinants shall be quantified as follows:
 - a. For customers on seasonal flat energy rates, the monthly billing determinant shall be the net power that the customer received from the PWP power system during the month.
 - b. For customers on time-of-use (TOU) energy rates, the billing determinant for each TOU period shall be the net power that the customer received from the PWP power system during each period.
 5. For any period during which the customer’s net power received from the PWP power system is negative (i.e., during which the customer injects net power into the PWP power system), the customer shall not pay an Energy Charge but shall instead receive an energy credit.
 - a. The applicable energy credit periods shall be one month for customers on seasonal flat rates and TOU periods for customers on TOU rates.
 - b. The energy credit for each period shall equal the product of:

1. The customer's net injection into the PWP power system during the period and PWP's average power cost applicable to that period.
- c. Credits shall be given to the customer in the form of offsets to charges on the customer's bill. If, in any month, a customer's credits (including any credit carry-forwards from previous months) exceed that customer's charges, the net credit will carry forward to the customer's bill for the following twelve months.
6. The customer shall be responsible to reimburse PWP for any and all upgrades to PWP's power system which are necessary due to the customer's generation, including, without limitation, metering equipment.

C. Conditions:

1. The above service is subject to PWP rules and regulations.
2. This schedule will be applied to each meter at point of delivery or receipt, and in no event will meter readings be combined.
3. Customers shall sign an interconnection agreement with PWP.
4. Customers shall comply with Regulation 23."

SECTION 19. A new Section 13.04.179 is hereby added to the Pasadena Municipal Code to read as follows:

"Section 13.04.179 Green Power Service

Schedule GP
Green Power Service

- A. Applicability:** The charges set forth in this schedule apply to those customers who choose Green Power Service. By subscribing to Green Power Service customers will assist PWP in adding renewable energy capacity by paying a Green Power Premium which PWP will then apply to green power procurement.

Customers choosing this service shall nominate the amount of Green Service in blocks of 100 kWh per month. All other rates and charges for customer service, distribution and transmission services apply to these customers as specified in their otherwise applicable schedule. "Green Power" as used in this section shall mean non-fossil fuel based renewable energy generation sources such as small hydro, wind ,solar, geo-thermal and the like."

B. Green Power Premium:

The Green Power Premium shall be \$2.50 per month for each 100 kWh block of green power nomination.”

SECTION 20. Section 13.04.0240 of the Pasadena Municipal Code is hereby repealed.

SECTION 21. The City Clerk shall certify the adoption of this Ordinance and shall cause this ordinance to be published by title and summary.

SECTION 22. This ordinance shall take effect upon its publication by title and summary.

Signed and approved this ___ day of June, 2002.

Bill Bogaard
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council at its meeting held _____, 2002, by the following vote:

AYES:

NOES:


ABSENT:

ABSTAIN:

Published:

JANE L. RODRIGUEZ, CMC
CITY CLERK

Approved as to form:


Scott D. Rasmussen
Assistant City Attorney