



Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: JUNE 10, 2019

FROM: CITY ATTORNEY

SUBJECT: AN ORDINANCE OF THE CITY OF PASADENA AMENDING THE LIGHT AND POWER RATE ORDINANCE, TITLE 13, CHAPTER 13.04 OF THE PASADENA MUNICIPAL CODE

TITLE OF PROPOSED ORDINANCE:

An Ordinance of the City of Pasadena Amending the Light and Power Rate Ordinance, Title 13, Chapter 13.04 of the Pasadena Municipal Code.

PURPOSES OF THE ORDINANCE:

The Light and Power Rate Ordinance, Chapter 13.04 of the Pasadena Municipal Code, sets the rates and charges for electric system customers. The purpose of this ordinance is to amend the Light and Power Rate Ordinance as directed by the City Council on June 10, 2019.

The amendments will implement a new monthly fixed Grid Access Charge that will be effective July 1, 2019 and is expected to generate additional net revenues of approximately \$10.3 million per year, as summarized below:

Grid Access Charge and Revenues by Customer Class

Customer Class	Monthly Charge	Projected Annual Revenue
Residential	\$4.50	\$3.1 million
Small Commercial	\$17.00	\$1.5 million
Medium Commercial	\$250.00	\$2.7 million
Large Commercial	\$1,500.00	\$3.0 million
Total		\$10.3 million

Additionally, the monthly basic benefits for customers that qualify for the Electric Utility Assistance Program ("EUAP") will increase from the current amount of \$7.50 per month, as authorized by the City Council in August 2009, to \$10.00 per month effective July 1, 2019.

06/17/2019

MEETING OF 06/10/2019

AGENDA ITEM NO. -19 12

Finally, the EUAP income eligibility criteria will be amended to reflect the greater of: (i) the currently-approved limits as established by the lowest income criteria used by the City's Housing and Community Development Division for the Rental Assistance Program stated in Section 17.80.020 of the City Zoning Code; or (ii) the income eligibility determined annually by the California Public Utilities Commission's ("CPUC") Low-Income Oversight Board that is used by investor-owned utilities.

REASONS WHY LEGISLATION IS NEEDED:

Section 14.03 of the City Charter requires electrical energy rates to be prescribed by ordinance.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:

Light and Power customers of the Water and Power Department will pay the rates set forth in this ordinance. The Water and Power Department will be responsible for the administrative implementation of the new rates.

ENVIRONMENTAL DETERMINATION:

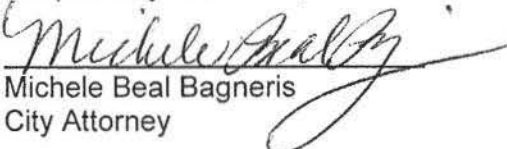
The recommended adjustments to the electric rate structure are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges).

FISCAL IMPACT:

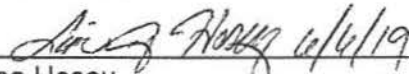
The monthly fixed Grid Access Charge will be effective July 1, 2019 and is expected to generate additional net revenues of approximately \$10.3 million per year.

Assuming no significant change in EUAP enrollment, the increased monthly benefit will result in an additional annual cost of \$121,020 to the Public Benefit Charge ("PBC") Fund. This additional expenditure is included in the recommended FY2020 budget and can be accommodated without increasing PBC revenues.


Respectfully submitted,


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