



OFFICE OF THE CITY MANAGER

November 19, 2018

TO: Honorable Mayor and City Council

FROM: City Manager

SUBJECT: AMEND PASADENA MUNICIPAL CODE TITLE 13, CHAPTER 13.04, SECTION 13.04.100 AND CHAPTER 13.20, SECTION 13.20.270 TO AUTHORIZE THE GENERAL MANAGER OF THE WATER & POWER DEPARTMENT TO REVISE SERVICE REGULATIONS FROM TIME TO TIME

On October 23, 2018, the Municipal Services Committee (“MSC”) approved the staff recommendation to amend Pasadena Municipal Code (“PMC”) Sections 13.04.100 (Service regulations and charges) and 13.20.270 (Service regulations and charge) to allow the General Manager of the Pasadena Water and Power Department (“PWP”) to make changes in service regulations that do not impact rates or fees. This will replace the current practice of the “Board of Directors of the City” adopting any changes to the service regulations, including those that do not impact rates or fees, by resolution.

On October 29, 2018, the City Council deferred action on the staff recommendation in light of public comment received expressing concern about “allowing such regulations to be written and approved – with no requirement for public notice, hearing, or opportunity for comment – by an unelected official who is also vested with summary enforcement powers to disconnect water and power services.” The City Council instead directed staff to return with potential revisions to the recommendation to address these concerns.

In consultation with the City Attorney’s Office, staff recommends that the City Council direct the City Attorney to incorporate the following language into the ordinance to amend PMC 13.04.100 and PMC 13.20.270:

No later than 30 days prior to the effective date of any amendments to such regulations, the proposed amendments shall be posted on PWP’s website and the City Council shall be notified in writing of such proposed amendments.

It should be noted that the primary purpose of the service regulations in question is lay out the technical design and operating specifications for interconnecting

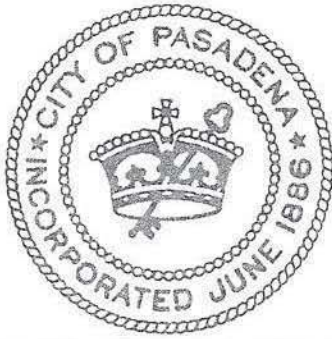
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customer equipment with that owned and operated by PWP. With the exception of immediate threats to health and safety, requirements set forth in the service regulations are seldom used as rationale to disconnect an existing customer's service.



STEVE MERMELL
City Manager



Agenda Report

October 29, 2018

TO: Honorable Mayor and City Council

THROUGH: Municipal Services Committee (October 23, 2018)

FROM: Water and Power Department

SUBJECT: AMEND PASADENA MUNICIPAL CODE TITLE 13, CHAPTER 13.04, SECTION 13.04.100 AND CHAPTER 13.20, SECTION 13.20.270 TO AUTHORIZE THE GENERAL MANAGER OF THE WATER & POWER DEPARTMENT TO REVISE SERVICE REGULATIONS FROM TIME TO TIME

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for this project;
2. Approve recommended amendments to Pasadena Municipal Code ("PMC") Sections 13.04.100 (Service regulations and charges) and 13.20.270 (Service regulations and charge) to allow the General Manager of the Pasadena Water and Power Department ("PWP") to make changes in service regulations that do not impact rates or fees. This will replace the current practice of the "Board of Directors of the City" adopting any changes to the service regulations, including those that do not impact rates or fees, by resolution; and
3. Direct the City Attorney to prepare an ordinance to amend PMC Title 13, Chapter 13.04, "Power Rates and Regulations" and Chapter 13.20, "Water Service and Rates" as described herein.

BACKGROUND:

PWP provides electricity and water services to customers, mostly within City boundaries in compliance with PMC Chapters 13.04 (Power Rates and Regulations) and 13.20 (Water Services and Rates). Sections 13.04.100 and 13.20.270 state that any changes to electric and water service regulations and requirements "shall be adopted by resolution of the Board of Directors of the City." These service regulations and

requirements are used by property owners, contractors, engineers, architects, and others to provide guidance for the design and installation of electric and water services as follows:

- Electric Service Requirements (Regulation 21) – *last revised in March 2006*
- Distributed Generation Facilities Interconnection Requirements (Regulation 23) – *last revised in April 2018*
- Water Service Requirements – *last revised in June 2012*
- Direct Access Electric Service Regulation (Regulation 22) – *last revised in 1996*

With many of the recent and foreseeable changes to available equipment and industry standards, there is a need to regularly revise, update, and clean-up service regulations. For example, existing requirements will be updated to address metering cabinet configurations and clearances based on industry product developments; new sections will also be added to Electric Service Requirements to address Distributed Generation Interconnections and Electric Vehicle (EV) charging stations. Additionally, PWP strives for continued improvements which may result in constant, but minor changes to regulations.

Change of PMC Language

The proposed amendments to the PMC will allow PWP to quickly address the constant changes in the industry and update individual standards and processes in order to mitigate inefficiencies and misinterpretations in the service standards.

PMC 13.04.100 (A) - Related to Power Rates and Regulations

Current language: “The general manager of the water and power department shall, from time to time, submit service regulations relating to conditions of service, application, administration and interpretation of rates, or to any other provision of this chapter, and a schedule of charges for reconnections and for various special services not otherwise provided for. Such regulations and schedule of charges shall be effective upon adoption thereof by resolution of the board of directors of the city.”

Revised language: “The General Manager of the Water and Power Department shall, from time to time, submit approve service regulations and procedures relating to conditions of service, application, administration and interpretation of rates, or to any other provision of this chapter, ~~and a schedule of charges for reconnections and for various special services not otherwise provided for.~~ Such regulations and schedule of charges; provided, however, that any proposed new or revised charges or fees for reconnections and for various special services not otherwise provided for in this chapter shall be effective upon

adoption thereof by resolution of the ~~board of directors of the~~
City Council.”

PMC 13.20.270 (A) – Related to Water Service and Rates

Current language: “The general manager of the department shall, from time to time, submit service regulations relating to conditions of service, application, administration and interpretation of rates, or to any other provision of this chapter, and a schedule of charges for reconnections and for various special services not otherwise provided for to the extent permitted by law. Such regulations and schedule charges shall be effective upon adoption thereof by resolution of the board of directors of city.”

Revised language: “The General Manager of the Water and Power Department shall, from time to time, ~~submit~~ approve service regulations and procedures relating to conditions of service, application, administration and interpretation of rates, or to any other provision of this chapter, ~~and a schedule of charges for reconnections and for various special services not otherwise provided for.~~ Such regulations and schedule of charges; provided, however, that any proposed new or revised charges or fees for reconnections and for various special services not otherwise provided for in this chapter shall be effective upon adoption thereof by resolution of the ~~board of directors of~~ City Council.”

Effects of the Proposed Language Change

Adoption of the proposed PMC language changes stated above is limited to technical requirements, agreements, forms, standards, procedures, etc. contained in the regulations and allows the General Manager of PWP to approve and adopt service regulations and procedures provided that they do not impact any rates or fees. However, all charges and fees shall continue to be reviewed and approved by the City Council.

Continual Improvement

PWP will continually review its service regulations in order to determine if changes are needed to address evolving technologies, national standards, and utility best practices.

COUNCIL POLICY CONSIDERATION:

Approval of the subject recommendation will improve transparency between PWP and its customers and developers regarding the service regulations. This action will

strengthen PWP's relationship with customers and builders and allow PWP to better serve the community.

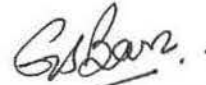
ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Section 15060 (c)(2), 15060 (c)(3), and 15378. The proposed amendments to the PMC to amend the process to revise service regulations are organizational and administrative activities that will not result in direct or indirect physical changes in the environment. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

Approval of the recommended action will have no fiscal impact as changes will not result in any changes to rates or fees. Changes to rates or fees for customers will continue to be presented to the City Council for review and approval.

Respectfully submitted,

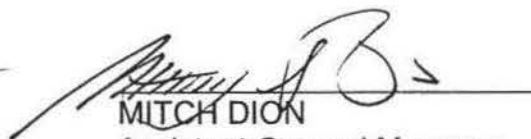


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