



Ordinance Fact Sheet

December 16, 2024

TO: CITY COUNCIL

FROM: CITY ATTORNEY

SUBJECT: AN ORDINANCE OF THE CITY OF PASADENA AMENDING TITLE 13, CHAPTER 13.04 OF THE PASADENA MUNICIPAL CODE, THE LIGHT AND POWER RATE ORDINANCE TO REMOVE DIRECT ACCESS AND RELATED TARIFFS AND TO AMEND LONG-TERM CONTRACT PROVISIONS

TITLE OF PROPOSED ORDINANCE

AN ORDINANCE OF THE CITY OF PASADENA AMENDING TITLE 13, CHAPTER 13.04 OF THE PASADENA MUNICIPAL CODE, THE LIGHT AND POWER RATE ORDINANCE TO REMOVE DIRECT ACCESS AND RELATED TARIFFS AND TO AMEND LONG-TERM CONTRACT PROVISIONS

PURPOSE OF THE ORDINANCE

As directed by the City Council on October 28, 2024, this ordinance amends the light and power ordinance to remove direct access and related tariffs and to amend long-term contract provisions of the Pasadena Municipal Code ("PMC"). The ordinance amendment is intended to prevent confusion and to simplify future ordinance changes by removing and amending outdated sections of the light and power rate ordinance.

REASONS WHY LEGISLATION IS NEEDED

In August 2024, Pasadena Water and Power ("PWP") initiated an electric rate study that included review of the current rate ordinance. As part of that review of the current rate ordinance, PWP identified Sections 13.04.095, 13.04.096, and 13.04.097 concerning Direct Access Service to be outdated, obsolete, or not aligned with current industry best practices and recommended these sections be repealed. PWP also recommends removing references to Direct Access Service in Sections 13.04.170 and 13.04.173. Finally, Section 13.04.075 concerning Long-term Contracts is outdated and

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MEETING OF 12/16/2024

AGENDA ITEM NO. 20

unclear, and PWP recommended amending this section to update eligibility requirements and eliminate prescriptive equity adjustments that are no longer appropriate for the City's rate structure.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED

No PWP customers are enrolled in Direct Access Service or Long-term Contracts currently. Long-term contracts will continue to be available to customers. PWP will implement this chapter.

ENVIRONMENTAL DETERMINATION

On October 28, 2024, the Council found that this ordinance is not a project as defined in the State CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption"). The ordinance amendment concerns provisions for agreements between PWP and customers for service fees and would not involve a direct or indirect change to the environment, therefore it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. In addition, this ordinance is a government fiscal activity that does not commit to any specific project and therefore is not a project under CEQA pursuant to State CEQA Guidelines Section 15378(b)(4).

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FISCAL IMPACT

There is no fiscal impact as a result of this ordinance amendment.

Respectfully submitted,


Michele Beal Bagneris
City Attorney

Prepared by:


Caroline K. Monroy
Deputy City Attorney

Concurred by:


MIGUEL MÁRQUEZ
City Manager