



Ordinance Fact Sheet

TO: Honorable Mayor and City Council **DATE:** March 23, 2026

FROM: City Attorney

**SUBJECT: AMENDMENTS TO 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, CALIFORNIA AMENDING THE LIGHT AND POWER RATE ORDINANCE, TITLE 13, CHAPTER 13.04 OF THE PASADENA MUNICIPAL CODE

PURPOSE OF THE ORDINANCE:

The proposed rate adjustments are before City Council to generate sufficient revenue to operate and reinvest in the City's electrical grid. The revenue needs are based on a financial plan that accounts for the realities of increasing costs of supplies for operations as well as increased capital investment needed to ensure the long-term integrity of the Pasadena electrical system.

The rate design process has been an iterative one, with extensive public engagement and a feedback loop with the Municipal Services Committee and the City Council, that has transformed the recommendations based on several proposals put forth by the Water and Power Department Staff. City Council made the policy decision to have staff propose a rate plan with 7% increases in three phases to ease the impact for residential customers.

REASONS WHY LEGISLATION IS NEEDED:

The Light and Power Rate Ordinance, Chapter 13.04 of the Pasadena Municipal Code ("PMC") prescribes the rates to be charged and collected for furnishing and delivering electrical energy; the terms, provisions and conditions respecting such rates and delivery of electrical energy; and the services supplied by the Water and

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Power Department of the City to customers served by the department. On February 23, 2026, the City Council directed the City Attorney to prepare an ordinance amending the Light and Power Rate Ordinance. This ordinance implements and codifies amendments to the PMC.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:

The proposed amendments will affect all Pasadena Water and Power electric customer classes, including residential, commercial, industrial, and municipal accounts.

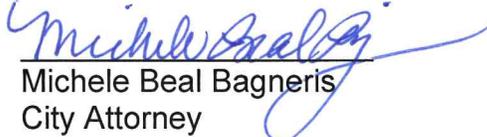
ENVIRONMENTAL DETERMINATION:

The recommended action, amending the light and power rate ordinance, is statutorily exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges).

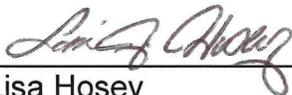
FISCAL IMPACT:

The rate increases are expected to generate revenue of approximately \$84 million annually. The incremental revenues will be used to offset increased operating and capital costs of the electric system.

Respectfully submitted,


Michele Beal Bagneris
City Attorney

Prepared by:



Lisa Hosey
Assistant City Attorney

Concurred by:



Miguel Márquez
City Manager