

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2023-24**

AN ORDINANCE AMENDING IN PART ORDINANCE NO. 99-18, AS AMENDED, BY ADOPTING REVISED RATE SCHEDULES FOR RESIDENTIAL SERVICES, AND DISTRIBUTED GENERATION RIDER; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of Kerrville, Texas, owns an electric system and manages and operates its system through its duly appointed board of trustees, the Kerrville Public Utility Board ("KPUB"), a body created pursuant to Texas law (Tex. Rev. Civ. Stat. Ann. art 1115, as amended) and Resolution No. 87-106; and

WHEREAS, KPUB, pursuant to the authority granted under Resolution No. 87-106, recently reviewed the current schedule of rates and charges for electric service and determined that various rates and charges should be adjusted to reflect current conditions and to maintain its service and bond obligations; and

WHEREAS, prior to making its recommendations, KPUB considered the report on the electric revenue requirements, cost of service, and rate design prepared by the independent consulting firm of Utility Financial Solutions ("UFS"), which was previously retained by KPUB to perform a Cost of Services Study; and

WHEREAS, City Council finds that the current schedule of electric rates and charges should be adjusted as recommended by UFS and KPUB to provide for the continued preservation of the public health, safety, and welfare of the people through the provision of energy services to the community;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. Ordinance No. 99-18, as amended, and as it applies to various rates and charges applicable to electric service provided by the electric system owned by the City of Kerrville and managed and operated on the City's behalf by the Kerrville Public Utility Board is amended as follows:

- A.** The revised Residential Rate Tariff, Residential Service Rate Schedule—RS, and Distributed Generation Rider DG, attached to this Ordinance as **Exhibit A** and incorporated herein by reference, are hereby adopted and are applicable to all residential customers of the City's electric system managed and controlled by the Kerrville Public Utility Board, effective November 1, 2023.

SECTION TWO. Except as specifically amended by Section One above as to rates and charges, Ordinance No. 99-18, as amended, remains in full force and effect.

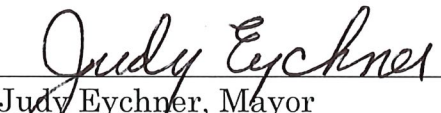
SECTION THREE. The provisions of this Ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.

SECTION FOUR. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. City Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconditional or invalid.

SECTION FIVE. This Ordinance shall become effective from and after the date of final passage on second reading.

PASSED AND APPROVED ON FIRST READING, this the 26 day of September, 2023.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 10 day of October, 2023.




Judy Eychner, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:



Shelley McElhannon, City Secretary

EXHIBIT A

RESIDENTIAL SERVICE RATE SCHEDULE - RS

APPLICATION

Applicable throughout the service area for all electric service supplied at one point of delivery and measured through one meter required exclusively for domestic purposes by individual (single family) private residents, individually metered apartment units and farm homes.

Not applicable to businesses, licensed boarding or rooming houses, camps, fraternity or sorority houses advertised as such, educational institutions, churches or facilities, or apartment houses, whose units are not individually metered, including the common facility requirements of residence also used for business purposes, evidenced by any form of advertising, including separate white page telephone listing, which will be served under the appropriate commercial service rate schedule. Not applicable to shared, standby, or resale service.

CHARACTER OF SERVICE

Service under this rate schedule shall be alternating current, 60 Hertz, single phase, at the customer's option of standard available voltages. KPUB may, at its option, provide three-phase service when individual motors rated at 7.5 horsepower or larger are connected.

MONTHLY RATE

<i>CHARGE</i>		<i>AMOUNT</i>
CUSTOMER CHARGE: Meter, Meter Reading, and Billing Charge		\$15.25
DISTRIBUTION	All kWh	\$0.01680 per kWh
POWER SUPPLY	All kWh	\$0.04060 per kWh

Plus an amount calculated in accordance with Rider PCAF.

Plus any taxes, assessments, or surcharges imposed by any governmental authority, which are assessed on the basis of revenues from electric service or volume of electricity purchased or sold.

MINIMUM CHARGE

The monthly minimum charge shall be the sum of the "Customer Charge" and all applicable rate adjustments.

PAYMENT

Bills are due when rendered and become past due if not paid within sixteen (16) days thereafter. Past due bills shall be assessed a one time penalty charge of 5% of the unpaid amount. Upon proof of age of over 60 years the penalty for past due bills shall be waived.

RESOLUTION NO. 23-14

A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD APPROVING THE REVISION OF THE ELECTRIC RATES CHARGED BY KPUB TO ITS RESIDENTIAL CUSTOMERS AND FORWARDING THE PROPOSED RESIDENTIAL TARIFF TO THE CITY OF KERRVILLE FOR ACTION AND APPROVAL BY THE CITY COUNCIL.

WHEREAS, in 2017, the KPUB staff recommended and the Board approved the hiring of the firm Utility Financial Solutions (UFS) to perform a Cost of Service Study; and

WHEREAS, on January 24, 2018, Mrs. Dawn Lund of UFS presented the company's Draft Cost of Service Study and Rate Design Reports to the Board with her recommended changes; and

WHEREAS, on August 28, 2018, KPUB Staff presented the Final Cost of Service Study and Rate Design Reports from UFS recommending two rate changes, one in Fiscal Year 2019 and a second in Fiscal Year 2021; and

WHEREAS, the KPUB Board approved resolution 18-12 revising residential rates according to the first stage of the rate design plan on August 28, 2018; and

WHEREAS, the Kerrville City Council approved Ordinance 2018-22 revising residential rates according to the first stage of the rate design plan on October 9, 2018; and

WHEREAS, the second stage of the rate design plan recommended for Fiscal Year 2021 has not yet been implemented; now, therefore,

BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:

Section 1. The above recitals are true and correct.

Section 2. The Board approves the revised Residential Rate Tariff, and Distributed Generation Rider DG, attached hereto as Exhibit "A", as recommended by UFS and Staff, and the General Manager is authorized to forward the revised residential rate tariff described herein to the Kerrville City Council for its consideration and action.

PASSED, APPROVED AND ADOPTED on this 20th day of September, 2023

ATTEST:

Mark Cowden, Chairman

Bill Thomas, Secretary

Kerrville Public Utility Board

2021 Rate Design

Residential

<u>Current Rate</u>		Customer Charge	Distribution All KWh's	Power Supply All KWh's	Calc by Utility Formula Estimated PCAF
Winter Rate	Meter Charge	\$ 3.75	\$ 0.0193	\$ 0.0406	\$ 0.02024
Summer	Meter Reading Charge	\$ 1.25	\$ 0.0193	\$ 0.0406	\$ 0.02024
	Billing Charge	\$ 5.25			
	Total	\$ 10.25			

<u>Proposed Rate</u>		Customer Charge	Distribution All KWh's	Power Supply All KWh's	Calc by Utility Formula Estimated PCAF
Winter Rate	Meter Charge	\$ 3.75	\$ 0.0168	\$ 0.0406	\$ 0.02024
Summer	Meter Reading Charge	\$ 1.25	\$ 0.0168	\$ 0.0406	\$ 0.02024
	Billing, Services, CS, Dist	\$ 10.25			
	Total	\$ 15.25			

Cost of Service 14.88

Total Without Contract Rates

Estimated Change in Revenues

Current Revenues 19,795,879
Proposed Revenues 20,199,169

Percentage Change 2.0%

Residential Dollar Impacts			
Usage	Dollar	Usage	Dollar
800	\$ 3.00	1300	1.75
900	2.75	1400	1.50
1000	2.50	1500	1.25
1100	2.25	1600	1.00
1200	2.00		

