

REGULAR COUNCIL MEETING
TUESDAY, FEBRUARY 17, 2015 - 7:30 PM

President Hach called the regular meeting to order in Courtroom #1, requested visitors please turn off their cell phones and other electronic devices. Councilwoman Lori DiNallo gave the invocation. The Pledge of Allegiance was recited.

City Council convened in a regular meeting in Council Chambers, with the following in attendance: Paul Hach, Lori DiNallo, Katie Jenkins, Andrew Flock, Jim Fodor, Tom Fitzgerald, Mike DeLeone, City Manager Anthony Carson, Law Director Joseph Gurley, Assistant City Manager Doug Lewis, Police Chief Anthony Powalie, Fire Chief Mark Mlachak, Finance Director Andy Unetic, Water Superintendent George Ginnis, Public Works Supervisor Brian Belfiore, Water Pollution Control Plant Superintendent Randy Bruback; Electric Superintendent Jeff McHugh, City Planner Lynn White, City Engineer Leanne Exum, Economic Development Director Cathy Bieterman, and Clerk of Council Tara Diehl.

A Motion was made by Mr. DeLeone, seconded by Mrs. Jenkins to approve minutes for February 2, 2015 as submitted. All members answered "yes". Motion carried.

Mr. Hach stated we will now be recognizing visitors and if there was anyone in the audience who wished to speak to please raise their hands and wait to be called upon. Once called upon, he requested Visitors please use the podium, clearly state their name and address into the microphone, and limit comments to 3 minutes. Any dialogue must be conducted through him as President of Council, although comments or questions can be addressed to Council, the Administration, or both.

Mr. Anthony Torre of 158 Sanford Street discussed the Gazette's newspaper article written by Rose Moore regarding General Paine being buried in Charter Oak Park. (*See Attachment #1*)

Mr. Angelo Cimaglio of 477 Owego Street expressed his concerns regarding how much money residents are saving with having their own utilities. There have been an enormous amount of complaints about Waste Management services, complaints about utility bill's billing cycle not consistent running 27 – 35 days. He also asked where the \$2.1 million came from that we paid AMP Ohio and where the \$9 million will come from to pay for the new water intake and crib. Is owning our own City services really saving us money?

President Hach asked for Council to Re-appoint James Callender to a five year term on the Board of Zoning Appeals. All members answered "yes". Motion carried.

There was an information update regarding the new Water Line Intake given by Water Superintendent George Ginnis. We are not at the point quite yet for Burgess and Niple to give their update. The Ohio EPA has been asking for an extraordinary amount of information for us to be able to acquire the 0% interest loan.

Mr. DeLeone asked when Burgess and Niple will be ready. Mr. Ginnis stated upon completion of documents and review, they will be ready.

Mr. Fodor asked what the time frame is for the 0% loan. Mr. Ginnis stated there are some hardline dates to complete. We have been working with the EPA and they are happy. He will have an update for Council at the next meeting.

Mr. Carson stated the EPA are trying to have all of the comments and materials put together and are requesting the City hold a Public Hearing. Mr. Ginnis & Ms. Diehl will be putting a Public Hearing together. Mr. Carson also clarified for Mr. Cimaglio that we have to prove to the EPA that there are no alternatives to our receiving this loan.

Mr. Fodor also clarified for Mr. Cimaglio that the Water Intake project has been an on-going discussion since he came on board with Council 5 years ago.

Moving on to Legislation, President Hach asked if there was anyone who wished to speak on the one item of legislation on the agenda this evening. No one wished to speak.

President Hach then asked for a Motion to remove items # 1, 2, and 3 from New Business on the Agenda:

1. Strategic Planning for 2015
2. Professional Development and Attending Conferences during 2015 focused on improving organizational effectiveness.
3. Historic District Preservation – Railroad/Depot Street

Mr. Fodor stated since Items #1 & #2 go hand in hand and Council is moving forward on these items, they can be removed.

Mr. Flock and City Planner Lynn White stated the WRRRA has provided their letter of intent to the Planning Commission, therefore, Item #3 can be removed from Council's agenda.

Motion by Mr. DeLeone, seconded by Mrs. Jenkins to remove New Business Items #1, #2 and #3 from the Agenda. All members answered "yes". Motion carried.

A RESOLUTION ESTABLISHING A PAINESVILLE JOB CREATION TAX CREDIT (JCTC)
AS PERMITTED IN SECTION 718.15 OF THE OHIO REVISED CODE AND DECLARING
AND EMERGENCY

Mr. Carson referred to Ms. Biertman who explained the City of Painesville's Economic Development Department has drafted a Job Creation Tax Credit Program (JCTC) based on the recommendation of the Economic Development Committee of Council. This resolution will allow the City to exercise its authority to form a Job Creation Tax Credit Program under section 718.15 of the Ohio Revised Code. This is a new Incentive Program that can be added to the City's existing programs for business retention, expansion and attraction. The program would allow eligible companies who are creating new jobs to receive a refundable tax credit up to a maximum of 50% of municipal income tax withheld for qualifying new jobs against their City of Painesville income tax with approval from City Council. At least 25 new, full-time jobs must be created and maintained by the company (taxpayer) within three years of initial operations. For the purposes of this program, "new jobs" do not include transfers from affiliated companies within the City of Painesville, nor for wage and salary increases of existing jobs. The average hourly base wage rate (excluding benefits) of the project's new, full-time, or full-time equivalent jobs must be at, or above 150% of federal minimum wage (average income jobs). If the average hourly base wage rate (excluding benefits) of at least 10 new, full-time, or full-time equivalent jobs are at, or above 400% of the federal minimum wage (high income jobs), then the minimum number of new jobs to be created to qualify for this program is reduced to 10. The company must agree to maintain operations at the project site for at least twice the term of the maximum number of years the tax credit is offered up to 20 years.

Mr. Hach asked if there are other communities who copy this. Ms. Biertman stated that in Lake County, both Mentor and Willoughby have JCTC. Ours mirrors the State of Ohio's program.

Mrs. Jenkins asked if this could go for three readings. Ms. Biertman stated "yes".

Mr. DeLeone asked for the Resolution to remain on for the next reading.

Under old business, there were two items: Prairie State Power Plant and Buffering of railroads and limited access highways.

Mr. Flock read from a News Herald Article and an ABC News Article regarding Prairie State. He provided a third article to Council and would like to discuss that article at the next meeting. (*See Attachments #2 & #3*)

Mr. Hach referred to Mr. Lewis who stated he had nothing new regarding buffering of railroads and limited access highways.

There was no Unfinished Business.

Electric Superintendent, Jeff McHugh, gave a Presentation to Council on Power Cost Adjustment (PCA). (*See Attachment #4*)

Mrs. Jenkins clarified that many municipalities use the PCA and questioned what method is use if they don't, and which would be more cost effective for the resident. Mr. McHugh recommended we stay with the PCA with a rolling average. Mrs. Jenkins asked if he could provide a comparison of last year with and without the PCA. Mr. McHugh stated they would have to go back through the data.

Mr. DeLeone asked if they would have to use one account or if it would be several accounts. Mr. McHugh stated one account and will provide that information to Council.

Mr. Hach asked what year the PCA was enacted by Council. Mr. McHugh answered the rate was set up in the early 90's, the Ordinance for PCA was after that.

Mrs. Jenkins asked when the last time the rate was reviewed. Mr. McHugh stated 2006 and is due to be reviewed again.

Mrs. DiNallo clarified what the residents are concerned about as a consumer of electric. Our consumers are feeling as if they have no power in this matter and are at the mercy of the market. The PCA is put in place to protect them as well as the City and the utility. Is there a way we can bring that information to them.

Mr. McHugh stated Mrs. DiNallo is correct. She is concerned that since the rates were set so long ago and we have not done a study since then and the market has changed quite drastically since then.

Mr. DeLeone thought it would be helpful if we had an analysis regarding peak shaving over the past few years and what are we projecting for 2015. Mr. McHugh expressed that we are being credited millions for peak shaving and analyze this every year.

Mr. Flock referred to a document dated December 2005 Power Cost Adjustment in Code Section 929.06 as well as the rest of the rates incorporated in Section 929. He supplied questions to Mr. Carson which Mr. McHugh can answer later in the presentation. Councilmembers asked that those questions and answers be provided to them in writing and discussed at the next meeting. He also provided a copy of his utility bill to be used as a sample to discuss the calculations and how items are listed on our utility bills. (*See Attachment #5*)

Mr. Carson referred to the PCA adjustment being artificially low because the rate has not been adjusted for a long time. Each month is calculated and is different based on the 12 month rolling average. Resident just want to know what the net amount is they are paying for electricity. It is the base rate plus the PCA. Our rates are extremely competitive.

Mrs. DiNallo reiterated the residents just want to know their rate. Is there a way to adjust it on the bills?

Mr. Carson states the current Ordinance does not allow them to be lumped together, but that is not to say we can't put a line on the bill that demonstrates the calculation, if it is possible for them to even change the paper bill.

Mr. McHugh said it could be referred to as an "effective rate".

Mr. DeLeone stated that if we as a Council have spent this much time calculating the rate, we should do something to simplify the billing.

Mr. Flock asked what percentage of the rate is levelization costs for Prairie State.

Mr. McHugh stated it is rolled into our AMP bill. Mrs. Jenkins stated if the levelization cost may someday be paid by a resident if it does not zero balance in the next couple of years. Mr. Flock would still like to know what percentage a resident is paying to levelization – Mr. Fodor explained it is nothing right now.

Mr. Flock and Mr. McHugh referred to it as a bucket of money. The bucket maintains a certain level at all times.

Mrs. DiNallo clarified that consumers are not bearing the burden of levelization or Prairie State.

Mr. DeLeone referred to not putting all our eggs in one basket and have a much diversified account for electric, peak shave, etc. The multi-pronged approach allows for savings.

Mr. Hach asked if there were any more questions regarding the PCA as they are getting off-topic.

Mr. Carson will work with Mr., Unetic to see if there is a way to show an "effective rate" on our utility bills.

Councilmembers asked that the questions Mr. Flock provided and Mr. McHugh's answers be provided to them in writing and discussed at the next meeting. Mr. Mc Hugh stated that is the end of his PCA presentation.

Mr. McHugh also thanks Councilpersons Hach and Jenkins for opening up their homes to our new Energy Audit Program. It was great practice for his employees to be ready to start this program.

Mr. Carson stated we will be starting this free program of Energy Audits. Our employees are rigorously trained and graduated from the training. We will run a 7 month program October through April on a first come serve basis and will be free to residents, who will receive a report on how they can save money

Mr. Hach was impressed that his 120 year old house was as efficient as it was. New furnaces, appliance and lights definitely help.

Mrs. Jenkins stated they completed her audit in 6 hours with her 2 year old at home. They were very professional, did a great job and is looking forward to receiving her report.

Mr. McHugh also discussed the purchase of the new bucket truck budgeted for 2015. We now have the opportunity to buy 2 smaller, more efficient, state-of-the-art trucks for the pricing of the original one quoted. He will update Council as soon as he has the financial numbers.

Mr. Gurley did not have an administrative report.

Mr. Carson congratulated Chief Powalie as the City's first Police Chief to graduate from the Certified Law Enforcement Executive (CLEE) Program, through the Ohio Chiefs of Police Association. He was provided instruction in 8 different modules: Ethics, Vision, Mission and Guiding Principles, Human Resources, Strategic Planning, Managing the External Environment, Change Management, Interpersonal Skills, and Resource Allocation and Budgeting.

Mr. Carson also discussed, for informational purposes, this season's snow removal. Last year we set the bar very high. The City had 7 large trucks in service last year, we have 5 trucks this year, and 2-3 of those 5 trucks have been out of service for mechanical problems this season. A new plow truck was ordered in July, and has still not been delivered. Public Works, together with all the other departments are doing the best they can at clearing the streets with the available equipment.

Under Clerk of Council Correspondences, Ms. Diehl stated the next Regular Council Meeting will be held on Monday, March 2, 2015 at 7:30 pm; Downtown Painesville Organization's Founder's Day Breakfast is Saturday, February 21, 2015 from 8-11am at Lake Erie College Dining Hall. Cost is \$20.00 and reservations are required. Contact the DPO to RSVP; and on March 5, 2015 from 12:00 PM to 6:00 PM Regional Income Tax Agency (RITA) Municipal Taxpayer Assistance Event FREE Municipal Income Tax Return Preparation will be held at: The City of Willoughby Hills, 35405 Chardon Road, Willoughby Hills, Ohio 44094.

Closing Comments.

Mr. DeLeone stated the Daddy/Daughter Valentine's Day Social he attended with his daughter was a huge success. He commented that despite the heavy snow that day, the dance was sold out. The graciousness of people in this community could be seen while they assisted cleaning snow off of cars, plowing, shoveling and snowblowing.

Mr. Fodor reminded residents to take a few extra minutes and keep the fire hydrants in front of their homes clear of snow.

Mr. Flock had 3 items to discuss: He cancelled his Town Hall meeting at Elm Street Elementary for February; he asked Chief Powalie if our officers are trained on the defibrillators – Chief Powalie stated he is looking into training for all of his officers; and Mr. Flock expressed his frustrations to Chief Mlachak regarding the aerial fire truck cylinder replacements still not being complete. Mr. Flock was perturbed with the fact the City has had two major fires and our aerial has not been available; it causes him great concern for the safety of our residents. Chief Mlachak explained the aerial did return to the station on Thursday, but has to await arrival of the Certification paperwork before the aerial can be placed back in service.

Mr. Fitzgerald and Mrs. Jenkins did not have comments this evening.

Mrs. DiNallo thanked Public Works and the residents for their patience in repairing and reporting pot holes. She stated that Paul Hach, Jim Fodor and she attended the Safety Forces Committee meeting and they are in need of members. She also thanked Mr. Flock for his diligence on the Prairie State issue.

Mr. Hach thanked everyone for coming and asked that anyone interested in becoming a member of the Safety Forces Committee to please contact Clerk of Council, Tara Diehl. He then asked for a Motion to Adjourn.

Motion to Adjourn made by Mr. DeLeone seconded by Mr. Fitzgerald. All members answered "yes". Motion carried. The meeting was adjourned at 8:49 p.m.

Tara Diehl
Clerk of Council

Paul W. Hach II
President of Council

Yes, Gen. Paine IS buried at Charter Oak Park

It was in early 1990 when I first wrote about Revolutionary War General Edward Paine's grave at his monument on Mentor Avenue in Painesville. Soon, to my surprise, I learned that many people thought the story of the burial of the General at that site was nothing more than urban legend.

But it was NOT an urban legend. The General's remains were re-interred there after being removed from another location. Years before, in fact, I had seen a copy of an old Telegraph article about the dedication of that monument and Paine's reburial from the old Washington Street Cemetery, the first formal burial ground in the city of Painesville.

The last burial in the Washington Street Cemetery had been in 1869. In 1879, many vandalized and aged-damaged gravestones were buried out of sight beneath the surface of each grave. Over time, without a marker to indicate their presence, two of the markers were forgotten. Those two markers belonged to Revolutionary War drummer boy Eleazer Paine and his uncle General Edward Paine, but that would not be known until later.

In 1878, by official order, the families had begun removing their loved ones from Washington Street to accommodate the planned construction of a Painesville High School. In 1898, when Washington Street Cemetery

ROSE AROUND TOWN

by Rose Moore

Columnist

was thought to have been finally cleared of its former inhabitants, it came to the attention of city officials that Eleazer and Edward Paine might still be buried at the site.

Eleazer was found and reburied at Evergreen, the city's second cemetery, and a monument was erected in the main drive. His wife's name had been etched with his on the old grave stone. (Actually, however, she outlived Eleazer and married a John Wolcott of Ashtabula County. She is thought now to have been buried in the Mechanicsville Cemetery near Austinburg, but only one readable stone there bears John Wolcott's name, beside the name of his first wife who had died years before, a mere three years after their marriage.)

The General himself was re-buried in a triangle of land at the junction of Mentor Avenue and Washington Street, across from Lake Erie College. The DAR spearheaded the drive for the monument, relocation, reburial and dedication. After the dedication more than 20 years later, the Painesville Telegraph carried a description of that ceremony. The officiant was the Rev. Dr. F.B. Avery, and the newspaper carried excerpts of Avery's description of Gen-

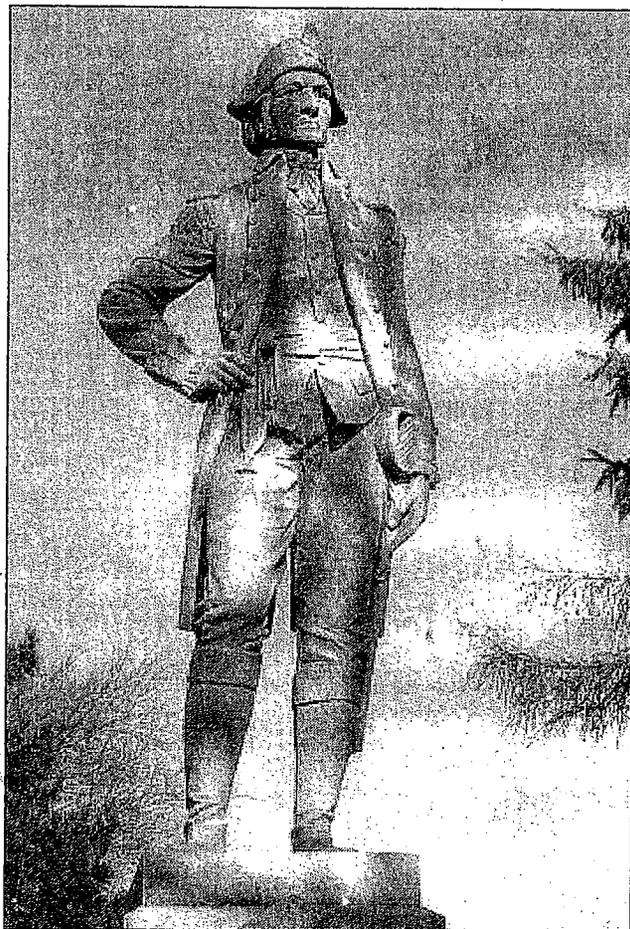


PHOTO BY ROSE MOORE
This photo of the statue of General Paine at Charter Oak Park was taken decades ago, long before the General's monument was toppled from its perch and damaged.

eral Paine's "rescue" and reburial:

"We learned the body of General Paine still lay mouldering in the ground... unhonored, unmarked in its location... unknown to the

citizens of Painesville... We found the plat of the cemetery among old papers in an upper room over the fire station on North St. Clair...

(We) measured off by pole and chain from Washington Street up to the very spot of



Rose Around Town

Paine's sepulcher... We dug down beneath the surface of the tennis court and found the marble tablet (that had marked his grave)... with the name General Edward Paine, Revolutionary Soldier, date of death 1841, and beneath this tablet (lay his skeletal remains)...

The ravages of time had destroyed the coffin. These bones seemed to rise almost Ezekiel-like, imploring us to rescue them... We did so, and cased them in a new metallic chest kindly provided by Charles T. Morley of the Morley Marble Company, who designed and built the monument... (which was said by his family) to be a fair likeness of General Paine."

Rev. Avery noted that the General had lived in Cleveland briefly "but preferred the soil and location of Painesville. He moved here... and was followed by Governor Huntington who built his home on the northerly bank of the Grand River."

Present at Paine's reburial were descendants of the General and other early settlers. An oak sapling from an acorn from the famous Charter Oak in Paine's hometown of Hartford, CT was planted near the monument.

The DAR flanked the monument with a pair of Spanish-American War cannons.

The oak and cannons are no longer there; the oak having been removed when its falling branches began to threaten damage to the monument. The cannons are said to have been donated to a World War II scrap drive.

As of October 2014, something else has been missing from the site. The general lost his head; or at least his statue did, during an accident during excavation work nearby.

The general's monument—or perhaps more accurately his grave marker—was sent out for repair. Hopefully the face, which had been sculpted as a likeness of the General, will look as much as possible as it did before the accident.

(Editor's Note: Lee Homoyock, director of Recreation and Public Lands, stated at the Jan. 20 Painesville City Council meeting that work was being done on the statue which would be reset in the spring.)

(Our columnist Rose Moore can still be reached at 440-350-9818 or by email at randrmoore@gmail.com)

Illinois power plant at center of Midwest rate fights

Julie Carr Smyth
Associated Press

COLUMBUS — High electric bills and environmental skepticism in towns across the Midwest are causing customers to wonder if they've been duped as power suppliers work to recoup investments in a financially troubled Illinois generating plant and coal mine.

Rate increases and equipment breakdowns were the opposite of what dozens of municipalities that invested in the Prairie State Energy Campus were promised: low-cost, reliable energy for decades to come.

Now, customers in Galion, Ohio, have threatened ballot action. They want the city to repay overcharges they allege were amassed to mask high electricity costs from the Washington County, Illinois, project.

In Batavia, Illinois, another group of customers filed class-action litigation alleging city-paid consultants misrepresented financial risks associated with the complex, constructed by coal producer Peabody Energy.

The municipal power provider in Paducah, Kentucky, contemplated bankruptcy after its customers blamed its decision to invest in Prairie State for some of the state's highest electricity rates.

When Prairie State's 1,600-megawatt generating operation, mine and landfill went on line



Derik Holtmann/Bellefonte News-Democrat/Associated Press

Edwards Moving & Rigging, Inc. moving a transformer weighing over 400 tons down New Marigold to the Prairie State Energy Campus under construction in near Lively Grove, Illinois on May 14, 2010. High electric bills in towns across the Midwest are sparking face-offs between municipal customers and power suppliers working to recoup investments in a financially-troubled Illinois generating plant and coal mine.

in 2012, its development had cost \$4.9 billion — more than twice the original estimate. That forced rate hikes and fees called power adjustments in many of the 217 municipalities and 17 electric cooperatives that invested in the project.

Prairie State's defenders say it was expensive because it's one of the country's cleanest, most efficient power plants. As one of the few coal plants built in the U.S. in 30 years, it faced unanticipated costs in meeting tough, modern carbon emis-

sions standards proposed by the Environmental Protection Agency that have vexed older coal-fired plants.

Many of the 68 Ohio municipalities that belong to the American Municipal Power cooperative signed stringent "take or pay" contracts that obligate investors to pay for their full contracted share of power — whether or not they receive it — for 50 years. Many customers now feel duped.

"For us, it absolutely makes no sense that we would place

that kind of a gamble to the extent that we did. We've sold the family farm," said Roberta Wade, a former law director and city councilwoman behind the proposed ballot issue in Galion. She sat on the council when the Prairie State deal was signed but has said little information was available.

Michael Childress, lead attorney in the Batavia suit, said Peabody and the Indiana Municipal Power Authority staged a "road show" across the Midwest in 2007 to sell the idea

of investing in a plant. He alleges the project was conceived as a long-term vehicle for Peabody coal.

"At the time, these towns are trying to figure out how they're going to get access to safe, cost-efficient, inexpensive, secure, theoretically environmentally clean power, and they're presented with this notion that they can have all of this through Prairie State," he said. "So you can understand why they'd investigate it."

On Wall Street, the unbreakable nature of the take-or-pay contracts has been viewed as the strength of the Prairie State deal. However, the U.S. Securities and Exchange Commission has been investigating the financing deal after complaints from members of Congress and local officials across the region.

AMP spokesman Kent Carson, whose company holds the largest share of ownership in Prairie State, said long-term power purchase arrangements are nothing new. He said the plant is a solid long-term investment and the onsite coal mine eliminates financial risks of transportation and fuel costs when power companies ship coal from elsewhere.

Carson said it is primarily anti-coal environmentalists who are fanning the Prairie State controversy, who compare rates for this long-term asset to the short-term hourly electricity market.



Illinois Power Plant at Center of Midwest Rate Fights

Prairie State power complex at center of Midwest fights over electric rates, environment

By JULIE CARR

The Associated Press

COLUMBUS, Ohio

High electric bills and environmental skepticism in towns across the Midwest are causing customers to wonder if they've been duped as power suppliers work to recoup investments in a financially troubled Illinois generating plant and coal mine.

Rate increases and equipment breakdowns were the opposite of what dozens of municipalities that invested in the Prairie State Energy Campus were promised: low-cost, reliable energy for decades to come.

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In Batavia, Illinois, another group of customers filed class-action litigation alleging city-paid consultants misrepresented financial risks associated with the complex, constructed by coal producer [Peabody Energy](#).

The municipal power provider in Paducah, Kentucky, contemplated bankruptcy after its customers blamed its decision to invest in Prairie State for some of the state's highest electricity rates.

When Prairie State's 1,600-megawatt generating operation, mine and landfill went on line in 2012, its development had cost \$4.9 billion ??? more than twice the original estimate. That forced rate hikes and fees called power adjustments in many of the 217 municipalities and 17 electric cooperatives that invested in the project.

Prairie State's defenders say it was expensive because it's one of the country's cleanest, most efficient power plants. As one of the few coal plants built in the U.S. in 30 years, it faced unanticipated costs in meeting tough, modern carbon emissions standards proposed by the [Environmental Protection Agency](#) that have vexed older coal-fired plants.

Many of the 68 Ohio municipalities that belong to the American Municipal Power cooperative signed stringent "take or pay" contracts that obligate investors to pay for their full contracted share of power ??? whether or not they receive it ??? for 50 years. Many customers now feel duped.

"For us, it absolutely makes no sense that we would place that kind of a gamble to the extent that we did. We've sold the family farm," said Roberta Wade, a former law director and city councilwoman behind the proposed ballot issue in Galion. She sat on the council when the Prairie State deal was signed but has said little information was available.

ATTACHMENT #3

Michael Childress, lead attorney in the Batavia suit, said Peabody and the Indiana Municipal Power Authority staged a "road show" across the Midwest in 2007 to sell the idea of investing in a plant. He alleges the project was conceived as a long-term vehicle for Peabody coal.

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Carson said it is primarily anti-coal environmentalists who are fanning the Prairie State controversy, who compare rates for this long-term asset to the short-term hourly electricity market.

That's "apples-to-oranges and extremely misleading," he said.

Galion Mayor Tom O'Leary did not return repeated calls seeking comment. In the wake of ballot threats, he recently proposed hiring a second consultant to review city electricity rates with an eye toward reimbursing residents for any confirmed overcharges.

Cities besides Galion have also taken steps to avoid high rates, in some cases through a process called stabilization.

Jennifer Karches, a concerned citizen in Bowling Green, Ohio, said stabilizing rates now only pushes the financial impacts of what she sees as a poor investment into the future.

"I don't know if I want to say it's dishonest, but a lot of people don't realize what's going on," Karches said. "It just boggles my mind that we're invested in this totally outdated, polluting operation. My husband said it: it's like investing in whale oil at the turn of the century."

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Painesville Electric Department presentation on

PCA

POWER COST ADJUSTMENT

WHAT IS THE PCA ?

- The PCA is a means used by many municipal utilities to cover variability in power bill that was not considered when the rates were set
- For example, short or long term market changes, regulatory changes, transmission costs, or capacity requirements

- The PCA is a rider attached and found in the Rates Ordinance (Chapter 929, 929.06 a).
- The PCA is calculated using the data supplied to us in the AMP monthly power bill and the JV2 bill.
- The PCA number is then sent to the Utility Office to be added to the Bills sent to our customers.

- Using the numbers from the two bills, we determine the Total money spent (\$) and Total Energy consumed (KwH).
- Some of the charges on the bill are not included because by definition they are not to be considered part of the PCA. For example, the Dispatch Center charges and the Plant's gas usage* are not included.

- We now have a cost per unit of energy (\$/KwH) charge for the month.
- We subtract the base rate given in the PCA definition, 0.005 \$/KwH.
- Add this new number to the previous 11 months numbers, divide that total by 12 to get an average number.
- The result is the new PCA.

QUESTIONS ?



Typical Power Bill example :

NAME		SERVICE ADDRESS			DATE BILLED	
[REDACTED]		[REDACTED]			1/1/2015	
ACCOUNT NUMBER	PREVIOUS DATE READ	CURRENT DATE READ	DAYS BILLED	CURRENT MONTH DUE DATE		
[REDACTED]	11-17-14	12-19-14	32	1/15/2015		
SERVICE	READINGS		EST	USED	AMOUNT	
	PREVIOUS	CURRENT				
KWH CHARGE	76723	77868		1145	\$58.50	
KWH TAX					\$5.97	
POWER COST ADJUSTMENT					\$63.30	
SENTINEL LIGHTS					\$22.00	
SEWER	904	911		7	\$17.60	
STORM WATER					\$2.75	
WATER	904	911		7	\$10.40	
WATER IMPROVEMENT FEE					\$8.00	
<p>Total amount due is \$188.52 if paid on or before 01/15/2015 Total amount due is \$197.95 if paid after 01/22/2015</p>						
<p>PLEASE NOTE: Past due amount may result in disconnection of utilities. Please contact our office immediately.</p>				CURRENT AMOUNT DUE	\$188.52	
				PAST DUE AMOUNT		
				TOTAL AMOUNT DUE	\$188.52	
<p>Residents/Business owners in the City of Painesville with an alarm must annually register their alarm with the Painesville Police Dept. The alarm registration form can be found on the City website www.painesville.com. Failure to register by Feb. 1, 2015 will receive a \$35 late fee.</p>						
<p>Failure to receive bill does not eliminate payment obligation FOR INQUIRIES ABOUT YOUR BILLING, PLEASE CALL UTILITIES OFFICE AT (440) 392-5797</p>						
<p>CITY OF PAINESVILLE • P.O. BOX 601 • PAINESVILLE, OH 44077-0601</p>						

Mr. Flock's Questions

Monthly PCA Min. and Max Values 2009 to 2014

- 2009 : .02896 .05647
- 2010 : .02908 .07097
- 2011 : .03847 .07914
- 2012 : .03803 .05194
- 2013 : .03692 .06936
- 2014 : .04386 .06258

* Values are in dollars / kilowatthour (\$/KwH)



AMERICAN MUNICIPAL POWER, INC.

1111 Schrock Rd, Suite 100
 COLUMBUS, OHIO 43229
 PHONE: (614) 540-1111
 FAX: (614) 540-1078

INVOICE NUMBER: 185345
 INVOICE DATE: 01/14/2015
 DUE DATE: 01/29/2015
 TOTAL AMOUNT DUE: \$973,930.08
 CUSTOMER NUMBER: 1011
 CUSTOMER P.O. #:

City of Painesville
 Attn: Director of Finance
 7 Richmond St. PO Box 601
 Painesville, Ohio 44077

PLEASE WRITE INVOICE NUMBER ON
 REMITTANCE AND RETURN YELLOW INVOICE
 COPY. MAKE CHECK PAYABLE TO AMP.

Northern Power Pool Billing - December, 2014

MUNICIPAL PEAK: 34,697 kW
 TOTAL METERED ENERGY: 19,145,659 kWh

Total Power Charges: \$631,746.63
 Total Transmission Charges: \$324,681.80
 Total Other Charges: \$17,501.65
 Total Miscellaneous Charges: \$0.00

GRAND TOTAL POWER INVOICE: \$973,930.08

****The Total Charges on this invoice may include a credit paid to the Municipal for power supply which was invoiced separately and repurchased by AMP for use as a Northern Power Pool Resource.**

NOTE: PLEASE SEE ENCLOSED BACKUP FOR MORE DETAILED INFORMATION

*** To avoid a delayed payment charge, payment must be made to provide available funds for use by AMP on or before the due date.

Wire or ACH Transfer Information :
 Huntington National Bank
 Columbus, Ohio
 Account 0189-2204055
 ABA: #044 000024

Mailing Address :
 AMP, Inc.
 Dept. L614
 Columbus, Oh 43260

BANK LOCK BOX DEPOSIT

		AMOUNT
General Fund (010)	10	\$559,384.81
ECC (012)	12	\$2,161.56
JV6 (066)	66	\$0.00
AMPCT (025)	25	\$0.00
ESPP (016)	16	\$0.00
JV5 (065)	65	\$0.00
AFEC (004)	4	\$0.00
AMPGS (009)	9	\$0.00
PSEC (013)	13	\$412,383.71
? (062)	62	\$0.00
Solar (031)	31	\$0.00
TOTAL DEPOSIT		\$973,930.08

Attachment #4

DETAIL INFORMATION OF POWER CHARGES
December, 2014

Painesville

FOR THE MONTH OF:

December, 2014

Total Metered Load kWh: 19,145,659
Transmission Losses kWh: -117,354
Distribution Losses kWh: 0
Total Energy Req. kWh: 19,028,305

TIME OF FENTS PEAK: 12/10/2014 @ H.E. 19:00
TIME OF MUNICIPAL PEAK: 12/17/2014 @ H.E. 19:00
TRANSMISSION PEAK: July, 2013

COINCIDENT PEAK kW: 29,306
MUNICIPAL PEAK kW: 34,697
TRANSMISSION PEAK kW: 52,524
PJM Capacity Requirement kW: 52,681

Painesville Resources

Landfill (Erie County) - Sched @ ATSI

Demand Charge:		180 kW	
Energy Charge:	\$0.067956 / kWh *	133,100 kWh =	\$9,045.01
Capacity Credit:	\$3.332556 / kWh *	-180 kW =	-\$599.86
Subtotal	\$0.063450 / kWh *	133,100 kWh =	\$8,445.15

TEA (CITI) 7X24 Oct-Dec 2014 - 7x24 @ AD

Demand Charge:		1,043 kW	
Energy Charge:	\$0.035650 / kWh *	775,992 kWh =	\$27,664.11
Net Congestion, Losses, FTR:	\$0.001218 / kWh *		\$945.47
Subtotal	\$0.036868 / kWh *	775,992 kWh =	\$28,609.58

JV2 - Sched @ ATSI

Demand Charge:		7,000 kW	
Energy Charge:	\$0.044662 / kWh *	510 kWh =	\$22.79
Transmission Credit:	\$0.978606 / kW *	-7,000 kW =	-\$6,850.24
Capacity Credit:	\$4.797633 / kW *	-7,000 kW =	-\$33,583.43
Real Time Market Revenue from JV2 Operations			-\$31.30
Subtotal	-\$79.255466 / kWh *	510 kWh =	-\$40,442.18

Prairie State - Sched @ PJMC

Demand Charge:	\$6.360000 / kW *	9,952 kW =	\$63,294.72
Energy Charge:	\$0.013386 / kWh *	6,055,534 kWh =	\$81,059.95
Net Congestion, Losses, FTR:	\$0.003836 / kWh *		\$23,226.43
Capacity Credit:	\$3.382925 / kW *	-9,952 kW =	-\$33,666.87
Debt Service	\$23.765816 / kW	9,952 kW	\$236,517.40
Transmission from PSEC to PJM/MISO, including non-Prairie State variable charges/credits			\$52,704.18
Board Approved Rate Levelization	\$0.008703 / kWh	6,055,534 kWh	\$12,474.33
Subtotal	\$0.071936 / kWh *	6,055,534 kWh =	\$435,610.14

First Energy Remaining Requirement - Sched @ PAINESV

Energy Charge:	\$0.042250 / kWh *	7,147,283 kWh =	\$301,972.71
Net Congestion, Losses, FTR:	-\$0.000142 / kWh *		-\$1,012.47
Subtotal	\$0.042108 / kWh *	7,147,283 kWh =	\$300,960.24

TEA (Macquarie) Jun-Dec 2014 - 7x24 @ AD

Demand Charge:		1,043 kW	
Energy Charge:	\$0.034000 / kWh *	775,992 kWh =	\$26,383.73
Net Congestion, Losses, FTR:	\$0.001218 / kWh *		\$945.47
Subtotal	\$0.035218 / kWh *	775,992 kWh =	\$27,329.20

NYPA - Sched @ NYIS

Demand Charge:	\$7.242086 / kW *	1,683 kW =	\$12,188.43
Energy Charge:	\$0.012668 / kWh *	1,201,079 kWh =	\$15,215.43
Net Congestion, Losses, FTR:	-\$0.001452 / kWh *		-\$1,743.97
Capacity Credit:	\$3.229571 / kW *	-1,607 kW =	-\$5,189.92
Adjustment for prior month:			-\$829.65
Subtotal	\$0.016352 / kWh *	1,201,079 kWh =	\$19,640.32

MSCG 2009-2017 7x24 @ Ind Hub Swapped to A/D - 7x24 @ IND

Demand Charge:		4,000 kW	
Energy Charge:	\$0.062150 / kWh *	2,976,000 kWh =	\$184,958.40
Net Congestion, Losses, FTR:	\$0.003100 / kWh *		\$9,224.58
Subtotal	\$0.065250 / kWh *	2,976,000 kWh =	\$194,182.98

Congestion Swap - Purch From Nextera (At AD Hub) - Sched @ AD

Demand Charge:		4,000 kW	
Net Congestion, Losses, FTR:	\$0.000000 / kWh *		-\$5,598.61
Congestion Swap to from Ind Hub to AD Hub			\$7,588.80
Subtotal	#N/A / kWh *	0 kWh =	\$1,990.19

Plus Muni Actual Generation - Sched @ ATSI

Transmission Credit:			-\$53,805.00
Capacity Credit:			-\$285,215.63
Subtotal	#N/A / kWh *	0 kWh =	-\$339,020.63

Northern Power Pool:

On Peak Energy Charge: (M-F HE 08-23 EDT)	\$0.035833 / kWh *	344,278 kWh =	\$12,336.67
Off Peak Energy Charge:	\$0.027663 / kWh *	507,275 kWh =	\$14,032.67
Sale of Excess Non-Pool Resources to Pool	\$0.035925 / kWh *	-888,740 kWh =	-\$31,927.70
Subtotal	\$0.149473 / kWh *	-37,186 kWh =	-\$5,558.36

Total Demand Charges:			-\$106,910.40
Total Energy Charges:			\$738,657.03
Total Power Charges:		19,028,305 kWh	\$631,746.63

TRANSMISSION CHARGES:

Demand Charge:	\$1.555721 / kW *	52,524 kW =	\$81,712.70
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Attachment #4

DETAIL INFORMATION OF POWER CHARGES
December , 2014

Painesville

Energy Charge:	\$0.000413	/ kWh *	19,028,305 kWh =	\$7,859.07
RPM (Capacity) Charges:	\$4.462900	/ kW *	52,681 kW =	\$235,110.03
TOTAL TRANSMISSION CHARGES:	\$0.017063	/ kWh *	19,028,305 kWh =	\$324,681.80
OTHER CHARGES:				
Dispatch Center Charges:	\$0.000113	/ kWh *	19,145,659 kWh =	\$2,161.56
Service Fee Part A, Based on Annual Municipal Sales	\$0.000229	/ kWh *	221,953,166 kWh 1/12 =	\$4,235.61
Service Fee Part B, Energy Purchases	\$0.000580	/ kWh *	19,145,659 kWh =	\$11,104.48
TOTAL OTHER CHARGES:				\$17,501.65
GRAND TOTAL POWER INVOICE:				\$973,930.08

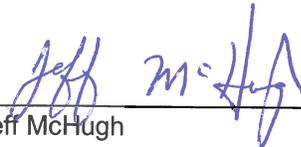
THE CITY OF PAINESVILLE, OHIO
 ELECTRIC POWER COST ADJUSTMENT
 FOR THE MONTH OF December 2014

SUMMARY

FUEL INCREMENT.....	0.000000	\$/KWH
PURCHASED POWER INCREMENT.....	<u>0.056647</u>	<u>\$/KWH</u>
TOTAL POWER COST ADJUSTMENT.....	0.056647	\$/KWH
LESS, AMOUNT IN BASE RATES.....	<u>0.005000</u>	<u>\$/KWH</u>
POWER COST ADJUSTMENT BASED ON December 2014 DATA.....	0.051647	\$/KWH
12 MONTH ROLLING AVERAGE TO BE ADDED TO ALL KWH'S BILLED DURING February 2015	0.054951	\$/KWH

SUMMARY OF CHANGE FROM PREVIOUS MONTH

		POWER COST ADJUSTMENT ON AVERAGE 500 KWH BILL
PREVIOUS MONTH	0.055282	\$ 27.64
THIS MONTH	0.054951	\$ 27.48
CHANGE	-0.000331	\$ (0.16)
PERCENT OF CHANGE	-0.60%	



 Jeff McHugh
 Electric Power Supt.

JM:KK

POWER COST ADJUSTMENT AVERAGE FOR PAST 12 MONTHS

MONTH	PCA	12 MONTH AVERAGE
Jan-14	0.062582	
Feb-14	0.059168	0.054951333
Mar-14	0.067638	
Apr-14	0.057281	
May-14	0.057407	
Jun-14	0.054325	
Jul-14	0.051237	
Aug-14	0.043862	Use actual number not 12 month running average
Sep-14	0.045960	
Oct-14	0.052612	
Nov-14	0.055697	
Dec-14	0.051647	

Power Cost Adjustment

0.054951

Attachment #4

PCA DATA

DATE	1/14/2015		
COST ANALYSIS FOR	December 2014		
STOKER TONS	0.00		
2 x 0 TONS	0.00		
MMBTU/TON STOKER	0		
MMBTU/TON 2 x 0	0		
\$ STOKER	\$0.00	\$0.00	Use weighted average for coal prices
\$ 2 x 0	\$0.00	\$0.00	Use weighted average for coal prices
OIL BURNED	0		
\$ OIL	0.3418		
GAS BURNED	394.5		
\$ GAS	6.132851711		
GENERATED KWH	0		
PLANT USE KWH	138,900		
SHORT TERM & EMERGENCY	 SCHEDULED INADVERTANT MINUS LOST GOES HERE		
PURCHASED POWER, Kwh	19,917,043		
	POWER SOLD TO CUSTOMERS - NOT POWER SCHEDULED		
Power sold to AMPO	-888,740		
\$ PURCHASED POWER	\$1,005,818.86		
PCA ADDED TO	February 2015		
PCA LAST MONTH	0.055282		

Attachment #4

November Actual

Gas-Dominion	\$941.09
Gas-Exelon	\$1,478.32
Gas-Total	\$2,419.41
MCF	394.5

#DIV/0! Stoker tons burned per hour

#DIV/0! 2 x 0 tons per hour burned

#3 boiler ran for	0	hours	0.00%	On Line
#4 boiler ran for	0	hours	0.00%	On Line
#5 boiler ran for	0	hours	0.00%	On Line

0	MW's generated per hour
0.19	Plant usage MW's per hour
#DIV/0!	Percent of plant usage compared to generation

BILL	KWH	\$	COST/KWH
Prarie State	6,055,534	\$435,610.14	\$0.0719
NYPA	1,201,079	\$19,640.32	\$0.0164
OTHER	12,660,430	\$518,679.62	\$0.0410
DISPATCH CENTER		-\$2,161.56	
JV-2 Debt Service		\$22,190.00	
JV-2 Power		\$11,860.34	
	<hr/>		
	19,917,043	\$1,005,818.86	\$0.05

CITY OF PAINESVILLE
Interoffice Memo

TO: Finance Director
FROM: Electric Power Superintendent
DATE: January 14, 2015
RE: Power Cost Adjustment

As per section 929.06(a) Power Cost Adjustment, of our Electric Rate Ordinance cost analysis for December 2014 is as follows:

	<u>MMBTU</u>		<u>\$</u>	
COAL:	STOKER	2 x 0	STOKER	2 x 0
	-	-	-	-
	x <u>-</u>	x <u>-</u>	x <u>-</u>	x <u>-</u>
	-	-	-	-
OIL:				
		0.00		0.00
	x <u>0.138</u>		x <u>0.3418</u>	
		0.00		0.00
GAS:				
	x <u>1.00</u>		x	-
		-		-
TOTALS:	Coal:	-		-
	Oil:	0.00		0.00
	Gas:	<u>-</u>		<u>-</u>
TOTAL:		-		-
Weighted Average:		<u>-</u>		
		-		\$/MMBTU = #DIV/0!

Fuel Increment: Fuel cost 0.000000 = 0.000000 \$/KWH
Estimated sales 17,756,039

CITY OF PAINESVILLE, OHIO
December 2014

Power Cost Adjustment

	Total	On line
Total Gross Generated, KWH	0	-
Plant Use, KWH	- <u>138,900</u>	- <u>138,900</u>
Total Net Generated, KWH	(138,900)	(138,900)
Short Term & Emer. Pur. (+)		-
AMPO Purchased (+)		19,917,043
Inadvertent Pool (+/-)		-
Power Sold (-)		<u>(888,740)</u>
Total Gross Sales, KWH		18,889,403
Estimated (6%) Line Loss, KWH		- <u>1,133,364</u>
Estimated Total Net Sales, KWH		17,756,039

PURCHASED POWER COST:

Purchased Power for	December 2014	TOTAL COST	\$1,005,818.86
		TOTAL KWH	19,917,043
		COST/KWH	\$ 0.050500

Purchased Power Increment:

$$\frac{1,005,818.86}{17,756,039} \frac{\$}{\text{KWH}} = 0.056647 \text{ \$/KWH}$$

Codified Ordinances of the City of Painesville, OH

CHAPTER 929
Electric Service

- 929.01 Residential schedule.**
- 929.02 General commercial schedule.**
- 929.03 Large commercial schedule.**
- 929.04 Industrial schedule.**
- 929.05 Outdoor lighting.**
- 929.06 Applicable riders.**
- 929.07 Miscellaneous charges.**
- 929.08 Conditions of service.**
- 929.09 Annual rate review.**
- 929.10 Excise (kilowatt-hour) tax adjustment.**

CROSS REFERENCES

Power to establish electric light and power rates - see Ohio R.C. 715.03, 715.06

Power to furnish light, power and heat - see Ohio R.C. 715.06, 717.01

Power to erect electric works - see Ohio R.C. 743.34

General provisions - see S.U. & P.S. Ch. 925

Electrical regulations - see BLDG. Ch. 1335

929.01 RESIDENTIAL SCHEDULE.

For the purpose of paying the expenses of conducting and managing the Electric Division, Utilities Department of the City, the City Manager is hereby authorized and directed to charge the following rates for furnishing electric current for residential installations in a single-family house, a single suite in a multiple-family house, or a single suite in a multiple apartment, a mobile housing unit or any other single-family residential unit, which rates are hereby adopted, for all utility bills issued on and after October 1, 1990:

- (a) (1)

ATTACHMENT #5
Within Corporate Limits Limits

<u>Kilowatt-hour charge</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
	(cents per KWH)		(cents per KWH)	
For the first 500 KWH	7.11	5.72	8.60	6.92
For the next 500 KWH	6.64	5.27	8.03	6.38
For all excess	6.64	2.45	8.03	2.97

(2) Seasonal rates. The winter rates specified above shall be applicable in seven consecutive monthly billing periods beginning with the November bills each year. The summer rates shall apply to all other billing periods.

(3) Minimum charge. A minimum charge per month, or fractional part thereof, shall be made and collected for each metered service, as follows:

<u>Within Corporate Limits</u>	<u>Outside Corporate Limits</u>
\$3.00	\$3.63

(b) Space Heating/Water Heating Discount. This provision is available only for installations existing on November 28, 1973, and for those potential installations for which, in the opinion of the City, the original consumer had committed himself prior to November 28, 1973, to the purchase of electric heating equipment.

The summer and winter rates specified in subsection (a)(1) hereof shall be reduced by one, but not both, of the following provisions, if applicable:

(1) Where electricity is the sole source of energy for space heating, except for incidental requirements, the winter rates specified herein shall be reduced by one cent (\$.01) per KWH for usage between 300 KWH and 600 KWH per month and by one-half cent (\$.005) per KWH for all usage in excess of 600 KWH per month; or

(2) Where electricity is the sole source of energy for water heating and the electric water heating installation is approved by the City and is in service and in regular use, the rates specified herein shall be reduced by one cent (\$.01) per KWH for usage between 300 KWH and 600 KWH per month and by one-half cent (\$.005) per KWH for usage between 600 KWH and 2,000 KWH per month.

(c) Applicable Riders. The rates specified herein shall be modified in accordance with the provisions of the following applicable rider as detailed in Section 929.06: Power Cost Adjustment - Rider No. 1.

(Ord. 25-90. Passed 8-20-90.)

929.02 GENERAL COMMERCIAL SCHEDULE.

For the purpose of paying the expenses of conducting and managing the Electric Division, Utilities Department of the City, the City Manager is hereby authorized and directed to charge the following rates for furnishing electric current for any commercial or industrial installation having demands of less than 30 KW during the current month and preceding eleven months, which rates are hereby adopted, for all utility bills issued on and after October 1, 1990:

(a) (1)

<u>Kilowatt-hour charge</u>	<u>Within Corporate Limits</u>		<u>Outside Corporate Limits</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
	(cents per KWH)		(cents per KWH)	
For the first 500 KWH	7.65	6.80	9.26	8.23
For the next 7,000 KWH	7.21	6.34	8.72	7.67
For all excess	4.07	3.39	4.93	4.10

(2) Seasonal rates. The winter rates specified herein shall be applicable in seven consecutive monthly billing periods beginning with the November bills each year. The summer rates shall apply in all other billing periods.

(3) Minimum charge. A minimum charge per month, or fractional part thereof, shall be made and collected for each metered service, as follows:

<u>Within Corporate Limits</u>	<u>Outside Corporate Limits</u>
\$12.10	\$14.52

(b) Applicable Riders. The rates specified in subsection (a) hereof shall be modified in accordance with the provisions of the following applicable rider as detailed in Section 929.06:

Power Cost Adjustment - Rider No. 1.

(Ord. 25-90. Passed 8-20-90.)

929.03 LARGE COMMERCIAL SCHEDULE.

For the purpose of paying the expenses of conducting and managing the Electric Division, Utilities Department of the City, the City Manager is hereby authorized and directed to charge the following rates for furnishing electric current for any commercial or industrial consumer having a demand equal to or in excess of 30 KW during the current month or any of the preceding eleven months, which rates are hereby adopted; for all utility bills issued on and after October 1, 1990:

(a) (1)

<u>Kilowatt demand charge</u>	<u>Within Corporate Limits</u>		<u>Outside Corporate Limits</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
	(dollars per KW)		(dollars per KW)	
For the first 50 KWD	7.87	7.06	9.53	8.55
For all excess over 50 KWD	6.84	6.14	8.27	7.43

(2)

<u>Within Corporate Limits</u>	<u>Outside Corporate Limits</u>
--------------------------------	---------------------------------

ATTACHMENT #5

<u>Kilowatt-hour charge</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
	(cents per KWH)		(cents per KWH)	
For the first 40,000 KWH	3.64	3.30	4.40	3.99
For the next 60,000 KWH	2.62	2.34	3.17	2.83
For all excess	2.28	2.12	2.76	2.56

(3) Seasonal rates. The winter rates specified above shall be applicable in seven consecutive monthly billing periods beginning with the November bills each year. The summer rates shall apply in all other billing periods.

(4) Minimum charge. A minimum charge per month, or fractional part thereof, shall be made and collected for each metered service, as follows:

<u>Within Corporate Limits</u>	<u>Outside Corporate Limits</u>
<u>\$30.25</u>	<u>\$36.30</u>

(5) Maximum charge. If a consumer's use in any month is at such a low load factor that the sum of the kilowatt demand, kilowatt-hour and power cost adjustment charges produces a rate in excess of twenty cents (20¢) per KWH, the bill shall be reduced to that rate per KWH of use in that month but not less than the minimum charge.

(b) Applicable Riders. The rate specified in subsection (a) hereof shall be modified in accordance with the provisions of the following applicable riders as detailed in Section 929.06: Power cost adjustment - Rider No. 1; Primary metering discount - Rider No. 2.

(c) Special Rules.

(1) Combined billing. Where two or more separate installations of different classes of service on the same premises are supplied separately with service connections within ten feet of each other, the meter registrations shall be combined for billing purposes, unless the consumer shall make written request for separate billing.

(2) Schedule transfers. If, for a period of twelve consecutive months, the demand of one installation or the undiversified total demand of several installations eligible for combined billing in each month is less than 30 KW, subsequent service and billing shall be under the terms of the General Commercial Schedule, Section 929.02, as long as such schedule is applicable.

(3) Service interruption. Upon written notice and proof within ten days of any service interruption continuing longer than twenty-four hours, the City will make a pro-rata reduction in the Kilowatt demand rate. Otherwise, the City will not be responsible for service interruptions.

(Ord. 25-90. Passed 8-20-90.)

929.04 INDUSTRIAL SCHEDULE.

For the purpose of paying the expenses of conducting and managing the Electric Division, Utilities Department of the City, the City Manager is hereby authorized and directed to charge the following rates for furnishing electric current to any consumer having a demand of less than 10,000 KW and using more than 500,000 KWH per month during the current month or any of the preceding eleven months, which rates are hereby adopted, for all utility bills issued on and after July 1, 1990. No resale or redistribution of electricity to other users shall be permitted under this schedule:

(a) (1)

<u>Kilowatt demand charge</u>	<u>Within Corporate Limits</u>		<u>Outside Corporate Limits</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
	(dollars per KW)		(dollars per KW)	
For the first 50 KWD	7.87	7.06	8.66	7.77
For all excess over 50 KWD	6.84	6.14	7.52	6.75

(2)

<u>Kilowatt-hour charge</u>	<u>Within Corporate Limits</u>		<u>Outside Corporate Limits</u>	
	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>
	(cents per KWH)		(cents per KWH)	
For the first 40,000 KWH	3.64	3.30	4.00	3.63
For the next 60,000 KWH	2.62	2.34	2.88	2.57
For the next 200 KWH per KWD but not more than 400,000 KWH	2.28	2.12	2.51	2.33
For the next 200 KWH per KWD	1.72	1.56	1.89	1.72
For all excess	.73	.65	.80	.72

(3) Seasonal rates. The winter rates specified above shall be applicable in seven consecutive monthly billing periods beginning with the November bills each year. The summer rates shall apply in all other billing periods.

(4) Minimum charge. A minimum charge per month, or fractional part thereof, shall be made and collected for each metered service, as follows:

<u>Within Corporate Limits</u>	<u>Outside Corporate Limits</u>
\$181.50	\$198.00

(b) Applicable Riders. The rates specified in subsection (a) hereof shall be modified in accordance with the provisions of the following applicable riders as detailed in Section 929.06:

Power cost adjustment - Rider No. 1.

Primary metering discount - Rider No. 2.

(c) Special Rules.

(1) Submetering or redistribution prohibited. This schedule is applicable only where all of the electricity supplied is used solely by the consumer for his own individual use.

(2) Schedule transfers. If, for a period of twelve consecutive months, the kilowatt-hour use in each such month is less than 500,000 KWH, subsequent service and billing shall be under the terms

of the Large Commercial Schedule, Section 929.03, as long as such schedule is applicable.

(3) **Service interruption.** Upon written notice and proof within ten days of any service interruption continuing longer than twenty-four hours, the City will make a pro-rata reduction in the kilowatt demand rate. Otherwise, the City will not be responsible for service interruptions.

(Ord. 19-90. Passed 5-21-90.)

929.05 OUTDOOR LIGHTING.

For the purpose of paying the expenses of conducting and managing the Electric Division, Utilities Department of the City, the City Manager is hereby authorized and directed to charge the following rates for furnishing electric current for outdoor lights, which rates are hereby adopted, for all utility bills issued on and after July 1, 1990:

		<u>Size (in watts)</u>	<u>Within Corporate Limits Cost per month</u>	<u>Outside Corporate Limits Cost per month</u>
(a)	Area Lighting			
	(1)	Mercury vapor		
		175	\$ 11.00	\$ 12.10
		250	14.05	15.40
		400	18.70	20.65
		1,000	33.00	36.30
		1,000 Decorative	43.45	47.85
	(2)	High Pressure Sodium		
		250	18.70	20.65
		400	24.75	27.25
		1,000	43.45	47.85
(b)	Roadway Lighting			
	(1)	Mercury vapor		
		175	8.00	8.55
		250	9.35	10.20
		400	12.95	14.30
	(2)	High Pressure Sodium		
		250	15.15	16.80
		400	18.45	20.35

(Ord. 19-90. Passed 5-21-90.)

929.06 APPLICABLE RIDERS.

(a) Power Cost Adjustment-Rider No. 1. The power cost adjustment per KWH, which shall be applied to all KWH's sold under these rate schedules, shall be calculated as a rolling twelve (12) month average, shall be the sum of the adjustments for fuel, for purchased power, and power supply, based on data from the most recent twelve-month period preceding the start of the billing month to which the adjustment is to be applied, less \$.005 per KWH, which has been incorporated into all base rate schedules. Components of the adjustment are hereby adopted for all utility bills issued on and after May 1, 2001, and are calculated as follows:

(1) Fuel. The fuel cost increment per KWH shall be determined by dividing the weighted average cost, per million BTU of fuel consumed for generation including freight, by the system thermal efficiency which, for the City's electrical system, has been established as 64 KWH per million BTU.

(2) Purchased power. The purchased power cost increment per KWH shall be determined by subtracting from the total cost of purchased power, the cost of fuel for generating an equivalent amount of power at the City's plant, and dividing the excess cost of purchase so determined by the KWH's of net generation for that month.

(3) Power supply. The power supply cost increment per KWH shall include those supplemental costs associated with OMEGA JV-2 as well as other costs incurred to ensure adequate power supply.

If at any time the power cost adjustment for a month increases by more than fifty percent (50%) over the preceding month, it may be spread equally over two billing periods. The portion to be carried over into the second billing period shall be adjusted by the ratio of the net KWH's of the first month to the net KWH's of the second month.

(b) Primary Metering Discount-Rider No. 2. If the electricity is metered on the primary side of the transformer, a discount of two percent (2%) of the primary meter registration in each of the City's electric schedules shall be allowed for electricity so metered.

(c) School Discount--Rider No. 3. For electricity provided to all public schools and property within the City corporation limits and under the jurisdiction of the local Board of Education, a discount of thirty percent (30%) shall be allowed for the total electric billing in each of the City's electric schedules.

(Ord. 10-01. Passed 4-2-01.)

929.07 MISCELLANEOUS CHARGES.

For the purpose of paying the expenses of conducting and managing the Electric Division, Utilities Department, of the City, the City Manager is hereby authorized and directed to charge the following rates, for all utility bills issued on and after the dates indicated below. These rates are applicable to service calls, unmetered services, standby power and miscellaneous installations which do not fall under the normal rate schedules, which rates are hereby adopted for all utility bills issued on and after July 1, 1990:

<u>Within Corporate</u>	<u>Outside Corporate</u>
<u>Limits</u>	<u>Limits</u>
(cost per month)	(cost per month)

ATTACHMENT #5

(a)	Phone booths - per month	\$ 6.90	\$ 7.45
(b)	Intersection flasher light per month	11.55	12.65
(c)	Standby power installation per kilovolt-ampere per month of installed capacity. This charge shall replace any minimum charge in a designated rate schedule	.30	.35
(d)	CATV power supply - per month	42.35	46.50
(e)	Warning sirens - per month	12.10	13.20
(f)	Other unmetered services - per KWH times the estimated consumption in KWH per month	.10	.11

(Ord. 19-90. Passed 5-21-90.)

929.08 CONDITIONS OF SERVICE.

The rate schedules set forth in this chapter are subject to the following conditions of service:

(a) Temporary Service.

(1) Any applicant desiring temporary service shall, in addition to the schedule rates, pay a charge for installing and removing such temporary services, as follows:

Within Corporate Limits

\$50.00

Outside Corporate Limits

\$60.00

(2) The City in lieu of installing metering equipment may, upon written application, compute demand and energy charges on an estimated basis under the applicable schedule. Such application may be accepted by the City for periods not exceeding sixty days and shall show the estimated maximum demand and kilowatt-hour use for the period. At the election of the City, the temporary service charge and billing for the entire period shall be payable in advance.

(b) Disconnecting Service; Initiated by the City. Service may be disconnected without charge, and the City may remove its meters, vaults, appliances and other property for any of the following reasons:

(1) The consumer's failure to comply with the terms and conditions of any schedule or with the general rules and regulations of the City.

(2) The consumer's failure to pay an indebtedness to the City.

(3) The consumer's connection of any unauthorized devices to the City's lines or equipment.

(4) The consumer's unauthorized use of the City's service, lines or equipment.

(5) The consumer's use of radio, x-ray or other apparatus, the operation of which causes disturbances on the City's general distribution lines.

(6) The consumer's electrical construction, apparatus or wiring does not meet with governmental codes and regulations and/or with the reasonable requirements of the City.

(7) The consumer's nonelectrical construction, facilities, operations or activities, by reason of location, pollution, contamination or corrosion, cause or may cause electrical disturbances, reduced reliability, unsafe conditions or other unreasonable impacts or disturbances on the City's general distribution lines or other facilities.

(c) Disconnecting/Reconnecting Service; Requested by Consumer. When a consumer requests temporary disconnecting followed by reconnecting service, for the purpose of adding aluminum siding to a structure, or for other similar purposes, a disconnection/reconnection charge shall be required, as follows:

<u>Within Corporate Limits</u>	<u>Outside Corporate Limits</u>
\$35.00	\$40.00
(Ord. 19-90. Passed 5-21-90.)	

(d) (EDITOR'S NOTE: Former subsection (d) was repealed by Ordinance 30-03, passed December 22, 2003.)

(e) Credit Requirements.

(1) Security deposit. For service, a deposit or a suitable guarantee as security for the payment of bills may be required of the consumer at any time or from time to time before or after service is commenced.

(2) Use of deposits. The City may retain any deposit and apply the same upon bills for service or any indebtedness to the City.

(Ord. 19-90. Passed 5-21-90.)

929.09 ANNUAL RATE REVIEW.

The City Manager shall review the electric rates annually as part of each year's operating budget review, and recommend appropriate changes thereto to become effective at the earliest date possible thereafter.

(Ord. 11-83. Passed 5-23-83.)

929.10 EXCISE (KILOWATT-HOUR) TAX ADJUSTMENT.

The rates and charges set forth in this schedule shall be increased by an amount equal to the excise (kilowatt-hour) tax imposed on the City's electric distribution system under Ohio R.C. 5727.81. Said increase shall become effective with the bills that include May 1, 2001 as part of the usage period and shall thereafter be automatically adjusted to reflect any change in the kilowatt-hour tax imposed by Ohio R.C. 5727.81.

(Ord. 10-01. Passed 4-2-01.)