

ORDINANCE NO. 1643-5-22

AN ORDINANCE OF THE AVILLA TOWN COUNCIL, NOBLE COUNTY, INDIANA, TO MODIFY THE RATES AND CHARGES OF THE AVILLA MUNICIPAL ELECTRIC UTILITY.

WHEREAS, the Avilla Town Council, Noble County, Indiana, has recently studied the financial conditions, cost of service, and other matters relating to the operation of the Avilla Municipal Electric Utility; and,

WHEREAS, the present rates charged for electric service pursuant to Ordinance No. 1585-9-17 and amendments for tracking purposes thereto do not represent the costs to serve the various customer classes after the change in wholesale power providers.

WHEREAS, on March 16, 2022, Indiana Governor Eric Holcomb signed House Enrolled Act No. 1002 ("HEA 1002") into law, which among other things, repeals the Indiana Utility Receipts Tax ("IURT"), currently codified in Ind. Code 6-2.3, with an effective date of July 1, 2022; and

WHEREAS, House Enrolled Act No. 1002 requires that each rate or charge that includes recovery of the IURT be calculated to remove the amount designed to recover for the IURT; and

WHEREAS, it is necessary to modify the rates to provide money from which to pay current costs of operation, including depreciation and debt service, and to provide money with which to make necessary replacements and repairs to the property of the Avilla Municipal Electric Utility; and,

WHEREAS, said modified rates as proposed are just and reasonable on a cost-of-service basis and reflect current wholesale power costs, transmission costs and the repeal of URT through HEA 1002.

NOW, THEREFORE, BE IT ORDAINED by the Avilla Town Council, Noble County, Indiana:

Section 1. That the rates of the Avilla Municipal Electric Utility be modified to conform with Exhibit 1 – Electric Rate Schedules and the updated Appendix A – Transmission Pass Through Tracker, attached hereto and made a part hereof.

Section 2. That the Avilla Town Council shall be permitted to adjust the electric utility transmission pass through tracker by resolution, without the necessity of amending this Ordinance.

PASSED AND ADOPTED by the Town Council of the Town of Avilla, on the _____ DAY OF _____, 2022.

AVILLA TOWN COUNCIL

Philip Puckett, Jr, President

Paul Shepherd, Member

William Krock Jr, Member

ATTEST:

Rita Grocock, Clerk-Treasurer

Rate Design
AVILLA ELECTRIC UTILITY
Exhibit 1 - Rate Summary

R - Residential Service	
Customer Charge per month	\$ 9.68
Energy Charge per kWh	\$ 0.080220
SGS - Small General Service	
Customer Charge per month	\$ 20.00
Energy Charge per kWh	\$ 0.095342
P - Electric Power Service	
Customer Charge per month	\$ 52.39
Demand Charge per kVAD	\$ 18.90
Energy Charge per kWh	\$ 0.030175
S - School Service	
Customer Charge per month	\$ 29.06
Demand Charge per kVAD	\$ 12.09
Energy Charge per kWh	\$ 0.063160
LGS - Large General Service	
Customer Charge per month	\$ 30.00
Demand Charge per kVAD	\$ 15.86
Energy Charge per kWh	\$ 0.047605
SMS - Small Municipal Service	
Customer Charge per month	\$ 20.00
Energy Charge per kWh	\$ 0.088130

Rate Design
AVILLA ELECTRIC UTILITY
Exhibit 1 - Rate Summary

City Street Lights

400 W High Pressure Sodium	\$	14.82
250 W High Pressure Sodium	\$	10.82
150 W High Pressure Sodium	\$	7.70
100 W High Pressure Sodium	\$	6.75
400 W Mercury Vapor	\$	14.26
250 W Mercury Vapor	\$	10.45
175 W Mercury Vapor	\$	8.75
200 W LED	\$	9.66
144 W LED	\$	7.93
75 W LED	\$	5.82
72 W LED	\$	5.76
60 W LED	\$	5.02
40 W LED	\$	4.61

Outdoor Security Lights

400 W High Pressure Sodium	\$	14.82
250 W High Pressure Sodium	\$	10.82
150 W High Pressure Sodium	\$	7.70
100 W High Pressure Sodium	\$	6.75
400 W Mercury Vapor	\$	14.26
250 W Mercury Vapor	\$	10.45
175 W Mercury Vapor	\$	8.75
200 W LED	\$	9.66
144 W LED	\$	7.93
75 W LED	\$	5.82
60 W LED	\$	5.02

AVILLA (INDIANA) MUNICIPAL ELECTRIC UTILITY

APPENDIX A

RATE ADJUSTMENT

Annual Cost of Purchased Power at the new wholesale rates and charges	\$2,581,971
Annual Cost of Purchased Power priced at base rates and charges now in effect	<u>2,348,642</u>
Annual change in Purchased Power Cost	233,329
Annual KWH Sales	÷ <u>35,456,611</u> KWH
Pass Through Adjustment Factor	<u>\$0.006581</u> /KWH
Current Transmission Pass Through Rate	\$0.000000
Proposed Transmission Pass Through Rate	<u>0.006581</u>
Change in Pass Through Rate	<u>\$0.006581</u>