



1st Reading 4.11.2013 Tabled
2nd Reading 10.10.2013

RESOLUTION NO. 03-2013

**A RESOLUTION OF THE BOARD OF PUBLIC WORKS OF THE
CITY OF AUBURN, INDIANA, APPROVING A NEW
SCHEDULE OF RATES AND CHARGES FOR SERVICE PROVIDED
BY AUBURN MUNICIPAL ELECTRIC DEPARTMENT**

WHEREAS, the City of Auburn, Indiana, owns and operates by and through the Board of Public Works (the "Board") of the City a municipal electric utility known as Auburn Municipal Electric Department (the "Utility") for the purpose of providing electric utility service to residential, commercial and industrial customers within the City of Auburn, Indiana and contiguous areas in DeKalb County pursuant to Ind. Code § 8-1.5; and

WHEREAS, the Utility retained the services of Crowe Horwath, LLP to perform: (i) a rate study to determine whether the Utility's current schedule of rates and charges produces revenues sufficient to satisfy the requirements of Ind. Code § 8-1.5-3-8, and (ii) a cost of service study to determine whether the Utility's current schedule of rates and charges needs to be redesigned to better reflect the cost of providing electric service to the various customer classes; and

WHEREAS, the compiled *pro forma* financials indicate that the level of operating revenues produced by the Utility's existing rates and charges for electric service is not sufficient to meet the Utility's current statutory revenue requirement; and

WHEREAS, the results of the cost of service study indicate that the existing rates and charges need to be redesigned to better reflect the cost of providing service by customer class and that the Common Council of the City of Auburn should adopt a

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WHEREAS, the City of Auburn, Indiana, owns and operates by and through the Board of Public Works (the "Board") of the City a municipal electric utility known as Auburn Municipal Electric Department (the "Utility") for the purpose of providing electric utility service to residential, commercial and industrial customers within the City of Auburn, Indiana and contiguous areas in DeKalb County pursuant to Ind. Code § 8-1.5; and

WHEREAS, the Utility retained the services of Crowe Horwath, LLP to perform: (i) a rate study to determine whether the Utility's current schedule of rates and charges produces revenues sufficient to satisfy the requirements of Ind. Code § 8-1.5-3-8, and (ii) a cost of service study to determine whether the Utility's current schedule of rates and charges needs to be redesigned to better reflect the cost of providing electric service to the various customer classes; and

WHEREAS, the compiled *pro forma* financials indicate that the level of operating revenues produced by the Utility's existing rates and charges for electric service is not sufficient to meet the Utility's current statutory revenue requirement; and

WHEREAS, the results of the cost of service study indicate that the existing rates and charges need to be redesigned to better reflect the cost of providing service by customer class and that the Common Council of the City of Auburn should adopt a

revised schedule of reasonable and just rates and charges within the meaning of Ind. Code § 8-1.5-3-8; and

WHEREAS, Crowe Horwath LLP, at the direction of the Board and the Utility's management, developed the revised schedules of rates and charges attached hereto as Exhibit "A;" and

WHEREAS, the Board has the statutory responsibility to recommend to the Common Council "reasonable and just rates and charges for services" under Ind. Code § 8-1.5-3-4 and Ind. Code § 8-1.5-3-8; and

WHEREAS, the Board and its advisors believe (i) the Common Council should adopt a Rate Ordinance approving a new schedule of rates and charges for services provided by the Utility that replace the Utility's existing schedule of electric rates and charges in order to produce sufficient revenues to provide for all the legal and other necessary expenses incident to the operation of the Utility within the meaning of Ind. Code § 8-1.5-3-8; (ii) the Utility's existing schedule of electric rates and charges needs to be revised in order to better reflect the cost of providing service to the respective customer classes based upon the results of the cost of service study; and (iii) the proposed schedule of electric rates and charges attached hereto as Exhibit "A" are "nondiscriminatory "reasonable and just rates and charges for services" within the meaning of Code § 8-1.5-3-8; and

WHEREAS, rates and charges for services rendered by the Utility must be approved by the Common Council of the City of Auburn, Indiana and the Indiana Utility Regulatory Commission.

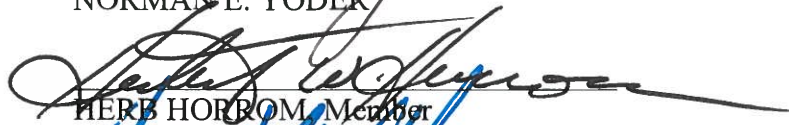
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, INDIANA, that the rates and charges attached hereto as Exhibit "A" should be approved and adopted for use by Auburn Municipal Electric Department, subject to review and approval thereof by the Common Council and the Indiana Utility Regulatory Commission; and

BE IT FURTHER RESOLVED, that said Board of Public Works recommends to the Common Council of the City of Auburn that it take appropriate action to adopt and implement the proposed revised rates and charges as required by the terms of Ind. Code § 8-1.5-3-8.

Adopted this 10 day of October, 2013.

BOARD OF PUBLIC WORKS OF THE CITY OF AUBURN, INDIANA

BY: 
NORMAN E. YODER


HERB HORROM, Member


DANNY MCAFEE, Member

ATTEST: 
PATRICIA M. MILLER,
AUBURN CLERK-TREASURER



MUNICIPAL UTILITIES: ELECTRIC RATES & CHARGES

ELECTRIC RATES & CHARGES

Rate Schedule R (Rate Code 10) Residential Single Phase Electric Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana.
 - **Application:** This rate schedule is applicable for service to residential dwellings as defined in the City's General Rules and Regulations.
 - **Character of service:** 120 volt, 2 wire or 120/240 volt, 3 wire. The City may, however, furnish three phase, four wire service, 120/240 volts or 120/208 volts, if in its judgment, which shall be final, it would be more advantageous to both the customer and the City.
 - **Monthly Rate per Dwelling unit:** Customer Charge **\$7.00** per dwelling unit.
 - **Energy Charge:** **\$0.076600** per kWh for all kWh.
 - **Minimum charge:** The monthly customer charge shall be the minimum charge each month regardless of kWh consumption.
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- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
 - **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor, which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
 - **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule R-AES (Rate Code 16): Residential Single Phase Electric Heat Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana.
- **Application:** This rate schedule is applicable for service to residential dwellings as defined in the City's General Rules and Regulations where the dwelling is heated by means of an approved electric heating installation, also as defined in the City's General Rules and Regulations.
- **Character of service:** 120 volt, 2 wire or 120/240 volt or 120/240 volt, 3 wire. The City may, however, furnish three phase, four wire service, 120/240 volts or 120/208 volts, if in its judgment, which shall be final, it would be more advantageous to both the customer and the City.
- **Monthly Rate per Dwelling Unit:** Customer charge: **\$15.00** per dwelling unit
- **Energy charge:** **\$0.066227** per kWh for all kWh.
- **Minimum charge:** The monthly customer charge shall be the minimum charge each month regardless of kWh consumption.
- **Terms of Service:** If a customer uses an average of more than 2,000 kilowatt hours per month during the months of October, November, December, January, February, March and April, the customer shall be billed under Rate Schedule R – AES (Rate Code 16). If a customer verifies in advance that he expects his usage to average more than 2,000 kilowatt hours per month for said months, the customer shall be billed under Rate Schedule R – AES (Rate Code 16). In May of each year a computation shall be made for said customer to determine if his average kilowatt hour consumption for said months is less than 2,000 kilowatt hours per month. In such event, the customer shall be re-billed for those months under Rate Schedule R (Rate Code 10) and shall be billed under Rate Schedule Rate Code 10) prospectively as well.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule Residential (Rate Code 20): Large Single Phase Electric Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana.
- **Application:** This rate schedule is applicable for service to residential dwellings as defined in the City's General Rules and Regulations where the facility desires a single large single-phase service rated 320-400 amperes.
- **Character of service:** 120/240 volt, 3 wire. The City may, however, furnish three phase, four wire service, 120/240 volts or 120/208 volts, if in its judgment, which shall be final, it would be more advantageous to both the customer and the City.
- **Monthly Rate per Dwelling Unit:** Customer charge: **\$18.00** per service location.
- **Energy charge:** **\$0.076998** per kWh for all kWh.
- **Minimum charge:** The monthly customer charge shall be the minimum charge each month regardless of kWh consumption.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule SGS (Rate Code 30): Commercial Single Phase Electric Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana to all customers where the monthly demand billing does not exceed 50 kVA.
- **Application:** This rate schedule is applicable for non-residential and commercial service is defined in the City's General Rules and Regulations.
- **Character of service:** Service available under this rate schedule will be supplied through a single set of service wires to a single meter location. The service shall be measured and delivered single phase at 120 volt two wire, or 120/240 volt three wire. The City may, however, furnish 120/208 volt three wire service, if in its judgment, which shall be final, it would be more advantageous to both the customer and the City.
- **Monthly Rate per Service Location or Establishment:**
 - **Customer charge:** **\$18.00** per service location or establishment.
 - **Energy charge:** **\$0.076747** per kWh for all kWh.
 - **Minimum charge:** The monthly customer charge shall be the minimum charge each month regardless of kWh consumption.
- **Determination of kVA Billing Demand:** The monthly kVA billing demand shall be normally determined by measurement, taking the highest 15 minute integrated or equivalent thermal kW capacity by dividing same by the average monthly power factor, or by the power factor as may be determined by the Electric Department by the means of periodic tests made by suitable metering equipment. The monthly kVA billing demand may also be determined by means of other suitable indication or recording metering equipment. All kVA billing demand shall be determined to the nearest whole kVA. If periodic testing indicates that the customer's monthly demand billing exceeds 50 kVA for six months out of a consecutive 12 month period, the customer shall be moved to a Rate Schedule that includes separate demand charge that is appropriate for the customer. Metering and billing may also be subject to adjustments described in Appendix Parts C, Parts I and II.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule SGS – 3 Phase (Rate Code 35): Commercial Three Phase Electric Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana, to all customers where the monthly demand billing does not exceed 50 kVA.
- **Application:** This rate schedule is applicable for non-residential and commercial service as defined in the City's General Rules and Regulations.
- **Character of Service:** Service available under this rate schedule will be supplied through a single set of service wires to a single meter location. The service shall be three phase, 240 volt or 480 volt three wire or 120/208 volt or 120/240 volt or 277/480 volt or four wire.
- **Monthly Rate per Service Location or Establishment:** Customer charge **\$30.00** per service location or establishment
- **Energy charge:** **\$0.088673** per kWh for all kWh
- **Minimum charge:** The monthly customer charge shall be the minimum charge each month regardless of kWh consumption.
- **Determination of kVA Billing Demand:** The monthly kVA billing demand shall be normally determined by measurement, taking the highest 15 minute integrated or equivalent thermal kW capacity by dividing same by the average monthly power factor, or by the power factor as may be determined by the Electric Department by means of periodic tests made by suitable metering equipment. The monthly kVA billing demand may also be determined by means of other suitable indication or recording metering equipment. All kVA billing demand shall be determined to the nearest whole kVA. If periodic testing indicates that the customer's monthly billing demand exceeds 50 kVA for six months out of a consecutive 12 month period, the customer shall be moved to a Rate Schedule that includes a separate demand charge that is appropriate for that customer. Metering and billing may also be subject to adjustments described in Appendix C, Parts I and II.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule LGS – 3 Phase (Rate Code 39): Commercial Three Phase Electric Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana to all customers where the monthly demand billing exceeds 50 kVA but does not exceed 200 kVA.
- **Application:** This rate schedule is applicable for non-residential and commercial service as defined in the City's General Rules and Regulations.
- **Character of Service:** Service available under this rate schedule will be supplied through a single set of service wires to a single meter location. The service shall be three phase, 240 volt or 480 volt three wire or 120/208 volt or 120/240 volt or 277/480 volt four wire.
- **Monthly Rate per Service Location or Establishment:**
 - **Customer charge:** **\$30.00** per service location or establishment.
 - **Demand charge:** **\$17.34** per kVA of billing demand.
 - **Energy charge:** **\$0.047143** kWh for all kWh.
 - **Minimum charge:** The sum of monthly customer charge and the monthly demand charges shall be the minimum charge each month regardless of kWh consumption.
- **Determination of kVA Billing Demand:** The monthly kVA billing demand shall be normally determined by measurement by taking the highest 15 minute integrated or equivalent thermal kW capacity, dividing same by average monthly power factor, or by the power factor as determined by the Electric Department by means of periodic tests made by suitable metering equipment. The monthly kVA billing demand may also be determined by means of other suitable indication or recording equipment. All kVA billing demand shall be determined to the nearest whole kVA. The monthly billing demand shall be the kVA capacity as determined above, but in no event shall the monthly billing demand be less than the higher of 50 kVA or 60% of the highest kVA monthly billing demand established during the previous eleven (11) months. If a customer has a Service Application or Contract with the City that establishes a higher minimum monthly billing demand

that would result from the application of the tariff provision, the Service Application or Contract will determine that customer's monthly billing demand. Metering and billing may also be subject to adjustments described in Appendix C, Parts I and II.

- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule EHV (Rate Code 40): High Voltage Large Power Service

- **Availability:** In service area of the Municipal Electric Department of the City Auburn, Indiana to all customers where the nominal monthly demand billing exceeds 30,000 kVA.
- **Application:** This rate schedule is applicable for industrial service as defined in the City's General Rules and Regulations.
- **Character of service:** Service available under this rate schedule will be supplied to a single meter location. The service shall be at 69,000 volts, three phase, where the customer furnishes a complete substation metered at 69,000 volts.
- **Monthly Rate per Service Location or Establishment:**
 - **Customer charge:** \$350.00 per service location
 - **Demand charge:** \$17.34 per kVA of billing demand
 - **Energy charge:** \$0.031525 per kWh for all kWh
 - **Minimum charge:** The sum of the monthly customer charge and monthly demand charge shall be the minimum charge each month regardless of kWh consumption.
- **Determination of kVA Billing Demand - Standard:** The monthly kVA billing demand shall be normally determined by measurement by taking the highest 15 minute integrated or equivalent thermal KW capacity by dividing same by the average monthly power factor. The monthly kVA billing demand may also be determined by means of other suitable indicating or recording metering equipment. All kVA billing demand shall be determined to the nearest whole kVA. The monthly billing demand shall be the kVA capacity as determined above, but in no event shall the monthly billing demand be less than the higher of 25,000 KVA or the highest monthly billing demand established during the previous eleven months. If a customer has a Service Application or Contract with the City that establishes a higher minimum monthly billing demand than would result from the application of the tariff provision, the Service Application or Contract will determine that customer's billing demand. Metering and billing may also be subject to adjustments described in Appendix C.
- **Determination of kVA Billing Demand – Industrial Demand Incentive Program:** The Customer's monthly kVA billing demand will be determined by measuring the highest 15-minute kW demand during the hour ending coincident with Auburn's wholesale energy supplier peak demand. Said coincident kW demand is then divided by Customer's average monthly power factor to determine Customer's kVA billing demand to the nearest whole kVA. In the event Customer's load is absent during Auburn's monthly system wholesale coincident demand recording but active at other times during the month, Customer's monthly kVA billing demand shall be determined by measuring the highest 15-minute kW demand during "On-Peak" hours divided by Customer's average monthly power factor.
- **On-Peak Hours:** On-Peak hours shall be defined as non-holiday weekdays between the hours ending 07:00 to 23:00, subject to daylight savings time when applicable.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor, which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor, which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule LP (Rate Codes 41 and 42) Primary and Secondary Voltage Large Power Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana to all customers where the monthly demand billing exceeds 200 KVA.
- **Application:** This rate schedule is applicable for non-residential and commercial service as defined in the City's General Rules and Regulations.
- **Character of Service:** Service available under this rate schedule will be supplied to a single meter location. The service shall be three phase, 240 volt or 480 volt three wire or 120/208 volt or 120/240 volt or 277/480 volt four wire. The City reserves the right to meter at a 7,200/12,470 volt Primary location or at the Secondary utilization voltage.
- **Monthly Rate per Service Location or Establishment:**
 - **Primary Voltages:**
 - **Customer charge: \$70.00** per service location
 - **Demand charge: \$17.34** per kVA of billing demand
 - **Energy charge: \$0.047862** per kWh for all kWh
 - **Secondary Voltages:**
 - **Customer charge: \$70.00** per service location
 - **Demand charge: \$17.34** per kVA of billing demand
 - **Energy charge: \$0.048390** per kWh for all kWh
 - **Minimum charge:** The sum of the monthly customer charge and the monthly demand charge shall be the minimum charge each month regardless of kWh consumption.
- **Determination of kVA Billing Demand:** The monthly kVA billing demand shall be normally determined by measurement by taking the highest 15 minute integrated or equivalent thermal KW capacity by dividing same by the average monthly power factor, or by the power factor as may be determined by the Electric Department by means of periodic tests made by suitable metering equipment. The monthly kVA demand billing may also be determined by means of other suitable indicating or recording metering equipment. All kVA billing demand shall be determined to the nearest whole kVA. The monthly billing demand shall be the kVA capacity as determined above, but in no event shall the monthly billing demand be less than the higher of 200 kVA or 60% of the highest kVA monthly billing demand established during the previous eleven (11) months. If a customer has a Service Application or Contract with the City that establishes a higher minimum monthly billing demand than would result from the application of the tariff provision, the Service Application or Contract will determine that customer's billing demand. Metering and billing may also be subject to adjustments described in Appendix C, Parts I and II.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule LPS (Rate Codes 43 and 44) - Standard: Primary and Secondary Voltage Large Power Services

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana to all customers where the monthly demand billing exceeds 50 kVA.
- **Application:** This rate schedule is applicable for non-residential and commercial service as defined in the City's General Rules and Regulations.
- **Character of Service:** Service available under this rate schedule will be supplied to a single meter location. The service shall be at 7200/12,470 volts, three phase, where customer furnishes a complete substation. The City reserves the right to meter at a 7,200/12,470 volt Primary location or at the Secondary utilization voltage.
- **Monthly Rate per Service Location or Establishment:**
 - **Primary Voltages:**
 - **Customer charge: \$60.00** per service location

- **Demand charge: \$17.34** per kVA of billing demand
 - **Energy charge: \$0.046544** per kWh for all kWh
- **Secondary Voltages:**
 - **Customer charge: \$60.00** per service location
 - **Demand charge: \$17.34** per kVA of billing demand
 - **Energy charge: \$0.043441** per kWh for all kWh
 - **Minimum charge:** The sum of the monthly customer charge and the monthly demand charge shall be the minimum charge each month regardless of kWh consumption.
- **Rate Code 43 & 44 Determination of kVA Billing Demand - Standard:** The monthly kVA billing demand shall be normally determined by measurement by taking the highest 15 minute integrated or equivalent thermal kW capacity by dividing same by the average monthly power factor, or by the power factor as may be determined by the Electric Department by means of periodic tests made by suitable metering equipment. The monthly kVA billing demand may also be determined by means of other suitable indicating or recording metering equipment. All kVA billing demand shall be determined to the nearest whole KVA. The monthly billing demand shall be the kVA capacity as determined above, but in no event shall the monthly billing demand be less than the higher of 50 KVA or 60% of the highest kVA monthly billing demand established during the previous eleven (11) months. If a customer has a Service Application or Contract with the City that establishes a higher minimum monthly billing demand than would result from the application of the tariff provision, the Service Application or Contract will determine that customer's monthly billing demand. Metering and billing may also be subject to adjustments described in Appendix C, Parts I and II.
- **Rate Code 43 Determination of kVA Billing Demand – Industrial Demand Incentive Program:** The Customer's monthly kVA billing demand will be determined by measuring the highest 15-minute kW demand during the hour ending coincident with Auburn's wholesale energy supplier peak demand. Said coincident kW demand is then divided by Customer's average monthly power factor to determine Customer's kVA billing demand to the nearest whole kVA. In the event Customer's load is absent during Auburn's monthly system wholesale coincident demand recording but active at other times during the month, Customer's monthly kVA billing demand shall be determined by measuring the highest 15-minute kW demand during "On-Peak" hours divided by Customer's average monthly power factor.
- **On-Peak Hours:** On-Peak hours shall be defined as non-holiday weekdays between the hours ending 07:00 to 23:00, subject to daylight savings time when applicable.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule EHP (Rate Code 45): High Voltage Large Power Service

- **Availability:** In service area of the Municipal Electric Department of the City of Auburn, Indiana to all customers where the monthly demand billing exceeds 5,000 KVA, but does not exceed 30,000 kVA.
- **Application:** This rate schedule is applicable for industrial service as defined in the City's General Rules and Regulations.
- **Character of Service:** Service available under this rate schedule will be supplied to a single meter location. The service shall be at 69,000 volts, three phase, where the customer furnishes a complete substation metered 69,000 volts.
- **Monthly Rate per Service Location or Establishment:**
 - **Customer charge: \$250.00** per service location
 - **Demand charge: \$17.34** per kVA of billing demand
 - **Energy charge: \$0.031857** per kWh for all kWh
 - **Minimum charge:** The sum of the monthly customer charge and the monthly demand charge shall be the minimum charge each month regardless of kWh consumption.

- **Determination of kVA Billing Demand - Standard:** The monthly kVA billing demand shall be normally determined by measurement by taking the highest 15 minute integrated or equivalent thermal kW capacity by dividing same by the average monthly power factor, or by the average monthly power factor as may be determined by the Electric Department by means of periodic tests made by suitable metering equipment. The monthly kVA billing demand may also be determined by means of other suitable indicating or recording metering equipment. All kVA billing demand shall be determined to the nearest whole kVA. The monthly billing demand shall be the kVA capacity as determined above, but in no event shall the monthly billing demand be less than the higher of 5,000 KVA or 60% of the highest kVA monthly billing demand established during the previous eleven (11) months. If a customer has a Service Application or Contract with the City that establishes a higher minimum monthly billing demand than would result from the application of the tariff provision, the Service Application or Contract will determine that customer's billing demand. Metering and billing may also be subject to adjustments described in Appendix C, Parts I and II.
- **Determination of kVA Billing Demand – Industrial Demand Incentive Program:** The Customer's monthly kVA billing demand will be determined by measuring the highest 15-minute kW demand during the hour ending coincident with Auburn's wholesale energy supplier peak demand. Said coincident kW demand is then divided by Customer's average monthly power factor to determine Customer's kVA billing demand to the nearest whole kVA. In the event Customer's load is absent during Auburn's monthly system wholesale coincident demand recording but active at other times during the month, Customer's monthly kVA billing demand shall be determined by measuring the highest 15-minute kW demand during "On-Peak" hours divided by Customer's average monthly power factor.
- **On-Peak Hours:** On-Peak hours shall be defined as non-holiday weekdays between the hours ending 07:00 to 23:00, subject to daylight savings time when applicable.
- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule EHPT (Rate Code 45T): High Voltage Large Power Service

- **Availability:** To all industrial service customers located in the assigned service area of the Municipal Electric Department of the City of Auburn, Indiana, where the monthly billing demand exceeds 5,000 KVA, but does not exceed 20,000 KVA.
- **Application:** This rate schedule is applicable for service to high voltage industrial facilities located within the City's service territory.
- **Character of Service:** Service available under this rate schedule will be supplied to a single meter location. The service shall be at 69,000 volts, three phase, where the customer furnishes a complete substation and where service is metered at 69,000 volts.
- **Definition:** On-Peak means usage occurring between the hours ending 07:00 to 23:00, non-holidays, Monday through Friday, local time (including E.D.S.T., when applicable).
- **Monthly Rate per Metered Service Location:**
 - **Customer charge:** \$250.00 per Metered Service Location.
 - **Demand charge:** Shall be \$17.34 per kVA applied to the higher of either:
 - On-Peak billing demand; or
 - Off-Peak billing demand, to the extent it exceeds 1.2 times On-Peak billing demand.
Under this rate schedule, the demand charge will not be applied to that portion of an industrial service customer's Off-Peak billing demand that is between 1.0 and 1.2 times On-Peak billing demand.
 - **Energy charge:** \$0.031731 per kWh for all kWh.
 - **Minimum charge:** The sum of the monthly customer charge and the monthly demand charge shall be the minimum charge each month regardless of kWh consumption.
- **Determination of kVA Billing Demand:** The monthly kVA demand billing shall be determined by taking the highest 15 minute integrated kW demand, On-Peak, or equivalent thermal kW capacity

dividing same by the average monthly power factor. All kVA billing demand shall be determined to the nearest whole kVA. The monthly billing demand shall be the kVA capacity as determined above, but in no event shall the monthly billing demand be less than the highest of 5,000 KVA or 60% of the highest kVA monthly billing demand established during the previous eleven (11) months. Metering and billing also may be subject to the adjustments described in Appendix A, Parts I, II, III, Appendix B, and Appendix C, Parts I and II.

- **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Rate Schedule MSL: Municipal Street Lighting

- **Application:** This rate schedule is applicable for all Street Lighting service furnished to the City of Auburn, Indiana by its Municipal Electric Department.
- **Character of service:** The type of fixture to be installed shall conform to the Standards established by the Municipal Electric Department and may, at the City's option, consist of either incandescent, mercury vapor, sodium vapor or other approved high intensity discharge fixtures. The rated size of the fixture in lumens shall normally be determined by the Board of Public Works and Safety, and shall be adequate so as to provide an intensity of illumination that is in accordance with generally accepted standards for the location and use involved, taking into consideration all factors such as width of street, traffic conditions, spacing of lamps, etc. The Electric Utility Department shall install, operate and maintain, at its expense, all street lighting equipment and appurtenances including lamp replacements.
- **Request for Additional Lamps:** Additional lamps shall be installed by the Municipal Electric Department upon written authorization from the Board of Public Works and Safety.
- **Monthly rate for Street Lighting Service:**
 - Steel, fiberglass or aluminum pole construction served from underground lines:
 - **\$16.23** per lamp per month
 - Wood pole construction served from overhead lines:
 - **\$5.42** per lamp per month

Rate Schedule OSL: Private Outdoor Lighting

- **Application:** This rate schedule is applicable for all Private Outdoor Lighting service furnished by the Municipal Electric Department.
- **Character of service:** The type of fixture to be installed shall conform to the Standards established by the Municipal Electric Department. The service shall be for each lamp with luminaire and an upsweep arm not over 6 feet in length. Each lamp shall be controlled by a photoelectric relay. Service shall be supplied from an existing pole and secondary facilities of the Municipal Electric Department.
- **Contracts:** Contracts under this rate schedule shall be for a period of not less than one year.
- **Ownership of facilities:** All facilities necessary for service including fixtures, controls, poles, transformers, secondaries, lamps and other appurtenances shall be owned and maintained by the Municipal Electric Department. All services and necessary maintenance shall be performed only during the regular scheduled working hours by the Municipal Electric Department. Burned out lamps will normally be replaced within 24 hours after notification to the Department by the customer.
- **Hours of lighting:** All lamps shall burn from about one-half hour before sunset until about one-half hour after sunrise every night, all night, or approximately 4,000 hours per year.
 - Monthly rate for Private Outdoor Lighting Service:
 - 100 watt sodium vapor lamp: **\$4.96** per lamp per month
 - 175 watt mercury vapor lamp: **\$7.90** per lamp per month
 - 250 watt mercury vapor lamp: **\$10.34** per lamp per month
 - 400 watt sodium or mercury vapor lamp: **\$14.83** per lamp per month

Rate Schedule QF: Purchase of Energy and Capacity from a Qualifying Facility

- **Availability:** To a customer of Auburn Municipal Electric Utility for surplus requirements of the Customer, over and above any amount generated by the Customer for its own use, being served at points of delivery by the Municipal Utility on the effective date hereof.
- **Application:** Service will be delivered at one nominal primary distribution or higher voltage, as determined by the Municipal Utility, and will be metered at or compensated to the delivered voltage.
- **Contract:** Customer shall enter into a contract with the Municipal Utility before operating any generating equipment electrically inter-connected with the Municipal Utility's electric system, and, in each case of parallel operation, Customer shall operate its electric facilities in such a manner as not to cause undue fluctuations in voltage, intermittent load characteristics, current and /or voltage harmonics or otherwise interfere with the operation of the Municipal Utility's ability to render adequate service to its other customers.
- In each case where parallel operating is permitted, such service is subject to the provisions and Special Terms and Conditions of this Tariff and the provisions of the applicable contract.
- **Rate for Purchase of Energy:** The Municipal Utility will purchase energy from the qualifying facility of customer in accordance with the conditions and limitations of the Tariff and the applicable contract at the following rate:
 - For all kilowatt hours supplied per month \$0.037511 per kWh
 - Measured by suitable integrating instruments.
- **Adjustments:** This rate will be adjusted by the current fuel cost charge in accordance with the appropriate adjusted fuel cost described in Appendix A, Part II.
- **Rate for Purchase of Capacity:** The Municipal Utility will purchase capacity from the qualifying facility of Customer in accordance with the conditions and limitations of this Tariff and the applicable contract at the following rate:
 - Unadjusted rate per kW per month of Contracted Capacity \$14.50 per kW.
- Customer shall receive payment from the Municipal Utility for such qualifying capacity in accordance with the following:
 - \$14.50 per kW x Contracted Capacity in kW multiplied by the generation load factor.
- **Where:** Generation load factor shall equal the total kilowatt-hours supplied by qualifying facility per month; divided by the kilowatts of capacity the qualifying facility contracts to provide to the Municipal Utility; further divided by the number of Hours in the month.
- Contracted Capacity shall be the amount of capacity expressed in terms of kilowatts that Customer guarantees the qualifying facility will supply to Municipal Utility as provided for in the contract for such service.
- **Special Terms and Conditions:**
 - 1) It shall be the Customer's responsibility to inform the Municipal Utility of any changes in its electric generation capability.
 - 2) The Customer shall install, operate and maintain, at its own cost and expense, all control, protective devices and appurtenances thereto (hereinafter called the "Control Equipment" as designated by the Municipal Utility) necessary to assure that no disturbance to the electric service rendered by the Municipal Utility to any of its other customers will result from the connection between the Customer's said generation and the Municipal Utility electric system.
 - 3) Customer shall agree that the relays included in the Control Equipment, which, in the Municipal Utility's opinion, require coordination with the Municipal Utility, shall be reviewed and approved by the Municipal Utility, and such relays shall not be set, reset, adjusted or tampered with by any person except to verify that such equipment complies with the Municipal Utility approved settings.
 - 4) Customer shall agree that, at all times when its generation equipment is being operated in parallel with the Municipal Utility's electric system, Customer will so operate said generators in such a manner that no disturbance will be produced, thereby to the service rendered by the Municipal Utility to any of its other Customers.
 - 5) Customer shall agree that the Municipal Utility shall not be held liable for any damage to, or breakdown of, Customer's equipment operated in parallel with the Municipal Utility.
 - 6) Customer shall agree to indemnify and hold the Municipal Utility harmless from any and all claims of third parties for injury to persons or damage to property due to or in any way connected with the operation of Customer's said generation equipment.

- 7) Customer shall agree that the Municipal Utility shall at all times have immediate access to breakers or any other equipment that will isolate Customer's generation from Municipal Utility's electric system. The Municipal Utility shall have the right and authority to isolate said generation, at the Municipal Utility's sole discretion if the Municipal Utility believes continued parallel operation creates or contributes to an emergency to either the Municipal Utility or Customer's electric system.
- 8) Supplementary, Backup, Interruptible and/or Maintenance power, as defined in 170 IAC,4-4, 1-1, will be supplied by the Municipal Utility only in accordance with the applicable Service Schedules to be filed by Municipal Utility with the commission.

Adjustments:

- o **Rate Adjustment:** The above rates are subject to a Purchased Power Cost Adjustment Tracking Factor as stated in Appendix A, Part I.
- o **Fuel Cost Adjustment:** The above rates are subject to a Fuel Cost Adjustment Factor which tracks the Fuel Cost Adjustment factor of the Electric Department's supplier of electricity as stated in Appendix A, Part II.
- o **System Sales Clause Adjustment:** The rates are subject to a System Sales Clause Adjustment Factor which tracks the System Sales Clause Factor of the Electric Department's supplier of electricity as derived in Appendix A, Part III.

Appendix A:

- **Part I – Rate Adjustment**

Rate adjustments shall be based on the Wholesale Power Tracking Factor occasioned solely by changes in the base cost of purchased power. Currently, Auburn Municipal Electric Department purchases wholesale power under a "Formula Agreement". The formula contains demand, energy, fuel and certain Regional Transmission Organization charge elements.

The base cost of purchased power shall be defined according to the following schedule:

| | |
|-------------------------------------|-----------------|
| June-December 2013 Demand Charge | \$16.675/kW |
| June-December 2013 Energy Charge | \$0.0099090/kWh |
| Transmission Voltage Fuel Charge | \$0.0150510/kWh |
| PJM Open Access Transmission Tariff | \$0.0010963/kWh |

The sum of the Demand Charge, Energy Charge, Fuel Charge and OATT Charge shall determine the base cost of purchased power. The Wholesale Power Tracking Factor equals the difference between these base charges and actual wholesale charges, whether greater or less than these base values. The Wholesale Power Tracking Factor shall be scheduled for review and adjustment twice annually.

- **Part II – Fuel Cost Adjustment:** The actual cost of fuel varies with market conditions and the efficiencies of a blend of on-line generation sources contributing toward power delivery to Auburn. The Fuel Cost Adjustment (including Fuel Cost True-Up) shall be the same as that most recently billed to the Municipal Utility by its electric power supplier divided by one (1.0) minus the total energy losses of the Municipal Utility for the preceding calendar year expressed as a decimal fraction of the total energy purchased for the same year. The Fuel Cost Adjustment shall be applied to all kWh sales. The Fuel Cost Adjustment Tracking Factor shall be scheduled for review and adjustment twice annually.

- **Part III – System Sales Tracker Adjustment:** Auburn Municipal Electric System is considered native load to its power supplier. On occasion, its power supplier will sell electricity "off the local grid". Auburn will then receive a percentage of the net revenue from such transactions. The System Sales Tracker Adjustment shall be the same as that most recently billed to the Municipal Utility by its supplier of electric power divided by one (1.0) minus the total energy losses of the Municipal Utility for the preceding calendar year expressed as a decimal fraction of the total energy purchased for the same year. The System Sales Tracker Adjustment shall be applied to all kWh sales.

- **Wholesale Power Cost Adjustment Tracking Factor**

Notice is hereby given to rate payers of the municipally owned electric utility and other interested persons that the following Wholesale Power Cost Adjustment Tracking Factor effective April 1, 2012 is \$0.025990 per kWh per month. The City of Auburn, Indiana under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's Order in Cause No. 40095, filed with the Commission for its approval.

- **Fuel Cost Adjustment Tracking Factor**

Notice is hereby given to rate payers of the municipally owned electric utility and other interested persons that the following Fuel Cost Adjustment Tracking Factor effective October 1, 2011 is \$0.000000 per kWh per month. The City of Auburn, Indiana under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's Order in Cause No 40095, filed with the Commission for its approval.

- **System Sales Adjustment Tracking Factor**

Notice is hereby given to rate payers of the municipally owned electric utility and other interested persons that the following System Sales Adjustment Tracking Factor effective October 1, 2011 is \$0.000000 per kWh per month. The City of Auburn, Indiana under and pursuant to the Public Service Commission Act, as amended, and the Indiana Utility Regulatory Commission's Order in Cause No 40095, filed with the Commission for its approval.

Appendix B:

- **Part I – General Power Service:** The billing demand in Rates SGS, SGS – 3 Phase, LGS – 3 Phase, EHV, LP, LPS and EHP may be adjusted where highly fluctuating or intermittent loads (such as welding machines, electric furnaces, hoists, cranes, elevator, x-rays and the like) are in operation by the Customer. The Utility reserves the right to determine the billing capacity by averaging Customer's total load over a two (2) minute period.
- **Part II – Metering and Billing kWh:** The metering for Rates SGS, SGS – 3 Phase, LGS – 3 Phase, EHV, LP, LPS and EHP may be determined by using either a single combination single and three phase meter or separate single and three phase meters in which event the maximum demand and kWh readings will be added arithmetically and a single bill under the above rates will be rendered to the Customer, if in its judgment, which shall be final, it would be more advantageous to both the Customer and the Utility.
- **Part III - Industrial Demand Control Incentive Program**
 - **Availability:** To all Rate Code 40, 43 and 45 Industrial service customers located in the assigned service area of the Municipal Electric Department of the City of Auburn, Indiana, where the Customer owns and maintains a complete substation and takes three phase service with a minimum 1,500 kVA billing demand at 7,200/12,470 volts or with a minimum 6,000 kVA billing demand at 69,000 volts.
 - **Purpose:** To offer capacity without demand charge to Customer when Customer's load does not increase Auburn's wholesale capacity charge. The Customer will be responsible for all energy, customer and minimum billing charges in addition to the monthly kVA billing demand charge.
 - Customers who regularly participate in the program and demonstrate support of high monthly load factors which are greater than 90% of Auburn's system load factor will be entitled to a two percent (2%) discount from their current monthly billing.
 - **System Load Factor:** Auburn's system load factor shall be determined by dividing its monthly consumption in kWhrs by the product of its co-incident peak kW billing demand times the number of hours in the billing period.
 - **Determination of kVA Billing Demand:** The Customer's monthly kVA billing demand will be determined by measuring the highest 15-minute kW demand during the hour coincident with Auburn's wholesale energy supplier peak demand. Said coincident kW demand is then divided by Customer's average monthly power factor to determine Customer's kVA billing demand to the nearest whole kVA. In the event Customer's load is absent (less than sixty percent – 60% of an average of the previous eleven - 11 months) during Auburn's monthly system wholesale coincident demand recording but active at other times during the month, Customer's monthly kVA billing demand will be determined by measuring the highest 15-minute kW demand during "On-Peak" hours divided by Customer's average monthly power factor.
 - **On-Peak Hours:** On-Peak hours shall be defined as non-holiday weekdays between the hours ending 07:00 to 23:00 local time, subject to daylight savings time when applicable.
 - **Excess Capacity Availability:** Customers who choose to participate in the Industrial Demand Incentive Program will receive Auburn System Demand signals from the utility, updated every 15-minutes, but delayed one-hour for the first hour of each month. Customers are responsible for determining the excess capacity they desire then submitting their request to Auburn. Auburn will consider all excess capacity requests and assign Customer capacities by percentage of

contract capacity. Customers are responsible for controlling their load in accordance with the approved capacity. If the Customer's load exceeds the approved capacity and such excess causes Auburn to set its monthly peak demand at a value greater than the value upon which the approved capacity was based, Customer shall be charged for the kVA billing demand, based on the approved capacity at the normal rate plus the difference between the approved capacity and the actual peak capacity at Auburn's actual wholesale rate in \$ per kW divided by the Customer's billing power factor.

- o **Support Cost:** The Customer will be responsible for the cost of installing and maintaining all equipment necessary to support transmission, reception and record keeping of all signals and information required to support Customer's participation in the program. The Customer is also responsible for integrating and maintaining all required signals and related information with Customer's demand control system.

Patricia M. Miller, Clerk-Treasurer
City of Auburn, IN