

ORDINANCE

AN ORDINANCE amending the current Purchase Power Cost Adjustment (PPCA) definition, and further providing with respect thereto.

ORDINANCE NO. 2015-01

WHEREAS, the current Purchase Power Cost Adjustment (PPCA) for the City of New Roads is calculated based on the cost of electricity from the wholesale power supplier; and

WHEREAS, the operations and maintenance costs of the New Roads Power Plant, and associated fuel costs during times of operation, are currently included in the costs from the wholesale power supplier and accounted for in the current PPCA; and

WHEREAS, presently the City of New Roads incurs no direct costs from the operation of its municipal power plant as such costs are born by Louisiana Energy & Power Authority (LEPA) through a prior agreement; and

WHEREAS, as of July 1, 2015 the agreement with LEPA expires and, thereafter, the City of New Roads will incur direct costs from the operation of the power plant, which costs will become a direct cost to the city; and

WHEREAS, in order to re-coup such costs the calculation of the PPCA must be amended.

THEREFORE, BE IT ORDAINED by the City Council of the City of New Roads, Louisiana:

SECTION 1. The definition of PURCHASED POWER COST ADJUSTMENT under Section 75 of Chapter 24 of the code of ordinances of the City of New Roads, Louisiana, is hereby amended to read as follows:

Chapter 24

UTILITIES

ARTICLE II. ELECTRICITY

Sec. 24-75. Electricity rate schedule established.

PURCHASED POWER COST & POWER COST ADJUSTMENTS

The Purchased Power Cost Adjustment (PPCA) shall be calculated as follows:

$$PPCA = KWH * [\$0.004 + (PURC - 0.040)]$$

Where:

PPCA is the Purchased Power Cost Adjustment in dollars.

KWH is the customer's energy consumption in kilowatt-hours.

PURC is the cost per kilowatt-hour of the monthly billing to the city from its wholesale power supplier adjusted for city distribution system losses.

Should the City of New Roads incur direct costs from the operation of its power plant after July 1, 2015 the operations and maintenance and any fuel costs incurred would become a direct cost to the city and, in order for these costs to continue to be accounted for in the total power costs of the city, a power cost adjustment will become effective and shall be calculated as follows:

The Power Cost Adjustment (PCA) shall be calculated as follows:

$$PCA = KWH * [\$0.004 + (PURC - 0.040)]$$

Where:

PCA is the Power Cost Adjustment in dollars.

KWH is the customer's energy consumption in kilowatt-hours.

PURC is the total cost of wholesale electricity supply (including the monthly billing to the city from its wholesale power supplier plus power plant costs incurred by the city), divided by the total energy in kwh (wholesale energy supplied plus energy generated by the power plant), then adjusted for city distribution system losses.

SECTION 2. This ordinance shall become effective upon approval by the mayor.

SECTION 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 4. Should any provisions of this ordinance, or the application thereof, be held invalid, such invalidity shall not affect the validity of the remaining portions of this ordinance.

INTRODUCED BY Ms. St. Cyr ON THE 16th DAY OF JUNE, 2015.

PUBLIC HEARING HELD ON THE 7th DAY OF JULY, 2015.

AFTER SUCH PUBLIC HEARING IT WAS MOVED BY Mr. Daisy AND SECONDED BY Mr. White,, THAT THIS ORDINANCE BE ADOPTED:

APPROVED AND ADOPTED on this the 7th day of July, 2015, by the following yea and nay votes on the roll call:

YEAS: Daisy, Davis, St. Cyr and White

NAYS: Kellerman

ABSENT: None

APPROVED:

Mayor

July 8, 2015

Secretary-Treasurer