

**CITY OF EDEN PRAIRIE
HENNEPIN COUNTY, MINNESOTA**

ORDINANCE NO. 3-2023

ELECTRIC FRANCHISE FEE ORDINANCE

AN ORDINANCE IMPLEMENTING AN ELECTRIC SERVICE FRANCHISE FEE ON MINNESOTA VALLEY ELECTRIC COOPERATIVE, A MINNESOTA CORPORATION, ITS SUCCESSORS AND ASSIGNS, FOR PROVIDING ELECTRIC SERVICE WITHIN THE CITY OF EDEN PRAIRIE

THE CITY COUNCIL OF THE CITY OF EDEN PRAIRIE DOES ORDAIN:

SECTION 1. The City of Eden Prairie Municipal Code is hereby amended to include reference to the following Special Ordinance.

Subdivision 1. Purpose. The Eden Prairie City Council has determined that it is in the best interest of the City to impose a franchise fee on those public utility companies that provide electric services within the City of Eden Prairie.

- (a) Pursuant to City Ordinance 22-2012, a Franchise Agreement between the City of Eden Prairie and Minnesota Valley Electric Cooperative, a Minnesota corporation, its successors and assigns, the City has the right to impose a franchise fee on, Minnesota Valley Electric Cooperative, a Minnesota corporation, its successors and assigns, in an amount and fee design as set forth in Section 9.1 of the Minnesota Valley Electric Cooperative Franchise and in the fee schedule attached hereto as Schedule A.

Subdivision 2. Franchise Fee Statement. A franchise fee is hereby imposed on Minnesota Valley Electric Cooperative, a Minnesota Corporation, its successors and assigns, under its electric franchise in accordance with the schedule attached here to and made a part of this Ordinance, commencing with the Minnesota Valley Electric Cooperative May, 2023 billing month.

This fee is an account-based fee on each premise and not a meter-based fee. In the event that an entity covered by this ordinance has more than one meter at a single premise, but only one account, only one fee shall be assessed to that account. If a premise has two or more meters being billed at different rates, the Company may have an account for each rate classification, which will result in more than one franchise fee assessment for electric service to that premise. If the Company combines the rate classifications into a single account, the franchise fee assessed to the account will be the largest franchise fee applicable to a single rate classification for energy delivered to that premise. In the event any entities covered by this ordinance have more than one premise, each premise (address) shall be subject to the appropriate fee. In the event a question arises as to the proper fee amount for any premise, the Company's manner of billing for energy used at all similar premises in the city will control.

Subdivision 3. Payment. The said franchise fee shall be payable to the City in accordance with the terms set forth in Section 9.4 of the Franchise.

Subdivision 4. Surcharge. The City recognizes that the Minnesota Public Utilities Commission allows the utility company to add a surcharge to customer rates to reimburse such utility company for the cost of the fee and that Minnesota Valley Electric Cooperative will surcharge its customers in the City the amount of the fee.

Subdivision 5. Record Support for Payment. Minnesota Valley Electric Cooperative shall make each payment when due and, if required by the City, shall provide at the time of each payment a statement summarizing how the franchise fee payment was determined, including information showing any adjustments to the total surcharge billed in the period for which the payment is being made to account for any uncollectibles, refunds or error corrections.

Subdivision 6. Enforcement. Any dispute, including enforcement of a default regarding this ordinance will be resolved in accordance with Section 2.5 of the Franchise Agreement.

Subdivision 7. Effective Date of Franchise Fee. The effective date of this Ordinance shall be after its publication and ninety (90) days after the sending of written notice enclosing a copy of this adopted Ordinance to Minnesota Valley Electric Cooperative by certified mail. Collection of the fee shall commence as provided above.

Subdivision 8. Repeal of Franchise Fee Ordinance No. 3-2018. Ordinance 3-2018 is repealed effective as of the date of commencement of the franchise fee provided for herein in May, 2023 as specified in Subdivision 2.

FIRST READ at a regular meeting of the City Council of the City of Eden Prairie on the 3rd day of January, 2023, and finally read and adopted and ordered published in summary form as attached hereto at a regular meeting of the City Council of said City on the 17th day of January, 2023.



Ronald A. Case, Mayor

ATTEST:



Nicole Tingley, City Clerk

SCHEDULE A

Franchise Fee Rates:

Electric Utility

The franchise fee shall be in an amount determined by applying the following schedule per customer premise/per month based on metered service to retail customers within the City:

<u>Class</u>	<u>Amount per month</u>
Residential	\$6.50
Sm C & I – Non-Dem	\$8.50
Sm C & I – Demand	\$20.50
Large C & I	\$89.50

Franchise fees are to be collected by the Utility at the rate listed below, and submitted to the City on a quarterly basis as follows:

- January – March collections due by April 30.
- April – June collections due by July 31.
- July – September collections due by October 31.
- October – December collections due by January 31.

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SUMMARY OF ORDINANCE 3-2023

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Summaries:

The Ordinance implements, commencing in May, 2023, an electric service franchise fee on the Company for providing electric energy within the City. The Franchise Fee schedule is:


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Residential	\$6.50
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Effective Date: The effective date of the Ordinance shall be after its publication and ninety (90) days after the sending of written notice enclosing a copy of the adopted Ordinance to the Company by certified mail.

ATTEST:



Nicole Tingley, City Clerk



Ronald A. Case, Mayor

PUBLISHED in the *Sun Sailor* on January 26, 2023.

(A full copy of the text of this Ordinance is available from City Clerk.)

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA) ss
COUNTY OF HENNEPIN

Debbie Schwalba being duly sworn on an oath, states or affirms that he/she is the Publisher's Designated Agent of the newspaper(s) known as:

SS Mtka_Excelsior_Eden Prairie

with the known office of issue being located in the county of:

HENNEPIN

with additional circulation in the counties of:

HENNEPIN

and has full knowledge of the facts stated below:

- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 1 successive week(s); the first insertion being on 01/26/2023 and the last insertion being on 01/26/2023.

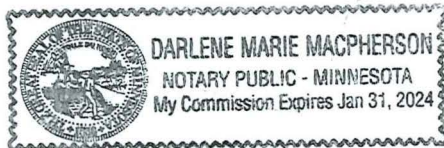
MORTGAGE FORECLOSURE NOTICES

Pursuant to Minnesota Stat. §580.033 relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By: Debbie Schwalba
Designated Agent

Subscribed and sworn to or affirmed before me on 01/26/2023 by Debbie Schwalba.

Darlene Marie MacPherson
Notary Public



Rate Information:

(1) Lowest classified rate paid by commercial users for comparable space:

\$999.99 per column inch

Ad ID 1288209

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Ronald A. Case, Mayor
ATTEST: Nicole Tingley, City Clerk

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