

ORDINANCE NO. 034, 2012
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING SECTION 26-464 OF THE CODE OF THE CITY OF FORT COLLINS
TO ESTABLISH A MEDICAL ASSISTANCE PROGRAM FOR ELECTRIC CUSTOMERS

WHEREAS, on December 6, 2011, the City Council adopted Ordinance No. 166, 2011, increasing the residential energy electric rate effective February 1, 2012; and

WHEREAS, the City Council directed City staff to develop a medical assistance program that would reduce the impact that such rate increase may have on customers who have below average income and who use electrical medically necessary equipment at a Fort Collins electric customer address; and

WHEREAS, Section 40-3.5-104(3), Colorado Revised Statutes, allows the governing body of a municipal utility, for good cause shown, to make changes to its rates or charges without providing 30 days' notice to the public of the text of the changes to the rates schedule; and

WHEREAS, on March 6, 2012, the City Council delayed consideration of this Ordinance in order to provide staff additional time to add elements to the medical assistance program with input from medical personnel and to allow for citizen outreach; and

WHEREAS, Utilities staff has since conducted outreach with local physicians, citizen groups, and other interested citizens; and

WHEREAS, the summer season billing months under the City's tiered rate system begin in June, 2012, which makes the enactment of this Ordinance time-sensitive; and

WHEREAS, staff has provided 30 days advance written notice to out-of-city customers that a public hearing regarding a possible amendment to the City Code that would allow for discounted rates to qualifying customers would be postponed from March 20, 2012 to April 17, 2012; and

WHEREAS, staff has also published notice in the *Coloradoan* newspaper to the same effect; and

WHEREAS, City staff has developed a medical assistance program that would reduce the monthly electric bill of qualifying electric customers.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That Section 26-391 of the Code of the City of Fort Collins is hereby amended by the addition of a new definition "electrical durable medical equipment" which reads in its entirety as follows:

Electrical durable medical equipment shall mean that medical equipment that is powered or charged by electric energy and is used by individuals, primarily and customarily to serve a medical purpose, in their homes, that can withstand repeated use, that is generally not useful to individuals in the absence of an illness or injury and is appropriate for use in the home.

Section 2. That Section 26-391 of the Code of the City of Fort Collins is hereby amended by the addition of a new definition of "Healthcare Common Procedure Coding System number" which reads in its entirety as follows:

Healthcare Common Procedure Coding System number shall mean that number that has been assigned to a particular piece of durable medical equipment in accordance with the Healthcare Common Procedure Coding System maintained by the United States Centers for Medicare and Medicaid Services, a standard coding system used in the medical industry.

Section 3. That Section 26-464(d) of the Code of the City of Fort Collins is hereby amended to read in its entirety as follows, with existing subsections (d) through (o) to be renumbered accordingly:

Sec. 26-464. Residential energy service, schedule R.

...

- (d) Medical assistance program.
- (1) The rates described in subsection (c) above shall be discounted for those electric customers to whom this rate schedule applies, and who apply for such discount, as long as:
 - a. the applicant's annual household income falls below 60 (sixty) percent of the Larimer County Area Median Income (as determined by the Federal Housing Authority); and
 - b. the application is accompanied by a certified, signed statement from a licensed physician that electrical durable medical equipment used at the residential premises is medically necessary and that such medical equipment has been assigned a Healthcare Common Procedure Coding System number; and/or
- 2. a certified, signed statement from a licensed physician that air conditioning at the residential premises is medically necessary for a resident thereof who, in the absence of the air conditioning, may suffer medical deterioration due to a severe immune compromising medical condition, including but not

limited to, multiple sclerosis, quadriplegia, paraplegia, scleroderma or hemiplegia; and

3. the application is accompanied by a sworn affidavit from the applicant verifying that all information contained in the application including, if applicable, the representation that air conditioning will be operational at the applicant's address during the summer billing months, is true and correct.
- (2) Applications for rate discounts under this section must be submitted annually in accordance with an administratively established schedule.
 - (3) The discounted rates for customers with electrical durable medical equipment only shall be calculated as follows:
 - a. Fixed charge, per account: four dollars and forty-eight cents (\$4.48).
 - b. Distribution facilities charge, per kilowatt-hour: two and fifty-six one-hundredths cents (\$0.0256)
 - c. Energy and demand charge, during the summer season billing months of June, July and August, with the summer season billing month determined by the month the meter is read, and provided that no customer shall be billed more than three (3) full billing cycles at the summer rate. The energy and demand charge shall be billed as follows:
 - i. For the first five hundred (500) kilowatt hours per month, per kilowatt hour: two and ninety-five one-hundredths cents (\$0.0295).
 - ii. For the next five hundred (500) kilowatt hours per month, per kilowatt hour: six and eighty-nine one-hundredths cents (\$0.0689).
 - iii. For all additional kilowatt hours per month, per kilowatt hour: ten and five one-hundredths cents (\$0.1005).
 - d. Energy and demand charge, during the non-summer season billing months of January through May and September through December:
 - i. For the first five hundred (500) kilowatt hours per month, per kilowatt hour: two and sixty-one one-hundredths cents (\$0.0261).

- ii. For the next five hundred (500) kilowatt hours per month, per kilowatt hour: five and twenty one-hundredths cents (\$0.0520).
 - iii. For all additional kilowatt hours per month, per kilowatt hour: six and three one-hundredths (\$0.0603).
 - e. In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of all monthly service charges billed pursuant to this Section.
- (4) The discounted rates for customers with medical needs requiring air conditioning only shall be calculated as follows:
- a. Fixed charge, per account: four dollars and forty-eight cents (\$4.48).
 - b. Distribution facilities charge, per kilowatt-hour: two and fifty-six one-hundredths cents (\$0.0256)
 - c. Energy and demand charge, during the summer season billing months of June, July and August, with the summer season billing month determined by the month the meter is read, and provided that no customer shall be billed more than three (3) full billing cycles at the summer rate. The energy and demand charge shall be billed as follows:
 - i. For the first five hundred (500) kilowatt hours per month, per kilowatt hour: two and ninety-two one-hundredths cents (\$0.0292).
 - ii. For the next five hundred (500) kilowatt hours per month, per kilowatt hour: three and seventy-seven one-hundredths cents (\$0.0377).
 - iii. For all additional kilowatt hours per month, per kilowatt hour: ten and five one-hundredths (\$0.1005).
 - d. Energy and demand charge, during the non-summer season billing months of January through May and September through December:
 - i. For the first five hundred (500) kilowatt hours per month, per kilowatt hour: four and eighty-two one-hundredths cents (\$0.0482).

- ii. For the next five hundred (500) kilowatt hours per month, per kilowatt hour: five and twenty one-hundredths cents (\$0.0520).
 - iii. For all additional kilowatt hours per month, per kilowatt hour: six and three one-hundredths cents (\$0.0603).
 - e. In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of all monthly service charges billed pursuant to this Section.
- (5) The discounted rates for customers with electrical durable medical equipment and medical needs requiring air conditioning shall be calculated as follows:
- a. Fixed charge, per account: four dollars and forty-eight cents (\$4.48).
 - b. Distribution facilities charge, per kilowatt-hour: two and fifty-six one-hundredths cents (\$0.0256)
 - c. Energy and demand charge, during the summer season billing months of June, July and August, with the summer season billing month determined by the month the meter is read, and provided that no customer shall be billed more than three (3) full billing cycles at the summer rate. The energy and demand charge shall be billed as follows:
 - i. For the first five hundred (500) kilowatt hours per month, per kilowatt hour: one and eighty-nine one-hundredths cents (\$0.0189).
 - ii. For the next five hundred (500) kilowatt hours per month, per kilowatt hour: two and forty-five one-hundredths cents (\$0.0245).
 - iii. For all additional kilowatt hours per month, per kilowatt hour: ten and five one-hundredths cents (\$0.1005).
 - d. Energy and demand charge, during the non-summer season billing months of January through May and September through December:
 - i. For the first five hundred (500) kilowatt hours per month, per kilowatt hour: two and sixty-one one-hundredths cents (\$0.0261).

- ii. For the next five hundred (500) kilowatt hours per month, per kilowatt hour: five and twenty one-hundredths cents (\$0.0520).
 - iii. For all additional kilowatt hours per month, per kilowatt hour: six and three one-hundredths cents (\$0.0603).
 - e. In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of all monthly service charges billed pursuant to this Section.
- (6) Notwithstanding the foregoing, no rate established under this subsection shall reflect a discount exceeding an amount consistent with the use of 150 kilowatt hours per month for the operation of electrical durable medical equipment or, if applicable, an additional amount consistent with the use of 350 kilowatt hours per month for air conditioning.
- (7) A decision that an applicant does not qualify to participate in this program for a medical or financial reason may be appealed to the Utilities Executive Director, who shall, prior to making his or her decision, and as he or she deems appropriate, confer with one or more medical or financial experts in reviewing such appeal.

Section 4. That the rate discounts established by this Ordinance shall apply to those electric utility bills that are issued to a qualifying customer on or after the date that such customer has been determined to be eligible for the discounts.

Section 5. That the City Council hereby finds that the amendments to Chapter 26, Section 464 of the City Code contained herein serve a purpose that is beneficial to the ratepayers of the electric utility.

Section 6. That the City Council hereby finds pursuant to Colorado Revised Statutes Section 40-3.5-104 (3), good cause exists to establish the medical assistance program without having published the text of the proposed City Code changes 30 days in advance.

Section 7. That the City Manager is hereby directed to submit a written report to the City Council on or before May 11, 2013, with regard to the implementation of the provisions of this Ordinance, including, but not limited to, the number of applications received by the City for discounted rates under the program established by the Ordinance, the total cost incurred by the Utilities as a result of such discounts, the types of medical equipment used at the premises to which the discounted rates apply, and any recommended changes that might make the program more effective.


Introduced, considered favorably on first reading, and ordered published this 17th day of April, A.D. 2012, and to be presented for final passage on the 1st day of May, A.D. 2012.


Mayor

ATTEST:


Interim City Clerk

Passed and adopted on final reading on the 1st day of May, A.D. 2012.


Mayor

ATTEST:


Interim City Clerk