

**CITY OF EL PASO, TEXAS**  
**AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Deputy City Manager/Office of the City Attorney

**AGENDA DATE:** August 30, 2011

**CONTACT PERSON/PHONE:** William F. Studer, Jr. Bertha A. Ontiveros  
Deputy City Manager Assistant City Attorney

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Discussion and Action on Application of El Paso Electric Company for discounted rate tariff rider for churches using Rate Schedule 24.

**BACKGROUND / DISCUSSION:**

On August 8, 2011 El Paso Electric Company filed an Application to implement Rate Schedule 24A General Service Church Transition Rate Rider to be applicable to for Churches, synagogues and other houses of worship. Prior to July 1, 2010, the churches were taking service on Rate Schedule 02, Small Commercial. But following the last rate case and Council's approval of the rates effective July 1, 2010, EPE moved numerous churches from Rate Schedule 02, Small Commercial to Rate Schedule 24, General Service.

EPE has states that the proposed Rate 24A is justified by the load and usage characteristics of the church customers since most of their use is on off-peak hours. The Proposed Tariff Rider for Rate Schedule 24 provides no increases and only reductions to affected customers, with no cost to other customers.

**PRIOR COUNCIL ACTION:**

**Has the Council previously considered this item or a closely related one?**

Yes, Council approved electric rates on June 8, 2010 that became effective on July 1, 2010.

**AMOUNT AND SOURCE OF FUNDING:**

N/A

**BOARD / COMMISSION ACTION:**

**Enter appropriate comments or N/A**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required) \_\_\_\_\_ **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:** \_\_\_\_\_

(Example: if RCA is initiated by Purchasing, client department should sign also)

*Information copy to appropriate Deputy City Manager*

**APPROVED FOR AGENDA:**

**CITY MANAGER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## RESOLUTION

**WHEREAS**, on June 8, 2010 , the City Council of the City of El Paso approved Retail Rates to be charged in the City of El Paso resulting from El Paso Electric Company's Statement of Intent to Increase Rates dated December 9, 2009, establishing the electric utility rates within the City of El Paso effective July 1, 2010;

**WHEREAS**, the City of El Paso maintains original jurisdiction over rates of El Paso Electric Company for rates charged within the City limits of the City of El Paso;

**WHEREAS**, on August 8, 2011 El Paso Electric Company filed with the City of El Paso an Application to implement Rate Schedule 24A General Service Church Transition Rate Rider to be applicable to for Churches, synagogues and other houses of worship which prior to July 1, 2010 were taking service on Rate Schedule 02, Small Commercial and have been moved to Rate Schedule 24, General Service,

**WHEREAS**, Texas Utilities Code Section 36.103(b) provides that the Public Notice Provisions of Section 36.103(a) may be waived in instances in which there only a rate reduction for each affected customer so long as the utility gives notice of the proposed rate change to each affected customer by mail;

**WHEREAS**, El Paso Electric Company has demonstrated in the filing that movement of certain customers from Rate 02, Small Commercial to Rate 24, General Service imposes a hardship on those customers which can be ameliorated with no cost to other customers,

**WHEREAS**, El Paso Electric Company has demonstrated that the proposed Rate 24A is justified by the load and usage characteristics of the customers which would be subject to this proposed rider;

**WHEREAS**, the Proposed Tariff Rider for Rate Schedule 24 provides no increases and only reductions to affected customers;

**WHEREAS**, El Paso Electric Company published notice of the Proposed Change in the El Paso Times on August 19, 2011 in Spanish and in English and has provided an affidavit which attests to the publication;

**WHEREAS**, El Paso Electric Company has requested that the El Paso City Council approve the Rate; and

**WHEREAS**, the City Council finds the Rate to be just and reasonable and that approval of these rate changes will not adversely affect any other customer classes or rates.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO THAT:**

1. El Paso Electric is hereby authorized to implement Rate Schedule 24A General Service Church Transition Rider, attached as Exhibit A, effective September 1, 2011.
2. Pursuant to Texas Utilities Code Sec. 39.103(b) the City of El Paso waives the requirement that the Notice of the Statement of Intent be published once each week for four successive weeks in a newspaper having general circulation in each county containing territory affected by the proposed change.
3. Nothing in this Resolution or approval shall operate or be construed to be a precedent or approval of any of the concepts contained in the Rider including the implementation date, or effective date of the Rider in any other circumstance.

PASSED AND APPROVED this \_\_\_\_\_ day of August, 2011

CITY OF EL PASO

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John F. Cook  
Mayor

ATTEST:

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Richarda Duffy Momsen  
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

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Bertha A. Ontiveros  
Assistant City Attorney

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William F. Studer, Jr., Deputy City Manager  
Finance and Management Support Services

**EXHIBIT A**

EL PASO ELECTRIC COMPANY

(N)

SCHEDULE NO. 24A  
GENERAL SERVICE CHURCH TRANSITION RATE RIDER

APPLICABILITY

Service under this rider is only available in conjunction with service under the Company's Rate Schedule 24. This rider is applicable only to customers that are churches, synagogues or other houses of worship that were taking service under Rate Schedule No. 02 – Small Commercial Service on July 1, 2010 and that qualified for service under Rate Schedule No. 24 – General Service as of January 1, 2011. The rider is not applicable to separate offices, meeting halls, schools or other ancillary buildings which may be associated with the religious organization. This rider is not available to any customer that owns distributed generation facilities at the premise served or that is taking service under the Church Rider under Rate Schedule No. 24.

TERRITORY

Texas Service Area, including the municipalities of El Paso, Anthony, Clint, Horizon, Socorro, Vinton, and Van Horn

MONTHLY RATE ADJUSTMENT

This rider provides a credit on the Customer's monthly bill when the average rate per kWh exceeds the maximum rate per kWh. The credit is calculated based only on the demand and energy charge components of the bill and is equal to the demand plus energy charges minus the energy consumed times the maximum rate per kWh using the formula:

$$CR = (BD + BE) - (EC \times MR), \text{ where:}$$

CR = Credit Amount

BD = Billed Demand Charge

BE = Billed Energy Charge

EC = Energy Consumed (kWh)

MR = Maximum Rate per kWh

	May 2011 – Apr 2012	May 2012 – Apr 2013
Maximum rate per kWh	\$0.1425	\$0.1650

This rider will remain in effect until the earlier of 1) the issuance of all bills for the billing month of April 2013 or, 2) the effective date of a change to this rate schedule as a result of a general rate case.

Section Number 1  
Sheet Number 12.1  
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Revision Number Original  
Effective for consumption on or  
after May 1, 2011