

Municipality of Crowsnest Pass

By-Law No. 782, 2009

A BY LAW OF THE MUNICIPALITY OF THE CROWSNEST PASS, IN THE PROVINCE OF ALBERTA, DULY ASEMBLED, in accordance with the power conferred on it by the Municipal Government Act, hereby enacts as follows:

1. Schedule "D" being the Distribution Tariff Rate Schedule dated January 1, 2001 and Schedule "F" being the Distribution Tariff Rate Schedule dated May 1st, 2006 be replaced with a new Schedule "G" being the Distribution Tariff Rate Schedules dated November 1, 2009.

This By-Law shall come into force and take effect on ~~November 1, 2009~~ January 1, 2010.

Read a first time this 1 of September , 2009

Read a second time this of , 2009

Read a third time this of , 2009

Mayor

Chief Administrative Officer

**Municipality of Crowsnest Pass
Distribution Rate Tariff Change for ~~November 1, 2009~~ January 1, 2010**

History:

- **The Municipality's Distribution Tariff rates (electrical rates paid by residential, small and medium commercial) have remained unchanged since 2002.**

- **However, operating and maintenance costs for the electrical distribution system have steadily increased. This is especially true for the cost of wire services (Distribution & Transmission) purchased from Fortis Alberta (Fortis)/AESO compounded by costs for new loads and material costs that have strained Municipal resources and have resulted in decreased surpluses.**

- **As noted during the June 22 work shop, the largest cost item (\$274,500 annually) is the charge for wire services that supply the Municipal Electrical Distribution System through the four interconnection points with Fortis.**
 - **This Fortis Distribution Tariff, General Service Rate 61, paid by the Municipality, includes the cost of transmission services provided by the Alberta Electric System Operator (AESO) and the distribution services provided by Fortis.**
 - **Over the last several years Fortis and AESO have faced cost increases in turn passed those costs onto its customers such as the Municipality.**
 - **The most recent Fortis rate increase took effect January 1, 2009 and an application has been filed with the Alberta Utilities Commission for future increases for the years 2010 (15%) and 2011 (14.5%). This application is being monitored for impacts to consumers and a decision may not be rendered by the Commission until early 2010 so Fortis may make an application for an interim increase to be effective January 1, 2010 that would be adjusted later to match the rates in the decision.**
 - **As well, AESO has applied for a 20% increase to transmission charges and is above the Fortis application increases noted above. The AESO application for these costs is still under review by the Alberta Utilities Commission.**

Recommended Course of Action:

- **The recommended course of action for the Municipality is to implement an interim increase effective November 1, 2009 based on the comparability of existing rates with adjacent distribution systems (industry and AMPS). Recognizing that in June 2010 the costs of future capital requirements will be determined based on the planning process to be implemented by the Municipality for its electrical distribution system plus we should have knowledge of the decisions rendered by the Alberta Utilities Commission for Fortis and AESO rate increases. All of which will cause the Municipality to review the impact of those cost increases to the operation of its electrical distribution system and the need to adjust the consumer electrical rate.**

Rate Comparisons:

The comparison of rates among Municipal distribution systems and FortisAlberta below provides the relative level of the Crowsnest Pass rates by rate class. Fort MacLeod has recently raised their rates to accommodate increased load settlement costs from AESO and wage costs. Both Cardston and Fort MacLeod will be looking to further adjust their rates based on their current planning sessions that are similar to what we are undertaking. And Fortis has filed for rate increases which are now in the hands of the Alberta Utilities Commission.

Table 1: Typical Customer Bill Comparison

	Residential			Small General Service			General Service		
	Monthly Charges	\$ Diff CNP	% of CNP	Monthly Charges	\$ Diff CNP	% of CNP	Monthly Charges	\$ Diff CNP	% of CNP
Crowsnest Pass	31.85	-	100%	199.45	-	100%	1,971.90	-	100%
Fortis*	34.55	2.70	108%	222.63	23.18	112%	2,040.99	69.09	104%
Cardston	32.17	0.32	101%	202.28	2.83	101%	2,043.98	72.08	104%
Fort Macleod	40.35	8.50	127%	249.72	50.27	125%	2,430.07	458.17	123%

*Before Balancing Pool Rider and Local Access Fee

Interim Rate Increase Recommendation:

It is recommended that effective November 1, 2009, the Municipality increase its Residential and Small General Service rates by 10% and the General Service rates by 5%.

Table 2: Monthly Bill Change

	Residential		Small Commercial		Medium Commercial	
	Monthly Charges	Monthly Change	Monthly Charges	Monthly Change	Monthly Charges	Monthly Change
Current Rates	\$31.85	-	\$199.45	-	\$1,971.90	-
Proposed Rates	\$35.03	\$3.18	\$219.40	\$19.95	\$2,070.50	\$98.60

Municipality of Crowsnest Pass
 Change of Distribtuion Tariff-Rate Schedule
 Effective ~~November 1, 2009~~ January 1, 2010

Residential Service-1100

Transmission

Existing Rate
 New Rate
 Net increase
 %age

Service Charge cents per day	System Usage Charge cents per kWh
15.112	0.377
16.623	0.456
1.511	0.079
9.999%	20.955%

Net increase
 %age

Service & Facility Charge cents per day	System Usage Charge cents per kWh
42.180	1.810
46.400	2.190
4.220	0.380
10.005%	20.994%

Small General Service-4100

Transmission

Existing Rate
 New Rate
 Net increase
 %age

Service Charge cents/kW/day	System Usage Charge cents per kWh
4.734	0.448
5.208	0.508
0.474	0.060
10.013%	13.393%

Net increase
 %age

Service & Facility Charge cents per day	System Usage Charge cents per kWh
19.730	1.630
21.703	1.850
1.973	0.220
10.000%	13.497%

General Service-6100

Transmission

Existing Rate
 New Rate
 Net increase
 %age

Service Charge cents/kW/day	System Usage Charge cents per kWh
5.960	0.377
6.257	0.435
0.297	0.058
4.983%	15.385%

Net increase
 %age

Service & Facility Charge cents/kW/day	System Usage Charge cents per kWh
17.100	0.346
17.960	0.399
0.860	0.053
5.029%	15.318%

Street Lights-3300

Transmission

Existing Rate
 New Rate
 Net increase
 %age

Service Charge cents/kW/day	System Usage Charge cents per kWh
	1.636
	1.890
	0.254
	15.526%

Net increase
 %age

Service & Facility Charge cents/kW/day	System Usage Charge cents per kWh
	5.829
	6.726
	0.897
	15.389%



MUNICIPALITY OF CROWSNEST PASS

DISTRIBUTION TARIFF

RATE SCHEDULES

MUNICIPALITY OF CROWSNEST PASS

DISTRIBUTION TARIFF

<u>Rate Code</u>	<u>Rate Description</u>	<u>Page</u>
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CRW4100	Small General Service	5
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CRW3300	Streetlights	9

Distribution Tariff Residential Service

CRW 1100

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

1. Electricity services used exclusively for domestic purposes in separate and permanently metered single-family dwelling units with each unit either separate or incorporated in a common building with other units;
2. Individually metered single dwelling unit with a maximum of 1,000 watts used in connection with small business;
3. Individually metered single motel rental unit, provided that the owner has contracted with the Municipality of Crowsnest Pass for service to each unit;
4. Individually metered private dwelling in a commercial travel trailer or mobile home park, provided that the Municipality of Crowsnest Pass bills the owner of the park if the occupancy is temporary;
5. Multi-residential buildings which are served through a single meter and which are currently billed on a residential rate;
6. Senior citizen apartment complexes served through a single meter; and
7. Travel trailer or mobile home parks served through a single meter where the owner of the park sub-meters each of the occupants of the park and charges the occupants of the park at rates no higher than the Municipality of Crowsnest Pass Residential CRW1100.

Rate

Transmission:

Municipality of Crowsnest Pass Distribution Tariff Effective: ~~November 01, 2009~~
January 1, 2010

Service Charge: .16623 \$ / day
System Usage Charge: .004554 \$ / kWh

Distribution:

Service and Facilities Charge: .4640 \$ / day
System Usage Charge: .02189 \$ / kWh

Terms and Conditions

The Terms and Conditions apply to all Retailers eligible to sell electricity and electricity services in the Municipality of Crowsnest Pass settlement zone and provide for other charges.

Service available as a single phase 2 or 3 wire service supplied at a standard voltage.

Distribution Tariff Small General Service

CRW 4100

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

Within Municipality of Crowsnest Pass distribution limits for electricity services which are permanently metered and where the energy consumption is less than 5,000 kWh per month.

Rate

Transmission:

Facilities Charge:	.05207 \$ / kW / day
System Usage Charge:	.00508 \$ / kWh

Distribution:

Service and Facilities Charge (kW): (first 2 kW of Demand)	.21703 \$ / kW / day
Service and Facilities Charge (kW): (additional kW of Demand)	.11396 \$ / kW / day
System Usage Charge: (first 200 kWh / kW of Demand)	.0185 \$ / kWh

Demand means the maximum amount of energy kW or kVA used at a given instance within a billing period. The kW Demand value (kVA metered demands converted using a factor of 1.1) for the billing period will be the highest of:

- The metered peak for the Current Billing Period
- The Demand ratchet
- The Minimum Contract Demand
- The Rate Minimum Demand of 2 kW

The Demand ratchet is defined as 85% of the highest metered peak established in the last 365 days ending with the end date of the current billing period, less 50 kW.

Terms and Conditions

The Terms and Conditions apply to all Retailers eligible to sell electricity and electricity services in the Municipality of Crowsnest Pass settlement zone and provide for other charges.

Other

1. Metering to be at the available single phase or three phase Secondary Voltage, or as negotiated.
2. This rate is not applicable where the customer is using electrical generating equipment for other than emergency use.
3. Temporary Current Permit:
 - a) Installation shall be approved by the Electrical Inspectors of the Municipality of Crowsnest Pass for “temporary current permit” connection.
 - b) All Electricity Services shall be metered.
4. Temporary Construction/Service
 - a) The cost of construction and rental charges for transformers and equipment where deemed necessary, required for any temporary Electricity Services, whether single or three phase, or whether served from an overhead or underground source, shall be payable by the Customer in advance based on an estimate approved by the Chief Administrative Officer or his designate. Construction charges will include up and down labor and vehicle and equipment costs less salvage value.
 - b) A rental charge for Municipality of Crowsnest Pass -owned transformers and equipment will be payable by the Customer where deemed necessary.
 - c) Construction charges shall include labor, vehicle and equipment costs, for installation and removal, and material costs less salvage value.
 - d) Any damage occurring to Municipality of Crowsnest Pass equipment through misuse on the Customer’s part shall be charged to the said Customer and such costs will be recovered by withholding the amount from the Customer’s deposit.
5. Temporary Connection Service – Where applied-for Consumer Services are to be used for temporary purposes only, MCP will require the Customer to pay in advance of the installation, MCP’s total cost of installation and removal of the Facilities required for the temporary service, plus the cost of unsalvageable material.
6. Unmetered Customers – Unmetered customers will have their Distribution Demand charge (for the first 2 kW’s) reduced by \$0.05 per day.
7. Charges for other miscellaneous services provided by Municipality of Crowsnest

Pass are applied as per the Consumer Services Fee Schedule.

Distribution Tariff General Service

CRW 6100

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

Within Municipality of Crowsnest Pass distribution limits for electricity services where the energy consumption is greater than 5,000 kWh per month and a monthly peak demand of 500 kVA was not registered twice in the previous 12 months.

Rate

Transmission:

Facilities Charge:	.06258 \$ / kW / day
System Usage Charge:	.004347 \$ / kWh

Distribution

Service and Facilities Charge (kW): (first 50 kW of Demand)	.17955 \$ / kW / day
Service and Facilities Charge (kW): (next 450 kW of Demand)	.12768 \$ / kW / day
Service and Facilities Charge (kW): (additional kW of Demand)	.0932 \$ / kW / day
System Usage Charge:	.00399 \$ / kWh

Demand means the maximum amount of energy kW or kVA used at a given instance within a billing period. The kW Demand value (kVA metered demands converted using a factor of 1.1) for the billing period will be the highest of:

- The metered peak for the Current Billing Period
- The Demand ratchet
- The Minimum Contract Demand
- The Rate Minimum Demand of 50 kW

The Demand ratchet is defined as 85% of the highest metered peak established in the last 365 days ending with the end date of the current billing period.

Municipality of Crowsnest Pass Distribution Tariff Effective: ~~November 01, 2009~~
January 1, 2010

Terms and Conditions

The Terms and Conditions apply to all Retailers eligible to sell electricity and electricity services in the Municipality of Crowsnest Pass settlement zone and provide for other charges.

Other

1. The minimum contract period is one year at the prevailing rates, which are subject to change during the contract period.

2. This rate is not applicable where the customer is using electrical generating equipment for other than emergency use.

3. Non-standard Residential Bulk-Metering

Bulk metering of multiple-unit residential occupancies under one corporate identity, i.e. town housing, apartments, mobile home parks, shall be subject to the following:

a) Metered conductors shall not cross public streets, lanes, or other public property.

b) The customer shall not re-sell electricity, but may include electricity as part of the rental charge but not separate therefrom.

c) The customer shall maintain a reasonable well-balanced load on Municipality of Crowsnest Pass in-feed.

d) Costs payable by customer or customer's responsibility include:

i) Cost of enclosures for metering equipment.

ii) Where applicable, excess metering costs over and above the cost of single-point secondary-voltage Metering (one meter and three CTs), except where otherwise specifically provided for.

i) All construction costs on the load side of the meter.

ii) All other construction costs, subject to standard Municipality of Crowsnest Pass investment policies.

iii) All operating and maintenance costs for the electrical system on the load side of the meter, and for main Service Location disconnects, fuses or breakers, and including costs of periodic inspection and preventive maintenance of the electrical system on the private property where otherwise specifically provided for.

Distribution Tariff Streetlights

CRW 3300

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

CRW3300 is available for standard street and highway lighting fixtures and includes maintenance of the luminaries only. Street lighting customers may choose this rate for new installations only.

Rate

Transmission:

System Usage Charge: .018879 \$ / kWh

Distribution:

System Usage Charge: .067253 \$ / kWh

Terms and Conditions

The Terms and Conditions apply to all Retailers eligible to sell electricity and electricity services in the Municipality of Crowsnest Pass settlement zone and provide for other charges.

Maintenance

CRW 3300 covers routine luminaire maintenance including replacement of failed lamps, damaged glassware and reflectors; repair or replacement of defective ballasts and controls; lamp cleaning; and scheduled system inspections.