

ORDINANCE NO. 2023-02

AN ORDINANCE AMENDING ORDINANCE NO. 2016-15, ESTABLISHING NEW RATES AND CHARGES FOR THE USE AND SERVICES RENDERED BY THE MUNICIPAL ELECTRIC UTILITY OF THE TOWN OF CENTERVILLE, INDIANA

WHEREAS, the Town of Centerville, Indiana (the “Town”), has heretofore constructed and has in operation a municipal electric utility (the “Utility”); and

WHEREAS, the Town Council of the Town (the “Council”) has previously established the existing schedule of user rates and charges for the Utility’s services, pursuant to Ordinance No. 2016-15, adopted by the Council on January 10, 2017; and

WHEREAS, the Town has employed Baker Tilly Municipal Advisors (the “Municipal Advisor”) to prepare a rate report reviewing the sufficiency of such existing rates and charges, in light of the repeal of the Utility Receipt Tax in 2022, among other things; and

WHEREAS, the Municipal Advisor has prepared and submitted a rate report (the “Rate Report”) which concludes that the Utility’s existing rates and charges are insufficient to pay all the legal and other necessary expenses incident to the operation of the utility, including maintenance costs, operating charges, upkeep, repairs, depreciation, including increases in such costs, and the payment of principal and interest on bonds, future bonds or other obligations; and

WHEREAS; pursuant to IC 8-1.5, as amended (the “Act”), this Council may change or adjust its existing schedule of fees by ordinance; and

WHEREAS, the Clerk-Treasurer of the Town, on advice of the Council, has given notice of the public hearing on proposed rates; and

WHEREAS, the public hearing was held before this Council on February 1, 2023 at which time testimony from interested persons was received, after introduction of this ordinance and as provided for in the Act.

NOW, THEREFORE, BE IT ORDAINED IN A DULY HELD PUBLIC MEETING BY THE TOWN COUNCIL OF THE TOWN OF CENTERVILLE, INDIANA, AS FOLLOWS:

SECTION 1. The Council hereby finds and determines that, based upon the Rate Report, the existing rates and charges are insufficient to pay all the legal and other necessary expenses incident to the operation of the Utility, including maintenance costs, operating charges, upkeep, repairs, depreciation, including increases in such costs, and the payment of principal and interest on bonds, future bonds or other obligations.

SECTION 2. The Council finds and determines that the proposed rates and charges as set forth in the Rate Report are nondiscriminatory, reasonable and just, account for the repeal of the Utility Receipt Tax in 2022, and therefore should be adopted.

SECTION 3. The Council finds and determines that the proposed rates set forth in Exhibit “A” hereto are nondiscriminatory, reasonable and just, account for the repeal of the Utility Receipt Tax in 2022, and should be adopted. These rates shall become effective on March 1, 2023, to be billed on April 1, 2023. Further, these rates shall be assessed and charged according to law, in accordance with this Ordinance. Effective March 1, 2024 these rates set forth in Exhibit “A” shall be repealed and replaced by the rates set forth in Exhibit “B.”

SECTION 4. The Council finds and determines that the proposed rates set forth in Exhibit “B” hereto are nondiscriminatory, reasonable and just, account for the repeal of the Utility Receipt Tax in 2022, and should be adopted. These rates shall become effective on March 1, 2024, to be billed on April 1, 2024. Further, these rates shall be assessed and charged according to law, in accordance with this Ordinance.

SECTION 5. The Council hereby directs the utility billing clerk to include the following notice within bills in its next two billing cycles following adoption of this ordinance, that states as follows: “This bill includes adjustments to the Utility’s rates and charges due to the repeal of the Indiana Utility Receipts Tax under IN HB 1002 effective July 1, 2022. The reduction due to the repeal of the Utility Receipts Tax is approximately 1.4% of your total electric bill.”

SECTION 6. A Rate Adjustment is applicable to all metered rates in dollars per kWh. It shall be on the basis of a Purchase Power Cost Adjustment Tracking Factor occasioned solely by changes in the cost of purchased power and energy, in accordance with the Order of the Indiana Utility Regulatory Commission, approved on December 13, 1989 in Cause No. 36835-S3. The Rate Adjustment shall be assessed and charged according to law, in accordance with this Ordinance, and applied to the rates established in Sections 3 and 4 above.

SECTION 7. For the purpose of billing and collecting the charges for service rendered by the Centerville municipal electric utility, the meters shall be read monthly and electricity usage shall be billed monthly. The late payment charge applied after the due date shall be 10% of unpaid balance.

SECTION 8. All ordinances and parts of ordinances in conflict herewith are hereby repealed. The sections, subsections, paragraphs, references, clauses and phrases of this Ordinance are severable. If any phrase, clause, reference, paragraph, subsection and section of the Ordinance are declared unconstitutional, invalid or unenforceable by a court of competent jurisdiction, such declaration shall not affect the remaining provisions of this Ordinance.

SECTION 9. This ordinance shall be in full force and effect from and after its passage and the signature of the President of the Town Council. This ordinance shall be effective for bills rendered on and after the day after adoption of this ordinance or such later date as set forth in Exhibits “A,” and “B,” respectively.

Introduced and filed on the 31st day of January, 2023.

DULY ORDAINED PASSED AND ADOPTED on this 14 day of February, 2023, by the Town Council of the Town of Centerville, Indiana, having been passed by a vote of 5 in favor and 0 opposed.

EXHIBIT A

CENTERVILLE (INDIANA) MUNICIPAL ELECTRIC UTILITY

SCHEDULE OF RATES AND CHARGES

Residential Rates

Customer Charge (per month):	\$7.65
Energy Charge (per KWH)	
First 300 KWHs	\$0.1394
Over 300 KWHs	0.098500

Rural Residential Rates

Customer Charge (per month):	\$12.75
Energy Charge (per KWH)	
First 300 KWHs	\$0.1394
Over 300 KWHs	0.09850

Commercial Rates

Customer Charge (per month):	\$10.20
Energy Charge (per KWH)	
First 1,000 KWHs	\$0.0170
Over 1,000 KWHs	0.103200

Rural Commercial Rates

Customer Charge (per month):	\$15.30
Energy Charge (per KWH)	
First 1,000 KWHs	\$0.0170
Over 1,000 KWHs	0.103200

(Continued on next page)

EXHIBIT A

CENTERVILLE (INDIANA) MUNICIPAL ELECTRIC UTILITY

SCHEDULE OF RATES AND CHARGES

Cont'd

<u>Municipal Services</u>	<u>Charge</u>
Customer Charge (per month):	\$15.30

Energy Charge (per KWH)	0.107000
-------------------------	----------

<u>General Power Service</u>	<u>Charge</u>
Customer Charge (per month):	\$51.00

Energy Charge (per KWH)	
First 2,500 KWHs	\$0.153100
Over 2,500 KWHs	0.102600

Security Lighting Service Charge (per lamp per month)

175 Watt Mercury Vector	\$8.42
250 Watt High Pressure Sodium	9.44
400 Watt Mercury Vector	11.02
LED 55-89 Watt (150/175 Watt Equivalent)	8.42
LED 90-139 Watt (250 Watt Equivalent)	9.44
LED 140-200 Watt (400 Watt Equivalent)	11.02

Municipal Street Lighting Service Charge (per lamp per month)

100 Watt High Pressure Sodium	\$5.61
150 Watt High Pressure Sodium	5.61
175 Watt Mercury Vector	5.61
250 Watt High Pressure Sodium	5.61
400 Watt Mercury Vector	5.61
LED 55-89 Watt (150/175 Watt Equivalent)	5.61
LED 90-139 Watt (250 Watt Equivalent)	5.61
LED 140-200 Watt (400 Watt Equivalent)	5.61

Rates shall be effective on March 1, 2023, and be billed commencing April 1, 2023.

EXHIBIT B

CENTERVILLE (INDIANA) MUNICIPAL ELECTRIC UTILITY

SCHEDULE OF RATES AND CHARGES

Residential Rates

Customer Charge (per month):	\$7.80
Energy Charge (per KWH)	
First 300 KWHs	\$0.1422
Over 300 KWHs	0.1005

Rural Residential Rates

Customer Charge (per month):	\$13.01
Energy Charge (per KWH)	
First 300 KWHs.	\$0.1422
Over 300 KWHs	0.1005

Commercial Rates

Customer Charge (per month):	\$10.40
Energy Charge (per KWH)	
First 1,000 KWHs	\$0.0173
Over 1,000 KWHs	0.1053

Rural Commercial Rates

Customer Charge (per month):	\$15.61
Energy Charge (per KWH)	
First 1,000 KWHs	\$0.0173
Over 1,000 KWHs	0.1053

(Continued on next page)

EXHIBIT B

CENTERVILLE (INDIANA) MUNICIPAL ELECTRIC UTILITY

SCHEDULE OF RATES AND CHARGES

Cont'd

<u>Municipal Services</u>	<u>Charge</u>
Customer Charge (per month):	\$15.61
Energy Charge (per KWH)	0.109100
<u>General Power Service</u>	<u>Charge</u>
Customer Charge (per month):	\$ 52.02
Energy Charge (per KWH)	
First 2,500 KWHs	\$0.156200
Over 2,500 KWHs	0.104700
<u>Security Lighting Service Charge (per lamp per month)</u>	
175 Watt Mercury Vector	\$8.59
250 Watt High Pressure Sodium	9.63
400 Watt Mercury Vector	11.24
LED 55-89 Watt (150/175 Watt Equivalent)	8.59
LED 90-139 Watt (250 Watt Equivalent)	9.63
LED 140-200 Watt (400 Watt Equivalent)	11.24
<u>Municipal Street Lighting Service Charge (per lamp per month)</u>	
100 Watt High Pressure Sodium	\$5.72
150 Watt High Pressure Sodium	5.72
175 Watt Mercury Vector	5.72
250 Watt High Pressure Sodium	5.72
400 Watt Mercury Vector	5.72
LED 55-89 Watt (150/175 Watt Equivalent)	5.72
LED 90-139 Watt (250 Watt Equivalent)	5.72
LED 140-200 Watt (400 Watt Equivalent)	5.72

Rates shall be effective on March 1, 2024, and be billed commencing April 1, 2024.

THE TOWN COUNCIL OF CENTERVILLE, WAYNE COUNTY, INDIANA

AYE

NAY

Daniel Wandersee

Dan Wandersee,
President

Gary Holbert

Gary Holbert,
Vice President

Jack M. Bodiker

Jack M. Bodiker,
Member

Josh Tudor

Josh Tudor,
Member

David Cate

David Cate,
Member

Constituting a majority of all the members of the Town Council

ATTESTED BY:

Richard K. Tinch
Richard K. Tinch, Clerk-Treasurer of
the Town of Centerville, Indiana



Instrument Prepared by: Edward O. Martin, Esq., Town Attorney