

STAFF REPORT
City of Lancaster

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03/08/16
MVB

Date: March 8, 2016

To: Mayor Parris and Council Members

From: Barbara Boswell, Finance Director

Subject: Approval of Amendment to Lancaster Choice Energy Customer Power Rates Schedule

Recommendation:

Adopt **Resolution No. 16-11**, amending Resolution No. 15-70 establishing customer power generation rates for Lancaster Choice Energy.

Fiscal Impact:

The proposed rates will generate sufficient revenue to fund operations.

Background:

At its regular meeting of February 23, 2016, the City authorized the City Manager to make adjustments to the 2016 Market Demand Credit and to have those adjustments brought back for ratification.

In order to achieve LCE's goal of providing savings to our customers, the City Manager increased the 2016 Market Demand Credit for domestic rate customers from 11% to 13%. This change provides savings to LCE customers as compared to current SCE rates. The new rate will be effective for energy usage beginning in February 2016.

LCE currently offers customers the opportunity to opt up to 100% renewable energy. The monthly premium for this service is \$10 per month for domestic customers. Staff recommends a new discounted Smart Choice rate for customers served under the D-CARE rate program of \$5 per month. This rate is paid on top of their basic energy generation rates. This new rate will be effective for meter read dates beginning April 1, 2016.

Attachment:

Resolution No. 16-11