


TRANSMITTAL MEMORANDUM

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TO:	The Honorable Mayor & City Council	Initials:	
FROM:	Lacey G. Simpson, Assistant General Manager	File #:	MGR25-021
DATE:	January 8, 2025	Mtg. #:	01/16/25 UBa
RE:	Ordinance № 25-1996 – Increasing Electrical per Kilowatt-hour (kwh) Rates by One and One-half Cents (\$0.015) and all Other Rates by Twelve and One-half Percent (12.5%); Establishing a Date for Public Hearing; and Providing an Effective Date		

At the regular City Council meeting of January 7, 2025, the City Council approved Ordinance No. 25-1996 in first reading. The ordinance was prepared by Finance Director Michelle Johansen following City Council action to increase electric rates at the December 11, 2024, special meeting to deliberate the proposed 2025 Ketchikan Public Utilities Operating and Capital budget and again upon adoption of the final budget at the December 19, 2024, meeting. If adopted in second reading, Ordinance No. 25-1996 amends Ketchikan Municipal Code (KMC) §11.08 and incorporates the proposed electric rate increases of 1.5¢ (\$0.015) per kilowatt-hour and 12.5% across all rate classes, effective April 1, 2025.

Prior to consideration of Ordinance № 25-1997, a public hearing is required. The City Clerk's Office has scheduled such a public hearing for the beginning of the City Council meeting of January 16, 2025. Following the public hearing, the City Council may consider the ordinance.

A motion has been prepared for City Council consideration.

Recommended Motion:

I move the City Council approve Ordinance № 25-1996 in second reading, increasing electrical per kilowatt-hour (kwh) rates by one and one-half cents (\$0.015) and all other rates by twelve and one-half percent (12.5%); establishing a date for public hearing; and providing an effective date.

THE CITY OF KETCHIKAN, ALASKA

ORDINANCE NO. 25-1996

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KETCHIKAN, ALASKA; INCREASING ELECTRICAL PER KILOWATT-HOUR (KWH) RATES BY ONE AND ONE-HALF CENTS (\$0.015) AND ALL OTHER RATES BY TWELVE AND ONE-HALF PERCENT (12.5%); ESTABLISHING A DATE FOR PUBLIC HEARING; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF KETCHIKAN, ALASKA, AS FOLLOWS:

Section 1: Amendment. Subsection (c) of Section 11.08.020 of the Ketchikan Municipal Code, entitled "Residential service—Schedule A," is hereby amended to read as follows:

“Rates. The rates for schedule A are:

- (1) Monthly customer service charge: ~~\$7.95~~8.95
- (2) Per kWh charge: ~~\$0.1196~~0.1346”

Section 2: Amendment. Subsection (d) of Section 11.08.020 of the Ketchikan Municipal Code, entitled "Residential service—Schedule A," is hereby amended to read as follows:

“Service Connect Charge: The service connection charge is ~~\$94.10~~105.85 per customer.”

Section 3: Amendment. Subsection (c) of Section 11.08.030 of the Ketchikan Municipal Code, entitled "Harbor service—Schedule B," is hereby amended to read as follows:

“Rates. The rates for schedule B are:

- (1) Monthly customer service charge: ~~\$14.70~~16.55
- (2) Per kWh charge: ~~\$0.1196~~0.1346”

Section 4: Amendment. Subsection (d) of Section 11.08.030 of the Ketchikan Municipal Code, entitled "Harbor service—Schedule B," is hereby amended to read as follows:

“Service Connect Charge: The service connection charge is ~~\$94.10~~105.85 per customer.”

Section 5: Amendment. Subsection (e) of Section 11.08.030 of the Ketchikan Municipal Code, entitled "Harbor service—Schedule B," is hereby amended to read as follows:

“Service Disconnect Charge: The service disconnection charge is ~~\$39.40~~44.35 per customer except for customers relinquishing boat stalls.”

Section 6: Amendment. Subsection (c) of Section 11.08.040 of the Ketchikan Municipal Code, entitled "Commercial General Service—Schedule C," are hereby amended to read as follows:

“Rates. The rates for schedule C are:

- (1) Monthly customer service charge: All customers will pay a customer charge of ~~\$45.20~~50.85 per month in April through September. No customer charge will be assessed in October through March.
- (2) Per kWh charge: ~~\$0.11~~20.1270
- (3) Demand charge per kW of maximum demand per month: ~~\$3.63~~4.08 in excess of 25 kW”

Section 7: Amendment. Subsection (d) of Section 11.08.040 of the Ketchikan Municipal Code, entitled "Commercial General Service—Schedule C," are hereby amended to read as follows:

“Service Connect Charge: The service connection charge shall be the actual cost to the utility with a minimum charge of ~~\$94.10~~105.85.”

Section 8: Amendment. Subsection (g) of Section 11.08.040 of the Ketchikan Municipal Code, entitled "Commercial General Service—Schedule C," are hereby amended to read as follows:

“Public pay telephones will be subject to a fee to provide electrical lighting in telephone booths. The rate for Public Access Line Lighting is ~~\$40.67~~45.75 and is based on an average of 340 kW hours per year. The fee will be assessed to payphone providers at time of installation and thereafter on an annual basis in January for each year. In addition, public payphone providers shall pay all charges for maintenance, repair, replacement of lighting and other electrical maintenance for the payphone booth.”

Section 9: Amendment. Subsection (c) of Section 11.08.050 of the Ketchikan Municipal Code, entitled "Industrial Service—Schedule D," are hereby amended to read as follows:

“Rates. The rates for schedule D are:

- (1) Monthly customer service charge: ~~\$66.60~~74.95
- (2) Per kWh charge: ~~\$0.10~~380.1188.
- (3) Demand charge per kW of maximum demand per month: ~~\$3.63~~4.08 in excess of 25 kW.”

Section 10: Amendment. Subsection (d) of Section 11.08.050 of the Ketchikan Municipal Code, entitled "Industrial Service—Schedule D," are hereby amended to read as follows:

“Service Connect Charge: The service connection charge shall be the actual cost to the utility with a minimum charge of ~~\$94.10~~105.85.”

Section 11: Amendment. Subsection (c) of Section 11.08.070 of the Ketchikan Municipal Code, entitled "Street or yard lighting service—Schedule F," are hereby amended to read as follows:

“Rates. The rates for schedule F are:

Up to 100 watts	\$14.75 <u>16.60</u>
101 to 150 watts	20.80 <u>23.40</u>
151 to 250 watts	26.35 <u>29.65</u>
251 to 400 watts	34.50 <u>38.80</u>

Section 12: Public Hearing. Pursuant to § 8—1 of the City Charter, a public hearing on this ordinance will be held at 7 o'clock p.m. on _____ 2025 in the City Council Chambers, 334 Front Street, Ketchikan, Alaska.

Section 13: Effective Date. This ordinance shall become effective on April 1, 2025.

PASSED ON FIRST READING _____.

FINAL PASSAGE _____.

Robert Sivertsen, Mayor

ATTEST:

Kim Stanker
City Clerk

EFFECTIVE DATE:			
ROLL CALL	YEA	NAY	ABSENT
FINNEGAN			
GASS			
FLORA			
COOSE			
ZENGE			
MAHTANI			
KISTLER			
MAYOR			