

ORDINANCE NO. 2025-17

AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR ELECTRIC SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2014-26 DATED JULY 8, 2014, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH

WHEREAS, the City Council of the City of Boerne, Texas deems it reasonable and necessary to revise electric service rates to provide adequate revenues to meet the operation and maintenance expenses, the retirement of bonded indebtedness, and other financial requirements deemed necessary by the City Council of the City of Boerne, Texas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS:

SECTION 1. SERVICE RATE CLASSIFICATION

All electric service provided by the City of Boerne Utilities shall be designated by the following rate schedules with descriptions, rates and conditions of service as indicated:

- (1) Residential Electric Service
- (2) Small General Service/Commercial Electric Service
- (3) Medium General Service/Commercial Electric Service
- (4) Large General Service/Commercial Electric Service
- (5) Security Lighting Electric Service

Each person owning, residing in, renting, leasing, operating, or otherwise using property whose electric facilities connect with the electric distribution system of the City and who receive electric service from and through the same shall be liable to the City for monthly electric service charges specified in Section 4 through Section 12.

SECTION 2. RATE CLASSIFICATION ADMINISTRATION AND ASSIGNMENT

Upon request for electric service from a prospective customer, the City Manager, or his designee, shall assign the appropriate rate classification for electric service to the applicant requesting service. This assignment may be based upon information provided by the applicant, or other information available at the time the assignment is made.

If a customer receiving electric service changes the nature or character of the service requirements, then the City Manager, or his designee shall, upon review of the information available pertaining to the revised electric service requirement, reassign the customer to the appropriate rate schedule.

If a prospective or existing customer is eligible to receive electric service under more than one of the City's rate schedules, or if the rates charged are unduly burdensome as a result of the customer's technical qualification for a specific rate schedule, then the City Manager, or his designee, shall assign the most appropriate rate schedule for electric service after consideration of the various service requirements, potential impact on the City's facilities, the potential relative costs of serving the customer, and other available pertinent information.

SECTION 3. EFFECTIVE DATE

The rates and charges as amended herein shall become effective on the date this Amendment, and any subsequent Amendment that may hereafter occur, is passed, approved and adopted by the City Council of the City of Boerne. The amended rates in this ordinance will be effective October 1, 2025.

SECTION 4. RESIDENTIAL ELECTRIC SERVICE RATE CLASSIFICATION

(a) Availability:

This schedule is available throughout the electric service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for electric service used exclusively for residential purposes including, but not limited to, single family and multi-family dwellings where each unit is individually metered for electricity and is not applicable for service to a residence also used for any nonresidential or commercial purpose, or any other nonresidential activity.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the seasonal monthly energy charge plus the power cost recovery charge specified in Section 9.

Customer charge: **\$15.24**

Seasonal Energy Charge:

Winter- October
through May

Summer- June
through September

0-900	.0458 per kWh
901-1300	.0510 per kWh
1301-1700	.0533 per kWh
1701-2500	.0560 per kWh
2501 and over	.0615 per kWh

0-900	.0505 per kWh
901-1300	.0563 per kWh
1301-1700	.0589 per kWh
1701-2500	.0617 per kWh
2501 and over	.0693 per kWh

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

SECTION 5. SMALL GENERAL SERVICE/COMMERCIAL RATE CLASSIFICATION

(a) **Availability:**

This schedule is available throughout the electric service territory served by the City of Boerne subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) **Applicability:**

This rate is applicable for electric service to nonresidential customers where electric service is provided and billed through one meter with single phase, 200 amp maximum service.

(c) **Monthly Rates:**

The monthly rate shall be the sum of the monthly customer charge plus the seasonal monthly energy charge plus the power cost recovery charge specified in Section 9.

Customer charge **\$25.18**

Seasonal Energy Charge:

Winter- October
through May

Summer- June
through September

.0910 per kWh

.1001 per kWh

(d) **Minimum Monthly Charge:**

The minimum monthly charge shall be the customer charge.

SECTION 6. MEDIUM GENERAL SERVICE/COMMERCIAL RATE CLASSIFICATION

(a) **Availability:**

This schedule is available throughout the electric service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) **Applicability:**

This rate is applicable for electric service to nonresidential customers where electric service is provided and billed through one meter with 3 phase, 200 amp maximum services.

(c) **Monthly Rates:**

The monthly rate shall be the sum of the monthly customer charge plus the seasonal monthly energy charge plus the power cost recovery charge specified in Section 9.

Customer charge **\$41.50**

Seasonal Energy Charge:

Winter- October
through May
.0885 per kWh

Summer- June
through September
.0971 per kWh

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

SECTION 7. LARGE GENERAL SERVICE/COMMERCIAL RATE CLASSIFICATION

(a) Availability:

This schedule is available throughout the electric service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for electric service to nonresidential customers where the electric service is provided and billed through one meter with service greater than 200 amps.

(c) Monthly Rates:

The monthly rate shall be the sum of the customer charge plus the demand charge plus the seasonal monthly energy charge plus the power cost recovery charge specified in Section 9.

Customer Charge: **\$62.52**

Demand Charge: **\$7.94**

Winter- October
through May

Summer- June
through September

Energy Charge:

.0392 per kWh

.0432 per kWh

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

(e) Determination of Metered kW Demand

The customer's demand may be computed based on the loads connected to the service. If connected load exceeds 48 kVA on a single phase service, 72kVA on a 120V/208V three phase service, or 165 kVA on a 277V/480V three phase service, then the customer shall be billed under this rate classification and may be required to apply for an upgrade in service. If an individual motor load on a 120V/240V open delta three phase

service exceeds 50 horsepower or the total load, then an upgrade of service and billing under this rate classification will be required.

SECTION 8. SECURITY LIGHTING

(a) Availability:

This schedule is available throughout the electric service territory served by the City of Boerne subject to the rules, regulations, policies and rates established by the City of Boerne.

This rate classification shall not be available for service to new security light installations.

(b) Applicability:

This rate is applicable for electric service to 175 watt security lights owned by the City and installed by the City on City utility poles.

(c) Monthly Rate:

The monthly rate shall be the fixture charge for each light installed.

Fixture Charge: **\$20.74**

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the fixture charge for each light installed.

SECTION 9. POWER COST RECOVERY FACTOR CHARGE

The Power Cost Recover Factor (PCRf) Charge is expressed in dollars per kWh and is multiplied by the energy purchased (consumed) by each customer during the applicable billing period. This amount shall be added to each bill for electric service.

Each monthly bill for electric service shall be increased on a uniform per kWh basis computed as follows:

$$\text{PCRf} = \frac{\text{'A' plus 'B' plus 'C'}}{\text{kWh}}$$

Where:

A= Total most recent billings for purchased power including energy, fuel, transmission and other related fees.

B = Amount of prior period(s) over recovery or under recovery to be added to or subtracted from current PCRf computation. This amount shall be determined by comparing the amount necessary to be recovered during prior billing periods to the amount actually recovered during the billing periods,

allowing for stabilization of peaks between higher and lower cost billing periods.

C= Amount needed to achieve City Council established Rate Stabilization and Capital Fund targets.

kWh= Total estimated energy sales for the billing periods.

The PCRF shall remain at a minimum rate of \$0.041704. If, for any month, the minimum PCRF does not recover the total cost of power for that month, the rate may be adjusted over several months, as necessary, to fully recover the cost of power for all months.

The PCRF will be adjusted as needed monthly to fully recover the purchased power costs and collect the target for the Rate Stabilization and Capital Fund. City Council will annually review the funds retained in the Rate Stabilization and Capital Fund, establish the target amount for the fiscal year, and determine whether to adjust the PCRF, retain the amount in the fund, use funds for rate stabilization, capital purchases or refund any part of the funds through credits applied to the PCRF.

The current Rate Reserve Fund (RRF) will be combined with the Rate Stabilization and Capital Fund with its uses governed by the City Council under the same criteria as the Rate Stabilization and Capital Fund.

Power Cost Recovery Factors may be computed and be effective for multiple months and/or billing periods, with reconciliations to determine the amounts of over- and/or under-recoveries calculated periodically, but not less than once each fiscal year.

SECTION 10. SALES TAX

All bills shall be adjusted by the amount of any sales tax or other tax attributable to the sale of electric service to the consumer unless consumer has previously provided to the City satisfactory proof of exemption.

SECTION 11. TERMS OF PAYMENT

The rates and charges specified in Section 4 through Section 9 are net. Each bill for service is due within fifteen (15) days after issuance unless such day falls on a holiday or weekend, in which case payment is due on the next business day. If full payment is not received at the City's offices or other approved payment location on or before the due date, all of the customer's utility services will be considered delinquent and subject to disconnection, and the customer shall pay gross rates for all utility services, where such gross rates for delinquent payments are ten percent (10%) higher than the net rates.

SECTION 12. ADJUSTMENT OF RATES

The Residential and Commercial fees charged for the second and any subsequent years from the adoption of this ordinance may be adjusted at the commencement of said years to reflect a percentage change, downward or upward, respectively, of the difference in the CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS (herein after

referred to as the INDEX) as published by the U.S. Department of Labor, Bureau of Labor Statistics, the percentage adjustments for each year to be determined as follows:

- a. The difference in the INDEX for the month of June of the year immediately preceding the current year and the month of June in the current year shall be computed;
- b. Such difference computed in (a) shall be divided by the INDEX for the month of June of the year immediately preceding the current year; and,
- c. Ninety-five (95%) of the amount computed in (b) shall be taken as the adjustment percentage factor to be used to increase the rate charged for electric if the INDEX has increased during June to June, or to decrease the rate charged for electric if the INDEX has decreased during June to June.
- d. Example of computation
of increase or decrease:
$$\begin{array}{l} \text{June/Current year CPI} = 185.4 \\ \text{June/Previous year CPI} = 181.0 \\ (185.4 - 181.0) / 181.0 = .0243 \times 95\% = 2.31\% \text{ increase} \\ \text{or} \\ \text{June/Current year CPI} = 180.0 \\ \text{June/Previous year CPI} = 181.0 \\ (180.0 - 181.0) / 181.0 = -.0056 \times 95\% = .54\% \text{ decrease} \end{array}$$
- e. The increase or decrease based on (a) (b) (c) calculations will automatically become effective annually October 1, unless otherwise directed by City Council.

SECTION 13. SEVERABILITY

If for any reason any section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance shall be held invalid or unconstitutional by final judgment of a Court of competent jurisdiction it shall not affect any other section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance, for it is the definite intent of this City Council that every section, paragraph, subsection, clause, phrase, word, or provision hereof be given full force and effect for its purpose.

SECTION 14. REPEAL

All ordinances or parts of ordinances in conflict with the terms of this ordinance are hereby repealed.

PASSED and APPROVED on first reading this the ___ day of _____, 2025.

PASSED, APPROVED, and ADOPTED on second reading this the ___ day of _____, 2025.

APPROVED:

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney