

ORDINANCE NO. 1102-2018

AN ORDINANCE OF THE CITY OF QUINCY, FLORIDA ENACTING A ELECTRIC UTILITY RATE SURCHARGE RELATING TO RECOVERY FROM HURRICANE MICHAEL; RECITING AUTHORITY; MAKING FINDINGS RELATED TO THE PURPOSE OF THIS ORDINANCE; AUTHORIZING THE ENACTMENT OF AN ELECTRIC UTILITY STORM RECOVERY SURCHARGE FOR THE PURPOSE OF PAYING FOR REPAIR, RESTORATION AND RELATED COSTS INCURRED FROM HURRICANE MICHAEL, INCLUDING (1) THE REPAYMENT OF ANY RELATED INTERIM OR OTHER FINANCING ARRANGEMENT, (2) THE UPGRADING OF THE ELECTRIC SYSTEM TO BE MORE HURRICANE RESISTANT, AND (3) ESTABLISHING A STORM RESERVE FUND; PROVIDING FOR THE CARRYING OUT OF OTHER RELATED MATTERS; PROVIDING FOR CONFLICTS AND SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

SECTION 1. AUTHORITY.

This Ordinance No. 1102-2018 (hereinafter called the "Ordinance") is enacted pursuant to the City Charter, provisions of Chapter 166, Florida Statutes, and other applicable provisions of law.

SECTION 2. FINDINGS.

It is hereby ascertained, found, determined and declared by the City Commission of the City of Quincy, Florida, that:

WHEREAS, the City of Quincy, Florida, (the "City") desires to establish electric rates, charges, and fees by ordinance; and

WHEREAS, on October 10, 2018, Hurricane Michael, a category 4 hurricane, made landfall on the northern Gulf Coast of Florida, moving inland to the north, and causing extensive damage to the City's electric grid and leaving approximately 4,750 customers without electricity for more than one week; and

WHEREAS, the City proceeded to expeditiously to repair the City electrical system and restore power to the City's customers, incurring significant unanticipated

costs through employment of resources from other electric utilities through a mutual aid agreement; and

WHEREAS, although the City expects to be reimbursed from the Federal Emergency Management Agency (FEMA) and the State of Florida the majority of these costs, and possibly the entire cost, the City expects that it will be an extended period of time before such reimbursement is completed, requiring that interim financing be obtained; and

WHEREAS, the City has identified the need to make certain identified upgrades/improvements to the electric system to make the system more resistant to damage from future hurricane events; and

WHEREAS, the City Commission has determined that it is necessary to enact a temporary electric utility rate surcharge to finance (1) the cost of obtaining a loan financing costs of repair and restoration of the electric system from damage by Hurricane Michael, (2) to pay for upgrading the electric system to make the system more resistant to future damage by hurricanes and (3) to establish a storm reserve fund to insure that, in the future, funds will be available to pay for repair and restoration of the electric system in the aftermath of a hurricane; and

WHEREAS, the City Commission has determined that the rate adjustment as effectuated hereby will result in rates which are reasonable, equitable and in the public interest.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF QUINCY, FLORIDA, as follows:

SECTION 3. RATE ADJUSTMENT AND APPROVAL OF STORM RECOVERY SURCHARGE.

The City Commission hereby adopts the findings provided above in Section 2 herein above as the factual basis and its intent in adopting this Ordinance.

The City Commission of the City of Quincy hereby approves the adjustments to the electric rates of the City of Quincy and the enactment of a storm recovery surcharge on all electric customers of the City as provided for in Exhibit A. The storm recovery surcharge imposed by this Ordinance shall become effective on the first billing cycle of the first month following the effective date of this Ordinance and shall remain in effect

Until January 31, 2023, unless extended or earlier terminated by subsequent ordinance of the City Commission, as may be determined necessary by the City Commission to fully accomplish the purposes of the surcharge adopted hereby.

SECTION 4. OTHER MATTERS.

The Mayor and the City Manager are hereby authorized and directed to take such actions as they may deem necessary or appropriate in order to implement the provisions of this Ordinance, including the execution of related documents or instruments. All action taken to date by the aforementioned officers of the City in furtherance of this Ordinance is hereby approved, confirmed and ratified.

SECTION 5. CONFLICTS AND SEVERABILITY.

(1) All resolutions or ordinances, or parts thereof, of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

(2) If any Section or any portion of a Section of this Ordinance proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other Section or part of this Ordinance.

SECTION 6. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its enactment.

INTRODUCED in open session of the City Commission of the City of Quincy, Florida on the 11th day of December, 2018.

ENACTED by the City Commission of the City of Quincy, Florida on the ____ day of _____, 2019.

[Signature page follows]

APPROVED:

Angela G. Sapp, Mayor and Presiding
Officer of the City Commission and of the
City of Quincy, Florida

ATTEST:

By: Betty Powell
Acting Clerk of the City of Quincy and
Acting Clerk to the Commission thereof

APPROVED AS TO FORM AND LEGALITY:

Scott Shirley, City Attorney

EXHIBIT A

CITY OF QUINCY ELECTRIC RATES AND STORM RECOVERY SURCHARGE

City of Quincy Code of Ordinances Chapter 74, Article VI, Electric System, Division 2, Rates and Charges, is hereby amended as follows:

Sec. 74-177. Residential electric service rate schedule.

(a) and (b), no change.

(c) Monthly rate.

Customer charge, per meter . . . \$6.00

Flat rate, per kwh09241

Temporary Hurricane Michael Surcharge: flat rate, per kwh .00879 . This surcharge shall begin and terminate as provided in Ordinance No. 1102-2018.

(d), (e) and (f), no change.

Sec. 74-178. General service electric rate schedule.

(a) and (b), no change.

(c) Monthly rate.

Customer charge, per meter . . . \$16.62

Flat rate, per kwh09319

Temporary Hurricane Michael Surcharge: flat rate, per kwh . .00881. This surcharge shall begin and terminate as provided in Ordinance No. 1102-2018.

(d), (e) and (f), no change.

Sec. 74-179. Regular general service demand rate schedule.

(a), no change.

(b) Monthly rate.

- (1) Customer charge, per meter . . . \$60.45
- (2) Demand charge, per kw of demand . . . 7.50
- (3) Energy charge, flat rate per kilowatt-hour charge, per kw of demand05574

Temporary Hurricane Michael Surcharge: energy charge, flat rate per kilowatt-hour charge .00526, per kw of demand .7125. This surcharge shall begin and terminate as provided in Ordinance No. 1102-2018.

(c) – (h), no change.

Sec. 74-180. Regular general service demand, large demand rate schedule.

(a), no change.

(b) Monthly rate.

- (1) Customer charge, per meter . . . \$ 120.90
- (2) Demand charge, per kw of demand . . . 7.50
- (3) Energy charge, flat rate per kilowatt-hour charge, per kw of demand04938

Temporary Hurricane Michael Surcharge: energy charge, flat rate per kilowatt-hour charge .00472, per kw of demand .7125. This surcharge shall begin and terminate as provided in Ordinance No 1102-2018.

(c) – (h), no change.