

Subject: Ordinance Amendment: Chapter 106 - Utilities, Article IV - Electricity, Section 106-492, Standard Rules and Regulations Governing Electric Service (First Reading)

Reviewed By: City Manager: Dana L. Muscott; Deputy City Manager: Tony Reyes
Electric Director: Jay Anderson; Finance Director: George Martini

Prepared By: Patty Martindale, Administrative Financial Analyst

PERTINENT FACTS:

Bay City Electric Light & Power (BCELP) is requesting approval to amend the Code of Ordinances, Chapter 106, Utilities, Article IV. - Electricity, Section 106-492, Standard Rules and Regulations Governing Electric Service.

This update is recommended to assist in protecting the financial stability and integrity of the both City and Electric Utility from potential revenue losses.

The proposed change includes modification to Item #11 – Customers Deposits – Residential, Commercial, and Industrial as defined in the Standard Rules and Regulations Governing Electrical Service. This action will allow an option to require large commercial or industrial customers to provide a cash deposit of no more than three (3) times an estimated monthly bill, other form of account security acceptable to the utility and/or agree to accelerated payment terms as a condition of service. The proposed change to the Standard Rules and Regulations Governing Electric Service requires the Code of Ordinances, Utilities Article IV, Electricity Section 106-492, to be amended.

The updated Standard Rules and Regulations Governing Electrical Service and Ordinance Amendment are, herewith, presented for approval.

LEGAL ISSUES:

The Standard Rules and Regulations have been reviewed and approved by Neil Wackerly, City Attorney.

TIME SENSITIVITY:

Routine

BRIEFLY DESCRIBE THE NATURE OF THE TIME SENSITIVITY:

FINANCIAL CONSIDERATIONS:

The amendment to the Code of Ordinances, Chapter 106, Utilities, Article IV. - Electricity, Section 106-492, Standard Rules and Regulations Governing Electric Service will assist to maintain the financial stability of both the City and the Electric Utility.

RECOMMENDED ACTION:

*City Manager recommending Ordinance amendment to the Code of Ordinances, Chapter 106 - Utilities, Article IV - Electricity, Section 106-492, Standard Rules and Regulations Governing Electric Service.

RECOMMENDATION: Receive for first reading and refer to next meeting for second reading and possible adoption.

ATTACHMENTS:

1. Ordinance Chapter_106-Section 492 (1st Reading) 011921
2. Bay City Rules & Regulations - Proposed 01-2021