



RE: RESOLUTION AUTHORIZING AN ENERGY COST ADJUSTMENT UNDER SECTION 22-310 ELECTRIC SERVICE RATES

Background:

This Resolution, if approved, authorizes the City Administrator to implement a 2023 energy cost adjustment under section 22-310 (h).

Analysis:

The current electric rate ordinance sets forth a formula and base cost data to figure an annual energy cost adjustment that may be applied to customer bills in the following year. Any adjustment to be applied to customer bills must be approved by City Council. Provided no action is taken on this Resolution the ECA remains the same and no adjustments will be made.

2022 was a good year for wholesale energy prices resulting in savings for our customers of 6/10th of a cent per Kwh purchase. The formula computation for this period is:

2021 (base) wholesale Kwh energy cost:	\$0.0573
2022 wholesale Kwh energy cost:	\$0.506
Difference to be applied per Kwh:	-\$0.006 credit to customers.

If approved, this ECA would be applied as a monthly credit for each Kwh sold from April 2023 through March 2024. Provided no action is taken on this Resolution the ECA remains the same and no adjustments will be made.

Recommendation:

Pass the resolution.

MEMO SUBMITTED BY:

Doug Colvin | Assistant City Administrator, Director Nixa Utilities and Public Works

dcolvin@nixa.com | 417-725-2353

RESOLUTION NO. 2023-16

1 **A RESOLUTION OF THE COUNCIL OF THE CITY OF NIXA AUTHORIZING AN**
2 **ELECTRIC ENERGY COST ADJUSTMENT PURSUANT TO SECTION 22-310 OF THE**
3 **NIXA CITY CODE.**

4 _____
5
6 **WHEREAS** the City adopted new electric service rates on February 14, 2022; and

7
8 **WHEREAS** in addition to establishing electric rates, the Council authorized the
9 implementation of an Energy Cost Adjustment (“ECA”); and

10
11 **WHEREAS** Section 22-310 of the Nixa City Code authorizes the Council by
12 Resolution, to authorize an annual Energy Cost Adjustment (ECA); and

13
14 **WHEREAS** staff has determined that wholesale energy cost for the year 2022 to
15 be \$0.006 per Kwh less than the base cost estimate established by Section 22-310; and

16
17 **WHEREAS** City Council desires to apply an energy cost credit to customer bills
18 pursuant to Section 22-310 of the Nixa City Code.

19
20 **NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF**
21 **NIXA, AS FOLLOWS, THAT:**

22
23 **SECTION 1:** The City Council, pursuant to Section 22-310 of the Nixa City Code,
24 hereby establishes an Energy Cost Adjustment in the amount of \$0.006 for each Kwh as
25 a credit to apply on electric bills from the effective date of this Resolution until March 31st,
26 2024.

27
28 **SECTION 2:** The City Administrator and the officers of the City are hereby
29 authorized to do all things necessary or convenient to carry out the terms and intent of
30 this Resolution.

31
32 **SECTION 3:** This Resolution shall be in full force and effect from and after its final
33 passage by the City Council and after its approval by the Mayor, subject to the provisions
34 of section 3.11(g) of the City Charter.

35
36
37 **[Remainder of page intentionally left blank. Signatures follow on next page.]**
38
39
40
41
42
43
44
45
46

RESOLUTION NO. 2023-16

47 **ADOPTED BY THE COUNCIL THIS 27th DAY OF March, 2023.**

48

49

ATTEST:

50

51

52 _____
PRESIDING OFFICER

CITY CLERK

53

54 **APPROVED BY THE MAYOR THIS _____ DAY OF _____, 2023.**

55

56

ATTEST:

57

58

59 _____
MAYOR

CITY CLERK

60

61 APPROVED AS TO FORM:

62

63

64 _____
CITY ATTORNEY