



RE: A 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 2026 Energy Cost Adjustment (ECA) as outlined in the City of Nixa adopted Electric Rates Section 22-310(h).

Analysis:

The current electric rate ordinance has an established formula to adjust the energy portion of the rates for our customers based on the preceding year’s overall wholesale energy cost. The “all in” cost for wholesale power includes the cost of energy and the transmission delivering that wholesale power to our distribution system. A simple version of the formula is to subtract the past year’s wholesale energy cost from the adopted base amount in the current rate ordinance. Depending on the preceding years’ wholesale cost, the ECA can be either a credit in years where costs were down or an increase in cost in a year when wholesale prices rose above the base.

As established in the rate ordinance, the ECA applied to customers’ bills must be approved by City Council. The current (2025) ECA is a credit of \$0.00560 per kilowatt Hour (kWh) sold under all rate classes. Unfortunately, energy prices continue to rise nationwide due to several factors, including material costs, weather events, and high natural gas prices to name a few. The 2025 energy prices have provided a positive ECA for 2026 in the amount of \$0.0036 per kWh. Per section 22-310 (h) of the Nixa code, the formula computation below was used to calculate the new ECA.

2021 (base) estimated wholesale kWh energy cost:	\$0.0573
Less the 2025 actual wholesale kWh energy cost:	<u>\$0.0609</u>
Difference to be applied per this Resolution:	+\$0.0036

If approved this ECA would be applied as a monthly increase for each kWh sold from April 2026 through March 2027.

Recommendation:

Staff recommends approval of the resolution per section 22-310 (h).

MEMO PREPARED BY:

Travis Cossey | Director Nixa Utilities & Public Works

RESOLUTION NO. 2026-12

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 **WHEREAS** Section 22-310 of the Nixa City Code establishes the City's electric
6 service rates; and

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8 **WHEREAS** Section 22-310(h) of the Nixa City Code authorizes the Council by
9 Resolution to authorize an annual Energy Cost Adjustment (ECA); and

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11 **WHEREAS** the City Council desires to apply an energy cost credit, as set forth
12 herein, to customer bills pursuant to Section 22-310 of the Nixa City Code.

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14 **NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF**
15 **NIXA, AS FOLLOWS, THAT:**

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17 **SECTION 1:** The City Council, pursuant to Section 22-310 of the Nixa City Code,
18 hereby establishes an Energy Cost Adjustment in the amount of \$0.0036 for each Kwh
19 as an increase to apply on electric bills from April 1, 2026, until March 31, 2027.

20
21 **SECTION 2:** The City Administrator and the officers of the City are hereby
22 authorized to do all things necessary or convenient to carry out the terms and intent of
23 this Resolution.

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

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30 **[Remainder of page intentionally left blank. Signatures follow on the next page.]**

RESOLUTION NO. 2026-12

47 **ADOPTED BY THE COUNCIL THIS 10TH DAY OF MARCH 2026.**

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ATTEST:

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PRESIDING OFFICER

CITY CLERK

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55 **APPROVED BY THE MAYOR THIS _____ DAY OF _____ 2026.**

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ATTEST:

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MAYOR

CITY CLERK

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62 APPROVED AS TO FORM:

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CITY ATTORNEY

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