

# FRANCHISES AND OTHER SERVICES

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## CHAPTER 110

# NATURAL GAS FRANCHISE

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**110.01 FRANCHISE GRANTED.** There is hereby granted to INTERSTATE POWER AND LIGHT COMPANY, herein referred to as the “Company,” its successors and assigns, the right, franchise and privilege for the term of 25 years<sup>†</sup>, subject to a limited right of cancellation at the end of the fifteenth year anniversary date as defined within from and after the passage, adoption, approval and acceptance of the ordinance codified in this chapter, to lay down, maintain and operate the necessary pipes, mains and other conductors and appliances in, along and under the streets, avenues, alleys and public places in the City, as now or hereafter constituted, for the purpose of distributing, supplying and selling gas to said City and the residents thereof and to persons or corporations beyond the limits thereof; also the right of eminent domain as provided in Section 364.2 of the *Code of Iowa*. The term “gas” as used in this franchise shall be construed to mean natural gas only.

**110.02 PLACEMENT OF FACILITIES.** The mains and pipes of the Company must be so placed as not to unnecessarily interfere with water pipes, drains, sewers, and fire plugs which have been or may hereafter be placed in any street, alley and public places in said City nor unnecessarily interfere with the proper use of the same, including ordinary drainage, or with the sewers, underground pipe and other property of the City, the said Company and its successors and assigns shall hold the City free and harmless from all damages arising from the negligent acts or omissions of the Company in laying down, operation and maintenance of said natural gas distribution system.

**110.03 EXCAVATIONS.** In making any excavations in any street, alley, avenue or public place, Company, its successors and assigns, shall protect the site while work is in progress by guards, barriers or signals, shall not unnecessarily obstruct the use of the streets, shall back fill all openings in such a manner as to prevent settling or depressions in surface, and shall replace the surface, pavement or sidewalk of such excavations with same materials, restoring the condition as nearly as practical and if defects are caused shall repair the same.

**110.04 RELOCATION OF FACILITIES.** The Company shall, at its cost, locate and relocate its existing facilities or equipment in, on, over or under any public street or alley in the City in such a manner as the City may at any time reasonably require for the purposes of facilitating the construction, reconstruction, maintenance or repair of the street or alley or any public improvement thereof, in or about any such street or alley or reasonably promoting the efficient operation of any such improvement.

1. If the City orders or requests the Company to relocate its existing facilities or equipment for any reason other than as specified above, or as the result of the initial request of a commercial or private developer, the Company shall receive payment for

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<sup>†</sup> **EDITOR’S NOTE:** Ordinance No. 306 adopting a natural gas franchise for the City, was passed and adopted on March 16, 2011.

the cost of such relocation as a precondition to relocating its existing facilities or equipment.

2. The City shall consider reasonable alternatives in designing its public works projects so as not arbitrarily to cause the Company unreasonable additional expense in exercising its authority under this section. The City shall also provide a reasonable alternative location for the Company's facilities as part of its relocation request.

3. The City shall give the Company reasonable advance written notice to vacate a public right-of-way. Prior to vacating a public right-of-way, the Company shall be provided an opportunity to secure an easement to allow it to operate and maintain its existing facilities.

**110.05 STANDARD OF SERVICE.** Said Company, its successors and assigns shall throughout the term of the franchise distribute to all consumers gas of good quality and shall furnish uninterrupted services, except as interruptible service may be specifically contracted for with consumers; provided, however, any prevention of service caused by fire, act of God or unavoidable event or accident shall not be a breach of this condition if the Company resumes services as quickly as reasonably practical after the happening of the act causing the interruption.

**110.06 NONEXCLUSIVE FRANCHISE.** The franchise granted by this chapter shall not be exclusive.

**110.07 FRANCHISE FEE.** In its monthly billing Company shall include a franchise fee of five percent on the gross receipts from the distribution, supply, or sale of natural gas for customers within the limits of the City, except for City utility accounts that are exempt per Iowa law from the franchise fee. The Company shall commence collecting the five percent franchise fee on the date of January 1 or July 1, following six months from the date of the acceptance of the franchise by the Company is filed with the City Clerk. The franchise fee may be increased or decreased by the City on or after January 1, 2011, and shall be limited to a maximum fee of five percent. The City shall give the Company a minimum six-month notice prior to the request to implement an increase or decrease in the franchise fee. The City shall be solely responsible for the proper use of any amounts collected as franchise fees, and shall only use such fees as collected for a purpose as allowed by applicable law. Collection of the franchise fee shall cease at the earlier of the City's repeal of the franchise fee or the end of the franchise term.

1. The franchise fee shall be applied to all customers' bills in accordance with *Code of Iowa* Chapter 364.2(f) and 423B.5. The Company shall not grant exemptions or refunds of the franchise fee beyond that granted by the *Code of Iowa*. If at any time the Iowa Utilities Board or another authority having proper jurisdiction, prohibits the collection or payment of a franchise fee, the Company shall be relieved of its obligation to collect and pay to the City the franchise fee.

2. City agrees that Company's obligations related to the franchise fee are limited to those obligations set forth in this chapter. City further agrees to bear all costs (including attorney fees), and to defend, indemnify, and hold Company harmless from any and all liability, claims or causes of action associated with disputes related to the billing and/or collection of the franchise fee, provided that the City shall not be obligated to bear such costs or to defend, indemnify and hold Company harmless if such disputes arise from claims of inaccurate billing by the Company.

3. Upon receipt of a final and unappealable order or approval authorizing annexation, or changes in the limits of said City, the City Clerk shall provide written

notification to an officer of Company of such annexation or change in the limits of said City, and the Company shall apply the franchise fee to its customers who are affected by the annexation or change in the limits of the City, commencing six months from receipt of the written notice.

4. The sum of such additional charges for the franchise fee shall be shown separately on the utility bill to each customer.

5. The Company shall remit collected franchise fees to the City on a quarterly basis, within 30 days after the last day of the last revenue month of the quarter.

6. Said franchise fee shall be in lieu of any other payments to the City for the Company's use of streets, avenues, alleys and public places in the said City and other administrative or regulatory costs with regard to said franchise; and said pipes, mains, and other conductor and appliances in, along and under the streets, avenues, alleys and public places in the said City for the purpose of distributing, supplying and selling gas to said City and the residents thereof and to persons and corporations beyond the limits thereof shall be exempt from any special tax, assessment, license or rental charge during the entire term of the franchise.

**110.08 TERM OF FRANCHISE.** The term of the franchise and the rights granted thereunder shall continue for a period of 25 years from and after its acceptance by the said Company, as herein provided, except that the City may cancel this franchise on the fifteenth year anniversary of the franchise by notifying Company in writing of its desire to do so, said notification to be given within 30 days of the fifteenth year anniversary date. If Company is not notified of the cancellation within 30 days of the fifteenth year anniversary, then this franchise shall continue without cancellation until the twenty-fifth year. The anniversary date shall be the date this franchise is filed with the City Clerk or otherwise effective by operation of law.

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**CHAPTER 111**  
**VIDEO FRANCHISE**

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**111.01 GRANT OF FRANCHISE.** This chapter grants Partner Communications Cooperative and its successors and assigns (the “Company”), the right, license and authority for a period of 25 years,<sup>†</sup> to locate and operate a video system (the “System”) within the public rights-of-way and compatible easements of the City. The Company is granted the nonexclusive right, license and authority (the “Franchise”) to locate and operate the System in the City for the purpose of providing video programming services to end user customers located within the corporate boundaries of the City, including any areas annexed to the City in the future. The Franchise includes the right of the Company to construct, install, maintain, operate, repair replace and remove facilities and equipment comprising the System in the public rights-of-way and through easements dedicated for compatible uses throughout the corporate limits of the City.

**111.02 REGULATORY AUTHORITY.** The Company’s operation of the System shall be governed by this chapter only to the extent that the City is permitted to exercise its power as a local franchising authority with respect to the Company’s video service under Iowa and Federal law. Without limiting the City’s otherwise lawful authority under other applicable City codes and ordinances, this Ordinance shall regulate the Company’s use and occupancy of the public rights-of-way within the City for the purpose of providing video service over the System.

**111.03 FRANCHISE FEE.** The Company shall pay to the City a franchise fee equal to three percent of its actual collected gross receipts from monthly basic service, digital basic service and premium channel service provided to subscribers located within the City, and excluding installation and equipment fees and other fees and charges. All payments required to be made by the Company to the City shall be made semiannually within 60 days of the end of June and December in each calendar year. Each payment shall be accompanied by a written statement from the Company’s manager certifying the number of subscribers and amount of gross receipts on which calculation of the franchise fee is based, which amount shall be subject to audit as provided by Iowa law.

**111.04 TERM AND RENEWAL.** The initial term of the Franchise shall be 25 years from the Company’s acceptance of the Franchise. At the end of the initial term, the Company may apply for renewal of the Franchise by giving written notice to the City not less than 90 days prior to the expiration of the Franchise. In determining whether to grant a renewal, the City shall consider those factors prescribed by federal law, including: (i) whether the Company has

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<sup>†</sup> **EDITOR’S NOTE:** Ordinance No. 288 adopting a video franchise for the City, was passed and adopted on June 18, 2008.

substantially complied with the material terms of the Franchise and with applicable laws; (ii) the extent and quality of the Company's video programming service; (iii) whether the Company remains financially, legally and technically qualified to provide video service; and (iv) whether renewal of the Franchise promotes the video-related community needs and interests.

**111.05 NONEXCLUSIVE FRANCHISE.** The Franchise is nonexclusive and shall in no way prevent the City from granting or renewing any other cable television or video service franchise. If the City grants or renews an additional cable television or video service franchise, the material terms and conditions of the additional franchise shall not provide a competitive preference or advantage to the franchisee under that franchise.

**111.06 CONSTRUCTION AND INSTALLATION.** The Company shall construct, install, maintain, operate, repair, replace and remove the System in a manner consistent with accepted technical and engineering standards and in accordance with all applicable safety rules and regulations. All facilities and equipment comprising the System and located in the public rights-of-way shall be located so as to cause minimum interference with the proper use of the public rights of way and to cause minimum interference with the rights or reasonable convenience of property owners who adjoin any public right-of-way. In case of any facilities or equipment causing interference with the public right-of-way, the Company shall, at its own cost and expense and in a commercially reasonable manner, modify, remove or relocate such facilities or equipment. In the event that at any time during the term of the Franchise the City lawfully elects to alter or change any street, alley or other public right of way, the Company shall, if necessary and upon reasonable notice from the City, modify, remove or relocate any facilities or equipment at its own cost an expense and in a commercially reasonable manner, provided that where public funds are available to compensate for such removal or relocation under applicable law, the Company shall not be required to pay such costs. The Company shall have the authority, at its own cost and expense and in a commercially reasonable manner, to trim trees upon and overhanging the public rights of way so as to prevent the branches of such trees from coming in contact with the facilities and equipment of the Company. In case of any disturbance or damage to a public right-of-way, the Company shall, at its own cost and expense and in a commercially reasonable manner approved by the City, replace and restore such right-of-way to as good a condition as before the Company's activities were commenced. At the request of the City, the Company shall provide to the City Engineer or applicable City department accurate maps of the System, including the location of all facilities and equipment in the public rights-of-way.

**111.07 SERVICE EXTENSIONS.** The Company shall provide service to residents on a nondiscriminatory basis, and shall not deny access to video service to any resident or neighborhood on the basis of income. The Company shall serve all residents of the City, except to the extent that density of homes, adverse terrain or other factors render providing service impracticable, technically infeasible, or economically non-compensatory. For purposes of determining compliance with the provisions of this section, and to provide for a commercially reasonable and non-discriminatory policy governing extensions of video service within the City, the Company shall extend service to new subscribers at the normal installation charge and monthly rate for customers taking the same service, where there is an average of at least 45 homes per each linear mile of new facilities construction. In the event the requirements of this section are not met, extensions of service shall be required only on a basis which is commercially reasonable and compensatory. Nothing in the preceding shall prohibit the Company from offering video service in any area not meeting the preceding density requirements on terms acceptable to the Company.



**111.08 OWNERSHIP AND REMOVAL.** The System shall be and remain the exclusive property of the Company at all times and for all purposes. Any costs, expenses, taxes or other assessments arising from or related to the construction, installation, maintenance, operation, repair, replacement and removal of the System shall be the sole responsibility of the Company. Upon expiration or termination of the Franchise in accordance with this chapter, the Company shall, at its own cost and expense and within a commercially reasonable time under the circumstances, remove all facilities and equipment comprising the System and restore the public rights-of-way to as good a condition as before the Company's activities were commenced.

**111.09 LEGAL COMPLIANCE.** The rights and obligations of the Company under the Franchise are subject at all times to compliance with Iowa and federal law and all applicable requirements, specifications, rules and orders of the Federal Communications Commission (the "FCC"). Any condition or provision of this chapter that is inconsistent with Iowa or federal law or applicable FCC regulations shall be deemed preempted and superseded.

**111.10 SCOPE OF REGULATION.** Nothing in this chapter shall be interpreted or construed to impose any requirement that has the purpose or effect of prohibiting, limiting, restricting or conditioning the provision of telecommunications services or other communications or information services by the Company or any of its affiliates.

**111.11 POLICE POWER.** The Company shall at all times during the term of the Franchise be subject to all lawful exercise of the City's police power. The City reserves the right to adopt from time to time such ordinances as may be necessary to exercise the City's police power as it may relate to the Franchise.

**111.12 FORCE MAJEURE.** The Company shall not be liable for any delay or failure in performance of any part of its obligations under this chapter from any cause beyond its control and without its fault or negligence, including acts of God, acts of civil or military authority, government regulations, adverse judicial proceedings, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation common carriers.

**111.13 ASSIGNMENT OR TRANSFER.** The Company shall not assign or transfer any right granted under this chapter to any other individual or entity without the prior written consent of the City, provided that such prior written consent shall not be unreasonably withheld or delayed if the proposed assignee or transferee agrees in writing to assume the Company's obligations as franchisee, including compliance with the terms and conditions of this chapter. Notwithstanding the preceding or anything in this chapter to the contrary, no restrictions or special rights with respect to assignment or transfer of the Franchise or the System shall apply to transfers from the Company to any affiliate directly or indirectly controlling, controlled by or under common control with the Company.

**111.14 CONFIDENTIALITY.** The City shall keep confidential all information and data pertaining to the Company or its business and customers of a confidential or proprietary nature, and shall not disclose any such information to any other person, firm or entity (except to a governmental or regulatory body in response to a subpoena) and shall use such information only for purposes within the scope of the City's authority under this chapter. The City agrees that any confidential and proprietary information received pursuant to this chapter shall be disclosed only to those employees and other persons who have a proper need for its use. Upon expiration

or termination of the Franchise, the City shall, at the direction of the Company, return or destroy all confidential or proprietary information provided by the Company along with any and all copies of such information. The obligations of the City under this section shall survive the expiration or termination of the Franchise. Notwithstanding the foregoing, the Company acknowledges that the obligations of the City under this section are subject to compliance with applicable open meeting or public records laws of the State of Iowa. The City shall not be liable for any disclosure required to be made in compliance with applicable open meeting or public records laws; provided such disclosure is made in good faith and in consultation with and reliance upon the advice of the City's legal counsel, and provided that prior written notice of the required disclosure is provided to the Company and its legal counsel.

**111.15 THIRD PARTY LIABILITY.** Nothing in this chapter shall be deemed to create civil liability by one party for actions, omissions or negligence of the other party, or of the other party's agents, employees, officers or assigns. This chapter shall not be interpreted or construed to provide any third parties, including (but not limited to) the Company's customers, with any remedy, claim, liability, reimbursement, cause of action or any other right as against the Company or the City. Each of the Company and the City shall bear responsibility for its own actions, omissions and negligence. Without limiting the preceding, the Company shall hold the City harmless from any claim, liability or damage arising from or caused by the Company's activities under the Franchise.

**111.16 LEGAL EFFECT.** This chapter contains the entire agreement between the City and the Company regarding the Franchise and may only be amended or modified by written agreement signed by the City and the Company. Any ordinance or provision of any ordinance inconsistent with the provisions of this chapter is hereby repealed. Every provision of this chapter is intended to be severable. If any provision herein is invalid or unenforceable for any reason, this chapter will be construed and enforced as if the invalid or unenforceable provision were not a part of this chapter, and the remaining provisions will remain in full force and effect and will not be affected by the invalid or unenforceable provision or by its severance from this chapter.

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## CHAPTER 115

# ELECTRIC UTILITY

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115.06 Disconnect Fees and Reconnect Fees	115.15 Deposits, Payments and Miscellaneous Administrative and Service Fees
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**115.01 PURPOSE.** The purpose of this chapter is to provide for the operation of the municipally owned electric system.

**115.02 ELECTRIC COMMITTEE.** The Mayor shall appoint an Electric Committee composed of three members of the Council, one of whom shall be designated as the Chairperson. The Electric Committee shall report to the Council.

**115.03 SUPERVISION OF THE SYSTEM.** The Electric Superintendent shall be appointed by the City Council and shall be responsible for the supervision of the electric system and for the execution of policies governing the system and shall answer to the Electric Committee and through it to the entire Council. The Superintendent shall be in charge of and have the entire management of the generating and distribution facilities of the City, including inspection and installation of electrical facilities, extension, replacement or repair of the distribution system together with all buildings, tools and other property and equipment connected with the electric system and shall negotiate agreements with RPGA (Resale Power Group of Iowa) subject to approval of those agreements by the City Council.

**115.04 SERVICE RULES AND REGULATIONS.** The rules and regulations for electric service, applicable to all users of the municipal electric system, shall be as follows:

1. **Municipal.** City and Interdepartmental usage will be billed under the price schedule for General Service, Large General Service or Street Lights, as applicable.
2. **City In-Lieu-of-Tax Payment.** Effective July 1, 2005, the City and City Departments shall pay the Electric Department for electric usage at applicable rates, including street lighting. Effective for each electric revenue month beginning July 1, 2005, the Electric Department shall pay the City's General Fund two percent of all before-tax rate revenue, as soon after such electric revenue accounting data is available for each month.

**115.05 RATES AND CLASSIFICATIONS.** Every person and municipality furnishing electrical energy to consumers shall charge and collect rates as hereinafter provided for all electrical energy as measured by meters on the customer's premises according to the customer's classification. The Council shall rule on any disagreement in classification and its judgment shall be final. Each customer shall be classified as Residential-City, Multiple Dwelling Unit, Residential-Rural Acreage, Small General, or Large General.

1. Residential-City Service. The Residential-City rate shall be applicable within the City limits and applies to a single-family residence, or a multiple dwelling unit, for all domestic uses, including water heating and space heating. Where a portion of a residential dwelling is used for commercial purposes and is not separately metered, the applicable Residential rate shall apply to all metered usage. Commercial usage at the residence shall require a separate meter with service under the Small General Service (SGS) rate when the commercial load exceeds 10 kW.
2. Multiple Dwelling Units Service. When two or more flats, apartments, or dwelling units are served by one meter in accordance with Electric Department's Service Rules, the Basic Service Charge shall be billed at the multiple of individual units served.
3. Residential-Rural Acreage Service. The Residential-Rural Acreage rate shall be applicable outside the City limits. This rate applies to a single-family residence, or multiple dwelling unit, for all domestic uses, including water heating and space heating. Where a portion of a residential dwelling is used for commercial purposes and is not separately metered, the applicable Residential rate shall apply to all metered usage. Commercial usage at a residence shall require a separate meter with service under the SGS rate when the commercial load exceeds 10 kW.
4. Small General Service. The Small General Service rate applies to non-residential customers, inside or outside the City limits, of less than 100 kW load for all separately metered general service usage in one establishment, through one meter, at one point of delivery.
5. Large General Service. The Large General Service (LGS) rate applies to non-residential customers for all separately metered usage with a minimum 100 kW of load in one establishment, through one meter, at one point of delivery. Interval recording meters are required and customer may be required to reimburse the Electric Department for its installed cost of metering, plus monthly telemetry costs, if any.
6. Interruptible Option. The Interruptible Option is available by special contract to Large General Service customers for a minimum term of May through October of each year. Customer must contract to interrupt a minimum of 20 kW in increments of 10 kW up to customer's maximum established kW. Customer must agree to allow the Electric Department to interrupt the monthly contracted amount of kW, for which customer will receive a monthly \$/kW credit. Contracted interruptible kW may not be changed more frequently than once annually and must be for the same kW for each month of May through October. The Electric Department will give notice by calling customer's phone number, which must be specified in the contract. The Electric Department anticipates it will normally be able to give notices of interruption by 7:00 p.m. on the day prior to interruption. However, customer shall only be able to provide an urgent notice of less than two hours. Interruptions will be for a minimum of five hours and a maximum of 12 hours. Interruptions may be for any number of days during the month and in any month from May through October, but are typically for 10 to 20 days per year during the months of June through September. If customer fails to interrupt the contracted kW, customer shall reimburse the Electric Department for 12 months of credits for the kW that was not interrupted, plus any wholesale supplier penalties and customer shall not be eligible for interruptible rate service for the subsequent 12 months.
7. Billing Demand. The monthly billing demand for the Large General Service rate is the maximum 15-minute integrated kW demand for the billing month. However,

in the event the Electric Department determines that a customer has large variations in monthly demands, the Electric Department may require a billing demand of not less than the greater of 25 kW, or 75 percent of the previous 11 months ending with the prior month, if necessary to comply with ratchet provisions of a purchase power contract between the City and its power supplier.

8. Master Metering. No master metering, sub-metering, joint use (for other than multiple dwelling units) or resale of electric service is permitted hereunder.

9. Power Factor. For purpose of billing, the monthly Billing Demand shall be increased by one percent for each one percent customer's power factor if measured during any 15-minute interval to be less than 95 percent. Payment of the power factor penalty shall not relieve customer of the obligation to self-correct the power factor to 95 percent or greater. The Electric Department may install power factor correction capacitors on its primary distribution system to compensate for customer's lagging power factor and customer shall reimburse the Electric Department for the installed cost thereof, including all necessary labor, materials, mountings, controls and appurtenances.

RATES	7/1/09	CPI .027	7/1/2010
Residential City Basic \$/meter/month	\$14.00	.3780	\$14.3780
Residential Rural Acreage Basic \$/meter/month	\$20.00	.5400	\$20.5400
First 1,000 kWh/month \$/kWh	0.1125	.0030	0.1155
Over 1,000 kWh/month \$/kWh	0.1225	.0033	0.1258
Small General Service and Municipal Basic \$/meter/month	\$35.00	.9450	\$35.9450
First 2,000 kWh/month \$/kWh	0.1050	.0028	0.1078
Over 2,000 kWh/month \$/kWh	0.0950	.0026	0.0976
LGS Demand 25KW Minimum			
\$/kW/month	\$12.00	.3240	\$12.3240
\$/kWh	0.0575	.0016	0.0591
\$/kW of Interruptible Contract Credit	\$3.46	.0934	\$3.5534

	Wattage (MV)		Security Light	
Security Lights Mercury vapor	100	\$7.94	.2144	\$8.1544
	175	\$10.88	.2938	\$11.1738
	250	\$14.55	.3929	\$14.9429
	400	\$20.73	.5597	\$21.2897
	1,000	\$44.33	1.1969	\$45.5269
W HPS High Pressure Sodium	(HPS)			
	70	\$7.77	.2098	\$7.9798
	100	\$9.44	.2549	\$9.6949

	150	\$11.93	.3221	\$12.2521
	250	\$15.80	.4266	\$16.2266
	400	\$21.92	.5918	\$22.5118
	1,000	\$44.85	1.2110	46.0610

On or before February 1 of each year, the City Clerk shall compute an adjustment to the electric rates based upon the multiplication of the current rate by a factor equal to the increase in the Consumer Price Index (CPI) as established by the federal government for the preceding calendar year. This adjustment shall be submitted to the City Council at its regular meeting in February. Any increase approved by the Council at that meeting shall take effect on the succeeding July 1 following the mailing of rate notices as required by Iowa law.

**115.06 DISCONNECT FEES AND RECONNECT FEES.** A charge of \$50.00 per transformer will be billed to any commercial or rural customer who has exclusive use of a transformer or transformers and who requests the disconnection. A reconnect fee of \$50.00 per transformer will be billed when the customer requests reconnection. If service is temporarily disconnected to a residential customer because of a delinquent account or at the request of the customer, a reconnect fee of \$20.00 will be billed when the customer is reconnected.

**115.07 RETURNED CHECK CHARGE.** In the event a customer's check is returned by the bank on which it was drawn, the customer shall be required to pay a service charge of \$30.00.

**115.08 ENERGY COST ADJUSTMENT (ECA).** Sales under all rate schedules are subject to the Energy Cost Adjustment (ECA). Each month an ECA surcharge will be calculated. When the ECA is a positive number, it will be applied to all metered kWh sales to consumers for that month, unless the City Council acts by resolution to reduce the amount of the increase. The ECA equals the total purchase power and power production costs for the month divided by the metered kWh sales for the month, less the base power supply cost of \$0.0500/kWh. If actual costs for any month are less than the base cost of \$0.0500/kWh, no credit will be issued to the customer.

**115.09 MAINTENANCE COST ADJUSTMENT FACTOR.** A Maintenance Cost Adjustment (MCA) Factor is hereby established in order to cover the cost of expenditures for unanticipated or extraordinary maintenance of the electrical distribution system incurred during the fiscal year, not to exceed \$100,000. The MCA factor will be derived by dividing the unanticipated expense by the total energy consumed during the prior fiscal year. The MCA would remain in effect for a period of not more than one year from the date of City Council approval or until the actual costs were recovered, whichever is sooner.

**115.10 MUSEUM CREDIT.** Museums organized under the Iowa Nonprofit Corporation Act are hereby granted a utility credit of \$1,000.00 to be applied toward water, sewer or electric charges or any combination of charges for any such utilities used by the museum during each calendar year. Application for the credit shall be made by or on behalf of the museum with the Clerk and shall be approved by the Council before becoming effective.

**115.11 DUTIES OF CLERK.** The Clerk shall be in charge of the clerical department of the electric system. The Clerk shall be responsible for the collection of all bills and accounts and shall receive all revenue from the collection of bills and accounts. The Clerk shall keep an account of all receipts and disbursements of electric funds and shall perform such other duties in the management of the electric system as may be required or directed by the Electric Committee of the Council. The Clerk shall keep a separate account to be known as the Electric Fund to which shall be credited all money received for the electric system. All disbursements

in connection with the management and operation of the electric system shall be paid out of the Electric Fund.

**115.12 CITY ACCESS.** Each subscriber or customer of electric energy furnished by the City will provide, allow or procure for the City such right-of-way permits or licenses (including permission to trim or remove any trees which threaten the safe operation of the Grantee's facilities) over, under and across property owned or otherwise lawfully controlled by such user which is required for the construction, reconstruction, operation and maintenance of the City's electrical transmission poles, wires, anchor wires, or junction boxes. This provision specifically allows employees of the City to install and maintain buried electric cable on the property of a user within five feet of any lot line, provided the City will obtain access in the least intrusive manner, promptly effect such installation and maintenance and restore the property to its lawfully existing condition at its sole cost, including seeding affected areas of a lawn. Subscribing customers of electrical energy supplied by the City will provide to authorized representatives of the City's electrical utility such reasonable access to the premises where such service is provided for any proper purpose related to the safe transmission of that electrical energy. Refusal to provide access will result in termination of electrical power on 72 hours' notice, or immediately when warranted by emergency or safety concerns.

**115.13 NO GUARANTEE OF SERVICE.** The City does not guarantee a constant supply of electrical energy to any user, and the City shall not be liable for any damages for the failure to supply same.

**115.14 TAX ADJUSTMENT.** Sales under all rate schedules are subject to a Tax Adjustment Factor (TAF). Charges for all metered and un-metered services will be adjusted by the amount of applicable sales and local option taxes and any new or increased tax imposed and levied on gross receipts, the production, transmission, distribution or sale of electricity by the Electric Department.

**115.15 DEPOSITS, PAYMENTS AND MISCELLANEOUS ADMINISTRATIVE AND SERVICE FEES.** The Electric Department may establish service rules which provide for deposits, payment terms and miscellaneous administrative and service fees reasonably related to the actual costs of operation.

**115.16 DISCONNECTION AND RECONNECTION.** Accounts remaining delinquent are subject to disconnection and a reconnection charge in accordance with Electric Department service rules.

**115.17 EXCESS FACILITIES CHARGE.** Subject to waiver in appropriate circumstances by approval of the Electric Committee, developers or customers making a request for new service shall pay the Electric Department for primary line extensions and temporary service lines, and for permanent service lines in excess of 100 feet, at time and material costs. Developer or customer shall furnish and install meter base and service entrance in accordance with the latest version of the *National Electric Code* and Electric Department specifications, if more stringent. Standard overhead and underground extension charges are in accordance with Electric Department's service rules. Customer shall pay time and material for separate lighting poles. Excess facilities that have less than five years useful life shall be paid in the month costs are incurred by the Electric Department. The Electric Department may, with adequate developer or customer letter of credit or means of financial security allow a monthly excess facility charge in lieu of up front payment for excess facilities with life of greater than five years. An excess facilities charge of one-half percent per month shall be applicable to the installed cost of excess

facilities that have a useful life of 10 years or more. An excess facilities charge of two percent per month shall be applicable to the installed cost of special meters and excess facilities that have an expected useful life of five to 10 years.

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