

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF BALDWIN CITY, KANSAS
HELD ON FEBRUARY 18, 2013**

The governing body met in regular session at the usual meeting place in the City, at 7:30 P.M., the following members being present and participating, to-wit: Council President Tom Farmer, Council Members Bonnie Plumberg, Shane Starkey, and Jason Mock.

Absent: Coy Weege

The Council President declared that a quorum was present and called the meeting to order.

(Other Proceedings)

Thereupon, there was presented for second reading an Ordinance entitled:

**AN ORDINANCE MODIFYING THE BASE AVERAGE COST OF
WHOLESALE POWER; REPEALING ORDINANCES IN CONFLICT;
AND PROVIDING AN EFFECTIVE DATE.**

Thereupon, Councilmember Mock moved that said Ordinance be passed. The motion was seconded by Councilmember Starkey. Said Ordinance, having been approved by a first reading on February 4, 2013, was duly read and considered, and upon being put, the motion for approval was carried by the vote of the governing body, the vote being as follows:

Yea: Mock, Starkey, Plumberg, Farmer.

Nay: None.

(Other Proceedings)

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Baldwin City, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.



City Clerk

ORDINANCE NO. 1290

AN ORDINANCE MODIFYING THE BASE AVERAGE COST OF WHOLESAL
POWER; REPEALING ORDINANCES IN CONFLICT; AND PROVIDING AN
EFFECTIVE DATE

WHEREAS, the City of Baldwin City, Kansas, owns an electric utility system established to provide electric utility service to customers inside and outside the city limits; and

WHEREAS, Chapter XV, Article 2, of the Code of the City of Baldwin City, Kansas, provides for the provision and billing of electric service by the municipal electric utility; and

WHEREAS, the policies, fees and rates for installing and providing municipal electric utility services require updating from time to time to appropriately reflect the cost of providing such services; and

WHEREAS, the Base Average Cost for acquiring wholesale power must be adjusted from time to time in order to reflect the actual cost of wholesale power in the most recent full calendar year in order to include the most accurate Power Cost Adjustment numbers in the monthly utility billing.

NOW THEREFORE, BE IT ORDAINED by the Governing Body of the City of Baldwin City, Kansas, as follows:

Section 1. Modify Section 15-231 to Chapter XV, Article 2, of the Code of the City of Baldwin City, Kansas to reflect adjustment in the Base Average Cost of energy for the most recent full calendar year:

Section 15-231. POWER COST ADJUSTMENT. A power cost adjustment will be added each month to the energy charge per kWh for all customers of the municipal electric utility. The power cost adjustment (“PCA”) is to be computed each month using a Base Average Cost of energy for the most recent full calendar year (determined by dividing the annual cost of purchased power for that year by the annual kilowatt-hours used for that same period) of \$0.0580 per kWh, and a compensation factor of 1.10 for distribution system losses and energy furnished free by the municipal electric utility to the City of Baldwin City. The power cost adjustment is to be calculated according to the following formula:

$$PCA = [(Cost \div kWh) \times 1.10] - \$0.0580 \text{ per kWh}$$

For purposes of this formula, the following applies:

PCA = Power Cost Adjustment, stated as a cost per kWh, rounded to the nearest \$0.0001

Cost = the month's cost of purchased power and fuel for power plant generation

kWh = the month's kilowatt hours of purchased power and power plant generation.

Section 2. Relevant portions of Ordinance No. 1251 and Ordinance No. 1263, and any other ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent necessary to resolve such conflict.

Section 3. If any part of this ordinance is declared invalid for any reason, such invalidity shall not affect the remaining valid portions of this ordinance. To this end, this ordinance is declared severable:

Section 4. This ordinance shall be effective upon adoption by the governing body, approval by the Mayor, and publication as required by law. The rates and adjustments included herein shall be applied to demand and energy usage effective on March 1, 2012 and as noted in the specific sections.

NOW, THEREFORE, BE IT ENACTED by the governing body of the City of Baldwin City, Kansas, on this 4th day of February, 2013.

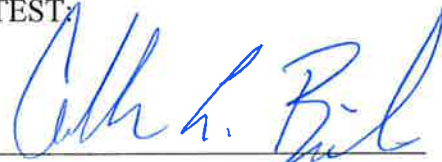


APPROVED:



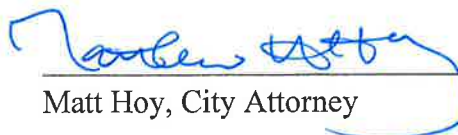
Ken Wagner, Mayor

ATTEST:



Collin Bielser, City Clerk

APPROVED AS TO FORM:



Matt Hoy, City Attorney