

**CITY OF GREAT FALLS, MONTANA  
AGENDA REPORT**

**AGENDA # 11  
DATE: June 21, 2005**

**ITEM** Set Public Hearing on Resolution 9500, Electric City Power Supply Rate Increase

**INITIATED BY** Fiscal Services

**ACTION REQUESTED** Set the Public Hearing On Resolution 9500, Electric City Power Supply Rate Increase for 7:00 p.m. July 19, 2005

**PREPARED BY** Martha Capps, Operations Supervisor

**APPROVED BY** Coleen Balzarini, Fiscal Services Director

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**RECOMMENDATIONS:**

Staff recommends the City Commission set a Public Hearing on a proposed electric supply rate increase and addition of a \$3.00 per month administrative fee.

**MOTIONS:**

"I move the City Commission set a Public Hearing for 7:00 p.m. at the July 19, 2005 regular commission meeting to receive public comment on Resolution 9500, increasing the electrical supply rate for Electric City Power to \$40.00 per mega watt hour and approve a \$3.00 per month administrative fee per account on existing contracts."

**SYNOPSIS:**

The City of Great Falls, in an effort to find more cost effective electrical supply, joined the Southern Montana Electrical Generation and Transmission Co-operative in the fall of 2004. On October 1, 2004, the City of Great Falls began supplying electricity to the Great Falls Public School system, the Great Falls Airport Authority, Federal Express, Great Falls Housing Authority, Montana Air National Guard, and to its own facilities at \$37.60 per mega watt hour. After eight months of service, it has been determined that increasing the supply rate to \$40.00 and adding a \$3.00 per account per month administrative fee is necessary to continue this service. With the proposed increase, Electric City Power will still be able to provide supply at a rate less than the current default supply rate offered by the distribution utility. Notice of the proposed increase has been sent to each of the entities receiving our services under the October 1, 2004 supply contract.

**PUBLIC NOTICE  
PUBLIC HEARING ON RESOLUTION 9500**

**ESTABLISH ELECTRIC SUPPLY RATES FOR EXISTING CONTRACTED  
CUSTOMERS THROUGHOUT DECEMBER 31, 2008**

The City of Great Falls, dba Electric City Power, is proposing to raise the electric supply rate 6.4% for a \$2.40 increase. This will increase the current rate of \$37.60 /mWh to \$40.00 /mWh as provided for in supply contracts originally approved by the City Commission in October 2004 and to impose a \$3.00 /account monthly administrative fee, effective 10 days after the final approval by the City Commission. The rate increase and administrative fee are necessary to keep up with the cost of services provided to the customers. A public hearing will be held on July 19, 2005 at 5:00p.m. in the Civic Center Commission Chambers.

For further information contact Martha Capps at (406)455-8484 or in Room 104 of the Civic Center, 8:00 a.m. to 5:00 p.m.

**Publish Public Notices**

- 1<sup>st</sup> Notice – Friday, July 1, 2005
- 2<sup>nd</sup> Notice – Friday July 8, 2005
- 3<sup>rd</sup> Notice – Friday, July 15, 2005