

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

**AGENDA # 6  
DATE: July 19, 2005**

**ITEM** Resolution 9500, Establish Electric Supply Rates and Establish an Administrative Fee

**INITIATED BY** Fiscal Services

**ACTION REQUESTED** Conduct Public Hearing On Electric City Power Supply Rate Increases and Adopt Resolution 9500.

**PREPARED BY** Martha Capps, Operations Supervisor

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

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**RECOMMENDATIONS:**

Following the public hearing and barring sufficient protest, staff recommends the City Commission adopt Resolution 9500, Establish electric supply rates and an administrative fee for Electric City Power.

**MOTIONS:**

"I move the City Commission adopt 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. These rates will be effective October 1, 2005