

ORDINANCE NO. 2018-02

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF LEBANON, BOONE COUNTY, INDIANA CONCERNING AN ECONOMIC DEVELOPMENT RIDER

WHEREAS, the City of Lebanon (the “City”) is a duly formed municipal corporation within the State of Indiana governed by its duly elected Mayor and Common Council (“Common Council”);

WHEREAS, the Mayor and Common Council recognizes the need to stimulate growth and to maintain a sound economy within the City;

WHEREAS, the City owns an Electric Utility operated by the Lebanon Utility Service Board (“LUSB”);

WHEREAS, Lebanon Utilities is a member of the Indiana Municipal Power Agency (“IMPA”);

WHEREAS, IMPA adopted an Economic Development Rider (the “IMPA Rider”) available to all IMPA members with customers that meet the IMPA Rider’s requirements;

WHEREAS, the LUSB has reviewed and recommends adoption of this Ordinance; and

WHEREAS, the incentives provided by the IMPA Rider are to be passed through to customers that meet the IMPA Rider’s requirements through the adoption by this Common Council of a local Economic Development Rider (attached as **Exhibit A**);

WHEREAS, on August 28, 2017, the Common Council approved Ordinance 2017-11 and the IMPA Rider and now desires to amend and replace with this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Lebanon, Boone County, Indiana, meeting in regular session, as follows:

Section 1. The findings and determinations set forth in the preambles to this Ordinance are hereby made findings and determinations of the Common Council.

Section 2. The Economic Development Rider attached hereto as **Exhibit A** is hereby adopted by the Council, to be effective immediately.

Section 3. As of the effective date of this Ordinance, Ordinance 2017-11 shall be amended and replaced with this Ordinance.

Section 4. This Ordinance shall be in full force and effect in accordance with Indiana Law, upon passage of any applicable waiting periods, all as provided by

the laws of the State of Indiana. All ordinances or parts thereof in conflict herewith are hereby ordered amended or repealed. All acts pursuant to the adoption of this ordinance are hereby ratified.

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PASSED AND ADOPTED THIS 12 day of FEBRUARY, 2018.

LEBANON COMMON COUNCIL

Voting For

Voting Against

Abstain


Keith Campbell

Keith Campbell

Keith Campbell

ABSENT
John Copeland

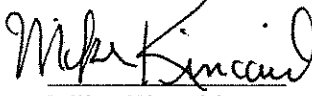
John Copeland

John Copeland


Dan Fleming

Dan Fleming

Dan Fleming


Mike Kincaid


Mike Kincaid

Mike Kincaid


Corey Kutz


Corey Kutz

Corey Kutz


Jeremy Lamar

Jeremy Lamar

Jeremy Lamar


Dick Robertson

Dick Robertson

Dick Robertson

I hereby certify that ORDINANCE 2018-02 was delivered to the Mayor of Lebanon on the 12 day of FEBRUARY, 2018, at 8:30 P.M.

Tonya Thayer
Tonya Thayer, Clerk-Treasurer

I hereby APPROVE ORDINANCE 2018-02
this 12 day of February, 2018

Matthew T. Gentry
Matthew T. Gentry, Mayor

I hereby VETO ORDINANCE 2018-02
this ___ day of _____, 2018

Matthew T. Gentry, Mayor

ATTEST:
Tonya Thayer
Tonya Thayer, Clerk-Treasurer

This document prepared by:
Robert S. Schein, Esq.
KRIEG DEVAULT, LLP
(317) 238-6276

EXHIBIT A

ECONOMIC DEVELOPMENT RIDER

1. **Availability.** This Rider is available to a Qualifying Customer (as defined herein) to encourage large power users to expand or create new operations within the Utility's service territory.
2. **Qualifications.** A "Qualifying Customer" is a new or existing non-residential customer in the Utility's service territory that is establishing new operations or expanding existing operations such that the new or expanded operations will result in new or additional demand of at least one (1) MW (1000 kW) at one delivery point (the "Qualifying Demand") and the new or expanded operations has involved a capital investment of at least one million dollars (\$1,000,000) within the Utility's service territory.

For a Qualifying Customer that is expanding operations, Qualifying Demand is measured from the average monthly peak demand for the twelve (12) months immediately preceding the effective date of the Service Application. For a Qualifying Customer that is establishing new operations, Qualifying Demand is measured from zero.

A Qualifying Customer is not a customer: (1) with "new" demand that results from a change in ownership of an existing establishment without qualifying new load; (2) renewing service following interruptions such as equipment failure, temporary plant shutdown, strike, economic conditions, or natural disaster; or (3) that has shifted its load from one operation or customer to another within the Utility's service territory. The Utility may determine exclusively, without recourse by the customer, whether an event has occurred that would prevent a customer from being a Qualifying Customer.

3. **Rate Incentive.** Beginning with the effective date indicated in the Service Application submitted by the Qualifying Customer, Utility will receive a credit on its wholesale bill for the qualifying new load. The incentive amount received by Utility from the Indiana Municipal Power Agency for such load will be passed in full to Qualifying Customers. For reference purposes, the discount to the Qualifying Customer's wholesale cost for qualifying new load will be calculated according to the following schedule:

Months 1-12	20%
Months 13-24	15%
Months 25-36	10%
Months 37-48	10%
Months 49-60	5%

The Qualifying Customer must meet the minimum Qualifying Demand during each month of the incentive period (*i.e.*, months 1 through 60, as designated above). Failure to meet the minimum Qualifying Demand in a particular month will result in 0% reduction for that month.

4. **Terms and Conditions.** The Qualifying Customer must submit a Service Application to the Utility specifying: (1) a description of the amount and nature of the new load; (2) the basis on which the Qualifying Customer meets the requirements of this Rider; (3) the Qualifying Customer's desired effective date; and (4) such other information as required by the Utility.

This Rider will terminate on the same date that IMPA's economic development rider terminates, except that any Qualifying Customer receiving the rate incentive at the time of the Rider's termination may continue receiving the incentive for the remainder of the applicable incentive period (as long it continues to meet the Rider's requirements)

5. **Applicable Rate Schedules.** This Rider is applicable to the Commercial Service Rate.