

ORDINANCE NO. 2017-11

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**).

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. 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 All ordinances or parts thereof in conflict herewith are hereby ordered amended or repealed.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.

[REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK]

PASSED AND ADOPTED THIS _____ day of _____, 2017.

LEBANON COMMON COUNCIL

Voting For

Voting Against

Abstain

Keith Campbell

Keith Campbell

Keith Campbell

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 2017-11 was delivered to the Mayor of Lebanon on the _____ day of _____, 2017, at _____ m.

Tonya Thayer, Clerk-Treasurer

I hereby APPROVE ORDINANCE 2017-11
this ___ day of _____, 2017

I hereby VETO ORDINANCE 2017-11
this ___ day of _____, 2017

Matthew T. Gentry, Mayor

Matthew T. Gentry, Mayor

ATTEST:

Tonya Thayer, Clerk-Treasurer

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

KD_9022809_1.DOCX

EXHIBIT A

ECONOMIC DEVELOPMENT RIDER (POWER SALES RATE SCHEDULE B)

1. **Availability.** This Rider is available to any and all Members with a Qualifying Customer (as defined herein) as an economic development tool to encourage large power users to expand or create new operations within Member service territories.
2. **Qualifications.** A "Qualifying Customer" is a new or existing non-residential customer in the Member'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 Member'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 Member's service territory. IMPA may determine exclusively, without recourse by the Member or customer, whether an event has occurred that would prevent a customer from being a Qualifying Customer.

Before a Member may request this Rider, the Member must adopt a local Economic Development Rider mirroring the incentives of this Rider, which incentives would be for the benefit of the Qualifying Customer.

3. **Rate Incentive.** Beginning with the effective date indicated in the Service Application submitted by the Qualifying Customer to the Member, a reduction in the Member's monthly bill will be applied to the cost for the qualifying new load under this Rider 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 Member 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 the Member's local Economic Development Rider; (3) the Qualifying Customer's desired effective date; and (4) such other information as the Member may require. To receive the incentive each month, the Member will be required to demonstrate to IMPA that the Qualifying Customer used the minimum Qualifying Demand each month. .

This Rider will terminate on December 31, 2018, except that any Member 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 serve a Qualifying Customer that first received an incentive under the Member's local Economic Development Rider before December 31, 2018).