

AN ORDINANCE **97263**

APPROVING AN ECONOMIC INCENTIVE RIDER, RIDER E16, PROVIDING FOR A DISCOUNT TO THE SUPER LARGE POWER (SLP) ELECTRIC RATE OF UP TO FIFTY PERCENT (50%) OF DEMAND CHARGES, DEPENDING ON THE SIZE OF THE ELECTRIC LOAD ADDITION, FOR A TERM OF UP TO SEVEN (7) YEARS FOR THOSE CUSTOMERS WHO MEET REQUIREMENTS AS SET OUT IN THE RIDER.

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WHEREAS, this action authorizes City Public Service ("CPS") to implement the Economic Incentive Rider, Rider E16, to help attract new large industrial customers or encourage the growth of existing large industrial customers served under the Super Large Power Electric Service Rate ("SLP"); and

WHEREAS, Rider E16 will provide significant rate reductions to customers who establish or add at least 10,000 KW of electric demand and modifies the existing Super Large Power rate ("SLP") by offering a reduction of up to 50% of demand charges, dependent upon size of the electric load addition, for a term of up to seven (7) years; and

WHEREAS, eligible customers may be required to meet minimum targets as established by the City for full-time employment, purchase of local goods and services and location; and

WHEREAS, CPS' current ratepayers will not be affected by the implementation of these discounts; and

WHEREAS, the CPS Board of Trustees approved Rider E16 on February 24, 2003; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. In the exercise of its governmental regulatory authority, the City does hereby adopt the Economic Incentive Rider, Rider E16, for addition to the tariffs offered by the San Antonio Electric and Gas Systems operated by CPS. A copy of the CPS Rider E16 Economic Incentive Rider is attached hereto and incorporated herein for all purposes.

SECTION 2. The foregoing shall be the maximum rates to be equally and uniformly applied in determining the charges for electric and gas service to each applicable customer.

SECTION 3. Said rates have been adopted after a complete investigation of facts bearing upon them, and based on such investigation and hearing, the City Council of the City of San Antonio hereby finds and determines that said rates are fair and reasonable, are equal and uniform and nondiscriminatory, are necessary to meet the operating and maintenance expenses and provide for depreciation and replacement of the electric and gas systems, to provide for reasonable extensions and additions thereto in order to render efficient service to pay principal and interest

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02/27/03
Item No. 22

on revenue bonds and to provide benefits and payments to the City; and that said rates and charges are sufficient to provide only a reasonable and proper return upon the fair value of the electric and gas systems' properties dedicated to the furnishings of electric and gas service.

SECTION 4. This Ordinance shall become effective on the tenth (10th) day after the date of passage hereof.


PASSED AND APPROVED THIS 27th day of February, 2003.



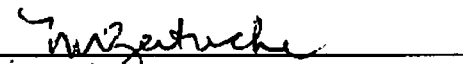
M A Y O R

EDWARD D. GARZA

ATTEST:


City Clerk

APPROVED AS TO FORM:


for City Attorney