

ORDINANCE NO. 2629-05

**AN ORDINANCE OF THE CITY OF WINTER PARK,
FLORIDA ESTABLISHING RETAIL RATE TARIFFS
FOR THE ELECTRIC UTILITY; PROVIDING FOR
RATE CHANGES; AND PROVIDING FOR AN
EFFECTIVE DATE.**

WHEREAS, the City of Winter Park is in the process of acquiring the electric distribution system (the system) from Progress Energy; and

WHEREAS, the City Commission has home rule authority to set rates for its electric utility; and

WHEREAS, it will take approximately three (3) years to obtain sufficient operating history to set retail rates based on its actual costs of operating the system ; and

WHEREAS, the retail rates charged by Progress Energy to customers in Winter Park were used in the financial projections supporting the acquisition of the system; and

WHEREAS, the City will issue revenue bonds to fund the acquisition of the system, the repayment of which will come from the revenues of the system; and

WHEREAS, the City Commission desires to be able to react quickly to changes in the fuel component of its wholesale power supply;

NOW, THEREFORE, BE IT ENACTED by the people of the City of Winter Park, Florida as follows:

Section 1. For the services offered by the City of Winter Park for its electric distribution system the initial retail rates charged will be the same as those charged by Progress Energy Florida, Inc., on file with the Florida Public Service Commission as of April 1, 2005 and reflected in the attached schedules.

Section 2. For the initial three year period of operations, the City's retail rates will automatically adjust to and be effective as of the date of any changes in Progress Energy Florida, Inc.'s rates approved by the Florida Public Service Commission unless a formal action is taken by the City Commission to modify said rate change.

Section 3. The fuel adjustment component of the retail rates may be modified by Resolution of the City Commission to be different than the fuel adjustment component charged by Progress Energy Florida, Inc., if said adjustment is deemed necessary to protect the financial integrity of the electric utility. Said Resolution shall be advertised at


least four (4) days in advance of the Commission Meeting and adopted after a full public hearing on the issue.

Section 4. At the conclusion of the initial three (3) year period of operations, the rates then in effect will stay in effect until modified by action of the City Commission.

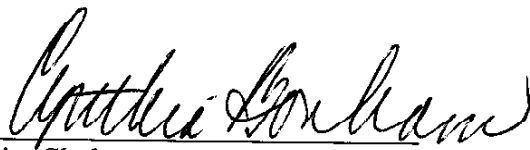
Section 5. The initial retail rates reflected in the attached schedules shall become effective on June 1, 2005.

Section 6. It is the intention of the city commission of the city that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of the city; and that sections of this ordinance may be numbered or renumbered or lettered or relettered and the word "ordinance" may be changed to "chapter", "section," "article", or such other appropriate word or phrase in order to accomplish such intentions; and regardless of whether such inclusion in the code is accomplished, sections of this ordinance may be numbered or renumbered or lettered or relettered and typographical errors which do not affect the intent may be authorized by the city manager, without need of public hearing, by filing a corrected or recodified copy of same with the city clerk.

ADOPTED at a regular meeting of the City Commission of the City of Winter Park, Florida, held at City Hall, Winter Park, Florida on the 9th day of May, 2005.



Mayor Kenneth R. Marchman

Attest: 

City Clerk