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2 **ORDINANCE NO.**

3 **AN ORDINANCE AMENDING THE ELECTRIC RATE SCHEDULES OF**
4 **ORDINANCE NO. 20140908-003 TO ADD AN EXPIRATION DATE OF MAY 31,**
5 **2017 FOR ALL TERMS AND CONDITIONS OF ELECTRIC SERVICE**
6 **CONTRACTS WITH THE STATE OF TEXAS OTHER THAN THE**
7 **APPLICABILITY OF THE FUEL ADJUSTMENT CLAUSE.**

8 **BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

9 **PART 1.** The Application section of the Large Primary Service Special Contract Rider II
10 (Closed) of Ordinance is amended to read:

11 THIS RIDER IS CLOSED TO NEW CUSTOMERS. This rate applies to a customer that
12 executed a separate contract for this service on or after October 9, 2006, in form and
13 substance acceptable to Austin Energy, but before May 24, 2012. This rate is unavailable
14 to customers that did not execute a contract for this service before May 24, 2012. The
15 contract requires the customer to remain a full requirements customer of Austin Energy
16 through May 31, 2015, on which date customer's contract and the terms of this rider shall
17 terminate; provided, however, that if Austin Energy subsequently adopts a rate schedule
18 that provides more favorable rates, terms, or conditions than provided by this rider and
19 which describes a customer class for which customer's large primary service accounts
20 qualify, customer may terminate its contract and receive service pursuant to such
21 subsequent rate schedule. Notwithstanding the foregoing, contracts entered into between
22 Austin Energy and the State of Texas, including but not limited to The University of
23 Texas at Austin, under the terms of this rider may continue until May 31, 2017 except
24 that the closed Fuel Adjustment Clause shall expire on May 31, 2015 after which time the
25 State contracts shall be subject the applicable Power Supply Adjustment. Austin Energy
26 enters and executes the contract and assumes its obligation in its proprietary capacity as
27 the owner and operator of a utility enterprise increasingly in competition with other
28 power suppliers for the attraction and retention of industrial loads, and in order to induce
29 customer to remain a customer of Austin Energy.

30 The Rider TOU – Thermal Energy Storage and the Optional Time-of-Use Rate may be
31 attached to this rate.
32

33 **PART 2.** The Terms and Conditions section of the Large Primary Service Special
34 Contract Rider II (Closed) is amended to read:

1 The special contract rate is effective through May 31, 2015[-] for non-governmental
2 electric customers. The special contract rate shall be effective through May 31, 2017 for
3 all contracts between Austin Energy and the State of Texas; however, the closed Fuel
4 Adjustment Clause will expire on May 31, 2015 for all such contracts after which time
5 the State contracts shall be subject to the applicable Power Supply Adjustment.
6

7 Notwithstanding any provision of this rate schedule, neither customer nor Austin Energy
8 shall be precluded from challenging the legal validity of any statute, regulations or other
9 provisions of the law.
10

11 This Special Contract Rider shall be extended to all of a qualifying customer's accounts
12 having a maximum demand of at least 500 kW.
13

14 Upon request, customers receiving service under this Special Contract Rider will be
15 provided dual feed service with reserve capacity and maintenance under the long term
16 contract provisions of the Special Contract Rider, except that the customer will be
17 responsible for the initial assessment fee, customer requested changes to the initial
18 assessment, and facilities design and construction costs, as established in the fee
19 schedule. Dual feed service with reserve capacity is electric service provided to the
20 customer's premises(s) through two (or more) independent distribution feeders, with one
21 feeder in normal service and the other in back-up service. Capacity is reserved for the
22 second feeder, and is placed into service upon an outage of the primary feeder.
23

24 If it is determined at any time by Austin Energy that the customer violated the provisions
25 of this rate schedule or the contract implementing the rate schedule, then the customer
26 will be immediately billed on the otherwise applicable rate schedule from the date service
27 was first commenced under this rate schedule. The difference, plus interest at one percent
28 (1%) per month, or the maximum allowable legal interest rate, whichever is less, from the
29 date service was first commenced under this rate schedule, shall immediately become due
30 by customer to Austin Energy.
31

32 The contract executed under this rate schedule shall address the rights of Austin Energy
33 and the customer relating to the transfer or assignment of rights under this rate schedule.
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35 **PART 3.** This ordinance takes effect on December 22, 2014.

PASSED AND APPROVED

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_____, 2014

Lee Leffingwell
Mayor

APPROVED:

Karen M. Kennard
City Attorney

ATTEST:

Jannette S. Goodall
City Clerk

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