



## Legislation Text

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File #: 39846, Version: 1

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### Fiscal Note

No funds required. Estimated monthly savings are \$1,100 for each location with an electric service agreement with an interruptible service rider.

The proposed indemnification language has been reviewed by the City's Risk Manager. The City's risk exposure is increased by this clause, but the exposure is covered by the City's insurance policies, subject to their terms and conditions.

### Title

Authorizing electric service agreements for the purchase of interruptible electric service with Alliant Energy Corporation for various Madison Water Utility locations

### Body

**WHEREAS**, the Madison Water Utility has installed emergency standby generators at some of its well sites to improve reliability in the event of an emergency. These generators make the location eligible for interruptible electric rates, with an anticipated monthly savings of over \$1,100 to the Utility for each site. Under the interruptible rate schedules approved by the Public Service Commission of Wisconsin (the PSC), Alliant Energy Corporation, through Wisconsin Power & Light, offers a discounted rate for electrical service in exchange for allowing electrical service to be interrupted. Electrical power from City owned generators provide electrical power to the designated facility during the interruption; and,

**WHEREAS**, the City has similar agreements with Madison Gas and Electric for generators at other Water Utility facilities, Madison Metro sites, and the Monona Terrace; and,

**WHEREAS**, all electric rate schedules and general interruptible service agreement terms and conditions are approved by the PSC, which rate schedules for Alliant Energy require that customers using the interruptible industrial service rates Cp-1A, Cp-1B, Cp-2A and Cp-2B enter into 3-year renewable agreements with the company that include a provision requiring the customer to indemnify the company for any and all liability arising from personal injury or property damage arising from the City's failure to conduct its operations in such a manner as to avoid any damage to person or property from service interruptions, and;

**WHEREAS**, City APM 1-1 requires Common Council Approval whenever the City indemnifies another party; and,

**WHEREAS**, Madison Water Utility has determined that it is cost effective and desirable to enter into interruptible rate electric service agreements with Alliant Energy Corporation and Wisconsin Power & Light for its eligible sites.

**NOW THEREFORE BE IT RESOLVED** that the Water Utility General Manager is authorized to execute three-year renewable electric service agreements on behalf of the Madison Water Utility, acting for the City of Madison, with Alliant Energy Corporation and Wisconsin Power & Light for interruptible electric service at all eligible sites, in a form approved by the City Attorney, and pursuant to the Cp-1A, Cp-1B, Cp-2A and Cp-2B rate schedules as they may be updated from time-to-time by the PSC; and,

**BE IT FURTHER RESOLVED** that the Common Council approves indemnification of Alliant Energy Corporation and Wisconsin Power & Light as required by the PSC as a condition of receiving an interruptible service rate, subject to the review and approval of the Risk Manager and the City Attorney.