



DISTRICT ENERGY
ST. PAUL™

A 7000 Employee M/F Veterans-Owned LLC

Hans O. Nyman Energy Center
76 Kellogg Boulevard West
Saint Paul, MN 55102 - 1611

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July 10, 2024

Shari Moore
City Clerk
310 City Hall
15 Kellogg Boulevard West
Saint Paul, MN 55102

RECEIVED
JUL 10 2024
CITY CLERK

Re: Energy Park Utility Company Rates

Dear Ms. Moore:

Pursuant to Section 6(e) of the Energy Park Utility Company Franchise granted to the Port Authority of the City of Saint Paul by the City of Saint Paul (C.F. No. 05-344, § 2, 5-11-05; Ord No. 10-59, § 1, 1-12-11; Ord 16-11, § 1, 6-22-16; Ord 21-44, § 1, 11-10-21), District Energy St. Paul, Inc. hereby files notice of the rates to be charged to Energy Park Utility Company customers effective October 1, 2024.

These rates were determined in accordance with the Hot and Chilled Water Service Agreement and approved unanimously by District Energy St. Paul's Board of Directors on June 6, 2024 and approved unanimously by the Saint Paul Port Authority Board on June 25, 2024. As detailed in the enclosed exhibit, the new rates are:

Chilled Water Demand Charge	\$1,988.00 per MMBtuh per Month
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Hot Water Demand Charge	\$1,888.00 per MMBtuh per Month
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Please contact me at 651.297.8955 if there are any questions.

Sincerely,

Ken Smith
President

Enclosures: Schedule A (Amended)

cc: City Council Members
Saint Paul Port Authority Board of Commissioners
Todd Hurley, President, Saint Paul Port Authority
Emily Lawrence, General Counsel, Saint Paul Port Authority
John McCarthy, Director, Financial Services
Sarah Brown, Treasurer, Financial Services
Lyndsey Olson, City Attorney
District Energy St. Paul Board
Andrew Kasid, Executive VP, CFO District Energy St. Paul, Inc.

SCHEDULE A (AMENDED)
to
ENERGY PARK UTILITY COMPANY FRANCHISE
granted to the
SAINT PAUL PORT AUTHORITY
by the
CITY OF SAINT PAUL

(C.F. No. 05-344, § 2, 5-11-05; Ord No. 10-59, § 1, 1-12-11; Ord 16-11, § 1, 6-22-16; Ord 21-44, § 1, 11-10-21)

COMPANY CHARGES: Pursuant to the Energy Park Utility Company Franchise, the following rates shall be effective beginning October 1, 2024 and shall remain in effect until superseded:

FIXED CUSTOMER CHARGE: Customer Charge \$100.00 per month per Customer.

DEMAND CHARGE: Beginning on October 1, 2024, the Demand Charge portion of the Hot Water and Chilled Water rate schedules shall be as follows:

i)	Budgeted Operating Expenses (10/1/24 to 9/30/25)	\$1,030,844
ii)	All Debt Service Costs and Requirements	926,660
iii)	Fixed Reimbursement	<u>0</u>
	Subtotal	\$1,957,544
	Multiplied By	1
iv)	Budgeted demand revenues before Reserve for Repairs, Replacements, Modifications, and Expansions	\$1,957,544
	Divided By	<u>94.83%</u>
	Budgeted Total Demand Revenues	\$2,064,267
	Divided by Budgeted Cooling Energy Demand (Total MMBtuh)	<u>531.540</u>
	Chilled Water Demand Charge (\$ per MMBtuh per Month)	\$1,988.00
	Divided by Budgeted Heating Energy Demand (Total MMBtuh)	<u>533.676</u>
	Heating Demand Charge (\$ per MMBtuh per Month)	\$1,888.00

COMMODITY CHARGE: The Hot Water Commodity Charge is \$3.80 per MMBtu, and the Chilled Water Commodity Charge is \$3.73 per MMBtu.

FUEL ADJUSTMENT CHARGE: The commodity portion of the Hot Water and Chilled Water rate schedules will be adjusted upward or downward each month based on the difference between actual variable costs and base variable costs. (The base variable costs built are \$3.80 per MMBtu for Hot Water and \$3.73 per MMBtu for Chilled Water.) Actual variable costs will be computed each month by dividing the cost of fuel (electricity, gas, oil, propane and any other fuel) plus water treatment expenses to operate the central energy plant by sales made during the corresponding month. The fuel adjustment charge applied to each customer's bill will be the difference between actual variable costs and base variable costs (expressed dollars per MMBtu) multiplied by that customer's heating or cooling energy use during the corresponding month. Actual variable costs for the current month will not be known at the time of billing; and, therefore, for the purpose of computing the fuel adjustment charge, actual variable costs shall be deemed to be the average monthly actual variable costs over the preceding twelve (12) months.

ADMINISTRATIVE SERVICES CHARGE: The Administrative Services Charge shall be established pursuant to the Energy Park Utility Company Franchise.

BILLING ADMINISTRATIVE SERVICE CHARGE: The Billing Administrative Service Charge is that part of the rate schedule to be paid by Customers who desire to have their total monthly bill subdivided and billed directly to tenants based on allocation factors or submeters. The Billing Administrative Service Charge is \$75.00 per month per bill.

LATE FEE: The Company may charge a late payment penalty of five (5) percent of the total amount due which may be added to bills which are not paid within twenty-one (21) days of the billing date.

SURCHARGE: All rates for providing Chilled Water and Hot Water services will be subject to the City of Saint Paul franchise fee and other appropriate state and local taxes. Residential, commercial and industrial bills shall be subject to separate charges.