



October 13, 2017

Ms. Shari Moore
City Clerk
310 City Hall
15 Kellogg Boulevard West
Saint Paul, Minnesota 55102

SUBJECT: ENERGY PARK UTILITY COMPANY

Dear Ms. Moore:

Pursuant to Section 6(e) of the Energy Park Utility Company Franchise (City Ordinance No. 10-59 §§ 1 and 2, adopted January 12, 2011 and amended June 22, 2016, Energy Park Utility Company (EPUC) hereby files notice of the rates to be charged to EPUC heating customers effective January 2, 2018.

These rates were determined in accordance with the Hot and Chilled Water Service Agreement. As detailed on the enclosed exhibit, the new rates are:

- Cooling Demand Charge \$1,712.00 per MMBTU
- Hot Water Demand Charge \$1,629.00 per MMBTU

Please contact me at 651/204-6226 if there are any questions.

Sincerely,

A handwritten signature in blue ink that reads "Lee Krueger".

Lee J. Krueger
President

LJK:LJH:amk

Encl.

cc. City Council Members
Andrew Kasid, District Energy
Todd Hurley, Financial Services
Geoffrey Karls, City Attorney's Office

**SCHEDULE A
ENERGY PARK UTILITY COMPANY
CALENDAR YEAR 2018**

DEMAND CHARGE CALCULATION

| | <u>1/2/18-1/2/19</u> |
|--|----------------------|
| i) Budgeted Operating Expenses | \$952,701 |
| ii) All Debt Service Costs and Requirements | 640,263 |
| iii) Fixed Reimbursement | <u>170,000</u> |
| Subtotal | \$1,762,964 |
| Multiplied By | 1 |
| iv) Budgeted demand revenues before Reserve for Repairs, Replacements, Modifications, and Expansions | \$1,762,964 |
| Divided By | <u>93.43%</u> |
| Budgeted Total Demand Revenues | \$1,886,936 |
| Divided by Budgeted Cooling Energy Demand (Total MMBtuh per Period) | 622.4 |
| Cooling Demand Charge (\$ per MMBtuh per Month) | \$1,712.00 |
| Divided by Budgeted Heating Energy Demand (Total MMBtuh per Period) | 504.3 |
| Heating Demand Charge (\$ per MMBtuh per Month) | \$1,629.00 |