Saint Paul
PORT AUTHORITY

MEMORANDUM

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: June 24, 2025

From: Holly Huston

Subject: **ENERGY PARK UTILITY COMPANY FRANCHISE APPROVAL OF RATES RESOLUTION NO. 4817**

Action Requested:
Approval of Schedule A – Energy Park Utility Company ("EPUC") rates effective October 1, 2025.

Background:
The EPUC Franchise Ordinance Section 6(e) requires the Board of the Port Authority of the City of Saint Paul (the "Port Authority") to approve any changes in the schedule of rates and charges. The rates typically change each year based on the budgeted costs of operating EPUC. The customers of EPUC acknowledged the Franchise Agreement and the periodic change in rates in the First Amendment to the Hot and Chilled Water Service Agreement. The rates effective October 1, 2025, reflect the budgeted costs for 2025-2026.

Proposal:
Attached please find Schedule A, which includes a complete list and the methodology for establishing the new rates effective October 1, 2025. In summary, new rates will be:

	Current Charges	Proposed Charges 10/01/2025	% Change
Demand Charge ($/MMBtu/Mo):			
Heating Demand Charge	$1,888.00	$1,925.76	2.00%
Chilled Water Demand Charge	$1,988.00	$2,027.76	2.00%
Hot Water Commodity Charge Base ($/MMBtu)	$ 3.80	$ 3.80	0.00%
Chilled Water Commodity Charge Base ($/MMBtu)	$ 3.73	$ 3.73	0.00%
Fuel Adjustment Charge – Difference Between Actual Cost and Base Variable Cost ($/MMBtu)		Varies	

Rate increases from 2014 – 2024 have ranged from 1.78% to 4.20%, with an average increase of 2.7%. The last rate increase took effect on October 1, 2024.

Recommendation:
We recommend approval of Schedule A – Energy Park Utility Company (EPUC) rates effective October 1, 2025.

Attachments: Resolution
Schedule A