

ORDINANCE NO. 2025-08

**AN ORDINANCE AMENDING CHAPTER 20 OF THE CITY CODE
AND THE CODIFIED FEE SCHEDULE APPENDIX A FOR FEES AND CHARGES
FOR SERVICES ESTABLISHED BY ORDINANCE**

The City Council of the City of Bloomington, Minnesota does hereby ordain:

Section 1. That Chapter 20 of the City Code is amended by deleting those words ~~struck through~~ and contained in brackets [] and by adding those words that are underlined, to read as follows:

CHAPTER 20: FRANCHISES

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ARTICLE I: CENTERPOINT ENERGY FRANCHISE

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§ 20.08 FRANCHISE FEE.

(a) [~~Form~~] Fee Schedule. During the term of the franchise hereby granted, and in addition to permit fees being imposed or that the city has a right to impose, the city may charge the Company a franchise fee as set forth in City Code Appendix A. The city shall seek to use a formula that provides a stable and predictable amount of fees, without placing the Company at a competitive disadvantage. Such franchise fee shall not exceed any amount that the Company may legally charge to its customers prior to payment to the city and be consistent with the Minnesota Public Utility Commission's March 23, 2011 Order establishing franchise fee filing requirements in Docket No. E,G999/CI-09-970. If the Company claims that the city required fee formula is discriminatory or otherwise places the Company at a competitive disadvantage, the Company shall provide a formula that will produce a substantially similar franchise fee amount to the city . If the city and Company are unable to agree, the disagreement shall be subject to the dispute resolution provisions of this Article I.

(b) *Separate ordinance*. The franchise fee as set forth in City Code Appendix A shall be imposed by separate ordinance duly adopted by the City Council.

(c) *Condition of fee*. The separate ordinance imposing the fee shall not be effective against the Company unless it lawfully imposes a fee of the same or substantially similar amount on the sale of energy within the city by any other energy supplier, provided that, as to such supplier, the city has the authority or contractual right to require a franchise fee or similar fee through a previously agreed upon franchise.

(d) *Collection of fee*. The franchise fee shall be payable not less than quarterly during complete billing months of the period for which payment is to be made. The franchise fee formula may be changed from time to time, however, the change shall meet the same notice requirements and the fee may not be changed more often than annually. Such fee shall not exceed any amount that the Company may legally charge to its customers prior to payment to the city. Such fee is subject to subsequent reductions to account for uncollectibles and customer refunds incurred by the Company. The Company shall not be responsible to pay city fees that Company is unable to collect under Commission rules or

order. The Company agrees to make available for inspection by the city at reasonable times all records necessary to audit the Company’s determination of the franchise fee payments.

(e) *Continuation of franchise fee.* If this franchise expires and the city and the Company are unable to agree upon terms of a new franchise, the franchise fee, if any being imposed by the city at the time this franchise expires, will remain in effect until a new franchise is agreed upon. However, the franchise fee will not remain in effect for more than one year after the franchise expires as stated in § 20.02(f) of this franchise. If for any reason the franchise terminates, the franchise fee imposed under this Article I will terminate at the same time.

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ARTICLE III: NORTHERN STATES POWER FRANCHISE

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§ 20.66 FRANCHISE FEE.

(a) *Fee schedule.* During the term of the franchise hereby granted, the city may impose on Company a franchise fee by collecting the amounts indicated in a fee schedule set forth in a separate ordinance from each customer in the designated company, customer class . The parties have agreed that the initial franchise fee collected by the Company and paid to the city in accordance with this § 20.66 shall be ~~[the following amounts]~~ as set forth in City Code Appendix A.

<i>Class</i>	<i>Fee Per Premise Per Month</i>
-	prior to 1-2022
Residential	\$3.75
Sm C & I - Non-Dem	\$7.50
Sm C & I - Demand	\$40.00
Large C & I	\$115.00

(b) *Separate ordinance.* The franchise fee as set forth in City Code Appendix A shall be imposed by a separate ordinance duly adopted by the City Council, which ordinance shall not be adopted until at least 90 days after written notice enclosing such proposed ordinance has been served upon Company by certified mail. The franchise fee shall not become effective until the beginning of a Company billing month at least 90 days after written notice enclosing such adopted ordinance has been served upon Company by certified mail. § 20.59(e) shall constitute the sole remedy for solving disputes between Company and the city in regard to the interpretation of, or enforcement of, the separate ordinance. No action by the city to implement a separate ordinance will commence until this Article III is effective. The separate ordinance may be modified not more than annually to increase or decrease the fee. If the city increases the franchise fee ~~[set forth in subsection (a) above]~~ as set forth in City Code Appendix A or subsequent fee schedule adopted pursuant to this § 20.66, all notice requirements shall be in effect. A separate ordinance which imposes a lesser franchise fee on the residential class of customers than the maximum amount ~~[set forth in subsection (a) above]~~ as set forth in City Code Appendix A shall not be effective against Company unless the fee imposed on each other customer classification is reduced proportionately in the same or greater amount per class as the reduction represented by the lesser fee on the residential class.

(c) *Terms defined.* For the purpose of this § 20.66, the following definitions apply:

CUSTOMER CLASS. Shall refer to the classes listed on the fee schedule as set forth in City Code Appendix A and as defined or determined in Company’s electric tariffs on file with the Commission.

FEE SCHEDULE. Refers to the fee schedule [~~in subsection (a) above~~] as set forth in City Code Appendix A setting forth the various customer classes from which a franchise fee would be collected if a separate ordinance were implemented immediately after the effective date of this franchise agreement. The fee schedule in the separate ordinance may include new customer class added by Company to its electric tariffs after the effective date of this franchise agreement.

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Section 2. That Appendix A of the City Code is hereby amended by deleting those words within brackets and [~~stricken through~~] and adding those words that are underlined, to read as follows:

APPENDIX A: FEE SCHEDULE

This appendix contains the various fees adopted by ordinance in the listed sections of the City Code.

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<u>CODE SECTION</u>	<u>CROSS-REF</u>	<u>DESCRIPTION</u>	<u>FEE</u>
<u>Chapter 20: Franchises</u>			

<u>§ 20.08(a)</u>		<u>CenterPoint Gas Franchise Fee Schedule</u>	
		<u>Class</u>	<u>Fee Per Meter Per Month</u>
		<u>Residential</u>	<u>\$5.95</u>
		<u>Comm – A</u>	<u>\$11.90</u>
		<u>Comm/Ind – B</u>	<u>\$11.90</u>
		<u>Comm/Ind – C</u>	<u>\$63.00</u>
		<u>SVDF – A</u>	<u>\$63.00</u>
		<u>SVDF – B</u>	<u>\$63.00</u>
		<u>LVDF</u>	<u>\$182.00</u>
<u>§ 20.66(a)</u>		<u>Northern States Power Franchise Fee Schedule</u>	
		<u>Class</u>	<u>Fee Per Premise Per Month</u>
		<u>Residential</u>	<u>\$5.95</u>
		<u>Sm C & I – Non-Dem</u>	<u>\$11.90</u>
		<u>Sm C & I Demand</u>	<u>\$63.00</u>
		<u>Large C & I</u>	<u>\$182.00</u>

Section 3. Effective Date. This Ordinance shall be in full force and effect from and after its passage and publication according to law.

Passed and adopted this 19th day of May, 2025.

/s/ Tim Busse
Mayor

ATTEST:

APPROVED:

/s/ Kaytlyn Danielzuk
Secretary to the Council

/s/ Melissa J. Manderschied
City Attorney