

RESOLUTION 2016-38

WHEREAS, the citizens of Ottawa County receive their electrical service from a few different service providers, one of which is the Empire District Electric Company, a Kansas Corporation, and;

WHEREAS, Empire District Electric Company, an investor-owned corporation is in the process of being purchased by a subsidiary of Algonquin Power and Utility Corp., a Canadian company, and;

WHEREAS, Empire District Electric Company has a history and reputation for poor reliability for its customers and in the 2015 Reliability Scorecard issued by the Oklahoma Corporation Commission on regulated utilities, it was determined that, "Historically, Empire customers experiencing an average of 1.99 outages per year, lost power more often than customers of any other regulated electric utility in Oklahoma during the past five years." (Page 5), and;

WHEREAS, only 2.74 percent of Empire District Electric Company's customers are located in Oklahoma, the largest percentage of which are in Ottawa County, and;

WHEREAS, Algonquin Power and Utility Company did, at the time of announcing the acquisition state that it would use this acquisition to increase its annual shareholders by 10%, and;

WHEREAS, Empire District Electric Company is seeking to raise the rates of all their Oklahoma customers by an average rate of 37.8 percent, which would take in excess of an estimated \$4.7 million from the local economy, as follows: the average bill of a residential customer using 1,000 kWh per month would increase by 45.37 percent increasing the bill for that customer by \$42.62 per month; the average commercial customer's bill would increase \$34.19 per month and the average industrial customer's bill would increase by \$21,545 per month, and;

WHEREAS, Empire District Electric Company is seeking to sneak this rate hike request through on an abbreviated process base upon Corporation Commission Rule 165:05-7-60, which denies all the citizens and businesses of Ottawa County due process of law, and;

WHEREAS, many residents of Ottawa County are low income or are on a fixed income, and cannot afford such large increases to their monthly utility bills, and;

WHEREAS, the public schools that will be negatively affected have already set their school budgets for this school year and cannot withstand the anticipated increase to their utility bills without laying off yet another teacher, further adding to the educational crisis, and;

WHEREAS, many of the industrial businesses cannot withstand that huge of a rate increase without closing their business or moving the business to some other location, and;

WHEREAS, taking \$4.7 million out of the local economy will cause significant financial harm to all businesses and all residents in Ottawa County, even if they are not customers of Empire District Electric Company.

NOW THEREFORE, BE IT RESOLVED that the Board of County Commissioners of Ottawa County vehemently opposes the Oklahoma Corporation Commission approving such a disastrous rate hike for the benefit of shareholders of a Canadian company and further request that this entire application be made to go through

the full-blown rate hike request process so as to give these citizens their due process rights.

APPROVED in Regular Session this 17th day of October, 2016.



ATTEST

Robyn Mitchell
County Clerk

BOARD OF COMMISSIONERS
OTTAWA COUNTY, OKLAHOMA

John Clarke
Chairman

Russell Earls
Member

Member