
THE CITY OF ROCHELLE
Ogle County, Illinois

RESOLUTION
NO. ____

A RESOLUTION ESTABLISHING M1 ELECTRICAL RATE

JOHN BEARROWS, Mayor
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City Council

Published in pamphlet form by authority of the Mayor and City Council of the City of Rochelle
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CITY OF ROCHELLE
Ogle County, Illinois

RESOLUTION NO. _____

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WHEREAS, Section 7 of Article VII of the 1970 Constitution of the State of Illinois provides that a municipality that is not a home rule unit shall only have the powers granted to them by law and as such the City of Rochelle, Ogle County, Illinois being a non-home rule unit pursuant to the provisions of said Section 7 of Article VII, and may exercise only the powers expressly granted by law; and

WHEREAS, the Illinois General Assembly granted non-home rule municipalities broad authority to “pass all ordinances and make all rules and regulations proper or necessary, to carry into effect the powers granted to municipalities.” 65 ILCS 5/1-2-1; and

WHEREAS, while “non-home rule municipalities have the authority to enact ordinances, such ordinances may in no event conflict with state law or prohibit what a state statute expressly permits . . . A local ordinance may impose more rigorous or definite regulations in addition to those enacted by the state legislature so long as they do not conflict with the statute.” (*Village of Wauconda v. Hutton*, 291 Ill. App. 3d 1058, 1060 (1997)); and

WHEREAS, pursuant to section 4 of Chapter 98 of the Rochelle Municipal Code, utility rates and charges shall be established and modified from time to time by resolution of the City Council, unless otherwise provided in said Chapter; and

WHEREAS, Rochelle Municipal Utilities (“RMU”), with the assistance of Utility Financial Solutions and the Indiana Municipal Power Agency (“IMPA”), has conducted a cost-of-service review including NITS charges and capacity costs, to evaluate the feasibility and competitiveness of a new electric rate class; and

WHEREAS, based on that review, staff recommends establishing Rate M1, a market-based electric rate designed to serve qualifying large industrial customers, allowing such customers to purchase power directly from wholesale markets while continuing to utilize RMU as the local transmission and distribution provider; and

WHEREAS, Rate M1 has been structured to ensure competitiveness in the wholesale market while maintaining adequate financial safeguards for RMU and the community it serves, including a requirement that participating customers post a bond to protect the City against consumption shortfalls or customer nonperformance; and

WHEREAS, the City Council finds that establishing Rate M1 will promote economic development, provide flexibility to large industrial users, and protect the financial stability of RMU.

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCHELLE, ILLINOIS:

SECTION ONE: That the City hereby incorporates all of the recitals above into this Resolution as if fully set forth herein.

SECTION TWO: The City hereby adopts Exhibit A as attached and incorporated herein by reference and Electric rate M1 is hereby established.

SECTION THREE: If any provision of this Resolution or application thereof to any person or circumstance is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Resolution is severable.

SECTION FOUR: Where the conditions imposed by any provisions of this Resolution are more restrictive than comparable provisions imposed elsewhere in any other local law, ordinance, resolution, rule or regulation, the regulations of this Resolution will govern.

SECTION FIVE: The City Clerk shall publish this Resolution in pamphlet form.

SECTION SIX: This Resolution shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

APPROVED THIS 22nd day of September 2025.

MAYOR

ATTEST:

CITY CLERK

EXHIBIT A

ELECTRICITY

Rochelle Municipal Utilities
City of Rochelle Electric
Electric Rates

Effective Date

Rate #M1 — General Service Primary Market Rate

Availability

Subject to restrictions this rate is available to any full-service customer taking service at primary voltage level whose minimum monthly kilowatt demands exceeds **13,000** Kilowatts.

Charges

- A. Monthly Facilities Charge \$850.00/Meter/Month (includes \$500/meter/month admin fee)
- B. Monthly Distribution Demand Charge
 - Greater of current or previous eleven months kW demand, **13,000 kW** or as established by contract
 - All Kilowatts \$4.92 per kW
 - Additional monthly demand \$3.10 per actual monthly kW
- C. Market Energy Charge
 - Day-Ahead Hourly Locational Marginal Price costs (*including any imbalance settlement*). Billing Basis \$/kWh.
- D. Market Capacity Charge
 - PJM (ComEd Zone) market capacity costs. Billing Basis \$/kW
- E. Market Transmission Charge
 - Participant costs incurred based on PJM's annual regional peak. Billing Basis \$/
- F. Ancillary charges will be a pass-through to customer (Current charge 0.00)
- G. A 11% adder will be added to Market charges (C, D, E and Fabove) to cover PILOT and system losses.
- H. The monthly kW demand charge shall be the customer's highest 15-minute demand incurred each month or minimum established in the contract.
- I. If the customer's average demand falls below **13,000 kW** over 12 months the customers will not be eligible for this rate. The customer can reapply for the rate after a 12-month waiting period.
- J. The adjustment charge provided for in Rider 2, Power Factor Clause, shall apply in the event an average power factor falls below 97%.
- K. The late payment charge payable in any month shall be an amount equal to 3% times the sum of (1) the current monthly bill, or part thereof, that remains unpaid after the due date, and (2) any unpaid amounts from prior billing periods.
- L. RMU may require a performance bond or financial assurance as agreed by the Parties to protect RMU from financial exposure associated with energy procurement and capacity/transmission obligations.
- M. Customers on this rate require RMU approval. Customer will be responsible for any and all associated costs when moving to this rate.
- N. Customers deposit requirements will be the highest monthly annual charges, the initial deposit requirement will be based on estimated monthly charges. If monthly charge will be periodically reviewed and adjusted accordingly.

CERTIFICATE

I Rose Huéramo, City Clerk of the City of Rochelle, County of Ogle and State of Illinois, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No._____, "A RESOLUTION ESTABLISHING M1 ELECTRICAL RATE" which was adopted by the Mayor and City Council of the City of Rochelle on September 22, 2025.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City of Rochelle this 22nd day of September 2025.

CITY CLERK