



City Council Memorandum

To: Mayor Fasbender & City Councilmembers
From: Dan Wietecha, City Administrator
Date: October 17, 2022
Item: Suburban Rate Authority

Council Actions Requested:

Informational. No action requested at this time.

Background Information:

The Suburban Rate Authority (SRA) is a joint powers entity consisting of approximately 30 Twin Cities suburban cities with a total population over 1 million. The SRA was originally organized in 1963 to provide collective strength in negotiating franchises with the Minneapolis Gas Company. Hastings has been a member since at least to the early 1970's.

Since then, the SRA has been active in matters concerning gas, electric, and telephone rate regulation and in legislation concerning the Public Utilities Commission. Of particular note, the SRA successfully negotiated/lobbied for power outage credits affecting municipal pumping stations in 2009-2014 and providing input on LED street lighting tariffs in 2015-2016.

I've invited Jim Strommen, who serves as general counsel to the SRA, to give an update on the SRA and its activities. Mr. Strommen is retiring at the end of the year.

Public Works Director Ryan Stempski and I question the value of continuing our membership in the SRA and expect to recommend withdrawing in 2024 (June 2023 deadline to provide notice of withdrawal).

Financial Impact:

2023 membership dues for City of Hastings are \$2,395

Committee Discussion:

N/A

Attachments:

N/A



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MEMORANDUM

TO: City of Hastings Mayor and City Council
CC: Dan Wietecha, City Administrator
FROM: James M. Strommen, Suburban Rate Authority General Counsel
DATE: October 13, 2022
RE: Suburban Rate Authority

SUBURBAN RATE AUTHORITY FACTS

- Established in Current Joint Powers Form in 1975 When MPUC Created
- City of Hastings one of Original Members
- Currently has 32 Members in Suburban Twin Cities Totaling over One Million in Population (Member List Attached)
- Intervenes in Xcel Electric, Xcel Gas and CenterPoint Energy Rate Cases To Protect Cities and Their Resident Interests
- Addresses Right-of-Way Management and Franchise Issues Affecting Members Generally
- Addresses Telecommunications Issues including Cell Tower Placement, Water Tower Leases
- SRA has Won Significant Rights and Money Savings for Suburban Cities and Ratepayers:
 - Currently Seeking Fairer Rate Allocation Between LED and HPS Streetlighting Customers
 - Obtaining Separate Xcel Energy Treatment of Municipal Pumping from General Commercial
 - Obtained Xcel Energy Outage Credits to Residential and Municipal Pumping Customers
 - Won Area Code Boundaries by Municipal Boundary
 - Participating in Comprehensive Right-of-Way Management Legislation and Rules
 - Eliminated Northwestern Bell Tier System of Local Telephone Rates Penalizing Suburban Customers

SUBURBAN RATE AUTHORITY MEMBER CITIES

2022

Bloomington	Minnetonka
Brooklyn Park	Mound
Burnsville	Orono
Carver	Plymouth
Chanhassen	Robbinsdale
Circle Pines	Rogers
Deephaven	Roseville
Eden Prairie	St. Anthony Village
Edina	St. Louis Park
Fridley	Shakopee
Golden Valley	Shoreview
Hastings	Spring Lake Park
Hopkins	Spring Park
Lauderdale	Victoria
Maple Grove	Wayzata
Maplewood	Woodbury