

SECTION 1. That for the purpose of this ordinance, “large load/high-volume peak users” is a customer of Columbus Water & Power whose water, sewer, or power demand is disproportionately large relative to typical residential or small-commercial usage. For the purposes of designating customers as “large load/high-volume peak users,” the definition is intended to be construed broadly, and may include, without limitation, data centers and colocation facilities, semiconductor and chip fabrication facilities, breweries and beverage or food manufacturers, or agricultural and food-processing operations.

SECTION 2. That in addition to the requirements codified in Section 1153.01 of the Columbus City Codes, on or before October 26, 2026, the Director of Columbus Water & Power, in consultation with the Utility Advisory Board, is hereby directed to prepare and submit to the City Clerk a material document recommending modifications to existing rate structures that includes the establishment of a new rate structure or classification for the express purpose of ensuring that large load/high-volume peak users of the City's water, sewer, and/or power utility services are assessed costs that reasonably reflect their volumetric use of such services as well as the capital investments and operational infrastructure necessary to reliably support that use.

SECTION 3. That the new rate structure shall be constructed with particular consideration given to large load/high-volume peak user facilities and shall:

- a. To the extent to which it is practicably identifiable, recover the cost of providing water service to those facilities, including the capital, operating, and capacity costs attributable to large, concentrated, or variable water demand;
- b. Recover the costs of water system infrastructure constructed or expanded to serve large load/high-volume customers; and
- c. Account for the potential variability of data center water demand relative to other large-volume commercial or industrial customers, consistent with generally accepted water utility cost-of-service ratemaking principles.

SECTION 4. That in proposing a new rate structure in consideration of large load/high-volume peak users, the Director of Columbus Water & Power, in consultation with the Utility Advisory Board, shall consider the following

- a. A tiered or block volumetric charge per unit of water consumed, with rates that increase as monthly or peak-day consumption increases;
- b. A monthly capacity or demand charge based on meter size, contracted peak-day capacity, or historical peak demand;
- c. A minimum monthly bill or annual minimum take obligation, calculated as a percentage of contracted capacity, to ensure recovery of fixed system costs regardless of actual usage;
- d. A system development charge, capital contribution, or infrastructure participation charge, payable prior to or upon initial connection, to recover the cost of water system capacity, transmission, storage, or treatment infrastructure constructed to serve the facility; and
- e. Seasonal or time-of-use pricing differentials where necessary to reflect system peaking costs.

SECTION 5. That the report provided to the City Clerk in accordance with Section 1153.01 of the Columbus City Codes shall further address the following:

- a. The criteria or thresholds used to define the proposed large load/high-volume peak user or rate class;
- b. The methodologies for allocating infrastructure and capacity costs to that class, consistent with generally accepted cost-of-service and cost-causation principles;
- c. Any recommended contractual, tariff, or rate-design mechanisms (including but not limited to minimum-take provisions, infrastructure contribution charges, or capacity reservation fees);
- d. An assessment of the estimated revenue that will be raised and the impact the generated revenue could have on future rate increases, and thus, an assessment of the anticipated impact on residential and small-commercial ratepayer affordability that this new revenue could mitigate;
- e. A summary of regulatory approaches examined in other jurisdictions and the rationale for any approach recommended for Columbus Water and Power; and
- f. The number of large load/high-volume customers likely affected the range of water usage that these large load/high-volume users consume, and how that range is projected to change over the next decade.

SECTION 6. That the Director of Columbus Water and Power is further directed to provide council with periodic progress updates in the course of preparing the material described herein, and to continue to engage the public, industry stakeholders, contract municipalities and their customers, and residents in that process, consistent with the ongoing community engagement convened by the Public Utilities and Sustainability Committee.

SECTION 7. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.