

ORDINANCE NO. 90-09-02

AN ORDINANCE FIXING AND DETERMINING THE GENERAL SERVICE RATE TO BE CHARGED FOR SALES OF NATURAL GAS TO RESIDENTIAL AND COMMERCIAL CONSUMERS IN THE CITY OF JEWETT, LEON COUNTY, TEXAS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF JEWETT, TEXAS:

SECTION 1. Effective with gas bills rendered on and after thirty (30) days from final date of passage of this ordinance and the acceptance by Lone Star Gas Company of a Franchise Ordinance to be approved by the City Council on this date granting Lone Star a Franchise to operate a gas utility in this city, the maximum general service rate for sales of natural gas rendered to residential and commercial consumers within the city limits of Jewett, Texas, by Lone Star Gas Company, a division of ENSERCH Corporation, a Texas Corporation, its successors and assigns, is hereby fixed and determined as set forth in Item A, in the Attachment hereto which is incorporated herein.

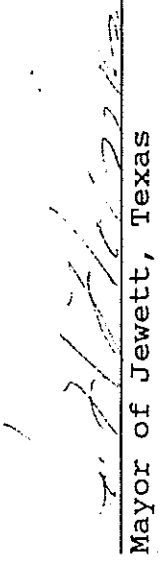
SECTION 2. The residential and commercial rates set forth above shall be adjusted upward or downward from a base of \$4.0200 per Mcf by a Gas Cost Adjustment Factor expressed as an amount per thousand cubic feet (Mcf) of natural gas for changes in the intracompany city gate rate charged as authorized by the Railroad Commission of Texas or other regulatory body having jurisdiction for gas delivered to the Jewett distribution system, according to Item B, in the Attachment hereto which is incorporated herein.

SECTION 3. Lone Star Gas Company shall also receive tax adjustments according to Item C, in the Attachment hereto which is incorporated herein.

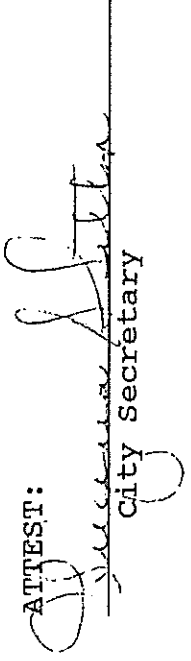
SECTION 4. In addition to the aforesaid rates, Company shall have the right to collect such reasonable charges as are necessary to conduct its business and to carry out its reasonable rules and regulations in effect. The charges set forth in Items D and E, in the attachment hereto which is incorporated herein, are approved. Services for which no charge is set out may be performed and charged for by Company at a level established by the normal forces of competition.

SECTION 5. It is hereby found and determined that the meeting at which this ordinance was passed was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Jewett, Texas this 17th day of September at which meeting a quorum was present and voting.



Mayor of Jewett, Texas

ATTEST:


City Secretary

ATTACHMENT TO ORDINANCE NO. 90-09-02
CITY OF JEWETT, TEXAS

LONE STAR GAS COMPANY
TARIFFS & SCHEDULES

ITEM A. RATES

The following rates are the maximum applicable to residential and commercial consumers per meter per month or for any part of a month for which gas service is available at the same location.

Residential:

Customer Charge	\$ 6.0000
All Consumption @	7.2500 Per Mcf

If the service period is less than 28 days in a month the customer charge is \$.2143 times the number of days service.

Commercial

Customer Charge @	\$10.0000
First 20 Mcf @	6.8229 Per Mcf
Next 30 Mcf @	6.5229 Per Mcf
Over 50 Mcf @	6.3729 Per Mcf

If the service period is less than 28 days in a month the customer charge is \$.3571 times the number of days service.

Bills are due and payable when rendered and must be paid within ten days from monthly billing date.

Residential Off-Peak Sales Discount:

An off-peak sales discount of \$.25 per Mcf will apply to residential customers' volume purchased in excess of 8 Mcf for each of the billing months May through October.

ITEM B. GAS COST ADJUSTMENT

Each monthly bill at the above rates shall be adjusted for gas cost as follows:

- (1) The city gate rate increase or decrease applicable to current billing month residential and commercial sales shall be estimated to the nearest \$0.0001 per Mcf based upon:
 - (a) A volume factor of 1.0204 determined in establishing the above rates for the distribution system as the ratio of adjusted purchased volumes divided by adjusted sales volumes.

- (b) The city gate rate estimated to be applicable to volumes purchased during the current calendar month, expressed to the nearest \$0.0001 per Mcf (shown below as "Re").
- (c) The base city gate rate of \$4.0200 per Mcf.
- (2) Correction of the estimated adjustment determined by Item B (1) above shall be included as part of the adjustment for the second following billing month. The correcting factor (shown below as "C") shall be expressed to the nearest \$0.0001 per Mcf based upon:
- (a) The corrected adjustment amount based upon the actual city gate rate, less
- (b) The estimated adjustment amount billed under Item B (1) above, divided by
- (c) Distribution system residential and commercial sales Mcf recorded on the Company's books during the prior year for the month that the correction is included as part of the adjustment.
- (3) The adjustment determined by Item B (1) and Item B (2) above shall be multiplied by a tax factor of 1.02041 to include street and alley rental and state occupation tax due to increasing Company revenues under this gas cost adjustment provision.
- In summary, the gas cost adjustment (GCA) shall be determined to the nearest \$0.0001 per Mcf by Item B (1), Item B (2) and Item B (3) as follows:

$$\text{GCA} = [\text{Item B (1)} + \text{Item B (2)}] \times \text{Item B (3)}$$

$$\text{GCA} = [(1.0204) (\text{Re} - \$4.0200) + \text{C}] \times 1.02041$$

ITEM C. TAX ADJUSTMENT

The tax adjustment shall be an amount equivalent to the proportionate part of any new tax, or increased tax, or any other governmental imposition, rental fee or charge (except state, county, city and special district ad valorem taxes and taxes on net income) levied, assessed or imposed subsequent to January 1, 1990 upon or allocable to the Company's distribution operations, by any new or amended law, ordinance or contract.

ITEM D. SCHEDULE OF SERVICE CHARGES

(1) Reconnect Charge

In addition to the charges and rates set out above, the Company shall charge and collect the sum of:

<u>Schedule</u>	<u>Charge</u>
8 A.M. to 5 P.M. Monday through Friday	\$ 25.00
5 P.M. to 8 A.M. Monday through Friday	40.00
Saturdays, Sundays and Holidays	40.00

For each reconnection or reinauguration of gas service, where service has been discontinued at the same premises for any reason, with the following exceptions:

- (a) For a builder who uses gas temporarily during construction or for display purposes.
- (b) For the first occupant of the premises.
- (c) Whenever gas service has been temporarily interrupted because of system outage, service work or appliance installation done by Company; or
- (d) For any reason deemed necessary for Company operations.

(2) Returned Check Charges

A returned check handling charge of \$7.50 is made for each check returned to the Company for reasons of non-sufficient funds, account closed, payment withheld, invalid signature, or improper preparation.

(3) Collection Charge

A charge of \$7.00 shall be made for each instance when it is necessary for a company employee to go to a customer's residence or place of business in order to collect amounts owed the Company for gas service previously rendered. This charge shall not apply if service is terminated at the time of the collection action. This charge shall apply to only one trip on the same amount owed.

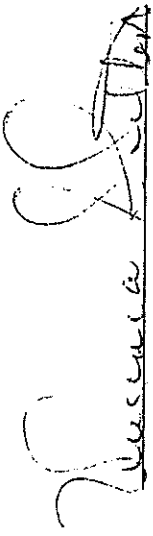
STATE OF TEXAS

()
()
()

COUNTY OF LEON

I, Virginia S. Smith, Secretary of the City of Jewett, Leon County, Texas hereby certify that the above and foregoing is a true and correct copy of an ordinance passed and approved by the City Council of the City of Jewett at a session held on 17th day of September, 1940 as it appears of record in the Minutes of said City Council in Book _____, page _____.

WITNESS MY HAND AND SEAL OF SAID CITY, this the 17th day of September, A.D. 1940



(SECRETARY
Jewett, Texas

ITEM E. MAIN LINE EXTENSION RATE

The charge for extending mains beyond the free limit established by Lone Star Gas Company, or any free limit established by franchise, for residential customer shall be the lesser of: (a) the system-wide average cost of construction, including all overheads, for the prior fiscal year or (b) the adjusted actual cost as determined by applying the latest Handy-Whitman Index to the 1975 actual base cost of \$2.94. The Company shall file the calculation of such charge with the City as soon as sufficient data is available each fiscal year. Extension to commercial and industrial customers shall be based on actual cost per foot.