AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, FIXING AND DETERMINING THE GENERAL SERVICE RATE TO BE CHARGED FOR SALES OF NATURAL GAS TO RESIDENTIAL AND COMMERCIAL CONSUMERS WITHIN THE CITY LIMITS OF THE CITY OF MESQUITE, TEXAS, AND PROVIDING FOR THE MANNER IN WHICH SUCH RATE MAY BE CHANGED, ADJUSTED AND AMENDED.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. Effective with the first gas bills rendered from and after October 1, 1975, the maximum general service rate for sales of natural gas rendered to residential and commercial consumers within the city limits of Mesquite by Lone Star Gas Company, a Texas Corporation, its successors and assigns, is hereby fixed and determined as follows:

Beginning October 1, 1975, first 1,000 cu. ft. or fraction thereof \$2.2933 Gross; \$2.0640 Net over 1,000 cu. ft. @ \$1.7491 Per Mcf Gross; \$1.5742 Per Mcf Net.

Beginning January 1, 1976, first 1,000 cu. ft. or fraction thereof \$2.2933 Gross; \$2.0640 Net over 1,000 cu. ft. @ \$2.1098 Per Mcf Gross; \$1.8988 Per Mcf Net.

No gas bill will be rendered to any residential or commercial consumer served under the above rate not consuming any gas during any monthly billing period, except that where customer's only use for gas service is in an outdoor grill and/or a fireplace starter, the amount shown for the first consumption block shall constitute a minimum monthly bill.

## -ADJUSTMENTS

The amount of each net monthly bill computed at the abovestated rates shall be subject to the following adjustments: Plus or minus the amount of any increase or decrease, respectively, above or below the \$1.0399 per Mcf level in the intracompany city gate charge as authorized by the Railroad Commission of the State of Texas or other regulatory body having jurisdiction for gas delivered to Lone Star Gas Company's distribution system for sale to residential and commercial consumers where such changes are caused by increases or decreases in the cost of gas purchased by the Company; provided, however,

## COC54 LONE STAR GAS ORDINANCE

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that any such increase shall not exceed 20% of the beginning rate in any one year without prior Council approval. Each gross monthly bill shall be adjusted proportionately. Company, at its option, may forego the application of any adjustment if such adjustment would result in an increase in the monthly bill; however, failure of Company to apply any adjustment shall not constitute a waiver of Company's right from time to time, or at any time, to make any adjustment, in whole or in part, in any subsequent current monthly bill that may be applicable to such bill.

Net rate shall apply to all bills paid within ten days from monthly billing date; gross rate shall be applicable thereafter.

The above rate is applicable to each residential and commercial consumer per meter per month or for any part of a month for which gas is used at the same location.

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.

SECTION 2. The rate set forth in Section 1 may be changed and amended by either the City or Company furnishing gas in the manner provided by law. Service hereunder is subject to the orders of regulatory bodies having jurisdiction, and to the Company's Rules and Regulations currently on file in the Company's office.

SECTION 3. This ordinance shall take effect upon the effective date thereof if Lone Star Gas Company shall have filed a letter of acceptance with the City Secretary on or before October 1, 1975; otherwise this ordinance shall be null and void and of no effect.

SECTION 4. 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.

LONE STAR GAS ORDINANCE PAGE 3

SECTION 5. The fact that the law of the State of Texas requires action by the City Council on Lone Star Gas Company's request within sixty (60) days from date of request creates an urgency and an emergency for the preservation of the public health, safety, and welfare and requires that this ordinance shall take effect immediately from and after October 1, 1975 and publication of said ordinance, as the law in such cases provides.

DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 15 day of September , A.D., 1975.

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Mayor Pro Tem

ATTEST:

APPROVED AS TO FORM:

Norma G. McGaughy City Secretary

Elland Archer City Attorney

