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 IN THE CITY OF MESQUITE, DALLAS COUNTY, TEXAS; PROVIDING FOR THE MANNER IN WHICH SUCH RATE MAY BE CHANGED, ADJUSTED, AND AMENDED; AND PROVIDING FOR A SCHEDULE OF SERVICE CHARGES.

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

SECTION 1. Effective with gas bills rendered on and after thirty (30) days from the final date of passage of this ordinance, the maximum general service rate for sales of natural gas rendered to residential and commercial consumers within the city limits of Mesquite, 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 \$1.8392 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 charge as authorized by the Railroad Commission of Texas or other regulatory body having jurisdiction for gas delivered to the Mesquite distribution system, according to Item B, in the Attachment hereto which is incorporated herein. Provided, however, that the 20% annual limitation contained in Section 1 of Ordinance 1272, as follows shall be applicable.

ADJUSTMENTS

The amount of each net monthly bill computed at the above stated rates shall be subject to the following adjustments: Plus or minus the amount of any increase or decrease, respectively, above or below the \$1.8392 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, that any such increase shall not exceed 20% of the beginning rate in any one year without prior

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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.

SECTION 3. 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 as set forth in Item D, in the Attachment hereto which is incorporated herein.

SECTION 4. The rates set forth in this ordinance may be changed and amended by either the City or Company 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 5. Notwithstanding any provision hereunder to the contrary, it is intended by this ordinance that rates be adopted by this action and Lone Star Gas Company be required to submit to the City Secretary an attachment setting forth rate schedules which will yield revenues, which, when prorated to the Mesquite system would yield an increase, system wide, equal to a 2.79 per cent increase plus an amount of \$72,651.00 for excess unaccounted for gas system wide. Such schedule shall, however, reflect only the portion attributable to the City of Mesquite area.

SECTION 6. 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 on this the 4th day of June, A.D., 1979.

SMITH

MAYOR

ATTEST:

APPROVED AS TO FORM:

McGaughy

Gity Secretary

Elland Archer City Attorney

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ATTACHMENT TO ORDINANCE NO. 1514 CITY OF MESQUITE, TEXAS

LONE STAR GAS COMPANY TARIFFS & SCHEDULES

Item A. 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. Summer rates shall be applicable between the meter reading dates in May and October. Winter rates shall be applicable at all other times.

Residential: Winter Summer Customer Charge \$3.0000 \$3.0000 \$3.0000 \$2.5717 Per Mcf 2.3217 Per Mcf

If the service period is less than 28 days, the customer charge is \$.1017 times the number of days service.

 Commercial:
 Winter
 Summer

 Customer Charge
 \$6.0000
 \$6.0000

 All Consumption
 2.5717 Per Mcf
 2.3217 Per Mcf

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

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

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 1.0713 determined for the distribution system as the ratio of Mcf purchased divided by the Mcf sold for the 12 month period ended June 30, 1978.
 - (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 \$1.8392.

- (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 1.06294 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:

$$GCA = [(1.0713) (Re - $1.8392) + C] \times 1.06294$$

Item C. Schedule of Service Charges

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(1) Reconnect Charge

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

Schedule			Charge
8 A.M. to 5 P.M. 5 P.M. to 8 A.M. Saturdays, Sunda	Monday through	Friday	\$ 20.00 30.00 30.00

as a reconnect charge 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) Appliance, Gas Light, and Air Conditioning Service Charges

Appliance Service Charges

Schedule	Hourly Charge
8 A.M. to 5 P.M. Monday through Friday	\$ 16.00
5 P.M. to 8 A.M. Monday through Friday	24.00
Saturdays, Sundays and Holidays	24.00

An additional charge of \$11 added to the above charges when a second employee (helper) is required.

Time in excess of one hour prorated in 15 minute increments, as follows:

Increments	Standard Working Hours	Non-Standard Working Hours
15 minutes	\$ 4.00	\$ 6.00
30 minutes	8.00	12.00
45 minutes	12.00	18.00
60 minutes	16.00	24.00

Standard working hours defined as 8 A.M. to 5 P.M. Monday through Friday except holidays.

All new company sold grills serviced free of charge for 90 days, during standard working hours.

Gas Light Service

Service	<u>Charge</u>
Clean and replace mantles Painting (black and white) and/or replacing	\$ 5.00
glass panes All new company sold gas lights serviced free	4.00
of charge for 90 days, during standard working	hours.

Air Conditioning Service

Schedule

Hourly Charge

Any hour Sunday through Saturday and Holidays \$ 20.00

Time in excess of one hour prorated in 15 minute increments, as follows:

Increments	All Hours
15 minutes	\$ 5.00
30 minutes	10.00
45 minutes	15.00
60 minutes	20.00

All new company-sold air conditioning units serviced free of charge for 1 year from date of installation.

No additional charge for second employee (helper).

Labor charges in excess of factory allowances for warranty replacement and repair will be passed on to the customer.

(3) Charges for replacing Yard Lines

Item or Service	Charge
Basic service charge for all replacement work-	\$ 30.00
Prebent Riser with Support Post -	16.00
Noncorrodible Prebent Riser -	11.00
Stopcock -	4.25
Ditch, replace 1 inch (or smaller) pipe,	
and obtain city inspection -	1.45 per foot
Remove grass, ditch, replace 14 inch	•
(or smaller) pipe, obtain city inspection	
and replace grass -	1.75 per foot
Insert 1% (or smaller) Polyethylene	
pipe in existing service line -	1.35 per foot
Special trip to perform yard line work	
at customer's request and work cannot be	
scheduled for Company convenience -	30.00 additional
Work performed on overtime basis at	
customer's request -	46.50 per hour <u>1</u> /
Disconnecting or reconnecting customer yard	_
line at main when yard line is replaced	the communication of the commu
by other contractors -	30.00

A firm price quotation will be made on the basis of labor, material, and other costs for replacing yard lines larger than 14 inch in size.

1/ Computed at one-fourth the hourly rate for each 15 minute period or fraction thereof. The same work performed on a call-out basis will be charged at the overtime rate with a two hour minimum charge. ار ا

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(4) Main Line Extension Rate (Residential)

The charge for extending mains beyond the free limit established by Lone Star Gas, or any free limit established by city franchise is \$4.50 per foot except for large commercial and industrial consumers which are handled on an actual cost per foot basis.

(5) Returned Check Charges

A returned check handling charge of \$3 is made for each check returned to the Company for reasons of non-sufficient funds, account closed, payment withheld, invalid signature, or improper preparation.