

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 MESQUITE, DALLAS, COUNTY, TEXAS; PROVIDING FOR THE MANNER IN WHICH SUCH RATE MAY BE CHANGED, ADJUSTED, AND AMENDED, AND PROVIDING FOR THE RECOVERY OF ANY CURRENT AND UNRECOVERED PRIOR RATE CASE EXPENSE, AND PROVIDING FOR A SCHEDULE OF SERVICE CHARGES.

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 but not to yield an increase in excess of \$320,900.00.

SECTION 2. The residential and commercial rates set forth above shall be adjusted upward or downward from a base of \$4.2762 per Mcf by a Gas Cost Adjustment Factor expressed as an amount per thousand cubic feet (Mcf) of natural gas for changes in the intra-company 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.

SECTION 3. 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 service charges set forth in Item D, in the attachment hereto which is incorporated herein, are approved. Services for which no charge is set out in Item D may be performed and charged for by Company at a level established by the normal forces of competition.

SECTION 5. In addition to aforesaid rates, Company is authorized to recover the current and any unrecovered prior rate case expense through a surcharge designed for a six-month nominal recovery period. The surcharge per Mcf will be calculated by dividing the rate case expense to be recovered by one-half of the adjusted annual sales volume to residential and commercial customers. The Company will provide monthly status reports to account for the collections.

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SECTION 6. 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 7. 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 10th day of September, A.D. 1984.

FINALLY PASSED AND APPROVED on second reading on this the 17th day of September, A.D. 1984.

ATTEST:

Lynn Prugel
Lynn Prugel
City Secretary

Mrs. Brunhilde Nystrom
Mrs. Brunhilde Nystrom
Mayor