

AN ORDINANCE FIXING AND DETERMINING THE GENERAL SERVICE RATE TO BE CHARGED FOR SALES OF NATURAL GAS TO RESIDENTIAL AND COMMERCIAL CONSUMERS IN THE TOWN OF ANGUS, NAVARRO COUNTY, TEXAS; PROVIDING FOR THE MANNER IN WHICH SUCH RATE MAY BE CHANGED, ADJUSTED, AND AMENDED; AND PROVIDING FOR A SCHEDULE OF SERVICE CHARGES.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ANGUS, 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 Town limits of Angus, 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 charge as authorized by the Railroad Commission of Texas or other regulatory body having jurisdiction for gas delivered to the Angus 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. The residential and commercial rates set forth above shall be adjusted upward or downward by a Cost of Service Adjustment Factor expressed as an amount per customer for changes in the cost of service over a twelve month period ending December 31, according to Item D, in the Attachment hereto which is incorporated herein.

SECTION 5. 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 E, in the Attachment hereto which is incorporated herein, are approved. Services for which no charge is set out in Item E may be performed and charged for by Company at a level established by the normal forces of competition.

SECTION 6. The rates set forth in this ordinance may be changed and amended by either the Town 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 14 day of April,  
A.D. 1983.

ATTEST:

Betty McCain  
Secretary

Tom Seating  
Mayor  
Town of Angus, Texas

STATE OF TEXAS     X  
                                  X  
COUNTY OF NAVARRO X

I, Betty McCain, Secretary of the Town of Angus, Navarro County, Texas, hereby certify that the above and foregoing is a true and correct copy of an ordinance passed and approved by the Town Council of the Town of Angus at a Regular session held on the 4 day of April, 1983, as it appears of record in the Minutes of said Town Council in Book \_\_\_\_\_, Page \_\_\_\_\_. April 4 Council Minutes

WITNESS MY HAND AND SEAL OF SAID TOWN, this the 4 day of April, A.D. 1983.

Betty McCain  
Secretary  
Town of Angus, Texas

ATTACHMENT TO ORDINANCE NO. 2  
TOWN OF ANGUS, 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	\$3.7500	\$3.7500
All Consumption @	4.8061 Per Mcf	4.5561 Per Mcf

If the service period is less than 28 days, the customer charge is \$.1339 times the number of days service.

Commercial:	Winter	Summer
Customer Charge	\$7.0000	\$7.0000
All Consumption @	4.8061 Per Mcf	4.5561 Per Mcf

If the service period is less than 28 days, the customer charge is \$.2500 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 1.0000 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 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 1.02037 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:

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

$$GCA = [(1.0000) (\text{Re} - \$4.0200) + C] \times 1.02037$$

#### 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 July 1, 1982, upon or allocable to the Company's distribution operations, by any new or amended law, ordinance or contract.

Item D. Cost of Service Adjustment:

Each monthly bill for residential and commercial gas service shall be adjusted for changes in the cost of providing such service as follows:

- (1) Effective with bills rendered for the month of May, 1984 and annually effective each May thereafter, the residential and commercial monthly rate shall be adjusted for changes in the cost per customer of providing gas service (including depreciation but excluding cost of gas, gross receipt taxes, income taxes, and return) for the previous year ended December 31 above or below such cost incurred in the second prior calendar year. These annual adjustments shall be cumulative. The operating expenses used in calculating the adjustments shall be for the applicable distribution system as reported to the Railroad Commission of Texas in the annual report of Lone Star Gas Company, a Division of ENSERCH Corporation. Should the percentage change in cost of service per customer of providing gas service exceed the rate of change in the Implicit Price Deflator of the Gross National Product over the same period of time, the adjustment will be limited to a maximum change computed by multiplying the cost of service per customer of providing gas service in the second prior calendar year ended December 31 by the rate of change in the Implicit Price Deflator of the Gross National Product. The adjustment per bill shall be rounded to the nearest whole cent.
- (2) The adjustment determined by (1) above shall be multiplied by the same tax factor used in calculating the gas cost adjustment contained herein to include street and alley rental and state occupation tax due to increasing or decreasing Company revenues under this cost of service adjustment provision.

Item E. 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	\$20.00
5 P.M. to 8 A.M. Monday through Friday	30.00
Saturdays, Sundays and Holidays	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) Returned Check Charges

A returned check handling charge of \$5.00 is made for each check returned to the Company for reasons of non-sufficient funds, account closed, payment withheld, invalid signature, or improper preparation.

LONE STAR GAS COMPANY  
 ANGUS DISTRIBUTION SYSTEM  
 RESIDENTIAL BILL COMPARISON\*

<u>Monthly Consumption Mcf</u>	<u>Bill At Present Rate</u>	<u>Bill At Proposed Rate</u>	<u>Amount Of Increase</u>
0	\$ -0-	\$ 3.75	\$ 3.75
1	5.87	8.31	2.44
2	10.89	12.86	1.97
3	15.91	17.42	1.51
4	20.92	21.97	1.05
5	25.81	26.53	.72
6	30.70	31.09	.39
* *			
7	35.59	37.39	1.80
8	40.48	42.20	1.72
9	45.37	47.00	1.63
10	50.25	51.81	1.56
15	74.20	75.84	1.64
20	98.14	99.87	1.73
25	122.08	123.90	1.82
50	240.04	244.06	4.02
75	358.00	364.21	6.21
100	475.96	484.36	8.40

\*Based on City Gate Rate of \$4.0200 per Mcf.

\*\*Bill Comparison Uses Summer Rate for 1-6 Mcf and Winter Rate for 7-100 Mcf.



STATEMENT OF INTENT TO CHANGE RESIDENTIAL AND COMMERCIAL RATES

TO THE CITY OF ANGUS:

COMES NOW Lone Star Gas Company, a Division of ENSERCH CORPORATION (Lone Star), a public utility under Article 6050 et. seq. V.A.C.S. and Article 1446c V.A.C.S. (Supp. 1982) and files this its Statement of Intent to Change Residential and Commercial Rates in the City of Angus, Texas, under the provisions of Section 43(a) of Article 1446c V.A.C.S. (Supp. 1982) and Article 6050 et. seq. V.A.C.S.

I.

Lone Star proposes to change its rates, and the details of the proposed changes in rates are as follows:

1. Name of Utility - Lone Star Gas Company
2. Description of Area Affected - City of Angus, Texas
3. Proposed Tariffs & Schedules:

- 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 (five months). Winter rates shall be applicable at all other times.

Residential:	<u>Winter</u>	<u>Summer</u>
Customer Charge	\$3.7500	\$3.7500
All Consumption @	4.8061 Per Mcf	4.5561 Per Mcf

If the service period is less than 28 days, the customer charge is \$.1339 times the number of days service.

Commercial:	<u>Winter</u>	<u>Summer</u>
Customer Charge	\$7.0000	\$7.0000
All Consumption @	4.8061 Per Mcf	4.5561 Per Mcf

If the service period is less than 28 days, the customer charge is \$.2500 times the number of days service.

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

- 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 1.0000 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 3B (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 3B (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 3B (1) and Item 3B (2) above shall be multiplied by a tax factor of 1.02037 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 3B (1), Item 3B (2), and Item 3B (3) as follows:

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

$$GCA = [(1.0000) (\text{Re} - \$4.0200) + C] \times 1.02037$$

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 July 1, 1982, upon or allocable to the Company's distribution operations, by any new or amended law, ordinance or contract.

D. For Consumption For Air Conditioning Purposes:

The present air conditioning rate is to be eliminated.

E. Rate Case Expense:

Rate case expense is not included in the calculation of proposed rates. If rate case expense is incurred in this current case, it is the intention of Lone Star Gas Company 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 would 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. If there is no current rate case expense, the Company will forego recovery of any unamortized prior rate case expense. When a surcharge is applicable, monthly status reports will be provided to account for the collections.

F. Cost of Service Adjustment:

Each monthly bill for residential and commercial gas service shall be adjusted for changes in the cost of providing such service as follows:

- (1) Effective with bills rendered for the month of May, 1984 and annually effective each May thereafter, the residential and commercial monthly rate shall be adjusted for changes in the cost per customer of providing gas service (including depreciation but excluding cost of gas, gross receipts taxes, income taxes, and return) for the previous year ended December 31 above or below such cost incurred in the second prior calendar year. These annual adjustments shall be cumulative. The operating expenses used in calculating the adjustments shall be for the applicable distribution system as reported to the Railroad Commission of Texas in the annual report of Lone Star Gas Company, a Division of ENSERCH Corporation. Should the percentage change in cost of service per customer of providing gas service exceed the rate of change in the Implicit Price Deflator of the Gross National Product over the same period of time, the adjustment will be limited to a maximum change computed by multiplying the cost of service per customer of providing gas service in the second prior calendar year ended December 31 by the rate of change in the Implicit Price Deflator of the Gross National Product. The adjustment per bill shall be rounded to the nearest whole cent.
- (2) The adjustment determined by (1) above shall be multiplied by the same tax factor used in calculating the gas cost adjustment contained herein to include street and alley rental and state occupation tax due to increasing or decreasing Company revenues under this cost of service adjustment provision.

4. Statement of Changes:

- A. Monthly bill for Residential Customers using 6 Mcf, (City Gate Rate at \$4.0200):

Present Rate	Proposed Rate		Increase	
	Winter	Summer	Winter	Summer
\$30.70	\$32.59	\$31.09	\$ 1.89	\$ .39

- B. Monthly bill for Commercial Customers using 16 Mcf, (City Gate Rate at \$4.0200):

Present Rate	Proposed Rate		Increase	
	Winter	Summer	Winter	Summer
\$78.98	\$83.90	\$79.90	\$ 4.92	\$ .92

- C. The following service charges shall be eliminated from Lone Star's rates and tariffs, but such services may be performed and charged for by Lone Star at a level established by the normal forces of competition, to wit:

Appliance Service  
 Gas Light Service  
 Air Conditioning Service  
 Yard Line Repair and Replacement

- D. The Gas Main Extension Rate (Residential) which is considered to be utility in nature will be removed from existing tariffs and charges for main extensions will be handled under the Quality of Service Rules.

5. Effect of Proposed Changes:

Estimated total increase in annual revenue is \$397 or 4.44%, based upon Current Annual Revenue from Residential and Commercial Customers (Test Year ended 06 30 82) of \$8,935 and Estimated Annual Revenue under the proposed rates of \$9,332.

6. Class of Customers Affected:

Residential and Commercial

7. Number of Customers Affected:

21

8. Effective Date of Proposed Change:

April 18, 1983

9. The proposed change will not result in a major change as that term is defined in TEX.REV.CIV.STAT.ANN. Article 1446c Section 43(b) (Supp. 1982).

II.

Publication of required notice containing the information relative to this Statement of Intent shall be made in accordance with applicable statutes and rules.

THEREFORE, Lone Star Gas Company requests the City allow such new rates to become applicable for the City of Angus by operation of law or by ordinance granting it the authority to charge such rates.

Respectfully submitted,

JAMES F. BROWN

LONE STAR GAS COMPANY, a Division  
of ENSERCH CORPORATION

By

James F. Brown

Date Filed

March 10, 1983