

2012

CITY

25 yrs  
23

ORDINANCE NO: \_\_\_\_\_

AN ORDINANCE GRANTING TO LONE STAR GAS COMPANY, A DIVISION OF ENSERCH CORPORATION, A CORPORATION, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO FURNISH AND SUPPLY GAS TO THE GENERAL PUBLIC IN THE CITY OF FRANKSTON, ANDERSON COUNTY, TEXAS, FOR THE TRANSPORTING, DELIVERY, SALE, AND DISTRIBUTION OF GAS IN, OUT OF, AND THROUGH SAID MUNICIPALITY FOR ALL PURPOSES; PROVIDING FOR THE PAYMENT OF A FEE OR CHARGE FOR THE USE OF THE STREETS, ALLEYS, AND PUBLIC WAYS; AND PROVIDING THAT IT SHALL BE IN LIEU OF OTHER FEES AND CHARGES, EXCEPTING AD VALOREM TAXES; AND REPEALING ALL PREVIOUS GAS FRANCHISE ORDINANCES.

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

SECTION 1. That the City of Frankston, Texas, hereinafter called "City," hereby grants to Lone Star Gas Company, a Division of ENSERCH CORPORATION, hereinafter called "Company," its successors and assigns, consent to use and occupy the present and future streets, alleys, highways, public places, public thoroughfares, and grounds of City for the purpose of laying, maintaining, constructing, operating, and replacing therein and thereon pipelines and all other appurtenant equipment needed and necessary to deliver gas in, out of, and through said City and to sell gas to persons, firms, and corporations, including all the general public, within the City corporate limits, said consent being granted for a term of twenty-five (25) years from and after the date of the final passage and approval of this ordinance.

SECTION 2. Company shall lay, maintain, construct, operate, and replace its pipes, mains, laterals, and other equipment so as to interfere as little as possible with traffic and shall promptly clean up and restore to an approximate original condition, at its cost, all thoroughfares and other surfaces which it may disturb. The location of all mains, pipes, laterals, and other appurtenant equipment shall be fixed under the supervision of the City or an authorized committee or agent appointed by said City.

SECTION 3. When Company shall make or cause to be made excavations or shall place obstructions in any street, alley, or other public place, the public shall be protected by barriers and lights placed, erected, and maintained by Company; and in the event of injury to any person or damage to any property by reason of the construction, operation, or maintenance of the gas distributing plant or system of Company, Company shall indemnify and keep harmless City from any and all liability in connection herewith. Company shall repair, clean up, and restore to an approximate original condition all streets and alleys disturbed during the construction and repair of its gas distributing system.

SECTION 4. In addition to the rates charged for gas supplied, Company may make and enforce reasonable charges, rules and regulations for service rendered in the conduct of its business including a charge for services rendered in the inauguration of natural gas service, and may require, before furnishing service, the execution of a contract therefor. Company shall have the right to contract with each customer with reference to the installation of, and payment for, any and all of the gas piping from the connection thereof with the Company's main in the streets or alleys to and throughout the consumer's premises. Company shall own, operate and maintain all service lines, which are defined as the supply lines extending from the Company's main to the Customer's meter where gas is measured by Company. The consumer shall own, operate, and maintain all yard lines and house piping. Yard lines are defined as the underground supply lines extending from the point of connection with Company's customer meter to the point of connection with consumer's house piping.

SECTION 5. Company shall not be required to extend mains on any street more than fifty (50) feet for any one consumer of gas.

SECTION 6. Company shall be entitled to require from each and every consumer of gas, before gas service is commenced, a deposit in an amount calculated pursuant to the Company's Quality of Service Rules as may be in effect during the term of this franchise. Said deposit shall be retained and refunded in accordance with such Quality of Service Rules and shall bear interest, as provided in Tex. Rev. Civ. Stat. Ann. art. 1440a (Vernon Supp. 1987) as it may be amended from time to time. Company shall be entitled to apply said deposit, with accrued interest, to any indebtedness owed Company by the consumer making the deposit.

SECTION 7. The rights, privileges, and franchises granted by this ordinance are not to be considered exclusive, and City hereby expressly reserves the right to grant, at any time, like privileges, rights, and franchises as it may see fit to any other person or corporation for the purpose of furnishing gas for light, heat, and power to and for City and the inhabitants thereof.

SECTION 8. Company shall furnish reasonably adequate service to the public at reasonable rates and charges therefor; and Company shall maintain its property, equipment, and appliances in good order and condition.

SECTION 9. Company, its successors and assigns, agrees to pay and City agrees to accept, on or before the 1st day of April, 1988, and on or before the same day of each succeeding year during the life of this franchise, the last payment being made

on the 1st day of April, 2013, a sum of money which shall be equivalent to two percent (2%) of the gross receipts received by Company from the sale of gas to its domestic and commercial consumers within the corporate limits of said City (expressly excluding, however, receipts derived from sales to industrial and governmental users and consumers in said City) for the preceding calendar year, which annual payment shall be for the rights and privileges herein granted to Company, including expressly, without limitation, the right to use the streets, alleys, and public ways of said City. And it is also expressly agreed that the aforesaid annual payment shall be in lieu of any and all other and additional occupation taxes, easement, and franchise taxes or charges (whether levied as an ad valorem, special, or other character of tax or charge), in lieu of municipal license and inspection fees, street taxes, and street or alley rentals or charges, and all other and additional municipal taxes, charges, levies, fees, and rentals of whatsoever kind and character which City may now impose or hereafter levy and collect, excepting only the usual general or special ad valorem taxes which City is authorized to levy and impose upon real and personal property. Should City not have the legal power to agree that the payment of the foregoing sums of money shall be in lieu of taxes, licenses, fees, street or alley rentals or charges, easement or franchise taxes or charges aforesaid, then City agrees that it will apply so much of said sums of money paid as may be necessary to satisfy Company's obligations, if any, to pay any such taxes, licenses, charges, fees, rentals, easement or franchise taxes or charges.

In order to determine the gross receipts received by Company from the sale of gas (expressly excluding the sale of gas to industrial and governmental consumers) within the corporate limits of City, Company agrees that on the same date that payments are made, as provided in the preceding paragraph of this Section 9, it will file with the City Clerk a sworn report showing the gross receipts received from the sale of gas to its domestic and commercial consumers within said corporate limits for the calendar year preceding the date of payment. City may, if it sees fit, have the books and records of Company examined by a representative of said City to ascertain the correctness of the sworn reports agreed to be filed herein.

Receipts from sales to governmental users or consumers shall include all those receipts derived from the sale of gas to federal, state, county or city governments or branches and subdivisions thereof, school districts, or other similar districts, it being the intention to include within the term "governmental users and consumers" all tax-supported institutions owned or operated directly or indirectly by said governments and branches or subdivisions thereof, such as schools, colleges, hospitals, eleemosynary institutions, army or training camps, airports, courthouse, city hall, and other institutions of like or similar kind and character.

"Industrial users or consumers," as herein used, are those generally and commonly classified as such by Company.

The payment herein provided shall be for the period January 1 to December 31 of the respective year that the payment is made.

SECTION 10. When this franchise ordinance shall have become effective, all previous ordinances of said City granting franchises for gas distribution purposes which were held by Company shall be automatically cancelled and annulled, and shall be of no further force and effect.

SECTION 11. Company shall file its written acceptance of this franchise ordinance within sixty (60) days after its final passage and approval by said City.

PASSED AND APPROVED on this the \_\_\_\_\_ day of \_\_\_\_\_,  
A.D. 1987.

ATTEST:

\_\_\_\_\_  
City Secretary

\_\_\_\_\_  
Mayor  
City of Frankston, Texas

STATE OF TEXAS §  
COUNTY OF ANDERSON §  
CITY OF FRANKSTON §

I, \_\_\_\_\_, City Secretary of the City of Frankston, Anderson County, Texas, do hereby certify that the above and foregoing is a true and correct copy of an ordinance passed by the City Council of the City of Frankston, Texas, at a City session, held on the \_\_\_\_\_ day of \_\_\_\_\_, 1987, as it appears of record in the Minutes of said City, in Book \_\_\_\_\_, page \_\_\_\_\_.

WITNESS MY HAND AND SEAL OF SAID CITY, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D. 1987.

\_\_\_\_\_  
City Secretary  
City of Frankston, Texas

EXTRACT FROM MINUTES OF  
THE CITY COUNCIL OF FRANKSTON, TEXAS

The City Council of the City of Frankston, Anderson County, Texas, convened in \_\_\_\_\_ session on the \_\_\_\_\_ day of \_\_\_\_\_, 1987, at \_\_\_\_\_ M., with the following persons present:

Mayor: \_\_\_\_\_

Councilmen: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Absent: \_\_\_\_\_

A quorum being present, came on to be read and considered Ordinance No. \_\_\_\_\_ granting to Lone Star Gas Company, a Division of ENSERCH CORPORATION, a Texas corporation, a franchise to furnish and supply natural gas to the general public in the City of Frankston, Texas, for the transporting, delivery, sale, and distribution of gas in, out of, and through said municipality for all purposes. On motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_, which carried unanimously, the City Council voted to pass said franchise ordinance and to record same at length in these minutes.

STATE OF TEXAS §  
COUNTY OF ANDERSON §  
CITY OF FRANKSTON §

I, \_\_\_\_\_, City Secretary of the City of Frankston, Texas, do hereby certify that the above and foregoing is a true and correct copy of the proceedings of the City Council of the City of Frankston, Texas, at a \_\_\_\_\_ session, held on the \_\_\_\_\_ day of \_\_\_\_\_, 1987, in connection with the passage and adoption of Ordinance No. \_\_\_\_\_ granting a franchise to Lone Star Gas Company and that the same is of record in Book \_\_\_\_\_, page \_\_\_\_\_ of the Minutes of the City Council.

WITNESS MY HAND AND SEAL OF SAID CITY, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D. 1987.

\_\_\_\_\_  
City Secretary  
City of Frankston, Texas

ORDINANCE NO. 2-3-81

AN ORDINANCE AMENDING AND CHANGING A FRANCHISE ORDINANCE ENACTED BY THE CITY OF FRANKSTON, ANDERSON COUNTY, TEXAS, ON AUGUST 28, 1962 AND BEING PARTLY STYLED, "AN ORDINANCE GRANTING TO LONE STAR GAS COMPANY, A CORPORATION, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO FURNISH AND SUPPLY GAS TO THE GENERAL PUBLIC IN THE CITY OF FRANKSTON, ANDERSON COUNTY, TEXAS"; AND PROVIDING FOR A MODIFICATION OF THE DEFINITION OF THE TERMS "SERVICE LINES" AND "YARD LINES" REFERENCED IN SECTION 4 THEREOF.

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

SECTION 1. As of the effective date of this amendatory ordinance, and upon acceptance by Lone Star Gas Company of the provisions hereof, Section 4 of the aforesaid captioned franchise ordinance enacted on August 28, 1962, shall be stricken, cancelled and nullified and there shall be substituted in lieu thereof a new provision reading as follows:

SECTION 4 . In addition to the rates charged for gas supplied, Company may make and enforce reasonable charges, rules and regulations for service rendered in the conduct of its business including a charge for services rendered in the inauguration of natural gas service, and may require, before furnishing service, the execution of a contract therefor. Company shall have the right to contract with each customer with reference to the installation of, and payment for, any and all of the gas piping from the connection thereof with the Company's main in the streets or alleys to and throughout the consumer's premises. Company shall own, operate and maintain all service lines, which are defined as the supply lines extending from the Company's main to the customer's meter where gas is measured by Company. The consumer shall own, operate, and maintain all yard lines and house piping. Yard lines are defined as the underground supply lines extending from the point of connection with Company's customer meter to the point of connection with consumer's house piping."

SECTION 2. Enactment of this amendatory ordinance shall in no way ever be construed so as to diminish or impair any consumer's ownership interest in service lines (or portions thereof) installed prior to the effective date of this amendatory ordinance.

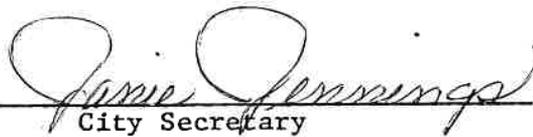
SECTION 3. The terms and provisions of this amendatory ordinance shall be deemed to be severable, and if the validity of any section, sentence, clause or phrase of this amendatory ordinance should be declared to be invalid, the same shall not affect the validity of any other section, sentence, clause or phrase of this amendatory ordinance.

SECTION 4. Except as heretofore and hereinabove changed and amended, the terms, provisions, conditions and requirements of the aforesaid franchise ordinance shall remain in full force and effect.

SECTION 5. This amendatory ordinance shall become effective as of February 4, 1981 if the Company files its written acceptance of the provisions of this ordinance within sixty (60) days after its final passage and approval by this City and upon acceptance, the provisions hereof shall be binding upon City and Company, their successors and assigns.

PASSED AND APPROVED ON THIS THE 3rd DAY OF February, 1981.

ATTEST:

  
City Secretary

  
Mayor  
City of Frankston, Texas

STATE OF TEXAS

COUNTY OF ANDERSON

Y  
Y  
Y

I, Jamie Jennings, City Secretary of the City of Frankston, Anderson County, Texas, do hereby certify that the above and foregoing is a true and correct copy of an amendatory ordinance passed by the City Council of the City of Frankston, Texas, at a regular session, held on the 3rd day of February, 1981, as it appears of record in the Minutes of the City Council in Book 6, page 194.

WITNESS MY HAND AND SEAL OF SAID CITY, this the 3rd day of February, A.D. 1981.

Jamie Jennings  
City Secretary  
City of Frankston, Texas

ORDINANCE NO. 9-2-80

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 FRANKSTON, ANDERSON 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 CITY COUNCIL OF THE CITY OF FRANKSTON, 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 Frankston, 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 \$2.0279 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 Frankston 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, as set forth in Item D, in the Attachment hereto which is incorporated herein.

SECTION 5. 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 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.

A.D. 19 80. PASSED AND APPROVED on this the 2nd day of Sept.,

ATTEST:

  
Secretary

  
Mayor  
City of Frankston, Texas

STATE OF TEXAS

COUNTY OF ANDERSON

I, Jamie Jennings, Secretary of the City of Frankston, Anderson 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 Frankston at a regular session held on the 2nd day of Sept., 1980, as it appears of record in the Minutes of said council in Book 6, Page 188.

WITNESS MY HAND AND SEAL OF SAID CITY, this the 2nd day of Sept., A.D. 1980.

Jamie Jennings  
Secretary  
City of Frankston, Texas

ATTACHMENT TO ORDINANCE NO. 9-2-80  
CITY OF FRANKSTON, 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 @	2.9962 Per Mcf	2.7462 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 @	2.9962 Per Mcf	2.7462 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 1.0825 determined for the distribution system as the ratio of Mcf purchased (adjusted to five year weighted average percentage of unaccounted-for gas) divided by the Mcf sold for the 12 month period ended June 30, 1979.
  - (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 \$2.0279 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 1.02633 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:

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

$$\text{GCA} = [(1.0825) (\text{Re} - \$2.0279) + \text{C}] \times 1.02633$$

#### 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, 1980, 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	\$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) Appliance, Gas Light, and Air Conditioning Service Charges

Appliance Service Charges

<u>Schedule</u>	<u>Hourly Charge</u>
8 A.M. to 5 P.M. Monday through Friday	\$18.00
5 P.M. to 8 A.M. Monday through Friday	27.00
Saturdays, Sundays and Holidays	27.00

An additional charge of \$12 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:

<u>Increments</u>	<u>Standard Working Hours</u>	<u>Non-Standard Working Hours</u>
15 minutes	\$ 4.50	\$ 6.75
30 minutes	9.00	13.50
45 minutes	13.50	20.25
60 minutes	18.00	27.00

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

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

Air Conditioning Service

<u>Schedule</u>	<u>Hourly Charge</u>
Any hour Sunday through Saturday and Holidays	\$20.00

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

<u>Increments</u>	<u>All Hours</u>
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

<u>Item or Service</u>	<u>Charge</u>
Basic service charge for all replacement work-	\$40.00
Prebent Riser with Support Post	- 20.00
Noncorrodible Prebent Riser	- 15.00
Stopcock	- 4.95
Ditch, replace 1 1/4 inch (or smaller) pipe, and obtain city inspection	- 2.00 per foot
Remove grass, ditch, replace 1 1/4 inch (or smaller) pipe, obtain city inspection and replace grass	- 2.30 per foot
Insert 1 1/4 inch (or smaller) Polyethylene pipe in existing service line	- 1.90 per foot
Special trip to perform yard line work at customer's request and work cannot be scheduled for Company convenience	- 40.00 additional
Work performed on overtime basis at customer's request	- 60.00 per hour <u>1/</u>
Disconnecting or reconnecting customer yard line at main when yard line is replaced by other contractors	- 40.00

A firm price quotation will be made on the basis of labor, material, and other costs for replacing yard lines larger than 1 1/4 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.

(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 \$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.

ORDINANCE NO. 11-13-79

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 FRANKSTON, ANDERSON 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 CITY COMMISSION OF THE CITY OF FRANKSTON, 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 Frankston, 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 \$1.3488 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 Frankston 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, as set forth in Item D, in the Attachment hereto which is incorporated herein.

SECTION 5. 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 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 11<sup>th</sup> day of Nov.,  
A.D. 1979.

ATTEST:

Janie Jennings  
Secretary

\_\_\_\_\_  
Mayor  
City of Frankston, Texas

STATE OF TEXAS            X  
  X  
COUNTY OF ANDERSON    X

I, Janie Jennings, Secretary of the City of  
Frankston, Anderson County, Texas,  
hereby certify that the above and foregoing is a true and correct  
copy of an ordinance passed and approved by the Council  
of the City of Frankston at a regular session  
held on the 13<sup>th</sup> day of November, 1979, as it appears  
of record in the Minutes of said meeting in Book 4,  
page 176.

WITNESS MY HAND AND SEAL OF SAID CITY, this the 13<sup>th</sup> day of  
November, A.D. 1979.

Janie Jennings  
Secretary  
City of Frankston, Texas

ATTACHMENT TO ORDINANCE NO. \_\_\_\_\_  
CITY OF FRANKSTON, 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.

First 1,000 Cu. Ft. or Fraction Thereof	\$3.00
Over 1,000 Cu. Ft. @	2.33 Per Mcf

All bills shall be due and payable when rendered.

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.

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 1.0526 determined for the distribution system as the ratio of Mcf purchased divided by the Mcf sold for the 12 month period ended June 30, 1979.
  - (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 \$1.3488 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 1.02649 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:

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

$$GCA = [(1.0526) (\text{Re} - \$1.3488) + C] \times 1.02649$$

#### 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 September 1, 1979, 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	\$ 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) Appliance, Gas Light, and Air Conditioning Service Charges

Appliance Service Charges

<u>Schedule</u>	<u>Hourly Charge</u>
8 A.M. to 5 P.M. Monday through Friday	\$ 18.00
5 P.M. to 8 A.M. Monday through Friday	27.00
Saturdays, Sundays and Holidays	27.00

An additional charge of \$12 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:

<u>Increments</u>	<u>Standard Working Hours</u>	<u>Non-Standard Working Hours</u>
15 minutes	\$ 4.50	\$ 6.75
30 minutes	9.00	13.50
45 minutes	13.50	20.25
60 minutes	18.00	27.00

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

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

Air Conditioning Service

<u>Schedule</u>	<u>Hourly Charge</u>
Any hour Sunday through Saturday and Holidays	\$ 20.00

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

<u>Increments</u>	<u>All Hours</u>
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

<u>Item or Service</u>	<u>Charge</u>
Basic service charge for all replacement work-	\$ 40.00
Prebent Riser with Support Post	- 20.00
Noncorrodible Prebent Riser	- 15.00
Stopcock	- 4.95
Ditch, replace 1¼ inch (or smaller) pipe, and obtain city inspection	- 2.00 per foot
Remove grass, ditch, replace 1¼ inch (or smaller) pipe, obtain city inspection and replace grass	- 2.30 per foot
Insert 1¼ (or smaller) Polyethylene pipe in existing service line	- 1.90 per foot
Special trip to perform yard line work at customer's request and work cannot be scheduled for Company convenience	- 40.00 additional
Work performed on overtime basis at customer's request	- 60.00 per hour <u>1/</u>
Disconnecting or reconnecting customer yard line at main when yard line is replaced by other contractors	- 40.00

A firm price quotation will be made on the basis of labor, material, and other costs for replacing yard lines larger than 1¼ 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.

(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 \$5 is made for each check returned to the Company for reasons of non-sufficient funds, account closed, payment withheld, invalid signature, or improper preparation.