

## ORDINANCE NO. 228

ORDINANCE ESTABLISHING RATES FOR NATURAL GAS SERVICE; ESTABLISHING RATES AND FEES FOR INITIAL CONNECTIONS TO THE CITY'S NATURAL GAS SYSTEM; PROVIDING FEES FOR CONNECTION, RECONNECTION AND INSPECTION; REQUIRING DEPOSITS FOR SERVICE, PROVIDING A PENALTY FOR DELINQUENT PAYMENTS; PROVIDING PENALTIES FOR THE TAMPERING WITH NATURAL GAS METERS; AND CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT.

Whereas, the City of Magnolia, Montgomery County, Texas (the "City") is constructing a natural gas distribution system designed to serve present and future inhabitants within the City; and

Whereas, it is necessary that fees, charges and conditions be ratified and established for providing from the City's natural gas distribution system; and

Whereas, the City Council has carefully considered the matter and is of the opinion that the following conditions should be established for service from the City's natural gas distribution system; therefore,

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

### I.

#### Definitions

For the purpose of this Ordinance, the following words or terms shall have the following meanings:

1.01 Customer: shall mean the person or persons, firm, political subdivision or corporation who requests the City supply natural gas for a residential, commercial or other structure within the area of the City, whether the owner, renter, or lessee thereof or the consumer of natural gas resides or works within such structure.

1.02 Delinquent Bill: shall mean a bill for natural gas which has not been paid within thirty days after the date the bill was submitted to the customer.

1.03 City's Engineer: shall mean the person or persons, firm or corporation which the City has engaged to provide natural gas engineering services for the City.

1.04 Separate Connection: shall mean each residence for which City natural gas has been requested or provided, whether occupied or not, including separate apartments within a single building, and separate commercial establishments within a single building.

1.05 System: shall mean the natural gas distribution system of the City and all extensions and additions thereto, whether now in place or hereafter constructed.

1.06 Customer Outside the City: shall mean any separate connection for which services have been requested or provided, with such point of service lying outside the City limits as determined by the City.

1.07 Council: shall mean the City Council of the City of Magnolia, Texas.

## II.

### Initial Connections to the City's System (TAPS")

2.01 Application for Natural Gas Connection: each customer desiring initial natural gas service for the system shall be required to sign and complete an application for such service and pay such fees as established by the Ordinance. No service shall be rendered or connection made until such fees are paid. A copy of said application is attached hereto as Exhibit "A" as if set forth verbatim.

2.02 Tap Fees: A Tap fee for installing a meter to the measure the amount of natural gas delivered to any customer shall be assessed. That fee is initially set at \$450.00, which may be amended from time to time by Council.

2.03 Tap Fee Waived: Initial subscribers to the natural gas system shall have the tap fee waived. A list of said subscribers is attached hereto as Exhibit "B".

#### 2.04 Policies Governing Initial Connections

2.041 Connections shall not be made to the City's System or portions of the System until the City's Engineer or a designated representative of the City has certified that the System or applicable portion thereof is adequate and operational. Natural Gas service shall not be provided to any customer until an acceptable natural gas connection has been made.

2.042 Upon application for connection to the system the applicant shall grant an easement of ingress and egress to and from the meter or point of service for such installation, maintenance and repair as the City, in its judgment, may deem necessary. Taps and connections will not be made when, in the opinion of the City, the work is obstructed by building materials and debris or the work area is not completed to finished grade. When sidewalks, driveways or other improvements have been constructed prior to application for service, such application shall be construed and accepted as a waiver of a claim for damage to such improvements resulting from the reasonable actions of the City in the installation of the connection.

2.043 All meters, fittings, boxes, valves and appurtenances installed shall remain the property of the City.

2.044 All connections to the City's natural gas system shall be made by the City unless specified otherwise by the City Council. No person, other than the properly authorized agents of the City shall be permitted to tap or make any connections with the mains or distribution piping or make any repairs or additions to or alterations in any meter box, tap, pipe, cock or other fixture connected with the natural gas system except by written permission of the City Council.

### III.

#### **Rates and Fees for Natural Gas Service**

3.01 Application Fee: A non-refundable application fee of \$40.00 shall be charged for each customer. No service shall commence until such time as this fee is paid in full.

3.02 Deposit: To secure the payment of monthly bills, each applicant shall pay a deposit of \$100.00, which sum shall be refunded at the termination of service if the customer's account is not in arrears.

3.03 "Tap" Fee: A connection fee in accordance with Section 2.02 shall be paid for each meter installed for each customer receiving natural gas. Each meter installed shall remain so for a minimum period of twelve months with at least the monthly minimum charged to that customer for that period.

3.04 Monthly Rate:

Minimum Bill (no gas used)	\$5.00 per month
1 mcf or more used per month	\$4.75/mcf plus fuel adjustment

3.05 Policies Governing Natural Gas Service

3.051 No Reduced Rates or Free Service: All customers receiving services from the City shall be subject to the provisions of the Ordinance, and shall be charged the rates established in this Ordinance, and no reduced rate or free service shall be furnished to any such customer.

3.052 Customers are not guaranteed a specific quantity or pressure of natural gas for any purpose whatever; in no instance shall the City be liable for failure or refusal to furnish natural gas or any particular amount or pressure or to provide a specific quantity or capacity.

3.053 If any natural gas meter is found to be defective, the City may retroactively invoice the customer for all natural gas delivered but not paid for by customer.

IV.

**Delinquency in Payment Penalty; Discontinuation and Termination of Service**

4.01 City shall have the right to terminate service and cut off the supply of natural gas to a customer at any time after the customer's bill becomes delinquent and after the City has made a reasonable attempt to notify the customer of such delinquency. A charge of \$20.00 plus payment of the unpaid bill shall be made for restoring natural gas service where service has been terminated because of the customer's failure to pay a bill. Bills are deemed delinquent 30 days after submission to customer and not paid in full.

4.02 Whenever a customer of the City requests that natural gas service be temporarily discontinued, the customer shall notify the City at least two days prior to the time the customer desires such service discontinued. A charge of \$20.00 shall be made for restoring natural gas service when service is discontinued and restored at the request of the customer and the customer is not delinquent in the payment of any bill at the time of either request.

## V.

### **Extensions of Service; Reimbursement**

5.01 All persons, including subdividers, property owners and developers, who own or control property which is so situated with reference to any gas line in the City as, in the opinion of the City Council, to make it practical to connect with any gas line, may at their cost and expense lay and construct gas lines in and along the streets and ways of the City to connect with such gas lines in accordance with the specifications and directions of City Council.

5.02 The reimbursement provisions of this article shall only apply to extensions of the main trunk line to the property line of the subdivider, person, property owner or developer. Any lines constructed within the subdivision or property of the subdivider, owner or person, or those which are feeder lines shall not be taken into consideration when determining the amount of reimbursement under this article. It is hereby declared that all gas lines laid under the provisions of this article shall be in all respects owned, managed, controlled and regulated by the City, and connections made therewith shall be governed and regulated in the same manner as connections with any gas lines.

5.03 Before beginning any construction of the extensions of service as contemplated by this section, complete plans, specifications and a map for such proposed extensions must be completely approved by the Texas Railroad Commission, if such approval is necessary, the City Engineer, and the City Council. No extension shall be approved and no reimbursement of expense shall be authorized until such time as this occurs.

The City shall have the right, during all reasonable business hours to inspect the work.

## VI.

### **Damage to City Facilities; Penalties**

6.01 No person other than a duly authorized agent of the City shall open, install, remove, or in any way tamper with a meter box, meter, service line or other natural gas system appurtenance. The City reserves the right to immediately and without notice remove the meter or disconnect natural gas to any customer whose meter has been tampered with and to assess repair charges to the customer plus a damage fee of \$50.00.

6.02 In recognition of City's obligation to protect and maintain the public health and safety, the City reserves the right to repair damage to the City's System and appurtenances without prior notice. The City reserves the right to charge any customer for damage to the System if it is shown that such damage was caused by customer's intentional or negligent act of omission. Failure to pay upon presentment a bill for damage to the System shall be grounds for service disconnection pursuant to Section IV of this Ordinance.

6.03 After a meter has been set, the customer shall at all times keep the area in, around, and upon the meter and box and City easements free from rubbish or obstruction of any kind. Failure to keep the meter and box and City easements and property under customer's control free from rubbish or obstruction shall result in disconnection of service.

6.04 No person, other than the City, its employees, or its duly authorized agent, shall in any way intentionally tamper with, mutilate, destroy, turn on, turn off or take any action with respect to the City's natural gas meters. Any person found to have intentionally tampered with, mutilated, destroyed, turned on, or turned off a natural gas meter belonging to the City or intentionally tampered with any natural gas distribution line of the City shall be guilty of a Class "C" misdemeanor and shall be upon conviction fined no more than \$500.00. Any person, except the City, its employees or duly authorized agent, found to have intentionally turned on or reconnected a meter after said meter has been disconnected for any reason shall be guilty of a Class "C" misdemeanor and upon conviction shall be assessed a fine of not more than \$500.00.

Any person found guilty of any violation of this section a second time shall be fined no less than \$250.00.

The City reserves the right to deny service to anyone for any period of time found guilty of violating this section.

## VII.

### Appeal

Any person so affected by any action taken by City employees or the City's duly authorized agents, except for criminal prosecution pursuant to 5.04, may appeal the matter to the City Council. Notice of appeals must be filed within 20 days after the action complained of has occurred.

VIII.


**Severability**

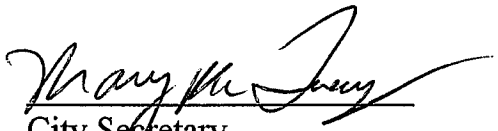
The provisions of this Ordinance are severable, and if any provision or part of this Ordinance or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Ordinance shall not be affected thereby.

PASSED AND ADOPTED ON ITS FIRST READING ON THE 10TH DAY OF September, 1996.

Councilwoman Ogden	<u>AYE</u>
Councilman Sutherland	<u>ABSENT</u>
Councilman Smith	<u>AYE</u>
Councilwoman Cloyd	<u>AYE</u>
Councilman Green	<u>AYE</u>

ATTEST:

  
John Bramlett, Mayor

  
City Secretary

AMENDED: 11/12/96

TO ADOPT THE STANDARD GAS CODE 1994 EDITION