

ORDINANCE NO. 2001-12-04-001

AN ORDINANCE OF THE CITY OF KEMPNER, TEXAS, PRESCRIBING REGULATIONS REGARDING NOTICE TO BE PROVIDED THE CITY AND ITS RESIDENTS OF A PUBLIC UTILITY STATEMENT OF INTENT TO INCREASE RATES; PROVIDING CERTAIN PROCEDURES FOR PUBLICATION OF NOTICE OF A STATEMENT OF INTENT TO INCREASE RATES; PROVIDING THAT THIS ORDINANCE IS CUMULATIVE; AND PROVIDING AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED.

WHEREAS, the Texas Utilities Code authorizes the City to act as the regulatory authority to ensure that fair, just, and reasonable rates and adequate and efficient services are provided by the public utilities operating within the City; and

WHEREAS, the City finds that in order to provide meaningful review of any proposed rate increase it is important that the City receive meaningful input from the City's citizens concerning any proposed public utility rate increase; and

WHEREAS, the City's citizens must receive adequate notice to be able to participate in any City review of a public utility rate increase proposal that the City has original jurisdiction of; and

WHEREAS, the Texas Utilities Code authorizes the regulatory authority to require that the public utility provide other information as needed as part of the statement of intent;

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

SECTION 1. NOTICE OF UTILITY RATE INCREASES

(A) Notice in a proceeding seeking approval for a rate increase before the local regulatory authority. A utility in the city that wishes to increase its rates for a public utility service in the city shall give notice in accordance with this Ordinance.

(B) Publication of notice. The Applicant shall publish notice for four consecutive weeks in conspicuous form in Lampasas Dispatch Record. The Applicant shall publish the body of the notice in at least 12 point type. The heading for the Notice shall be in at least 16 point type, entitled "Notice of Rate Increase Request."

- (1) The published notice shall at a minimum contain the following further information if the utility is a gas utility:
 - (1) The effect the proposed change is expected to have on the base rate revenues, exclusive of the commodity costs of gas, on the Company

- expressed as an annual dollar increase over adjusted test year base rate revenues and as a percent over adjusted test year base rate revenues;
- (2) A description of the service for which a change is requested;
 - (3) The percentage increase for the residential class within the City over present base rate revenues;
 - (4) The percentage increase for the commercial class within the City over present base rate revenues;
 - (5) The dollars and cents amount of the base rate increase for a residential customer located within the City, using 6 Mcf;
 - (6) The dollars and cents amount of the base rate increase for a commercial customer located within the City, using 30 Mcf;
- (2) The published notice for other public utilities not gas utilities shall at a minimum contain the following further information:
- (a) The effect the proposed change is expected to have on base rate revenues.
 - (b) A description of the service for which a change is requested.
 - (c) The percentage increase of residential rates over the present residential rate for the average residential customer.
 - (d) The percentage increase of commercial rates over the present commercial rates for the average commercial customer.
- (3) The notice shall specify a proposed effective date, if possible, which is at least 35 days after the filing date. The notice shall provide a point of contact with the City for persons who wish to seek further information. A telephone number shall also be provided.

(C) Affidavits regarding notice. The applicant shall submit to the City Secretary an affidavit attesting to the provision of notice required by this section within thirty (30) days of the completion of notice by publication.

(D) Sufficiency of application. The utility shall not be deemed to have made a complete Statement of Intent to Increase Rates for purposes of the statutory effective dates under the Texas Utilities Code unless notice is provided consistent with these requirements.

(E) Utility or Public Utility. The term "utility" or "public Utility" shall not be deemed to include municipal utilities.

SECTION 2. NOTICE

The copy of this Ordinance shall be sent to each public utility operating within the city.

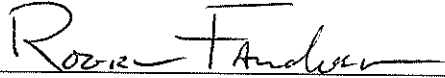
SECTION 3. CUMULATIVE REQUIREMENTS AND EFFECTIVE DATE

This Ordinance is cumulative of all other requirements for notice under state law and shall become effective upon passage and publication as required by law.

SECTION 4. OPEN MEETINGS

It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

DULY PASSED AND APPROVED this the 4th day of Dec., 2001.



ROGER FANCHER, MAYOR

ATTEST:



FRANCES SPINNEY, CITY SECRETARY



BARNEY L. KNIGHT, CITY ATTORNEY