

ORDINANCE NO.

2-85

Fixing and regulating the price that may be charged by Columbia Gas of Ohio, Inc., its successors or assigns, for gas to the Village of Spencer, Ohio, and to its inhabitants, for the period from and after the effective date of this ordinance and until July 1, 1986.

BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF SPENCER, OHIO:

SECTION 1: That, for the period from and after the effective date of this ordinance, and until January 1, 1986, the maximum price which Columbia Gas of Ohio, Inc. (Company), its successors or assigns, shall be permitted to charge for and the minimum price at which it or they shall be required to furnish gas to the Village of Spencer, Ohio (Municipality), and to its inhabitants, shall be and the same is hereby fixed for each individual consumer as follows:

A "Customer Charge" of \$5.10, per meter per month, regardless of gas consumed, and 17.856¢ per 100 cubic feet, per meter per month, for all gas consumed.

A "Customer Charge" for each customer each month of Five Dollars and Ten Cents (\$5.10) shall be made. If service under this rate schedule is discontinued at the request of customer, the Company shall not be under any obligation to resume service to the same customer on the same premises until the customer has made payment of an amount equal to the "Customer Charge" for each month of the intervening period, but not to exceed twelve (12) months.

The above rates exclude gas costs. All bills rendered pursuant to this ordinance shall be adjusted to reflect the effect of the Ohio Gross Receipts Tax surcharge authorized by the Public Utilities Commission of Ohio, as long as that surcharge remains in effect, and are subject to decrease or increase in accordance with the "Gas Cost Recovery" Provisions of the Company's Rules and Regulations, on file with the Public Utilities Commission of Ohio.

From and after bills rendered January 1, 1986 and until July 1, 1986, as follows:

A "Customer Charge" of \$5.25, per meter per month, regardless of gas consumed, and 19.713¢ per 100 cubic feet, per meter per month, for all gas consumed.

A "Customer Charge" for each customer each month of Five Dollars and Twenty-five Cents (\$5.25) shall be made. If service under this rate schedule is discontinued at the request of customer, the Company shall not be under any obligation to resume service to the same customer on the same premises until the customer has made payment of an amount equal to the "Customer Charge" for each month of the intervening period, but not to exceed twelve (12) months.

The above rates exclude gas costs. All bills rendered pursuant to this ordinance shall be adjusted to reflect the "Gas Cost Recovery" Provisions of the Company's Rules and Regulations, on file with the Public Utilities Commission of Ohio.

Section 2: The rates prescribed in Section 1, effective January 1, 1986, shall be adjusted to reflect the effects of the Ohio Excise Tax on any increase or decrease in the Expected Gas Cost rate effective December, 1985 as compared to the Expected Gas Cost rate of \$4.8828 per Mcf effective December, 1984. The adjustment shall be rounded to the nearest one-thousandths cent (1/1,000¢) per Ccf and shall be limited to .175¢ per Ccf or the actual computed adjustment, whichever is less.

Notification, including documentation of any adjustment pursuant to this section, shall be directed to the Clerk of Council of the municipality.

SECTION 3: That it is expressly conditioned the service to be rendered by said Company, its successors or assigns, pursuant to this ordinance shall be primarily for domestic and commercial purposes and that service shall not be extended to other consumers of different classes until after all reasonable requirements for domestic and commercial purposes are fully met, and this provision shall be binding upon said Company, its successors or assigns, during each month of each year; but during any month or year, subject to the foregoing limitations and after compliance with the foregoing provisions, gas may be delivered to any other consumer and additional classes of consumers at such times and under such conditions and for such rates as may be agreed upon between the Company and such consumer or consumers.

SECTION 4: The terms and conditions of the service to be rendered shall conform with and be subject to the Rules and Regulations for furnishing gas service of the Company on file with and approved by the Public Utilities Commission of Ohio.

SECTION 5: That the gas furnished or delivered pursuant to the terms of this ordinance, by the said Company, shall have an average heating value of 1,000 British Thermal Units per cubic foot for any consecutive

twelve (12) month period subject to variance of not more than five percent (5%) upward or downward.

SECTION 6: In the event the State of Ohio, or the Municipality, should hereafter impose a tax upon the Company that is not now imposed, or should hereafter increase the rate of any tax now imposed upon the Company above the tax rate now existing, other than the rate on property listed in the real estate tax list and duplicate, or if the result of any new State of Ohio legislation or PUCO rulemaking is to increase the cost of operations for supplying gas service in the Municipality, then the rates prescribed in Section 1 shall be increased to the extent necessary to compensate the Company for such increase in cost, where not otherwise provided for herein. This shall be done in the following manner:

(a) If the new tax or higher tax rate, legislation or rulemaking is computed in direct relation to gas sold or revenues received for the sale of gas, the rates set forth herein shall be adjusted to the extent necessary to recompense the Company for the amount thereof.

(b) If the new tax or higher tax rate, legislation or rulemaking is not related directly to gas sold or to revenues received for the sale of gas, then the incremental cost of providing service in the Municipality resulting from the new tax or higher tax rate, legislation or rulemaking will be divided by the most recent twelve months sales in the Municipality.

The incremental adjustment for the rates as provided in Subparagraphs (a) and (b) above, shall be rounded to the nearest one-thousandth cent (1/1,000¢) per CCF and shall be added to the base rates in Section 1.

The adjustment will be effective with bills rendered not less than thirty (30) days subsequent to written notification by the Company to the Municipality.

Notification, including documentation of such adjustment pursuant to this section, shall be directed to the Clerk of Council of the Municipality.

SECTION 7: The Company is required to maintain gas service to certain low income customers who qualify under the Percent of Income Plan (PIP), pursuant to Section 4901:1-18-04(B) of the Ohio Administrative Code.

The rates prescribed in Section 1, effective January 1, 1986, do not reflect recovery of the costs that represent the unpaid portion of the bills of those customers who participated in the PIP from the effective date of the rate through the plan year ended October, 1984.

Currently, the Public Utilities Commission of Ohio (PUCO) is considering various methods which will provide for recovery of the current and/or ongoing costs associated with PIP. As soon as an appropriate method

has been established through PUCO Order, or rulemaking, the rates in Section 1, effective January 1, 1986, shall be correspondingly adjusted.

Throughout the term of this ordinance, notifications including documentation of any adjustments pursuant to this section shall be directed to the Clerk of Council of the municipality.

SECTION 8: That any ordinance or resolution, or part of an ordinance or resolution, inconsistent herewith, is, to the extent of such inconsistency, hereby repealed.

SECTION 9: That should any section or part of a section or provision of a section of this ordinance be declared void, the remainder of this ordinance shall not be affected thereby.

SECTION 10: That, pursuant to Section 4909.43, O.R.C., Company may not file for an application for increased rates any sooner than January 1, 1986 for rates to become effective any sooner than October 1, 1986.

SECTION 11: The rates in Section 1 are predicated upon passage of the negotiated increase by all twenty-seven (27) communities in the Lake-To-River Consortium II. In the event not all communities pass the negotiated rate, the rates in Section 1 will be correspondingly adjusted to reflect the cost of serving the remaining communities in the same manner that was agreed to in the negotiations. Documentation supporting the adjustment will be provided to each community prior to the effective date of the ordinance.

SECTION 12: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of the Council and that all deliberations of this Council and any of its committees which resulted in such formal actions, were in meetings open to the public, in compliance with all legal requirements of the Village of Spencer, Ohio.

SECTION 13: That this ordinance is declared to be an emergency measure necessary for the public peace, health, safety and welfare of the Village of Spencer and for the particular reason that immediate effectiveness of this ordinance is necessary to obtain the most favorable rates from Columbia Gas of Ohio, Inc. and to insure continued gas utility service and this ordinance shall take effect and be in full force from and after its passage, provided however this ordinance shall have no force or effect whatsoever unless and until written acceptance of this ordinance is filed by the Company with the Clerk of Council of the Village of Spencer, Ohio.

PASSED: March 27, 1985

Gene Clifford
President of Council

ATTEST:

Delores M. Luff
Clerk

Gene Clifford
Acting Mayor