

ORDINANCE NO. 254

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 of Four (4) Years from and after the effective date of this ordinance; and repealing Ordinance No. 206 passed by the Council of the Village of Spencer, Ohio on the 29th day of October, 1968, entitled: "Ordinance No. 206 - Fixing and regulating the price that may be charged by Columbia Gas of Ohio, Inc., its successors or assigns, for natural gas to the Village of Spencer, Ohio, and to its inhabitants, for the period of Four (4) Years from and after the effective date of this ordinance; * * *."

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

SECTION 1: That, for the period of Two (2) Years from and after the effective date of this ordinance, the maximum price which Columbia Gas of Ohio, Inc., 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:

Thirty Cents (30¢) per one hundred (100) cubic feet for the first 2,000 cubic feet, used through each meter each month;

Ten and five-hundredths Cents (10-5/100¢) per one hundred (100) cubic feet for the next 98,000 cubic feet, used through each meter each month;

Nine Cents (9¢) per one hundred (100) cubic feet for all in excess of 100,000 cubic feet, used through each meter each month;

A Minimum Charge for each customer each month of Three Dollars (\$3.00) shall be made. If service under this rate schedule is discontinued at the request of customer, the Company shall not to 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 minimum monthly charge for each month of the intervening period, but not to exceed twelve (12) months.

From and after the expiration of the aforesaid Two Year period and for a further period of Two (2) Years thereafter, as follows:

Thirty-one and one-half Cents (31½¢) per one hundred (100) cubic feet for the first 2,000 cubic feet, used through each meter each month;

Ten and one-half Cents (10½¢) per one hundred (100) cubic feet for the next 98,000 cubic feet, used through each meter each month;

Nine and four-tenths Cents (9-4/10¢) per one hundred (100) cubic feet for all in excess of 100,000 cubic feet, used through each meter each month;

A Minimum Charge for each customer each month of Three Dollars and Fifteen Cents (\$3.15) 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 minimum monthly charge for each month of the intervening period, but not to exceed twelve (12) months.

FUEL COST CLAUSE

The service rates prescribed above are subject to an adjustment for any change in the rates paid by Columbia Gas of Ohio, Inc., (Company) to Columbia Gas Transmission Corporation (Columbia Gas Transmission) for the purchase of gas or for any refund or refunds received from Columbia Gas Transmission, as hereinafter provided. Columbia Gas Transmission's rates to the Company are regulated by the Federal Power Commission.

The service rates prescribed above are predicated upon the rates paid by the Company to Columbia Gas Transmission under the FPC CDS Rate Schedule of \$3.49 per month per one thousand (1,000) cubic feet of Billing Demand and 35.32¢ per one thousand (1,000) cubic feet for all gas purchased, and under the FPC WS Rate Schedule of \$1.06 per month per one thousand (1,000) cubic feet of Billing Demand and 1.37¢ per month per one thousand (1,000) cubic feet of Winter Contract Quantity. These rates are hereinafter referred to as the "base rates."

A. Purchased Gas Adjustment

When any change is made in the rates paid by the Company to Columbia Gas Transmission, the service rates herein shall be increased or decreased in the following manner:

(1) Gas purchased by the Company during the twelve (12) month period ended with the second month preceding the month in which new rates of Columbia Gas Transmission are first used in computing the monthly bill to the Company shall be priced:

- (a) at the base rates, and
- (b) at the new rates.

The difference in the cost of gas purchased, computed at the base rates and at the new rates in the manner set forth above, shall be divided by the volume of gas purchased by the Company during the same twelve (12) month period to determine the increase or decrease per one thousand (1,000) cubic feet, to the nearest one-hundredth of a cent, which shall be the "purchased gas adjustment".

(2) The service rates shall be increased or decreased by the amount of the purchased gas adjustment as determined in paragraph A (1), effective with bills rendered on and after the 30th day (the effective date) following the date on which new rates of Columbia Gas Transmission are first used in computing the monthly bill to the Company; provided that the Company shall have filed with the Public Utilities Commission of Ohio and the Clerk of Council of the Municipality, not less than fifteen (15) days prior to the effective date, a computation in support of said purchased gas adjustment, together with a notice that such purchased gas adjustment is to be placed in effect at 12:01 A. M. on the effective date and shall apply to all bills rendered on and after that date.

B. Refund Adjustment

Whenever, during a quarterly period ending each March 31, June 30, September 30 and December 31, subsequent to the effective date of this Fuel Cost Clause, the Company receives a refund or refunds from Columbia Gas Transmission, the Company shall decrease the service rates in the following manner:

(1) Dividing such refund or refunds by the actual volumes of gas purchased during the twelve (12) month period ending with the quarter in which the refund or refunds were received. The quotient so determined to the nearest one-hundredth of a cent shall be the "refund adjustment".

(2) The service rates which would otherwise be in effect shall be decreased for a twelve (12) month period commencing on the first day of the third month after the quarterly period in which the refund or refunds were received. The refund adjustment shall terminate at the end of said twelve (12) months.

(3) The Company shall file with the Public Utilities Commission of Ohio and the Clerk of Council of the Municipality, thirty (30) days prior to the effective date a computation in support of said refund adjustment together with a notice that the refund adjustment will be placed in effect as of 12:01 A. M. on the effective date and shall apply to all bills rendered on and after that date for a twelve (12) month period. Such filing shall also set forth the combined effect of the current purchased gas adjustment and the refund adjustments determined, as herein provided for the next four (4) quarterly periods.

(4) Any refund adjustment, made under the Company's former fuel cost clause, which has not been in effect for twelve (12) months at the time the instant ordinance becomes effective shall continue in effect until such twelve (12) month period has been completed. The Company shall file a computation with the Public Utilities Commission of Ohio and the Clerk of the Municipality, in support of any refund adjustment determined under this paragraph.

SECTION 2: 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 3: 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 4: 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 a variance of not more than five (5) percent upward or downward.

SECTION 5: 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, then the rates prescribed in Section 1 shall be increased to the extent necessary to compensate the Company for the increase in cost due to such new tax or higher tax rate. This shall be done in the following manner:

(a) If the new tax or higher tax rate 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 is not related directly to gas sold or to revenues received for the sale of gas, then the total dollar effect thereof upon the cost of serving gas by the Company in the Municipality shall be determined, based upon operations of the Company in the Municipality during the most recently available twelve month period ending on the last day of the December preceding the effective date of the new tax or higher tax rate; the total dollars so computed shall then be divided by the total sales made to the types of customers covered by this ordinance during the same twelve month period and the rates prescribed herein shall be correspondingly adjusted.

The adjustment of the rates prescribed in this Ordinance, as provided in subparagraphs (a) and (b) above, shall be made by rounding the mathematical result of the computations so prescribed to the nearest one quarter cent (1/4¢) per one thousand cubic feet.

The adjusted rate shall be placed in effect and shall apply to all meter readings occurring on and after the effective date of the statute, ordinance or resolution pursuant to which the new tax or increased tax rate is imposed.

Written notification of the adjustment shall be sent to the Clerk of Council of the Municipality as quickly as possible after the effect of the new tax or higher tax rate can be determined.

SECTION 6: The rates set forth in this Ordinance are based on the actual cost of serving the Municipality and they do not reflect future inflationary expectations. Considering all factors such as the rates being cost-justified and the period of time that the rates will be in effect in the future, the increase is the minimum required to assure continued, adequate and safe service as well as to enable the Company to attract capital at reasonable costs and not to impair the credit of the Company. The increase does not reflect labor costs in excess of those allowed by Price Commission policies and takes into account gains in productivity.

SECTION 7: That any ordinance or resolution, or part of an ordinance or resolution, inconsistent herewith, is, to the extent of such inconsistency, hereby repealed.

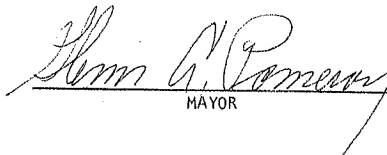
SECTION 8: That should any section or part of a section or provision of a section of this ordinance be declared void, the remainder of this ordinance shall not be affected thereby.

SECTION 9: That Ordinance No. 206 passed by the Council of the Village of Spencer, Ohio, on the 29th day of October, 1968, entitled: "Ordinance No. 206 - Fixing and regulating the price that may be charged by Columbia Gas of Ohio, Inc., its successors or assigns, for natural gas to the Village of Spencer, Ohio, and to its inhabitants, for the period of Four (4) Years from and after the effective date of this ordinance; * * *." be and the same is hereby repealed.

SECTION 10: That this ordinance shall become effective at the earliest date allowed by law, provided, however, that this ordinance shall have no force or effect whatsoever unless written acceptance of this ordinance is filed by the Company with the Clerk of Council of the Village of Spencer, Ohio, prior to the expiration of thirty (30) days from the date this ordinance is passed.

PASSED:

December 21, 1972


MAYOR

ATTEST:


CLERK