

AN ORDINANCE ESTABLISHING A NEW MAIN LINE EXTENSION RATE APPLICABLE TO MAIN LINE EXTENSIONS BY LONE STAR GAS COMPANY WITHIN THE CITY OF CUMBY, HOPKINS COUNTY, TEXAS, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Lone Star Gas Company, a Division of ENSERCH CORPORATION, is the holder of a franchise to distribute natural gas within the municipal limits of the City of Cumby, Texas, and

WHEREAS, the existing main line extension rate for residential extensions within the municipal limits is \$4.50 per foot for each beyond the applicable free limit, and

WHEREAS, Lone Star Gas Company desires to change the main line extension rate to more closely match the rate with the actual cost of extension,

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

SECTION 1: Effective upon the date of passage of this ordinance, the charge for extending mains beyond the free limit established by Lone Star Gas Company, or any free limit established by franchise, for residential customers shall be the lesser of: (a) the system-wide average cost of construction, including all overheads, for the prior fiscal year or (b) the adjusted actual cost as determined by applying the latest Handy-Whitman Index to the 1975 actual base cost of \$2.94. The Company shall file the calculation of such charge with the city as soon as sufficient data is available each fiscal year. Extension to commercial and industrial customers shall be based on actual cost per foot.

SECTION 2: Any prior ordinance establishing a main line extension rate for Lone Star Gas Company is hereby repealed to the extent that the prior provision is inconsistent with SECTION 1 of this ordinance. In all other respects, prior ordinances are not affected by this ordinance.

SECTION 3: 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 5th day of June, A.D. 1984

ATTEST:


Secretary

Mayor

City of Cumby, Texas