

ORDINANCE NO. 8591-14

AN ORDINANCE OF THE CITY OF CLEARWATER, FLORIDA, RELATING TO UTILITIES; AMENDING THE CODE OF ORDINANCES, CHAPTER 32, UTILITIES, ARTICLE VIII, GAS, PROVIDING FOR THE USE OF SUBCONTRACTORS IN THE FULFILLMENT OF GAS SERVICES, PROVIDING FOR DELIVERY OF GAS AT VARYING PRESSURES, PROVIDING FOR DISCRETION BY CLEARWATER GAS SYSTEM IN PROVIDING CERTAIN OPTIONAL SERVICES WHEN SUCH SERVICES ARE AVAILABLE COMPETITVELY IN THE MARKETPLACE; AMENDING THE CODE OF ORDINANCES, APPENDIX A, SCHEDULE OF FEES, RATES AND CHARGES, SECTION XXVI, CLEARWATER GAS SYSTEM FEES, RATES AND CHARGES, TO REVISE RATES FOR CLEARWATER GAS SYSTEM CUSTOMERS IN ACCORDANCE WITH THE 2014 CLEARWATER COST OF SERVICE AND RATE STUDY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Clearwater Gas System wishes to clarify that it utilizes subcontractors in the course of providing gas services; and

WHEREAS, Clearwater Gas System wishes to revise the code of ordinances to provide for certain operational updates; and

WHEREAS, the current gas rates and service charges of the Clearwater Gas System have been effective since January 1, 2011; and

WHEREAS, it is determined to be fair and reasonable to adopt the recommendations of the Clearwater Gas System to establish gas rates and service charges based on the cost to serve the various classes of customers; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLEARWATER, FLORIDA:

Section 1. That Chapter 32, Article VIII of the Code of Ordinances of

the City of Clearwater is hereby amended as follows:

Article VIII. GAS

Sec. 32.330. Unified system.

All municipal utility properties of the city supplying gas service in and to the city and citizens and inhabitants and users thereof shall be controlled, operated and maintained as provided in section 32.001. See appendix A to this Code, for gas system deposits, fees, service charges and rate schedules.

Sec. 32.331. Gas code.

The installation of gas pipes, fixtures, appliances and other equipment and appurtenances shall be installed in accordance with the gas code of the city, as adopted in section 47.051, Development Code of the City of Clearwater. The installation of the customer's gas piping system, fixtures, appliances, and other equipment and appurtenances shall be installed in accordance with the latest edition of the Florida Building Code/ICC "Fuel Gas" and the latest edition of NFPA 58 LP Gas Code, or subsequent adopted replacement codes.

Sec. 32.332. Application for service.

An application for gas service shall be filed with the gas division, whether or not a building permit is required. If a building permit is required, a separate application for a building permit shall be filed with the building division. The applicant shall pay gas system deposits, fees or connection charges at the time the application is filed with the gas division.

Sec. 32.333. Permit.

See city gas code, as adopted by section 47.051, Development Code of the City of Clearwater, for provisions regarding gas permits pursuant to this article. All installation work of the consumer's piping system and appurtenances shall require applicable permits and successful inspections by the applicable jurisdictional authority.

Sec. 32.334. Tapping and connection.

Tapping of all gas mains and service connections shall be done by the gas division or an authorized contractor for the city. Title to all service connections from the main to the meters and meter installations is vested in the city, and the same shall at all times be the sole property of the city and shall not be trespassed upon or interfered with in any respect. Such city

property shall be maintained by the gas division and may be removed or changed by it at any time. Only licensed gas or plumbing contractors shall make the final connection between CGS gas meter or LP gas service lines and the customer's gas piping and only after proper permits have been issued by the appropriate jurisdictional authorities, and have attained a successful final gas inspection. Only CGS employees and contractually-approved subcontractors of CGS are permitted to turn on gas and initiate service.

Sec. 32.335. Maintenance of meters and service lines.

The gas division shall have the right to meter any and all gas service lines. The gas division alone shall have the right to stipulate the size, type, make and location of meters, type of meter setting, and the gas delivery pressure. All meters shall be maintained by the City. The customer shall be held responsible for damage to a meter or service line when such damage results from the negligence of the customer. When such damage occurs, the city will furnish and set another meter and repair the damaged meter or make other necessary repairs, and the cost of such repairs, including replacement parts, labor and transportation charges, shall be paid by the customer.

Sec. 32.336. Meters and LP Tank Locations and delivery pressure.

Gas service will be delivered to the customer for each premise at one (1) point of service. The location of the meter or tank will be designated by the applicable gas system representative and will typically be within ten (10) feet of the nearest corner of the premise to the gas main and in a location that is expected to be maintained by the customer as accessible, i.e. not expected to be enclosed by fencing or hedges.

Each gas meter and service regulator and propane (LP) tank shall be installed in a location readily accessible for reading, inspection, repairs, testing and changing of the meter/tank and operation of the gas shutoff valve, and shall be protected from corrosion and other damage. The customer is responsible for maintaining bushes, vegetation, sprinklers, etc. clear from the meter/tank to allow access and good operational performance. Sprinklers and their flow must be maintained clear of the meter/tank to avoid premature corrosion. Upon discovery of a deficiency and notification to the customer, remedial actions must be made including potentially requiring the relocation of the gas facilities to ensure life safety and to maintain required clearances. If this work is done by CGS personnel, then normal Time and Material charges will apply.

The standard delivery pressure of natural gas at the point of delivery to the consumer (the meter) is established at the option of CGS at either 2 pounds per square inch (PSI) or seven (7) inches water column (approximately ¼ pounds per square inch PSI) and for propane (LP) from the tank is

established at the option of CGS at either eleven (11) inches water column (approximately 3/8 pounds per square inch PSI) or 2 PSI. An optional delivery pressure above the standard ~~must~~ may be requested by the customer or the customer's contractor in advance and may be approved at the sole discretion of CGS. There are advantages to each pressure and not all may be operationally available at any given location.

Sec. 32.337. Status of gas quantity recorded.

The quantity of gas recorded by the meter shall be conclusive, except when the meter is found to be registering inaccurately or has ceased to register. In such cases, the quantity may be determined by the average registration of the meter in a corresponding past period or by the average registration of the new meter, whichever method is, in the opinion of the city, representative of the conditions existing during the period in question.

Sec. 32.338. Testing.

The gas division reserves the right to remove or test any meter at any time and to substitute another meter in its place. In case of a disputed account involving the question of accuracy of the meter, the meter will be tested by the city upon written request of the customer; provided, however, that the meter in question has not been tested by the city within the previous two years. The customer agrees to accept the results of the test made by the city. If the meter tested is found to have an error in registration in excess of three percent as based on the arithmetical average of one-fourth load and full load of the meter, there will be no charge for the testing; but should the test show error in registration less than three percent there shall be a charge for testing the meter. The billing for the testing will be charged to the customer's account.

Sec. 32.339. Tampering with.

No person other than an agent of the city shall remove, inspect or alter the gas meter or any other part of the gas system located on the premises. The customer shall notify the city of any damage to or any failure of the meter or service line.

Sec. 32.340. Authority to turn on gas.

- (1) *Generally.* It shall be unlawful for any person other than a CGS employee or a specifically designated and approved agent of the City to turn on, or in any way alter or damage, any gas meter which has been turned off by the City. The customer serviced by the meter shall be held responsible for any actions.
- (2) *Unauthorized connections.* A fee shall be charged for the removal of any device which has been installed in lieu of or in addition to a gas

meter, except where the pipe or device has been authorized in writing by the City.

- (3) *Open meter bypass servicing.* A fee, over and above the bill established from the meter reading, shall be charged for the service of turning off the meter bypass valve, when such opening was not previously authorized in writing by the City.
- (4) *Broken stop locks.* A replacement fee shall be charged for the replacement of meter stop locks which have been broken or removed.

Sec. 32.341. Responsibility for gas in service lines.

The City is responsible for the gas contained within the service lines. The term "service line" means a distribution line that transports gas from a common source of supply to a customer meter outlet or the outlet of the second stage LP gas regulator connection to a customer's house piping, or the connection to a customer's piping if there is no customer meter. A customer meter is the meter that measures the transfer of gas from CGS, the gas supplier, to a consumer. The customer is responsible for all maintenance, line locating, and repair of their customer-owned piping system, which is beyond the gas meter outlet or beyond the outlet of the second stage LP gas regulator.

Sec. 32.342. Optional Services provided by Clearwater Gas System beyond the meter/LP tank.

The provision of propane (LP) gas service, gas service and repair services, gas installation services, and gas appliance/equipment sales are all competitive services rendered in the market place by other providers. Clearwater Gas System retains the sole right to elect where and when to provide these optional services at the sole discretion of the CGS Managing Director. At any time, CGS may elect to discontinue providing these optional services and may instruct the customer to acquire same from another market vendor of these services.

Section 2. That Appendix A – Schedule of Fees, Rates and Charges of the Code of Ordinances of the City of Clearwater is hereby amended as follows:

XXVI. CLEARWATER GAS SYSTEM FEES, RATES AND CHARGES:

Rate schedules, fees and charges (§ 32.068):

(1) *Natural gas service rates.* The following monthly rates shall apply to all customers who are provided the availability of natural gas service by the Clearwater Gas System (CGS), based on their applicable class of service:

(a) *Residential natural gas service (rate RS):* Firm natural gas service for domestic uses in all residences of three units or fewer.

Monthly customer charge ~~\$10.00~~12.00

Non-fuel energy charge, per therm ~~\$0.48~~0.44

Minimum monthly bill ~~\$10.00~~12.00

(b) *Small multi-family residential service (rate SMF):* Firm natural gas service for all domestic applications within the living units of multi-family buildings of four units or more and the total annual consumption at the premise is 0--17,999 therms.

Monthly customer charge \$25.00

Non-fuel energy charge, per therm ~~\$0.48~~0.44

Minimum monthly bill \$25.00

(c) *Medium multi-family residential service (rate MMF):* Firm natural gas service for all domestic applications within the living units of multi-family buildings of four units or more and the total annual consumption at the premise is 18,000--99,999 therms.

Monthly customer charge \$40.00

Non-fuel energy charge, per therm ~~\$0.48~~0.44

Minimum monthly bill \$40.00

(d) *Large multi-family residential service (rate LMF):* Firm natural gas service for all domestic applications within the living units of multi-family buildings of four or more and the total annual consumption at the premise is 100,000 or more.

Monthly customer charge \$95.00

Non-fuel energy charge, per therm ~~\$0.48~~0.44

Minimum monthly bill \$95.00

- (e) *Small natural gas general service (rate SGS):* Firm natural gas service for all commercial, industrial, and other applications where no other rate is applicable and the customer's annual consumption at the premise is 0--17,999 therms.

Monthly customer charge \$25.00

Non-fuel energy charge, per therm ~~\$0.46~~0.42

Minimum monthly bill \$25.00

- (f) *Medium natural gas general service (rate MGS):* Firm natural gas service for all commercial, industrial, and other applications where no other rate is applicable and the customer's annual consumption at the premise is 18,000--99,999 therms.

Monthly customer charge \$40.00

Non-fuel energy charge, per therm ~~\$0.40~~0.38

Minimum monthly bill \$40.00

- (g) *Large natural gas general service (rate LGS):* Firm natural gas service for all commercial, industrial, and other applications where no other rate is applicable and the customer's annual consumption at the premise is 100,000 therms or more.

Monthly customer charge \$95.00

Non-fuel energy charge, per therm ~~\$0.34~~0.34

Minimum monthly bill \$95.00

- (h) *Interruptible natural gas service (rate IS):* Interruptible natural gas service available under a standard agreement for typically industrial applications where the customer's annual consumption at the premise is 100,000 therms or more; the customer agrees contractually to purchase a minimum of 250 therms/day (excluding curtailment days); and where the customer has either installed alternative fuel capability and/or contractually agrees to curtail service at the request of the Clearwater Gas System, subject to penalties for failure to comply.

Monthly customer charge \$250.00

Non-fuel energy charge, per therm ~~\$0.2800.24~~

Minimum monthly bill \$250.00

Plus the non-fuel therm rate for the minimum number of contract therms per day

Note: All customers being served under Contract Rates as of December 31, 2008, will be allowed to remain on their existing contracts until their next expiration date, at which time that contract will automatically be discontinued and the customer will be moved to the applicable standard rate unless a new contract is executed.

- (i) *Contract natural gas service (rate CNS):* Contract natural gas service for special applications and conditions approved by the City Manager or designee. This rate is typically applicable where competitive fuel sources are confirmed to be available to the customer and special rates with special conditions are required to obtain/retain the customer. This rate may be used to construct a special standby rate where the customer requires capability to serve, but normally uses an alternative energy source. Such service must fall within the normal construction feasibility formula to insure a profitable payback to the City.

Monthly customer charge....	The same as the normally applicable service class
Non-fuel energy charge....	Per therm as established by contract
Minimum monthly bill....	Monthly customer charge plus the non-fuel therm rate for a contract level of monthly consumption

Note: All customers being served under Contract Rates as of December 31, 2008, will be allowed to remain on their existing contracts until their next expiration date, at which time that contract will automatically be discontinued and the customer will be moved to the applicable standard rate unless a new contract is executed.

- (j) *Residential natural gas air conditioning/emerging technology service (rate RAC):* Firm natural gas service for domestic gas air conditioning, combined heat & power (CHP) systems, and/or other emerging technology systems in all residences of three (3) units or

fewer where the ~~gas air conditioning~~applicable load is separately metered. Note: This rate is closed for new customer applications and is only applicable for residential customers on RAC service as of December 31, 2008. New residential air conditioning applications on or after January 1, 2009, will be handled as added services on the standard RS rate application.

Monthly customer charge....	\$ 40.00 <u>12.00</u> only if this is not already being billed on another metered account at the premise on a firm rate schedule
Non-fuel energy charge, per therm....	\$0.20
Minimum monthly bill....	\$ 40.00 <u>12.00</u> at the premise on a firm rate schedule

(k) *General natural gas air conditioning/emerging technology service (rate GAC): Firm natural gas air conditioning, combined heat & power (CHP), and/or other emerging technology systems ~~service~~ for all commercial, industrial, and ~~other non-residential~~ applications of 4 or more units where the installed gas air conditioning capacity is 0--149 tons or the projected CHP/emerging technology load is 0 – 17,999 therms per year and the ~~gas air conditioning~~applicable load is separately metered.*

Monthly customer charge....	\$ 25.00 only if this is not already being billed on another metered account at the premise on a firm rate schedule
Non-fuel energy charge, per therm....	\$ 0.15
Minimum monthly bill....	\$ 25.00 at the premise on a firm rate schedule

(l) *Large natural gas air conditioning/emerging technology service (rate LAC): Firm natural gas air conditioning, combined heat & power (CHP), and/or other emerging technology systems ~~service~~ for all commercial, industrial, and ~~other non-residential~~ applications of 4 or*

more units where the installed gas air conditioning capacity is 150 tons or more or the projected CHP/emerging technology load is 18,000 therms per year or more and the gas-air conditioning applicable load is separately metered.

Monthly customer charge....	\$ 40.00 only if this is not already being billed on another metered account at the premise on a firm rate schedule
Non-fuel energy charge, per therm....	\$ 0.10
Minimum monthly bill....	\$ 40.00 at the premise on a firm rate schedule

(m) *Natural gas street lighting service (rate SL):* Natural gas service for lighting of public areas and ways. Service may be either metered or estimated at the sole discretion of the gas system. The customer may elect to either:

- subscribe for normal street lighting maintenance and relighting labor service, or
- call Clearwater Gas System for repair service and pay normal hourly labor charges (see other miscellaneous gas charges), or
- maintain their own lights.

Repair equipment and/or parts supplied by Clearwater Gas System will be billed as required. When the gas system provides poles, fixtures, piping, and/or installation labor beyond the service connection point, facilities contract charges may be assessed including any right-of-way permitting and utilization charges.

Monthly customer charge \$20.00

Non-fuel energy charge, per therm \$0.20

Normal maintenance and relighting labor service charge, per therm . . . \$0.15 additional

Plus any required equipment/parts

Minimum monthly bill . . . \$20.00

Plus any applicable facilities contract charges

- (n) *Contract natural gas transportation service (rate CTS):* Service for transportation of someone else's natural gas through the Clearwater Gas System for supply to another gas system or an individual customer. This is a contract natural gas service and must be approved by the City Manager or designee. Provision of this service must fall within the normal construction feasibility formula to insure a profitable payback to the City.

Monthly customer charge....	As established by contract (typically the same as the normally applicable service class)
Non-fuel energy charge....	Per therm as established by contract (typically the same as the normally applicable service rate plus charges for balancing services and any additional services desired by the customer)
Minimum monthly bill....	Monthly customer charge plus the non-fuel therm rate for a contracted level of minimum monthly flow as well as any facilities contract charges for special facilities and metering required to provide this transportation service

- (o) *Natural gas vehicle service (rate NGV):* Natural gas service for fleet vehicle fueling and for Compressed Natural Gas (CNG) Fueling Stations operated by Clearwater Gas System. This is a contract rate approved by the City Manager. Provision of this service must fall within the normal construction feasibility formula to insure a profitable payback to the City. NGV fleet services will be separately metered

and must service exclusively fleet fueling facilities. CNG Fueling Station rates will be metered through dispensing apparatus and billed at rates similarly approved by the City Manager, except that contracts may be established for certain customer fleets based on volumes.

Note: This rate is not applicable for residential or small general service rate applications (fewer than 18,000 therms of annual use for the customer's fleet vehicles). Such non-fleet applications will be billed under the customer's normal rate applicable to the premise, but a separate meter may be requested by the customer to allow measurement for federal or state excise tax credit purposes. Where an additional meter is requested, CGS may charge for its initial installation and any future additional maintenance required but will not add an additional monthly customer charge to the premise.

Note: The total energy charges for this service including all adjustments, facilities charges, taxes, etc. may be expressed as a rate "per gallon equivalent of gasoline or diesel."

- (p) *Natural gas emergency generator or other standby service (rate NSS):* Natural gas service to a metered account, separately established for back-up service, where no substantial gas service is used for year round purposes. Note: This rate is not applicable for Residential single-family applications. Such residential emergency generator applications are handled under the RS rate application.

Monthly customer charge \$50.00

Non-fuel energy charge, per therm ~~\$0.46~~0.42

Minimum monthly bill \$50.00

Plus any facilities contract charges for the facilities and metering required to serve this account

- (2) *Propane (LP) gas service rates.*

The following rates shall apply to all customers who are provided the availability of propane (LP) gas service by the Clearwater Gas System, based on their applicable class of service. Clearwater Gas requires all residential customer accounts have year round, whole house water heating as a minimum criteria for qualifying for service.

- (a) *Residential Bulk Propane Gas Service (Rate BRLP):* Bulk delivered LP service for “year round” domestic uses (such as water heating, cooking, heating, clothes drying, and lighting) in all residences of three (3) units or fewer.

Usage Class	Annual Units/Gallons	Non-fuel Energy Charge per Gallon	Non-refundable Annual Customer Charge
<u>0</u>	<u>No Fills in Past 12 Months</u>	<u>\$1.80</u>	<u>\$350.00</u>
1	00.1 —60	\$1.80	\$210.00 <u>\$225.00</u>
2	60.1--120	\$1.60	\$180.00
3	120.1--300	\$1.00	\$90.00
4	>300	\$0.90	\$75.00

- (b) *Residential "Will Call" Propane Gas Service (Rate WRLP):* Bulk delivered LP Service for all customers with exclusively “leisure living” domestic uses (such as pool/spa heating, fireplaces, and grills) plus customers with “year round” appliances who request “will call” status in all residences of three (3) units or fewer.

A “Will Call” customer is responsible for monitoring tank fuel level, assessing when they will need a fill, and requesting propane delivery.

No trip charge for delivery if customer can wait for a normally scheduled four (4)-business day delivery. Trip charges for early delivery are located in (3)(h). Note that the four (4) business days start on the next business day after the customer’s request, i.e. if the customer calls with a “Will Call” fill request on Monday, then we will fill no later than the following Friday.

Usage Class	Annual Units/Gallons	Non-fuel Energy Charge per Gallon	Non-refundable Annual Customer Charge
<u>0</u>	<u>No Fills in Past 12 Months</u>	<u>\$1.80</u>	<u>\$350.00</u>
1	0.1 – 60.0	\$1.80	\$210.00
2	60.1—120	\$1.60	\$150.00
3	≥120.1 - 300	\$0.90	\$75.00
<u>4</u>	<u>>300</u>	<u>\$0.80</u>	<u>\$60.00</u>

- (c) Residential Loop System Propane Gas Service (Rate LRLP): Metered delivery LP service for all domestic uses within a loop delivery system (Propane Distribution system serving multiple customers.)

Monthly Customer Charge \$~~10.00~~12.00

Non-Fuel Energy Charge
Per gallon \$0.90

Minimum Monthly Bill \$~~10.00~~12.00

- (d) *Commercial Propane Gas Service (Rate BCLP):* Bulk delivered LP service for commercial, industrial, and other applications where no other rate is applicable.

Usage Class	Annual Units/Gallons	Non-fuel Energy Charge per Gallon	Non-refundable Annual Customer Charge
1	0--2500	\$0.25	\$90.00

2	>2500	\$0.20	\$90.00
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- (e) *Residential Metered Propane Gas Service (Rate MRLP):* Metered delivered LP service for all domestic uses in all residences of three (3) or fewer.

Monthly customer charge ~~\$10.00~~12.00

Non-fuel energy charge:

Per gallon \$1.90

Minimum monthly bill ~~\$40.00~~12.00

- (f) *Multi-family Metered Propane Gas Service (Rate MMLP):* Metered delivered LP service for all domestic applications within the living units of multi-family buildings of four (4) units or more.

Monthly customer charge \$25.00

Non-fuel energy charge:

Per gallon \$1.90

Minimum monthly bill \$25.00

- (g) *General Metered Propane Gas Service (Rate MGLP):* Metered delivered LP service for all commercial, industrial, and other applications where no other rate is applicable and the annual consumption at the premise is 0--2,500 gallons.

Monthly customer charge \$25.00

Non-fuel energy charge:

Per gallon \$0.30

Minimum monthly bill \$25.00

- (h) *Large Metered Propane Gas Service (Rate MLLP):* Metered delivered LP service for all commercial, industrial, and other

applications where no other rate is applicable and the annual consumption at the premise is more than 2,500 gallons.

Monthly customer charge \$40.00

Non-fuel energy charge:

Per gallon \$0.25

Minimum monthly bill \$40.00

- (i) *Contract Propane Gas Service (Rate CLP):* Contract metered or bulk delivered LP gas service for special applications and conditions approved by the city manager or designee. This rate is typically applicable where competitive fuel sources are confirmed to be available to the customer and a special rate with special conditions is required to obtain/retain the customer. Such service must fall within the normal construction feasibility formula to insure a profitable payback to the city.

Monthly customer charge. The same as the normally applicable service class

Non-fuel margin rate. Per gallon as established by contract

Minimum monthly bill. Monthly customer charge plus the non-fuel usage rate for contracted level of monthly consumption.

Note: All customers being served under Contract Rates as of December 31, 2008, will be allowed to remain on their existing contracts until their next expiration date, at which time that contract will automatically be discontinued and the customer will be moved to the applicable standard rate unless a new contract is executed.

- (j) *Propane (LP) Gas Vehicle Service (Rate LPV):* Propane gas service for fleet vehicle fueling. This is a contract rate approved by the City Manager or designee. Provision of this service must fall within the normal construction feasibility formula to insure a profitable payback to the city. Note: This rate is not applicable for residential or small general service rate applications (fewer than 20,000 gallons of annual use for the customer's fleet vehicles). LPV services will be on a separate account servicing exclusively fleet fueling facilities.

Monthly customer charge. \$40.00 for general service applications only if a customer charge is not already being billed on another metered account at the premise on a firm rate schedule.

Non-fuel energy charge. Per gallon as established by contract, which includes any applicable customer-specific or public, fill station facilities charges required to provide this service.

Minimum monthly bill. Monthly customer charge plus any applicable monthly facilities contract charges for special facilities, metering or fleet conversion costs required to provide this service.

Note: The total energy charges for this service including all adjustments, facilities charges, taxes, etc., may be expressed as a rate "per gallon equivalent of gasoline."

- (k) *Propane Metered Gas Emergency Generator or Other Standby Service (Rate LPSM):* LP gas service to an account separately established for back-up service, where no other substantial gas service is used for year round purposes. Note: This rate is closed for new residential customer applications and is only applicable for residential customers on LPSM service as of December 31, 2008.

Monthly customer charge \$50.00

Non-fuel energy charge:

Per gallon \$1.00

Minimum monthly bill \$50.00

Initial metered usage charge. A one-time charge for the number of gallons required to initially fill the LP tank (size as requested by the customer).

- (l) *Propane Bulk-Delivered Gas Emergency Generator or Other Standby Service (Rate LPSB):* LP gas service to an account separately established for back-up service, where no other substantial gas service is used for year round purposes. Note: This rate is closed for new residential customer applications and is only applicable for residential customers on LPSB service as of December 31, 2008.

Annual customer charge \$420.00

Non-fuel energy charge:

Per gallon \$1.00

Initial delivery charge. A one-time charge for the number of gallons required to initially fill the LP tank (size as requested by the customer) plus the initial annual customer charge.

- (m) *Effect of Energy Conservation Measures on Usage Classes in (a) and (b) above:* Should the customer install a more energy efficient appliance or appliances while a customer of CGS and this causes their usage to drop, such that their Usage Class would change thereby increasing the Annual Customer Charge and/or the Non-Fuel Energy Rate, then the estimated effect of the more efficient appliance on annual usage may be added to the actual annual usage to determine the customer's applicable Usage Class. This is intended to ensure that the customer is not adversely impacted for such energy efficient installation.

- (3) *Other gas charges.* The following charges and fees may also be applied to customers of the Clearwater Gas System served under an applicable natural gas or propane (LP) gas service rate:

- (a) *Facilities contract charge (rider FCC):* A rider applicable to any of the above rates to cover installation of facilities beyond those typically provided to other customers of the class or beyond the costs incorporated into the applicable gas rate.

On-going FCC charges....	A monthly flat or per unit consumed charge calculated to cover the on-going estimated maintenance costs associated with the special or additional facilities. These charges will be contractual and subject to annual revisions upward based on the CPI index or based on a revised cost calculation at the discretion of the City Manager or designee.
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Time-limited FCC charges....	A monthly flat or per unit consumed charge calculated to cover the costs associated with additional facilities as requested by the customer, excess main and service construction costs which do not meet the construction feasibility formula, or appliance/equipment sales costs. Such charges may include other applicable costs associated with furnishing the requested facilities, including financing costs. Where such FCC charges result from the additional costs incurred by Clearwater Gas System at the request of the developer to achieve feasibility, such FCC charges are binding upon the future customers/occupants of such applicable accounts for the period necessary to meet the feasibility calculation for the project.
Public fill station facilities charge....	A natural gas per therm or propane (LP) per gallon charge calculated to recover the common facilities costs to provide such service. This will be calculated and may be updated from time-to-time by the gas system and approved by the City Manager or designee.

- (b) *Purchased gas adjustment (rider PGA):* A rider applicable to all natural gas therm rates and propane (LP) gallon rates to recover the cost of the Clearwater Gas System purchased gas supply, including losses and use by gas system facilities/equipment and other applicable expenses. The currently calculated PGA rates for all rate schedules, unless specifically broken out by contract, are:

Natural gas firm standard rate schedule PGA, per therm. . ~~\$0.87~~0.95

Natural gas interruptible and contract (non-standard) rate schedule
PGA, per therm ~~\$0.79~~0.85

Propane (LP) gas rate schedule PGA:

Per gallon \$~~1.87~~2.12

The above PGA rates are based on the weighted average cost of gas (WACOG) as currently approved for October ~~2010~~2014. These PGA rates will normally be adjusted annually in October and may be adjusted upward or downward from time-to-time with the approval of the City Manager or designee based on actual and projected supply costs and projected consumption levels in order to recover the total cost of the gas system's supply plus all costs attributable to the acquisition of system supply gas and other applicable expenses. The over or under recovery of these PGA costs will be computed monthly and an adjustment in the PGA rate will be made at the discretion of the City Manager or designee. The differential between the Natural Gas firm standard rate schedules PGA and the Natural Gas Interruptible and contract (non-standard) rate schedules PGA will be established and approved by the City Manager or designee for each annual period based on the available records for the most recent 12 months. This differential will typically be computed by dividing the transmission pipeline "reservation charges" component of the WACOG by the therms sold to all of the natural gas firm rate schedules. The gas system may also segment specific gas purchases for specific targeted customer(s) based on contract. Additionally, a fixed monthly amount may be added to the customer charge of applicable classes of natural gas service rates to recover the estimated impact of the added costs associated with gas purchased through a third-party transporter (including generally east of the Suncoast Parkway in Pasco County). These added monthly customer charges shall be credited to the overall PGA recovery account and will be initially set at:

Residential	\$ 8.00 per month
Small General Service & Multi-Family	\$ 15.00 per month
Medium General Service & Multi-Family	\$ 30.00 per month
Large General Service & Multi-Family	\$ 65.00 per month
Interruptible Service	\$150.00 per month
Contract Rates ---	Apply the same as the normal class of customer using the above schedules based on usage level

Similarly, a differential between LP Gas standard rates and contract LP rates may be computed to exclude a portion of the other costs attributed to LP PGA other than physical gas. This differential will be calculated by the Gas System Managing Director annually based on historical costs and will be approved by the City Manager or

designee. The gas system may also segment specific LP gas purchases for specific targeted customer(s) based on contract.

These added monthly customer charges may be adjusted upward or downward from time-to-time with the approval of the City Manager or designee based on actual and projected added PGA costs.

- (c) *Energy conservation adjustment (rider ECA):* A rider applicable to all firm standard (non-contract) natural gas therm rates and non-contract propane (LP) gallon rates to recover the cost of energy conservation programs undertaken by the Clearwater Gas System as approved by the Gas System Managing Director. The ECA will not be applied to interruptible natural gas or other non-standard contract rates, except for that portion of ECA, which is collected as a part of the PGA, which may be up to one-half of the annual average ECA billing rate. The currently calculated ECA rates are:

Natural Gas Rate Schedule ECA, per therm \$~~0.100~~.14

Propane (LP) Gas Rate Schedule ECA:

Per gallon \$~~0.100~~.14

The above ECA rates are as currently approved for October ~~2010~~2014. These ECA rates will normally be reviewed annually in October and may be adjusted upward or downward from time-to-time with the approval of the City Manager or designee based on actual and projected energy conservation program costs and projected consumption levels in order to recover the total cost of applicable gas system programs, including energy conservation incentive payments as well as the applicable labor and other costs attributable to such energy conservation programs and other applicable expenses. The over or under recovery of these ECA costs will be computed and an adjustment in the ECA rate will be made at the discretion of the City Manager or designee.

- (d) *Regulatory imposition adjustment (rider RIA):* A rider applicable to all firm standard (non-contract) natural gas therm rates and non-contract propane (LP) gallon rates to recover the cost of environmental, operator qualification, distribution integrity, inspection, survey, and other regulatory imposed program requirements imposed on the Clearwater Gas System by federal, state or local regulatory agencies. The RIA will not be applied to interruptible natural gas or other non-standard contract rates. The currently calculated RIA rates are:

Natural Gas Rate Schedule RIA, per therm \$~~0.000~~.12

Propane (LP) gas rate schedule RIA:

Per gallon \$~~0.000~~.12

The above RIA rates are as currently approved for October ~~2010~~2014. Note that this RIA rider incorporates the former Environmental Imposition Adjustment (EIA), which covers the environmental project costs as well as the labor and other costs attributable to such environmental projects. This RIA also includes Other Regulatory Adjustment (ORA) charges, such as operator qualification, distribution integrity, required inspections, survey and other regulatory imposed program requirements and regulatory fees imposed on the Clearwater Gas System by federal, state or local regulatory agencies. These RIA rates (EIA + ORA) will normally be reviewed annually in October and may be adjusted upward or downward from time to time to reflect the over or under recovery of these RIA costs at the discretion of the City Manager or designee.

- (e) *Usage and Inflation adjustment (rider UIA):* A rider applicable to all standard non-contract natural gas therm rates and standard non-contract propane (LP) gallon rates to recover loss of planned base non-fuel revenues to the Clearwater Gas System due to changes in use per customer from the test year values as set in the ~~2008~~ 2014 Gas Rate Study (see below) as well as the change in inflation as measured by the Consumer Price Index for U. S. City average of all urban consumers (CPI-U). The currently calculated UIA rates are:

Natural gas rate schedule UIA, per therm \$0.00 for Residential
and \$0.00 for Commercial

Propane (LP) gas rate schedule UIA, per gallon \$0.00 for
Residential and \$0.00 for
Commercial

The above UIA rates are as currently approved for October ~~2010~~2014. The UIA rates may be implemented at the sole discretion of the City Manager or designee based on variations from the most recent established Gas Rate Study values:

CPI-U as prepared by the U. S. Department of Labor, Bureau of Labor Statistics (basis is September 2009~~2014~~ Gas Rate Study projected index of 239.702)

Residential Use per customer based on annual therms/natural gas single-family customer. Note that this factor may be applied to all residential standard (non-contract) rate classes for natural gas as well as propane.

Commercial Use per customer based on annual therms/natural gas standard and contract general service customers excluding Interruptible customers. Note that this factor may be applied to all general service standard (non-contract) rate classes for natural gas as well as propane.

- (f) *Franchise and other city/county fees recovery clause (rate FFR):* A charge levied by the Clearwater Gas System on every purchase of gas within a municipality or county area to recover the costs assessed by governmental entities in accordance with the franchise agreement in force between the City of Clearwater and that other governmental entity and including any other otherwise unrecoverable fees, special taxes, payments in lieu of taxes, or other impositions by any governmental entity (including the City of Clearwater) on the services of the Clearwater Gas System sold within such municipality or county area. The fees collected within each governmental jurisdiction shall be used exclusively to pay the franchise fees and other governmental fees, taxes, and other impositions levied on services within that governmental jurisdiction. Within the City of Clearwater where a franchise agreement is not in force, the City of Clearwater will levy a six percent (6.0%) payment in lieu of taxes on all gross firm natural gas sales (excluding interruptible) and the Clearwater Gas System will bill this in the same manner as if it were a franchise fee.
- (g) *Tax clause (TAX - Various):* All taxes due the appropriate governmental entities (such as but not limited to State of Florida gross receipts tax, State of Florida sales tax, county sales tax, municipal utility tax, and others which may be legally levied from time to time on the purchase of gas) will be billed to the customer receiving such service and rendered to the governmental entity in accordance with the applicable statute, ordinance, or other legally enforceable rule.
- (h) *Other miscellaneous gas charges:* The following charges are applicable whenever applicable gas services are rendered the customer:

Meter turn-on residential, scheduled next business day or beyond (per account for new customers, seasonal reconnects, and after nonpayment disconnect including turn-on of pilot lights) . . . \$50.00

Meter turn-on residential, same day as requested by customer by 12:00 Noon (per account for new customers, seasonal reconnects, and after non-payment disconnect including turn-on of pilot lights) . . . \$75.00

Meter turn-on commercial/industrial scheduled next business day or beyond (per account for new customers, seasonal reconnects, and after nonpayment disconnect including turn-on of pilot lights) . . . \$95.00 for up to 4 appliances.

Added appliances, per each, add ... \$10.00

Meter turn-on commercial/industrial, same day as requested by customer by 12:00 Noon and with the approval of the local fire marshal as required (per account for new customers, seasonal reconnects, and after nonpayments disconnect including turn-on of pilot lights) . . . \$190.00 for up to 4 appliances.

Added appliances, per each, add ... \$20.00

Meter read for residential account change (no meter turn-on required but may include turn-on of gas pilot lights) \$40.00

Meter read for commercial/industrial account change (no meter turn-on required but may include turn on of gas pilot lights) . . . \$80.00

Replace broken stop or locks on meters Time and materials

Meter or LP Tank Connection or Re-connection to customer-owned piping system . . . Time and materials

Relocate gas meter Time and materials

Install bumper posts or other necessary protection for meters, LP tanks, or other gas equipment Time and materials

Turn-on or Turn-off Residential gas pilot lights only on next business day or beyond as requested by the customer (per account) . . . \$50.00

Turn-on or Turn-off Residential gas pilot lights only on same day if requested by the customer by 12:00 Noon . . . \$75.00

Turn-on or Turn-off Commercial gas pilot lights only on next business day or beyond as requested by the customer (per account) . . . \$95.00

Turn-on or Turn-off Commercial gas pilot lights only on same day service if requested by the customer by 12:00 Noon . . . \$190.00

Standard “Time and Materials” for Service and Repair, Installation, or other work performed by CGS personnel plus materials:

1 person crew . . . \$125.00 for Trip Charge and up to 1 hour of labor of \$50.00 plus \$25.00 for each additional time on-site/quarter hour or portion thereof. . . . \$25.00.
Minimum charge is \$50.00 for the trip if no labor is performed or if the customer does not show for an appointment.

2 person crew . . . \$195 for Trip Charge and up to 1 crew hour of labor of \$75.00 plus \$40.00 for each additional time on-site/quarter hour or portion thereof. . . . \$40.00
Minimum charge is \$75.00 for the trip if no labor is performed or if the customer does not show for an appointment.

The above Rates are based on work within the CGS “normal” Natural Gas Service Territory. Where customers request work to be done outside of the normal CGS Service Territory . . . Added time will be assessed for the travel to and from the Territory border to the Customer’s Site.

The time and trip charges associated with providing all quotes and developing plans will be added to the cost of the billed job.

These “Time Charge Rates” as well as the other fixed miscellaneous charge rates in this section may be reviewed and adjusted from time-to-time with the approval of the City Manager or designee. Additionally, the Gas System Managing Director may approve “Contract Service Charge Rates” for customers who regularly use CGS’ Service & Repair and will contractually subscribe for such use.

Overtime surcharge for all work including installation, service and repair, and maintenance as requested by the customer for after

operational hours (including same day requests received after 12:00 Noon), weekends, and holidays Double normal Trip and time charges

Overtime surcharge for call-out turn-ons or lighting of pilots as requested by the customer for after operational hours (including same day requests received after 12:00 Noon), weekends, and holidays. . . . Double same day charge

Special meter reading at customer request including billing inquiries where reading is determined to be accurate (per account). . . \$45.00

Gas meter test at customer request- if results are within limits (per meter) \$150.00

Reset residential gas meter after same customer requests removal (per meter) . . . \$150.00

Unauthorized meter bypass or hookup Time and materials plus ten percent of the average monthly bill for each day since last reading deemed to be accurate

Emergency response for non-Clearwater Gas System consumers or other utilities Time and materials

Propane Fuel recovery and ownership of L.P. gas from tank Time and materials. The LP fuel in the tank is non-refundable. If the customer provides an approved for service, listed LP gas container, then we will transfer as much LP gas as practical. Full abandonment and/or removal of buried LP tank is at CGS' sole discretion. If the underground tank is removed, then any required landscaping or site restoration is the responsibility of the customer. If the tank is abandoned on-site, CGS will make it safe by removing the gas and filling it with water (water provided by the customer) and the tank ownership then becomes the customer. Tanks will be considered out of service and fuel abandoned by the customer if container is on site more than 12 months without a contract for service or paying entity for the annual customer charge. In such case, CGS will, at its sole discretion, either remove or abandon the tank.

Other services not normally provided including work on customer property beyond the meter outlet or the outlet of the second stage LP regulator, such as for gas leak surveys, Cathodic protection corrosion control, customer-owned gas line locating; any related repairs to the customer facilities or master-metered gas distribution systems as required by regulation as well as any work required to

correct deficiencies or any work required to move facilities. . . . Time and materials

Collector fee, See Appendix A - Public Works Utility Tariffs, Section (4)(a)3

Dishonored check service fee, See Code of Ordinances, Section 2.528

Missed appointment (CGI) - Customer not present at time as arranged or equipment not accessible. Applicable miscellaneous gas charges (overtime surcharges may apply).

Residential "Will Call" and special request delivery Propane Gas Service trip charges for early delivery:

\$50.00 trip charge if the customer requests delivery for the next business day or requests a scheduled delivery for fewer than 4 business days,

\$75.00 trip charge for same business day delivery for requests received by 12:00 Noon, or

\$150.00 trip charge for same day delivery service requests after 12:00 Noon and before operational hours end at 3:30 pm, or

\$250.00 trip charge for all "call out" fills received after 3:30 pm on normal operational days, or on holidays, or on weekends.

Trip charges will be applied even if LP tank is inaccessible or customer is not present when required, (CGI).

A minimum fill charge of \$100.00 for bulk, "Will Call" or metered delivery customers that request a delivery, in fewer than 4 business days. "Will Call" or special request delivery charges will also apply.

Leak investigation (make safe only) No charge
If turn-on of pilots the applicable charges apply

Additional repairs.....Time & Materials

Special seasonal gas turn-on....	The City Manager or designee is authorized to reduce or eliminate the normal gas turn-on charge to attempt to levelize the workload at the beginning of the heating season.
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Pipeline Damage Claims

Any person or company who actively engages in excavating, boring, tunneling, horizontal directional drilling, backfilling, digging, removal of above ground structures by mechanical means and other earth moving operations, within the Clearwater Gas System service territory, shall be required to notify the one call notification system 48 hours excluding weekends and holidays before digging commences (References Florida Statutes §556 and OSHA 1926.651).

If a person or company causes damage to an above or underground pipeline facilities owned by Clearwater Gas System and through negligence or accident or otherwise has been deemed liable for the damages, then that entity shall be responsible for all costs associated with the damage. This will include the cost of gas lost (billed at the purchased gas adjustment rate), time and materials to repair the damage, all labor cost associated with turning off and on gas accounts that were affected as a result of the damage, and any third party claims plus administrative costs. The party or parties responsible shall remit payment for all claims directly to Clearwater Gas System upon receipt of invoice or notification of the City of Clearwater Risk Management Department.

- (4) *Gas contract and rate application policies:* The following represent policies of the City of Clearwater as applied by the Clearwater Gas System:
 - (a) *Uniformity of rate and service application:* To the extent that the customer requests a review of his/her rate account, all rates, charges and contract provisions are intended to be consistently and uniformly applied to all customers of the same type with the same usage characteristics, fuel options, and equipment capabilities. Any customer who feels that they have been treated unjustly and is unable to resolve the dispute with Clearwater Gas System personnel and management has full access to the normal City of Clearwater utilities dispute resolution process as defined in the City Code of Ordinances, Chapter 32, Section 32.004.

- (b) *Contract rate level determination:* It is the policy of Clearwater Gas System to offer a customer or potential customer who currently uses or has access to an alternate energy source and has the capability to use this alternate energy source, or is otherwise deemed to be a threat to discontinue gas usage, a rate level adequate to acquire or preserve the gas load, provided that such a rate application will provide a reasonable profit margin to the Clearwater Gas System and the extension of any capital investment to serve such a customer falls within the normal gas system construction feasibility formula. Where the capability to use such alternative energy source will require an initial additional capital outlay by the customer, the contract rate may be based on a net present value calculation over the expected life of the facility.
- (c) *Rate schedule reductions or minor changes:* The City Manager is authorized to reduce the billing charge(s) for any rate schedule(s) or to make minor rate schedule modifications in keeping with achieving the "cost of service based rates" as recommended in the most recent rate study done for the Clearwater Gas System.
- (d) *Main and service extension construction feasibility:* Whenever a prospective customer requests a new gas service, the Clearwater Gas System will extend service to the prospective customer under the following conditions:
1. *Design considerations.* The extension of gas service to the perspective customer can be reasonably accomplished within good engineering design, access can be secured though easements or right-of-way, and the service will not jeopardize the quality of gas service to existing customers.
 2. *Main line extension construction feasibility.* The maximum capital investment which will be made by the Clearwater Gas System to extend main lines and services to serve a new customer(s) shall be seven times the estimated annual gas revenue to be derived from the facilities less the cost of gas and the cost of monthly meter reading, customer accounting and billing. The formula shall be:

$$\text{Non-Fuel Energy Rate} \times \text{Estimated Annual Therms/Gallons} = \text{Estimated Annual Gas Non-Fuel Revenues} \times 7 \text{ Years} = \text{Maximum Investment for Construction Feasibility}$$

Note: The Monthly Customer Charge is not included in the above calculation because it is assumed to cover the cost of meter reading, customer accounting and billing.

3. *Service line extensions.* The Clearwater Gas System will install gas service lines off of the main line at no charge to the customer under the following circumstances:

A year round customer has installed "year round" gas equipment (such as water heating, cooking, heating, clothes drying, and lighting) with an estimated minimum annual consumption of two therms per foot of service line required (Note that "Leisure Living" appliance (such as pool/spa heating, fireplaces, and grills) usage will only be counted at ½ of estimated usage and only if combined with a water heater), or

The cost of such service line extension meets the Maximum investment for Construction Feasibility (as defined "d." above), excluding "Leisure Living" appliances unless a water heater is installed for daily use.

Customers who do not meet the criteria for service extensions as set forth above will either be charged the estimated construction cost per foot for the excess footage or pay a contribution in aid of construction (CIAC) to cover the deficiency amount from the above construction feasibility formula or enter into a facilities charge contract sufficient to cover this deficiency within a period of seven years.

4. *Customer contribution required.* If the capital construction costs to extend the main exceed the maximum investment for construction feasibility, the developer/customer(s) will be required to either provide a non-reimbursable CIAC to cover the excess investment amount or satisfy this deficiency by entering into a facilities charge contract sufficient to cover this deficiency within a period of seven years. Such facilities contract charges may be reduced or potentially discontinued entirely to the extent that other customer(s) are added beyond the initial customer(s), the facilities covered by the facilities contract charges are used to serve these additional customer(s), and to the extent that there are calculated excess dollars above the additional customer(s) maximum investment for construction feasibility minus the capital construction costs for the mains to serve these additional customer(s).

5. *Conversion of equipment to natural gas.* The Clearwater Gas System will provide the “labor only” to convert the customer's existing appliance orifice(s) (if convertible) to accept natural gas at no labor cost to the customer, provided that the customer’s gas use is year round. The customer will be responsible for the cost of all other related conversion parts such as controls, gas valves, gas safety devices, additional piping, appliance venting, provisions for combustion or make-up air, or to correct any code deficiency, or to provide any required engineering evaluation for unlisted or unlabeled appliances plus the cost of gas inspections and related permits. A commercial or industrial customer must enter into an agreement to exclusively use the natural gas service of the Clearwater Gas System for a period to allow for recovery of Clearwater Gas costs; and this amount, when added to the other cost to serve amounts, still renders the project feasible.

6. *Relocation of gas service facilities.* When alterations or additions to structures or improvements on any premise, roadway right-of-way or public easement, which requires the Clearwater Gas System to relocate metering, LP tank, service line, or main line, or when such relocation is requested by the customer, or others, for whatever reason, the customer or others, will be required to reimburse the Clearwater Gas System for all or any part of the costs incurred to accomplish such relocation of gas system facilities to remain code compliant and resolve their potential structure conflict.

7. Gas service will be delivered to the customer for each premise at one (1) point of delivery designated by Clearwater Gas System (see City Code of Ordinances, Chapter 32, Section 32.336). CGS highly discourages the installation of multiple meters on the same premise or the use of multiple fuels (natural gas, propane, fuel oil) on such premise. If such installations are justified due to extraordinary circumstances (such as life safety), these must be approved by the Clearwater Gas System Managing Director, and then the multiple meters or fuel sources must be well marked in a permanent fashion. For life safety control purposes, Clearwater Gas will not permit a fuel source (propane or fuel oil) supplied by another company to co-exist on the same premise or commercial occupancy with a Clearwater Gas natural gas service.

Section 3. Should any section, paragraph, sentence or word of this ordinance be declared for any reason to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other than the part declared to be invalid.

Section 4. All ordinances or parts of ordinances in conflict herewith are to the extent of such conflict hereby repealed.

Section 5. This ordinance shall become effective upon adoption and shall be applicable to all gas bills and services rendered on or after November 1, 2014.

PASSED ON FIRST READING

PASSED ON SECOND AND FINAL
READING AND ADOPTED

George N. Cretekos
Mayor

Approved as to form:

Attest:

Laura Mahony
Assistant City Attorney

Rosemarie Call
City Clerk