

CITY OF WILLOW PARK

ORDINANCE NO. 686-14

AN ORDINANCE OF THE CITY OF WILLOW PARK, TEXAS APPROVING THE 2014 COST OF SERVICE ADJUSTMENT FILING OF TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC.; PROVIDING FOR EXCEEDENCE OF COST LIMITATION AND APPROVING CERTAIN TARIFF INCREASES; AND, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Willow Park, TX (“City”) is a municipal corporation organized under the laws of the State of Texas; and

WHEREAS, it is the intent of the City of Willow Park to protect the health, safety, welfare and well being of its citizens; and

WHEREAS, Texas Gas Service Company (“TGS” or the “Company”), a division of ONE Gas, Inc., on or about April 1, 2014, filed a Cost Service Adjustment (“COSA”) to change rates under the COSA Tariff for the North Texas Service Area, previously approved by the City of Willow, Texas, (“City”); and

WHEREAS, the City has exclusive original jurisdiction over the rates, operations, and services of a gas utility within the municipality under Section 103.001, TEXAS UTILITIES CODE; and

WHEREAS, the Company’s COSA filing supports an increase in revenues of \$916,391 created in part by capital investment of the Company in the North Texas Service Area in calendar year 2013 to modernize infrastructure, upgrade the system, maintain quality service and comply with regulatory safety standards, and increases in operating expense for compliance with, Railroad Commission of Texas leak management requirements and line locate requests; and

WHEREAS, Section C of the COSA Tariff limits the percentage change of operating expenses in any calendar year to the greater of 3.5% of expenses or the percentage change of the Consumer Price Index; and

WHEREAS, the Company has requested a “good cause” exception to the 3.5% limitation contained in Section C of the COSA Tariff for increased operating expenses due in part to line locate activities within the service area, as well as

increased leak survey and leak repair activity, necessary to ensure the safety and reliability of the Company’s system and to comply with regulatory requirements; and

WHEREAS, the City conducted a thorough review of the Company’s COSA filing; and

WHEREAS, the City finds that “good cause” exists to waive the 3.5% limitation contained in Clause C of the COSA Tariff; and

WHEREAS, the effective date of new COSA rates is to be for meters read on and after July 29, 2014, for the first billing cycle of August 2014.

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

SECTION 1. AUTHORITY

The Mayor, or Mayor’s designee, is hereby authorized and directed to implement the applicable provisions of this Ordinance.

SECTION 2. NOTICE TO COMPANY

That the City Secretary shall notify the Company of adoption this Ordinance by sending a copy of same to Wyatt Irby, Area Manager, Texas Gas Service, 1525 Texas Drive, Weatherford, Texas 76086.

SECTION 3. REPEALER

That this Ordinance shall be cumulative of all other ordinances dealing with the same subject, and any provision of any ordinance in direct conflict with any provision of this Ordinance is hereby repealed and the provision of the Ordinance shall supersede any provision in conflict herein. All

provisions of other ordinances not in conflict herewith shall remain in full force and effect.

SECTION 4. OPEN MEETING

That the meeting at which this Ordinance was approved was duly and legally noticed and conducted pursuant the Texas Open Meetings Act, TEXAS GOVERNMENT CODE, Chapter 551.

SECTION 5. TARIFF APPLICATION

That the Tariffs attached to this Ordinance shown as "rate schedules" and supported by rate adjustment schedules are incorporated herein, are effective for meters read on and after July 29, 2014, which is the first billing cycle of August 2014.

SECTION 6. SEVERABILITY.

If any provision, section, subsection, sentence, clause, or phrase of the Ordinance, or the application of same to any person or set of circumstance, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of the Ordinance or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of an unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this

Ordinance are declared to be severable for that purpose.

SECTION 7. RECITALS

The City Council hereby finds and declares all precatory language herein to be true and correct and approves and adopts the same herein as part of this Ordinance.

SECTION 8. EFFECTIVE DATE.

This Ordinance shall take effect from and after the date of its adoption.

PASSED AND ADOPTED this 8th day of July, 2014.

/s/ Richard Neverdousky
Mayor

ATTEST:

/s/ Caroline Scott
City Secretary/Clerk

APPROVED AS TO FORM:

/s/ _____
City Attorney

The Willow Park City Council in acting on Ordinance No. 686-14 did on the 8th day of July, 2014, vote as follows:

	<u>FOR</u>	<u>AGAINST</u>
Richard Neverdousky, Mayor	_____	_____
Brian Thornburg, Place 1	_____	_____
Gene Martin, Place 2	_____	_____
Greg Runnebaum, Place 3	_____	_____
James E. Mullins, Place 4	_____	_____
Tim Griffiths, Place 5	_____	_____