

ORDINANCE NUMBER 118

GAS RATES

AN ORDINANCE ESTABLISHING AND FIXING THE RATES TO BE CHARGED BY IOWA-ILLINOIS GAS AND ELECTRIC COMPANY AND ITS SUCCESSORS AND ASSIGNS FOR FIRM GAS DELIVERED FOR GENERAL USE IN THE TOWN OF BUFFALO, IOWA, REPEALING ALL ORDINANCES OR RESOLUTIONS, OR PARTS THEREOF, INCONSISTENT OR IN CONFLICT HEREWITH.

Be it enacted by the Town Council of the Town of Buffalo, Iowa:

Section 1. Iowa-Illinois Gas and Electric Company and its successors and assigns be and they are hereby required to charge for gas delivered for general use in the Town of Buffalo, Iowa, (excluding, however, from the provisions hereof gas furnished for service limited to off-peak periods and gas furnished under contract for industrial consumption where the minimum monthly charge is not less than One Hundred (\$100.00) Dollars) the following rate:

General gas service embracing gas furnished at a single premise for single-family residential use or commercial and industrial use:

Twenty-one and seventy-two one-hundredths (21.72¢) cents net per 100 cubic feet for the first 1,500 cubic feet per meter per month.

Fourteen and seventy-two one-hundredths (14.72¢) cents net per 100 cubic feet for the next 3,500 cubic feet per meter per month.

Eight and seventy-two one-hundredths (8.72¢) cents net per 100 cubic feet for the next 45,000 cubic feet per meter per month.

Seven and seventy-two one-hundredths (7.72¢) cents net per

PAGE 2--ORDINANCE NUMBER 118 (Continued)

100 cubic feet for all in excess of 50,000 cubic feet per meter per month.

Provided that where the quantity of gas consumed shall not at the rate then established amount to Two (\$2.00) Dollars in any one month on a meter, said Iowa-Illinois Gas and Electric Company and its successors and assigns shall be entitled to make a total charge of Two (\$2.00) Dollars per meter per month for such service.

Provided further that Iowa-Illinois Gas and Electric Company and its successors and assigns may charge and collect an additional sum of five per cent on each monthly bill from each customer who fails to pay his bill within ten days from the date of the bill.

Provided further that the foregoing rates are subject to Section 2 hereof.

Section 2. If any rate (whether or not charged under bond) applicable to natural gas purchased from a pipeline company or companies be increased or decreased on or after July 1, 1959, under jurisdiction of a duly constituted regulatory body and results in an increase or decrease in the cost of gas purchased by the Company for the requirements of its Davenport District, the amount of the charges then effective for gas service under rates contained in this ordinance shall thereupon be increased or decreased in accordance with the following:

The increase or decrease in the cost of gas purchased shall be determined for the quantity of gas purchased during the first

PAGE 3--ORDINANCE NUMBER 118 (Continued)

twelve of the thirteen monthly billing periods, immediately preceding the effective date of such increase or decrease and the amount by which the purchase cost of gas per unit sold, as hereinafter defined, is more or less under the new rate than under the rate in **effect** immediately prior to the increase or decrease, shall be added to or subtracted from the charge per 100 cubic feet for gas supplied in each subsequent billing period beginning not earlier than the effective date of such increase or decrease. If the amount of the increase or decrease so computed in such charge per 100 cubic feet for gas supplied is not a multiple of ~~.01~~, it shall be computed to the nearest such multiple, or, if there be no nearest such multiple, to the next higher such multiple.

For the purposes hereof, the purchase cost of gas per unit sold in Buffalo for any class of gas service in any twelve-month period shall be determined by dividing (a) the cost of gas purchased to supply such class of gas service in such twelve-month period by (b) the number of 100 cubic feet sold in such twelve-month period to all customers furnished such class of gas service. The classes of gas service for which the cost of gas purchased shall be determined hereunder are (1) firm gas service and (2) interruptible gas.

Unless the Town Council of Buffalo shall otherwise order, the amount of any refund from a pipeline company or companies of charges paid under bond and applicable to natural gas purchased on or after the effective date of any increase in pipeline

(continued)

Ord. 118 p. 3

PAGE 4--ORDINANCE NUMBER 118 (Continued)

rates passed on as an adjustment in rates as provided herein shall be treated as a decrease in rate applicable thereto, but effective only for the twelve-month period beginning with the month in which such refund is received, by crediting the cost of purchased natural gas otherwise determined under the next preceding paragraph with the portion of such refund which is applicable to the classes of gas service served under rates contained in this ordinance.

An adjustment made in the charge for gas for any service as herein provided shall not be made until thirty days after the filing by the Company with the Town Council of Buffalo of a schedule setting forth the details and data in explanation of such adjustment and the increase or decrease in charges resulting therefrom.

When the gross charge or any rate is expressed as an added percentage of the net charge, such percentage shall be applied to the net charge plus the "cost of purchased gas" adjustment. Except as specified above, all other provisions of the rate in this ordinance shall apply.

Section 3. The foregoing rates shall apply to gas consumed following the first meter reading subsequent to the date of the passage and approval of this ordinance.

Section 4. The furnishing of gas for space heating and large-volume demand customers under the foregoing rates shall be limited by Iowa-Illinois Gas and Electric Company to the extent necessary to avoid creating demands for gas in excess of the

quantity of natural gas available to it under its gas purchase contracts and thereby jeopardizing gas for general residential and commercial use. Such limitations of the use of gas for space heating shall be made under reasonable rules established by Iowa-Illinois Gas and Electric Company and applicable in all of the territory supplied by it from the same source of natural gas from which it obtains natural gas for distribution in Buffalo.

Section 5. The foregoing rates are based upon gas having an assumed, but not guaranteed, total heating value, as defined by the United States Bureau of Standards, of 950 British Thermal Units per cubic foot at 14.65 pounds absolute pressure per square inch at 60 degrees Fahrenheit. The average total heating value of the gas in any month shall be the average total heating value applicable to the natural gas purchased by the Company. Should the average total heating value of the gas in any month be less than 900 BTU, then the bills for the subsequent monthly period shall be decreased in proportion to the deficiency below 900 BTU.

Section 6. Service under the rates scheduled herein shall be rendered upon reasonable terms and conditions and under reasonable rules and regulations issued by Iowa-Illinois Gas and Electric Company and filed with the Clerk of the Town of Buffalo.

Section 7. All ordinances or resolutions or parts of ordinances or resolutions of the Town of Buffalo, Iowa,

PAGE 6--ORDINANCE NUMBER 118 (Continued)

inconsistent or in conflict with this ordinance are hereby repealed.

Passed and approved this 1st day of June, 1959.

TOWN OF BUFFALO, IOWA

Lewis M. Adams, Jr., Mayor

Attest: Lelia M. Pagel, Clerk