

ORDINANCE NO. 2013-01

AN ORDINANCE SUSPENDING IMPLEMENTATION OF THE RATE SCHEDULE PROPOSED BY NATURAL GAS COMPANY, LLC, AS REFLECTED IN THE ORIGINAL "STATEMENT OF INTENT TO INCREASE GAS UTILITY RATES" FILED BY NATURAL GAS COMPANY, LLC, ON DECEMBER 26, 2012, AND SUPERSEDED IN THE AMENDED "STATEMENT OF INTENT TO INCREASE GAS UTILITY RATES" FILED ON JANUARY 19, 2013, FOR A PERIOD OF NINETY (90) DAYS FROM THE EFFECTIVE DATE OR MARCH 1, 2013, OR THE LATEST DATE PERMITTED BY LAW, OR UNTIL THE DATE OF EFFECTIVENESS OF A RATE ORDER ADOPTED BY THE CITY COUNCIL; ADOPTING DECLARATIONS AND FINDINGS IN THE PREAMBLE HEREOF; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on December 26, 2012, The Natural Gas Company, LLC ("Natural Gas") filed with the City a "Statement of Intent to Increase Gas Utility Rates" ("Rate Filing") under which proposed increased rates charged by Natural Gas would go into effect in the City on February 1, 2013; and

WHEREAS, on January 19, 2013, The Natural Gas Company, LLC ("Natural Gas") filed with the City an "Amended Statement of Intent to Increase Gas Utility Rates" ("Rate Filing") under which proposed increased rates charged by Natural Gas would go into effect in the City on March 1, 2013; and

WHEREAS, the rates proposed in Natural Gas's Rate Filing with the City would result in approximately an 12.03% increase in gas rates imposed by Natural Gas in the City and approximately \$13,000 in additional revenue per year for Natural Gas; and

WHEREAS, pursuant to Chapters 103 and 104 of the Texas Utilities Code, the City Council is required to (i) analyze Natural Gas's Rate Filing; (ii) conduct a public hearing in order to determine the propriety of the proposed rate increase; and (iii) make a reasonable

determination of Natural Gas's rate base, expenses, investment and rate of return in the City;  
and

WHEREAS, in order to have time to analyze the Rate Filing thoroughly prior to the public hearing on this matter, it is necessary that, as allowed by and in accordance with Section 104.107 of the Texas Utilities Code, the City suspend implementation of Natural Gas's proposed rate schedule from March 1, 2013 until the May 31, 2013 or the latest date permitted by law, or until the date of effectiveness of a rate order adopted by the City Council in response to the Rate Filing; and

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

SECTION 1.

Implementation of the rate schedule outlined in Natural Gas's January 19, 2013 Amended Rate Filing with the City is hereby suspended for a period of ninety (90) days from the effective date of the rate increase or March 1, 2013, which is until May 31, 2013, or the latest date permitted by law, pending and subject to a public hearing on the merits, a determination by the City Council as to the propriety of the Rate Filing and adoption of a rate order by the City Council that establishes the rates that Natural Gas may charge in the City. Until the May 31, 2013, or the latest date permitted by law for suspension of implementation of the rate schedule outlined in Natural Gas's January 19, 2013 Amended Rate Filing, or until the date of effectiveness of a rate order adopted by the City Council that establishes the rates that Natural Gas may charge in the City, Natural Gas shall charge the same rates in the City as those that were in effect on January 19, 2013.

SECTION 2.

All of the declarations and findings contained in the preamble of this Ordinance are made a part hereof and shall be fully effective as part of the ordained subject matter of this Ordinance.

SECTION 3.

If any portion, section or part of a section of this Ordinance is subsequently declared invalid, inoperative or void for any reason by a court of competent jurisdiction, the remaining portions, sections or parts of sections of this Ordinance shall be and remain in full force and effect and shall not in any way be impaired or affected by such decision, opinion or judgment.

SECTION 4.

This Ordinance shall take effect and be in full force and effect from and after the date of its adoption. The City Secretary is hereby directed to deliver a certified copy of this Ordinance to Natural Gas, care of Michael R. Lannou, at Natural Gas Company, LLC, 2115 # 8, McDuffie Street, Houston, Texas 77019.

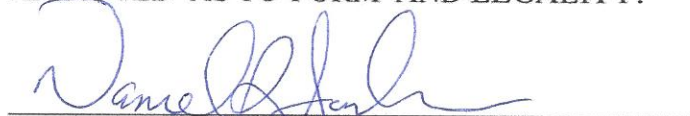
AND IT IS SO ORDAINED. ADOPTED AND EFFECTIVE: January 21, 2013.

  
BILLY COMBS, Mayor

ATTESTED:

  
MARGARET GAINER, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

  
DANIEL R. JACKSON, City Attorney