

ORDINANCE NO. 722

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF HAWARDEN, IOWA, BY AMENDING GAS UTILITY RATES AND FEES.

BE IT ENACTED by the City Council of Hawarden as follows:

Section 1. Amendment. The Hawarden Municipal Code is hereby amended to amend Section 113.07 to read as follows:

113.07 GAS UTILITY RATES.

1. Base Rates. The base rates for delivery of gas service, including delivery charges, transportation and pumping expenses, demand charge (space in pipeline and agreement to have a constant flow of gas available to occupy said space) and pipeline balancing fees shall be as follows:

A. Residential Service:

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| (1) Minimum System Support Charge per month/per meter | \$9.00 |
| (2) Delivery Charge per CCF | \$.50 |

B. Small Commercial: Nonresidential customers with a peak month usage under 500 CCF.

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| (1) minimum System Support Charge per month/per meter | \$9.00 |
| (2) Delivery Charge per CCF | \$.50 |

C. Large Commercial: Nonresidential customers with a peak monthly usage between 500 and 2000 CCF at any one time within the previous calendar year.

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| (1) Minimum System Support Charge per month/per meter | \$30.00 |
| (2) Delivery Charge per CCF | \$.50 |

D. General Service: Nonresidential customers with a peak monthly usage greater than 2000 CCF at any one time within the previous calendar year.

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| (1) Minimum System Support Charge per month/per meter | \$75.00 |
| (2) Delivery Charge per CCF | \$.50 |

2. Gas Cost Recovery Fee. In addition to the payment of the base rate as set forth in Subsection 1, above, each gas customer will be billed for and must pay for the amounts of natural gas actually metered each month. Because of the volatility of the natural gas price paid by the City of Hawarden, the cost of said gas to be billed to each customer will be determined each month by measuring the volume of natural gas entering the City gate between approximately the first day of each month and the last day of the same month. This volume of gas entering the City gate shall be multiplied by the average price of each CCF charged to the City of Hawarden during the same one-month period. City gas customers will be charged the same price per CCF as the City is charged by its wholesaler(s). The City shall not "markup" the cost of gas delivered to City gas customers.

3. Annual Rate Review and Adjustment. On or before the second regularly scheduled City Council Meeting in June of each year the Council shall review the Base Rates established under subsection 1 above and may adjust them as necessary by adoption of an ordinance setting forth the base rates to take effect at the beginning of the month following adoption of the ordinance and to remain in effect until such time as the rates are subsequently adjusted by ordinance of the Council.

4. Miscellaneous Sales of Inventory. The City may sell gas parts and supplies which it maintains on hand to contractors and property owners at the City's cost plus 25%.

Section 2. REPEALER. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 3. SEVERABILITY CLAUSE. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 4. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

Passed and approved by the council on this 24th day of June 2020.

RICARD R PORTER
Ricard R. Porter, Mayor

ATTEST:

Michael DeBruin
Michael DeBruin, City Administrator/Clerk

First Reading: May 27, 2020
Second Reading: June 10, 2020
Third Reading: June 24, 2020

I certify that the foregoing was published as Ordinance No. 722 was published in the Hawarden Independent, a newspaper printed and published and has circulation in the City of Hawarden on the 2nd day of July 2020.

Michael DeBruin
Michael DeBruin, City Administrator/Clerk