

## ORDINANCE NO. 3483

AN ORDINANCE TO REGULATE THE RATES AND CHARGES TO BE CHARGED AND COLLECTED AND THE SERVICES TO BE RENDERED BY GLENWOOD ENERGY OF OXFORD, INC., ITS SUCCESSORS AND ASSIGNS, FOR GAS AND GAS SERVICE FURNISHED TO ALL OF ITS CUSTOMERS WITHIN THE CORPORATE LIMITS OF THE CITY OF OXFORD DURING THE PERIOD ENDING October 31, 2021, AND REPEALING AND SUPERSEDING ORDINANCE NOS. 3298 AND 3387, WHICH, TOGETHER, PREVIOUSLY REGULATED SUCH RATES, CHARGES, AND SERVICES.

THE COUNCIL OF THE CITY OF OXFORD, OHIO, HEREBY ORDAINS THAT:

SECTION 1: Rates, Charges, Rules, and Regulations. The rates and charges to be charged and collected and the rules and regulations governing services to be rendered by Glenwood Energy of Oxford, Inc., its successors and assigns, for gas and gas service furnished to all of its customers within the limits of the City of Oxford during the period ending October 31, 2021 shall be as set forth in this ordinance, which is hereby adopted pursuant to Article XVIII, Section 4 of the Ohio Constitution and Section 4909.34 of the Ohio Revised Code.

1. Definitions. The following definitions shall apply in the interpretation and enforcement of this ordinance unless the context clearly shows a different meaning is intended.

“City” means City of Oxford, Ohio.

“City Manager” means the city manager of the City of Oxford, Ohio.

“Company” means Glenwood Energy of Oxford, Inc., its successors and assigns.

“Council” means City Council of the City of Oxford, Ohio.

“Gas,” “gas costs,” and “cost of gas” have the same meanings as defined in Chapter 4901:1-14, OAC.

“GCR” means “gas cost recovery rate” as defined in Chapter 4901:1-14, OAC.

“Mcf” means one thousand cubic feet.

“OAC” means the Ohio Administrative Code.

“ORC” means the Ohio Revised Code.

“PIPP” means the “percent of income payment plan” as set forth in Chapter 4901:1-18, OAC.

“PUCO” means the Public Utilities Commission of Ohio.

“Self-Help Arrangement” has the same meaning as defined in Chapter 4901:1-14, OAC.

2. Authorized Gas Distribution Rates and Charges. Effective with bills rendered on or after November 1, 2018 through the bills for the monthly service period ending October 31, 2021, the Company shall charge the following rates and charges for delivering gas to its customers within the City limits:

- a. Monthly Customer Charge. The Company shall charge a fixed monthly customer charge per meter per month to each customer regardless of the amount of gas if, any, consumed during the month; provided, however, that the customer charge shall not be imposed in any month in which there is no consumption as a result of a voluntary request by the customer for the shutoff of the meter.

For bills rendered to residential customers on or after November 1, 2018 through the bills for the monthly service period ending October 31, 2019, the customer charge shall be \$8.00 per meter per month.

For bills rendered to residential customers on or after November 1, 2019 through the bills for the monthly service period ending October 31, 2021, the customer charge shall be \$10.00 per meter per month.

For bills rendered to commercial customers on or after November 1, 2018 through the bills for the monthly service period ending October 31, 2019, the customer charge shall be \$10.00 per meter per month.

For bills rendered to commercial customers on or after November 31, 2019 through the bills for the monthly service period ending October, 31, 2021, the customer charge shall be \$12.00 per meter per month.

- b. General Service Rate. In addition to the Monthly Customer Charge, the Company shall charge a base distribution rate of \$3.46 per Mcf of gas delivered to residential customers and a base distribution rate of \$3.46 per Mcf of gas delivered to commercial customers.

3. Gas Cost Recovery Rate. In addition to the rates and charges for gas distribution service set forth in Section 1.2 above, the Company shall be entitled to recover the cost of obtaining the gas it sells to its customers through a GCR rate, which shall be subject to the jurisdiction of, and regulated by, the PUCO. As provided in Ordinance No. 3147, and in accordance with the PUCO’s September 19, 2007

Opinion and Order in its Case Nos. 06-350-GA-CMR and 06-521-GA-GCR, the Company shall be authorized to include as an expected gas cost eligible for recovery through the GCR rate under Rule 4901:1-14-05, OAC, the amount of the actual, invoiced fixed charges imposed by Duke Energy Ohio in connection with the Company's use of the Duke Energy Ohio's transportation pipeline to transport gas from the Millville Station to the Company's Oxford city gate, up to a maximum of \$200,000 per year. Any such Duke Energy Ohio charges in excess of \$200,000 annually shall not be included by the Company as a cost of gas and shall not be proposed for recovery through the GCR rate. If the arrangement under which the Company transports gas from the Millville Station to the Company's city gate changes during the term of this ordinance, the Company may continue to include the amount of any actual, invoiced fixed charges or, if applicable, capital costs associated with this pipeline as an expected gas cost eligible for recovery through the GCR rate; provided, however that the amount proposed for recovery through the GCR rate shall be limited as necessary to fairly allocate the total charges or costs between the Company's GCR customers and other customers served through the pipeline on a relative throughput basis. The Company shall provide the City Manager with documentation supporting such charges or costs and the allocation methodology prior to including the cost as an expected gas cost in its GCR filings with the PUCO. The Company shall be subject to PUCO financial and management/performance audits relating to its GCR calculations and its gas procurement practices as provided in Rule 4901:1-14-07, OAC.

4. Pipeline Relocation Rider. In addition to all other rates and charges set forth in this section, all gas consumed shall be subject to a Pipeline Relocation Rider of \$0.2406 per Mcf of gas delivered to recover the actual costs incurred by the Company, including the actual carrying costs, associated with moving its natural gas pipeline to accommodate the relocation of US Rt. 27. Pursuant to Ordinance No. 3267, the Pipeline Relocation Rider was implemented effective with bills rendered on or after May 1, 2014, and said rider shall remain in effect through the bills for the monthly service period ending April 30, 2019 or until the costs are fully recovered, whichever first occurs. This Pipeline Relocation Rider shall be the exclusive mechanism for recovery of the costs associated with moving the natural gas pipeline, and the Company shall not be entitled to include said costs in the revenue requirement used to determine rates and charges in any subsequent City rate ordinance or in any proceeding before the PUCO.
5. BTU Adjustment Rider. Ordinance No. 3387 amended Ordinance No. 3298 by implementing a BTU Adjustment Rider to recognize the revenue impact of the difference between the BTU content of the gas volumes delivered to customers on and after January 1, 2015 and the BTU content of annual gas volumes used to calculate the General Service Rate for purposes of Ordinance No. 3298. The \$0.1218 per Mcf Fixed Component of the BTU Adjustment Rider was designed to recover the revenue shortfall of \$182,709 attributable to higher BTU content of the gas supplied to customers for the period January 2015 through December

2016 over a forty-eight (48) month amortization period commencing with the first bills rendered after the January 5, 2017 effective date of Ordinance 3387. In addition to all other rates and charges set forth in this section, the Company shall be entitled to continue to charge the \$0.1218 per Mcf Fixed Component of the BTU Adjustment Rider until the month following the month in which the total \$182,709 revenue shortfall has been recovered, at which time the Fixed Component shall be eliminated. The Company shall continue to provide documentation to the City Manager of the amount recovered through the Fixed Component no less frequently than once every six (6) months during the period the Fixed Component remains in effect. The Variable Component of the BTU Adjustment Rider, currently \$0.648 per MCF, which was designed to recognize, going forward, the revenue impact of the higher BTU content of the gas delivered after the effective date of Ordinance No. 3387, shall be eliminated as of the effective date of this ordinance; provided, however, that the Company shall perform a final true up to reflect the difference, plus or minus, between the estimated average monthly per-Mcf BTU value used to calculate the Variable Component then in effect and the actual average monthly BTU/Mcf value of the gas delivered to customers over the period following the most recent six-month true up required by Ordinance No. 3387. The Company shall provide documentation supporting the calculation of the revised Variable Component to the City Manager for review and approval no later than five (5) business days before including the final revised Variable Component on the first monthly bills rendered after the effective date of this ordinance.

6. Mcf Tax Rider. In addition to all other rates and charges set forth in this section, all gas consumed shall be subject to an Mcf tax rider to provide for the recovery of the Company's excise tax liability under Section 5727.811, ORC.
7. Gross Receipts Tax Rider. In addition to all other rates and charges set forth in this section, amounts billed by the Company shall be subject to a rider at the Company's effective gross receipts tax rate to provide for the recovery of the Company's gross receipts tax liability under Section 5727.25, ORC.
8. PIPP Cost-Recovery Rider. In addition to all other rates and charges set forth in this section, the Company shall be entitled to recover the costs associated with the PIPP program through a PIPP cost-recovery rider, which shall be subject to the jurisdiction of, and regulated by, the PUCO.
9. Uncollectible Expense Rider: In addition to all other rates and charges set forth in this section, the Company shall be entitled to recover its uncollectible expense through an uncollectible expense rider, which shall be subject to the jurisdiction of, and regulated by, the PUCO.
10. Tax Change Adjustments. If, during the term of this ordinance, a governmental authority imposes a new tax, removes an existing tax, or increases or reduces the rate of an existing tax, the effect of which is to increase or reduce the annual tax

liability of the Company, the Company shall be entitled to adjust the rates authorized in this section by implementing a new rider or, if applicable, eliminating or adjusting an existing rider, calculated so as to produce the pro forma annual revenues that will reflect the increase or decrease in the Company's annual tax liability. This provision does not apply to changes in the property tax rates or liability. A rider implemented or adjusted pursuant to this provision may be rounded to nearest one-quarter (\$0.0025) cent per Mcf. The Company shall provide written notice to the City Manager of its intent to implement any such new rider or adjust or eliminate an existing rider, and of the proposed effective date of such rate change, said notice to be provided no later than thirty (30) days prior to the proposed effective date of the rate change. The written notice shall include all documentation, information, and calculations relied on by the Company to support the proposed rate change. The City shall, upon notice to the Company, be entitled to inspect any Company books or records as may be necessary to verify the accuracy of the proposed change. No rate change as described herein shall become effective until the City Manager advises the Company that the City finds the proposed rate change to be a tax-related change of the type contemplated by this provision and that the proposed rate has been properly calculated; provided, however, if the City Manager does not so inform the Company within fourteen (14) days of receipt of the written notice, the rate change shall take effect automatically as of the proposed effective date.

11. Miscellaneous Charges. In addition to all other rates and charges set forth in this section, the Company shall be entitled to impose the following charges:
  - a. Late Payment Charge. If a bill payment is not received in the Company's offices or by the Company's authorized agent within twenty-five (25) days of date of the invoice, an additional amount of one and one-half percent (1.5%) of the unpaid balance will be assessed on the customer's subsequent bill. This charge is not applicable to the unpaid account balances of a customer enrolled in PIPP or a payment plan pursuant to Rule 4901:1-18-04, OAC.
  - b. Returned Check Charge. Where the customer's financial institution returns a customer's check for insufficient funds, the Company shall assess a returned check charge of \$25.00; provided, however, that this charge will not be assessed if the customer establishes that the cause of the dishonored check was bank error.
  - c. Credit Check Processing Charge. The Company may impose a charge of \$15.00 for a credit check on an applicant for service.
  - d. Field Collection Fee. Where a Company employee is dispatched to a customer's premises to disconnect service for nonpayment, the customer may avoid disconnection by paying the full amount owed; provided, however, that the Company may assess a \$20.00 field collection charge

for accepting such payment. This charge may be assessed either at the time the delinquent amount is collected or on a subsequent bill.

- e. Reconnection Charge. Where service to a premises has been disconnected by the Company by shutting off the meter, the Company may charge and collect a reconnection charge of \$50.00 as a condition of restoring service to the premises. The reconnection charge shall apply without regard to the length of time the service was disconnected, whether the disconnection was voluntary or involuntary, or whether the customer requesting reconnection is the same customer as the customer at the time service to the premises was disconnected. Upon a request by a customer for a voluntary disconnection of service to a premises, the Company shall advise the customer that the \$50.00 reconnection charge will apply if service is subsequently restored. If service was disconnected as a result of unauthorized or fraudulent use by the customer, the Company may impose, in addition to the \$50.00 reconnection charge, a charge to recover any actual expense incurred by the Company as a result of such unauthorized or fraudulent use, including an estimate of the cost of gas improperly used, prior to reconnecting service.
- f. New Service Tap Charge. Applicants applying for a new tap on the Company's system shall be assessed a new service tap charge of \$950.00 for single-family residences and \$1,350.00 for multi-family and commercial premises, or the actual cost of the installing the new tap, whichever is less. The Company shall provide documentation to an applicant for a new service tap showing the actual cost of installing the new tap in as a part of, on in conjunction with, the bill on which the charge is assessed.
- g. Meter Test Fee. Upon request by a customer, the Company shall test the accuracy of the meter by removing the meter and engaging a independent outside vendor to perform the test. The Company shall assess a fee of \$75.00 for the meter test; provided, however, that this fee will not be assessed if the meter is not found to be operating within accepted tolerances (plus or minus the 3%), nor shall it be assessed for the first meter test performed in any 36-month period.
- h. Stop Payment Fee – Return of Security Deposit. Upon notification by a customer entitled to the return of all or part of a security deposit held by the Company pursuant to Rules 4901:1-17-04 through 4901:1-17-07, OAC, that the refund check has been lost or has not been received, the Company shall promptly notify its bank to stop payment on the check. If the check was lost by the customer, or was not received by the customer due to the customer's failure to notify the company of a change in the customer's mailing address, the company shall be entitled to assess a fee of \$34.50 for stopping payment on the refund check. The fee shall be

deducted from the amount of the security deposit to be returned to the customer though the replacement check. No stop payment fee shall be assessed if the check was not received by the customer due to the Company's error.

- i. Pressure Test Fee. The Company shall offer to perform the pressure test required by Rule 4901:1-13-05(A)(3)(c), OAC, as a condition of reestablishing service in instances where service has been disconnected for thirty (30) days or longer. The Company may charge and collect a fee of \$80.00 for performing such pressure test, such fee to be in addition to the \$50.00 reconnection fee authorized in Section 2.11.e of this Section. If the piping fails the pressure test, the owner of the premises shall be responsible for all necessary repairs. Upon a request by a customer for a voluntary disconnection of service to a premises, the Company shall advise the customer of the pressure test requirement that must be satisfied prior to reestablishing service and that, if the Company performs the pressure test, the \$80.00 pressure test fee will apply.
11. Self-Help Arrangements. Nothing contained in this ordinance shall prevent the Company from entering into self-help arrangements with customers to provide for the transportation of gas owned by the customer to the customer's premises; provided, however, that all such special contracts must be filed with and approved by the PUCO pursuant to Section 4905.31, ORC.
12. Rules and Regulations. The Company shall be subject to the PUCO's Minimum Gas Service Standards set forth in Chapter 4901:1-13, OAC. The Company's rules and regulations governing the terms and conditions of service to customers within the corporate limits of the City shall be identical to the rules and regulations set forth in the Company's tariff filed with and approved by the PUCO, and any subsequent PUCO-approved amendments thereto; provided, however, that in the event of any conflict between the Company's PUCO-approved tariff and this ordinance (including, but not limited to, conflicts in the specified rates, charges, and fees), the terms of the ordinance shall apply.
13. Notice of PUCO Filings: The Company shall serve a copy of all filings made with the PUCO upon the City Manager on the date the filing is made, including, without limitation, applications for approval of special contracts, all GCR-related filings, applications to adjust the PIPP cost-recovery rider, applications to adjust the uncollectible expense rider, applications to amend its PUCO tariff, and its annual reports to the PUCO. The Company shall provide a copy of any notice it receives from the PUCO initiating a financial and/or management/performance audit pursuant to Rule 4901:1-14-07, OAC, within three (3) business days after the notice is received.
14. Company Office and Information to be Made Available to Customers. The Company shall, by notice to the City Manager, designate a place or places within

the City where customers may pay bills, submit complaints, and inspect copies of documents relating to the service provided by the Company. The place or places so designated may be changed at any time by written notice to the City Manager. The Company shall maintain copies of this ordinance, its PUCO-approved tariff, and all ORC statutes and OAC rules cited herein. Such documents shall be made available for inspection upon customer request.

15. City Access to Company Financial Information. The Company shall provide a copy of its annual financial statements to the City Manager within seven (7) days of availability. The financial statements shall include, without limitation, a balance sheet and statements of income, retained earnings, and cash flow.
16. Rates and Charges Upon Expiration of Ordinance. In the event that the City has not enacted a new ordinance to replace and supersede this ordinance upon the expiration of its term, the Company shall continue to render service to customers within the corporate limits of the City pursuant to the terms of this ordinance until a new ordinance takes effect as provided by law or until such time as the PUCO establishes rates, charges, rules and regulations pursuant to Section 4909.18, ORC, or Section 4909.39, ORC. If the Company proposes to increase in its rates and charges following the expiration of this ordinance, the Company shall so advise the City Manager in writing, and shall provide documentation supporting any such proposed increase sufficiently in advance of the expiration of this ordinance to permit the City and the Company to attempt to negotiate a mutually acceptable ordinance prior to the Company filing a 4909.18, ORC, rate increase application with the PUCO.
17. Customer Notice. The Company shall provide written notice to its customers, by bill insert or separate mailing, of the increase in rates and charges authorized by this ordinance. The Company shall submit a copy of this notice to the City Manager or the City Manager's designee for review and approval prior to distributing the notice to its customers.

SECTION 2. Repeal of Prior Ordinances. Ordinance Nos. 3298 and 3387, adopted, respectively, on January 6, 2015 and December 6, 2016, are hereby repealed and superseded by this ordinance.

SECTION 3. Company Acceptance of Ordinance. If the Company accepts this ordinance, the Company shall file a written acceptance of this ordinance with the Clerk of the City within thirty (30) days after its passage by Council and this ordinance shall constitute a contract between the City and the Company. If the Company does not accept this ordinance, the Company shall file a complaint and appeal from this ordinance with the PUCO pursuant to Section 4909.34, ORC, within (30) days after its passage. If the Company does not file a written acceptance of this ordinance with the Clerk of the City within thirty (30) days after its passage and does not file a complaint and appeal from this ordinance with the PUCO within (30) days after its passage by Council, the Company



shall be deemed to have accepted this ordinance and shall be bound by its terms as if it had filed a written acceptance.

SECTION 4: Effective Date. This ordinance shall take effect at the earliest time allowed by law.



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MAYOR

ADOPTED: September 4, 2018

ATTEST:



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CLERK OF OXFORD CITY COUNCIL

INTRODUCED BY : KATE ROUSMANIERE

PREPARED BY: LAW