

RESOLUTION NO. U.A. 2008-07

A RESOLUTION RESCINDING AND REVISING THE RATES FOR NATURAL GAS SERVICE ESTABLISHED IN THE SCHEDULE OF RATES AND CHARGES, CONTAINED IN RESOLUTION NO. U.A. 2004-11, FOR THE COMMODITY AND FACILITIES FURNISHED BY THE NATURAL GAS DISTRIBUTION SYSTEM OF FORT PIERCE UTILITIES AUTHORITY, FORT PIERCE, FLORIDA, IN ACCORDANCE WITH THE CHARTER OF THE CITY OF FORT PIERCE, FLORIDA, ARTICLE XII; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.

WHEREAS, Fort Pierce Utilities Authority was created and established by the City Commission of the City of Fort Pierce, Florida, through a referendum election held in said City on May 30, 1972; and

WHEREAS, the Charter of the City of Fort Pierce, Florida, Article XII, grants to said Fort Pierce Utilities Authority the power and duty to fix rates to be charged for gas, electricity, water, and wastewater (sanitary sewer), and other utility services sold and services rendered by said Fort Pierce Utilities Authority;

Now, therefore, be it resolved by Fort Pierce Utilities Authority (FPUA), Fort Pierce, Florida:

SECTION I. INTERPRETATION OF RESOLUTION: This resolution shall not be construed to relieve or lessen the responsibility or liability of any party owning, operating, controlling, or making gas installation or gas distribution, for damages to person or property caused by any defect therein or the negligent installation thereof, nor shall FPUA be held as assuming any such liability by reason of the inspection or examination authorized herein, or the license or certificate of inspection issued as herein provided.

SECTION II. NATURAL GAS SERVICE RATE SCHEDULE: The schedule of rates and charges to be imposed for the commodity and facilities furnished by the natural gas distribution system of FPUA shall be subject to revision from time to time as may be necessary. Unless the context otherwise requires, the terms defined in this Resolution shall have the meanings specified in the resolution entitled General Rules and Regulations Governing the Provision of Utility Service. The schedule thereof, which shall be applicable to all natural gas service provided by FPUA, with the exception of certain authorized contracts, shall be implemented as follows:

A. RESIDENTIAL AND COMMERCIAL

(1) Availability: Service under the Residential and Commercial rate schedule shall apply only to individual dwelling units and their

appurtenances where natural gas is used exclusively for cooking and/or water heating and/or other Residential purposes in addition to building heating. Each dwelling unit in multiple unit residential dwelling complexes shall be considered as a separate consumer and shall be separately metered and billed. This rate shall not be available for buildings equipped only with natural gas space heaters where no other use is made of natural gas, or for standby or auxiliary service. No natural gas purchased under this schedule shall be resold for any purpose.

(2) Character of Service: Natural gas delivered at an average pressure of seven (7) inches water column and an average heating value of 1,040 BTU's per standard cubic foot.

(3) Monthly Rate:

Customer Charge (No Gas Included; Based on Meter Size):

175 - 250 cfh	\$ 11.17
400 - 415 cfh	13.68
565 cfh.....	19.10
750 cfh.....	22.33
880 cfh.....	24.60
1000 cfh.....	26.68
1400 cfh.....	35.35
1500 cfh.....	37.51
2300 cfh.....	54.84
3000 cfh.....	69.95
3500 cfh.....	80.83
5000 cfh.....	113.21
5500 cfh.....	124.15
9000 cfh.....	199.97

Commodity Charge:

0 - 100 ccf.....	\$1.1165
101 - 500 ccf.....	0.7090
501 - 2000 ccf.....	0.6476
over 2000 ccf	0.6029

The minimum charge shall be the Customer Charge.

(4) Purchased Gas Adjustment: The amount computed at the above Monthly Rate shall be adjusted plus or minus by an amount calculated in accordance with the formula specified in FPUA's Purchased Gas Adjustment Clause, which is incorporated in Section III of this resolution.

(5) Tax Adjustment Clause: The amount computed at the above Monthly Rate, as adjusted by the application of the Purchased Gas Adjustment Clause, shall be subject to taxes, assessments, and surcharges imposed by any governmental authority which are assessed on the basis of

Meters or Customers or the price of revenues from natural gas purchases or sales.

(6) Franchise Fee: A franchise fee is applied to the charges for utility services (exclusive of any municipal tax) provided to Customers within the jurisdictional limits of each municipal or other governmental body requiring the payment of a fee from FPUA pursuant to a franchise ordinance. The franchise fee shall be determined in a manner which reflects the UA's payments to each governmental body based on the provisions of the franchise ordinance.

(7) Interruption of Service: FPUA will make reasonable provisions to insure satisfactory and continuous service but does not guarantee a continuous supply of gas and shall not be liable for damage occasioned by interruptions of service; or failure to commence delivery caused by an act of God, or the public enemy, or for any cause reasonably beyond its control, including, but not limited to, the failure or breakdown of FPUA's suppliers or its equipment or facilities; freezing of wells, lines, or pipes; depletion of gas supplies; floods; fire; strikes; action or order of any agency having jurisdiction in the premises; or for interruptions which are necessary for inspection, repair, or changes in the natural gas distribution system of FPUA.

The Customer shall notify FPUA immediately of any defects, trouble, or accident which may in any way affect the delivery of gas by FPUA.

B. HEAT ONLY

(1) Availability: Service under the Heat Only rate schedule shall apply to all Customers using natural gas for heating purposes only in homes, buildings, or structures, inside and outside corporate limits, where service is supplied at one location through one meter. No other rate schedule or schedules shall be applied in such cases. No natural gas purchases under this schedule shall be resold for any purpose.

(2) Character of Service: Same as Section II. A. (2) above.

(3) Monthly Rate:

Customer Charge (No Gas Included; Based on Meter Size):

175 - 250 cfh	\$ 14.85
400 - 415 cfh	18.87
750 cfh.....	32.71
1000 cfh.....	39.69
3000 cfh.....	108.91
5000 cfh.....	178.14

Commodity Charge:

0 - 100 ccf.....	\$1.5095
101 - 500 ccf.....	1.1344
501 - 2000 ccf.....	1.0361
over 2000 ccf	0.9647

The minimum charge shall be the Customer Charge.

- (4) **Purchased Gas Adjustment:** Same as Section II. A. (4) above.
- (5) **Tax Adjustment Clause:** Same as Section II. A. (5) above.
- (6) **Franchise Fee:** Same as Section II. A. (6) above.
- (7) **Interruption of Service:** Same as Section II. A. (7) above.

C. CONTRACT GAS

Availability: Service under the Contract Gas rate schedule shall apply to any Commercial or industrial Customer, inside and outside the City limits, who maintains adequate standby equipment and fuel supplies for operation with an alternate fuel and who uses a contract minimum of 500,000 ccf per year or more. No natural gas purchased under this rate schedule shall be resold for any purpose. Specific Customer requirements, character of service, and monthly rates shall be set forth in a service agreement between FPUA and the Customer.

D. GAS COOLING RIDER

(1) **Availability:** This rider is available to any natural gas Customer throughout FPUA’s service area, including both existing or new Customers that take natural gas service and where gas is used for building cooling in addition to gas used for other domestic and/or commercial purposes.

(2) **Applicability:** Service under this rider is applicable, at the request of the Customer, to incremental consumption associated with new gas end use applications with summer intensive profiles such as gas-fired air conditioning (and space conditioning provided by the same appliance) and gas-fired desiccant cooling. The qualifying incremental gas cooling service shall be separately metered to ensure that the rates provided under this rider apply only to eligible gas loads.

(3) **Character of Service:** Same as Section II. A. (2) above.

(4) **Monthly Rate:**
Commodity Charge per ccf for all ccf consumed\$0.5583

The minimum charge under this rider shall be the volume of gas consumed times the Commodity Charge. In the event that no gas is consumed in a billing period, the minimum bill under this rider shall be zero.

- (5) **Purchased Gas Adjustment:** Same as Section II. A. (4) above.
- (6) **Tax Adjustment Clause:** Same as Section II. A. (5) above.
- (7) **Franchise Fee:** Same as Section II. A. (6) above.
- (8) **Interruption of Service:** Same as Section II. A. (7) above.

E. COMPRESSED NATURAL GAS

(1) **Availability:** Service under the Compressed Natural Gas (CNG) rate schedule is available at FPUA's Energy Services Center for use in vehicles properly equipped to use CNG as a fuel source. To receive service under this rate schedule, Customers must use appropriate cards to activate the self-service dispenser. Cards identify the Customer's account for billing purposes and, in some cases, the vehicle being fueled. The cards must be approved by FPUA, are transferable upon proper notice to FPUA, and are available from FPUA subject to a security deposit. No natural gas purchased under this schedule shall be resold for any purpose.

(2) **Character of Service:** Compressed natural gas at an average pressure of 3,000 psi at 70° F at an average rate of approximately one (1) gallon per minute ("fast fill") to the extent sufficient gas is available in storage.

(3) **Monthly Rate:**

Commodity Charge\$1. 12 per gallon

Commodity Charge applies to all CNG delivered to the Customer during the month, where one Energy Equivalent Gallon of CNG at 70° F and 3,000 psi equals approximately 115 standard cubic feet of natural gas.

(4) **Price Adjustment:** The Director of Utilities has the authority to increase the price for CNG to enable FPUA to recover its cost and maintain its profit margin.

(5) **Tax Adjustment Clause:** Same as Section II. A. (5) above.

(6) **Franchise Fee:** Same as Section II. A. (6) above.

(7) **Interruption of Service:** Same as Section II. A. (7) above.

F. **SPECIAL CLASSIFICATION AUTHORIZED:** Whenever it is determined by FPUA to be necessary to classify any commercial institutions or industries by reason of the unusual purpose for which natural gas is used, or whenever the established schedule of rates and charges for any reason is not applicable, then special rates may be established by FPUA. Any person, firm, or corporation being dissatisfied with the established schedule of rates by reason of peculiar or unusual use or occupancy of any premises and consequently alleging peculiar or unusual uses of gas services, may file application with FPUA for special classification. In making any such determination as to special classification, FPUA may have the advice of a consulting engineer of national reputation and shall obtain the written recommendation of such consulting engineer in connection with the establishment of such special classification.

SECTION III. PURCHASED GAS ADJUSTMENT CLAUSE: The Purchased Gas Adjustment clause is applicable to and becomes a part of all of FPUA's Monthly Rates for natural gas service and is applicable to all sales thereunder.

A. The monthly bill computed under the appropriate rate schedule for firm gas service will be increased or decreased by an amount equal to the result of multiplying the measured or used volume of gas in ccf by the Purchased Gas Adjustment factor ("PGA") in effect at the time and determined as follows:

$$PGA = [(A + B)/C - \$0.33000] \times 1/(1 - T)$$

Where:

1. **PGA** = Estimated Purchased Gas Adjustment factor in dollars per ccf rounded to nearest one thousandth of a cent applicable to bills rendered during the current six-month billing cycle defined as either: i) the billing months of October, November, December, January, February, and March; or ii) the billing months of April, May, June, July, August, and September. However, during the months of gas price volatility, FPUA has the option to calculate PGA monthly.
2. **A** = Total applicable purchased gas costs for the six-month period including, but not limited to, demand charges, commodity charges, administrative charges, charges for heating content, and other charges and adjustments necessary to compensate for temperature, losses, and pressure associated with natural gas purchases.

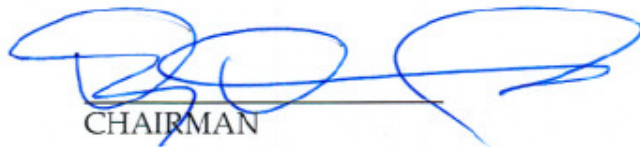
3. **B** = An amount to correct for the over-recovery or under-recovery of the actual applicable purchased cost of gas (True-Up Adjustment) during the latest six-month period of: i) August, September, October, November, December, and January; or ii) February, March, April, May, June, and July, determined as the difference between the actual applicable purchased cost of gas and the purchased cost of gas actually billed during the same period; plus any previous over-recovery or under-recovery of actual applicable purchased gas costs as defined above associated with prior period adjustments, if any.
4. **C** = Estimated firm gas sales in ccf for the current six-month billing cycle.
5. **T** = Appropriate tax rate for any applicable taxes.

SECTION IV: This Resolution shall become effective on April 1, 2008.

This the 4thth day of March, 2008, A.D.

ATTEST:


SECRETARY


CHAIRMAN

Approved as to Form and Correctness:


Attorney for Fort Pierce Utilities Authority

