

PROPOSED
ORDINANCE NO. 41-14

ORDINANCE NO. 40-14

AN ORDINANCE
TO BE ENTITLED:

AN ORDINANCE AMENDING SECTION 10-4-19 G. OF THE CODE OF THE CITY OF PENSACOLA ENTITLED: "SCHEDULE OF RATES AND CHARGES"; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE:

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA

SECTION 1. Section 10-4-19 G. of the Code of the City of Pensacola, Florida, is hereby amended to read:

Sec. 10-4-19. Schedule of rates and charges.

G. Service charges shall include a customer charge and a distribution charge. The customer charge is a fixed monthly charge for having gas available and the distribution charge is a variable monthly charge based on consumption of gas.

Service charges are as follows:

(1) *Service classification: GR-1, residential gas service. (Within city limits of the City of Pensacola).*

(1a) *Availability.* Available to any consumer using the city's natural gas service for any purpose in a residence only.

(1b) *Customer charge.* ~~Nine dollars and eight cents (\$9.08)~~ **Nine dollars and twenty-two cents (\$9.22)** fixed monthly charge, plus

(1c) *Distribution charge.* ~~Seven dollars and sixty three cents (\$7.63)~~ **Seven dollars and seventy-four cents (\$7.74)** per Mcf.

(2) *Service classification: GR-2, residential gas service. (Outside city limits of the City of Pensacola).*

(2a) *Availability.* Available to any consumer using the city's natural gas service for any purpose in a residence only.

(2b) *Customer charge.* ~~Ten dollars and fifteen cents (\$10.15)~~ **Ten dollars and thirty cents (\$10.30)** fixed monthly charge, plus

- (2c) *Distribution charge.* ~~Nine dollars and forty-three cents (\$9.43)~~ **Nine dollars and fifty-seven cents (\$9.57)** per Mcf.
- (3) *Service classification: GC-1, commercial service. (Within the city limits of the City of Pensacola).*
- (3a) *Availability.* Available to any commercial consumer for cooking, water heating, space heating, air conditioning, and like uses.
- (3b) *Customer charge.* ~~Sixteen dollars and nine cents (\$16.09)~~ **Sixteen dollars and thirty-three cents (\$16.33)** fixed monthly charge, plus
- (3c) *Distribution charge.* ~~Seven dollars and sixty-three cents (\$7.63)~~ **Seven dollars and seventy-four cents (\$7.74)** per Mcf.
- (4) *Service classification: GC-2 commercial service. (Outside the city limits of the City of Pensacola).*
- (4a) *Availability.* Available to any commercial consumer for cooking, water heating, space heating, air conditioning, and like uses.
- (4b) *Customer charge.* ~~Eighteen dollars and twenty-seven cents (\$18.27)~~ **Eighteen dollars and fifty-four (\$18.54)** fixed monthly charge, plus
- (4c) *Distribution charge.* ~~Nine dollars and forty-three cents (\$9.43)~~ **Nine dollars and fifty-seven cents (\$9.57)** per Mcf.
- (5) *Service classification: GI-1, interruptible industrial contract service, small volume.*
- (5a) *Availability.* Available to any consumer using the city's natural gas service provided the consumer has adequate standby facilities approved by the city that will permit the city to curtail consumption as the city may determine necessary. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contracts may be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this class or rate must be for not less than one (1) year.
- (5b) *Contract volume.* Not less than twenty-five (25) Mcf per day.
- (5c) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus
- (5d) *Distribution charge.* Two dollars and five cents (\$2.05) per Mcf.
- (6) *Service classification: GI-2, interruptible industrial contract service, large volume.*
- (6a) *Availability.* Available to any consumer using the city's natural gas service provided the consumer has adequate standby facilities approved by the city that will permit the city to curtail consumption as the city may determine necessary. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contracts may be executed by the mayor, based on

recommendations by the Director of Pensacola Energy. Contracts for this class or rate must be for not less than one (1) year.

(6b) *Contract volume.* Not less than two hundred fifty (250) Mcf per day.

(6c) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus

(6d) *Distribution charge.* One dollar and five cents (\$1.05) per Mcf.

(7) *Service classification: GI-3, interruptible industrial flexible contract service, large volume.*

(7a) *Availability.* Available to any consumer using the city's natural gas service provided the consumer has adequate standby facilities approved by the city that will permit the city to curtail consumption as the city may determine necessary. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contracts may be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this class or rate must be for not less than one (1) year.

(7b) *Contract volume.* Not less than five hundred (500) Mcf per day.

(7c) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus,

(7d) *Distribution charge.* Rates to be negotiated.

(8) *Service classification: GI-4, interruptible medium volume commercial/industrial service.*

(8a)

Availability. Available to any consumer using the city's natural gas service provided the consumer has adequate standby facilities approved by the city that will permit the city to curtail consumption as the city may determine necessary. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contracts may be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this class or rate must be for not less than one (1) year.

(8b) *Contract volume.* Not less than one hundred (100) Mcf nor more than five hundred (500) Mcf per day.

(8c) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus

(8d) *GI-4 usage charge.* The GI-4 usage charge shall consist of the following components:

1. The spot cost of gas available to the city as it may vary from time to time, plus

2. The existing transportation rate on Pensacola Energy system as established under subsection E.(10) of this section for gas transportation service, plus

3. A seven cent (\$0.07) margin on the spot market cost of gas to the city.

These three (3) components shall determine the monthly cost of any consumer in this class or rate times the number of MMBTUs used by the consumer.

(9) *Service classification: City of Pensacola.*

(9a) *Availability.* Available to all current municipally operated buildings and facilities, and current and former municipally operated utilities, and other uses as authorized by the mayor. Measurement shall be by standard meter as normally used within Pensacola Energy.

(9b) *Customer charge.* ~~Twenty dollars and thirty cents (\$20.30)~~ **Twenty dollars and sixty cents (\$20.60)** fixed monthly charge, plus

(9c) *Distribution charge.* ~~Two dollars and ninety seven cents (\$2.97)~~ **Three dollars and one cent (\$3.01)** per Mcf.

(10) *Service classification: GTS, gas transportation service. (For medium volume commercial/industrial consumers).*

(10a) *Availability.* Available to a consumer with sufficient resources for purchasing its own natural gas supplies and transporting it on the city's natural gas system to the consumer's facilities. Pensacola Energy will determine which gate station on Pensacola Energy's interstate pipeline transporter system has adequate capacity to receive the transportation request. There shall be a separate contract with each consumer for each service location which includes a customer charge, a distribution charge, and a charge for fuel. . Such contracts may be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this service must be for not less than one (1) year.

Consumers using this service must have adequate standby facilities approved by the city that will permit the city to curtail consumption as the city may determine necessary.

(10b) *Contract volume.* Transportation volumes not less than one hundred (100) MMBTU nor more than five hundred (500) MMBTU per day. Volume requirements shall be reviewed in determining if a consumer shall qualify for this rate.

(10c) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus

(10d) *GTS distribution charge.* One dollar and ninety-two cents (\$1.92) Net per one (1) MMBTU/day transported.

As additional \$0.0475/MMBTU shall be added to cover administrative, maintenance, and monitoring costs for the transportation distribution on a daily basis. The consumer must notify Pensacola Energy a minimum of five (5) working days prior to the beginning of each month and identify the volume of the third party gas to be transported on the Pensacola Energy system during that month.

- (11) *Service classification: GOF-1, off-peak service.*
- (11a) *Availability.* Available to any consumer using the city's natural gas service. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contract will be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this class or rate must be for not less than one (1) year.
- (11b) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus
- (11c) *GOF-1 distribution charge.* An appropriate base load and incremental sales rate to be negotiated.
- (12) *Service classification: GON-1, on-demand peaking service.*
- (12a) *Availability.* Available to any consumer using the city's natural gas service. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contract will be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this class or rate must be for not less than one (1) year.
- (12b) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus
- (12c) *GON-1 distribution charge.* Terms and rates to be negotiated.
- (13) *Service classification: GAF, almost firm service.*
- (13a) *Availability.* Available to any consumer using the city's natural gas service. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contract will be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this class or rate must be for not less than one (1) year.
- (13b) *Contract volume.* Not less than one hundred (100) Mcf per day.
- (13c) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus
- (13d) *GAF distribution charge.* Rates to be negotiated.
- (14) *Service classification: GIT, flexible gas transportation service.*
- (14a) *Availability.* Available to all industrial or commercial transportation customers utilizing the city's gas services. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contract will be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this service must be for not less than one (1) year.

- (14b) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus
- (14c) *GIT distribution charge.* Rates to be negotiated.
- (15) Service Classification: CNG, Compressed Natural Gas Service.
- (15a) *Availability.* Available to any commercial or industrial customer utilizing natural gas for compressed natural gas refueling facilities. Service under this rate classification shall be governed by individual contracts with consumer. Such contract will be executed by the Mayor, based on the recommendations of the Director of Pensacola Energy. Contracts for this service must be for not less than one year.
- (15b) CNG Distribution charge. Rates to be negotiated.
- (16) *Service classification: GVT, flexible governmental industrial transportation service.*
- (16a) *Availability.* Available to all governmental industrial transportation customers utilizing the city's gas services. Service under this rate classification shall be governed by individual contracts with consumer which includes a customer charge, a distribution charge, and a charge for fuel. Such contract will be executed by the mayor, based on recommendations by the Director of Pensacola Energy. Contracts for this service must be for not less than one (1) year.
- (16b) *Contract volume.* Transportation volumes not less than two hundred fifty (250) MMBTU per day. Volume requirements shall be reviewed in determining if a consumer shall qualify for this rate.
- (16c) *Customer charge.* Two hundred dollars (\$200.00) fixed monthly charge, plus
- (16d) *GVT distribution charge.* \$0.70 per MMBTU.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 3. If any word, phrase, clause, paragraph, section or provision of this ordinance or the application thereof to any person or circumstance is held invalid or unconstitutional, such finding shall not affect the other provision or applications of the ordinance which can be given effect without the invalid or unconstitutional provisions or application, and to this end the provisions of this ordinance are declared severable.

SECTION 4. This ordinance shall become effective at the beginning of the monthly October 2014 billing cycle on the first business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Passed: October 9, 2014 _____

Approved: s/Jewel Cannada-Wynn _____
President of City Council

Attest:

s/Ericka L. Burnett

City Clerk