

City of Aurora
Ordinance 2024-15

AN ORDINANCE REGARDING GAS FEES

Whereas, the City of Aurora is not supervised by the Indiana Utility Regulatory Commission and may adjust its rates as long as the adjusted rates are "reasonable and just," pursuant to statute.

Whereas, rates are considered "reasonable and just" if they raise sufficient income to pay for: maintenance costs; operating charges; upkeep; repairs; depreciation; interest charges on bonds or other obligations, including leases; costs associated with the acquisition of utility property under IC 8-1.5-2; provide a sinking fund for the liquidation of bonds or other obligations, including leases; provide a debt service reserve for bonds or other obligations, including leases, in an amount established by the municipality, not to exceed the maximum annual debt service on the bonds or obligations or the maximum annual lease rentals; provide adequate money for working capital; provide adequate money for making extensions and replacements; and provide money for the payment of any taxes that may be assessed against the utility.

Whereas, the City of Aurora by the Common Council resolved to hire Patrick Callahan to review its gas rates to determine whether the rates are "reasonable and just" and to create a report on the matter.

Whereas, Patrick Callahan has reviewed the current sewer rates and has found that the current gas rates no longer support the cost and maintenance of the existing gas works infrastructure.

Whereas, the Common Council has discussed the issue of gas rates and has resolved to change the Aurora Utilities gas fees.

Whereas, the Common Council believes that increasing gas rates by 17.8% is reasonable and just for the continuance of the gas works department.

Whereas, Common Council has reviewed Mr. Callahan's study on the utilities' gas rates, has sent out mailed notices to gas customers residing outside of city limits, has given notice by publication, and has held a hearing, all pursuant to statute.

THEREFORE, BE IT ORDAINED by the Common Council of the City of Aurora, Dearborn County, Indiana, that Ordinances §51.01 and §51.10 of the City Aurora, Indiana Code of Ordinances are hereby amended to reflect a 17.8% increase in rates as follows:

§ 51.01 SCHEDULE OF RATES AND CHARGES.

There shall be and hereby are established for the use of and the service rendered by the municipal gas utility of the city, the following rates and charges:

(A) Rates and Charges for General Natural Gas Services.

(1) Rates
per THERM

First 8 THERMS per month ~~\$0.5633~~-\$0.6634

Next	12 THERMS per month	\$0.2612 \$0.3076
Next	980 THERMS per month	\$0.2101 \$0.2474
Next	1,000 THERMS per month	\$0.1809 \$0.2130
Over	2,000 THERMS per month	\$0.1690 \$0.1990

(2) Minimum charge per month.

Excluding gas used for space heating purposes ~~\$3.33~~ \$3.92 per meter per month.

(3) Minimum charge per month.

Including gas used for space heating purposes ~~\$15.78~~\$18.58

(4) Gas cost adjustment factor. The above rates will be subject to a gas cost adjustment factor occasioned solely by changes in the cost of purchased gas. An application for an adjustment to the rate shall be filed quarterly with the Indiana Utility Regulatory Commission to be applicable for a three-month period.

(B) Rates and Charges for Large Firm Industrial Gas Service.

(1)

Rates

per THERM

First	2,000 THERMS per month	\$0.1845 \$0.21728
Next	18,000 THERMS per month	\$0.1793 \$0.2112
Next	40,000 THERMS per month	\$0.1622 \$0.1910
Next	50,000 THERMS per month	\$0.1554 \$0.1830
Next	110,000 THERMS per month	\$0.1333 \$0.1570

(2) Minimum charge per month.

Per meter per month - ~~\$678.52~~\$799.07

(3) Gas cost adjustment factor. The above rates will be subject to a gas cost adjustment factor occasioned solely by changes in the cost of purchased gas. An application for an adjustment to the rate shall be filed quarterly with the Public Service Commission to be applicable for a three-month period.

(C) Tap-In Fees. A tap-in fee shall be paid for all new services installed at customer's request, based on the following schedule:

<i>Meter Size</i>	<i>Fees</i>
0 to 150 inches of service line	\$700.00
151 to 500 inches of service line	\$1,000.00
501 to 1,000 inches of service line	\$1,250.00
1,000 or above	Industrial - to be set by Utility Board

(Ord. 87-3, passed 3-16-87; Am. Ord. 1997-8, passed 9-8-97; Am. Ord. 2022-010, passed 12-19-22)

§ 51.10 RATES AND CHARGES FOR FIRM TRANSPORTATION SERVICES.

(A) *Availability.* Available to any manufacturing customer that has an annual usage of 400,000 therms or greater, or is one of multiple accounts under similar ownership at the same location whose combined annual usage is 400,000 therms or greater, and has agreed to receive wholesale gas from a third-party supplier other than the city's municipal gas utility. The customer receiving transportation services under this tariff agrees that the city will be held harmless by the customer against increases, any overrun quantity charges or penalties by its supplier for nomination under- or over-charges.

(B) *Character of service.* This rate schedule applies to the provision of transportation service. Gas service provided hereunder shall be metered and billed separately from gas service provided under any other rate schedule. The customer receiving transportation services under this firm transportation rate has agreed to purchase wholesale gas commodity from a third-party supplier. The city will not monitor over- or under-nomination of gas ordered versus gas used. The customer will be billed, at the rates stated below, for all gas passing through customer's meter on a monthly basis, regardless of amount of gas purchased by the customer through third-party gas suppliers that may enter the city's gas system by passing through the city's gas service gate. If customer's over- or under-purchase or nomination of gas supply impacts other city municipal gas utility customers through gas cost adjustments, customer agrees to be billed and pay for any applicable amounts of adjustments caused hereunder.

(C) *Customer billing.* Customer requesting service under this firm transportation rate will be responsible for the following charges.

(1) *Net monthly bill.* The city will deliver to the customer the monthly gas volume, adjusted for shrinkage. The shrinkage is equal to the city's system unaccounted for gas percentage as determined in the city's last general rate adjustment. The net monthly bill for each firm transportation customer shall be computed in accordance with the following charges:

(2) (a) *Distribution charge.*

First 2,000 therms per month	\$0.1871 \$0.22034 per therm
Next 18,000 therms per month	\$0.1818 \$0.2141 per therm
Next 40,000 therms per month	\$0.164 \$0.1937 per therm
Next 50,000 therms per month	\$0.1576 \$0.1856 per therm
Over 110,000 therms per month	\$0.1352 \$0.1592 per therm
Minimum charge (applies to "net monthly bill" only)	
Per meter per month	\$688.15 \$810.41

(b) Bills shall be rendered and due monthly. If paid within 17 days from date thereof, as stated on bill, the net amount shall be paid. If not paid within 17 days, the gross bill includes the collection charge, as shown on Appendix C, and is the amount to be paid.

(D) *Demand/reservation charges.* Any customer qualifying for service under this firm transportation rate shall reimburse the city a proportionate share of the demand and/or reservation charges paid to Sycamore Gas Company ("Sycamore") or its successor to a proportionate share that the demand and/or reservation charge is based on the qualifying customer's annual usage. The demand/reservation charge per therm will be based on the Commission's approval of Sycamore's demand charge component of its gas cost adjustment (GCA) factor. The customer will be required to pay the Commission-approved demand/reservation charge per therm times the billing volumes determined above in the "(C) (1) Net monthly bill" caption. If Sycamore removes the qualifying customer's volumes in computing the demand and/or reservation charges billed to the city, then the qualifying customer would not be responsible for any reimbursement to the city under this division.

(E) *Sycamore Gas Company's distribution charge.* Any customer qualifying for service under this firm transportation rate shall reimburse the city for a proportionate share of Sycamore's distribution charge paid by the city. This charge will be based on the Commission-approved distribution charge reflected on Sycamore's filed tariff times the billing volumes determined above in the "(C) (1) Net monthly bill" caption.

(F) *Metering equipment charges.* Any customer qualifying for service under this firm transportation rate will be required to pay for installation of electronic metering equipment at the location of customer's meter upon the city's specifications, along with all monthly maintenance and monitoring fees associated with ongoing monitoring, maintenance and software licenses related to electronic monitoring.

(G) *Collection/refund of GCA variances.* Any customer qualifying for service under this firm transportation rate will be subject to past GCA variances incurred when said customer was being served under the large firm industrial gas service. The city shall make a calculation showing past variances that are yet to be collected or refunded to customers served under the general gas service or large firm industrial gas service. If the city's calculation reflects an over-collection, the customer seeking service under this firm transportation rate will be refunded or issued a credit on their pro-rata share of the city's over-collection. The total GCA variance applicable to all customers, whether an over-collection or under-collection, shall be divided by the previous 12 months total sales (in therms) to determine "the per therm amount." The actual 12 months usage (in therms) of the customer seeking service under this firm transportation rate shall be multiplied by the per therm amount and be refunded in case of an over collection GCA variance, or collected in the case of an under-collection GCA variance as a one-time lump sum on the customer's bill. This refund, in the case of an over-collection, or receipt, in the case of an under-collection, will be reflected in the city's GCA calculations and adjustments at the time the applicable customer switches rate classes.

(H) *Normal temperature adjustment charge.* Any customer qualifying for service under this firm transportation rate shall be subject to a normal temperature adjustment charge, which will be calculated and based on Sycamore Gas Company's normal temperature adjustment tariff sheet. Each firm transportation customer will pay its proportionate share of the city's NTA charges from Sycamore Gas.

(I) *Nomination and balancing provisions.* Any customer qualifying for service under this firm transportation rate shall be subject to additional charges or credits if the monthly actual usage is in excess of, or less than the monthly nominations. The customer will provide nominated monthly volumes to the city and Sycamore Gas at least seven days prior to the period of transportation of the nominated volumes. For any period of nomination, a firm transportation customer may not nominate more than 10% of its average actual usage for immediately preceding three calendar years for the same period of time as the current nominated period, without first obtaining the written consent of the city for a larger nomination. For instance, if the customer is nominating gas purchase for July through September 2015, that nomination may not exceed 10% of the customer's actual usage averaged over 2012, 2013 and 2014 during the months of July through September. The customer receiving transportation services under this firm transportation rate shall be obligated to balance its total monthly usage with the total monthly deliveries of customer-owned gas by the pipeline. A monthly imbalance quantity shall exist when the customer's total monthly usage is greater than or less than its total monthly deliveries. Firm transportation customers will be cashed out on a monthly basis for any imbalances. Cash out amounts will be determined in accordance with Sycamore Gas Company's Appendix D, Nomination and Balancing Provisions, filed with the Indiana Regulatory Commission.

(J) *Other charges.* Service hereunder shall be subject to the utility's rules and regulations charges set forth in the rules and regulations shall also apply.

(K) *Returning to large firm industrial gas service.* A firm transportation customer that has voluntarily returned to large firm industrial gas service from the firm transportation service must remain on large firm industrial gas service for not less than 12 months before returning to firm transportation service, unless expressly authorized by the city. Once returning to large firm industrial gas service status, customer shall be subject to all terms of the applicable tariffs relating to large firm industrial gas service.

(Ord. 2022-010, passed 12-19-22)

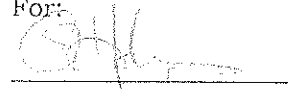
ORDAINED, AMENDED AND PASSED THIS _____ DAY OF _____, 2024, IN ACCORDANCE WITH APPLICABLE STATUTES BY THE COMMON COUNCIL OF THE CITY OF AURORA, INDIANA, UPON THE VOTE AS FOLLOWS:

VOTE:

For:

Against:

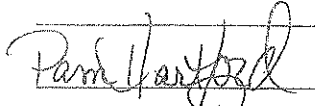
Terry Hahn

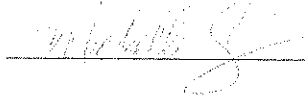


Sherry Love

Jonné Messer

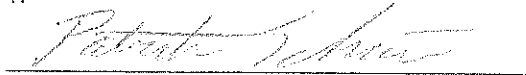
Michelle Jarvis





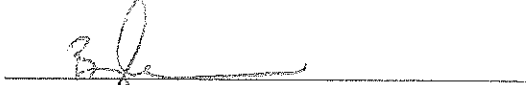
Pamela Hartford

So approved this 21st day of October, 2024.



Patrick Schwing, Mayor

So adopted by majority vote of the common council, and approved by the mayor, this 21st day of October, 2024.



Benjamin Turner, Clerk Treasurer