RESOLUTION NO. UA 2023-09

A RESOLUTION AMENDING, SUPERSEDING, AND RESCINDING THE SCHEDULE OF RATES AND CHARGES FOR NATURAL GAS SERVICES FURNISHED BY FORT PIERCE UTILITIES AUTHORITY, FORT PIERCE, FLORIDA, IN RESOLUTION NO. 2022-07, IN ACCORDANCE WITH THE CHARTER OF THE CITY OF FORT PIERCE, FLORIDA, ARTICLE XII; PROVIDING FOR A 7.07% INCREASE IN THE CUSTOMER AND COMMODITY CHARGES BASED ON THE 2023 FLORIDA PUBLIC SERVICE COMMISSION ANNUAL PRICE INDEX; AND PROVIDING FOR ANNUAL INDEXING PROVISION, ADMINISTRATIVE ACTION, SCRIVENER'S ERRORS, REPEAL, SEVERABILITY AND AN EFFECTIVE DATE.

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

WHEREAS, the Charter of the City of Fort Pierce, Florida, Article XII, grants to the FPUA 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 the FPUA;

WHEREAS, in order to ensure that FPUA utility rates are sufficient to pay all operating and maintenance expenses, capital outlay, bond interest and redemption costs, and all other costs of the natural gas system operation, the City Commission previously approved an annual adjustment of the rates and charges of the natural gas system based on the Florida Public Service Commission annual price index upon approval of the FPUA Board;

WHEREAS, the Florida Public Service Commission annual price index is calculated using a comparison of the U.S. Department of Commerce's average Gross Domestic Product Implicit Price Deflator Index for the preceding two years.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Fort Pierce Utilities Authority:

SECTION I. RECITALS. The recitals stated above are true and correct and are hereby incorporates as if fully set forth herein.

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.

FPUA shall charge and collect for service based on availability, applicability, character of service, Customer Charge/Minimum Charge, Commodity Charge, Purchased Gas Adjustment, and Tax Adjustment. 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 Customer 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 1,020 BTU's per standard cubic foot.

3. **Monthly Rate:**

TABLE NO. NG-1	
Meter Size in cfh	**Customer Charge/Minimum Charge October 1, 2023**
175 - 250	$ 16.57
400 - 425	20.28
630	30.73
750	33.12
800 - 880	36.49
1,000	39.54
1,400	52.41
1,500	55.61
2,300	81.32
3,000	103.72
3,500	119.82
5,000	167.83
5,500	184.06
9,000 – 10,000	204.63
14,000	238.51
18,000	309.69

a. Customer (Readiness-to-Serve) Charge/Minimum Charge, as shown in Table No. NG-1**:**

i. Active Account: The flat monthly charge based on Meter size; no gas included.

ii. Inactive Account: An active account becomes inactive when a Customer elects to voluntarily disconnect Utility Services. Voluntary disconnection includes services disconnected for nonpayment, and Meter(s) removed due to tampering. This charge would not be billed if the Meter has been removed from a structure which has been demolished. This charge is also referred to as the Customer Charge for Active Accounts, and will be billed to the owner of the property for a period of two (2) years of inactivity, at which time the Meter will be removed in accordance with U.S. Department of Transportation regulations.

b. Commodity Charge, as shown in Table No. NG-2**:**

TABLE NO. NG-2	
ccf	**Commodity Charge per ccf October 1, 2023**
0 - 100	$ 1.71
101 - 500	1.11
501 – 2,000	1.02
Over 2,000	0.96

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(s) shall be resold for any purpose.

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

3. Monthly Rate:

a. Customer (Readiness-to-Serve) Charge/Minimum Charge, as shown in Table No. NG-3**:** The flat monthly charge based on Meter size; no gas included.

TABLE NO. NG-3	
Meter Size in cfh	**Heat Only Customer Charge/Minimum Charge October 1, 2023**
175 - 250	$ 22.04
400 - 425	27.97
750	48.50
1,000	58.85
1,500	82.49
3,000	161.47
5,000	264.11

b. Commodity Charge, as shown in Table No. NG-4**:**

TABLE NO. NG-4	
ccf	**Heat Only Commodity Charge per ccf October 1, 2023**
0 - 100	$ 2.28
101 - 500	1.73
501 – 2,000	1.59
Over 2,000	1.47

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 without the expressed written permission of FPUA, subject to separate rate negotiations. Specific Customer requirements, character of service, and Monthly Rates shall be set forth in a service agreement between FPUA and the Customer.

D. COMPRESSED NATURAL GAS (CNG) RIDER:

1. **Availability:** This rider is available to any natural gas Customer throughout FPUA's service area, including both existing and new Customers.

2. **Applicability:** Service under this rider is applicable, at the request of the Customer, where gas is used for gas delivered to any Customer through a separate meter for the purpose of compression and delivery into motor vehicle fuel tanks or other transportation containers.

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

4. **Monthly Rate:**

   a. Commodity Charge per ccf $0.86 (October 1, 2023)

   b. The minimum charge under this rider shall be shall be the Customer Charge/Minimum Charge referred to in Table No. NG-1. The Commodity Charge shall be the volume of gas consumed in ccf times the Commodity Charge per ccf. In the event that no gas is consumed in a billing period, the minimum bill under this rider shall be the Customer Charge/Minimum Charge.

E. GAS COOLING RIDER:

1. Availability: This rider is available to any natural gas Customer throughout FPUA's service area, including both existing and new Customers 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:**

   a. Commodity Charge per ccf $0.86 (October 1, 2023)

   b. The minimum charge under this rider shall be the Customer charge/Minimum Charge referred to in Table No. NG-1. The Commodity Charge shall be the volume of gas consumed in ccf times the Commodity Charge per ccf. In the event that no gas is consumed in a billing period, the minimum bill under this rider shall be the Customer Charge/Minimum Charge.

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. The Purchased Gas Adjustment is a component of the monthly charge for natural gas service and is applicable to all natural gas sales. The amount computed at the previously listed Commodity Charges shall be adjusted plus or minus by an amount equal to the result of multiplying the measured or used volume of gas in ccf's by the Purchased Gas Adjustment factor (PGA) in effect at the time and determined as follows:

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

Where:

1. **PGA** = Estimated PGA in dollars per ccf. Due to gas price volatility, FPUA has the option to adjust the PGA monthly.
2. **A** = Total estimated purchased gas costs for the twelve-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- or under-recovery of the actual applicable purchased cost of gas, 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 previous over- or under-recovery of actual applicable purchased gas costs as defined above associated with prior period adjustments, if any.
4. **C** = Estimated gas sales in ccf.
5. **D** = Base gas cost or the gas cost included in the base rate; $0.50
6. **T** = Appropriate tax rate for any applicable taxes.

SECTION IV. OTHER PROVISIONS.

A. ANNUAL INDEXING PROVISION. Pursuant to City Commission approval on May 16, 2022, in order to ensure that FPUA utility rates shall be sufficient to pay all operating and maintenance expenses, capital outlay, bond interest and redemption costs, and all other costs of each respective utility operation, the FPUA Board may adjust the monthly rates and charges of the gas system based on the Florida Public Service Commission annual price index without further action by the City Commission of the City of Fort Pierce. The price index is established by March 31 of each year and is calculated using a comparison of the U.S. Department of Commerce's average Gross Domestic Product Implicit Price Deflator Index for the preceding two years. Such new rates shall be submitted to the FPUA Board for approval and become effective following FPUA Board approval. If in any year the FPUA Board does not apply the price index to the current rates and charges of the gas system, such adjustment shall not carry forward to future years. The price index shall not be applied to the base gas cost.

B. TAX ADJUSTMENT. The amount computed at the above Monthly Rate, as adjusted by the application of the PGA, 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 or revenues from natural gas purchases or sales.

C. INTERRUPTION OF SERVICE. FPUA will make every reasonable attempt to provide 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 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 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.

SECTION V. ADMINISTRATIVE ACTION. The Board directs the FPUA Director of Utilities or his designee to take any necessary administrative action to implement the modifications set forth herein.

SECTION VI. SCRIVENER'S ERRORS. If there are any typographical, administrative, or scrivener's errors contained herein that do not change the tone, tenor, or purpose of this Resolution, such errors may be corrected with no further action by the Board.

SECTION VII. REPEAL. All prior inconsistent resolutions adopted by the FPUA Board are hereby expressly repealed to the extent of the conflict.

SECTION VIII. SEVERABILITY. If any section, clause, phrase, word or provision of this Resolution is for any reason held invalid or unconstitutional by a court of competent jurisdiction, whether for substantive or procedural reasons, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions of this Resolution which shall remain in full force and effect.

SECTION IX. EFFECTIVE DATE. This Resolution shall take effect on October 1, 2023.

PASSED AND DULY ADOPTED this the 19th day of September, 2023.

ATTEST:

Secretary

Chair

Approved as to form and correctness:

Fort Pierce Utilities Authority Attorney