

ORDINANCE NO. _____

AN ORDINANCE APPROVING AND ADOPTING ELECTRIC UTILITY RATES SCHEDULES FOR THE CITY OF HEARNE MUNICIPAL ELECTRIC SYSTEM; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Hearne, Texas, owner and operator of the City of Hearne Municipal System; by and through its City Council,

- A. Recognizes its requirements to acquire and deliver retail electricity services through its distribution system at a predetermined production capacity.
- B. Recognizes that the cost to operate, maintain, and improve the electric distribution system has increased in response to both national and international financial factors (e.g. cost of living increases);
- C. Recognizes the need to update the provision of City Ordinances (original dated April 27, 1998) as previously on September 15, 2008;
- D. Recognizes the need to establish electric system rates and fees sufficient to fund operation of the electric system, maintenance and improvement of the electrical system, and payment of any and all outstanding debt incurred by the city on behalf of the City of Hearne Enterprise Fund.

WHEREAS, the City of Hearne, Texas, owner and operator of the City of Hearne Municipal Electric Treatment System; and through its City Council, is desirous of

- 1.) Minimizing fluctuations and interruptions in electric service;
- 2.) Setting rates and fees at levels adequate
 - (a) To generate revenues sufficient to operate, maintain and improve a self-sufficient electric system, and
 - (b) To provide revenue necessary to supplement annual General Fund operations and maintenance; and
- 3.) Maintaining a utility reserve contingency fund

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HEARNE, TEXAS:

Section 1.

That, the amended provisions of ordinance as listed below, shall constitute the City of Hearne's ordinance prescribing the rates and fees to be charged for services rendered by the municipal electric system owned and operated by the City of Hearne.

Residential	Residential 3ph	Small General	Small 3-ph	Medium General	Large General
Customer Charge	\$9.50	\$14.50	\$9.50	\$14.50	\$15.50
Energy Supply	\$0.06450	\$0.06450	\$0.06450	\$0.06450	\$0.06450
Transmission/Distribution	\$0.04599	\$0.04899	\$0.05099	\$0.05399	\$0.05399
Reserve Account	\$0.00300	\$0.00300	\$0.00300	\$0.00300	\$0.00300
\$/KWh	\$0.11349	\$0.11649	\$0.11849	\$0.12149	\$0.12149

Section 2.

That, this ordinance after satisfaction of any publication requirement promulgated by the Local Government Code of the State of Texas and the City of Hearne City Charter, shall become effective January 03, 2018 with the first billing on or about February 01, 2018.

Section 3.

That, if any provision, section, subsection, sentence, clause, or phrase of this ordinance, or the application of same to any person or set of circumstances for any reason is held to be unconstitutional, void or invalid or for any reason unenforceable, the validity of the remaining portions of this ordinance or the application thereby shall remain in effect, it being the intent of the City Council of the City of Hearne in approving and adopting this ordinance, that nor portion thereof or provision herein shall become inoperative or fail by any reason of unconstitutionality or invalidity of any portion or provision.

Section 4.

That the rate schedule ordinance or ordinances for electric service previously adopted by City Council and presently in effect, and all ordinances in conflict with this ordinance, are hereby in all things repealed. Ordinance No. 2001-08-03 enacted on August 27, 2001, is hereby repealed.

Section 5.

Should any part, section, subsection, paragraph, sentence, clause, or phrase contained in this ordinance be held to be unconstitutional or of no force and effect, such holding shall not affect the validity of the remaining portion of this ordinance, but in all respects said remaining portion shall be and remain in full force and effect.

Section 6.

It is hereby found and determined that the meetings at which this ordinance was passed were open to the public, as required by Section 551, Texas Government Code, and that advance public notice of time, place, and purpose of said meetings was given.

Section 7.

The schedule of rates as provided for in this ordinance above shall be reviewed annually by the City Council.

PASSED AND APPROVED this _____ day of _____ 2018.

City of Hearne, Texas

By: _____
Mayor, Ruben Gomez

Attest:

Linda Pecina, City Secretary

Approved as to Form:

Floyd Akers, City Attorney