

RESOLUTION 09 01 04

APPROVING THE RIDER TO DECREASE THE DEFERRED GAS COST AT A RATE DECREASE OF 17.54% AS OUTLINED IN THE RATE SCHEDULE FOR THE GAS SUPPLY CHARGE

WHEREAS, the Board of Directors of the Natural Gas Department and System Enterprise of the City of Fort Morgan hereby finds and declares it to be in the public interest and in the interest of the customers of the City's natural gas utility that the Enterprise adopt the rate rider proposed for the Rate Schedule for the Gas Supply Charge by the City of Fort Morgan to Sales, Residential, Commercial, and Municipal Customers; and,

WHEREAS, it has been established that the balance of the Deferred Gas Cost component of the gas supply charge remains at an increased level; and,

WHEREAS, in an effort to reduce the balance of the Deferred Gas Cost, it has been recommended by the City's consultants, McFadden Consulting Group, Inc., that the deferred gas component be reduced on a temporary basis using a rider of \$(0.15) per CCF applied to the Deferred Gas Component of the Gas Supply Charge to reduce this balance; and,

WHEREAS, it has been proposed that effective January 1, 2009 and through March 31, 2009, the Gas Supply Charge shall be reduced to \$0.4487; and,

WHEREAS, on April 1, 2009, McFadden has further proposed that the rider shall expire and the Gas Supply Charge shall return to the current level \$0.5987; and,

WHEREAS, the City Council adopted Ordinance No. 1069 which prescribes that assessments of fees for the natural gas utility be made by resolution; and,

WHEREAS, Article VII, Sec. 3 of the *Charter of the City of Fort Morgan* gives the council "power by ordinance to fix and regulate rates, fares and charges for service by public utility corporations and to change the same every five years; provided, that rates, fares or charges shall not be changed without examination by competent inspectors . . ."; and

WHEREAS, the temporary rate decrease and revisions have been recommended by competent inspectors, McFadden Consulting Group, Inc.; and

WHEREAS, Gas Tariff Number 3, effective May 1, 2006, at section 11.5 allows both increases and decreases in the gas supply charge to be approved by City Council without thirty (30) days notice to customers; and,

WHEREAS, the "Fourth Revised" Sheet No. 10 adopted (incorporated herein by this reference) shall remain in effect subject to the rider.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NATURAL GAS DEPARTMENT AND SYSTEM ENTERPRISE OF THE CITY OF FORT MORGAN, COLORADO, THAT:

1. The Natural Gas Department and System Enterprise (hereinafter the "Enterprise") of the City of Fort Morgan, Colorado, does hereby adopt the rider as set forth above for the Gas Supply Charge by the City of Fort Morgan to Sales, Residential, Commercial, and Municipal Customers, hereby reapproves the "Fourth Revised" Sheet No. 10, and that the Rate Schedule shall not be revised but shall be subject to the rider as proposed by McFadden Consulting Group, Inc., effective January 1, 2009 and expiring on March 31, 2009.

2. Thereafter, on April 1, 2009, following the expiration of the proposed rider, the Enterprise, does hereby require a reversion to the rates adopted in the "Fourth Revised" Sheet No. 10 or to the current level of \$0.5987.

3. This **Resolution** shall be in full force and take effect after its passage and approval as provided by law, retroactive to January 1, 2009.

PASSED, APPROVED AND ADOPTED this 20TH day of January 2009, the vote upon roll call being as follows:

Ayes: Mayor Darnell; Councilmembers Deal, McAlister, Powers, Shaver and Simmons.

Nays:

THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO

BY: 
Mayor

ATTEST:


City Clerk

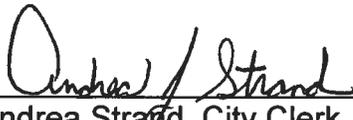
STATE OF COLORADO)
COUNTY OF MORGAN)
CITY OF FORT MORGAN)

ss.

CERTIFICATE

I, Andrea Strand, City Clerk of the City of Fort Morgan, Colorado, do hereby certify that the above and foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the Council and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado, and that the same has not been, since its adoption, in any respect, rescinded or amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this 21st day of January 2009.



Andrea Strand, City Clerk