

## ORDINANCE NO. 2026-03

### **AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR GAS SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING ORDINANCE 2023-07, DATED FEBRUARY 28, 2023, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH**

**WHEREAS**, the City Council of the City of Boerne, Texas deems it reasonable and necessary to revise gas service rates to provide adequate revenues to meet the operation and maintenance expenses, the retirement of bonded indebtedness, and other financial requirements deemed necessary by the City Council of the City of Boerne, Texas.

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

#### **SECTION 1. SERVICE RATE CLASSIFICATION**

All gas service provided by the City of Boerne Utilities shall be designated by the following rate schedules with descriptions, rates and conditions of service as indicated:

- (1) Residential Gas Service - [Small](#)
- (2) [Residential Gas Service - Medium](#)
- (3) [Residential Gas Service - Large](#)
- (4) Residential Multiple-Unit Gas Service
- (5) General Service/Commercial Gas Service - [Small](#)
- (6) [General Service/Commercial Gas Service - Medium](#)
- (7) [General Service/Commercial Gas Service - Large](#)

Each person owning, residing in, renting, leasing, operating, or otherwise using property whose gas lines connect with the gas system of the City, and who receive gas service from and through the same shall be liable to the City for a monthly gas service charge specified in Section 4 through Section 10.

#### **SECTION 2. RATE SCHEDULE ADMINISTRATION & ASSIGNMENT**

Upon request for gas service from a prospective customer, the [Customer Care and Billing](#) Manager shall assign the appropriate rate classification for gas service to the applicant requesting service. This assignment may be based upon information provided by the applicant, or other information available at the time the assignment is made.

If a customer receiving service changes the nature or character of gas service requirements, then the [Customer Care and Billing](#) Manager upon review of the information available pertaining to the revised gas service requirement, reassign the customer to the appropriate rate schedule with approval from the Utilities Director or Finance Director.

If a prospective or existing customer is eligible to receive gas service under more than one of the City's rate schedules, or if the rates charged are unduly burdensome as a result of the customer's technical qualification for a specific rate schedule, then, with approval from both the Utility Director [or designee](#) and the Finance Director, the [Customer Care and Billing](#) Manager shall assign the most appropriate rate schedule for gas service after consideration of the various service requirements, potential impact on the City's facilities, the potential relative costs of

-serving the customer, and other available pertinent information. The prospective or existing customer may appeal the determination made by the Utilities Director and Finance Director to the City Manager or designee with thirty days written notice to same.

### **SECTION 3. EFFECTIVE DATE**

The rates and charges prescribed herein shall become effective on and after the first day of consumption on August 1, 2026.

### **~~SECTION 4. RESIDENTIAL GAS SERVICE RATE SCHEDULE~~**

~~(a) Availability:~~

~~This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.~~

~~(b) Applicability:~~

~~This rate is applicable for gas service used exclusively for residential purposes where each unit is individually metered for gas that does not involve any nonresidential activity.~~

~~(c) Monthly Rates:~~

~~The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 8.~~

~~Customer charge (includes 0 cubic foot) \_\_\_\_\_ \$15.53 per month~~

~~Volume charge~~

~~The Volume charge for gas usage shall be \$0.6654 per 100 cubic feet or any portion thereof.~~

~~(d) Minimum Monthly Charge:~~

~~The minimum monthly charge shall be the customer charge.~~

### **SECTION 4. RESIDENTIAL GAS SERVICE - SMALL - RATE SCHEDULE**

(e) Availability:

This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(f) Applicability:

This rate is applicable for gas service used exclusively for residential purposes where each unit is individually metered for gas that does not involve any nonresidential activity. This rate schedule applies to residential customers served through gas meters designed

to accommodate service pressure of four (4) ounces per square inch (4 oz).

(g) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 12.

Customer charge (includes 0 cubic feet) \$24.57 per month

Volume charge

The Volume charge for gas usage shall be \$0.6654 per 100 cubic feet or any portion thereof.

(h) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

**SECTION 5. RESIDENTIAL GAS SERVICE - MEDIUM - RATE SCHEDULE**

(a) Availability:

This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for gas service used exclusively for residential purposes where each unit is individually metered for gas that does not involve any nonresidential activity. This rate schedule applies to residential customers served through gas meters designed to accommodate service pressure of eight (8) ounces per square inch (8 oz).

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 12.

Customer charge (includes 0 cubic feet) \$30.35 per month

Volume charge

The Volume charge for gas usage shall be \$0.7476 per 100 cubic feet or any portion thereof.

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

**SECTION 6. RESIDENTIAL GAS SERVICE - LARGE - RATE SCHEDULE**

(a) Availability:

This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for gas service used exclusively for residential purposes where each unit is individually metered for gas that does not involve any nonresidential activity. This rate schedule applies to residential customers served through gas meters designed to accommodate service pressure of 2 pounds per square inch (2 lbs.).

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 12.

Customer charge (includes 0 cubic feet) \$30.35 per month

Volume charge

The Volume charge for gas usage shall be \$0.7685 per 100 cubic feet or any portion thereof.

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

**SECTION 7. RESIDENTIAL MULTIPLE UNIT GAS SERVICE RATE SCHEDULE**

(a) Availability:

This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate schedule applies to gas service customers serviced through gas meters designed to accommodate service pressures of four (4) ounces, eight (8) ounces, or two (2) pounds who provide separate, identifiable, multiple permanent residential units which are not individually metered, which do not receive service under a different rate schedule and does not include any nonresidential activity.

~~(c) Monthly Rates:~~

~~The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 8.~~

~~Customer charge (includes 0 cubic feet) \$28.24 per month~~

~~Volume charge~~

~~The Volume charge for gas usage shall be \$0.7349 per 100 cubic feet or any portion thereof.~~

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge as specified in Sections 8(c), 9(c), and 10(c) plus the monthly volume charge as specified in Sections 8(c), 9(c), and 10(c) plus the gas cost recovery factor (GCRF) specified in Section 12.

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

**SECTION 6. GENERAL SERVICE/COMMERICAL GAS SERVICE RATE SCHEDULE**

~~(a) Availability:~~

~~This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.~~

~~(b) Applicability:~~

~~This rate is applicable for gas service to all nonresidential customers.~~

~~(c) Monthly Rates:~~

~~The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 8.~~

~~Customer charge (includes 0 cubic feet ) \$28.24 per month~~

~~Volume charge~~

~~The Volume charge for gas usage shall be \$0.7349 per 100 cubic feet or any portion thereof.~~

~~(d) Minimum Monthly Charge:~~

~~The minimum monthly charge shall be the customer charge.~~

**SECTION 8. GENERAL SERVICE/COMMERICAL GAS - SMALL SERVICE RATE SCHEDULE**

(e) Availability:

This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(f) Applicability:

This rate is applicable for gas service to all nonresidential customers served through gas meters designed to accommodate service pressure of four (4) ounces per square inch (4 oz).

(g) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 12.

Customer charge (includes 0 cubic feet) \$43.69 per month

Volume charge

The Volume charge for gas usage shall be \$0.7716 per 100 cubic feet or any portion thereof.

(h) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

## **SECTION 9. GENERAL SERVICE/COMMERICAL GAS - MEDIUM SERVICE RATE SCHEDULE**

(a) Availability:

This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for gas service to all nonresidential customers served through gas meters designed to accommodate service pressure of eight (8) ounces per square inch (8 oz).

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 12.

Customer charge (includes 0 cubic feet) \$43.69 per month

Volume charge

The Volume charge for gas usage shall be \$0.8257 per 100 cubic feet or any portion thereof.

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

**SECTION 10. GENERAL SERVICE/COMMERICAL GAS - LARGE SERVICE RATE SCHEDULE**

(a) Availability:

This schedule is available throughout the gas service territory served by the City of Boerne, subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for gas service to all nonresidential customers served through gas meters designed to accommodate service pressure of 2 pounds (2 lbs.) per square inch. Nonstandard pressure above 2 pounds is available only upon request from the customer and approval by the Utilities Director or designee.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charge plus the gas cost recovery factor (GCRF) specified in Section 12.

Customer charge (includes 0 cubic feet) \$43.69 per month

Volume charge

The Volume charge for gas usage shall be \$0.8488 per 100 cubic feet or any portion thereof.

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

~~**SECTION 7. STANDARD SERVICE**~~

~~The City's standard gas service shall be provided to all customers at 4 ounces, except that the City may provide gas service at a nonstandard pressure only upon request from the customer and where the customer's facilities in place prior to the effective date of this ordinance are inadequate to properly operate at the City's standard service pressure. If the City provides service at a higher than standard pressure, the volume charge per 100 cubic feet specified in Section 4(c) and Section 5 (c) shall be increased as follows:~~

<del>Pressure (Oz.)</del>	<del>Multiplier</del>
<del>6</del>	<del>1.01</del>
<del>8</del>	<del>1.02</del>
<del>10</del>	<del>1.03</del>
<del>12</del>	<del>1.04</del>

## **SECTION 11. NON-STANDARD SERVICE**

The City's standard gas service shall be provided to all customers at four (4) ounces, eight (8) ounces, or two (2) pounds per square inch. The City may provide gas service at a nonstandard pressure only upon request from the customer and approval of the Utilities Director or designee, and where the customer's facilities in place prior to the effective date of this ordinance are inadequate to properly operate at the City's standard service pressure.

## **SECTION 12. GAS COST RECOVERY FACTOR (GCRF)**

Each monthly bill for gas service shall be increased or decreased on a uniform per ccf (100 cubic feet or any portion thereof) basis computed as follows:

$$\text{GCRF} = \frac{\text{A plus/minus B}}{\text{C}}$$

Where:

GCRF = Gas Cost Recovery Factor, expressed in dollars per ccf, to be multiplied by the gas purchased (in units of 100 cubic feet or any portion thereof) by each customer during the applicable billing period. The amount calculated above shall be added to each bill for gas service.

A = invoice amount for gas purchased and/or services rendered directly associated with the delivery and treatment of gas to the City of Boerne Gas System.

B = imbalance between wholesale gas system expenses and total adjustment recovery.

C = total estimated gas sales for the billing period, in units of 100 cubic feet.

### **SECTION 13. SALES TAX**

All bills shall be adjusted by the amount of any sales tax or other tax attributable to the sale of gas service to the consumer unless consumer has previously provided to the City satisfactory proof of exemption.

### **SECTION 14. TERMS OF PAYMENT**

The rates specified in Section 4, Section 5, Section 6, Section 7, Section 8, [Section 9](#), and [Section 10](#) are net. Each bill for service is due within fifteen (15) days after issuance unless such day falls on a holiday or weekend, in which case payment is due on the next workday. If full payment is not received at the City's offices or other approved payment location on or before the due date, all of the customer's utility services will be considered delinquent and subject to disconnection, and the customer shall pay gross rates for all utility services, where such gross rates for delinquent payments are ten percent (10%) higher than the net rates.

### **SECTION 15. ADJUSTMENT OF RATES**

The Residential and Commercial fees charged for the second and any subsequent years from the adoption of this ordinance may be adjusted at the commencement of said years to reflect a percentage change, downward or upward, respectively, of the difference in the CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS (herein after referred to as the INDEX) as published by the U. S. Department of Labor, Bureau of Labor Statistics, the percentage adjustments for each year to be determined as follows:

- a. The difference in the INDEX for the month of June of the year immediately preceding the current year and the month of June in the current year shall be computed;
- b. Such difference computed in (a) shall be divided by the INDEX for the month of June of the year immediately preceding the current year; and,
- c. Ninety-five (95%) of the amount computed in (b) shall be taken as the adjustment percentage factor to be used to increase the rate charged for gas if the INDEX has increased during June to June, or to decrease the rate charged for gas if the INDEX has decreased during June to June.

- d. Example of computation of increase or decrease:  

June/Current year CPI = 185.4
June/Previous year CPI = 181.0
$(185.4 - 181.0) / 181.0 = .0243 \times 95\% = 2.31\%$ increase
or
June/Current year CPI = 180.0
June/Previous year CPI = 181.0
$(180.0 - 181.0) / 181.0 = -.0056 \times 95\% = .54\%$ decrease

- ~~e. The increase or decrease based on (a) (b) (c) calculations will automatically become effective annually with billing beginning on and after the first day of the billing cycle for the October 1 billing period unless otherwise directed by City Council.~~

**SECTION 16. SEVERABILITY**

If for any reason any section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance shall be held invalid or unconstitutional by final judgment of a Court of competent jurisdiction it shall not affect any other section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance, for it is the definite intent of this City Council that every section, paragraph, subsection, clause, phrase, word, or provision hereof be given full force and effect for its purpose.

**SECTION 17. REPEAL**

All ordinances or parts of ordinances in conflict with the terms of this ordinance are hereby repealed.

PASSED, APPROVED AND ADOPTED on first reading this the \_\_\_ day of \_\_\_\_\_, 2026.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney