

State of Florida



ORIGINAL

Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

RECEIVED-PPSC

03 NOV 24 AM 10:39

COMMISSION
CLERK

DATE: November 24, 2003
TO: Division of the Commission Clerk and Administrative Services
FROM: Ralph Jaeger - Office of the General Counsel - Economic Regulation Section
RE: Docket No. 030569-GU - Application for Rate Increase by City Gas Company of Florida.

The City of Coral Gables has requested that the attached bills dated April 3, 2002, and April 29, 2003, and City Ordinance Nos. 1309 and 3034 be placed in the docket file.

RRJ/jb

cc: Division of Economic Regulation (Brinkley)

AUS _____
CAF _____
CMP _____
COM _____
CTR _____
ECR _____
GCL _____
OPC _____
NMS _____
SEC _____
OTH _____

DOCUMENT NUMBER-DATE

11919 NOV 24 8

13280
 CITY OF CORAL GABLES
 CORAL GABLES, FLORIDA
 TAX EXEMPT
 23-02-324903-54C

DETACH AND RETAIN THIS STATEMENT
 THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
 IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

MUT City Bill
 04-29-03

VOUCHER	INVOICE NUMBER	INVOICE DATE	PAY CODE	INVOICE AMOUNT	DISCOUNT	CREDITS	NET AMOUNT
305917	1200 ANASTASIA	04-15-03	F	23.90	0.00	0.00	23.90
305918	405 BILTMORE	04-15-03	F	25.22	0.00	0.00	25.22
305919	400 ANASTASIA	04-15-03	F	205.34	0.00	0.00	205.34
TOTALS				254.46	0.00	0.00	254.46

CITY OF CORAL GABLES
 CORAL GABLES, FLORIDA

SunTrust Bank / Miami, N.A.
 SUN CENTER
 777 BRICKELL AVENUE, MIAMI, FL 33131

236676 63-6702 670

04-29-03

PAY TO THE ORDER OF \$254 DOLLARS AND 46 CENTS

*****254.46*****

TO THE ORDER OF
 0232000
 NUI CITY GAS COMPANY OF FLORIDA
 P.O. BOX 6060
 ELIZABETH, NJ 072076060

NON-NEGOTIABLE

OVER \$25,000.00 REQUIRES COUNTER SIGNATURE
 THIS CHECK VOID AFTER 60 DAYS

To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

Billing Date
Apr 15 2003

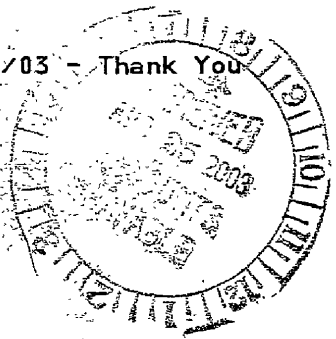
Account Number
211-0334182-011

Srvc 1200 ANASTASIA AVE
For: CORAL GABLES FL -6339

Next Reading Date
May 14 2003

Billing Type
Commercial Service

Previous Balance	23.90
Payment Applied 04/09/03 - Thank You	-23.90
Remaining Balance	.00
Basic Service Charge	20.00
Utility Tax	2.00 10%
Gross Receipt Tax	.50
Franchise Tax	1.40 7%



Please Pay This Amount
By May 05, 2003

23.90

1/A 0232000 187 63340.1 2680 4339

We have separated our appliance and gas utility service centers. Please note the appliance numbers listed on the bottom of your bill.
This month we are pleased to introduce Speak Easy, our new voice-activated customer service system. Please see the enclosed bill insert for details.

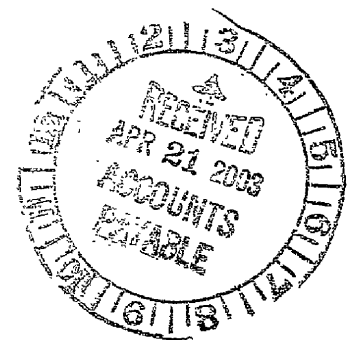
Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.

Tired of writing checks? Enroll in "NUT Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

APR 29 2003

How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				old	new			
1573320	Estimate	03/17 04/14	28	4206	4206	0 X 1.0770 =	.0	



30591

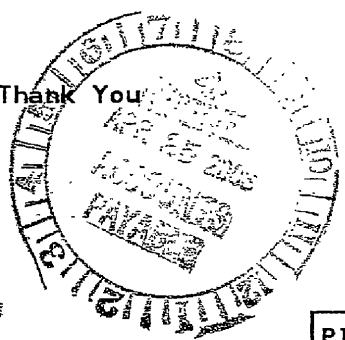
To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

Billing Date Apr 15 2003	Account Number 211-0332717-011	Srvc 405 BILTMORE WAY For: CORAL GABLES FL -5717	Next Reading Date May 14 2003
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Billing Type
Commercial Service

Previous Balance 23.90
 Payment Applied 04/09/03 - Thank You -23.90
 Remaining Balance .00
 Current Gas Charges 21.17
 Utility Tax 2.04
 Gross Receipt Tax .53
 Franchise Tax 1.48



ENTERED APR 5 9 2003

Please Pay This Amount
By May 05, 2003
25.22

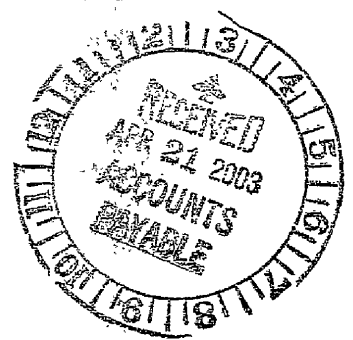
UAC 232000 *63340* *2200-4330*

We have separated our appliance and gas utility service centers. Please note the app numbers listed on the bottom of your bill.
 This month we are pleased to introduce Speak Easy, our new voice-activated customer service system. Please see the enclosed bill insert for details.

Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.
 Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				old	new			
9609175	Actual	03/17 04/14	28	0001	0002	1 X 1.0770 =		1.1



Rate Class	Therms Billed	Energy chg	Gas Cost	Basic Service Charge	Current Gas Charges
CS	1.1	X .27574	X .79397	20.00 =	21.17

30598

To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

Billing Date
Apr 15 2003

Account Number
211-0763478-001

Srvc 400 ANASTASIA AVE
For: CORAL GABLES FL

-7139

Next Reading Date
May 14 2003

Billing Type
Commercial Service

Previous Balance
Payment Applied 04/09/03 - Thank You

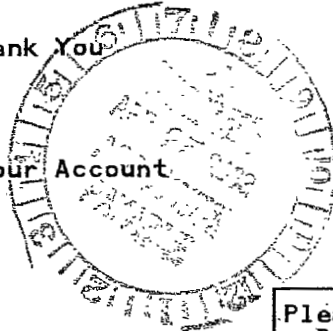
266.15
-266.15

Remaining Balance

.00

Current Gas Charges
Deposit Interest Applied to Your Account
Utility Tax
Gross Receipt Tax
Franchise Tax

218.11
-41.88
8.39 **3.8**
5.45
15.27



ENTERED APR 9 2003

Please Pay This Amount
By May 05, 2003

205.34

06023200 AA63340.7 2650 - 4330

We have separated our appliance and gas utility service centers. Please note the app numbers listed on the bottom of your bill. This month we are pleased to introduce Speak Easy, our new voice-activated customer service system. Please see the enclosed bill insert for details.

Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.

Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

Is on NUF money summary list

How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				old	new			
0154379	Estimate	03/17 04/14	28	17520	17692	172	X 1.0770 =	185.2

Rate Class	Therms Billed	Energy chg	Gas Cost	Basic Service Charge	Current Gas Charges
CS	185.2	51.07 +	147.04 +	20.00 =	218.11



3 25 9

To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

QUESTIONS ABOUT YOUR BILL?

Please call the Customer Service number located on the bottom portion of the front side of this bill.

DEFINITION OF TERMS

Access - In accordance with the regulations of the Florida Public Service Commission, City Gas representatives shall be given access to the customer's premise at all reasonable times for the purpose of obtaining meter readings, inspection of piping and appliances and at all times for emergency purposes.

Basic Service Charge - A monthly charge that covers the basic fixed costs of providing you with gas service.

CCF - One hundred cubic feet. This is the measurement used to determine usage.

Cost of Gas - The actual cost of the gas consumed. This is a direct pass-through charge, we earn no profit from this charge.

Energy Charge - This charge covers most operating costs, other than the cost of gas, associated with providing service.

Franchise Tax - Fees paid to the applicable city/county government for the right or privilege to utilize public property for the purpose of supplying gas service. This tax is collected by us on behalf of the local government imposing the tax.

Therm - A unit of heat measurement equal to 100,000 Btu. We calculate your bill based on how many therms of gas were consumed.

Therm Factor - The factor used to convert CCF into therms.

Utility Tax - Fees paid to the applicable city/county government on the customer's purchase of gas. This tax is collected by us on behalf of the local government imposing the tax.

POSSIBLE CHARGES

Change of Account - There is a \$20.00 fee to change the name on an account.

Service Initiation Fee - There is a \$30.00 fee to initiate your residential gas service, \$60.00 for other customers.

Reconnect Charge - There is a \$30.00 fee to restore your residential gas service, \$60.00 for other customers following a disconnection for non-payment.

Returned Check Fee - There is a fee, the greater of \$25.00 or 5% of the payment amount for any check returned to us for insufficient funds.

Late Payment Charge - Per the Florida Public Service Commission or PSC-98-0261-FOF-GU, a late payment fee of 1.5% will be applied to any balances unpaid after 20 days after receipt of billing.

Collection Fee - There is a fee of \$15.00 for the collection of past due bills at your residence or place of business.

ABOUT ESTIMATED AND PRO-RATED BILLS

We make every attempt to read every meter on a scheduled basis. However, on those occasions when we are unable to obtain a reading your account will be billed on an ESTIMATED CONSUMPTION. ESTIMATED BILLS are based on past usage, or the usage of similar customers if you are a new customer. When an actual reading is obtained we will adjust your account for any discrepancies between the actual and estimated consumption.

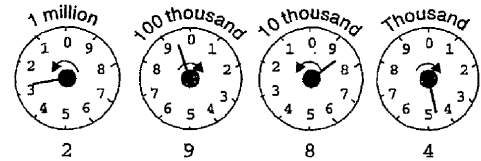
You can read your own meter to avoid estimations.

Pro-rated bills are those that have fewer than 26 days or more than 31 days for the billing period. The basic service charges for a pro-rated bill are broken down and billed on a daily basis.

BILL PAYMENT LOCATIONS

Customers may make payments at our business offices or approved payment locations. For the location nearest you, please call the Customer Service number located on the front side of this bill.

HOW TO READ YOUR METER



To read your own meter, read the dials from the highest to the lowest quantity, generally from left to right. If the arrow falls between the numbers record the lesser number (the number nine is less than zero). In the example above, the reading is "2984." You may call in your meter reading to a Customer Care representative, or enter it in our automated phone system.

**To report a gas leak (24 hours) or
for questions about your bill (7 a.m. - 10 p.m.)**

(800) 993-7546

**Appliance Service
1-877-REPAIRS
(1-877-737-2477)**

16260
 CITY OF CORAL GABLES
 CORAL GABLES, FLORIDA
 TAX EXEMPT
 23-02-324903-54C

DETACH AND RETAIN THIS STATEMENT
 THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
 IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

NOI City Bills
 04-03-03

VOUCHER	INVOICE NUMBER	INVOICE DATE	PAY CODE	INVOICE AMOUNT	DISCOUNT	CREDITS	NET AMOUNT
304346	Z ALHAMBRA	03-18-03	F	26.18	0.00	0.00	26.18
304347	YOUTH CTR.	03-18-03	F	266.15	0.00	0.00	266.15
304348	1200 ANASTASIA	03-18-03	F	23.90	0.00	0.00	23.90
304349	405 BILTMORE	03-18-03	F	23.90	0.00	0.00	23.90
304350	1490 MADRUGA	03-18-03	F	60.57	0.00	0.00	60.57
304351	2801 SALZEDO	03-18-03	F	93.96	0.00	0.00	93.96
TOTALS				494.66	0.00	0.00	494.66

CITY OF CORAL GABLES
 CORAL GABLES, FLORIDA

SunTrust Bank / Miami, N.A.
 SUN CENTER
 777 BRICKELL AVENUE MIAMI, FL. 33131

235678 63-6702
 670

04-03-03

AY -----\$494 DOLLARS AND 66 CENTS-----

#####494.66

TO
 THE
 ORDER
 OF

0232000
 NJI CITY GAS COMPANY OF FLORIDA

P.O. BOX 6060
 ELIZABETH, NJ 072076060

NON-NEGOTIABLE
 OVER \$25,000.00 REQUIRES COUNTER SIGNATURE
 THIS CHECK VOID AFTER 60 DAYS



Billing Date
Mar 18 2003

Account Number
211-0329869-011

Srvc 2 ALHAMBRA RLZ
For: CORAL GABLES FL

-5202

Next Reading Date
May 14 2003

Billing Type
Commercial Service

Previous Balance	24.60
Payment Applied 03/12/03 - Thank You	-24.60
Remaining Balance	.00
Current Gas Charges	21.17
Utility Tax	2.049.0
Franchise Tax	1.486.0
State Sales Tax	1.27
Dade County Sales Surtax	.22

Please Pay This Amount
By April 07, 2003

26.18

UB 23200 / 63300 / 184-8215

We have separated our appliance and gas utility service centers. Please note the ap numbers listed on the bottom of your bill.

Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.
Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

How We Calculate Your Current Gas Charges

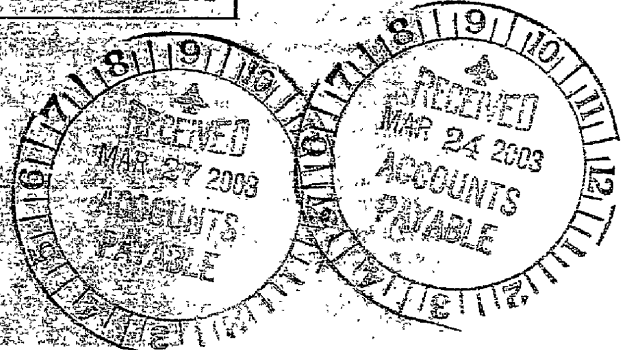
Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				old	new			
1092981	Actual	02/14-03/15	29	00006	00007	1	1.0800	1.1

PROCESSED MAR 31 2003
MORTY JOSEPH CLARK
UTILITIES DIVISION
SUPERINTENDENT

410-1540-535
5215
MMW 3/26/03

Rate Class	Therms Billed	Energy chg	Gas Cost	Basic Service Charge	Current Gas Charges
CS	1.1	0.30	0.87	20.00	21.17

304386



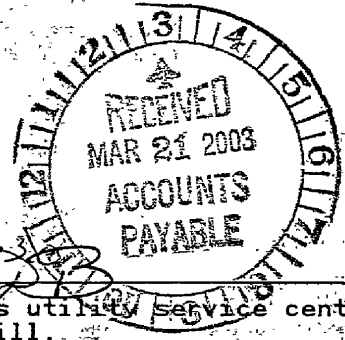
To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

Billing Date: Mar 18 2003 Account Number: 211-0763478-001 Srvc: 400 ANASTASIA AVE For: CORAL GABLES FL -7139 Next Reading Date: Apr 14 2003

Billing Type: Commercial Service

Previous Balance 286.39
 Payment Applied 03/12/03 - Thank You -286.39
 Remaining Balance .00
 Current Gas Charges 234.91
 Utility Tax 8.93
 Gross Receipt Tax 5.87
 Franchise Tax 16.44



Please Pay This Amount By April 07, 2003
 266.15

Handwritten: 06232000 15763340 / 2650 - 03/12/03

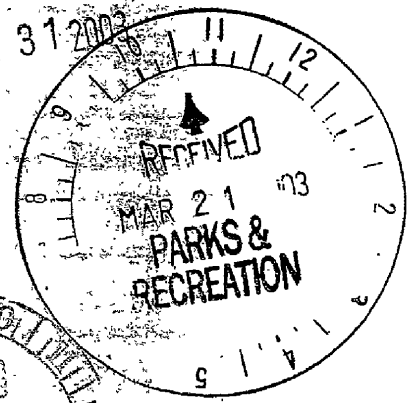
We have separated our appliance and gas utility service centers. Please note the ap numbers listed on the bottom of your bill.

Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.
 Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

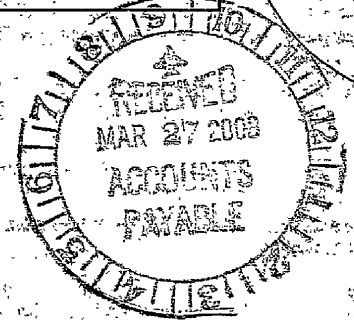
PROCESSED MAR 31 2003

How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				Old	new			
0154379	Actual	02/14-03/17	31	17334	17520	186 X 1.0800 =		200.9



Rate Class	Therms Billed	Energy chg	Gas Cost	Basic Service Charge	Current Gas Charges
CS	200.9	200.9 X .27574	200.9 X .79397	20.00	234.91



Handwritten: 30/30

To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

Billing Date: Mar 18 2003 | Account Number: 211-0334182-011 | Srvc: 1200 ANASTASIA AVE For: CORAL GABLES FL -6339 | Next Reading Date: Apr 14 2003

Billing Type: Commercial Service

Previous Balance 23.70
 Payment Applied 03/12/03 - Thank You -23.70
 Remaining Balance .00
 Basic Service Charge 20.00
 Utility Tax 2.0010
 Gross Receipt Tax .5020
 Franchise Tax 1.4079

Please Pay This Amount By April 07, 2003
 23.90

Handwritten: # 623200 For 63340 / 2680 - 4330

We have separated our appliance and gas utility service centers. Please note the ap numbers listed on the bottom of your bill.

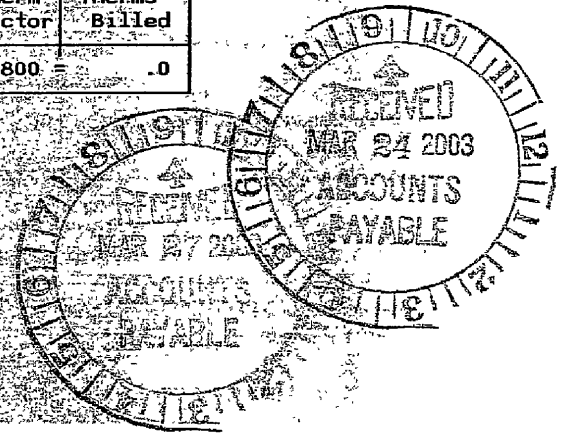
Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.
 Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

PROCESSED MAR 31 2003

How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				old	new			
1573320	Actual	02/14 - 03/17	31	4206	4206	0	1.0800	.0

Handwritten: 30/30



To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

Billing Date
Mar 18 2003

Account Number
211-0332717-011

Srvc 405 BILTMORE WAY
For: CORAL GABLES FL -5717

Next Reading Date
Apr 14 2003

Billing Type
Commercial Service

Previous Balance	23.70
Payment Applied 03/12/03 - Thank You	-23.70
Remaining Balance	.00
Basic Service Charge	20.00
Utility Tax	2.00
Gross Receipt Tax	.50
Franchise Tax	1.4077

Please Pay This Amount
By April 07, 2003

23.90

UA 0 222000 / 63340.1 2650 4330

We have separated our appliance and gas utility service centers. Please note the ap numbers listed on the bottom of your bill.

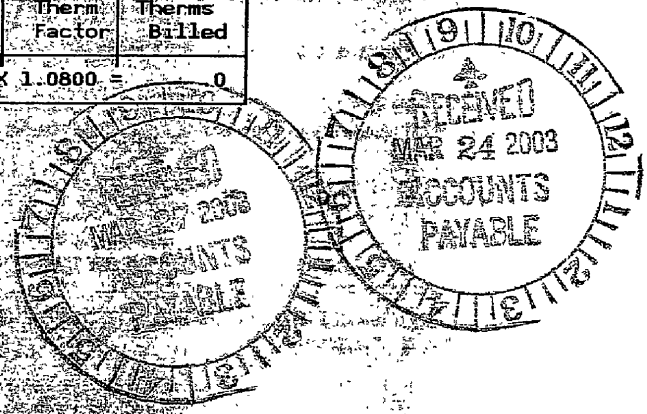
Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.

Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

PAID MAR 31 2003

How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				Old	New			
9609175	Actual	02/14 03/17	31	0001	0001	0 X 1.0800 =	0	0



304369

To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

Billing Date
Mar 18 2003

Account Number
211-0335382-011

Srvc 1490 MADRUGA AVE
For: CORAL GABLES FL -3116

Next Reading Date
Apr 14 2003

Billing Type
Commercial Service

Previous Balance

TIMOTHY JOSEPH CLARK
UTILITIES DIVISION
SUPERINTENDENT

30.16

Current Gas Charges
Utility Tax
Gross Receipt Tax
Franchise Tax

25.78
2.198.4
.64
1.806.9

410-1540-535-5215
ww 3/27/03

Please Pay This Amount
By April 07, 2003

60.57

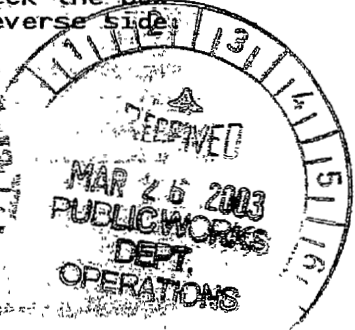
1/A 0232-030

PA# 63340, 1540-5215

We have separated our appliance and gas utility service centers. Please note the ap numbers listed on the bottom of your bill.

Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.
Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

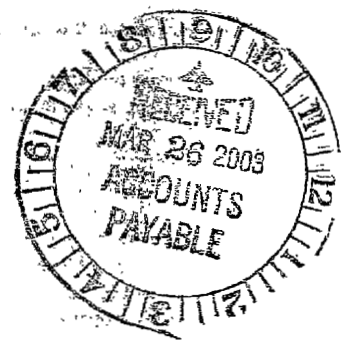
MAR 31 2003



How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings		Gas Used (CCF)	Therm Factor	Therms Billed
				old	new			
1089603	Actual	02/15-03/15	28	00022	00027	5	1.0800	5.4

Rate Class	Therms Billed	Energy Chg	Gas Cost	Basic Service Charge	Current Gas Charges
CS	5.4	1.49	4.29	20.00	25.78



304350

To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477

CITY OF CORAL GABLES, FLORIDA

ORDINANCE NO. 3034

AN ORDINANCE GRANTING NON-EXCLUSIVE FRANCHISE TO CITY GAS COMPANY OF FLORIDA, DIVISION OF ELIZABETHTOWN GAS COMPANY, FOR PERIOD OF THIRTY YEARS; PROVIDING RIGHT OF CITY TO PURCHASE; SETTING FORTH TERMS AND CONDITIONS, INCLUDING PROVISION THAT CITY IS ENTITLED TO HIGHER FRANCHISE TAX RATE EXTENDED TO ANY OTHER AGENCY IN FLORIDA GRANTING SIMILAR FRANCHISE; PROVIDING SEVERABILITY CLAUSE; AND PROVIDING EFFECTIVE DATE.

BE IT ORDAINED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. DEFINITIONS.

That the word "Grantee" shall mean the City Gas Company of Florida, a Division of Elizabethtown Gas Company, its successors and assigns, and the word "Grantor" shall mean the City of Coral Gables, Dade County, Florida, its successors and assigns, and the word "Consumer" shall mean any person, firm or public or private corporation served by the Grantee.

SECTION 2. GRANT.

There is hereby granted to City Gas Company of Florida, a Division of Elizabethtown Gas Company, its successors, and assigns, hereinafter called "Grantee", the right, privilege or franchise for the full period of thirty years from the effective date hereof, to construct, equip, maintain and operate in, under, upon, over and across the present, and future streets, avenues, alleys, highways, parks, parkways, plazas, bridges, easements, and other public ways and places in said City of Coral Gables, hereinafter called "Grantor", and its successors, gas mains, and supply pipes, together with all the necessary appurtenances, including service connections, curb boxes, manholes, regulators, drip pots and control devices, for the purpose of conveying, distributing, supplying and selling natural gas to said Grantor and its successors and the inhabitants thereof for light, heat, power and other purposes. This grant is made in consideration of the construction, maintenance, and continuous operation of the gas mains and supply pipes by the Grantee herein provided for, and for the benefit and convenience to the inhabitants of said Grantor as result thereof. Grantee shall install gas mains, lateral lines and all other appurtenances of sufficient size to distribute and sell natural gas.

SECTION 3. RIGHT TO PURCHASE.

That the Grantor hereby reserves the right at and after the expiration of fifteen (15) years from the date of written acceptance of this grant by the Grantee, and/or in the event of the Grantee's forfeiture of any of the terms, conditions and provisions of this Franchise Ordinance, at its option, to purchase the physical property of the Grantee used under this grant at the fair value of the property. The fair value of the property is herein defined as the installed cost of the Grantee's facilities including overhead, engineering, administrative expense related to construction, and depreciation at the rate of 3% per year or such greater rate as may be determined from time to time by the Florida Public Service Commission. The Grantor shall exercise such option by giving written notice to the grantee of its election so to do not less than sixty (60) nor more than one hundred twenty (120) days prior to the commencement of the aforesaid fifteenth (15th) year. The failure of the Grantor so to exercise its option shall be deemed a waiver of its right to purchase the property of the Grantee and said franchise thereafter shall continue in full force and effect for the remainder of its term as though said right to purchase had not been reserved by the Grantor. Nothing contained herein shall be construed as a waiver by the Grantor of any right to purchase the property of the Grantee at the end of the thirty (30) year period of said franchise as provided by the Laws of Florida in effect at the time of the Company's acceptance hereof, including Section 167.22 of the Florida Statutes of 1951, as amended. The Grantee shall be deemed to have given such rights of option to purchase and to purchase by its written acceptance of said franchise and the filing of said acceptance with the City Clerk.

SECTION 4. CONSTRUCTION WORK.

All work done in, under, upon, over and across the present and future streets, avenues, alleys, highways, parks, parkways, plazas, bridges, easements and other public ways and places in the said City, hereunder for the purpose of carrying out the provisions of this franchise shall be done in a good and workmanlike manner in accordance with the standard specifications and regulations of the Public Works Department of the City of Coral Gables and not so as unreasonably to interfere with traffic. When any portion of any street or other public way or place in the City is excavated or damaged by reason of such work such street, way or place, within a reasonable time and as early as practicable, shall be replaced in a workmanlike manner in accordance with the standard specifications and regulations of the Public Works Department of the City of Coral Gables. In the event Grantee should fail or refuse, within seven calendar days after written notice thereof, to replace such portion of any street, way or place so excavated or damaged, the said City shall have the right to so replace the same at the cost and expense of

the Grantee, which shall be paid by the Grantee to the said City within ten days after the submission of a bill therefor. The basis for such cost shall be the actual cost to the City for labor, equipment and materials plus one hundred percent (100%) of such total cost for overhead, recording, and accounting procedures, which Grantee by acceptance of this Franchise agrees is fair and reasonable. Any such portion of any street, way or place so excavated and damaged by Grantee shall be repaired by the Grantee in accordance with the standard specifications and regulations of the Public Works Department of the City of Coral Gables for a period of five (5) years, and if the Grantee shall fail therein, said City, anytime during said five year period, after notice to the Grantee and the lapse of ten days, may make such repairs as are necessary for such maintenance at the cost and expense of the Grantee, which shall be paid by the Grantee within ten days after the submission of the bill therefor, in the same amount and terms as set forth above.

SECTION 5. SAFETY PROVISIONS.

Grantee shall use reasonable precaution for the safety of the public at all openings, excavations or obstruction made by the Grantee in said present or future streets, avenues, alleys, highways, parks, bridges, easements and other public ways and places in the said City, and shall keep the same marked during the night time by red lanterns or other suitable signals in sufficient number to show plainly such openings, excavations or obstructions. All such excavations shall be fully barricaded in order to insure the safety of the public.

SECTION 6. INDEMNIFICATION.

Grantor shall in no way be liable or responsible for any liability, injury or damage that may occur in connection with the exercise by Grantee of its rights hereunder, including, but not limited to construction, maintenance and operation by the Grantee of its gas mains, supply pipes and necessary appurtenances, and the acceptance of this franchise shall be deemed an agreement on the part of the Grantee to indemnify and hold the said Grantor harmless against any and all liabilities, loss, cost, damage, or expense which may accrue against the said Grantor by reason of the neglect, default or misconduct of the Grantee, whether of omission, or commission, in connection with the exercise of its rights hereunder, including the costs of defense plus reasonable attorney's fees.

SECTION 7. INSURANCE.

That the Grantee defend the said Grantor against all suits, commenced and pay all judgments recovered against the said Grantor, including legal and court costs incurred by the Grantor, because of any and all liability, loss, cost, damage, or expense

which may accrue against the said Grantor by reason of neglect, default or misconduct of the Grantee, whether of omission or commission, in connection with the exercise of its rights hereunder, and, for the purpose of guaranteeing to the Grantor due observance hereof, the Grantee, at all times during the exercise of its right hereunder, shall have deposited with the City Clerk of the said Grantor a surety bond in the penal sum of Fifty thousand Dollars (\$50,000.00), to be executed by the Grantee and such surety company, and in the form as shall be approved by the City Attorney of the said Grantor conditioned for the faithful observance hereof by the Grantee. In addition, Grantee shall carry in force public liability insurance in the amount of \$500,000/1,000,000 to indemnify any persons sustaining personal injury or property damage as a result of the negligence of the Grantee in the construction, operation or maintenance of its facilities, and the Grantor shall be named additional insured in said policy and an executed copy of said insurance policy shall be kept filed with the City Clerk.

SECTION 8. LAYING THE GAS MAINS.

Before the commencement of the construction of the mains, service pipes and gas system, the Grantee shall make application to the City Manager of the said Grantor to designate the location, lines, grades and elevations for the laying of gas pipes not herein specifically designated, and to designate the grades for the laying of the gas pipes under the provisions of Section 14 hereof, and thereafter, before additional gas pipes are laid, a like application and designation shall be made. The laying of such pipes shall conform accurately to the locations, lines, grades and elevations so designated. After completion of any work two copies of complete "As-Built" plans will be furnished to the Grantor. No excavation of any street or other public way or place shall be made unless Grantee shall beforehand secure a permit therefor from the City Manager of the said Grantor, unless such excavation shall be necessary because of an emergency requiring immediate action making such notice impossible. Any such emergency work will be reported, in writing to the City Manager within twenty-four (24) hours after such occurrence. All expense necessarily and reasonably incurred by the Grantor in pursuance of the provisions of this section, shall be paid by the Grantee. All construction made under the provisions of this ordinance shall be of first-class material, and all gas mains, service pipes and the generating plant shall have an adequate capacity to supply the full requirements of gas, for service to the said Grantor and its inhabitants, at the proper pressure and quality required by this Ordinance.

SECTION 9. ADDITIONAL SERVICE.

It is the intent of the Grantee to provide natural gas to the inhabitants of said Grantor in any area of said Grantor

when there is a substantial need by the inhabitants in said area. The Grantor has a Florida Public Service Commission approved tariff on file regarding feasibility of main extensions. Should a dispute occur as to providing natural gas service, Grantor and Grantee agree that the Florida Public Service Commission shall determine if such expansion is feasible, as shown by the evidence submitted, before the body and that the Grantor and Grantee shall comply with said decision. Within six (6) months after a request for service of natural gas in an area of the City, or in the event of dispute between the Grantor and the Grantee, within six (6) months after determination of the feasibility of said expansion as provided by this section, the Grantee shall begin construction of said lines to service said area designated for service of natural gas.

SECTION 10. RATES.

That all rates charged by the Grantee shall be just and reasonable and will be identical to the rates charged by the Grantee to other communities in Dade County. That all service of natural gas to consumers will be determined by the Florida Public Service Commission, and the Grantee will serve reasonable notice upon the City Manager of the City of Coral Gables of any pending hearing before the said Commission concerning the determination of rates for service of natural gas by the Grantee to its customers. That all rates shall be determined as provided by the State law. Should said rates be reduced by the Florida Public Service Commission, such reduced rates shall be the effective rates for consumers. In the event that the Florida Public Service Commission, or other State regulatory authority, should be deprived of the authority to make rules and regulations governing the Grantee, then the City Commission of the City of Coral Gables, or other governing body, shall have the right to fix reasonable and compensatory rates to be paid for gas by the consumers.

SECTION 11. FRANCHISE TAX.

That within thirty (30) days after the first anniversary date of this grant, the Grantee, its successors and assigns, shall pay to the Grantor and its successors an amount which added to the amount of all taxes, licenses, and other impositions, except ad valorem property taxes levied or imposed by the Grantor upon the Grantee's property, business or operations, and those Grantee's subsidiaries for the preceding tax year, will equal seven percent (7%) of Grantee's gross revenues from the sale of gas to residential and commercial customers within the corporate limits of the Grantor for the twelve fiscal months preceding the application anniversary date. The Grantee shall pay to the Grantor all ad valorem property taxes when due. In the event that the Grantee enters into a franchise agreement with another Florida governmental entity at a higher franchise tax than 7%, then the Grantor shall also be entitled to the higher franchise

tax.

SECTION 12. ACCOUNTS.

The City Commission shall have the right to prescribe the form of accounts to be maintained by the Grantee and, at all reasonable times, shall have the right of access to, and of examining and auditing the books of accounts and records of the Grantee. Semi-annual written reports, as prescribed by the City Commission, will be furnished to the City Manager. An annual audit of the business of the Grantee shall be made at the expense of the Grantee by a person or firm engaged exclusively in accounting. Such person or firm shall be qualified to practice accounting under the laws of the State of Florida and shall be previously approved by the Grantor prior to the beginning of each fiscal year of the Grantee. Two copies of all such audits shall be furnished, without cost, to the City Manager of the City.

SECTION 13. INSTALLATION AND REMOVAL OF PIPES.

Grantee's pipes or other means of conveyance of gas hereunder shall be located subject to the provisions of the City Manager of said Grantor, and installed at Grantee's sole cost and expense, and in such manner as not unreasonably to interfere with any sewer, gas, or water pipes or other public utility service previously constructed, and after the location and installation of Grantee's pipes or other means of conveyance of gas shall have been established, the Grantor shall not permit the same to be interfered with except without cost to Grantee, and then only upon condition that any necessary alterations shall be made under direction of the Grantee and in such manner as shall not impair the rights hereby granted nor unnecessarily interfere with or injure the present structures, operations or business of the Grantee. Provided, however, that nothing herein contained shall be construed as to make the said Grantor liable to Grantee for any cost, or expense, in connection with the construction, reconstruction, repair, location, or relocation of Grantee's pipes or other means of conveyance of gas hereunder made necessary by the construction, reconstruction, location or relocation of any existing or proposed street, alley, parkway, bridges, sanitary sewer, storm sewer, water main, duct or any other structure or facility operated and maintained by the said Grantor, or by widening, grading, paving or otherwise improving by the said Grantor or other governmental agency of any of the present and future streets, avenues, alleys, highways, parks, parkways, plazas, bridges and other public ways and places used or occupied by Grantee hereunder, but the Grantee shall be liable therefor.

SECTION 14. REGULATION.

This franchise and all work that may be done hereunder shall be subject to such valid reasonable regulations, rules,

laws and ordinances as may be in force or which may hereafter be enacted or adopted for the regulation and use of the street and highways of the said Grantor for the general health, welfare and safety of its citizens and the protection and safe-guarding of their lives, property and welfare.

SECTION 15. MAP OF GAS LINES.

The Grantee shall, at all times, keep an accurate map showing the location of all gas lines and service pipes laid and maintained by Grantee under the provisions hereof, which shall be accessible for public inspection at all times during reasonable hours. On the second day of January and first day of July during each and every year of the term of this grant, the Grantee shall, upon request, furnish the City Manager of the said City a copy of such map.

SECTION 16. METERS.

The Grantee, at its own cost and expense, shall construct and maintain service pipes and appurtenances to the property lines of each consumer, and for the measurement of gas consumed, furnish, install and maintain gas meters, which meters shall be standard make, tested and sealed, and subject at all times to reasonable inspection by the said Grantor through its proper officers or agents as may be necessary or proper to ascertain the accuracy and efficiency thereof. It shall be and become the duty of the Grantee to repair or replace without cost any meter in the event of its over-registration of two per centum or more. The Grantee, by reasonable rules and regulations, previously approved by the City Commission, shall have the right to govern the furnishing of the gas service and meters hereunder. No service shall be furnished nor will any piping or connections of any kind be made to any consumer within the present or future corporate limits of the City unless an approved installation permit has been issued by the City of Coral Gables and a final inspection has been made and final approval has been given by a qualified inspector of the City of Coral Gables.

SECTION 17. ASSIGNMENT.

No sale, assignment, or transfer of the rights granted hereby shall be effective unless the Grantee shall have filed written notice thereof with the City Clerk, at least sixty (60) days prior to the scheduled date of such sale, assignment or transfer, and unless, subsequent to the filing of such notice, the Commission shall have by Ordinance approved and consented to such sale, assignment or transfer; provided, however, that any sale, assignment or transfer decreed by a court of competent jurisdiction in any receivership or bankruptcy proceeding shall not be governed by the provision of this Section. In the event the Grantee shall receive a *bona fide* offer to purchase the

rights granted hereby, the Grantee agrees to give to the Grantor the privilege of purchasing the rights granted hereby and the physical property used by the Grantee under this grant at the price and on the terms so offered, said privilege to be given by a written notice served on the Grantor's clerk requiring the Grantor to sign a suitable form of contract of purchase within ninety (90) days after the service of such notice.

SECTION 18. FORFEITURE.

That failure on the part of Grantee to comply in any substantial respect with any of the provisions of this Ordinance, shall be grounds for a forfeiture of this grant, but no such forfeiture shall take effect if the reasonableness or propriety thereof is protested by Grantee until a court of competent jurisdiction (with right of appeal in either party) shall have found that Grantee has failed to comply in a substantial respect with any of the provisions of this franchise and the Grantee shall have thirty (30) days after the final determination of the question, to make good the default before a forfeiture shall result with the right in Grantor in its discretion to grant such additional time to Grantee for compliance as necessities in the case require. Nothing in the ordinance shall be construed as a surrender by the Grantor of its right of power to pass Ordinances regulating the use of its streets and other public ways.

SECTION 19. NOTICE.

That all notices which may be required hereunder shall be sufficient if sent by registered mail or by telegram to the then President of the Grantee at the address given as the place where its registered office is located, or to the Grantor's clerk.

SECTION 20. ORDINANCES IN CONFLICT.

That all ordinances or parts of ordinances in conflict or inconsistent herewith shall be and they are hereby repealed insofar as there is conflict or inconsistency.

SECTION 21. ACCEPTANCE.

The Grantee shall file a written acceptance of this Ordinance with the Grantor's clerk within thirty (30) days after it shall have been duly passed and approved by the commission of the said City.

SECTION 22. CHANGES IN TERMS.

That minor changes in the terms and conditions hereof may be made by written agreement between the City and the Grantee without further ratification by the electors of the City,

provided, however, that this Section shall not be construed as conferring authority to make any changes in or modifications of the provisions of this Ordinance which would be repugnant to or inconsistent with basic factors or principles underlying the terms and conditions hereof.

SECTION 23. SEVERABILITY.

In the event that any portion of this Ordinance shall be held to be void, inconsistent or of no effect by a court of competent jurisdiction, such holding shall in no way affect or disturb the remaining portions of this Ordinance.

SECTION 24. EFFECTIVE DATE.

That this ordinance shall become effective thirty days from the date of its adoption herein.

PASSED AND ADOPTED THIS TWENTIETH DAY OF JULY, A.D., 1993.

APPROVED:

RAUL J. VALDES-FAULI
MAYOR

ATTEST:

VIRGINIA L. PAUL
CITY CLERK
()

STATE OF FLORIDA
COUNTY OF MIAMI-DADE

I, HEREBY CERTIFY that the foregoing is a true and correct copy of the original on file in this office.

10/29/03
Date
Katherine J. Faerman
City Clerk

ORDINANCE NO. 1309

AN ORDINANCE GRANTING TO CITY GAS COMPANY, A FLORIDA CORPORATION, ITS SUCCESSORS AND ASSIGNS, A NON-EXCLUSIVE GAS FRANCHISE IN THE CITY OF CORAL GABLES, FOR A PERIOD OF THIRTY (30) YEARS, INCLUDING THE RIGHT OF CONSTRUCTION, MAINTAINING AND OPERATING GAS LINES FOR THE PURPOSE OF CONVEYING, DISTRIBUTING, SUPPLYING AND SELLING NATURAL GAS TO SAID CITY AND ITS SUCCESSORS AND THE INHABITANTS THEREOF FOR LIGHT, HEAT, POWER AND OTHER PURPOSES; PROVIDING THAT THE BUSINESS OF THE GRANTEE SHALL BE DECLARED AND DEEMED TO BE A PUBLIC UTILITY SERVING THE GENERAL PUBLIC; PROVIDING THAT THE CITY, AT ITS OWN OPTION, MAY PURCHASE THE PROPERTY USED UNDER THIS FRANCHISE AND PROVIDING FOR THE METHOD OF PURCHASE AND IMPOSING PROVISIONS AND CONDITIONS RELATING THERETO; PROVIDING THAT IN THE EVENT THAT THE FLORIDA RAILROAD AND PUBLIC UTILITIES COMMISSION OR OTHER STATE REGULATORY AUTHORITY SHALL BE DEPRIVED OF THE AUTHORITY TO MAKE RULES AND REGULATIONS GOVERNING THE GRANTEE THEN THE CITY COMMISSION OF THE CITY OF CORAL GABLES SHALL HAVE FULL AND COMPLETE POWERS OF REASONABLE REGULATION OF THE GRANTEE'S RATES, RULES, REGULATIONS AND CONDITIONS OF ANY OR ALL CHARGES OR FEES CHARGED TO THE PUBLIC AND FOR SERVICE OR EXTENSIONS OF GAS SERVICE TO NEW LOCATIONS NOT PREVIOUSLY SERVED AND PROVIDING THAT DECISIONS OF THE CITY COMMISSION SHALL BE FINAL; PROVIDING FOR AN AGREEMENT BY GRANTEE TO INDEMNIFY AND HOLD THE SAID CITY HARMLESS AGAINST ANY AND ALL LIABILITY, LOSS, COST, DAMAGE OR EXPENSE WHICH MAY OCCUR OR ACCRUE BY REASON OF THE NEGLIGENCE, DEFAULT, OR MISCONDUCT OF THE GRANTEE, IN CONNECTION WITH THE EXERCISE OF ITS RIGHTS HEREUNDER; PROVIDING FOR THE PAYMENT BY THE GRANTEE TO THE SAID CITY, OF SIX PER CENTUM OF ITS GROSS RECEIPTS FROM GAS SOLD AND CONSUMED WITHIN THE PRESENT AND FUTURE CORPORATE LIMITS OF THE CITY OF CORAL GABLES, FLORIDA PLUS ALL AD VALOREM PROPERTY TAXES; PROVIDING FOR THE COMPLETION AND OPERATION OF A GAS SYSTEM AND FORFEITURES IF NOT COMPLETED WITHIN A TIME LIMIT; PROVIDING A SEPARABILITY CLAUSE AND PROVIDING THAT THE GRANTEE WILL BE BOUND BY ALL THE TERMS, PROVISIONS AND CONDITIONS HEREIN RECITED; PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE AFTER REFERENDUM THEREON.

BE IT ORDAINED BY THE COMMISSION OF THE CITY OF CORAL GABLES, FLORIDA, THAT:

SECTION 1. DEFINITIONS. The word "Grantee" shall mean the City Gas Company, its successors and assigns, and the word "Grantor" shall mean the City of Coral Gables, Dade County, Florida, its successors and assigns, and the word "Consumer" shall mean any person, firm or public or private corporation served by the Grantee.

SECTION 2. GRANT. There is hereby granted to City Gas Company, a corporation, its successors and assigns, hereinafter called "Grantee", the right, privilege or franchise for the full period of thirty years from the effective date hereof, to construct, equip, maintain and operate in, under, upon, over and across the present, and future streets, avenues, alleys, highways, parks, parkways, plazas, bridges, easements, and other public ways and places in said City of Coral Gables, hereinafter called "Grantor", and its successors,

gas mains and supply pipes, together with all the necessary appurtenances, including service connections, curb boxes, manholes, regulators, drip pots and control devices, for the purpose of conveying, distributing, supplying and selling natural gas to said Grantor and its successors and the inhabitants thereof for light, heat, power and other purposes. This grant is made in consideration of the construction, maintenance, and continuous operation of the gas mains and supply pipes by the grantee herein provided for, and for the benefit and convenience to the inhabitants of said Grantor as result thereof. Grantee shall install gas mains, lateral lines and all other appurtenances of sufficient size to distribute and sell natural gas. This franchise shall become null and void and of no effect unless the Grantee shall supply natural gas to its initial customer in said City within twelve (12) months after said Grantee's written acceptance of this franchise ordinance has been filed with the City Clerk.

SECTION 3. - RIGHT TO PURCHASE. That the Grantor hereby reserves the right at and after the expiration of fifteen (15) years from the date of written acceptance of this grant by the Grantee, and/or in the event of the Grantee's forfeiture of any of the terms, conditions and provisions of this Franchise Ordinance, at its option, to purchase the physical property of the Grantee used under this grant at the fair value of the property. The fair value of the property is herein defined as the installed cost of the Grantee's facilities including overhead, engineering, administrative expense related to construction, and depreciation at the rate of 3% per year or such greater rate as may be determined from time to time by the Florida Railroad and Public Utilities Commission. The Grantor shall exercise such option by giving written notice to the Grantee of its election so to do not less than sixty (60) nor more than one hundred twenty (120) days prior to the commencement of the aforesaid fifteenth (15th) year. The failure of the Grantor so to exercise its option shall be deemed a waiver of its right to purchase the property of the Grantee and said franchise thereafter shall continue in full force and effect for the remainder of its term as though said right to purchase had not been reserved by the Grantor. Nothing contained herein shall be construed as a waiver by the Grantor of any right to purchase the property of the Grantee at the end of the thirty (30) year period of said franchise as provided by the Laws of Florida in effect at the time of the Company's acceptance hereof, including Section 167.22 of the Florida Statutes of 1951, as amended. The Grantee shall be deemed to have given such rights of option to purchase and to purchase by its written acceptance of said franchise and the filing of said acceptance with the City Clerk.

SECTION 4. CONSTRUCTION WORK. All work done in, under, upon, over and across the present and future streets, avenues, alleys, highways, parks, parkways, plazas, bridges, easements and other public ways and places in the said City, hereunder for the purpose of carrying out the provisions of this franchise shall be done in a good and workmanlike manner in accordance with the standard specifications and regulations of the Public Works Department of the City of Coral Gables and not so as unreasonably to interfere with traffic. When any portion of any street or other public way or place in the City is excavated or damaged by reason of such work, such street, way or place, within a reasonable time and as early as practicable, shall be replaced in a workmanlike manner in accordance with the standard specifications and regulations of the Public Works Department of the City of Coral Gables. In the event grantee should fail or refuse, within seven calendar days after written notice thereof, to replace such portion of any street, way or place so excavated or damaged, ~~the said City shall have the right~~ to so replace the same at the cost and expense of the grantee, which shall be paid by the grantee to the said City within ten days after the submission of a bill therefor. The basis for such cost shall be the actual cost to the City for labor, equipment and materials plus one hundred percent (100%) of such total cost for overhead, recording, and accounting procedures, which Grantee by acceptance of this franchise agrees is fair and reasonable. Any such portion of any street, way or place so excavated and damaged by grantee shall be repaired by the grantee in accordance with the standard specifications

and regulations of the Public Works Department of the City of Coral Gables for a period of 5 years, and if the grantee shall fail therein, said City, anytime during said five year period, after notice to the grantee and the lapse of ten days, may make such repairs as are necessary for such maintenance at the cost and expense of the grantee, which shall be paid by the grantee within ten days after the submission of a bill therefor, in the same amount and terms as set forth above.

SECTION 5. SAFETY PROVISIONS. Grantee shall use reasonable precaution for the safety of the public at all openings, excavations or obstruction made by the grantee in said present or future streets, avenues, alleys, highways, parks, bridges, easements and other public ways and places in the said City, and shall keep the same marked during the night time by red lanterns or other suitable signals in sufficient number to show plainly such openings, excavations or obstructions. All such excavations shall be fully barricaded in order to insure the safety of the public.

SECTION 6. INDEMNIFICATION. Grantor shall in no way be liable or responsible for any liability, injury or damage that may occur in connection with the exercise by Grantee of its rights hereunder, including, but not limited to construction, maintenance and operation by the grantee of its gas mains, supply pipes and necessary appurtenances, and the acceptance of this franchise shall be deemed an agreement on the part of said grantee to indemnify and hold the said Grantor harmless against any and all liabilities, loss, cost, damage, or expense which may accrue against the said Grantor by reason of the neglect, default or misconduct of the Grantee, whether of omission or commission, in connection with the exercise of its rights hereunder, including the costs of defense plus reasonable attorney's fees.

SECTION 7. INSURANCE. The Grantee defend the said Grantor against all suits, commenced and pay all judgments recovered against the said Grantor, including legal and court costs incurred by the Grantor, because of any and all liability, loss, cost, damage, or expense which may accrue against the said Grantor by reason of neglect, default or misconduct of the Grantee, whether of omission or commission, in connection with the exercise of its rights hereunder, and, for the purpose of guaranteeing to the Grantor due observance hereof, the Grantee, at all times during the exercise of its rights hereunder, shall have deposited with the City Clerk of the said Grantor a surety bond in the penal sum of Fifty Thousand Dollars (\$50,000.00), to be executed by the Grantee and such surety company, and in the form as shall be approved by the City Attorney of the said Grantor conditioned for the faithful observance hereof by the Grantee. In addition, grantee shall carry in force public liability insurance in the amount of \$500,000/1,000,000 to indemnify any persons sustaining personal injury or property damage as a result of the negligence of the Grantee in the construction, operation or maintenance of its facilities, and the Grantor shall be named additional insured in said policy and an executed copy of said insurance policy shall be kept filed with the City Clerk.

SECTION 8. LAYING OF GAS MAINS. Before the commencement of the construction of the mains, service pipes and gas system, the Grantee shall make application to the City Manager of the said Grantor to designate the location, lines, grades and elevations for the laying of gas pipes not herein specifically designated, and to designate the grades for the laying of the gas pipes under the provisions of Section 14 hereof, and thereafter, before additional gas pipes are laid, a like application and designation shall be made. The laying of such pipes shall conform accurately to the locations, lines, grades and elevations so designated. After completion of any work two copies of complete "As-Built" plans will be furnished to the Grantor. No excavation of any street or other public way or place shall be made unless Grantee shall beforehand secure a permit therefor from the City Manager of the said Grantor, unless such excavation shall be necessary because of an emergency requiring immediate action making such notice impossible. Any such emergency work will be reported, in writing, to the City

Manager within twenty-four hours after such occurrence. All expense necessarily and reasonably incurred by the Grantor in pursuance of the provisions of this section, shall be paid by the grantee. All construction made under the provisions of this ordinance shall be of first-class material, and all gas mains, service pipes and the generating plant shall have an adequate capacity to supply the full requirements of gas, for service to the said Grantor and its inhabitants, at the proper pressure and quality required by this ordinance.

SECTION 9. AREA TO BE SERVED. The Grantee, within six (6) months after this ordinance becomes effective, shall commence the construction of said gas system; and within twelve (12) months after this ordinance becomes effective, Grantee shall have laid gas mains, as shown on the attached map shown as Exhibit "A".

SECTION 10. ADDITIONAL SERVICE. It is the intent of the Grantee to provide natural gas to the inhabitants of said Grantor in any area of said Grantor when there is a substantial need by the inhabitants in said area. The Grantor may require the Grantee to service any block in said City with natural gas if four (4) or more potential consumers, or a simple majority of the property owners in said block, have filed requests with the City Clerk of said City and with the Grantee for natural gas, and are in a position to use the gas when furnished, and agree so to do. The City Commission of the City of Coral Gables, under this section of the ordinance may require said Grantee to provide natural gas service to any other area of the City than as provided above, if said request is supported by the opinion of a recognized engineering firm familiar with local conditions as to the financial feasibility of said expansion, said firm to be designated by the Grantor, provided further, that the Grantee may elect, within thirty (30) days of receipt of said notice, to dispute such demand by a showing of other competent evidence that said expansion is not financially or otherwise feasible. That should such dispute occur, Grantor and Grantee agree that the Florida Railroad and Public Utilities Commission shall determine if such expansion is feasible, as shown by the evidence submitted, before the body and that the Grantor and Grantee shall comply with said decision. Within six (6) months after a request for service of natural gas in an area of the City, or in the event of dispute between the Grantor and the Grantee, within six (6) months after determination of the feasibility of said expansion as provided by this section, the Grantee shall begin construction of said lines to service said area designated for service of natural gas.

SECTION 11. RATES. That all rates charged by the Grantee shall be just and reasonable and will be identical to the rates charged by the Grantee to other communities in Dade County. That all service of natural gas to consumers will be determined by the Florida Railroad and Public Utilities Commission, and that the Grantee will serve reasonable notice upon the City Manager of Coral Gables of any pending hearing before the said commission concerning the determination of rates for service of natural gas by the Grantee to its customers. That all rates shall be determined as provided by the State law. Provided, however, that the present rates in effect as of July 1, 1962 in other communities serviced by the Grantee in the South Florida area shall be the maximum rates charged by the Grantee to the consumers for a period of five (5) years from the effective date of this ordinance. Provided further, that should said rates be reduced by the Florida Railroad and Public Utilities Commission during said five (5) year period, such reduced rates shall be the effective rates for consumers. In the event that the Florida Railroad and Public Utilities Commission, or other State regulatory authority, should be deprived of the authority to make rules and regulations governing the Grantee, then the City Commission of the City of Coral Gables, or other governing body, shall have the right to fix reasonable and compensatory rates to be paid for gas by the consumers.

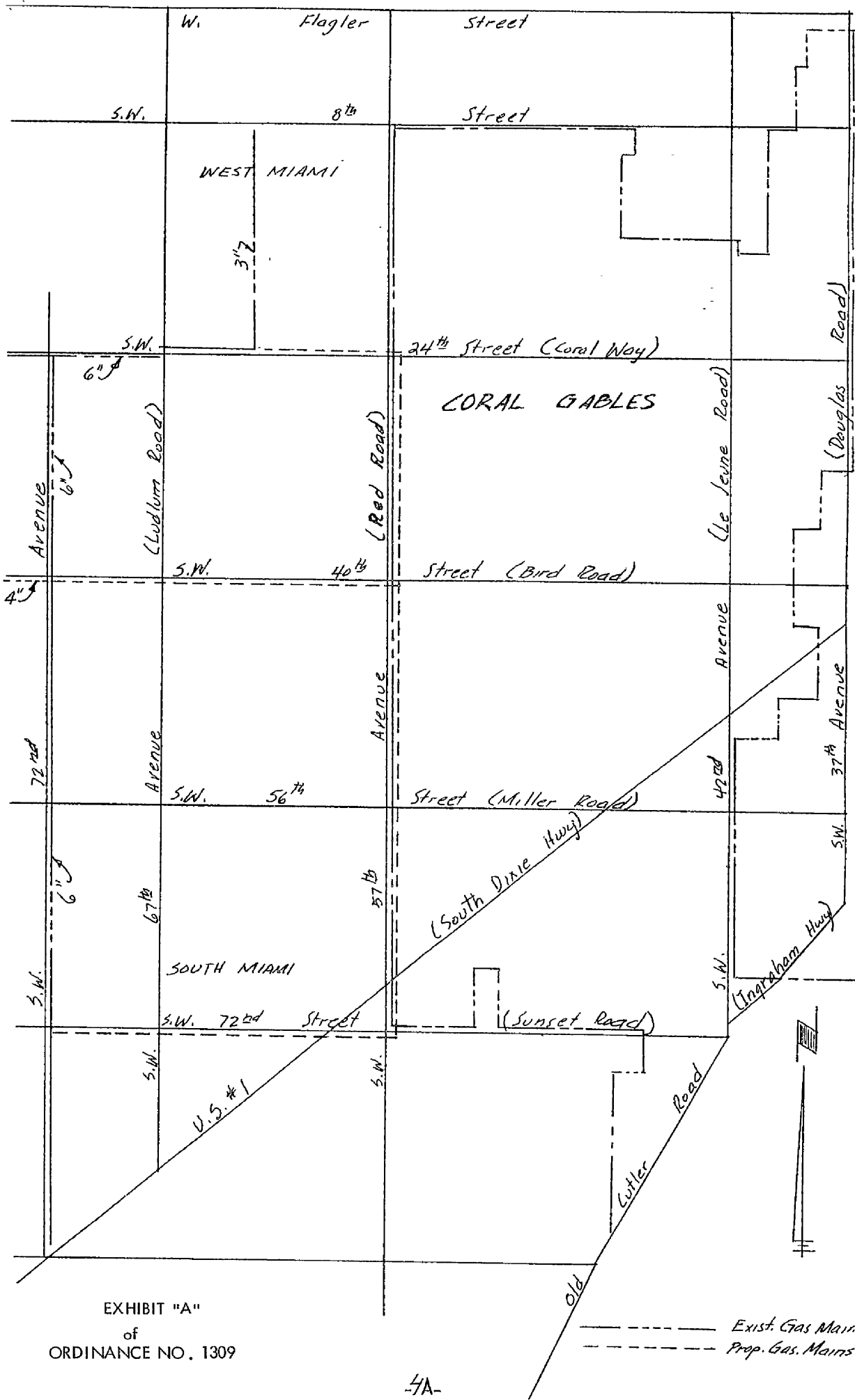


EXHIBIT "A"
of
ORDINANCE NO. 1309

SECTION 12. FRANCHISE TAX. That within thirty (30) days after the first anniversary date of this grant, the Grantee, its successors and assigns, shall pay to the Grantor and its successors an amount which added to the amount of all taxes, licenses, and other impositions, except ad valorem property taxes levied or imposed by the Grantor upon the Grantee's property, business or operations, and those of Grantee's subsidiaries for the preceding tax year, will equal six percent (6%) of Grantee's gross revenues from the sale of gas to residential and commercial customers within the corporate limits of the Grantor for the twelve fiscal months preceding the applicable anniversary date. Grantee further agrees that the above payment shall not be less than Three Thousand Dollars (\$3,000.00) per year for the first three (3) years and Five Thousand Dollars (\$5,000.00) per year thereafter. In addition the Grantee shall pay to the Grantor all ad valorem property taxes when due.

SECTION 13. ACCOUNTS. The City Commission shall have the right to prescribe the form of accounts to be maintained by the Grantee and, at all reasonable times, shall have the right of access to, and of examining and auditing the books of accounts and records of the Grantee. Semi-annual written reports, as prescribed by the City Commission, will be furnished to the City Manager. An annual audit of the business of the Grantee shall be made at the expense of the Grantee by a person or firm engaged exclusively in accounting. Such person or firm shall be qualified to practice accounting under the laws of the State of Florida and shall be previously approved by the Grantor prior to the beginning of each fiscal year of the Grantee. Two copies of all such audits shall be furnished, without cost, to the City manager of the City.

SECTION 14. INSTALLATION AND REMOVAL OF PIPES. Grantee's pipes or other means of conveyance of gas hereunder shall be located subject to the provisions of the City Manager of the said Grantor, and installed at Grantee's sole cost and expense, and in such manner as not unreasonably to interfere with any sewer, gas or water pipes or other public utility service previously constructed, and after the location and installation of Grantee's pipes or other means of conveyance of gas shall have been established, the Grantor shall not permit the same to be interfered with except without cost to Grantee, and then only upon condition that any necessary alterations shall be made under direction of the Grantee and in such manner as shall not impair the rights hereby granted nor unnecessarily interfere with or injure the present structures, operations or business of the Grantee. Provided, however, that nothing herein contained shall be construed so as to make the said Grantor liable to Grantee for any cost, or expense, in connection with the construction, reconstruction, repair, location or relocation of Grantee's pipes or other means of conveyance of gas hereunder made necessary by the construction, reconstruction, location or relocation of any existing or proposed street, alley, parkway, bridges, sanitary sewer, storm sewer, water main, duct or any other structure or facility operated and maintained by the said Grantor, or by widening, grading, paving or otherwise improving by the said Grantor or other governmental agency of any of the present and future streets, avenues, alleys, highways, parks, parkways, plazas, bridges and other public ways and places used or occupied by Grantee hereunder, but the Grantee shall be liable therefor.

SECTION 15. REGULATION. This franchise and all work that may be done hereunder shall be subject to such valid reasonable regulations, rules, laws and ordinances as may be in force or which may hereafter be enacted or adopted for the regulation and use of the street and highways of the said Grantor for the general health, welfare and safety of its citizens and the protection and safe-guarding of their lives, property and welfare.

SECTION 16. MAP OF GAS LINES. The Grantee shall, at all times, keep an accurate map showing the location of all gas lines and service pipes laid and maintained by Grantee under the provisions hereof, which shall be accessible for public inspection at all times during reasonable hours. On the second day of January and first day of July during each and every year of the term of this grant, the Grantee shall furnish the City Manager of the said City a copy of such map.

SECTION 17. METERS. The Grantee, at its own cost and expense, shall construct and maintain service pipes and appurtenances to the property lines of each consumer, and for the measurement of gas consumed, furnish, install and maintain gas meters, which meters shall be standard make, tested and sealed, and subject at all times to reasonable inspection by the said Grantor through its proper officers or agents as may be necessary or proper to ascertain the accuracy and efficiency thereof. It shall be and become the duty of Grantee to repair or replace without cost any meter in the event of its over-registration of two per centum or more. The Grantee, by reasonable rules and regulations, previously approved by the City Commission, shall have the right to govern the furnishing of the gas service and meters hereunder. No service shall be furnished nor will any piping or connections of any kind be made to any consumer within the present or future corporate limits of the City unless an approved installation permit has been issued by the City of Coral Gables and a final inspection has been made and final approval has been given by a qualified inspector of the City of Coral Gables.

SECTION 18. ASSIGNMENT. No sale, assignment, or transfer of the rights granted hereby shall be effective unless the Grantee shall have filed written notice thereof with the City Clerk, at least sixty (60) days prior to the scheduled date of such sale, assignment or transfer, and unless, subsequent to the filing of such notice, the Commission shall have by Ordinance approved and consented to such sale, assignment or transfer; provided, however, that any sale, assignment or transfer decreed by a court of competent jurisdiction in any receivership or bankruptcy proceedings shall not be governed by the provision of this Section. In the event the Grantee shall receive a bona fide offer to purchase the rights granted hereby, the Grantee agrees to give to the Grantor the privilege of purchasing the rights granted hereby and the physical property used by the Grantee under this grant at the price and on the terms so offered, said privilege to be given by a written notice served on the Grantor's clerk requiring the Grantor to sign a suitable form of contract of purchase within ninety (90) days after the service of such notice.

SECTION 19. FORFEITURE. That failure on the part of Grantee to comply in any substantial respect with any of the provisions of this ordinance, shall be grounds for a forfeiture of this grant, but no such forfeiture shall take effect if the reasonableness or propriety thereof is protested by Grantee until a court of competent jurisdiction (with right of appeal in either party) shall have found that Grantee has failed to comply in a substantial respect with any of the provisions of this franchise and the Grantee shall have thirty (30) days after the final determination of the question, to make good the default before a forfeiture shall result with the right in Grantor in its discretion to grant such additional time to Grantee for compliance as necessities in the case require. Nothing in the ordinance shall be construed as a surrender by the Grantor of its right of power to pass ordinances regulating the use of its streets and other public ways.

SECTION 20. NOTICE. That all notices which may be required hereunder shall be sufficient if sent by registered mail or by telegram to the then President of the Grantee at the address given as the place where its registered office is located, or to the Grantor's clerk.

SECTION 21. ELECTION. This ordinance shall take effect as soon as it shall have been ratified and approved by the electors of the City in accordance with the provisions of Section 7P of the City Charter. The Grantee shall pay all costs of publication of the notice of the franchise election, and agrees to deposit the sum of Two Thousand Five Hundred Dollars (\$2,500.00) with the Grantor's clerk, to guarantee payment of the election costs.

SECTION 22. ORDINANCES IN CONFLICT. All ordinances and parts of ordinances in conflict herewith be, and the same are hereby repealed.

SECTION 23. ACCEPTANCE. The grantee shall file a written acceptance of this ordinance with the Grantor's clerk within thirty (30) days after it shall have been duly passed and approved by the Commission of the said City, and, upon such acceptance and approval thereof at an election to be held in the said City as aforesaid, this ordinance shall constitute the contract between the Grantor and the Grantee.

SECTION 24. CHANGES IN TERMS. That minor changes in the terms and conditions hereof may be made by written agreement between the City and the grantee without further ratification by the electors of the City, provided, however, that this Section shall not be construed as conferring authority to make any changes in or modifications of the provisions of this Ordinance which would be repugnant to or inconsistent with basic factors or principles underlying the terms and conditions hereof.

SECTION 25. SAVING PROVISION. In the event that any portion of this ordinance shall be held to be void, inconsistent or of no effect by a court of competent jurisdiction, such holding shall in no wise affect or disturb the remaining portions of this ordinance.

PASSED AND ADOPTED THIS TWENTIETH DAY OF NOVEMBER, A. D. 1962.

APPROVED:

ROBERT L. SEARLE
MAYOR

ATTEST:

LORETTA V. SHEEHY
CITY CLERK

STATE OF FLORIDA
COUNTY OF MIAMI-DADE

I, HEREBY CERTIFY that the foregoing
is a true and correct copy of the original
on file in this office.

Date

10/29/63
Loretta V. Sheehy
City Clerk