

**CHAPTER 60****FRANCHISE FEE**

**60.01 ELECTRIC FRANCHISE FEE.** Commencing with electric bills rendered by the Company to utility customers within the corporate limits of the City on or after May 1, 2005, and for so long as the franchise granted by Ordinance No. 05-03 is in effect, there is hereby imposed on the Company, and it shall be the Company's obligation to collect from its customers and remit to the City, a franchise fee in an amount equal to a percentage of the gross receipts, minus uncollectible amounts, derived by the Company from the transmission, distribution and sale of electric energy to retail customers within the corporate limits of the City at the following percentage levels:

- residential customers – five (5) percent
- commercial customers – three (3) percent
- public authority customers (other than the City and public schools) – three (3) percent

**60.02 GAS FRANCHISE FEE.** Commencing with natural gas bills rendered by the Company to its customers within the corporate limits of the City on or after May 1, 2005, and for so long as the franchise granted by Ordinance No. 05-03 is in effect, there is hereby imposed on the Company, and it shall be the Company's obligation to collect from its customers and remit to the City, a franchise fee in an amount equal to a percentage of the gross receipts, minus uncollectible amounts, derived by the Company from the transmission, distribution, transportation and sale of natural gas to retail customers within the corporate limits of the City at the following percentage levels:

- residential customers – five (5) percent
- commercial customers – three (3) percent
- public authority customers (other than the City and public schools) – three (3) percent

**60.03 GAS SOLD BY THIRD-PARTY SUPPLIERS.** With respect to the distribution or transportation by the Company of natural gas sold to the customer by a third-party supplier of the commodity, the percentage of gross receipts shall be applied to the customer's full cost of gas delivered within the City, including all costs of acquisition, ownership, and transportation whereof, wherever incurred. In determining the amount of the fee, the Company may presume that the customer's commodity cost of gas is the same as if the gas were sold by the Company, unless a different cost is provided.

**60.04 EXEMPTIONS.** Gross receipts derived from the transmission, distribution, transportation and sale of natural gas and the transmission, distribution and sale of electric energy to public schools and to the City for its own use are exempt from the franchise fee, and the franchise fee shall not be assessed to such customers.