

## **AORDINANCE NO. 2025-10-15-01**

### **ORDINANCE AMENDING USAGE, RATES, AND CHARGES OF THE TOWN OF POSEYVILLE, INDIANA'S GAS UTILITY**

**WHEREAS**, the Town Council (the "Council") of the Town of Poseyville, Indiana (the "Town") has adopted rates and charges for use of and services rendered by the Town's municipally owned natural gas utility (the "Gas Utility") pursuant to Ordinance No. 2025-10-15-01.

**WHEREAS**, the Council has recommended that rates and charges assessed by the Gas Utility be amended to more accurately reflect the amounts necessary to pay all expenses incident to the operation of the Gas Utility; and

**WHEREAS**, all ordinances and parts of ordinances in conflict herewith, including but not limited to all prior ordinances regulating natural gas utility services for the Town of Poseyville, are hereby repealed. This repeal shall not affect or prevent the prosecution or punishment of any past violation committed under any ordinance so repealed prior to the effective date of this Ordinance.

**WHEREAS**, the Town of Poseyville's Natural Gas System must adhere to all Federal and State of Indiana Pipeline Safety rules and regulations. Customer-owned piping and associated equipment should be designed, installed, and operated in accordance with NFPA 54 (The National Fuel Gas Code). Any failure by a customer to comply with NFPA 54 as it applies to the utilization of natural gas supplied by the Town may result in the curtailment of natural gas service until the issue(s) are remedied. The rates set forth in this ordinance were determined with the assistance of third-party consultants who have studied the Town's costs associated with the safe and compliant delivery of natural gas to the Town's customers and have recommended rates necessary to recover those costs.

**NOW THEREFORE, BE IT ORDAINED** by the Town Council of the Town of Poseyville, Posey County, Indiana, as follows:

### **RATES AND CHARGES**

#### **Calculation of Natural Gas Utility Bills**

(A) Natural gas utility bills shall be calculated as the sum of the following charges:

1. Facility Charge;
2. Distribution Charge; and
3. Cost of Gas

(B) The Facility Charge, which may also be referred to hereinafter as the "monthly

minimum bill”, represents the cost of providing and maintaining service to a customer.

(C) The Distribution Charge is the transportation fee associated with delivery of each unit of gas to a customer.

(D) The Cost of Gas is the total cost of gas purchased and transported to the Town distribution system.

(E) The Facility Charge and Distribution Charge are fixed fees that may only charge upon the amendment of this Ordinance. The Cost of Gas may change each month and may reflect over and under recovery of costs associated with gas supply and transportation. Gas billing units will be in therms. A therm is equivalent to 100 cubic feet of gas.

(F) Service definitions are as follows:

1. Residential – Customer using Gas Service primarily for a single-family dwelling unit, mobile home, apartment unit, or condominium.
2. General Service – Non-Residential customers with connected loads less than 5,000 CFH.
3. Large Commercial/Industrial - Non-Residential customers with connected loads of 5,000 CFH or greater.

### **Facility Charge**

(A) The Facility Charge shall be assessed as follows:

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|---|----------------|
| 1. Residential Service:                     | \$12.00/month  |
| 2. General Service                          | \$25.00/month  |
| 3. Large Commercial and Industrial Service: | \$75.00/month. |

### **Distribution Charge**

(A) The Distribution Charge shall be assessed as follows:

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|---|---------------|
| 1. Residential Service:                     | \$0.60/therm; |
| 2. Small Commercial Service:                | \$0.58/therm; |
| 3. Large Commercial and Industrial Service: | \$0.55/therm. |

### **Cost of Gas**

The Cost of Gas shall be based on the cost to the Town in purchasing gas, including the costs of transporting and delivering gas. Accordingly, the Cost of Gas may vary from month to month. All gas billings for service rendered by the town’s municipal gas utility are subject to adjustments occasioned solely by changes in the cost of

purchased gas, including all transportation costs and other costs related to the purchase and delivery of gas to the city.

### **Standard Billing, Payment, Reconnection, And Penalties**

- (A) The User agrees to pay for utilities at such rates, times, and locations as determined by the Town
- (B) Any payment not received by the due date at 4:00 pm shall be considered delinquent.
- (C) That all customers of the utility services owned and operated by the Town of Poseyville shall be sent statements indicating the account is due and payable in full on a specific date of each month. If the date falls on a non-business day, a drop box is provided for customer use as well as online credit card payments. Payments shall be received in full by 4:00 p.m. on the due date or otherwise considered delinquent.
- (D) Bills unpaid by 4:00 p.m. on the due date as stated above shall be subject to a collection charge of ten percent (10%) on the first \$3.00 of each unpaid charge, and three percent (3%) on the balance of each unpaid charge in excess of \$3.00 for water and gas charges. Sewage charges will be penalized at 10 percent (10%).
- (E) A disconnect notice will be sent after the due date of the month stating that the total balance is due, including penalties, within (10) regular days from the date the delinquent notice is sent, or service will be disconnected.
- (F) Payment arrangements will be accepted. It is the responsibility of the User to call the office to set up the payment arrangement. Failure to pay the full agreed-upon balance on the scheduled payment date will result in a broken payment arrangement, and no future payment arrangements will be allowed.
- (G) Suppose any bill shall remain delinquent for thirty (30) days or more. In that case, utility service shall be disconnected and shall not be reconnected except upon payment of all charges, together with a reconnection charge of \$75.00 per utility (non-payment disconnect); provided, however, that in case of a change in occupancy of any leased premises, the new leasee shall not be charged with the delinquencies of the prior occupant. The utilities shall only be reconnected upon the payment of the reconnection charge and/or deposits.

(H) A lien may be placed upon a property or per person using the TRECS system to collect an unpaid balance after 45 days.

(I) The governing body reserves the right to work with delinquent customers on a case-by-case basis.

(J) Users who own the property being serviced shall not be required to pay a deposit before commencement of service if the owner(s) provide ownership paperwork, such as, a warranty deed or settlement statement and sign a statement or consent, authorizing the governing body to place a lien against the property serviced by utilities in the event of any delinquent accounts.

(K) All new users must provide a form of ID and contact information upon starting a new account

(L) Users who do not own the property to which the utilities are provided (including mobile home owners who rent the lot the home is on), shall be required to pay a One Hundred Fifty Dollar (\$250.00) deposit for gas.

(M) In addition to deposits, all New Users will pay a \$15.00 per utility reconnect fee for any service that is currently off. Payment of deposits and reconnection fees must be cash, cashier's check, or money order.

(N) Requests to test utilities for inspection purposes related to a property purchase shall be subject to a \$75.00 test fee per occurrence, payable prior to the inspection. If the customer or their representative fails to be present at the scheduled inspection time ("no show"), an additional \$75.00 test fee shall be charged for each subsequent visit.

(O) Customers may pay bills by:

- a. Mail
- b. In person at the Utility office
- c. via authorized drop box
- d. electronic payment systems via online, over the phone or in the office. The customer will pay any fees associated with credit card/online payments
- e. by automatic withdrawal (ACH or Autopay)

(P) Partial payments may be accepted at the Utility's discretion, but do not relieve the customer from responsibility for the full balance.

(Q) Pending resolution, disputed charges must still be paid to avoid disconnection.

(R) The Utility is authorized to assess a service charge of \$30.00 to the account of any customer whose check or ACH payment is returned unpaid by their financial institution. Payment to resolve a returned item must be made by cash, cashier's check, money order, or credit card.

### **Tap In Fees**

(A) All new customers shall be required to pay the applicable tap-in connection fees prior to the installation of service.

(B) In addition to the tap-in connection fee, the customer shall be responsible for all applicable material, labor, and construction costs associated with the service installation, which shall be paid upon completion of the work.

(C) The tap-in connection fee schedule is as follows:

Residential Gas Service Tap-In (Up to 200 ft)	\$250.00
Small Commercial Service Tap-In	\$400.00
Large Commercial and Industrial Service Tap-In	\$600.00

### **Other Charges/Temporary Shut-off**

Customers who opt to have gas service locked off for whatever reason (including seasonal) will have to pay a reconnection charge of \$75.00 plus the Facility Charge for each inactive month of shut-off.

### **TOWN COUNCIL OF THE TOWN OF POSEYVILLE, INDIANA**

**PASSED ORDAINED AND ESTABLISHED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025.  
**TOWN COUNCIL OF POSEYVILLE, INDIANA**

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Justin Rutledge, President

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Michael Baehl, Member

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Randall Rankin, Member

ATTEST:

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Jodie Rankin, Clerk-Treasurer