

A BILL FOR AN ORDINANCE AMENDING) ORDINANCE BILL NO. 5 ,
ORDINANCE BILL NO. 22 FOR 1990,) for 1999
ORDINANCE NO. 2087 CONCERNING)
TERMS, CONDITIONS, AND COMPENSATION) ORDINANCE NO. 2240
FOR A NON-EXCLUSIVE GAS UTILITY)
FRANCHISE TO NORTHWEST NATURAL GAS)
COMPANY)

THE CITY OF LEBANON ORDAINS AS FOLLOWS:

Section 1. Section 12, Compensation, of Ordinance Bill No. 22 for 1990, Ordinance No. 2087 is hereby amended to read as follows:

(1) As compensation for the franchise granted by this Ordinance, the grantee shall pay to the city an amount equal to five and 94/100 percent (5.94%) of the gross revenue collected by the grantee from its customers for gas consumed within the city. Gross revenue shall be computed by deducting from the total billings of the grantee the total net writeoff of uncollectible accounts, revenues derived from the sale or transportation of gas supplied under an Interruptible Tariff Schedule applying to gas supplied for industrial purposes, revenues paid directly by the United States of America, or any of its agencies, and sales of gas at wholesale by the grantee to any public agency where the public utility or public agency purchasing such gas is not the ultimate customer. Compensation herein may be subject to annual renegotiations as or before the anniversary date of the term of the franchise granted, and provided the grantee be notified, in writing, at least thirty days prior to the anniversary date.

(2) The compensation required by this section shall be paid on or before the 10th day of the month next succeeding the end of the quarter.

(3) The grantee shall furnish to the city with each payment of compensation, required by this section, a written statement, under oath, executed by an officer of grantee showing the amount of gross revenues of the grantee within the city for the period of time covered by the payment computed on the basis set out in subsection (1) of this section. The compensation for the period covered by this statement shall be computed on the basis of the gross revenue so reported. If the grantee fails to pay the entire amount of compensation due the city through error or otherwise, the difference due the city shall be paid by the grantee within fifteen (15) days from discovery of the error, or determination of the correct amount. An overpayment to the city through error or otherwise, shall be offset against the next payment due from the grantee.

(4) Acceptance by the city of any payment under this section shall not be deemed to be a waiver of the city of any breach of this franchise occurring prior thereto, nor shall the acceptance by the city of any such payments preclude the city from later establishing that a larger amount was actually due, or from collecting any balance due to the city.

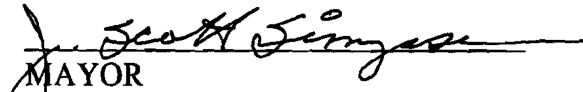
Section 2. In all other respects, except as amended in section 1 herein, Ordinance Bill No. 22 for 1990, Ordinance No. 2087, shall remain in effect.

Section 3. Acceptance. The grantee shall, within thirty days from the date this ordinance takes effect, file with the city its written unconditional acceptance of this amendment, and if the grantee fails so to do, this ordinance shall be void.

Section 4. Emergency clause.

Inasmuch as the provisions of this ordinance are necessary for the immediate preservation of the peace, health and safety of the people of the City of Lebanon, an emergency is hereby declared to exist, and this ordinance shall be in full force and effect immediately upon its passage by the Council and approval by the Mayor.

Passed by the Council of the City of Lebanon by a vote of 5 for and 0 against, and approved by the Mayor this 26th day of May, 1999.


MAYOR

ATTEST:


City Recorder/Pro Tem