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Chapter 54: Natural Gas

54.01 PROVISIONS COVERED BY ORDINANCE.

The City of Battle Lake hereby establishes a Natural Gas Ordinance that will:

(A) Regulate the construction, installation, operation and maintenance and safety standards for new and existing gas facilities and gas appliances by;

1. Prescribing installation, construction, operation, maintenance and safety standards for new and existing gas facilities and gas appliances

2. Regulating the repair, alteration, extension and improvement of gas facilities and appliances.

3. Providing for the issuance of permits for the installation, extension, alteration or repair of gas facilities and appliances and for the temporary use of gas.

4. Providing for an authorization process for persons engaged in the business of constructing, installing, extending, altering or repairing of gas facilities or appliances, and,

5. Prescribing penalties for the violation of its provisions.

(B) Establish a Natural Gas service charge system.

54.02 DEFINITIONS

(A) “Chapter” Chapter 54, Natural Gas Ordinance

(B) “City” is the City of Battle Lake

(C) “Council” or “City Council” is the City Council of the City of Battle Lake, Minnesota

(D) “Consumer” means any person, corporation, partnership or any other entity using gas, including gas for residential, commercial or industrial purposes or any combination of such purposes.

(E) “Consumer service line” means the piping from the gas main up to and including the meter.

(F) “Gas” means artificial gas, natural gas, or mixed gas consisting of both artificial and natural gas.

(G) “Gas Appliance” means any domestic appliance such as stove, heater, burner, water heater, or other appliance or device used for burning gas or using gas in its operation.

(H) “Gas Facility” means piping, fittings, meters, and other facilities used in the distribution, transmission or delivery of gas or for use in gas appliances.
(I) “Gas Fitter” means any person who is registered with and bonded by the MN Department of Labor and Industry to construct, install, extend, alter or repair any gas facility or gas appliance (including any person licensed by the State as a Master Plumber).

(J) “Gas Utility Department”, “Gas Utility” includes any officer representing the City of Battle Lake, who is charged with the responsibility of performing functions as herein prescribed, all as determined by the Council.

(K) “Permitee” is the person (firm, partnership, association, corporation, company or organization of any kind) having a valid permit issued hereunder.

**54.03 DUTIES AND FUNCTIONS OF GAS UTILITY DEPARTMENT**

The Gas Utility Department shall, and is authorized and directed to, enforce the provisions of this Chapter and shall promulgate and enforce reasonable rules and regulations for carrying out its provisions and intent. The Gas Utility Department upon presentation of proper credentials, may enter any building or premises at reasonable times for the purpose of making inspections and ascertaining whether there has been compliance with the provisions of this Chapter. It shall be the duty of the Gas Utility Department to confer, from time to time, with the local health department and local fire department and otherwise obtain from proper sources all helpful information and advice regarding the safe and proper operation of gas facilities and gas appliances, and it shall present to the Council recommendations for its consideration and reference thereto.

**54.04 LICENSE**

No person shall construct, install, extend, alter, repair or improve any gas facility or gas appliance within the Gas Utility system unless such person has first been authorized to perform such service by the Gas Utility Department and is a State Licensed Master Plumber or has filed and posted bond with the MN Department of Labor and Industry pursuant to the Mechanical Surety Bond and Fee requirement.

The provisions of this Chapter apply only to such work as is performed on the property or premises of consumers.

**54.05 PERMITS**

No person shall construct, install, extend, alter, or repair a gas facility or a gas appliance without first obtaining a permit to do such work from the Gas Utility Department: provided however, that a permit hereunder is not required for setting or connecting to a gas distribution line any gas stove or room heater or for the repair of leaks in any gas facility. The Gas Utility shall not be required to obtain a permit in the performance of any work pertaining to its own gas system. The provisions of this Chapter shall apply only to such work as is performed on the property or premises of consumers.

(A) Each permit shall state the kind of work to be performed and it is unlawful for any person to do or perform any work other than that designated in said permit.
(B) Each permit shall state the location by street and house number of the consumer’s premises where such work is to be done and shall be issued for each consumer’s premises.

(C) The permit shall terminate 90 days after issuance unless extended by the Gas Utility Department for good and sufficient cause.

54.06 TEMPORARY USE OF GAS

When only the temporary use of gas is desired, the Gas Utility Department upon application may issue a permit for a temporary use for a period not exceeding 60 days, provided the consumer’s gas facility is given a test similar to that required for any facility for which a longer use is contemplated.

54.07 GAS UTILITY’S FACILITY

No person, unless an employee of the Gas Utility Department or having the express authorization of the Gas Utility shall repair, alter, or open a gas facility of the Gas Utility or set or remove a gas service meter or do any work on the gas supply system of the Gas Utility.

54.08 CONSUMER SERVICE LINE

The City shall own and maintain the consumer service line. The City shall have the right to prescribe the size, location and termination points of the consumer service line and meter connection.

54.09 METER AND REGULATION FACILITIES

When changes in building or arrangements therein render the meter inaccessible or exposed to hazards, the City shall, at the consumers expense, arrange for the relocation to a site acceptable to the City, of the meter and regulation facilities, together with any portion of the consumers service line necessary to accomplish such relocation. The consumer shall not permit anyone who is not an authorized agent of the City to connect or disconnect the City’s meters regulators or any portions of the service line. The meter and regulation facilities are not part of the consumer service line and shall remain the property of the City.

54.10 INTERNAL PIPING AND GAS-BURNING EQUIPMENT AND APPLIANCES

The consumer shall own and maintain, in an operable and safe order, the internal piping from the outlet of the meter to all gas-burning equipment and appliances. The consumer shall own and maintain all gas-burning equipment and appliances.
54.11 EMERGENCIES

In the event of any emergency endangering the life, health, safety or property of any person necessitating immediate repairs to any gas facility or gas appliance, the owners of such gas facility or appliance, without first obtaining a permit, shall take or cause to be taken immediate emergency action for the protection of life, health, safety and property through such appropriate measures as may be required to cure or remedy the dangerous conditions. No later than the next succeeding business day, such owner shall apply for a permit as prescribed in Section 54.05 of this Chapter.

54.12 ROUGH PIPING INSPECTION

Rough piping inspection shall be made by the Gas Fitter after all piping authorized by the permit has been installed and before such piping has been covered or concealed or any fixture or gas appliance has been attached thereto.

54.13 TESTS OR FINAL PIPING INSPECTION

Tests or final piping inspection shall be made by the Gas Fitter after all piping authorized by the permit has been installed and after all portions which are to be concealed by plaster or otherwise have been installed but before being concealed and before any fixture or gas appliances have been attached. This inspection shall include a pressure test at which time the piping shall stand an air pressure of 10 pounds per square inch for a period of at least 15 minutes without any perceptible drop in pressure. All tools, apparatus, labor and assistance necessary for the test shall be furnished by the permittee.

54.14 INSPECTION WHERE GAS NOT USED FOR ONE YEAR

A new work permit shall be required for a consumer’s premises which have already been piped for gas but in which no gas has been used for a period of 12 consecutive months or more.

54.15 CERTIFICATE OF APPROVAL

Upon the completion of the work for which a permit has been issued, the Gas Fitter shall inspect said work. If, after inspection, it is found that such work has complied with the provisions of this Chapter and has been performed in full conformity with this Chapter the Gas Fitter shall sign the permit certifying to the compliance and submit it to the gas utility. The gas Utility shall use this certification as its authority to grant gas service.

54.16 DISCONNECTION OF DANGEROUS OR DEFECTIVE FACILITIES

The Gas Utility Department is authorized to cause to be disconnected any gas facility that may be defective or in such condition as to endanger life, health, safety or property. In all cases where such disconnection is made, a notice shall be affixed thereto and shall state that the same
has been disconnected by the Gas Utility Department, together with the reason or reasons therefor, and that it is unlawful for any person to remove said notice or to reconnect said gas facility or appliance until authorized by the Gas Utility Department to do so.

54.17 GAS UTILITY’S REFUSAL OF SERVICE

The Gas Utility is authorized to discontinue or refuse to supply gas for any gas facility or gas appliance which it may find to be defective or leaking or in such condition as to endanger life, health, safety or property. In such case the Gas Utility shall immediately give written notice of discontinuance or refusal of service to the consumer. It is unlawful for any person to reconnect said gas facility or appliance until authorized to do so by the Gas Utility Department.

54.18 STANDARDS APPLICABLE

The construction, installation, extension, maintenance, alteration or repair of any gas facility, gas appliance, vent or vent connector or any other work pertaining to gas facilities and gas appliances within the scope of this Chapter shall be performed in accordance of the provisions of this Chapter and with requirements of “Standards and Provisions of the National Board of Fire Underwriters for the Installation of Gas Appliances and Gas Piping”, Bulletin No. 54, all such code provisions being on file in the office of the City Clerk-Treasurer and available for public inspection, and are hereby adopted by reference and incorporated into this Chapter to the same extent as if included verbatim herein, and constituting standards of the City for the purposes of this Chapter. In the event any of the provisions of such codes conflict with any of the provisions of this Chapter, the provisions of this Chapter shall govern and be controlling. All amendments and additions to the provisions of said code when ordered by the Council to be filed with the Clerk-Treasurer shall thereupon become amendments and additions hereto and shall have the same force and effect as the original codes herein identified; provided, that if any provision of such amendments and additions are in conflict with any of the provisions of this Chapter, the provisions of this Chapter shall govern and be controlling.

54.19 VENTS AS NUISANCES

No person shall permit or suffer any vent to unduly annoy the residents, occupants or owners of any building in the neighborhood. If such annoyance is caused by any vent the Gas Utility Department shall cause the vent to be altered, relocated, improved or carried to such height as may be necessary for the protection of the neighboring property.

54.20 REQUIREMENTS OF NEW OR USED GAS APPLIANCES

It is unlawful for any person to install or use any new or used gas appliance which has not been approved by the “American Gas Association Testing Laboratories, Inc.” or “Underwriters Laboratories, Inc.” It shall be considered an approved appliance within the meaning of this Chapter, provided it is marked or labeled with a distinctive trademark or name as a means of identification and bears information showing the approval of such laboratories and the rated heat input in BTU per hour. All new hot water heaters and heating appliances shall also be equipped with an American Gas Association approved, complete shut-off type pilot.
54.21 HEATING APPLIANCE CONVERSION

All heating appliances which are converted to natural gas shall be vacuumed, cleaned and brushed down, and before a gas supply is furnished by the Gas Utility to a consumer who has previously been using butane or other liquefied petroleum gases, the Gas Fitter shall properly adjust all appliances to insure safe operation of the burners and proper combustion of the gas.

54.22 REPAIRS OR ALTERATIONS

Repairs or alterations to gas facilities or gas appliances shall be made with such materials, by such methods and according to such standards as are provided for by this Chapter for new work, except, when in the opinion of the Gas Utility Department it is impractical to do so.

54.23 DEVICES FOR REDUCING GAS CONSUMPTION

No person shall install or use any device intended as an adjunct or addition to a gas appliance or to be suspended above or wholly or partially to enclose any burner of a gas appliance in such manner as to reduce the effectiveness of the ignition of the gas issuing from the burner or impair combustion of said burner. No person shall cause gas supplied by the Gas Utility to bypass the meter by which the amount of gas supplied by the Utility is measured.

54.24 EXCEEDING RATED CAPACITY

In no case shall a gas appliance be fired or adjusted to pass a greater amount of gas than the rated capacity of the particular gas appliance.

54.25 EFFECT OF PERMIT

The issuance or granting of a permit shall not be deemed or construed to be a permit for, or approval of any violation of the provisions of this Chapter or any other law. No permit purporting to give authority to violate or cancel the provisions of this Chapter shall be valid.

54.26 LIABILITY OF THE CITY

This Chapter shall not be construed as imposing upon the City or any official or employee thereof any liability or responsibility for damages to any person injured by a defect in any gas facility or appliance or any work in connection therewith; nor shall the City or any official or employee thereof be deemed to have assumed any such liability or responsibility by reason of inspections authorized hereunder or by the issuance of any certificate of approval, permit or license hereunder by the Gas Utility Department.

54.27 REVOCATION OR SUSPENSION OF AUTHORIZATION

Any authorization granted under the provisions of this Chapter may be suspended or revoked by the Gas Utility Department whenever it shall be made to appear that the person authorized has violated any of the provisions of this Chapter. In the event the Gas Utility
Chapter 54: Natural Gas

Department shall suspend or revoke authorization, notification shall be delivered personally or left with a responsible person at the place of business or left in a conspicuous place on the premises and mail a copy to the address.

54.28 PENALTIES

Any violation of the provisions of this Chapter shall constitute a misdemeanor and shall be punishable by a fine of not more than $1,000.00 or by imprisonment for not more than 90 days.

54.29 ESTABLISHMENT OF A SERVICE CHARGE SYSTEM

The City hereby establishes a natural gas service charge system whereby:

(A) All revenue collected from consumers of the Natural Gas Utility will be used to defray all expenditures incurred for purchase and transportation of natural gas, annual system operation, maintenance and replacement and for debt service on capital expenditure incurred in constructing natural gas facilities.

(B) Each consumer and/or property owner, where a meter has been installed shall pay its proportionate share of operation, maintenance and replacement costs of the natural gas utility based and total annual costs of operating and maintaining the utility.

(C) Each consumer shall pay debt service charges to retire capital costs for initial construction of the utility.

(D) Service rates and charges to consumers of the Natural Gas Utility shall be determined using a budget-based formula found in the appendix to the ordinance establishing natural gas service rates. Subsequent changes in natural gas service rates shall be adopted in an annual ordinance establishing rates and fees and published in the local newspaper.

(E) Natural gas service charges will be administered in accordance with the provisions of this chapter.

54.30 NATURAL GAS SERVICE FUND

The City hereby establishes a Natural Gas Service Fund.

(A) This will be an income fund to receive all revenues generated by the natural gas service charge system and all other income dedicated to the operation, maintenance, replacement and construction of the Natural Gas Utility including taxes, special charges, fees and assessments intended to retire construction debt.

(B) The City also establishes the following income and expenditure accounts relative to the Natural Gas Service Fund:

1. Operation and Maintenance Account;
2. Equipment Replacement Account; and

3. Debt Service Fund

(C) All revenues generated by the natural gas service charge system, and all other income pertinent to the system including taxes and special assessments dedicated to retire construction debt, shall be held by the Clerk-Treasurer separate and apart from other funds of the City.

(D) Revenues generated by the natural gas service charge system sufficient to ensure adequate replacement of system components, shall be held separate and apart in a Capital Equipment Replacement Account.

(E) Revenue generated by the natural gas service charge system sufficient for operation and maintenance shall be held separate and apart in the Operation and Maintenance Account.

54.31 ADMINISTRATION

The natural gas service charge system shall be administered according to the following provisions:

(A) 1. The Clerk-Treasurer shall maintain a proper system of accounts suitable for determining the operation and maintenance, equipment replacement and debt retirement costs of the natural gas facility and shall furnish the City Council with a report of such costs annually in the City’s financial report.

2. The City Council shall annually determine whether or not sufficient revenue is generated for the effective operation, maintenance, replacement and management of the natural gas facility and whether sufficient revenue is being generated for debt retirement, and

3. The City shall reassess and as necessary, revise the natural gas service charge system to ensure the proportionality of the consumer charge and to ensure the sufficiency of the funds to maintain the capacity and performance to which the facility was constructed, and to retire the construction debt.

(B) The Clerk-Treasurer shall be responsible for maintaining all records necessary to document compliance with the natural gas service charge system.

(C) Bills for natural gas service shall be issued on a monthly basis succeeding the period for which service was rendered. The Clerk-Treasurer shall compute the amount due to the City from each consumer of the natural gas service and shall mail the consumer a statement of charges as soon as practicable after the end of each period of service. The Clerk-Treasurer shall establish such monthly or other service periods for a consumer, as the Clerk-Treasurer deems best. The Clerk-Treasurer shall establish and shall specify in the statement a due date to be uniform as to time allowed for payments for all consumers and to be not less than 15 days after mailing of the statement, upon which all charges then due for municipal natural gas service are to be paid. Amounts owed for municipal gas service shall be due and payable to the Clerk-
Treasurer on the due date specified in the statement and shall be paid on or before that date. Any bill not paid in full, 5 days after the due date, will be considered delinquent. The penalty shall be computed as 10% of the original bill and shall be increased the same 10% for every month the bill is outstanding; and

(D) The owner of the premises shall be liable to pay for the service to such premises, and the service is furnished to the premises by the City only upon the condition that the owner of the premises is liable to the City, with the exception of those services established by renters who have prepaid for natural gas service until satisfactory credit history has been established.

(E) Volumes of gas used shall be determined on the basis of the meter reading and billings shall reflect the units of gas utilized. Any error in reading the meter shall not affect the liability for gas used as determined by a correct subsequent reading of the meter. When a meter is not able to be read, the City may estimate the volume of gas used and issue a billing based on such estimate. A meter registering between three percent (3%) fast and three percent (3%) slow shall be deemed for all purposes to be registering correctly. A meter registering incorrectly shall be replaced by the City at its expense. Periodically, the City may test meters using standard industry practices to determine accuracy. If a consumer requests a meter test and it the meter is found to be correct as defined above, the consumer shall pay the applicable meter testing fees.

54.32 DISCONTINUANCE OF SERVICE

(A) The City may discontinue gas service to a consumer:

a. In any case where charges for natural gas service have not been paid within 30 days after the date due, and where satisfactory arrangements have not been made, natural gas services to the premises may be discontinued in accordance with the provisions of divisions (b) and (c) of this section. When service has been discontinued, service shall not be restored until all delinquent charges, including reconnection charges are paid, or arrangements satisfactory to the Clerk-Treasurer, are made for their payment.

b. The procedure set forth in this section shall apply to discontinuance of service for nonpayment of amounts owed. This shall also be subject to such additional requirements, if any, as are provided by law or by regulation.

c. The Clerk-Treasurer shall cause written notice of intention to discontinue service for non-payments of amounts owed to be served upon the consumer. Mailed notice shall also be given to the owner, if the owner is not the consumer served. The notice shall state that if payment is not received on or before a date stated in the notice, the natural gas service will be discontinued. The date shall be not less than three days after the date upon which the notice is given. The notice shall also state that the person may, before that date, file with the Clerk-Treasurer a demand for hearing on the matter, in which case service shall not be discontinued, pending decision on the issue at the hearing. If a timely demand is made for a hearing, a hearing at which the applicant for hearing shall be heard shall be held by the Council not sooner than 3 days after the date upon which the request is received by the Clerk-Treasurer. If as a result of the hearing the Council finds that there is an unpaid charge and that there is no legal reason why service shall not be discontinued, the Council may order that service be immediately
discontinued.

d. “Cold Weather Rule”. Pursuant to M.S. Section 216B.097, as it may be amended from time to time, no service of a residential consumer shall be discontinued if the disconnection affects the primary heat source for the residential unit when the disconnection would occur during the period between October 15 and April 15, the consumer has declared inability to pay on forms provided by the City, the household income of the consumer is less than 185% of the federal poverty level as documented by the consumer to the City, and the consumer’s account is current to billing period immediately prior to October 15 or the consumer has entered into a payment schedule and is reasonably current with payments under the schedule. The Clerk-Treasurer shall, between August 15 and October 15, of each year, notify all residential consumers of these provisions.

(B) Discontinuance of gas service by a consumer:

   a. Volume charges, as set forth in Appendix to Chapter 54, Natural gas Setion II, may be discontinued by a consumer upon sale or conveyance of property to a new (contract for deed arrangements will not be recognized as a property transfer unless recorded with the County Recorder) The new property owner will remain responsible for the base rate.

   b. Gas service may be discontinued upon removal of a structure from a property.

   c. Discontinuance of gas service by a consumer in any other case shall not terminate a property owner’s responsibility for base rate charges as established in Appendix to Chapter 54.

   (C) Discontinuance of gas service for any other reason shall be made in accordance with requirements set forth in other parts of this code pertaining to discontinuance of service for those reasons.
54.33 DELINQUENT CHARGES; LIEN, SUIT, INTEREST

The City Council has declared:

(A) Each and every natural gas service charge levied by and pursuant to Section 54.32 (D) is hereby made a lien upon the land or premises served, and all such charges which are on December 31 of each year past due and delinquent shall be certified to the County Auditor as taxes or assessments on the real estate. Nothing in this subchapter shall be held or construed as in any way stopping or interfering with the right of the City to levy as taxes or assessments against any premises affected by any delinquent or past due natural gas service charges.

(B) As an alternative to levying a lien, the City may, at its discretion, file suit in a civil action to collect such amounts as are delinquent and due against the occupant, owner, or user of the real estate, and shall collect as well all attorney’s fees incurred by the City in filing the civil action. Such attorney’s fees shall be fixed by order of the court.

(C) In addition to all penalties and costs attributable and chargeable to recording notices of the lien or filing a civil action, the owner or user of the real estate being serviced by the gas utility shall be liable for interest upon all unpaid balances at the rate of 18% per annum.

Amended on 12/13/2016

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Chuck Reeve, Mayor                  Valerie J. Martin, Clerk/Treasurer

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