

Commissioners' Court met on Monday, Oct. 10, 1938, with the following members present, to-wit:

O. A. Beauchamp, Judge
D. B. Speights, Comm. Pre. # 1.
R. H. Solly, Comm. Pre. # 2.
A. L. Harvill, Comm. Pre. # 4.
Geo. W. Russell, Sheriff.
J. O. Wright, Co., Clerk.

Accounts were allowed as shown in Accounts Allowed.

THE STATE OF TEXAS #

COUNTY OF SABINE #

TO THE HONORABLE COMMISSIONER'S COURT OF SABINE COUNTY:

Comes now, M. L. Howard, petitioner, and files this, his application with this honorable court, to-wit:

1. To secure for himself, his successors or assigns, the right, franchise and easement to lay, construct, maintain and operate in town of Hemphill, Sabine County, Texas, and its environs, together with the right of easement along, in and under the present and future streets, alleys and roads of the said town of Hemphill and its environs, a system of gas mains, supply pipes and laterals with all necessary or desirable appurtenances for the purpose of supplying gas to the said town of Hemphill, Texas, the inhabitants thereof and to persons, companies and corporations beyond the limits for light, heat, power and other purposes, and that the rights, privileges and franchises herein granted shall be, and remain in grantee, his heirs or assigns free of all taxes, charges and assessments for a period of twenty-five (25) years from and after the passing of this order.

2. All mains, pipes and laterals shall be so laid as to interfere as little as possible with traffic over the streets, alleys and roads. The location of all mains, pipes and laterals shall be fixed under the supervision of some duly authorized representative of your honorable court, or your successors, until such time as the town of Hemphill, Texas, might become a duly incorporated city, after which time such supervision within the then city limits shall be under the supervision of a duly authorized representative of the said City of Hemphill, Texas.

3. When grantee shall make or cause to be made excavations, or shall place obstructions in any street, alley or road in the said town of Hemphill, Texas, or its environs, he shall place sufficient barriers, lights and signals upon, adjacent to and about the same to warn the public of their existence, and in the event of injury to person or property by reason of any such excavation or obstruction the grantee shall indemnify and keep harmless the County of Sabine, and the Commissioners and other officials thereof, from any and all liability on account of such injury, and grantee shall, within a reasonable time, repair, clean up and restore as nearly as may be to their original condition all streets, alleys and roads excavated during the construction of said system or in repair of same.

4. The rates and charges which grantee is permitted to make under this order shall not be in excess of the following, to-wit:

(a) Grantee may charge and collect monthly from each customer connected with and taking gas from said system a net sum not to exceed one dollar and twenty-five (\$1.25) per month, which shall include such an amount of gas used by the customer up to and including five hundred (500) cubic feet; but not less than the sum of One dollar and twenty-five cents (\$1.25) net shall be payable whether as much as five hundred (500)-cubic feet are used or not, which sum of \$1.25 shall not be subject to discount.

(b) All natural gas sold and used during any thirty (30) day period for domestic purposes in excess of five hundred (500) cubic feet as set forth in paragraph (a) of this section, but not in excess of ten thousand (10,000) cubic feet will be charged at the rate of seven and one-half

(.07 $\frac{1}{2}$) per one hundred cubic feet, and all natural gas used during any thirty day (30) period in excess of ten thousand (10,000) cubic feet and not more than twentyfive thousand (25,000) cubic feet will be charged at the rate of six (.06¢) cents per one hundred cubic feet, and all gas used during any thirty (30) day period in excess of twenty-five thousand (25,000) cubic feet will be charged at the rate of four and one-half cents (.04 $\frac{1}{2}$ ¢) per one hundred cubic feet; provided, however, that where a customer pays for the gas so used within ten (10) days from the date of billing of said gas, the customer shall receive a discount of ten percent (10%). The grantee shall not, however, permit any discrimination in this discount for failure of the customer to receive bill promptly, or for any other cause.

(c) The grantee will print a natural gas schedule and furnish a copy to all customers, reading substantially as follows:

"NATURAL GAS RATES FOR DOMESTIC CUSTOMERS:

| | |
|---|-----------------------------------|
| 1st 500 cubic feet or any part thereof, | \$1.25 monthly customer charge. |
| Next 9500 cubic feet, | .07 $\frac{1}{2}$ per 100 cu. ft. |
| Next 15000 cubic feet, | .06 per 100 cu. ft. |
| All over 25,000 cubic feet | .04 $\frac{1}{2}$ per 100 cu. ft. |

The charge of \$1.25 per month being a monthly charge, irrespective of the amount of gas the customer may use up to five hundred (500) cubic feet. All bills are due and payable as of the date of billing. Where bills are paid within ten (10) days from the date of billing, the customer will be allowed a discount of ten percent (10%) on all gas consumed in excess of five hundred (500) cubic feet. No allowance will be made for failure to receive bill or for any other cause. Where bills are not paid within twenty (20) days from the date of billing service may be disconnected, and a charge of \$1.25 will be made for re-connecting the service upon payment of bill. This applies particularly in the case of any one person of the household at the time of the disconnecting of the service remaining in such house or building after the re-connecting of said service.

(d) Grantee may also charge and collect for the setting and changing of meters an amount not to exceed the cost of labor and material used in performing such service, plus ten percent (10%) of such amount.

5. Grantee may make and enforce reasonable rules and regulations in performing or conducting such business, and may require before furnishing service the execution of a contract therefor and may require each customer or consumer/^{served}to pay for the installation of all service pipes from the main in the street, alley or road to and through the consumer's premises, and grantee shall have the right to contract with each consumer with reference to the installation of service pipes and the control of the same from the connection thereof with grantee's main in the streets, alleys or roads to and including the meter located on the customer's premises, provided, however, that the expression of the rights of the grantee respecting the above matters, or any other matter herein, shall not be construed to limit his rights in respect of making any other rule or exercising any other privilege reasonably necessary or appropriate to the economical, proper and efficient operation of said business.

6. Grantee shall not be required in any event to extend mains or pipes longitudinally on any street, alley or road more than fifty (50) feet for any one customer.

7. Grantee shall be entitled to require from each and every customer of gas, before gas service is installed, a deposit in money of twice the amount of the estimated monthly bill, which deposit may be retained by grantee until service is discontinued and accounts thereunder have been paid; provided, however, that in no event shall said deposit be less than the sum of Five Dollars (\$5.00), and that any and all customers shall make such deposit. Grantee shall return said deposit to the consumer making the same, and shall account to such consumer for interest

thereon at the rate of six percent (6%) per annum from the date of such deposit, and he shall be entitled to apply said deposit to any indebtedness due him by the consumer making the deposit, and when the same has been applied to any such indebtedness the gas service may be discontinued until all of the indebtedness of the consumer is paid and a like deposit made with the grantee by said consumer.

8. The rights, privileges and franchises granted by this order are not to be considered exclusive, but the honorable commissioners' court of Sabine County, Texas, may grant like privileges and franchises, as it may see fit, to any other person or corporation for the purposes contemplated herein, and the said Commissioners' Court of Sabine County, Texas, hereby expressly reserves the rights and privileges to supervise, regulate and control the exercise of the powers herein granted when the interest of the public may require, and within the rules of law of the State and of the United States, but it is expressly provided that no forfeiture of this franchise shall be declared or claimed except for a wilful violation of its terms by the grantee, his successors or assigns.

9. Grantee shall file his written acceptance of this franchise within thirty (30) days after its passage and approval. It is further provided that this franchise shall become null and void if there shall not be constructed and completed by grantee, his successors or assigns, by April 1st, 1939, a system of pipes through which natural gas is ready for delivery to consumers contracting therefor and complying with the rules for the taking of such gas, and likewise shall become null and void if grantee has not filed his written acceptance hereof on or before thirty days after the passing of this order.

10. All of the rights and privileges, obligations and requirements contained herein shall run to the respective persons, their successors and assigns, and shall be enforceable for and against them to the same extent and under the same conditions as applying to the parties hereto.

WHEREOF, PREMISES CONSIDERED, petitioner prays this Honorable Court for the authority, franchise, right and easement set forth above.

M. L. Howard, Petitioner.

STATE OF TEXAS #

COUNTY OF SABINE # Ata regular meeting of the Commissioners' Court of Sabine County, Texas, held on the 10th day of October, 1938, upon motion duly made by A. L. Harvill, Commissioner of District No. 4, and seconded by D. E. Speights, Commissioner of District No. 1, the following order was unanimously adopted:

On this, the 10th day of October, 1938, come on to be heard before the Commissioners' Court, of Sabine County, Texas, the application of M. L. Howard for the right to use a part of the streets, alleys and roads in and contiguous to the town of Memphis, Texas, for the purpose of laying and installing a system of pipes, mains and laterals and any other thing necessary in his business of supplying natural gas to customers for domestic or commercial uses.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED by the Commissioners' Court of this County that M. L. Howard is hereby authorized, empowered and granted the right, franchise and privilege to construct, lay, install, maintain and operate a system of mains, pipes and laterals and other necessary things necessary in the installation and operation of his business of supplying natural gas to consumers in and adjacent to the town of Memphis, Texas, as set forth in his petition to this Court and for the term therein.

Done in open court, the following members present and voting.

O. A. Beauchamp, County Judge.

Drayton Speights, Comm. Precinct #1

R. H. Solly, Comm. Precinct #2

A. L. Harvill, Comm. Precinct #4

J. O. Wright, Clerk of the Court.

This being all the business, Court adjourned.

J. P. Wright
Clerk of the Court.

J. W. Beardsley
Comm. Precinct # 1.

R. H. Sully
Comm. Precinct # 2.

Comm. Precinct # 4.