

**AFFIDAVIT OF POSTING
ORDINANCE CB-0-193-93**

STATE OF OREGON)
)
COUNTIES OF CLACKAMAS)
)
)
)
)
CITY OF WILSONVILLE)

I, the undersigned, City Recorder of the City of Wilsonville, State of Oregon, being first duly sworn on oath depose and say:

On the 10th day of March, 1993, I caused to be posted copies of the attached Ordinance CB-O-193-93, an Ordinance amending Section 12 of Ordinance No. 400, Northwest Natural Gas Co., in the following four public and conspicuous places of the City, to wit:

- WILSONVILLE CITY HALL
- WILSONVILLE POST OFFICE
- LOWRIE'S FOOD MARKET
- KOPPER KITCHEN

The ordinance remained posted for more than five (5) consecutive days prior to the time for said public hearing on the 15th day of March, 1993.



VERA A. ROJAS, CMC, City Recorder

Subscribed and sworn to before me
this 15 day of July, 1993.



NOTARY PUBLIC, STATE OF OREGON

My Commission expires: 11-29-95



ORDINANCE NO. 415

AN ORDINANCE AMENDING SECTION 12 OF ORDINANCE NO. 400 - NORTHWEST NATURAL GAS COMPANY

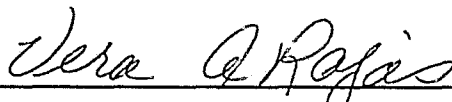
WHEREAS, the current language in Section 12 of Ordinance 400 calls for a total exclusion of "revenues derived from the sale of such gas under a tariff supplied for industrial purposes"; and

WHEREAS, Northwest Natural Gas Company has requested that Section 12 of Ordinance No. 400 be amended to read "revenues derived from the sale or transportation of gas supplied under an interruptible tariff schedule" in order to correct the contradictory language as set forth in the attached Exhibit "A" and to conform to current practices.

NOW, THEREFORE, THE WILSONVILLE CITY COUNCIL ORDAINS AS FOLLOWS:

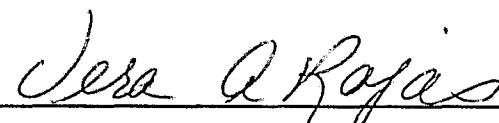
1. That Section 12 of Ordinance 400 be amended to replace the current language of "revenues derived from the sale of such gas under a tariff supplied for industrial purposes" with "revenues derived from the sale or transportation of gas supplied under an interruptible tariff schedule" as set forth in the attached Exhibit "A".

SUBMITTED to the Wilsonville City Council for first reading at a regular meeting thereof on the 1st day of March, 1993, and scheduled for a second reading at a regular Council meeting on the 15th day of March, 1993, commencing at the hour of 7:00 p.m. at the Wilsonville Community Development Hearings Room



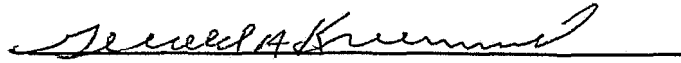
VERA A. ROJAS, CMC/A&E, City Recorder

ENACTED by the City Council on the 15th day of March, 1993, by the following votes: YEAS: 5 NAYS: 0



VERA A. ROJAS, CMC/A&E, City Recorder

DATED and signed by the Mayor this 16th day of March, 1993.



GERALD A. KRUMMEL, Mayor

SUMMARY of Votes:

Mayor Krummel	<u>AYE</u>
Councilor Van Eck	<u>AYE</u>
Councilor Carter	<u>AYE</u>
Councilor Hawkins	<u>AYE</u>
Councilor Lehan	<u>AYE</u>

Exhibit "A"

CURRENT COMPENSATION LANGUAGE:

1. As compensation for the franchise granted by this ordinance, the Grantee shall pay to the City an amount equal to five percent (5%) 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, provided, if said uncollectible revenues are collected in the future, the regular five percent (5%) franchise fee will be paid to the City, and excluding sales of gas at wholesale by the Grantee to any public utility or public agency where the public utility or public agency purchasing such gas is not the ultimate consumer, and by deducting revenues derived from the sale of such gas under a tariff supplied for industrial purposes. It is understood and agreed that the aforesaid percentage rate of compensation is the standard franchise fee paid by the Grantee to other cities it serves for the rights, privileges and franchises of the nature contemplated herein and, in the event that during the term hereof Grantee shall agree in a negotiated franchise to pay any city in Oregon a percentage rate of compensation exceeding that provided for herein, the Grantee shall inform the City in writing of the increase in negotiated franchise rate, and at the City's option, enter into negotiations with the City to amend the franchise as it relates to the franchise fee. Said increased rate of compensation shall thereafter be payable to the City of Wilsonville, and its ordinance and franchise amended accordingly.

REVISED COMPENSATION LANGUAGE:

and by deducting revenues derived from the sale or transportation of gas supplied under an interruptible tariff schedule,

NORTHWEST



NATURAL GAS COMPANY

220 N.W. SECOND AVENUE PORTLAND, OREGON 97209 - 3991

(503) 226-4211

February 5, 1993

RECEIVED

FEB 09 1993

CITY OF WILSONVILLE

Michael E. Kohlhoff, Esq.
City Attorney
City of Wilsonville
30000 SW Town Center Loop E.
Wilsonville, OR 97070

Dear Mr. Kohlhoff:

As we discussed, the current language in the agreement calls for a total exclusion of "revenues derived from the sale of such gas under a tariff supplied for industrial purposes". As I mentioned, our Company is presently paying for gas supplied under a "Firm Industrial Tariff", thus the language is contradictory to our practice.

In order to assure continued payment to the City of Wilsonville for firm load gas, I am asking that the language contained in the compensation section of the franchise be amended to read, "revenues derived from the sale or transportation of gas supplied under an interruptible tariff schedule".

Thank you for your assistance in this matter and should I be of any further assistance to you, please feel free to call me.

Sincerely,

Ronald K. Opitz, Manager
Risk & Land Management

RKO:dg