

Gas System Questions and Answers

Were all of the gas meters in Castroville changed out, or just made smarter? 300 of the existing gas meters were not compatible with the automated meter reading device and were scheduled to be replaced. Of those 300, the contractor has replaced 244, leaving 56 meters still to be replaced.

We used a retrofit kit to change out the register (dials) on 517 existing meters. The retrofit kits were factory tested and calibrated before installation.

There are 138 meters that the AMI contractor did not update due to missing or broken hardware – these have been removed from the AMI contract pending the outcome of the election.

How many gas customers are there?

Total Customers = 955

- Residential = 829
- Commercial = 126

Did CPS do everything they were contracted to do?

The requires an opinion and I cannot respond to this question.

What is the present condition of the gas lines in the City?

There are approximately 27 miles of coated steel gas distribution lines and approximately 7.5 miles of polyethylene lines. The steel lines are estimated to be 65 years old. The Castroville gas distribution system has a loss factor of over 13%, which is 8% above the State average. Some of this loss is attributable to non-working or poorly working meters.

What is the cost to bring up to code?

The cost of replacing 16 services (8% of steel service line) on Paris Street this past January was approximately \$75,000. The City will be required to replace up to 8% of its critically every year until all of the steel lines have been replaced.

Are we still responsible to pay for the automated gas metering system if the system sells? **Yes.**

Who monitors the readings and generates the gas bills to customers if sold?

That will be worked out with the new owner if/when the system is sold.

Will the cost to heat the pool be more if the system sells assuming the cost of gas is the same as we pay now?

I am not able to answer this question at this time, it will depend on future negotiations and rates should the system be sold.

Can this vote be put off until November?

No. Once the election has been called, it cannot be cancelled.

How long have we known that CPS was ending its Operations and Maintenance contract with the City of Castroville?

The City was informed just prior to September 2023 that CPS was only going to renew the contract for a 6-month period.

How many of the city's existing buildings and other facilities use gas? Six (6).

Are any city emergency generators on gas? Yes.

If the system is sold, who gets the money?

The City owns the gas utility. If it is sold, the City's general fund will be credited with the amount of the sale. How the money is spent will be determined by the City council.

Who will select the new owner of the gas system if we sell?

The City Council.

Has the capacity (ability to support future development) of the existing gas system been determined?

No. We are in the process of obtaining a proposal to conduct a capacity analysis. The cost and timing of this potential study is unknown at this time.

What amount of franchise fee can be expected if we sell the system?

The average franchise fee ranges between 3% and 5%. However, the final rate will be negotiated by the council should the system be sold.

Are there developments that are now requesting gas? Yes.

Are there other providers of gas in Medina County?

Yes, both West Texas Gas and CenterPoint have facilities in Medina County. There may be others as well.