



# Rockport Gas System Franchise Agreement

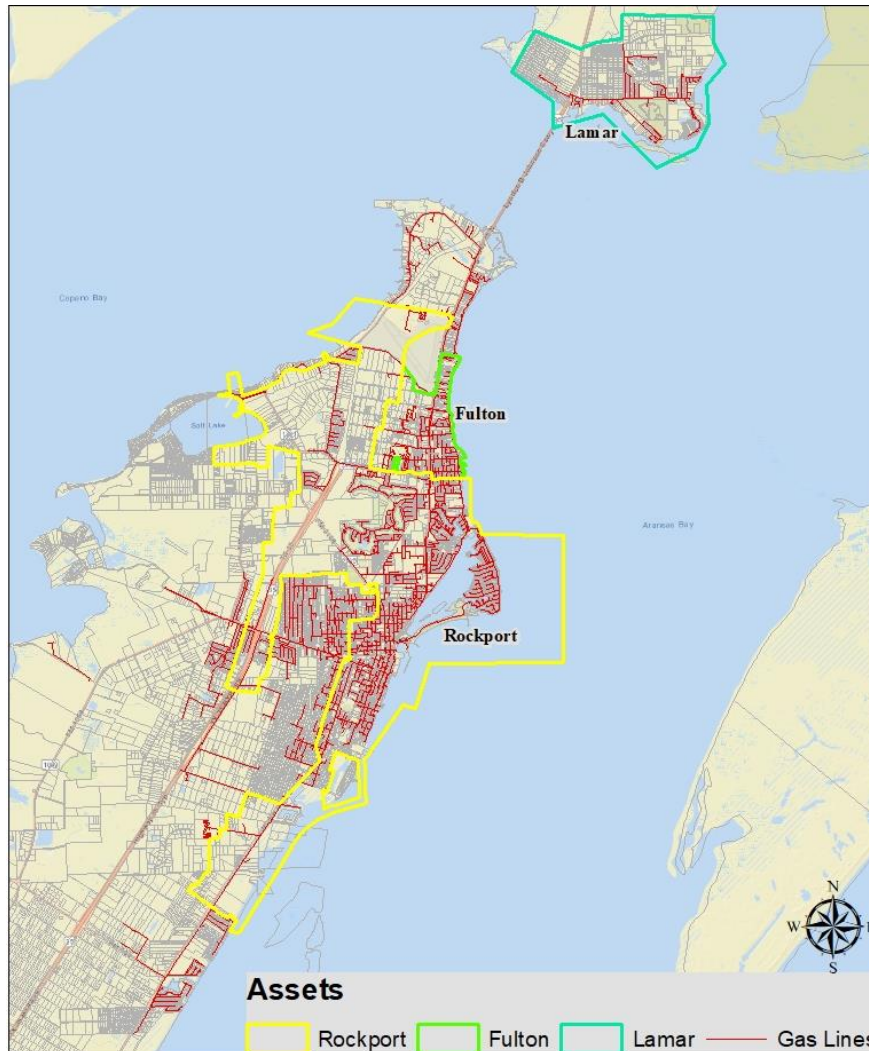
September 2, 2025



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- On July 29, 2025, City of Corpus Christi Council authorized a sale agreement with the City of Rockport to purchase the assets of the City of Rockport's Natural Gas Utility System.
  - On August 12, 2025, the City Council of the City of Rockport approved the Asset Purchase and Sale Agreement for acquiring the assets of the gas system for a total of \$5.5 million
  - On August 26, 2025, the City Council of the City of Rockport approved a franchise agreement with CCGAS for a period of 20 years for the right, privilege and franchise to operate the gas distribution utility system.
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# Rockport Gas System Overview



- 4,700 Active Customers – 120,000 MCF Annual Consumption
- 189 Miles of Pipeline (90% 2" or less, 10% 3" to 4")
  - 61% Poly
  - 39% Steel
- 1 CNG Station (Similar in size to the CCGAS CNG Station)
- Service Areas & Customer Count
  - Rockport (2,734)
  - Fulton (472)
  - Lamar (338)
  - OCL (1,029)



# Rockport Franchise Fee



- Franchise Fee- 10% of gross customer meter fee revenue
  - 2,734 Active Meters (Rockport ICL Customers)
  - Current Rockport ICL Meter Fee
    - \$31.08 Per Month
    - \$27.97 CCGAS
    - \$3.11 Rockport
  - Estimated Annual Rockport Franchise fee payment
  - Feb 15th 2026 (Oct thru Dec 2025) ~ \$25,500
  - Feb 15th 2027 (Jan thru Dec 2026)~ \$102,000
    - ~\$8500 per month
- A Franchise Fee is important to ensure that the City of Rockport and towns of Fulton and Lamar cooperate with and benefit from allowing CCGAS to utilize their Right-of-Ways while repairing, replacing, and expanding the gas distribution system.



# Staff Recommendations

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Staff recommends approving the resolution authorizing a franchise agreement with the City of Rockport for a period of 20 years for the right, privilege and franchise to operate the gas distribution utility system.



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# Questions?

Bill Mahaffey, Director  
CCGAS