

CONSUMERS POWER COMPANY GAS FRANCHISE ORDINANCE

AN ORDINANCE, granting to CONSUMERS POWER COMPANY, its successors and assigns, the right, power and authority to lay, maintain and operate gas mains, pipes and services on, along, across and under the highways, streets, alleys, bridges and other public places, and to do a local gas business in the VILLAGE OF OTISVILLE, GENESEE COUNTY, MICHIGAN, for a period of thirty years.

THE VILLAGE OF OTISVILLE ORDAINS:

SECTION 1. GRANT TERM. The Village of Otisville, Genesee County, Michigan, hereby grants to the Consumers Power Company, a Michigan corporation, its successors and assigns, hereinafter called the "Grantee," the right, power and authority to lay, maintain and operate gas mains, pipes and services on, along, across and under the highways, streets, alleys, bridges and other public places, and to do a local gas business in the Village of Otisville, Genesee County, Michigan for a period of thirty years.

SECTION 2. CONSIDERATION. In consideration of the rights, power and authority hereby granted, said Grantee shall faithfully perform all things required by the terms hereof.

SECTION 3. CONDITIONS. No highway, street, alley, bridge, or other public place used by said Grantee shall be obstructed longer than necessary during the work of construction or repair, and shall be restored to the same good order and condition as when such work was commenced.

SECTION 4. HOLD HARMLESS. Said Grantee shall at all times keep and save the Village free and harmless from all loss, costs and expense to which it may be subject by reason of the negligent construction and maintenance of the structures and equipment hereby authorized. In case any action is commenced against the Village on account of the permission herein given, said Grantee shall, upon notice, defend the Village and save it free and harmless from all loss, cost and damage arising out of such negligent construction and maintenance.

SECTION 5. EXTENSIONS. Said Grantee shall construct and extend its gas distribution system within said Village, and shall furnish gas to applicants residing therein in accordance with applicable laws, rules and regulations.

SECTION 6. FRANCHISE NOT EXCLUSIVE. The rights and authority herein granted are not exclusive. Either manufactured or natural gas may be furnished hereunder.

SECTION 7. RATES. Said Grantee shall be entitled to charge the inhabitants of said Village for gas furnished therein, the rates as approved by the Michigan Public Service Commission, to which Commission or its successors authority and jurisdiction to fix and regulate gas rates and rules regulating such service in said Village, are hereby granted for the term of this franchise. Such rates and rules shall be subject to review and change at any time upon petition therefor being made by either said Village, acting by its Village Council, or by said Grantee.

SECTION 8. REVOCAION. The franchise granted by this ordinance is subject to revocation upon sixty (60) days written notice by the party desiring such revocation.

SECTION 9. MICHIGAN PUBLIC SERVICE COMMISSION, JURISDICTION. Said Grantee shall, as to all other conditions and elements of service not herein fixed, be and remain subject to the reasonable rules and regulations of the Michigan Public Service Commission or its successors, applicable to gas service in said Village.

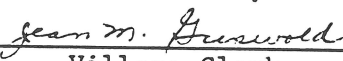
SECTION 10. EFFECTIVE DATE. This ordinance shall take effect upon the day after the date of publication thereof, provided however, it shall cease and be of no effect after thirty days from its adoption, unless within said period the Grantee shall accept the same in writing filed with the Village Clerk. Upon acceptance and publication hereof, this ordinance shall constitute a contract between said Village and said Grantee.

We hereby certify that the foregoing ordinance was duly enacted by the Village Council of the Village of Otisville, Genesee County, Michigan, on the 6th day of December, 1993.



Village President

Attest:



Village Clerk