

MICHIGAN CONSOLIDATED GAS COMPANY GAS FRANCHISE ORDINANCE

ORDINANCE NO. 1.07

AN ORDINANCE, granting to MICHIGAN CONSOLIDATED GAS 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 CITY OF CRYSTAL FALLS, IRON COUNTY, MICHIGAN for a period of thirty years.

THE CITY OF CRYSTAL FALLS ORDAINS:

Section 1. Grant of Gas Franchise and Consent to Laying of Pipes, Etc. Subject to all the terms and conditions mentioned in this ordinance, consent is hereby given to Michigan Consolidated Gas Company, a corporation organized under the laws of the State of Michigan (the "Company"), and to its successors and assigns, "to lay, maintain, operate, and use gas pipes, mains, conductors, service pipes, and other necessary equipment in the highways, streets, alleys, and other public places in the City of Crystal Falls, Iron County, Michigan, and a franchise is hereby granted to the Company, its successors and assigns, to transact local business in said City of Crystal Falls for the purposes of conveying gas into and through and supplying and selling gas in said City of Crystal Falls and all other matters incidental thereto.

Section 2. Gas Service and Extension of System. If the provisions and conditions herein contained are accepted by the Company, as in Section 6 hereof provided, then the Company shall furnish gas to applicants residing therein in accordance with applicable laws, rules and regulations; and provided further that

such initial installation and any extensions shall be subject to the Main Extension provisions, the Area Expansion Program provisions (if and where applicable), and other applicable provisions now or from time to time hereafter contained in the Company's Rules and Regulations for Gas Service as filed with the Michigan Public Service Commission or successor agency having similar jurisdiction.

Section 3. Use of Streets and Other Public Places. The Company, its successors and assigns, shall not unnecessarily obstruct the passage of any of the highways, streets, alleys, or other public places within said City of Crystal Falls and shall within a reasonable time after making an opening or excavation, repair the same and leave it in as good condition as before the opening or excavation was made. The Company, its successors and assigns, shall use due care in exercising the privileges herein contained and shall be liable to said City of Crystal Falls for all damages and costs which may be recovered against the City of Crystal Falls arising from the default, carelessness, or negligence of the company or its officers, agents, and servants.

No road, street, alley, or highway shall be opened for the laying of trunk lines or lateral mains except upon application to the Highway Commissioner or the City of Crystal Falls or other authority having jurisdiction in the premise, stating the nature of the proposed work and the route. Upon receipt of such application, if acceptable, it shall be the duty of the Highway Commissioners or the City Commission, or such other authority as may have

jurisdiction, to issue a permit to the Company to do the work proposed.

Section 4. Standards and Conditions of Service; Rules, Regulations and Rates. The Company is now under the jurisdiction of the Michigan Public Service Commission to the extent provided by statute; and the rates to be charged for gas, and the standards and conditions of service and operation hereunder, shall be the same as set forth in the Company's schedule of rules, regulations, and rates as applicable in the several cities, villages, and townships in which the Company is now rendering gas service, or as shall hereafter be validly prescribed for the City of Crystal Falls under the orders, rules, and regulations of the Michigan Public service Commission or other authority having jurisdiction in the premises.

Section 5. Successors and Assigns. The words "Michigan Consolidated Gas Company" and "the Company", wherever used herein, are intended and shall be held and construed to mean and include both Michigan Consolidated Gas Company and its successors and assigns, whether so expressed or not.

Section 6. Effective Date: Term of Franchise Ordinance; Acceptance by Company. This ordinance shall take effect ten (10) days following the date of publication thereof, which publication shall be made within twenty (20) days after the date of its adoption, and shall continue in effect for a period of thirty (30) years thereafter, subject to revocation at the will of the City of Crystal Falls at any time during said thirty (30) year period; provided, however, that when this ordinance shall become effective

the City Clerk shall deliver to the Company a certified copy of the ordinance accompanied by written evidence of publication and recording thereof as required by law, and the Company shall, sixty (60) days after receiving the above mentioned documents, file with the City Clerk its written acceptance of the conditions and provisions hereof.

Section 7. Effect and Interpretation of Ordinance. All ordinances and resolutions, and parts thereof, which conflict with any of the terms of this ordinance are hereby rescinded. In the case of conflict between this ordinance and any such ordinances or resolutions, this ordinance shall control. The catch line headings which precede each Section of this ordinance are for convenience in reference only and shall not be taken into consideration in the construction or interpretation of any of the provisions of this ordinance.

Ayes: 5

Nays: 0

Date Passed: December 12, 1994