

## ORDINANCE NO. 18-102

### CONSUMERS ENERGY COMPANY ELECTRIC FRANCHISE AGREEMENT

AN ORDINANCE, amending the existing electric franchise with CONSUMERS ENERGY COMPANY, its successors and assigns, by repealing and replacing the existing electric franchise, to delineate and define the service area to which the electric franchise applies, and by granting to CONSUMERS ENERGY COMPANY the right, power and authority to, in the defined service area, construct, maintain and commercially use electric lines consisting of towers, masts, poles, crossarms, guys, braces, feeders, transmission and distribution wires, transformers, switchgear, substations, and other electrical appliances on, over, under, along and across the highway, streets, alleys, bridges and other public places, and to do a local electric business in the CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, for a period of thirty (30) years. Acceptance of this agreement acknowledges that this agreement supersedes the Franchise agreement dated December 6, 1999, between the CONSUMERS ENERGY COMPANY and THE CHARTER TOWNSHIP OF DELTA.

THE CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN ORDAINS:

SECTION 1. GRANT, TERM. The Charter Township of Delta, Eaton County, Michigan, hereinafter called the "Charter Township," hereby grants the right, power and authority to the Consumers Energy Company, a Michigan corporation, its successors and assigns, hereinafter called the "Grantee", to construct, maintain and commercially use electric lines consisting of towers, masts, poles, crossarms, guys, braces, feeders, transmission and distribution wires, communication wires for the purpose of operating the utility, transformers and other electrical appliances, padmounted equipment, substations, switchgear for the purposes of transmitting, transforming and distributing electricity on, over, under, along and across the highways, streets, alleys, bridges, other public places, and on private property by easements and to do a local electric business and have a franchise to provide electricity and electric service in the defined service area in the Charter Township of Delta, Eaton County, Michigan, for a period of thirty (30) years from the date of acceptance by the Grantee, with said defined service area being shown and depicted on Exhibit "A", which is attached hereto and incorporated herein by reference. In the event that Grantee is currently providing electricity and electric services to properties that are not shown in defined service area on Exhibit "A", Grantee during the term of this Franchise shall be permitted to continue to provide electricity and electric service to said properties and said properties shall be deemed part of the defined service area. Grantee shall not be permitted to assign, lease, or otherwise grant access to its towers, masts, poles, crossarms, or other equipment authorized under this Franchise, for purposes of collocation or small cell facilities unless the Charter Township provides express written consent thereof or has entered into or enters into a third-party franchise agreement.

In the event that Consumers Energy Company is currently providing electricity and electric service to properties that are not shown in the defined service area on Exhibit "A", Consumers Energy Company during the term of this Franchise shall be permitted to continue to provide electricity and electric service to said properties and said properties shall be deemed part of the defined service area. Any of Grantee's electric lines, towers, masts, poles, crossarms, guys, braces, feeders, transmission and distribution wires and other electrical

appliances that are currently located outside of the defined service area shall be permitted to remain during the term of this Franchise. If Grantee needs to locate electric lines, towers, masts, poles, crossarms, guys, braces, feeders, transmission and distribution wires, transformers and other electrical appliances on Charter Township highways, streets, alleys, bridges, waterways and other Charter Township public places that are outside of the defined service area, the Grantee must first obtain approval for said location from the Charter Township.

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.

(A) All of Grantee's towers, masts, poles, shall be neat and sightly, and so placed on either side of the highways, streets, alleys, and bridges as not to unnecessarily interfere with the use thereof for highway, street and alley purposes. All of Grantee's wires carrying electricity shall be adequate to carry the intended current and securely fastened so as not to endanger or injure persons or property in said highways, streets and alleys, and shall be done so as not to interfere with the use thereof, and when completed, the same shall be left in as good condition as when work was commenced. The Grantee shall have the right to trim trees if necessary in the conducting of such business, subject, however, to the supervision of the highway authorities.

(B) All construction, installation, maintenance and operation of lines, wires or of any facilities employed in connection therewith shall be in compliance with the Michigan Public Service Commission; any standards issued by any other federal or state regulatory agency; and applicable Charter Township ordinances, rules and regulations, now in effect or which might subsequently be adopted, which do not conflict with standards or regulations promulgated or adopted by the Michigan Public Service Commission for regulation of public utilities operating in the Charter Township of Delta.

SECTION 4. HOLD HARMLESS. Said Grantee shall at all times indemnify, keep and save the Charter Township, its trustees, officers, agents, and employees free and harmless from all loss, costs, claims, damages, causes of action, fines, penalties, and expense to which it may be put by reason of negligent acts incurred as a result of the construction, operation, and maintenance of the structures hereby authorized. In case any action is commenced against the Charter Township, its trustees, officers, agents or employees on account of the permission herein given, said Grantee shall, upon notice, defend the Charter Township, its trustees, officers, agents or employees from all loss, cost and damage arising out of the electric lines, at Grantee's expense with counsel reasonably satisfactory to the Charter Township. Provided, however, that Grantee's obligations under this Section 4 shall not apply to any loss, cost, damage or claims arising solely out of the negligence of the Charter Township.

SECTION 5. EXTENSIONS. Said Grantee shall construct and extend its electric distribution system within the defined service area of said Charter Township, and shall furnish electric service to applicants residing in the defined service area in accordance with applicable laws, rules and regulations.

SECTION 6. RATES. Said Grantee shall be entitled to charge the inhabitants of said Charter Township for electric energy furnished therein, as approved by the Michigan Public

Service Commission, to which Commission or its successor's authority and jurisdiction to fix and regulate electric rates and rules regulating such service in said Charter Township, 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 Charter Township, acting by its Township Board or by said Grantee.

SECTION 7. FRANCHISE NOT EXCLUSIVE. The rights, power and authority herein granted, are not exclusive.

SECTION 8. REVOCAION. The Franchise granted by this ordinance is subject to revocation upon sixty (60) days' written notice by the party seeking 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 reasonable rules and regulations of the Michigan Public Service Commission or its successors, applicable to electric service in said Charter Township.

SECTION 10. REPEALER. This Ordinance, when accepted and published as herein provided, shall repeal and supersede the provisions of the electric ordinance adopted by the Charter Township on December 6, 1999 entitled:

AN ORDINANCE, granting to CONSUMERS ENERGY COMPANY, its successors and assigns, the right, power and authority to construct, maintain and commercially use electric lines consisting of towers, masts, poles, crossarms, guys, braces, feeders, transmission and distribution wires, transformers and other electrical appliances on, under, along and across the highways, streets, alleys, bridges, waterways, and other public places, and to do a local electric business in the CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, for a period of thirty years.

and any amendments, if any, to such ordinance whereby an electric franchise was granted to Consumers Energy Company.

SECTION 11. ASSIGNMENT OF FRANCHISE. Grantee shall not assign this Franchise to any person, firm or corporation without the prior written approval of the Charter Township Board. The Charter Township shall not unreasonably withhold its consent to an assignment if the Assignee is financially able to carry out the Grantee's obligations under this Franchise. The assignment of this Franchise to a subsidiary, division, or affiliated corporation of Grantee or its parent corporation shall not be considered an assignment requiring the consent of the Charter Township Board.

SECTION 12. EFFECTIVE DATE. This Ordinance shall take effect immediately following its adoption and publication as required by law, provided however, that it shall cease and be of no effect after thirty (30) days from its adoption unless within said period the Grantee shall accept the same in writing filed with the Charter Township Clerk. Upon acceptance and publication hereof, this Ordinance shall constitute a contract between said Charter Township and said Grantee.

We certify that the foregoing Franchise Ordinance was duly enacted by the Township Board of the Charter Township of Delta, Eaton County, Michigan on the 2nd day of January, 2018.

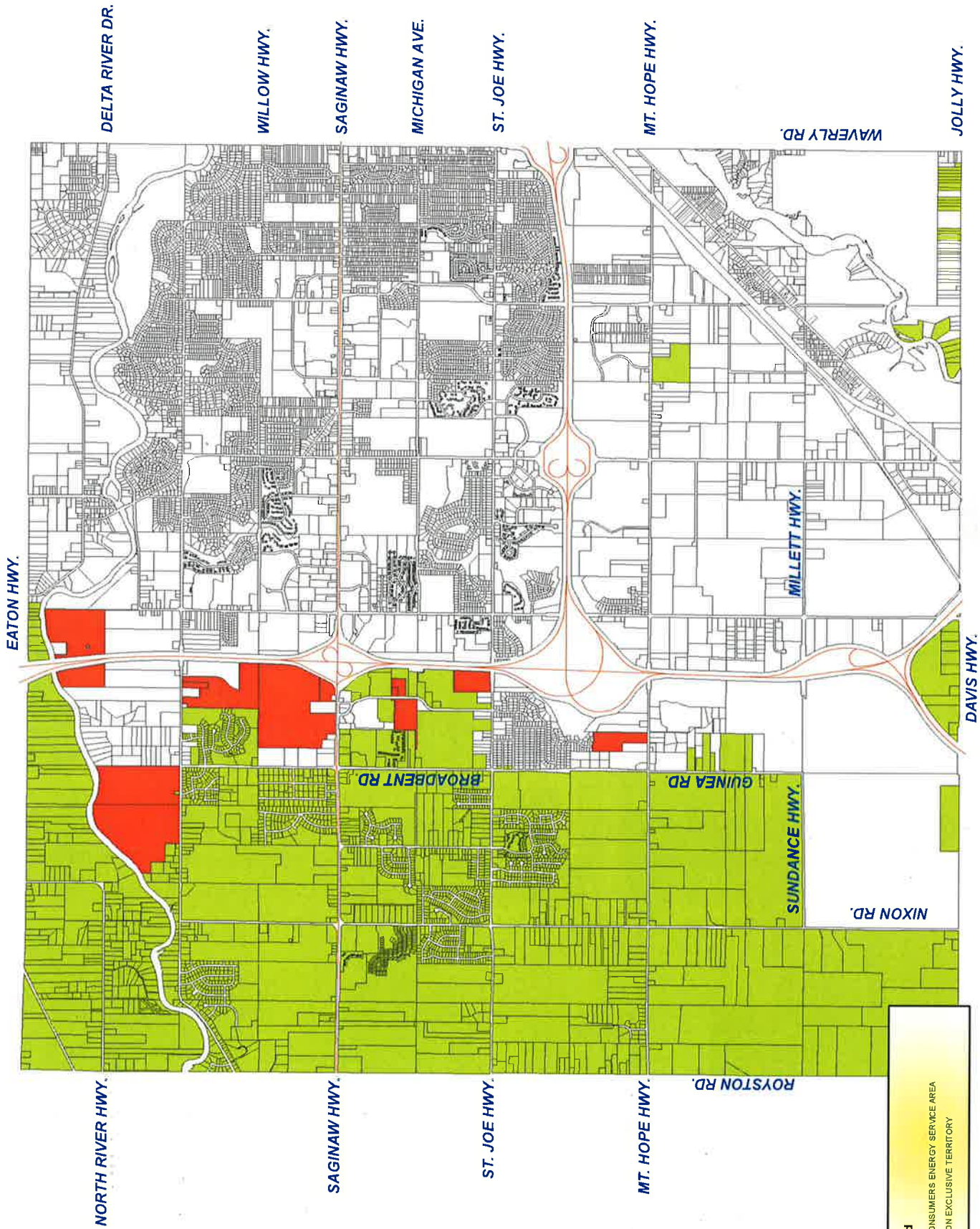
  
Kenneth R. Fletcher, Supervisor

I, Mary R. Clark, Clerk of the Charter Township of Delta, Eaton County, Michigan, hereby certify that the above resolution is a true copy of the action taken by the Charter Township of Delta Board of Trustees, on the date set forth and published as set forth above.

  
Mary R. Clark, Clerk

**EXHIBIT "A"**





**Consumers Energy Electric Franchise Service Areas**

**Exhibit "A"**



Scale = None

ACCEPTANCE

TO THE TOWNSHIP BOARD OF THE CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN:

The CONSUMERS ENERGY COMPANY hereby accepts the franchise granted to it by your Charter Township Board on the 2 day of January, 2018, which said franchise is entitled as follows:

AN ORDINANCE, amending the existing electric franchise with CONSUMERS ENERGY COMPANY, its successors and assigns, by repealing and replacing the existing electric franchise, to delineate and define the service area to which the electric franchise applies, and by granting to CONSUMERS ENERGY COMPANY the right, power and authority to, in the defined service area, construct, maintain and commercially use electric lines consisting of towers, masts, poles, crossarms, guys, braces, feeders, transmission and distribution wires, transformers, switchgear, substations, and other electrical appliances on, over, under, along and across the highway, streets, alleys, bridges and other public places, and to do a local electric business in the CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, for a period of thirty (30) years.

CONSUMERS ENERGY COMPANY

By Catherine M Reynolds  
Catherine M. Reynolds  
Senior Vice President and General Counsel

Dated: 1/24/2018

APVD AS TO FORM