

CHARTER TOWNSHIP OF DELTA CONSUMERS ENERGY COMPANY GAS FRANCHISE  
ORDINANCE

AN ORDINANCE, granting to CONSUMERS ENERGY 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, waterways, and other public places, and to do a local gas business in the CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, for a period of thirty years.

THE CHARTER TOWNSHIP OF DELTA ORDAINS:

SECTION 1. GRANT, TERM. The CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, hereby grants to the Consumers Energy 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, waterways, and other public places, and to do a local gas business in the CHARTER TOWNSHIP OF DELTA, EATON 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.

- (a) No highway, street, alley, bridge, waterway 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 order and condition as when said work was commenced. All of Grantee's pipes and mains shall be constructed and maintained in accordance with the Michigan Gas Safety Standards, as adopted by the Michigan Public Service Commission, and shall be so placed in the highways and other public places as not to unnecessarily interfere with the use thereof for highway purposes.
- (b) Except in emergencies or for service restoration, no highway or street shall be opened for the laying or repairing of any of Grantee's Facilities unless Grantee obtains all prior approvals and permits from applicable governmental agencies including, but not limited to, the Michigan Department of Transportation and Eaton County Road Commission, or their successor agencies.
- (c) Upon the request of the Charter Township, Grantee shall attend preconstruction meetings conducted by the Charter Township in connection with public improvement projects in the highways, streets, alleys, and bridges which may affect Grantee's facilities. Grantee shall cooperate by providing information regarding Grantee's facilities located within said highways, streets, alleys, and bridges. Nothing herein shall be construed as altering the respective rights and obligations of any party under 2013 PA 174, as amended, commonly known as the Miss Dig Act.

SECTION 4. HOLD HARMLESS. Said Grantee shall at all times keep and save the Charter Township 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 Charter Township on account of the permission herein given, said Grantee shall, upon notice, defend the Charter Township 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 Charter Township and shall furnish gas to applicants residing therein in accordance with applicable laws, rules and regulations.

SECTION 6. FRANCHISE NOT EXCLUSIVE. The rights, power 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 Charter Township 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 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 said Charter Township, acting by its Charter Township Board, or by said Grantee.

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

SECTION 9. INSURANCE. Grantee represents that it now carries, and agrees it will continue to carry during the term of this Contract, Michigan Statutory Workers' Compensation, Excess Liability (including contractual liability) with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence, and Michigan No-Fault Automobile Liability Insurance. Such coverages are subject to large deductibles or self-insured retentions in accordance with Grantee's risk management practices. The risk management practice of maintaining large deductibles or self-insured retentions is considered prudent and consistent with other companies of similar size and operation as Grantee. Certificates evidencing that Grantee either maintains the above-mentioned insurance coverage or is an approved self-insurer shall be furnished to the Charter Township if requested.

SECTION 10. 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 Charter Township.

SECTION 11. CHARTER TOWNSHIP JURISDICTION. Said Grantee shall be and remain subject to all ordinances, rules and regulations of the Charter Township now in effect, or which might subsequently be adopted for the regulation of land uses or for the protection of the health, safety and general welfare of the public; provided however, that nothing herein shall be construed as a waiver by Grantee of any of its existing or future rights under state or Federal law.

SECTION 12. REPEALER. This ordinance, when accepted and published as herein provided, shall repeal and supersede the provisions of a gas ordinance adopted by the Charter Township Board on December 27, 1985 entitled:

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 CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN.

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

SECTION 13. ASSIGNMENT OF FRANCHISE. Grantee shall not assign this Franchise to any other 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 14. 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 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 Charter Township Board of the CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, on the 5<sup>th</sup> day of October, 2015.

  
Kenneth Fletcher, Charter Township Supervisor

Attest:

  
Mary R. Clark, Charter Township Clerk

CLERK CERTIFICATION

STATE OF MICHIGAN        )  
                                          ) ss.  
COUNTY OF EATON        )

I, Mary R Clark, Charter Township Clerk of the CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, DO HEREBY CERTIFY that the annexed is a true and correct copy of the ordinance granting CONSUMERS ENERGY COMPANY, a gas franchise, as adopted by the Charter Township Board at a regular meeting on the 5<sup>th</sup> day of October, 2015, after said Ordinance had previously been introduced at a regular meeting of the Charter Township Board on the 21<sup>st</sup> day of September, 2015 and published on the 27<sup>th</sup> day of September 2015.

I FURTHER CERTIFY that the acceptance, a copy of which is attached hereto, was filed with me as Charter Township Clerk, on the 6<sup>th</sup> day of October, 2015; that I have compared the attached copies with the original records in my office, and that the same are true and correct transcripts therefrom.

I FURTHER CERTIFY that a copy of the foregoing ordinance was published, as appears by proof thereof on file in my office, in the *Grand Ledge Independent*, a newspaper circulated in the CHARTER TOWNSHIP OF DELTA, EATON COUNTY, MICHIGAN, on the 11<sup>th</sup> day of October, 2015; and that all of said proceedings were regular and in accordance with all legal requirements.

Mary R Clark  
Mary Clark, Charter Township Clerk

Dated: October 16, 2015