

MICHIGAN CONSOLIDATED GAS COMPANY  
GAS FRANCHISE ORDINANCE

ORDINANCE NO: 9

AN ORDINANCE, granting to MICHIGAN CONSOLIDATED GAS COMPANY, its successors and assigns, the non-exclusive 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 TOWNSHIP OF SUMMIT, MASON COUNTY, MICHIGAN for a period of 30 years.

THE TOWNSHIP OF SUMMIT 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 Township of Summit, Mason County, Michigan, and a non-exclusive franchise is hereby granted to the Company, its successors and assigns, to transact local business in the Township for the purposes of conveying gas into and through and supplying and selling gas in said Township of Summit and all other matters incidental thereto.

Section 2.     **Installation and Extension of System.**     If the provisions and conditions herein contained are accepted by the Company, as in Section 6 hereof provided, then within not more than one (1) year following the later of the date upon

which this ordinance takes effect and the date upon which the Company receives such regulatory approval as may be necessary for the company to convey gas to the Township and to construct and operate its facilities herein, the Company shall determine the area within the Township to be served initially and commence the installation of a gas distribution system within such area, and the Company shall thereafter proceed to complete said initial installation as soon as reasonably practicable; provided, however, that the Company shall not be held responsible for delays due to weather or labor conditions, inability to procure necessary materials, or other causes beyond its control; 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 the Township 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 hold the Township harmless from any and all claims made against the Township as a result of the Company's activities under this ordinance. The Company shall, in connection with this obligation, pay or reimburse the Township for all

damages, costs and expenses experienced by the Township in connection with any such claim, including but not limited to judgments or awards for damages, settlements, court, dispute litigation or settlement costs, attorney fees, consultant and laboratory fees and any other expenses which may be incurred by the Township resulting from the activities of the Company or its officers, employees, agents or servants under this ordinance. But the Company will not hold the Township harmless from claims arising out of the sole negligence of the Township.

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 Township or other authority having jurisdiction in the premises, stating the nature of the proposed work and the route. Upon receipt of such application, it shall be the duty of the Highway Commissioners or the Township Board, or such other authority as may have jurisdiction, to issue a permit to the Company to do the work proposed.

All facilities erected by a franchise within the Township shall be so located so as to cause minimum interferences with the proper use of public rights-of-way and public places and to cause minimum interference with the rights and conveniences of adjoining property owners. In case of any disturbance or damage by company work to the buildings, streets, sidewalks, alleys, public ways or other public or private property, the franchisee shall at is own expense promptly and in a manner acceptable to the Township, replace, repair, and otherwise restore such disturbance or damage.

If the Township or the County Road Commission shall elect to alter the grade, alignment, or location of any street, sidewalk, alley or public way, a franchisee shall, upon reasonable notice from the Township or Road Commission, remove and relocate its facility in a manner acceptable to the Township and at franchisee's expense. The franchisee shall also promptly move, raise, and relocate any facility at the request of any private party, when required by the private road, but at the cost of that person.

**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 Township 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: Terms of Franchise Ordinance; Acceptance by Company.** This ordinance shall take effect the day following the date of publication

thereof, which publication shall be made within thirty (30) days after the date of its adoption, and shall continue in effect for a period of 30 years thereafter, subject to revocation at the will of the Township at any time during said 30 years period; provided, however, that when this ordinance shall become effective the Township 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 receipt of the above documents, file with the Township Clerk its written acceptance of the conditions and provisions thereof.

**Section 7. Effective 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.

Yes: Iteen, Acker, Polsen, Cooper and Jensen

No: None

Date Passed: April 4, 2005

Township of Summit

*Mary Acker*

Mary Acker, Township Clerk

*Edward S. Iteen*

Edward S Iteen, Township Supervisor