

**12.1600 CONSUMERS ENERGY COMPANY ELECTRIC FRANCHISE ORDINANCE
Ord. Eff. June 12, 2011**

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 CITY OF GAYLORD, OTSEGO COUNTY, MICHIGAN, for a period of thirty (30) years.

THE CITY OF GAYLORD ORDAINS:

12.1601 SECTION 1. GRANT, TERM.

The CITY OF GAYLORD, OTSEGO COUNTY, MICHIGAN, 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, transformers and other electrical appliances for the purpose of transmitting, transforming and distributing electricity on, under, along and across the highways, streets, alleys, bridges, waterways, and other public places, and to do a local electric business in the CITY OF GAYLORD, OTSEGO COUNTY, MICHIGAN, for a period of thirty years.

12.1602 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.

12.1603 SECTION 3. CONDITIONS.

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 structures and equipment shall be so placed on either side of the highways as not to unnecessarily interfere with the use thereof for highway purposes. All of the Grantee's wires carrying electricity shall be securely fastened so as not to endanger or injure persons or property in said highways. 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.

12.1604 SECTION 4. HOLD HARMLESS.

Said Grantee shall at all times keep and save the City 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 City on account of the permission herein given, said Grantee shall, upon notice, defend the City and save it free and harmless from all loss, cost and damage arising out of such negligent construction and maintenance.

12.1605 SECTION 5. EXTENSIONS.

Said Grantee shall construct and extend its electric distribution system within said City, and shall furnish electric service to applicants residing therein in accordance with applicable laws, rules and regulations.

12.1606 SECTION 6. FRANCHISE NOT EXCLUSIVE.

The rights, power and authority herein granted, are not exclusive.

12.1607 SECTION 7. RATES.

Said Grantee shall be entitled to charge the inhabitants of said City for electric 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 electric rates and rules regulating such service in said City, 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 City, acting by its City Council, or by said Grantee.

12.1608 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.

12.1609 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 electric service in said City.

12.1610 SECTION 10. REPEALER.

This ordinance, when accepted and published as herein provided, shall repeal and supersede the provisions of an electric ordinance adopted by the City on March 23, 1981 entitled.

AN ORDINANCE, granting to CONSUMERS POWER COMPANY, it 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 and other public places and to do a local electric business in the

CITY OF GAYLORD, OTSEGO COUNTY, MICHIGAN, for a period of thirty years.

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

12.1611 SECTION 11. 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 City Clerk. Upon acceptance and publication hereof, this ordinance shall constitute a contract between said City and said Grantee.

Ord. Eff. May 23, 2011