

MICHIGAN CONSOLIDATED GAS COMPANY GAS FRANCHISE ORDINANCE

ORDINANCE NO. 95-05-16-1

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 TOWNSHIP OF WATERLOO, JACKSON COUNTY, MICHIGAN for a period of thirty years.

THE TOWNSHIP OF WATERLOO 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 Waterloo, Jackson County, Michigan, and a franchise is hereby granted to the Company, its successors and assigns, to transact local business in said Township of Waterloo, for the purposes of conveying gas into and through and supplying and selling gas in said Township of Waterloo 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 of Waterloo and to construct and operate its facilities therein, the Company shall determine the area within the Township of Waterloo 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 said Township of Waterloo 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 Township for all damages and

costs which may be recovered against said Township of Waterloo 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 Township of Waterloo, 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.

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 of Waterloo, 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 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 thirty (30) years thereafter, subject to revocation at the will of the Township of Waterloo at any time during said thirty (30) year 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, one hundred eighty (180) days after receiving the documents from the Clerk, file with the Township Clerk its written acceptance of the conditions and provisions hereof.

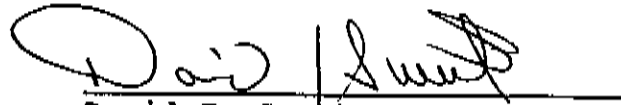
Section 7. Effect and Interpretation of Ordinance. All ordinances and resolutions, and parts thereof, which conflict with any of the terms of this ordinance are hereby rescinded. In the case of conflict between this ordinance and any such ordinances or resolutions, this ordinance shall control. The catch 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

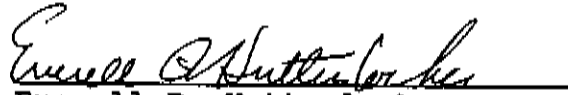
Nays: 0

Date Passed: MAY 16, 1995

Attested, by Order of the Township of Waterloo



David J. Sweet
Township Clerk



Everell P. Huttenlocher
Township Supervisor

CERTIFICATE

STATE OF MICHIGAN)
) SS.
COUNTY OF JACKSON)

I, the undersigned, being the duly elected, qualified and acting Township Clerk of the Township of Waterloo, County of Jackson, State of Michigan, do hereby certify that annexed hereto is a true, complete and correct copy of an ordinance duly adopted by the Township of Waterloo, at a regular meeting thereof duly called and held on the 16th day of MAY, 1995, the original of which is recorded in the Book of Ordinances of the Township of Waterloo.

I do hereby further certify that public notice of said meeting was given in the manner required by law, including the Open Meetings Act, 1976 PA 267, including in the case of a rescheduled meeting notice by publication or posting at least 18 hours prior to the time set for the meeting, and that the meeting was held and conducted in compliance with the provisions of said Act.

I do hereby further certify that I have filed an attested copy of said ordinance with the County Clerk.

I do hereby further certify that said ordinance was published, within thirty (30) days after the passage thereof, by causing a true, correct and complete copy thereof to be inserted in the Town CRIER, a newspaper circulating within the Township of Waterloo.

I do hereby further certify that within one (1) week after the publication of the said ordinance as aforesaid, I duly recorded said ordinance in the Book of Ordinances of the Township of Waterloo, together with the date of the passage of said ordinance, the names of the members voting thereon and how each member voted.

I do hereby further certify that I have duly certified, under the said ordinance in a blank space provided therefor in the Book of Ordinances of the Township of Waterloo, the date of publication of said ordinance, and the name of the newspaper in which publication was made; and that annexed hereto is a true, correct and complete copy of such certificate as contained in the Book of Ordinances of the Township of Waterloo.

In Testimony Whereof, I have hereunto set my hand this 16th day of MAY, 1995.



David J. Sweet
Township Clerk

PROCEDURAL CHECKLIST

Date of Passage of Ordinance: MAY 16, 1995

Members Voting Aye:
Robert HANNEWALD
STava Krummray
EV NutterLocher
Millie MALTBY
DAVE Sweet

Members Voting Nay:

Date of Publication of the Ordinance: MAY 30 1995


Newspaper In Which Publication Was Made: Town Crier

Date Attested Copy of Ordinance was filed with County Clerk: MAY 23, 1995

STATE OF MICHIGAN)
) SS:
COUNTY OF JACKSON)

I, the undersigned, being the duly elected, qualified and acting Clerk of the Township of Waterloo, County of Jackson, and State of Michigan, do hereby certify that the foregoing ordinance was duly adopted by the Township Board of the Township of Waterloo as hereinabove set forth; and that said Ordinance was duly published on the date indicated above by the insertion of a true copy thereof in the Town Crier, which is a duly qualified newspaper circulating within the Township of Waterloo.

In Testimony Whereof, I have hereunto set my hand this 16th day of MAY, 1995.



David J. Sweet, Township Clerk

Proof of Publication

STATE OF MICHIGAN)
) SS:
COUNTY OF JACKSON)

_____ , being first duly sworn,
deposes and says that he/she is the _____ of the
_____, a newspaper published in the English
language for the dissemination of local or transmitted news and
intelligence of a general character and legal news, which is a
duly qualified newspaper, and which is circulated within the
Township of Waterloo, County of Jackson, State of Michigan, and
that annexed hereto is a printed Ordinance taken from said
newspaper, in which the same was published on _____,
199__.

Subscribed and sworn to before me this ____ day of
_____, 199__.

Notary Public, A Resident of
_____ County, Michigan
My Commission Expires: _____

Richard W. Zemmin
Vice President, Marketing and Sales

michcon

Michigan Consolidated Gas Company
500 Griswold Street Detroit Michigan 48226

313 256-5075

June 27, 1995

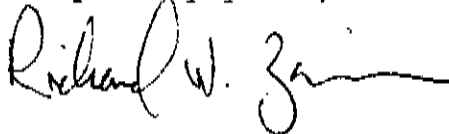
The Honorable Township Clerk
and Township Board
Township of Waterloo
13225 Mayer Road
Stockbridge, Michigan 49285

Dear Members of the Township Board:

Michigan Consolidated Gas Company assents to and accepts the provisions and conditions of Ordinance No. 95-05-16-1 of the Township of Waterloo, Jackson County, Michigan, granting a gas franchise to Michigan Consolidated Gas Company, its successors and assigns, adopted by the Township Board at a meeting held on the 16th day of May, 1995 and published on May 30, 1995.

Thank you very much for your kindness and consideration in granting our request for a franchise in the Township of Waterloo.

Very truly yours,



RWZ/tmt

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