

Appendix A - Electric Utility Franchise

ORDINANCE NO. 00-03-20-02

AN ORDINANCE GRANTING TO MINNESOTA POWER, INC.,
ITS SUCCESSORS AND ASSIGNS, THE RIGHT
TO CONSTRUCT AND MAINTAIN AN ELECTRIC DISTRIBUTION
AND TRANSMISSION SYSTEM WITHIN THE CITY OF
EAGLE BEND, MINNESOTA

Section 1. The City of Eagle Bend hereby grants to Minnesota Power, Inc., its successors and assigns, (hereinafter referred to as “Company”) the right to enter upon and construct, operate and maintain upon the streets, alleys, highways and public grounds of the City, poles, wires, conductors, lines, cables, insulators, communication lines, bases, crossarms, braces, lamps, conduits, underground cables, transformers, and other usual appurtenances and appliances for transmitting and distributing electric power and energy, and for other compatible uses and applications, including but not limited to transmission of data and other information, telecommunications, and electric load dispatch and control. This Ordinance shall remain in effect for a period of twenty (20) years from and after passage of this Ordinance.

Section 2. All poles, wires and other appliances shall be constructed and maintained by Company in as safe and secure a manner as reasonably possible and so as not to unnecessarily interfere with the public use of the said streets alleys, highways and public grounds, and which shall at all times be subject to the reasonable regulation of the City. Clearance for the moving of buildings and other objects shall be made within a reasonable period of time by Company when permission to move through the streets is given anyone by the City, provided that payment for the Company’s cost is guaranteed to the Company’s satisfaction and subject to the terms of Section 3 below.

Section 3. The City shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation and maintenance by the Company of its lines and appurtenances hereunder unless caused by the City. The acceptance of this Ordinance shall be deemed an agreement on the part of the Company to indemnify the City and hold it harmless against any and all liability, loss, damage or expense which may accrue to the City by reason of the neglect, default or misconduct of the Company in the construction, operation and maintenance of its lines and appurtenances hereunder.

Section 4. This Ordinance shall not be considered as granting to the Company any exclusive privilege of erecting poles and stringing wires in the streets or public grounds of the City.

Section 5. In consideration for the right to use the streets, alleys, highways and public grounds, the Company shall be prepared to and shall furnish twenty-four (24) hour, continuous electric or other services provided in the City to consumers in the City, including

the City, unless prevented by causes not within reasonable control, pursuant to the laws of the State of Minnesota and the rates, rules and regulations established from time to time by the Company, federal laws and regulations, and/or the Minnesota Public Utilities Commission.

Section 6. This Ordinance supersedes and cancels the City of Eagle Bend Ordinance No. 159, dated February 18, 1980, granting a permit to Company, which Ordinance was entitled "An Ordinance granting to Minnesota Power, Inc., its successors and assigns, the right to construct and maintain an electric distribution system within the City of Eagle Bend".

Section 7. This Ordinance shall be void in all respects unless Company shall, by written acceptance filed with the City Clerk, accept the provisions hereof. This Ordinance, when so accepted, shall constitute a contract between the City of Eagle Bend and Minnesota Power, Inc., its successors and assigns.