

FRANCHISE ORDINANCE

ORDINANCE NO. _____

AN ORDINANCE GRANTING TO MID-OHIO ENERGY COOPERATIVE, INC., ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO ACQUIRE, CONSTRUCT, MAINTAIN AND OPERATE IN THE STREETS, THOROUGHFARES, ALLEYS, BRIDGES AND PUBLIC PLACES OF THE CITY OF MARION, STATE OF OHIO AND ITS SUCCESSORS, LINES FOR THE DISTRIBUTION OF ELECTRIC POWER AND ENERGY TO PARTS OF THE CITY OF MARION AND THE INHABITANTS THEREOF FOR LIGHT, HEAT, POWER AND OTHER PURPOSES AND FOR THE TRANSMISSION OF THE SAME WITHIN, THROUGH OR ACROSS SAID CITY OF MARION, STATE OF OHIO, SUBJECT TO AND IN COMPLIANCE WITH THE CERTIFIED TERRITORIES FOR ELECTRIC SUPPLIERS ACT (OHIO REVISED CODE SECTIONS 4933.81 TO 4933.90).

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MARION, STATE OF OHIO:

SECTION 1. That Mid-Ohio Energy Cooperative, Inc. and its successors and assigns (hereinafter called "Grantee") are hereby granted the right, privilege, franchise and authority to acquire, construct, maintain and operate in, above, under, across and along the streets, thoroughfares, alleys, bridges, and public places (as the same now exist or may hereafter be laid out) of the City of Marion, State of Ohio, and its successors (hereinafter called "City"), lines for the distribution of electric energy, either by means of overhead or underground conductors, with all the necessary or desirable appurtenances to render public utility service in the City and to the inhabitants thereof by supplying electric power and energy to the City and to

the inhabitants thereof, and to persons or entities beyond the limits thereof, for light, heat, power or any other purposes or purpose for which electric power and energy is now or may hereafter be used, and the transmission of the same within, through or across the City; provided, however, that Grantee shall provide electric service hereunder only within: (1) the area or areas of the City either presently being provided electric service by Grantee, or which, at the date of this ordinance or any time thereafter, is included in the area or areas shown on maps filed with the Public Utilities Commission of Ohio which indicate the certified territory of the Grantee established pursuant to Sections 4933.81 to 4933.90 of the Revised Code of Ohio, and (2) any other area or areas annexed to the City after the date of this ordinance any portion of which is either being provided electric service by Grantee at the time of such annexation, or which, at the time of such annexation or at any time thereafter, is included within the Grantee's aforementioned certified territory.

SECTION 2. That in establishing and administering this franchise ordinance (and any other franchise ordinance granted by the City to any other grantee) in the area or areas described above (or in any other area or areas of the City) during the term of this franchise ordinance: (a) the City shall comply with and respect, and direct the Grantee and all other franchise grantees in the City to comply with and respect, the Certified Territories for Electric Suppliers Act (Ohio Revised Code Sections 4933.81 to 4933.90) and the exclusive certified territories established by the Public Utilities Commission of Ohio (PUCO) thereunder; and (b) it is not the intention of the City to establish competition for any component of retail electric service in any area or areas of the City, except for, in the case of the certified service territory of a for-profit electric supplier, any component of retail electric service that is a competitive retail electric service as defined under the Certified Territories for Electric Suppliers Act, and, in the case of the certified service territory of a not-for-profit electric supplier, any component of retail electric service that is a competitive retail electric service as a result of such not-for-profit electric supplier making the irrevocable filing with the PUCO to establish competition for such component of retail electric service under and in compliance with the Certified Territories for Electric Suppliers Act.

SECTION 3. That said lines and appurtenances shall be constructed so as to interfere as little as possible with the traveling public in its use of the streets, thoroughfares, alleys, bridges and public places of the City. The location of all poles and conduits shall be made under such reasonable supervision of the proper board or committee of the City government as permitted by law.

SECTION 4. That the rights, privileges and franchise hereby granted shall be in full force and effect for a period of Twenty-Five (25) years from the date of the passage of this ordinance, and shall automatically renew for additional periods of Twenty-Five (25) years, unless notice of termination is given by the City or the Grantee at least one (1) year prior to the end of the initial term or any renewal term.

That the rights, privileges and franchise hereby granted shall not be construed to be exclusive and the Council of the City hereby reserves the power to grant similar rights, privileges and franchises to any other person or persons, firm or firms, corporation or corporations, subject to and in compliance with Section 2 of this franchise ordinance.

SECTION 5. That said Grantee shall save the City harmless from any and all liability arising in any way from any negligence of Grantee in the erection, maintenance or operation of said lines for the distribution and transmission of electric power and energy.

SECTION 6. That whenever said Grantee shall begin the erection of any lines or equipment it shall promptly and diligently prosecute the work to completion and leave the streets, thoroughfares, alleys, bridges, and public places where such work is done in as good condition of repair as before such work was commenced.

SECTION 7. That wherever in this ordinance, reference is made to the City or the Grantee, it shall be deemed to include the respective successors or assigns of either; and all rights, privileges and obligations herein contained by or on behalf of said City, or by or on behalf of said Grantee, shall be binding upon, and inure to the benefit of the respective successors and assigns of said City, or of said Grantee, whether so expressed or not.

SECTION 8. That the City and the inhabitants thereof served by Grantee under this ordinance shall become members of the Grantee and shall be served at the rates and pursuant to the other terms and conditions of service of general applicability to the members of the Grantee as such rates and other terms and conditions of service are established by the members and the Board of Trustees of the Grantee from time to time.

SECTION 9. That this ordinance shall be accepted by the Grantee within sixty (60) days from the date of the passage of the same.

Passed by the Council _____, 20__

Signed by the Council _____, 20__

COUNCIL OF THE CITY OF MARION, OHIO

Mayor

Attest: _____

Clerk of Council

President of Council