

## ORDINANCE NO. 2025-01

### CONSUMERS ENERGY COMPANY GAS FRANCHISE ORDINANCE

AN ORDINANCE, granting to CONSUMERS ENERGY COMPANY, its successors and assigns, the right and authority to lay, maintain and commercially operate gas lines and related facilities including but not limited to mains, pipes, services and on, under, along, and across public places including but not limited to highways, streets, alleys, bridges, and waterways, and to conduct a local gas business in the TOWNSHIP OF LAKE, HURON COUNTY, MICHIGAN, for a period of thirty years.

THE TOWNSHIP OF LAKE ORDAINS:

SECTION 1. GRANT and TERM. The TOWNSHIP OF LAKE, HURON COUNTY, MICHIGAN, hereby grants to Consumers Energy Company, its successors and assigns, hereinafter called "Consumers" the right and authority to lay, maintain and commercially operate gas lines and related facilities including but not limited to mains, pipes, services and valves on, under, along, and across public places including but not limited to highways, streets, alleys, bridges, and waterways, and to conduct a local gas business in the TOWNSHIP OF LAKE, HURON COUNTY, MICHIGAN, for a period of thirty years.

SECTION 2. CONSIDERATION. In consideration of the rights, power and authority hereby granted by the Township, Consumers shall faithfully perform all things required by the terms hereof.

SECTION 3. CONDITIONS. No public place, highway, street, alley, bridge and waterway used by Consumers shall be obstructed longer than necessary during construction or repair, and shall be restored to the same order and condition as when work was commenced. All of Consumers' gas lines and related facilities shall be placed as not to unnecessarily interfere with the public's use of public places and the public right-of-way or streets. Consumers shall have the right to trim or remove trees if reasonably necessary in the conducting of such business.

SECTION 4. NOTICE. Consumers shall, in all instances not reasonably considered an emergency, give the Township forty-eight (48) hours written notice to the Township Hall at P O Box 429, Caseville, MI 48725, or as otherwise may be updated by the Township from time to time, before undertaking any work within the Township's public places, highways, streets, alleys, bridges and waterways. The notice must state the intended duration of any obstruction.

SECTION 5. CONSUMER LIABILITY, INDEMNIFICATION AND HOLD HARMLESS. Consumers shall at all times indemnify, keep and save the Township and its representatives, officers, agents, employees and contractors free and harmless from all claims for damages, loss, costs and expenses to which it may be subject by reason of the negligent construction, maintenance, actionable errors or omissions of the gas lines and related facilities hereby authorized. In case any action is commenced against the Township on account of the permission herein given, Consumers must, upon notice, defend the Township and save the Township and its representatives, officers, agents, employees and contractors and hold them harmless from all loss, costs, expenses and damage arising out of such negligent construction and maintenance.

SECTION 6. EXTENSIONS. Consumers shall construct and extend its gas distribution system within said Township, and shall furnish gas service to applicants residing therein in accordance with applicable laws, rules and regulations.

SECTION 7. FRANCHISE NOT EXCLUSIVE. The rights, power and authority herein granted, are not exclusive.

SECTION 8. RATES and CONDITIONS. Consumers shall be entitled to provide gas service to the inhabitants of the Township at the rates and pursuant to the conditions as approved by the Michigan Public Service Commission. Such rates and conditions shall be subject to review and change upon petition to the Michigan Public Service Commission.

SECTION 9. REVOCAATION. The franchise granted by this ordinance is subject to revocation upon sixty (60) days written notice by either party. Upon revocation this ordinance shall be considered repealed and of no effect past, present or future.

SECTION 10. MICHIGAN PUBLIC SERVICE COMMISSION JURISDICTION. Consumers remains subject to the rules and regulations of the Michigan Public Service Commission applicable to gas service in the Township and those rules and regulations preempt any term of any ordinance of the Township to the contrary.

SECTION 11. COMPLIANCE WITH LAWS. Consumers must comply with all applicable laws, statutes, ordinances, rules and regulations regarding the installation, construction, ownership or use of Consumer's gas lines and related facilities, whether federal, state or local, now in force or which are later promulgated. Before any installation is commenced, Consumers must secure all necessary permits, licenses and approvals from all appropriate departments, agencies, boards or commissions of the Township of other governmental agencies as required by law. Nothing in this Section shall be construed as a waiver by Consumers or the Township of any of their existing or future rights to contest any statute, ordinance or regulation which either believes is unlawful or invalid.

SECTION 12. NO LIABILITY. The Township and its representatives, officers, agents, employees and contractors are not liable to Consumer or to Consumer's customers for any interference with or disruption in the operation of Consumer's gas lines and related facilities for any damages arising out of Consumer's use of the public rights-of-way, except to the extent of the gross negligence or willful misconduct of the Township, its representatives, officers, agents, employees and contractors.


SECTION 13. NO ASSIGNMENT. Consumer may not assign this franchise to any other person, firm or corporation without the prior written approval of the Township except that an assignment to a corporate affiliate of Consumer, which corporate affiliate is controlled by Consumer, will not be considered an assignment for the purposes of this franchise. The Township may not unreasonably withhold its consent to an assignment if the assignee is financially able to carry out the Consumer's obligations under this franchise.

SECTION 14. REIMBURSEMENT. Within thirty (30) days of receiving a bill from the Township for the costs of publication of this ordinance, Consumers shall reimburse the Township for such publication costs.

SECTION 15. REPEALER. This ordinance, when enacted, shall repeal and supersede the provisions of any previous Consumers' gas franchise ordinance adopted by the Township including any amendments.

SECTION 16. EFFECTIVE DATE. This ordinance shall take effect on March 30, 2025. Prior to the effective date, Consumers shall file its written acceptance with the conditions and provisions hereof.

We certify that the foregoing Franchise Ordinance was duly enacted by the Township Board of the TOWNSHIP OF LAKE, HURON COUNTY, MICHIGAN, on the February 24, 2025.

  
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Valerie McCallum, Township Supervisor

Attest:

I, Lisa Clinton, Clerk of the TOWNSHIP OF LAKE, HURON COUNTY, MICHIGAN, DO HEREBY CERTIFY that the ordinance granting Consumers Energy Company, a gas franchise, was properly adopted by the Township Board of the TOWNSHIP OF LAKE, HURON COUNTY, MICHIGAN, and that all proceedings were regular and in accordance with all legal requirements.


  
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Lisa Clinton, Township Clerk

Dated: February 24, 2025

**ACCEPTANCE**

The franchise granted by this Ordinance is hereby accepted and agreed to by Consumers on March 7, 2025, pursuant to the terms and conditions set forth in the foregoing.

Consumers Energy Company

By:   
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Robert F. Marvin

Its: Attorney for Consumers Energy Company