

ORDINANCE 98- 3

AN ORDINANCE TO AMEND IN PART AN ORDINANCE STYLED "AN ORDINANCE GRANTING TO SUPERIOR ENERGY COMPANY, LLC, A LIMITED LIABILITY COMPANY, ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF MICHIGAN, ITS SUCCESSORS AND ASSIGNS THE NON-EXCLUSIVE 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 ONEKAMA, MICHIGAN, FOR A PERIOD OF THIRTY (30) YEARS;" AND TO REPEAL ALL OTHER ORDINANCES IN CONFLICT HEREWITH.

THE TOWNSHIP OF ONEKAMA, MANISTEE COUNTY, MICHIGAN, ORDAINS:

Section 1. Section 4 of the Ordinance styled "An Ordinance granting to Superior Energy Company, LLC, a limited liability company, organized and existing under the laws of the State of Michigan, its successors and assigns, the non-exclusive 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 Onkama, Michigan, for a period of thirty (30) years," adopted by the Township of Onkama, Michigan, on the 3rd day of August, 1998 (the "Franchise Ordinance"), is hereby amended to read in its entirety, as follows:

Section 4 - Standards and Conditions of Service: Rules, Regulations and Rates.

The Company is now under the jurisdiction of the Township. It is the intent of the Company and the Township that any and all rate adjustments be subject to "HOME RULE," and that the Township be a Home Rule jurisdiction as defined by MCL 460.54, Public Act 419 of 1919.

The monthly commodity charge for gas per Ccf (100 cubic feet) shall be fixed at 1.23 times the average commodity charge of all gas utilities in Michigan, for a like class of customers, as reported monthly by the Michigan Public Service Commission in its report entitled Residential Rate Comparisons or a successor publication containing the same information. The commodity charge shall include gas cost recovery charge, distribution charge, and any and all other charges, factors and

surcharges now or hereafter made on a per-unit-of-gas basis. Late payment charges will be assessable by the Company.

The monthly customer service charge shall be fixed at 1.23 times the average customer service charge of all gas utilities in Michigan, for a like class of customers, not to exceed \$9.00 per month for residential customers, as reported monthly by the Michigan Public Service Commission in the Residential Rate Comparison or a successor publication containing the same information. The customer service charge shall include all monthly customer service charges and any and all other charges for service not on a per unit of gas basis, together with any special charge and any late payment charge.

The charge to connect to the Company's service line (hook up charge) will be determined by measuring the horizontal distance from the customer's lot line to the meter location established by the Company. Such charge, as set forth in the Company's Rules and Regulations, shall be a flat charge of \$470.00 or \$200.00 plus \$25.00 per month for 12 months for the first 100 feet or less. There will be a charge of \$4.00 per foot for each foot in excess of 100 feet.

The rates provided for in this franchise shall be increased to reflect any new or increased specific tax, fee or excise tax applicable within the Township, not incorporated in the current rate. The rates provided in this franchise are exclusive of Michigan State Sales Tax, which shall be added to bills as required by law.

HOME RULE, as applicable to this franchise, shall mean that all rates and charges are fixed in, and regulated by this franchise agreement.

Section 2. The Franchise Ordinance is hereby amended by adding a new Section 24, which shall read in its entirety, as follows:

Section 24. Amendments.

Notwithstanding any vote of the electors of the Township confirming the grant of this Franchise, the parties may, from time to time, agree to further amendments to the Franchise. Such amendments shall be adopted as amendments to this Ordinance and upon acceptance by the Company and publication is required by law, shall become a part of the Franchise.

Section 3. All other ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. This Ordinance shall be effective, in accordance with Section 6 of the Franchise Ordinance.


THOSE VOTING IN FAVOR:

Harold Sorenson
David Meister
Blanche Miller
Helen Mathieu
Tina Garwood

THOSE VOTING AGAINST: None.

THOSE ABSENT OR ABSTAINING: None.

ORDINANCE DECLARED PASSED.


Township Clerk

CERTIFICATION

I, Helen Mathieu, Clerk of Onekama Township, Manistee County, Michigan, do hereby **CERTIFY** that the foregoing is a true and correct copy of the Ordinance adopted by the Township Board at the Township of Onekama, at a special meeting held on the 21st day of September, 1998.


Township Clerk