

To the City of Sidney

Richland County, Montana

Montana-Dakota Utilities Co., a corporation, having its principal place of business at 400 North Fourth Street, Bismarck, North Dakota 58501, hereby makes application for a franchise, granting to it the right to construct, maintain and operate within and upon, in and under the streets, alleys and public grounds of your municipality a gas transmission and distribution system for transmitting and distributing natural or manufactured gas, or a mixture of both for public and private use in the City of Sidney, Montana. The extent and conditions of such rights and privileges are more fully set forth in the attached copy of the proposed gas franchise ordinance.

The Company respectfully requests that you take the necessary steps for the granting of such franchise.

MONTANA-DAKOTA UTILITIES CO.

By  \_\_\_\_\_  
Regan Brilz  
Region Director

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE GRANTING TO MONTANA-DAKOTA UTILITIES CO., A CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE FRANCHISE AND RIGHT TO CONSTRUCT, MAINTAIN AND OPERATE, WITHIN AND UPON, IN AND UNDER THE STREETS, ALLEYS AND PUBLIC GROUNDS OF THE CITY OF SIDNEY, RICHLAND COUNTY, MONTANA A NATURAL GAS TRANSMISSION AND DISTRIBUTION SYSTEM FOR TRANSMITTING AND DISTRIBUTING NATURAL OR MANUFACTURED GAS, OR A MIXTURE OF BOTH, FOR PUBLIC AND PRIVATE USE.

BE IT ORDAINED BY

THE CITY COUNCIL, CITY OF SIDNEY, RICHLAND COUNTY, MONTANA

SECTION I. For convenience, herein, said municipal corporation is designated and referred to as "Municipality" and Montana-Dakota Utilities Co. is designated and referred to as "Grantee." Any reference to either includes their respective successors and assigns.

SECTION II. There is hereby granted to Montana-Dakota Utilities Co., a corporation, Grantee, its successors and assigns, subject to the limitations herein stated, the right and franchise to occupy now and use the streets, alleys and public grounds of the Municipality as now, or hereafter constituted, for the purpose of constructing, maintaining, and operating, within, upon, in and under the same, a natural gas transmission and distribution system for transmitting and distributing natural or manufactured gas, or a mixture of both, for public and private use.

SECTION III. Grantee shall maintain an efficient distribution system for furnishing natural or manufactured gas, or a mixture of both, for public and private use at such reasonable rates as may be approved by the Public Service Commission of the State of Montana and under such orders, rules or regulations as may be issued by a federal or state agency having jurisdiction thereof.

SECTION IV. This franchise shall not be exclusive and shall not be construed to prevent the Municipality from granting to any other party the right to use the streets, alleys, and public grounds of the Municipality for like purposes.

SECTION V. The Municipality reserves any right it may have, under its police power, or otherwise, to control or regulate the use of said streets, alleys, and public grounds by Grantee. This section shall not affect the right of Company to receive compensation for the expense of changing, removing or relocating its facilities located in private right of way. Further, if at any time said Municipality shall vacate any street, alley or public grounds in which Company's facilities are located, an alternate route or private property easement shall be provided to Company. Company shall not be required to

relocate facilities when any street, alley or public grounds in which they are located is vacated for the convenience of abutting property owners or another private party and not as an incident to the public improvement, unless the reasonable cost of such relocation and the loss and expenses resulting therefrom is first paid to Company.

SECTION VI. Unless otherwise provided in any permit or regulation of the Municipality under separate ordinance, Grantee may trim trees and shrubs in and over the streets, alleys and public grounds to the extent Grantee determines is necessary to avoid interference with the construction, operation, maintenance and repair of the natural gas transmission or distribution facilities.

SECTION VII. Grantee shall indemnify and save and hold the Municipality harmless from any loss or damage due to the construction, installation, and maintenance of its distribution system, and its use of the streets, alleys, and public grounds of the Municipality; however, Grantee shall not be required to indemnify and save or hold the Municipality harmless from loss or damage to the extent such loss or damage is caused by the acts, omissions, or negligence of the Municipality, its employees, assigns, agents, contractors, or other persons under its direction or control.

SECTION VIII. Grantee shall have the right to assign this franchise to any party, or corporation, but all obligations of Grantee hereunder shall be binding upon its successors and assigns.

SECTION IX. Within thirty (30) days after Grantee is notified of passage and final approval of this Ordinance, Grantee shall file with the clerk or auditor of the Municipality its written acceptance of this franchise.

SECTION X. This franchise shall continue and remain in full force and effect for a period of twenty-five (25) years from the date upon which this ordinance shall become effective as provided by law.

Passed the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

ATTEST: \_\_\_\_\_  
Auditor

\_\_\_\_\_  
Mayor-Chairman

(Seal of the Municipality)