

An Ordinance granting to INTERSTATE POWER AND LIGHT COMPANY, ("Company"), its successors and assigns, the right and franchise to acquire, construct, erect, maintain and operate in the City of Jefferson, Greene County, Iowa, works and plants for the manufacture and generation of electricity and a distribution system for electric light, heat and power and the right to erect and maintain the necessary poles, lines, wires, conduits and other appliances for the distribution of electric current along, under and upon the streets, avenues, alleys and public places in the City of Jefferson, Greene County, Iowa; also the right to erect and maintain upon the streets, avenues, alleys and public places, electric lines through the said City of Jefferson, Greene County, Iowa, to supply individuals, corporations, communities and municipalities both inside and outside of said City with electric light, heat and power for the period of twenty-five (25) years, subject to a right of cancellation at the end of the tenth (10), fifteenth (15), and twentieth (20) year anniversaries of the "Anniversary Date", and granting to said Company the right of eminent domain as provided in Section 364.2 of the Code of Iowa.

BE IT ORDAINED BY THE City Council of the City of Jefferson, Greene County, Iowa:

Section 1. There is hereby granted to INTERSTATE POWER AND LIGHT COMPANY, hereinafter referred to as the "Company," its successors and assigns, the right and franchise to acquire, construct, erect, maintain and operate in the City of Jefferson, Greene County, Iowa, works and plants for the manufacture and generation of electricity and a distribution system for electric light, heat and power and the right to erect and maintain the necessary poles, lines, wires, conduits and other appliances for the distribution of electric current along, under and upon the streets, avenues, alleys and public places in the said City of Jefferson, Greene County, Iowa; also the right to erect and maintain upon the streets, avenues, alleys and public places, electric lines through the said City of Jefferson, Greene County, Iowa, to supply individuals, corporations, communities, and municipalities both inside and outside of said City with electric light, heat and power for the term provided herein.

Section 2. The poles, wires and appliances shall be placed and maintained so as not to unnecessarily interfere with the travel on said streets, alleys, and public places in said City nor unnecessarily interfere with the proper use of the same, including ordinary drainage, or with the sewers, underground pipe and other property of the City, and the said Company, its successors and assigns shall hold the City free and harmless from all damages arising from the negligent acts or omissions of the Company and its contractors and other agents in the erection, operation or maintenance of said system.

Section 3. In making any excavations in any street, alley, avenue or public place, Company, its successors and assigns, shall protect the site while work is in progress by guards, barriers or signals, shall not unnecessarily obstruct the use of the streets, shall back fill all openings in such manner as to prevent settling or depressions in surface, pavement or sidewalk of such excavations with same materials, restoring the condition as nearly as practical and if defects are caused shall repair the same.

Section 4. The Company shall, at its cost and expense, locate and relocate its existing facilities or equipment in, on, over or under any public street or alley in the City in such a manner as the City may at any time reasonably require for the purposes of facilitating the construction, reconstruction, maintenance or repair of the street or alley or any public improvement of, in or about any such street or alley or reasonably promoting the efficient operation of any such improvement. If the City orders or requests the Company to relocate its existing facilities or equipment for the primary benefit of a commercial or private project, or as the result of the initial request of a commercial or private developer or other non-public entity, the Company shall receive payment for the cost of such relocation as a precondition to relocating its existing facilities or equipment. The City shall consider reasonable alternatives in designing its public works projects so as not arbitrarily to cause the Company unreasonable additional expense in exercising its authority under this section. The City shall also provide a reasonable alternative location for the Company's facilities. Vacating a public right-of-way shall not deprive the Company of its right to continue to operate and maintain existing facilities.

Section 5. The City grants to the Company the power to condemn property for the purpose of providing electric utilities to the extent necessary to serve a public use and in a reasonable relationship to an overall plan of transmitting electricity in the public interest. The Company shall consult with the City in advance of the exercise of such right so as to minimize the impact of such taking.

Section 6. The Company, its successors and assigns, shall furnish and install all meters at its own expense, and shall provide the service wire to buildings as set forth in the Company's tariff filed with the Iowa Utilities Board.

Section 7. The system authorized by this Ordinance shall be modern and up-to-date and shall be of sufficient capacity to supply all reasonable demands of said City and its inhabitants thereof and shall be kept in a modern and up-to-date condition.

Section 8. The franchise granted by this Ordinance shall not be exclusive.

Section 9. Service to be rendered by the Company under this franchise shall be continuous unless prevented from doing so by fire, Acts of God, unavoidable accidents or casualties, or reasonable interruptions necessary to properly service the Company's equipment, and in such event service shall be resumed as quickly as is reasonably possible.

Section 10. The term of the franchise granted by this Ordinance and the rights granted thereunder shall continue for the period of twenty-five (25) years from and after its acceptance by the said Company, as herein provided, except that the City may cancel this franchise on the tenth (10), fifteenth (15) or twentieth (20) anniversary of the Anniversary Date of this franchise by notifying Company in writing of its desire to do so, said notification to be given within ninety (90) days of the tenth (10), fifteenth (15) or twentieth (20) anniversary respectively of this franchise. If Company is not notified of the cancellation by the tenth (10), fifteenth (15) or twentieth (20) anniversary then this franchise shall continue without cancellation until the twenty-fifth (25) year. The Anniversary Date shall be the date this franchise is filed with the City Clerk or otherwise effective by operation of law.

Section 11. Franchise fee. In its monthly billing Company shall include a franchise fee of zero percent (0%) on the gross receipts from the sale of electricity for customers within the limits of the City of Jefferson, Greene County, Iowa. The Company shall commence collecting the zero percent (0%) franchise fee on the date of January 1 or July 1, following six months from the date the acceptance of this Ordinance by the Company is filed with the City Clerk. The franchise fee may increase up to a maximum of 5% on or after January 1, 2009. The Grantor shall give the Company a minimum 6-month notice prior to the request to implement an increase in the franchise fee. Grantor shall be solely responsible for the proper use of any amounts collected as franchise fees, and shall only use such fees as collected for a purpose as allowed by applicable law. Collection of the franchise fee shall cease at the earlier of The City's repeal of the franchise fee or the end of the Ordinance term.

Section 12. The franchise fee shall be applied to all customers' bills in accordance with Iowa Code Chapter 364.2(f) and 423B.5. The Company shall not grant exemptions or refunds of the franchise fee beyond that granted by the Code of Iowa. If at any time the Iowa Utilities Board or another authority have proper jurisdiction, prohibits the collection or payment of a franchise fee, the Company shall be relieved of its obligation to collect and pay to the City the franchise fee.

Section 13. The franchise fee shall include an additional charge equal to 0.06 percent (0.06%) on the gross receipts from the sale of electricity for customers within the limits of the City of Jefferson, Greene County, Iowa. Said additional charge will cover the administrative and related expenses incurred by Company to accommodate City's franchise fee and shall only apply when a franchise fee is being collected pursuant to Section 11.

Section 14. City agrees that Company's obligations related to the franchise fee are limited to those obligations set forth in Sections 11, 13, and 17 herein. City further agrees to bear all costs (including attorney fees), and to defend, indemnify and hold Company harmless from any and all liability, claims or causes of action associated with disputes related to the billing and/or collection of the franchise fee, provided that the City shall not be obligated to bear such costs or to defend, indemnify and hold Company harmless if such disputes arise from claims of inaccurate billing by the Company.

Section 15. Upon receipt of a final and unappealable order or approval authorizing annexation, or changes in the limits of said City, the City Clerk shall provide written notification to an officer of Company of such annexation or change in the limits of said City, and the Company shall apply the franchise fee to its customers who are affected by the annexation or change in the limits of the City, commencing six (6) months from receipt of the written notice.

Section 16. The sum of such additional charges for the franchise fee and any additional charges related to Sections 11 and 13 above shall be shown separately on the utility bill to each customer.

Section 17. The Company shall remit collected franchise fees to the City on a quarterly basis, within thirty (30) days after last day of the last revenue month of the quarter.

Section 18. That said franchise fee shall be in lieu of any other payments to the City for the Company's use of streets, avenues, alleys and public places in the said City and other administrative or regulatory costs with regard to said franchise; and said poles, lines, wires, conduits and other appliances for the distribution of electric current along, under and upon the streets, avenues, alleys and public places in the said City to supply individuals, corporations, communities, and municipalities both inside and outside of said City with electric light, heat and power shall be exempt from any special tax, assessment, license or rental charge during the entire term of this ordinance.

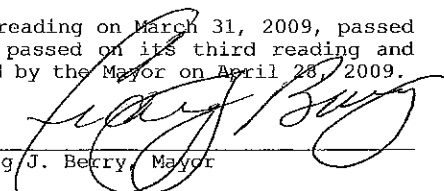
Section 19. Upon reasonable request the Company shall timely provide to the City, on a project specific basis, maps and information indicating the horizontal location, relative to the boundaries of the right-of-way, of all equipment which it owns or over which it has control and which is located in the project right-of-way. Mapping information provided shall be for the exclusive use of the City in the administering the use and occupancy of the public rights-of-way within the city and shall not be provided to or relied on by any person for any other purpose. At the request of the City mapping information will be reviewed with the City staff. Prior to any excavation by the City, or its agents, in addition to its responsibilities under the current Iowa One-Call System, or any successor system, City representatives must contact the Company regarding current information on the location of underground natural gas lines in the area concerned. Prior to excavating in the rights-of-way both parties shall contact and shall follow the procedures therefor of the corporation organized pursuant to Iowa Code Chapter 480 or an entity with a similar function utilized by both the City and the Company, currently the Iowa One-Call System. Any map or section thereof provided to City must be returned immediately to Company upon completion of project. All requests for Company maps must follow Company processes and applicable state and federal regulations and protocols.

Section 20. The expense of the publication of this Ordinance shall be paid by the Company.

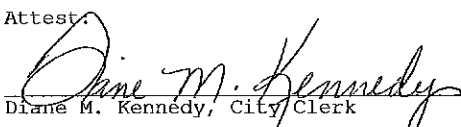
Section 21. The franchise granted by this Ordinance shall be conditioned upon acceptance by the Company in writing. The acceptance shall be filed with the City Clerk within ninety (90) days from passage of this Ordinance.

Section 22. This Ordinance sets forth and constitutes the entire agreement between the Company and the City of Jefferson with respect to the rights contained herein, and may not be superceded, modified or otherwise amended without the approval and acceptance of the Company. Upon acceptance by the Company, this Ordinance shall supersede, abrogate and repeal the prior electric system ordinance between the Company and the City of Jefferson as of the date this Ordinance is accepted by the Company. Notwithstanding the foregoing, in no event shall the City of Jefferson enact any ordinance or place any limitations, either operationally or through the assessment of fees, that create additional burdens upon the Company, or which delay utility operations.

Passed by the City Council on its first reading on March 31, 2009, passed on its second reading on April 14, 2009, and passed on its third reading and finally adopted on April 28, 2009; and approved by the Mayor on April 28, 2009.


  
Craig J. Betsy, Mayor

Attest.

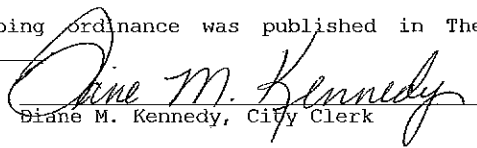
  
Diane M. Kennedy, City Clerk

ACCEPTED by the Company on June 1, 2009

INTERSTATE POWER AND LIGHT COMPANY

By   
Name: Vern Gebhart  
Title: Vice President

I hereby certify that the foregoing ordinance was published in The Jefferson Herald on June 11, 2009

  
Diane M. Kennedy, City Clerk



Interstate Power and Light Co.  
An Alliant Energy Company

Alliant Tower  
200 First Street SE  
P.O. Box 351  
Cedar Rapids, IA 52406-0351

Office: 1.800.822.4348  
www.alliantenergy.com

**ACCEPTANCE**

TO THE CITY CLERK  
TOWN OF JEFFERSON, IOWA:

Interstate Power and Light Company hereby accepts the electric franchise granted it by Ordinance No. 511 of the City of Jefferson, Iowa. This Acceptance is intended to be in accordance and compliance with the terms and provisions of said Ordinance.

Dated this 18<sup>th</sup> day of June, 2009

INTERSTATE POWER AND LIGHT COMPANY

By:

Vern A. Gebhart Jr.

Title: Vice President – Energy Delivery Operations West

ATTEST:



I, Diane M. Kennedy, City Clerk of the City of Jefferson, Iowa, do hereby certify that on the 5<sup>th</sup> day of June, 2009 there was filed in my office by Interstate Power and Light Company, the Acceptance of the electric franchise granted by Ordinance No. 511 of the City of Jefferson, Iowa, and that the foregoing is a true copy of said Acceptance so signed.

Dated at Jefferson, Iowa, this 10<sup>th</sup> day of June, 2009.

  
City Clerk of the City of Jefferson, Iowa

(SEAL)