

ORDINANCE NO. 531

An Ordinance granting to ITC MIDWEST LLC, a wholly owned subsidiary of ITC HOLDINGS CORP., its successors and assigns (the "Company"), the right and franchise to acquire, construct, erect, maintain and operate in the City of Jefferson, Greene County, Iowa (the "City"), a transmission system for electric power and the right to erect and maintain the necessary poles, lines, wires, conduits and other appliances for the transmission of electric current along, under and upon the streets, avenues, alleys and public places in the City of Jefferson, Greene County, Iowa; granting the right to erect and maintain upon the streets, avenues, alleys and public places, transmission lines through the City of Jefferson, Greene County, Iowa, for the period of twenty-five (25) years; subject to a right of cancellation at the end of the tenth (10th), fifteenth (15th), and twentieth (20th) year anniversaries of the Anniversary Date, and granting 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. Grant.

There is hereby granted to the Company the right and franchise to acquire, construct, erect, maintain and operate in the City of Jefferson, Greene County, Iowa, a transmission system for electric power and the right to erect and maintain the necessary poles, lines, wires, conduits and other appliances or equipment and substations for the transmission of electric current (collectively, the "Facilities") 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, transmission lines through the City of Jefferson, Greene County, Iowa.

Section 2. Indemnification.

The Facilities shall be placed and maintained so as not to unnecessarily interfere with the travel on the streets, alleys, and public places in the 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 Company 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 and maintenance of the transmission system.

Section 3. Relocation.

Except as provided herein below, the Company shall, at its cost and expense, locate and relocate its Facilities in, on, over or under any public street or alley in the City of Jefferson 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 Facilities 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, and such relocation is necessary to prevent interference and not merely for the convenience of the City or other non-public entity, the Company shall receive payment for the cost of such relocation as a precondition to relocating its Facilities. 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 alternate location for the Company's Facilities. Vacating a public right-of-way shall not deprive the Company of its right to operate and maintain existing Facilities until the reasonable cost of relocating the same are paid to the Company.

Section 4. Eminent Domain.

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 5. Modern System.

The system authorized by this Ordinance shall be modern and up-to-date and shall be kept in a modern and up-to-date condition.

Section 6. Pruning.

To promote public safety in proximity to its Facilities and to maintain electric reliability, the Company is authorized and empowered to prune or remove at Company expense any trees or shrubs or parts

thereto extending into any street, alley, right-of-way or public grounds. The pruning shall be completed in accordance with the then-current nationally accepted safety and utility industry standards, as revised and updated from time to time.

Section 7. Continuous Service.

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 8. Non-exclusivity.

The franchise granted by this Ordinance shall not be exclusive.

Section 9. Severability.

If any section, provision, or part of this Ordinance shall be adjudged to be invalid or unconstitutional, such adjudication shall not affect the validity of the Ordinance as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

Section 10. Term of Agreement.

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 Company, as herein provided, except that the City may cancel this franchise on the tenth (10th), fifteenth (15th), and twentieth (20th) year anniversaries 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 in the manner provided above by the tenth (10), fifteenth (15) or twentieth (20) anniversary then this franchise shall continue until the twenty-fifth (25) year. The "Anniversary Date" shall be the date this franchise is filed with the City Clerk or otherwise becomes effective by operation of law.

Section 11. Mapping.

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 12. Publication Expenses.

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

Section 13. Repeal of Conflicting Ordinances.

All ordinances, or parts of ordinances, insofar as they are in direct conflict herewith, are hereby repealed.

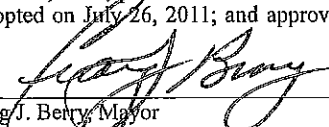
Section 14. Acceptance.

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 the passage of this Ordinance.

Section 15. Closing.

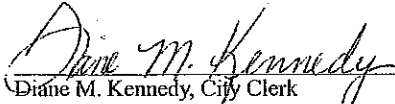
This Ordinance sets forth and constitutes the entire agreement between the Company and the City of Jefferson with respect to the rights contained herein, and may not be superseded, modified or otherwise amended without the approval and acceptance of the Company. Upon acceptance by the Company, this Ordinance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

Passed by the City Council on its first reading on June 28, 2011, passed on its second reading on July 12, 2011, and passed on its third reading and finally adopted on July 26, 2011; and approved by the Mayor on July 26, 2011.



Craig J. Berry, Mayor


Attest:



Diane M. Kennedy, City Clerk

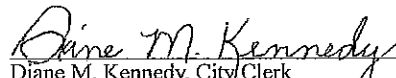
ACCEPTED by the Company on August 15, 2011

ITC MIDWEST LLC

By 

Name: Douglas C. Collins
Title: President

I hereby certify that the foregoing ordinance was published in The Jefferson Herald on August 25, 2011.



Diane M. Kennedy, City Clerk