

TITLE VI - REGULATION OF BUSINESS AND VOCATIONS  
FRANCHISESCHAPTER 152  
NATURAL GAS FRANCHISE

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152.01 FRANCHISE GRANTED There is hereby granted to INTERSTATE POWER & LIGHT COMPANY, hereinafter referred to as the "Company," its successors and assigns, the right, franchise and privilege for the term of twenty-five (25) years from and after the passage, adoption, approval and acceptance of the ordinance codified by this chapter, to lay down, maintain and operate the necessary pipes, mains and other conductors and appliances in, along and under the streets, avenues, alleys and public places in the City of Vinton, Benton County, Iowa as now or hereafter constituted for the purpose of distributing, supplying and selling gas to said City and the residents thereof and to persons and corporations beyond the limits thereof; also the right of eminent domain as provided in Section 364.2 of the Code of Iowa. The term "gas" as used in this franchise shall be construed to mean natural gas only.

152.02 MAINS AND PIPES; INDEMNIFICATION. The mains and pipes of the Company must be so placed as not to interfere unnecessarily with water pipes, drains, sewers and fire plugs which have been or may hereafter be placed in any street, alley 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 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 in the laying down, operation and maintenance of said natural gas distribution system.

152.03 EXCAVATIONS. 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, and shall replace the 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.

152.04 SERVICE REQUIREMENTS. Said Company, its successors and assigns, shall throughout the term of the franchise distribute to all consumers gas of good quality and shall furnish uninterrupted service, except as interruptible service may be specifically contracted for with consumers; provided, however, that any prevention of service caused by fire, act of God or unavoidable event or accident shall not be a breach of this condition if the Company resumes service as quickly as is reasonably practical after the happening of the act causing the interruption.

152.05 NONEXCLUSIVE. The franchise granted by this chapter shall not be exclusive.

152.06 FRANCHISE FEE. The Company shall collect a franchise fee of one percent (1%) on the gross receipts from the sale of natural gas for customers within the limits of the City of Vinton, Benton County, Iowa. The Company shall commence collecting the 1% franchise fee on the date of January 1 or July 1, following six months from the date the acceptance of the franchise by the Company is filed with the City Clerk. Collection of the franchise fee shall cease at the end of the franchise term. The franchise fee shall be added on to the charges incurred by the Company's customers for the purchase of natural gas within the limits of the City of Vinton.

152.07 FRANCHISE FEE APPLICATION. The franchise fee shall be applied to all customers' bills in accordance with Iowa Code Chapter 364.2(f), 422B.8 and 422E.2(3). The Company shall not grant exemptions or refunds of the franchise fee beyond that granted by the Code of Iowa.

152.08 ADDITIONAL CHARGE. The Company shall impose an additional charge equal to three percent (3%) of the franchise fee paid pursuant to Section 152.07, to be added on to the charges the Company bills its customers within the limits of the City of Vinton, Benton County, Iowa. Said additional charge shall cover the Company's accounting and miscellaneous costs of collection. Such additional charges constitute a part of such charges and shall be a debt from customers to Company until paid, and shall be recoverable at law in the manner as other debts.

152.09 ANNEXATION. 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.

152.10 UTILITY BILL. The sum of such additional charges for the franchise fee and any additional charges related to Section 152.07 and/or 152.09 above shall be shown separately on the utility bill to each customer.

152.11 FRANCHISE FEES REMITTED TO CITY. 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.

152.12 FRANCHISE FEE IN LIEU OF OTHER PAYMENTS. 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 pipes, mains, and other conductors and appliances in, along and under the streets, avenues, alleys and public places in the said City for the purpose of distributing, supplying and selling gas to said City and the residents thereof and to persons and corporations beyond the limits thereof shall be exempt from any special tax, assessment, license or rental charge during the entire term of this franchise.

152.13 TERM OF FRANCHISE. The term of the franchise granted by this chapter 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.

152.14 ENTIRE AGREEMENT. This chapter sets forth and constitutes the entire agreement between the Company and the City of Vinton with respect to the rights contained herein, and may not be superceded, modified or otherwise amended without the approval and acceptance of the Company. Notwithstanding the foregoing, in no event shall the City of Vinton enact any ordinance or place any limitations, either operationally or through the assessment of fees other than those approved and accepted by the Company within this chapter that create additional burdens upon the Company or which delay utility operations.

#### EDITOR'S NOTE

Ordinance No. 896, granting a franchise to Interstate Power and Light Company, was adopted by the Council on April 22, 2004.

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