

Chapter 13.1

NORTHWESTERN ENERGY, NON-EXCLUSIVE FRANCHISE

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13.1.1 Franchise Granted.

There is hereby granted to NorthWestern Corporation d/b/a NorthWestern Energy, its successors, and assigns ("Franchisee"), the right, privilege, and franchise (collectively the "Franchise") under the terms contained herein to construct, equip, lay, maintain and operate in, under, upon, over and across the streets, avenues, alleys, highways, bridges, easements and other public places in the City of Harlowton, Montana, ("City"), as now or hereafter constituted, natural gas delivery facilities for the purposes of transporting, conveying, distributing, supplying and selling natural gas services for heat, power and other purposes. Such natural gas services shall be provided at rates fixed and allowed by the Montana Public Service Commission, and Franchisee agrees to make publicly available the schedules of rates thus fixed or allowed as required by the laws of Montana. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.2 Facilities Construction and Maintenance.

Franchisee agrees to construct and maintain all natural gas delivery facilities according to current industry standards and in compliance with all applicable codes, rules, regulations, statutes, and orders of local, state, and federal agencies having jurisdiction in such matters. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.3 Services to City.

Franchisee shall extend its natural gas delivery facilities to such parts of the City as the provision of Franchisee's natural gas services shall justify. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.4 Delivery of Services.

Franchisee, at all times during the existence of this Franchise, shall use its best efforts to obtain, deliver and supply a continuous, sufficient and adequate quantity of natural gas for use by said City and Franchisee's customers, provided, however, that Franchisee shall not be liable to said City or to Franchisee's customers because of the interruption or discontinuance of the supply of natural gas by causes beyond the reasonable control of Franchisee. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.5 Agreement to Not Discontinue Services.

Franchisee shall not discontinue the delivery of natural gas through its natural gas delivery facilities, or any portion thereof, for an unreasonable length of time for the purpose of making repairs and extensions, but Franchisee shall not be liable to the City or any of Franchisee's customers for damages caused by such temporary discontinuance or interruption of the delivery of natural gas, provided that such repairs and extensions are made with reasonable efforts. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.6 Maintenance of Facilities.

All work done in, under, upon, over, and across the present and future streets, avenues, alleys, highways, bridges, easements, and other public places in the City by Franchisee for the purposes of carrying out the provisions of this Franchise shall be done and performed in a professional manner. When any street, alley, or other public place in said City is excavated or damaged by Franchisee by reason of such work, Franchisee shall restore such street, alley, or public place to its former condition as early as practicable.

If at any time a change in the grade or plan of any street, alley, or public place shall be made by order of the proper City officials, Franchisee shall, without expense to the City, make such changes in the location of its natural gas delivery facilities as the change of the grade or plan of the street, alley, or public place makes necessary, which said changes shall be made as soon as possible after said Franchisee shall have received notice from the proper City official having the charge of the same. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.7 Hold Harmless.

Franchisee shall hold the City harmless from all costs and damages which shall or may accrue to said City by reason of the neglect, default, or misconduct of the Franchisee in connection with the exercise of its rights hereunder. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.8 Assignment.

Franchisee is hereby given the right and authority to make assignments of this Franchise, and its rights hereunder, provided all assignees agree to be bound to the same extent as the original Franchisee. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.9. Forfeiture of Franchise.

Except as provided in this paragraph, failure on the part of Franchisee to comply in any substantial respect with any provision of this Franchise shall be grounds for forfeiture thereof. No forfeiture shall take effect unless either (1) Franchisee agrees to the forfeiture, or (2) a court of competent jurisdiction (with a right of appeal in either party) has ruled that Franchisee failed to comply in a substantial respect with any provision of this Franchise and Franchisee has not cured the failure found by the court within six (6) months after the court's final order. The City Council, in its discretion, may grant additional time to Franchisee to cure the failure as it deems reasonable. (Enacted June 25, 2016, Ordinance No. 2-2016)

13.1.10 Term.

This Franchise shall be hereby granted for a term of ten (10) years commencing June 25, 2016. Thereafter, this Franchise will automatically renew every ten (10) years for an additional term of ten (10) years, unless cancelled by either party by written notice to the other party, no less than five (5) years prior to the end of the then current term. (Enacted June 25, 2016, Ordinance No. 2-2016)

