

AN ORDINANCE GRANTING TO QUESTAR GAS COMPANY, DBA DOMINION ENERGY UTAH A FRANCHISE FOR THE CONSTRUCTION, OPERATION AND MAINTENANCE OF A GAS DISTRIBUTION SYSTEM IN LAKE POINT, TOOELE COUNTY, STATE OF UTAH.

Questar Gas Company, dba Dominion Energy Utah, a Utah corporation (Dominion Energy Utah) desires to construct, maintain and operate a gas distribution system within the City of Lake Point (City); and

The City Council has determined that it is in the best interest of the citizens of the City and adjacent communities to grant a franchise to Dominion Energy Utah to use the roads and streets within the City for such purpose;

NOW THEREFORE the City Council ordains as follows:

1. **Grant of Franchise.** The City grants to Dominion Energy Utah a nonexclusive franchise (Franchise) to construct, maintain and operate in the present and future roads, streets, alleys, highways and other public rights-of-way within City limits, including any property annexed or otherwise acquired by the City after the effective date of this Franchise, (collectively, "Streets") a distribution system for furnishing natural and manufactured gas to the City and its inhabitants for heating and other purposes. Dominion Energy Utah shall have the right to erect, construct, equip and maintain along, over and under the Streets a system of mains, pipes, laterals, and related equipment ("Facilities") as are reasonably necessary for supplying gas service in accordance with this Franchise.

2. **Consideration.** In consideration of this Franchise, Dominion Energy Utah shall pay to the City the sum of \$50.00 upon acceptance of this Franchise and shall provide gas service in accordance with the terms of this Franchise.

3. **Term.** This Franchise is granted for an initial term of twenty (20) years. At the expiration of the initial term, the Franchise shall continue in effect upon the same terms and conditions for up to two additional terms (each of which is a renewal period) of fifteen (15) years each. The City may terminate the Franchise at the end of the initial term, or any renewal period, by giving Dominion Energy Utah written notice of the City's intent to so terminate not less than ninety (90) calendar days before the expiration of the initial term or any renewal period.

4. **Acceptance.** Within sixty (60) days after the passage of this ordinance, Dominion Energy Utah shall file with the City an unconditional written acceptance of the Franchise declaring its acceptance of the Franchise and its intention to be bound by the terms and conditions of the Franchise.

5. **Construction and Maintenance of Facilities.** All Facilities shall be constructed and installed so as to interfere as little as possible with traffic over and public use of the Streets and to cause minimum interference with the rights and reasonable convenience of property owners who adjoin any of the Streets. Dominion Energy Utah shall provide reasonable notice to City if proposed work requires the partial or complete closure of any of the Streets and the anticipated dates and times of such closure. All Facilities shall be constructed in accordance with established gas distribution construction practices and in a manner which protects the Facilities from all traffic loads. All Facilities that are installed during the term of the Franchise shall be sited without unreasonable additional cost to Dominion Energy Utah to be visually unobtrusive and to preserve the natural beauty and neighborhood aesthetics within the City limits.

Dominion Energy Utah shall repair, restore, or replace, at its own expense, any and all rights of way, pavements, sidewalks, street improvements, excavations, other facilities,

landscaping, or other improvements, public or private, that Dominion damages in the Franchise operations in accordance with the City's ordinances and subject to the City's approval.

6. **Compliance with Ordinances – Conflict.** Dominion Energy Utah shall comply with all City ordinances, regulations and requirements, including the requirement to obtain and comply with all permits required by the City pursuant to duly adopted ordinances and regulations, and Dominion Energy Utah shall pay all applicable excavation fees and charges that are or may be prescribed by the City with respect to the construction, maintenance and operation of all Facilities. Dominion Energy Utah shall be solely responsible and liable for its compliance with all traffic control, barricading, and other safety requirements and regulations applicable to its work within the Streets, regardless of whether such requirements are expressly made a condition of this Franchise or any permit issued by City. However, these obligations shall apply only as long as such ordinances, regulations, requirements, or fees are not preempted by or otherwise in conflict with any applicable statutory or constitutional law, rule or regulation, or the tariffs approved by regulatory bodies having jurisdiction over Dominion Energy Utah, including this Franchise and any lawful revisions made and accepted by Dominion Energy Utah during the term of the Franchise.

The City shall have the right to inspect the construction, operation, and maintenance of the Facilities, and the repair, restoration, and remediation of property or facilities damaged in connection with the construction, operation, and maintenance of the Facilities, to ensure the proper compliance with applicable City ordinances, regulations, and requirements. In the event Dominion Energy Utah should fail to comply with the terms of any City ordinance, regulation or requirement, the City shall give Dominion Energy Utah written notice of such non-compliance and the time for correction provided by ordinance or a reasonable time for correction if there is

no applicable ordinance. After written notice and failure of Dominion Energy to make correction, the City may, at its sole risk, make such correction itself and charge the cost to Dominion Energy Utah including any minimum cost provided by ordinance. Nothing in this Franchise limits Dominion Energy Utah's right to oppose any ordinance, either existing, proposed, or adopted from and after the effective date of this Franchise.

7. **Information Exchange.** Upon request by either the City or Dominion Energy Utah, as reasonably necessary, Dominion Energy Utah and the City shall meet for the purpose of exchanging information and documents regarding construction and other similar work within the City limits, with a view towards coordinating their respective activities in those areas where such coordination may prove mutually beneficial. Any information regarding future capital improvements that may involve land acquisition shall be treated with confidentiality upon request to the extent that the City may lawfully do so.

8. **Relocation.** Upon written notice to Dominion Energy Utah, the City may require the relocation and removal or reinstallation (collectively, "Relocation") of any Facilities located in, on, along, over, across, through, or under any of the Streets. After receipt of such written notice, Dominion Energy Utah shall diligently begin such Relocation of its Facilities as may be reasonably necessary to meet the City's requirements. The Relocation of Facilities by Dominion Energy Utah shall be at no cost to the City if (i) such request is for the protection of the public health, safety and welfare pursuant to lawful authority delegated to the City; (ii) the Facilities have been installed pursuant to this or any other Dominion Energy franchise and not pursuant to a property or other similar right, including, but not limited to, a right-of-way, grant, permit, or license from a state, federal, municipal or private entity; and (iii) the City provides a new location for the Facilities. Otherwise, a Relocation required by the City pursuant to such written

notice shall be at the City's expense. Following Relocation of any Facilities, Dominion Energy Utah may maintain and operate such Facilities in a new location within City limits without additional payment. If a City project is funded by federal or state monies that include an amount allocated to defray the expenses of Relocation of Facilities, then the City shall compensate Dominion Energy Utah up to the extent of such amount for any Relocation costs mandated by the project to the extent that the City actually receives or is otherwise authorized to direct or approve payment of such federal or state funds.

Notwithstanding the preceding paragraph, Dominion Energy Utah shall not be responsible for any costs associated with an authorized City project that are not attributable to Dominion Energy Utah's Facilities in the Streets. Subject to the cost division provisions of the Tariff, all such costs that are attributable to the location of facilities or property of utilities and other franchisees within a right of way, but not attributable to any particular entity shall be allocated among all utilities or other persons whose facilities or property are subject to Relocation due to an authorized City project.

9. **Terms of Service.** Dominion Energy Utah shall furnish gas service without preference or discrimination among customers of the same service class at reasonable rates, in accordance with all applicable tariffs approved by and on file with regulatory bodies having jurisdiction over Dominion Energy Utah, including revisions to such tariffs made during the term of the Franchise, and in conformity with all applicable constitutional and statutory requirements. Dominion Energy Utah may make and enforce reasonable rules and regulations in the conduct of its business, may require its customers to execute a gas service agreement as a condition to receiving service, and shall have the right to contract with its customers regarding the installation and operation of its Facilities. To secure safe and reliable service to the customers, and in the

public interest, Dominion Energy Utah shall have the right to prescribe the sizes and kinds of pipes and related Facilities to be used and shall have the right to refuse service to any customer who refuses to comply with Dominion Energy Gas' rules and regulations.

10. **Indemnification.** Dominion Energy Gas shall indemnify, defend and hold the City, its officers and employees, harmless from and against any and all claims, demands, liens, liabilities, damages, actions and proceedings arising from the exercise by Dominion Energy Utah of its rights under this Franchise, including its operations within City limits, and Dominion Energy Utah shall pay the reasonable cost of defense plus the City's reasonable attorneys' fees. Notwithstanding any provision to the contrary, Dominion Energy Utah shall not be obligated to indemnify, defend, or hold the City harmless to the extent that any underlying claim, demand, lien, liability, damage, action and proceeding arises out of or in connection with any act or omission of the City or any of its agents, officers or employees.

11. **Assignment.** Dominion Energy Utah may assign or transfer its rights and obligations under the Franchise to any parent, affiliate, or subsidiary of Dominion Energy Utah, to any entity having fifty percent (50%) or more direct or indirect common ownership with Dominion Energy Utah, or to any successor-in-interest or transferee of Dominion Energy Utah having all necessary approvals, including those from the Utah Public Service Commission or its successor, to provide utility service within the City limits. Otherwise, Dominion Energy Utah shall not transfer, assign or delegate any of its rights or obligations under the Franchise to another entity without the City's prior written approval, which approval shall not be unreasonably withheld or delayed. Inclusion of the Franchise as an asset of Dominion Energy Utah subject to the liens and mortgages of Dominion Energy Utah shall not constitute a transfer or assignment requiring the City's prior written consent.

12. **Designation of Representative.** The Parties respective designated representatives authorized to receive and respond to issues and inquiries by the other Party in connection with the Franchise are set forth below. The Parties may designate a new representative from time to time upon prior written notice to the City.

Questar Gas Company
Attn: Manager Key Accounts
P.O. Box 45360
Salt Lake City, Utah 84145-0360
Phone: 435.674.6122

Name: Lake Point City
Attn: Council Chair and Recorder
1528 Sunset Rd.
Lake Point, UT 84074
Phone: 801.725.5096

13. **Insurance.** The Company shall responsibly self-insure or maintain insurance to cover its obligations and liabilities as set forth in Section 10, in lieu of any insurance as may be required in any City ordinances.

14. **Bonding.** If City ordinance requires Dominion Energy Utah to post a surety bond, that section of the ordinance is expressly waived.

15. **Effect of Invalidity.** If any portion of this Franchise is for any reason held illegal, invalid, or unconstitutional, such invalidity shall not affect the validity of any remaining portions of this Franchise.

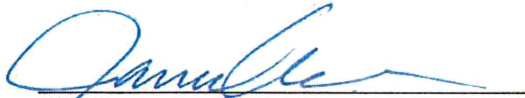
16. **Amendment.** This ordinance shall not be altered or amended unless mutually agreed upon in writing by Dominion Energy Utah and the City.

17. **Effective Date.** This ordinance shall become effective upon the date of acceptance by Dominion Energy Utah as established above.

APPROVED and ADOPTED this 5th day of January, 2024.

LAKE POINT

ATTEST:


City Recorder Jamie Olson

By: 
Chair Ryan Zumwalt

City Council Members

Jonathan Garrard

Ryan Zumwalt

Kathleen VonHatten

Doyle Garrard

Dan Crawford

Yea Nay Abstaining

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ACCEPTANCE OF FRANCHISE

This is to certify that Questar Gas Company, dba Dominion Energy Utah accepts the franchise for the construction, operation and maintenance of a gas distribution system granted by the Council of the City of Lake Point, Tooele County, State of Utah, as evidenced by an Ordinance and adopted by the Mayor and Council on January 5, 2024. Questar Gas Company, dba Dominion Energy Utah accepts the franchise as approved and agrees that it will be bound by and observe and carry out the terms and conditions of the franchise. This Acceptance of Franchise is signed on behalf of the corporation and by authority of a resolution of its Board of Directors.

Dated at Salt Lake City, Utah this 8th of January, 2024.

QUESTAR GAS COMPANY


Judd Cook
Vice President and General Manager of
Western Distribution