

SUMMARY OF
MOAB CITY
ORDINANCE NO. 2025-15

On October 14, 2025, the Moab City Council enacted Ordinance No. 2025-15, An Ordinance Granting to Quester Gas Company d/b/a Enbridge Gas Utah a Nonexclusive Franchise for the Construction, Operation, and Maintenance of a Natural Gas Distribution System Within the City of Moab, State of Utah.



By: Joette Langianese, Mayor

ATTEST



Sommar Johnson, Recorder

Voting:

Council Member Wojciechowski voting AYE
Council Member Topper voting AYE
Council Member Knuteson-Boyd voting AYE
Council Member Myers voting AYE
Council Member Taylor voting AYE

A complete copy of Ordinance No. 2025-15 is available in the Moab City offices located at 217 E. Center Street, Moab, UT 84532.

CITY OF MOAB ORDINANCE 2025-15

FRANCHISE ORDINANCE QUESTAR GAS COMPANY

AN ORDINANCE GRANTING TO QUESTAR GAS COMPANY d/b/a ENBRIDGE GAS UTAH A NONEXCLUSIVE FRANCHISE FOR THE CONSTRUCTION, OPERATION, AND MAINTENANCE OF A NATURAL GAS DISTRIBUTION SYSTEM WITHIN THE CITY OF MOAB, STATE OF UTAH.

WITNESSETH

WHEREAS, Questar Gas Company d/b/a Enbridge Gas Utah, a Utah corporation, (“**Company**” or “**Enbridge Gas**”), is a regulated public utility that provides natural gas distribution service; and

WHEREAS, Enbridge Gas desires to construct, maintain, and operate a natural gas distribution system within the City of Moab (the “**City**” or “**Moab**”); and

WHEREAS, providing a natural gas distribution system requires the installation, operation, and maintenance of pipelines and other gas transmission appurtenances to be located within or near the public rights-of-way; and

WHEREAS, Moab, acting pursuant to Utah Code Ann. § 10-8-21, has the authority to regulate natural gas distribution system facilities within its public rights-of-way and to grant to Enbridge Gas a general utility easement for the use thereof; and

WHEREAS, the Moab City Council has determined that it is in the best interest of the City’s citizens to grant a nonexclusive franchise to Enbridge Gas to use the roads and streets within the City for such purpose; and

WHEREAS, Moab desires to set forth the terms and conditions by which Enbridge Gas shall use its public rights-of-way.

NOW, THEREFORE, the Moab City Council ordains as follows (“**Ordinance**”):

FRANCHISE

SECTION 1. Grant of Franchise and General Utility Easement.

Moab grants to Company 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 Moab after the effective date of this Franchise, (collectively “**Streets**”) a distribution system for furnishing natural gas to the City and its inhabitants for heating and other purposes. Company will have the right, privilege, and authority to erect, construct, equip, maintain, upgrade, and relocate along, over, and under the Streets a system of mains, pipes, laterals, gas regulation stations, valves, valve boxes, and cathodic protection facilities, and related equipment (collectively “**Gas Facilities**”) as are reasonably necessary for supplying natural gas service in accordance with this Franchise.

SECTION 2. Nonexclusive Franchise.

Company’s right to use and occupy the Streets will be nonexclusive. Moab reserves the right to use the Streets for itself or any other entity that provides service to residences and business located within the City; provided, however, that such use will not unreasonably interfere with Company’s Gas Facilities or Company’s rights as granted within this Franchise.

SECTION 3. Term.

This Franchise is granted for an initial term of thirty (30) years. At the expiration of the initial term, the Franchise will 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. Moab may terminate the Franchise at the end of the initial term, or at the end of any renewal period, by giving Company 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

SECTION 4. Consideration.

In consideration of this Franchise, Company will pay to Moab the sum of \$50.00 upon acceptance of this Franchise and will provide natural gas service in accordance with the terms and conditions of this Franchise.

SECTION 5. Acceptance by Company.

5.1 Unconditional, Written Acceptance of Franchise.

Within sixty (60) days after the passage of this Ordinance, Company will file with the City Clerk/Recorder an unconditional written acceptance thereof, declaring its acceptance of the Franchise and its intention to be bound by the Franchise’s terms and conditions. Company will use the “Acceptance of Franchise” form provided herein for accepting the Franchise.

5.2 Failure to Accept within 60-Day Acceptance Period.

If Company fails to accept the Franchise within the prescribed 60-day acceptance period, this Ordinance and Franchise will be considered null and void.

SECTION 6. City Regulatory Authority.

In addition to the provisions contained in this Franchise, Moab reserves the right to adopt such additional ordinances and regulations as may be deemed necessary in the exercise of its police power for the protection of the health, safety, and welfare of its citizens and their properties, or exercise any other rights, powers, or duties required or authorized, under the Constitution of the State of Utah, the laws of Utah, Moab Municipal Ordinance, or other applicable law or regulation. Company reserves all lawful right to oppose or challenge any such ordinance or regulation as provided by law.

SECTION 7. Plan, Design, Construction, and Installation of Gas Facilities.

7.1 Compliance with City Ordinances.

Company will comply with all City ordinances, regulations, and requirements and will pay all applicable excavation fees and charges that are or may be prescribed by Moab, with respect to the construction, maintenance, and operation of all Gas Facilities.

7.1.1 Conflict.

However, these obligations will apply only so 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 Company, including this Franchise and any lawful revisions made and accepted by Company during the term of the Franchise.

7.2 Conformity with Gas Distribution Construction Practices.

All Gas Facilities will be constructed in accordance with established gas distribution construction practices and in such fashion as to protect the Gas Facilities from all traffic loads.

7.3 Visual Appearance of Installed Gas Facilities.

Without unreasonable additional cost to Company, all Gas Facilities that are installed during the term of the Franchise will be sited to be visually unobtrusive and to preserve the natural beauty and neighborhood aesthetics within City limits.

7.4 Right to Inspect.

Moab will have the right to inspect the construction, maintenance, and operation of all Gas Facilities to ensure proper compliance with applicable City ordinances, regulations, and requirements.

7.5 Failure to Comply.

If Company should fail to comply with the terms of any City ordinance, regulation, or requirement, Moab will give Company written notice of such non-compliance and the time for correction provided by ordinance or a reasonable time for correction if there is no time frame provided by the applicable ordinance, regulation, or requirement.

7.5.1 Self-Correction.

Excluding any correction, modification, or change to the Gas Facilities, and after written notice and failure of Company to make correction, Moab may, at its sole risk, make such correction itself and charge the cost to Company including any minimum cost provided by ordinance.

7.5.2 Changes or Corrections to Gas Facilities.

Moab will not make, nor request or allow any party other than Company, to make changes or corrections of any kind to Company's Gas Facilities.

7.6 Construction Permit Requirement.

Except in the case of an emergency, Company will, prior to commencing new construction or major reconstruction work on Gas Facilities in the Streets, apply for any permit from Moab as may be required by City ordinances, which permit will not be unreasonably withheld, conditioned, or delayed.

7.6.1 Permit Exception: Emergency Repairs.

Notwithstanding the foregoing permit requirement, Company will not be obligated to obtain a permit to perform emergency repairs on its Gas Facilities. For the purpose of this Franchise an emergency will mean a situation requiring immediate attention and remedial action to prevent or abate injuries, loss of life, property, or catastrophic interference with normal activities and operations.

7.7 Minimum Interference.

All Gas Facilities will be located, constructed, and installed in such manner as to render the least amount of possible interference with vehicular traffic and public use of the Streets and to cause minimal interference with the rights and reasonable convenience of property owners who adjoin any of the Streets.

7.8 Damage or Alteration to the Streets or Public Property.

If Company damages or alters the Streets or public property in any manner while performing any work on its Gas Facilities, Company will (**at its own cost and expense and in a manner reasonably approved by the City**) replace and restore it in as good a condition as existed before the work commenced.

7.8.1 Pre-Approval Requirement.

Any repairs or restoration made to the Streets and public property must be pre-approved in writing by the City. Upon approval from Moab, all such repairs must be undertaken and completed in such manner as to minimize any undue inconvenience to the City's inhabitants or the public at large.

7.9 Newly Constructed Gas Distribution Lines.

In addition to the installation of underground gas distribution lines as provided by applicable state law and regulations, Company will, upon payment of all charges provided in its tariffs or their equivalent, place newly constructed gas distribution

lines underground as may be required by City ordinance.

7.10 Right to Excavate.

Company will have the right to excavate the Streets subject to reasonable conditions and requirements of the City. Before installing new underground pipelines and appurtenances, or replacing existing pipelines and appurtenances, Company will first notify Moab of such work by written notice and will permit the City, **at its own expense** (comprised of a pro rata share of the trenching costs), to share the trench of Company to lay its own pipeline therein, provided that such action by the City will not unreasonably interfere with Company's Gas Facilities or delay project completion.

7.10.1 Monument Preservation Permit Requirement.

Pursuant to Utah Code Ann. § 17-23-14, if Company finds it necessary to disturb a survey monument for any non-emergency reason, Company will notify the County Surveyor and obtain a Monument Preservation Permit at least five business days prior to the disturbing, damaging, moving, removing, covering, resurfacing, roto-milling, or destroying of any existing public survey monument(s).

7.10.2 Emergency Exception.

Should any monument be disturbed absent such a permit due to an emergency circumstance that poses a threat to public health or safety, such as outage restoration or similar unplanned activities, a Monument Preservation Permit must be obtained after the fact.

7.10.3 Construction of New or Replacement Survey Monuments.

New survey monuments, or replacement survey monuments, will be constructed in accordance with the Monument Preservation Permit issued by the Salt Lake County Surveyor's office. Non-compliance with this requirement is subject to penalties under Utah Code Ann. § 17-23-15 and 76-8-415.

7.10.4 Pipelines, Manholes, and Appurtenances.

Pipelines, manholes, and appurtenances will be designed, located, or adjusted during construction to prevent interference or conflict with the permanent location of existing Survey Monuments.

7.11 Written Notice Requirement.

Before commencing any street improvements or other work within the Streets that may affect Company's Gas Facilities, Moab will give reasonable,

written notice to Company.

SECTION 8. Relocation of Gas Facilities.

8.1 Right to Require Relocation of Gas Facilities.

Upon reasonable, written notice, Moab may require Company to remove, relocate, and reinstall (collectively “**Relocation**”) its Gas Facilities located in, on, along, over, across, through, or under any of the Streets. After receipt of such written notice, Company will diligently begin such Relocation of its Facilities as may be reasonably necessary to meet Moab’ requirements.

8.2 Payment of Relocation Costs.

The Relocation of Gas Facilities by Company **will be at no cost to Moab** if: (i) the Gas Facilities have been installed pursuant to this or any other Company 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 (ii) the City provides a new location for the Gas Facilities pursuant to paragraph 8.3 below.

8.2.1 Payment of Relocation Costs Exceptions.

8.2.1(a): Company will not be responsible for any costs associated with an authorized Moab project that are not attributable to Company’s Gas Facilities in the Streets. All such costs will be allocated among all utilities or other persons whose facilities or property are subject to Relocation due to an authorized City project.

8.2.1(b): Company will not be obligated to pay the cost of any Relocation that is required or made a condition of a private development. If the Relocation of Gas Facilities is caused directly or otherwise by an identifiable development of property in the area, or is made for the convenience of a customer, Company may charge the expense of Relocation to the developer or customer. For example, Company will not be required to pay Relocation costs in connection with a road widening or realignment where the road project is made a condition of or caused by a private development.

8.3 Commencement of Relocation Work.

Within a reasonable time after receiving written notice from Moab, Company will promptly commence the requested Relocation of its Gas Facilities. Before relocating the Gas Facilities, Moab will, with the assistance and consent of Company, identify a reasonable alignment for the relocated Gas Facilities within the Streets.

8.4 No Additional Payment.

Following the Relocation of any Gas Facilities, Company may maintain and operate such Gas Facilities in the new location within City limits without additional payment.

8.5 Reimbursement of Relocation Costs.

If a City Relocation project is funded by federal or state monies that include an amount allocated to defray the cost of relocating Gas Facilities, then Moab will compensate Company 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; however, Moab will ensure that receipt of compensation from federal or state sources will not restrict or otherwise obligate Company's ownership of the Gas Facilities in any way.

SECTION 9. Subdivision Plat Notification. Before Moab approves any new subdivision and before recordation of a plat that impacts or could impact the Gas Facilities, the City will obtain Company's approval of Gas Facilities, including underground facilities to be installed by the developer, and associated rights-of-way depicted on the plat. A copy of the plat will be mailed for approval to Company:

Enbridge Gas Utah
Attn: Planning
333 South State Street
Salt Lake City, Utah 84111

SECTION 10. Annexation.

10.1 Extension of City Limits.

Upon the annexation of any territory to the City, the rights granted under this Franchise will extend to the annexed territory to the extent the City has such authority. All Gas Facilities owned, maintained, or operated by Company pursuant to a franchise agreement and located within any public rights-of-way of the annexed territory will thereafter be subject to all the terms and conditions of this Franchise.

10.2 Notice of Annexation.

When any territory is approved for annexation to the City, Moab will, not later than ten (10) working days after passage of an ordinance approving the proposed annexation, provide by certified mail to Company: (a) each site address to be annexed as recorded on county assessment and tax rolls; (b) a legal description of the proposed boundary change; and (c) a copy of the City's ordinance approving the proposed annexation. The notice will be mailed to:

Enbridge Gas Utah
Attn: Annexations
333 South State Street
Salt Lake City, Utah 84111

With copies to:

Enbridge Gas Utah
Attn: Office of the General Counsel
333 South State Street

Salt Lake City, Utah 84111

City of Moab
Attn: Michael Black
217 East Center Street
Moab, Utah 84532

SECTION 11. Assignment. Company may assign or transfer its rights and obligations under the Franchise, without the City's consent, to any parent, affiliate, or subsidiary of Company, to any entity having fifty percent (50%) or more direct or indirect common ownership with Company, or to any successor-in-interest or transferee of Company having all necessary approvals, including those from the Utah Public Service Commission or its successor, to provide utility service within Moab's municipal limits. Additionally, Company may assign, mortgage, pledge, hypothecate, or otherwise transfer its interest in this Franchise, without the City's consent, to any financing entity, or agent on behalf of any financing entity to whom Company: (1) has obligations for borrowed money or in respect of guaranties thereof; (ii) has obligations evidenced by bonds, debentures, notes, or similar instruments; or (iii) has obligations under or with respect to letters of credit, bankers acceptances and similar facilities or in respect of guaranties thereof. Under all other circumstances, excluding the operation of law, Company will 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 will not be unreasonably withheld, conditioned, or delayed. Inclusion of the Franchise as an asset of Company subject to the liens and mortgages of Company will not constitute a transfer or assignment requiring the City's prior written consent.

SECTION 12. Information Exchange. Upon request by either Moab or Company, as reasonably necessary, Company and the City will meet for the purpose of exchanging information and documents regarding construction and other similar work within City limits, with a view towards coordinating their respective activities in those areas where such coordination may prove mutually beneficial. Any information received by Moab from Company that contains or relates to Company's confidential or proprietary information, including but not limited to information regarding future capital improvements that may involve land acquisition, will be treated with confidentiality upon request to the extent that the City may lawfully do so.

SECTION 13. Terms of Service. Company will furnish natural 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 Company, including revisions to such tariffs made during the term of the Franchise, and in conformity with all applicable constitutional and statutory requirements. Company 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 will have the right to contract with its customers regarding the installation and operation of its Gas Facilities. To secure safe and reliable service to the customers, and in the public interest, Company will have the right to prescribe the sizes and kinds of pipes and related Gas Facilities to be used and will have the right to refuse service to any customer who refuses to comply with Company's rules and regulations.

SECTION 14. Taxes and Fees. Company acknowledges that Moab has levied a Municipal Energy Sales and Use Tax (“MET”) on the sale or use of the delivered value of taxable energy within the City, pursuant to the Municipal Energy Sales and Use Tax Act (Utah Code § 10-1-301 *et seq.*) (the “Act”). To the extent consistent with the Act and City Ordinances, Company shall collect the MET in the amount levied, as it may be adjusted during the term of this Franchise and pay said tax directly to the City.

Nothing in this Franchise shall affect the City’s right, under the Act, or any other applicable law then in effect, at any time hereafter to prospectively impose upon, charge, collect a municipal energy sales and use tax on the sale or use of taxable energy supplied by or through Company within the City, or to impose, charge, or collect any lawful fee, tax, license fee, license tax, franchise fee, or similar charge, or any combination or any of the foregoing provided the City is or becomes legally authorized to do so. If the Act is repealed, invalidated, or the maximum allowable rate of the MET is reduced, and if said act is not superseded by a law imposing a substantially equivalent tax, then Company shall pay to the City a franchise fee in an amount equal to the MET rate imposed at the time of the repeal, invalidation, or reduction in the maximum allowable MET rate, effective on or after the day of the repeal, invalidation, or reduction.

SECTION 15. Indemnification. Moab will in no way be liable or responsible for any loss or damage to property or any injury to, or death, of any person that may occur in the construction, operation, or maintenance by Company of its Gas Facilities. Company will indemnify, defend, and hold Moab, its agents, officers and employees, harmless from and against any and all third-party claims, demands, liens, liabilities, damages, actions, and proceedings arising from the exercise by Company of its rights under this Franchise, including its operations within City limits, and Company will pay the reasonable, documented cost of defense plus the City’s reasonable attorney fees. Moab will: (a) give prompt written notice to Company of any claim, demand, or lien with respect to which the City seeks indemnification under this Franchise; and (b) permit Company to assume the defense of such claim, demand, or lien. If such defense is not assumed by Company, Company will not be subject to liability for any settlement made without its consent. Notwithstanding any provision to the contrary, Company will not be obligated to indemnify, defend, or hold Moab harmless to the extent that any underlying claim, demand, lien, liability, damage, action, and proceeding arises out of, or in connection with, any negligent or willful act or omission of the City or any of its agents, officers, or employees.

SECTION 16. Insurance. Company will responsibly self-insure or maintain insurance to cover its obligations and liabilities as set forth in Section 16 of this Franchise, in lieu of any insurance as may be required in any City ordinances.

SECTION 17. Waiver of Surety Bond Requirement. If any City ordinance requires Company to post a surety bond, that section of the ordinance is expressly waived.

SECTION 18. Notices. Unless otherwise specified herein, all notices from Company to Moab pursuant to or concerning this Franchise will be delivered to the following addresses, which the Parties may update from time to time in writing:

City of Moab
Attn: Michael Black
217 East Center Street
Moab, Utah 84532

Unless otherwise specified herein, all notices from Moab to Company pursuant to or concerning this Franchise will be delivered to:

Enbridge Gas Utah
Attn: Director-Construction, Design and Capital Project Management
333 South State Street
Salt Lake City, Utah 84111

If Moab or Company desires to use a different mailing address under this Section 18 of the Franchise, the party requesting such change must provide written notice to the other party.

SECTION 19. Amendment. At any time during the term of this Franchise, Moab or Company may propose amendments to this Franchise by giving thirty (30) days written notice to the other party of the proposed amendment(s) desired, and both parties thereafter, through their designated representatives, will, within a reasonable time, negotiate in good faith in an effort to agree upon mutually satisfactory amendment(s). No amendment or amendments to this Franchise will be effective until mutually agreed upon by Moab and Company and formally adopted as an ordinance amendment, which will be accepted in writing by Company.

SECTION 20. Automatic Termination. Upon expiration of the second renewal period under Section 3 above, the Franchise will automatically terminate.

SECTION 21. No Waiver. Neither Moab nor Company will be excused from complying with any of the terms and conditions of this Franchise by any failure of the other, or any of its officers, employees, or agents.

SECTION 22. Severability and Effect of Invalidity. If any section, sentence, paragraph, term, or provision of this Franchise is for any reason determined to be illegal, invalid, or superseded by other lawful authority including any state or federal regulatory authority having jurisdiction thereof, or unconstitutional, illegal, or invalid by any court of common jurisdiction, such portion will be deemed a separate, distinct, and independent provision and such determination will have no effect on the validity of any other section, sentence, paragraph, term, or provision of this Franchise, all of which will remain in full force and effect for the term of the Franchise or any renewal or renewals thereof.

SECTION 23. Effective Date. This Ordinance and Franchise will become effective upon the date of acceptance by Company as established above in Section 5.

[execution on following page]

APPROVAL AND ADOPTION OF ORDINANCE NO. 2025-15

APPROVED and ADOPTED this 14 day of October, 2025.

MOAB CITY COUNCIL

Signed by:
By: Doette Langinrese
Mayor 54BEB4724ECB4DD...

ATTEST
DocuSigned by:
Sommar Johnson
77C1DA17F2BE462...
Recorder

APPROVED AS TO FORM:

DocuSigned by:
Nathan Bracken
4D94DA711A844CB...

Nathan Bracken, Moab City Attorney

VOTING

Council Member Wojciechowski aye
Council Member Topper aye
Council Member Knuteson-Boyd aye
Council Member Myers aye
Council Member Taylor aye

(Complete as Applicable)

Summary of ordinance posted to Moab City Website, the Utah Public Notice Website, and in a public location within the City boundaries pursuant to U.C.A 10-3-711 and 63G-30-102 on

OCTOBER 27, 2025

Effective date of ordinance: OCTOBER 27, 2025

ACCEPTANCE OF FRANCHISE

This is to certify that Questar Gas Company d/b/a Enbridge Gas Utah (“**Franchisee**”) accepts the nonexclusive franchise (“**Franchise**”) to construct, maintain, and operate a gas distribution system in, under, above, and across the present and future public rights-of-way in the City of Moab, State of Utah, as evidenced by Ordinance No. 2025-15 and adopted by the City of Moab Council on October 14, 2025. Franchisee 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.

Franchisee designates the following representative to receive and respond to issues in connection with the Franchise, and such other office as Franchisee may designate by written notice to the City of Moab:

Enbridge Gas Utah
Attn: Franchise Manager
333 South State Street
Salt Lake City, Utah 84111

With copy (except for invoices) to:

Enbridge Gas Utah Legal Department
Attn: Network Legal Team
333 South State Street
Salt Lake City, Utah 84111

Dated this 27.00 day of October, 2025.

QUESTAR GAS COMPANY d/b/a ENBRIDGE GAS UTAH

Signed by:



6DAEE8AGFE2842D...

By its VP & GM