

ORDINANCE NO. 920716- A

AN ORDINANCE GRANTING TO THE TEXAS UTILITIES ELECTRIC COMPANY, ITS LEGAL REPRESENTATIVES, SUCCESSORS, LESSEES AND ASSIGNS, GRANTEE HEREIN, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT AND MAINTAIN IN THE CITY OF AUSTIN, TEXAS, AS NOW OR HEREAFTER CONSTITUTED, AN ELECTRIC POWER UTILITY SYSTEM IN SAID CITY AND TO USE THE STREETS, AVENUES, EASEMENTS, RIGHTS-OF-WAY, ALLEYS, HIGHWAYS, SIDEWALKS, BRIDGES AND OTHER STRUCTURES AND PLACES AND PUBLIC GROUNDS IN SAID CITY FOR A PERIOD OF FIFTEEN (15) YEARS WITH TWO FIVE (5) YEAR RENEWAL PERIODS; AND PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED AND PROVIDING FOR THE PAYMENT TO SAID CITY OF A PERCENTAGE OF CERTAIN RECEIPTS OF GRANTEE FROM ITS OPERATIONS THEREIN; AND PROVIDING FOR THE ACCEPTANCE OF THIS ORDINANCE BY GRANTEE; AND CONTAINING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1.

SECTION 1. Definitions.

1.1 For the purpose of this Ordinance, the following terms, phrases, words and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number, and the use of any gender shall be applicable to all genders whenever the sense requires. The words "shall" and "will" are mandatory and the word "may" is permissive. Words not defined shall be given their common and ordinary meaning.

1.2 "City" shall mean the City of Austin, Texas, a municipal corporation in the State of Texas.

1.3 "Company" shall mean the Texas Utilities Electric Company, a corporation organized and existing under and by virtue of the laws of the State of Texas, authorized to transact and actually transacting business in the State of Texas, its legal representative, successors, lessees and assigns.

1.4 "City Manager" shall mean the City Manager of the City or his authorized designate.

1.5 "Consumer" shall mean any person or organization receiving and using electric utility service from the Company for his or her own appliances or equipment whether or not the electricity is billed directly to him or her, or to a second party. (For example, in the case of a rental unit where the cost of utilities are part of the rent, the landlord is a Customer and the tenant is a Consumer.)

1.6 "Council" shall mean the governing body of the City of Austin.

1.7 "Customer" shall mean any person or organization being billed for electric service whether used by him or her, or by others.

1.8 "Director of Financial Services" shall mean the Director of the Financial Services Department of the City of Austin, or its successor Department.

1.9. "Director of Public Works and Transportation" shall mean the Director of the Public Works and Transportation Department of the City of Austin, or its successor Department.

1.10 "Distribution system" shall mean all interrelated lines, equipment, poles, and other appurtenances used or necessary for the transmission and distribution of electricity to consumers or customers in the City and its environs.

1.11 "Franchise" shall mean this Ordinance, and all rights and obligations established herein or as it may be amended.

1.12 "Electricity" shall mean energy (kWh) and power (kW) provided by Company.

1.13 "Gross Receipts" shall mean the total amount collected by Company from any and all customers from the retail sale of electric power and energy within the City.

1.14 "Pole Rental Agreement" means the standard agreement prescribed and used by the City Electric Department, approved by the City Council, between City and any person contacting city electric poles with equipment, lines, or cable.

1.15 "Public Easement" shall mean those easements held, owned or controlled by the City, the terms, conditions or limitations upon which are not inconsistent with the construction or maintenance of an electric distribution system.

1.16 "Service line" shall mean lines directly connected to the Company's distribution system and used to convey electrical energy therefrom to the customer meter.

1.17 "Sidewalk" shall mean a paved area, within the street right-of-way or sidewalk easement, specifically designed for pedestrians and/or bicyclists.

1.18 "Street" or "alley" shall mean a publicly dedicated or maintained right-of-way, a portion of which is open to use by the public for vehicular travel.

**SECTION 2. Granting of Franchise.**

2.1 There is hereby granted to Company a non-exclusive franchise to maintain, construct, equip, extend, replace, alter and otherwise establish in the City as constituted as of the effective date of this ordinance or as may hereafter be constituted, works, systems, plants, distribution lines and all related facilities (including those now in service) necessary or appropriate to sell, distribute, convey or otherwise conduct, serve, supply and furnish the inhabitants of City and others, and to the City, whenever the City may desire to contract therefor, electric power and/or energy and said Company is hereby granted passage and right-of-way in, under, along and across, any and all streets, avenues, easements, rights-of-way, alleys, highways, and grounds of the City and beneath the surface of the same, and the right to occupy and use in any lawful way during the life of this franchise said streets, avenues, easements, rights-of-way, alleys, highways, sidewalks, bridges and other structures and places and public grounds of the City, as they now or hereafter may exist, for every and any such service, use, effect, and lawful purpose as herein mentioned; provided that nothing herein shall be construed to require or authorize Company to exceed its certification rights granted by the Public Utility Commission of Texas; and provided further, that the Company shall, except in the case of a bona fide emergency, provide notice to the Director of Public Works and Transportation before commencing any excavation in the paved portion of any street and, in the case of a bona fide emergency, provide notice to the Director of Public Works and Transportation of any such excavation as soon as reasonably practicable.

2.2 The Company shall, prior to constructing any facilities after the effective date of this franchise within City parks or on land hereafter designated as a City park, comply with all applicable State laws, including Chapter 26 of the Texas Parks and Wildlife Code, and with all applicable valid and enforceable regulations of the City.

2.3 The Company's operations subject to this franchise and the construction, maintenance, and operation of the Company's system and property subject to this franchise shall be subject, where applicable, to all laws of the United States, the State of Texas, the City Charter, and City Ordinances, subject to the Company's rights of appeal or to otherwise contest the validity, applicability or enforceability of same as may be provided by law. The venue for all causes of action arising under this Ordinance shall be in the District Court of Travis County, Texas.

2.4 The initial term of this franchise shall be for a period of fifteen (15) years, from the effective date of this Ordinance; provided, that at the end of the initial term, the term shall be automatically renewed for up to two additional five (5) year periods, unless written notice is given to the Company by the

City or to the City by the Company 120 days before the initial term or any of the two five (5) year period expiration dates, setting forth the desire of the giver of the notice to reconsider or terminate this franchise, in which event this franchise shall either be renegotiated or terminated at the end of the initial term or any of the five (5) year periods before which notice is given. The City requests that the Company give a twelve (12) month written notice to the City of the expiration of the initial term as well as any applicable five (5) year terms. Company's failure to provide the City with such twelve (12) months written notice will not constitute a breach of the franchise or affect the continuation of the franchise. The intent herein being a fifteen (15) year initial term followed by one five year renewal, then a second five year renewal.

2.5 The Company shall not transfer this franchise or any rights and privileges granted herein, except to an affiliate of Texas Utilities Company, without the written approval of the Council expressed by Ordinance. Such approval shall not be unreasonably withheld. The Company shall provide written notice of any transfer of its franchise to any affiliate of Texas Utilities Company within thirty days of such transfer.

SECTION 3. Acceptance by Company.

3.1 This franchise shall not become effective until accepted by the Company in writing, which acceptance shall be filed with the City within sixty (60) days following the final adoption of this ordinance by the Council, and when so accepted this Ordinance shall be a contract, duly executed by and between the City and Company.

SECTION 4. Service.

4.1 Service shall be provided by means of transmission and distribution lines, and equipment, and appurtenances in the streets, alleys, easements, and other public rights-of-way. All future locations of transmission and distribution lines, equipment, and appurtenances shall be located so that they will not unreasonably interfere with the flow of water in any gutter or drain, with the operations of any City-owned utility, with any existing television cable, electric, water, sewer or telephone facilities, traffic control signals, street lights, fire lines or communications lines, and so that same will not unduly interfere with ordinary travel on the streets or sidewalks. The surface of any public street, avenue, highway, alley or public place disturbed by the Company in the construction or maintenance of its electrical system shall be restored within a reasonable time after the completion of the work to as good a condition as before the commencement of the work. Should the City reasonably determine, within one year from the date of such restoration, that such surface requires additional restoration work to place it in as good

a condition as before the commencement of the work, the Company shall perform such additional restoration work to the reasonable satisfaction of the City. No public street, avenue, highway, alley or public place shall be encumbered for a longer period than shall be reasonably necessary to execute all work.

4.2 The Company shall, as specified in its "Service Regulations", as are now, or as shall in the future be approved by the City Council or other regulatory authority having jurisdiction, furnish service without unreasonable discrimination to all areas of the City for which the Company holds a valid Certificate of Convenience and Necessity issued by the Public Utility Commission of Texas. The Company shall not deny service, or otherwise discriminate against applicants for service, customers, or consumers on the basis of race, color, religion, national origin, sex, or sexual orientation.

4.3 The Company shall maintain its property and equipment in good order and condition, consistent with the needs of the service to be rendered therefrom. It is recognized that the Company shall retain full title in and right to its personal property whether or not same is incorporated in real estate.

4.4 The City, at any time, may make reasonable inquiries pertaining to this Ordinance and the Company shall respond to such inquiries on a timely basis. The City may require an examination and/or audit of the Company's books, accounts, and operations to the extent permitted by State law. To the extent required by State law, the Company shall reimburse the City for the reasonable cost of such examination or audit.

4.5 The Company shall keep the City informed concerning the Company's conservation programs and, upon request, shall deliver to the City a copy of the energy efficiency plan required to be filed with the Public Utility Commission of Texas pursuant to said Commission's Substantive Rule 23.22 or its successor rule.

#### SECTION 5. Use of Streets and Easements.

5.1 The Company is hereby authorized, licensed and empowered to do any and all things necessary and proper to be done and performed in executing the powers and utilizing the privileges herein mentioned and granted by this franchise, provided the same do not conflict with existing water pipes, sewers, electric power lines, telephone lines, cable television lines and other authorized installations, and provided that all work done in said streets, avenues, easements, rights-of-way, alleys, highways, sidewalks, bridges and other structures and places and public grounds by the Company shall be done with reasonable diligence and without unnecessary inconvenience to the public or individuals. Provided, it is not the intention of either City or Company to create any liability, right, or claim for the benefit of third parties and

this franchise ordinance is intended and shall be construed for the sole benefit of City and Company.

SECTION 6. Work by the City and Others.

6.1 City reserves the right to lay, and permit to be laid, sewer, cable television, water, telephone, electric and other lines, cables and conduits, and to do and permit to be done any underground or overhead work that may be necessary or proper in, across, along, over, or under any street, alley, highway, easement or public place occupied by the Company. The City shall be liable to the Company only for any damage to the Company's lines, equipment or appurtenances of the Company, the producing cause of which is the negligence of the City or its employees. Damage caused to Company as a result of work done by persons other than the City shall be corrected through payment to the Company by the responsible person. Removal and relocation expenses incurred by the Company shall be reimbursed by the person for whom the removal or relocation is made, except as provided in Sec. 7.1.

SECTION 7. Changes for Governmental Purposes.

7.1 If, during the period of this franchise, the City shall elect to widen or straighten any street within the corporate limits, so as to conflict with the transmission or distribution lines, equipment and appurtenances of the Company, the Company shall remove or relocate, as necessary, all of its transmission or distribution lines, equipment, and appurtenances at its own expense provided that the City furnishes Company another right-of-way along said street or streets. Schedules for this work shall be developed by designated representatives of the Company and the City. If such representatives cannot agree on the schedule, the City Manager, after consultation with the Company, shall establish a schedule. This schedule shall provide for a minimum of thirty (30) days to exist between the time the schedule is furnished to the Company and the time that any specific work to be done by the Company covered in the schedule is to begin.

7.1.1 Whenever any such project is funded, in whole or in part, with federal or state highway monies, if the federal government or state provides compensation for utility adjustments, the City shall request that compensation be provided to the Company by the funding authority. If the City receives such requested utility adjustment compensation, it shall deliver same to the Company.

SECTION 8. Captions and Severability.

8.1 The use of captions or headings for the various sections of this Ordinance are for the convenience of the parties only and do not reflect the intent of the parties. This Ordinance shall be construed and deemed to have been drafted by the combined

efforts of the City and the Company.

8.2 Notwithstanding anything contained in this Ordinance to the contrary, in the event that this Ordinance or any part hereof is declared unenforceable, void, unlawful or otherwise inapplicable, in whole or in part, by any court at law, the remainder of the provisions of this Ordinance shall remain in full force and effect and shall in no way be affected, impaired or invalidated. In such event, the level of compensation to be provided to the City shall continue to be comparable to that set forth in this Ordinance.

SECTION 9. Fees.

9.1 Because the streets, rights-of-way, and public easements to be used by the Company in the operation of its system within the boundaries of the City are valuable public properties acquired and maintained by the City at expense to its taxpayers and, since the City will incur costs in regulating and administering the franchise, the Company shall through the term of this franchise pay to the City three percent (3%) of its gross receipts payable quarterly as specified in Sec. 9.1.1. Provided that if the Company shall at any time after the effective date of this franchise enter into a franchise in which it agrees to pay a franchise or street rental fee (other than by succession or assignment of an existing franchise through the acquisition by merger or otherwise of another utility), renew or extend a franchise ordinance agreement adopted by any municipality on or after the effective date of this ordinance (other than a short term [not to exceed three (3) years in the aggregate to be extended by the City in the event that the City determines that the Company and such other municipality are negotiating in good faith] extension of a pre-existing franchise agreement pending negotiation of a new franchise agreement) and that franchise agreement or street rental ordinance provides for payment to the municipality for the use of said municipality's public rights-of-way in an amount, however characterized, higher than three (3) percent of the Company's gross receipts (from sale of electric energy) in said municipality, then the Company's payments under this section shall be increased to that proportionately higher rate of the Company's said gross receipts within the City. Such increased payment to the City shall be subject to the same method or terms of collecting of such fee from Company's customers. The Company shall notify the City of such increase within thirty (30) days of the other payment's effective date. Collections of the franchise fee and payments to the City will be based on such higher rate from the first date of the first month next following the date the City accepts and authorizes the increase on the same terms as those in effect for the other municipality. The collection of the franchise fee and the increased payment shall continue until expiration of the term of this franchise, or until the expiration of the franchise agreement of such other municipality, whichever is earlier.

Provided that nothing herein shall alter or affect the dates upon which the payments specified in this franchise are payable or the period to which each of said payments are referable as provided in Sec. 9.1.1. The audit provisions of this franchise shall extend to any and all records of payments between other municipalities and the Company.

9.1.1 The franchise fee shall be payable quarterly to the City and delivered to the City's Director of Financial Services or successor in function together with a statement indicating the derivation and calculation of such payment. Each such quarterly payment shall be due on the 15th day of the second month following the end of the quarterly period for which said payment is due and shall be based upon the Company's gross receipts during that same quarterly period. The quarterly payments shall be due on February 15, May 15, August 15 and November 15 of each year during the term hereof, with the February 15 payment being based upon the Company's gross receipts during the calendar quarter ending the prior December 31 and being payment for the rights and privileges granted hereunder for said calendar quarter. The May 15 payment being based upon the Company's gross receipts during the calendar quarter ending the prior March 31 and being payment for the rights and privileges granted hereunder for said calendar quarter, the August 15 payment being based upon the Company's gross receipts during the calendar quarter ending the prior June 30 and being payment for the rights and privileges granted hereunder for said calendar quarter, and the November 15 payment being based upon the Company's gross receipts during the calendar quarter ending the prior September 30 and being payment for the rights and privileges granted hereunder for said calendar quarter. For purposes of verifying the amount of such fee, the books of the Company shall at all reasonable times be subject to inspection by the duly authorized representatives of the City.

9.1.2 Except for rentals paid for the use of City's poles under the City's Pole Rental Agreement, said franchise fee shall be in lieu of any and all other rentals or compensation or franchise, license, privilege, instrument, occupation, excise or revenue taxes or fees and all other exactions or charges (except ad valorem property taxes, special assessments for local improvements, City sales tax, and such other charges for utility services imposed uniformly upon persons, firms or corporations then engaged in business within the City) or permits upon or relating to the business, revenue, franchise, transmission and distribution lines, installations and systems, fixtures, and other facilities of the Company and all other property of the Company and its activities, or any part thereof, in the City which relate to the operations of the Company's electric utility system; provided, that this shall not be construed to prevent the Company from being required to reimburse the City for reasonable expenses incurred in employing consultants in rate proceedings to the extent required by State Law.

9.1.3 Should City not have the legal power to agree that the payment of the foregoing sums of money shall be in lieu of taxes, licenses, fees, street or alley rentals or charges, easement or franchise taxes or charges aforesaid, then City agrees that it will apply so much of said sums of money paid as may be necessary to satisfy Company's obligations, if any, to pay any such taxes, licenses, charges, fees, rentals, easement or franchise taxes or charges.

SECTION 10. Indemnity.

10.1 The Company agrees to indemnify, defend, and save harmless the City, its agents, officers and employees, against and from any and all claims by or on behalf of any person, firm corporation or other entity, arising from the Company's construction, operation or management of its transmission or distribution system, or arising from any act of negligence of the Company, or any of its agents, contractors, servants, employees or licensees, and from and against all costs, counsel fees, expenses and liabilities incurred in or about any such claim or proceeding brought thereon, and from any and all claims arising from any breach or default on the part of the Company in the performance of any covenant or agreement on the part of the Company to be performed pursuant to the terms of this agreement. The City shall promptly notify the Company of any claim or cause of action which may be asserted against the City relating to or covering any matter against which the Company has agreed, as set forth above, to indemnify, defend and save harmless the City. The Company reserves the right, but not the obligation, to employ such attorneys, expert witnesses and consultants as it deems necessary to defend against the claim or cause of action. It is understood that it is not the intention of either the City or the Company to create any liability, right, or claim for the benefit of third parties and this franchise ordinance is intended and shall be construed for the sole benefit of the City and the Company.

SECTION 11. Compensation for Past Periods.

11.1 In recognition of the fact that the Company has been using the streets, avenues, easements, rights-of-way, alleys, highways, sidewalks, bridges and other structures and places and public grounds of the City for a period of several years without a franchise and without making any payment to the City for such use, the Company agrees to pay to the City, at the time of its acceptance of this franchise, the sum of \$519,068.78, representing two percent (2%) of its gross receipts during the period from January 1, 1983, through and including June 30, 1992, in full and complete payment of any and all liability for franchise fees applicable or referable to all periods prior to July 1, 1992. The first quarterly payment pursuant to Section 9 hereof shall be made on or before November 15, 1992, based upon the Company's gross receipts during the calendar quarter beginning July 1, 1992, and

ending September 30, 1992, and being payment for the rights and privileges granted in this franchise during said calendar quarter.

SECTION 12. Forfeiture and Termination.

12.1 In addition to all other rights and powers retained by the City under this franchise or otherwise, the City reserves the right to declare this franchise forfeited and to terminate the franchise and all rights and privileges of the Company hereunder in the event of a material breach of its terms and conditions. A material breach by Company shall include, but shall not be limited to, the following:

12.1.1 Failure to pay the fee prescribed by Section 9 hereof.

12.1.2 Material misrepresentation of fact in the application for or negotiation of the franchise.

12.1.3 Conviction of any director, officer, employee, or agent of the Company of the offense of bribery or fraud connected with or resulting from the awarding of this franchise to the Company.

12.2 The foregoing shall not constitute a major breach if the violation occurs without fault of the Company or of its employees or occurs as a result of circumstances beyond its control. Company shall not be excused by mere economic hardship nor by misfeasance or malfeasance of its directors, officers, or employees.

12.3 In order for the City to declare a forfeiture, City shall make a written demand that the Company comply with any such provision, rule, order, or determination under or pursuant to this franchise. If the violation by the Company continues for a period of thirty (30) days following the Company's receipt of such written demand without written proof that the corrective action has been taken or is being actively and expeditiously pursued, the Council may take under consideration the issue of termination of the franchise. The City shall cause to be served upon Company, at least twenty (20) days prior to the date of such a Council meeting, a written notice of intent to request such termination and the time and place of the meeting. Public notice shall be given of the meeting and issue which the Council is to consider.

12.4 The Council shall hear and consider the issue, shall hear any person interested therein, and shall determine, in its discretion, whether or not any violation by the Company has occurred.

12.5 If the Council shall determine that the violation by the Company was the fault of Company and within its control, the

Council may declare the franchise of the Company forfeited and terminated, or the Council may grant to Company a period of time for compliance.

**SECTION 13. Foreclosure, Receivership and Bankruptcy.**

13.1 The Company shall notify the City within thirty (30) days after any foreclosure or other judicial sale of all or a substantial part of its assets or of the appointment of a receiver or trustee to take over and conduct the Company's business, whether in receivership, reorganization, bankruptcy or other action or proceeding, whether voluntary or involuntary, such notice to include, where applicable, the cause number and court involved.

**PART 2.** In compliance with the provisions of the Charter of the City of Austin, this Ordinance, upon being introduced at a regular meeting of the City Council, shall be read at three (3) separate regular meetings of the City Council and shall not be passed finally until thirty (30) days after the first reading. Within five (5) days following each of its three (3) readings the full text of this Ordinance shall be published one (1) time in a daily newspaper published in the City of Austin. This Ordinance shall take effect sixty (60) days after its final passage, if it is accepted in writing by Company, by Company filing its acceptance with the City Clerk of the City of Austin within sixty (60) days following the final adoption of this ordinance by the Council.

**PART 3.** The City Clerk is hereby authorized and directed to make appropriate endorsements over his official hand and the seal of the City of Austin, on a form provided at the conclusion of this Ordinance, of the dates upon which this Ordinance shall have been read at three (3) separate regular meetings of the City Council and the date of final passage of this Ordinance; and the date upon which this Ordinance shall take effect, being sixty (60) days after the date of final passage, if the Company shall have accepted this franchise, and the dates upon which the full text of this Ordinance shall have been published and the name and address of the daily newspaper in which such publications were had in the City of Austin.

PASSED AND APPROVED:

July 16, 1992

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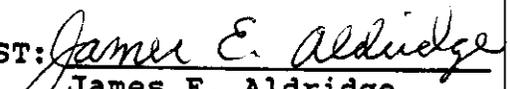


Bruce Todd  
Mayor

APPROVED:

  
Diana Granger  
City Attorney

ATTEST:

  
James E. Aldridge  
City Clerk



Michael D. Spence  
Executive Vice President

August 17, 1992

TO THE MAYOR AND CITY COUNCIL  
OF THE CITY OF AUSTIN, TEXAS:

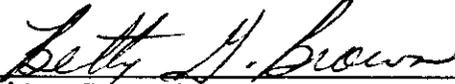
The undersigned hereby accepts the terms of that certain franchise passed and adopted by the City Council of the City of Austin, Texas, by ordinance duly approved by the Mayor and attested by the City Secretary on July 16, 1992, same being, "AN ORDINANCE GRANTING TO THE TEXAS UTILITIES ELECTRIC COMPANY, ITS LEGAL REPRESENTATIVES, SUCCESSORS, LESSEES AND ASSIGNS, GRANTEE HEREIN, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT AND MAINTAIN IN THE CITY OF AUSTIN, TEXAS, AS NOW OR HEREAFTER CONSTITUTED, AN ELECTRIC POWER UTILITY SYSTEM IN SAID CITY AND TO USE THE STREETS, AVENUES, EASEMENTS, RIGHTS-OF-WAY, ALLEYS, HIGHWAYS, SIDEWALKS, BRIDGES AND OTHER STRUCTURES AND PLACES AND PUBLIC GROUNDS IN SAID CITY FOR A PERIOD OF FIFTEEN (15) YEARS WITH TWO FIVE (5) YEAR RENEWAL PERIODS; AND PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED AND PROVIDING FOR THE PAYMENT TO SAID CITY OF A PERCENTAGE OF CERTAIN RECEIPTS OF GRANTEE FROM ITS OPERATIONS THEREIN; AND PROVIDING FOR THE ACCEPTANCE OF THIS ORDINANCE BY GRANTEE; AND CONTAINING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE", and files herewith its acceptance of such franchise as required by the terms of such franchise ordinance.

IN TESTIMONY WHEREOF, witness the corporate signature of Texas Utilities Electric Company by its duly authorized officer, this the 17th day of August, 1992.

TEXAS UTILITIES ELECTRIC COMPANY

  
Michael D. Spence  
Executive Vice President

Original acceptance of franchise, of which the foregoing is a true copy, was filed in my office on the 17th day of August, 1992, at 10:20 o'clock A.m.

  
DEPUTY City Secretary CLERK  
City of Austin, Texas

(CITY SEAL)

CERTIFICATE AND ENDORSEMENT

THIS IS TO CERTIFY that the above and foregoing Ordinance entitled:

AN ORDINANCE GRANTING TO THE TEXAS UTILITIES ELECTRIC COMPANY, ITS LEGAL REPRESENTATIVES, SUCCESSORS, LESSEES AND ASSIGNS, GRANTEE HEREIN, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT AND MAINTAIN IN THE CITY OF AUSTIN, TEXAS, AS NOW OR HEREAFTER CONSTITUTED, AN ELECTRIC POWER UTILITY SYSTEM IN SAID CITY AND TO USE THE STREETS, AVENUES, EASEMENTS, RIGHTS-OF-WAY, ALLEYS, HIGHWAYS, SIDEWALKS, BRIDGES AND OTHER STRUCTURES AND PLACES AND PUBLIC GROUNDS IN SAID CITY FOR A PERIOD OF FIFTEEN (15) YEARS WITH TWO FIVE (5) YEAR RENEWAL PERIODS; AND PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED AND PROVIDING FOR THE PAYMENT TO SAID CITY OF A PERCENTAGE OF CERTAIN RECEIPTS OF GRANTEE FROM ITS OPERATIONS THEREIN; AND PROVIDING FOR THE ACCEPTANCE OF THIS ORDINANCE BY GRANTEE; AND CONTAINING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

was introduced, read for the first time, and passed to second reading by the City Council of the City of Austin at a regular meeting of the City Council held in the Council Chambers of the Municipal Annex at 307 West 2nd Street, in the City of Austin on the 11th day of June, 1992; that the same Ordinance was read for the second time and passed to third reading at a regular meeting of the City Council held on the 9th day of July, 1992; that the same Ordinance was read for the third time and finally passed at a regular meeting of the City Council on the 16th day of July, 1992.

AND, I FURTHER CERTIFY THAT:

(a) The Ordinance was not passed until thirty (30) days after the first reading on the 11th day of June, 1992, the date of final passage being the 16th day of July, 1992.

(b) The date of final passage being the 16th day of July, 1992, the effective date of this ordinance under the terms and provisions of the Charter of the City of Austin, is the 14th day of September, 1992, being sixty (60) days after final passage of the Ordinance.

(c) Pending the date upon which this Ordinance took effect, the full text of such Ordinance was published once each week within five (5) days following each of the three readings of this Ordinance during the sixty (60) day period between final passage of the Ordinance and effective date of said Ordinance;

(d) The Austin American-Statesman is a daily newspaper published in the City of Austin by Cox Enterprises, whose address is P.O. Box 670, in the City of Austin, Texas;

(e) The expense of such publication was borne by Texas Utilities Electric Company, proponent and grantee of the franchise granted by this Ordinance.

IN TESTIMONY WHEREOF, witness my hand and the seal of the City of Austin on this 13th day of October, 1993.

Betty J. Brown  
Betty Brown, Deputy City Clerk  
City of Austin, Texas