

PEOPLE'S ORDINANCE NO. 24

AN ORDINANCE GRANTING TO PUBLIC SERVICE COMPANY OF COLORADO, ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO LOCATE, BUILD, CONSTRUCT, MAINTAIN AND OPERATE INTO, WITHIN AND THROUGH THE CITY OF GRAND JUNCTION, A PLANT OR PLANTS AND WORKS FOR THE GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRICITY AND TO FURNISH, SELL AND DISTRIBUTE SAID PRODUCTS TO THE CITY AND THE INHABITANTS THEREOF, BY MEANS OF CONDUITS, CABLES, POLES AND WIRES STRUNG THEREON OR OTHERWISE, OVER UNDER, ALONG AND ACROSS ALL STREETS, ALLEYS, BRIDGES, PUBLIC WAYS AND PLACES IN SAID CITY AND FIXING THE TERMS AND CONDITIONS THEREOF, AND PROVIDING FOR RATES AND STANDARDS OF SERVICE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, AND BE IT ORDAINED BY THE QUALIFIED TAXPAYING ELECTORS OF SAID CITY OF GRAND JUNCTION, COLORADO, UPON REFERENDUM BY THE CITY COUNCIL THEREOF:

ARTICLE I

SECTION 1. The City of Grand Junction (hereinafter called City) hereby grants to Public Service Company of Colorado, a corporation (hereinafter called Company), its successors and assigns, for the term of twenty years from and after the date when this ordinance takes effect, the right to locate, build, construct, maintain and operate into, within and through said City a plant or plants and works, for the generation, transmission and distribution of electricity for illuminating, heating and power or other purposes, with the right and privilege for the period and upon the terms and conditions hereinafter specified, to furnish, sell and distribute said electrical products to the City and the inhabitants thereof, by means of conduits, cables, poles and wires strung thereon or otherwise, over, under, along and across the following streets, alleys, bridges, public ways and places in the City, subject to and in accordance with the conditions hereinafter stated:

Alleys in Blocks 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160,

161, 162, 163, and 164 of the original town site of Grand Junction.

The alleys in Blocks 1, 2, and 3, Lincoln Park Addition to the City of Grand Junction, Colorado.

The alleys in Blocks 1, 2, 3, 4, 5, and 6 in Dundee Place Addition to the City of Grand Junction, Colorado.

The alleys in Blocks A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W and X in Keith's Addition to the City of Grand Junction, Colorado.

The alleys in Blocks 1, 2, 3, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23 of Milldale Subdivision.

The alleys in Blocks 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 13, 14, 15 and 16 of Benton Canon's First Subdivision.

The alleys in Blocks A, B, C and D of Nishwitz Subdivision.

The alleys in Blocks 1, 2, 3, and 4 of the Grand Junction Town and Development Co., Addition No. 1.

The alleys in Haggerty's First Subdivision.

The alleys in Blocks 1, 2, 3, 4, and 5 of Crawford's Sub.

The alleys in Blocks 1, 2, 3, 4, 5, 6, and 7, Grand River Subdivision.

The alleys in Winnie's Subdivision.

The alleys in Blocks 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 of Mobley's Subdivision.

The alleys in Blocks 5, 6, 7 and 8 of Carpenter's Subdivision No. 2.

First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, and Fifteenth Streets.

North Avenue, South Avenue, First Avenue, Winters Avenue, Noland Avenue, Struthers Avenue, Hale Avenue, Riverview Avenue, West Ute Avenue, West Colorado Avenue, West Street, West Grand Ave., West Road Avenue, West White Avenue, Cherry Street, Vine Street, Peach Street, Spruce Street, West Main Street, Kimball Avenue, Hoesch Street, Second Avenue, Third Avenue, Crawford

Avenue, in Crawford Addition and Crawford Ave. in Milldale Subdivision.

Belford Avenue, Teller Avenue, Hill Avenue, Gunnison Ave., Chipeta Avenue, Ouray Avenue, Grand Avenue, White Avenue, Rood Ave., Main Street, Colorado Avenue, Ute Avenue, Pitkin Avenue, together with all streets, avenues, alleys, public ways and places hereafter opened or dedicated to public use in additions or subdivisions now or hereafter within the corporate limits of the City.

SECTION 2. The right to use and occupy said streets, alleys, bridges, public ways and places for the purposes aforesaid shall not be exclusive, and the City reserves the right, at any time during the period hereof, to grant a similar use to any other individual, firm or corporation. The manner of using the streets, alleys, bridges public ways and places aforesaid by the Company shall be subject to reasonable regulation by the properly constituted authorities of the City in accordance with the provisions of Section 115 of the City charter and the ordinances made in pursuance thereof.

SECTION 3. The City shall have the right to use without cost all poles of the Company within the City for the purpose of attaching wires for its fire alarm system and its police signal system, and the right to affix to said poles any municipal signs and street signs which will not interfere with the use of said poles by the Company; provided, that the Company shall not be liable in any way for any damages resulting from such use of said poles by the City, and shall assume no responsibility therefor other than the usual maintenance of the poles. The use of such poles by the City shall be of such character as not to interfere with the use of the same poles by the Company in the usual course of its operations. All poles erected by the Company within the City shall be located in such manner as to cause the minimum interference with the proper use of the streets and alleys of the City and shall be maintained in good repair and condition and painted when directed by the City in a manner approved by the City Council.

The City reserves the right by ordinance to require the Company or its assigns to allow the use of any of its poles, tracks, wires, conduits, or electrical current by any other person or corporation to which the City shall grant a franchise, upon the payment of a reasonable rental thereof to the Company as provided by Section 120 of the said charter.

SECTION 4. The City as represented by its duly constituted authorities shall have full authority to enforce the provisions of this Ordinance and to supervise the electric service as herein

provided. They shall have access at all times to any part of the plant or plants of the Company to make investigations and tests which may be required in supervising the fulfillment by the Company of the terms of this franchise. The City shall further have the right at any time to inspect the books of the Company for the purpose of determining its earnings, expenses and financial condition, and all books showing the gross income will be produced at Grand Junction for such inspection at the request of the City Council. The said gross earnings shall be shown for purposes set forth in this ordinance separate from any other activity of the said Public Service Company; and not confused with the income of said Company from any other source. The Company agrees to submit to the Council within sixty days after the first day of January of each year an annual report verified by the oath of the president, the treasurer or the general manager as provided in Section 121 of the charter.

SECTION 5. The City may designate a meter inspector who shall have full power to inspect all meters of the Company within the City or at any substation of the Company. In the event that any meter is found defective, it shall not again be used until repaired and adjusted under the supervision of the inspector, and shall be repaired at the cost of the Company, and if found in error, proper adjustment will be made upon the bill of the customer.

SECTION 6. Statements of the Company to its customers shall contain such information as the Council from time to time may prescribe.

SECTION 7. The Company shall deal with all its customers within the City impartially, without discrimination, either as to rates or service, and in such manner that the same rates will be charged every customer for like service; provided, that nothing herein shall be construed as prohibiting the establishment from time to time, in accordance with law, of graduated scales of charges and classified rate schedules to which any customer coming within the classification may be entitled.

SECTION 8. The Company agrees to extend its ordinary electric service a distance of 150 feet per customer at its own cost, provided such customer or customers shall contract for service for at least one year. In the event a longer extension is involved, the Company agrees to bear the expense of the necessary extension of its ordinary electric service to the extent of \$50.00 for each customer involved, provided such customer or customers shall contract for service for at least one year.

ARTICLE II

SECTION 1. The City reserves complete control and jurisdiction over the rates and charges to be made, and the service to be rendered, during the period of this ordinance; such powers to be exercised in the manner provided for by the City Charter, and it is agreed that the rates to be charged for electrical service shall at all times be fair and reasonable and shall be at all times subject to the control of the City, as herein provided.

Under existing circumstances and conditions, the following are declared by the Company to be fair and reasonable rates to be charged for electrical service furnished under the provisions hereof, subject, however, at all times to modification by the City, as provided by the City Charter.

ELECTRIC RATES

RESIDENCE SERVICE

Lighting & Combination

APPLICABILITY

Applicable in corporate limits of Grand Junction and in the adjacent Fringe Territory served from 115 or 230 volt lines fed from step-down transformers located within said limits.

AVAILABILITY

Available for residence lighting and combination service.

RATE (Net)

A minimum charge, per meter, per month, of	\$1.00
which entitles the customer to the use of 10 kwh.	
Next 30 kwh. used per month, per kwh . . . . .	.06
Next 40 kwh. used per month, per kwh . . . . .	.05
Next 170 kwh. used per month, per kwh . . . . .	.03
All additional kwh. used per month, per kwh . . . . .	.02

MINIMUM

*Net minimum charge per meter, per month, for:

Lighting service	1.00
Combination service	3.00

DELAYED PAYMENT CHARGE

To all bills not paid within ten days from date of bill,
there will be added ten per cent of the net bill 10%

CONTRACT PERIOD

*All contracts under this schedule shall be for a minimum period of thirty days and thereafter until terminated, where service is no longer required, on three days' written notice.

RULES AND REGULATIONS

The above provisions of this schedule are subject to the definitions, terms and conditions of the General and Residence Service Rules and Regulations made a part hereof by reference thereto.

*Subject to special provisions of Extension Policy.

BUSINESS LIGHTING SERVICE

General

APPLICABILITY

Applicable in corporate limits of Grand Junction and in the adjacent Fringe Territory served from 115 or 230 volt lines fed from step-down transformers located within said limits.

AVAILABILITY

Available for business lighting service.

RATE (Net)

First 40 hours use per month of billing demand, but not in excess of 150 kwh., per kwh	\$0.085
Next 50 hours use per month of billing demand, per kwh . . . . .	.06
Next 50 hours use per month of billing demand, per kwh . . . . .	.04
Next 100 hours use per month of billing demand, per kwh . . . . .	.03
All additional use per month, per kwh . . . . .	.02

DETERMINATION OF BILLING DEMAND

Billing demand, which in no event shall be considered as less than 1000 watts, shall be determined on the following basis:-

(1) Connected Load Basis - Connected load shall be classified as "A" lights; "B" heating devices, fans, and small utility motors of not over 3/4 Hp rating; "C" motors of over 3/4 Hp rating. Billing demand shall then be taken as the sum of class "A" and "C" loads. In establishing the minimum the sum of Class "A", "B", and "C" loads shall be used.

(2) Measured Demand Basis - When the total connected load is in excess of 2500 watts, the billing demand, at option of Company may be determined as the actual maximum demand determined by suitable meter measurement but not less than 2500 watts.

MINIMUM

*Net monthly minimum charge per 100 watts of total connected load . . . . .	.10
But not less per meter, per month, than	1.00

That part of the minimum specifying a charge of \$0.10 per 100 watts of total connected load will not be applied to churches, eleemosynary institutions and schools, not conducted for profit.

DELAYED PAYMENT CHARGE

To all bills not paid within ten days from date of bill, there will be added ten percent of the first \$50.00 or less of net monthly bill	10%
plus two percent of the amount in excess of \$50.00	2%

CONTRACT PERIOD

*All contracts under this schedule shall be for a minimum period of thirty days and thereafter until terminated, where service is no longer required, on three days' written notice.

RULES AND REGULATIONS

The above provisions of this schedule are subject to the definitions, terms and conditions of the General and Business Lighting Service Rules and Regulations made a part hereof by reference thereto.

*Subject to special provisions of Extension Policy.

BUSINESS LIGHTING SERVICE

Display

APPLICABILITY

Applicable in corporate limits of Grand Junction.

AVAILABILITY

Available for business sign, window or display lighting service when the size and character of the installation meets the approval of the Company.

RATE (Net)

Wattage charge for a Minimum Burning Period of Four Hrs. per day.

First 1,000 watts of connected load, per month per 100 watts . . . . .	.80
Next 1,000 watts of connected load, per month per 100 watts . . . . .	.70
All additional watts of connected load, per month per 100 watts . . . . .	.65
Which includes 12 kwh. per mo., per 100 watts of connected load.	

Additional Hours Use.

When any load is burned for a longer period than specified in the contract, for each additional kwh. used in excess of the contract allowance per month, per kwh03

MINIMUM

*Net monthly minimum charge per customer as provided by the burning hours of the rate, but not less than . .2.00

No connected load shall be considered as less than 250 watts.

DELAYED PAYMENT CHARGE

To all bills not paid within ten days from date of bill, there will be added ten percent of the net bill10%

CONTRACT PERIOD

*All contracts under this schedule shall be for a minimum period of twelve months and thereafter until terminated, where service is no longer required, on three days' written notice.

RULES AND REGULATIONS

The above provisions of this schedule are subject to the definitions, terms and conditions of the General and Business Lighting Service Rules and Regulations made a part hereof by reference thereto.

Service under this schedule shall be metered.

Connected loads, may, at the option of the Company, be determined by suitable meter measurement.

Connected loads, when increased, shall prevail for a minimum three months' period.

*Subject to special provisions of Extension Policy and special rule governing suspension of business lighting service.

POWER SERVICE

General Secondary

APPLICABILITY

Applicable in corporate limits of Grand Junction and in adjacent Fringe Territory.

AVAILABILITY

Available for alternating current power service metered at the voltage of Company's established secondary distribution system.

RATE (Net)

First 20 kwh. used per mo. per Hp of contract horsepower, but not less than for the first 100 kwh, used, per kwh . . .
. \$0.07

Next 40 kwh. used per mo. per Hp of contract horsepower, but not less than for the next 200 kwh. used, per kwh . . .
.04

All additional kwh. used per mo., per kwh02

DETERMINATION OF CONTRACT HORSEPOWER

Contract horsepower, which in no event shall be taken as less than 75% of the manufacturer's rating of largest motor connected, shall be determined, at option of Company, by either of the following methods:

(1) Connected Load Basis:

The following percentages of the total connected load shall determine the contract horsepower. For installations of:

(a) One motor	100%
(b) Two motors	80%
(c) Three motors	70%
(d) Four motors	60%
(e) Five motors	50%
(f) Six or more motors . . .	45%

Provided that motors of less than one-half horsepower rating shall not be counted as motors in the determination of the above percentages but shall be considered as part of the total connected load.

(2) Measured Demand Basis:

The contract horsepower shall be taken as the measured demand, determined by suitable meter measurement, but shall in no event be less than 30% of the total connected load.

MINIMUM

*Net monthly minimum charge per horsepower of contract horsepower 1.00

but not less per meter, per month, than 3.00

DELAYED PAYMENT CHARGE

To all bills not paid within ten days from date of bill, there will be added ten per cent of the first \$50.00 or less of net monthly bill 10%

plus two percent of the amount in excess of \$50.00
2%

CONTRACT PERIOD

*All contracts under this schedule shall be for a minimum period of three months and thereafter until terminated, where service is no longer required, on three days' written notice.

RULES AND REGULATIONS

The above provisions of this schedule are subject to the definitions, terms and conditions of the General and Power Service Rules and Regulations made a part hereof by reference thereto.

*Subject to special provisions of Extension Policy.

POWER SERVICE

Special Secondary

APPLICABILITY

Applicable in corporate limits of Grand Junction and in adjacent Fringe Territory.

AVAILABILITY

Available for alternating current power service metered at the voltage of Company's established secondary distribution system.

RATE (Net)

First 20 kwh. used per mo. per Hp. of contract horsepower, but not less than for the first 300 kwh. used, per kwh . . .
. \$0.06

Next 40 kwh. used per mo. per Hp. of contract horsepower but not less than for the next 600 kwh. used, per kwh
.04

Next 200 kwh. used per mo. per Hp. of contract horsepower but not less than for the next 3000 kwh. used, per kwh . . .
. .02

All additional kwh. used per mo., per kwh015

DETERMINATION OF CONTRACT HORSEPOWER

Contract horsepower, which in no event shall be taken as less than 75% of the manufacturer's rating of largest motor connected nor less than 15 Hp., shall be determined, at option of Company, by either of the following methods:

(1) Connected Load Basis:

The following percentages of the total connected load shall determine the contract horsepower. For installations of:

- (a) One motor 100%
- (b) Two motors 80%
- (c) Three motors 70%
- (d) Four motors 60%
- (e) Five motors 50%
- (f) Six motors or more . 45%

Provided that motors of less than one-half horsepower rating shall not be counted as motors in the determination of the above percentages but shall be considered as part of the total connected load.

(2) Measured Demand Basis:

The contract horsepower shall be taken as the measured demand, determined by suitable meter measurement, but shall in no event be less than 30% of the total connected load.

MINIMUM

*Net monthly minimum charge per horsepower of contract horsepower \$1.00

But not less per meter, per month, than 15.00

DELAYED PAYMENT CHARGE

To all bills not paid within ten days from date of bill, there will be added ten percent of the first \$50.00 or less of net monthly bill 10%

plus two percent of the amount in excess of \$50.00 2%

CONTRACT PERIOD

*All contracts under this schedule shall be for a minimum period of three months and thereafter until terminated, where service is no longer required, on three days' written notice.

RULES AND REGULATIONS

The above provisions of this schedule are subject to the definitions, terms and conditions of the General and Power Service Rules and Regulations made a part hereof by reference thereto.

*Subject to special provisions of Extension Policy.

POWER SERVICE

Business Cooking

APPLICABILITY

Applicable in corporate limits of Grand Junction.

AVAILABILITY

Available for off-peak business cooking and heating service metered at the voltage of Company's established secondary distribution system where the contract load is 5 kw. or over.

RATE (Net)

Demand Charge

Per mo. per kw. of contract load \$2.00
which includes a use of 50 kwh. per mo. per kw. of
contract load.

Energy Charge

Next 2000 kwh. used per mo., per kwh0225
All additional kwh. used per mo., per kwh0135

DETERMINATION OF CONTRACT LOAD

When the connected load is 10 kw. or less the contract load shall be taken as the connected load, but not less than 5 kw. When the connected load is in excess of 10 kw. the contract load shall be taken as the maximum integrated 15-minute demand occurring during the month under consideration but not less than 10 kw.

MINIMUM

*Net minimum charge equal to Demand Charge of rate, but not less per meter, per month, than10.00

DELAYED PAYMENT CHARGE

To all bills not paid within ten days from date of bill, there will be added ten percent of the first \$50.00 or less of net monthly bill10%

plus two percent of the amount in excess of \$50.002%

CONTRACT PERIOD

*All contracts under this schedule shall be for a minimum period of twelve months and thereafter until terminated, where service is no longer required, on three days' written notice.

RULES AND REGULATIONS

The above provisions of this schedule are subject to the definitions, terms and conditions of the General and Power Service Rules and Regulations made a part hereof by reference thereto.

Customer shall not use any service under this schedule during hours specified by the Company as the "on peak" hrs. Such "on peak" hrs. shall be subject to change at the discretion of the Company as required by load conditions. Unless specified to the contrary, "on peak" hrs. shall be from 4:30 P.M. to 9:30 P.M. each day for the period of Oct. 1 to April 1 and from 6:30 P.M. to 10:00 P.M. for the period of April 1 to Oct. 1.

*Subject to special provisions of Extension Policy and special rule governing cancellation of power service.

POWER SERVICE

General Primary

APPLICABILITY

Applicable in territory served from the Grand Junction generating plant.

AVAILABILITY

Available for an initial specified demand for three-phase alternating current power, heating and incidental lighting service when delivered and metered at the voltage of Company's established primary distribution system. Not available for standby or resale service.

RATE (Net)

Demand Charge

First 100 Hp. or less of maximum demand, per mo. . .	\$200.00
Next 100 Hp. of maximum demand, per mo., per Hp	2.00
Next 300 Hp. of maximum demand, per mo. per Hp	1.25
All additional Hp. of maximum demand, per mo. per Hp . .	.70

Energy Charge

First 50 Kwh. used per mo. per Hp. of maximum demand, per kwh . . . .	.03
Next 50 kwh. used per mo. per Hp. of maximum demand, per kwh . . . .	.015
All additional kwh. used per mo., per kwh . . . .	.01

DETERMINATION OF MAXIMUM DEMAND

(a) The maximum demand for billing purposes as determined by suitable meter measurement, shall be construed as the average of the 3 highest integrated 3-minute peaks occurring during the month.

(b) Demand as specified in the application shall be used for all billing purposes for a minimum period of three months unless said demand is increased, in which event the increased demand shall prevail. After said 3 months' period the monthly demand as determined under (a) shall be used.

MINIMUM

*Net minimum charge equal to Demand Charge of rate, but not less per meter, per month, than \$375.00

DELAYED PAYMENT CHARGE

To all bills not paid within ten days from date of bill, there will be added ten percent of the first \$50.00 or less of net monthly bill 10%
 plus two percent of the amount in excess of \$50.00 2%

CONTRACT PERIOD

*All contracts under this schedule shall be for a minimum period of three months and thereafter until terminated, where service is no longer required, on three days' written notice.

RULES AND REGULATIONS

The above provisions of this schedule are subject to the definitions, terms and conditions of the General and Power Service Rules and Regulations made a part hereof by reference thereto.

Customer shall provide and maintain necessary transformer installation.

Lighting incidental to the power service equal to ten percent or less of the total connected load can be used under

this schedule. Lighting in excess of ten percent, as above, must be supplied under lighting schedules applicable.

*Subject to special provisions of Extension Policy.

Service under the above schedules is subject to the terms and provisions of the rules and regulations on file in the office of the City Clerk which are subject to change in accordance with the City Charter and such ordinances as shall be passed in pursuance thereof.

ARTICLE III

SECTION 1. In addition to the regular property and special improvement taxes, the Company shall pay to the City two percent of its gross revenue arising from its operations in supplying electrical service within the City, under the terms hereof, which payment shall not be less than \$6,000.00 per annum. The revenue of the Company, under this clause, is hereby defined as the gross income received by the Company for all street lighting furnished to the City, plus the gross income received from all other consumers of electricity for lighting, heating or power purposes within the City. Said percentage of the gross revenue shall be paid to the City as nearly as practicable in four quarterly installments, payable as soon after the first days of April, July, October and January of each year as the amount to be paid hereinabove can be calculated, and each such payment shall be accompanied by a statement showing the monthly gross receipts of the Company, separate from all other sources, during the period covered by such payment. The amount above specified is hereby agreed upon as the compensation to be paid for this franchise, and shall be and is hereby accepted by the City in lieu of any and all other special taxes or assessments upon the poles, wires or other property of the Company, either as a franchise tax, license tax, or for the inspection of the poles, wires or other property of the Company.

SECTION 2. The Company shall not issue any stock on account of this franchise.

ARTICLE IV

SECTION 1. The City may, at any time during the period of this grant, upon payment therefor of its fair valuation, purchase and take over the property and plant or plants of the Company, either in whole or in part, which shall be used and useful within or outside of the territorial limits of the City. Such valuation shall not include any value of the franchise or right of way through the streets, as hereby granted or any earning power of

such property, but shall be computed from the valuation placed upon the physical property, so taken as a going concern. In the event the City and the Company shall not agree upon the fair valuation of the property so purchased the City may, at its option, proceed to condemn such property in the manner specified by the Eminent Domain Statutes of the State of Colorado, or such valuation may be determined by a board of arbitration, consisting of an engineer selected by the City and an engineer selected by the Company, and if they cannot agree, then a third arbiter shall be selected by said two arbiters, and if they cannot agree upon such selection the third arbiter shall be selected by the then United States District Judge sitting in and for the District of Colorado at Denver, Colorado. Said question of valuation shall then be decided by a majority of said board of arbitration, whose decisions shall be binding upon both the Company and the City and shall be effective from the date of the award.

SECTION 2. Upon the payment by the City of such valuation, the plant or plants and property so valued, purchased and paid for shall become the property of the City by virtue of the grant and payment thereunder, and without the execution of any instrument of conveyance.

ARTICLE V

SECTION 1. If the Company neglects or fails in any substantial particular to perform any of its duties or obligations under this franchise or grant, with respect to which redress is not otherwise herein provided, the City, acting by and through its City Council, after fair and reasonable hearing, may determine the failure or default of the Company; and thereupon, and after written notice to the Company of such determination, the Company shall proceed immediately to correct such failure and shall be allowed a period of not to exceed six months after receipt of such notice within which to remedy the conditions respecting which such findings and determination may have been made. After the expiration of said period of six months, if the Company fails to fully correct the failures or defaults determined by the City to exist, the Council, by ordinance duly adopted, may declare this franchise forfeited and thereupon the Company shall have no further rights or authority hereunder.

SECTION 2. This franchise shall become effective upon approval by the qualified taxpaying electors of the City and after the final passage of this ordinance by the City Council and as soon as the Company files with the City Clerk its written acceptance thereof; and immediately upon the filing of such acceptance the President of the Council and the City Clerk shall authenticate the same in triplicate by their signatures and by causing the corporate seal of the City to be affixed thereto. The

word "Company" as used in this franchise shall include not only Public Service Company of Colorado, but, subject to the provisions hereof, also its successors and assigns.

SECTION 3. This ordinance and the rights granted hereby shall not be leased, assigned, or otherwise alienated by the Company without the express consent of the City, to be exercised by ordinance of the City Council.

SECTION 4. The Company agrees to file with the City Clerk, within ten days after the final passage of this ordinance, its written acceptance of all of the terms, conditions and requirements of, together with the rates specified by said ordinance.

SECTION 5. The Company hereby expressly agrees that it will save and keep harmless the City from any and all damages and liability it may have or sustain by reason of the carrying out of the terms hereof by the Company.

Passed and adopted this 5th day of August, A. D. 1931.

/S/ J. C. Glassford
President of the Council

ATTEST:

/S/ Helen C. Tomlinson
City Clerk

WE HEREBY CERTIFY That at a regular meeting of the City Council of the City of Grand Junction, Colorado, held June 3rd, 1931, the above and foregoing ordinance was introduced, read, and ordered published and submitted to a vote of the qualified taxpaying electors of said City for adoption or rejection at a Special Municipal election to be held June 30th, 1931. Pursuant thereto said Ordinance was duly published on June 4th, 1931, June 8th, 1931, June 15th, 1931, June 22nd, 1931, June 29th, 1931, and July 6th, 1931, in The Daily Sentinel of said City, and in further pursuance thereof and in accordance with the law in such case made and provided, said Ordinance was duly and regularly submitted to a vote of said qualified taxpaying electors for their adoption or rejection at a special municipal election held in said City on the 30th day of June, 1931, at which election a majority of the votes of said taxpaying electors voting on said question were cast in favor of the adoption of said ordinance and said ordinance was thereby duly and regularly adopted.

Thereafter at a regular meeting of the City Council of the City of Grand Junction held August 5th, 1931, pursuant to the

Charter of said City, said Ordinance was passed and adopted and was ordered recorded and numbered People's Ordinance No. 24, and was ordered published in the Daily Sentinel of said City.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of said City this 5th day of August, 1931.

/s/ J. C. Glassford
President of the Council

ATTEST:

/s/ Helen C. Tomlinson
City Clerk

ACCEPTANCE BY PUBLIC SERVICE COMPANY OF COLORADO
OF FRANCHISE GRANTED BY PEOPLE'S ORDINANCE NO. 24
OF THE CITY OF GRAND JUNCTION, COLORADO.

WHEREAS, the City Council of the City of Grand Junction, Colorado did on the 5th day of August, 1931, finally pass, adopt and approve People's Ordinance No. 24 of the said City of Grand Junction, granting to Public Service Company of Colorado a franchise to locate, build, construct, maintain and operate into, within and through the City of Grand Junction, a plant or plants, and works, for the generation, transmission and distribution of electricity, and to furnish, sell and distribute said product to the City and the inhabitants thereof, by means of conduits, cables, poles and wires strung thereon, or otherwise, over, under, along and across all streets, alleys, bridges, public ways and places in said city, and fixing the terms and conditions thereof and providing for rates and standards of service.

NOW, THEREFORE, in consideration of the premises and in pursuance of the provisions of Section II, of Article 5, of said Ordinance, Public Service Company of Colorado hereby accepts the terms and conditions of People's Ordinance No. 24, of the City of Grand Junction, Colorado.

IN WITNESS WHEREOF, Public Service Company of Colorado has caused its corporate name to be hereunto subscribed by its Vice President, and its corporate seal to be hereunto affixed, attested by its Secretary, this 6th day of August, A. D. 1931.

PUBLIC SERVICE COMPANY OF COLORADO

By /s/ Clare U. Stannard
Vice President

ATTESTED:

/s/ J. E. Louiseau
Secretary