

TITLE 19

ELECTRICITY AND GAS

CHAPTER

1. ELECTRICITY.
2. GAS.

CHAPTER 1

ELECTRICITY

SECTION

19-101. To be furnished by Fort Loudoun Electric Cooperative.

19-101. To be furnished by Fort Loudoun Electric Cooperative.
Electricity shall be provided to the City of Greenback and its inhabitants by the Fort Loudoun Electric Cooperative. The rights, powers, duties, and obligations of the City of Greenback and its inhabitants, are stated in the agreements between the parties.¹

¹The agreements are of record in the office of the recorder.

CHAPTER 2

GAS¹

SECTION

19-201. Granting of franchise to the City of Loudon.

19-201. Granting of franchise to the City of Loudon. (1) There is hereby granted by the City of Greenback to the City of Loudon, its successors and assigns, the right, authority, privilege and franchise to erect, construct, operate, and maintain a system of gas mains, service pipes, regulator stations, and all other necessary and appropriate equipment and facilities for the transmission and distribution of gas in, upon, across along and under the highways, streets, avenues, roads, alleys, lanes, ways, utility easements, parkways, and public grounds of the City of Greenback, Tennessee, and to import transport, sell and distribute gas, whether natural, manufactured, or mixed, within the city, for the supplying and selling of said gas to said city, and the inhabitants, institutions, and business thereof; and for such purposes to construct, operate, maintain, renew, replace, repair and extend all necessary gas mains, service pipes and other appurtenances and facilities as may be necessary for the transmission, distribution, and sale of such gas to said city and the inhabitants, thereof, for domestic, commercial, industrial and such other purposes for which it is or may hereafter be used.

(2) This franchise and the rights herein granted shall take effect and be enforced from and after the effective date hereof, as required by law, and upon the filing of acceptance by the City of Loudon, as provided in subsection (14), and shall continue in force and effect for a term of twenty (20) years after the effective date. Provided, that if the acceptance is not filed within sixty (60) days after final passage of the ordinance comprising this chapter, the provisions of this franchise shall be null and void.

(3) All gas mains, service pipes, fixtures, facilities, and other appliances laid, constructed, maintained and operated in accordance with accepted engineering practices and in full accord with all applicable engineering codes adopted or approved by the natural gas distribution industry and/or engineering profession and in accordance with any applicable statutes of the State of Tennessee, and the ordinances of the City of Greenback and the applicable safety rules and regulations of any other governmental regulatory commission, board, or agency having jurisdiction. Said facilities shall be so constructed as not to interfere with drainage or interfere with or injure any

¹State law reference

Tennessee Code Annotated, § 7-39-101, et seq.

street, sewer, or other public improvement with said city has heretofore made or may hereafter make in, upon across, along, or under any highway, street, avenue, road, alley, way, utility easement, parkway or other public grounds, or unnecessarily obstruct or impede such highway, street, avenues, roads, alleys, lanes, way, utility easements, parkway, or other public grounds.

(4) When the highways, streets, avenues, roads, alleys, lanes, ways, utility easements, parkways or other public grounds are opened by the Loudon Utilities for the purpose of laying, constructing, replacing or repairing the mains, pipes, or other appurtenances of said City of Loudon, said City of Loudon shall place and maintain all necessary safety devices, barriers, lights and warnings to properly notify all persons of any dangers resulting from such entrances, and shall comply with all safety regulations required by federal, state or local laws.

(5) In the event that at any time during the period of this franchise, the city shall lawfully elect to alter, or change the grade of, any street, alley or other public way in which the City of Loudon is maintaining gas mains, pipes or other appurtenances, the City of Loudon, upon reasonable written notice by the city, shall removed change or relocate its mains, pipes or other appurtenances as necessary to conform to the proposed alteration at no cost to the city.

(6) In case of any disturbances of pavement, sidewalk, driveway or other surfacing, the City of Loudon shall, at its own cost and expense and in a manner approved by the city, replace and restore all paving, sidewalk, driveway or surface of any street or ally disturbed, in as good condition as before said work was commenced, and shall maintain the restoration in an approved condition for a period of one (1) year thereafter. In the event the City of Loudon shall fail to replace and restore said streets or alleys thus disturbed, the city may, after giving the City of Loudon reasonable written notice, make the necessary replacement and restoration and charge the cost thereof to the City of Loudon.

(7) The City of Loudon shall, at all times, defend, indemnify and hold harmless the city from and against any and all claims for injury to any person or property by reason the failure of the City of Loudon or its employees to exercise due care and diligence in the construction, operation and maintenance of its gas system in the City of Greenback. The city shall notify the City of Loudon's representative within ten (10) days after the presentation of any claim or demand, either by suit or otherwise, made against the City of Loudon on account of any negligence as aforesaid on the part of the City of Loudon.

(8) The City of Greenback and the City of Loudon hereby agree that this chapter shall, from time to time, be subject to rules and regulations adopted by the City of Loudon, and approved by any regulatory body having jurisdiction thereof during the term of this franchise, and shall also be subject to all rules and regulations adopted and approved by any regulatory body having jurisdiction and all such rules and regulations shall be and become part of this

chapter to the same extent and with the same effect as if said rules and regulations were herein set forth in full. The City of Loudon shall not be obligated or required to make any extension of distribution mains.

(9) Nothing contained herein shall be construed as preventing the City of Loudon from installing, placing, replacing, taking up, repairing or removing gas pipes, mains, service pipes, or other devices for furnishing gas service, or from using any easements for gas service which are shown on any plat or plats of any portion of the city heretofore or hereafter platted or recorded, or any easement which may hereafter be created, granted, or dedicated for any such utility purposes by any person, firm, or corporation whatsoever.

(10) No sale or transfer of the gas plant or system, or the transfer of any rights under this franchise shall be effective until the vendee, assignee or lessee has filed in the office of the city recorder of the City of Greenback, an instrument duly executed reciting the fact of such sale, assignment or lease, accepting the terms of this franchise, and agreeing to perform all the conditions thereof.

(11) Should the payment of franchise tax or an in lieu of tax on plant value and/or gross operating revenues from the sale of gas within the City of Greenback become a mandatory requirement under state law or should the City of Loudon begin paying such a tax(s) to other franchise entities, then the same shall be paid to the City of Greenback. Such payments shall be made on an annual basis.

Should the City of Loudon ever begin to pay taxes in accordance with the first paragraph of this section, the city shall have access at all reasonable times to the books of the City of Loudon for the purpose of ascertaining the amount due to the city under this section. The City of Loudon shall furnish to the city an annual report showing the amount of its sales within the corporate limits.

(12) At the beginning of the eighteenth (18) year of this franchise, the franchise shall continue in effect, unless the City of Loudon or the City of Greenback provides the other party a twenty four (24) month notice to terminate the franchise or until the City of Loudon and the City of Greenback agree to renew the franchise for a fixed period of time.

(13) If any section or portion of any section of this chapter shall hereafter be declared or determined by any court of competent jurisdiction to be invalid, the City of Loudon, at its election (to be given to the city by notice in writing within thirty (30) days after such declaration or determination) may ratify or confirm the remaining portions of this chapter and upon such ratification or confirmation the remaining portions of this chapter shall remain in full force and effect.

(14) The City of Loudon shall, within sixty (60) days after the passage of this chapter, file with the city recorder's office of the City of Greenback, its unconditional acceptance of the terms and conditions of this chapter and, after the filing of such acceptance, this chapter shall constitute a contract between the parties hereto and shall be the measure of the rights, powers, obligations, privileges, and liabilities of the city and of the City of Loudon.

(15) All the privileges given and obligations created by this chapter shall be binding upon the successors and assigns of the City of Loudon. (Ord. #55, Feb. 1999)