

THE EMPIRE DISTRICT ELECTRIC COMPANY
FRANCHISE AGREEMENT

ORDINANCE NO. 05-08

An Ordinance granting THE EMPIRE DISTRICT ELECTRIC COMPANY, a corporation, its successors and assigns, the right to use the streets, alleys and public grounds for the purpose of erecting and maintaining an electric distribution system, with the necessary poles, wires and other apparatus, equipment and appliances therefor, and to string wires above ground or carry same thereunder; and the right to do all things necessary and proper for the purpose of generating or otherwise procuring electric energy, or any part thereof, and distributing same throughout the City of Galena, Kansas, and of supplying and selling electric energy for light, power, heat and any other purposes to the said City and the inhabitants thereof, and fixing the terms and conditions upon which such rights may be granted and exercised.

BE IT ORDAINED by the Governing Body of the City of Galena, Kansas, as follows:

SECTION 1. That THE EMPIRE DISTRICT ELECTRIC COMPANY, hereinafter called the COMPANY, its successors and assigns, are hereby authorized and empowered to use the streets, avenues, lanes, alleys and other public grounds and ways in the City of Galena, Kansas, as its limits now exist or may be altered, for the purpose of erecting and maintaining an electric distribution system, with the poles, wires (above ground or thereunder) and other apparatus, equipment and appliances necessary therefor; and for the purpose of conducting, supplying and selling electric energy to the City and the inhabitants thereof for light, power, heat and any other purposes; and for the purpose of erecting and maintaining a plant or plants in said City for the generating of such electric energy, or any part thereof, with the right in said COMPANY also to generate or procure said electric energy, or any part thereof, at other points and carry same into and through said City and there distribute and sell same.

SECTION 2. Said COMPANY shall use every reasonable precaution to avoid damage or injury to person or property, and agrees to indemnify and save harmless the said City from damage, injury, suits, actions, loss or expense arising from any negligent construction, reconstruction, repair, maintenance or operation of its said electrical system.

SECTION 3. The COMPANY agrees that it will furnish continuous and uninterrupted electric service from the beginning of such service to the end of the franchise period, except for interruptions caused by strikes, riots, Governmental interference or regulation, acts of Providence, or accidents beyond the control of the COMPANY.

SECTION 4. All rates established and charges made by the Company for electric energy distributed and sold hereunder shall be subject to the present and

future valid and lawful orders of the Corporation Commission of the State of Kansas, or other competent authority having jurisdiction. All terms, provisions and conditions of this ordinance, the distribution and sale of electric energy are subject to and shall be governed by any present and future valid and lawful supervision, review, change, amendment, modification and approval by a competent authority having jurisdiction, and all present and future valid and lawful orders of said authority.

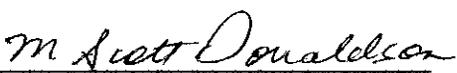
SECTION 5. All the terms and provisions of this Ordinance shall be binding upon the parties hereto, and upon their respective successors and assigns.

SECTION 6. The franchise granted herein shall continue and remain in full force and effect for a period of twenty (20) years from and after the effective date of this Ordinance, providing written acceptance is made in writing by the COMPANY, signed by its proper officers and filed with the City Clerk within a period of thirty (30) days from and after said effective date.

SECTION 7. This Ordinance shall take effect and be in force, and the franchise herein granted shall be and become effective on February 7, 2005 and the City Clerk of said City is hereby directed and empowered to cause this Ordinance to be published in full in the official newspaper of said City for one (1) publication after its final adoption and passage, and in accordance with the provisions of K.S.A., Section 12-824.

Passed this 20th day of December, 2004.

Approved and signed this 7th day of February, 2005.


MAYOR

(SEAL)


CITY CLERK

**THE EMPIRE DISTRICT ELECTRIC COMPANY
FRANCHISE PUBLICATION ORDINANCE**

BE IT ORDAINED by the Governing Body of the City of Galena, Kansas, as follows:

That the City Clerk of said City be and is hereby ordered and directed forthwith to cause to be published in full in the official newspaper of said City a notice for twenty (20) days of the proposition to grant THE EMPIRE DISTRICT ELECTRIC COMPANY, a corporation operating a system for the transmission of electric current between two (2) or more incorporated cities in the State of Kansas, a franchise for public utility purposes for which it is incorporated, upon the terms and conditions set forth in said Franchise Ordinance, which said notice shall read substantially as follows:

NOTICE

Notice is hereby given, pursuant to K.S.A., Section 12-824, of the proposition to grant to THE EMPIRE DISTRICT ELECTRIC COMPANY, a corporation, operating a system for the transmission of electric current between two (2) or more incorporated cities in the State of Kansas, a franchise by the incorporated City of Galena, of the State of Kansas, for the purposes set forth in said franchise, which said franchise contract is contained in an ordinance the Governing body of the City of Galena has adopted and will duly pass, and is substantially as follows:

PROPOSED ORDINANCE 2004-1

An Ordinance granting THE EMPIRE DISTRICT ELECTRIC COMPANY, a corporation, its successors and assigns, the right to use the streets, alleys and public grounds for the purpose of erecting and maintaining an electric distribution system, with the necessary poles, wires and other apparatus, equipment and appliances therefor, and to string wires above ground or carry same thereunder; and the right to do all things necessary and proper for the purpose of generating or otherwise procuring electric energy, or any part thereof, and distributing same through the City of Galena, Kansas, and of supplying and selling electric energy for light, power, heat and any other purposes to the said City and the inhabitants thereof, and fixing the terms and conditions upon which such rights may be granted and exercised.

BE IT ORDAINED by the Governing Body of the City of Galena, Kansas, as follows:

SECTION 1. That THE EMPIRE DISTRICT ELECTRIC COMPANY, hereinafter called the COMPANY, its successors and assigns, are hereby authorized and empowered to use the streets, avenues, lanes, alleys and other

public grounds and ways in the City of Galena, Kansas, as its limits now exist or may be altered, for the purpose of erecting and maintaining an electric distribution system, with the poles, wires (above ground or thereunder) and other apparatus, equipment and appliances necessary therefor; and for the purpose of conducting, supplying and selling electric energy to the City and the inhabitants thereof for light, power, heat and any other purposes; and for the purpose of erecting and maintaining a plant or plants in said City for the generating of such electric energy, or any part thereof, with the right in said COMPANY also to generate or procure said electric energy, or any part thereof, at other points and carry same into and through said City and there distribute and sell same.

SECTION 2. Said COMPANY shall use every reasonable precaution to avoid damage or injury to person or property, and agrees to indemnify and save harmless the said City from damage, injury, suits, actions, loss or expense arising from any negligent construction, reconstruction, repair, maintenance or operation of its said electrical system.

SECTION 3. The COMPANY agrees that it will furnish continuous and uninterrupted electric service from the beginning of such service to the end of the franchise period, except for interruptions caused by strikes, riots, Governmental interference or regulation, acts of Providence, or accidents beyond the control of the COMPANY.

SECTION 4. All rates established and charges made by the COMPANY for electric energy distributed and sold hereunder shall be subject to the present and future valid and lawful orders of the Corporation Commission of the State of Kansas, or other competent authority having jurisdiction. All terms, provisions and conditions of this ordinance, the distribution and sale of electric energy are subject to and shall be governed by any present and future valid and lawful supervision, review, change, amendment and modification by a competent authority having jurisdiction, and all present and future valid and lawful orders of said authority.

SECTION 5. All the terms and provisions of this Ordinance shall be binding upon the parties hereto, and upon their respective successors and assigns.

SECTION 6. The franchise granted herein shall continue and remain in full force and effect for a period of twenty (20) years from and after the effective date of this Ordinance, providing written acceptance is made in writing by the COMPANY, signed by its proper officers and filed with the City clerk within a period of thirty (30) days from and after said effective date.

SECTION 7. This Ordinance shall take effect and be in force, and the franchise herein granted shall be and become effective on February 7, 2005 and the City Clerk of said City is hereby directed and empowered to cause this Ordinance to be published in full in the official newspaper of said City for one (1)

publication after its final adoption and passage, and in accordance with the provisions of K.S.A., Section 12-824.

Passed this ___ day of _____, 20__.

Approved and signed this _____ day of _____ 20__.

M Scott Donaldson

MAYOR

(SEAL)

Rebecca Kitch

CITY CLERK

Proposed Ordinance 2004-1 was passed, approved and signed this 20th day of December, 2004.

M Scott Donaldson

(MAYOR)

(SEAL)

Rebecca Kitch

(CITY CLERK)