

**AMENDMENT TO FRANCHISE**

**Granted To**

**GEORGIA POWER COMPANY**

**By**

**CITY OF** Sky Valley

**Ordinance Amending Franchise Adopted On**

November 14, 2005

**The within Ordinance Amending Franchise**

**accepted on** \_\_\_\_\_, 20\_\_.

**GEORGIA POWER COMPANY**

**By:** \_\_\_\_\_  
**President**

05-20

ORDINANCE AMENDING FRANCHISE

WHEREAS, on December 4, 1978 the City of Sky Valley, Georgia (hereafter referred to as the "City") adopted an Ordinance Granting Permission and Consent to Georgia Power Company (hereafter referred to as the "Company") and its successors, lessees, and assigns to occupy the streets and public places of the City in constructing, maintaining, operating, and extending poles, lines, cables, equipment, and other apparatus for transmitting and distributing electricity and for other purposes (said Ordinance being hereafter referred to as the "1978 Ordinance"); and

WHEREAS, on January 15, 1979, the Company accepted the franchise granted in the 1978 Ordinance (hereafter referred to as the "Franchise"); and

WHEREAS, the City and the Company now wish to amend the Franchise to address certain issues that may arise under the Franchise and to extend the term of the Franchise and for other purposes;

NOW, THEREFORE, the City hereby adopts this Ordinance Amending Franchise as follows:

SECTION I. Be it ordained by the governing authority of the City that the authority, right, permission, and consent previously granted to the Company and its successors, lessees, and assigns in the 1978 Ordinance are hereby extended to December 3, 2088.

SECTION II. Be it further ordained that in addition to the terms and conditions set forth in the 1978 Ordinance, the Company's occupancy and use of the streets, alleys, and public places of the City as authorized in the 1978 Ordinance are subject to the following terms and conditions:

1. For purposes of paragraph 2 of this Section II, the term "Distribution Facilities" means poles, lines, wires, cables, conductors, insulators, transformers, appliances, equipment, connections, and other apparatus installed by or on behalf of the Company (whether before or after the adoption of this Ordinance Amending Franchise) in the streets, alleys, or public places of the City for the purpose of distributing electricity within the present and future limits of the City. Distribution Facilities do not include any of the following: (i) electric transmission lines with a design operating voltage of 46 kilovolts or greater (hereafter referred to as "Transmission Lines"); (ii) poles, towers, frames, or other supporting structures for Transmission Lines (hereafter referred to as "Transmission Structures"); (iii) Transmission Lines and related wires, cables, conductors, insulators, or other apparatus attached to Transmission Structures; (iv) lines, wires, cables, or conductors installed in concrete-encased ductwork; or (v) network underground facilities.

2. In the event that the City or any other entity acting on behalf of the City requests or demands that the Company relocate any Distribution Facilities from their then-current locations within the streets, alleys, and public places of the City in connection with a public project or improvement, then the Company shall relocate, at its expense, the Distribution Facilities affected by such project or improvement. The Company's obligations under this paragraph 2 shall apply without regard to whether the Company has acquired, or claims to have acquired, an easement or other property right with respect to such Distribution Facilities and shall not affect the amounts paid or to be paid to the City under the provisions of the 1978 Ordinance. Notwithstanding the foregoing provisions of this paragraph 2, the Company shall not be obligated to relocate, at its expense, any of the following: (i) Distribution Facilities that are located on private property at the time relocation is requested or demanded; (ii) Distribution Facilities that are relocated in connection with sidewalk improvements (unless such sidewalk improvements are related to or associated with road widenings, the creation of new turn lanes, or the addition of acceleration/deceleration lanes); (iii) streetscape projects or other projects undertaken primarily for aesthetic purposes; or (iv) Distribution Facilities that are converted from an overhead configuration or installation to an underground configuration or installation.

3. The City and the Company recognize that both parties benefit from economic development within the City. Accordingly, when it is necessary to relocate any of the Company's facilities (whether Distribution Facilities, Transmission Lines, Transmission Structures, or other facilities) within the City, the City and the Company shall work cooperatively to minimize costs, delays, and inconvenience to both parties while ensuring compliance with applicable laws and regulations. In addition, the City and the Company shall communicate in a timely fashion to coordinate projects included in the City's five-year capital improvement plan, the City's short-term work program, or the City's annual budget in an effort to minimize relocation of the Company's facilities. Such communication may include, but is not limited to, (i) both parties' participation in the Georgia Utilities Coordinating Council, Inc. (or any successor organization) or a local utilities coordinating council (or any successor organization) and (ii) both parties' use of the National Joint Utility Notification System (or any successor to such system mutually acceptable to both parties).

4. With regard to each streetscape project undertaken by or on behalf of the City, the City shall pay the Company in advance for the Company's estimated cost to relocate any of the Company's facilities (whether Distribution Facilities, Transmission Lines, Transmission Structures, or other facilities) in connection with such project. For each streetscape project, the Company shall estimate in good faith the amount of incremental base revenue, if any, that the Company will realize as a result of new customer load or expansion of existing customer load attributable to such project; and such estimate shall be based on tariffs in effect at the time that construction of such project begins and shall not include fuel recovery charges, non-electric service billings, or taxes. If such estimate indicates that the Company will realize incremental base revenue, the Company shall do one of the following, whichever results in greater cost savings to the City: (i) reduce the City's advance payment to the Company for relocation costs by ten percent (10%); or (ii) where the City has developed a bona fide marketing plan within twelve months after construction of such project begins, either refund the amount of the Company's incremental base revenue during such twelve-month period to the City or credit such amount against any future payment due from the City to the Company. The City and the Company acknowledge and agree that the amount of any refund or credit calculated pursuant to clause (ii) of the foregoing sentence of this paragraph 4 shall not exceed the amount of the City's advance payment to the Company for relocation costs associated with such project.

SECTION III. Be it further ordained that nothing contained in this Ordinance Amending Franchise shall limit or restrict the right of customers within the corporate limits of the City to select an electric supplier as may hereafter be provided by law.

SECTION IV. Be it further ordained that the Company shall, within ninety days from the approval of this Ordinance Amending Franchise, file the Company's written acceptance of the same with the Clerk of the City, so as to form an amendment to the Franchise between the Company and the City.

SECTION V. Be it further ordained that upon such acceptance all laws and ordinances, and all agreements between the Company and the City with respect to the Company's occupancy and use of the City's streets, alleys, and public places, in actual conflict herewith be and the same shall thereupon stand repealed and terminated, respectively.

Adopted by the City Council of the City of Sky Valley, Georgia, at  
a meeting held November 14, 2005.

Approved: November 14, 2005.

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Mayor

I, Linda Wells, Clerk of the City of Sky Valley, Georgia, hereby certify that I was present at the meeting of the City Council of the City of Sky Valley, Georgia, held on November 14, 2005, which meeting was duly and legally called and held, and at which a quorum was present, and that an ordinance, a true and correct copy of which I hereby certify the foregoing to be, was duly passed and adopted by the City Council of the City of Sky Valley, Georgia, at said meeting.

IN WITNESS WHEREOF, I hereunto set my hand and the corporate seal of the City of Sky Valley, County of Rabun, State of Georgia, this 14th day of November, 2005.

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Clerk