An Ordinance of the City of Plano, Texas granting to Oncor Electric Delivery Company LLC, its successors and assigns, an electric power Franchise to use the present and future streets, alleys, highways, public utility easements, and public ways and other public property of Plano, Texas, providing for compensation therefor, providing for publication, providing for written acceptance of this Franchise, providing for the repeal of all existing Franchise Ordinances to Oncor Electric Delivery Company LLC, its predecessors and assigns, finding that the meeting at which this Ordinance is passed is open to the public, providing a severability clause, providing a savings clause, and providing for an effective date and a term of said Franchise.

WHEREAS, on December 8, 2003, the City of Plano, Texas (the "City") granted a non-exclusive franchise to Oncor Electric Delivery Company LLC, a Texas Corporation and its successors and assigns ("Oncor" or "Company"), an electric power franchise to use the present and future streets, avenues, alleys, roads, highways, sidewalks, easements, and public ways and other public property of the City for the purposes of constructing and operating an electric distribution and transmission system and for delivering electricity to City residents and businesses; and

WHEREAS, pursuant to such grant of authority, Oncor is now and has been engaged in the electric utility business in the State of Texas and the City of Plano and, in furtherance thereof, has erected and maintained portions of its physical plant in the City; and

WHEREAS, the current franchise authority granted by the Plano City Council expired on August 31, 2018, and said franchise was extended by Ordinance No. 2019-4-14, which was adopted on April 22, 2019; and

WHEREAS, the City Council of the City of Plano hereby finds that it is to the mutual advantage of both the City and Oncor to enter into a new franchise establishing the conditions under which Oncor will operate its system of electric power lines, with all necessary or desirable appurtenances for delivering such electric power including underground conduits, poles, towers, wires, transmission lines, and other structures, equipment, and facilities in the City; and

WHEREAS, pursuant to Articles 2 and 10 of the City's Charter, the City Council hereby determines that a grant of this Ordinance is in the best interests and will inure to the benefit of the City and its citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, THAT:

SECTION 1. GRANT OF AUTHORITY.

A. Subject to all the terms and conditions contained herein, City hereby grants Oncor a Franchise agreement with the non-exclusive right to construct, extend, maintain and operate in, along, under and across its Electric Distribution and Transmission System in the present and future public streets, alleys, highways, public utility easements, public ways and other public property (the "Public Rights-of-Way") of City, including electric power lines, with all necessary or desirable appurtenances (including underground conduits, poles, towers, wires, transmission lines, telephone and communication lines and other structures for Oncor's own use), (herein called "Facilities") for the purpose of delivering electricity to the City, the inhabitants thereof, and persons, firms, and corporations beyond the corporate limits thereof, for the term set out in Section 8.

B. Oncor will get approval from the City prior to installing Oncor facilities in a City park or City property other than public utility easements, streets, alleys, or highway Public Rights-of-Way.

C. Oncor may not use any portion of its Electric Distribution and Transmission System in the City's Public Rights-of-way for any purpose other than the delivery of electric service (or in the support of Oncor's Distribution and Transmission System), including renting, licensing or otherwise sharing use of facilities with third parties, including third parties receiving electric service, without first entering into a separate agreement for Oncor ancillary service.

D. Oncor agrees to notify other persons, firms, or corporations that desire to attach facilities to Oncor's Electric Distribution and Transmission System located within the City that they have a responsibility to obtain all legally required franchises, licenses, waivers, consents, easements, rights of way, and permits needed to construct and operate its equipment within the City. However, in no event is Oncor responsible or liable to City or any other person or entity if the persons, firms, or corporations that desire to attach to Oncor's Electric Distribution and Transmission System fails to obtain anything required by City. City may request a list of persons or corporations who have a contract to attach facilities to Oncor equipment within the City limits, and Oncor shall provide such information within a reasonable time after the City's request.

SECTION 2. PLACEMENT OF FIXTURES.

A. Poles, towers, and other structures shall be so erected as not to unreasonably interfere with: 1) existing vehicular and pedestrian traffic over streets, alleys, highways, and sidewalks; 2) existing gas, electric, or telephone fixtures; or 3) existing water hydrants or mains, drainage facilities or sanitary sewer facilities. All poles, towers and other structures must be reasonably required for Electric Distribution and Transmission purposes and not primarily for providing facilities for third-parties or other uses.

B. Oncor acknowledges that, by this Franchise Agreement, it obtains no rights to, or further use of, the Public Rights-of-Way other than those expressly granted herein and also granted by state and federal laws, rules, and regulations, including any amendments thereto. Oncor further acknowledges and accepts at its own risk, provided that City has the legal authority for the use or uses in question, that City may make use in the future of the Public Rights-of-Way in which the Electric Distribution and Transmission System is located and, in that event, Oncor shall only be entitled to compensation or reimbursement from City as provided by Section 3 or any applicable state and federal laws, rules, and regulations including Tariffs and any amendments thereto.

C. Oncor must share trench space for cables or ducts with another person, firm, or corporation for the placement of cables or wires underground; provided, however, Oncor has no obligation to comply if said person or corporation does not agree with Oncor's reasonable terms and requirements for sharing trench space including cost sharing of trench and including any required contract or agreement with Oncor. Oncor may require another person, firm, or corporation to furnish evidence of adequate insurance and provide indemnity covering Oncor and adequate bonds covering the performance of the person, firm or corporation sharing the trench space. Oncor's requirement for such insurance and indemnity must be reasonable. Ducts, cables or wires shall be placed in trenches in compliance with applicable National Electrical Safety Code (NESC) requirements and in a manner that does not interfere with Oncor's cables and wires. Each person, firm, or corporation that is permitted to share Oncor trench space must acquire their own permits from the City and must have any necessary Franchise, license, or contract as required by the City; and Oncor's sole responsibility regarding this provision is the same responsibility as stated in Section 1.D of this franchise.

D. Oncor may not use any portion of its Electric Distribution and Transmission System in the City's Public Rights-of-way for any purpose other than the delivery of electric service (or in the support of Oncor's Distribution and Transmission System), without first entering into a separate agreement for Oncor ancillary service; however, Oncor is hereby expressly permitted as required by Federal law to allow Telecommunication Companies (e.g. telephone, and cable) to attach to Oncor Facilities so long as Federal laws and Oncor requirements are met, which includes the allowed attachment fees.

Oncor will cooperate with City, regarding the selection of the location of poles, towers and other structures, provided, however, that the City and Oncor recognize that Oncor must meet all legally imposed requirements and may avail itself of legally permitted procedures for determining the location of such facilities. Further, the parties recognize that Oncor may rely upon reasonable safety requirements in determining the appropriate location of such facilities.

City may request a list of persons or corporations who have a contract to attach facilities to Oncor equipment within the City limits, and Oncor shall provide such information within a reasonable time after the City's request.

SECTION 3. CONSTRUCTION, MAINTENANCE, OPERATION AND RELOCATION.

A. In constructing, maintaining and operating the Electric Distribution and Transmission System, Oncor shall act in a good and workmanlike manner.

B. Use of the Public Rights-of-Way by Oncor shall be governed by the City's Charter, ordinances, rules and regulations and state and federal laws, rules and regulations, including the NESC and any amendments thereto. Nothing in this Agreement shall prohibit Oncor from asserting a claim before the Plano City Council, another regulatory agency, or a court having jurisdiction to contest any requirements of the City's Charter, ordinances, rules and regulations that Oncor believes is unconstitutional, conflicts with this Franchise agreement, or conflicts with any other state and federal laws, rules, and regulations or any NESC standard adopted by Oncor.

C. The City reserves the right to lay, and permit to be laid, storm, sewer, gas, water, wastewater, and other pipe lines, cables, and conduits, or other improvements, 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 Public Rights-of-Way occupied by Oncor. The City also reserves the right to change in any manner any curb, sidewalk, highway, alley, public way, street, utility lines, storm sewers, drainage basins, drainage ditches, and the like.

D. City-requested relocations of Oncor Facilities in the Public Rights-of-Way shall be at Oncor's expense; provided however, if the City is the end use Retail Customer (customer who purchases electric power or energy and ultimately consumes it) requesting the removal or relocation of Oncor Facilities for its own benefit, or the project requiring the relocation is solely aesthetic/beautification in nature, it will be at the total expense of the City.

E. City shall provide Oncor with at least thirty (30) days' notice when requesting Oncor to relocate Facilities and shall specify a new location for such Facilities along the Public Rights-of-Way. Oncor shall proceed to relocate Facilities without unreasonable delay. Provided further, if the relocation request includes, or is for, Oncor to relocate above-ground facilities to an underground location, City shall be fully responsible for the additional cost of placing the facilities underground.

F. If any other corporation or person (other than City) requests Oncor to relocate Oncor Facilities located in Public Rights-of-Ways, Oncor shall not be bound to make such changes until such other corporation or person shall have undertaken, with good and sufficient bond, to reimburse Oncor for any costs, loss, or expense which will be caused by, or arises out of such change, alteration, or relocation of Oncor's Facilities. City may not request Oncor to pay for any relocation which has already been requested, and paid for, by any entity other than City.

G. Oncor shall, except in cases of emergency conditions or work incidental in nature, obtain a permit, if required by City Ordinance, prior to performing work in the Public Rights-of-Way, except in no instance shall Oncor be required to pay fees or bonds related to these permits, licenses, or other approval processes required for placing Facilities in the Public Rights-of-Way.

H. If City abandons any Public Rights-of-Way in which Oncor has Facilities, such abandonment shall be conditioned on Oncor's right to maintain its use of the former Rights-of-Way and on the obligation of the party to whom the Public Rights-of-Way is abandoned to reimburse Oncor for all removal or relocation expenses if Oncor agrees to the removal or relocation of its Facilities following abandonment of the Public Rights-of-Way. If the party to whom the Public Rights-of-Way is abandoned requests Oncor to remove or relocate its Facilities and Oncor agrees to such removal or relocation, such removal or relocation shall be done within a reasonable time at the expense of the party requesting the removal or relocation. If relocation cannot practically be made to another Public Rights-of-Way, the expense of any Public Rights-of-way acquisition shall be considered a relocation expense to be reimbursed by the party requesting the relocation.

I. Oncor may permit the wires of the City to be attached to the poles or use of spare conduit in duct systems owned and maintained by Oncor, under separate agreement, upon securing an Oncor "Pole Attachment/Duct Use" agreement which specifies the requirements and compensation for said use. Oncor does not warrant or guarantee there will be space made available on Oncor poles or spare conduits in Oncor duct systems for the City's use. Oncor may require the City to furnish evidence of adequate insurance, provide indemnity covering Oncor, and provide adequate bonds covering the performance of the City or City's contractor prior to attaching wires to Oncor's poles and prior to City's use of conduit in Oncor's duct systems.

J. Oncor shall have in place Vegetation Management Guidelines, and shall provide City with a current copy of same, upon request. If the City requests a current copy of Oncor's Vegetation Management Guidelines, release of such shall be pursuant to the same confidential protection process identified in Section 9.E of this Franchise. Oncor shall conduct its tree-trimming activities in accordance with its Vegetation Management Guidelines, including as amended by Oncor from time to time, and will address concerns or complaints with regard to its tree-trimming activities upon reasonable request by the City. Except in emergency situations or in response to outages, and in accordance with Oncor Vegetation Management Guidelines, Oncor shall notify affected property owners and the City prior to beginning planned Distribution tree-trimming activities within City limits.

K. City shall have the ability at any time to require Oncor to repair, remove or abate any distribution pole, wire, cable, or other distribution structure in City's Public Rights-of-Way that is determined to be unnecessarily dangerous to life or property. After receipt of notice, Oncor shall either cure said dangerous condition within a reasonable time, or provide City with facts defending its position that said condition is not a condition that is unnecessarily dangerous to life or property. In the event City finds that Oncor has not sufficiently addressed said dangerous condition by either of the aforementioned methods, City shall be entitled to immediately exercise the remedies in Section 11.

SECTION 4. INDEMNITY.

A. In consideration of the granting of this franchise, Oncor agrees to indemnify, defend, and hold harmless the City, its, officers, agents and employees from and against all suits, actions or claims of injury to any person or persons, or damages to any property brought or made for or on account of any death, injuries to, or damages received or sustained by any person or persons or for damage to or loss of property arising out of, or occasioned by Oncor's intentional and/or negligent acts or omissions in connection with Oncor's operations; except that the indemnity provided for in this paragraph shall not apply to any liability determined by a court of competent jurisdiction to have resulted from the sole negligence or intentional acts or omissions of the City, its officers, agents and employees. In the event of joint and concurrent negligence or fault of both Oncor and the City, responsibility and indemnity, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas without, however, waiving any governmental immunity available to the City under Texas law and without waiving any of the defenses of the parties under Texas law. Further, in the event of joint and concurrent negligence or fault of both Oncor and the City, responsibility for all costs of defense shall be apportioned between the City and Oncor based upon the comparative fault of each.

B. In fulfilling its obligation to defend and indemnify City, Oncor shall have the right to select defense counsel, subject to City's approval, which will not be unreasonably withheld. Oncor shall retain defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this Contract. If Oncor fails to retain Counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and Oncor shall be liable for all defense costs incurred by City, except as set out in Section 6.A.

SECTION 5. LIABILITY INSURANCE.

Oncor shall, at its sole cost and expense, obtain, maintain, or cause to be maintained, and provide, throughout the term of this Franchise, insurance in the amounts, types and coverages in accordance with the following requirements. Such insurance may be in the form of self-insurance to the extent permitted by applicable law or by obtaining insurance, as follows:

1. Commercial general or excess liability on an occurrence or claims made form with minimum limits of five million dollars ($5,000,000) per occurrence and ten million dollars ($10,000,000) aggregate. This coverage shall include the following:
    a. Products/completed operations to be maintained for the warranty period or two years, whichever is less.
    b. Personal and advertising injury.
    c. Contractual liability.
    d. Explosion, collapse, or underground (XCU) hazards.

2. Automobile liability coverage with a minimum policy limit of one million dollars ($1,000,000) combined single limit each accident. This coverage shall include all owned, hired and non-owned automobiles.

3. Workers compensation and employers liability coverage. Statutory coverage limits for Coverage A and five hundred thousand dollars ($500,000) bodily injury each accident, five hundred thousand ($500,000) each employee bodily injury by disease, and five hundred thousand dollars ($500,000) policy limit bodily injury by disease Coverage B employers'

liability are required. Oncor must provide the City with a waiver of subrogation for worker's compensation claims.

4. Oncor must name the City, which includes all authorities, commissions, divisions and departments, as well as elected and appointed officials, agents, and volunteers, as an additional insured under the coverage required herein, except Worker's Compensation Coverage. The certificate of insurance must state that the City is an additional insured.

5. Oncor will require its contractors and subcontractors to maintain, at their sole cost and expense, a minimum of three million dollars ($3,000,000) each occurrence or each accident general liability and automobile liability throughout the course of work performed. Also, contractors and subcontractors will be required to maintain statutory workers' compensation benefits in accordance with the regulations of the State of Texas or state of jurisdiction as applicable. The minimum limits for employers' liability insurance will be five hundred thousand dollars ($500,000) bodily injury each accident, five hundred thousand dollars ($500,000) each employee bodily injury by disease, five hundred thousand dollars ($500,000) policy limit bodily injury by disease.

6. Oncor will provide proof of insurance in accordance with this Franchise Agreement within 30 days of the effective date of the Franchise Agreement and annually thereafter. Oncor will not be required to furnish separate proof when applying for permits.

SECTION 6. NON-EXCLUSIVE FRANCHISE.

This franchise is not exclusive, and nothing herein contained shall be construed so as to prevent the City from granting other privileges and franchises to any other person, firm, or corporation. This Franchise Agreement does not establish any priority for the use of the Public Rights-of-Way by Oncor or by any present or future recipients of franchise agreements, franchisees, or other permit holders.

SECTION 7. PAYMENTS TO CITY.

A. In consideration of the grant of said right, privilege and franchise by the City and as full payment for the right, privilege and franchise of using and occupying the Public Rights-of-Way, and in lieu of any and all occupation taxes, assessments, municipal charges, fees, easement taxes, franchise taxes, license, permit and inspection fees or charges, street taxes, bonds, street or alley rentals, and all other taxes, charges, levies, fees, and rentals of whatsoever kind and character which the City may impose or hereafter be authorized or empowered to levy and collect, excepting only the usual general or special ad valorem taxes which the City is authorized to levy and impose upon real and personal property, sales and use taxes, and special assessments for public improvements, Oncor shall pay to the City the following:

1. A final quarterly payment will be made on or before November 30, 2019 for the privilege period of September 1, 2020 through November 30, 2020 in accordance with the provisions in the previous franchise.

2. As authorized by Section 33.008(b) of PURA, the original franchise fee factor calculated for the City in 2002 was 0.002730 (the "Base Factor"), multiplied by each kilowatt hour of electricity delivered by Oncor to each retail customer whose consuming facility's point of delivery is located within the City's municipal boundaries for determining franchise payments going forward.

   Due to a 2006 agreement between Oncor and the City (the Agreement to Resolve Outstanding Franchise Issues between Oncor and the Steering Committee of Cities) the franchise fee factor was increased to a franchise fee factor of 0.002867 (the "Current Factor"), multiplied by each kilowatt hour of electricity delivered by Oncor to each retail customer whose consuming facility's point of delivery is located within the City's municipal boundaries on a quarterly basis.

However, consistent with the 2006 agreement, should the Public Utility Commission of Texas (PUC) at any time disallow Oncor's recovery through rates of the higher franchise payments made under the Current Factor as compared to the Base Factor, then the franchise fee factor shall immediately revert to the Base Factor of 0.002730.

B. Oncor shall make quarterly pre-pay payments as follows:

Payment Due Date	Basis Period	Privilege Period (Following Year)
February 28(29)	Nov. 1 – Jan. 31	Dec. 1 – Feb. 28(29)
May 31	Feb. 1 – Apr. 30	Mar. 1 – May 31
August 31	May 1 – Jul. 31	Jun. 1 – Aug. 31
November 30	Aug. 1 – Oct. 31	Sept. 1 – Nov. 30

1. The first quarterly payment hereunder shall be due and payable on or before February 29, 2020, and will cover the basis period of November 1, 2019, through January 31, 2020, and the privilege period of December 1, 2020, through February 28, 2021. If this Franchise Agreement is not effective prior to the first quarterly payment date, Oncor will pay any payments due within 30 days of the effective date of this agreement. The final payment under this Franchise Agreement is due on or before November 30, 2039, and covers the basis period of August 1, 2039, through October 31, 2039,

and the privilege period of September 1, 2040, through November 30, 2040.

2. After the final payment date of November 30, 2039, Oncor may continue to make additional quarterly payments in accordance with the above schedule unless the parties enter into a new franchise. City acknowledges that such continued payments will correspond to privilege periods that extend beyond the term of this Franchise Agreement and that such continued payments will be recognized in any subsequent Franchise as full payment for the relevant quarterly periods.

C. Oncor shall additionally pay a sum equal to four percent (4%) of gross revenues received by Oncor from services identified as DD1 through DD24 in Section 6.1.2 "Discretionary Service Charges," in Oncor's Tariff for Retail Delivery Service (Tariff), effective 1/1/2002, that are for the account and benefit of an end-use retail electric consumer. Oncor's obligation to pay on services identified as DD1 through DD24 will continue even if Tariff modifications have been made that have subdivided certain portions of DD1 through DD24 into multiple services with their own numbered charges (e.g. SD charges) or have renumbered the charge, provided that the service is encompassed within the original agreed-to types of Discretionary Service Charges, and further provided that if any service has been removed from Oncor's approved Tariffs, then no payment is due. Oncor will, upon request by City, provide a cross reference to Discretionary Service Charge numbering changes that are contained in Oncor's current approved Tariff.

1. The franchise fee amounts based on "Discretionary Service Charges" shall be calculated on an annual calendar year basis, i.e. from January 1 through December 31 of each calendar year.

2. The franchise fee amounts that are due based on "Discretionary Service Charges" shall be paid at least once annually on or before April 30 each year based on the total "Discretionary Service Charges", as set out in Section 7C, received during the preceding calendar year. The initial Discretionary Service Charge franchise fee amount will be paid on or before April 30, 2020, and will be based on the calendar year January 1 through December 31, 2019. The final Discretionary Service Charge franchise fee amount will be paid on or before April 30, 2041, and will be based on the calendar months of January 1, 2040, through November 30, 2040.

3. Oncor may file a tariff or tariff amendment(s) to provide for the recovery of the franchise fee on Discretionary Service Charges.

4. City agrees: (i) to the extent the City acts as regulatory authority, to adopt and approve that portion of any tariff which provides for 100% recovery of the franchise fee on Discretionary Service Charges; (ii)

in the event the City intervenes in any regulatory proceeding before a federal or state agency in which the recovery of the franchise fees on such Discretionary Service Charges is an issue, the City will take an affirmative position supporting the 100% recovery of such franchise fees by Oncor; and (iii) in the event of an appeal of any such regulatory proceeding in which the City has intervened, the City will take an affirmative position in any such appeals in support of the 100% recovery of such franchise fees by Oncor.

5. City agrees that it will take no action, nor cause any other person or entity to take any action, to prohibit the recovery of such franchise fees by Company.

6. In the event of a regulatory disallowance of the recovery of the franchise fees on the Discretionary Service Charges, Company will not be required to continue payment of such franchise fees.

D. With each payment of compensation required in Section 7.A. and 7.B., Oncor shall furnish to the City a statement that provides the franchise basis period, the total amount of kilowatt hours of electricity delivered during the franchise basis period by Oncor to retail customers whose consuming facility's point of delivery is located within the City's municipal boundaries, and the privilege period covered by that payment.

E. With each payment of compensation required in Section 7.C., Oncor shall furnish to the City a statement reflecting the total amount of gross revenues received by Oncor within the City's municipal boundaries for services identified in its "Tariff of Retail Delivery Service" as described in Section 7.C.

F. Should any payment due date required by this Franchise Agreement fall on a weekend or declared bank holiday, payment shall be delivered to the City no later than the close of business on the working day prior to any specifically required due date contained within this Franchise Agreement.

G. If either party discovers that Oncor has failed to pay the entire or correct amount of compensation due, the correct amount shall be determined by mutual agreement between the City and Company and the City shall be paid by Oncor within thirty (30) calendar days of such determination. Any overpayment by Oncor to the City through error or otherwise will, at the option of the City, either be refunded within thirty (30) days of discovery or be offset against the next payment due from Oncor. Acceptance by either party of any payment due under this Section shall not be deemed to be a waiver by either party of any breach of this Franchise Agreement, nor shall the acceptance by either party of any such payments preclude either party from later establishing that a larger amount was actually due or from collecting any balance due. Nothing in this Section shall be deemed a waiver by either party of its rights under laws, rules, regulations, or equity.

H. Interest on late payments shall be calculated in accordance with the interest rate for customer deposits established by the Public Utility Commission of Texas in accordance with Texas Utilities Code Section 183.003 including any amendments thereto.

I. The franchise fee payable to the City pursuant to Section 7.A., except as agreed to by Oncor and the City in Section 7.G, shall not be offset by any payment by Oncor to the City relating to ad valorem taxes.

J. This subsection applies only if, after the effective date of this Franchise Agreement, Oncor enters into a new municipal Franchise agreement or renews an existing municipal Franchise agreement with another municipality that provides for a different method of calculation of franchise fees for use of the Public Rights-of-Way than the calculation under 33.008(b) of PURA, which, if applied to the City, would result in a greater amount of franchise fees owed to the City than under this Franchise Agreement.

1. City shall have the option to:

   (a) Have Oncor select, within 30 days of the City's request, any or all portions of the franchise agreement with the other municipality or comparable provisions that, at Oncor's sole discretion, must be considered in conjunction with the different method of the calculation of franchise fees included in that other Franchise agreement; and

   (b) Modify this franchise to include both the different method of calculation of Franchise fee found in the Franchise agreement with the other municipality and all of the other provisions identified by Oncor pursuant to Section 7.J.1.(a). In no event shall City be able to modify the Franchise to include the different method of calculation of Franchise fee found in the Franchise agreement with the other municipality without this Franchise also being modified to include all of the other provisions identified by Oncor pursuant to Section 7.J.1.(a).

2. City may not exercise the option provided in Section 7.J.1 if any of the provisions that would be included in this Franchise are, in Oncor's sole reasonable opinion, inconsistent with or in any manner contrary to any then-current rule, regulation, ordinance, law, Code, or City Charter.

3. In the event of a regulatory disallowance of the increase in Franchise fees paid pursuant to City's exercise of its option under this Section, then at any time after the regulatory authority's entry of an order disallowing recovery of the additional Franchise fee expense in rates, Oncor shall have the right to cancel the modification of the Franchise made pursuant to this Section, and terms of the Franchise shall

immediately revert to those in place prior to City's exercise of its option under this Section.

4. Notwithstanding any other provision of this Franchise Agreement, should the City exercise the option provided in Section 7.J, and then adopt any rule, regulation, ordinance, law, Code, or Charter of City that, in Oncor's sole reasonable opinion, is inconsistent with or in any manner contrary to the provisions included in this Franchise pursuant to Section 7.J., then Oncor shall have the right to cancel all of the modifications to this Franchise Agreement made pursuant to this Section and, effective as of the date of the City's adoption of the inconsistent provision, the terms of the Franchise shall revert to those in place prior to City's exercise of its option under this Section.

5. The provisions of this Section apply only to the amount of the Franchise fee to be paid and do not apply to other Franchise fee payment provisions, such as the timing of such payments. The provisions of this Section do not apply to differences in the Franchise-fee factor that result from the application of the methodology set out in Section 33.008(b) of PURA or any successor methodology.

SECTION 8. ACCEPTANCE & TERM.

This Ordinance and Franchise Agreement shall become effective upon Oncor's written acceptance hereof, said written acceptance to be filed by Oncor with the City within sixty (60) days after final passage and publication by City as required by City Charter. Oncor will pay the reasonable expense for publishing the Caption of this Franchise Ordinance once a week for 4 consecutive weeks in the official newspaper of the City of Plano. The right, privilege and franchise granted hereby shall expire on November 30, 2040; provided that, unless written notice of cancellation is given by either party hereto to the other not less than sixty (60) days before the expiration of this Franchise Agreement, it shall be automatically renewed for an additional period of six (6) months from such expiration date and shall be automatically renewed thereafter for like periods until cancelled by written notice given not less than sixty (60) days before the expiration of any such renewal period. This agreement, however, will terminate no later than 25 years from its effective date.

SECTION 9. ACCOUNTING MATTERS.

A. Maintenance of Records. Oncor shall keep accurate books of account at its principal office for the purpose of determining the amount due to the City under this Franchise Agreement.

B. Audit. Pursuant to Section 33.008(e) of the Texas Utilities Code, the City may conduct an audit or other inquiry in relation to a payment made by Oncor less than two

(2) years before the commencement of such audit or inquiry. The City may, if it sees fit, and upon reasonable notice to Oncor, have the books and records of Oncor examined by a representative of City to ascertain the correctness of the reports agreed to be filed herein.

C. Access to Records. Oncor agrees to cooperate in such audit and shall provide responses to inquiries within thirty (30) calendar days of a written request, unless otherwise agreed to by the City and Oncor. Oncor shall make available to the auditor during Oncor's regular business hours and upon reasonable notice, such personnel and records that the City may, in its reasonable discretion, request in order to complete such audit, and shall make no charge to the City therefore.

D. Refunds/Credits.

1. If as the result of any City audit, Oncor is refunded/credited for an overpayment or pays the City for an underpayment of the Franchise Fee, such refund/credit or payment shall be made pursuant to the terms established in Sections 7.B and 7.C.

    A. If, as a result of a subsequent audit, initiated within two years of an audit which resulted in Oncor making a payment to the City due to an underpayment of the Franchise Fee of more than 5%, Oncor makes another payment to the City due to an underpayment of the Franchise Fee of more than 5%, the City may immediately treat this underpayment as an Uncured Event of Default and exercise the remedies provided for in Section 11.C.

E. If Oncor provides confidential or proprietary information to the City, Oncor shall be solely responsible for identifying such information with markings reasonably calculated to bring the City's attention to the proprietary or confidential nature of the information. The City agrees to maintain the confidentiality of any non-public information obtained from Company so designated to the extent allowed by law. When a court or regulatory agency (other than City) order requires the City to release non-public information, City shall provide notice to Oncor prior to releasing the information so as to allow Oncor adequate time to pursue available remedies for protection. If the City receives a request under the Texas Public Information Act that includes Oncor's proprietary information, City will notify the Texas Attorney General of the proprietary nature of the document(s). The City shall also provide Oncor a copy of the official notification in writing, and thereafter Oncor is responsible for establishing that an exception under the Act allows the City to withhold the information. If the Texas Attorney General requires release, the City has no liability to Oncor for such release.

SECTION 10. RIGHT OF RENEGOTIATION.

A. Should either Oncor or the City have cause to believe that a change in circumstances relating to the terms of this franchise may exist, it may request that the other party provide it with a reasonable amount of information to assist in determining whether a change in circumstances has taken place.

B. Should either party hereto determine that, based on a change in circumstances, it is in the best interest to renegotiate all or some of the provisions of this Franchise Agreement, then the other party agrees to enter into good faith negotiations. Said negotiations shall involve reasonable, diligent, and timely discussions about the pertinent issues and a resolute attempt to settle those issues. The obligation to engage in such negotiations does not obligate either party to agree to an amendment to the Franchise as a result of such negotiations. A failure to agree does not show a lack of good faith. If, as a result of renegotiation, the City and Oncor agree to a change in a provision of this Ordinance, the change shall become effective upon passage of an ordinance by the City in accordance with the City Charter and written acceptance of the amendment by Oncor.

SECTION 11. DEFAULT, REMEDIES, AND TERMINATION.

A. Events of Default. The occurrence, at any time during the term of the Franchise Agreement, of any one or more of the following events, shall constitute an Event of Default by Oncor under this Franchise:

1. The failure of Oncor to pay the payments required in Section 7 on or before the due dates specified herein.

2. Oncor's material breach or material violation of any material terms, covenants, representations or warranties contained herein.

B. Uncured Events of Default.

1. Upon the occurrence of an Event of Default which can be cured by the immediate payment of money to City, Oncor shall have thirty (30) calendar days from receipt of written notice from City of an occurrence of such Event of Default to cure same before City may exercise any of its rights or remedies provided for in Section 11.C.

2. Upon the occurrence of an Event of Default by Oncor which cannot be cured by the immediate payment of money to City, Oncor shall have sixty (60) calendar days (or such additional time as may be agreed to by the City) from receipt of written notice from City of an occurrence of such Event of Default to cure same before City may exercise any of its rights or remedies provided for in Section 11.C.

3. If the Event of Default is not cured within the time period allowed for curing the Event of Default as provided for herein, such Event of Default shall, without additional notice, become an Uncured Event of Default, which shall entitle City to exercise the remedies provided for in Section 11.C.

C. Remedies. The City shall notify Oncor in writing of an alleged Uncured Event of Default as described in Section 11.B, which notice shall specify the alleged failure with reasonable particularity. Oncor shall, within thirty (30) business days after receipt of such notice or such longer period of time as the City may specify in such notice, either cure such alleged failure or in a written response to the City either present facts and arguments in refuting or defending such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure. In the event that such cure is not forthcoming, City shall be entitled to exercise any and all remedies as allowed by law.

D. The rights and remedies of City and Oncor set forth in this Franchise Agreement shall be in addition to, and not in limitation of, any other rights and remedies provided by law or in equity. City and Oncor understand and intend that such remedies shall be cumulative to the maximum extent permitted by law and the exercise by City of any one or more of such remedies shall not preclude the exercise by City, at the same or different times, of any other such remedies for the same failure to cure. However, notwithstanding this Section or any other provision of this Franchise, City shall not recover both liquidated damages and actual damages for the same violation, breach, or noncompliance, either under this Section or under any other provision of this Franchise.

E. Termination. In accordance with the provisions of Section 11.C, this Franchise may be terminated upon thirty (30) business day's prior written notice to Oncor by City. City shall notify Oncor in writing at least fifteen (15) business days in advance of the City Council meeting at which the question of forfeiture or termination shall be considered, and Oncor shall have the right to appear before the City Council in person or by counsel and raise any objections or defenses Oncor may have that are relevant to the proposed forfeiture or termination. The final decision of the City Council may be appealed to any court or regulatory authority having jurisdiction. Upon timely appeal by Oncor of the City Council's decision terminating the Franchise, the effective date of such termination shall be either when such appeal is withdrawn or an order upholding the termination becomes final and unappealable. Until the termination becomes effective the provisions of this Franchise shall remain in effect for all purposes. The City recognizes Oncor's right and obligation to provide service in accordance with the Certificate of Convenience and Necessity authorized by the Public Utility Commission of Texas in accordance with the Texas Utilities Code.

SECTION 12. ASSIGNMENT. The rights granted by this Franchise Agreement inure to the benefit of the Oncor and any parent, subsidiary, affiliate or successor entity now or hereafter existing. The rights shall not be assignable without the express written consent, by Ordinance, of the City Council of the City, unless otherwise superseded by state laws, rules, or regulations or Public Utility Commission of Texas action, and such consent by City shall not be unreasonably withheld or delayed, except Oncor may assign its rights under this Franchise Agreement to a parent, subsidiary, affiliate or successor entity without consent, so long as such parent, subsidiary, affiliate or successor entity assumes all obligations of Oncor hereunder, and is bound to the same extent as Oncor hereunder. Oncor shall give the City written notice within ninety (90) days of any such assignment to a parent, subsidiary, affiliate or successor entity.

SECTION 13. SUPERSEDENCE. This Ordinance shall supersede any and all other Franchises granted by the City to Oncor, its predecessors and assigns.

SECTION 14. SEVERABILITY CLAUSE. The sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable. If any portion of this Ordinance is declared illegal or unconstitutional by the valid final non-appealable judgment or decree of any court of competent jurisdiction, such illegality or unconstitutionality shall not affect the legality and enforceability of any of the remaining portions of this Ordinance.

SECTION 15. NOTICE. Any notices required or desired to be given from one party to the other party to this Ordinance shall be in writing and shall be given and shall be deemed to have been served and received if: (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is actually received by the other party, the last address of such party designated for notice shall remain such party's address for notice.

CITY	ONCOR
City Manager City of Plano 1520 Avenue K Plano, TX 75074	Regulatory Affairs Oncor Electric Delivery Company LLC 1616 Woodall Rodgers Fwy., 6th Floor Dallas, TX 75202-1234

Upon request, Oncor shall provide the City with current contact information for the City's use in forwarding customer inquiries and complaints to Oncor.

SECTION 16. SAVINGS CLAUSE. The repeal of any Ordinance or part of Ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action, claims or penalties under any such prior Ordinance by either party, subject to applicable statute of limitations.

SECTION 17. PUBLIC HEARINGS. It is hereby officially found that the meeting at which this Ordinance is passed is open to the public and that due notice of this meeting was posted by City, all as required by law.

SECTION 18. GOVERNING LAW AND VENUE. This Franchise Ordinance shall be construed and governed by the laws of the State of Texas. City and Company agree that any lawsuit between the City and Oncor concerning this Ordinance will be filed in the state of Texas.

DULY PASSED AND APPROVED ON THE FIRST READING on this the 9th day of December, 2019.

Harry LaRosiliere, MAYOR

ATTEST:

Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

Paige Mims, CITY ATTORNEY

DULY PASSED AND APPROVED ON THE SECOND READING (which date is at least 30 days from the first reading) on this the 13th day of January, 2020.

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Harry LaRosiliere, MAYOR

ATTEST:

____
Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

____
Paige Mims, CITY ATTORNEY