



City of Pattison, Texas

ORDINANCE NO. 174-2024

AN ORDINANCE GRANTING TO CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC, ITS SUCCESSORS AND ASSIGNS, THE NON-EXCLUSIVE RIGHT, PRIVILEGE AND FRANCHISE TO USE THE PUBLIC RIGHTS-OF-WAY WITHIN THE CITY OF PATTISON, TEXAS FOR THE CONSTRUCTION, OPERATION AND MAINTENANCE OF THE COMPANY'S ELECTRIC UTILITY FACILITIES TO CONDUCT AN ELECTRIC DELIVERY BUSINESS WITHIN THE CITY OF PATTISON, TEXAS.

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BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PATTISON, TEXAS:

Section 1. Definitions. The following capitalized terms have the following respective definitions:

Annual Adjustment Factor has the meaning set forth in Section 12 below.

Annual Franchise Fee has the meaning set forth in Section 12 below.

Base Franchise Fee means \$38,574.24, which represents the total annual franchise fee paid by Company to City for 2022.

Base kWh means 11,047,977 kWh, which represents the total kWh delivered by Company within the Franchise Area (inclusive of street lighting) in 2022.

City means the City of Pattison, Texas, a municipal corporation of the State of Texas. *City* includes (1) any and all territory that has been annexed by the City prior to this Franchise and (2) any and all territory that is annexed by the City during the term of this Franchise.

City Council means the governing body of the City.

Company means CenterPoint Energy Houston Electric, LLC, a Texas limited liability company or its lawful successors or assigns.

Effective Date means the first day of the calendar month immediately following the day on which the previous franchise agreement expired.

Emergency means a situation in which harm to public health, safety, or welfare will likely occur unless immediate remedial action is taken.

Franchise means this Ordinance and the rights and privileges granted by this Ordinance.

Franchise Year means the twelve-month period commencing each July 1 during the term of this Franchise following the Initial Franchise Period.

Franchise Area means the area within the boundaries of the City as of the Effective Date and as same may change from time to time during the term of this Franchise.

Initial Franchise Period means the period beginning on the Effective Date and continuing through the first June 30 following the Effective Date.

Person means any individual, firm, partnership, association, corporation, company or organization of any kind.

Public Rights-of-Way means the surface of, and the space above and below any and all present and future public Streets, viaducts, Public Utility Easements, and all other public roadways within the City, and any highways, county roads, or other public roadways for which the City has an agreement or contract to control, regulate, or maintain, as they now exist or may be hereafter constructed, or extended within the corporate limits of the City. .

Public Works Improvement Projects has the meaning set forth in Section 6, below.

PUC means the Public Utility Commission of Texas or its successor agency with equivalent jurisdiction.

Street means the surface and the space above and below any public street, avenue, road, highway, alley, drive, boulevard, lane, bridge, sidewalk, or way.

System means the Company's facilities erected, constructed, maintained, operated, used, extended, removed, replaced, and repaired, as necessary, by Company within the Franchise Area to provide Utility Service, including without limitation, all poles, pole lines, towers, tower lines, wires, guys, conduits, cables, and other desirable instrumentalities and appurtenances used for the provision of Utility Service to the City, its inhabitants and other Persons.

Utility Service means any goods or services that Company offers or makes available pursuant to its PUC-approved tariff, or is otherwise authorized by the PUC or state law to offer or make available, to any Person, including without limitation electric power distribution and transmission services.

Section 2. Grant of Franchise. Subject to the terms, conditions and provisions of this Franchise, City hereby grants to Company, and its successors and assigns, the non-exclusive right, privilege and franchise to use and occupy the Public Rights-of-Way to construct, maintain, operate, use and license the System to provide Utility Service to the City, its inhabitants and other Persons.

Section 3. Term of Franchise. This Franchise shall remain in full force and effect for an initial term of ten (10) years from and after the Effective Date and shall thereafter automatically renew for successive one-year terms unless terminated by Company or City

by written notice delivered at least 90 days prior to the expiration of the initial or any succeeding term. Upon the Effective Date, this Franchise replaces and supersedes in its entirety any franchise granted by City to Company prior to the Effective Date.

Section 4. Work Permits and Notices. Except for Emergency work, the Company and contractors performing work in the Public Rights-of-Way for Company must complete the City's permit application process pursuant to the City's Right of Way Management Ordinance, as amended. Notwithstanding anything to the contrary in the City's Right of Way Management Ordinance, a permit application submitted by Company for the construction of standard System electrical facilities in the Public Rights-of-Way is exempt from any registered or licensed professional engineer submission requirements for the design of or on drawings submitted for such facilities. This Franchise shall constitute a permit to park vehicles in the Streets and other Public Rights-of-Way when necessary for the installation, removal, operation or maintenance of Company's System. Company and contractors performing work for Company shall not be required to pay any permit fees or to pay any fee in addition to the Annual Franchise Fee in order to perform work on Company's System or to park within the Streets and other Public Rights-of-Way. Company shall comply with all valid City ordinances governing time periods and standards relating to excavation work and pavement cuts in the Public Rights-of-Way and shall cooperate with City to avoid unreasonable traffic and pedestrian disruption. In the event of repair work pursuant to an Emergency, the Company must notify the City as soon as reasonably possible, but no later than seventy-two (72) hours, after such work is commenced.

Section 5. City Regulation. Within the Streets or other Public Rights-of-Way of City, the location and route of all System poles, stubs, guys, anchors, lines, conduits and cables placed or constructed by Company shall be subject to the reasonable and proper regulation, control and direction of City or of any City official to whom such duties have or may be duly delegated, which regulation and control shall include, but not by way of limitation, the right to require the relocation or modification of System facilities located within Public Rights-of-Way to the extent provided in Section 6. Company must comply with the City's Right of Way Management Ordinance, as amended.

Section 6. Relocation Requests. Company shall, if requested by City in writing, relocate or modify System facilities within Public Rights-of-Way at Company's own expense, exclusive of street lighting facilities and any other facilities installed to provide Utility Service directly to City, to the extent such relocation or modification is reasonably necessary to accommodate public improvement projects by the City affecting such Public Rights-of-Way, including but not limited to street widening, change of grade, water, sewer, gas, or drainage upgrades, construction or reconstruction projects and traffic lane adjustments or expansions (collectively, "Public Works Improvement Projects"). City acknowledges that any relocations or modifications of System facilities reasonably necessary to accommodate Public Works Improvement Projects may affect the safety and reliability of Utility Service, and the City agrees to consult with Company on any such relocation or modification before making such requests. City shall bear the costs of all other System facility relocations requested by City, including relocation requests for reasons other than being reasonably necessary to accommodate a Public Works

Improvement Project, System facilities outside of any Public Rights-of-Way or on land in which Company has a compensatory interest such as an easement, or System facilities installed to provide Utility Service directly to City.

Section 7. Pole Bracings. Company shall pay for the bracing of System utility poles located within Public Rights-of-Way if such bracing is reasonably necessary to accommodate Public Works Improvement Projects such as water and sewer repair and maintenance. Except in the event of an Emergency, City shall give Company at least seven days' notice when City or City's contractor requires the bracing of System utility poles.

Section 8. Construction Standards. All System poles and facilities erected by Company in the Franchise Area pursuant to the authority herein granted shall be built in accordance with generally accepted industry standards, and shall be so set that they shall not interfere with the flow of water in any gutter or drain, and so that the same shall interfere as little as practicable with the ordinary travel, on the Streets or other Public Rights-of-Way. Company shall construct, operate, and maintain its System within the Franchise Area in substantial accordance with Company's own service standards and the National Electrical Safety Code ("NESEC"), and all applicable laws, statutes, codes, and standards. Company shall determine the specific location and the method of construction and types of materials used in building, maintaining, and operating Company's transmission and distribution facilities. City shall require its employees and contractors performing work for the benefit of City to comply with all applicable laws, statutes, codes and standards (including, without limitation, Chapter 752 of the Texas Health and Safety Code, as the same may be amended or replaced, and the NESC) when working near Company's System and to report as soon as practicable any damage done to Company's System. Company also agrees to require its employees and contractors performing work for the benefit of City to comply with all applicable laws, statutes, codes and standards (including, without limitation, Chapter 752 of the Texas Health and Safety Code, as the same may be amended or replaced, and the NESC) when working near City's facilities and to report as soon as practicable any damage done to City's facilities.

Section 9. Repair and Restoration of Worksite; Tree Trimming. Following completion of System work in Public Rights-of-Way, Company shall repair and restore the affected Public Rights-of-Way to as good a condition as before the commencement of the work as soon as reasonably possible, but in all cases shall comply with all valid City ordinances governing time periods and standards relating to excavating in the Public Rights-of-Way. No Street or other Public Right-of-Way shall be encumbered by System construction, maintenance or removal work for a longer period than shall be necessary to execute such work.

Company shall promptly address concerns or complaints raised by the City regarding Company's tree trimming activities.

Section 10. Quality of Service. The Utility Service furnished hereunder to City and its inhabitants shall be first-class in all respects, considering all circumstances, and Company shall furnish the grade of service to retail customers as prescribed by applicable

PUC rules and Company's PUC-approved tariff. Company shall maintain its System in reasonable operating condition during the continuance of this Franchise.

Section 11. City Conveyance of Public Right-of-Way. If City sells, conveys, or surrenders possession of any portion of the Public Right-of-Way that is being used by Company or occupied by System facilities pursuant to this Franchise, City, to the maximum extent of its right to do so, shall first grant Company an easement for such use; and the sale, conveyance, or surrender of possession of the Public Right-of-Way shall be subject to the right and continued use and occupancy thereof by Company.

Section 12. Franchise Fee. In consideration for the rights and privileges herein granted, Company agrees to pay to City during the term of this Franchise an annual franchise fee (referred to herein as the "Annual Franchise Fee") in an amount calculated as herein set out.

The Annual Franchise Fee shall be calculated as follows:

1. The Annual Franchise Fee for the Initial Franchise Period shall be (a) the product of (i) the quotient of the Base Franchise Fee divided by 12, multiplied by (ii) the number of months in the Initial Franchise Period, minus (b) the amount of the "Municipal Account Franchise Credit" provided to City under Company's tariff during the prior calendar year.
2. The Annual Franchise Fee for each succeeding Franchise Year shall be (a) the greater of (i) the Base Franchise Fee or (ii) the product of the Base Franchise Fee multiplied by the Annual Adjustment Factor applicable to that Franchise Year, minus (b) the amount of the "Municipal Account Franchise Credit" provided to City under Company's PUC-approved tariff during the prior calendar year. The "Annual Adjustment Factor" applicable to each Franchise Year is a fraction, the numerator of which is the total kWh delivered by Company within the Franchise Area (inclusive of street lighting) in the previous calendar year, and the denominator of which is the Base kWh.

By no later than April 1, Company shall calculate the Annual Franchise Fee for the next Franchise Year and shall provide the same along with the basis for such calculation to City for its review. If Company does not receive an objection from City by May 31, the calculated Annual Franchise Fee will become effective on July 1. The Annual Franchise Fee shall be payable in equal monthly installments due the first day of each month of the Franchise Year. If the term of this Franchise ends on any day other than the last day of the last Franchise Year, then the Annual Franchise Fee for the final Franchise Year shall be prorated accordingly.

Section 13. Franchise Fee Recovery. The parties agree that the franchise payments due under this Franchise are reasonable and necessary and that the parties shall use their best efforts to enable Company to recover these payments through its PUC-approved rates. If, as the result of a final and non-appealable order issued by the

PUC, all or a portion of the then-effective Annual Franchise Fee is expressly found to be unreasonable or is otherwise expressly rejected or disallowed by the PUC, City reserves the right to renegotiate the terms of this agreement with Company as necessary; provided, however, until such an agreement is reached, Company shall be permitted to reduce the Annual Franchise Fee owed under this Franchise by the amount, if any, found by the PUC in such order to be unreasonable.

Section 14. Total Compensation. Except as otherwise set forth in Section 15, payment of the Annual Franchise Fee shall be the total compensation payable to City in consideration for the right, privilege and franchise herein conferred by City to Company to use of the Public Rights-of-Way to construct, operate, use and maintain the System for the provision of Utility Service. City shall not charge any additional license, charge, fee, street or alley rental, or other character of charge or levy for the use or occupancy of the Public Rights-of-Way in City, or any pole tax or inspection fee tax.

Section 15. City Use of System Facilities. Company shall furnish to City, free of charge, such pole and/or duct space as may be required from time to time for the installation of City-owned traffic, police and fire alarm system conductors; provided such conductor space does not exceed the available capacity on any one existing pole or in one existing interior duct. Company shall allow for the expanded use of existing energized conductors by City for the purposes of providing traffic signal communication interconnectivity with prior written approval from Company. The specific location for these traffic, police and fire alarm conductors on Company poles or ducts shall be determined by Company and shall be allotted at the time specific applications for space are received from City. All City traffic, police and fire alarm circuits on Company poles and ducts shall be designed and installed, operated and maintained in compliance with the applicable provisions of the NESC and other laws, statutes, codes and ordinances applicable to private parties and so as to create no interference, corrosion, harm, damage or hazard with, to or from Company's System or Company's business. All plans for such city traffic, police and fire alarm circuits must be submitted for Company's written approval prior to installation. Any modifications to Company's System necessary to accommodate such installation shall be paid by City. If, after installation, City's equipment is found to interfere with Company's System or business, Company and City shall work together to address the problem and, if deemed practical by Company, preserve City's access. Where main underground duct lines are located between manholes, Company shall permit free of charge the installation in one interior duct by City of its traffic, police or fire alarm signal cables; provided space is available in an interior duct not suitable for power circuits without interference with Company's system neutral conductors. All cables installed by City in Company ducts shall be of the non-metallic sheath type to prevent corrosive or electrolytic action between City and Company owned cables. A request for duct assignment shall in each instance be submitted to Company and a sketch showing duct allocation shall be received from Company prior to the installation of City cables in Company-owned duct lines. All City-owned conductors and cables, whether on poles or in duct lines, shall be constructed, maintained and operated in such manner as to not interfere with or create a hazard in the operation of Company's System or Company's business. If after installation, City's equipment is found to interfere with Company's

System or business, Company and City shall work together to address the problem and, if deemed practical by Company, preserve City's access.

Company shall also permit City to use, free of charge, extra space on its street light poles to install City-owned traffic control signs and decorative banners, with prior written approval from Company and provided that such use is consistent with the NESC and other applicable engineering and operational codes and standards.

Notwithstanding any other provision in this Franchise, Company shall not be responsible to any party or parties whatsoever for any claims, demands, losses, suits, judgments for damages or injuries to Persons or property by reason of the construction, maintenance, inspection or use of the traffic signal light systems, police and fire alarm systems, traffic control signs, or decorative banners belonging to City and constructed upon Company's poles or street light poles or in its ducts, but City does not, by this agreement, admit primary liability to any third party by reason of City's operation and use of such traffic signal light systems, police and fire alarm systems, traffic control signs, or decorative banners, such being a function of government.

Section 16. Audits. City may conduct an audit or other inquiry, or may pursue a cause of action in relation to the payment of the Annual Franchise Fee only if such audit, inquiry, or pursuit of a cause of action concerns a payment made less than two (2) years before commencement of such audit, inquiry, or pursuit of a cause of action. City shall bear the costs of any such audit or inquiry. All books and records related to Company's operations under this Franchise shall be available to City. Upon receipt of a written request from City, such documents shall be made available for inspection and copying no later than thirty (30) days from the receipt of such request. Amounts due to City for past underpayments or amounts due Company for past overpayments shall include interest calculated using the annual interest rates for overcharges as set by the PUC. Said interest shall be payable on such sum from the date the initial payment was due until it is paid.

Section 17. Waiver. The parties agree to waive any and all claims, asserted or unasserted, arising out of any prior franchises.

Section 18. Interpretation. Nothing contained in this Franchise shall ever be construed as conferring upon Company any exclusive rights or privileges of any nature whatsoever.

Section 19. Survival of Terms. If any term or other provision of the Franchise is determined by a non-appealable decision by a court, administrative agency, or arbitrator to be invalid, illegal, or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of the Franchise shall nevertheless remain in full force and effect so long as the economic or legal substance is not affected in any manner materially adverse to either party. Upon such determination that any term or other

provision is invalid, illegal, or incapable of being enforced, the parties shall negotiate in good faith to modify the Franchise so as to affect the original intent of the parties as closely as possible.

SECTION 20. Indemnity. COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL FULLY INDEMNIFY AND SAVE HARMLESS CITY FROM ANY AND ALL DAMAGES, LOSSES, OR CAUSES OF ACTION ARISING IN WHOLE OR IN PART FROM COMPANY'S EXERCISE OF ANY OF ITS RIGHTS, PRIVILEGES, FRANCHISES AND OBLIGATIONS HEREUNDER, EITHER DIRECTLY OR INDIRECTLY, OR BY REASON OF ANY ACT, NEGLIGENCE, OR NONFEASANCE OF THE CONTRACTORS, AGENTS, OR EMPLOYEES OF THE COMPANY, ITS SUCCESSORS AND ASSIGNS, AND SHALL REFUND TO CITY ALL SUMS WHICH IT MAY ADJUDGED TO PAY ON ANY SUCH CLAIM, OR WHICH MAY ARISE OR GROW OUT OF THE EXERCISE OF RIGHTS AND PRIVILEGES HEREBY GRANTED, OR BY THE ABUSE THEREOF. COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL INDEMNIFY AND HOLD CITY HARMLESS FROM AND ON ACCOUNT OF ALL DAMAGES, COSTS, EXPENSES, ACTIONS, AND CAUSES OF ACTION, TO THE EXTENT PERMITTED UNDER TEXAS LAW, THAT MAY ACCRUE TO OR BE BROUGHT BY ANY PERSON, PERSONS, COMPANY OR COMPANIES AT ANY TIME HEREAFTER BY REASON OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED, OR THE ABUSE THEREOF. NOTWITHSTANDING THE FOREGOING, NEITHER COMPANY NOR ITS SUCCESSORS AND ASSIGNS SHALL BE LIABLE FOR, OR BE REQUIRED TO INDEMNIFY CITY AGAINST, ANY DAMAGES, LOSSES, OR CLAIMS ARISING OUT OF THE CITY'S SOLE NEGLIGENCE OR ACTIONS.

IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OR FAULT OF BOTH COMPANY AND CITY, RESPONSIBILITY AND INDEMNITY, TO THE EXTENT ALLOWED BY LAW, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY OF THE DEFENSES OF THE PARTIES UNDER TEXAS LAW. IT IS UNDERSTOOD THAT IT IS NOT THE INTENTION OF THE PARTIES HERETO TO CREATE LIABILITY FOR THE BENEFIT OF THIRD PARTIES, BUT THAT THIS SECTION SHALL BE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND SHALL NOT CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY PERSON OR ENTITY.

Section 21. Insurance. Company 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 generally accepted industry standards for public utilities. Such insurance may be in the form of self-insurance

to the extent permitted by applicable law. Company shall provide its terms of coverage to City upon execution of this Franchise and upon any change in coverage thereafter, or upon City request.

Section 22. 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 Company under this Franchise:

1. The failure of Company to pay the franchise fee on or before the due dates specified herein.
2. Company'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, Company 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 22.C.
2. Upon the occurrence of an Event of Default by Company which cannot be cured by the immediate payment of money to City, Company 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 23.C. If the Event of Default creates a threat to the public health, safety, or welfare, Company shall cure as soon as reasonably practicable, but not later than twenty-four (24) hours from the Event of Default, before City may exercise any of its rights or remedies provided for in Section 22.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 22.C.

C. **Remedies.** The City shall notify the Company in writing of an alleged Uncured Event of Default as described in Section 22.B, which notice shall specify the alleged failure with reasonable particularity. The Company 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 of the following cumulative remedies:

1. The commencement of an action against Company at law for monetary damages.
2. The commencement of an action in equity seeking injunctive relief or the specific performance of any of the provisions that as a matter of equity, are specifically enforceable.
3. The commencement of proceedings to seek revocation of Company's certificate of convenience and necessity to serve any or all of Company's service area located within the City.
4. The termination of this Franchise.

D. **Remedies Cumulative.** The rights and remedies of City and Company 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 Company 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.

E. **Termination.** In accordance with the provisions of Section 22.C, this Franchise may be terminated upon thirty (30) business days' prior written notice to Company by City. City shall notify Company 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 Company shall have the right to appear before the City Council in person or by counsel and raise any objections or defenses Company may have that are relevant to the proposed forfeiture or termination. Until the termination becomes effective the provisions of this Franchise shall remain in effect for all purposes. The City recognizes Company'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.

F. **No Waiver.** The failure of either party to insist in any one or more instances upon the strict performance of any one or more of the terms or provisions of this Franchise shall not be construed as a waiver or relinquishment for the future of any such term or provision, and the same shall continue in full force and effect, subject to applicable statute of limitations. No waiver or relinquishment shall be deemed to have been made by either party unless said waiver or relinquishment is in writing and signed by that party.

Section 23. Reservation of Rights. It is understood that the power vested by law in City to regulate all public utilities within City, and to regulate the local rates of public utilities within City within the limits of the Constitution and laws, and to require all persons

or corporations to discharge the duties and undertakings, for the performance of which this Franchise was made, is reserved by City, subject to the terms and conditions of this Franchise. City, by the granting of this Franchise, does not surrender, lose, waive, impair, lessen or increase the lawful powers and rights and duties, now or hereafter vested in and imposed on City under the PURA and other applicable laws with respect to City's regulation of Company and its rates and services.

Section 24. Company Acceptance of Franchise. Within 30 days following the final passage and approval of this ordinance, the Company shall file with the Mayor a written statement in the following form signed in its name and behalf:

"To the Honorable Mayor and the City Council of the City of _____, Texas:

For itself, its successors and assigns, CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC, hereby accepts the attached ordinance and agrees to be bound by all of its terms, conditions and provisions."

CENTERPOINT ENERGY HOUSTON
ELECTRIC, LLC

By: _____

Name: _____

Title: _____

"Dated this the _____ day of _____, _____."

Section 25. Notice. Every notice, order, petition, document, or other direction or communication to be served upon the City or the Company shall be deemed sufficiently given if sent by registered or certified mail, return receipt requested. Every such communication to the Company shall be sent to:

Vice President, Regulatory Relations
CenterPoint Energy, Inc.
1111 Louisiana Street
Houston, Texas 77002

with a copy to:

Legal-Regulatory Department
CenterPoint Energy, Inc.
1111 Louisiana Street
Houston, Texas 77002

Unless and until changed by written notice given in accordance with this section, every such communication to the City or the City Council shall be sent to the

City of Pattison
City Secretary
citysecretary@pattison.texas.gov
P.O. Box 223
Pattison, TX 77466

With an electronic copy to:

City of Pattison
Mayor
mayor@pattison.texas.gov

The mailing of such notice, direction, or order shall be equivalent to direct personal notice and shall be deemed to have been given the earlier of receipt or two business days after it was mailed.

Section 26. Remedies Not Exclusive. The rights and remedies provided herein are cumulative and not exclusive of any remedies provided by law, and nothing contained in this Franchise shall impair any of the rights of the City or the Company under applicable law, subject in each case to the terms and conditions of this Franchise. Nothing contained herein shall act as a waiver of the City's sovereign or governmental immunity.

PASSED, APPROVED, AND ADOPTED this 11 day of January, 2024.

ATTEST:

APPROVED:

[Signature]

Joe Guercia, Mayor

ATTEST:

[Signature]

Lorene Hartfiel, City Secretary

APPROVED AS TO FORM:

[Signature]

CITY ATTORNEY

I, Joe Guercia, the duly appointed, qualified and acting Mayor of the City of Pattison, Texas, hereby certify that the above and foregoing Ordinance of CenterPoint Energy was duly adopted, at a regular meeting of the City Council of the City of Pattison, held on the 11th day of January, 2024, and that the same has been duly engrossed and enrolled in the records of the City.

EXECUTED under my hand and the corporate seal of the City of Pattison, Texas, at said City, this 11th day of January, 2024.

[Signature]

Mayor

(SEAL)

To the City of Pattison, Texas:

Grantee, for itself, its successors and assigns, hereby accepts the above and foregoing Ordinance and agrees to be bound by all of its terms and provisions.

By: _____

Title: _____

Dated this _____ day of _____, _____.