

AN ORDINANCE, granting to Westar Energy, Inc., a Kansas corporation, its successors and assigns, an electric franchise, prescribing the terms thereof and relating thereto, and repealing all ordinances or parts of ordinances inconsistent with or in conflict with the terms hereof.

BE IT ORDAINED BY THE GOVERNING BODY OF : BASEHOR, KANSAS

SECTION 1. That in consideration of the benefits to be derived by the City of Basehor, Kansas, and its inhabitants, there is hereby granted to Westar Energy, Inc., a Kansas corporation, hereinafter sometimes designated as "Company," said Company being a corporation operating a system for the transmission of electric current between two or more incorporated cities in the State of Kansas, into and through which it has built transmission lines, the right, privilege, and authority for a period of twenty (20) years from the effective date of this ordinance, to occupy and use the several streets, avenues, alleys, bridges, parks, parkings, and public places of said City, for the placing and maintaining of equipment and property necessary to carry on the business of selling and distributing electricity for all purposes to the City of Basehor, Kansas, and its inhabitants, and through said City and beyond the limits thereof; to obtain said electricity from any source available; and to do all things necessary or proper to carry on said business in the City of Basehor, Kansas.

SECTION 2. As further consideration for the granting of this franchise, and in lieu of any city occupation, license, or revenue taxes, the Company shall pay to the City during the term of this franchise three percent (3%) of its gross cash receipts from the sale of electric energy within the corporate limits of said City, such payment to be made monthly for the preceding monthly period. Gross cash receipts shall not include other operating revenues received by the Company, which are not related to the "sale of electric energy". Other operating revenues include, but are not limited to, delayed payment charges, connection fees, disconnection and reconnection fees, collection fees and return check charges. At the option of either the City or the Company and upon written notice given by one to the other sent at least ninety (90) days before the fifth, tenth or fifteenth anniversary of this franchise, the rate of compensation hereunder may be renegotiated. Any new rate of compensation that results from such renegotiation shall be effective on and after the fifth, tenth, or fifteenth anniversary of this franchise.

SECTION 3. That Company, its successors and assigns, in the construction, maintenance, and operation of its electric transmission, distribution and street lighting system, shall use all reasonable and proper precaution to avoid damage or injury to persons and property, and shall hold and save harmless the City of Basehor, Kansas, from any and all damage, injury and expense caused by the negligence of said Company, its successors and assigns, or its or their agents or servants.

SECTION 4. After the approval of this ordinance by the City, Company shall file with the City Clerk of the City of Basehor, Kansas, its unconditional written acceptance of this ordinance. Said ordinance shall become effective and be in force and shall be and become a binding contract between the parties hereto, their successors and assigns, from and after the expiration of 60 days from its final passage, approval and publication as required by law, and acceptance by said Company.

SECTION 5. That this ordinance, when accepted as above provided, shall constitute the entire agreement between the City and Company relating to this franchise and the same shall supersede and cancel any prior understandings, agreements, or representations regarding the subject matter hereof, or involved in negotiations pertaining thereto, whether oral or written.

SCANNED

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SECTION 6. This franchise is granted pursuant to the provisions of K.S.A. 12-2001.

SECTION 7. That any and all ordinances or parts of ordinances in conflict with the terms hereof are hereby repealed.

SECTION 8. The Company will file this ordinance with the State Corporation Commission of Kansas. Should the State Corporation Commission take any action with respect to this franchise ordinance, which would or may preclude Westar Energy, Inc., a Kansas corporation, from recovering from its customers any cost provided for hereunder, the parties hereto shall renegotiate this ordinance in accordance with the State Corporation Commission's ruling.

SECTION 9. A franchise shall be assignable only in accordance with the laws of the State of Kansas, as the same may exist at the time when any assignment is made, provided, however, that the franchise may be assigned by Company without action by the City to any creditworthy entity which succeeds to all or substantially all of the electric utility business of the Company. In the event of such assignment to a successor, Company shall be released from all obligations which are assumed in writing by such successor and the assignee shall have executed an assumption of the franchise being assigned.

PASSED and APPROVED this 10 day of December, 2004.

Mayor

Attest:

[Signature]
City Clerk

