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TITLE DATA

MICHIGAN STATE

Montmorency COUNTY

Hillman TOWNSHIP

CONSUMERS ENERGY CO.

InterWest Energy, Inc.

NAME OF GRANTOR

MUNICIPALITY

25

31N

4E

TRACT 582-D103-2

Easement

3-20-86

3-24-86

232

553

WO # 1755

SECTION

TOWN

RANGE

MAP 8

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DATE OF INST.

DATE OF RECORD

LIBER

PAGE

PLAT OR AREA

HILLMAN SPUR Line segment "h"
LIBER 232 PAGE 553 INTERWEST ENERGY, INC. EASEMENT

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For and in consideration of Two Thousand Five Hundred Forty Dollars and No/Cents (\$2,540.00) and other valuable consideration, the receipt of which is hereby acknowledged, Milton Hubbard and Alice Hubbard, as husband and wife of Route 1, Box 204, Hillman, Michigan 49746 ("Grantor" herein), hereby grants, conveys and warrants to INTERWEST ENERGY, INC., a Washington corporation ("Grantee" herein), of 305 111th Avenue N.E., Bellevue, Washington 98004, for the purposes hereinafter set forth, a perpetual easement over, across, and under the following described real property (the "Property" herein) in the Township of Hillman, Montmorency County, Michigan:

The South 1/2 of the NE 1/4 and the N 1/2 of the SW 1/4 and the NW 1/4 of the SE 1/4 of Section 25, Town 31 North, Range 4 East, Hillman Township, Montmorency County, Michigan (the "Property").

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property (the "Right-of-Way" herein) described as follows:

A Right-of-Way 60 feet in width including the East 30 feet of the NW 1/4 of the SW 1/4 and the W 30 feet of the NE 1/4 of the SW 1/4 of Section 25, Town 31 North, Range 4 East, Hillman Township, Montmorency County, Michigan (the "Right-of-Way").

1. **Purpose.** Grantee shall have the right to construct, operate, maintain, repair, replace, and enlarge one or more electric transmission lines over and across the Right-of-Way together with all necessary or convenient appurtenances thereto, which may include but are not limited to the following:

a. **Overhead facilities.** Wooden poles with crossarms, braces, guys, insulators, conductors, anchors; three (3) electrical transmission lines with a shield line.

b. **Construction.** Grantee shall schedule construction, placement of the poles, and running of transmission lines based on a plan which Grantee will discuss with Grantor. Construction shall be done in accordance with the plan so it is compatible with Grantor's farming, seeding or crop harvesting. Pole placement shall be discussed with Grantor prior to construction. As few poles shall be used as technically possible. No expansion or enlargement of the poles or lines shall be permitted without the permission of the Grantor unless necessary to (1) transmit power from Grantor to the purchasing utility or (2) to comply with applicable Federal or State regulatory or safety requirements for such lines or poles.

2. **Access.** Grantee shall have the right of access to the Right-of-Way over and across the Property to enable Grantee to exercise its rights hereunder, provided, that Grantee shall compensate Grantor for any damage to the Property caused by the exercise of said right of access. Grantee shall notify Grantor of the necessity to perform repair and maintenance and schedule such activities so they are compatible with Grantor's farming, seeding or crop harvesting.

3. **Right-of-Way Clearing and Maintenance.** Grantee shall have the right to cut, if deemed necessary, and remove or otherwise dispose of any and all trees, brush and vegetation presently existing upon the Right-of-Way. Existing ground cover shall be left in its natural state, if possible. Grantee shall also have the right to control on a continuing basis and by any prudent and reasonable means, the establishment and growth of trees, brush and other vegetation upon the Right-of-Way which could, in the opinion of Grantee, interfere with the exercise of Grantee's rights herein or create a hazard to Grantee's facilities. No existing trees shall be removed, trimmed, moved or damaged on Grantor's property, without discussing such action with Grantor.

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MONTMORENCY COUNTY REGISTER OF DEEDS

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VIVIAN R. SEYMOUR
Register of Deeds

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4. **Danger Trees.** Grantee shall have the right to cut and remove or otherwise dispose of any trees located on the Property outside the Right-of-Way which in falling could, in Grantee's reasonable judgment, be a hazard to Grantee's facilities. Provided, however, that Grantee, prior to exercising such right, shall identify such danger trees and give prior written notification to Grantor and shall make payment to Grantor for the market value of any merchantable timber contained therein which is cut and removed or disposed of by Grantee.

Grantee's failure to comply with the conditions of this paragraph prior to exercising its rights under emergency conditions shall not be deemed a violation of this agreement, but Grantor shall still be entitled to compensation for such trees that are cut and removed or otherwise disposed of by Grantee.

5. **Grantor's Use of Right-of-Way.** Grantor reserves the right to use the Right-of-Way for any purpose not inconsistent with the rights herein granted, provided, that Grantor shall not construct or maintain any building or structure directly under the transmission lines. Building within the Right-of-Way is prohibited except with Grantee's written permission. Grantor shall have full use of the Right-of-Way for farming and other agricultural uses. All mineral rights are solely retained by Grantor. Any and all tax assessments on Grantee's utility equipment (improvements to the land) are payable by Grantee.

6. **Indemnity.** By accepting and recording this easement Grantee agrees to indemnify and hold harmless Grantor from any and all claims for damages suffered by any person which may be caused by Grantee's exercise of the rights herein granted, provided, that Grantee shall not be responsible to Grantor for any damages resulting from injuries to any person caused by acts or omissions of Grantor.

7. **Abandonment.** The rights herein granted shall continue until such time as Grantee ceases to use the Right-of-Way for a period of two (2) successive years, which event, this easement shall terminate and all rights hereunder shall revert to Grantor, provided, that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its facilities on the Right-of-Way within any period of time from the date hereof. Grantee shall be responsible for removing all existing lines, poles, anchors, guys, and other equipment if abandonment occurs.

8. **Disposition of Old Utility Poles.** Grantor has stated his desire to have the old utility poles that are replaced with new ones. Grantee agrees that the old utility poles will be placed on Grantor's property for his use. These old poles shall be provided to Grantor at no expense. Grantor shall be responsible to move the old utility poles where he wants them after Grantee removes them from the ground or cuts the utility poles off at the ground level.

9. **Joint Use of Right-of-Way With Presque Isle Electric Cooperative, Inc. (PIEC)** Grantor acknowledges, understands, and approves that Grantee is jointly using the existing utility Right-of-Way with PIEC and that Grantee will install new utility poles in approximately the same location as the existing poles. Further Grantee will either transfer or install new distribution lines and equipment belonging to PIEC onto the new poles. PIEC retains its rights and interests under their existing right-of-way agreements.

10. **Further Assurances.** Grantor acknowledges that the legal descriptions contained in this easement are subject to correction upon completion of a survey of the Property of the Right-of-Way. Grantor agrees to execute and deliver any and all further documents and instruments, and in addition to take any and all further actions as Grantee may reasonably require to correct the legal descriptions or otherwise to effectuate the provisions of this easement and allow the financing and construction of Grantee's power plant in the Village of Hillman.

11. **Successors and Assigns.** The rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

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DATED this 20th day of March, 1986.

WITNESSES:

Eleanor Lutze
Eleanor Lutze

GRANTOR:

Milton G. Hubbard
Milton G. Hubbard
Alice S. Hubbard
Alice S. Hubbard

GRANTEE:

Bruce Thompson
Bruce Thompson

STATE OF MICHIGAN)
COUNTY OF Montgomery) ss:

The foregoing instrument was acknowledged before me on this 20th day of March, 1986, by Milton G. Hubbard and Alice S. Hubbard.

Eleanor Maxine Lutze

Notary Public
Montgomery County, Michigan
My Commission Expires: Sept 3, 1987

Prepared by and after recording,
return to:
Bruce Thompson
InterWest Energy, Inc.
305 - 111th Avenue, N.E.
Bellevue, Washington 98004

ELEANOR MAXINE LUTZE
Notary Public, Montgomery Co., MI
My Commission Expires Sept. 3, 1987