ORDINANCE NO. _____

AN ORDINANCE TO FIX AND IMPOSE THE AGGREGATE AMOUNT OF FEES AND CHARGES TO BE PAID TO THE CITY OF LITTLE ROCK, ARKANSAS, BY ENTERGY ARKANSAS, LLC; AND THE METHOD OF PAYMENT THEREOF; TO AMEND SECTION 9 OF LITTLE ROCK, ARK., ORDINANCE NO. 11,683 (DECEMBER 6, 1965); AND FOR OTHER PURPOSES.

WHEREAS, Entergy Arkansas, LLC, is duly authorized by a Franchise Agreement to, the use and enjoyment of City of Little Rock, Arkansas ("the City") rights-of-way to among other things, construct, operate, maintain, and extend an electric system within the City of Little Rock, Arkansas (the "City"), and to sell, furnish, transmit and distribute electric power and energy to the City and citizens residing therein; and,

WHEREAS, Entergy Arkansas, LLC, now provides electric service to the City and its inhabitants and occupying the streets, alleys, airways, and other public rights-of-way within the City pursuant to said franchise agreement, and making certain payments to the City in lieu of all other taxes, fees, charges, impositions, and licenses, except general taxes; and,

WHEREAS, the City Board of Directors approved LRO No. 22,605 (April 29, 2025) which amended Section 9 of LRO No. 11,683 (December 6, 1965) to add a new class of customer entitled High Load User (defined below); and,

NOW, THEREFORE BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. Section 9 of the Franchise Agreement, which is LRO No. 11,683 (December 6, 1965) as amended, is hereby amended to include the following:

> For the year beginning January 1, 2027, and each year thereafter, Entergy Arkansas shall pay in monthly installments the greater of: (A) the sum of (i) 5.2% of the gross revenue collection as paid to it by industrial, commercial, and residential users located within the corporate limits of the City of Little Rock, excluding its gross revenue collection as paid to it by any High Load User (defined below), located within the corporate limits of the City of Little Rock and (ii) 0.25% of its gross revenue collection as paid to it by any High Load User or (B) the sum of Eight Million, Eight Hundred Thousand Dollars ($8,800,000.00), whichever is greater. The Company's Auditor shall certify such gross revenues.

For purposes of such calculation, "High Load User" shall mean any user that (a) takes service from Entergy Arkansas in the corporate limits of the City of Little Rock after April 28, 2025; and (b) contracts with Entergy Arkansas for at least 225 megawatts of service within the corporate limits of the City of Little Rock; and (c) executes a contract with the City of Little Rock with respect to the user's project to be served by Entergy Arkansas; further, no calculation under (A)(ii) above shall be applied by Entergy Arkansas until such time as the City provides Entergy Arkansas with a statement executed by the Mayor on behalf of the City confirming execution of the contract as set forth under (c) above.

Section 2. An additional condition of this franchise is that any removal of trees, or underbrush, of any kind, to maintain the integrity of utility lines shall be done without the use of any toxic substance or poison, and instead cutting trees, or mowing or other such means shall be the only means to remove underbrush.

Section 3. Payments to the City by Entergy Arkansas, LLC, of the amounts as provided for in Section 1 hereof shall be made monthly on or before the 15th of each month.

Section 4. Entergy Corporation shall also be subject to the relocation policy set forth in Little Rock, Ark., Rev. Code §§2-350 – 357 (1988).

Section 5. ***Effective Date.*** Because an ordinance of this nature remains in effect until abandoned, and in light of the language of the current Section 1 of this ordinance, it is noted that the Franchise Fees set forth in Section 1 of this ordinance shall be in full force and on January 1, 2027.

Section 6. ***Severability.*** In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of the ordinance.

Section 7. ***Repealer.*** All ordinances and parts of ordinances that conflict herewith are hereby repealed; provided, however, only to the extent that the same are in direct conflict herewith. Except as provided, nothing herein shall be construed to alter or change the terms or conditions of the present franchise under which Entergy Arkansas, LLC, is operating, as set forth in Ordinance No. 11,683 (December 6, 1965), as amended.

PASSED: November 17, 2026

ATTEST: **APPROVED:**

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Allison Segars, City Clerk **Frank Scott, Jr., Mayor**

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney

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