AN ORDINANCE ADOPTING A NET METERING RATE AND AMENDING SECTION ONE OF ORDINANCE NO. O-05-143; AND FOR OTHER PURPOSES

Whereas, Ordinance O-05-143 adopted the retail electric rates charged for electric service provided by Conway Corporation; and

Whereas, Act 827 of 2015 amended the net metering rules applicable to Conway Corporation to require the purchase of excess generation, in certain circumstances, at the utility’s avoided cost;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS:

SECTION ONE. The City of Conway, Arkansas amends Section One of Ordinance O-05-143 to add the following Net Metering Rate.
**AVAILABILITY:**
At any point on the existing secondary distribution system where a Corporation-approved net meter is installed.

**APPLICATION:**
For residential service to single family residences or commercial establishments through one meter, capable of measuring the difference between electricity supplied by Conway Corporation and the electricity generated by an approved Net Metering Facility and fed back to the Corporation’s distribution system.

**CHARACTER OF SERVICE:**
A facility for the production of electrical energy that:

(A) Uses solar, wind, hydroelectric, geothermal, or biomass resources to generate electricity including, but not limited to, fuel cells and micro turbines that generate electricity entirely derived from renewable resources; and,

(B) Has a generating capacity of not more than:
   1) the greater of twenty-five (25) kilowatts or one hundred percent (100%) of a Residential net-metering customer’s highest monthly usage in the previous twelve (12) months or
   2) three hundred (300) kilowatts for Commercial Customers; and,

(C) Can operate in parallel with the Corporation’s existing transmission and distribution facilities; and,

(D) Is intended primarily to offset part or all of the customer’s requirements for electricity.

**NET MONTHLY RATE:**
Summer rates will apply to billing months of June through September and winter rates will apply for the billing months of October through May.

### RESIDENTIAL NET METERING CUSTOMERS

<table>
<thead>
<tr>
<th></th>
<th>SUMMER RATES</th>
<th>WINTER RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$6.00</td>
<td>$6.00</td>
</tr>
<tr>
<td>All Net KWH</td>
<td>EACH $.06730</td>
<td>First 1000 Net KWH</td>
</tr>
<tr>
<td>Minimum</td>
<td>PER MONTH $6.00</td>
<td>Over 1000 Net KWH</td>
</tr>
</tbody>
</table>

### COMMERCIAL NET METERING CUSTOMERS

<table>
<thead>
<tr>
<th></th>
<th>SUMMER RATES</th>
<th>WINTER RATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$11.00</td>
<td>$11.00</td>
</tr>
<tr>
<td>Demand Charge</td>
<td>PER KW $7.00</td>
<td>Demand Charge</td>
</tr>
<tr>
<td>Energy Charge</td>
<td>PER NET KWH $.04250</td>
<td>Energy Charge</td>
</tr>
</tbody>
</table>

Minimum per month $11.00 plus $1.50 per KW times the highest demand established in the twelve months ending with the current month.

**COST OF POWER ADJUSTMENT:**
The above energy charges will be increased or decreased to reflect the nearest one-thousandth (.001) mill per KWH the change in the cost of fuel and purchased power incurred by the Corporation for the supply of service hereunder, above or below 32.00 mills per KWH.
DEMAND:
The demand in KW, as shown by or computed from readings on the Corporation demand meter, for the 15-minute period of customer's greatest use during the month.

NET EXCESS GENERATION:
A net-metering customer may elect to have Conway Corporation purchase Net Excess Generation credits older than twenty-four (24) months in the customer's account at the Corporation's Avoided Cost for wholesale energy if the sum to be paid to the net-metering customer is at least one hundred dollars ($100) or, at the customer's discretion, the Corporation may apply Net Excess Generation credits from the Net Metering Facility to the bills for other separate meter locations if the Net Metering Facility and the separate meter locations are under common ownership within Corporation's service area.

Additionally, Conway Corporation shall purchase at the Avoided Cost Rate any Net Excess Generation credit remaining in a customer's account when the customer:

- Ceases to be a customer of the Electric Utility;
- Ceases to operate the Net Metering Facility; or
- Transfers the Net Metering Facility to another person

AVOIDED COST RATES:
In February each year, Conway Corporation shall recalculate the weighted average annual cost of wholesale energy for the preceding calendar year in establishing these Avoided Costs:

AVOIDED ENERGY RATE:
Equals the weighted average annual cost of wholesale energy for the preceding calendar year

TAXES:
With the exception of the Avoided Cost Rates, the above rates are subject to all local, state, and federal taxes and franchise fees which are currently in effect or any taxes which are imposed by laws or ordinances on or after the effective date of this rate schedule.

PAYMENT:
The net bill, computed in accordance with the net monthly rate, shall be due and payable upon presentation and shall apply for a period of twenty days. A gross bill in the amount of the net bill plus 2 ½ percent will be due after twenty (20) days on all bills in excess of $100.00.

SECTION TWO. This rate shall be published on the Conway Corporation website and filed with the City Clerk.

SECTION THREE. This Ordinance shall have the full force and effect from and after its date of passage. Any ordinance or parts thereof in conflict with this ordinance are hereby repealed.

PASSED this 14th day of July, 2015.

Approved:

Mayor Tab Townsell

Attest:

Michael O. Garrett
City Clerk/Treasurer