

RESOLUTION NO. R-77-17

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A SETTLEMENT AGREEMENT TO BE ENTERED INTO BY AND BETWEEN THE CONWAY CORPORATION, ARKANSAS POWER & LIGHT COMPANY, AND EIGHT OTHER WHOLESALE ELECTRIC CUSTOMERS OF ARKANSAS POWER & LIGHT COMPANY OF THE RATE PROCEEDINGS BEFORE THE FEDERAL POWER COMMISSION; DOCKET NO. ER77-278.

WHEREAS, the Arkansas Power & Light Company and customer intervenors entered into a Settlement Agreement dated September 16, 1976, in resolution of the proceedings in Federal Power Commission Docket Nos. E-8250 and ER76-110; and,

WHEREAS, under the terms of said Settlement Agreement, the Arkansas Power & Light Company filed a rate application before the Federal Power Commission, which has been designated ER77-278; and,

WHEREAS, representatives of the Arkansas Power & Light Company and the customer intervenors, in resolution of the proceedings in the Federal Power Commission Docket No. ER77-278, have agreed on certain terms set out in a Settlement Agreement (a copy of which is attached to and hereby made a part of this Resolution); and,

WHEREAS, the Conway Corporation operates and is the lessee of the municipally owned electric system of the City of Conway, Arkansas, under and by virtue of a lease and franchise heretofore made and entered into by and between the Conway Corporation and the City of Conway, Arkansas, in which instrument the Conway Corporation is prohibited from making any contract for the purchase of power or electrical energy from any source, other than its own generating plants, without the prior approval of the City of Conway, Arkansas; and,

WHEREAS, the Board of Directors of the Conway Corporation has reviewed said Settlement Agreement dated June 2, 1977, and has found that said Agreement is reasonable and proper and in the best interests of the Corporation, its customers, and the City; and,

WHEREAS, it is desirable for the City Council of the City of Conway to approve and ratify said Settlement Agreement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Conway, Arkansas:

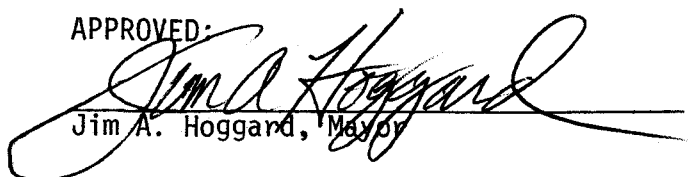
Section 1. That the City Council of Conway, Arkansas hereby approves and gives its consent to the execution, operation and performance of the Settlement Agreement between the Conway Corporation and the Arkansas Power & Light Company and other wholesale electric customers of Arkansas Power & Light Company in the form attached to the Resolution of the Board of the Conway Corporation presented to this Council.

Section 2. The City Clerk is hereby directed to deliver a certified copy of this Resolution to Conway Corporation and to Arkansas Power & Light Company.

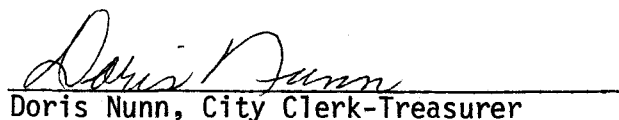
Section 3. This Resolution shall be in full force and effect from and after its passage and approval.

ADOPTED: June 14, 1977.

APPROVED:


Jim A. Hoggard, Mayor

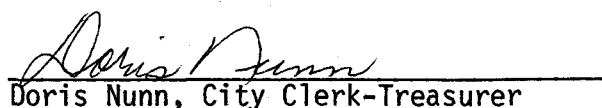
ATTEST:


Doris Nunn, City Clerk-Treasurer

CERTIFICATE

I, the undersigned City Clerk-Treasurer, duly elected and qualified, hereby certify that the above and foregoing is a true and correct copy of a Resolution duly passed and adopted by the City Council of the City of Conway, Arkansas, at a regular meeting of said Council held on June 14, 1977.

WITNESS my hand and the seal of the City of Conway, Arkansas on this 15 day of June, 1977.


Doris Nunn, City Clerk-Treasurer

(SEAL)