

RESOLUTION NO. R- 97-54

A RESOLUTION OF THE CITY COUNCIL OF CONWAY, ARKANSAS, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE THE SIXTH AMENDMENT TO THE POWER COORDINATION, INTERCHANGE AND TRANSMISSION AGREEMENT BETWEEN THE CITY OF CONWAY, ARKANSAS AND ENTERGY ARKANSAS, INC.; DECLARING AN EMERGENCY; AND PRESCRIBING OTHER MATTERS RELATED THERETO.

WHEREAS, the City of Conway and Entergy Arkansas, Inc. (EAI) are parties to a Power Coordination, Interchange and Transmission Agreement dated March 1, 1982, as amended (PCITA); and

WHEREAS, Conway and EAI both desire the PCITA be modified to terminate the Electric Peaking Power Service Agreement, dated August 28, 1985, as amended (PPA), to reduce the reliability reserves, to eliminate the billing minimums, to establish EAI as a sole provider of Conway's electrical requirements subject to PCITA terms for Conway generation, to reduce the termination notice period, to extend the contract through 2005 subject to Conway's conditional rights to obtain alternative suppliers beginning January 1, 2003 and December 31, 2005, to clarify any misunderstandings concerning termination provisions, transmission service and stranded investments recovery, to allow either party to obtain an ownership interest in future generation stations, to fix the loss factors, to amend Exhibit A, and to provide transmission ancillary and distribution services under Entergy's pro forma open access tariff.

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

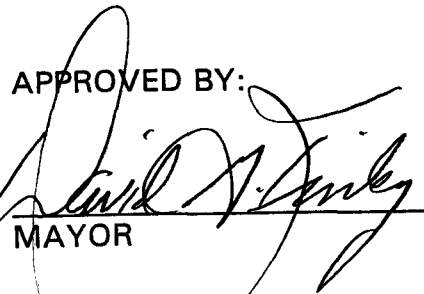
Section One: That the Mayor and City Clerk, for and on behalf of the City of Conway, be, and are hereby, authorized to effect the execution and delivery of the Sixth Amendment to the Power Coordination, Interchange and Transmission Agreement, and all other papers or documents that may be required for the carrying out of such authority.

Section Two: That the provisions of this Resolution are hereby declared to be separable, and if a section, phrase, or provision shall be declared invalid, such declaration shall not effect the validity of the remainder of the Resolution.

Section Three: That there is hereby found and declared to be an immediate need to execute this Sixth Amendment to the Power Coordination, Interchange and Transmission Agreement and in order to do so on the most favorable terms to the City of Conway, it is necessary to execute this agreement as soon as possible.

IT IS, THEREFORE, declared that an emergency exists and that this Resolution, being necessary for the immediate preservation of the public health, safety and welfare, shall be in force and take effect immediately upon and after its passage.

ADOPTED: 11-25-97

APPROVED BY:  
  
MAYOR

ATTEST:

  
CITY CLERK