

RESOLUTION NO. _____

A RESOLUTION ESTABLISHING A MAINTENANCE FUND FOR THE MURRAY HYDROELECTRIC PLANT, ALLOCATING OVERAGES SUBJECT TO THE ENERGY COST RECOVERY RIDER; AND FOR OTHER PURPOSES.

WHEREAS, on June 25, 2012, City Council approved a variable methodology to calculate the Energy Cost Recovery Rider (“ECR”) through the adoption of Ordinance No. 8456, and then refined that calculation through Ordinance No. 8472; and

WHEREAS, as wholesale power costs have continued to decline, the North Little Rock Electric Department (“NLRED”) has collected excess revenues subject to the ECR of approximately \$7.5M; and

WHEREAS, NLRED desires the establishment of a fund dedicated to manage expenses associated with maintenance of the Murray Hydroelectric Plant without incurring debt; and

WHEREAS, NLRED anticipates that the overhaul of Unit 1 will occur within the next two fiscal cycles; and

WHEREAS, the City Council hereby finds that it is preferable to preserve excess revenues for a capital project, rather than refund those revenues through the ECR and collect them again at a later date.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That there is hereby established the Murray Hydroelectric Maintenance Fund which shall only be used for capital repairs or improvements at the Murray Hydroelectric Plant.

SECTION 2: That NLRED shall deposit \$4.0M into the Murray Hydroelectric Maintenance Fund.

SECTION 3: That funds deposited into the Murray Hydroelectric Maintenance Fund shall be deemed a present cost of power when calculating the ECR.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

Joe A. Smith
Mayor Joe A. Smith

ATTEST:

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

C. Jason Carter
C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY

FILED	11.43	A.M.	_____	P.M.
By	City Attorney Jason Carter			
DATE	11/17/15			
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas				
RECEIVED BY	BS 02/12			