

RESOLUTION NO. _____

A RESOLUTION APPROVING AN INTERCONNECTION AGREEMENT WITH THE L'OREAL USA; AND FOR OTHER PURPOSES.

WHEREAS, L'Oreal USA ("L'Oreal"), a major retail electric customer of the North Little Rock Electric Department ("NLRED"), has constructed a 1200kW solar-powered distributed generation facility ("Project") that is co-located with their manufacturing plant; and

WHEREAS, L'Oreal desires to interconnect and operate the Project in parallel with NLRED's electric distribution facilities and to receive the greatest economic value from the Project; and

WHEREAS, NLRED desires to advance L'Oreal USA's renewable energy objectives and to fairly compensate L'Oreal in a manner consistent with the Arkansas Renewable Energy Development Act of 2001 ("AREDA") codified at A.C.A. § 23-18-601, et seq., and Public Utility Regulatory Policies Act of 1978, as amended by the Energy Policy Act of 2005 ("PURPA"), and in keeping with the intent of Ordinance No. 8524 and Resolution No. 8878 of the City of North Little Rock, Arkansas ("City"); and

WHEREAS, through the assistance of expert consultants, NLRED determined that the best and easiest method to assign fair value to production from the Project was through the purchase of all energy produced at avoided cost with retail rates unaffected, and to forego imposition of fees authorized by AREDA, PURPA, Ordinance No. 8524, and Resolution No. 8878; and

WHEREAS, NLRED and L'Oreal have agreed to enter an Interconnection Agreement with the understanding that if, at any time, a more favorable rate for L'Oreal is developed, then Customer will be authorized to terminate this Agreement in favor of the other rate; and

WHEREAS, it is in the best interest of the City to enter into said agreement.

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

SECTION 1: That the Mayor and City Clerk are hereby authorized to enter an Interconnection Agreement with L'Oreal USA, substantially similar in form and content to the agreement attached hereto as Exhibit A, authorizing the interconnection of a 1200 kW solar-powered distributed generation facility with the North Little Rock Electric Distribution System and providing for the purchase of all electricity generated at avoided cost, to be computed annually..

SECTION 2: At the time of the adoption of this resolution, avoided cost shall be \$0.04771/kWh, as previously determined by independent rate analysis.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

ATTEST:

Mayor Joe A. Smith

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY

FILED 11:50 A.M. _____ P.M.

BY J. Carter, City Atty

DATE 4/4/17
Diane Whitbey, City Clerk and Collector

North Little Rock, Arkansas

RECEIVED by DA myk

EXHIBIT A NOT ATTACHED AT TIME OF FILING