

**OFFICE OF THE CITY MANAGER  
LITTLE ROCK, ARKANSAS**

---

**BOARD OF DIRECTORS COMMUNICATION  
OCTOBER 6, 2025 AGENDA**

<b>Subject:</b>  Approval of the 2026 Utility Franchise Fee for Entergy Corporation.  <b>Submitted By:</b>  Finance Department	<b>Action Required:</b>  √ <b>Ordinance</b> Resolution	<b>Approved By:</b>       Delphone Hubbard City Manager
<b>SYNOPSIS</b>	Approval of an ordinance levying a Franchise Fee to be paid by Entergy Corporation. This Franchise Fee should remain in effect until otherwise amended by the Board of Directors.	
<b>FISCAL IMPACT</b>	The electric franchise fee is projected to generate over \$16 million in revenues in fiscal year 2026.	
<b>RECOMMENDATION</b>	Approval of the ordinance.	
<b>BACKGROUND</b>	An annual ordinance to fix and impose the aggregate amount of fees and charges to be paid to the City of Little Rock, Arkansas, and establish the franchise fees to be paid by Entergy to the City of Little Rock, Arkansas, for providing electrical service within the City. The Franchise Fee rates for fiscal year 2026 shall be the sum of (i) 5.2% of the gross revenue collection as paid to it by industrial, commercial, and residential users located within the corporate limits of the City of Little Rock, excluding its gross revenue collection as paid to it by any High Load User, located within the corporate limits of the City of Little Rock and (ii) 0.25% of its gross revenue collection as paid to it by any High Load User or the sum of Eight Million, Eight Hundred Thousand Dollars (\$8,800,000.00), whichever is greater.	