

of Public Works of City or City Manager, all streets excavated by it. The City of Beaumont shall have the right to have an inspector present at each excavation and installation. Further, ETI will use reasonable efforts to comply with Chapter 6 of the Manual on Uniform Traffic Control Devices (MUTCD).

Section 18: If any of the facilities installed by Company hereunder shall be in any respect damaged or injured by the City of Beaumont or any of its officers, agents, representatives, or employees, in connection with the performance of any work or repairs that may be done to the streets, avenues, alleys, and other public places of the City of Beaumont, Company shall not be entitled to prosecute or maintain a claim against the City of Beaumont for any such damages or injuries so sustained by it, and the same is hereby in all things waived; provided, however, the foregoing portion of this Section shall not apply where such property is damaged or injured as a proximate result of installing, maintaining or removing City's equipment upon or from Company's poles, or in or from Company's ductlines, as provided in Section 12.

Section 19: It shall be the Company's obligation hereunder to furnish efficient electrical service to the public at its rate schedule and Company shall maintain its system in reasonable operating condition during the continuance of this Agreement.

Section 20: The Company, its successors and assigns shall indemnify, save and hold harmless the City from any and all claims for injuries and damaged to person or property occasioned by or arising out the construction, reconstruction, maintenance, operation or repair of said Company's electrical lighting and power system, or by the conducting of Company's business in The City of Beaumont, or in any way growing out of the granting of this franchise, either directly or indirectly, or by reason of any act,

negligence or nonfeasance of the contractors, agents or employees of Company, its successors and assigns, and shall refund to the City all sums which it may be adjudged to pay on any such claims, or which may arise or grow out of the exercise of the rights and privileges hereby granted, or by the abuse thereof, except caused by City's, its employee's or agent's negligence and Company shall indemnify and hold the City harmless from and on account of all damages, costs, expenses, actions and causes of actions that may accrue to or be brought by any person, persons, company or companies at any time hereafter by reason of the exercise of the rights and privileges hereby granted, or of the abuse thereof; provided, however, that the provisions of this Section shall not be applicable to any claims, damages, costs, expenses, actions or cause of actions proximately resulting from the use by City, its officers, agents, representatives or employees, of Company's pole and ductlines for the installation, maintenance or removal of City's equipment, as provided in Section 12.

Section 21: This franchise replaces all former franchise and/or street rental ordinances and agreements with Company, which are hereby repealed as to Company.

Section 22: Company shall, within sixty (60) days from the date of the final passage of this ordinance by the City Council of the City of Beaumont, Texas, file with the City Secretary of the City of Beaumont, Texas, a written statement signed in its name and behalf in the following form:

"To the Honorable Mayor and the City Council of the City of Beaumont":

Entergy Texas, Inc. hereby accepts the attached ordinance finally passed by the City Council of the City of Beaumont, the 1st day of May, 2018, and agrees to be bound by all of its terms and provisions.

Entergy Texas, Inc.

By _____

Section 22: This franchise ordinance shall be in force, and effective, from and after the passage of this ordinance, conditioned that Company file the written acceptance above provided, within the period provided, after the passage of this ordinance; and thereupon this franchise shall become a binding contract; and shall exist for a period of twenty-five (25) years from the date of its passage.

The meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

PASSED BY THE CITY COUNCIL of the City of Beaumont on first reading this the 27th day of March, 2018.

The meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

PASSED BY THE CITY COUNCIL of the City of Beaumont on second reading this the 24th day of April, 2018.

The meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

PASSED BY THE CITY COUNCIL of the City of Beaumont on final reading this
the 1st day of May, 2018.



Becky Ames
- Mayor Becky Ames -



Entergy Texas, Inc.
350 Pine Street
P. O. Box 2951
Beaumont, TX 77704

Sallie T. Rainer
President and CEO

October 23, 2013

Mayor Deloris "Bobbie" Prince
City of Port Arthur
P. O. Box 1089
Port Arthur, Texas 77641

To the Honorable Mayor and City Council:

Entergy Texas, Inc., for itself, and its successors and assigns, hereby accepts the attached ordinance passed by the City Council of the City of Port Arthur the 15th day of October, 2013 and agrees to be bound by all of its terms and provisions.

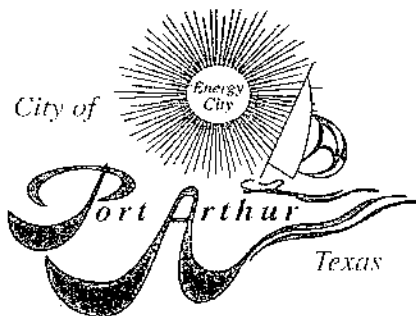
Entergy Texas, Inc.

By: *Sallie T. Rainer* 
Sallie T. Rainer *HUD*

Title: President and CEO

DELORIS "BOBBIE" PRINCE, MAYOR
ROBERT E. WILLIAMSON, MAYOR PRO TEM

COUNCIL MEMBERS:
RAYMOND SCOTT, JR.
ELIZABETH "LIZ" SEGLER
MORRIS ALBRIGHT
ROBERT TROY
WILLIE "BAE" LEWIS, JR.
DERRICK FREEMAN
KERRY "TWIN" THOMAS



FLOYD T. JOHNSON
CITY MANAGER

SHERRI BELLARD
CITY SECRETARY

VAL TIZENO
CITY ATTORNEY

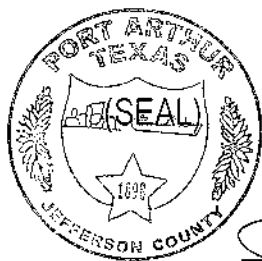
CERTIFICATION

THE STATE OF TEXAS §

COUNTY OF JEFFERSON §

I, Sherri Bellard, City Secretary of the City of Port Arthur, Texas, hereby certify that the attached is a full, true, and correct copy of **Ordinance No. 13-48** as the same appears of record in my office in the City Hall at Port Arthur, Texas; and that I am the lawful possessor and custodian of said Documents.

WITNESS MY HAND AND SEAL of office at my office in Port Arthur, this the 22nd day of October, 2013.



Sherri Bellard, City Secretary

P. O. No. 6347
10/08/13 gt

ORDINANCE NO. 13-48

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORT ARTHUR ADOPTING THE FRANCHISE AGREEMENT BETWEEN THE CITY AND ENTERGY TEXAS, INC.; ADOPTING A NEW SURCHARGE TARIFF ALLOWING ENTERGY TEXAS INC. TO RECOVER INCREMENTAL FRANCHISE RENTAL FEES THROUGH A SURCHARGE CALCULATED PURSUANT TO THE RATE SET FORTH IN SUBSECTION 11(A) OF THE FRANCHISE AGREEMENT; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION WAS CONSIDERED WAS OPEN TO THE PUBLIC AND IN ACCORDANCE WITH TEXAS LAW.

WHEREAS, Entergy Texas, Inc. ("ETI" or "Company") is an electric utility operating within the municipal limits of the City of Port Arthur ("City"); and

WHEREAS, it is convenient and necessary for the Company to use the public rights-of-way of City for the placement of facilities and appurtenances (including communications facilities) necessary or proper for the transmission and distribution of electricity and communication including broadband over power line communications services within and through the municipal limits of City; and

WHEREAS, the City is the steward of public property and it is reasonable and proper to collect a rental fee for the use and occupation of public rights-of-way under Public Utilities Regulatory Act ("PURA") § 33.008; and

WHEREAS, ETI and the City desire to enter into the attached Franchise Agreement for the Company to use and occupy the public rights-of-way to conduct its electric business within the City and for the City to be compensated under PURA § 33.008; and

WHEREAS, the Franchise Agreement authorizes the Company to collect through a surcharge the Incremental Franchise Fees paid to the City until such time as the Incremental Franchise Fee amounts may be incorporated into the Company's rates; and

WHEREAS, the Franchise Agreement is for a term of twenty-five years; and

WHEREAS, the Franchise Agreement provides for the permanent relocation of Company facilities at Company's expense for the closing, opening, widening or relocating of streets or alleys, or water or sewer lines, or the changing of grade of streets or alleys; and

WHEREAS, the Franchise Agreement provides for the trimming of trees and the removal of trimmings associated with the maintenance of the Company's power lines; and

WHEREAS, the Franchise Agreement provides for the use by City of available pole space for City owned equipment; and

WHEREAS, the Franchise Agreement makes provisions in the event the City chooses to audit the Company's books for the franchise fee payment; and

WHEREAS, the Franchise Agreement makes provisions in the event there is an assignment of the Franchise Agreement; and

WHEREAS, the attached Surcharge Tariff is designed to collect an amount equal to the Incremental Franchise Fees paid to the City until such time as the Company may include those costs in its rates.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF PORT ARTHUR, TEXAS THAT:

Section 1. That the findings and provisions set out in the preamble to this ordinance are hereby in all things approved and adopted.

Section 2. That the Franchise Agreement attached as Exhibit "1" is approved and shall be effective according to its terms.

Section 3. That the Franchise Fee Surcharge Tariff attached as Exhibit "2" is approved and the Company is authorized to implement the Surcharge Tariff in accordance with the terms of the Franchise Agreement.

Section 4. That the meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 5. That this ordinance shall become effective from and after passage.

READ, ADOPTED AND APPROVED on this 15th day of October A.D., 2013,
at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

Mayor: Prince; Mayor Pro Tem Williamson;

Councilmembers: Scott, Seyler, Albright, Isy,
Lewis, and Tramm.

NOES: None.

Deloris Prince
Mayor

ATTEST:

St. Bullen
City Secretary

APPROVED AS TO FORM:

Val Higgins
City Attorney

APPROVED FOR ADMINISTRATION:

F. J. [Signature]
City Manager

EXHIBIT 1

FRANCHISE AGREEMENT

Section 1: That, subject to the terms, conditions and provisions of this Franchise Agreement, the City of Port Arthur, Texas, hereinafter referred to as "City," does hereby grant unto Entergy Texas, Inc., hereinafter referred to as "Company", the right, privilege and franchise to conduct within the City an electrical lighting and power business and to enter upon, erect, construct, maintain, extend, repair, replace and remove in, under, upon, over, above, across and along any and all of the present and future public roads (notwithstanding any use restrictions), highways, parks, streets, lands, alleys, whether designated or undesignated and other public areas and rights of way of the City and over, under, above, along and across any and all streams, canals, bayous, embankments and bridges, now or hereafter owned or controlled by the City (hereinafter referred to as "Public Rights-of-Way"), a system of poles, pole lines, towers, distribution lines, transmission lines, wires, guys, cables, conduits, transformers and other distribution and transmission instrumentalities, facilities and appurtenances (including communications facilities) necessary or proper for the transmission and distribution of electricity and communication including broadband over power line communications services ("BPL") into, in, within, from, across, and through the City, as now existing, or as said City limits may hereafter be extended (hereinafter referred to as "Company Facilities"); and Company is authorized to use Company Facilities for the transmission, distribution, delivery and sale of electricity and communication to the municipality and to the inhabitants of the City and to any governmental agency, and to any governmental subdivision, and to any person, firm or corporation, wherever located, within or without the City limits of the City of Port Arthur, for use by such purchaser, or purchasers, for

light, power, cooling and heat, and for any other purpose, or purposes, whether same or different from those herein specified, for which electricity may be used. Provided, this Franchise Agreement does not include places where the City's authority to permit such installations is or hereafter may be withdrawn by the State, or where the Texas Department of Transportation or other State agency constructs or maintains such public facility or place and lawfully excludes the authority of the City to permit such public utility and BPL installations therein. In the event that the City abandons a Public Right-of-Way, City shall ensure that the Company has access to sufficient and reasonable Right-of-Way to maintain Company's Facilities.

Section 2: The right, privilege and franchise granted under this Franchise Agreement is, at all times, subject to the continuing police power of the City; and the Company shall comply with all present and future laws, ordinances and regulations of the State of Texas and the City enacted pursuant to the City's or State's police power.

Section 3: Upon the filing with the City by Company of the acceptance required hereunder, this Franchise Agreement shall be in full force and effect for a term and period of twenty-five (25) years commencing upon, and extending from, August 1, 2014 ("Effective Date").

Provided that, if subsequent to the effective date of this Franchise Agreement, any Texas municipality or city within the Company's service area ("Other City or Municipality") enters into with Company a franchise term of less than twenty-five (25) years, the City will have the right after reasonable notice to receive the same term. If the City elects to exercise this right, the new contract term will begin upon passage of an amendment to this Franchise Agreement approving of the same term as the other

municipality and end when the new term has run in its entirety, no matter how many years had expired under the original twenty-five year term. Provided however, this provision is not applicable if the Other City or Municipality is precluded from entering into a twenty-five (25) year term by law or city charter.

Section 4: Company, on written request of any person, shall relocate, raise or lower its wires temporarily to permit construction work in the vicinity thereof, or to permit the moving of houses or other bulky structures. The expense of such temporary relocation, raising or lowering of such wires shall be paid by the benefited party or parties and the Company may require the payment in advance, being without obligation to remove, raise or lower its wires until such payment shall have been made. The Company shall be given not less than forty-eight hours prior notice to arrange for such temporary wire change.

Section 5: The City shall have the power at any time to require the Company to change permanently the route and position of Company Facilities when the City shall find, by resolution, that such change is necessary in the closing, opening, widening or relocating of streets or alleys, or water or sewer lines, or the changing of grade of streets or alleys. The City shall use its best reasonable efforts to consult and confer with the Company before requiring any such relocation or raising or lowering of its lines or cables, with a view to accomplishing the result in a reasonable and economical manner. If it becomes necessary to relocate any lines or facilities, City will provide suitable Right of Way adjacent to the relocated street, alley, water line, or sewer line, without any cost or expense to Company. The obligation to change the route does not require the placement of overhead lines underground unless the City pays for the increased costs of

placing the lines underground. With the exception of costs incurred by the City in the preceding sentence, all other costs of relocation pursuant to this section shall be paid by the Company. Provided, however, the Company shall be entitled to be paid for its costs of relocation required by the City if such expenses or costs are reimbursable or payable to the Company or to the City or the State of Texas, the United States, or any agency or subdivision of either whether directly or indirectly.

Section 6: To the extent that the City has authority to do so, it gives to Company, during the life of this Franchise Agreement, the right, license, privilege and permission to trim and remove trees and other vegetation, using generally accepted methods within the vegetation management industry, located upon and overhanging the streets, alleys, easements, sidewalks and public places of City, that interfere or offer hazards to the operation of Company's facilities used or useful for the rendition of electric service. The Company is responsible for the prompt removal and disposal of all trimmings associated with maintenance of its lines and facilities.

Section 7: Nothing contained in this Franchise Agreement shall ever be construed as conferring upon Company any exclusive rights or privileges of any nature whatsoever.

Section 8: If any provision, section, sub-section, sentence, clause, or phrase of this Franchise Agreement is, for any reason, held to be unconstitutional, void, or invalid (or for any reason unenforceable) the validity of the remaining portions of this Franchise Agreement shall not be affected thereby, it being the intent of the City in adopting this Franchise Agreement that no portion thereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any

other portion, provision or regulation, and, to this end, all provisions of this Franchise Agreement are declared to be severable.

Section 9: The City, by granting this Franchise Agreement, does not surrender or to any extent lose, waive, impair or lessen the lawful powers and rights, now or hereafter vested in the City under the constitution and statutes of the State of Texas to regulate the rates for services of Company; and Company, by its acceptance of this Franchise Agreement, agrees that all such lawful regulatory powers and rights, as the same may be from time to time vested in the City, shall be in full force and effect and subject to the exercise by the City at any time.

Section 10: As compensation to City for the use and occupancy of its Public Rights-of-Way, and in consideration for the other rights and privileges herein granted, Company agrees to pay to the City and City agrees to accept from Company on September 1, 2014, and on each September 1 thereafter occurring during the continuance of this Franchise Agreement, a fee equal to \$0.0016170 ("Base Franchise Fee Factor") multiplied times the number of kilowatt hours delivered during the period commencing on July 1 of the previous calendar year and ending on June 30 of the calendar year in which the payment is due, inclusive, by Company to retail customers whose consuming facility's point of delivery is within the City's boundaries. Each payment herein provided shall compensate the City for the use of its Public Rights of Way by the Company for the twelve months period commencing upon, and extending from July 1 of the calendar year that such particular payment is actually due and paid.

At the time of each annual September 1 payment, Company shall also submit to the City a sworn statement showing the following: (i) its kilowatt hour sales delivered in

total to the retail customers whose consuming facilities' points of delivery are located within the City's boundaries for the preceding year upon which the franchise fee payments are calculated; and (ii) a calculation of the annual Base Franchise Fee payment. The statement shall be in a form substantially similar to attachment "A."

Provided that if, subsequent to the effective date of this Agreement, any Texas municipality within the Company's service area negotiates with Company a methodology for calculation of the payment of the franchise different than the Base Franchise Fee kWh factor methodology used in this section and the Incremental Franchise Fee kWh factor methodology used in Section 11(A), the City will have the right after reasonable notice to utilize the same methodology.

The parties agree that the payments due under this Franchise Agreement are reasonable and necessary and that the parties shall use their best efforts to enable Company to recover these payments through its electric rates.

Section 11(A): In addition to the compensation set out in Section 10, and subject to the provisions of Subsection 11(C), Company shall pay on or before the 15th day of May, August, November and February ("Payment Date") an amount equal to a \$0.0015908 charge per kilowatt hour ("Incremental Franchise Fee") multiplied times the number of kilowatt hours delivered by Company during the preceding calendar quarter ending March, June, September, and December ("Calculation Period"), in total to retail customers whose consuming facilities points of delivery were located within the City's boundaries less any applicable taxes including gross receipts taxes. This amount shall be referred to as "Incremental Amounts." The first quarterly payment due under this subsection will be due on November 15, 2014. Notwithstanding Section 11(B), the first

payment will include any Surcharge collections during July (based upon surcharge collections pursuant to the prior agreement), August, and September 2014.

Beginning on the first anniversary of the effective date of this Franchise Agreement and annually thereafter, Company shall annually adjust the Incremental unit per Kwh franchise fee rate, set forth in subsection 11 (A), by an amount to be designated in writing by the city based on the annual increase, if any, in the consumer price index. The adjustment provided for in this subsection shall become effective only upon the City's approval of an equivalent adjustment to the corresponding surcharge, which provides for the Company's collection through the corresponding Surcharge of the increase in the Incremental Franchise Fee payment resulting from the adjustment provided in this subsection. The first payment of the increased Incremental Amount shall be no sooner than the first full quarter in which the corresponding increased Surcharge has been in effect and shall include any amounts collected through the increased Surcharge during any month of the prior quarter.

At the time of each quarterly payment for Incremental Amounts, Company shall also submit to the City a sworn statement showing the following: (i) its kilowatt hour sales delivered in total to the retail customers whose consuming facilities' points of delivery are located within the City's boundaries for the preceding quarter upon which the franchise fee payments are calculated; and (ii) a calculation of the quarterly Incremental Franchise Fee payment. The statement shall be in a form substantially similar to attachment "B."

Section 11(B): An underlying premise of this Franchise Agreement is that the Company shall be kept financially whole with respect to any and all Incremental

Amounts, as defined above in this Section 11(A). The Incremental Amounts will be collected through a Surcharge adopted and approved by City applicable to all retail customers whose consuming facility's point of delivery are located within the City's boundaries. The amount to be paid to City on each Payment Date shall never exceed the amount collected by Company during the corresponding Calculation Period while the Surcharge is in effect.

In the event the Public Utility Commission of Texas ("PUCT") or a court of competent jurisdiction finds the amounts collected by Company through the Surcharge are improper and disallows or requires repayment ("Disallowed Amounts"), Company shall be entitled to collect all Disallowed Amounts through either direct payment by City or a reduction of any subsequent franchise payments to City as provided in this Subsection. Prior to Company's reduction in franchise payments, Company shall provide the City 30 days for a one-time opportunity to make a direct payment to Company of any Disallowed Amounts, such 30 days to run from City's receipt of Company's written notice, which shall identify the Disallowed Amounts, the time period over which the Disallowed Amounts accrued and an explanation of the calculations. Subsequent to said 30-day period, and in the absence of timely direct payment by the City of the entirety of the Disallowed Amounts, Company is authorized to reduce any future franchise payment(s) in an amount equal to any Disallowed Amounts not paid by the City. Company is authorized to implement the procedures set forth in this Subsection periodically as Company, in its sole discretion, determines is necessary to recover any ongoing Disallowed Amounts.

The corresponding Surcharge described in this Subsection 11(B) shall appear as a line item on Company's retail electric bill and identified as a "Municipal Franchise Fee."

Notwithstanding any other provision in this Franchise Agreement, if at any time the Incremental Franchise Fee portion is ever included in base rates, the Incremental Franchise Fee Surcharge will cease as of the effective date of the new base rates that incorporate the previously surcharged Incremental Amounts and the incremental amounts will continue to be paid as set forth in Section 11(A).

Section 11(C): Upon the occurrence of any of the following events, the Incremental Franchise Fee rate and quarterly payments provided for in Subsection 11(A) shall no longer be applicable or effective for the purpose of calculating the franchise payment:

i. the PUCT or a court of competent jurisdiction 1) finds the corresponding Surcharge unlawful or otherwise prohibits the Surcharge recovery of the Incremental Amounts; 2) finds that the franchise fees calculated under this Section 11(A), or the amounts collected through the corresponding surcharge or through a reduction in franchise payments, as provided herein, may not be recovered by Company from its customers; or 3) in some manner prevents or prohibits Company from recovering said Incremental Amounts; and

ii. with respect to the preparation for, or implementation of, retail open access in Company's Texas service territory, Company or Entergy's affiliate distribution company in Texas ("DISCO") or Entergy's affiliate retail electric provider in Texas ("REP"), at any time, is not permitted to implement the monthly Surcharge described in Subsection 11(B).

Upon the occurrence of any of the events enumerated in Subsections 11(C) i or ii, only the franchise rate contained in Section 10 shall be applicable and effective for the purpose of calculating and paying the franchise payment under this Franchise Agreement and Cities shall have the option, for one year, to terminate the Franchise Agreement and negotiate a new Franchise Agreement so long as the Company is not required to make a franchise fee payment greater than it is authorized to collect in rates. Further, in the event the PUCT or a court of competent jurisdiction finds a portion of the corresponding Incremental Franchise Fee Surcharge unlawful or otherwise prohibits a portion of the Incremental Franchise Fee Surcharge recovery of the Incremental Amounts, the Incremental Franchise Fee rate and quarterly payments provided for under Subsection 11(A) and (B) shall be amended and adjusted such that the franchise payment made by the Company pursuant to this Section 11(A) to the City is no greater than the amounts the Company is authorized to collect through the corresponding Surcharge. Nothing in the immediately preceding sentence requires that Company agree to a realignment or allocation of the recovery of any portion of the Incremental Amounts from the corresponding Surcharge to the Company's base rates.

Section 11(D): City agrees that (a) if City intervenes in any regulatory proceeding before a federal or state agency in which the recovery of Company's franchise fees is an issue, the City will take an affirmative position supporting 100% recovery of franchise fees by Company in the manner consistent with this Franchise Agreement; and (b) in the event of an appeal of any such regulatory proceeding in which the City has intervened, the City will take an affirmative position in any such appeals in

support of the 100% recovery of such franchise fees by Company in the manner consistent with this Franchise Agreement.

i. City agrees that it will take no action, nor cause any other person or entity to take any action, to prohibit the recovery of such Incremental Amounts by Company.

ii. Neither the adoption of this Franchise Agreement, nor the corresponding Surcharge shall be used by either the City or the Company, in any proceeding before a regulatory authority or state or federal court of law, as precedent for a reduction in the Company's rates or as evidence of or support for the positions taken by the City or the Company in such matters.

Section 12: In addition to the consideration set forth elsewhere in this Franchise Agreement and subject to a Joint Use Agreement, the Company shall hold itself ready to furnish free of charge, subject to the use of the City, such pole space as may be required from time to time for the installation of traffic, police and fire alarm system conductors, and alarm or other equipment all of which are owned exclusively by the City; provided that such conductor space does not exceed the capacity of one cross-arm on any one pole, and provided that such space is then available on existing poles. The specific location for these traffic, police and fire alarm conductors, boxes or equipment on Company's poles shall be determined by the Company, and will be allotted at the times specific applications for space are received from the City. Where a main underground ductline is constructed or installed between manholes by Company after the Effective Date of this Franchise Agreement, Company shall, as part of same, provide free of charge for the installation by City of its traffic, police or fire alarm cables owned exclusively by the City, one top duct having one capped off entry channel and one capped off exit channel

between each two manholes, such entry and exit channels leaving the duct bank enclosure outside of, but near to, such manholes, and no cable or other equipment of City shall enter Company's manholes. All cables installed by the City in Company ducts shall be of the non-metallic, sheath type to prevent corrosive or electrolytic action between the City and Company-owned cables. All City-owned conductors and cables, whether on poles or in ductlines, shall be constructed, maintained and operated in such manner as to not interfere with or create a hazard in the operation of the Company's electrical transmission and distribution system. Further, all City-owned traffic, police and fire alarm conductors, and alarm boxes, and any City circuits on Company poles, and all cables installed by City in ducts constructed by Company, shall be installed in strict compliance with the applicable provisions of the National Electrical Safety Code.

Section 13: The fee payable hereunder shall be the total compensation payable by Company to City for Company's use of the Public Rights-of-Way for the conduct of its business under the Franchise Agreement. City agrees that any street rental ordinances currently in effect shall not be applicable to Company and City shall not charge any additional fee for the use or occupancy of the Public Rights-of-Way in City. If City does charge Company any additional fee for the use or occupancy of the Public Rights-of-Way in City, then Company may deduct the amount charged from the next succeeding franchise payment or payments until fully reimbursed. This does not bar the City from assessing against the Company or its property ad valorem taxes levied on property, excise taxes levied, or other taxes.

Section 14: City may initiate an audit or other inquiry, or may pursue a cause of action in relation to the payment of the fee only if such audit, inquiry, or pursuit of a

cause of action concerns a payment made less than two (2) years before commencement of such audit, inquiry, or pursuit of a cause of action. All books and records related to Company's calculation of the fee shall be available to City. Upon receipt of a written request from City, such documents shall be made available for inspection no later than forty-five (45) days from the receipt of such request. Company shall make such documents available at the place such documents are located, at the Company's Beaumont office, or any location mutually agreed upon according to the needs and abilities of the respective parties. City shall advise Company of the results of the audit within two years of the initiation of the audit. City must make a written demand within two years of the initiation of the audit or any claims associated with the audit shall be waived. Amounts due to City for past underpayments or amounts due Company for past overpayments shall include interest calculated using the annual interest rates for overcharges as set by the Public Utility Commission of Texas. Said interest shall be payable on such sum from the date the initial payment was due until it is paid.

Section 15: Within thirty (30) days of the effective date of any expansion, annexation, or de-annexation, or other lawful means of modifying the City's boundaries, the City shall provide to Company reasonable notification of the change in the City's boundaries.

Section 16: If the Company shall assign this Franchise Agreement to any other person or corporation (the "Assignee") acquiring and duly authorized to acquire, own and operate the Company's property and to carry on the Company's business, the Assignee shall execute and deliver to the City an agreement in writing to be bound by all of the Company's obligations, liabilities, and undertakings under this Franchise Agreement.

The Assignee shall thereupon be deemed to be substituted for the Company, and the Company shall stand released from all obligations under this Franchise Agreement except such as have already accrued. If the Assignee fails to file such agreement within thirty (30) days after said assignment, City shall so notify in writing the Company and Assignee of this deficiency. Should Assignee fail to cure such deficiency within 30 days of the deficiency notification, this Franchise Agreement shall terminate.

Section 17: This Franchise Agreement replaces all former franchise and/or street rental ordinances and agreements with Company, which are hereby repealed as to Company.

Section 18: Company shall, within sixty (60) days from the date of the final passage of this Franchise Agreement by the City Council of the City of Port Arthur, file with the City Secretary of the City of Port Arthur, a written statement signed in its name and behalf in the following form:

“To the Honorable Mayor and the City Council of the City of Port Arthur:

Entergy Texas, Inc. hereby accepts the attached ordinance finally passed by the City Council of the City of Port Arthur the __ day of ____, 2013, and agrees to be bound by all of its terms and provisions.

Entergy Texas, Inc.

By _____


Dated the __ day of ____, 2013.”

Section 19: This Franchise Agreement shall be in force, and effective, on August 1, 2014, conditioned that Company file the written acceptance above provided, within the period provided, after the passage of the ordinance approving this Franchise Agreement; and thereupon this Franchise Agreement shall become a binding contract; and shall exist for a period of twenty-five (25) years from August 1, 2014.

THE STATE OF TEXAS §

COUNTY OF Jefferson §

This is to certify that the above and foregoing is a true and correct copy of a Franchise Agreement adopted by the City Council/City Commission of the City of Port Arthur, Texas, at a regular meeting held on the 15th day of October, 2013.


City Clerk

ATTACHMENT A

(date)

City of _____

Dear Sir or Madam:

Enclosed is Entergy Texas, Inc.'s annual franchise fee payment for the twelve months ending _____ for the City of _____.

KWh Delivered Within the City During the Twelve Months
Ended

XXXXXX

Rate per KWH of electricity

\$.XXXX

Franchise Fee

\$XXXXXX

The information given in this statement has been taken from the books of the company and is, to the best of my knowledge and belief, true and correct.

Please contact _____ at (504) 576-4337 or me if you have any questions or need additional information.

Sincerely,

Tax Officer
(504) 576-4407

Please acknowledge receipt of payment by signing the attached copy of this notification and returning it in the envelope provided.

Received by: _____

Date: _____

ATTACHMENT B

ENTERGY TEXAS, INC.
C/O Entergy Services, Inc.
Attn: Tax Department
P.O. Box 61000
New Orleans, LA 70161
(504) 576-4407

Incremental Franchise Fee Calculation
For the Period _____, 20__ through _____, 20__
(CITY)

KWH of electricity delivered by the utility to each retail customer whose
consuming facility's point of delivery is located within the municipality's
Boundaries -- _____, 20__ through _____, 20__ xxx,xxx,xxx

Incremental Rate per KWH of electricity .xxxxxxx

Total Gross Incremental Franchise Fee \$xxx,xxx.xx

Deductions:

Texas Gross Receipts Tax .xxxxxx (x,xxx.xx)

Specific Reduction per Section 11(d) (xxx.xx)

Total Net Incremental Franchise Fee \$xxx,xxx.xx

Payment will be wired on _____, 20__

The information given in this statement has been taken from the books of the company and is, to
the best of my knowledge and belief, true and correct.

Should you have any questions, please contact _____ (504) 576-6137 or me.

Director -- State and Local Taxes

Please acknowledge receipt of payment by signing and returning in enclosed envelope.

Received by signature

Print Name

Date

EXHIBIT 2

SECTION III RATE SCHEDULE

Page 103

ENTERGY TEXAS, INC.
Electric Service

SCHEDULE FFPA

Sheet No.: 66
Effective Date: 7-30-14
Revision: 2
Supersedes: FFPA Effective 1-28-09
Schedule Consists of: One Sheet

INCREMENTAL PORT ARTHUR FRANCHISE FEE RECOVERY RIDER

I. PURPOSE

This Incremental Port Arthur Franchise Fee Recovery Rider ("Rider FFPA") defines the procedure by which Entergy Texas, Inc. ("Company") shall implement rates for recovery of incremental Franchise Fee costs paid to the City of Port Arthur. The purpose of this Rider is to provide a mechanism for recovery of incremental franchise fee costs not included in the Company's last general rate case proceeding before the Public Utility Commission of Texas ("PUCT").

II. APPLICABILITY

This rider is applicable to all electric service rendered by Company to all retail customers whose consuming facilities' points of delivery are located within the City Limits of Port Arthur, Texas, under all retail rate schedules, whether metered or unmetered, subject to the jurisdiction of the PUCT.

III. INCREMENTAL FRANCHISE FEE RATE

The rate associated with this Surcharge Tariff shall be \$0.0015908 for every kilowatt-hour billed by the Company to its retail customers inside the city limits of Port Arthur.

IV. TERM

This Rider FFPA shall remain in effect until modified or superceded by a subsequent franchise agreement with the City of Port Arthur.

The following files are not convertible:

	004. Attachment 4 - Cypress to Legend
CCN Notice Landowner List 2025.05.15.xlsx	
	Cypress to Legend - Tables 4-1 and 4-2
FINAL 2025-05-19.xlsx	

Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact centralrecords@puc.texas.gov if you have any questions.