



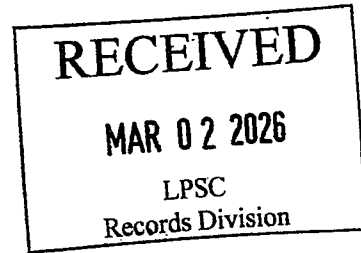
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March 2, 2026

Via Hand Delivery

Ms. Krys (Kris) Abel
Business Technology Supervisor
Louisiana Public Service Commission
Records & Recording Division
602 North Fifth Street
Baton Rouge, Louisiana 70802



Re: Petition for Determination of JDEC Facilities, and Approval to Transfer Functional Control to MISO (LPSC Docket No. U-37769)

Dear Ms. Abel:

Enclosed for your further handling, please find an original and three copies of Direct Testimony of Keith Kliebert on behalf of Entergy Louisiana, LLC ("ELL" or the "Company"). Please retain the original and two copies for your files and return a date-stamped copy to courier.

Please note that the filing contains information that is designated as Highly Sensitive Protected Material ("HSPM"), which is being provided under seal pursuant to the provisions of the LPSC General Order dated August 31, 1992, and Rules 12.1 and 26 of the Commission's Rules of Practices and Procedures. The confidential materials included in the filing consist of competitively sensitive market information. Accordingly, it is critical that this information remain confidential.

Please retain the appropriately marked Confidential Version for your files and return a date-stamped copy to our courier.

If you have any questions, please do not hesitate to call me. Thank you for your courtesy and assistance with this matter.

Sincerely,

Meta C. Danzey

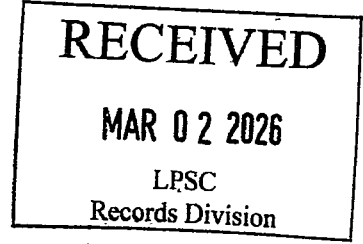
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Enclosures

cc: Official Service List U-37769 (via electronic mail)

Hand

**BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION**



**IN RE: APPLICATION FOR TRANSMISSION)
DETERMINATION, APPROVAL TO)
TRANSFER FUNCTIONAL CONTROL TO)
MISO, AND EXPEDITED CONSIDERATION)**

DOCKET NO. U-37769

**DIRECT TESTIMONY
OF
KEITH KLIEBERT**

**ON BEHALF OF
ENTERGY LOUISIANA, LLC**

PUBLIC REDACTED VERSION

MARCH 2026

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EXHIBIT LIST

Exhibit KK-1 (HSPM)	Calculation of Rate Impacts to ELL Customers
Exhibit KK-2	Referenced Data Requests and Data Responses

1 **I. QUALIFICATIONS**

2 Q1. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.

3 A. My name is Keith Kliebert. I am employed by Entergy Louisiana, LLC (“ELL” or the
4 “Company”) as Manager, Transmission Planning. My business address is 4809
5 Jefferson Highway, Jefferson, Louisiana 70121.

6
7 Q2. ON WHOSE BEHALF ARE YOU TESTIFYING?

8 A. I am testifying before the Louisiana Public Service Commission (“LPSC” or the
9 “Commission”) on behalf of ELL.

10
11 Q3. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.

12 A. I received a Bachelor of Science degree in Electrical Engineering in May of 1998 from
13 Tulane University in New Orleans, Louisiana. After receiving my bachelor’s degree,
14 I was employed by URS Corporation as an Electrical/Instrumentation Engineer from
15 1998 until 2003, including three years as a contract engineer with Entergy Services,
16 LLC’s (“ESL”)¹ Transmission Planning group. I was then hired directly by ESL and
17 worked as a Senior Engineer in Transmission Planning from 2003 to 2011. During this
18 time, in 2007, I was granted my Professional Engineer license (PE.0033614) by the
19 Louisiana Professional Engineering and Land Surveying Board. From 2011 to 2014, I
20 was employed by ESL as a Senior Engineer in Distribution Asset Planning for various

¹ Entergy Services, LLC (“ESL”), formerly Entergy Services, Inc., is a service company to the five Entergy Operating Companies, which are Entergy Arkansas, LLC; ELL; Entergy Mississippi, LLC; Entergy New Orleans, LLC; and Entergy Texas, Inc.

1 networks in the New Orleans metro area. In 2014, I began working in ESL’s Audit and
2 Compliance group as a Senior Project Manager, a role in which I was primarily focused
3 on utility performance management and continuous improvement. In 2016, I began
4 my current role with ELL as Manager, Transmission Planning, through which I am
5 responsible for managing transmission-related activities for ELL, including
6 development of ELL’s projects and other inputs for submission into the annual
7 Midcontinent Independent System Operator, Inc. (“MISO”) Transmission Expansion
8 Plan and coordinating transmission-related regulatory filings and reports.

9

10 Q4. HAVE YOU PREVIOUSLY TESTIFIED IN ANY REGULATORY PROCEEDING?

11 A. Yes. I have submitted testimony in Docket No. U-37441, Docket No. U-37537, and
12 Docket No. U-37538 before the Louisiana Public Service Commission (“LPSC” or “the
13 Commission”).²

14

² See Docket No. U-37441 (March 27, 2025), In re: Petition for Qualification of 1803 Electric Cooperative Facilities as Transmission Facilities, and Approval of Transfer of Functional Control of Transmission Facilities to MISO. *See also*, Docket No. U-37537 (August 26, 2025), In re: Joint Application of Concordia Electric Cooperative, Inc. and GridLiance Louisiana, LLC Finding That Certain Assets Should be Classified as Transmission Assets and the Approval to Transfer the Assets, and Docket No. U-37538 (August 26, 2025), In re: Joint Application of Southwest Louisiana Electric Membership Corporation and GridLiance Louisiana, LLC Finding That Certain Assets Should be Classified as Transmission Assets and the Approval to Transfer the Assets.

1 Manchester, and Sturlese.⁵ Most of the construction costs for the Loop are funded by
2 the Federal Emergency Management Agency (“FEMA”) and the Governor’s Office of
3 Homeland Security and Emergency Preparedness (“GOHSEP”).⁶ Although JDEC
4 owns other assets, it is my understanding that JDEC’s Application solely relates to the
5 Loop, and JDEC seeks a transmission determination, LPSC approval to transfer
6 functional control to MISO, and a Commission determination that the transfer is in the
7 public interest solely as to the Loop.⁷

8
9 Q7. PLEASE EXPLAIN WHY THE COMPANY INTERVENED IN THIS
10 PROCEEDING.

11 A. The Company is a regulated utility that was organized for the purposes, among others,
12 of developing, manufacturing, generating, transmitting, distributing, and selling
13 electricity for power, lighting, heating, and other such uses. ELL conducts business in
14 fifty-eight (58) of the sixty-four (64) parishes of the State of Louisiana. The Company
15 intervened in this matter because ELL and its customers would be affected by the relief
16 requested in JDEC’s Application in this proceeding, including through an increase in
17 ELL customer bills, and therefore have an interest in the outcome of this proceeding. I
18 explain this interest in further detail below.

19

⁵ *Id.* at pages 1 and 3. *See also* JDEC’s Response to ELL Data Request 1-1, included in Exhibit KK-2.

⁶ *Id.* at page 2.

⁷ *See* JDEC’s Response to Staff Data Request 1-4, included in Exhibit KK-2.

1 Q8. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

2 A. My Direct Testimony describes the impact on ELL's customers of JDEC's request for
3 a transmission determination and transfer of functional control of such transmission
4 facilities to MISO so that the Commission may consider those effects in determining
5 whether the relief requested is in the public interest. As I explain, the chief impact is a
6 shift of costs from JDEC customers to ELL customers and customers of other wholesale
7 transmission customers in Louisiana. The analysis that JDEC presents regarding the
8 cost shift to ELL customers that would result from the proposed transfer of control to
9 MISO includes some unreasonable assumptions about the costs and benefits of the
10 proposed transaction to ELL's customers and may have the effect of skewing the
11 factual record before the Commission. My testimony corrects these unreasonable
12 assumptions so that the Commission may base its decision on reasonable analysis of
13 the effects of the relief that JDEC requests.

14 In sum, the purposes of my Direct Testimony are to ensure that the interests of
15 ELL's customers with respect to potential cost shifts are appropriately considered and
16 protected, to provide information to inform the Commission's policy decision about
17 whether the proposed transfer is in the public interest, and to correct some of the
18 inaccuracies that are included in JDEC's cost/benefit analysis.

19

20 Q9. PLEASE SUMMARIZE YOUR VIEWS AND CONCLUSIONS AND ELL'S
21 POSITION ON JDEC'S REQUESTED RELIEF.

22 A. At this time, ELL has no objection to JDEC's requested transmission determination or
23 its requested transfer of control to MISO but recommends that the Commission, if it

1 should approve the proposed transfer, impose certain conditions upon that approval that
2 are necessary to ensure the transfer is in the public interest. ELL urges the Commission
3 to evaluate carefully the effects of this type of transmission determination and transfer
4 of control on the customers of all Louisiana electric utilities, including ELL, consistent
5 with the provisions of the Commission's 1994 General Order, to determine whether the
6 proposed transfer is in the public interest. In addition, if the Commission determines
7 to approve the proposed transfer, ELL recommends that it condition such approval on:
8 1) JDEC agreeing to accept terms in the Joint Zone Revenue Allocation Agreement
9 that are substantially the same as those that exist for the other Entergy Operating
10 Companies that have such agreements and those expected to be part of the applicable
11 agreement between ELL and 1803; and 2) JDEC agreeing to comply with the
12 Commission's 1994 General Order by applying for LPSC approval with respect to any
13 future transfer of control of any assets to GridLiance. I explain the reasons for these
14 proposed conditions below.

15
16 **III. EFFECTS OF THE PROPOSED TRANSFER ON THE CUSTOMERS OF**
17 **ELL AND OTHER LOUISIANA ELECTRIC UTILITIES**

18 Q10. PLEASE DESCRIBE IN MORE DETAIL HOW THE TRANSMISSION
19 DETERMINATION AND TRANSFER OF CONTROL TO MISO HAVE THE
20 POTENTIAL TO AFFECT ELL CUSTOMERS' RETAIL RATES FOR
21 ELECTRICITY.

22 A. The proposed transmission determination and transfer of control to MISO that JDEC
23 requests will affect the rates that ELL customers pay for electricity by shifting a portion

1 of the capital costs of the Loop as well as the operating and maintenance costs of assets
2 normally funded through the retail rates of JDEC customers to ELL customers and
3 customers of other electric utilities in Louisiana that pay for transmission service in the
4 ELL transmission pricing zone in MISO. If the Commission grants the requested relief,
5 certain assets of JDEC would be classified as transmission, and functional control of
6 those assets would transfer to MISO. At that point and upon FERC acceptance of the
7 Joint Pricing Zone Agreement, the ongoing operating and maintenance costs of those
8 assets would be shared by all customers within the ELL transmission pricing zone in
9 MISO. These steps would have the effect of (1) decreasing the capital, operating and
10 maintenance costs of these assets that would normally be borne by JDEC customers by
11 a certain amount; and (2) shifting that same amount of costs to ELL customers and
12 those of other Louisiana utilities that pay for transmission service within the ELL
13 pricing zone in MISO. Additionally, the costs of any future transmission projects
14 constructed by JDEC and placed under MISO's functional control would also be
15 allocated across the ELL pricing zone, regardless of the distribution of benefits among
16 the transmission customers in the zone.

17

18 Q11. DOES JDEC CONCEDE THAT THERE WILL BE A COST SHIFT AS A RESULT
19 OF THE TRANSFER?

20 A. Yes. As an initial matter, JDEC submitted testimony from Cynthia Menhorn and
21 exhibits including an analysis of the rate impact for customers in the ELL pricing zone.
22 Based on JDEC's exhibits, Ms. Menhorn calculates an incremental annual cost of over
23 \$3.5 million to be borne by the customers across the pricing zone as a result of the

1 transfer of functional control of JDEC’s assets to MISO.⁸ Ms. Menhorn’s analysis also
2 factored in a quantification of the purported benefits of the proposed transfer and used
3 this benefit calculation to offset the increase in costs to customers in the ELL pricing
4 zone resulting from the shift in the cost of JDEC’s legacy transmission assets to ELL’s
5 customers.⁹

6

7 Q12. WHAT WAS MS. MENHORN’S BASIS FOR INCLUDING THESE PURPORTED
8 BENEFITS IN HER CALCULATIONS?

9 A. Ms. Menhorn included benefits calculated by Mr. Lodyga that represent a purported
10 savings attributed to a reduction in the cost to serve load across the ELL pricing zone
11 as a result of the transfer of functional control of JDEC’s assets to MISO. These
12 purported savings are then used by Ms. Menhorn to offset the cost shift associated with
13 the transfer.

14

15 Q13. IS THE INCLUSION OF THESE PURPORTED BENEFITS REASONABLE IN
16 YOUR VIEW?

17 A. No. As an initial matter, the Company asked JDEC to “explain in detail the
18 calculation(s) used to derive the ‘Net Benefits’ in Line No. 8 for each year of 2026 –
19 2035” as presented in Ms. Menhorn’s analysis.¹⁰ Rather than providing step-by-step
20 details as to the calculation, JDEC’s response only included a general description of

⁸ See Exhibit C to JDEC’s Application, Direct Testimony of Cynthia A. Menhorn at pages 11-12.

⁹ See Confidential JDEC Exhibit 1-5 *in globo*.

¹⁰ See ELL’s Data Request 2-1 to JDEC, included in Exhibit KK-2.

1 the modeling and analysis used by Mr. Lodyga.¹¹ As a result, it is unclear exactly how
2 Ms. Menhorn arrives at the specific quantified net benefits from load cost savings she
3 uses to offset the costs in her analysis. However, to the extent that there are quantifiable
4 benefits to ELL customers related to load cost savings as Ms. Menhorn suggests in her
5 direct testimony, those benefits would materialize by virtue of the Loop project being
6 physically placed in service, regardless of whether JDEC transfers control of the facility
7 to MISO and joins MISO as a Transmission Owner. JDEC has not indicated that the
8 construction or energization of the Loop project is contingent upon a transfer of control
9 to MISO, and the project will presumably be placed in service and operated as planned
10 whether the application in this docket is approved by the Commission or not.
11 Therefore, any quantifiable benefits associated with load cost savings provided to ELL
12 customers by placing the Loop project in service would already be established outside
13 of the determination of any benefits directly associated with a transfer of control of the
14 new transmission facilities to MISO. In essence, any such purported benefits are sunk
15 and are not reasonably attributable to the transfer of control to MISO for which JDEC
16 is seeking LPSC approval in this proceeding.

17

¹¹ See JDEC's Response to ELL Data Request 2-1, included in Exhibit KK-2.

1 Q14. HAS ELL DEVELOPED AN ANALYSIS OF THE EFFECTS OF COST SHIFTS
2 ARISING FROM THE PROPOSED TRANSFER WITHOUT INCLUSION OF
3 THESE BENEFITS?

4 A. Yes. The attached HSPM Exhibit KK-1 removes the benefit adjustment to the Annual
5 Transmission Revenue Requirement (“ATRR”). ELL views the inclusion of these
6 benefits in the cost shift analysis as unreasonable for the reasons I note above. HSPM
7 Exhibit KK-1 shows that, with the removal of these benefits, the total of the MISO rates
8 for all customers across the ELL transmission pricing zone increases by over \$3.5
9 million per year. While JDEC may debate or dispute ELL’s view that these benefits
10 should not be included in determining the effects of the proposed transfer, as noted
11 above, there is no reasonable dispute that, whatever the merit of the purported benefits,
12 they will not manifest themselves on customer bills as a direct offset to MISO
13 transmission charges. Rather, they would manifest, if at all, through other savings
14 outside the MISO transmission settlements – and regardless of whether JDEC’s
15 application in this matter is approved and JDEC transfers control of the assets to MISO.
16 Consequently, there can be no reasonable dispute that, with the proposed transfer, as
17 shown on HSPM Exhibit KK-1, ELL customer bills will increase, *not decrease*, should
18 the Commission approve JDEC’s Application. And, in fact, not only would ELL
19 customer bills increase, but also the bills of customers of each LSE that takes
20 transmission service in the ELL transmission pricing zone. This includes customers
21 such as Dixie Electric Membership Cooperative (“DEMCO”), Louisiana Energy &
22 Power Authority (“LEPA”), and the 1803 Electric Cooperative, Inc. (“1803”).

23

1 Q15. IS THE INCREASE IN ELL'S TRANSMISSION RATES AS A RESULT OF THE
2 PROPOSED TRANSFER SIGNIFICANT?

3 A. Generally, no. As shown on HSPM Exhibit KK-1, the increase in ELL's Annual
4 Transmission Revenue Requirement that is used to establish its wholesale transmission
5 rates and the transmission component of its retail rates ranges from [REDACTED]
6 [REDACTED], which is not a significant rate impact.
7 Nonetheless, the increase will burden ELL customers with additional costs.

8

9 Q16. IS IT POSSIBLE THAT THE COST IMPACT COULD INCREASE IN THE
10 FUTURE?

11 A. Yes. Due to MISO's cost allocation methodology, ELL customers could end up paying
12 the lion's share of costs for any future transmission projects that JDEC develops in the
13 ELL transmission pricing zone. The benefits of those projects to ELL customers, if
14 any, may not be commensurate with costs for ELL due to the geographic location of
15 the area JDEC serves, which is on the outer edge of the area served by ELL and the
16 MISO footprint.

17

1 Q17. DOES THE COMMISSION’S 1994 GENERAL ORDER CONTEMPLATE THAT
2 THE EFFECTS OF A PROPOSED TRANSFER OF CONTROL ON THE RATES OF
3 LOUISIANA UTILITY CUSTOMERS ARE A RELEVANT CONSIDERATION IN
4 DECIDING WHETHER THE TRANSFER OF CONTROL IS IN THE PUBLIC
5 INTEREST?

6 A. I am not a lawyer, but my understanding is that the 1994 General Order specifically
7 contemplates that the effects of a proposed transfer on the rates of other Louisiana
8 utility customers are a consideration in deciding whether the proposed transfer is in the
9 public interest. There are a number of different provisions that address this
10 consideration. First, the 1994 General Order provides that “... the Commission must
11 be able to ensure itself that ... ratepayers will not be harmed as a result of a change in
12 ownership or control.”¹² The 1994 General Order also identifies, as the first factor the
13 Commission should evaluate in approving a proposed transfer, “[w]hether the transfer
14 is in the public interest”¹³ – a standard that certainly encompasses the effects of the
15 transfer upon ELL’s customers, which number in excess of one million Louisiana
16 residences and businesses. The fifth factor of the 1994 General Order requires the
17 Commission to evaluate the net benefits—if any—that the proposed transfer may
18 provide “to ratepayers in both the short term and the long term and provide a
19 ratemaking method that will ensure, to the fullest extent possible, that ratepayers will
20 receive the forecasted short and long term benefit.”¹⁴ The sixth factor of the 1994

¹² See 1994 General Order at page 1.

¹³ *Id.* at page 2.

¹⁴ *Id.*

1 General Order requires the Commission to evaluate “[w]hether the transfer will
2 adversely affect competition.”¹⁵ Finally, the 1994 General Order also provides for the
3 Commission to evaluate “[w]hether the transfer will be beneficial on an overall basis
4 to State and local economies.”¹⁶ A transfer that has the effect of increasing the rates of
5 a huge number of Louisiana electric utility customers could, depending upon the
6 particulars, potentially have a harmful effect on the state and local economies by
7 increasing the cost of living and doing business.

8
9 Q18. WHEN ELL JOINED MISO, DID THE COMMISSION EVALUATE RATE
10 IMPACTS ON OTHER LOUISIANA UTILITY CUSTOMERS AS PART OF ITS
11 EVALUATION OF THE PROPOSED TRANSFER OF CONTROL?

12 A. Yes. In its order addressing ELL’s proposed transfer of control to MISO, the
13 Commission noted that a portion of the ELL transmission grid serves wholesale
14 transmission customers, that those charges and credits are set by FERC and reflected
15 in the retail rates of Louisiana utility customers, and that it was adopting conditions in
16 its order “to ensure that the LPSC's public interest determination can be revisited if
17 FERC rulings *potentially adversely affect Louisiana ratepayers.*”¹⁷

18

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ See LPSC Order (June 28, 2012), In re: Joint Application Regarding Transfer of Functional Control of Certain Transmission Assets to the Midwest Independent Transmission System Operator, Inc. Regional Transmission Organization, for an Accounting Order Deferring Implementation Costs, and Requests for Timely Treatment, Docket No. U-32148 at page 20.

1 Q19. ARE THERE OTHER IMPACTS FROM THE PROPOSED TRANSFER THAT THE
2 COMMISSION SHOULD ADDRESS?

3 A. Yes. Assuming the Commission approves the proposed transfer, then JDEC will
4 become a transmission owner in the ELL Transmission Pricing Zone in MISO. This
5 will require that JDEC and ELL negotiate a modification to the Joint Zone Revenue
6 Allocation Agreement to add JDEC as a transmission owner whose facilities are
7 included in the zone and who will receive a share of the transmission revenues for the
8 zone. If the Commission approves the proposed transfer, I would recommend that it
9 condition its approval on JDEC agreeing to accept terms in the Joint Zone Revenue
10 Allocation Agreement that are substantially the same as those that exist for ELL and
11 the other Entergy Operating Companies that have such agreements and those expected
12 to be part of the applicable agreement between ELL and 1803, which is expected to be
13 aligned with the agreements that exist for ELL and the other Entergy Operating
14 Companies.

15
16 Q20. WHY IS SUCH A CONDITION NEEDED?

17 A. Under the terms of the other Entergy Operating Companies' Joint Zone Revenue
18 Allocation Agreements and the terms of such an agreement that are expected to be
19 negotiated by ELL and 1803, ELL (and the relevant other Entergy Operating Company)
20 applies the Bundled Load Exemption ("BLE") available under the MISO Tariff. As a
21 result, ELL's customers do not pay MISO transmission charges that are subject to the
22 BLE, including those under Schedule 9 for Network Integration Transmission Service;
23 instead, those charges and the revenues that ELL (or the other Entergy Operating

1 Company) collects from its bundled retail customers are determined by the LPSC (or
2 other relevant retail regulator). To account for the BLE, the Joint Zone Revenue
3 Allocation Agreement provides for revenue imputation, such that the other
4 transmission owner(s) in the zone receives more revenue, and ELL (or the other
5 Entergy Operating Company) receives less to account for the MISO transmission
6 charges and revenues not billed or collected from the ELL (or other Entergy Operating
7 Company) bundled retail customers. The net effect is the other transmission owner is
8 financially unaffected by ELL's use of the BLE. If the LPSC does not condition its
9 approval on JDEC accepting this same arrangement, it is possible that JDEC could
10 request and FERC could require a different arrangement under which ELL is not able
11 to continue to use the BLE. Such an outcome would not be in the public interest, nor
12 would it comport with the conditions that the LPSC imposed when ELL obtained LPSC
13 approval to join MISO. Those conditions require ELL to utilize the BLE if available
14 under the MISO Tariff (which it is).

15
16 Q21. ARE THERE OTHER CONDITIONS THAT THE LPSC SHOULD CONSIDER IN
17 ITS EVALUATION OF JDEC'S APPLICATION?

18 A. I think so. While JDEC's Application in this docket seeks only to transfer control of
19 the Loop to MISO, there is some concern that JDEC may subsequently seek to transfer
20 ownership of those assets to GridLiance—a transmission-only company that will be
21 registered as the Transmission Operator for the Loop pursuant to an Operations and
22 Maintenance Agreement.¹⁸ Admittedly, it is unclear what JDEC's plans may be with

¹⁸ See JDEC's Response to Staff Data Request 1-6, included in Exhibit KK-2.

1 respect to any potential transfer of ownership of the Loop to GridLiance, and JDEC has
2 met Staff’s reasonable requests for information about JDEC’s plans in this regard with
3 objections and refusals to answer. Considering these data requests, it appears that the
4 Commission Staff may share this concern. In particular, the Commission Staff asked
5 JDEC, “Is there any restriction on JDEC transferring any of the FEMA-funded
6 transmission assets to an independent transmission company? If so, please provide the
7 authority for such prohibition.”¹⁹ Additionally, the Commission Staff specifically
8 questioned, “Does JDEC have any agreements in place to transfer any assets to
9 GridLiance?”²⁰ The Commission Staff also asked, “Have JDEC and GridLiance
10 engaged in any discussions related to a future transfer of any transmission assets to
11 GridLiance? If such discussions have occurred, please provide the substance of those
12 discussions. If there is any written evidence of such discussions, please provide.”²¹

13 JDEC’s refusal to answer these requests certainly does nothing to mitigate the
14 concern about an eventual transfer of ownership to GridLinace – and in fact, enhances
15 the concern that a transfer of ownership to GridLiance is possibly on the horizon.
16 Specifically, JDEC’s responses highlighted that **for now** “JDEC is not proposing, and
17 is not seeking approval for, any transfer of ownership of FEMA-funded assets **in this**
18 **Application.**”²² JDEC further objected that such data requests were “outside the scope
19 of **this proceeding**, speculative, not ripe for review, and not reasonably calculated to

¹⁹ See Staff Data Request 1-9, included in Exhibit KK-2.

²⁰ See Staff Data Request 1-10, included in Exhibit KK-2.

²¹ See Staff Data Request 1-11, included in Exhibit KK-2.

²² See JDEC’s Response to Staff Data Request 1-9 (emphasis added), included in Exhibit KK-2.

1 lead to admissible evidence relevant to this matter” and the requests sought
2 “information regarding hypothetical future transactions that are **not before the**
3 **Commission in this docket...**[and] any preliminary, internal, or exploratory
4 discussions regarding possible, future ownership structures, if any, are speculative, not
5 ripe, **outside of the scope of this proceeding**, and constitute protected deliberative and
6 business-strategy materials.”²³ While JDEC’s responses and objections provide little in
7 the way of indications about its plans, the responses (or lack thereof) bolster the concern
8 that a future transfer of ownership to GridLiance could be forthcoming. To the extent
9 that is true, I would recommend that the Commission condition its approval on JDEC
10 agreeing to seek LPSC approval prior to any such transfer of ownership of transmission
11 assets. Such a condition would ensure that the LPSC has a reasonable opportunity to
12 determine whether any future transfer of ownership from JDEC to GridLiance is in the
13 public interest.

14
15 Q22. ARE THERE ANY OTHER CONDITIONS THAT THE LPSC SHOULD
16 CONSIDER IN ITS EVALUATION OF JDEC’S APPLICATION?

17 A. Yes. In the information and analyses JDEC has presented in support of its application,
18 it appears that, as reasonably would be expected, JDEC is proposing that the FERC
19 ratemaking associated with the Loop will reflect the substantial grant funding that
20 JDEC is receiving from FEMA and GOHSEP for the Loop. The case that JDEC has
21 presented to the Commission that the proposed transfer of control is in the public

²³ See JDEC’s Objection and Response to Staff Data Request 1-10, included in Exhibit KK-2. See also JDEC’s Objection to Staff Data Request 1-11 (emphasis added), included in Exhibit KK-2.

1 interest is therefore predicated upon an expectation that the cost shift associated with
2 the Loop would be substantially mitigated by this grant funding. As a result, the
3 projected cost shift I mention above from JDEC to ELL and other load-serving entities
4 that take transmission service in the ELL transmission pricing zone reflects only the
5 operating and maintenance costs of the Loop and the relatively small capital investment
6 associated with the Loop that was not covered by the grant funding. While I have no
7 reason to doubt that the actual ratemaking for the Loop, if and when functional control
8 over the Loop is transferred to MISO and it is included in the ELL transmission pricing
9 zone, will reflect the cost of the Loop net of the substantial grant funding that JDEC
10 receives from FEMA and GOHSEP, I think it would be unreasonable for the
11 Commission to leave this open to a future determination by FERC – a determination
12 into which ELL and the LPSC itself would only have input as intervening parties in a
13 FERC proceeding. To the extent there is any uncertainty in: (1) whether JDEC will
14 actually receive the FEMA/GOHSEP grant funding, and in an amount to cover the vast
15 majority of the capital investment in the Loop to the extent previously stated by JDEC;
16 or (2) whether the FERC-determined ratemaking for the Loop will reflect, as an offset,
17 the full amount of this grant funding, I think it would be in the public interest for the
18 Commission to condition any approval of the requested transfer of control on JDEC (1)
19 receiving grant funding to cover the capital cost of the Loop in the amount previously
20 stated by JDEC and (2) reflecting 100% of that grant funding in the FERC ratemaking
21 that it requests for the Loop such that ELL and other utilities in the ELL transmission
22 pricing zone bear none of that capital cost which is covered by the grant funding
23 received by JDEC. If JDEC actually expects to receive this grant funding and to deduct

1 the grant funding from the capital costs of the Loop for purposes of FERC ratemaking,
2 as its analyses in this proceeding suggest, then I would think this condition should
3 present no objections or concerns for JDEC whatsoever. And considering, again, that
4 the case that JDEC has presented to the Commission is predicated upon the receipt and
5 inclusion in ratemaking of this grant funding, it is reasonable under these circumstances
6 to impose a condition along these lines.

7
8 **IV. CONCLUSION**

9 Q23. HOW DOES ELL RECOMMEND THE COMMISSION ACT WITH RESPECT TO
10 JDEC'S APPLICATION?

11 A. At this time, ELL does not object to JDEC's requested transmission determination or
12 the requested transfer of control to MISO but recommends that the Commission, if it
13 should approve the proposed transfer, impose certain conditions upon that approval that
14 are necessary to ensure the transfer is in the public interest. ELL urges the Commission,
15 in ruling upon JDEC's Application, to recognize that—under the provisions of the
16 Commission's 1994 General Order that I discuss above—the effects of this type of
17 transmission determination and transfer of control on the customers of other Louisiana
18 electric utilities, now and in the future, are important considerations in determining
19 whether such a determination and transfer are in the public interest. In addition, ELL
20 recommends that, if the Commission approves the proposed transfer, it impose a
21 condition needed to preserve ELL's continued ability to use the BLE as noted above
22 and a condition needed to ensure that the LPSC has an opportunity to determine

1 whether any future transfer of these transmission assets from JDEC to GridLiance (or
2 any other entity) is in the public interest.

3

4 Q24. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

5 A. Yes, at this time.

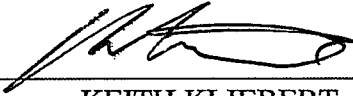
AFFIDAVIT

STATE OF LOUISIANA

PARISH OF Iberia

NOW BEFORE ME, the undersigned authority, personally came and appeared, **KEITH KLIEBERT**, who after being duly sworn by me, did depose and say:

That the above and foregoing is his sworn testimony in this proceeding and that he knows the contents thereof, that the same are true as stated, except as to matters and things, if any, stated on information and belief, and that as to those matters and things, he verily believes them to be true.



KEITH KLIEBERT

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 24th DAY OF FEBRUARY 2026



NOTARY PUBLIC

My commission expires: at death

Lawrence J. Hand Jr.
Bar 23770 / Notary 52178
Notary Public in and for the
State of Louisiana.
My Commission is for Life.