

Entergy Services, LLC 639 Loyola Avenue (70113) P.O. Box 61000 New Orleans, LA 70161-1000 Tel 504 576 2603 Fax 504 576 5579

drosenb@entergy.com

D. Skylar Rosenbloom Senior Counsel Legal Services - Regulatory

October 1, 2020

By UPS OVERNIGHT

Brandon Frey, Secretary Louisiana Public Service Commission Galvez Building, 12th Floor 602 North 5th Street Baton Rouge, LA 70802



Re: In Re: Notification of Deactivation and Retirement Decisions Pursuant to Louisiana Public Service Commission's Deactivation General Order, (Docket No. R-34407) (LPSC Docket No. X-____)

Dear Mr. Frey,

1: NIG

Please find enclosed the original and three copies of the Public Version of Entergy Louisiana, LLC's ("ELL" or the "Company") Compliance filing regarding ELL's decision to retire Waterford Plant Unit 1 ("Waterford 1"), effective February 1, 2021. This Compliance filing is being submitted to comply with Ordering Paragraphs 1-12 of General Order 10-19-2018, Docket No. R-34407 (the "Deactivation Order"), issued by the Louisiana Public Service Commission ("Commission") on October 19, 2018, to document and support the rationale of ELL's decision to retire Waterford 1.

Please retain the original and two copies for your files and return a date-stamped copy to me in the self-addressed stamped envelope.

I have also enclosed five copies of the Confidential Version of the referenced filing, which is being provided to you 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 contains sensitive information, the disclosure would expose the Company and its customers to an unreasonable risk of harm. Accordingly, it is critical that this information remain confidential.

Please retain the original Confidential Version for your files and return a date-stamped copy to me in the self-addressed stamped envelope Additional copies of the Highly sensitive FROIV.

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Mr. Frey Louisiana Public Service Commission October 1, 2020 Page 2

Version of this filing will be provided to any intervenors after a suitable Confidentiality Agreement has been executed by the parties.

ELL respectfully requests that the following attorneys be entered as counsel of record for ELL and be added to the Official Service List in this docket:

Mark D. Kleehammer Entergy Services, LLC 4809 Jefferson Highway Mail Unit L-JEF-357 Jefferson, Louisiana 70121 Telephone: (504) 840-2528 Facsimile: (504) 840-2681 <u>mkleeha@entergy.com</u> Lawrence J. Hand, Jr. D. Skylar Rosenbloom Entergy Services, LLC 639 Loyola Avenue Mail Unit L-ENT-26E New Orleans, Louisiana 70113 Telephone: (504) 576-2603 Facsimile: (504) 576-5579 <u>lhand@entergy.com</u> drosenb@entergy.com

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

Respectfully submitted,

D. Skylar Rosenbloom

DSR/bkd Enclosures

cc: Commissioners (public version only)

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LOUISIANA PUBLIC SERVICE COMMISSION

IN RE: NOTIFICATION OF)DEACTIVATION AND RETIREMENT)DECISIONS PURSUANT TO)LOUISIANA PUBLIC SERVICE)COMMISSION'S DEACTIVATION)GENERAL ORDER, (DOCKET NO. R-34407))

DOCKET NO. X-____

COMPLIANCE FILING OF ENTERGY LOUISIANA, LLC IN ACCORDANCE WITH LPSC GENERAL ORDER 10-19-2018

Entergy Louisiana, LLC ("ELL" or the "Company"), through undersigned counsel, submits this compliance filing regarding ELL's decision to deactivate Waterford Plant Unit 1 ("Waterford 1"), effective February 1, 2021. This compliance filing is being submitted to comply with Ordering Paragraphs 1-12 of General Order 10-19-2018, Docket No. R-34407 (the "Deactivation Order"), issued by the Louisiana Public Service Commission ("Commission") on October 19, 2018, to document and support the rationale of ELL's decision to deactivate Waterford 1. As demonstrated by the information and analyses discussed herein, this decision was based on sound analyses and reasoned decision making and undertaken in furtherance of the Company's efforts to provide reliable service at the lowest reasonable cost.

I. Deactivation of Waterford 1

Waterford 1 is located in St. Charles Parish, Louisiana, and entered commercial operation in June 1975. The facility has largely been operated as an intermediate load following unit. ELL owns 100% of Waterford 1, with 1.84% of the capacity and energy being sold to Entergy New Orleans, LLC on a life of unit basis. Waterford 1 is a conventional steam turbine unit having been designed to combust #6 fuel oil or natural gas as the primary heat input to the boiler. The unit utilized #6 fuel oil as a fuel source throughout much of the early decades of its operating life. In recent years, the unit has utilized natural gas almost exclusively as its primary fuel source. Waterford 1 is currently active with its current generator verification test capacity rating of approximately 411 megawatts ("MW").¹

Beginning in 2019 and continuing through the first half of 2020, an economic analysis was undertaken to study the economic status and viability of ELL's legacy gas generation fleet, identify any legacy unit in the ELL fleet that the Washington Parish Energy Center could replace in the fleet without creating reliability issues, and identify the need and timing of economic deactivations for legacy units. This analysis concluded that it was possible to deactivate one Amite South generating unit without triggering any new transmission compliance obligation.² Further, the evaluation determined that the required investment to enable Waterford 1 to provide safe and reliable service through 2035 was uneconomic relative to alternatives.³ Furthermore, net capacity from Waterford 1 was bid into MISO's 2020-21 Planning Resource Auction ("PRA") but it did not clear the MISO PRA. Based on the economic analysis and unit and market conditions, the ELL Operating Committee approved the suspension of Waterford 1 effective February 1, 2021, and also provided corresponding approval to submit notice to MISO of the decision to deactivate the unit.⁴ In August 2020, ELL submitted to MISO the required Attachment Y Notice to facilitate the deactivation of Waterford 1.⁵

¹ 411 MW is the Waterford 1 capacity estimate at the time of ELL's suspension request to MISO.

² The relevant economic analysis was presented to the ELL Operating Committee Meeting on July 14, 2020. A copy of the July 14, 2020 presentation is attached as HSPM Appendix A-1.

³ This determination was made, in part, based upon the independent condition assessment of Waterford 1. which is attached hereto as HSPM Appendix A-2.

⁴ A copy of the presentation made at the July 28, 2020 ELL Operating Committee Meeting regarding the deactivation of Waterford 1 is attached hereto as HSPM Appendix A-3. While the data available supports the deactivation of Waterford 1, there is not sufficient data available to currently support retirement of that unit. Analysis on this issue is ongoing.

⁵ A copy of the Attachment Y Notification submitted to MISO dated August 5, 2020 is attached hereto as Appendix A-4 and MISO's acknowledgement dated August 10, 2020 is attached hereto as Appendix A-5.

II. General Information Regarding Waterford 1

The anticipated February 2021 deactivation date for Waterford 1 aligns with the Company's current planning assumption that the unit would be deactivated in 2021. The February 2021 deactivation is not consistent with ELL's last Integrated Resource Plan ("IRP") submitted to the Commission in LPSC Docket No. I-34694, which anticipated a 2035 deactivation date.⁶ The net book value of Waterford 1 included in rate base can be found in the July 28, 2020 Operating Committee Meeting materials.⁷ There will be no accounting change when Waterford 1 is deactivated, as deactivated electric plant remains in FERC Account 101 (Electric Plant in Service) until retired. In further compliance with the Deactivation Order, detailed information about the planned, forced, and unforced outages for Waterford 1 that lasted longer than seven days from each of the previous five years (excluding the years when the unit was inactive) are provided as HSPM Appendix A-6. Waterford 1's operating characteristics for the past three years is attached as HSPM Appendix A-7. The Company's plan to maintain Waterford 1 during its deactivation is attached hereto as HSPM Appendix A-8.

⁶ Information developed subsequent to the filing of the IRP, including information presented in the independent condition assessment (HSPM Appendix A-2), the July 14, 2020 ELL Operating Committee presentation (HSPM Appendix A-1), and the July 28, 2020 ELL Operating Committee presentation (HSPM Appendix A-3), indicated that it was no longer economical to reliably operate Waterford 1 through the proposed 2035 deactivation date.

See HSPM Appendix A-1.

Respectfully submitted,

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BY:

Lawrence J. Hand, Jr., La. Bar No. 23770 D. Skylar Rosenbloom, La. Bar No. 31309 Mail Unit L-ENT-26E 639 Loyola Avenue New Orleans, Louisiana 70113 Telephone: (504) 576-2603 Facsimile: (504) 576-5579

ATTORNEYS FOR ENTERGY LOUISIANA, LLC

LOUISIANA PUBLIC SERVICE COMMISSION

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IN RE: NOTIFICATION OF DEACTIVATION AND RETIREMENT DECISIONS PURSUANT TO LOUISIANA PUBLIC SERVICE COMMISSION'S DEACTIVATION GENERAL ORDER, (DOCKET NO. R-34407)

DOCKET NO. X-____

APPENDIX A

Appendix A Table of Contents

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	Date	Description
A-1	July 14, 2020	ELL Operating Committee Meeting Presentation (HSPM)
A-2	August 21, 2017	Independent condition assessment of Waterford 1 (HSPM)
A-3	July 28, 2020	ELL Operating Committee Meeting Presentation (HSPM)
A-4	August 5, 2020	Attachment Y Notification submitted to MISO
A-5	August 10, 2020	MISO's Acknowledgement
A-6	October 1, 2020	Planned, Forced, and Unforced Outages for Waterford 1
		(HSPM)
A-7	October 1, 2020	Waterford 1's Operating Characteristics (HSPM)
A-8	October 1, 2020	ELL's Plan to Maintain Waterford 1 (HSPM)

LOUISIANA PUBLIC SERVICE COMMISSION

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IN RE: NOTIFICATION OF DEACTIVATION AND RETIREMENT DECISIONS PURSUANT TO LOUISIANA PUBLIC SERVICE COMMISSION'S DEACTIVATION GENERAL ORDER, (DOCKET NO. R-34407)

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DOCKET NO. X-____

APPENDIX A-1

HIGHLY SENSITIVE PROTECTED MATERIALS FILED UNDER SEAL

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IN RE: NOTIFICATION OF DEACTIVATION AND RETIREMENT DECISIONS PURSUANT TO LOUISIANA PUBLIC SERVICE COMMISSION'S DEACTIVATION GENERAL ORDER, (DOCKET NO. R-34407)

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DOCKET NO. X-____

APPENDIX A-2

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IN RE: NOTIFICATION OF DEACTIVATION AND RETIREMENT DECISIONS PURSUANT TO LOUISIANA PUBLIC SERVICE COMMISSION'S DEACTIVATION GENERAL ORDER, (DOCKET NO. R-34407)

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DOCKET NO. X-____

APPENDIX A-3

HIGHLY SENSITIVE PROTECTED MATERIALS FILED UNDER SEAL

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MISO FERC Electric Tariff ATTACHMENTS

LPSC Docket No. X-Page 1 of 3 ATTACHMENT Y Notification of Resource/SCU/Psuedo-tied Out Generator Chang 32.0.0

Appendix A-4

ATTACHMENT Y

Notification of Generation Resource/SCU/Pseudo-tied Out Generator

Change of Status,

Including Notification of Rescission

This is a notification of change of status of a Generation Resource, Synchronous Condenser Unit ("SCU"). or Pseudo-tied out Generator in accordance with Section 38.2.7.a of the Tariff. An electronic copy of the completed form will be accepted by the Transmission Provider, however, a form will not be considered complete until the original form containing an original signature, including all attachments, is received by the Transmission Provider at the following address: MISO, Attention: Director of Transmission Planning; 720 City Center Drive, Carmel, IN 46032.

The Transmission Provider may request additional information as reasonably necessary to support operations under the Tariff.

Owner of the Generation Resource, SCU or Pseudo-tied out Generator: Entergy Louisiana, LLC (ELMP)

Name of Market Participant: Entergy Louisiana, LLC (ELMP)

Owner's state of organization or incorporation Texas

Generation Resource/SCU/Pseudo-tied Out Generator [plant and unit number(s)] Waterford Plant Unit 1

Source Identification of Generation Interconnection Service [name of agreement, parties, date, date filed and docket number, and any other information to identify an agreement] <u>MISO South</u> Regio Market Transition Deliverability Study, May 15, 2013

Appendix A-4
LPSC Docket No. X
Page 2 of 3
ATTACHMENT Y
Notification of Resource/SCU/Psuedo-tied Out Generator Chang
32.0.0
) Tariff. Owner hereby certifies that it will
• • •

 [X] Suspend for economic reasons operation of all or a portion of the Generation Resource/SCU/Pseudo-tied out Generator commencing on <u>1st[day] of February</u> [month] of <u>2021</u> [year]

[] Rescind the current notice to Suspend The facility is further described as follows:

Location: St. Charles Parish, LA

Unit Name Waterford 1	CPNode (if applicable) EES.WATRFD1	: - 4	Nameplate Capacity(MW) 411.2	Change in Capacity(MW) 411.2
-	an a			
			-	

Owner understands and agrees that this notification is provided in accordance with Section 38.2.7 of the Transmission Provider's Tariff and will not be made public by the Transmission Provider except as provided for under Section 38.2.7 of the Tariff.

The undersigned certifies that he or she is an officer of the owner of the Generation Resource/SCU/Pseudo-tied out Generator, that he or she is authorized to execute and submit this notification, and that the statements contained herein are true and correct.

Mal Illen

 Signature
 Mark Kleehammer
 Contact Information

 Name:
 Mark Kleehammer
 Contact Information

 Title:
 Vice President, ELL Regulatory & Public Affairs
 Email: MKLEEHA@entergy.com

 Date:
 August 5, 2020
 Phone: 504-840-2528

 STATE OF
 Louisiana

PARISH OF Jefferson

Appendix A-4

LPSC Docket No. X-

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Before me, the undersigned authority, this day appeared Mark Kleehammer___, known by me to be the person whose name is subscribed to the foregoing instrument, who, after first being sworn by me deposed and said: • •

"I am an officer of Entergy Louisiana, LLC . I am authorized to execute and submit the foregoing notification on behalf of Entergy Louisiana, LLC, and the statements contained in such application are true and correct."

SWORN TO AND SUBSCRIBED TO BEFORE ME, the undersigned authority on this the 5" day of August, 2020

Notary Public. State of

My Commission expires ____

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

Appendix A-5 LPSC Docket No. X-Page 1 of 2

 From:
 Tung Nguyen

 To:
 Naeher. Heather

 Cc:
 Vikram Godbole; Adams. Elizabeth; Keehn, Rvan; *Resource Retirement.

 Subject:
 RE: [EXT] Attachment Y - Waterford 1 (dated 8/5/2020)

 Date:
 Monday, August 10, 2020 10:23:01 AM

EXTERNAL SENDER. DO NOT click links, or open attachments, if sender is unknown, or the message seems suspicious in any way. DO NOT provide your user ID or password.

Heather,

This email is to confirm that we've received the updated Attachment Y for Waterford 1, and have discarded the older versions.

Thank you, Tung

From: Naeher, Heather <hnaeher@entergy.com>
Sent: Thursday, August 6, 2020 11:22 AM
To: Tung Nguyen <ttnguyen@misoenergy.org>
Cc: Vikram Godbole <VGodbole@misoenergy.org>; Adams, Elizabeth <eadams4@entergy.com>;
Keehn, Ryan <rkeehn@entergy.com>
Subject: [EXT] Attachment Y - Waterford 1 (dated 8/5/2020)

External E-mail: Please be cautious and evaluate before you click on links, open attachments, or provide credentials or data.

Hi Tung,

As discussed, please see the appended Attachment Y for Waterford 1 executed by Mark Kleehammer on behalf of Entergy Louisiana. This version dated 8/5/2020 replaces the prior (dated 8/3/2020).

Additionally, can you please confirm that this form executed by Mark has replaced the prior and that the prior version with the administrative error has been discard? The shipping notification shows that it should have arrived to your offices this morning.

I appreciate your guidance in resolving this administrative error.

Thanks,

Heather Naeher

Appendix A-5 LPSC Docket No. X-Page 2 of 2

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Supply Planning & Analysis Tel: Cell:

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This message is intended for the exclusive use of the intended addressee. If you have received this message in error or are not the intended addressee or his or her authorized agent, please notify me immediately by e-mail, discard any paper copies and delete all electronic files of this message.

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LOUISIANA PUBLIC SERVICE COMMISSION

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IN RE: NOTIFICATION OF DEACTIVATION AND RETIREMENT DECISIONS PURSUANT TO LOUISIANA PUBLIC SERVICE COMMISSION'S DEACTIVATION GENERAL ORDER, (DOCKET NO. R-34407)

DOCKET NO. X-____

APPENDIX A-6

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IN RE: NOTIFICATION OF DEACTIVATION AND RETIREMENT DECISIONS PURSUANT TO LOUISIANA PUBLIC SERVICE COMMISSION'S DEACTIVATION GENERAL ORDER, (DOCKET NO. R-34407)

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DOCKET NO. X-____

APPENDIX A-7

HIGHLY SENSITIVE PROTECTED MATERIALS FILED UNDER SEAL

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DOCKET NO. X-____

APPENDIX A-8

HIGHLY SENSITIVE PROTECTED MATERIALS FILED UNDER SEAL

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