

**BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION
DOCKET NO. U - _____**



**THE 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**

I. INTRODUCTION

Southwest Louisiana Electric Membership Corporation (“SLEMCO”) and GridLiance Louisiana, LLC (“GLL”) (collectively “Joint Applicants”) respectfully submit this Joint Application pursuant to the 1994 General Order¹ and the 2013 General Order² for approval of a proposed transaction (“Proposed Transaction”) which involves SLEMCO transferring to GLL certain transmission assets and associated equipment resulting from the acquisition of said assets from Big Pelican LLC and Pelican South Central LLC (“Pelican”) (formerly Cleco Cajun LLC) (formerly Louisiana Generating, LLC) to SLEMCO as of April 1, 2025 (“Transmission Assets”). Specifically, Joint Applicants request that the Louisiana Public Service Commission (“LPSC” or “Commission”) find that the transfer of the Transmission Assets from SLEMCO to GLL to be consistent with the public interest pursuant to the 1994 General Order; and find that the Transmission Assets be classified as transmission pursuant to the long-standing seven-factor test promulgated by the Federal Energy Regulatory Commission (“FERC”) in Order No. 888.³

¹ *In re: Commission Approval Required of Sales, Leases, Mergers, Consolidations, Stock Transfers, and All Other Changes of Ownership or Control of Public Utilities Subject to the Commission Jurisdiction*, (Mar. 18, 1994) (“1994 General Order”).

² *In re: Determination As To Whether The Commission Should Issue A General Order Asserting Jurisdiction Over The Certification of Utility Transmission Projects and the Determination of Whether Those Projects Are In The Public Interest*, Docket No. R-28018, Order No. R-26018 (Oct. 10, 2013) (“2013 General Order”).

³ *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities*, Order No. 888, 61 Fed. Reg. 21,540 (May 10, 1996), FERC Stats. & Regs. P 31,036, at 31,771 (1996) (cross-reference at 75 FERC P 61,080), *order on reh'g*, Order No. 888-A, 62 Fed. Reg. 12,274 (Mar. 14, 1997), FERC Stats. & Regs. P 31,048 (1997) (cross-reference at 76 FERC P 61,220), *order on reh'g*, Order No. 888-B, 81 FERC P 61,248 (1997), *order on reh'g*, Order No. 888-C, 82 FERC P 61,046 (1998), *aff'd in relevant part sub nom. Transmission Access Policy Study Group v.*

Additionally, consistent with the 2013 General Order, the Joint Applicants request that the Commission accept GLL's consent to the LPSC's jurisdiction as an Independent Transmission Company ("Transco"), transmission-only public utility and, herby, applies for a Certificate of Public Convenience and Necessity from the Commission that would authorize it to operate as a Transco within Louisiana.⁴

II. DESCRIPTION OF THE PARTIES

SLEMCO is an electric cooperative formed in 1937 and existing pursuant to the Louisiana Electric Cooperative Law, La. R.S. 12:401, et seq. SLEMCO serves approximately 117,000 meters in the parishes of Acadia, Avoyelles, Cameron, Evangeline, Iberia, Lafayette, St. Landy, St. Martin, and Vermilion. SLEMCO is a Louisiana electric public utility as defined in La. R.S. 45:121.

GLL is incorporated in Delaware, and an indirect subsidiary of NextEra Energy Transmission, LLC ("NEET"). NEET serves as a holding company for NextEra Energy Inc.'s ("NextEra Energy") regulated transmission utilities across North America outside the state of Florida. NEET possesses significant financial, technical, operational, and managerial expertise. GLL will only provide transmission services in Louisiana and will not be involved in the retail sale of electricity within the State.

NextEra, through its subsidiaries, is a proven, experienced owner of electric utilities across North America. For example, GLL will bring NEET's operational, technical, and financial expertise to bear in owning SLEMCO's Transmission Assets. NEET develops, finances,

FERC, 225 F.3d 667, 343 U.S. App. D.C. 151 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1, 122 S. Ct. 1012, 152 L. Ed. 2d 47 (2002) ("Order No. 888").

⁴ 2013 General Order at p. 10.

constructs, operates, and maintains transmission facilities across the continent. The NEET portfolio includes operating transmission facilities in Texas, California, Kansas, Missouri, Oklahoma, Illinois, New Hampshire, New York, and Ontario, Canada. NEET also has numerous projects under development across the United States.

NextEra has made significant investments in Louisiana and looks forward to approval of the Proposed Transaction as another way to invest in the state. For instance, an affiliate of NextEra, NextEra Energy Resources, LLC (“NEER”) operates an oil and natural gas exploration and production (“E&P”) facility with operations located in the Haynesville Shale in Northwest Louisiana. NEER plans to invest up to \$1.5 billion of incremental capital in Louisiana over the next few years by: (1) growing its E&P presence; (2) potentially expanding its natural gas pipeline presence; and (3) investing in solar generating projects at various stages of development and construction, including the Mondu Solar, Beauregard (renamed Singer) Solar, and Amite Solar projects, all of which have power purchase agreements approved by the LPSC. NextEra Energy Marketing, LLC is also providing full requirements power supply service to a number of Louisiana cooperatives, including SLEMCO.

III. DESCRIPTION OF THE PROPOSED TRANSACTION

To effectuate the transfer of the Transmission Assets, SLEMCO and GLL have executed an Asset Purchase Agreement (“APA”). Closing of the proposed transaction is conditioned on the approval of the LPSC. A highly sensitive protected material (“HSPM”) version of the APA is attached as Exhibit A.⁵ Although GLL will operate the Transmission Assets, the Parties have

⁵ References to Transmission Assets in the Application and Direct Testimony have the same meaning as the term “Purchased Assets” in the APA.

executed an Operation & Maintenance (“O&M”) Agreement for SLEMCO to provide boots-on-the-ground maintenance services. A HSPM version of the O&M Agreement is attached as Exhibit B.

Asset Transfer

Pursuant to the APA, SLEMCO proposes to sell the Transmission Assets to GLL on or after the April 1, 2025 acquisition of the Transmission Assets from Pelican. The Proposed Transaction seeks LPSC approval of the transfer of the Assets, including a determination that the Transmission Assets are appropriately classified as transmission facilities under FERC’s seven-factor test. Table 1 sets forth the Transmission Assets:⁶

Transmission Assets to be transferred from SLEMCO to GLL	
(Table 1)	
Substation	kV
East Opelousas	138
Hebert	138
Judice	138
Krotz Springs	138
LeBlanc 138	138
Scanlan	138
Semere Road	138
Vatican	138
Crowley	138

Operations and Maintenance (“O&M”)

Although GLL will own and operate the Transmission Assets, GLL and SLEMCO have executed an O&M agreement by which SLEMCO will retain responsibility for the maintenance of

⁶ The Transmission Assets are listed in Schedule 1.1(a) of the APA.

the Transmission Assets. Thus, SLEMCO will conduct regularly scheduled testing, inspections and maintenance, while GLL will operate the Transmission Assets and oversee the maintenance conducted by SLEMCO.

IV. WITNESSES

In support of this Joint Application, the following witnesses have prepared and pre-filed direct testimony and exhibits:

SLEMCO

- **Jim Laque, SLEMCO Director of Engineering and Strategic Planning** will provide: (1) an overview of SLEMCO; and (2) explain how the transfer of the Transmission Assets is in the public interest from the perspective of SLEMCO and its members. Mr. Laque will also explain how GLL's managerial, financial, and technical experience and expertise is a good fit and will benefit SLEMCO and the State of Louisiana. See attached Exhibit C.

GLL

- **Natalie Smith, President of GLL and NEET Vice President of Development** will (1) provide an overview of NextEra Energy, NEET, and GLL; (2) describe the Proposed Transaction; (3) address the managerial capabilities of NextEra Energy, NEET, and GLL; and (4) explain why approval of the Proposed Transaction is in the public interest. See attached Exhibit D.
- **Matthew Boykin, NEET Sr. Director Business Management** will address the financial capabilities of NextEra Energy, NEET, and GLL. See attached Exhibit E.

- **LaMargo Sweezer-Fischer, NEET Executive Director of Operations for GridLiance and NEET**, will describe the technical and operational capabilities of GLL, NEET, and of the NextEra Energy corporate organization. Ms. Sweezer-Fischer also provides details regarding NextEra Energy’s extensive operational, safety, and reliability capabilities and expertise. See attached Exhibit F.
- **Patrick Jehring, NEET Director of Systems Planning** will explain: (1) that the Transmission Assets are appropriately classified transmission under FERC’s seven factor test; (2) the reliability benefits associated with the transfer of the Transmission Assets to GLL; and (3) the benefits associated with having the Transmission Assets included in the MISO Tariff. See attached Exhibit G.

Joint Applicants

- **Cynthia A. Menhorn, MCR Performance Solutions (“MCR”), Vice President Regulatory Services**, will provide an analysis of the net rate benefits associated with the Proposed Transaction. See attached Exhibit H.

V. JURISDICTION OF THE COMMISSION

The Commission exercises regulatory jurisdiction over SLEMCO pursuant to Article IV, Section 21(B) of the Louisiana Constitution. As explained below, consistent with LPSC’s 2013 General Order, GLL is consenting to the LPSC’s jurisdiction as a Transco that will own, operate, and construct transmission in Louisiana. Therefore, the Commission will have jurisdiction over GLL with respect to transmission certification and siting and will have jurisdiction over the transferred Transmission Assets, with the understanding that the rates will be regulated by FERC.

For clarity, GLL will not serve load or retail customers and will not seek retail rates from the Commission.

VI. THE TRANSMISSION ASSETS SATISFY THE SEVEN FACTOR TEST

In Order No. 888, FERC established a seven-factor test that is used to determine whether an asset constitutes transmission facilities versus local distribution facilities. The seven factor test can be applied by FERC or state commissions, such as the LPSC.⁷ The seven factor test involves the application of the following factors to the Transmission Assets: (1) local distribution facilities are normally in close proximity to retail customers; (2) local distribution facilities are primarily radial in character; (3) power flows into local distribution systems; it rarely, if ever, flows out; (4) when power enters a local distribution system, it is not re-consigned or transported on to some other market; (5) power entering a local distribution system is consumed in a comparatively restricted geographical area; (6) meters are based at the transmission/local interface to measure flows into the local distribution system; and (7) local distribution systems will be of reduced voltage. The seven-factor test is not to be applied in a rigid manner, but rather allows for flexibility and for the LPSC to consider unique region and local conditions.⁸ Additionally, FERC elaborated on the flexibility and deference afforded state commissions, concluding:⁹

The seven-factor test is intended to provide sufficient flexibility to take into account unique local characteristics and historical usage of facilities used to serve retail customers. We specifically stated in the Final Rule that we will consider jurisdictional recommendations by states that take into account other technical factors that states believe are appropriate in light of historical uses of particular

⁷ For example, see *In the Matter of the verified petition of Wabash Valley Power Association, inc. For approval of its implementation of the Federal Energy Regulatory Commission's seven-factor test*, Cause No. 45613, Order (Ind. RUC. Dec. 22, 2021); *In the matter of the application of Wolverine Power Supply Cooperative, Inc., to reclassify certain assets from "excluded Transmission" to "included transmission."*, Case No. U-17742, Order (MI PSC Jan. 27, 2015).

⁸ *In the Matter of the Petition of Puget Sound Energy Inc.; for a Declaratory Order and Accounting Order Regarding the Reclassification of Certain Facilities and Accounting Treatment*, Docket U-111701, Order 01 (Wash. UTC Dec. 14, 2011).

⁹ Order 888, at 30,342.

facilities. Moreover, we will defer to facility classifications and/or cost allocations that are supported by state regulatory authorities.

For clarity, when a factor is answered in the negative or failing the factor for a facility, such an indication points to the facility being transmission in nature, and not a distribution facility. Conversely, if a factor is answered in the positive, such an indication points to the facility being a distribution facility. In the instant case, each of the seven factors are answered in the negative/failing with respect to the Transmission Assets, because these Assets are not:

- (1) in close proximity to retail customers;
- (2) primarily radial in character;
- (3) power flows into local distribution systems that it rarely, if ever, flows out;
- (4) power entering a local distribution system that is not transported on to some other market;
- (5) power entering a local distribution system that is consumed in a comparatively restricted geographical area;
- (6) using meters that are based at the transmission/local interface to measure flows into the local distribution system; and
- (7) local distribution systems of reduced voltage.

The evidence showing that each of the factors are appropriately answered in the negative with respect to the Transmission Assets is explained in the direct testimony of Mr. Jehring and his accompanying study.

VII. GLL IS A HIGHLY QUALIFIED TRANSMISSION-ONLY COMPANY

In the context of its 2013 General Order promulgating transmission certification and siting rules, the LPSC recognized that Transcos, like GLL, must consent to the jurisdiction of the

Commission for purposes of constructing, owning, and operating transmission in the State of Louisiana.¹⁰

An Independent Transmission Company or other entity that owns or controls Transmission Facilities (or that proposes to construct or own new Transmission Facilities) that currently may not be a public utility subject to the Commission's jurisdiction but which has planned, proposed, or seeks to construct a Transmission Facility and demonstrates in its Application to the Commission, in addition to the other requirements of this General Order, that it can construct and thereafter own and operate the proposed Transmission Facility. A Transco, in addition to complying with other requirements of this rule, must consent to the jurisdiction of the Commission in order to file an Application for and obtain a Certificate of Public Convenience and Necessity ("Certificate").

As the testimony of GLL witnesses demonstrate, GLL has the financial, technical, managerial, and operational experience (through its affiliated companies such as NEET and Florida Power & Light Company ("FPL")) to construct, own, maintain, and operate transmission in Louisiana. For example, GLL will operate the Transmission Assets from an already existing transmission control center in Austin, TX, which operates the transmission facilities of other NEET affiliate transmission companies. The transmission operators in the Austin transmission control center are certified by the North American Reliability Corporation ("NERC") to conduct the Transmission Operator and Balancing Authority function for the Transmission Assets. The direct testimonies of witnesses Sweezer-Fischer and Jehring elaborate on the high-level technical expertise GLL will bring to the operation and ownership of the Transmission Facilities. Mr. Boykin's direct testimony will set forth the financial capabilities of GLL. Ms. Smith's direct testimony additionally details the managerial capabilities of GLL through its affiliation with NEET and NextEra Energy. Ms. Smith, on behalf of GLL, also consents to the jurisdiction to the LPSC

¹⁰ 2013 General Order at 10.

as a transmission-only utility, and in doing so commits that GLL will comply with all applicable Louisiana laws and LPSC rules, regulations, and orders.

VIII. THE TRANSFER OF THE TRANSMISSION ASSETS IS IN THE PUBLIC INTEREST

In the 1994 General Order, the LPSC set forth 18 criteria to evaluate whether a proposed transfer of utility facilities, such as the proposed transfer of the Transmission Assets, is in the public interest. As summarized below and discussed in the direct testimonies of the SLEMCO and GLL witnesses, the Proposed Transaction satisfies the requirements of the 1994 General Order.

A. Whether the transfer is in the public interest.

Response: The transfer of the Transmission Assets to GLL is in the public interest. For example, given the age of the Transmission Assets, there will likely be a need to upgrade the Assets to ensure reliability. The Transmission Assets are interconnected and networked with Entergy Louisiana, LLC (“ELL”), and, therefore, their continued reliable operation of the Table 1 Facilities impacts the broader operation of the ELL transmission system. Accordingly, based on the fact that the Transmission Assets will likely need to be upgraded, and, given GLL’s access to capital, it is in the public interest to transfer the Assets to GLL, which, in turn, will use its access to capital to upgrade the Assets.

Additionally, the public interest is served by the inclusion of the Transmission Assets in MISO, because inclusion brings with it lower transmission costs to SLEMCO’s customers, and minimal rate impact to ELL’s zonal customers, as explained in the direct testimony of Ms. Menhorn. As the direct testimony of Pat Jehring explains, the inclusion of the Transmission Assets in MISO will further the reliability of the broader transmission system because MISO will have

visibility into these networked facilities and include them in their planning models. Further, the reversion of transmission facilities to SLEMCO from Pelican brings with it the transfer of NERC compliance transmission owner obligations. Currently, SLEMCO has no NERC compliance obligations. GLL, through its affiliates, already has a control center in Austin, Texas with NERC certificated operators ready to operate the Transmission Assets, and, also, is well qualified to operate, own, and comply with the NERC requirements applicable to the Transmission Assets. Hence, the transfer of the Transmission Assets to GLL alleviates SLEMCO's exposure to NERC compliance obligations.

B. Whether the purchaser is ready, willing and able to continue providing safe, reliable, and adequate service to the utility's ratepayers.

With the understanding that GLL will not have any retail customers, GLL is ready, willing, and able to continue providing safe, reliable, and adequate transmission service. GLL's affiliates, such as FPL, have an industry leading track record of providing safe, reliable, and adequate transmission service, including during extreme weather events, such as hurricanes. A testament to GLL's ability to leverage proven processes, programs, and services provided by its affiliates, including FPL, to continue to provide safe, reliable, and adequate transmission service was demonstrated when not one FPL transmission facility was impacted by Hurricane Ian, a category four hurricane with wind speeds of 130 knots or 149 miles per hour at landfall,¹¹ and, thereafter, traversing Florida and FPL's service territory. Further, as explained in the direct testimony of Mr. Jehring, GLL is committed to bringing up to date the Transmission Assets to mitigate reliability issues on the greater transmission system and outages to SLEMCO's customers.

¹¹ https://www.nhc.noaa.gov/data/tcr/AL092022_Ian.pdf

C. Whether the transfer will maintain or improve the financial condition of the resulting public utility or common carrier.

The Proposed Transaction will maintain or improve the financial condition of SLEMCO, because the transfer of the Transmission Assets to GLL will: (1) allow SLEMCO to focus on maintaining the distribution system; (2) alleviate SLEMCO from NERC compliance costs and possible penalties; and (3) provide SLEMCO customers with a reduction in transmission rates. Additionally, SLEMCO will not be required to raise capital or incur debt to bring up to date the condition of the Transmission Assets.

D. Whether the proposed transfer will maintain or improve the quality of service to public utility or common carrier ratepayers.

With the understanding that GLL will not have any retail customers, the transfer of the Transmission Assets to GLL will maintain or improve the quality of transmission service for the reasons set forth in VIII(B).

E. Whether the transfer will provide net benefits to ratepayers in both the short term and the long term and provide a ratemaking method that will ensure, to the fullest extent possible, that ratepayers will receive the forecasted short and long term benefits.

The transfer of Transmission Assets to GLL will provide customers short term and long term benefits. MCR witness Menhorn explains that SLEMCO's customers will receive a rate reduction as a result of the Proposed Transaction. Also, assuming that MISO and FERC place the Transmission Assets in Entergy MISO transmission pricing zone No. 29 ("TPZ No. 29"), Menhorn's testimony shows that those customers, which include SLEMCO, will be minimally impacted. Further, MCR witness Menhorn explains that the costs associated with upgrading the Transmission Assets, as discussed herein, do not change the overall fact that SLEMCO's

customers will receive a rate benefit from the Proposed Transaction, and the rate impact to ELL's TPZ No. 29 customers is minimal.

Further, Mr. Jehring, in his direct testimony, explains that there will be short and long term benefits associated with upgrading the aging Transmission Assets taking into account the Assets in future transmission planning studies. Additionally, short-term and long-term reliability benefits will result from GLL using industry-leading processes and hardening plans of its affiliates to enhance the reliability of the Transmission Assets in the context of extreme weather events, such as hurricanes, which aligns with the Commission's objectives expressed in other dockets.

F. Whether the transfer will adversely affect competition.

The Proposed Transaction will not have an adverse impact on competition, as GLL and SLEMCO are not competitors. If anything, the transfer of the Transmission Assets to GLL will enhance competition to the extent inclusion of the facilities in the MISO transmission planning process will provide MISO with additional cost-effective solutions to transmission planning challenges that it did not have prior to the approval of the Proposed Transaction. Currently, MISO has no line of sight to the SLEMCO transmission facilities, but once the facilities are included in MISO, MISO's planning engineers will be able to include them in system planning models and scenarios to the benefit of Louisiana and its customers.

G. Whether the transfer will maintain or improve the quality of management of the resulting public utility or common carrier doing business in the State.

The transfer of the Transmission Assets will maintain or improve the quality of management at SLEMCO and GLL, because SLEMCO's management will be able to dedicate its efforts to continuing to provide high quality distribution service, while GLL's focus will be on

providing high quality transmission service. Relatedly, SLEMCO and GLL have agreed in the O&M Agreement for SLEMCO to retain certain transmission maintenance activities which will facilitate the management teams of SLEMCO and GLL having a long-term synergistic working relationship to the benefit of both management teams and SLEMCO's customers.

H. Whether the transfer will be fair and reasonable to the affected public utility or common carrier employees.

As discussed by SLEMCO witness Laque, the transfer of the Transmission Assets to GLL will be fair and reasonable to SLEMCO's employees, because SLEMCO's employees, including its transmission maintenance employees, will not be impacted. As explained, GLL and SLEMCO have executed an O&M Agreement which results in SLEMCO's employees maintaining the Transmission Assets.

I. Whether the transfer would be fair and reasonable to the majority of all affected public utility or common carrier shareholders.

With the understanding that SLEMCO does not have shareholders because it is not a publicly traded company, SLEMCO cooperative members will be treated fairly and reasonably because their customers will experience a rate decrease as a result of the transfer of the Transmission Assets to GLL. GLL is not a publicly traded company, but its ultimate parent company, NextEra Energy, is publicly traded, and as a result those shareholders will receive benefits associated with GLL being a transmission-only public utility in Louisiana and rate regulated at FERC.

J. Whether the transfer will be beneficial on an overall basis to State and local economies and to the communities in the area served by the public utility or common carrier.

The transfer of the Transmission Assets to GLL will be beneficial to the Louisiana economy, because GLL will enhance the reliability of the Assets. The increase in the reliable operation of the transmission system can benefit Louisiana through business and industry viewing GLL's enhancing of reliability as an additional reason to locate in Louisiana or expand existing operations in Louisiana. Similarly, local economies and communities would also benefit from GLL's upgrading of the Assets through the indirect and direct creation of jobs and increases to the tax base, which, in turn can be used to improve infrastructure, community service, and schools.

K. Whether the transfer will preserve the jurisdiction of the Commission and the ability of the Commission to effectively regulate and audit public utility's or common carrier's operations in the State.

As explained, GLL has consented to the jurisdiction of the Commission with the understanding that GLL's transmission rates are set by FERC. The LPSC will have the authority to regulate GLL as a transmission-only public utility, including the ability to regulate and audit the Transmission Assets as if they were owned by SLEMCO. GLL understands and commits to comply with applicable Louisiana law, including, for example, complying with the LPSC's siting requirements for transmission. Further, the LPSC's regulation of SLEMCO will continue and will not be altered. Therefore, the Commission's jurisdiction will be preserved.

L. Whether conditions are necessary to prevent adverse consequences which may result from the transfer.

There are no conditions necessary to address adverse consequences which may result from the transfer of the Transmission Assets to GLL. GLL has consented to the LPSC's jurisdiction as a Transco and has sought a Certificate from the commission to allow it to operate as such, so no additional condition is needed to confirm GLL is jurisdictional to the LPSC. Given that the Proposed Transaction lowers rates for SLEMCO's customers and has minimal impact on the customers in Entergy's TPZ No. 29, coupled with the benefits mentioned herein that will endure to Louisiana and its residents, no conditions need to be imposed to find that the transfer of the Transmission Assets is in the public interest.

M. The history of compliance or noncompliance of the proposed acquiring entity or principals or affiliates have had with regulatory authorities in this State or other jurisdictions.

As GLL is a newly formed entity, it has no history of compliance or non-compliance in Louisiana or outside of Louisiana. As explained above, GLL commits to comply with the applicable laws of Louisiana, including the applicable rules, regulations, and orders of the LPSC. The direct testimony of Ms. Smith also explains that GLL's principals or affiliates (NEET and the GridLiance companies) have had no pending issues of noncompliance with regulatory authorities in Louisiana or outside of Louisiana.

N. Whether the acquiring entity, persons, or corporations have the financial ability to operate the public utility or common carrier system and maintain or upgrade the quality of the physical system.

As explained in the direct testimony of Mr. Boykin, GLL will have access to capital markets in a manner not currently available to SLEMCO. Therefore, GLL will have the financial

ability to operate the Transmission Assets, including maintaining or upgrading the quality of the Assets, as needed.

O. Whether any repairs and/or improvements are required and the ability of the acquiring entity to make those repairs and/or improvements.

As the direct testimonies of Mr. Jehring and Mr. Laque indicate, the Joint Applicants agree that it is imperative that the Transmission Assets be maintained in a manner to reliably operate in the transmission system. As set forth in Section N above, GLL is qualified and capable of deploying the capital necessary to maintain the Transmission Assets in peak condition. As the new owner, GLL will ensure that the Transmission Assets are kept up-to-date and implement replacements or upgrades as necessary. As discussed in Ms. Sweezer-Fischer's direct testimony, GLL, through its affiliates, is highly qualified to upgrade the Transmission Assets. Similarly, as explained above and in Mr. Boykin's direct testimony, GLL has access to capital and expertise through its affiliated companies to timely make the replacements and upgrades to the Transmission Assets.

P. The ability of the acquiring entity to obtain all necessary health, safety, and other permits.

GLL does not require any health or safety permits or other permits to close the Proposed Transaction. The Joint Applicants require, however, certain approvals from the MISO Board and FERC subsequent to LPSC approval of the Proposed Transaction.

Q. The manner of financing the transfer and any impact that may have on encumbering the Facilities of the entity and the potential impact on rates.

As explained in Mr. Boykin's direct testimony, GLL has access to favorable financing due to its affiliated relationship with the NextEra family of companies. Therefore, the manner of financing the transfer of the Transmission Assets would have no encumbrances that impact rates.

R. Whether there are any conditions which should be attached to the proposed acquisition.

As explained, there are no conditions necessary to address adverse consequences which may result from the transfer of the Transmission Assets to GLL, and, therefore, SLEMCO and GLL are not proposing specific conditions be attached to the Proposed Transaction.

IX. REQUEST FOR CONFIDENTIAL TREATMENT

The APA and O&M Agreement are considered by the Joint Applicants to be proprietary and confidential and are being filed under seal pursuant to Rule 12.1 of the Commission's Rules of Practices and Procedure. The Joint Applicants anticipate that the parties to this proceeding may seek discovery of matters that are confidential. Therefore, attached hereto as Exhibit I is a draft Confidentiality Agreement that may be used to facilitate the exchange of confidential information while still protecting information from disclosure to the extent appropriate.

X. REQUEST FOR TIMELY TREATMENT

The Joint Applicants desire to close the Proposed Transaction as soon as practicable, because GLL would like to start upgrading the Transmission Assets soon after SLEMCO's April 1, 2025 acquisition date to close any gaps in reliability that could exist if the aging condition of the Assets is not addressed.

The Joint Applicants request a fifteen-day period for interventions and protests, and a scheduling conference the week following the close of the intervention period to facilitate the adoption of a procedural schedule consistent with the Joint Applicant's request for a vote on LPSC approval as soon as practicable.

XI. SERVICE OF NOTIONS AND PLEADINGS

The Joint Applicants respectfully request that the following individuals receive notices, correspondence, and other communications related to the Joint Application:

SLEMCO

Theodore G. Edwards, IV (#18195)
Christopher J. Piasecki (#25827)
900 South College Road, Suite 100
Lafayette, Louisiana 70503
Phone: (337) 237-1660
Fax: (337) 237-3676
Email: gedwards@davidsonmeaux.com
Email: cpiasecki@davidsonmeaux.com

GLL

Edward H. Bergin (#02992)
201 St. Charles Avenue
New Orleans, LA 70170
Telephone: (504) 582-8222
Email: Nbergin@joneswalker.com

Brian J. Murphy
NextEra Energy Resources, LLC
700 Universe Blvd.
Juno Beach, Florida 33408
Telephone: (561) 694-3814
Brian.J.Murphy@nexteraenergy.com

XII. PRAYER FOR RELIEF

WHEREFORE, for the reasons set forth above, and, in the support, the direct testimony of this Joint Application, the Joint Applicants pray that the LPSC grant the following relief and issue an Order:

1. Finding that the Transmission Assets are transmission in accordance with the FERC seven factor test;
2. Grant GLL a Certificate of Public Convenience and Necessity to allow it to operate as a LPSC Transco to construct, own, operate, and maintain transmission facilities in the state of Louisiana in accordance with the 2013 General Order;
3. Finding that the transfer of the Transmission Assets to GLL is in the public interest in accordance with the 1994 General Order;
4. Directing that the period for interventions and protests be shortened to fifteen (15) days and that a scheduling conference be held the week following the close of the intervention period;
5. Direct the development and implementation of a procedural schedule to facilitate an LPSC decision of the Joint Application as soon as practicable; and
6. Ordering such other general and equitable relief to which the LPSC has authority to grant pursuant to the Louisiana State Constitution and the laws of this state to which the Joint Applicants may be so entitled in this proceeding.

Respectfully submitted,

DAVIDSON, MEAUX, SONNIER,
McELIGOTT,
FONTENOT, GIDEON & EDWARDS, LLP

BY: _____

THEODORE G. EDWARDS, IV (#318195)
CHRISTOPHER J. PIASECKI (#25827)
900 South College Road, Suite 100
Lafayette, Louisiana 70503
Phone: (337) 237-1660
Fax: (337) 237-3676
Email: gedwards@davidsonmeaux.com
Email: cpiasecki@davidsonmeaux.com
Counsel for Southwest Louisiana Electric
Membership Corporation

Respectfully submitted,

Edward H. Bergin (#02992)
Jones Walker, LLP
201 St. Charles Avenue
New Orleans, LA 70170
Phone: (504) 582-8222
Email: Nbergin@joneswalker.com
and

Brian Murphy by *Christopher J. Plascencia*
Brian J. Murphy
NextEra Energy Resources, LLC
700 Universe Blvd.
Juno Beach, FL 33408
Phone: (561) 694-3814
Email: Brian.J.Murphy@nexteraenergy.com
Appearing under Rule 11
Counsel for GridLiance Louisiana, LLC