BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

DIXIE ELECTRIC MEMBERSHIP CORPORATION, AMITE SOLAR, LLC, AND AMITE ENERGY STORAGE, LLC, EX PARTE

DOCKET NO. U-_____

In re: Joint Application for Certification and Approval of Battery Energy Storage Agreement and Related Amendment No. 3 to Amite Solar Power Purchase Agreement and Request for Expedited Review.

JOINT APPLICATION FOR CERTIFICATION AND APPROVAL
OF BATTERY ENERGY STORAGE AGREEMENT AND RELATED AMENDMENT
NO. 3 TO AMITE SOLAR POWER PURCHASE AGREEMENT
AND REQUEST FOR EXPEDITED REVIEW

EXHIBIT "D"
Pre-Filed Direct Testimony of Mr. Jeffrey J. Andry, Jr.
(Rule 12.1 Confidential/HSPM Version Removed From Public Version)

PRE-FILED DIRECT TESTIMONY

of

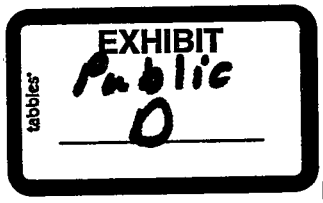
JEFFREY J. ANDRY, JR.

on behalf of

DIXIE ELECTRIC MEMBERSHIP CORPORATION

-PUBLIC VERSION-

November 2025



PUBLIC VERSION

PRE-FILED DIRECT TESTIMONY OF JEFFREY J. ANDRY, JR.

ON BEHALF OF

DIXIE ELECTRIC MEMBERSHIP CORPORATION

I. INTRODUCTION

Q: PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION AT DIXIE ELECTRIC MEMBERSHIP CORPORATION.

A: Jeffrey J. Andry, Jr., 16262 Wax Road, Greenwell Springs, Louisiana 70739. I am the Chief Strategy & Regulatory Officer of Dixie Electric Membership Corporation ("DEMCO" or "the Cooperative").

Q: HOW LONG HAVE YOU HELD THE POSITION OF CHIEF STRATEGY & REGULATORY OFFICER AT DEMCO AND WHAT DOES THIS ROLE ENTAIL?

A: I began my employment with DEMCO as the Chief Strategy & Regulatory Officer in August of 2023. In this role, I am responsible for overseeing the Cooperative's power supply, strategic planning, regulatory and governmental affairs, business and economic development, information technology, and compliance functions, as well as working with external counsel on legal matters impacting DEMCO.

Q: PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL EXPERIENCE.

A: I earned a Bachelor of Arts degree from Louisiana State University in Baton Rouge in Political Science with a minor in Business Administration and a Juris Doctor degree from the University of Mississippi School of Law. I am also a Chartered Financial Analyst (CFA)

charterholder. I have over 11 years of experience in the power sector, having previously worked for Cleco Corporate Holdings LLC and its regulated and unregulated affiliates ("Cleco") in a variety of finance, business, and regulatory roles. After my time at Cleco, I was the MISO South regional lead for NextEra Energy Resources, LLC ("NEER"), where I led a team responsible for growing the company's renewable generation business in Louisiana, Mississippi, Arkansas, and the MISO portion of Texas. Prior to my career in the power sector, I worked in finance in the areas of equity research and asset management.

Q: HAVE YOU PREVIOUSLY PROVIDED TESTIMONY BEFORE THE LOUISIANA PUBLIC SERVICE COMMISSION ("LPSC" OR THE "COMMISSION")?

A: Yes, in LPSC Docket No. U-37392.

Q: DO YOU HAVE AUTHORITY TO TESTIFY ON BEHALF OF DEMCO?

A: Yes.

Q: PLEASE DESCRIBE DEMCO AND ITS BUSINESS.

A: DEMCO is a Louisiana electric distribution cooperative who has been providing retail electric service, primarily to the Greater Baton Rouge and surrounding areas, since 1938. DEMCO is owned by the communities it serves. DEMCO, like other electric cooperatives, is a democratic organization controlled by the members who actively participate in making decisions for the Cooperative. DEMCO's members elect its 13-member Board from geographic districts to set policy for the Cooperative. DEMCO's Board members are accountable to their member constituents by way of the democratic election process,

governance, and financial model, as well as the Cooperative's mission and cost management actions, which reflect the values of the Cooperative's membership and community. Furthermore, the members are ultimately responsible for the financial obligations and ongoing operations of the Cooperative. DEMCO has no outside shareholders to bear risk or absorb costs on behalf of the Cooperative's members.

Q: PLEASE DESCRIBE DEMCO'S SERVICE AREA AND ITS VARIOUS MEMBER CLASSES.

A: The Cooperative's service area covers seven parishes in Louisiana – Ascension, East Baton Rouge, East Feliciana, Livingston, St. Helena, Tangipahoa, and West Feliciana. It provides electric service to approximately 97,000 retail electric members (approximately 119,000 meters) consisting mostly of residential and small commercial entities. Roughly 93% of DEMCO's members are residential members and 7% are commercial members, as measured by meter count.

II. PURPOSE OF PRE-FILED DIRECT TESTIMONY

Q: WHAT IS THE PURPOSE OF YOUR PRE-FILED DIRECT TESTIMONY?

A: The purpose of my pre-filed Direct Testimony is to support DEMCO's request for Commission approval of the Energy Storage Agreement ("ESA") between DEMCO and Amite Energy Storage, LLC, a subsidiary of NEER. My testimony explains how the ESA complements DEMCO's existing Full Requirements Power Supply Agreement ("FRPSA"), describes the 100 megawatt ("MW") project subject to the ESA (the "Amite Battery Energy Storage System" or "Amite BESS"), and demonstrates that the project is prudent, cost-

effective, and essential to reliability within the Amite South load pocket. More specifically, I will (i) provide an overview of DEMCO's FRPSA with NextEra Energy Marketing, LLC ("NEM"), (ii) discuss the regulatory context within which the LPSC's approval is being requested, (iii) describe the benefits DEMCO expects to receive if and when the ESA is approved by this Commission, (iv) provide an overview of the project subject to the ESA, (v) provide an overview of the ESA's key terms, and (vi) provide DEMCO's rationale for requesting an exemption, if necessary, from the LPSC's Market-Based Mechanism Order.

III. OVERVIEW OF DEMCO'S FRPSA WITH NEM

Q: PLEASE PROVIDE A GENERAL OVERVIEW OF DEMCO'S CURRENT FRPSA WITH NEM.

A: DEMCO and NEM entered into the FRPSA on July 15, 2021, for an initial service term extending through December 31, 2033. The FRPSA provides that NEM shall provide DEMCO with all energy, capacity, transmission-related products and ancillary service products required to satisfy DEMCO's obligation to serve one hundred percent (100%) of its retail electric load, with the understanding that DEMCO may utilize its existing resources and new energy and capacity resources as needed. For example, the FRPSA contemplated the continued use of the Southwestern Power Administration ("SWPA") hydro and the addition of Amite Solar. The Amite BESS integrates seamlessly within the existing FRPSA framework. By design, the FRPSA enables DEMCO to incorporate new Buyer Resources that improve reliability or reduce costs, and the Amite BESS satisfies both objectives. Amite BESS will also assist DEMCO in satisfying its Planning Reserve

Margin Requirement in MISO and the requirements of the LPSC's Minimum Capacity Obligation ("MCO") rules.

Q: PLEASE ELABORATE ON HOW THE FRPSA CONTEMPLATES THAT CERTAIN RESOURCES OWNED OR CONTRACTED BY DEMCO MAY BE USED BY NEM TO SATISFY ITS FULL REQUIREMENTS POWER SUPPLY OBLIGATION.

A: The definition of "Full Requirements Power Supply" in the FRPSA expressly contemplates NEM's use of resources procured from third-parties ("Buyer Resources") in satisfying its full requirements power supply obligation to DEMCO. These resources effectively act as offsets to the NEM energy and capacity procurements required to meet DEMCO's load obligation. Thus, DEMCO's FRPSA with NEM provides DEMCO with the ability to procure additional Buyer Resources when said resources are identified as having features that are attractive to DEMCO's portfolio, which, in turn, assists NEM's fulfillment of its full requirements power supply obligation.

Q: PLEASE DESCRIBE THE RELATIONSHIP BETWEEN BUYER RESOURCES AND THE FIXED FULL REQUIREMENTS RATE THAT DEMCO PAYS TO NEM EACH YEAR?

A: Prior to each calendar year, NEM forecasts DEMCO's weather-normalized load (in megawatt-hours ("MWh")) for the year, as adjusted for DEMCO's historical load growth percentage plus the impact (in MWh) of any expected large load additions (if any). NEM then subtracts from this forecast the expected contribution (in MWh) from Buyer Resources, [redacted].

Similarly, for capacity purposes, NEM forecasts DEMCO's Planning Reserve Margin Requirement for each season within the calendar year. Expected contributions from Buyer Resources (in megawatts ("MW")) are netted from these amounts, [redacted].

The costs associated with the aforementioned energy and capacity procurements are then combined with estimates for transmission-related and ancillary service products to arrive at the total estimated cost (net of Buyer Resources) to serve 100% of DEMCO's load for the forthcoming calendar year. This total cost is then divided by NEM's estimate of DEMCO's total load (in MWh) for the forthcoming calendar year to arrive at a full requirements rate (in dollars per MWh) that remains fixed over the entirety of the calendar year, with a true-up between actual and estimated costs being tracked and applied to the fixed full requirement rate in the subsequent calendar year.

Thus, when a new Buyer Resource enters into DEMCO's portfolio, it reduces how much standalone capacity and/or energy NEM plans to procure during the resource's life, which would be the case if the ESA that is the subject of this proceeding is approved and becomes operational.

IV. OVERVIEW OF DEMCO'S CAPACITY OBLIGATION IN MISO AND AT THE LPSC?

Q: PLEASE DESCRIBE DEMCO'S CAPACITY OBLIGATION IN MISO.

A: Load-serving entities in MISO, such as DEMCO, must ensure they have sufficient capacity to meet their forecasted coincident peak demand, by season, plus a Planning Reserve Margin ("PRM"). This PRM, which also typically differs by season, is expressed as a percentage and accounts for uncertainties related to generator outages and variability. The resulting capacity requirement – known as the Planning Reserve Margin Requirement ("PRMR") – is the amount of capacity, as measured in Zonal Resource Credits ("ZRCs"), that load-serving entities must demonstrate ownership of or contractual rights to. If a load-serving entity has a shortfall, it must procure the deficiency through MISO's Planning Resource Auction ("PRA") at the prevailing seasonal clearing price in its Local Resource Zone ("LRZ").

Q: PLEASE DESCRIBE DEMCO'S CAPACITY OBLIGATION AT THE LPSC.

A: The LPSC, by virtue of General Order dated July 16, 2024 (in Docket No. R-36263) (the "MCO Order"), expanded on these concepts in its *Rules Regarding Resource Adequacy Obligations for Louisiana Electric Utilities – Midcontinent Independent System Operator, Inc. Region* (the "MCO Rules"). The MCO Rules define minimum physical capacity obligations for LPSC-jurisdictional electric utilities operating within MISO. These rules effectively limit the extent to which utilities may rely on the PRA or on capacity contracts that do not identify a specific generating unit or do not provide a reasonable expectation that the unit will supply capacity during the applicable Planning Year. The MCO Rules also require each utility to file an annual resource adequacy demonstration with the LPSC, detailing how it plans to meet its capacity obligations for the upcoming Planning Year and for each of the three subsequent Planning Years.

Q: HAS DEMCO SUBMITTED ITS FIRST ANNUAL RESOURCE ADEQUACY DEMONSTRATION PURSUANT TO THE MCO RULES?

A: Yes, DEMCO made its first required resource adequacy demonstration filing on May 1, 2025. This filing covered each season of the Planning Year beginning on June 1, 2025, and ending on May 31, 2026, as well as the three subsequent Planning Years. This initial demonstration required each utility subject to the MCO Rules to show that it had procured compliant capacity in an amount equal to at least 90% of its PRMR for the 2025/2026 Planning Year, 50% for the 2026/2027 Planning Year, and 30% for each of the 2027/2028 and 2028/2029 Planning Years.

Q: HAS LPSC STAFF SUBMITTED AN ANALYSIS OR CONCLUSION REGARDING DEMCO'S COMPLIANCE WITH THE MCO RULES FOR THIS FILING?

A: Yes. On October 1, 2025, LPSC Staff provided its inaugural MCO Compliance Report, which concluded that DEMCO was not in full compliance with its initial MCO obligations. Specifically, while the analysis found that DEMCO's filing demonstrated compliance with the MCO Rules for the immediate 2025/2026 Planning Year – exceeding the 90% requirement in all seasons (with resource coverage of 100% in Summer, 100% in Fall, 101% in Winter, and 102% in Spring) – it also concluded that DEMCO had fallen slightly short of the 30% obligation in the outermost year of the demonstration period. This shortfall was limited to the Fall and Winter seasons of the 2028/2029 Planning Year, where DEMCO's resource adequacy demonstration showed 29% coverage in Fall and 23% in Winter.

Q: WHAT TYPES OF RESOURCES ARE INCLUDED IN DEMCO'S CAPACITY PORTFOLIO, AND WHERE ARE THEY LOCATED?

A: With the exception of capacity DEMCO receives under its SWPA and Amite Solar contracts, its current capacity portfolio consists almost entirely of contractual capacity procurements procured through NEM. These contracted resources deliver capacity from a mix of renewable and fossil-fuel based generating units. With respect to the 2025/2026 Planning Year, all of the resources identified in DEMCO's demonstration are located in (or, in the case of its capacity from SWPA, imported into) MISO Local Resource Zone 9, which includes the portions of both Louisiana and Texas that are in MISO's footprint.

Q: DOES DEMCO INTEND ONLY TO MEET THE LPSC'S MINIMUM OBLIGATION IN EACH YEAR, OR DOES IT INTEND TO ACHIEVE A HIGHER LEVEL OF CAPACITY COVERAGE?

A: DEMCO's goal is not merely to meet the minimum capacity obligation by the LPSC in each year. While DEMCO recognizes the importance of compliance with the minimum thresholds, DEMCO's goal is not only regulatory compliance, but resource adequacy that ensures local reliability. DEMCO aims to maintain near-100% coverage of its PRMR in every Planning Year, consistent with its cooperative mission to safely provide reliable and competitively-priced service to its members. Moreover, DEMCO prefers capacity resources that don't just aid it in meeting regulatory requirements, but, also, advance other operational and strategic goals. [redacted], DEMCO's

preference is for "win-win" resources that produce energy and other benefits in addition to capacity benefits. DEMCO expects this will increasingly involve the development of new resources altogether, particularly as the capacity market becomes more supply-constrained on account of load growth and regulatory reforms.

V. OVERVIEW OF AMITE BESS PROJECT

Q: PLEASE DESCRIBE THE AMITE BESS PROJECT.

A: The Amite BESS is a 100 MW / 400 MWh, four-hour battery energy storage project co-located with the existing 100 MW Amite Solar facility in Tangipahoa Parish. By sharing site and interconnection infrastructure, the project maximizes the value of existing grid assets while avoiding costly new transmission investments and taking advantage of MISO's Surplus Interconnection process. This process allows an existing interconnection customer to make use of unused transmission capacity at an existing Point of Interconnection ("POI") without going through a full new interconnection study[1].The Amite Solar project is subject to a power purchase agreement ("PPA") between DEMCO and Amite Solar, LLC, and entered commercial operation on March 25, 2025, with DEMCO beginning to receive energy and capacity from the facility on April 1, 2025.

Located within the Amite South load pocket, the BESS provides critical reliability value to one of Louisiana's most transmission-constrained regions. The Amite South zone faces limited import capability and is frequently cited by MISO as a high-risk area for load

[1] Jenny Netherton and Jim Bradley, "Surplus Interconnection Service: Additional Generation Using Existing Transmission," *The Pew Charitable Trusts*, n.d. The article discusses how state policymakers can lead on realizing the reliability, cost, and time benefits of Surplus Interconnection.

shedding and voltage collapse during extreme conditions. By delivering 100 MW of fast-responding local capacity, Amite BESS can stabilize voltage, prevent cascading outages, and reduce the frequency of emergency redispatch actions.

Q: PLEASE DESCRIBE THE SURPLUS INTERCONNECTION PROCESS IN MORE DETAIL.

A: As further discussed in the testimony of Travis Stewart, MISO's Surplus Interconnection process allows a new generator – in this case, Amite BESS – to utilize surplus capacity at an existing generator's POI – in this case, Amite Solar. A surplus exists when the existing generating facility's studied interconnection capacity under its original Generator Interconnection Agreement ("GIA") exceeds its actual output or operational use, and when MISO and the Transmission Owner determine that using that excess capacity would not require network upgrades. In essence, this is because the original project was already studied up to its POI limit, and the addition of incremental generation would not exceed that limit to begin with.

In other words, while Amite Solar could produce as much as 100 MW (its POI limit) during certain times of year, it will produce significantly less than that on average over the entirety of the 8,760 hours in a year (owing, in large part, to its status as a solar project). This creates substantial interconnection "headroom" at the existing POI. As further discussed in the testimony of Karl Kremser, Amite Energy Storage, LLC is in the process of obtaining the necessary surplus interconnection agreement that will provide final confirmation of the Amite BESS project's ability to interconnect at Amite Solar's existing POI without requiring

transmission system upgrades; however, for the reasons noted above, it is expected that MISO will determine such headroom to in fact be available.

Q: HOW DOES THIS ABILITY TO UTILIZE MISO'S SURPLUS INTERCONNECTION MECHANISM BENEFIT THE AMITE BESS PROJECT?

A: The benefits of utilizing this process are several. First, since the surplus project uses existing infrastructure that already provides service to the original project, it is not burdened with the costs of building new facilities that would otherwise be required for a standalone project of the same type. At a time when the costs of interconnecting new generating resources in MISO have risen substantially, this greatly benefits the surplus project's economics. Second, beyond benefiting individual project economics, this process allows end-users of the transmission system to gain more value from the grid infrastructure they have already financed. Third, assuming MISO determines no network upgrades are required, the timeline for obtaining interconnection rights for a surplus project is substantially shorter than if the same project proceeded through MISO's traditional interconnection queue – potentially saving several years in development time precisely when supply and other constraints are impacting how quickly new generation can be brought online. Finally, MISO's rules provide that the surplus project "inherits" the interconnection service type of the original project. In other words, if the original project has only Energy Resource Interconnection Service ("ERIS"), then the surplus project will likewise have ERIS; if, however, the original project has Network Resource Interconnection Service ("NRIS") – with all of the capacity-qualifying attributes such status confers – the surplus project will also receive that entitlement. This point is critical in this

context because Amite Solar is an NRIS resource, which means Amite BESS will also receive capacity attributes but is expected to achieve much higher capacity accreditation in MISO than Amite Solar. As such, Amite BESS should add significant capacity to DEMCO's portfolio precisely as DEMCO takes steps to fully comply with the LPSC's MCO Rules, while also creating additional benefits discussed next.

Q: IN ADDITION TO CAPACITY BENEFITS, WHAT OTHER WHOLESALE BENEFITS IS THE AMITE BESS PROJECT EXPECTED TO PRODUCE FOR DEMCO?

A: NEM, working closely with DEMCO, [redacted]. As further discussed in the testimony of Ronnie Donaldson, one of the primary benefits of the Amite BESS project is that it will provide a valuable hedge against that energy price exposure in addition to the capacity benefits mentioned previously and further discussed in the testimonies of Ronnie Donaldson and Travis Stewart.

Amite BESS provides this hedge by allowing DEMCO to effectively shift energy in time – charging the battery during hours when wholesale energy prices are low (which often coincide with periods in which demand on the grid is low) and discharging during hours when prices are high (typically during peak demand periods). This process, known as energy arbitrage, will effectively limit how much expensive on-peak energy NEM needs to procure on DEMCO's behalf, instead relying on energy that was stored when prices were lower.

Operationally, the BESS functions as a physical hedge that complements DEMCO's financial hedging strategy under the FRPSA. It charges when wholesale prices are low and discharges during peak demand, protecting members from price volatility from transmission congestion, fuel price fluctuations, or unexpected outages, in addition to extreme weather-driven cost spikes. Thus, it will provide real-time operational flexibility to manage short-term volatility in wholesale energy prices.

Beyond the aforementioned capacity and energy-related benefits, the Amite BESS will be compensated for the ancillary services it is able to provide to the grid, particularly with respect to voltage and frequency regulation. It will be able to respond almost instantaneously to dispatch signals from MISO, injecting or absorbing power to help maintain system frequency within required tolerances. Similarly, the battery can provide reactive power support, improving local voltage stability and helping to smooth fluctuations in generator supply.

Q: COULD THE BENEFITS DISCUSSED ABOVE EXTEND BEYOND DEMCO?

A: Yes. Beyond cost savings, the BESS strengthens resilience in the Amite South load pocket, where MISO has identified a chronic lack of quick-start generation. As noted by the Commission's consultants at the October 2025 Business & Executive Session when discussing the recent May 2025 load shed event, in the days leading up to the load shed, MISO repeatedly alerted utilities to "shortages in [the] area" and ongoing concerns specific to the Amite South load pocket (p. 32 of October 23, 2025 Business & Executive Session

Transcript). These independent findings further confirm that additional, flexible, local resources inside Amite South, such as the Amite BESS, are not only beneficial to DEMCO's members but support reliability for the wider MISO-managed region. During outages such as those analyzed by the Commission after the recent May 2025 load shed event, the BESS could sustain localized service and support system voltage within seconds. Its grid-forming capability allows it to operate independently or in coordination with Amite Solar during system disturbances, creating a stabilizing anchor resource for DEMCO and MISO alike.

Recent comments from MISO also highlight the ongoing reliability challenges in Southeastern Louisiana. On October 9, 2025, MISO Senior Director of Reliability Coordination, John Harmon, noted that recent "capacity advisories concentrate mostly on Downstream of Gypsy and Amite South load pockets," citing a "lack of quick-start generation" in the area. Mr. Harmon explained that MISO often has to secure additional supply "through its Voltage and Local Reliability generation commitments" to maintain system stability, and that "abnormal loads and forced outages paired with the limited import capability of the [...] load pockets" have left available generation in these pockets below what operating guidelines would require.[2] These comments reinforce the need for new, flexible resources in Amite South. The Amite BESS project directly responds to that need by adding a 100 MW / 400 MWh battery facility that can start and deliver power almost instantly when the system is stressed. Locating this project inside the load pocket

[2] *"MISO Mulling New Way to Convey Spate of Advisories in South,"* **RTO Insider**, October 12, 2025. The article summarizes remarks made by MISO Senior Director of Reliability Coordination John Harmon during the MISO Reliability Subcommittee meeting held on October 9, 2025.

strengthens local reliability, supports compliance with the Commission's capacity requirements, and may reduce the frequency and cost of emergency reliability actions by MISO.

VI. KEY TERMS OF THE AMITE BESS ESA AND RATIONALE FOR AMENDMENT OF AMITE SOLAR PPA.

Q: WERE YOU PERSONALLY INVOLVED IN THE NEGOTIATION OF THE AMITE BESS ESA?

A: Yes, I was DEMCO's lead in the negotiation of the ESA. The negotiation and documentation of the ESA were further supported by external legal counsel from a national law firm with substantial experience on battery storage agreements, as well as local regulatory counsel.

Q: PLEASE BEGIN DESCRIBING THE KEY TERMS OF THE ESA.

A: As mentioned previously, the agreement is between DEMCO and Amite Energy Storage, LLC and is for 100% of the output from the 100 MW Amite BESS project. Its term is through May 31, 2050, or approximately 23 years from the expected Commercial Operation Date ("COD") of November 30, 2027. A May 31, 2050, termination date was intentional to align with the end of MISO's Planning Year.

[redacted]

[redacted]

Q: IN THE PREVIOUS SECTION, YOU MENTIONED THAT THE COD WAS "EXPECTED" TO BE NOVEMBER 30, 2027. IS THE DATE NOT CONTRACTUALLY SPECIFIED?

A: My language here has an important bearing on this matter. While, subject to certain extensions related to factors outside of Amite Energy Storage, LLC's control, the COD is contemplated to be November 30, 2027, under the ESA, an expedited approval process would actually allow COD to occur earlier. The agreement requires Amite Energy Storage, LLC to use commercially reasonable efforts to submit Amite BESS into the Winter season of the Planning Resource Auction for the 2027/2028 Planning Year *if the COD is likely to occur on or prior to June 30, 2027.* As discussed further in the testimony of Karl Kremser, the primary scheduling contingency that could allow commercial operation to be achieved sooner is the length of time it takes to receive LPSC approval of the ESA.

Q: PLEASE FINISH DESCRIBING THE KEY TERMS OF THE ESA.

A: [redacted]

[redacted] Finally, and importantly for DEMCO's purposes, the ESA also requires Amite Energy Storage, LLC to exercise commercially reasonable efforts to optimize the accredited capacity of the facility at all times.

Q: DOES ENTERING INTO THIS ESA ALSO REQUIRE A FURTHER AMENDMENT TO THE AMITE SOLAR PPA?

A: Yes, it does, which Amendment No. 3 to the Amite Solar PPA is also subject to DEMCO's approval request in this proceeding. The required changes to the Amite Solar PPA are primarily for clarifying purposes. Certain definitions within that agreement which only contemplated energy from the solar facility or on-site infrastructure related to the solar facility needed to be updated. Amendment No. 3 also clarifies that any curtailment of Amite Solar due to the presence of Amite BESS at the same POI shall not count against Amite Solar, LLC's performance requirements. Finally, the amendment extends the Initial Term

of the Amite Solar PPA slightly from March 31, 2050, to May 31, 2050 – this is both (a) to align with the term of the ESA and (b) to align with the end of MISO's Planning Year.

VII. REQUEST FOR WAIVER/EXCEPTION FROM THE REQUIREMENTS OF THE LPSC'S MARKET-BASED MECHANISM ORDER (THE "MBM ORDER")[3].

Q: IS DEMCO REQUESTING AN EXEMPTION FROM THE REQUEST FOR PROPOSAL REQUIREMENTS OF THE COMMISSION'S MBM ORDER?

A: Yes. To the extent an exemption is needed, DEMCO respectfully requests one pursuant to the MBM Order. That rule provides that a utility may propose an alternative to the standard RFP process if sworn testimony demonstrates that sufficient circumstances exist such that a formal competitive solicitation would not be in the public interest. Additionally, the MBM Order provides for an exception for resources that have been previously certified by the Commission. DEMCO submits that such circumstances exist here. Specifically:

(i) **Public-Interest Basis for Waiver:** The project can only be developed through the surplus-interconnected process, which is available solely to the existing Interconnection Customer, here Amite Solar, LLC. Thus, a conventional RFP could not yield competing proposals. Accordingly, NEER, as the indirect owner of Amite Solar, LLC, is the sole entity capable of pursuing that request. DEMCO's only Louisiana solar resource is Amite Solar; there are no other surplus-interconnected opportunities with comparable characteristics. A comparison to new-build battery projects in MISO's standard queue would be inappropriate and less economic,

[3] LPSC General Order No. 10-14-2024 *(R-34247).*

since those projects would bear significant interconnection and network-upgrade costs that Amite BESS avoids. Finally, given the well-known time constraints associated with natural gas turbine procurement and MISO's traditional interconnection queue, it is unlikely alternative resources could be brought online within a similar timeframe.

Delaying the project to conduct an RFP could harm project economics or postpone DEMCO's ability to realize benefits starting in 2027. As mentioned previously, Amite Energy Storage, LLC is targeting a COD of November 30, 2027, but could achieve COD earlier if approval is granted promptly. An earlier COD could qualify the resource for capacity in the winter season of MISO's 2027/2028 Planning Year, helping meet peak seasonal demands and enabling DEMCO to advance compliance with its MCO and PRMR requirements. Prompt approval would also help address the 1% to 7% capacity deficiencies identified for DEMCO in the LPSC Staff's initial MCO Compliance Report for the 2028/2029 Planning Year.

(ii) **Economic and Long-Term Value:** [redacted] DEMCO believes this further supports the economic and public interest case for exemption from the MBM Order's RFP requirements.

(iii) **Previously Certified Resource; Change in Status:** The Amite Solar project has already been certified by the Commission. The addition of the Amite BESS as surplus generation at the same site could reasonably be viewed as a change in status of a previously certified resource, an express exception under Section 2(g) of the MBM rule.

VIII. SUMMARY AND CONCLUSION

Q: PLEASE SUMMARIZE YOUR PRE-FILED DIRECT TESTIMONY.

A: My pre-filed direct testimony provides the contractual and regulatory context for DEMCO's request for Commission approval of the ESA for Amite BESS. It begins with an overview of the Surplus Interconnection process and highlights the economic and speed-to-market advantages this mechanism offers – both to DEMCO and to end-users of the transmission system. The testimony then outlines the key terms and provisions of the ESA, as well as why minor modifications to the Amite Solar PPA are needed. It concludes by demonstrating that the Amite BESS project is uniquely positioned and not well-suited to the LPSC's traditional MBM process, and why a waiver/exception from that process, if necessary, is warranted.

Q: DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?

A: Yes.

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LOUISIANA PUBLIC SERVICE COMMISSION

DIXIE ELECTRIC MEMBERSHIP CORPORATION, AMITE SOLAR, LLC, AMITE ENERGY STORAGE, LLC EX PARTE **DOCKET NO. U-**

In re: Joint Application for Certification and Approval of Battery Energy Storage Agreement and Related Amendment No. 3 to Amite Solar Power Purchase Agreement and Request for Expedited Review.

AFFIDAVIT OF WITNESS

PARISH: East Baton Rouge

STATE: Louisiana

I, Jeffrey J. Andry, Jr., being duly sworn, depose

that the Pre-filed Direct Testimony in the

above referenced matter on behalf of

Dixie Electric Membership Corporation,

is true and correct to the best of my knowledge, information and belief.

Jeffrey J. Andry, Jr.

Subscribed and sworn before

me this 21st day of

November, 2025.

LA BAR: 31042

My Commission expires

at death