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639 Loyola Avenue, New Orleans, LA 70113

LA Public Service Commission

June 1, 2022

**VIA OVERNIGHT DELIVERY**

Mr. Brandon Frey  
Louisiana Public Service Commission  
Galvez Building, 12th Floor  
602 North Fifth Street  
Baton Rouge, LA 70802

ROUTE TO		ROUTE FROM	
DEPT. <u>Bulletin</u>	DATE <u>6/3</u>	DEPT. _____	DEPT. _____
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**Re: In Re: Modification of Schedule REP**

Dear Mr. Frey:

On behalf of Entergy Louisiana, LLC (“ELL” or the “Company”), I have enclosed the original and three hard copies and an electronic copy of the Schedule REP:

1. Revised Schedule REP Version 2, tariff pages 115.1- 115.5, clean version; and
2. Revised Schedule REP Version 2, tariff pages 115.1- 115.5, redlined version;

The Company proposes to remove solar photovoltaic and solar thermal (collectively, “Solar”) generation options from the New Renewable Resources eligible to be considered a Qualifying Renewable Generator for purposes of Schedule REP. At this time, Solar installations no longer meet the purpose or intent of the Commission’s Renewable Energy Pilot Program (“REPP”) which serves as the foundation of the Company’s Schedule REP. The utility industry has gained significant experience with Solar technologies since the Commission adopted REPP and large amounts of Solar generation have been and are being developed in Louisiana. Accordingly, Schedule REP should be revised to remove Solar generation from being eligible to participate in that rate schedule to allow less developed renewable technologies to benefit from REPP.

**The LPSC Renewable Energy Pilot Program**

Schedule REP was established as a result of a series of General Orders<sup>1</sup> arising out of Docket No. R-28271 Subdocket B *In re: Re-study of feasibility of a renewable portfolio standard for the State of Louisiana*. In General Order 12-9-10 (R-28271-A Subdocket B) (Corrected), the Louisiana Public Service Commission (“LPSC” or the “Commission”) adopted the LPSC Renewable Energy Pilot Program Implementation Plan (the “Implementation Plan”). The Implementation Plan explicitly noted that it was “intended to be an experimental study for the purpose of determining what renewable resources can be used by LPSC-jurisdictional utilities . . .” and that “[t]he outcome of this pilot, or study, will assist the Commission in making long term

<sup>1</sup> See, e.g., General Order 7-21-10 (R-28271 Subdocket B) (Corrected), General Order 12-9-10 (R-28271-A Subdocket B) (Corrected) and General Order 9-20-13 (R-28271 Subdocket B).

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policy decisions for the State of Louisiana.”<sup>2</sup> The Implementation Plan utilized two major components to achieve its aims: i) a research component and ii) an RFP component for larger renewable resources.<sup>3</sup> Schedule REP was born from the Implementation Plan’s research component.

***REPP experimental research component***

The role of the research component of the Implementation Plan was, in pertinent part, to gather data for the development of new renewable energy projects and was to be “performed [with] those technologies that appear to be promising for Louisiana.”<sup>4</sup> As the Implementation Plan makes clear, participation in the research component was to be reserved to encourage development of resources which, at the time, were uncertain or utilized technologies which were not well known in commercial settings. And if there was any doubt as to this intent, while crafting the list of resources eligible to participate in the Implementation Plan, Staff and other participating parties specifically chose to exclude combined heat and power (“CHP”) from participating in the experimental pilot. As detailed in General Order 12-9-10 (R-28271-A Subdocket B)(Corrected):

With regard to [the inclusion of] CHP [in the REPP], all parties acknowledged that it is an important resource for Louisiana. Parties, agreed, however, that the availability and cost of CHP is generally well known in Louisiana and its inclusion as an eligible resource would not serve the experimental purpose of the Pilot.<sup>5</sup>

***Solar is no longer experimental***

At the time the Implementation Plan was adopted by the Commission, Solar technologies were nascent in their use for large scale applications. The cost, availability, and feasibility of the technology in these situations was not well known in Louisiana and the inclusion of Solar resources in the REPP was appropriate. This no longer remains the case. By the end of 2022, the Company expects to have approximately 80 MW of Solar installation in service. Further, the Company has a portfolio of Solar installations, chosen from its 2020 Request for Proposals (“RFP”), pending certification at the Commission for 475 MW, it has a second RFP seeking up to 600 MW of Solar installations, and it has initiated a third RFP seeking up to 1500 MW of Solar installations. All of these Solar installations are expected to be online by the end of 2025. The Company is not unique in its adoption of Solar resources, as more than 46 GW of Solar generation have been installed throughout the United States by investor-owned and municipal utilities as well as electrical cooperatives. Much like CHP, the availability and cost of Solar is now generally well known in Louisiana and its continued inclusion as an eligible resource no longer serves the experimental purpose of the REPP.

Accordingly, the Company respectfully submits the Revised Schedule REP, eliminating Solar generation from participating in that offering. We ask that these changes be implemented

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<sup>2</sup> General Order 12-9-10 (R-28271-A Subdocket B) (Corrected), Attachment A (Corrected), pp. 1-2.

<sup>3</sup> *Id.* at. p. 2.

<sup>4</sup> *Id.*

<sup>5</sup> General Order 12-9-10 (R-28271-A Subdocket B) (Corrected), p. 2.

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immediately upon filing. In accordance with Section 501.B.3.i of the Tariff Filing Rules, the Company confirms that the proposed change will not result in a change of rates and customers not taking service under Revised Schedule REP will not be harmed by the proposed changes.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Rosenbloom', with a long horizontal flourish extending to the right.

D. Skylar Rosenbloom

DSR/lp

Enclosure

cc: LPSC Commissioners (*via email*)

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**RATE FOR RENEWABLE ENERGY PILOT PURCHASES**

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**I. AVAILABILITY**

Schedule REP is available at the Seller's request and at the discretion of Entergy Louisiana, LLC (the "Company") on a first come first served basis up to the Renewable Capacity Cap. The Company reserves the right to discontinue or suspend at any time the availability of Schedule REP for reasons beyond the Company's reasonable control, including, but not limited to, the disallowance of Costs by any regulatory authority.

**II. APPLICABILITY**

Schedule REP is applicable to any Seller owning or operating a Qualifying Renewable Generator. This schedule will be effective upon the Company's integration into the Midcontinent Independent System Operator, Inc. ("MISO") Regional Transmission Organization.

**III. DEFINITIONS**

**A. New Renewable Resources**

New Renewable Resources are eligible electric generation resource options as listed in Section 5.1, and as further defined in Section 5.2, of Louisiana Public Service Commission General Order (Corrected) dated December 9, 2010 (Docket No. R-28271-A Subdocket B) (hereinafter referred to as the "Renewable Pilot Implementation General Order"). Solar photovoltaic and solar thermal are not considered eligible resources for Schedule REP.

**B. Qualifying Renewable Generator**

A Qualifying Renewable Generator is an electric generator powered by New Renewable Resources that has the ability to physically deliver no more than 15,000 kW of electricity to the Company at any given time, and otherwise meets all of the requirements of the Renewable Pilot Implementation General Order. A Qualifying Renewable Generator must interconnect directly with the Company as provided in § IV below. The Qualifying Renewable Generator must also qualify under Subchapter K, Part 292, Subpart B of the Federal Energy Regulatory Commission's Regulations that implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978.

**C. Seller**

A Seller is a developer owning or operating a Qualifying Renewable Generator that agrees to sell and deliver as-available energy to the Company from New Renewable Resources under standard terms and conditions described in § VI below. Seller is prohibited from contracting with the Company under Schedule REP while separately and simultaneously contracting with the Company for that same generating capacity in conjunction with a long-term request for proposal process for renewable resources.

**D. Renewable Capacity Cap**

In accordance with LPSC Order No. U-33244-A, the Renewable Capacity Cap shall be maintained on a legacy basis, with a Renewable Capacity Cap of 30 MW for the ELL Legacy service area and a Renewable Capacity Cap of 30 MW for the EGSL Legacy service area.

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**RATE FOR RENEWABLE ENERGY PILOT PURCHASES**

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**E. Behind the Meter (BTM) QF**

A QF that has not self-registered as a generator in the MISO Commercial Model

**F. Hybrid QF**

A QF that has self-registered as a generator in the MISO Commercial Model

**G. Financial Schedule (or FinSched)**

An instrument used to transfer ownership of energy within the MISO settlement system

**H. Load Zone**

An asset in the MISO Commercial Model that is used for settlement purposes, and for which separate settlement data is provided by MISO

**I. Applicable Load Zone**

For BTM QFs > 20 MWs, the Load Zone created to represent the QF in the MISO settlement system; otherwise, the Load Zone created to represent the rest of ELL's retail load

**IV. INTERCONNECTION COSTS**

Each Seller shall be obligated to pay all interconnection costs directly related to the installation of the physical facilities necessary to permit interconnected operations qualifying for Schedule REP as detailed in the Agreement for Interconnection and Purchased Power from a Qualifying New Renewable Resource ("Agreement").

**V. METERING AND METER READING**

Monthly Energy Payments by the Company to Seller shall be for energy delivered during calendar month periods. Metering will be by a secondary or primary voltage Interval Data Recording ("IDR") Meter installed by the Company at the Seller's expense and paid in advance. The Company can transmit the collected interval data through a dedicated telephone line provided by Seller and at the Seller's expense or, at the Seller's request, by wireless communication. Such wireless communication is offered and charges will be billed pursuant to the Company's Remote Communications Link Rider, Schedule RCL, or its successor.

**VI. AGREEMENT TERMS**

In conjunction with the Renewable Pilot Implementation General Order, Seller may execute an Agreement for a maximum delivery term of five (5) Years ("Original Term"). If Seller chooses to cancel delivery under the Agreement before the completion of such term, any amounts owed for delivered energy not then paid by the Company to Seller shall become due and payable immediately. Seller and the Company each has the option to terminate the Agreement at the end of its term (irrespective of whether such agreement is in its Original Term or Renewal Term – defined below) if a minimum of thirty (30) days written notice is provided.

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**RATE FOR RENEWABLE ENERGY PILOT PURCHASES**

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Upon termination of the Agreement, payments for energy will revert to standard avoided cost payments for qualifying facilities unless the LPSC determines otherwise and the Agreement is thereby extended in "evergreen" status for successive one-Year terms (each individual one-Year period being a "Renewal Term"); any such avoided cost payments would be subject to the requirements of LPSC Order No. U-22739, dated February 27, 1998, as supplemented by Order No. U-27469-B (Corrected) dated August 15, 2006 as well as any LPSC order(s) arising from Docket No. U-32628.

The Agreement and the parties thereto will continue to be subject to any subsequent or superseding LPSC Orders which extend, amend or terminate the Renewable Energy Pilot Program as governed by the Renewable Pilot Implementation General Order, and which Orders may consequently amend the terms and conditions of the Agreement.

**VII. MONTHLY BILL**

**A. Monthly Energy Payments by the Company to Seller**

All energy delivered by Seller as measured at the Company's Meter shall be paid for at the Company's hourly avoided cost as calculated per LPSC Order No. U-22739 dated February 27, 1998, as supplemented by Order No. U-27469-B (Corrected) dated August 15, 2006 as well as any LPSC order(s) arising from Docket No. U-32628, plus an adder of \$0.03 per kilowatt-hour for the associated renewable energy premium, also referred to as a Renewable Energy Credit ("REC"), but in no event shall the price paid to Seller be less than \$0.06 per kilowatt-hour or greater than \$0.12 per kilowatt-hour during any hour.

The Company will use MISO settlement data to determine the Company's hourly avoided cost for each Seller. Such hourly avoided cost for generated energy delivered to the Company shall be the sum of the hour's product of the MWh delivered and the applicable hourly prices as reduced by any Other Market Charges included on MISO settlement statements, also expressed as follows:

$$HAC_{QF,i} = LMP_{QF,i} \times MWh_{QF,i} - OMC_{QF,i}$$

$HAC_{QF,i}$  The Hourly Avoided Cost for Seller;

$LMP_{QF,i}$  The Real Time Locational Marginal Price for hour "i" at the Applicable Load Zone for BTM QFs and the generator bus for Hybrid QFs as expressed in dollars per megawatt-hour;

$MWh_{QF,i}$  Megawatt-hours either (1) injected by the BTM QF for hour "i" or (2) scheduled by an accepted asset-sourced financial schedule from the Hybrid QF to the Company, consistent with the terms and conditions set forth in Section VIII; and

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**RATE FOR RENEWABLE ENERGY PILOT PURCHASES**

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OMC<sub>QF,i</sub> Other Market Charges associated with a QF non-firm energy sale that are assessed by MISO to the Company as they appear on the MISO settlement statements, if the QF is either a BTM QF registered as a separate Load Zone or a Hybrid QF.

Seller shall have, on reasonable notice, the right of access during normal working hours to all log books, metering records and any documents which the Company is required to compile and report to regulatory authorities to establish recovery for fuel and / or purchased power cost.

In no case shall the Company make payments that are greater than the amount the Company is allowed to recover from its ratepayers for the energy purchased from Seller through the operation of the fuel adjustment in the Company's tariffs and/or under the rules and orders of the appropriate regulatory authorities which have jurisdiction and which rules or order pertain to the recovery of fuel and purchase power costs.

Payments for energy delivered by Seller to the Company will not be credited against charges owed for purchases of energy by Seller from the Company. Sales and purchases will be considered separate transactions for purposes of payment and billing. However, the Company will not make payments to Seller until and unless past due charges owed by Seller have been satisfied.

**B. Monthly Charges Payable by Seller to the Company**

(1) Service Charge

Seller will pay a Service Charge of \$40 per Month to recover the Company's billing, metering, administrative and other related expenses necessary to maintain service to Seller.

(2) Facilities Charge

When the Company by agreement furnishes and maintains the substation and related facilities at the point of delivery serving Seller, or when Seller requests and the Company agrees to install facilities other than those paid for in § IV, Seller will pay to the Company a net monthly Facilities Charge based on the investment by the Company in such facilities. The net monthly Facilities Charge for all facilities provided and maintained by the Company and included in contracts will be billed in accordance with Schedule AFC.

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**RATE FOR RENEWABLE ENERGY PILOT PURCHASES**

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**VIII. LIMITATIONS ON THE ACCEPTANCE OF FINANCIAL SCHEDULES FROM HYBRID QFS**

The Company will confirm asset-sourced financial schedules from Hybrid QFs, provided they meet the following specifications: (a) the source, sink, and delivery point are all set equal to the Hybrid QF generator node, (b) the financial schedule is used to transfer ownership of energy in the real-time market, (c) the amount does not exceed the difference between the Hybrid QF's actual injection measured by MISO and its day ahead schedule, and (d) the amount is declared by the Hybrid QF to the Company using procedures established by the Company to establish and confirm proposed financial schedule transactions within one hour of the operating hour. If the Company's avoided cost formula as proposed in Docket No. U-32628 is in effect, then the Company will confirm asset-sourced financial schedules that meet the requirements of (a), (b), and (c) only.

The Company will also confirm asset-sourced financial schedules in an amount equal to the difference between a Hybrid QF's actual injection measured by MISO and its day ahead schedule if the financial schedules meet the requirements of (a) and (b) above, and if the Hybrid QF makes a day ahead declaration – using procedures established by the Company for such declarations – of the Hybrid QF's intent to submit financial schedules equal to the difference between the Hybrid QF's actual injection measured by MISO and its day ahead schedule; provided, however, that if the Company's avoided cost formula as proposed in Docket No. U-32628 is in effect, then this paragraph shall not apply.

**IX. BILLING**

The Company shall send a statement and payment (if applicable) to the QF on or before the 5th day after all initial MISO invoices for energy delivered during the previous Month have been settled. The statement shall include the kilowatt-hours delivered to the Company during the previous monthly billing period, the amount of the per unit energy payments for the Month, the hourly charges from MISO as described in LPSC Order No. U-32628, and any applicable charges. The statement shall also include adjustments from prior Months that may be necessary to account for updated information made available by MISO. Any payment for service furnished or received shall be due within 20 (twenty) days of the invoice date.



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**RATE FOR RENEWABLE ENERGY PILOT PURCHASES**

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