# LOUISIANA PUBLIC SERVICE COMMISSION

### **ORDER NUMBER I-36181**

# ENTERGY LOUISIANA, LLC, EX PARTE

Docket No. I-36181, In re: 2021 Request to Initiate Integrated Resource Planning Process Pursuant to the General Order (Corrected) in Docket No. R-30021 Dated April 20, 2012.

(Decided at the February 21, 2024 Business and Executive Session.)

# <u>ORDER</u>

### I. Background and Procedural History

On October 22, 2021, Entergy Louisiana, LLC ("ELL" or "Company") submitted a request to the Louisiana Public Service Commission ("LPSC" or "Commission") to initiate the Integrated Resource Planning ("IRP") process. On January 25, 2022, ELL filed with the Commission its Assumptions and Inputs Presentation, as well as ICF Energy's *EE, DR, and DER Potential Study* – *Draft Results* presentation in support of ELL's 2021 IRP process. The first stakeholder meeting was held virtually on January 27, 2022, at which ELL and ICF Energy presented the IRP data assumption materials and fielded questions from stakeholders. Stakeholders in attendance were Advanced Energy Management Alliance ("AEMA"), Alliance for Affordable Energy (the "Alliance"), Gulf States Renewable Energy Industries Association ("GSREIA"), Louisiana Energy User's Group ("LEUG"), Lafayette Utilities System, Environmental Defense Fund, Sustainable Energy Economy Solutions, the Sierra Club, and the Southern Renewable Energy Association ("SREA").

ELL filed an *Updated IRP Data Filling Presentation* on February 14, 2022. The updated filing incorporated small changes and corrections to the presentation of January 24, 2022. Stakeholders then filed written comments by March 15, 2022.

On October 24, 2022, ELL published *2023 Integrated Resource Plan* ("Draft IRP Report"). The Second Stakeholder Meeting was held on November18, 2022.

ELL subsequently filed *ELL's Response to Informal Questions Related to Second Stakeholder Conference*, on January 13, 2023. This document provided additional numerical data and addressed a variety of stakeholder questions which arose in the Second Stakeholder Conference. ELL noted that it intends to include the material in an Appendix to its Final IRP Report.

On January 23, 2023, written comments were filed by the following stakeholders: AEMA, LEUG, Sierra Club, and SREA. The Alliance filed written comments on January 24, 2023.

On March 8, 2023, Staff filed written comments, identifying issues that remained in ELL's Draft IRP Report, that ELL should address in its Final IRP Report. On May 22, 2023, ELL filed its Final IRP Report and associated appendices. On July 24, 2023, the following stakeholder groups filed comments, including disputed issues and recommendations: the Alliance, AEMA, LEUG, Sierra Club, and SREA.

On October 3, 2023, Staff file its Report and Recommendation, which was considered at the Commission's February 21, 2024 Business and Executive Session.

# II. Jurisdiction and Applicable Law

The Commission exercises jurisdiction over common carriers and public utilities in Louisiana

pursuant to Article IV, Section 21(B) of the Louisiana Constitution, which states:

"The commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations, and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law."

Further, this matter is governed by the Commission's General Order dated April 20, 2012, in

Docket No. R-30021, Louisiana Public Service Commission, ex parte, In re: Development and

Implementation of Rule for Integrated Resource Planning for Electric Utilities ("IRP Order").

# III. Staff Report and Recommendation

In its Report and Recommendation, Staff noted several concerns in ELL's Final IRP Report

involving transparency, use of up-to-date and timely information, and development of insights that

ELL's own methodology supports. Namely, Staff noted that:

- ELL's updated calculations of total relevant supply costs ("TRSC") indicate that Portfolio 2 is the lowest-cost Portfolio across the three futures, by a substantial margin. Nevertheless, ELL maintained that Portfolio 1 is its preferred portfolio.
- It is not clear the extent to which the Investment Tax Credit ("ITC") and/or Production Tax Credit ("PTC") provisions of the 2022 Inflation Reduction Act ("IRA") would have impacted the optimal portfolio if ELL had included these provisions in the Aurora capacity expansion modeling and energy price projections.
- ELL did not create a future which reflects the substantial risks presented by more stringent environmental standards for non-carbon emissions.
- ELL did not examine the going-forward costs and potential economic pressures to retire power plants, in the context of the Aurora modeling.
- ELL did not examine transmission options.

Despite these concerns, and based on clarifications provided by ELL to Staff subsequent to the

filing on the Final IRP Report, Staff concluded that ELL met its obligations under the IRP Order

requirements. Therefore, Staff recommended that the Commission acknowledge ELL's Final IRP

Report as having complied with the IRP Order, and Staff did not recommend initiation of a proceeding for the resolution of disputed issues.

Staff further noted that, pursuant to the IRP Order, the Commission's acknowledgment of the Final IRP Report does not constitute Commission approval of ELL's IRP or any specific resource decision that ELL made within the IRP, though the IRP may be considered in any future Commission proceedings concerning ELL's resource plans.

# IV. Commission Consideration

This matter was considered at the Commission's February 21, 2024 Business and Executive Session. After discussion, on motion of Commissioner Skrmetta, seconded by Chairman Francis, with Commissioner Campbell and Commissioner Greene concurring, and Vice Chairman Lewis opposing, the Commission voted to acknowledge that ELL's Final IRP Report complies with the IRP Order.

# IT IS THEREFORE ORDERED THAT:

- 1. Entergy Louisiana, LLC's Final Integrated Resource Planning Report is acknowledged as complying with the Commission's General Order dated April 20, 2012; and,
- 2. This Order is effective immediately.

### **BY ORDER OF THE COMMISSION BATON ROUGE, LOUISIANA** March 21, 2024



BRANDON M. FREY SECRETARY

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