

LOUISIANA PUBLIC SERVICE COMMISSION

GENERAL ORDER NUMBER 06-18-2025 (R-35462)

LOUISIANA PUBLIC SERVICE COMMISSION, EX PARTE.

Docket No. R-35462, In re: Rulemaking to Research and Evaluate Customer-Centered Options for all Electric Customer Classes as well as Other Regulatory Environments.

(Decided at the May 19, 2025 Business and Executive Session.)

ORDER¹

I. BACKGROUND

This proceeding was initiated through a Notice of Proceeding issued by the Louisiana Public Service Commission ("LPSC" or "Commission") on January 9, 2020, after a Directive from [then] Commissioner Greene at the December 18, 2019 LPSC Business and Executive Session ("B&E"). The LPSC Staff ("Staff") was directed to:

research customer-centered options for all customer classes, as well as other regulatory environments, and recommend a plan for how to ensure customers are the focus here in Louisiana...in order to make sure we hit the ground running and utilize the knowledge already gained in this docket as we address any proposals not already being addressed in other dockets, as well as other options that may mitigate the rising rates projected for Louisiana customers.

The matter was noticed in the Commission's Official Bulletin #1210 dated January 10, 2020. Thirty stakeholders intervened: Together Louisiana ("TLA"), Voltus, Inc ("Voltus"), AARP Louisiana ("AARP"), Southwestern Electric Power Co. ("SWEPCO"), NextEra Energy Resources, LLC ("NEER"), Louisiana Energy Users Group ("LEUG"), Packaging Corporation of America ("PCA"), International Paper Company ("IP"), Calpine Corporation ("Calpine"), Southwest Louisiana Electric Membership Corporation ("SLEMCO"), Exelon Generation company, LLC and Constellation NewEnergy, Inc. ("ExGen"), Entergy Louisiana, LLC ("ELL"), Occidental Chemical Corporation ("OCC"), Northeast Louisiana Power Cooperative, Inc ("NELPCO"), Retail Energy Supply Association ("RESA"), Pointe Coupee Electric Membership Corporation ("PC Electric"), Distributed Sun, LLC ("Distributed Sun"), Entegriety Energy Partners ("Entegriety"), NRG Energy, Inc. ("NRG"), Alliance for Affordable Energy ("AAE"), Association Of Louisiana Electric Cooperatives, Inc. ("ALEC"), 1803 Electric Cooperative, Inc. ("1803"), Cleco Power, LLC, ("Cleco"), Vistra Corporation ("Vistra"), Advanced Energy Management Alliance

¹ While this Order closes the docket, it does not affect the effectiveness and enforceability of General Order dated August 1, 2024 (Docket No. R-35462), nor does it close the repository docket for that General Order, Docket No. X-37389.

("AEMA"), Walmart, Inc. ("Walmart"), Southern Renewable Energy Association ("SREA"), Gulf States Renewable Energy Industries Association ("GSREIA"), Dixie Electric Membership Corporation ("DEMCO"), and Policy & Planning Partners, LLC ("P&PP").

Staff issued five rounds of discovery, three rounds of requests for comments, and held a technical conference to gather and discuss information to be considered in the docket. On March 28, 2023, Staff issued a Notice of Staff's Intent to Proceed and Fourth Request for Comments. In that filing, Staff determined that this docket would be handled in phases with Phase 1 addressing the following five topics: (A) Filing Transparency and Modernization; (B) The Structure of Requests for Proposals ("RFP") Issued by Utilities; (C) Participation in the Demand Response Process, Including Participation by an Aggregator of Retail Customers ("ARC"); (D) Electric Service for Electric Vehicles ("EVs"); and (E) Renewable Options.

On August 29, 2023, Staff issued its First Phase 1 Report. Thereafter, Staff sought written comments from intervenors and interested parties in the docket and continued to engage in dialogue and research on the Phase 1 topics. Staff issued its Second Phase 1 Report on March 15, 2024. That report supplemented Staff's positions on the remaining Phase 1 matters and provided proposed draft rules. In issuing its Second Phase 1 Report, Staff sought final comments on its allocation of topics and its proposed rules. On June 7, 2024, Staff filed its Final Phase 1 Report into the record, including the Proposed Final Rules, and the Commission considered the Proposed Final Rules at its June 19, 2024 Business and Executive Session. The Commission issued General Order dated August 1, 2024, which accepted Staff's Final Phase 1 Report and Proposed Final Rules filed into the record on June 7, 2024. That General Order promulgated rules regarding:

1. Annual Reporting Obligations for Electric Utilities – to ensure that the Commission is presented with consistent and comprehensive information related to certain performance, financial, and planning requirements of electric utilities.
2. Periodic Reporting of Utility Companies' Outside Attorney and Consultant Expenses – to expand the type of information the Commission receives related to the expenses paid to outside attorneys and consultants by utilities.
3. Renewable Energy Credit Value – to ensure that ratepayers receive 100% of the monetary value of RECs generated from ratepayer funded projects.
4. Sleeved Power Purchase Agreements – to provide a solution to allow large commercial and industrial customers to gain access to attributes of renewable generation.

The General Order also directed all utilities to submit a filing for Commission consideration to update their tariffs with Green Tariff Option rate schedules, subject to certain conditions.

On December 30, 2024, Staff filed its Phase 2 Report, which stated that the final phase of the docket was to consider whether to restructure Louisiana's retail electricity market (limited/full retail access) and laid out an initial framework for Staff's review. The Phase 2 Report also requested comments on the Phase 2 Report, and requested responses to Staff's Sixth and Seventh Set of Requests for Information ("RFIs"), as well as any applicable objections to providing responsive information. Multiple stakeholders filed objections to the RFIs.

On January 24, 2025, and in response to Staff's Phase 2 Report, Entergy Louisiana LLC ("Entergy") filed its Motion for Commission Guidance and Consideration ("Motion") in this docket. The Motion suggested that the docket had successfully completed its stated objectives, run its course, and requested renewed guidance from the Commission as to the future of this docket. A notice of reply period was issued by Staff, and 10 stakeholders filed responses.

II. COMMISSION JURISDICTION

The Commission has been vested with the authority to regulate public utilities and common carriers and exercises jurisdiction in this proceeding pursuant to Article IV, Section 21(b) of the Louisiana Constitution of 1974, which provides in pertinent part:

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.

Pursuant to that provision, the Commission has the rulemaking authority to conduct the rulemaking considered herein and issue this order.

III. COMMISSION CONSIDERATION

The matter was considered by the Commission at its May 19, 2025 Business and Executive Session. Commissioner Francis made the following motion:

The Commission has been asked to provide guidance on whether this docket has satisfied its intended purpose and whether the docket should proceed. I believe this docket has already provided material benefits to customers with improved transparency and addition of customer centered options for meeting power needs as set forth in the August 1, 2024 General Order, as read into the record by Ms. Bowman just now.

I further believe that expending the significant utility and Commission resources that would be required to investigate a fundamental shift in this Commission's policy to full or limited retail open access in Louisiana is not in the best interest of the public at this time for the following reasons:

1. A shift from traditional regulation to retail open access for certain industrial customers is driven by a desire for those certain industrial customers to reduce their electricity cost. As the Commission previously recognized when limited retail open access was last explored, this has the very real effect of creating stranded costs and the potential for increased cost to other customers, both contrary to the aims of this rulemaking.
2. No other jurisdictions have made a shift from traditional rate regulation to the type of open access being considered in this docket since the early 2000s and some, such as Virginia, have rolled back attempts to restructure due to the impacts on retail customers. As another example, Michigan adopted a form of retail access in 2000 but capped it at 10% for 2010 usage for similar reasons.
3. Retail open access may provide all or some limited class of customers with a choice of generator, but those customers would still be dependent on their current utility for the transmission and distribution lines to transmit the electricity produced from the selected generator. Accordingly, customers will still be dealing with Entergy, Cleco, SWEPCO, and the cooperatives for the reliability and quality of service delivered, including dealing with issues of hurricane recovery, resilience, etc. Contrary to recent reports I have seen, Retail Access does not mean customers get rid of their provider, they actually just add one.
4. Regarding such a new provider, new regulatory processes for consumer protection and/or resource adequacy assurance would need to be created to accompany any type of retail access;
5. Nothing today prevents any large industrial customer from building its own generator to supply their own power needs;
6. A meaningful analysis of retail open access would require the dedication of significant Commission and utility resources at a time when those resources are consumed by efforts to modernize the grid, address resilience concerns, accommodate unprecedented load growth, transition the cooperative resource mix, and operate in regional transmission organizations.

Because this docket has met its intended purpose of producing customer centered options and because investigation into full or limited retail access is not in the best interest of Louisiana ratepayers, I move that Staff take the necessary steps to close Docket No R-35462. While I am moving to close this docket, the Commission will remain mindful of and consider customer centered options that can produce lower electric rates for all customers, consistent with its duty to ensure just and reasonable rates for Louisiana ratepayers. The Commission will continue to initiate any and all proceedings that may be necessary in furtherance of that duty.

After discussion, on motion of Chairman Francis, seconded by Vice Chairman Skrmetta, with Commissioner Campbell and Commissioner Coussan concurring, and Commissioner Lewis opposing, the Commission voted to close the docket. The motion passed 4:1.

THEREFORE, IT IS ORDERED:

1. Docket No. R-35462 has achieved its intended purpose,
2. This docket is hereby closed, and
3. This order is effective immediately.

BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
June 18, 2025



A handwritten signature in blue ink, appearing to read "Brandon M. Frey".

BRANDON M. FREY
SECRETARY

A handwritten signature in blue ink, appearing to read "Mike Francis".

DISTRICT IV
CHAIRMAN MIKE FRANCISA handwritten signature in blue ink, appearing to read "Eric F. Skrmetta".

DISTRICT I
VICE CHAIRMAN ERIC F. SKRMETTAA handwritten signature in blue ink, appearing to read "Foster Campbell".

DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL

OPPOSED

DISTRICT III
COMMISSIONER DAVANTE LEWIS

A handwritten signature in blue ink, appearing to read "Jean-Paul P. Coussan".

DISTRICT II
COMMISSIONER JEAN-PAUL P. COUSSAN