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2022 AUG 29 PM 2:00
LA PUBLIC SERVICE COMMISSION

August 29, 2022

VIA HAND DELIVERY
Ms. Terri Lemoine Bordelon
Records and Recording Division
Louisiana Public Service Commission
602 North Fifth Street
Baton Rouge, Louisiana 70802

Re: Application of Entergy Louisiana, LLC, for Approval of the 2021 Solar Portfolio, the Geaux Green Option, Cost Recovery and Related Relief (LPSC Docket No. U-36190)

Dear Ms. Bordelon:

On behalf of Entergy Louisiana, LLC ("ELL" or the "Company"), please find enclosed for your further handling the Joint Motion for the Scheduling of Hearing on Uncontested Stipulated Settlement Term Sheet to be filed in the above referenced matter. Please file the original and the appropriate number of copies into the record and return a date-stamped copy to the courier.

Please note that the filing contains information that is designated Highly Sensitive Protected Material ("HSPM"), which is being provided to you under seal pursuant to the provisions of the LPSC General Order dated August 31, 1992, and Rules 12.1 and 26 of the Commission's Rules of Practices and Procedures. The confidential materials included in the filing consist of competitively sensitive information. For this reason, this material is confidential and commercially sensitive. The disclosure of the information contained herein would subject not only the Company, but also its customers and vendors, to a substantial risk of harm. Accordingly, it is critical that this information remain confidential.

Please retain a copy of the Highly Sensitive version for your files and return to the courier a date-stamped copy. Any additional copies of the Highly Sensitive Protected Material will be made available to the appropriate reviewing representatives who executed a confidentiality agreement in this docket. Thank you for your assistance.

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

Respectfully submitted,

Harry M. Barton

HMB/lp

Enclosures

cc: Administrative Law Judge, Joy Guillot
Research Attorney, Daniel Alcanzare
Official Service List U-36190 (*via electronic mail*)

BEFORE THE

LOUISIANA PUBLIC SERVICE COMMISSION

2022 AUG 29 PM 2:00
LA PUBLIC SERVICE COMMISSION

EX PARTE: **APPLICATION OF ENTERGY LOUISIANA, LLC, FOR APPROVAL OF THE 2021 SOLAR PORTFOLIO, THE GEAUX GREEN OPTION, COST RECOVERY AND RELATED RELIEF**	))))))	**DOCKET NO. U-36190**

JOINT MOTION FOR THE SCHEDULING OF HEARING
ON UNCONTESTED STIPULATED SETTLEMENT TERM SHEET

Entergy Louisiana, LLC ("ELL" or the "Company") and the Louisiana Public Service Commission ("Commission") Staff ("Commission Staff" or "Staff"), through undersigned counsel and pursuant to Rule 6 of the Commission's Rules of Practice and Procedure, respectfully request that a stipulation hearing on the Proposed Uncontested Stipulated Settlement Term Sheet ("Term Sheet") be scheduled for September 7, 2022, commencing at 10 A.M. The Term Sheet reflects a settlement between the Company and the Staff and is submitted as Attachment 1 to this Joint Motion.[1] Both this Motion and the Term Sheet are unopposed by any party to this proceeding. In support of this Motion, Staff and the Company represent as follows:

1.

On November 9, 2021, ELL filed its Application for Approval of the 2021 Solar Portfolio,[2] the Geaux Green Option ("Rider GGO"), Cost Recovery and Related Relief, along with testimony and exhibits in support of the Application.

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1 Attachment 1 to the Term Sheet contains information that has been designated as Highly Sensitive Protected Material ("HSPM") and is omitted from the public version of this filing.

2 The 2021 Solar Portfolio consists of the St. Jacques facility, the Sunlight Road facility, the Vacherie facility, and the Elizabeth facility.

2.

Notice of the Company's Application was published in the Commission's Official Bulletin No. 1258 dated November 19, 2021. The Alliance for Affordable Energy ("AAE"), the Louisiana Energy Users Group ("LEUG"), Walmart Inc. ("Walmart"), and the Association of Louisiana Electric Cooperatives ("ALEC") intervened. On November 30, 2021, the Company submitted proof to the Commission to confirm that, pursuant to Section 501(B) of General Order No. R-34738 (July 1, 2019), ELL provided notice of the proposed Rider GGO and the Portfolio "by publication in the official state journal and in the official journal of each parish of the geographical area in which the proposed change would become applicable."

3.

On November 30, 2021, a Notice of Assignment and Notice of Status Conference was issued assigning this matter to Administrative Law Judge, the Honorable Joy Guillot and setting a status conference for December 20, 2021. Following the status conference on December 20, the Tribunal issued a procedural schedule for this Docket that established pre-hearing deadlines, including deadlines for the submission of pre-filed testimony by the parties. The hearing in this matter was originally scheduled to commence on August 16-19, 2021.

4.

Following discovery on the Company's Application and accompanying testimony, on March 23, 2022, Staff, LEUG, and Walmart submitted Direct Testimony. On April 25, 2022, Staff and LEUG submitted Cross-Answering Testimony. On June 9, 2022, ELL filed Rebuttal Testimony.

5.

On August 3, 2022, ELL filed an Uncontested Motion for Extension of Hearing Date and Related Deadlines to allow the parties time to explore settlement discussions. The Tribunal issued a Ruling on Uncontested Motion for Extension of Hearing Date and Related Deadlines the same day resetting the hearing dates to September 6-9, 2022.

6.

The Term Sheet on which Staff and the Company have agreed is attached to this Motion as Attachment 1. As reflected by the signatures on the Term Sheet, AAE, LEUG, ALEC, Dixie Electric Membership Corporation, and Walmart, Inc. do not oppose the proposed settlement.

7.

In support of this motion, Staff and the Company submit the following:

Attachment 1 —	Stipulated Settlement Term Sheet;
Attachment 2 —	Settlement Testimony of Elizabeth C. Ingram dated August 29, 2022, and the HSPM Exhibit ECI-10;
Attachment 3 —	Settlement Testimony of Lane Kollen, dated August 29, 2022.

At the settlement hearing, the Company will present the testimony of Ms. Ingram and the Commission Staff will present the testimony of Mr. Kollen. The attachments listed above will be offered into evidence through Ms. Ingram and Mr. Kollen, respectively. The parties also intend to submit the following Exhibits at the hearing:

- ELL's Application filed on November 9, 2021, with accompanying direct testimony and exhibits;
- Direct Testimony of Staff Witness Mr. Lane Kollen, dated March 23, 2022;
- Direct Testimony of LEUG Witness Maurice E. Brubaker dated March 23, 2022;
- Cross-Answering Testimony of Lane Kollen, dated April 25, 2022;

- Cross Answering Testimony of Maurice Brubaker, date April 23, 2022; and
- ELL's Rebuttal Testimony, dated June 9, 2022.

8.

If approved, the Term Sheet would resolve all of the issues outstanding in the above captioned Docket. Staff and the Company believe that the Term sheet, Rider GGO and the 2021 Solar Portfolio are in the public interest. It is upon this basis and in accordance with Rule 6 of the Commission's Rules of Practice and Procedure that the Company and Staff submit this Joint Motion requesting a hearing on the Term Sheet. Staff and the Company anticipate that the hearing will last approximately one to two hours.

9.

The Parties submit that the notice requirement of Rule 6(e) of the Commission's Rules of Practice and Procedure has been met by the filing this Joint Motion in a timely manner ahead of the September 7, 2022, proposed hearing date.

10.

Through undersigned counsel, the Company has contacted counsel for each of the parties to this matter and no party opposes this Motion or the proposed hearing date.

WHEREFORE, for the reasons set forth above, Staff and the Company respectfully submit the proposed Stipulated Settlement Term Sheet for consideration by the Tribunal and the Commission and request that, in accordance with Rule 6 of the Commission's Rules of Practice and Procedure, an uncontested stipulation hearing be scheduled for 10 A.M. on September 7, 2022.

Respectfully submitted,

By: ______________________

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CERTIFICATE OF SERVICE
LPSC Docket No. U-36190

I, the undersigned counsel, hereby certify that a copy of the above and foregoing has been served on the persons listed below by facsimile, by hand delivery, by electronic mail, or by depositing a copy of same with the United States Postal Service, postage prepaid, addressed as follows:

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Julie A. Clark
Walmart Inc.
3440 Youngfield Street
Suite 276
Wheat Ridge, CO 80033

New Orleans, Louisiana, this 29th day of August 2022.

Harry M. Barton

BEFORE THE

LOUISIANA PUBLIC SERVICE COMMISSION

EX PARTE: **APPLICATION OF ENTERGY LOUISIANA, LLC, FOR APPROVAL OF THE 2021 SOLAR PORTFOLIO, THE GEAUX GREEN OPTION, COST RECOVERY AND RELATED RELIEF**	))))))	**DOCKET NO. U-36190**

UNCONTESTED STIPULATED SETTLEMENT TERM SHEET

This Uncontested Stipulated Settlement Term Sheet ("Term Sheet") is entered into by and among the Staff of the Louisiana Public Service Commission (the "LPSC Staff" or the "Staff") and Entergy Louisiana, LLC ("ELL" or the "Company"), through undersigned counsel, and, if approved by the Louisiana Public Service Commission ("LPSC" or "the Commission"), would resolve all issues related to the Application in this docket. Staff and ELL support, and the Louisiana Energy Users Group ("LEUG"), Walmart Inc. ("Walmart"), the Alliance for Affordable Energy ("AAE"), and the Association of Louisiana Electric Cooperatives, Inc. ("ALEC") (collectively referenced as the "Parties") do not oppose, all of the provisions of this Term Sheet. Staff and ELL believe that the Term Sheet presented and agreed to herein is reasonable in light of the record, consistent with the law, and in the public interest. The Parties join in this stipulation through undersigned counsel to confirm that they have no opposition to the proposed Term Sheet. Accordingly, Staff and ELL agree to resolve the above-captioned matter according to the following terms, which shall be presented to the Commission for Approval:

1. The Company competitively bid three of the four resources comprising the 2021 Solar Portfolio,[1] and selected the least cost bids for two PPA resources, the Sunlight Road facility and the Vacherie facility, and the least cost bid for one build own transfer ("BOT") resource, the St. Jacques facility. The competitive bid process and the selection of the least cost resources complied with the requirements of the Commission's 1983 General Order and the Market-Based Mechanisms ("MBM") Order.
2. The Company received an unsolicited offer for a third PPA resource, the Elizabeth facility, which it evaluated based on the pricing information obtained as the result of the competitive bid process for the other three resources. The Company complied with the requirements of the Commission's Unsolicited Offers General Order, 1983 General Order and MBM Order with respect to consideration of unsolicited offers.
3. The solar panels for each of the four resources were originally to be sourced from four southeast Asia countries. Subsequent to the execution of the contracts for these resources, the U.S. Department of Commerce initiated an investigation into whether panels sourced from these countries circumvented existing tariffs by using parts and components from China. As a result, importation of panels from these countries largely ceased and many solar projects were cancelled or placed on hold. The domestic market for these panels is expected to remain uncertain pending the outcome of the investigation. The investigation has increased the demand for, and price of panels sourced from alternative manufacturers. The final outcome of the investigation is unknown at this time.

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[1] The 2021 Solar Portfolio consists of the St. Jacques facility, the Sunlight Road facility, the Vacherie facility, and the Elizabeth facility. The Sunlight Road facility, the Vacherie facility, and the Elizabeth facility are each the subject of Power Purchase Agreements ("PPAs") and are sometimes referred to collectively herein as "the PPAs." The St. Jacques facility is the subject of a Build-Own-Transfer ("BOT") agreement.

4. In April 2022, after the Staff's testimony was submitted, the counterparties to the contracts notified the Company that the investigation could negatively impact the cost and timing of the resources. In response, the Company and the counterparties renegotiated and revised three of the contracts to provide for alternative sourcing of the solar panels and the related impacts on pricing and commercial operation dates. The Staff did not participate in these renegotiations. The revised contracts reflect increases in the energy prices for the three PPAs and delays in the commercial operation dates of two of the resources when compared to the contracts included with the Company's Application that were reviewed by Staff and addressed in Staff testimony. The Staff has not addressed the revised contracts in testimony. ELL has informed the Staff that it continues discussions regarding the BOT contract and may renegotiate and revise that contract. The Staff has not participated in these discussions and renegotiations.
5. Based on information provided by the Company in supplemental discovery, the resources remain economic, but at a reduced level compared to the economics of the resources presented in the Company's Application and addressed in Staff testimony.
6. The resources comprising the 2021 Solar Portfolio (as defined in the Company's Application) serve the public convenience and necessity, are in the public interest, and are prudent, as filed in the Company's Application and as subsequently modified as of the date of the execution of this Term Sheet, based on the pricing and commercial operation dates reflected in the revised contracts as disclosed in the Company's supplemental discovery described in Clauses 4 and 5 above, as well as resolution of the cost and payment of Builders All Risk ("BAR") insurance and property tax abatements and the effects of those costs on the pricing reflected in the revised contracts and as provided in this agreement. If

the terms of any of the 2021 Solar Portfolio contracts are renegotiated or otherwise changed subsequent to the execution of this Term Sheet, or if the BAR Premium Cap (as defined in the contracts) is exceeded, the Company agrees that it will inform the Commission in a timely manner, not later than 30 days after any of these events, identify and describe those changes, and, to the extent that those changes increase the cost of the resources by more than five percent (5%) of what has been disclosed in the Company's supplemental discovery, or if the change makes the resources uneconomic, perform and provide an updated economic analysis demonstrating the economic effect of same. Nothing in this Term Sheet or the Commission's approval thereof shall be construed as constituting a pre-approval of such changes or as limiting the Commission's ability to institute a prudence review of such changes.

7. The retail revenue requirement associated with St. Jacques is deemed eligible for recovery beginning the first billing cycle of the month following the time at which St. Jacques achieves substantial completion (the "Substantial Completion Date" or "SCD") via Rider FRP, as follows:

    a. In the event that a Formula Rate Plan ("FRP") will be in effect when St. Jacques achieves substantial completion, on or about twelve months prior to the expected SCD of St. Jacques, the Company shall file in this docket the then-current estimate of the non-fuel revenue requirement associated with St. Jacques as set forth in part (g) of this paragraph (7), net of estimated and annualized offsetting Rider GGO Revenues (defined below) as allocated in accordance with the GGO Cost Allocation Ratio as(defined in paragraph 11 herein. The Parties to Docket U-36190 will have an opportunity to request information regarding all components of the revenue requirement calculation, including but not limited to the amount of property taxes and accumulated deferred income taxes, and propose corrections. An additional update to the estimated St. Jacques revenue requirement, net of estimated offsetting Rider GGO Revenues, will be submitted in this docket 60 days prior to the expected SCD ("Final Estimate Update") and, again, Parties to Docket U-36190 will have an opportunity to request information regarding the revenue requirement calculation and propose corrections. The Parties to Docket U-36190 will be required to provide ELL any recommended adjustments to the Final Estimate Update within 30 days. During this period, the Company will cooperate with the parties to provide information reasonably necessary to enable review of the revenue requirement calculation and will use reasonable best efforts to provide such information within five business days of request. Absent proposed adjustments, the Final Estimate Update will serve as the basis for the amount that is included in rates in the first billing cycle following the SCD of St. Jacques via section 3.D and sub-section 3.D.4.(2) of the then-effective and applicable FRP and Additional Capacity Mechanism ("ACM") included therein. In the event adjustments to the Final Estimate Update are proposed, any adjustments agreed-upon by ELL shall be reflected in the rates that are implemented with the first billing cycle following the SCD. To the extent there are unresolved issues regarding a proposed adjustment, the revenue requirement included in the Final Estimate Update shall be implemented, subject to refund, and resolution in the subsequent FRP in accordance with the dispute resolution process provided for therein.

b. In the first FRP Evaluation Report following completion of the first 12 months of operation, the Company shall true-up the estimated St. Jacques revenue requirement to the actual revenue requirement for the first 12 months of operation calculated as set forth in part (g) of this paragraph (7). Such true-up shall be implemented through the ACM and outside the FRP sharing mechanism bandwidth pursuant to FRP sub-section 3.D.4.(2). In addition, the Company shall reflect a charge/credit for any variance contributing to under-/over-collections during the period that the estimated St. Jacques revenue requirement was reflected in rates, with carrying charges calculated at the then-effective weighted average cost of capital.

c. For the FRP Evaluation Report following the first 12 months of operation, the FRP Evaluation Report shall reflect the realignment of the St. Jacques revenue requirement from the ACM into base FRP Revenues consistent with Paragraph (g) below and for each subsequent FRP Evaluation Report shall be reflected within base FRP Revenues and taken into account within the bandwidth calculation of the applicable FRP.

d. Any true-up or prudence-related adjustments to the initial revenue requirement will be reflected through the ACM and outside of the FRP bandwidth in the same manner as the initial rate adjustment.

e. In the event that a FRP will not be in effect at the time of the expected SCD for St. Jacques, on or about twelve months prior to the expected SCD, the Company may file a full base rate case including, among other things, a pro forma adjustment reflecting the then-current estimates of the incremental revenue requirements associated with St. Jacques, net of estimated offsetting Rider GGO Revenues.

f. In the event of (e) above, ELL will (i) defer the revenue requirement associated with St. Jacques, calculated as set forth in part (g) of this paragraph (7), and net of Rider GGO Revenues calculated in accordance with the GGO Cost Allocation Ratio defined in paragraph 11 herein until such time as the costs of the facility, net of the Rider GGO Revenues, are reflected in ELL's base rates, and (ii) accrue interest, on a monthly basis, on the net-of-tax deferred balances at the then-current weighted average cost of capital, commencing on the date of the SCD of St. Jacques. Recovery of such deferred costs shall be determined in the base rate proceeding described in part (e) of this paragraph (7).

g. The St. Jacques facility first-year revenue requirement shall be calculated as prescribed in the Highly Sensitive Protected Materials ("HSPM") Attachment 1 of this Term Sheet and as described below. Rate base for St. Jacques first-year revenue requirement shall be reflected using the end-of-period balance for plant in service, accumulated depreciation and accumulated deferred income taxes.[2] The rate of return shall be the then-effective weighted average cost of capital. The operating expenses shall include depreciation expense based on a 30-year service life with no net salvage. The operating expenses shall not include administrative and general

[2] The Staff and ELL agree that no asset net operating loss ("NOL") accumulated deferred income taxes ("ADIT") shall be used to reduce the accelerated tax depreciation liability ADIT for St. Jacques in the ACM provision of the FRP unless it is specifically due to accelerated tax depreciation computed on a "with and without" basis and has first been allocated to the maximum extent possible within the base mechanism of the FRP. This Term Sheet does not reach the issue of whether there shall be any allocation of any remaining NOL ADIT due to accelerated depreciation originating in a year prior to the commercial operation date of St. Jacques to reduce the liability ADIT for St. Jacques in the ACM provision of the FRP. Nor does this Term Sheet reach the issue of how such an allocation, if any, shall be made between the base mechanism of the FRP and the ACM provision of the FRP. These issues shall be resolved in the applicable rate review proceeding when and if these issues arise.

expenses unless they are incremental and incurred solely for the St. Jacques facility. The revenue requirement also shall reflect a reduction for the amortization of the investment tax credit to the maximum extent allowable under then-effective federal tax laws and grossed-up to a revenue equivalent.

h. For the first year of operation of the St. Jacques facility, and all subsequent years in which Rider GGO is in effect, the ACM shall reflect a credit for the amount of Rider GGO Revenues allocable to the FRP pursuant to the GGO Cost Allocation Ratio, defined in paragraph 11 herein. For ratemaking purposes, Rider GGO Revenues allocable to the FRP pursuant to the GGO Cost Allocation Ratio shall be reflected in the ACM pursuant to Section 3.D.1 and shall be trued-up on an annual basis in accordance with Section 3.D.3.

8. The Company is authorized to include any interim milestone payments under the St. Jacques BOT agreement made prior to the SCD in Construction Work in Progress ("CWIP") and to accrue Allowance for Funds Used During Construction ("AFUDC") through the SCD using the same rate of return used to accrue AFUDC on all other CWIP projects eligible for AFUDC.

9. Pursuant to this stipulation, the capacity-related and energy related components of ELL's payments pursuant to its participation in the Vacherie, Sunlight Road and Elizabeth PPAs ("Solar PPAs") are to be reflected in rates as follows: (i) 25% of the Solar PPA expense associated with the solar resources that have Network Resource Interconnection Status ("NRIS") or Network Integrated Transmission Service ("NITS") with the Midcontinent Independent System Operator, Inc. ("MISO") are deemed to be capacity costs, and (ii) the remaining Solar PPA costs are deemed to be energy costs.

10. ELL's prudent and reasonable energy costs (as defined above) that arise pursuant to ELL's participation in the Vacherie, Sunlight Road and Elizabeth PPAs, net of offsetting Rider GGO Revenues, as allocated in accordance with the GGO Cost Allocation Ratio (defined in paragraph 11 herein), are eligible for recovery through ELL's Fuel Adjustment Clause ("FAC") in accordance with the Fuel Clause General Order.[3] In addition, MISO energy revenues will be credited and GGO bill credits will be recovered through the Company's FAC. The portion of the PPA expense deemed to be capacity costs, as provided in paragraph 9 above, shall be recoverable through the ACM provision of the current FRP, or the successor mechanism thereto. This Term Sheet does not reach the issue of whether those deemed capacity costs will be subject to a realignment from the ACM into base FRP revenues and taken into account within the bandwidth calculation of the FRP. If no FRP is in place when the PPA expenses deemed to be capacity costs are incurred, the Company shall be allowed to defer the capacity costs associated with the PPAs from the 2021 Solar Portfolio during the period from the incurrence of the cost until such time as the rates that reflect such capacity costs take effect. The Company shall be allowed to accrue interest on the net-of-tax balance of the deferred capacity costs at the rate set forth in LPSC General Order No. U-21497 during the period in which such costs are deferred.

11. The GGO Cost Allocation Ratio will be determined for each calendar year based upon (i) the number of available subscriptions (in terms of kW-month) created by the St. Jacques Facility and (ii) 25% of available subscriptions (in terms of kW-month) associated with the Solar PPAs that have NRIS or NITS with MISO in that year. To calculate the GGO Cost Allocation Ratio, the sum of 11(i) and 11(ii) above shall be divided by the number of total

[3] General Order, Docket No. U-21497, (*In re: Development of Standards Governing the Treatment and Allocation of Fuel Costs by Electric Utility Companies*), dated November 6, 1997.

available subscriptions (in terms of kW-month) available from the entire GGO Portfolio. For example, in the calendar year of 2026 and under a scenario where the Elizabeth PPA does not obtain NITS from MISO, the GGO Cost Allocation Ratio will be 42%, meaning 42% of GGO subscription fees are reflected as an offset to the FRP revenue requirement and the remaining 58% of GGO subscription fees are reflected as an offset to the costs recovered within the FAC. The reflection of these GGO subscription fee revenues through the FRP and FAC mechanisms will offset the costs that customers would otherwise incur for the 2021 Solar Portfolio.

12. Commencing within six (6) months of the Commission's approval of this settlement, ELL shall file semi-annual reports in Docket U-36190 concerning status of the construction of facilities comprising the 2021 Solar Portfolio, including updates on the schedule and other critical activities related to construction of the facilities.

13. The proposed Geaux Green Option ("Rider GGO"), attached hereto as Attachment 2, with the modifications/conditions provided in this agreement, is in the public interest, complies with applicable Commission Orders, including the Tariff Filings General Order, and should therefore be approved for implementation subject to conditions set forth in the Term Sheet.

14. Rider GGO shall be added as an excluded schedule in Attachment A to the Company's FRP.

15. Subscription fee revenues from Rider GGO shall be recorded to FERC Acct. 456 as Other Electric Revenues and reflected for ratemaking purposes in part in the ACM of the FRP, as set forth in part (h) of paragraph (7), and in part as a reduction to the amount recovered through the Company's FAC, allocated between these forms of recovery in accordance with the GGO Allocation Ratio methodology (defined in paragraph 11 herein).

16. The Company's prudent and reasonable incremental costs incurred to administer Rider GGO shall be recovered through the Company's FRP and included as a component in the costs used to calculate the GGO subscription fees as reflected in the Excel workbook supporting Exhibit ECI-2, as revised, in this proceeding.

17. No later than July 31, 2023, ELL shall publicly file a report in Docket U-36190 that provides updated information on the costs of each PPA facility and the revenue requirement for St. Jacques and which calculates updated amounts for Rider GGO subscription fees based on this updated information. The report shall be served on all parties to Docket U-36190. Following the submittal of ELL's report, ELL shall submit a compliance filing for Rider GGO in accordance with the Tariffs General Order no later than September 30, 2023.

18. If, following the implementation of Rider GGO, any of the following events or conditions occur, the Company will provide notice[4] to the Commission and the Parties to U-36190 to allow the Commission to consider whether the subscription fees for Rider GGO should be recalculated:

    a. Company incurs additional, incremental capital costs on any resource in the 2021 Solar Portfolio in a single calendar year of more than five percent (5%) of the total approved cost of the resources, disclosed in the Company's supplemental discovery;

    b. MISO adjusts or changes the capacity value of any of the resources in the 2021 Solar Portfolio;

    c. MISO changes the methodology for assigning capacity value to solar resources;

[4] Initial notice shall be provided in report required 30 months after implementation of Rider GGO, as provided in paragraph 21, herein; subsequent to the initial notice, this information shall be included with the Company's annual reports required by paragraph 20, herein.

d. The Commission approves the addition of new resources that are eligible to participate in Rider GGO.

19. In the event that the Commission opts to order a recalculation of the Rider GGO subscription fees, the Commission shall issue a final determination approving the fees no later than six (6) months prior to the date on which participating customers are required to determine whether to renew their participation in Rider GGO.

20. By February 28 of each year, ELL shall publicly report on certain information related to Rider GGO for the previous year ending December 31. While protecting commercially sensitive and/or confidential information of subscribers, reports shall include (i) the total number of customers subscribed for each of Option A, Option B, and Option C, (ii) the total number of megawatts ("MW") subscribed for each of Option A, Option B, and Option C, (iii) the total Rider GGO Revenues generated during the previous year, (iv) for each of the following customer classes defined in Rider GGO (residential, small general service, and other non-residential customers), (a) the number of subscribers, (b) the average subscription size, (c) the minimum subscription size, and (d) the maximum subscription size, and (v) for each commercial and industrial subscriber (excluding the small general service customers as defined in Rider GGO), (a) the size of each subscription, and (b) the subscriber's Standard Industry Classification ("SIC"). ELL shall submit this information in the report required under LPSC General Order (Corrected) R-28271-A Subdocket B, dated December 9, 2010, and, for five years following the implementation of Rider GGO, shall also serve this report on Parties in Docket No. U-36190. In this report, ELL shall also include data on the performance of and energy generated from each resource in the 2021 Solar Portfolio. To the extent there is confidential information included in the report

required under LPSC General Order (Corrected) R-28271-A Subdocket B, the confidential version of that report shall be provided to appropriate Reviewing Representatives who have executed the Confidentiality Agreements in Dockets U-36190 and R-28271-A.

21. With regard to Rider GGO, no later than thirty (30) months after implementation, ELL shall publicly file a report in the record of this docket which includes complete, up-to-date information summarizing the revenues received and enrollment levels for GGO. ELL shall also indicate whether the Company requests to modify Rider GGO. Staff and Parties to Docket U-36190 may consider the Company's request and make their own recommendation to the Commission as to whether GGO should be modified. Until such time as the Commission issues an order terminating or modifying Rider GGO, Rider GGO shall remain in effect.

22. As to the contracts and amendments that were negotiated by ELL and provided to the LPSC Staff and Parties prior to the execution of this Term Sheet, the Commission acknowledges that the terms, conditions, rights, remedies, and limitations set forth in the PPAs and St. Jacques BOT agreement, and those set forth in other agreements attached to or otherwise incorporated into the PPAs and BOT agreement, appear to be commercially reasonable and negotiated at arms length and in compliance with the LPSC's Orders. The Commission confirms that, to the extent that ELL acts prudently in its decision-making in administering and enforcing the contracts, and in exercising its rights and remedies under the PPAs and the BOT agreement, ELL, and Entergy Corporation shareholders, shall not be responsible, beyond the remedies specified therein, absent imprudence on the part of ELL. Nothing in this agreement is intended to limit ELL's obligation to prudently manage and enforce the terms of the 2021 Solar Portfolio contracts, or to terminate the contracts, as necessary and

allowed by their terms, to protect ratepayer interests. The Commission expressly reserves its rights to review whether ELL has prudently managed and enforced the terms, conditions, rights and remedies, and limitations of the 2021 Solar Portfolio contracts.

23. If any of the 2021 Solar Portfolio contracts are modified, amended, supplemented, or revised in any way that would impact the cost, economics, or delivery date of the resources in the 2021 Solar Portfolio, the Commission's approval does not extend to those modifications. If the terms of any of the 2021 Solar Portfolio contracts are renegotiated or otherwise changed subsequent to the execution of this Term Sheet, or if the BAR Premium Cap (as defined in the contracts) is exceeded, the Company agrees that it will inform the Commission, in a timely manner, not later than 30 days after any of these events, identify and describe those changes, and, to the extent that those changes increase the cost of the resources by more than five percent (5%) of what has been disclosed in the Company's supplemental discovery, or if the change makes the resources uneconomic, perform and provide an updated economic analysis demonstrating the economic effect of same. Nothing in this Term Sheet or the Commission's approval thereof shall be construed as constituting a pre-approval of such changes or as limiting the Commission's ability to institute a prudence review of such changes.
24. The Company acknowledges that all future operation and maintenance as well as capital expenditures associated with the 2021 Solar Portfolio, shall remain subject to annual FRP reviews and to FAC audits, to the extent applicable.
25. The Company shall have an ongoing duty to prudently manage and administer all of the agreements associated with 2021 Solar Portfolio through the term of those contracts.

26. As part of its application in this matter, ELL sought a determination that it is entitled to timely rate relief in the event it experiences adverse effects of debt imputation or lease accounting that includes the obligations under the Elizabeth PPA, the Sunlight Road PPA, or the Vacherie PPA. Commission Staff found this request premature. However, if and at such time as ELL experiences adverse financial implications resulting from debt imputation or the treatment of the PPAs as a long-term liability, ELL may seek rate relief. The Commission Staff, and any Intervenor in any proceeding in which ELL seeks such rate relief, reserves any rights to oppose or take any other position on such a rate relief request.

27. Except as otherwise expressly stated herein, this Term Sheet shall have no precedential effect in any other proceedings involving issues similar to those resolved herein and shall be without prejudice to the right of any party to take any position on any such similar issue in future proceedings, including FRP proceedings, base rate proceedings, rulemakings or in other regulatory proceedings or appeals therefrom. Other than in a proceeding to approve, implement, administer, or enforce a requirement of this Stipulation, the Stipulation shall not be admissible in evidence against either the Staff, ELL or the Parties, and the terms of this Stipulation may not be used as an admission of any sort in any proceeding whatsoever except to approve or enforce the terms of this Stipulation. Nothing stated herein is intended to prohibit parties from continuing to cite to final Orders of the Commission, which Orders are the best evidence of their meaning and evidentiary or precedential value (if any).

☒ Supports ☐ Does not oppose

By: *Dana M. Shelton*

Name: Dana M. Shelton

Date: 8/26/2022

REPRESENTING
LOUISIANA PUBLIC SERVICE COMMISSION STAFF

☒ Supports ☐ Does not oppose

By: ____________________

Name: Harry M. Barton

Date: 08/24/22

REPRESENTING
ENTERGY LOUISIANA, LLC

☐ Supports ☐ Does not oppose

By: ____________________

Name: ____________________

Date: ____________________

REPRESENTING
LOUISIANA ENERGY USERS GROUP

☐ Supports ☐ Does not oppose

By: ____________________

Name: ____________________

Date: ____________________

REPRESENTING
ALLIANCE FOR AFFORDABLE ENERGY

☐ Supports ☐ Does not oppose

By: ______________________

Name: ______________________

Date: ______________________

M.

Ca

☐ Supports ☐ Does not oppose

By: ______________________

Name: ______________________

Date: ______________________

REPRESENTING
LOUISIANA PUBLIC SERVICE COMMISSION STAFF

☒ Supports ☐ Does not oppose

By: ______________________

Name: Harry M. Barton

Date: 08/24/22

REPRESENTING
ENTERGY LOUISIANA, LLC

☐ Supports ☐ Does not oppose

By: ______________________

Name: ______________________

Date: ______________________

REPRESENTING
LOUISIANA ENERGY USERS GROUP

☐ Supports ☒ Does not oppose

By: ______________________

Name: Logan A. Burke

Date: August 24, 2022

REPRESENTING
ALLIANCE FOR AFFORDABLE ENERGY

☐ Supports ☑ Does not oppose

By: *[signature]*

Name: Kyle C. Marionneaux

Date: 8/25/22

REPRESENTING
ASSOCIATION OF LOUISIANA ELECTRIC COOPERATIVES, INC., AND ITS MEMBER COOPERATIVES, BEAUREGARD ELECTRIC COOPERATIVE, INC., CLAIBORNE ELECTRIC COOPERATIVE, INC., JEFFERSON DAVIS ELECTRIC COOPERATIVE, INC., SOUTH LOUISIANA ELECTRIC COOPERATIVE ASSOCIATION, AND WASHINGTON-ST. TAMMANY ELECTRIC COOPERATIVE, INC.

and

☐ Supports ☑ Does not oppose

By: *[signature]*

Name: Tommy Gildersleeve

Date: 8/25/2022

DIXIE ELECTRIC MEMBERSHIP CORPORATION

☐ Supports ☐ Does not oppose

By: ____________________

Name: ____________________

Date: ____________________

REPRESENTING
WALMART INC.

☐ Supports ☐ Does not oppose

By: ______________________________

Name: ______________________________

Date: ______________________________

REPRESENTING
ASSOCIATION OF LOUISIANA ELECTRIC COOPERATIVES, INC., AND ITS MEMBER COOPERATIVES, BEAUREGARD ELECTRIC COOPERATIVE, INC., CLAIBORNE ELECTRIC COOPERATIVE, INC., JEFFERSON DAVIS ELECTRIC COOPERATIVE, INC., SOUTH LOUISIANA ELECTRIC COOPERATIVE ASSOCIATION, AND WASHINGTON-ST. TAMMANY ELECTRIC COOPERATIVE, INC.

and

☐ Supports ☐ Does not oppose

By: ______________________________

Name: ______________________________

Date: ______________________________
DIXIE ELECTRIC MEMBERSHIP CORPORATION

☐ Supports ☒ Does not oppose

By: Julie A. Clark

Name: Julie A. Clark

Date: 8/26/2022

REPRESENTING
WALMART INC.

BEFORE THE

LOUISIANA PUBLIC SERVICE COMMISSION

EX PARTE: APPLICATION OF ENTERGY LOUISIANA, LLC, FOR APPROVAL OF THE 2021 SOLAR PORTFOLIO, THE GEAUX GREEN OPTION, COST RECOVERY AND RELATED RELIEF	))))))	DOCKET NO. U-36190

Attachment 1

Uncontested Stipulated Settlement Term Sheet

HIGHLY SENSITIVE PROTECTED MATERIAL

INTENTIONALLY OMITTED

GEAUX GREEN OPTION

I. AVAILABILITY

This Geaux Green Option Rider ("GGO") is available to Customers of Entergy Louisiana, LLC ("ELL" or the "Company") to provide Customers with an opportunity to voluntarily subscribe to a renewable energy resource.

Rider GGO is available to Customers of the Company that elect to participate in this option, take metered electric service, and are in good standing with the Company. If applicable, Service to non-residential customers that subscribe to more than 500 kW of GGO Capacity under this Rider GGO must be the subject of an ESA with the Company or an amendment to same.

Availability to eligible Customers is on a first come, first served basis in accordance with the Company's receipt of applications for GGO service. The total amount of Capacity of the Designated Renewable Resources that is available for enrollment under Rider GGO is defined in Attachment B. While exact allocations of subscriptions to different customer classes are defined in Attachment A, residential and small general service customers on the RS-G, RS-L, SGS-G, or GS-L schedules will be allocated approximately 25% of the overall capacity for this GGO program with the remaining 75% available to other non-residential customers. Additionally, as defined in Attachment A, approximately 10% of the residential/small general service allocation will be reserved for Low-income Residential Customers.

Note: Generally, unless otherwise specified herein, capitalized terms used throughout this document are as defined in the Company's Terms and Conditions.

II. APPLICABILITY

This GGO schedule is applicable to all rate schedules for metered service subject to the following limitations. Residential Customers on RS-G, RS-L, or MMRA-L schedules (including Low-Income Residential Customers) may opt to subscribe up to a maximum of 25 kW of GGO Capacity. Small general service Customers on SGS-G, GS-L, or MMGS-L schedules may opt to subscribe up to a maximum of 100 kW of GGO Capacity. The cap on other non-residential customers' subscriptions is defined in Attachment A. The minimum subscription amount is 2 kW and Customer may subscribe in increments of 1 kW.

If, after six months following the effective date of this Rider GGO or a modification to this Rider GGO that expands the Capacity of Designated Renewable Resources, any portion of the Designated Renewable Resources that is not fully subscribed will be open to subscribers from any qualifying customer class on a first come, first served basis.

For the purpose of Rider GGO, the cap on subscriptions of non-residential customers defined in Attachment A applies on a parent company or the equivalent of a parent company (*i.e.*, any corporate entity or its subsidiary) basis, in the sole judgment of the Company, inclusive of all accounts taking electric service under multiple locations within ELL's service area. Such cap shall be applicable until such time that the Company, within its sole discretion, may withdraw the limitation/cap.

For non-residential Customers that have multiple accounts, the subscription of GGO Capacity assigned to each account shall be included in the ESA or amendment to same, as applicable.

GEAUX GREEN OPTION

III. MONTHLY CHARGE

A. In addition to the monthly billing amount under applicable rate and rider schedules, Customer's bill will include an additional amount based on the applicable option below: Option A, Option B, or Option C. The adjustment shall be equal to:

Option A (also referred to as the Fixed Price Option)
1. GGO Capacity kW x GGO Capacity Charge, as defined in Attachment A
   Less
2. GGO Energy x MISO Market Settlement Rate

Option B (also referred to as the Volumetric Price Option)
1. GGO Energy x GGO Energy Charge, as defined in Attachment A
   Less
2. GGO Energy x MISO Market Settlement Rate

Option C (which is applicable only to Low-Income Residential Customers)
1. GGO Capacity kW x GGO Low-Income Capacity Charge, as defined in Attachment A
   Less
2. GGO Energy x MISO Market Settlement Rate

B. In no month will a customer's monthly bill be less than the otherwise applicable minimum. In the event that the customer's bill would result in the otherwise applicable minimum, any credit amount not applied in the current billing month will be carried forward to the following billing month.

IV. CONTRACT PERIOD

The initial term of agreement under GGO shall be for a minimum of a one-year period. After a customer has participated in GGO for at least one year, the agreement shall automatically be extended on June 1 of each year ~~and shall automatically be extended~~ for successive periods of one year each until terminated by written notice given by one party to the other not more than six months nor less than two months prior to ~~the expiration of the original term or any anniversary thereof~~June 1.

If Customer discontinues service with ELL, the agreement under GGO will be terminated except if 1) the Customer is relocating within the ELL service area, and 2) initiates service at a new location at the time of discontinuing the original service, then Customer may opt to transfer their GGO agreement to the new account for service.

V. RENEWABLE ENERGY CREDITS (RECs)

The Company shall retire Renewable Energy Credits (RECs) associated with the Customer's GGO Energy on the Customer's behalf. Upon mutual agreement, the Company could transfer the RECs associated with subscriptions of non-residential customers to an account held by such Customer as an alternative to the Company retiring RECs on such Customer's behalf, so long as the Customer agrees to retire the RECs on its own behalf and not transfer them to a third party.

GEAUX GREEN OPTION

VI. CONDITIONS OF SERVICE

The charges calculated under this tariff are subject to change in such an amount as may be approved and/or amended by the Louisiana Public Service Commission ("LPSC"). The Company reserves the right to withdraw this tariff at any time at the Company's discretion.

Low Income Residential Customer identification will be determined by account holder name shown on the monthly residential electric bill. Customer must self-certify to confirm their eligibility as a Low-Income Residential Customer. The Company may, in its discretion, request proof of eligibility and/or work with agencies that administer the federal Low Income Home Energy Assistance Program ("LIHEAP") to verify a customer's eligibility. If a customer has misrepresented his or her eligibility during the self-certification process, the Company may, in its discretion, permanently exclude the customer from participating in this program.

Final determination as to a Customer's qualifications to receive Service under GGO and this rate schedule will be made solely by the Company.

VII. DEFINITIONS

Capacity of Designated Renewable Resources: Capacity associated with ELL's Designated Renewable Resources, as identified in Attachment A.

Designated Renewable Resources: The renewable resources designated by the Company and approved by the LPSC to supply renewable energy for this Rider GGO, as identified in Attachment B.

Low Income Residential Customer: A Low-Income Residential Customer is a Customer who meets applicable eligibility requirements to qualify for LIHEAP in place at the time the Customer is enrolled in this program.

MISO Market Settlement Rate: Per kWh rate derived from monthly weighted average locational marginal prices (LMPs) for ELL load zone (EES.ELILD) based on the output of the Designated Renewable Resources in Midcontinent Independent System Operator, Inc. (MISO) energy markets. Application for billing purposes will be on a two-month lag.

Monthly Renewable Resource kWh Output: Amount of kWh generated each calendar month by ELL's Designated Renewable Resources. Application for billing purposes will be on a two-month lag.

GGO Capacity kW: The total amount of capacity (kW) from the Designated Renewable Resources that a Customer subscribes to under this Rider GGO, subject to the requirements described in Section II and Attachment A.

GGO Energy: The monthly energy associated with the Customer's contracted GGO Capacity and calculated based on the following formula: [(Customer's GGO Capacity / Capacity of Designated Renewable Resources) x Monthly Renewable Resource kWh Output]. Application for billing purposes will be on a two-month lag.

VIII. GROSS MONTHLY BILL AND PAYMENT

The net monthly bill is due and payable each month. The gross monthly bill and payment provisions will be those set forth in the Customer's standard rate schedule for electric service.

IX. OTHER PROVISIONS

Provisions, prices, billings, and regulations of ELL's standard rate schedules and riders are not modified by any provisions or the service offered in this schedule.

Attachment A
Effective: XX/XX/20XX

ENTERGY LOUISIANA, LLC
RENEWABLE OPTION SCHEDULE GGO

OPTION A: GGO Capacity Charge $~~7.06~~7.91 per kW-month

OPTION B: GGO Energy Charge $~~0.035097~~0.039288 per kWh

OPTION C: GGO Low-Income Capacity Charge $6.25 per kW-month

The total Capacity of Designated Renewable Resources is 475 MW. Subscriptions to the Designated Renewable Resources shall be allocated among customer classes in accordance with Section II of this Rider GGO as follows:

Customer Class	Allocation (MW)
Low-Income Residential Customers	10 MW
Residential and Small General Service Customers (that do not qualify as Low-Income Residential Customers)	100 MW
Other non-residential Customers	365 MW

With the exception of small general service Customers, non-residential Customers may opt to subscribe up to 50,000 kW of GGO Capacity, pending availability. This cap applies to the parent company level as noted in Section II of this Rider GGO.

Attachment B
Effective: XX/XX/20XX

ENTERGY LOUISIANA, LLC
RENEWABLE OPTION SCHEDULE GGO

The Designated Renewable Resources are:

Project	Project Location	Capacity of Project included in GGO portfolio (MW)
St. Jacques	St. James, Louisiana (in St. James Parish)	150 MW
Sunlight Road	Franklinton, Louisiana (in Washington Parish)	50 MW
Vacherie	Vacherie, Louisiana (in St. James Parish)	150 MW
Elizabeth	Elizabeth, Louisiana (in Allen Parish)	125 MW

BEFORE THE

LOUISIANA PUBLIC SERVICE COMMISSION

EX PARTE: APPLICATION OF ENTERGY LOUISIANA, LLC, FOR APPROVAL OF THE 2021 SOLAR PORTFOLIO, THE GEAUX GREEN OPTION, COST RECOVERY AND RELATED RELIEF	))))))	DOCKET NO. U-36190

SETTLEMENT TESTIMONY

OF

ELIZABETH C. INGRAM

ON BEHALF OF

ENTERGY LOUISIANA, LLC

AUGUST 2022

TABLE OF CONTENTS

Exhibits:

ECI-10: ELL's Second Amended Response to Staff RFI 5-1, with Highly Sensitive Protected Materials ("HSPM") attachment.

I. INTRODUCTION AND PURPOSE

Q1. PLEASE STATE YOUR NAME AND CURRENT BUSINESS ADDRESS.

A. My name is Elizabeth C. Ingram. My business address is 4809 Jefferson Highway, Jefferson, Louisiana 70121.

Q2. ON WHOSE BEHALF ARE YOU TESTIFYING?

A. I am testifying on behalf of Entergy Louisiana, LLC ("ELL" or the "Company").

Q3. DID YOU FILE DIRECT AND REBUTTAL TESTIMONY IN THIS PROCEEDING?

A. Yes, I did.

II. SETTLEMENT TESTIMONY

Q4. PLEASE DESCRIBE THE COMPANY'S APPLICATION IN THIS DOCKET.

A. On November 9, 2021, the Company submitted its Application requesting that the Louisiana Public Service Commission ("LPSC" or "Commission") certify the addition of four new solar photovoltaic ("PV") resources with a nameplate capacity of 475 megawatts ("MW"), collectively referred to as the "2021 Solar Portfolio," or the "Portfolio," to the Company's generation portfolio.[1] In addition to a finding that the addition of the resources comprising the 2021 Solar Portfolio is in the public interest, the Company also requested authorization to implement a new green tariff, the Geaux

[1] The 2021 Solar Portfolio consists of the St. Jacques facility, the Sunlight Road facility, the Vacherie facility, and the Elizabeth facility.

Green Option ("Rider GGO"), which will allow eligible customers to elect to align some or all of their electricity requirements with renewable resources by being able to receive value from both the energy from renewable energy projects along with the Renewable Energy Certificates ("RECs") generated by such projects. Finally, the Company requested appropriate cost recovery treatment for the 2021 Solar Portfolio and related regulatory relief necessary to bring the resources comprising the Portfolio to fruition and implement Rider GGO.

Q5. WHAT IS THE PURPOSE OF YOUR SETTLEMENT TESTIMONY?

A. My Settlement Testimony supports the stipulation agreement entered into by the Company and the LPSC Staff ("Staff"), collectively referenced as ("the Settling Parties"), in which the Company and Staff have agreed to appropriate terms upon which to recommend the approval of the 2021 Solar Portfolio and Rider GGO. The agreement is memorialized in a Stipulated Settlement Term Sheet ("Term Sheet"), which is attached as Attachment 1 to the Joint Motion for the Scheduling of Hearing on Uncontested Stipulated Settlement ("Joint Motion"). The stipulation is unopposed by the four other intervening parties: the Louisiana Energy Users Group ("LEUG"), Walmart Inc. ("Walmart"), the Alliance for Affordable Energy ("AAE"), and the Association of Louisiana Electric Cooperatives, Inc. ("ALEC") (collectively referred to as the "Non-opposing Parties").

Q6. WHAT ARE SOME OF THE CRITICAL MATTERS ADDRESSED IN THE COMPANY'S APPLICATION AND DIRECT TESTIMONY?

A. ELL's Application filed on November 9, 2021, requested, in pertinent part, the following:

- Certify the resources comprising the 2021 Solar Portfolio serve the public convenience and necessity and are in the public interest, and are therefore prudent, in accordance with the Commission's 1983 General Order;

- Find that the selection of the resources comprising the 2021 Solar Portfolio is consistent with the terms of the Commission's MBM Order, accepting the 2020 Solar RFP as an alternative market test for the Elizabeth Facility and/or, in the alternative, granting any exemption to the MBM Order deemed necessary by the Commission;

- Find that, with respect to the resources comprising the 2021 Solar Portfolio, the Company has complied with, or is not in conflict with, the provisions of all applicable LPSC Orders, including, with respect to the Elizabeth Facility, the Commission's Unsolicited Offers General Order, to the extent applicable;

- Approve Rider GGO, including findings that Rider GGO is in the public interest, is in compliance with the provisions of all applicable LPSC Orders, including the Commission's Tariff Filings General Order, and therefore is approved for implementation;

- Deem the costs of the 2021 Solar Portfolio, including any offsetting adjustments resulting from Rider GGO, to be eligible for recovery and credited through two existing cost recovery mechanisms: the Company's Formula Rate Plan ("Rider FRP") and the Company's Fuel Adjustment Clause or ("FAC");

- Find that a 30-year depreciation period is appropriate for the St. Jacques Facility;

- Find that the Company is entitled to rate relief as determined by the Commission to address any adverse effects of debt imputation or lease accounting that could result from the Sunlight Road, Vacherie, and Elizabeth PPAs, and to commit that the Commission will determine the form of and provide such relief in a timely manner; and

- Approve the terms, conditions, rights, remedies, and limitations set forth in the Sunlight Road, Vacherie, and Elizabeth PPAs, as well as the St. Jacques BOT

> agreement, and confirm that ELL, its member entity, and Entergy Corporation shareholders shall not be responsible, beyond the remedies specified in the Sunlight Road, Vacherie, and Elizabeth PPAs, as well as the St. Jacques BOT agreement, for any acts or omissions by any seller, its employees, or its contractors of any tier in connection with seller's ownership or operation of the relevant facility, including, without limitation, seller's failure to deliver the contracted products under the Sunlight Road, Vacherie, and Elizabeth PPAs, as well as the St. Jacques BOT agreement.

Q7. ARE THESE MATTERS ADDRESSED IN THE PROPOSED TERM SHEET?

A. Yes. In light of Direct, Cross-Answering, and Rebuttal Testimony filed by certain of the Settling Parties and the Non-opposing Parties and subsequent discussions between the Company and parties, the Term Sheet adequately addresses these issues and reflects certain additional provisions relative to the Company's original requests.

Q8. DO THE SETTLING PARTIES SUPPORT COMMISSION APPROVAL OF THE 2021 SOLAR PORTFOLIO AND RIDER GGO?

A. Yes, with the adjustments included in the Term Sheet, which I shall describe in more detail below.

Q9. PLEASE DESCRIBE THE KEY PROVISIONS OF THE PROPOSED TERM SHEET.

A. As a preliminary matter, I point out that my testimony neither modifies the provisions of the Term Sheet, nor am I offering legal opinions regarding the provisions of the Term Sheet. In general, the Term Sheet recommends that the Commission find that the 2021 Solar Portfolio is consistent with all applicable LPSC orders, including the 1983 General Order, the MBM General Order and the Unsolicited Offers General Order, and should be certified by the Commission as serving the public convenience and necessity, which are addressed in Paragraphs 1 through 6 of the Term Sheet. Paragraph 13 of the Term Sheet recommends the Commission approve the accompanying Rider GGO, as modified by the Term Sheet.

Q10. HOW DOES THE SETTLEMENT MODIFY THE ORIGINAL VERSION OF PROPOSED RIDER GGO?

A. The Settling Parties made minor changes to the original version of proposed Rider GGO. First, a clarification was provided regarding the Contract Period for a Rider GGO participant. Second, the subscription fee levels for Option A (also known as the Fixed Price Option) and Option B (also known as the Volumetric Price Option) were updated to reflect recent adjustments to the cost of the 2021 Solar Portfolio that were provided in the course of this proceeding. It is important to note that recent uncertainties in the U.S. solar market have affected the costs of the 2021 Solar Portfolio since the Company's application was filed. In light of ongoing uncertainty, the Settling Parties agreed to make an additional update in mid-2023 to the Rider GGO subscription fee levels. This timeframe will still allow future subscribers sufficient time to evaluate the economics of the offering prior to the resources becoming operational.

Q11. PLEASE DESCRIBE THE PROVISION OF THE TERM SHEET THAT ADDRESSES COST RECOVERY.

A. Paragraphs 3 through 6 address circumstances that disrupted the market for solar panels during the pendency of the Company's Application and the Company's response thereto. Specifically, the Company renegotiated contracts for the Vacherie, Sunlight Road, and Elizabeth facilities.[2] The Term Sheet indicates that these revised contracts will allow the resources to provide net benefits and should be approved. These provisions also establish reporting requirements for any further revisions to the contracts for resources comprising the Portfolio.

Paragraphs 7 through 11 address how cost recovery of the 2021 Solar Portfolio and associated offsets created by Rider GGO subscriptions will be reflected for ratemaking purposes. At a high-level, the Term Sheet approves recovery through the two existing cost recovery mechanisms (FRP and FAC) identified in the Company's application. However, the Term Sheet provides five key clarifications and adjustments to the Company's originally, proposed cost recovery treatment. First, the costs associated with the St. Jacques Facility are approved to be recovered through the Company's FRP. Consistent with other recent generation resource additions (e.g., the Lake Charles Power Station), the first-year revenue requirement for the St. Jacques Facility will initially be reflected for recovery in the Additional Capacity Mechanism ("ACM") component of the Company's FRP beginning in the month after the resource is placed in service, subject to a true-up outside of the FRP bandwidth after completion of the resource's first twelve (12) months of operation. Thereafter, each FRP Evaluation Report submitted for subsequent test periods will reflect realignment of the

[2] My Rebuttal Testimony included an Exhibit (ECI-9) which was a discovery response that included the revised contracts for the Vacherie and Sunlight Road facilities. After submission of that Rebuttal Testimony, the Company amended this discovery response to include the revised contract for the Elizabeth facility. I have included that updated discovery response with this Testimony as the Highly Sensitive Protected Material ("HSPM") Exhibit ECI-10.

revenue requirement, which is taken into account within the bandwidth calculation of the FRP, with any required change in rates taking effect with the corresponding Evaluation Period rate effective date. ELL will file updated first-year revenue requirement estimates for the St. Jacques Facility approximately twelve (12) months prior and sixty (60) days prior to the commercial operation date of the facility. Second, twenty-five percent (25%) of the expenses associated with solar power purchase agreement ("PPA") resources that have Network Resource Interconnection Status ("NRIS") or Network Integrated Transmission Service ("NITS") with the Midcontinent Independent System Operator, Inc. ("MISO") are deemed to be capacity costs that will be reflected through the ACM component of the Company's FRP. Third, the remaining expenses associated with the solar PPAs are deemed to be energy costs that are eligible for recovery through the Company's FAC. Fourth, the GGO Cost Allocation Ratio, which determines how the offsets provided by Rider GGO subscription fees will be reflected for ratemaking purposes, is modified in accordance with Paragraph 11 of the Term Sheet. Finally, the first-year revenue requirement for the St. Jacques Facility is to be calculated in accordance with Paragraph 7 of the Term Sheet.

Q12. ARE THERE REPORTING REQUIREMENTS IN THE TERM SHEET?

A. Yes. Paragraph 12 addresses the semi-annual reports required during the construction period of the 2021 Solar Portfolio. Paragraphs 17 and 18 require ELL to provide certain reports to update the Rider GGO subscription fees in mid-2023 and under certain circumstances outlined in Paragraph 18. Paragraph 20 explains the information regarding Rider GGO subscriptions that ELL will provide in future annual reports within this docket and in the annual reports required under LPSC General Order (Corrected) R-28271-A Subdocket B, dated December 9, 2010. Finally, Paragraph 21 notes that ELL will provide a report thirty (30) months after implementation of Rider GGO that will include, among other things, an indication of whether the Company proposes any modifications to Rider GGO.

Q13. DOES THE COMPANY AGREE WITH THE PROVISIONS OF THE TERM SHEET?

A. Yes. For purposes of settlement, the Company has agreed to each of the Term Sheet provisions. The Company believes that the 2021 Solar Portfolio and Rider GGO, as modified by the Settlement, and the provisions of the Term Sheet provide reasonable terms on which ELL can make this voluntary offering and program available to eligible customers. For these reasons, the 2021 Solar Portfolio, modified Rider GGO, and the Settlement Term Sheet are in the public interest.

Q14. DOES THIS CONCLUDE YOUR SETTLEMENT TESTIMONY?

A. Yes, at this time.

AFFIDAVIT

STATE OF LOUISIANA

PARISH OF JEFFERSON

NOW BEFORE ME, the undersigned authority, personally came and appeared, **ELIZABETH C. INGRAM,** who after being duly sworn by me, did depose and say:

That the above and foregoing is her sworn testimony in this proceeding and that she knows the contents thereof, that the same are true as stated, except as to matters and things, if any, stated on information and belief, and that as to those matters and things, she verily believes them to be true.

Elizabeth C. Ingram

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 26 **DAY OF** August **2022**

NOTARY PUBLIC

My commission expires: Death

Skylar Ros[illegible]
Notary Public
State of Louisiana
Louisiana Bar Roll # 31[illegible]
My Commission is issued for Life

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-36190

Response of: Entergy Louisiana, LLC
to the Fifth Set of Data Requests
of Requesting Party: Louisiana Public
Service Commission Staff

Question No.: STAFF 5-1 Part No.: Addendum: 2

Question:

Press reports indicate that potential supply disruptions in solar panels and cells imported from Asia and a related Department of Commerce investigation may disrupt solar projects in the United States. What impact, if any, will this have on the development or cost of the portfolio of projects presented in the Company's filing in this docket? Please provide any analysis of that impact performed by, or on behalf of, the Company.

Response:

Information responsive to this request has been designated as Highly Sensitive Protected Material ("HSPM") and will be produced only to the appropriate Reviewing Representatives in accordance with the Confidentiality Agreement in effect and executed in this docket. HSPM files will be served upon appropriate reviewing representatives through a ShareFile link. Any downloads of such files shall be treated in accordance with the applicable provisions of the Confidentiality Agreement regarding duplication of HSPM files.

In February 2022, a domestic solar manufacturer petitioned the US Department of Commerce ("USDOC") to investigate whether solar panels imported from four Asian countries (Malaysia, Thailand, Vietnam, and Cambodia) were circumventing existing tariffs by using parts and components from China. Approximately 80 percent of the solar panels in use for US utility scale solar installations, including the panels planned for the 2021 Solar Portfolio, originate in those countries. On March 28, 2022, the USDOC announced its determination to investigate the allegations made in the petitions. After the announcement, the importation of panels from these countries largely stopped, and many new solar projects reliant on those panels were cancelled or placed on hold. The US market for panels sourced from the four countries is anticipated to remain in suspense pending the USDOC's decision. A preliminary finding is expected to issue by the end of August 2022 with a final determination expected in 2023. Although it is unknown what the outcome of the investigation will ultimately be, the potential actions taken by the USDOC could include imposing tariffs on panels from these countries by anywhere up to 250%. The investigation has also increased the demand for, and price of, panels sourced from manufacturers and geographic regions that do not have the potential to be affected by the investigation.

On April 12, 2022, the counterparty for the St. Jacques, Sunlight Road and Vacherie facilities notified ELL that the USDOC investigation and the resulting effects on the market for solar panels in the US had the potential to negatively affected the timing and cost of the projects. To mitigate the projects' exposure to these risks and ensure that the projects can remain viable and provide needed energy and capacity to ELL's customers at a reasonable cost and in a timely manner, ELL has worked with this counterparty to reach updated agreements for these facilities that will address these risks. More specifically, the counterparty will secure panels that will not be impacted by the investigation by contracting with domestic and foreign manufacturers that do not have production facilities in the four Asian countries subject to USDOC's investigation. The counterparty will source solar PV panels by sourcing from [redacted] for the St. Jacques facility and [redacted] for the Vacherie facility and Sunlight Road facility. Because panels that will not be affected by the DOC investigation are currently, and expected to remain, in extremely high demand, the pricing and guaranteed commercial operation dates ("CODs") will also be affected, as memorialized in the updated agreements. The increased demand for such panels required prompt action to obtaining access to them, lest they become unavailable.

The change in pricing and CODs can be seen in the highly sensitive attachments, which provide the amended agreements for the Sunlight Road and Vacherie projects, and in the highly sensitive PowerPoint attachment, which provides results of an updated economic analysis including key assumption changes for these projects and the St. Jacques facility.[1] The Company and the counterparty are still in the process of finalizing the amended agreement for the St. Jacques facility and will provide an executed agreement when available. However, the Company has provided current information on the anticipated change in price and COD for the St. Jacques facility and updated its economic analyses to reflect that information.

ELL notes that all the projects will still provide significant net economic benefits to ELL's customers, albeit in a reduced amount from the estimated benefits that were submitted with the Company's Application (which estimates are superseded by the attachments). Given that under the amended agreements, the projects will still result in net benefits for ELL's customers while meeting needs for capacity and energy with necessary resources, ELL determined that entering into these agreements and keeping the projects on a path to viability would be a reasonable course of action based on information currently available to ELL, including the fact that awaiting the outcome of the investigation creates a risk of the projects not coming to fruition at all. Based on comments from some Commissioners made at the May 25, 2022 Business and Executive meeting of the Louisiana Public Service Commission, ELL believes execution of these amended agreements will also help meet policy goals identified by these Commissioners, as well as the needs of multiple customers who signed letters of support for Rider GGO and who continue to show significant interest in the tariff.

For the Elizabeth facility, ELL continues negotiations with the counterparty for that facility to mitigate these same risks by attempting to secure solar PV panels that will not be within the scope of the USDOC investigation. Once ELL has executed an agreement with that

[1] For the St. Jacques facility, the updated economic benefits analysis also reflects new amounts for AFUDC, land lease costs, and changes to property tax and insurance costs, as detailed in the attached Power Point document and reflected in the HSPM workpaper supporting the updated analysis.

counterparty, an update to this response will be provided along with that amended agreement and an updated economic benefits analysis for the project.

Addendum: 1

While ELL continues to engage in negotiations related to the St. Jacques and Elizabeth facilities, ELL has obtained additional information related to possible price changes for the Elizabeth facility caused by the factors described in ELL's prior response to Staff 5-1. The potential price change for the Elizabeth facility has been factored into an updated economic analysis, the results of which are summarized in the attached HSPM Power Point document. The results of this analysis show that the 2021 Solar Portfolio and each individual resource comprising it is still expected to provide significant net benefits to ELL's customers.

Additionally, the HSPM PDF attachments reflect "redlines" of the amended Sunlight Road and Vacherie agreements provided in the Company's initial response to Staff 5-1, which compares those amended agreements to the agreements filed with the Company's Application. These "redlines" demonstrate that the contractual terms affecting the rights, remedies, and liabilities of the parties under the new agreements have not materially changed from the agreements submitted with the Company's Application.

Addendum: 2

Information responsive to this request has been designated as Highly Sensitive Protected Material ("HSPM") and will be produced only to the appropriate Reviewing Representatives in accordance with the Confidentiality Agreement in effect and executed in this docket. HSPM files will be served upon appropriate reviewing representatives through a ShareFile link. Any downloads of such files shall be treated in accordance with the applicable provisions of the Confidentiality Agreement regarding duplication of HSPM files.

Please see the HSPM attachment.

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

DOCKET NO. U-36190

ENTERGY LOUISIANA, LLC EX PARTE

In re: Application of Entergy Louisiana, LLC, for Approval of the Solar Portfolio, the Geaux Green Option, Cost Recovery and Related Relief

DIRECT TESTIMONY OF

LANE KOLLEN

IN SUPPORT OF

SETTLEMENT TERM SHEET

ON BEHALF OF THE

LOUISIANA PUBLIC SERVICE COMMISSION STAFF

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

AUGUST 29, 2022

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

DOCKET NO. U-36190

ENTERGY LOUISIANA, LLC EX PARTE

In re: Application of Entergy Louisiana, LLC, for Approval of the Solar Portfolio, the Geaux Green Option, Cost Recovery and Related Relief

DIRECT TESTIMONY OF LANE KOLLEN IN SUPPORT OF SETTLEMENT TERM SHEET

Q. State your name and business address.

A. My name is Lane Kollen. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. What is the purpose of your testimony in support of the settlement term sheet?

A. The purpose of my testimony is to describe the settlement term sheet resolving all contested issues in this proceeding, recommend that the Commission approve the settlement term sheet, and describe several issues that will be addressed in future filings in this docket and in future Formula Rate Plan ("FRP") and base rate case proceedings due to known uncertainties at this time.

Q. Describe generally the settlement term sheet.

A. The settlement term sheet describes the four resources comprising the ELL 2021 Solar Portfolio, three of which will not be owned by ELL and are subject to purchased power agreements ("PPAs"), and one of which will be owned by ELL and is subject to a build own transfer ("BOT") contract, the St. Jacques facility.

The settlement term sheet finds that these four resources serve the public convenience and necessity. The resources are in the public interest, prudent, and economic based on the pricing and commercial operation dates reflected in the most recent versions of the PPA contracts and the St. Jacques facility BOT contract reviewed by Staff prior to the date of the settlement term sheet.

The settlement term sheet requires ELL to "inform the Commission in a timely manner" if the terms of any of the 2021 Solar Portfolio contracts are renegotiated or otherwise changed or if the builder's all risk insurance ("BAR") Premium Cap as set forth in those contracts is exceeded. If those changes increase the cost of the resources by more than five percent (5%), or if the change makes the resources uneconomic, then ELL is required to provide an updated economic analysis demonstrating the economic effect of those changes. Neither the settlement term sheet nor the Commission's approval shall be construed as constituting a pre-approval of such changes or as limiting the Commission's ability to institute a prudence review of such changes.

The settlement term sheet establishes a series of reporting requirements to allow the Commission to monitor the construction status of the four resources, including schedule and other critical activities, to review the final costs prior to setting initial rates, and to monitor and revise the rates, subject to the conditions set forth therein.

The settlement term sheet adopts a new Geaux Green Option ("GGO") tariff to allow customers to participate in the risk, costs, benefits, and environmental attributes of the four resources through subscriptions and subscription fees to cover the costs of the resources, offset by the MISO market revenues.

The settlement term sheet specifies the manner in which the PPA expenses will be recovered through and allocated between the fuel adjustment clause ("FAC") and the Company's Formula Rate Plan ("FRP") tariff, with the PPA expenses recovered through the FAC offset by the MISO revenues less the MISO revenues allocated to the GGO participants.

Finally, the settlement term sheet specifies the manner in which the St. Jacques facility costs will be calculated and recovered through either the Company's FRP tariff or through base rates, subject to deferral prior to the effective date of recovery through base rates.

Q. Certain of the issues in this proceeding will be resolved in future filings and proceedings. Briefly describe these issues.

A. The first issue is the actual pricing under all four contracts due to various contingencies in those contracts that may result in adjustments to the pricing and due to potential renegotiations of those contracts by ELL and the counterparties. Those pricing issues will be addressed through potential filings pursuant to the parameters in the settlement term sheet. In addition, ELL is required to make a filing with the Commission on or before July 31, 2023 with updated cost information necessary to quantify the St. Jacques revenue requirement and PPA expenses, as well as the GGO subscription fees based on this information.

The second issue is whether the allocation of a portion of the PPA expense to the Company's FRP tariff, as required by the Term Sheet, remains in the additional capacity mechanism ("ACM") provision of the FRP instead of transitioning to the base mechanism of the FRP tariff, consistent with the transition of the initial St. Jacques revenue requirement to the base mechanism of the FRP tariff in the year following the commercial operation of St. Jacques. That issue will be addressed in a future rate proceeding.

The third and fourth issues involve the quantifications of two tax issues that affect the initial St. Jacques revenue requirement. Those issues were contested in this proceeding and were resolved for the settlement term sheet through statements of principle. The actual effect on the St. Jacques revenue requirement will be determined in a future FRP or other rate proceeding, once the Company's actual tax position is known. However, Staff believes it is important to memorialize its positions in this testimony for reference in that future rate proceeding.

The first of these two tax issues is whether any allocation of ELL asset net operating loss ("NOL") accumulated deferred income taxes ("ADIT") non-specific to St. Jacques should be used to reduce the liability ADIT due to accelerated tax depreciation specific to St. Jacques reflected in the calculation of the St. Jacques revenue requirement included in the ACM provision of the FRP.

In the settlement term sheet statement of principle, the parties agreed that ELL would maximize the amount of any asset NOL ADIT within the base mechanism of the FRP. This is consistent with federal tax law, and more specifically, the normalization requirements of the Internal Revenue Code of 1986, related Treasury Regulations, relevant Private Letter Rulings, and industry practice. In the settlement term sheet statement of principle, the parties also agreed that only asset NOL ADIT due to accelerated tax depreciation is potentially eligible for allocation to offset the St. Jacques liability ADIT due to accelerated tax depreciation included in the calculation of the initial St. Jacques revenue requirement. However, Staff believes that no asset NOL ADIT from years prior to the commercial operation date of St. Jacques should be allocated to the St. Jacques revenue requirement because St. Jacques did not and could not have caused this asset NOL ADIT and that this position is consistent with federal tax law. Staff also believes that only asset NOL ADIT due to accelerated tax depreciation in excess of straight-line depreciation is potentially eligible for allocation to offset the St. Jacques liability ADIT, which is calculated based on the difference between accelerated tax depreciation and straight-line depreciation times the federal income tax rate and that this position also is consistent with federal tax law.

The second of the two tax issues is the utilization and allocation of the investment tax credit ("ITC") and the amortization included as a reduction to the initial St. Jacques revenue requirement. In the settlement term sheet statement of principle, the parties agreed that the amortization of the investment tax credit to the maximum extent allowable under then-effective federal tax laws and grossed-up to a revenue equivalent. This tax issue and the amount reflected in the initial St. Jacques revenue requirement also is dependent on a careful review in future FRP or other rate proceedings to ensure that it is maximized, consistent with federal tax law.

Finally, there are other provisions of the settlement term sheet that may affect the amounts and timing of the cost recovery and the GGO subscription fees depending on changes in the MISO capacity values for the resources or changes in MISO's methodology used to make these determinations, future capital additions to the portfolio resources, and other future resources that the Commission may determine are eligible for GGO participation.

Q. Will the settlement term sheet, except as expressly stated therein, have precedential effect?

A. No. This is an important protection for all parties, including the Commission. The settlement term sheet is the result of compromises among the parties and, by its terms, has no precedential effect in any other proceedings involving issues similar to those resolved therein and is without prejudice to the right of any party to take any position on any such similar issue in future proceedings, including FRP proceedings, base rate proceedings, rulemakings or in other regulatory proceedings or appeals therefrom.

Q. What is your recommendation?

A. I recommend that the Commission approve the settlement term sheet. The four resources serve the public convenience and necessity and are in the public interest, prudent, and economic. The new GGO tariff allows customers to participate in the risks, costs, benefits, and environmental attributes of the four resources. The GGO subscription fee revenues are appropriately allocated as offsets to the costs of the resources included in the FAC and FRP. The FAC, FRP, and future base ratemaking recovery, including the allocations of the PPA expenses between the FAC and FRP are reasonable in the context of this settlement. Finally, Staff and other parties preserve all rights to address similar issues in future proceedings due to the non-precedential term in the settlement term sheet.

Q. Does this complete your testimony?

A. Yes.

AFFIDAVIT

STATE OF GEORGIA)

COUNTY OF FULTON)

LANE KOLLEN, being duly sworn, deposes and states: that the attached responses to discovery requests are true and correct to the best of his knowledge, information and belief.

Lane Kollen

Sworn to and subscribed before me on this
29th day of August 2022.

Notary Public

RANDY A FUTRAL
MY COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 26, 2024
COBB COUNTY, GEORGIA