BEFORE THE

LOUISIANA PUBLIC SERVICE COMMISSION

ENTERGY LOUISIANA, LLC, *EX PARTE*. APPLICATION OF ENTERGY LOUISIANA, LLC FOR EXTENSION AND MODIFICATION OF FORMULA RATE PLAN	**)**	**DOCKET NO. U-_____**

DIRECT TESTIMONY

OF

PHILLIP R. MAY

ON BEHALF OF

ENTERGY LOUISIANA, LLC

PUBLIC VERSION

MAY 2020

TABLE OF CONTENTS

EXHIBITS

I. INTRODUCTION AND BACKGROUND

Q1. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.

A. My name is Phillip R. May. I am President and Chief Executive Officer ("CEO") of Entergy Louisiana, LLC ("ELL" or the "Company").[1] My business addresses are 4809 Jefferson Highway, Jefferson, Louisiana 70121 and 446 North Boulevard, Baton Rouge, Louisiana 70802.

Q2. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?

A. I am testifying on behalf of ELL in support of its application (the "Application") before the Commission to extend, and amend, the Company's existing Formula Rate Plan ("FRP").

Q3. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. I have a Bachelor of Science degree in Electrical Engineering from the University of Southwestern Louisiana, now called the University of Louisiana at Lafayette, and a Master of Business Administration from the University of New Orleans. I also completed the Wharton School's Mergers and Acquisitions program.

[1] On October 1, 2015, pursuant to Louisiana Public Service Commission ("LPSC" or "Commission") Order No. U-33244-A, Energy Gulf States Louisiana, L.L.C. ("Legacy EGSL") and Entergy Louisiana, LLC ("Legacy ELL") combined substantially all of their respective assets and liabilities into a single operating company, Entergy Louisiana Power, LLC, which subsequently changed its name to Entergy Louisiana, LLC ("ELL") ("Business Combination"). Upon consummation of the Business Combination, ELL became the public utility that is subject to LPSC regulation and now stands in the shoes of Legacy EGSL and Legacy ELL.

I have worked for subsidiaries of Entergy Corporation for more than 33 years. I joined Louisiana Power & Light Company (now known as ELL) in 1986 as an Engineer in the Rates and Regulatory Affairs Department. I was responsible for developing cost of service studies to support Legacy ELL's retail and wholesale rates. I also planned and directed numerous engineering studies and special projects. In 1993, I joined the Entergy/Gulf States Utilities Merger Team as a Senior Engineer. Following that assignment, I joined Entergy Services, Inc.'s[2] Financial Planning Department and was responsible for financial planning for Entergy Gulf States, Inc. (a predecessor-in-interest to Entergy Texas, Inc., and Legacy EGSL) as well as for Legacy ELL. In 1994, I was promoted to Senior Lead Analyst in Wholesale Transactions. In that role, I worked directly with large customers to meet their wholesale power requirements. In 1995, I was promoted to Manager of Strategic Planning. The members of my group served as internal consultants to various business units. I was later promoted to the Director of Utility Transition and Development. I was responsible for analytical and strategic analysis of the regulated utilities' transition to competition efforts. In 2000, I assumed the role of Vice President, Regulatory Services. In that position, I was responsible for providing technical and analytical support to all of the EOCs to enable them to satisfy their regulatory obligations. My department consisted of: System Regulatory Planning & Support, Regulatory Strategy, Regulatory Projects, and Integrated Energy Management. In February 2013, I became the President and CEO of Legacy ELL and Legacy EGSL. Legacy ELL and Legacy EGSL

[2] Entergy Services, LLC ("ESL"), formerly Entergy Services, Inc., is a service company to the five Entergy Operating Companies ("EOCs"), which are ELL, Entergy Arkansas, LLC, Entergy Mississippi, LLC, Entergy Texas, Inc., and Entergy New Orleans, LLC.

consummated their Business Combination in October 2015, and I continue to serve as President and CEO of the combined entity, ELL.

As my background and current duties indicate, in addition to my other areas of formal education and experience, I have particular experience with analyzing how strategic initiatives affect the Company's ability to provide safe, efficient, and reliable service at reasonable rates.

Q4. HAVE YOU PREVIOUSLY TESTIFIED IN ANY REGULATORY PROCEEDING?

A. Yes. A listing of the cases in which I have previously testified is attached hereto as Exhibit PRM-1.

Q5. WHAT ARE YOUR CURRENT DUTIES?

A. As President and CEO of ELL, I have executive responsibility for the Company, including financial responsibility for the business and assets that are used to serve customers, which include generation, transmission, and distribution assets. In addition, my responsibilities include oversight of the field management of the Company's gas distribution system, customer service, economic development, regulatory affairs, governmental affairs, and the financial performance of ELL.

Q6. WHAT IS THE CURRENT STATUS OF THE COMPANY'S BUSINESS AS IT RELATES TO ELL'S APPLICATION TO EXTEND ITS FORMULA RATE PLAN?

A. ELL, like the overall electric utility industry in the United States, remains in a period of evolution and modernization. As the Company continues to position itself to provide safe,

reliable, and cost-effective service well into the future, ELL faces several challenges to maintaining the financial strength required to make necessary investments in a manner that maximizes benefits and minimizes costs to the Company and our customers.

With the Commission's support, ELL has already made significant investments in generation and transmission that have transformed the foundational aspects of its service and resulted in cleaner energy, better access to wholesale markets, and some of the lowest rates in the country. ELL is now shifting its focus to the "last-mile" of the electric grid – the distribution system – with the aim of improving delivery and reliability to distribution-level customers (who are the vast majority of ELL's customers). These improvements to the distribution system are time-consuming and capital-intensive due to the large amount of equipment involved and the broad geographic footprint of ELL's system, which includes over 32,000 miles of distribution lines in Louisiana. Yet these improvements, and the resulting benefits to all customers from a more modern electric grid, will be particularly visible and meaningful to the Company's distribution-level customers who depend on ELL to keep their homes and businesses running.

Q7. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. My testimony supports ELL's request for an extension of its current FRP, with modifications, for a three-year term, and for the other relief requested in its Application. First, by way of necessary background, I discuss the challenges that the worldwide spread of coronavirus disease 2019 ("COVID-19") is presenting to our customers, the Company, and its other stakeholders. Second, I provide a current profile of ELL and address certain risks that support the renewal, with modifications, of ELL's FRP. Third, I discuss the

investment that the Company is undertaking to modernize its electric distribution system, which necessary and transformative investment supports ELL's request to modify its FRP to provide for more timely cost recovery of annual distribution investment in excess of $100 million. Fourth, I provide a general overview of the relief that ELL is seeking in this proceeding and the reasons supporting ELL's requests. And fifth, I introduce ELL's two other witnesses in the case, Mr. Joshua B. Thomas (who will discuss the FRP, ELL's renewal request and proposed modifications, and the financial implications in greater detail) and Mr. Anthony P. Arnould, Jr. (who will discuss the Company's distribution planning, operations, and expected level of future distribution investment).

Q8. HOW HAS THE COMPANY RESPONDED TO COVID-19?

A. Recognizing the impact that COVID-19 is having on our customers, our employees, and the communities that we serve, the Company has taken several steps to provide support and protection during these times of unprecedented challenge. Effective March 13, 2020, consistent with the Commission's Executive Order of that date, ELL suspended electric and natural gas service disconnections for nonpayment. The Company is enhancing bill payment solutions to help customers on a case-by-case basis to pay any accumulated balances once the disconnect moratorium is lifted.[3] For example, customers now have the ability to extend payments of their past due amounts over a longer period. Residential

[3] On April 29, 2020, the Commission adopted Special Order No. 22-2020 and terminated its Executive Order dated March 13, 2020. But, under that special order, the disconnect moratorium remains in place until the State of Louisiana enters "Phase II" of the Opening Up America Again guidelines, https://www.whitehouse.gov/openingamerica/. The special order also provides that unpaid customer balances accrued between March 13, 2020, and the date that Phase II is implemented shall not be subject to late fees. Finally, at its May 27, 2020 Business and Executive Session, the Commission extended the disconnect moratorium through the date of its June 2020 meeting.

customers also have the option to fold-in their past due amounts using Levelized Billing, a program that averages payments for a more consistent monthly bill. Commercial and small industrial customers also will be offered flexible payment arrangements to assist in their recovery.

To help working families experiencing financial hardships as a result of the pandemic, the Entergy Charitable Foundation has established the COVID-19 Emergency Relief Fund, which will make grants to United Way organizations and other nonprofit partners that are providing services to impacted households in ELL's service area. Already in place, moreover, is Entergy's Power to Care program, which provides emergency bill payment assistance to seniors and disabled individuals. The Company has maintained communication with our customers through multiple platforms about the COVID-19 response and tips to manage increased demand for energy at home resulting from school and business closures and telecommuting. One of those platforms is an online hub that compiles information and helpful links for our residential customers about available local, state, and federal resources.[4]

To ensure the safety of our employees and operations, the Company began monitoring and preparing for a COVID-19 outbreak in late January and has implemented its incident response plan. Action items have included educating employees around self-checking for symptoms, telecommuting, social distancing, and other precautions to prevent the spread of COVID-19; following official public health recommendations and lowering the density of people at our Company locations; and working closely with our suppliers as

[4] *See* https://www.entergy.com/covid-19/laresources/.

part of our overall business-continuity efforts. As the crisis has unfolded, ELL has stayed in close contact with LPSC Staff and Commissioners, as well as with local, state, and federal authorities. Our operations and facilities have remained safe, secure, and reliable, allowing the Company to provide essential energy to customers throughout the crisis. As it responds to spring storms and prepares for the Atlantic hurricane season, ELL is taking steps to make sure that it has the people and resources necessary to restore service after severe-weather outages.

Q9. HOW IS COVID-19 AFFECTING LOUISIANA'S ECONOMY?

A. The human impact of COVID-19 has been severe and tragic, and, as one would expect, our state's economy also is suffering. As of May 18, 2020, Louisiana had the ninth-highest rate of COVID-19 cases per capita and the sixth-highest death rate per capita in the United States. Public health measures taken to combat the spread of the virus closed schools and businesses and interrupted the movement of both people and commerce. According to several economists, the widespread disruption that COVID-19 has caused to households and businesses is inflicting a global recession, and the U.S. economy could contract in the second quarter of 2020 at a level that exceeds the worst quarter of 2007-09 Great Recession.

In Louisiana, tens of thousands of workers have been laid off since public-health restrictions on certain businesses were instituted in mid-March. Nearly 73,000 Louisiana residents filed unemployment claims in the week ending on March 21, 2020, up from just

2,000 a week earlier. In the six weeks thereafter, initial claims for unemployment averaged more than 85,000 per week, peaking at 102,000 for the week ending April 4, 2020.[5]

Louisiana has a diverse economy, and the COVID-19 pandemic, as well as changes in national and global economic trends, federal policies, and commodity prices, particularly prices for oil and natural gas, will have different effects throughout Louisiana. For example, the New Orleans metropolitan area has a high percentage of jobs in sectors such as hospitality, tourism, and shipping that have high exposure to COVID-19 risks.

The greater Lafayette and Houma/Thibodaux regions have a high concentration of firms that are engaged in or depend on the offshore oil and gas extraction industry, and thus those regions are particularly susceptible to fluctuations in oil prices or interruptions of oil and/or gas production in the Gulf of Mexico. For those regions, COVID-19, which is depressing demand for gasoline and aviation fuel as people stay at home, is only part of the current economic challenge. A price war earlier this year between Russia and Saudi Arabia flooded the market with oil and pushed oil prices down 60% since the beginning of 2020 to well below $30 per barrel. Louisiana economists expected the price of oil to be nearly double that in 2020, and the lower prices will bring domestic production cuts and job losses.

Baton Rouge has a high concentration of state government, higher education, and engineering employment. Moreover, the Baton Rouge and Lake Charles metropolitan areas have the largest concentrations of chemical industry employment in the state, and the price of natural gas has a particularly significant effect on that industry. Those sectors

[5] *See* http://www.laworks.net/LaborMarketInfo/LMI_UIClaimsReportMenu.asp. The number of initial unemployment claims has steadily decreased since the week ending on April 18, 2020, down to 28,545 claims for the week ending on May 16, 2020.

appear to have more moderate exposure to COVID-19 risks, depending on the duration of the pandemic.

The Shreveport-Bossier and Alexandria regions both have a strong military presence that is influenced by federal defense spending and budget constraints, and natural-gas drilling activity in the Haynesville Shale in northwest Louisiana is directly influenced by the price of natural gas. The Monroe region, on the other hand, has both strong ties to the agricultural sector and significant employment in the finance, telecommunications, lumber, and paper industries. Those sectors could face lower to moderate exposure to COVID-19 risks compared with the travel-driven sectors.

Before the breakout of COVID-19, there was much cause for optimism about Louisiana's economy. Unemployment in Louisiana reached an 11-year low in 2019, and the state's gross domestic product reached an all-time high of $263 billion.[6] Several major capital projects are underway in Louisiana, and Louisiana's diverse regional economies have been attracting new investment. To be sure, there remain many reasons to be optimistic about Louisiana's economic future, and many of the economists who believe we are now in a global recession also predict strong recovery in 2021. Right now, however, COVID-19 is creating significant liquidity and capital risks both for the financial system in general and for private-sector consumption and investment throughout our state's economy.

[6] *See* Louisiana Economic Development 2019 Annual Report, http://dev-opportunity.louisianaserver.com/docs/default-source/default-document-library/annualreport2019-web.pdf.

Q10. HAS THE FEDERAL GOVERNMENT ADDRESSED THE ECONOMIC IMPACT OF COVID-19?

A. Yes. The federal government is taking steps to address the economic shock of COVID-19, and Congress recently passed a $2 trillion stimulus package, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The CARES Act provides emergency assistance to individuals, families, and business affected by the pandemic. For instance, the Federal Pandemic Unemployment Compensation program pays an additional $600 of benefits each week to those who are collecting regular unemployment insurance benefits and is payable through July 31, 2020, unless extended by Congress. The Pandemic Emergency Unemployment Compensation program extends unemployment insurance benefits by up to 13 weeks for those who have run out of regular benefits and remain out of work. The Pandemic Unemployment Assistance program expands benefits to those who do not qualify for regular unemployment insurance benefits (such as self-employed workers, independent contractors, and gig workers) but are unable to continue working as a result of COVID-19. The Economic Impact Payments program provides for payments of up to $1,200 per adult for qualified individuals and $500 per qualifying child.[7] The CARES Act also provides $900 million in supplemental funding for the Low Income Home Energy Assistance Program, which helps low-income households meet their home energy costs by making payments on a customer's behalf directly to energy suppliers.

For eligible small businesses, the CARES Act's Paycheck Protection Program provides small business with forgivable loans to pay up to 8 weeks of payroll costs

[7] According to the Treasury Department and the Internal Revenue Service, as of May 22, 2020, more than 2.1 million Economic Impact Payments have gone out to the state of Louisiana during the COVID-19 pandemic, totaling more than $3.6 billion.

including benefits. Funds can also be applied to rent, mortgage expenses, and utilities. To assist its small-business customers, ELL has created another online hub of resources that provides information about benefits made available under the CARES Act and other federal, state, and local business-assistance resources.[8] Despite these efforts, many economic sectors are still facing unprecedented uncertainty.

Q11. WHAT IS THE OUTLOOK FOR UTILITIES AS THEY CONTEND WITH THE DISRUPTIONS OF COVID-19?

A. The unprecedented uncertainty that I discussed above makes industry predictions and forecasts all the more challenging, particularly while the full scope and duration of the COVID-19 pandemic remain unknown. With that important caveat, initial analyses from credit ratings agencies like Moody's Investor Service ("Moody's") and S&P Global Ratings ("S&P") predicted that the U.S. regulated utility sector is better positioned than many industries to withstand the immediate impact and economic fallout of COVID-19.[9] The volatility in the financial markets that we have all observed is the biggest risk for utilities because they are significantly cash flow negative and rely heavily on external capital to maintain liquidity and meet financial obligations. The value of investment-grade

[8] *See* https://www.entergy.com/covid-19/lasmbiz/. In April 2020, ELL hosted a webinar where community leaders and experts offered insight and information to small businesses navigating newly created assistance programs, featuring U.S. Rep. Garret Graves, Louisiana Association of Business and Industry President and CEO Stephen Waguespack, Louisiana Economic Development Secretary Don Pierson, and Louisiana Bankers Association Chairman Gary Littlefield. The webinar is available at ELL's online hub for small-business resources.

[9] Moody's Investors Service Sector Comment (3/18/2020); S&P Global Ratings (3/19/2020). In a subsequent analysis on April 2, 2020, S&P revised its assessment of the North American utility industry from stable to negative, based on a modest weakening of credit quality within the industry. S&P Global Ratings (4/2/2020). Mr. Thomas has attached these and other credit agency reports to his testimony as *en globo* Exhibit JBT-3.

corporate bonds dropped sharply in March 2020, and, during the week ended March 18, investors pulled more than $35 billion from U.S. investment-grade corporate bond funds, exceeding the previous record of $7.3 billion for one-week outflow that was set just one week earlier. Although analysts expect that utilities will be one of the first sectors to attract capital as markets stabilize, the recent volatility is making access to capital on favorable terms more difficult.[10]

On the revenue side, although residential customer demand is expected to remain stable or perhaps increase during the COVID-19 pandemic (particularly considering school closures and social-distancing measures), utilities likely will see lower demand and reduced sales volumes during periods when businesses and governmental bodies scale back operations and comply with stay-at-home orders. As I discussed above, Congress has taken action to alleviate some of the economic burden of COVID-19 and to provide assistance to unemployed workers with covering rent, groceries, utility bills, and other necessities, but utility cash flow issues still may be exacerbated as some customers need more time to pay their utility bills.[11] And even measures taken to stabilize the overall economy can have negative impacts on the financial obligations of utilities. For example, lower interest rates affect pension funding calculations and will increase retirement obligations for some utilities, ELL included.

[10] One encouraging sign that contrasts the current recession with the Great Recession of 2007–09 has been that the long-term debt market has remained open to utilities. For example, in a May 4, 2020 analysis, S&P noted that the regulated utility industry issued a record level of long-term debt in the first quarter of 2020, demonstrating consistent access to public debt markets. *See* S&P Global Ratings (5/4/2020) at 5. At the same time, however, S&P anticipated a significant decline in equity issuances for the remainder of 2020 due to uncertainty surrounding COVID-19. *See id.* at 9.

[11] S&P expects bad debt expense to increase for utilities as it becomes increasingly more difficult for customers to pay their bills during the COVID-19 recession. *See* S&P Global Ratings (4/2/2020) at 7.

Analysts also have recognized that electric utilities with disproportionate exposure to large commercial and industrial customers could be vulnerable if the COVID-19 pandemic persists. Both Moody's and S&P have expressly noted that ELL falls within this higher-risk category,[12] and I elaborate on this risk later in my testimony.

Q12. HOW DO THE CHALLENGES PRESENTED BY COVID-19 RELATE TO ELL'S REQUEST TO EXTEND ITS FRP?

A. In my judgment, extending an FRP that has worked well for both the Company and its customers is a particularly appropriate step during a time of such challenge and uncertainty. The Company works to maintain a credit rating that supports a low total cost of capital for customers, while providing the financial stability and flexibility for the Company to support the safe and reliable operation of its business. In its March 2020 report on COVID-19 risks, S&P noted that the credit quality of utilities during this period could hinge on supportive regulatory mechanisms to mitigate potential declines in revenues from sales. And in its January 2020 credit opinion on ELL, Moody's noted that such mechanisms are currently in place for ELL: "Louisiana is a credit supportive regulatory environment, where formula rate plans (FRPs) provide clarity on future cost recovery, including operating and capital expenditures. ELL's FRP helps to reduce regulatory lag and increase the predictability of future cash flow and financial metrics by incorporating these costs into rates without the need for periodic general rate case proceedings."[13] In Special Order 22-2020, the LPSC confirmed the importance of supportive regulatory mechanisms to mitigate

[12] *See* Moody's Investors Service Sector Comment (3/18/2020); S&P Global Ratings (3/19/2020).

[13] *See* Moody's Investors Service Credit Opinion (1/31/2020) at 3.

the financial impacts of COVID-19 and authorized regulated utilities to record, as a regulatory asset, expenses incurred from the Commission's suspension of disconnections and collection of late fees.

As the Company faces the cash-flow risks of COVID-19, keeping the credit-supportive FRP in place also is important both to ELL's remaining financially strong and, ultimately, to protecting customers from those risks. As Mr. Thomas discusses in his testimony, ELL may be required to increase debt to continue providing customers with the essential service of safe and reliable power and to keep pace with necessary innovation of its distribution system. Extending the FRP, with the requested modifications, will assure that ELL maintains a supportive return on equity ("ROE") that allows it to meet customers' expectations for reliable service without increasing the costs of capital to those same customers by putting ELL in the position of a credit downgrade.

Finally, COVID-19 and declining oil prices will reduce Louisiana state-government collections from taxes, fees, and royalties that are tied to the price of oil. During times when the state is facing significant fiscal challenges, it is important that ELL remain a strong, financially flexible utility that is able to assist economic recovery by providing cost-competitive electric service. Extending ELL's FRP strikes an appropriate balance among the various risks facing the Company and its customers during these challenging times and avoids a costly rate case in the near term.

Q13. WHAT IS YOUR RESPONSE TO OBSERVATIONS BY CREDIT RATINGS AGENCIES THAT UTILITIES CAN REDUCE CAPITAL SPENDING OR DIVIDENDS TO ADDRESS LIQUIDITY AND CREDIT-QUALITY CONCERNS?

A. I agree that these are defensive options, but there are compelling reasons to avoid them if possible. The grid modernization efforts that I discuss later in my testimony are part of ELL's long-term commitment to investing in Louisiana's future, and they will help stimulate Louisiana's economy and recovery from COVID-19. Louisiana has long had a high concentration of energy employment, and, as I discussed above, the state is facing significant actual and potential loss of oil and gas extraction jobs. Thus, maintaining and expanding employment for energy workers who construct, upgrade, and maintain the electric grid is particularly important to Louisiana's economy at this time.[14] It also is important to ELL's customers that the Company do what it can to maintain the timing of its planned investments to modernize its distribution system to help ensure that the distribution system can continue to meet customers' needs, even as those needs change and evolve. As I discuss further below, distributed energy resources ("DERs") are being deployed in Louisiana.[15] ELL must continue to modernize its distribution grid to keep pace with these developments, both to allow its customers to realize the potential benefits of emerging technologies and to avoid costly operations, planning, and engineering challenges that could result if the Company delays its modernization efforts. In short, based on the information that we currently have, maintaining and implementing ELL's

[14] According to the 2020 U.S. Energy and Employment Report (available at https://www.usenergyjobs.org/), the transmission, distribution, and storage sector employs over 40,000 energy workers in Louisiana.

[15] As of February 2020, ELL's customers have installed around 72 MW of DERs, approximately half of the 143 MW installed statewide. *See* Form EIA-861M: https://www.eia.gov/electricity/data/eia861m/.

capital investment plan along the lines proposed in the Company's Application is the right thing to do for all of our stakeholders.

With respect to dividends, although the ability to adjust dividend payments in response to unexpected market shocks is viewed as credit positive, making such adjustments can actually have negative consequences for utilities and their customers. The expectation of regular dividend payments is a reason why many investors purchase shares in a utility. If that expectation is not met, investors may conclude that the utility's financial health has diminished, and the utility's stock price can go down. When those things happen, it can become more difficult and expensive for the utility to raise both equity and debt capital, and that can negatively affect the utility's customers. Thus, as Moody's has observed, reduction of utility dividends is typically a last resort because it often signals that greater risks are on the horizon. Indeed, during the Great Recession, utility holding companies *increased* dividends in both 2008 and 2009.[16] Although some utility holding companies with high dividend payout ratios have recently announced dividend reductions, Moody's does not expect to see a widespread reduction in utility dividends during the current recession.[17] Considering ELL's long-term investment needs as it transitions to a modernized grid, reducing dividends is not likely to be a cost-effective way to meet capital demands. Furthermore, after reaching a 52-week high of $135.55 in February 2020, Entergy Corporation's share price dropped to $75.19 in the COVID-19 market shock in

[16] *See* Moody's Investors Service Sector Comment (3/18/2020) at 3.

[17] *See* Moody's Investors Service Sector Comment (4/6/2020) at 3. Entergy Corporation's 2019 dividend payout ratio of 57% was less than the 69% average of sector holding companies surveyed by Moody's. *See id.* at 2.

March 2020 and is now trading around $100.00. Reducing dividends would further impact Entergy's Louisiana shareholders, including retirees.

II. ELL'S COMPANY PROFILE

Q14. PLEASE DESCRIBE ELL'S SERVICE AREA AND ITS VARIOUS CUSTOMER CLASSES.

A. As of December 31, 2019, ELL provided electric service to nearly 1.1 million customers across 58 of the 64 parishes in Louisiana. A significant portion of ELL's service area in Louisiana is comprised of communities that are regularly exposed to extreme weather and flooding. Roughly 939,000 of ELL's customers are residential customers, 132,000 are commercial, 10,800 are industrial, and 8,000 are governmental.

Q15. WHAT ARE THE SOURCES OF THE ENERGY THAT ELL USES TO SERVE ITS CUSTOMERS?

A. ELL primarily uses natural gas and nuclear power generation in addition to purchased power to meet our customers' needs. The Company's fuel diversity keeps customer rates as low as reasonably possible, and ELL continues to add emission-free energy to its portfolio. The Company has issued a request for proposals to add up to 250 MW of solar resources in Louisiana by 2023, and, later this year, ELL will begin purchasing power from a 50-MW solar plant currently under construction near Port Allen in West Baton Rouge Parish.

For calendar year 2019, the approximate breakdown of the generation fuel mix that ELL used to meet customers' needs was as follows: natural gas, 51%; nuclear, 22%;

purchased power, including purchases from the Midcontinent Independent System Operator, Inc. ("MISO") energy market, 22%; renewables, 3%; and coal, 2%. Notably, the percentage of nuclear generation was lower in 2019 than in 2018 because both ELL's Waterford 3 Steam Electric Station and River Bend Nuclear Station had refueling outages last year. Furthermore, the percentage of natural gas generation increased over 2018 because of the addition of the J. Wayne Leonard Power Station (f/k/a St. Charles Power Station).

Q16. PLEASE DESCRIBE THE COMPANY'S CURRENT FINANCIAL STRUCTURE AND ITS MOST RECENT GENERAL CREDIT RATINGS.

A. As of December 31, 2018, ELL's LPSC-jurisdictional rate base was approximately $10.4 billion, and its capitalization was 51.36% debt/48.64% equity. ELL's current corporate credit ratings are Baa1 (Moody's) and A- (S&P). ELL's generally supportive and consistent regulatory framework and strong financial metrics have been cited as credit strengths. Company witness Mr. Thomas provides additional detail regarding the Company's financial condition.

Q17. WHAT IS MOST SIGNIFICANT ABOUT THE OPERATING CHARACTERISTICS YOU DESCRIBED?

A. In the context of this proceeding, the most significant features of the Company's profile from my point of view are: ELL's relatively high concentration of industrial load (approximately 53% of retail sales), the ownership of two nuclear stations, and the challenges presented by maintaining reliable service in an area that has seen more than its

fair share of devastation from severe weather. These characteristics, especially when combined with the increased distribution capital spending described in this application, contribute to ELL's current risk profile and support the Company's request that its current Evaluation Period Cost of Equity ("EPCOE") of 9.8% remain unchanged.

Q18. WHAT IS THE SIGNIFICANCE OF THE RELATIVELY HIGH CONCENTRATION OF INDUSTRIAL LOAD IN ELL'S SERVICE AREA IN THE CONTEXT OF ITS RISK PROFILE?

A. Industrial consumers generally have more options available to them than other types of electric service consumers and, as a result, are at a greater risk of leaving the system than other consumers. For example, an industrial customer can choose to install co-generation, shift load to other locations, or could choose to suspend operations when its business is not economic. When this does occur, it often makes it more difficult for the utility to recover its fixed costs. Certain levels of industrial load are also more susceptible to changes resulting from general economic downturns than other types of load.

The current economic challenges presented by COVID-19 and the oil price shock that I discussed above further demonstrate the significance of ELL's relatively high exposure to sales revenue derived from industrial customers. A significant portion of ELL's industrial customer base is concentrated in the refining industry and therefore influenced by oil prices.[18] If the current economic pressures lower production and weaken credit quality in that industry, then ELL's electricity sales could also be negatively affected.

[18] Nearly 13% of the refineries in the United States are in ELL's service area, and those refineries represent approximately 20% of our country's domestic refinery capacity.

Q19. HOW DOES ELL COMPARE TO ITS LPSC-JURISDICTIONAL PEERS IN THIS REGARD?

A. The table below depicts the 2019 industrial sales as a percentage of total retail sales and indicates not only that the percentage of ELL's industrial load is the greatest of all of the three investor-owned electric utilities regulated by the LPSC, but also that ELL's percentage of industrial sales for 2019 (53%) is more than double that of Cleco's (22%) and nearly triple that of Southwestern Electric Power Company's ("SWEPCO's") (18%).

Table 1
2019 Industrial Sales (MWh)
for LPSC-Jurisdictional IOUs (electric)

	Industrial Sales	Total Retail Sales	Percentage of Total Retail Sales
ELL	29,801,170	56,027,201	53%
CLECO	1,851,004	8,279,117	22%
SWEPCO LA	1,202,447	6,508,729	18%

Preliminary 2019 Form 861M Data Provided by U.S. Energy Information Administration (www.eia.gov).

As such, ELL's concentration of industrial load is perceived by rating agencies as riskier relative to its peers.[19]

[19] *See* Moody's Investors Service Sector Comment (3/18/2020) at 3–4 (stating that the "[m]ost direct risk is declining commercial and industrial demand" and listing ELL among the top 10 utilities with the highest proportion of industrial customers).

Q20. WHAT IS THE SIGNIFICANCE OF THE PRESENCE OF NUCLEAR GENERATION IN ELL'S RESOURCE PORTFOLIO IN THE CONTEXT OF ITS RISK PROFILE?

A. Nuclear generation is an important part of ELL's generation resource portfolio. It provides clean, economic base load capacity and contributes to fuel diversity in ELL's portfolio. More specifically, the 974-megawatt River Bend Nuclear Station in St. Francisville and the 1,159-megawatt Waterford 3 Steam Electric Station in Killona are the largest sources of carbon-free power in Louisiana; together, they annually generate on average more than 15% of Louisiana's electricity; they employ more than 1,500 highly-skilled workers; and they contribute more than $36 million annually in state and local taxes.

Irrespective of these benefits, nuclear generation has different risks relative to other types of generation given the extensive safety and regulatory compliance requirements needed for nuclear generation, as well as limited availability of vendors with the specialized knowledge to provide services to the plants. Historically, River Bend and Waterford 3 have been subject to significant regulatory disallowances. One such example may be observed from the results of the Commission's prudence review of the Waterford 3 Steam Generator Replacement Project in Docket No. U-32812. In that instance, there were only two contractors in the world with the specialized knowledge necessary to support the design and fabrication of the key component of the roughly $650 million project. Despite finding no negligence on ELL's part, the Administrative Law Judge recommended that ELL not be allowed to recover a major portion of the project's cost. Ultimately, the Company agreed to a one-time refund of $70.48 million, an ongoing rate reduction of $9.44 million, and a reduction to ELL's plant-in-service of $67.38 million.

Another example of such regulatory risk is illustrated by ELL's limited recovery of costs incurred with attempted new nuclear development. Beginning in the 2005 timeframe, the Company engaged in dialogue with the Commission and was encouraged to join the race to develop new nuclear generation in order to take advantage of the improvements in the Nuclear Regulatory Commission's practices involving the licensing of new reactors and federal incentives offered by the Energy Policy Act of 2005. In 2009, however, ELL suspended its pursuit of new nuclear generation in the face of changing market conditions, a decision that now appears to have been prescient considering the state of new nuclear development in the United States. Yet, the Company faced strong resistance to recovery of the $59 million (Legacy ELL's and Legacy EGSL's portion) spent to explore development of new nuclear generation. As part of the settlement of its most recent rate case, ELL agreed to amortize the costs it incurred in developing these new nuclear generation resources over an 8-year period. However, in order to receive cost recovery, the stipulation was conditioned on the limitation that the amortization would not result in future increases in rates.

Q21. HOW DOES ELL COMPARE TO ITS LPSC-JURISDICTIONAL PEERS AS IT PERTAINS TO THE INCLUSION OF NUCLEAR GENERATION IN ITS RESOURCE PORTFOLIO?

A. Neither Cleco nor SWEPCO has nuclear generation in its portfolio.

Q22. WHY ARE THESE DIFFERENCES BETWEEN ELL AND ITS LPSC-JURISDICTIONAL PEERS NOTABLE?

A. Although ELL's requested relief in this proceeding seeks certain modifications to its FRP, the currently authorized target ROE/EPCOE is not one of the requested changes, as ELL's authorized ROE remains within the range of reasonableness. If one looks to the facts that: (1) Cleco and SWEPCO both operate under the Commission's jurisdiction with an FRP and their respective target ROEs are 10.0% and 9.8%, respectively, and (2) ELL's relatively high concentration of industrial load and its nuclear generation present certain risks or levels of risk that Cleco and SWEPCO do not have, the Company's request to maintain the current 9.8% target ROE is reasonable.

Q23. YOU PREVIOUSLY MENTIONED POSITIVE MOMENTUM IN LOUISIANA'S ECONOMY PRIOR TO THE OUTBREAK OF COVID-19. HAVE ELL'S RATES UNDER ITS FRP CONTRIBUTED TO GROWTH IN LOUISIANA'S ECONOMY?

A. Absolutely. Businesses that are looking to invest or expand in Louisiana require safe and reliable electric service at competitive rates. As Figure 1 below demonstrates, ELL's nuclear generation and clean, modern gas-fired generation have contributed significantly to Louisiana's enjoying the lowest retail electric energy prices in the U.S. And Figure 2 below shows that ELL's residential rates have *declined* over the past decade while the U.S. average has increased.

Figure 1

Figure 2

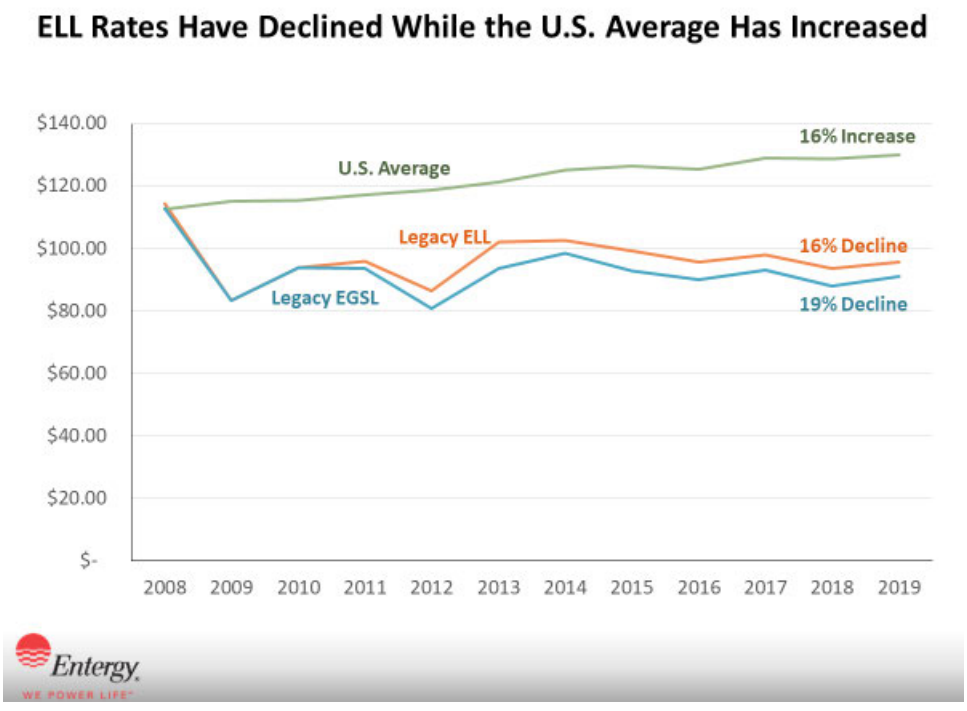

Figure 2 demonstrates that ELL's FRP and the more timely recovery mechanisms that the Commission has authorized under the FRP have resulted in reasonable rates that have benefited customers. That ELL has managed to keep customer bills relatively flat over this period is particularly noteworthy considering that, over the past decade, ELL made some of the largest capital additions in its history (*e.g.,* Waterford 3 Steam Generator Replacement Project, Ninemile 6, J. Wayne Leonard Power Station (f/k/a St. Charles Power Station)); invested heavily in its transmission system, as discussed by Mr. Thomas; and recovered restoration costs from Hurricanes Katrina, Rita, Gustav, Ike, and Isaac.

III. MODERNIZING ELL'S DISTRIBUTION GRID

Q24. WHAT IS THE STATUS OF ELL'S INVESTMENT IN ITS ELECTRIC DISTRIBUTION SYSTEM?

A. As Mr. Arnould and Mr. Thomas discuss in detail, ELL has steadily increased its investments in the distribution system during the 2013-2019 timeframe and anticipates that increasing levels of investment in distribution will continue during the 2020-2023 time period. This investment is part of the Company's overall effort to meet customers' expectations and transform our business as technology and the industry evolve.

Over the past decade, the U.S. electric utility industry has invested considerable capital to replace and upgrade aging infrastructure. For its part, ELL has modernized its power plants, adding both cleaner and more efficient energy sources in order to provide our customers with reliable, safe, and low-cost energy. ELL has also invested significantly in its transmission grid to expand for growth and to comply with federal reliability requirements. Just as ELL's customers have benefitted from improvements in generation

and transmission, ELL expects to continue to implement grid modernization and improvements to its distribution system that will benefit customers.

Q25. PLEASE ELABORATE ON HOW TECHNOLOGY AND CUSTOMER EXPECTATIONS RELATE TO THE EVOLUTION OF THE ELECTRIC UTILITY INDUSTRY.

A. Technological advancements are changing the way electricity can be supplied, distributed, and consumed. Supply alternatives such as utility-scale solar photovoltaic ("PV") are becoming increasingly viable options for serving customers under the appropriate circumstances. Customers increasingly also are generating their own energy through DERs, such as residential-scale solar PV systems, and interconnecting those DERs to the electric distribution grid. Customers expect that the electric distribution grid will accommodate and facilitate their adoption of these and other technologies, like electric vehicles ("EVs"). Technological advancements have also changed customer expectations regarding how they interact with their service providers and how they manage the services that are provided. Technological advancements have also led to increasing energy efficiency and reductions in usage per customer (or "UPC"), particularly in the residential and small commercial customer classes. Added to these advancements is the wealth of knowledge and services that are available to consumers via the internet, and, over the past several years, there has been a significant increase in customers' expectations that they be able to access information and manage services via mobile devices like smart phones and tablets. Accordingly, ELL is constantly evaluating and updating its digital communications technologies, including better support for smart phones and tablets.

Q26. HOW DOES THE ADVANCE METERING SYSTEM THAT THE COMMISSION APPROVED IN 2017 RELATE TO ELL'S EFFORTS TO IMPROVE ITS DISTRIBUTION SYSTEM?

A. As ELL discussed in its application in LPSC Docket No. U-34320, the Company believes that the Advanced Metering System ("AMS") that it currently is implementing in Louisiana is the foundation of the modernized power grid and will deliver reliability, customer service, and other improvements to customers, while providing significant benefits to the Company's stakeholders. AMS is enabling ELL to more accurately identify outage locations on its distribution system, which will allow quicker and more accurate detection of service problems, improved outage and restoration communications with customers, and overall faster outage restoration. AMS also will enable ELL to take advantage of future technological innovations to continue to improve the distribution system and the customer experience.

Q27. WHAT DO YOU MEAN BY THE TERM GRID MODERNIZATION?

A. In the electric utility industry, grid modernization refers to upgrading and redesigning distribution infrastructure while also adding new technologies and intelligent devices that facilitate safe, multi-directional energy flows, automate operations, enable remote control, increase operational efficiency, improve quality of service, increase reliability and resiliency, and expand options for customers. Traditionally, ELL's distribution infrastructure was designed for reliably and safely distributing energy in only one direction – from large substations to customers. However, as I noted above, technological

advancements and increased adoption of EVs and DERs will require more functionality and flexibility from distribution infrastructure than was originally needed. Thus, as Mr. Arnould discusses further, grid modernization is a fundamental change to the industry's and ELL's approach on how to evaluate, invest in, operate, and maintain the distribution system. This change involves adopting a more customer-centric strategy for designing and maintaining the distribution grid.

Q28. PLEASE PROVIDE MORE DETAIL ON THE TYPES OF TECHNOLOGIES THAT ARE INCLUDED IN THE SCOPE OF GRID MODERNIZATION.

A. Grid modernization involves investing in and incorporating equipment and tools, as well as specialized sensors and software, which perform more advanced functions than those traditionally performed by the equipment comprising the distribution infrastructure. Many of these kinds of equipment build on and utilize the capabilities presently being enabled through AMS deployment, and the associated support systems, by collecting, analyzing, and delivering information from the field necessary for grid automation, real-time decision making, and long-term planning. The technology and infrastructure components that comprise a modernized grid can be thought of in three broad categories: Smart Grid Infrastructure, Smart Grid Technology, and Advanced Distribution Planning.

The first category, Smart Grid Infrastructure, includes assets capable of supporting increased bi-directional power flow from DERs and that is expected to facilitate optimization of DERs like solar power PV or battery storage systems. Examples of assets within this category include conductors with increased load and carrying capacity,

electronic reclosers to sense and isolate issues, and smart tie switches allowing alternate energy paths.

The second category, Smart Grid Technology, represents the specialized sensors, collectors and associated software systems that collect, analyze, and deliver information for real-time decision making and automation. Examples of technologies in this category include: (i) Smart Grid Sensors: small communication nodes that serve as detection stations in a sensor network, which enable the remote monitoring of equipment such as transformers and power lines; (ii) Distribution Automation ("DA") Enabled Devices: distribution grid devices, such as reclosers, regulators, and capacitors, that are equipped with smart controls that enable the devices to communicate with utility software solutions and perform real-time sensing and reconfiguration of the distribution system; and (iii) Data Analytics Software: computer programs that can use data from smart devices to identify portions of the distribution system reporting abnormal information and enable proactive engineering analyses to prevent outages in these areas by replacing equipment before it fails. The DA-enabled devices, together with the Outage Management System and Distribution Management System ("OMS/DMS")[20] presently being deployed by ELL in conjunction with the AMS project, can be utilized to enable Self-Healing Networks, which monitor the distribution system for any outage conditions and automatically reconfigure the path of power to isolate the outage and restore power to all unaffected customers in the surrounding area. Additionally, these investments can reduce power line losses with active

[20] OMS/DMS is a software system that integrates real-time networked field devices and AMS data with a geospatial information system ("GIS"). This system provides more efficient and intelligent energy grid operations and improves situational awareness for operators. Networked field devices include: automated feeder switches, reclosers, capacitors, and voltage regulators. This technology has the ability to manage and shift load, identify faults, and improve response time, thereby shortening the overall duration of outages.

management of voltage and reactive power (vars), resulting in opportunities to reduce fuel costs for customers.

The third category, Advanced Distribution Planning, represents a change in how the distribution system is evaluated and modifications are designed, as enabled by increased data and new analytics from new technologies. Currently, distribution planning is studied at system peak periods. As Mr. Arnould points out, this practice traditionally has been effective for maintaining ELL's distribution system. However, Advanced Distribution Planning will leverage additional data captured from AMS and DA to perform more robust analysis during multiple time periods and under differing load conditions to ensure that infrastructure upgrade projects meet future load scenarios.

Q29. HOW DO THE GRID MODERNIZATION INVESTMENTS YOU DESCRIBE ABOVE DIFFER FROM TRADITIONAL DISTRIBUTION MAINTENANCE INVESTMENTS?

A. Grid modernization investments differ from grid maintenance investments in that the latter costs are typically incurred as part of a utility's ordinary course of business and are required for a utility to continue to provide reliable service in the short term. These traditional investments are typically reactive in nature and are incurred due to problems presented by existing equipment (*e.g.*, replacing damaged or aging assets, addressing compliance issues, etc.). In contrast, grid modernization investments are proactive investments designed to enhance the functionalities and services that grid infrastructure can provide to customers, while also changing the paradigm for evaluating and maintaining the reliability of the distribution system. Some components of a grid modernization project may seem, at first glance, to be similar to reliability-related activities, for example adding conductor or

replacing poles. However, within a grid modernization project, more holistic consideration is given to the future capabilities and functionalities that this equipment must support.

Q30. DOES THE MODERNIZATION OF ELL'S DISTRIBUTION SYSTEM ELIMINATE THE NEED FOR ONGOING MAINTENANCE OF THAT SYSTEM?

A. No. As ELL's distribution system is modernized, the Company still must devote time, effort, and capital to maintaining the distribution system. Those functions will still be performed by the Distribution Operations Organization, which, as Mr. Arnould discusses, currently is responsible for engineering, operations, maintenance, and construction efforts for the distribution system. But, as Mr. Arnould also discusses, the grid modernization investments will enable that organization to improve the way it performs its functions. In other words, traditional reliability programs and grid modernization investments work together and complement each other.

Q31. MUST THE DEPLOYMENT OF GRID MODERNIZATION BE COMPLETED FOR ELL'S ENTIRE SERVICE AREA BEFORE CUSTOMERS CAN EXPECT TO SEE RELIABILITY BENEFITS?

A. No. In fact, improved distribution system reliability is expected to be observed immediately and incrementally upon deployment of component grid modernization technologies. A compelling example is ELL's recent improvements to the feeders that serve the University City neighborhood in the City of Kenner, which Mr. Arnould discusses in his testimony. The reliability benefits to customers in that neighborhood from the improvements have included improved System Average Interruption Frequency Index

("SAIFI")[21] and System Average Interruption Duration Index ("SAIDI"),[22] less frequent outages, fewer customers interrupted, and faster restoration times for customers. In addition to SAIDI and SAIFI, these reliability benefits can also be tracked in more customer-centric measurements of reliability performance like avoided Customer Interruptions ("CIs") and Customer Minutes Interrupted ("CMIs"), as Mr. Arnould explains in his discussion of the University City improvements. Realization of these reliability benefits typically occurs even before final completion of a comprehensive grid modernization initiative or even final completion of a designed project because incremental reliability benefits can be observed and tracked upon installation of individual component technologies and assets on a circuit-by-circuit basis.

Q32. YOU MENTIONED ABOVE THE SAIFI AND SAIDI INDICES. IS ELL'S DISTRIBUTION SYSTEM MEETING THE MINIMUM RELIABILITY PERFORMANCE STANDARDS SET FORTH IN THE COMMISSION'S GENERAL ORDER OF APRIL 30, 1998?

A. Generally, yes. In the referenced General Order, issued in Docket No. U-22389, the Commission set minimum distribution reliability performance standards that currently

[21] SAIFI is used to measure the number of outages or interruptions per customer per year. Most electric utilities use this measurement as a tool to assess the reliability of their electrical system, excluding major outage events that cause interruptions to a significant portion of their customer base. SAIFI is calculated by adding up the number of customers experiencing a sustained outage longer than 5 minutes during the reporting period and then dividing it by the average annual number of electric customers.

[22] SAIDI measures the number of outage minutes per customer per year. Most utilities also use this measurement when reviewing the reliability of their electrical system, excluding outage events that cause interruptions to a significant portion of their customer base due to extreme weather or unusual events. SAIDI is calculated by adding up the outage minutes of all the customers that have been without power during a sustained outage longer than 5 minutes and then dividing by the average annual number of electric customers.

consist of an annual SAIFI score of 2.28 and an annual SAIDI score of 2.87 hours, or 172.2 minutes. Performance is considered unacceptable when a utility's annual indices are higher than those minimum performance levels. For each year between 2013 and 2019, ELL's SAIFI score was significantly lower (and therefore better) than the LPSC's minimum performance level. In 2018, however, ELL's SAIDI score increased from 2.72 hours (163.3 minutes) in 2017 to 3.57 hours (214 minutes). Although ELL's SAIDI score for 2019, 3.02 hours (181.2 minutes), also did not meet the minimum performance level, it marked a 15% improvement over 2018.

ELL's SAIDI score for 2019 demonstrates both improvement and that the Company has more work to do to continue improving its distribution system. But the 2018 and 2019 SAIDI scores should not be misinterpreted as suggesting that ELL is not providing reliable service. Through deployment of the sectionalizing program that Mr. Arnould discusses in his testimony, ELL has installed and continues to install devices on targeted circuits that automatically isolate and potentially re-energize sections of a feeder after a disturbance. Those devices minimize the impact of an outage by decreasing the number of impacted customers. So, in 2018 and 2019, as compared to previous years, there were fewer events that met the Major Event exclusion of the Commission's General Order.[23] Including in the SAIDI calculation events that would have been excluded in prior years has an adverse effect on ELL's SAIDI score calculated in accordance with the LPSC's 1998 General Order, but, from the customer perspective, reliability is improving. Thus, the holistic

[23] *See* LPSC General Order (4/30/98) at §2 ("**Major Event:** A catastrophic event that exceeds the design limits of the electric power system, such as an extreme storm. These events shall include situations where there is a loss of service to 10% or more of the customers in a region, and where full restoration of all affected customers requires more than 24 hours from the beginning of the event.").

approach of grid modernization does challenge the way we have traditionally viewed and evaluated the distribution system, but the overall effort and investment will improve reliability and help ELL meet customer expectations.

IV. OVERVIEW OF THE COMPANY'S REQUEST

Q33. PLEASE PROVIDE AN OVERVIEW OF THE RELIEF ELL IS REQUESTING IN THIS PROCEEDING.

A. ELL requests authorization to extend its current FRP with certain modifications necessary to: (1) address increasing capital investment requirements, particularly in the area of the distribution function; and (2) reflect in rates the capital costs associated with the resulting distribution projects more contemporaneously with when customers begin to receive the benefits of those projects. Extension of the FRP with the requested modifications is the most efficient means of supporting ELL's ability to continue meeting its obligations to its stakeholders—ELL's customers, investors, employees, and the communities it serves. Supporting ELL's financial stability is important because the Company provides service in an area that frequently experiences extreme weather conditions and is vulnerable to catastrophic hurricanes. And, as I previously discussed, such support is even more important as our stakeholders contend with COVID-19.

Q34. PLEASE SUMMARIZE THE REASONS WHY THE COMPANY IS SEEKING TO EXTEND ITS FRP WITH THE CHANGES IT IS SEEKING.

A. When designed appropriately, annual formula rate plan reviews provide a timely and efficient mechanism for the Commission to review rates and determine whether

adjustments are necessary. They provide significant administrative efficiencies and ensure that rate adjustments will be made in a timely fashion. ELL's FRP has proven to be an effective and efficient mechanism, benefitting both customers and the Company. For example, the Additional Capacity Mechanism ("ACM") and Transmission Recovery Mechanism ("TRM") provisions of the FRP have enabled the Commission to timely review both the benefits and costs of significant capital investment decisions related to generation and transmission and synchronize the cost recovery of those investments with the associated savings resulting from the transactions. Over the course of the current FRP, ELL has increased its focus on making productive investments to enhance service and lower costs and, as a result, customers have benefited from some of the lowest rates in the country while receiving safe and reliable service.

Historically, the trend in the utility industry toward increasing customer usage and customer load has meant that larger utility investments most frequently took the form of generation additions to meet the resulting increasing capacity requirements. This was often the basis for the timing of rate cases, to align with the recovery of these major investments. Several years after adopting an FRP to establish rates for ELL, the Commission recognized that the sharing mechanism of the FRP did not provide a reasonable opportunity for the Company to recover these significant investments and, at the same time, earn reasonable returns. To account for this, the ACM and TRM were established to allow for recovery of the cost of significant investments concurrent with the benefits that those investments provided to customers.

In addition to these substantial investments in planned capacity additions and transmission projects, the Company is experiencing a significant increase in the level of

capital investment necessary for the distribution system and anticipates that this investment will increase considerably in the near future. These investments in distribution are necessary to maintain and improve the reliability of the distribution system, to incorporate new and innovative technologies, and to respond to customers' needs and expectations for electric utility service. At the same time, while overall sales and load continue to increase, ELL is experiencing revenue erosion in the residential and commercial customer classes (*i.e.*, the customer classes that will see the most benefit from the Company's investment in the distribution system) due to a continuing decline in average UPC across these classes. This trend of declining customer usage is caused by both technology (such as smart thermostats and smart homes) and energy efficiency measures that are well beyond those adopted by the Commission.[24] The effects of this trend are exacerbated by the manner in which rates are designed to be collected from customers. As such, enhancements to the FRP are necessary to offset the effects of these fundamental changes that are facing the industry as a whole and to ensure just and reasonable rates that allow the Company a reasonable opportunity to earn its allowed return, while also appropriately allocating the costs and benefits of investments the Company makes to serve customers.

Without ELL's requested changes to the FRP, the Company's ability to both earn its authorized return and commit the capital necessary to continue to invest in distribution projects will be threatened. ELL is therefore seeking to extend its FRP with modifications so that it will be able to function efficiently and effectively in setting just and reasonable rates as it has for over two decades.

[24] *See* LPSC General Order No. R-31106 (11/27/19).

A. Existing FRP

Q35. PLEASE PROVIDE A BRIEF OVERVIEW OF HOW THE CURRENT ELL FRP OPERATES.

A. ELL's current FRP regulates electric rates by establishing an approved EPCOE and then requiring prospective rate changes to occur if ELL's test year operating revenues produce an earned return on equity ("EROE") either higher or lower than the approved EPCOE plus or minus an earnings "Bandwidth," within which Bandwidth rates do not change. Mr. Thomas's Direct Testimony describes, in greater detail, how the Company's current FRP operates.

Q36. WHAT ARE SOME OF THE BENEFITS TO THE COMPANY AND ITS CUSTOMERS AFFORDED BY THE CURRENT FRP?

A. As I noted above, annual FRP reviews provide a timely and efficient mechanism for the Commission to review rates and determine whether adjustments are necessary. The use of an FRP also provides significant administrative efficiencies (both in terms of cost and time) as compared to base rate cases. Both of these features benefit the utility and its customers, as has been the case with the ELL FRP.

ELL's FRP has also proven very effective in allowing the Company to efficiently reflect in rates several other transformative changes that have benefited customers without the need for filing costly rate cases. In addition to the modernization of the Company's generation portfolio, these changes include joining MISO, combining Legacy ELL and Legacy EGSL, the termination of the Entergy System Agreement, and reflecting the

reduction in the corporate income tax rate pursuant to the Tax Cuts and Jobs Act of 2017. Indeed, when the Entergy System Agreement terminated on August 31, 2016, the FRP allowed the Company to reflect a resulting $42 million reduction in rates on the day of termination. Additionally, the Tax Reform Adjustment Mechanism in the current FRP has provided a means for the Company to timely and efficiently provide savings to customers resulting from reduced federal income tax expense.

The ELL FRP has helped provide the Company and its predecessor companies an opportunity to recover costs in a timely fashion, afforded the opportunity to lower rates prospectively if necessary, and allowed customers the certainty that, even in the event of rising costs, that rise will be mitigated by the operation of the FRP mechanism. These are some of the very benefits identified by the parties to the settlement agreement in Docket Nos. U-32707 and U-32708 when they urged the Commission to approve ELL's FRP. And, during this time, customers have benefitted from reasonable electric rates. In 2019, ELL's overall electric rates were among the lowest in the nation and more than 37% below the national average.[25]

Q37. HAS THE LPSC ENCOURAGED THE USE OF FRPS?

A. The LPSC has clearly demonstrated a preference for FRPs. All three investor-owned electric utilities, all Group 1 gas distribution companies, and 7 of 11 cooperatives in Louisiana currently use or have used formula rate mechanisms. I am not aware of an

[25] Preliminary 2019 U.S. Energy Information Administration Form 861M. *See* Form EIA-861M: https://www.eia.gov/electricity/data/eia861m/.

instance in the last decade when the LPSC has declined to approve an FRP when it has been requested.

This LPSC preference for FRP ratemaking is well-founded. In addition to the many benefits described above, it has saved ratepayers millions in rate case expenses over the years. For example, between ELL's expenses and those of the Commission's outside consultants and counsel, ELL customers incurred more than $3 million in external rate case expenses (including carrying costs) associated with ELL's 2013 rate case, which ultimately was settled, leading to an extension of the ELL FRP. With the significant investment facing the Company over the next three years, ELL will have to file annual rate cases if it is not operating under an FRP. In fact, ELL is seeking expedited consideration in this proceeding in order to have a Commission decision by the end of the third quarter of 2020, so as to avoid the need to file a costly rate case soon thereafter. As I described earlier, these expenses will be mitigated substantially if the Company is operating under a properly structured FRP.

B. Requested Changes to FRP

Q38. WHY IS THE COMPANY PROPOSING CHANGES TO ITS FRP?

A. The Company continues to focus on making investments that will modernize its utility infrastructure and provide customers with direct benefits in the form of enhanced reliability. The benefits from these investments are realized by customers immediately upon being placed in service. At the same time, the combination of several factors, including the increased need for capital investment and declining average usage within the residential and commercial sectors, place extreme pressures on the Company's opportunity

to earn a reasonable return on its investment. As Mr. Thomas explains in his Direct Testimony, these factors and the principle of matching benefits with burdens supports implementation of an FRP mechanism that more effectively provides for cost recovery contemporaneously with when customers are realizing the benefits of incremental investments. This, of course, is not a situation unique to ELL and, as Mr. Thomas describes, many jurisdictions have responded with versions of formula rate mechanisms that are better at matching cost incurrence with cost recovery. For example, Entergy Arkansas, LLC and Entergy Mississippi, LLC utilize a forward test year and forward-looking mechanism, respectively, in an attempt to account for similar changes and allow for a reset fully to the target ROE (or point of adjustment) if earnings fall outside of a bandwidth, unlike the current ELL FRP, which utilizes an historic test year and employs a sharing mechanism to reset to the edge of the dead band. Although ELL believes that such wholesale changes to the ELL FRP have merit under the proper circumstances, it is requesting here more modest revisions to its FRP, revisions tailored to the circumstances of ELL that are necessary to ensure that the Company and its customers can continue to realize the benefits of its FRP.

Q39. WHAT ARE THE CHANGES PROPOSED BY THE COMPANY?

A. Mr. Thomas describes all of the Company's requested changes in detail. I would like to focus on the following four proposals: (1) a one-time reset of Total FRP Revenue to the midpoint of the Bandwidth (authorized ROE) based on the 2020 Evaluation Period, which includes temporary suspension of the sharing provisions of the FRP; (2) addition of a Distribution Recovery Mechanism ("DRM") to Section 3 of the FRP, which would allow

recovery of certain distribution-related capital investments on a more contemporaneous basis with when benefits are realized by customers; (3) a modification of the method by which rate base is calculated, to utilize end-of-year balances instead of the beginning/ending average; and (4) deferral of [redacted] in expenses over a three-year period (2020-2022) relating to management of vegetation outside of the Company's rights-of-way by treating those expenses as a regulatory asset to be amortized into rates over a ten-year period.

Q40. WHY IS THE COMPANY REQUESTING A MIDPOINT RESET AS PART OF ITS REQUEST TO EXTEND ITS FRP?

A. Generally, the FRPs adopted by the LPSC for the investor-owned utilities have contemplated that upon expiration of the term of the FRP, either (1) a base rate case would be filed or (2) the FRP would be extended, with or without modification of the terms upon which the FRP operates. In the case of an FRP extension, the Commission's practice is to reset the utility's earned rate of return to the midpoint in the initial year of that FRP extension. Indeed, in supporting the Commission's extension of the SWEPCO FRP – and accompanying midpoint reset – LPSC Staff witness Matthew I. Kahal recognized that in the context of FRP renewals "resetting rates to the cost of service (at the midpoint ROE) follows established Commission precedent."[26] For the many reasons I and Mr. Thomas explain, extension of the ELL FRP – as opposed to ELL's filing of multiple rate cases in the next three years – benefits the Company and its customers. As such, the Company is

[26] *See* Direct Testimony of Matthew I. Kahal on behalf of LPSC Staff at 14, Docket No. U-34200 (4/17/2017).

seeking that extension with a reset to its authorized ROE for the first test year of that extension (2020).

Q41. WHAT CHANGE IS THE COMPANY PROPOSING TO SECTION 3 OF THE FRP?

A. As explained in greater detail by Mr. Thomas, the Company is proposing to add a DRM to the FRP as Section 3.G, which would provide for recovery of capital investments in the distribution system as well as operations and maintenance expenditures.

Q42. WHY IS THE COMPANY PROPOSING THAT SECTION 3 OF THE FRP BE MODIFIED TO INCLUDE A DISTRIBUTION RECOVERY MECHANISM?

A. As I previously discussed in detail and as Mr. Arnould also explains in his Direct Testimony, the Company has experienced a significant increase in the amount of capital investment needed to modernize and maintain the distribution system, and that amount is expected to increase further over the four-year period from 2020 through 2023. As described above, these investments will provide direct benefits to customers that rely on the distribution grid, many of which benefits will be realized immediately and incrementally—particularly in the form of increased reliability (such as less-frequent outages, fewer customers interrupted, and quicker restoration times). As Mr. Thomas further explains, ELL's FRP has evolved to provide a framework that allows for in-service ratemaking of significant, productive investments in generation and transmission. The DRM that ELL is proposing now would provide a similar, needed framework for distribution investment.

Q43. CONSIDERING THE CHALLENGES PRESENTED BY COVID-19 THAT YOU DISCUSSED ABOVE, IS NOW AN APPROPRIATE TIME FOR ELL TO INCLUDE A DRM IN ITS FRP?

A. Yes, I believe so. The COVID-19 pandemic has underscored the importance of highly reliable service to all customers. With the number of customers now telecommuting, what previously was an inconvenience if a short outage occurred now becomes an impediment to work productivity, thus making it increasingly important that ELL modernize its distribution system. Further, investment in the distribution system is local in nature and allows ELL to support economic recovery throughout Louisiana. Such investment also provides hardening benefits to the distribution system and can shorten restoration time following a major weather event, which Louisiana, unfortunately, is vulnerable to experiencing. Finally, considering the magnitude of ELL's future investment in the distribution system, having the DRM in place will avoid the necessity for ELL to file annual, or "pancaked," rate cases in order to timely reflect those costs in rates.

Q44. WHAT CHANGE IS THE COMPANY PROPOSING TO THE METHOD FOR CALCULATING RATE BASE?

A. Currently, the FRP provides that when calculating rate base, "beginning/ending average balances are to be utilized except where otherwise noted." The Company is proposing to modify this instruction to utilize year-end balances instead of the beginning/ending average.

Q45. WHY IS THE COMPANY PROPOSING THAT THE DEFINITION OF RATE BASE BE MODIFIED TO UTILIZE YEAR-END BALANCES?

A. As explained in greater detail by Mr. Thomas, the change from using a beginning/ending average for rate base to using a year-end balance will help to mitigate regulatory lag in a time of significant growth in capital investment and lower sales growth, thereby causing the FRP to better reflect ELL's costs for ratemaking on a timely basis.

Q46. PLEASE EXPLAIN THE COMPANY'S PROPOSAL FOR VEGETATION MANAGEMENT OUTSIDE OF RIGHT-OF-WAY.

A. ELL's service area has very dense vegetation with high growth rates. In 2018, the Company saw an increase in vegetation-related CIs and CMIs over prior years. Although those interruptions decreased in frequency and duration in 2019, vegetation from outside of the Company's rights-of-way contributed significantly to the interruptions in both years. For its transmission and distribution systems, the Company, in addition to maintaining rights-of-way through regular inspection and trimming, seeks to remove trees located outside of the rights-of-way ("OROW") that might endanger the Company's conductors and structures, particularly during storm events. ELL's vegetation management programs rely heavily on contractors, and such danger trees are often identified in the course of their work. As we continue work in the next few years to modernize and upgrade the electric grid, there will be more contract crews working on our circuits, and thus more opportunities to identify and remove danger trees.

Accordingly, ELL is proposing a three-year program (2020-2022) under which it will coordinate the identification and removal of danger trees with its increased investment

in the distribution system and continued investment in the transmission system. In his Direct Testimony, Mr. Arnould discusses the program and its proposed spending levels, under which over 70% of project funding will address OROW vegetation on the distribution system, with the remainder targeted to the transmission system. I expect that this coordinated investment will benefit our customers for several years to come by improving reliability and reducing future repair costs. The Company is therefore requesting to defer the expenses of this three-year effort as a regulatory asset to be amortized into rates over a ten-year period. The Company believes that this treatment will best align the costs to customers with the expected reliability benefits.

Q47. IS THE COMPANY PROPOSING TO MAINTAIN THE TRANSMISSION RECOVERY MECHANISM IN ELL'S FRP?

A. Yes, for the reasons discussed by Mr. Thomas. ELL anticipates that it will continue over 2020-2023 to invest in its transmission system at the same level seen during 2017-2019. As with the investments made during the 2017-2019 timeframe, the level of investment anticipated for 2020-2023 will be driven by reliability planning, infrastructure maintenance and reliability needs, and generation interconnection projects. It is anticipated that these investments will continue to provide contemporaneous benefits to customers in the form of increased security, reliability, economic development, and cost savings.

Q48. HAS TRANSMISSION RELIABILITY IMPROVED SINCE THE TRM WAS ADDED TO ELL'S FRP?

A. Yes. Because the performance of the transmission system depends on factors like weather that are beyond the Company's control, year-to-year variations in reliability indices will, by themselves, rarely provide a basis for overall conclusions about system reliability. But ELL's Transmission-SAIFI and Transmission-SAIDI indices improved both in 2018 and 2019. The TRM, moreover, is serving its intended function of matching customer benefits to cost recovery in a timely manner, and that facilitates continued reliability improvement.

Q49. PLEASE PROVIDE SOME EXAMPLES OF UPCOMING MAJOR TRANSMISSION INVESTMENTS THAT ELL ANTICIPATES FOR THE 2020-2023 TIME PERIOD.

A. The new [redacted] will be required to reliably serve existing and new[27] customers in the region while maintaining compliance with North American Electric Reliability Corporation ("NERC") Reliability Standards. This project involves the construction of [redacted].

Phase 1 of the Jefferson Parish Reliability Improvement Plan involves the construction of a new 230 kV substation named Churchill, south of the Ninemile station, and construction of a 3,000 Amp 230 kV breaker and a half bus to accommodate five 230

[27] [redacted]

kV lines with room for expansion. The Ninemile to Waterford and the Ninemile to Estelle 230 kV lines will be reconfigured and looped into and out of Churchill Substation. Over 400 MW of load would be at risk without this project, as there is no generation re-dispatch or system reconfiguration option that avoids load shed under certain system contingencies. This project is necessary to alleviate the forecasted thermal overloads and voltage violations, and to comply with NERC Reliability Standard TPL-001-4 and Entergy's local transmission planning criteria.

The West Monroe 230 kV Reliability Improvement Project involves the expansion of the Perryville Electric High Voltage ("EHV") station to accommodate new 230 kV facilities, construction of approximately three miles of double-circuit 230 kV lines out of Perryville substation, construction of approximately eight miles of new 230 kV line to tie the other circuit into the Swartz to Dunn 230 kV line, and installation of a 500/230 kV autotransformer at the Perryville EHV station. Low river levels limit the generation capability at Murray Hydro in north Louisiana. Under this scenario, the loss of the 500/115 kV autotransformer #1 at Sterlington creates a thermal overload on the parallel 500/115 kV autotransformer #3 and vice versa. This project was necessary to mitigate thermal overload issues and to comply with NERC Reliability Standard TPL-001-4 and Entergy's local transmission planning criteria.

The Mud Lake-Big Lake 230 kV Line project involves the construction of a new 230 kV transmission line, approximately 10 miles in length, from Mud Lake substation to Big Lake substation. This project was necessary to mitigate a potential load loss of approximately 800 MW in the Lake Charles area under the contingency loss of the Calcasieu to Pecan Grove 230 kV line and the Carlyss to Solac 230 kV line.

Details about these and any other anticipated transmission projects will also be submitted with the Company's Construction Plan Advance Notice Report Summary filed annually with the LPSC on February 1 pursuant to Commission Order U-26018.

V. INTRODUCTION OF OTHER WITNESSES

Q50. WHO ARE THE OTHER ELL WITNESSES SUBMITTING TESTIMONY IN THIS PROCEEDING?

A. Mr. Joshua B. Thomas, the Director of Regulatory Filings and Policy for ESL, and Mr. Anthony P. Arnould, Jr., ELL's Senior Manager of Regional Customer Service, will also be testifying on behalf of the Company in this proceeding.

Q51. WHAT TOPICS WILL THEIR TESTIMONY BE COVERING?

A. Mr. Thomas's Direct Testimony will explain, in greater detail, the operation of the Company's current FRP as well as how the changes the Company is requesting in this proceeding will affect its operation. Mr. Arnould's Direct Testimony will explain ELL's distribution system and the capital investments and improvements in that system that are anticipated in connection with the requested DRM, as well as the proposed OROW program.

VI. CONCLUSION

Q52. PLEASE SUMMARIZE WHY THE EXTENSION OF THE CURRENT FRP, WITH MODIFICATIONS, IS IN THE INTEREST OF BOTH CUSTOMERS AND THE COMPANY?

A. The Commission has been very supportive of FRPs for many years, and ELL's FRP certainly has benefited both the Company and its customers. It has allowed the Company to execute several transformative changes successfully (*e.g.*, joining MISO, generation portfolio transformation, and substantial capital investment in transmission) that have provided direct benefits to customers without the need for frequent, expensive rate case filings. Especially with regard to significant generation and transmission investments, the FRP also has enabled ELL to provide its customers with cost savings and increased reliability while allowing for the timely rate recovery of its investments, thereby ensuring that the capital investment needed to serve its customers could be made.

The Company faces a continuing and increasing need for capital investments in its generation, transmission, and distribution infrastructure. Modernizing the distribution system is a particularly significant priority over the next four years. At the same time, the Company is experiencing revenue erosion among residential and commercial customers due to declining average UPC. And like so many others, the Company faces a number of new risks, challenges, and uncertainties due to the COVID-19 pandemic. The requested extension of the FRP, with certain changes, will allow ELL to make necessary investments to maintain, improve, and modernize its infrastructure; to continue providing its customers with reliable, reasonably priced energy; to ensure its financial health and stability by

earning its authorized rate of return; and to contribute to Louisiana's economic recovery from the COVID-19 pandemic.

Q53. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, at this time.

AFFIDAVIT

STATE OF LOUISIANA

PARISH OF JEFFERSON

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

That the above and foregoing is his sworn testimony in this proceeding and that he 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, he verily believes them to be true.

Phillip R. May

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 12 DAY OF MAY, 2020

NOTARY PUBLIC

My commission expires: _____

Lawrence J. Hand, Jr., 23770
Notary Public in and for
the State of Louisiana.
My Commission is for Life.

Listing of Previous Testimony Filed by Phillip R. May

DATE	TYPE	SUBJECT MATTER	REGULATORY BODY	DOCKET NO.
05/31/2000	Direct	UCOS & ECOM	PUCT	22356
08/28/2000	Supplemental Direct	UCOS & ECOM	PUCT	22356
03/30/2001	Rebuttal	UCOS & ECOM	PUCT	22356
05/15/2001	Settlement	Stranded Costs	LPSC	U-22092
05/15/2001	Settlement	Stranded Costs	LPSC	U-20925
06/25/2001	Direct	Qualified Power Region	PUCT	24309
06/29/2001	Direct	Transition to Competition Costs	APSC	01-041-U
07/02/2001	Direct	Price to Beat	PUCT	24336
09/25/2001	Rebuttal	Price to Beat	PUCT	24336
05/08/2002	Supplemental	Price to Beat	PUCT	24336
07/12/2002	Supplemental Rebuttal	Price to Beat	PUCT	24336
03/01/2004	Supplemental	Business Separation Plan	LPSC	U-21453 (Sub. B)
08/25/2004	Direct	2004 Rate Case	PUCT	30123
05/17/2005	Direct	Formula Rate Plan & Generation Performance Based Resource Plan	Council of the City of N.O. ("Council")	UD-01-04 & UD-03-01
07/05/2005	Direct	Capacity Rider	PUCT	31315
08/15/2005	Direct	TTC	PUCT	31544
10/05/2005	Rebuttal	Capacity Rider	PUCT	31315
02/10/2006	Rebuttal	TTC	PUCT	31544
04/26/2006	Direct	Jurisdictional Separation Plan	LPSC	U-21453 (Sub. J)
05/14/2007	Rebuttal	TTC Plan	PUCT	33687
09/26/2007	Direct	2007 Rate Case	PUCT	34800
05/02/2008	Rebuttal	2007 Rate Case	PUCT	34800
12/12/2008	Answering	Spindletop	FERC	EL08-51-002
01/09/2009	Direct	Bandwidth	FERC	ER08-1056-002
02/03/2009	Cross Answering	Spindletop	FERC	ER08-51-002
09/18/2009	Direct	PCRF	PUCT	37482
10/09/2009	Direct	Bandwidth	FERC	ER09-1224-001
12/21/2009	Direct	2009 Rate Case	PUCT	37744
09/01/2010	Direct	ICT	LPSC	S-31509
09/20/2010	Direct	ICT	Council	undocketed
10/12/2010	Answering	Depreciation Complaint	FERC	EL10-55-001
10/25/2010	Cross Answering	Depreciation Complaint	FERC	EL10-55-001
02/23/2011	Rebuttal	Depreciation Complaint	FERC	EL10-55-001
7/22/2011	Direct	MSS-4 Repricing	Council	UD-11-02
11/28/2011	Direct	2011 Rate Case	PUCT	39896
1/26/2012	Supplemental Direct	CGS	PUCT	38951
4/13/2012	Rebuttal	2011 Rate Case	PUCT	39896
4/24/2012	Supplemental Rebuttal	CGS	PUCT	38951
4/30/2012	Direct	MISO Change of Control	PUCT	40346
9/5/2012	Direct	ITC Transaction	LPSC	U-32538
9/12/2012	Direct	ITC Transaction	Council	UD-12-01
2/15/2013	Direct	EGSL 2013 Rate Case	LPSC	U-32707
2/15/2013	Direct	ELL 2013 Rate Case	LPSC	U-32708
3/28/2013	Direct	ELL Algiers 2013 Rate Case	Council	UD-13-01
4/9/2013	Direct	ELL EGSL Hurricane Isaac Storm Recovery	LPSC	U-32674
5/21/2013	Rebuttal	ITC Transaction	LPSC	U-32538
5/29/2013	Errata-Rebuttal	ITC Transaction	LPSC	U-32538
2/18/2014	Rebuttal	ELL Algiers 2013 Rate Case	Council	UD-13-01
4/04/2014	Rejoinder	ELL Algiers 2013 Rate Case	Council	UD-13-01
9/30/2014	Direct	ELL/EGSL Business Combination	LPSC	U-33244
11/06/2014	Direct	ELL/EGSL Business Combination	Council	UD-14-03

DATE	TYPE	SUBJECT MATTER	REGULATORY BODY	DOCKET NO.
1/13/2015	Direct	EGSL Union Power Station	LPSC	U-33510
5/1/2015	Rebuttal	ELL/EGSL Business Combination	LPSC	U-33244
6/5/2015	Direct	Ninemile 6 Prudence Review	LPSC	U-33633
7/13/2015	Settlement	ELL/EGSL Business Combination	LPSC	U-33244
8/25/2015	Direct	St. Charles Power Station	LPSC	U-33770
3/11/2016	Rebuttal	St. Charles Power Station	LPSC	U-33770
11/2/2016	Direct	Lake Charles Power Station	LPSC	U-34283
11/15/2016	Direct	Oxy PPA Amendment	LPSC	U-34303
11/22/2016	Direct	Advanced Metering System	LPSC	U-34320
2/23/2017	Direct	Carville PPA	LPSC	U-34401
4/21/2017	Direct	MISO Renewal	LPSC	U-34447
4/24/2017	Rebuttal	Lake Charles Power Station	LPSC	U-34283
5/23/2017	Direct	Washington Parish Energy Center	LPSC	U-34472
8/21/2017	Direct	2016 FRP Extension	LPSC	U-34631