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Harry M. Barton Assistant General Counsel Legal Services - Regulatory

RECEIVED MAR 10 2021

March 9, 2021

LA Public Service Commission

## Via Overnight Delivery

Mr. Brandon Frey Louisiana Public Service Commission Galvez Building, 12th Floor 602 North 5th Street Baton Rouge, LA 70802

Re:

Application of Entergy Louisiana, LLC for Authorization to Implement a

Green Pricing Option, Rider GPO, and Related Relief

(LPSC Docket No. )

Dear Mr. Frey:

I have enclosed an original and three copies of Entergy Louisiana, LLC's Application for Authorization to Implement a Green Pricing Option, Rider GPO, and Related Relief. This filing includes the Direct Testimony and Exhibits of Elizabeth C. Ingram. Please retain the original and two copies for your files and return a date-stamped copy in the enclosed self-addressed stamped envelope.

Thank you for your assistance with this request. If you have any questions, please feel free to contact me.

Sincerely,

Harry M. Barton.

HMB/ddm

Enclosures cc (via e-mail):

Commissioners Kathryn Bowman Melissa Frey

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F21-59869

### **BEFORE THE**

### LOUISIANA PUBLIC SERVICE COMMISSION

APPLICATION OF	)	
ENTERGY LOUISIANA, LLC	)	
FOR AUTHORIZATION TO IMPLEMENT	)	DOCKET NO II
TWO GREEN PRICING OPTIONS,	)	DOCKET NO. U
RIDER GPO AND RIDER LVGPO, AND	)	
RELATED RELIEF	)	

# APPLICATION OF ENTERGY LOUISIANA, LLC FOR AUTHORIZATION TO IMPLEMENT TWO GREEN PRICING OPTIONS, RIDER GPO AND RIDER LVGPO, <u>AND RELATED RELIEF</u>

NOW COMES Entergy Louisiana, LLC ("ELL" or the "Company"), through undersigned counsel, and respectfully submits this Application requesting authorization from the Louisiana Public Service Commission ("LPSC" or "Commission") to implement two new renewable options: Green Pricing Option ("Rider GPO") and Large Volume Green Pricing Option ("Rider LVGPO") as set forth herein and in the supporting direct testimony filed contemporaneously herewith.

1.

ELL is a limited liability company duly authorized and qualified to do business in the State of Louisiana, created and organized for the purposes, among others, of manufacturing, generating, transmitting, distributing, and selling electricity for power, lighting, heating, and other such uses.

2.

The proposed Rider GPO and Rider LVGPO set forth the parameters under which the Company's end-use customers can match some or all of their monthly electricity usage with renewable energy credits ("RECs") that are generated and/or purchased by ELL and retired on the customer's behalf. In that way, up to 100% of a customer's annual energy usage could be associated with the production of energy from renewable resources, which, in turn, would allow a

customer to state that they are reducing their Scope 2 emissions accordingly. Under the proposed Rider GPO, ELL will offer customers the opportunity to match 25%, 50%, or 100% of their electricity use each month with RECs. In addition, ELL will also offer qualifying non-residential customers to opportunity to purchase a fixed, large volume of RECs each month to offset their usage through Rider LVGPO. The GPO or LVGPO charges would be in addition to the charges paid by the customer under their applicable rate schedules and riders. The proposed GPO and LVGPO protect all customers by ensuring that proper Commission jurisdiction is maintained, allowing the Commission to ensure that costs and benefits are allocated fairly.

3.

As explained in the Direct Testimony of Company witness Elizabeth C. Ingram, recognizing the increase in national demand for green pricing options provided by utilities in recent years, and following a 2020 customer survey assessing customer interest in green pricing, ELL committed to develop and offer a new schedule to facilitate customer association with the production of energy from renewable resources.

4.

ELL proposes that green pricing should be implemented in a straightforward way that is accessible to all of ELL's customers and, as discussed by Ms. Ingram, in compliance with the Center for Resource Solutions "Green-e" certification requirements.

5.

ELL expects to initially source RECs for the proposed program from solar resources already in operation and/or approved by the Commission, specifically the Capital Region Solar Power Purchase Agreement ("PPA") and new solar resources approved by the Commission to

The U.S. EPA defines Scope 2 emissions as emissions resulting from the use/purchase of electricity, heat, steam or cooling. *See* <a href="https://www.epa.gov/sites/production/files/2016-03/documents/electricityemissions">https://www.epa.gov/sites/production/files/2016-03/documents/electricityemissions</a> 3 2016.pdf.

participate in Schedule REP. When or if subscriptions to Riders GPO and/or LVGPO exceed the volume of RECs available from these resources, ELL will acquire a sufficient quantity of unbundled RECs to meet the level of customer demand.

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Ms. Ingram sponsors both ELL's proposed Rider GPO and Rider LVGPO in connection with her Direct Testimony submitted in support of this Application.<sup>2</sup> As explained in her Direct Testimony, Rider GPO and Rider LVGPO are voluntary in the sense that customers do not have to participate. Ms. Ingram also explains in her Direct Testimony that the Company continues its efforts to evaluate renewable products beyond Rider GPO and Rider LVGPO, such as green tariffs. However, due to the longer lead time associated with such products, and the Company's ability to support Rider GPO and Rider LVGPO immediately upon Commission approval, ELL is proposing these Riders now as a means of providing additional renewable product options to its customers in the near term.

7.

Under Rider GPO, customers electing to match to match 25%, 50%, or 100% of their electricity with RECs will not have a minimum contract term, but the customer will have the option to terminate participation at any point in time by notifying ELL of their decision. Rider LVGPO participants will be required to enroll in Rider LVGPO for at least one year. ELL anticipates being able to generate and/or procure sufficient qualifying RECs to support whatever level of participation ultimately arises. However, to the extent a large non-residential customer seeks to match a significant amount of electricity usage through either GPO or LVGPO, ELL will work

<sup>&</sup>lt;sup>2</sup> See, ELL Exhibits ECI-2 and ECI-3 to the Direct Testimony of Elizabeth C. Ingram.

with the customer to ensure a sufficient quantity of RECs are available to meet the customer's needs.

8.

ELL proposes that the costs and revenues associated with customer enrollments in Riders GPO and LVGPO be recovered through ELL's Formula Rate Plan ("FRP"). Any over- or underrecovery would be reflected in the annual FRP Evaluation Report for the Evaluation Period (test year) in which they are incurred. The rates offered within Riders GPO and LVGPO are reasonably designed to shield non-participants from bearing the incremental costs associated with offering this product over the first three years. In addition, should ELL's estimates of the enrollment, revenues and/or administrative costs of these products be materially different from actuals, ELL would request approval of adjustments to the Riders' pricing.

### REQUEST FOR NOTICE

9.

ELL requests that notices, correspondence, and other communications concerning this Application be directed to the following persons:

Mark D. Kleehammer Elizabeth C. Ingram 4809 Jefferson Highway Mail Unit L-JEF-357 Jefferson, Louisiana 70121 Telephone: (504) 840-2528 Facsimile: (504) 840-2681 mkleeha@entergy.com eingram@entergy.com Lawrence J. Hand, Jr.
Edward R. Wicker, Jr.
Harry M. Barton
639 Loyola Avenue
Mail Unit L-ENT-26E
New Orleans, Louisiana 70113
Telephone: (504) 576-6523
Facsimile: (504) 576-5579
lhand@entergy.com
hbarton@entergy.com

ELL requests that the foregoing persons be placed on the Official Service List for this proceeding, and respectfully requests that the Commission permit the designation of more than one person to be placed on the Official Service List for service in this proceeding.

### PRAYER FOR RELIEF

WHEREFORE, Entergy Louisiana, LLC, respectfully requests that the Commission, subject to the fullest extent of its jurisdiction, grant relief authorizing the implementation of the proposed, voluntary Rider GPO and Rider LVGPO and any such other relief that may be warranted under the circumstances.

Respectfully submitted,

By:

Lawrence J. Hand, Jr., La. Bar No. 23770 Edward R. Wicker, Jr. La Bar No. 27138 Harry M. Barton, La. Bar No. 29751 639 Loyola Avenue Mail Unit L-ENT-26E

New Orleans, Louisiana 70113 Telephone: (504) 576-2984

Facsimile:

(504) 576-5579

ATTORNEYS FOR

ENTERGY LOUISIANA, LLC

# **BEFORE THE**

# LOUISIANA PUBLIC SERVICE COMMISSION

APPLICATION OF	)	
ENTERGY LOUISIANA, LLC	)	
FOR AUTHORIZATION TO IMPLEMENT	)	DOCKET NO. U-
TWO GREEN PRICING OPTIONS,	)	DOCKET NO. U
RIDER GPO AND RIDER LVGPO, AND	)	
RELATED RELIEF	)	

**DIRECT TESTIMONY** 

**OF** 

**ELIZABETH C. INGRAM** 

ON BEHALF OF

**ENTERGY LOUISIANA, LLC** 

**MARCH 2021** 

# TABLE OF CONTENTS

I. Introduction	
II. PURPOSE OF	TESTIMONY
III. GREEN PRICI	ING OPTIONS
	EXHIBITS
Exhibit ECI-1	Prior List of Testimony
Exhibit ECI-2	Proposed Green Pricing Option (Rider GPO)
Exhibit ECI-3	Proposed Large Volume Green Pricing Option (Rider LVGPO)

# 1 I. <u>INTRODUCTION</u>

- 2 Q1. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.
- 3 A. My name is Elizabeth C. Ingram. I am Director, Regulatory Affairs for Entergy Louisiana,
- 4 LLC ("ELL" or the "Company"). My business address is 4809 Jefferson Highway,
- 5 Jefferson, Louisiana 70121.

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- 7 Q2. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND
- 8 PROFESSIONAL EXPERIENCE.
- 9 A. In 2001, I earned a Bachelor of Arts degree with a double-major in Government and
  10 Economics from The College of William and Mary in Virginia. Following my
- undergraduate degree, I spent five years working in the Washington D.C. and San
- Francisco, CA areas in accounting and finance roles for companies outside of the energy
- industry. In 2008, I obtained a Master's in Business Administration degree from the
- 14 University of California, Berkeley. I spent several years working to develop utility-scale
- renewable energy power plants in California before accepting a position in the Energy
- Procurement department at Pacific Gas & Electric ("PG&E"). At PG&E, I negotiated
- several intermediate and long-term transactions on behalf of the company, led projects to
- update the company's form of tolling agreement and to develop the company's first form
- of energy storage agreement, and supervised a team handling commercial policy and
- compliance activities. In 2015, I accepted a position at Entergy Services, Inc. (now Entergy

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- 1 Services, LLC, which I generally refer to throughout my testimony as "ESL") as Manager, 2 Regulatory Research. In that role, I supervised a team of analysts that was responsible for 3 providing research and support to the EOCs on various regulatory, ratemaking, strategy, 4 and policy matters including those related to emerging technologies, such as smart grid, 5 energy efficiency and demand response, renewable energy, and distributed energy 6 resources ("DERs"). In early 2019, I accepted a position as Manager, Regulatory Affairs 7 for ELL. In that capacity, I was responsible for providing regulatory support services to 8 ELL. In late 2020, I was promoted to Director, Regulatory Affairs, where I continue to 9 provide regulatory support service to ELL.
- 11 Q3. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?
- 12 A. I am submitting direct testimony to the Louisiana Public Service Commission ("LPSC" or 13 the "Commission") on behalf of ELL.
- 15 O4. HAVE YOU PREVIOUSLY TESTIFIED BEFORE ANY REGULATORY BODY?
- 16 A. Yes, a list of my prior testimony is provided in Exhibit ECI-1.

ESL is an affiliate of the Entergy Operating Companies ("EOCs") that provides engineering, planning, accounting, legal, technical, regulatory, and other administrative support services to each of the EOCs. The EOCs are ELL, Entergy Arkansas, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, and Entergy Texas, Inc.

# II. PURPOSE OF TESTIMONY

2 Q5. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

The purpose of my testimony is to support ELL's request for authorization to implement two new renewable options: Green Pricing Option ("Rider GPO") and Large Volume Green Pricing Option ("Rider LVGPO"). Both Riders GPO and LVGPO are voluntary offerings that give customers the ability to match up to 100% of their energy usage with renewable energy credits, or "RECs." In particular, I sponsor Rider GPO, attached hereto as Exhibit ECI-2, and Rider LVGPO, attached hereto as Exhibit ECI-3, including explaining how the proposed Riders GPO and LVGPO are structured, their mechanics, and regulatory policy supporting same.

A.

A.

## III. GREEN PRICING OPTIONS

13 Q6. WHAT IS A GREEN PRICING OPTION?

With a green pricing option (sometimes referred to as "green power"), an enrolled customer would be able to match some or all (*i.e.*, 100%) of their electricity usage with renewable energy sources like wind and solar. The utility would accomplish this by generating and/or procuring enough RECs sourced from qualifying renewable energy resources to support the energy (MWh) requirements of the green pricing offering. A REC, as defined by a leading clean energy certification organization, is "[a] tradable, contractual instrument that represents the full suite of attributes of 1 Megawatt-hour of renewable energy generation on the electricity grid. RECs are the sole means to claim usage of grid-connected renewable electricity in the United States, and the compliance instrument for consumption- or delivery-based state Renewable Portfolio Standards. Renewable electricity generation and

use are tracked through RECs, and so by matching RECs with your electricity service you are using renewable electricity. A REC represents the environmental benefits of 1 Megawatt-hour of renewable electricity that can be paired with electricity."<sup>2</sup>

Nationally, demand for green pricing options provided by utilities has increased substantially in recent years. According to a 2020 National Renewable Energy Laboratory report, an estimated 11.1 million MWh of green power was provided to approximately 1,082,000 customers nationally through green pricing options in 2019, representing an increase in sales of approximately 14% from 2018.<sup>3</sup> Reasons often given for customers desiring green pricing options include:

- Green pricing helps customers meet goals related to environmental sustainability and increased use of renewable energy resources.
- Customers can support renewable energy without having to make a long-term commitment. While many customers are interested in renewable energy, they might not be allowed (in the case of renters or condo owners) or cannot afford to install their own rooftop solar photovoltaic ("PV") system.
- A greater number and variety of customers can participate in green pricing options versus initiatives where subscriptions are limited by the size of the underlying renewable resource (e.g., a green tariff).

<sup>&</sup>lt;sup>2</sup> See: https://www.green-e.org/glossary.

<sup>&</sup>lt;sup>3</sup> See: https://www.nrel.gov/docs/fy21osti/77915.pdf and https://www.nrel.gov/docs/fy20osti/74862.pdf

# 1 Q7. IS GREEN PRICING THE ONLY TYPE OF RENEWABLE OPTION THAT CAN BE 2 OFFERED TO A UTILITY CUSTOMER?

A. No. Other types of renewable options have been developed by utilities in different parts of the United States, including, but not limited to, green tariffs.

Green tariffs, which can come in the form of a Rate Schedule or Rate Rider,<sup>4</sup> are offered by regulated, electric utilities and approved by the state's public service commission. They allow qualifying customers to voluntarily align some or all of their electricity requirements with renewable resources by being able to purchase both the energy from a renewable energy project along with the RECs. However, it should be noted that physical delivery of energy is not actually involved in a green tariff. Originally, green tariff options were primarily focused on large commercial and industrial ("C&I") customers, but some options permit participation among other customer classes (*e.g.*, residential and small commercial).

In both types of renewable options (green pricing and green tariffs), participants receive RECs (or have them retired on their behalf by the utility) in accordance with their level of enrollment in the respective option. The key difference between green pricing as compared to green tariffs is that green tariffs typically combine some form of economic value from the energy associated with renewable energy sources, whereas green pricing programs only include the RECs. As a result, green pricing involves an additional charge or "premium" on participating customers' bills with no opportunity for an offsetting credit.

These terms are used as they are defined in the Commission's General Order 7/1/2019 (Docket No. R-34738), In re: Proceeding to Establish Rules Regarding Electric Utility Tariff Filings and Related Review, Including Specific Rate Filings ("Tariff Filings General Order").

By contrast, green tariffs do not necessarily result in an additional charge or premium over the entire commitment period as those structures typically account for the costs of the designated renewable resource as well as specified benefits, *e.g.*, the energy and capacity value generated by the designated resource. Depending upon the design of the green tariff, the net effect of the costs and benefits might result in a net credit to the participating customer under certain market conditions.

It should also be noted that green tariffs typically require more time to procure, develop, obtain interconnection and other regulatory approvals, and/or construct new renewable resources. That entire process can take several years for utility-scale renewable resources. Since green pricing offerings utilize unbundled RECs, which are widely traded across the country, and do not require the development and construction of a new renewable resource, a new green pricing offering can be launched much more quickly.

A.

Q8. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY'S PROPOSED GREEN PRICING OPTIONS.

The Company's proposed green pricing options would allow customers to voluntarily participate in a billing option whereby participants can match some or all of their monthly electricity usage with RECs that are generated and/or purchased by ELL and retired on the customer's behalf.<sup>5</sup> In that way, up to 100% of a customer's annual energy usage could be associated with the production of energy from renewable resources, which, in turn, would

As previously noted, a REC is a tradable instrument that affords the owner the right to claim a corresponding portion of electricity usage was sourced from renewable energy. Each individual REC, once issued, has a unique identifier. Once an entity has claimed a portion of their electricity usage was sourced from RECs, then corresponding RECs must be "retired" within a REC tracking account. Retiring a REC within a tracking account means that unique REC can never be sold or claimed by any other entity in the future.

allow a customer to state that they are reducing Scope 2 emissions accordingly.<sup>6</sup> Under Rider GPO, ELL will offer customers the opportunity to match 25%, 50%, or 100% of their electricity use each month with RECs.<sup>7</sup> In addition, ELL will also offer qualifying non-residential customers the opportunity to enroll in Rider LVGPO in order to purchase a fixed, large volume of RECs each month. The GPO or LVGPO charges would be in addition to the charges paid by the customer under their otherwise applicable rate schedules and riders.

Q9. HAS ELL PREVIOUSLY OFFERED A GREEN PRICING OPTION TO ITS CUSTOMERS?

A. Yes, the Company offered a green pricing option called "Geaux Green" from 2007-2010.8

The voluntary option allowed participants to subscribe to blocks of energy sourced from two contracts with biomass facilities located in Louisiana. Under Geaux Green, each block was 100 kWh and priced at \$2.25. In other words, subscribers would pay a premium of 2.25 cents per kWh in addition to their base rates and riders tied to the number of blocks that the customer selected. For example, if a customer selected three 100 kWh blocks, the added charge on the monthly electric bill would have been \$6.75. Participation was

The U.S. EPA defines Scope 2 emissions as emissions resulting from the use/purchase of electricity, heat, steam or cooling. In addition, page 2 of this report notes: "EPA encourages organizations to use renewable energy as a way to reduce the environmental impacts associated with the electricity they purchase. Organizations can reduce their market-based scope 2 emissions by purchasing renewable energy, or "green power." They can do this by choosing a differentiated electricity product from their utility or electricity supplier, by contracting directly with a renewable energy generator (if the regulatory rules allow), or by purchasing unbundled renewable energy certificates (RECs). In any case, the RECs must be acquired and retired." See <a href="https://www.epa.gov/sites/production/files/2016-03/documents/electricityemissions-3\_2016.pdf">https://www.epa.gov/sites/production/files/2016-03/documents/electricityemissions-3\_2016.pdf</a>.

The matching percentage is referred to as the customer's "GPO Election."

The original pilot program began for legacy Entergy Gulf States, Inc. customers on April 1, 2007. On May 14, 2008, the LPSC voted to extend the program for a period of two years and include legacy Entergy Louisiana, LLC customers.

1 relatively limited over the period of the pilot for a variety of reasons, and Geaux Green was 2 ultimately terminated in 2010 in conjunction with the Commission's efforts to implement 3 a renewable energy pilot. 4 5 O10. HAS ELL RECENTLY ASSESSED CUSTOMER INTEREST IN GREEN PRICING? 6 A. Yes. In a customer survey conducted by ELL in July 2020, approximately 38% of surveyed 7 residential customers indicated they are extremely interested or very interested in 8 participating in a green power option. Of the ELL residential customers who expressed a 9 likelihood of participating, 35% said they would purchase renewable energy (i.e., RECs) 10 through the green power option equivalent to 100% of their consumption, 44% said they 11 would purchase renewable energy equivalent to 50% of their consumption, and the 12 remaining 21% said they would purchase renewable energy equivalent to 25% of their 13 consumption. In addition, as part of ongoing outreach with its larger customers, several 14 such customers have expressed interest in having more renewable options from ELL that 15 could help them meet their corporate sustainability or climate goals. Rider LVGPO will 16 afford one such option as will the future green tariff that ELL is also developing. 17 18 Q11. ARE THESE PROPOSED GREEN PRICING OPTIONS THE ONLY NEW 19 RENEWABLE OPTIONS THE COMPANY INTENDS TO DEVELOP AND OFFER ITS 20 **CUSTOMERS?** 21 A. No. As noted in comments filed within LPSC Docket No. R-35423, ELL is exploring new 22 green tariff options that could be sourced from the Company's 2020 Solar Request for Proposals ("RFP")<sup>9</sup> and future RFPs. However, the Company believes a green pricing offering will provide specific benefits. First, green pricing programs are fairly straightforward and simple to launch, especially if the utility is already receiving RECs from renewable resources. Next, as I noted above, green tariff programs are more complex, and require more time, to establish. To the extent a green tariff program is proposed by ELL and approved in the future by the Commission, it is unlikely to be available for participation for several years in light of the time needed to develop and construct new resources. Therefore, green pricing provides an option for customers that can be made available much more quickly than renewable options that are tied to newly constructed resources, such as green tariffs.

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## 12 Q12. HAS THE COMPANY PREPARED NEW GREEN PRICING TARIFFS?

13 A. Yes. Attached as Exhibit ECI-2 is the proposed Rider Green Pricing Option ("GPO" or "Rider GPO") and Exhibit ECI-3 is the proposed Rider Large Volume Green Pricing Option ("LVGPO" or "Rider LVGPO"). The Company proposes to make the green pricing options available to customers starting for bills rendered during the first billing month after a Commission order approving Riders GPO and LVGPO is issued in this docket.

18

## 19 Q13. WILL THESE PRODUCTS BE "GREEN-E" CERTIFIED?

20 A. Yes. Riders GPO and LVGPO will be "Green-e" certified. "Green-e" is a certification 21 developed by an independent consumer protection organization (the Center for Resource

<sup>9</sup> See, https://spofossil.entergy.com/ENTRFP/SEND/2020ELLSOLARRFP/index.htm.

Solutions) that verifies the integrity of RECs through the entire chain of custody, so customers can be confident in their purchase. Green-e certification also ensures that certain customer disclosure requirements are met in product marketing. Through Green-e certification, the renewable energy sourced by ELL will be validated as being (a) sourced from facilities that meet quality criteria that has been endorsed by a diverse stakeholder group; (b) marketed transparently and honestly; and (c) delivered exclusively to the purchaser of the REC, *i.e.*, that the renewable attribute of the generation is not double-counted. Green-e certification has specific minimum criteria related to facility online date, REC vintage, and eligible resource types, yet it also allows for flexibility in design. This means ELL will be able to further define the resources used and create an offering that meets its specific customers' needs.

Q14. WHAT CUSTOMERS WILL BE ELIGIBLE TO PARTICIPATE IN THE GREEN PRICING OPTIONS?

A. Rider GPO be available to all customers taking metered service and that are in good standing with the Company. Rider LVGPO will be limited to non-residential customers that elect to match at least 500,000 kWh per month of their electric usage with RECs for a period of at least one year.<sup>10</sup> The GPO and LVGPO charges would be in addition to the charges paid by customers under their otherwise applicable rate schedules and riders.

Similar to Rider GPO, Rider LVGPO is limited to customers taking metered service and that are in good standing with the Company.

1	Q15.	WILL THERE BE ANY LIMITS ON THE NUMBER OF CUSTOMERS WHO CAN
2		PARTICIPATE?
3	A.	Generally, no. ELL anticipates being able to generate and/or procure sufficient qualifying
4		RECs to support whatever level of participation ultimately arises. However, to the extent
5		a large non-residential customer seeks to match a significant amount of electricity usage
6		through either GPO or LVGPO, ELL will work with the customer to ensure a sufficient
7		quantity of RECs are available to meet the customer's needs.
8		
9	Q16.	WHERE DOES ELL INTEND TO SOURCE THE RECS FOR THE PROPOSED GREEN
10		PRICING OPTIONS?
11	A.	ELL expects to source RECs for the proposed program from solar resources already in
12		operation and/or approved by the Commission, specifically the Capital Region Solar Power
13		Purchase Agreement ("PPA") and new resources approved by the Commission to
14		participate in Schedule REP. <sup>11</sup> When or if subscriptions to the proposed program exceed
15		the volume of RECs available from these resources, ELL will purchase a sufficient quantity
16		of unbundled RECs to meet the level of customer demand.
17		
18	Q17.	PLEASE DESCRIBE THE ENROLLMENT PROCESS.
19	A.	For Rider GPO, the priority in the customer enrollment process will be minimizing barriers
20		to entry, such that customers will only be asked to provide identification information
21		sufficient to verify good standing as an ELL customer (e.g., full name and service address).

Schedule REP is the ELL Rate for Renewable Energy Pilot Purchases established in accordance with LPSC General Order (Corrected) R-28271-A Subdocket B, dated December 9, 2010.

ELL will facilitate enrollment in Rider GPO via multiple channels to accommodate unique customer needs and preferences, including over the phone as well as online through a dedicated website established to provide information regarding Rider GPO.

As noted earlier in my testimony, Rider LVGPO is available to larger non-residential customers committing to purchase a larger volume of RECs for at least one year. Eligible non-residential customers can contact their applicable customer service representative (e.g., for larger industrial customers: their Industrial Account Executive, or for other eligible commercial and small industrial customers: a representative of the Entergy Business Center or Customer Service Manager) for information and assistance in completing the Rider LVGPO application letter. Once ELL receives and reviews the customer's completed Rider LVGPO application letter, an ELL representative will enroll eligible customers in Rider LVGPO.

A.

### Q18. IS THERE A MINIMUM CONTRACT TERM FOR PARTICIPATION?

For customers enrolled in Rider GPO, there will not be a minimum contract term for participation. For those customers, green pricing will be month-to-month with the customer having the option to no longer participate by notifying ELL of their decision. By contrast, customers enrolling in Rider LVGPO must commit to participate for at least one year to provide the Company adequate time to plan for larger volumes of RECs.<sup>12</sup> In addition, customers enrolled in either tariff that withdraw from such tariff will not be eligible to

It should be noted that customers enrolled in LVGPO that terminate electric service during the term of their enrollment may be assessed a fee to reimburse the Company for the costs incurred in obtaining RECs to cover the remainder of their year-long subscription.

1		return to GPO or LVGPO until after the seventh month following withdrawal, which is
2		consistent with rules in place for other existing ELL billing and payment options, e.g.,
3		levelized billing.
4		
5	Q19.	CAN CUSTOMERS CHANGE THEIR GPO ELECTION OR LVGPO ELECTION?
6	A.	Yes. Customers may change their GPO Election (or amount of LVGPO Energy, as
7		applicable) no more than one time in any six-month period.
8		
9	Q20.	WILL ELL ADMINISTER THE GREEN PRICING OPTIONS?
10	A.	Yes. ELL employees (or ESL employees acting on behalf of ELL) will provide assistance
11		with customer enrollment, customer education, and Green-e certification for the proposed
12		GPO and LVGPO.
13		
14	Q21.	WHO WILL ACQUIRE AND RETIRE THE RECS ASSOCIATED WITH RIDERS GPO
15		AND LVGPO?
16	A.	ELL (or ESL employees acting on ELL's behalf) will acquire and retire the RECs
17		associated with the green pricing options.
18		
19	Q22.	HOW WILL THE CHARGES BE DETERMINED?
20	A.	Determining the charges for a REC-based green pricing option is relatively
21		straightforward. The components that make up the price of a green pricing product are:
22		REC procurement, Green-e certification, and customer education. Customer education is
23		important because renewable energy offerings are new to many customers. The Company

will need to provide additional context to customers about the benefits of a green pricing option and ensure interested customers are aware of the new options. Several tools will be used to educate and engage customers, including, but not limited to, targeted email campaigns and other customer engagement programs.

# Q23. WHAT ARE THE PROPOSED CHARGES FOR THE GREEN PRICING OPTIONS?

A. Based on the components described above, the pricing for each of the three options in Rider GPO is shown in Table 1.

Table 1

Option	GPO Election	Rate (per kWh)
Tier One Option	25%	\$0.0100 per kWh
Tier Two Option	50%	\$0.0075 per kWh
Tier Three Option	100%	\$0.0050 per kWh

The Monthly Rate for Rider LVGPO will be the greater of: (i) \$0.0025 per kWh or (ii) the monthly average value for the S&P Global Renewable Energy Credit Index for Texas RECs, as of the current Month.

# Q24. WHY ARE THE VARIOUS OPTIONS PRICED AT DIFFERENT AMOUNTS?

A. The proposed tiered structure in Rider GPO reflects the fact that certain administrative costs are being incurred regardless of the quantity of RECs being procured. Therefore, the pricing encourages customers to choose the higher percentage options and reflects economies of scale. To be clear, though, the rider is designed to recover the incremental costs described above from GPO participants. That outcome is reasonably assured by setting the initial pricing at a level slightly above the total initial incremental estimated

costs. Further, as explained below, to the extent revenues from Rider GPO (and Rider LVGPO) exceed the costs, those revenues would flow into the Formula Rate Plan ("FRP") just like all other rate schedule revenues, which benefits all customers (all else equal).

As previously noted, Rider LVGPO is targeted towards larger non-residential customers. Larger customers eligible for service under Rider LVGPO typically interact directly with ELL representatives regarding their account. For that reason, customer education efforts are expected to be handled directly as part of those ongoing outreach activities. When setting the monthly rate for Rider LVGPO, the primary cost to consider is the cost of procuring RECs. ELL has therefore set the rate to ensure the revenues from Rider LVGPO will cover the cost of procuring RECs on behalf of subscribing customers.

A.

# Q25. WHAT HAPPENS IF THERE IS A DIFFERENTIAL IN THE ACTUAL COSTS AND REVENUES RECEIVED FROM CUSTOMERS UNDER RIDER GPO?

Any over- or under-recovery would be reflected in the annual FRP Evaluation Report for the Evaluation Period (test year) in which they are incurred. The pricing of the various options is based on estimated incremental costs to provide GPO and LVGPO as well as provide some headroom between the estimated revenues and estimated administrative costs. Accordingly, the pricing of the tiers is reasonably designed to shield non-participants from bearing the incremental costs associated with offering this product over the first three years.

# 1 Q26. DOES ELL ANTICIPATE NEEDING TO UPDATE RIDER GPO ANNUALLY?

does not anticipate that adjustments would be needed frequently.

- A. No. The pricing included in the proposed Rider GPO is based on assumptions regarding participation levels over the first three years, as well as the incremental cost components discussed earlier in my testimony. To the extent actual participation levels, revenues and/or administrative costs are significantly different and/or change over time, ELL would seek pricing adjustments, subject to Commission approval. However, over the long term, ELL
- 8

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- 9 Q27. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?
- 10 A. Yes, at this time.

# Previous List of Testimony Filed by Elizabeth C. Ingram

<b>DATE</b>	<b>TYPE</b>	<b>JURISDICTION</b>	DOCKET NO.
09/30/2019	Direct	LPSC	U-35385
12/16/2019	Direct	LPSC	U-35443
08/07/2020	Rebuttal	LPSC	U-35385
08/21/2020	Settlement	LPSC	U-35443

**ENTERGY LOUISIANA, LLC** 

ELECTRIC SERVICE SCHEDULE GPO Revision #0 Page 175.1
Original
Effective Date: Pending Approval
Supersedes: New Schedule

Authority: TBD

### **GREEN PRICING OPTION RIDER**

### I. AVAILABILITY

This Rider is available to Customers of Entergy Louisiana, LLC ("ELL" or the "Company"). Service is taken according to the Terms and Conditions and Service Standards of the Company.

This Rider is for an optional service to customers that elect to match a portion of their monthly energy usage with renewable energy credits ("RECs"). Eligible customers must take metered service and be in good standing with the Company. Schedule GPO is not available to unmetered and lighting service.

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

### II. APPLICABILITY

Service under GPO is in addition to service under other rate schedules that apply to the Customer. Service under GPO does not modify any other applicable rate schedule or provisions for service.

#### III. NET MONTHLY BILL

### A. Monthly Rate

	GPO Election	Rate (per kWh)
Tier One Option	25%	\$0.0100 per kWh
Tier Two Option	50%	\$0.0075 per kWh
Tier Three Option	100%	\$0.0050 per kWh

- B. Prior to taking service under this schedule, Customers will designate their GPO Election as the Tier One Option of 25%, the Tier Two Option of 50%, or the Tier Three Option of 100%.
- C. The billed GPO Energy is equal to the Customer's monthly billing kWh for electric service times Customer's GPO Election of 25%, 50%, or 100%. The Customer will be billed the product of the GPO Energy and the rate for the elected Tier Option.
- D. Monthly Billings under GPO will not be prorated.

### IV. TERMS OF SERVICE

Service under GPO will be month-to-month. Customers may terminate service under GPO by giving ten (10) days' notice to the Company.

Customers who withdraw from GPO will not be eligible for service under this tariff until the seventh (7<sup>th</sup>) billing month following such withdrawal.

Before taking service under GPO, Customers will select their GPO Election as either: 25%, 50%, or 100% of their monthly billing kWh for electric service. Such election may be changed no more than one time in a six-month period.

ENTERGY LOUISIANA, LLC ELECTRIC SERVICE SCHEDULE GPO

Revision #0

Original
Effective Date: Pending Approval
Supersedes: New Schedule

Authority: TBD

Page 175.2

# **GREEN PRICING OPTION RIDER**

If the Customer terminates service and moves from the Company's service territory, the customer's service under GPO will be cancelled. If the Customer moves to a new location within the ELL service area, the customer's service under GPO may be transferred to such new location.

ENTERGY LOUISIANA, LLC ELECTRIC SERVICE

SCHEDULE LVGPO
Revision #0

Page 176.1 Original

Effective Date: Pending Approval Supersedes: New Schedule

Authority: TBD

### LARGE VOLUME GREEN PRICING OPTION RIDER

### I. AVAILABILITY

This Rider is available to non-residential Customers of Entergy Louisiana, LLC ("ELL" or the "Company"). Service is taken according to the Terms and Conditions and Service Standards of the Company.

This Rider is for an optional service to customers that elect to match a portion of their monthly energy usage with renewable energy credits ("RECs"). Eligible customers must take metered service and be in good standing with the Company. Schedule LVGPO is not available to unmetered and lighting service.

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

### II. APPLICABILITY

Service under LVGPO is in addition to service under other rate schedules that apply to the Customer. Service under LVGPO does not modify any other applicable rate schedule or provisions for service.

### III. NET MONTHLY BILL

- A. The Monthly Rate is the greater of: (i) \$0.0025 per kWh or (ii) the monthly average value for the S&P Global Renewable Energy Credit Index for Texas RECs, as of the current Month.
- B. Prior to taking service under this schedule, Customers will designate a monthly quantity of LVGPO Energy that is at least 500,000 kWh per month.
- C. The billed LVGPO Energy is equal to a fixed, monthly amount of kWh. The Customer will be billed the product of the LVGPO Energy and the applicable Monthly Rate.
- D. Monthly Billings under LVGPO will not be prorated.

### IV. TERMS OF SERVICE

The initial term of agreement under LVGPO shall be for a one year period 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.

Customers who withdraw from LVGPO will not be eligible for service under this tariff until the seventh (7<sup>th</sup>) billing month following such withdrawal.

Before taking service under LVGPO, Customers will select their LVGPO Energy at a fixed amount of monthly kWh. The amount of LVGPO Energy may be changed no more than one time in a six-month period.

Page 176.2

Original

Effective Date: Pending Approval Supersedes: New Schedule

Authority: TBD

# **ELECTRIC SERVICE**

SCHEDULE LVGPO Revision #0

**ENTERGY LOUISIANA, LLC** 

## LARGE VOLUME GREEN PRICING OPTION RIDER

If the Customer terminates service and moves from the Company's service territory, the customer's service under LVGPO will be cancelled. If the Customer moves to a new location within the ELL service area, the customer's service under LVGPO may be transferred to such new location. In the event that a Customer seeks to terminate electric service or withdraw from Schedule LVGPO during the term of the agreement, the Company reserves the right to assess the Customer a fee to reimburse the Company for the cost of RECs obtained on behalf of the Customer for the remainder of the one-year term of the agreement.

Company reserves the right to deny or suspend service under Schedule LVGPO until such time that the Company is able to ensure that a sufficient quantity of RECs is available to meet the Customer's desired subscription level.

Attachment A to Schedule LVGPO

Effective: Pending Approval

# ENTERGY LOUISIANA, LLC LARGE VOLUME GREEN PRICING OPTION RIDER SCHEDULE LVGPO

SAMPLE LETTER
[TO BE COMPLETED BY CUSTOMER ON CUSTOMER'S LETTERHEAD]
(INITIAL REQUEST FOR SCHEDULE LVGPO)

Entergy Louisiana, LLC P. O. Box XXXX Baton Rouge, LA XXXXX

### RE: APPLICATION FOR BULK PURCHASE ON SCHEDULE LVGPO

1. Customer is eligible to enroll in Schedule LVGPO.

This is an application for Schedule LVGPO as a rider to other applicable rate schedules and is made with the following conditions and understanding.

- 2. Customer will contract for \_\_\_\_ monthly kWh of LVGPO Energy under Schedule LVGPO. The amount of LVGPO Energy may be changed no more than one time in a six-month period.
- 3. The initial term of agreement under LVGPO shall be for a one year period 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. In the event that the Customer seeks to terminate electric service or withdraw from Schedule LVGPO during the term of the agreement, the Company reserves the right to assess the Customer a fee to reimburse the Company for the cost of renewable energy credits ("RECs") obtained on behalf of the Customer for the remainder of the one-year term of the agreement.
- 4. Company reserves the right to deny or suspend service under Schedule LVGPO until such time that the Company is able to ensure that a sufficient quantity of RECs is available to meet the Customer's desired subscription level.
- 5. Customer agrees to comply with all conditions of service that are required pursuant to Schedule LVGPO.
- 6. Service under this Schedule LVGPO will be provided under the Terms and Conditions Applicable to Electric Service as defined in the Electric Service Agreement and rates stipulated by the appropriate regulatory authority.

The above statements are certified to be true and correct.

Customer: By:

Customer Account Number: Date:

SCHEDULE LVGPO

## **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 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.

Elizabeth C. Ingram

SWORN TO AND SUBSCRIBED BEFORE ME THIS \_\_3^2\_ DAY OF MARCH, 2021

NOTARY PUBLIC

My commission expires:

Lawrence J. Hand, Jr., 23770

Notary Public in and for the State of Louisiana.

My Commission is for Life.