BEFORE THE

LOUISIANA PUBLIC SERVICE COMMISSION

IN RE: **APPLICATION OF ENTERGY LOUISIANA, LLC FOR CERTIFICATION OF GENERATION AND TRANSMISSION RESOURCES AND FOR OTHER RELIEF PURSUANT TO THE COMMISSION'S *LIGHTNING INITIATIVE***	**)** **)** **)** **)** **)** **)**	**DOCKET NO. U-_____**

DIRECT TESTIMONY

OF

ROBERT J. FLUTH

ON BEHALF OF

ENTERGY LOUISIANA, LLC

PUBLIC REDACTED VERSION

MARCH 2026

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EXHIBITS

I. INTRODUCTION AND BACKGROUND

Q1. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS, AND ON WHOSE BEHALF YOU ARE TESTIFYING.

A. My name is Robert J. Fluth. I am employed by Entergy Services, LLC ("ESL")[1] as Director, Power Development. My business address is 2107 Research Forest Drive, The Woodlands, TX 77380.

Q2. ON WHOSE BEHALF ARE YOU FILING THIS DIRECT TESTIMONY?

A. I am submitting this testimony to the Louisiana Public Service Commission ("Commission") on behalf of Entergy Louisiana, LLC ("ELL" or the "Company").

Q3. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. I received a Bachelor of Science degree in Electrical Engineering from North Dakota State University in December 1993. After college, I worked as a Design Engineer with Black & Veatch – Federal Division in Kansas City, Missouri, where I performed electrical design on new and existing government facilities from January 1994 to June 1997. In June 1997, I joined Black & Veatch - Transmission in Denver, Colorado, as a Project Engineer, leading substation projects. In April 2001, I accepted a position with Sebesta Blomberg & Associates as a Project Manager in Roseville, Minnesota,

[1] ESL is a subsidiary of Entergy Corporation that provides technical and administrative services to the Entergy Operating Companies ("EOCs"). The EOCs include ELL; Entergy Arkansas, LLC; Entergy Mississippi, LLC; Entergy New Orleans, LLC; and Entergy Texas, Inc.

supporting transmission clients. From April 2003 to January 2005, I served as a Plant System Engineer with Great River Energy – Transmission Division in Elk River, Minnesota, providing project management and design engineering for plant and transmission substation projects. In February 2005, I became a Principal Engineering Project Manager with Great River Energy in Maple Grove, Minnesota, managing generation plants and capital projects until March 2012. In April 2012, I joined ESL as a Manager, Power Development, and was promoted to Director, Power Development in October 2022.

Q4. PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES.

A. As Director, Power Development, I lead the Renewable and Energy Storage Project Development team, which is responsible for the management and administration to develop a portfolio of Company built solar and battery storage projects throughout Midcontinent Independent System Operator, Inc. ("MISO") South that are offered to the EOCs to support their supply and other business plans. My role does not include any involvement with renewable projects proposed, offered, controlled or otherwise handled by third parties.

Q5. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?

A. Yes. A list of my prior testimony is attached as Exhibit RJF-1.

Q6. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. My testimony is submitted in support of the Application. As described in the Application and the testimony of Company Witness Laura K. Beauchamp, among the options that ELL is considering in order to support service to Customer's load while maintaining system reliability is to procure or develop additional battery energy storage systems ("BESS") on both a stand-alone basis or co-located with solar generation resources. The purpose of my testimony is: (1) to discuss ELL's recent experience in procuring such BESS resources and how this experience informs ELL's estimates of the costs and timeline associated with developing BESS resources, and the reasonableness thereof; (2) to discuss ELL's plan to develop co-located BESS resources (the "Bogalusa West BESS Project") alongside its previously disclosed solar development located at the Bogalusa West Solar Facility, located in Washington Parish, Louisiana; and (3) to discuss ELL's plan to develop co-located BESS resources (the "Cypress Harvest BESS Project") alongside its previously disclosed solar development located at the Cypress Harvest Solar Facility, located in Iberville Parish, Louisiana, subject to receiving the necessary Commission certification for the solar facility. There is a third BESS installation mentioned by Ms. Beauchamp in her Direct Testimony. I do not address that facility in my testimony. That project has been proposed by a third party and I as well as my team are walled off from having any information relating to proposals or projects offered by third parties.

Q7. HOW DOES THIS TESTIMONY SUPPORT THE APPLICATION?

A. As the Commission is aware, ELL's efforts to procure solar generation resources through the streamlined procedures described in Order No. U-36697 are well underway. The Bogalusa West Solar Facility, discussed herein, was certified through these procedures.[2] And, the Cypress Harvest Solar Facility, for which ELL has sought certification, was also identified through this same procedure.[3] ELL is optimistic that additional qualifying solar projects will be identified by these expedited procedures. In ELL's view, complementing these solar facilities with BESS systems is a sensible and cost-effective way to serve the Customer's load, and to maintain reliability for all ELL customers, by leveraging the efficiencies of Order No. U-36697. My testimony discussing these projects provides a reasonable basis to conclude that these efforts are feasible and cost effective, too.

II. SOLAR AND BESS GENERATION

Q8. PLEASE DESCRIBE THE ATTRIBUTES OF SOLAR AND BATTERY RESOURCES.

A. Technology advancements have continued to improve the performance of solar modules such that they are proven long-term sustainable resources. Solar modules produce low-cost energy during periods of peak consumption because they have no

[2] *See* Order No. U-36697-A (Nov. 14, 2025) (accepting the Bogalusa West Solar Facility under Order No. U-36697's expedited procedures).

[3] *See* Entergy Louisiana, LLC, *Certification Filing for the Cypress Harvest Solar Facility* (Feb. 6, 2026).

fuel cost and exhibit minimal variable operating and maintenance ("O&M") costs relative to traditional generation resources.

BESS is dispatchable in that it will be capable of storing energy from the grid and from excess or curtailed energy from the solar facility that BESS can later discharge at different ramp rates for up to four hours. Thus, BESS is capable of both preserving the megawatts generated by the solar array of up to four hours of energy and can potentially recharge during off-peak hours (*i.e.*, the very early morning) to help serve load any time of day. When storing energy produced by the solar facility, BESS has the potential to deliver solar energy production into late afternoon hours, mitigating the ramping requirement created by the daily decline in solar energy production. By storing energy during off-peak hours and discharging during peak hours, the stored energy from BESS will help with the reduction of energy costs during these peak hours and provide capacity value to ELL in the MISO market. In short, BESS will support ELL's system through peak shaving and load shifting capabilities.

In addition, BESS exhibits key reliability advantages, providing voltage support and helping to maintain grid stability. BESS will be capable of operating on Automatic Generation Control to enable it to remotely follow MISO's dispatch signals.

A stand-alone BESS system provides many of the same benefits as a solar-plus-BESS system. The main difference between a solar-plus-BESS system, and a BESS-only system, is that instead of drawing power from the co-located solar facility, a BESS-only resource would be expected to recharge during those times where Locational Marginal Prices ("LMPs") are lower.

Q9. DOES ELL OR ITS AFFILIATES HAVE RECENT EXPERIENCE WITH DEVELOPING BESS SYSTEMS?

A. Yes. ESL supports all Entergy Operating Companies with BESS development and execution activities. For example, ESL is providing project development oversight to Entergy Arkansas, LLC in connection with the Arkansas Cypress project (600MW solar and 350MW/1,400MWh BESS). Additional co-located and stand-alone BESS projects are currently in various stages of development across the Entergy Operating Companies.

In addition, Power Development has developed a BESS scope book, based on experiences from our Owners' Engineer, which details the scope of work for BESS facilities (*e.g.*, engineering, procurement, and construction standards and processes to be followed), the project execution plan requirements, engineering, procurement and construction ("EPC") oversight standards and processes to be followed, testing procedures and other technical information. The scope book contains an Approved Vendors List ("AVL") to ensure that Tier 1 suppliers are being used because their technology is proven to be reliable and viable. All Tier 1 suppliers have undergone extensive testing and bankability evaluations from third parties (*i.e.*, PVEL, Bloomberg).

Q10. WHAT EXPERIENCE DOES ESL HAVE IN PRICING BESS PROJECTS?

A. In 2025, ESL conducted two BESS supply RFPs and an EPC RFP in order to solicit current pricing information from the market. ESL has also worked with two of its Owners' Engineers that are active in the execution of BESS projects, to provide EPC

estimates for multiple projects across the portfolio. This work has provided a sound basis to generate an indicative estimate of the costs of developing BESS projects in ELL's footprint.

As indicated earlier, for purposes of the Application, ELL is considering adding BESS systems to existing or proposed solar projects. In my opinion, the costs of the BESS component(s) of a project initially conceived as being solar-plus-storage should not be markedly different than the costs of the BESS component(s) of a project where the BESS is later incorporated into the scope of the work—or, for that matter, the BESS component costs of a stand-alone BESS project. This is particularly true where a project is in its earliest stages and significant engineering work has not yet begun.

III. THE BOGALUSA WEST BESS PROJECT

A. BOGALUSA WEST BESS TIMELINE AND COSTS

Q11. WHAT IS THE BOGALUSA WEST SOLAR FACILITY?

A. The Bogalusa West Solar Facility is a planned 200 MW-AC (260 MW-DC) single axis tracking solar PV power facility that utilizes industry standard PV bifacial modules and inverters, a project collector substation, and associated balance of plant infrastructure. The Bogalusa West Solar Facility will be located on a greenfield site of approximately 1,600 acres in Washington Parish, Louisiana, and will interconnect to the new Boggy Branch Substation that cuts into the existing 230 kV Angie–Adams Creek transmission line. The anticipated commercial operation date of the Bogalusa West Solar Facility is [redacted].

The Bogalusa West Solar Facility was identified pursuant to Commission Order No. U-36697, which approved the terms of a settlement governing the implementation of an alternative, streamlined procurement process for ELL to secure up to 3,000 MW of additional solar resources, certification of those resources, and other related issues. Shortly after issuance of that order, on September 16, 2024, ELL initiated the first of several RFPs for qualifying resources. Bogalusa West Solar was submitted into and selected from the initial Procurement Window of the RFP. On July 31, 2025, ELL sought certification from the Commission for the Bogalusa West Solar Facility. The Commission granted that certification on November 14, 2025.

Q12. DOES ELL PLAN TO ADD BESS SYSTEMS TO THE BOGALUSA WEST SOLAR FACILITY?

A. Yes. ELL anticipates adding a 200MW nameplate, four-hour (800MWh) BESS facility on a site that is co-located at the Bogalusa West Solar Facility and will be interconnected via a shared bus within the solar facility's collector substation, on the low side of the step-up transformer.

Q13. HOW WILL ELL OBTAIN INTERCONNECTION SERVICE FOR THE BOGALUSA WEST BESS PROJECT?

A. Bogalusa West Solar Facility has already secured a total of 200MW of ERIS (Energy Resource Interconnection Service) and NITS (Network Integration Transmission Service) through MISO. Because the Bogalusa West BESS Project will, when completed, require no new network upgrades to provide service, interconnection

service can be obtained through MISO's Surplus Interconnection Process. This process allows the Bogalusa West BESS to "share" the existing Network Resource Interconnection Service with the Bogalusa West Solar Facility.

Q14. WHAT ARE THE KEY MILESTONES FOR THE BOGALUSA SOLAR AND BESS PROJECTS?

A. The targeted key milestones are provided in the schedule below:

Milestone	Target Date - Solar	Target Date - BESS
Limited Notice to Proceed ("LNTP")	[redacted]	[redacted]
Full Notice to Proceed ("FNTP")	[redacted]	[redacted]
Mechanical Completion	[redacted]	[redacted]
Guaranteed Substantial Completion	[redacted]	[redacted]

Q15. WHAT IS THE COST ESTIMATE OF THE BOGALUSA WEST BESS PROJECT?

A. The project's cost estimate is approximately [redacted], which includes both direct and indirect cost estimates, allowance for funds used during construction ("AFUDC") and contingency. These estimated costs can be separated into two main components: estimated EPC Costs and estimated Non-EPC Costs.

Q16. PLEASE DESCRIBE THE TYPES OF COSTS INCLUDED IN THE ESTIMATE OF EPC COSTS.

A. As discussed later in my testimony, ELL plans to use an EPC contractor to develop the Bogalusa West BESS Project. ELL's estimates of EPC Costs include costs that are

expected to be incurred by that EPC contractor and billed to the Company in the performance of the underlying "EPC Agreement."[4] These including the following:

1. Procurement and/or installation of the BESS components, which includes integrating enclosures, power conversion units, medium voltage transformers and switchgear, a battery management system, and foundation pad sites;
2. Home office engineering and construction management services, including procurement, project controls, scheduling, and progress tracking;
3. Supervisory and administrative staff at the construction site;
4. Craft laborers (such as welders, electricians, and laborers);
5. Construction materials (copper, steel, concrete, *etc.*) used by both the EPC contractor and subcontractors;
6. Subcontractors;
7. The indirect construction costs that support the construction project (such as administrative offices or safety equipment);
8. Sales taxes borne by the EPC contractor on consumables; and
9. Labor and materials associated with the dedicated start-up and commissioning teams.

Although the estimates provided herein contemplate that ELL will procure the BESS components for the Bogalusa West BESS Project on its own, and other portions of my testimony may assume the same, negotiations as to the specific terms of the EPC

[4] For purposes of my testimony, I will use the term "EPC Agreement" to identify and describe the engineering, procurement and construction contracts that ELL anticipates entering into in connection with the Bogalusa West and Cypress Harvest projects.

Agreement are ongoing, and ELL may determine that the most reasonable and cost-effective course forward is to allow the EPC contractor to acquire the BESS systems. Further, I note that in any future negotiations related to the addition of BESS systems at other facilities, the question of whether BESS systems are acquired by ELL, or by the EPC contractor, will be determined on a case-by-case basis to obtain the most favorable commercial terms for ELL and its customers.

Q17. WHAT COSTS ARE INCLUDED IN THE NON-EPC COST ESTIMATE?

A. Costs included in the Non-EPC Cost estimate are those expected to be incurred by the Company directly and include: owner supplied equipment, project management and oversight (both internal and external services), inspections and testing, environmental permitting, pursuing regulatory approvals, temporary facilities, and supplies, as well as AFUDC.

Q18. IS THE CURRENT PROJECT COST ESTIMATE A REASONABLE ESTIMATE OF THE COSTS OF THE BOGALUSA WEST BESS PROJECT?

A. Yes. This estimate is based on estimates and proposals that ESL has received and reviewed in connection with other projects, ESL's own experience developing cost estimates for BESS projects, and an estimate provided by [redacted]

Q19. DOES THAT MEAN THAT THE COST OF THE BOGALUSA WEST BESS PROJECT WILL BE FIXED?

A. ELL intends to pursue a date-certain, largely fixed-price EPC Agreement for the Bogalusa West BESS Project which will be structured to provide a significant level of certainty in the costs of that project. Specifically, ELL expects to secure an EPC Agreement that will contain provisions that allow major equipment items to float until FNTP, at which point the EPC contractor will be required to provide documentation related to any one-time adjustment to the contract price. Further, ELL anticipates that the EPC Agreement will contain terms consistent with the following:

1. that the EPC contractor will be responsible for submitting documentation reasonably required by the Company to support the accuracy of the proposed one-time adjustment;
2. that ELL will have the sole discretion to execute a change order related to any one-time price adjustment at FNTP or to notify the EPC contractor of its disapproval of a change order, and that if the Company does not agree with the change order, it will have the opportunity to exercise its termination for convenience right and pay the EPC contractor for work completed prior to termination; and,
3. that construction costs other than the major equipment items identified within the EPC Agreement will be the EPC contractor's responsibility to manage and bear.

Although an agreement containing such terms would provide a significant level of certainty, that certainty presumes a clearly defined scope of work and a timely FNTP.

Accordingly, other factors such as changes in scope due to discovery of new facts, force majeure events, delays in issuing notice to proceed, craft labor wage rate and per diem rate escalation, or changes in law could affect EPC Costs. Those subsequent events could result in change orders that increase or decrease EPC Costs.

These terms are consistent with other agreements that ELL has negotiated for EPCs, and it is reasonable to believe that ELL will be successful in obtaining terms materially consistent with the above.

Later in my testimony, I discuss in more detail the nature of the EPC Agreement that ELL anticipates utilizing for the Bogalusa West BESS Project.

B. BOGALUSA WEST BESS EPC CONTRACTOR

Q20. WILL ELL USE AN EPC CONTRACTOR FOR THE BOGALUSA WEST BESS PROJECT AND IF SO, WHY?

A. Yes. ELL will use an EPC contractor for the BESS project because ELL does not have the in-house capability necessary to self-supply and execute the engineering, procurement and construction for the Bogalusa West BESS Project. The use of an EPC contractor that can perform all of these functions under a single EPC Agreement is cost-effective and common for such projects within the power industry.

Q21. HAS ELL SELECTED THE EPC CONTRACTOR FOR THE BOGALUSA WEST SOLAR FACILITY?

A. Yes, ELL is negotiating an EPC Agreement with [redacted] for the solar project. ELL selected [redacted] (the "Bogalusa West Solar EPC Contractor") for the

Bogalusa West Solar Facility through a formal EPC RFP based on a technical and commercial scorecard developed based on Entergy's procurement policies and procedures.

Q22. DOES ELL PLAN TO USE THE SAME EPC CONTRACTOR FOR THE BOGALUSA WEST BESS PROJECT? IF SO, WHY DID ELL CHOOSE TO ADD TO THE SCOPE OF WORK OF THE SOLAR EPC CONTRACTOR RATHER THAN SEEK A NEW CONTRACTOR?

A. Yes, ELL is planning to use the Bogalusa West Solar EPC Contractor, [redacted] for both the Bogalusa West Solar and BESS projects, although a separate contract will be used for the BESS project.

By using the same EPC contractor for both the solar and BESS projects, ELL minimizes integration and scope-gap risk because both assets share the interconnection, controls, and medium-voltage infrastructure that must operate as a unified power plant. Using a single EPC contractor is not only cost effective, but also provides clear accountability for performance guarantees, schedule, and commissioning, avoiding disputes between separate contractors. It also enables optimized design and cost efficiencies by consolidating civil, electrical, and controls systems. Using a single EPC contractor reduces commercial, technical, schedule, and site coordination risk compared to splitting the work. In short, the use of a single contractor for both projects is a cost-effective solution to add the BESS project to the planned solar facility.

Q23. WHAT ARE THE QUALIFICATIONS OF THE EPC CONTRACTOR?

A. The Bogalusa West Solar EPC Contractor has extensive experience working on solar and solar-plus-BESS projects. [redacted]

IV. THE CYPRESS HARVEST BESS PROJECT

A. CYPRESS HARVEST BESS TIMELINE AND COSTS

Q24. WHAT IS THE CYPRESS HARVEST SOLAR FACILITY?

A. The Cypress Harvest Solar Facility is a proposed 200 MW-AC (260 MW-DC) single axis tracking solar PV power facility that utilizes industry standard PV bifacial modules and inverters, a project collector substation, and associated balance of plant infrastructure. The Cypress Harvest Solar Facility will be located on a greenfield site that is under control via a lease in Iberville Parish and will be interconnected via a new breaker bay at the existing Entergy Louisiana Derrick 230kV substation.

The Cypress Harvest Solar Facility was identified as part of an RFP conducted pursuant to Commission Order No. U-36697. On February 6, 2026, ELL sought certification from the Commission for the Cypress Harvest Solar Facility.

Q25. IF THE CYPRESS HARVEST SOLAR FACILITY IS CERTIFIED BY THE COMMISSION, WOULD ELL SEEK TO ADD BESS SYSTEMS TO THAT FACILITY?

A. Yes. ELL would seek to add a 200MW nameplate, four-hour (800MWh) BESS facility on a site that is co-located to the Cypress Harvest Solar Facility. ELL would seek interconnection to the transmission system via a shared bus within the solar facility's collector substation, on the low side of the step-up transformer—essentially the same approach that ELL anticipates for the Bogalusa West BESS Project.

Q26. HOW WILL ELL OBTAIN INTERCONNECTION SERVICE FOR THE CYPRESS HARVEST BESS PROJECT?

A. The Cypress Harvest Solar Facility is in the MISO Definitive Planning Phase ("DPP") 2021 Cycle seeking 200 MW of Energy Resource Interconnection Service ("ERIS"), and it is my expectation that interconnection service for the Cypress Harvest BESS Project would likely be obtained through MISO's Surplus Interconnection Process. This, too, is the same approach that ELL anticipates taking for the Bogalusa West BESS Project.

Q27. WHAT ARE THE KEY MILESTONES FOR THE CYPRESS HARVEST SOLAR AND BESS PROJECTS?

A. The targeted key milestones are provided in the schedule below:

Milestone	Target Date - Solar	Target Date - BESS
LNTP	[redacted]	[redacted]
FNTP	[redacted]	[redacted]
Mechanical Completion	[redacted]	[redacted]
Guaranteed Substantial Completion	[redacted]	[redacted]

Q28. WHAT IS THE COST ESTIMATE OF THE CYPRESS HARVEST BESS PROJECT?

A. The project's cost estimate is approximately [redacted], which includes both direct and indirect cost estimates, AFUDC and contingency. These estimated costs can be separated into two main components: estimated EPC Costs and estimated Non-EPC Costs. The types of costs that make up these different components for the Cypress Harvest BESS Project are the same as described above for the Bogalusa West BESS Project.

Q29. WHAT DIFFERENCES ARE THERE BETWEEN THE APPROACH YOU HAVE DESCRIBED FOR THE BOGALUSA WEST BESS PROJECT, AND HOW ELL WOULD APPROACH THE CYPRESS HARVEST BESS PROJECT?

A. My expectation is that if the Cypress Harvest Solar Facility is certified by the Commission, ELL's approach to the Cypress Harvest BESS Project would be substantially the same as ELL's approach to the Bogalusa West BESS Project. In particular, I expect that ELL would pursue a similar date-certain, fixed-price EPC Agreement (with major equipment items to float until FNTP is granted). Later in my

testimony, I discuss in more detail the nature of the EPC Agreement that ELL anticipates utilizing for the Cypress Harvest BESS Project.

B. CYPRESS HARVEST BESS EPC CONTRACTOR

Q30. WILL ELL USE AN EPC CONTRACTOR FOR THE CYPRESS HARVEST BESS PROJECT AND IF SO, WHY?

A. Yes. For the reasons stated above in regard to the Bogalusa West BESS Project, ELL will use an EPC contractor for the Cypress Harvest BESS Project.

Q31. HAS ELL SELECTED THE EPC CONTRACTOR FOR THE CYPRESS HARVEST SOLAR FACILITY? AND DOES ELL PLAN TO USE THE SAME EPC CONTRACTOR FOR THE BOGALUSA WEST BESS PROJECT?

A. Yes, ELL is negotiating an EPC Agreement with [redacted] (the "Cypress Harvest Solar EPC Contractor") for the Cypress Harvest Solar Facility. ELL is planning to use the same EPC contractor for both the Cypress Harvest Solar and BESS Projects, although a separate contract will be used for the BESS project, for the reasons stated above in regard to the Bogalusa West BESS project.

Q32. WHAT ARE THE QUALIFICATIONS OF THE EPC CONTRACTOR?

A. The Cypress Harvest Solar EPC Contractor has extensive experience working on solar and solar-plus-BESS projects. [redacted]

[redacted]

V. DEVELOPMENT OF THE BESS EPC AGREEMENTS

Q33. HAS THE COMPANY AGREED UPON THE TERMS OF AN EPC AGREEMENT FOR THE BOGALUSA WEST BESS PROJECT?

A. No. ELL is negotiating an EPC Agreement for the Bogalusa West BESS Project. I note, however, that ELL has executed an EPC Agreement for the Bogalusa West Solar Facility. The general terms and conditions of that EPC Agreement provide a starting point for the BESS negotiations. The Company is working toward finalizing an EPC Agreement for the Bogalusa West BESS Project and believes execution will occur in the second quarter of 2026.

Q34. HAS THE COMPANY AGREED UPON THE TERMS OF AN EPC AGREEMENT FOR THE CYPRESS HARVEST BESS PROJECT?

A. No. ELL is currently negotiating terms of EPC Agreements for both the Cypress Harvest Solar Project and the Cypress Harvest BESS Project.

Q35. IS THERE A SINGLE COMMON FORM OF EPC AGREEMENT?

A. No. There are several types of EPC contracting approaches, and the suitability or desirability of each depends largely on the type of project. From an owner's perspective, fixed-price contracts provide an advantage of certainty to a project's overall cost. When a project's scope is naturally variable, EPC providers traditionally

either refuse to contract on a fixed-price basis or perhaps agree to do so in exchange for a significant premium embedded in the fixed-price. By contrast, when a project entails a well-defined scope of work within a well-defined period of time and presents an acceptable risk of material changes in scope, EPC providers are more willing to contract on a fixed-price basis without charging a significant profit margin.

Q36. WHAT EPC CONTRACTING STRATEGY DOES ELL PLAN TO PROPOSE AND WHAT ACTIVITIES WILL THE EPC CONTRACTOR PERFORM?

A. ELL intends to pursue a substantially similar contracting strategy for the Bogalusa West BESS Project and the Cypress Harvest BESS Project. In both instances, ELL intends to negotiate EPC Agreements structured as date certain, fixed price contracts (except that major equipment items will float until FNTP) with each of the Bogalusa West Solar EPC Contractor and the Cypress Harvest EPC Contractor. Under each EPC Agreement, the "BESS EPC Contractor" would design, procure, and install the BESS project in accordance with the detailed standards set forth in the EPC Agreement. The BESS EPC Contractor would act as an independent contractor with respect to the services defined in the EPC Agreement's scope of work. The BESS EPC Contractor would be responsible for the engineering, construction permitting, procurement, civil site work, installation, commissioning and testing of the facility. The BESS EPC Contractor would provide a "wrap" agreement (*i.e.*, guarantee) to deliver its commitments on schedule and for its performance for the entirety of the Project. If there are delays or shortfalls in its performance, the BESS EPC Contractor would be required to pay liquidated damages under the contract.

ELL will utilize an Owner's Engineer to assist in the oversight of the design, installation, and commissioning of the facility to ensure adherence to ELL's scope book requirements. The facility will be required to achieve substantial completion, which includes successfully passing all required project testing before the Substantial Completion Guaranteed Date.

Q37. WHY DOES THE COMPANY PLAN TO USE THIS FORM OF EPC AGREEMENT?

A. ELL is pursuing this form of EPC Agreement for both BESS projects because it affords ELL a reasonable level of risk mitigation in the current battery market, with mechanisms that guarantee schedule and performance.

Q38. PLEASE DISCUSS SOME OF THE RISK MITIGATION PROVISIONS EXPECTED TO BE CONTAINED IN THE EPC AGREEMENTS.

A. ELL anticipates that the EPC Agreements will incorporate a number of different provisions to mitigate risk.

First, ELL anticipates that the general terms and conditions are expected to provide for fixed schedules and fixed prices—features that would tend to mitigate ELL's risk. Of course, even fixed price contracts present a risk of price increases through change orders and extra work claims. ELL expects that this risk will be mitigated to the extent possible by broadly defining the scope of work assigned to the BESS EPC Contractor to include all tasks necessary to complete the Project that meets

the specification and performance requirements, except for items expressly identified in the scope book as ELL's responsibility.

Second, ELL also anticipates that the terms will contain favorable change order provisions that will enable the Company to direct the BESS EPC Contractor to proceed with a change order for which there is a good faith dispute between the parties, with the dispute over any price impact to be resolved in arrears. If accepted by the BESS EPC Contractor, such a provision will protect ELL and its customers from the possibility that the EPC Contractor would threaten to delay work until change order disputes are resolved to its satisfaction. Further, ELL expects that the BESS EPC Contractor will be required to notify ELL before making any changes required by force majeure events or changes in laws, and to document such changes and the resulting impacts before being entitled to any schedule relief, an increase in the fixed price, or additional reimbursement.

Q39. WHAT IS THE ADVANTAGE OF PURSUING EPC AGREEMENTS LIKE THE ONES DESCRIBED WHERE THE COSTS OF MAJOR EQUIPMENT ARE PERMITTED TO FLOAT UNTIL FINAL NOTICE TO PROCEED IS GIVEN?

A. The global economy continues to experience widespread increases in commodity, material, and other prices across market segments due to factors such as supply chain disruptions stemming from shifts in demand, labor shortages, and other geopolitical issues. The equipment and material market for BESS projects, in particular, has been subject to cost and schedule impacts from the overall global economy and the BESS market's specific supply and demand forces.

A true-up mechanism for the costs of major equipment such as the BESS systems and containers, like the one ELL intends to secure here, disincentivizes the BESS EPC Contractor from overestimating variable costs in their estimates by providing reasonable protections against these types of market risks. Specifically, the true-up mechanism ELL contemplates securing here will allow the cost of these items to fluctuate until shortly before FNTP, at which point they will be fixed. At that point, the true-up mechanism will compare then-current prices to those under the executed EPC Agreement, and adjustments will be made up or down to arrive at the final EPC price.

Q40. WILL THE EPC AGREEMENTS HAVE PROVISIONS THAT MITIGATE RISK RELATING TO THE EPC CONTRACTOR'S PERFORMANCE?

A. Yes, ELL plans for the EPC Agreements to include provisions that mitigate risks associated with the BESS EPC Contractor's performance. The planned fixed price, fixed duration form of contract coupled with liquidated damages for late delivery and output will provide a measure of protection for ELL customers. Additionally, the EPC Agreements' general terms and conditions will require that the BESS EPC Contractor deliver a finished product that meets minimum requirements for performance and to warranty that work for 24 months following Substantial Completion.

ELL anticipates the EPC Agreements will contain terms that will establish a milestone payment structure whereby the BESS EPC Contractor will only be paid for the work that has been completed, as verified by ELL. The milestone payments would be subject to a cumulative cap with monthly values stated in the contracts that will

protect the Company's cash flow. These and other contractual protections, as well as applicable indemnities and limits of liability, are all included in ELL's plan for the EPC Agreement.

VI. PROJECT MANAGEMENT

Q41. HOW DOES THE COMPANY PROPOSE TO MANAGE THE CONSTRUCTION PLANNING AND EXECUTION OF THE BESS PROJECTS?

A. The project management approach will follow Entergy's Project Delivery System ("PDS") Policy, Standards and Guidelines in support of driving consistency and certainty in project delivery outcomes. The PDS provides a framework to ensure Entergy's business units consistently and effectively develop and implement capital projects. The PDS establishes a Stage Gate Process ("SGP") approach as a single and comprehensive framework for project development, planning, and execution. The SGP provides a roadmap of key deliverables and decisions that need to be completed sequentially to promote consistent, reliable, and high-quality project outcomes. Additionally, the SGP prescribes a continuous systematic evaluation of the project organization, scope, and maturity of project management deliverables that helps ensure projects are successfully executed. This occurs through a series of independent Gate Reviews/Assessments and Approvals.

Q42. WHY IS IT IMPORTANT TO HAVE PLANS IN PLACE TO MANAGE AND MITIGATE POTENTIAL RISKS ASSOCIATED WITH DEVELOPMENT OF THE BESS PROJECTS?

A. These BESS projects represent a substantial capital investment and must be responsibly managed to remain on schedule, and adhere to the IRS' guidance, including providing the necessary evidence to obtain federal tax credits. Because delays and cost overruns often go hand in hand, good utility practice also requires good project planning and management that includes proper consideration of reasonably identified risks and the development of a plan to reasonably manage and mitigate those risks. Good project management should not seek to eliminate all potential risks irrespective of costs, but instead should reasonably manage those risks considering the probability of occurrence, potential magnitude of impact, and cost to mitigate.

Q43. HOW WILL ELL MITIGATE THE RISKS AFFECTING PROJECT SCHEDULES AND PROJECTED COSTS?

A. As discussed earlier, the Company's strategy is to negotiate an EPC Agreement that includes a date-certain, fixed price structure. These features, along with well-defined scope of work that will be part of the EPC Agreement, are the principal mitigation tools to minimize the effect of schedule and costs risks. In addition, the Company will develop mitigation plans and include contingencies in project cost estimates that are sufficient to reasonably mitigate those risks. Further, project schedules will be developed by optimizing the sequence of activities to produce the shortest practical schedules at the most reasonable cost; and the schedules will have built-in

contingencies for critical path activities that will help mitigate short delays. Note, however, that delays in receiving regulatory approvals or the required permits beyond the dates assumed in project schedules would be expected to increase total costs and to result in delayed in-service dates.

VII. BATTERY SOURCING CONSIDERATIONS

Q44. DO THE RECENT FOREIGN IMPORT TARIFF ISSUES AND CHANGES IN LAW SEEN IN THE CURRENT POLITICAL ARENA AFFECT EPC COSTS LINKED TO THE BESS SYSTEM?

A. ELL is monitoring recent developments related to potential foreign import tariffs from non-domestic supplied material and equipment and will continue to assess the ongoing and fluid discussion of such tariffs.

One of the main areas of concern among those seeking to develop BESS projects is that many suppliers have been or may be designated as a Foreign Entity of Concern ("FEOC"). In general, being a FEOC would prohibit the Secretary of Homeland Security from allowing procurement of certain foreign-made batteries, components or subcomponents.

At this time, however, ELL does not expect that these changes will have a significant impact on the projected BESS-system costs described herein. The BESS cost estimate assumes pricing for a non-FEOC BESS and the final BESS vendor for the project will be expected to provide a BESS that is FEOC compliant.

In addition, the newly enacted One Big Beautiful Bill Act ("OBBBA") disallows tax credit if the taxpayer is a Prohibited Foreign Entity ("PFE") or if the

construction of the facility utilizes substantial amount of products from a PFE. For this purpose, a PFE includes certain listed entities (*e.g.*, a FEOC) and entities controlled by or under significant influence of the persons and entities of a "covered nation" (*i.e.*, China, Russia, Iran, or North Korea). As stated above, many BESS suppliers are or may be classified as PFEs. As a result, ELL will closely monitor the percentage of components sourced from these suppliers and the contractual provisions entered into with these suppliers to comply with the PFE rules under the OBBBA.

VIII. CONCLUSION

Q45. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, at this time.

AFFIDAVIT

STATE OF TEXAS

COUNTY OF MONTGOMERY

NOW BEFORE ME, the undersigned authority, personally came and appeared, **ROBERT J. FLUTH**, 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.

Robert J. Fluth

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 17 DAY OF MARCH, 2026

NOTARY PUBLIC

My commission expires: February 5, 2029

AMBER ABSHIRE
Notary ID #12189259
My Commission Expires
February 5, 2029

Listing of Previous Testimony Filed by Robert J. Fluth with the Commission

DATE	TYPE	SUBJECT MATTER	DOCKET NO.
12/1/2025	Direct	Describing of Votaw Solar Facility and related EPC contracting strategy	U-37800