LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER U-36190-C

ENTERGY LOUISIANA, LLC, EX PARTE.

Docket No. U-36190, In re: Application for Certification and Approval of the 2021 Solar Portfolio, Rider Geaux Green Option, Cost Recovery and Related Relief.

(Decided at the September 17, 2025 Business and Executive Session.)

ORDER

I. BACKGROUND AND PROCEDURAL HISTORY

This Order addresses the June 26, 2025 request of Entergy Louisiana, LLC's ("ELL," "Entergy" or the "Company"), as revised on July 10, 2025, for Commission approval of updated pricing for the Geaux Green Option ("GGO") Tariff approved in Order No. U-36190 dated October 14, 2022. In that order, the Commission approved a portfolio of four resources, including the Elizabeth Facility Purchase Power Agreement ("PPA") (a 125 MW solar resource located in the village of Elizabeth in Allen Parish); the St. Jacques Build-Own-Transfer ("BOT") agreement (a 150 MW solar facility to be constructed in St. James Parish); the Sunlight Road Facility PPA (a 50 MW solar resource located in Washington Parish); and the Vacherie Facility PPA (a 150 MW solar resource located in St. James Parish in the unincorporated community of Vacherie).

The pricing of the GGO Tariff was first updated at Entergy's request in Order No. U-36190-A dated February 16, 2024. In Order U-36190-A, the Commission approved the initial GGO Tariff pricing based on the two of the four resources approved in Order No. U-36190, the Elizabeth PPA and the Sunlight Road PPA. [1] The pricing of the GGO Tariff was again updated in Order No. U-36190-B to add the Sterlington Facility, a 49 MW owned solar resource that was approved by the Commission on February 23, 2024 in Order No. U-36685.

In this third request for a GGO Tariff pricing change, ELL seeks approval to update the Rider GGO subscription fees to include the cost of the recently approved Mondu PPA and update projected costs associated with the Sterlington Facility pursuant to the process set forth in Clauses 18 and 19 of Order No. U-36190. ELL filed a Rider GGO Subscription Fee Update Report on June 26, 2025 making this request. ELL filed a revised report on July 10, 2025 that corrected the pricing listed for Option B: GGO Energy Charge (a decimal placement error in the listed price).

[1] The development of the other two resources that were included in the original GGO portfolio — the St. Jacques and Vacherie resources — has been delayed; thus, those two resources are not included in the GGO Tariff pricing calculation at this time.

ELL subsequently filed a response to Staff discovery in which it provided a revised workpaper that further updated the cost of the Sterlington Facility and the pricing for Option A: GGO Capacity Charge and Option B: GGO Energy Charge.

The Mondu Facility is a 100 MW solar PPA resource that is presently under construction in Pointe Coupee Parish with an expected commercial operation date of June 30, 2026. The Commission previously approved a stipulation in Order No. U-37071 dated September 6, 2024 that deemed the Mondu PPA eligible for inclusion in the Rider GGO. The addition of the Mondu PPA will expand the capacity available for subscription pursuant to the GGO tariff from 224 MW to 324 MW when the Mondu Facility is completed and placed in commercial operation.

II. COMMISSION JURISDICTION

The Commission exercises jurisdiction over public utilities and common carriers in Louisiana pursuant Article IV, Section 21 (B) of the Louisiana Constitution, which states:

> "The commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law."

III. STAFF REPORT AND RECOMMENDATION

The Staff, assisted by consulting firm J. Kennedy and Associates, and outside counsel Stone Pigman, LLC., reviewed the Company's updated GGO tariff pricing to reflect the addition of the Mondu PPA and changes in the forecasted cost for the Sterlington Facility currently included in the GGO portfolio and the GGO tariff pricing. The primary drivers of the increase in the Sterlington revenue requirement are an increase in the O&M expense, the inclusion of property tax expense, and an increase in the weighted average cost of capital as filed by ELL in LPSC Docket U-37371.

The Company calculated the requested updated GGO tariff subscription fees using an Excel workbook model that it developed and initially filed in Docket No. U-36190 for the four solar resources approved in that docket. The Company later updated the model and the resulting GGO subscription fees to reflect only the Elizabeth and Sunlight Road PPAs, updated contract prices, and updated in-service dates for those two PPAs in the initial GGO tariff pricing. The Commission approved these updates and the initial GGO tariff pricing in Order No. U-36190-A dated February 16, 2024. The Company subsequently updated the model and the resulting GGO subscription fees to reflect the addition of the Sterlington Facility owned resource to the GGO portfolio, the update to the MISO capacity values to reflect seasonal variations, and the update to the cost of capital, as well as updates to other assumptions and forecast costs. The Commission approved these updates to the GGO portfolio and GGO tariff pricing in Order No. U-36190-B dated October 14, 2024. The Company again has updated the model and the resulting GGO subscription fees to reflect the addition of the Mondu PPA, changes to the costs of the Sterlington Facility owned resource, updates to the MISO capacity values based on a new ELL Levelized Real CT cost, and updates to reflect the most recent authorized cost of capital, as well as updates to other assumptions and forecast costs.

Staff reviewed the updated Excel workbook model and the resulting GGO tariff rates for both the volumetric option rate per kWh and the fixed price option rate per kW-month, the low income option rate per kW-month, as well as the updated assumptions used in the forecast costs to calculate these three rates.[2] In its review, Staff identified potential concerns, which it addressed in written discovery requests. In its responses to Staff discovery, ELL modified the calculations in the Excel workbook, including the Sterlington Facility revenue requirement. ELL's modifications to the Excel workbook model and the revised GGO subscription fees fully address Staff's concerns and maintain the structural allocations of risks, costs, and benefits between the GGO subscriber/participants and non-subscriber/non-participants through the ratemaking process previously approved by the Commission in Order No. U-36190 dated October 14, 2022.

Although it does not affect the Company's pending request to add the Mondu PPA to the GGO portfolio or the updated GGO pricing, ELL noted in response to discovery that the Company "may soon increase the allocation of GGO subscriptions to larger customers." This is due to the undersubscription of the GGO portfolio capacity MWs allocated to residential (including low-income residential) and small general service customers compared to the oversubscription of the MWs allocated to the non-residential customers. Staff does not oppose such a reallocation.

Based on Staff's review of the proposed update to the GGO pricing calculation, Staff recommends the following:

(1) The Commission approve the inclusion of the Mondu PPA in the GGO portfolio and approve the proposed GGO tariff rates, as revised as follows: $7.94/kW-month for the fixed price option (also referenced as "Option A" in Rider GGO), $0.04197 per kWh for the volumetric option (also referenced as "Option B" in Rider GGO), and $6.15 per kW-month for the low income option (also referenced as "Option C" in Rider GGO).

[2] ELL also relied on an additional Excel workbook model to calculate the Sterlington revenue requirement. The output of the Sterlington model was used by the Excel workbook model in the calculation of the forecast GGO portfolio revenue requirements and in the calculations of the GGO subscription fees.

(2) These initial GGO tariff rates will remain subject to future changes pursuant to the terms of the settlement agreement approved by the Commission in Docket No. U-36190, including revisions to the GGO portfolio and the costs of the GGO resources.

(3) In connection with ELL's request for expedited approval of its proposed updated GGO subscription fees to include the Mondu PPA and other updates, the Staff did not perform a prudence review of ELL's management of the Mondu contract or the reasonableness of the costs and the in-service dates and the effects on customers, including the effects on the GGO tariff and other rates. The Commission retains the ability to perform such a review and to make changes to the GGO tariff rates and other rates based on that review.

(4) The Staff recommends that the Commission address the prudence of ELL's management of the Sterlington contract when it addresses the prudence and economics of the Mondu, Sunlight Road, and Elizabeth PPAs.

IV. <u>COMMISSION CONSIDERATION</u>

Staff's Report and Recommendation was considered at the September 17, 2025 Business & Executive Session. After discussion, on motion of Vice Chairman Skrmetta, seconded by Commissioner Lewis, and unanimously adopted, the Commission voted to accept Staff's Report and Recommendation filed into the record on September 5, 2025.

THEREFORE, IT IS ORDERED:

1. That the Commission accepts Staff's Report and Recommendation filed into the record on September 5, 2025.

2. This order is effective immediately.

BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
October 14, 2025

/S/ MIKE FRANCIS
DISTRICT IV
CHAIRMAN MIKE FRANCIS

/S/ ERIC F. SKRMETTA
DISTRICT I
VICE CHAIRMAN ERIC F. SKRMETTA

/S/ FOSTER L. CAMPBELL
DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL

/S/ DAVANTE LEWIS
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/S/ JEAN-PAUL P. COUSSAN
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BRANDON M. FREY
SECRETARY