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April 2, 2026

CC: MV/LE
LA PUBLIC SERVICE COMM
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Via UPS Overnight Delivery

Ms. Krys (Kris) Abel
Business Technology Supervisor
Louisiana Public Service Commission
Galvez Building, 12th Floor
602 North Fifth Street
Baton Rouge, Louisiana 70802

Re: Application of Entergy Louisiana, LLC for Certification of Generation and Transmission Resources and for Other Relief Pursuant to the Commission's Lightning Initiative (LPSC Docket No. U-37882)

Dear Ms. Abel:

On March 26, 2026, Entergy Louisiana, LLC ("ELL" or "the Company") filed the *Application of Entergy Louisiana, LLC for Certification of Generation and Transmission Resources and for Other Relief Pursuant to the Commission's Lightning Initiative* ("Application"). It has come to our attention that there was "HSPM" designated for Attorney's Eyes Only inadvertently left unredacted. We request that the Direct Testimony of Phillip R. May ("Testimony"), in its entirety, please be removed from any digital and/or physical copies of the "Application" and replaced with the corrected version of the "Testimony" provided with this filing.

Enclosed for your further handling please find an original and three copies of the Entergy Louisiana, LLC ("ELL") Corrected Direct Testimony of Phillip R. May. There are no changes to the HSPM version of the "Testimony" originally filed on March 26, 2026, thus additional HSPM files are not being provided. Please retain the original and two copies for your files and return a date-stamped copy in the stamped self-addressed return envelope.

Thank you for your courtesy in this matter and please do not hesitate to contact me with any questions.

Sincerely,



Michael R. Dodson

MRD/jlc
cc: Official Service List U-37882 (via electronic mail)

UPS

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

PHILLIP R. MAY

ON BEHALF OF

ENTERGY LOUISIANA, LLC

PUBLIC REDACTED VERSION

MARCH 2026

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EXHIBITS

Exhibit PRM-1	List of Prior Testimony
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1 **I. INTRODUCTION AND BACKGROUND**

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

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

7
8 Q2. ON WHOSE BEHALF ARE YOU SUBMITTING THIS DIRECT TESTIMONY?

9 A. I am testifying on behalf of ELL.

10
11 Q3. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
12 BACKGROUND.

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

17 I have worked for subsidiaries of Entergy Corporation (“Entergy”) for nearly
18 40 years. I joined Louisiana Power & Light Company (now known as ELL) in 1986
19 as an Engineer in the Rates and Regulatory Affairs Department. I was responsible for

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

1 developing cost of service studies to support Legacy ELL's retail and wholesale rates.
2 I also planned and directed numerous engineering studies and special projects. In 1993,
3 I joined the Entergy/Gulf States Utilities Merger Team as a Senior Engineer. Following
4 that assignment, I joined Entergy Services, Inc.,² to work in the Financial Planning
5 Department and was responsible for financial planning for Entergy Gulf States, Inc. (a
6 predecessor-in-interest to Entergy Texas, Inc., and Legacy EGSL), as well as for
7 Legacy ELL. In 1994, I was promoted to Senior Lead Analyst in Wholesale
8 Transactions. In that role, I worked directly with large customers to meet their
9 wholesale power requirements. In 1995, I was promoted to Manager of Strategic
10 Planning. The members of my group served as internal consultants to various business
11 units. I was later promoted to the Director of Utility Transition and Development. I
12 was responsible for analytical and strategic analysis of the regulated utilities' transition
13 to competition efforts. In 2000, I assumed the role of Vice President, Regulatory
14 Services. In that position, I was responsible for providing technical and analytical
15 support to all of the EOCs to enable them to satisfy their regulatory obligations. My
16 department consisted of: System Regulatory Planning & Support, Regulatory Strategy,
17 Regulatory Projects, and Integrated Energy Management. In February 2013, I became
18 the President and CEO of Legacy ELL and Legacy EGSL. Legacy ELL and Legacy
19 EGSL consummated their Business Combination in October 2015, and I continue to
20 serve as President and CEO of the combined entity, ELL.

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

1 As my background and current duties indicate, in addition to my other areas of
2 formal education and experience, I have particular experience with analyzing how
3 industry trends, large-scale power requirements, strategic initiatives, policy choices,
4 and financial planning affect the Company's ability to provide safe, efficient, and
5 reliable service at reasonable rates. And, for over a decade of service as ELL's CEO,
6 I have worked regularly with state and local officials on efforts to develop and
7 strengthen Louisiana's economy.

8
9 Q4. WHAT ARE YOUR CURRENT DUTIES?

10 A. As President and CEO of ELL, I have executive responsibility for the Company,
11 including financial responsibility for the business and assets that are used to serve
12 customers, which include generation, transmission, and distribution assets. In addition,
13 my responsibilities include oversight of customer service, economic development,
14 regulatory affairs, public affairs, and the financial performance of ELL.

15
16 Q5. HAVE YOU PREVIOUSLY TESTIFIED IN ANY REGULATORY PROCEEDING?

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

19
20 Q6. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

21 A. My Direct Testimony introduces and supports the Company's application (the
22 "Application") in this docket before the Commission that seeks, among other things,
23 certification of and approval for ELL's construction of additional generation and

1 transmission facilities to support service to a customer, Evest, LLC (the “Customer”),
2 that seeks to develop a large data center in Richland Parish, Louisiana (“Project Evest”
3 or the “Project”). Project Evest will be located near the data center (“Project Laidley”)
4 currently being developed by Laidley LLC (“Laidley”) that was the subject of the
5 Company’s application in LPSC Docket No. U-37425.³ In that docket, the Company
6 sought the certification of and approval for ELL’s construction of additional generation
7 and transmission facilities to assist with serving Project Laidley’s anticipated load.
8 Recognizing that it had “an opportunity to enable a transformational economic
9 development project in one of the poorest regions in Louisiana,” the Commission
10 approved a settlement between the Company, Commission Staff, and certain
11 intervenors that allowed the Company to move forward with constructing the proposed
12 generation and transmission facilities.⁴ After the Commission approved that settlement,
13 the Customer approached the Company with a proposal to develop a new, [REDACTED]
14 data center on land adjacent to the Project Laidley site. As a result, additional
15 generation and transmission facilities beyond those approved in August 2025 are
16 required to assist with serving the additional load associated with Project Evest.

17 Although this Application involves a significant amount of ELL investment and
18 respectfully requests timely Commission action consistent with the Commission’s

³ LPSC Docket No. U-37425, *In re: Application for Approval of Generation and Transmission Resources in Connection with Service to a Single Customer for a Project in North Louisiana*.

⁴ See LPSC Order No. U-37425, *In re: Application for Approval of Generation and Transmission Resources in Connection with Service to a Single Customer for a Project in North Louisiana* (August 29, 2025) (“LPSC Order No. U-37425”), at p. 7; see also *id.*, Attachment A – Final Stipulated Settlement Term Sheet.

1 Lightning Initiative, the core requests are similar to those approved for Project Laidley⁵
2 and are substantially similar to other requests handled by the Commission many times
3 in its history. Indeed, the Commission's familiarity with Project Laidley and the issues
4 presented in ELL's Application has facilitated the Customer's decision to build a
5 world-class facility in Northeast Louisiana that will further fuel the economic
6 transformation already underway there and enable ELL to accelerate its efforts to build
7 a more reliable and efficient electric grid for all of its customers. ELL is prepared to do
8 its part, but the Commission's continued collaboration and support are indispensable
9 to the Project's success.

10 An executive summary of the Company's Application is attached to my
11 testimony as Exhibit PRM-2.
12

13 Q7. PLEASE SUMMARIZE ELL'S PLANS TO SUPPORT THE PROJECT AND ITS
14 EFFORTS TO PROTECT ALL OF ITS CUSTOMERS.

15 A. In particular, ELL will require new baseload generation, significant transmission
16 facilities and upgrades, and will add battery storage capacity (collectively, the "Newly
17 Constructed Assets") to serve Project Evest and continue providing reliable service to
18 its existing customers. As I explain below, ELL is planning to construct seven 1x1
19 combined cycle combustion turbine ("CCCT") generators (sometimes referred to
20 herein as the "Proposed Generators"). The Company also will acquire and/or construct
21 three battery storage resources ("Battery Storage Facilities"). For transmission, ELL

⁵ See LPSC Order No. U-37425, at p. 8; Attachment A – Final Stipulated Settlement Term Sheet.

1 is planning to construct, among other facilities, a 500/230kV interconnection substation
2 and over 250 miles of new 500kV and 230kV lines. In addition to supporting the
3 Project, these new generation and transmission facilities will produce a more modern,
4 reliable, and resilient electric grid in Louisiana that will facilitate growth throughout
5 the state.

6 In order to protect ELL's existing customers from being unfairly burdened by
7 the incremental costs to serve the Project and to maintain ELL's financial integrity and
8 credit metrics, ELL and the Customer's agreements will produce projected base and
9 Formula Rate Plan ("FRP") revenues from the Customer that exceed the projected
10 revenue requirements associated with those incremental generation and transmission
11 additions. Moreover, ELL is seeking authorization to implement a set of Customer-
12 specific Corporate Sustainability Commitments (the "Sustainability Agreement") that
13 will support efforts to increase generation capacity at ELL's Waterford 3 Steam
14 Electric Station ("Waterford 3") and potentially River Bend Station ("River Bend") and
15 include a commitment to add a significant amount of incremental solar, onshore wind,
16 and battery resources over time through the Company's Commission approved Geaux
17 Zero Rider. Additionally, under the Sustainability Agreement, ELL and the Customer
18 will provide a total of \$260 million in direct benefits to ELL's other customers through
19 ELL's energy efficiency and weatherization programs and Entergy's The Power to
20 Care Program.

21

1 Q8. HOW IS YOUR TESTIMONY ORGANIZED?

2 A. I begin in Section II by explaining the positive impact Project Laidley has already had
3 on Northeast Louisiana and the additional opportunity that Project Evest presents to
4 that region, the State of Louisiana, and all of ELL's customers. In Section III, I provide
5 a more detailed overview of the Project and ELL's proposed generation and
6 transmission investments to assist with serving the Project. I also discuss the terms of
7 the agreements that have been negotiated with the Customer, including the protections
8 that have been secured for ELL's other customers and features that mitigate the credit
9 and customer concentration risks associated with the Project. Finally, I address in
10 Section III the Company's proposed monitoring plan through which quarterly updates
11 on the status of ELL's generation and transmission investments, including schedule,
12 costs, and other critical associated activities, will be reported to Commission Staff (the
13 "Monitoring Plan"). In Section IV, I describe the new Customer-specific Sustainability
14 Agreement that identifies commitments to which the Customer and ELL have agreed
15 in order to address each other's sustainability goals. In Section V, I discuss anticipated
16 economic impacts to the Northeast Louisiana region and the state as a whole. Finally,
17 in Section VI, I summarize the Company's requests for relief, and I introduce the other
18 witnesses supporting the Company's Application.

19

1 **II. THE PROJECT WILL BENEFIT THE STATE OF LOUISIANA,**
2 **AND ELL IS WELL-POSITIONED TO SUPPORT IT.**

3 Q9. PLEASE EXPLAIN WHY THE COMPANY IS FILING ITS APPLICATION.

4 A. ELL takes seriously its obligation to provide electric service and understands its vital
5 role in the daily life and development of the communities it serves. The Company's
6 willingness to work with both potential and existing customers to meet their power
7 needs is an essential ingredient to economic growth throughout Louisiana. As I explain
8 further below, Project Laidley has been transformative for Northeast Louisiana, and the
9 work underway in Richland Parish has already provided a substantial and much needed
10 boost to the region's economy. None of this growth, however, would have been
11 possible without ELL doing its part to ensure that Project Laidley has access to reliable
12 electric service.

13 With Project Evest, the Customer seeks to build a world-class data center in
14 Richland Parish. In doing so, the Customer will make a historic investment in a part of
15 our state that has not previously enjoyed the same sort of economic growth that has
16 materialized in other areas of Louisiana. Moreover, the Customer will contribute
17 substantially towards the cost of operating ELL's electric system and fund major
18 generation and transmission upgrades that will improve the system's efficiency and
19 reliability and reduce costs for all customers. Recognizing that Project Evest presents
20 an opportunity to improve the economic trajectory not only of Northeast Louisiana, but
21 also the state as whole, the Company explored available options for serving the load
22 associated with the Project under terms that not only would satisfy the Customer's

1 needs, but that also would ensure that the benefits associated with the Project would be
2 shared with all of ELL's customers.

3 The Company's Application also demonstrates how the size and geographic
4 diversity of an electric utility like ELL, which has a presence in fifty-eight (58) of
5 Louisiana's sixty-four (64) parishes, make a difference in helping the state, and
6 Northeast Louisiana in particular, attract the sort of development that the Project
7 represents. Furthermore, and importantly, ELL's size and statewide presence benefit
8 all customers, which rationale was central to Legacy ELL's and Legacy EGSL's
9 proposing the Business Combination in LPSC Docket No. U-33244.⁶

10
11 Q10. PLEASE ELABORATE ON HOW ELL'S CHARACTERISTICS CONTRIBUTE TO
12 MAKING RICHLAND PARISH AN ATTRACTIVE LOCATION FOR THE
13 CUSTOMER'S DATA CENTER.

14 A. ELL's size and ability to raise capital are essential to making the investments needed
15 to serve the Project on the timeline requested by the Customer. ELL's ability to respond
16 to such opportunities requires the Company to deploy capital quickly to make
17 transmission upgrades to serve additional load and to ensure an adequate and reliable
18 supply of generation. Indeed, preparing to help the communities that ELL serves take

⁶ LPSC Order No. U-33244-A, *In re: Potential Business Combination of Entergy Louisiana, LLC and Entergy Gulf States Louisiana, L.L.C.* (September 14, 2015) ("LPSC Order No. U-33244-A"), at 3 (summarizing ELL's testimony that the Business Combination "balances the interests of all stakeholders, addresses existing customers' interests by ensuring they receive a fair share of the benefits of the Business Combination, addresses prospective customers' and the State's interests by ensuring that the Business Combination facilitates economic development in Louisiana, and addresses the Commission's interests by ensuring that the appropriate mechanisms are put in place to regulate the newly-combined company efficiently in the future").

1 advantage of economic development opportunities like the Project and positioning
2 Louisiana for economic growth were key drivers of the Business Combination that the
3 Commission approved in 2015.⁷

4 In the decade after the Business Combination, with the Commission's support,
5 ELL has done significant work to improve reliability, make the grid more resilient in
6 the face of extreme weather, and add clean, affordable sources of energy – all of which
7 efforts serve to support the economic development that is occurring in Louisiana. And
8 during that time, the Commission's leadership and ELL's prudent management of its
9 resources have allowed ELL's customers to enjoy rates for electric service that are well
10 below the national average. The Commission's approval of an extension and
11 modification of ELL's Formula Rate Plan in LPSC Order No. U-36959 also has shored
12 up ELL's financial health, which enables ELL to make the investments needed to serve
13 the Customer.⁸ In short, the Project represents the sort of opportunities that ELL, the
14 Commission, and community stakeholders have been preparing for.

⁷ LPSC Order No. U-33244-A, at 3 ("According to Mr. May, the proposed Business Combination will result in one electric utility with a stronger balance sheet and a better ability to attract capital, enabling the surviving entity to make necessary investments in infrastructure, as well as take advantage of economic opportunities available as a result of the *industrial renaissance* sparked by low energy prices.") (emphasis in original).

⁸ See LPSC Order No. U-36959, *In re: Application for an increase in rates, whether through a Formula Rate Plan extension or rate review, and proposed revisions to certain fees assessed to customers* (September 13, 2024).

1 Q11. WHAT ACTIONS DID THE COMMISSION TAKE WITH RESPECT TO PROJECT
2 LAIDLEY IN LPSC DOCKET NO. U-37425?

3 A. In LPSC Docket No. U-37425, the Commission found, among other things, that the
4 Company's construction of three new CCCT generators⁹ serves the public convenience
5 and necessity and is in the public interest, and that the Company's proposed Mount
6 Olive to Sarepta 500kV Transmission Project is in the public interest and in the interests
7 of affected customers, and is therefore prudent.¹⁰ The Commission further found that
8 the Company's proposed Sterlington 500kV Substation Equipment and Customer-Paid
9 Substations do not require certification pursuant to LPSC General Order R-36199 dated
10 September 10, 2024, and that the Company's Interim Transmission Facilities and
11 Point-of-Delivery Transmission Facilities for Project Laidley are exempt from
12 certification pursuant to Section VIII(f) and (h) of the Commission's Transmission
13 Siting Order. The Commission also approved the Company's request to solicit, procure,
14 and designate to Laidley 1,500 MW of solar and/or solar and storage resources through
15 an alternative procurement process.
16

⁹ Two of the CCCT generators (the "Franklin Farms Power Station Units") approved in Docket No. U-37425 will be co-located with Richland Parish Data Center. The third CCCT generator will be located at the Company's Waterford site in St. Charles Parish.

¹⁰ The Mount Olive to Sarepta 500kV Transmission Project consists of a new 60-mile Mount Olive to Sarepta 500kV transmission line from the existing Mount Olive 500kV substation to the existing Sarepta 345/115kV switching station. Both substations require upgrades for Project Laidley, most notably a new 500/345kV 1,200 MVA autotransformer at Sarepta.

1 Q12. WHAT IS THE STATUS OF THE GENERATION AND TRANSMISSION
2 FACILITIES THAT THE COMMISSION APPROVED IN DOCKET NO. U-37425?

3 A. The Company broke ground in December 2025 on the Franklin Farms Power Station
4 Units located in Richland Parish. Pending receipt of required permits, ELL expects to
5 break ground on the third approved CCCT unit, Waterford 5, in 2026. The Mount Olive
6 to Sarepta 500kV Transmission Project is currently in progress.

7

8 Q13. HOW HAS PROJECT LAIDLEY IMPACTED NORTHEAST LOUISIANA'S
9 ECONOMY?

10 A. As observed by a respected authority on Louisiana's economy, Project Laidley has
11 transformed the Monroe Metropolitan Statistical Area ("MSA") from the "poorest
12 corner of the State" to tying the Lake Charles MSA as the state's fastest growing.¹¹ In
13 the absence of Project Laidley, the Monroe MSA would rank near the bottom of the
14 state's MSAs in terms of economic growth. Now, instead of stagnation, the Monroe
15 MSA is projected to add approximately 7,500 jobs in 2026 and 2027 as construction
16 on Project Laidley continues to ramp up. Monroe and the surrounding communities
17 have already experienced an increase in sales tax collections and housing construction,
18 and plans to return blighted or abandoned buildings to productive use are taking

¹¹ Scott, Loren C., Louisiana Economic Forecast, State and MSAs: 2026 and 2027, Loren C. Scott & Associates, Inc. (October 2025), at pp. 98-99. Morehouse, Ouachita, Richland, and Union Parishes compose the Monroe MSA. Id. at p. 97.

1 shape.¹² This represents a remarkable turnaround for a region of Louisiana that has
2 typically lagged behind other regions and has seen significant population loss due to a
3 lack of good job opportunities.

4 Meta reports that it has contracted over \$875 million with more than 160
5 Louisiana businesses, 84% of which are local to Northeast Louisiana, and has
6 committed to investing more than \$300 million to improve local infrastructure,
7 including roads, water, and wastewater systems.¹³ Construction associated with Project
8 Laidley is expected to generate over \$300 million in wages for workers from Northeast
9 Louisiana, and Project Laidley is expected to create approximately 500 permanent jobs
10 in Richland Parish, with salaries significantly above regional averages.¹⁴ Noting that
11 Project Laidley is bringing the most significant external investment to his region in
12 decades, I share the conviction expressed by Monroe Mayor (and Rayville native)
13 Friday Ellis that it is “our time to lead” and that developers of major projects will
14 continue to be impressed by the “strength of our people and the appetite for new
15 investment and the yearning for opportunities to plug our people in and to find a living
16 wage and a career.”¹⁵

¹² Riegel, Stephanie, *How Meta’s AI data center is sparking big changes in this north Louisiana city*, NOLA.com (March 15, 2026), see: https://www.nola.com/news/business/how-metas-ai-data-center-is-sparking-big-changes-in-this-north-louisiana-city/article_4c19342c-62b9-4f48-abc8-03b04713ba67.html.

¹³ Meta, *One Year In: Meta’s Richland Parish Data Center Supports Louisiana Economy with \$875M in Contracts* (December 19, 2025).

¹⁴ See Ginovus, *Grow NELA Regional Economic Impact Analysis Report*, at p. 9.

¹⁵ Garrett, Arnessa, *Monroe Mayor Friday Ellis: ‘Innovation is in the heartland of America’*, NOLA.com (May 22, 2025), see: https://www.nola.com/opinions/monroe-mayor-friday-ellis/article_c185b912-e372-424c-ad08-f0856b9130da.html.

1 Q14. IS PROJECT LAIDLEY’S IMPACT LIMITED TO NORTH LOUISIANA?

2 A. No. As Greater New Orleans, Inc. President and CEO Michael Hecht has noted, Project
3 Laidley “has statewide and generational implications for all of Louisiana. It means that,
4 rather than watching the next technology wave pass us by, we are aggressively catching
5 it. The New Orleans region will benefit from future business growth, job opportunity,
6 and brand enhancement because of this remarkable win.”¹⁶ The same is true for all
7 regions of our state. For example, in March 2025, Hyundai announced that it will invest
8 \$5.8 billion in a first-of-its-kind, ultra-low carbon steel manufacturing facility in
9 Ascension Parish. This announcement resulted in Louisiana winning its second
10 consecutive Platinum Deal of the Year Award from Business Facilities Magazine,
11 sending a clear signal that Louisiana is the best place to build new, cutting-edge
12 facilities. Louisiana has continued to build on this momentum, with Hut 8 announcing
13 in December 2025 that it will invest up to \$10 billion to develop an AI data center
14 campus in West Feliciana Parish and Amazon announcing in February 2026 that it will
15 invest \$12 billion to develop three AI data center campuses in Caddo and Bossier
16 Parishes. In the words of Louisiana Economic Development Secretary Susan
17 Bourgeois, Louisiana has “moved from aspiration to achievement, building a climate
18 where world-class projects choose Louisiana because they know we can deliver.”¹⁷

¹⁶ NOLA Newswire, *Louisiana Economic Development Seeks Vendors for \$10B Meta AI Data Center Project* (December 18, 2024), see: <https://nolanewswire.com/business/louisiana-economic-development-seeks-vendors-for-10b-meta-ai-data-center-project/>.

¹⁷ Louisiana Economic Development, *Louisiana Wins Back-to-Back Platinum Deal of the Year, Signaling a New Era of National Competitiveness* (January 5, 2026), see: [Louisiana Wins Back-to-Back Platinum Deal of the Year, Signaling a New Era of National Competitiveness - LED | Louisiana Economic Development](#).

1 With Project Evest, as with Project Laidley, the Commission has an opportunity to
2 support this momentum and spark further growth across our state by sending a strong
3 signal that Louisiana is open for business and ready to lead the way in technological
4 development.

5
6 Q15. WILL YOU DESCRIBE, GENERALLY, THE COMPANY'S PLANS TO SATISFY
7 ITS LONG-TERM GENERATION RESOURCE NEEDS, INCLUDING THOSE
8 ATTRIBUTABLE TO INCREASED LOAD GROWTH ASSOCIATED WITH
9 ECONOMIC DEVELOPMENT OPPORTUNITIES LIKE THE PROJECT?

10 A. Yes. As Company witness Laura K. Beauchamp discusses, the Company is projected
11 to need additional long-term generating capacity over the course of the long-term
12 planning horizon – even before consideration of the needs of the Project. Building a
13 robust portfolio of resources to meet this need requires ELL to balance three key
14 objectives: reliability, affordability, and sustainability. To that end, the Company has
15 developed and continues to refine an integrated plan that considers generation, battery
16 storage, demand response, energy efficiency, and transmission and is expected to meet
17 customer needs in the lowest-reasonable-cost manner. The plan is to meet ELL's needs
18 through a diverse set of resources that will provide efficient operating flexibility to
19 solve evolving customer demands. Examples of steps the Company has taken to meet
20 its needs include the Company's recent Capacity Credit Purchase Agreement
21 ("CCPA") with the Magnolia Power Generating Station, continuing efforts to add solar
22 generation to ELL's portfolio, ELL's application in LPSC Docket No. U-37595 seeking
23 authorization to implement a suite of proposed demand response offerings, ELL's

1 application in LPSC Docket No. U-37801 seeking approval from the LPSC to acquire
2 the Cottonwood Generation Facility, and ELL's application in LPSC Docket No. U-
3 37853 seeking approval to construct the Waterford 6 Power Station and Westlake
4 Power Station. Ms. Beauchamp discusses these and other examples in more detail in
5 her Direct Testimony. And as I explain further below, the new generation resources
6 proposed in this Application are exactly the kinds of resources the Company should be
7 investing in to satisfy its long-term generation needs.

8
9 Q16. ARE INVESTMENTS IN TRANSMISSION UPGRADES ALSO NECESSARY TO
10 ADDRESS INCREASED LOAD GROWTH?

11 A. Yes. In addition to satisfying its long-term generation resource needs, the Company
12 also must plan to invest in transmission upgrades to improve load serving capability
13 where new load and generation are added.

14
15 Q17. IS THE TIMELINESS OF THE COMPANY'S INVESTMENT IN ITS
16 GENERATION AND TRANSMISSION INFRASTRUCTURE A SIGNIFICANT
17 FACTOR IN ENCOURAGING ECONOMIC DEVELOPMENT GROWTH IN THE
18 STATE?

19 A. Yes. Investment in infrastructure must be timely because speed to market is one of the
20 keys to attracting new investment like the Project. All else being roughly equal, if a
21 prospective customer is choosing between two locations, and if that customer believes
22 that location A can more quickly bring the customer's facility on line than location B,
23 that customer is more likely to choose to build at location A. In industries involving

1 AI and other cutting-edge technologies, this “need for speed” is especially acute and
2 an even more significant factor in the selection of a location for a customer’s project.

3 Once a prospective customer makes the decision to locate a new facility in
4 Louisiana (or expand an existing operation), the addition of that load will benefit all
5 customers in the state. More specifically, the ability to attract new industrial customers
6 and help existing customers expand will provide additional sales across which to spread
7 the cost of new capital investment needed to support the provision of safe, reliable, and
8 economic service to all customers. In addition, attracting new industrial customers and
9 helping existing customers expand, regardless of whether they are served by the
10 Company, can bring more jobs and lead to improvements in community infrastructure
11 such as schools, streets, parks, and other resources that enhance the daily lives of
12 Louisiana’s citizens.

13
14 Q18. IS LOUISIANA’S REGULATORY ENVIRONMENT A FACTOR THAT
15 PROSPECTIVE CUSTOMERS CONSIDER WHEN DECIDING WHERE TO
16 LOCATE OR EXPAND?

17 A. Yes, regulatory certainty is an important factor. Stable, consistent policy attracts
18 investment in Louisiana. Furthermore, when a prospective project requires investment
19 in the grid to meet electric service requirements, whether the Commission will support
20 and approve that investment and do so on a timely basis are factors that the prospective
21 customer considers when making its decision. Indeed, the Commission’s prompt
22 consideration of the Company’s application in LPSC Docket No. U-37425 was an
23 important factor in the Customer’s decision to invest in Richland Parish. With

1 Governor Jeff Landry’s announcement of the “Louisiana Lightning Speed Initiative”
2 and the LPSC’s recent approval of the Lightning Amendment to its Market-Based
3 Mechanisms General Order,¹⁸ state leaders have set the stage for further growth by
4 signaling Louisiana’s willingness to act quickly, creatively, and consistently to capture
5 economic opportunities like Project Evest.

6
7 Q19. PLEASE ELABORATE ON HOW THE COMPANY HAS CONTINUED TO
8 POSITION LOUISIANA FOR ECONOMIC GROWTH BY INVESTING IN THE
9 RESILIENCE AND RELIABILITY OF ITS INFRASTRUCTURE.

10 A. ELL has been working to make its system more resilient since the significant storms
11 that impacted Louisiana in the early 2000s. The state’s experience with Hurricane
12 Laura in 2020 and Hurricane Ida in 2021, as well as with other severe weather events
13 such as tornadoes and winter storms, demonstrates the necessity of those
14 improvements. In the intervening years, ELL, like the overall electric utility industry
15 in the United States, has invested considerable capital to replace and upgrade aging
16 infrastructure.

17 In particular, ELL has modernized its power plants, adding both cleaner and
18 more efficient energy sources in order to provide our customers with reliable, safe, and
19 low-cost energy. ELL also has invested significantly in its transmission grid to expand

¹⁸ LPSC General Order, Docket No. R-26172, Subdocket A (February 16, 2004) (*In re: Development of Market-Based Mechanisms to Evaluate Proposals to Construct or Acquire Generating Capacity to Meeting Native Load. Supplements the September 20, 1983 General Order*), as amended by General Order No. R-26172, Subdocket B (November 3, 2006), further amended by the April 26, 2007 General Order, and further amended by General Order No. R-26172, Subdocket C (October 29, 2008), and further amended and superseded by General Order 10-14-2024, Docket No. R-34247 (October 14, 2024).

1 for growth and to comply with federal reliability requirements. And, for its distribution
2 system, ELL has implemented grid modernization and system-hardening
3 improvements as customer reliance on the electric grid evolves and increases (*e.g.*,
4 electric vehicles and e-commerce).

5 ELL also is implementing an accelerated approach to improving the resilience
6 of the electric grid. In LPSC Docket No. U-36625, the Commission approved the
7 Company's Phase 1 Resilience Plan that addresses the significant risks faced by
8 communities in the Gulf Coast region and the Company's plan to improve its electric
9 system to help customers meet the challenges and opportunities of tomorrow.¹⁹
10 Implementation of the Resilience Plan is now underway, and infrastructure hardened
11 to the Company's standards is already proving its worth. Continued implementation
12 of the Resilience Plan will substantially improve the risk profile for the ELL grid by
13 reducing the cost of restoring the electric grid after major storms as well as reducing
14 the number and duration of outages associated with those events. Furthermore, ELL's
15 Resilience Plan is responsive to the increase in customers' dependence upon the electric
16 grid, which, in turn, is increasing demands and expectations for a resilient system.
17 Customers expect that the electric distribution grid will accommodate and facilitate
18 technological advancements that are changing the way electricity can be supplied,
19 distributed, and consumed. The improvements contemplated by Phase 1 of the
20 Resilience Plan are therefore vital to the communities that we serve and, in turn, to the
21 economy of Louisiana.

¹⁹ See LPSC Order No. U-36625 (May 10, 2024), *In re: Application for approval of the Entergy Future Ready Resilience Plan (Phase I)* ("LPSC Order No. U-36625").

1 The Commission itself has highlighted the positive impact on economic
2 development efforts that the hardening projects included in ELL's Resilience Plan will
3 produce: "In addition to the direct customer benefits of these projects, the projects will
4 support economic development and jobs in Louisiana, both in terms of the linemen who
5 will do the work and the businesses that will want to invest in a more resilient
6 Louisiana."²⁰ And in the case of the Customer, which is one such business that has
7 chosen to invest in our state, the benefits from the development of its Project will flow
8 to all customers because the Customer will be contributing to the cost of the Resilience
9 Plan as well as to hurricane recovery by providing support for storm costs financed
10 through securitization. Indeed, savings from the addition of Project Laidley alone
11 provide a full 10% reduction in both storm securitization surcharges and grid resilience
12 costs for ELL's existing customers, and, as I discuss below and as Company witness
13 Ryan D. Jones describes in more detail in his testimony, similar benefits are expected
14 as a result of the addition of Project Evest.

15
16 Q20. HOW DOES CUSTOMER AFFORDABILITY RELATE TO ECONOMIC
17 DEVELOPMENT AND THE SORT OF INFRASTRUCTURE UPGRADES THAT
18 ELL IS PROPOSING IN ITS APPLICATION?

19 A. Affordability is key to attracting and supporting large customers that bring employment
20 opportunities to our communities. Businesses that are looking to make major capital
21 investments pay close attention to the cost of electricity. Those large customers share

²⁰ LPSC Order No. U-36625, at p. 6.

1 the concerns of our residential and small business customers in keeping power costs
2 low.

3 Because it concerns all of our customers, affordability motivates the
4 Company's economic development efforts. To explain, in addition to the job creation
5 and economic growth that they bring, the presence of large customers on ELL's system
6 helps reduce the cost of future infrastructure for everyone by spreading fixed costs
7 across a broader customer base, ultimately lowering the cost per customer. The
8 Customer's contributions to resilience and storm securitization costs that I have just
9 mentioned further demonstrate how all customers will benefit from the Project.

10 The Company is proud that its energy rates were more than 30 percent below
11 the national average in 2024 — a difference that helps individuals, families, and
12 businesses stretch their budgets further while supporting social equity, economic
13 resilience, and sustainable growth across Louisiana. The Company understands,
14 however, that it must plan ahead and continually work to maintain low rates for our
15 customers. That is why ELL launched its Louisiana 100 Plan in 2025. With that plan,
16 which marks a century of the Company's service to Louisiana, ELL has committed to
17 extending its track record of delivering affordable energy to all of its customers, and
18 infrastructure investments like those contemplated in this Application are critical to
19 accomplishing that goal.



1

2 Q21. PLEASE ELABORATE ON ELL’S EFFORTS TO ENCOURAGE BUSINESSES TO
3 LOCATE IN LOUISIANA.

4 A. In addition to its ongoing efforts to keep rates for electric service affordable, a goal of
5 the Louisiana 100 Plan is to attract \$100 billion in new industrial projects to the state
6 and to create 100,000 new, high-paying non-utility jobs. To those ends, the Company
7 works closely with the Louisiana Department of Economic Development and regional
8 economic development organizations to encourage businesses to locate new facilities
9 within Louisiana and to expand existing Louisiana facilities, all of which could
10 substantially benefit the Louisiana economy. Specifically, the Company assists state,
11 regional, and local economic development partners with the identification,
12 development, and certification of new industrial and commercial sites. The Company
13 also provides its economic development partners with a state-of-the-art “Buildings &
14 Sites” online database to assist with the site selection process.²¹ In addition, the
15 Company works with its economic development partners to respond to requests for
16 information, plan for prospect visits to the state, provide outreach to site selection

²¹ See Entergy’s Building & Sites Online Commercial Database and GIS Mapping Application, available at <https://info.buildingsandsites.com>.

1 consultants, provide industry research, develop geographic information system
2 mapping, conduct demographic analyses, and create conceptual layouts and virtual
3 tours for available industrial sites.

4 Furthermore, and importantly, the Company is an active participant in
5 education and workforce training initiatives that help make Louisiana competitive with
6 other states and provide opportunities for its citizens. Examples of those initiatives
7 include the following:

- 8 • Participating in the workforce advisory group for the LA FUEL grant awarded by
9 the National Science Foundation to a consortium led by Louisiana State University.
- 10 • Collaborating with and supporting financially electrical and computer engineering
11 research, coursework, and career development at Louisiana State University in
12 areas such as transmission operation and planning and integration of renewable
13 energy to the power grid.
- 14 • Helping Southern University at Shreveport and Dillard University in New Orleans
15 secure \$500,000 from the U.S. Department of Energy's HBCU Clean Energy
16 Education Prize competition.
- 17 • Providing financial support for power systems engineering research and instruction
18 at the University of New Orleans and scholarships supporting the Winds Scholars
19 Program, which seeks to encourage growth and opportunities in Louisiana's wind
20 energy industry.
- 21 • Providing financial support to the National Society of Black Engineers (NSBE)
22 student chapter at the University of Louisiana at Lafayette.

- 1 • Working closely with Baton Rouge Community College to submit an energy
2 curriculum called Energy Industry Fundamentals to the Louisiana Community and
3 Technical College System for certification as an Industry Based Credential that may
4 be then taught by any community college (and to dual enrolled high school
5 students) across the state.
- 6 • Participating as a partner and advisory group member for Energy Partners In
7 Innovation and Collaboration (E.P.I.C.) Consortium at River Parishes Community
8 College (part of Louisiana's H2theFuture grant from the Economic Development
9 Administration).
- 10 • Supporting lineworker programs at Delgado Community College and Fletcher
11 Technical Community College.
- 12 • Providing field/on-site learning opportunities for college and high school students
13 (e.g., ELL hosted students from Louisiana Delta Community College's Industrial
14 Instrumentation program at the Ouachita power plant in Sterlington).
- 15 • Presenting \$150,000 to McNeese State University through the Company's Entergy
16 Solutions program to help the university make major energy efficiency upgrades
17 on its campus.
- 18 • Joining with the New Orleans Super Bowl LIX Host Committee, NFL Foundation,
19 New Orleans Saints, Ochsner Health, Venture Global, United Way of Southeast
20 Louisiana, and the NOLA Coalition to distribute more than \$3.5 million to
21 nonprofit organizations in the Greater New Orleans Region, including 10
22 organizations dedicated to workforce development.

- 1 • Awarding over \$100,000 in scholarships to undergraduate students pursuing
2 eligible technology majors at select Historically Black Colleges and Universities
3 and minority-serving institutions, including Dillard University and Southern
4 University.
- 5 • Funding more than \$700,000 to help bring Prime Time literacy programs to more
6 than 5,000 Louisiana families that expand access to early learning, foster critical
7 thinking, and engage families in lifelong learning.

8
9 **III. OVERVIEW OF THE PROJECT**

10 Q22. PLEASE PROVIDE A GENERAL DESCRIPTION OF THE PROJECT.

11 A. Project Evest represents a new, [REDACTED] MW data center that the Customer plans to build
12 in Richland Parish. The Project will be built on land adjacent to the Project Laidley site
13 and is expected to begin taking service for construction power in [REDACTED] and ramp-up to
14 full capacity in [REDACTED].

15
16 **A. ELL's Investment Necessary to Serve the Project**

17 Q23. DOES ELL HAVE THE CAPACITY TO SERVE THE ANTICIPATED LOAD
18 ASSOCIATED WITH PROJECT EVEST?

19 A. No. The Company's existing resources, including the new resources approved in LPSC
20 Docket No. U-37425, will not be sufficient to serve the additional load associated with
21 Project Evest. The Customer has contracted for up to [REDACTED] MW and is expected to
22 have a [REDACTED]% load factor, which represents a significant increase in the overall demand
23 and energy that ELL is obligated to serve.

1

2 Q24. CONSIDERING THE CAPACITY LIMITATIONS THAT YOU HAVE
3 HIGHLIGHTED, SHOULD ELL HAVE ADVISED THE CUSTOMER THAT IT
4 CANNOT SERVE THE PROJECT?

5 A. No. As I alluded to previously, utility service is intertwined with the public interest,
6 and ELL is reasonably expected to provide service to customers who request and are
7 willing to pay for that service in accordance with the rules, terms, and conditions
8 approved by the Commission. Under ELL's LPSC-approved Terms and Conditions of
9 Electric Service ("Terms and Conditions"), the Company normally extends its facilities
10 to serve new or expanded load when the anticipated revenue from the expanded load is
11 sufficient to justify the investment required to provide the new or additional service.
12 Those Terms and Conditions observe ELL's role in fostering economic development
13 in the areas it serves and that grid improvements can benefit both the individual
14 customer and the overall system. Additionally, the rate schedule under which the
15 Customer will take service contemplates situations where facilities of suitable capacity
16 and voltage are not adjacent to the Customer's facility and permits ELL to require a
17 Customer contribution in order to provide the requested service.

18 ELL approached the Customer's current request for service in the manner the
19 Commission would expect, and that included assessment of anticipated revenue, the
20 improvements required to provide service, and measures to protect the Company's
21 other customers. Importantly, the Customer observed from the outset the principles
22 that inform ELL's obligation to serve and made clear that it was fully prepared to
23 assume reasonable financial responsibility in connection with improvements required

1 for ELL to provide service to the Project. In other words, protecting existing customers
2 has been a shared goal from the beginning, so working with the Customer to facilitate
3 the Project and bring additional investment to Louisiana was and remains the
4 appropriate path for ELL and all of its customers. In his Direct Testimony, Mr. Jones
5 discusses the significant benefits that existing ELL customers will receive from ELL's
6 electric service to the Customer and why providing service to the Customer and
7 construction of the Newly Constructed Assets is in the public interest.

8
9 Q25. HOW DOES PROJECT EVEST COMPARE WITH OTHER LARGE LOAD
10 ADDITIONS?

11 A. As Company witness Troy R. Heytens explains in his Direct Testimony, the study and
12 planning around large load interconnection requests have traditionally been
13 transmission focused because the contemplated additions did not require new
14 generation facilities. However, that approach would not work for Project Evest for two
15 reasons. First, as I previously noted and as Ms. Beauchamp describes in her Direct
16 Testimony, even in the absence of Project Evest, ELL's projected load exceeds its
17 existing and LPSC-approved generation capacity. As a result of its existing need for
18 additional generation capacity, ELL's ability to serve new large load customers without
19 adding new generation resources is limited. Second, data center customers like Laidley
20 and Evest have load requirements exceeding 1GW, a high-capacity factor, and a
21 requirement for "speed to market." In this context, ELL recognized that these types of
22 customers require integrated supply solutions including both new transmission
23 infrastructure and new generating resources.

1 Meeting the challenges of serving large data center customers will bring an
2 important benefit in the form of customer diversification. Most of ELL's largest
3 customers operate in commodity-based industries that can be cyclical. Accordingly,
4 economic downturns domestically and internationally can affect ELL's sales to those
5 customers and other businesses that support industrial customers and their employees.
6 On the other hand, economic expansion and/or favorable commodity pricing can drive
7 high demand from industrial customers at certain times, affecting usage on the system
8 and power sales to ELL. Furthermore, industrial customers generally have more
9 options available to them than other types of electric service customers and, as a result,
10 are at a greater risk of leaving the system than other customers. An industrial customer
11 can choose to install cogeneration, shift load to other locations, or could choose to
12 suspend operations when its business is not economic. When such unexpected
13 customer shutdowns occur, it often makes it more difficult for the utility to recover its
14 fixed costs. In this way, ELL's large share of traditional industrial load results in
15 increased risk of volatility with respect to sales, earnings, cash flow, and the ability to
16 earn its allowed return.

17 Project Evest has important characteristics that distinguish it from ELL's
18 traditional base of industrial customers. The Customer will need a constant, consistent
19 level of power that is not expected to diminish based on factors like commodity pricing
20 (*e.g.*, the spread between oil and natural gas prices that affects the chemical industry).
21 The bills that the Customer will pay for that service will produce a steady, reliable
22 revenue stream that will mitigate the volatility risk that exists with ELL's current share
23 of industrial load and will fully cover the annual revenue requirements of the Newly

1 Constructed Assets during the term of the Company's Electric Service Agreement
2 ("ESA") with the Customer, which I discuss further below.

3

4 Q26. WILL THE POWER DEMANDS OF PROJECT EVEST DIMINISH THE
5 RELIABILITY OF THE ELECTRIC GRID THAT CURRENTLY SERVES ELL'S
6 CUSTOMERS?

7 A. No. The generation and transmission facilities proposed in this application will ensure
8 that Project Evest's demands do not diminish grid reliability. Indeed, as Ms.
9 Beauchamp and Company witness Daniel Kline explain in more detail, the new
10 facilities will improve the reliability of the grid and facilitate economic expansion
11 throughout Louisiana. Moreover, the steady, reliable revenue stream that ELL expects
12 from the Customer will support the Company's reliability programs.

13

14 Q27. HOW IS ELL PLANNING TO PROVIDE THE NEW BASELOAD GENERATION
15 REQUIRED TO SERVE THE PROJECT?

16 A. The large load associated with the Project at a single location requires a complex,
17 integrated transmission and generation solution, including several high-capacity factor
18 sources of energy to reliably serve the load while also maintaining the reliability of the
19 bulk electric system ("BES"). ELL evaluated numerous options to serve the Customer
20 in a manner that addresses its need for speed, reliability, cost, and sustainability, but
21 that also mitigates harm and ensures continued reliable service to other customers. The
22 options considered include all gas-fired generation with no zero-carbon generation and
23 a transmission-only solution. Ultimately, the Company opted to construct seven new

1 CCCT generators to provide the energy and capacity needed to serve the new load,
2 which provides the needed capability to support service at the Customer site. In her
3 Direct Testimony, Ms. Beauchamp explains the rationale for this solution versus other
4 alternatives that were considered. Company witness Nicholas W. Owens further
5 explains why the resource portfolio proposed in this Application is reasonable
6 considering the size of the load addition and the billing arrangements discussed further
7 below.

8 The Proposed Generators will operate as dispatchable generation resources,
9 which will help maintain reliability when intermittent resources are not available. To
10 meet BES compliance and operational reliability and flexibility requirements, four of
11 these generators (“Richland Units 1-4”) will be located near the customer’s load in
12 Richland Parish, significantly reducing potential stresses to the BES. The three
13 remaining generators (“Pointe Coupee Units 1-3”) will be located near the existing Big
14 Cajun site. Mr. Kline explains why the Company’s proposed siting of the Proposed
15 Generators is the best siting solution to meet the BES requirements mentioned above.
16 Company witness Norman Grunden discusses CCCT technology and the Proposed
17 Generators in more detail in his Direct Testimony. As discussed by Mr. Grunden, the
18 Proposed Generators will be configured to enable carbon capture and storage (“CCS”)
19 technology and capable of burning up to 30% hydrogen.

1 Q28. WHY DID ELL SELECT CCCT TECHNOLOGY FOR THE GENERATION
2 RESOURCES?

3 A. As Mr. Grunden explains, CCCT technology provides efficient, around the clock,
4 reliable generation and is considered throughout the industry to be the best available
5 technology for limiting greenhouse gas emissions when combusting fossil fuels for
6 electric generation. In addition, a CCCT unit can achieve full power operation within
7 a few hours of starting, thus providing flexibility for dispatching purposes.
8

9 Q29. WILL ALL THE OUTPUT OF THE PROPOSED GENERATORS BE DEVOTED
10 TO THE CUSTOMER?

11 A. No. The Proposed Generators will serve ELL's total load in the future, which will
12 include the Customer's load, and thus will directly benefit all of ELL's customers. The
13 Proposed Generators will be a part of ELL's overall generation-resource portfolio, and
14 ELL is seeking approval of the Proposed Generators as system resources. ELL
15 anticipates that, as system resources, the Proposed Generators will be offered into the
16 Midcontinent Independent System Operator, Inc.'s ("MISO") markets for capacity and
17 energy and committed and dispatched in the normal order, consistent with security
18 constrained economic unit commitment and dispatch, to serve the needs of all ELL
19 customers, as is the case with other system resources.
20

1 Q30. IS THE COMPANY PLANNING TO ACQUIRE ANY OTHER CAPACITY
2 RESOURCES TO ASSIST WITH SERVING THE PROJECT'S LOAD?

3 A. Yes. As Ms. Beauchamp describes in her Direct Testimony, in addition to the Proposed
4 Generators, ELL will acquire an additional [REDACTED] MW of storage capacity from new
5 battery storage resources, including two battery energy storage systems that will be
6 developed by the Company and co-located with solar resources at the Cypress Harvest
7 Solar Facility in Iberville Parish and the Bogalusa West Solar Facility in Washington
8 Parish. Company witness Robert J. Fluth discusses battery storage technology and the
9 battery energy storage systems proposed in this Application in more detail in his Direct
10 Testimony. Additionally, revenue from the Customer will be used to cover the costs
11 associated with a Capacity Credit Purchase Agreement – the Bayou Cove CCPA – that
12 will provide approximately 225 MW of Zonal Resource Credits during a fifteen-year
13 term, *i.e.*, from 2027 through 2042.²²

14
15 Q31. PLEASE DESCRIBE THE TRANSMISSION INTERCONNECTION AND
16 UPGRADE INVESTMENTS INCLUDED IN THE APPLICATION.

17 A. The transmission-related projects include new transmission lines, switching stations,
18 and a new substation. To connect the customer's load to the Company's transmission
19 system, ELL will construct a new large interconnection 500/230kV substation called
20 West Fork Creek ("WFC"), twenty to thirty miles of 230kV transmission lines, and

²² ELL is not seeking certification of the Bayou Cover CCPA in this proceeding; rather, ELL is seeking certification of the Bayou Cove CCPA along with three other capacity purchase agreements in LPSC Docket No. U-37872, *In re: Application of Entergy Louisiana, LLC for Approvals Relating to Various Purchase Agreements, and for Associated Cost Recovery*, filed on March 10, 2026.

1 nine new auxiliary 230kV switching stations. ELL will also develop and construct a
2 new approximately 90-mile 500kV transmission line from ELL's Smalling substation
3 to EAL's El Dorado substation (the "Smalling to El Dorado 500kV Line").
4 Additionally, ELL will construct a new 500kV switching station that will intersect the
5 Babel to Webre 500kV line in St. Landry Parish (the "St. Landry Switching Station")
6 and a new, approximately 150-mile WFC to St. Landry 500kV transmission line (the
7 "WFC to St. Landry 500kV Line"). Mr. Kline discusses these transmission projects in
8 more detail in his Direct Testimony.

9 ELL expects that the new Smalling to El Dorado and WFC to St. Landry 500kV
10 lines will improve the reliability of the transmission system. Of particular note, as Mr.
11 Kline discusses, the new lines will strengthen the 500kV network between North and
12 South Louisiana and will benefit all ELL customers by increasing north-south
13 transmission connectivity and enabling available generation to move more freely to
14 where it is needed. The additional infrastructure redundancy provided by these facilities
15 will also improve resilience for ELL's customers by better preparing the electric system
16 to withstand and recover from major weather events.

17
18 Q32. WHAT IS THE PROJECTED OVERALL COST OF THE COMPANY'S
19 INVESTMENTS TO SUPPORT SERVICE TO THE LOAD ASSOCIATED WITH
20 THE PROJECT?

21 A. During the commercial negotiations of the ESA with the Customer, the Company
22 estimated a total capital investment of approximately \$13 billion for the Proposed
23 Generators, approximately [REDACTED] for transmission facilities and upgrades, and

1 approximately [REDACTED] billion for the Battery Storage Facilities described above. The
2 Customer is contributing substantially toward that cost in the form of a transmission
3 contribution in aid of construction (in the amount of approximately [REDACTED]) and
4 [REDACTED]
5 [REDACTED]. Additionally, as Mr. Jones and Company
6 witness Thomas Kidd explain, the minimum monthly charges under the ESA are sized
7 such that the Company's total investment in the Planned Generators will be [REDACTED]
8 depreciated, the full cost of the Battery Storage Facilities will be paid for, and the
9 annual revenue requirements of the St. Landry Switching Station and WFC to St.
10 Landry 500kV Line will be fully offset during the 20-year Original Term of the ESA,
11 and the Customer has agreed that it will pay, in the event of an early termination of the
12 ESA and following a specified liquidation process, the remaining net book value of any
13 Proposed Generators that are in service and that the Company does not retain for
14 general supply purposes. The minimum monthly charges during the ramp-up period
15 also ensure that sufficient cash flow is generated to maintain the Company's credit and
16 financial integrity during the process of constructing the Proposed Generators.

17
18 Q33. WHAT IS THE TIMELINE FOR ELL'S GENERATION AND TRANSMISSION
19 INVESTMENTS TO SERVE THE PROJECT?

20 A. In order to meet the Customer's anticipated ramp-up timeline, construction of the new
21 generators and transmission facilities would need to be completed by 2031.

22

1 Q34. DOES THE COMPANY'S PLAN TO SERVE PROJECT EVEST ADEQUATELY
2 ADDRESS THE CONCERNS HIGHLIGHTED IN THE COMMISSION'S LARGE
3 LOAD ADDITIONS NON-BINDING GUIDELINES?

4 A. Yes. Based on its experience with Project Laidley, ELL anticipated the concerns
5 highlighted in the Large Load Additions Non-Binding Guidelines (the "Guidelines")
6 and worked with the Customer to craft an ESA and a supply plan that addresses those
7 concerns. As set forth in this Application, the Company is confident that its plan to
8 serve the load associated with Project Evest will enable the Customer to develop its
9 Project without undermining the reliability of ELL's electric system or forcing ELL's
10 existing customers to shoulder the cost of facilities that they do not need. In her Direct
11 Testimony, Ms. Beauchamp discusses the Guidelines and notes which Company
12 witnesses address the specific concerns highlighted by the Guidelines.

13
14 **B. Transaction Structure, Customer Protections, and Rate Impacts**

15 Q35. PLEASE DESCRIBE THE TERMS AND GENERAL CONSIDERATIONS OF THE
16 ESA BETWEEN THE COMPANY AND THE CUSTOMER.

17 A. Consistent with Entergy's "Fair Share Plus" principles,²³ ELL's contractual
18 arrangements with the Customer aim to ensure that the Customer pays its fair share for
19 the power used by Project Evest while producing additional savings and benefits for
20 ELL's existing customers. The Customer and ELL have executed an ESA for an

²³ See Entergy Corporation, *Entergy announces \$5B in customer savings delivered by data center agreements; issues "Fair Share Plus" pledge* (March 5, 2026); see: <https://www.entergy.com/news/5b-in-customer-savings-delivered-by-data-center-agreements-issues-fair-share-plus-pledge>.

1 original term of twenty (20) years, with automatic renewal for subsequent terms of five
2 (5) years until either party provides notice of intent not to renew at least thirty-six (36)
3 months in advance of the end of the original term or any renewal term. As Ms.
4 Beauchamp notes in her testimony, the Company and the Customer have worked
5 closely to structure the terms of the ESA in a way that fulfills the Customer's request
6 for service while protecting ELL's existing customers. Given the large size of Project
7 Evest, a key guiding principle of the Company and the Customer's negotiations was
8 that the ESA should consider the benefits of the Newly Constructed Assets to ELL's
9 existing customers while taking care that the costs of those assets are not foisted onto
10 those other customers in a manner contrary to the public interest. To that end, a
11 significant portion of the transmission interconnection and upgrade investments that
12 are necessary to support service to the Customer's load will be funded via an
13 Agreement for Contribution in Aid of Construction and Capital Costs (the "CIAC
14 Agreement") with the Customer. These arrangements ensure that the Customer is
15 paying the incremental cost to serve it during the term of the ESA and protect other
16 customers in a manner consistent with the revenue justification policy set forth in
17 ELL's Terms and Conditions. Moreover, the CIAC Agreement provides that, in the
18 event the Project does not move forward, the Customer will be responsible for all
19 remaining costs of facilities constructed by ELL following completion of a specified
20 liquidation process.

21 As expected due to its nature as a System Improvement, the CIAC Agreement
22 with the Customer currently does not address the costs of the St. Landry Switching
23 Station and the WFC to St. Landry 500kV Line. Instead, the ESA with the Customer

1 includes pricing terms that ensure that the revenue requirement for these facilities will
2 be offset by revenues received from the Customer during the term of the ESA such that
3 the addition of these facilities will not increase ELL's other customers' bills.

4 Ms. Beauchamp describes the ESA and the CIAC Agreement between ELL and
5 the Customer in more detail in her Direct Testimony. The ESA and the CIAC
6 Agreement are attached to Ms. Beauchamp's Direct Testimony as Highly Sensitive
7 Protected Materials ("HSPM")/Attorneys' Eyes Only ("AEO") Exhibit LKB-2 and
8 HSPM/AEO Exhibit LKB-3.

9
10 Q36. ARE ELL AND ITS EXISTING CUSTOMERS PROTECTED IN THE EVENT THE
11 CIAC AGREEMENT IS TERMINATED BEFORE THE COMMENCEMENT OF
12 SERVICE UNDER THE ESA?

13 A. Yes, as discussed in more detail by Ms. Beauchamp and Mr. Kidd, the CIAC
14 Agreement generally ensures that ELL recovers its costs if the Agreement is terminated
15 before service commences under the ESA. In the event of a termination, ELL will cease
16 any ongoing work and will use commercially reasonable efforts to liquidate any
17 material component of the assets under construction as well as any Battery Storage
18 Facilities that the Company elects not to retain. The Customer and the Company will
19 undertake an accounting process to determine the final cost of work completed under
20 the CIAC Agreement. If previous payments received from the Customer and proceeds
21 from liquidations are insufficient to fully offset the final cost of such work plus ELL's
22 other costs associated with termination and winding down of operations and
23 construction, the Customer will pay ELL the amount required to fully offset those costs.

1

2 Q37. DOES THE ESA INCLUDE FEATURES THAT PROTECT ELL'S OTHER
3 CUSTOMERS?

4 A. Yes. Protections and risk mitigation for other customers include termination payments
5 that are covered in part by an unconditional and irrevocable guaranty (the "Meta
6 Guaranty") from Meta Platforms, Inc. ("Meta") and additional credit security products,
7 as well as true-up provisions that provide for one-time payments if certain transmission
8 costs exceed estimates and rate adjustments if the actual cost of generation varies from
9 estimates. Furthermore, in the event of an early termination of the ESA, ELL will have
10 the opportunity to retain or liquidate the Proposed Generators and will receive the
11 remaining net book value of any Proposed Generators that are in service and not
12 retained by ELL for general supply purposes. Mr. Jones, Mr. Kidd, and Company
13 witness Kenroy Hinkson discuss the protections mentioned above in more detail in their
14 Direct Testimonies.

15 In addition, and over and above the direct contributions discussed above, under
16 the ESA, the Customer will take service under a standard rate schedule offered to
17 qualifying large industrial customers – ELL's Large Load, High Load Factor Power
18 Service Rate Schedule ("Rate Schedule LLHLFPS-L"), under which a number of such
19 customers already take service. As described by Mr. Jones, the ESA also provides for
20 a minimum monthly charge which, at the most basic level, offsets the cost of the
21 incremental system resources necessary to serve the Customer's load so that other

1 customers are not unduly burdened by such cost.²⁴ The minimum monthly charges and
2 the amounts charged under Rate Schedule LLHLFPS-L to the Customer are sufficient
3 to offset the incremental revenue requirement of the investments and costs necessary
4 to serve the Customer during the 20-year Original Term of the ESA. Furthermore, if
5 the ESA is renewed for one or more five-year terms, the ESA stipulates that the
6 Customer will continue to pay minimum monthly charges in an amount calculated to
7 cover the net book value of the Proposed Generators, St. Landry Switching Station, and
8 WFC to St. Landry 500kV Line. In addition, the Customer will contribute its share of
9 all future costs charged through the tariff, including the cost of transmission system
10 improvements, spreading ELL's cost across more sales to the benefit of all customers.
11 The Customer also will be subject to the FRP Rate Adjustment, the Fuel Adjustment
12 Clause ("FAC"), and an allocated share of all other applicable Riders, including
13 Financed Storm Cost Riders and the Resilience Plan Cost Recovery Rider, so that the
14 Customer bears a reasonable share of ELL's cost to provide electric service over the
15 term of the ESA. Under these terms, the Customer will be treated in the same way as
16 almost all of the Company's other retail customers and will share in the cost of
17 operating the Company's electrical system through the appropriate recovery
18 mechanisms. To that end, the projected base rate and FRP revenues from the Customer
19 exceed the projected revenue requirements associated with the incremental generation

²⁴ As Mr. Jones and Mr. Kidd describe in more detail, the minimum monthly charges during the Customer's ramp-up period from 2028 to 2031 also will help ELL maintain its cash flow and credit metrics as the Company undertakes the large-scale construction projects to serve the Project. These charges address the direct incremental cost to serve the Customer and any indirect cost associated with potential adverse credit actions so that the Customer's and existing customers' interests are balanced.

1 and transmission additions necessary to serve the Customer. In fact, the Customer's
2 contributions through the FRP and existing storm and resilience riders are expected to
3 save ELL's existing customers approximately \$2 billion. In his Direct Testimony, Mr.
4 Jones explains the analysis that supports these expected savings.

5 Mr. Jones discusses the expected impact on customers' bills as a result of the
6 Customer's full participation in Schedule LLHLFPS-L. At a high level, as Mr. Jones
7 explains, the terms of the ESA, including the CIAC Agreement, the minimum monthly
8 charges, and the application of ELL's filed rates, including Rider FRP, have significant
9 benefits for ELL's other customers during the term of the ESA. Again, relative to a
10 scenario where the Customer did not move forward with Project Evest, the structure of
11 the transaction is expected to save ELL's customers in the billions of dollars during the
12 term of the ESA.

13
14 Q38. DOES THE ESA INCLUDE FEATURES THAT ADDRESS PERCEIVED
15 CONCERNS RAISED WITH PROJECT LAIDLEY BY INTERVENORS IN LPSC
16 DOCKET NO. U-37425?

17 A. Yes. Although the Company respectfully disagreed (and continues to disagree) with
18 positions maintained by some intervenors in LPSC Docket No. U-37425, the ESA for
19 Project Evest includes features that address effectively any similar concerns that might
20 arise in connection with this Application. As Ms. Beauchamp notes in her testimony,
21 examples of those features include: (1) provisions that ensure that in the event of any
22 early termination the Company will receive the remaining net book value of any
23 Proposed Generators that are in service and that the Company does not retain for

1 general supply purposes, (2) lengthening the original term of the ESA from fifteen (15)
2 years to twenty (20) years, and (3) lengthening the notice period for nonrenewal of the
3 ESA from twelve (12) months to thirty-six (36) months. These modifications
4 demonstrate that certain aspects of the Laidley ESA that drew criticism have been
5 addressed in connection with Project Evest. Ms. Beauchamp elaborates further on how
6 the ESA addresses concerns raised in LPSC Docket No. U-37425.

7
8 Q39. DOES THE CONCENTRATION OF NEW LOAD IN RICHLAND PARISH
9 AFFECT ELL'S RISK PROFILE?

10 A. Yes, it does. Data center development in Richland Parish will add both customer and
11 geographic diversity to the large load portfolio that ELL serves. As with most
12 significant opportunities, there are risks and challenges that relate to the potential
13 benefits. Project Evest and Project Laidley pose a unique concentration risk because
14 loss of these facilities as customers could reduce ELL's revenues significantly and
15 thereby diminish its financial performance. And ELL's increased capital spending,
16 which includes significant generation and transmission additions to serve the
17 Customer, is a credit challenge.

18 Importantly, however, Moody's Ratings and S&P Global Ratings both
19 maintained their stable outlooks on ELL after assessing the Company's plans to serve
20 Project Laidley.²⁵ In maintaining those outlooks, both agencies highlighted the

²⁵ See Moody's Ratings, *Entergy Louisiana, LLC Credit Opinion*, May 22, 2025; S&P, *Tear Sheet: Entergy Louisiana, LLC's Credit Quality Unaffected By Approval For Additional Generation And Transmission Resources*, August 29, 2025.

1 importance of contract terms and credit mitigants that they expect will maintain ELL's
2 credit quality. Moody's assessment of the Laidley ESA summarizes well ELL's efforts
3 to manage customer concentration risk and protect its other customers:

4 Importantly, ELL's ESA contains terms and conditions that are intended
5 to protect existing customers from subsidizing costs that are directly
6 attributable to Meta's data center build. Some of the key features of the
7 ESA include: 1) upfront payments for engineering, transmission,
8 interconnection and other costs; 2) minimum monthly payments,
9 regardless of the power used by the facility; and 3) early termination
10 fees and 12 months of notice if either party does not want to renew the
11 contract.²⁶
12

13 Q40. HOW IS ELL MITIGATING CUSTOMER CONCENTRATION RISK FOR
14 PROJECT EVEST?

15 A. ELL's approach to mitigating credit risks and protecting other customers in connection
16 with Project Evest was similar to the Company's approach for Project Laidley. As Mr.
17 Kidd and Mr. Hinkson explain, the ESA and the CIAC Agreement shield ELL and its
18 other customers from the investment costs required to serve the Customer by also
19 requiring significant upfront payments, imposing minimum monthly charges that cover
20 the revenue requirements of the Newly Constructed Assets over the ESA's 20-year
21 Original Term, and ensuring ELL receives the net book value of any Proposed
22 Generators that are in service but are not retained by ELL for general supply purposes.
23 These features protect ELL and its existing customers by ensuring that the Customer
24 pays the incremental cost to serve Project Evest and that the Company will have
25 sufficient operating revenues to support and maintain the Company's credit metrics and

²⁶ Moody's Ratings, *Entergy Louisiana, LLC Credit Opinion*, May 22, 2025, at 4.

1 sufficient cash for construction to limit the amount of new debt financing required to
2 fund construction costs. Additionally, as I discuss below and as Mr. Hinkson discusses
3 in more detail, the ESA requires a Meta Guaranty and includes collateral requirements
4 that protect ELL in the unlikely event of a default by the Customer.

5
6 Q41. PLEASE ELABORATE ON THE META GUARANTY AND COLLATERAL
7 REQUIRED IN THE ESA.

8 A. Under the ESA, the Customer is required to furnish to ELL a Meta Guaranty from Meta
9 in the amounts set forth in the ESA, with Meta's obligation under the Guaranty peaking
10 at [REDACTED]

11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]

16 [REDACTED]. Additionally, although Meta currently has a strong credit
17 rating, the ESA requires Meta to post liquid collateral in the form of cash or a letter of
18 credit if its credit rating declines below a certain level. The ESA also requires Meta to
19 pay for Credit Default Security²⁷ to further backstop the Customer's obligations as well

²⁷ Credit Default Security is defined as credit insurance, non-payment insurance, service-level or similar risk-mitigation arrangements which may be provided directly or indirectly by one or more insurers, reinsurers, special purpose vehicles, capital markets or sovereign or quasi-sovereign entities (including sovereign wealth or pension funds), and may be structured through direct insurance, participations, reinsurance, securitization, insurance-linked securities or similar arrangements.

1 as Meta's payment obligations under the Meta Guaranty. The amount of the required
2 Credit Default Security fluctuates over time but peaks at [REDACTED], which is
3 significantly higher than the [REDACTED] in credit insurance required under the Project
4 Laidley ESA. As with the increased [REDACTED], one reason for the increase
5 in required Credit Default Security is to mitigate ELL's customer concentration risk.
6 Ultimately, ELL is confident that the multiple layers of protection outlined above
7 ensure that it will have sufficient cash flow to maintain its financial integrity in the
8 highly unlikely event that both the Customer and Meta default on their payment
9 obligations. Mr. Kidd and Mr. Hinkson discuss the ESA's collateral requirements in
10 greater detail in their Direct Testimonies.

11
12 Q42. IF THE CUSTOMER TERMINATES THE ESA EARLY, WILL ELL'S OTHER
13 CUSTOMERS BE REQUIRED TO PAY FOR GENERATION AND
14 TRANSMISSION ASSETS THAT THEY DO NOT NEED?

15 A. As Ms. Beauchamp and Mr. Kidd explain in more detail, the ESA substantially
16 mitigates the risk that the Company and its other customers will be forced to pay for
17 assets that are not needed. To that end, early termination of the ESA by the Customer
18 will trigger an identification-and-liquidation process during which ELL will identify
19 which Proposed Generators will be sold (the "Liquidated Generators"), which
20 Proposed Generators ELL believes it should retain to benefit other customers (the
21 "Retained Generators"), and whether the Battery Storage Facilities will be retained or
22 sold. This gives ELL flexibility in the event of Customer termination to evaluate using
23 all or a portion of the Proposed Generators and Battery Storage Facilities for future

1 capacity needs. The Customer will pay ELL the net book value of the Battery Storage
2 Facilities that the Company elects not to retain, and ELL will seek LPSC approval to
3 sell the Liquidated Generators. If the proceeds from the sale of a Liquidated Generator
4 are less than the generator's net book value, the Customer will pay the Company the
5 difference between the net book value and sale proceeds. If any Liquidated Generator
6 cannot be sold, or if the LPSC declines to approve the sale of a Liquidated Generator
7 (each, a "Stranded Generator"), the Customer will pay to dismantle and dispose of the
8 Stranded Generator. In other words, ELL will have the opportunity to retain any
9 Proposed Generators that may be needed to serve its other customers but will not be
10 forced to keep or pay for any Proposed Generators that are not needed.

11 Furthermore, in the event the ESA is terminated, the Company will retain all
12 transmission assets constructed to serve the Customer's anticipated load. As I noted
13 above, all such assets, with the exception of the St. Landry Switching Station and the
14 WFC to St. Landry 500kV Line, will be directly funded by the Customer under the
15 CIAC Agreement. Moreover, as Mr. Kidd discusses in his Direct Testimony, [REDACTED]

1 Q43. UNDER THE ESA, WILL THE COMPANY HAVE ADEQUATE TIME TO
2 ADJUST ITS SUPPLY PLANS IN THE EVENT THE CUSTOMER OPTS NOT TO
3 RENEW THE ESA?

4 A. Yes. As I noted above, the ESA requires the Customer to give ELL written notice at
5 least thirty-six (36) months in advance if it does not wish to renew the ESA. The goal
6 of this provision is to provide ELL with ample time to adjust its supply plans in the
7 event the additional power generated by the Proposed Generators is no longer needed
8 by the Customer.

9

10 Q44. WILL THE PROPOSED GENERATORS BE NEEDED TO SERVE ELL'S OTHER
11 CUSTOMERS EVEN IF THE CUSTOMER OPTS NOT TO RENEW THE ESA AT
12 THE END OF THE 20-YEAR ORIGINAL TERM?

13 A. That is a reasonable expectation. Most of ELL's existing combined cycle generators
14 will have operated for over 30 years by the end of the ESA's Original Term in 2048,
15 and several may be nearing the end of their commercial lives. So continued operation
16 of the Proposed Generators may well be necessary and beneficial to customers to
17 supply generation capacity lost through unit retirements. And, as Company witness
18 Samrat Datta discusses in his Direct Testimony, it is reasonable to assume that the
19 Proposed Generators will remain economic resources in the MISO system in 2048.
20 Importantly, however, even if the Proposed Generators are removed from ELL's rate
21 base in 2048 because of nonrenewal of the ESA, other customers still benefit
22 significantly from the construction of those units, as Mr. Datta demonstrates.

23

1 Q45. HAS THE CUSTOMER MADE ANY UPFRONT CONTRIBUTIONS TOWARD
2 THE COST OF THE COMPANY'S INVESTMENTS TO SERVE THE PROJECT TO
3 ENSURE THAT THE CUSTOMER'S RAMP-UP TIMELINE CAN BE SATISFIED?

4 A. Yes. The Customer has already contributed \$[REDACTED] in payments for certain
5 long-lead items, including, for example, circuit breakers, autotransformers, and power
6 island equipment.

7

8 Q46. DOES THE CUSTOMER ANTICIPATE MAKING ANY OTHER
9 CONTRIBUTIONS TO FACILITATE CONSTRUCTION?

10 A. Yes, as Mr. Jones and Ms. Beauchamp describe, the Customer anticipates paying

11

12

13

14

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17

C. Monitoring Plan

18 Q47. PLEASE DISCUSS THE COMPANY'S PROPOSED MONITORING PLAN.

19 A. To keep the Commission informed on the progress and costs of the generation and
20 transmission investments described in ELL's Application, the Company is proposing
21 to use a monitoring plan that is substantially similar to that which was adopted in the
22 Commission's August 25, 2025 Order approving Project Laidley, which contemplates
23 quarterly updates to Commission Staff on the status of the generation and transmission

1 projects (including project schedule, costs, business issues, safety reports, environment
2 compliance, and other associated activities) being built in connection with Project
3 Laidley, all in the form set forth in Exhibit TH-2 to Mr. Heytens' testimony. The only
4 difference between the approved monitoring plan associated with Project Laidley and
5 the current proposed monitoring plan is that the proposed plan provides for reporting
6 on the progress of the battery resources, a new feature in this Application.
7

8 Q48. DOES ELL HAVE AN OBLIGATION TO PRUDENTLY MANAGE THE
9 PROJECTS INCLUDED IN ITS APPLICATION?

10 A. Yes. And while the monitoring reports will demonstrate how ELL is prudently
11 managing the projects described in the Application, the Commission's approval of the
12 Application and the projects included therein will not constitute a final determination
13 of the prudence of the costs ultimately incurred for those projects. Rather, the
14 Company asks, in connection with requested findings that the resources at issue are
15 prudent and in the public interest, that the estimated costs of those resources be deemed
16 eligible for recovery through the Company's applicable rate mechanisms, subject to a
17 continuing obligation to execute the projects to develop these resources prudently. The
18 Commission will have the opportunity to review all such costs in the normal course to
19 ensure that the projects to develop the resources have been prudently executed and,
20 accordingly, that the costs have been prudently incurred.
21

1 **IV. CORPORATE SUSTAINABILITY COMMITMENTS**

2 Q49. YOU MENTIONED ABOVE THAT ELL’S ARRANGEMENTS WITH THE
3 CUSTOMER INCLUDE CERTAIN CORPORATE SUSTAINABILITY
4 COMMITMENTS. PLEASE ELABORATE ON THOSE COMMITMENTS.

5 A. The corporate sustainability commitments set forth in the Sustainability Agreement are
6 designed to advance ELL and the Customer’s respective sustainability, environmental,
7 and corporate responsibility goals. To that end, ELL has agreed to develop, and the
8 Customer has agreed to fund, a portfolio of solar, onshore wind, and solar or onshore
9 wind plus storage (“hybrid”), and other renewable resources and to work in good faith
10 with ELL to identify and develop a portfolio of low-carbon electric generation
11 technologies, including in particular CCS at the Proposed Generators. The
12 Sustainability Agreement also memorializes the agreements between ELL and the
13 Customer with respect to nuclear resources, Entergy’s The Power to Care Program,
14 ELL’s energy efficiency and weatherization programs, and certain environmental
15 attributes.

16 As with the ESA and the CIAC Agreement, the parties’ ability to negotiate and
17 agree on the Sustainability Agreement was a necessary element for ELL and Entergy
18 to meet their sustainability goals and was also a relevant factor for the Customer as it
19 decided whether to move forward with Project Evest. As Company witness Elizabeth
20 C. Ingram explains in her testimony, the Company has robust sustainability goals,
21 which I discuss further below, and the Sustainability Agreement is necessary for the
22 Company to remain in line to achieve those goals. Similarly, the Customer is also
23 dedicated to minimizing its environmental impact and promoting sustainability in all

1 aspects of its business. ELL's ability to provide options for zero to near-zero carbon
2 emission resources was important for the Customer in deciding to build the data center.

3 As discussed in more detail by Ms. Ingram, the Sustainability Agreement
4 contemplates that ELL will solicit and procure 2,500 MW of incremental solar, onshore
5 wind, and/or hybrid resources through an alternative, streamlined, competitive
6 procurement process approved in LPSC Order No. U-36697 ("3GW Order") or through
7 another procurement process agreed to between the parties and approved by the
8 Commission. The Customer has agreed to subscribe to these resources pursuant to
9 Option C of the Company's Geaux Zero Rider. At this time, ELL is not seeking
10 certification of or approval for any specific solar, onshore wind, and/or hybrid
11 resources. Rather, ELL is seeking approval, to the extent required by law, of certain
12 terms and conditions of the Sustainability Agreement and a finding that it is entitled to
13 use the alternative, streamlined certification procedure set forth in the 3GW Order for
14 the 2,500 MW of new renewable resources contemplated by the Sustainability
15 Agreement. Additionally, the Sustainability Agreement makes clear that any
16 procurement of resources through the process allowed by the 3GW Order is subject to
17 the same restrictions imposed through the Commission's Order in LPSC Docket No.
18 U-37425, including the restrictions on allocation to which ELL agreed as part of its
19 settlement in that matter.

20 Furthermore, the Sustainability Agreement contemplates a [REDACTED]
21 investment to implement operational upgrades at Waterford 3 that are expected to result
22 in an additional 117,000 MWh per year during the 20-year Original Term of the ESA.
23 The Customer has also agreed to fund a preliminary Front-End Engineering and Design

1 study, up to a maximum of [REDACTED], to evaluate the potential for construction and
2 operation of two new AP1000 nuclear generators at River Bend. Additionally, in
3 exchange for funding nuclear uprates at Waterford 3 and potentially River Bend
4 through its minimum monthly charges, the Customer will be able to access Alternative
5 Energy Credits associated with the incremental generation enabled by those uprates.²⁸
6 Ms. Ingram discusses these arrangements in more detail in her Direct Testimony.

7 The Sustainability Agreement is attached to Ms. Beauchamp's testimony as
8 Appendix G to Rider 1 of the ESA (HSPM/AEO Exhibit LKB-2) and is separately
9 attached to the Direct Testimony of Ms. Ingram as HSPM/AEO Exhibit ECI-2.

10

11 Q50. WHAT ARE ENTERGY'S SUSTAINABILITY OBJECTIVES?

12 A. Entergy is proud of its longstanding commitment to environmental stewardship, which
13 is an integral part of creating sustainable value for its communities. In 2001, Entergy
14 was the first utility group in the United States to set a voluntary greenhouse gas
15 emissions goal. Today, Entergy operates one of the cleanest large-scale power
16 generation fleets in the country.²⁹ Entergy currently maintains a goal to achieve net
17 zero greenhouse gas emissions by 2050.³⁰

²⁸ ELL is not seeking certification of the Waterford 3 and River Bend uprates in this Application; rather, ELL is already seeking certification of the Waterford 3 uprate in LPSC Docket No. U-37677 and is evaluating whether to pursue a nuclear uprate at River Bend. If the Company decides to pursue the River Bend uprate, it will seek certification of the uprate in a separate application that would be filed in the future.

²⁹ 2025 Benchmarking Air Emissions Report (December 2025), see: <https://www.erm.com/insights/benchmarking-air-emissions-100-largest-us-power-producers/>.

³⁰ Additional information regarding Entergy's corporate sustainability goals is available at: <https://www.entergy.com/environment/>.

1

2 Q51. HOW DOES THE SUSTAINABILITY AGREEMENT IMPROVE THE
3 SUSTAINABILITY OF ELL'S RESOURCE PORTFOLIO?

4 A. As Ms. Ingram describes in more detail, the Sustainability Agreement requires the
5 addition of incremental renewable resources that complement other reliable,
6 dispatchable sources of generation. The Sustainability Agreement also includes a
7 commitment by the Customer and ELL to work toward making CCS a reality at the
8 generators being constructed in response to anticipated loads associated with Project
9 Laidley and Project Evest. The implementation of CCS technology will help reduce
10 emissions from the generators and therefore improve the sustainability of ELL's
11 resource portfolio. As part of the CCS commitment, the Customer will provide up to
12 [REDACTED] to perform a Front-End Engineering and Design Study that evaluates the
13 potential for adding CCS at one of the generators approved to be constructed in LPSC
14 Docket No. U-37425. Ms. Ingram also discusses these commitments in greater detail
15 in her Direct Testimony.

16

17 Q52. DOES THE SUSTAINABILITY AGREEMENT INCLUDE ANY OTHER
18 COMMITMENTS FROM THE CUSTOMER?

19 A. Yes. As part of the Sustainability Agreement, the Customer has also agreed to make
20 transformative donations to Entergy's The Power to Care Program and ELL's energy
21 efficiency and weatherization programs. As described by Ms. Ingram, The Power to
22 Care Program is a customer assistance program that was created to provide emergency

1 utility assistance for low-income seniors and customers with disabilities.³¹ Through
2 that program, local nonprofit agencies help to provide emergency bill payment
3 assistance to such customers in their time of need, providing a lifeline for Entergy's
4 most vulnerable customers. Over the past several years (2021-2025), approximately
5 23,200 ELL customers received assistance through The Power to Care Program totaling
6 about \$7.9 million. In the Sustainability Agreement, the Customer has agreed to donate
7 \$3 million per year to The Power to Care Program for the 20-year Original Term of the
8 ESA. This donation will be incremental to and separate from financial commitments
9 by Laidley that were discussed in LPSC Docket No. U-37425. ELL has also agreed to
10 match the Customer's incremental contributions to The Power to Care Program dollar
11 for dollar, resulting in a total contribution of \$120 million over the 20-year Original
12 Term of the ESA. The additional funding from the Customer and ELL could allow
13 ELL's nonprofit partners to increase the number of Louisiana households that benefit
14 from The Power to Care Program from several thousand per year to more than twenty
15 thousand per year, an exponential increase in reach that would not be possible without
16 Project Evest.

17 Additionally, the Customer will make a transformative donation to ELL's
18 energy efficiency and weatherization programs. These programs are designed to help
19 customers reduce energy consumption and lower utility costs. The Company's current
20 energy efficiency program, Entergy Solutions, provides free home energy audits and a
21 range of no-cost energy efficiency upgrades. Through a network of participating

³¹ For more information regarding Entergy's The Power to Care Program, see <https://www.entergy.com/care>.

1 retailers and trade allies, Entergy Solutions also aims to increase the adoption of
2 ENERGY STAR qualified products and weatherization measures, ultimately providing
3 substantial savings for customers while reducing overall demand on the power grid and
4 advancing clean energy objectives within Louisiana. Additionally, Entergy Solutions
5 offers a Small Commercial Income Qualified Program for locally owned businesses in
6 designated opportunity zones. In the Sustainability Agreement, the Customer has
7 agreed to contribute \$7 million per year for new and/or expanded energy efficiency and
8 weatherization programs for ELL's low-income, residential customers starting in 2028
9 and will continue to make these donations through the expiration of the ESA's 20-year
10 Original Term for a total contribution of \$140 million. Like the impact of the
11 Sustainability Agreement on The Power to Care Program, the additional funding for
12 ELL's energy efficiency and weatherization programs will result in a significant
13 increase in the number of low-income homes that can be weatherized that would not
14 have been possible without Project Evest.

15
16 **V. ECONOMIC IMPACTS OF THE PROJECT**

17 Q53. HOW DOES THE PROJECT FIT WITH LOUISIANA'S CURRENT ECONOMIC
18 DEVELOPMENT PIPELINE?

19 A. Louisiana has long been known for its strength in energy and petrochemicals, but future
20 growth depends on building a more diverse economy, including attracting more
21 advanced technology projects like data centers. Increasing demand for data storage in
22 the age of cloud-based services and AI is driving construction of large-scale data
23 centers, and the Customer's Project will be part of a world-class cluster of facilities that

1 will further diversify Louisiana's economy and position our state as a leader in this
2 growing industry. Indeed, as I noted above, plans have been announced to develop
3 multibillion-dollar AI data center projects in Caddo, Bossier, and West Feliciana
4 Parishes, and other areas of Louisiana will have opportunities in that sector.

5 As I explained in the Company's application in LPSC Docket No. U-37425,
6 Louisiana has seen significant investment in energy-intensive industries, but such
7 projects have largely been centered in the greater New Orleans, Baton Rouge, and Lake
8 Charles areas based primarily on those regions' locations relative to deep-water ports.
9 With Project Laidley, North Louisiana is now experiencing an economic
10 transformation, and Project Evest is poised to bring even more investment to a region
11 that has long tried to land new industry and new jobs. Moreover, Project Evest will
12 solidify Louisiana's reputation as a leader in a cutting-edge industry and further
13 position the state as a strong contender for other major projects.

14
15 Q54. WHAT IMPACT WILL THE PROJECT HAVE ON RICHLAND PARISH AND THE
16 SURROUNDING COMMUNITIES?

17 A. While the Company is not privy to the Customer's ultimate investment expectations,
18 the Project is expected to bring billions of dollars in additional investment to Richland
19 Parish and Northeast Louisiana.

1 Q55. WILL THE COMPANY'S GENERATION AND TRANSMISSION INVESTMENTS
2 TO SERVE THE PROJECT ALSO HAVE A FAVORABLE ECONOMIC IMPACT?

3 A. Yes. In addition to the economic benefits resulting from the Project itself, ELL's
4 investment in electric infrastructure to serve the Project will create additional
5 construction and permanent jobs that will have a positive impact on the state, regional
6 and local economies. The construction of Richland Units 1-4 and Pointe Coupee Units
7 1-3 will generate significant economic benefits in terms of new business sales,
8 construction jobs, and tax revenue. Additionally, ELL and ESL alone will employ
9 around 80 new workers to operate the plants, which will boost local tax revenue
10 available for investment in schools, infrastructure, and other local needs. In addition to
11 the direct economic benefits of constructing and operating the Proposed Generators,
12 the addition of the Proposed Generators will result in a more reliable and efficient
13 electric grid, making Louisiana a more attractive place to do business. Moreover, as I
14 explained earlier in my testimony and as recent experience has demonstrated,
15 constructing the Proposed Generators will signal to the rest of the world that Louisiana
16 is ready to make the investments necessary to build world-class facilities in our state.

17
18 **VI. OVERVIEW OF THE APPLICATION AND**
19 **INTRODUCTION OF WITNESSES**

20 Q56. PLEASE SUMMARIZE THE PURPOSE OF THE COMPANY'S APPLICATION.

21 A. The purpose of the Application is to request that the Commission find, among other
22 things that (1) the Proposed Generators to be constructed by the Company and, to the
23 extent necessary, the Battery Storage Facilities to be utilized to support service to the

1 load associated with the Project serve the public convenience and necessity, are in the
2 public interest, and are therefore prudent in compliance with applicable Commission
3 Orders, including the Commission's General Order dated September 20, 1983 (the
4 "1983 General Order"), (2) the Company has complied with the requirements of Rule
5 3 of the LPSC's General Order dated July 29, 2019, in LPSC Docket No. R-34860
6 relating to ESAs with industrial customers requiring significant resource additions, and
7 (3) that the resources herein qualify, pursuant to the LPSC Lightning Initiative, for the
8 waiver of the Commission's Market Based Mechanisms Order ("MBM Order") or, in
9 the alternative, under the specific facts and circumstances presented in the Application,
10 including significant third-party funding, the substantial economic benefits to the
11 citizens of the State of Louisiana afforded by the Project, and other circumstances
12 described in the Company's Application and supporting testimony, good cause exists
13 for the Commission to grant an exemption to the formal request for proposal process
14 set forth in the Commission's MBM Order, to the extent applicable. The Company is
15 also seeking findings under LPSC General Order R-36199 dated September 10, 2024
16 (the "Transmission Siting Order") with respect to certain transmission facilities. ELL
17 also asks that the Commission acknowledge or approve certain aspects of the
18 Sustainability Agreement. The Commission is also asked to approve specific rate-
19 making treatment that accounts for, among other things, the unique aspects of the
20 Customer's contributions, as well as the Company's proposed Monitoring Plan.
21 Finally, the Company requests any other approvals or authorizations as may be required
22 by the Commission.
23

1 Q57. WHEN DOES THE COMPANY REQUEST THAT THE COMMISSION GRANT
2 THE APPROVALS REQUESTED IN THE APPLICATION?

3 A. The Company requests that this Application be considered under the streamlined
4 process set forth in the Lightning Initiative adopted at the December 17, 2025, Business
5 & Executive Session of the Commission, such that the Commission may “vote [on the
6 relief requested herein] within 8 months of an application.” Accordingly the Company
7 requests that the Commission grant the approvals requested in the Application at its
8 November 2026 Business and Executive Session so that the Project can progress on its
9 timeline.

10
11 Q58. WHY IS A TIMELY DECISION FROM THE COMMISSION IMPORTANT AND
12 IN THE BEST INTERESTS OF ELL’S CUSTOMERS?

13 A. A timely decision from the Commission is critical to seize on this opportunity to expand
14 the economic transformation already underway in Northeast Louisiana and
15 demonstrate that Louisiana is the best place for cutting-edge industries to invest and
16 build world-class facilities. If the Application is not decided on a timeline that supports
17 the needs and expectations of the Customer and its multi-billion dollar investment, it is
18 likely that the Customer will look elsewhere to expand its data storage capacity, and
19 the benefits associated with the Project, which I and other witnesses discuss, will be
20 lost.

1 Q59. PLEASE INTRODUCE THE OTHER WITNESSES WHOSE TESTIMONY IS
2 BEING SUBMITTED WITH THE APPLICATION.

3 A. In addition to my testimony, the Company's Application is supported by the
4 testimonies of the following witnesses:

- 5 • Laura K. Beauchamp: Vice President of Business Operations and Strategy for ELL.
6 Ms. Beauchamp discusses the Customer's load profile and provides an overview of
7 the Project and the ESA, and addresses the recently issued Large Load Additions
8 Non-Binding Guidelines from the Commission. She also describes ELL's resource-
9 planning objectives of reliability, affordability, and sustainability; the Company's
10 supply plan for serving the Customer; and the resource-planning objectives and
11 process underpinning the supply plan. She further describes the Company's need
12 for dispatchable generation. Ms. Beauchamp's testimony also provides an overview
13 of the estimated costs for the generation-, capacity-, and transmission-related
14 investments needed to serve the Customer's anticipated load as well as the plan for
15 supplying fuel for the resources needed to serve the Customer's load and the
16 environmental commitments from the Customer and the Company.
- 17 • Ryan D. Jones: Director, Regulatory Affairs for ELL. Mr. Jones presents the
18 analysis used by ELL to develop the billing terms and certain other ESA terms for
19 the Customer. He also describes in detail the ratemaking treatments that the
20 Company is requesting the Commission approve to ensure that the FRP continues
21 to produce just and reasonable rate changes that are not confusing and disruptive to
22 ELL's customers as the generation infrastructure needed to provide reliable electric
23 service to customers (including the Customer) is included in plant in service and

1 the revenue from the Customer is recognized. Mr. Jones also describes the revenue
2 requirement for the transmission system upgrades required to serve the Project. In
3 addition, Mr. Jones addresses ELL's compliance with applicable LPSC Orders,
4 including the Transmission Siting Order, the 1983 General Order, the Industrial
5 Load Rule, the MBM General Order, and the Lightning Initiative (including the
6 applicability of that regulatory pathway to the Application). Finally, Mr. Jones
7 discusses the significant benefits to existing ELL customers from ELL electric
8 service to the Customer and why providing service to the Customer and
9 construction of the required resources, given the customer protections in the ESA,
10 is in the public interest.

- 11 • Samrat Datta: Director, Advanced Network Planning for the System Planning
12 Organization ("SPO") for ESL. Mr. Datta provides an economic analysis of the
13 generation and transmission resources needed to serve the anticipated load
14 associated with the Customer's Project. His analysis addresses the costs and
15 benefits of those resources, net of the Customer's contributions to the costs of those
16 resources. The analysis also addresses the benefit to all ELL customers of the
17 Customer's payments under the FRP, FAC, and Financed Storm Cost and
18 Resilience Riders during the 20-year Original Term of the ESA. Mr. Datta's
19 analysis also takes into account the Customer's significant contributions to the
20 Power to Care Program and ELL's energy efficiency and weatherization programs.
- 21 • Daniel Kline: Director, Power Delivery Engineering for ESL. Mr. Kline provides
22 an overview of the ELL transmission system, including facilities relevant to the
23 Project in North Louisiana. He also provides a general description of the

1 transmission facilities proposed to support service to the Project and details the
2 planning evaluation that was performed to assess the costs, benefits, and necessity
3 of the proposed transmission facilities and other transmission related investments.

4 • Troy R. Heytens: Director, Hyperscale Strategy and Execution for ESL. Mr.
5 Heytens describes the robust procedures that ELL has implemented to plan
6 construction of resources necessary to support service to Project Evest, inform its
7 negotiations with the Customer, and to mitigate execution risks. Mr. Heytens also
8 discusses ELL's proposed Monitoring Plan.

9 • Thomas Kidd: Finance Director, ELL. Mr. Kidd explains the financial analysis
10 undertaken by ELL in connection with the ESA and the CIAC Agreement and why
11 this analysis demonstrates that the enterprise and customer concentration risks
12 associated with Project Evest have been reasonably mitigated through obligations
13 in the ESA and the CIAC Agreement requiring that the Customer pay the cost of
14 the assets constructed to serve the Customer. He also discusses the sizing of the
15 Meta Guaranty and other collateral supporting these Customer obligations and
16 commercial terms built into the ESA and the CIAC Agreement.

17 • Kenroy Hinkson: Director, Corporate Risk for ESL. Mr. Hinkson explains the
18 customer credit issues considered by ELL in connection with the CIAC Agreement
19 and the ESA and the contractual terms that mitigate those issues.

20 • Ryan M. Dumas: Controller, Utility Operations Accounting for ESL. Mr. Dumas
21 describes the accounting treatments of five categories of costs ELL would incur or
22 payments that the Customer could make under the ESA: the CIAC to offset the cost
23 of certain transmission capital additions, the CIAC [REDACTED]

1 [REDACTED], ELL's costs to secure certain
2 interconnection rights, the minimum monthly charges received by ELL during the
3 ramp-up period, and impacts arising in the event that the ESA is terminated by
4 Customer prior to the end of the ESA's 20-year original term.

- 5 • Norman Grunden: Director, Power Development for ESL. Mr. Grunden discusses
6 the CCCT generator technology required to support service to the Project, taking
7 into consideration system reliability, resiliency, sustainability, cost-
8 competitiveness, and the timeline requirements of the Customer. He also describes
9 ELL's selection of an engineering, procurement, and construction contractor
10 consortium to construct the Proposed Generators, the reasonableness of the
11 schedule to construct the Proposed Generators and the reasonableness of their
12 estimated costs, and the project management risk mitigation plan for Project Evest.
- 13 • Michael J. Goin: Vice President, Fuel Supply Operations within ESL's SPO group.
14 Mr. Goin discusses the steps ELL has taken and proposes to take to acquire reliable
15 access to low-cost natural gas supplies and transportation to allow for the operation
16 of the Proposed Generators.
- 17 • Jeremy Halland: Manager, Environmental Project Services for ESL. Mr. Halland
18 provides an overview of the federal and state environmental regulations applicable
19 to the construction and operation of the Proposed Generators and explains the
20 permitting plan for the Proposed Generators as well as the environmental due
21 diligence and initial permitting undertaken for the resources needed to support
22 service to Project Evest.

- 1 • Robert J. Fluth: Director, Power Development for ESL. Mr. Fluth discusses ELL’s
2 recent experience in procuring battery energy storage system (“BESS”) resources
3 and how this experience informs ELL’s estimates of the costs and timeline
4 associated with developing BESS resources. Mr. Fluth also addresses ELL’s plan
5 to develop co-located BESS resources alongside its previously disclosed solar
6 developments located at the Bogalusa West Solar Facility and the Cypress Harvest
7 Solar Facility.
- 8 • Elizabeth C. Ingram: Director, Regulatory Strategy for ESL. Ms. Ingram provides
9 testimony concerning the Sustainability Agreement between ELL and the
10 Customer. She discusses the Company’s environmental commitments and provides
11 an overview of the Sustainability Agreement, as well as the solar, onshore wind,
12 and battery commitments in the Sustainability Agreement and the Customer’s
13 financial commitments to fund certain nuclear-related efforts and other alternative
14 and low carbon energy technologies and solutions. Ms. Ingram also explains the
15 Customer’s commitments to Entergy’s The Power to Care Program and ELL’s
16 energy efficiency and weatherization programs. Finally, she discusses the cost
17 recovery treatment associated with the Sustainability Agreement and the
18 Sustainability Agreement’s compliance with Commission orders.
- 19 • Nicholas W. Owens: Partner at The NorthBridge Group. Mr. Owens addresses the
20 need for seven CCCT units in the portfolio of resources that ELL has proposed, the
21 sufficiency of the portfolio to serve ELL’s incremental capacity needs, and
22 provisions of the ESA that protect existing customers during the period when the

1 Customer's load will be ramping up but before the entire resource portfolio has
2 come online.

3
4 **VII. CONCLUSION**

5 Q60. PLEASE SUMMARIZE THE REASONS WHY THE COMPANY'S APPLICATION
6 IS IN THE PUBLIC INTEREST AND SHOULD BE APPROVED.

7 A. The Project represents an historic opportunity to solidify Louisiana's status as a global
8 leader in an emerging industry. During negotiations, both ELL and the Customer
9 worked to craft agreements that demonstrate why Louisiana is an attractive place to
10 invest and do business while protecting the interests of ELL's existing customers and
11 ensuring their continued access to power that is reliable, affordable, and sustainable.
12 The agreed-upon terms with the Customer are the product of extensive arms-length
13 negotiations that resulted in the Customer's choosing to invest in Richland Parish,
14 which will fuel further economic development in Louisiana by injecting even more
15 human and economic capital into a long-underdeveloped region and signaling to the
16 rest of the world that Louisiana's citizens are ready to help build world-class, cutting-
17 edge projects. Furthermore, the Project provides Louisiana with a significant
18 opportunity to grow its load and transmission system capacity with a customer willing
19 to shoulder much of the cost. Finally, and relatedly, the Customer will share
20 significantly in the overall cost of operating and improving the Company's electric
21 system, which benefits all of ELL's existing customers who currently share that cost.

22 Just as it helped position Louisiana for economic growth by approving the
23 Company's requests in LPSC Docket No. U-37425, the Commission's support and

1 approval of ELL's current Application are necessary for the Project to become a reality.
2 I emphasize that the components of the ESA and ELL's plan to serve the Project are
3 the product of careful, extensive negotiation, and attempting to alter one component in
4 response to a special interest could jeopardize the whole and the Project itself, and that
5 would disserve the broader public interest. If the Commission wants to continue
6 attracting the sort of investment that the Project represents, it should approve ELL's
7 Application and do so in a timely manner that allows the Company to meet the
8 Customer's desired timeline. Otherwise, Louisiana will miss out on the transformative
9 benefits that the Project has to offer and will signal to potential investors that the state
10 is not open to new opportunities.

11

12 Q61. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

13 A. Yes, at this time.

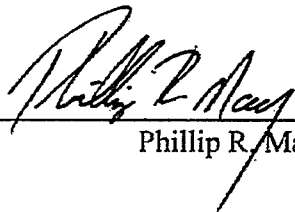
AFFIDAVIT

STATE OF LOUISIANA

PARISH OF JEFFERSON

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

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



Phillip R. May

SWORN TO AND SUBSCRIBED BEFORE ME
THIS 24th DAY OF MARCH, 2026



NOTARY PUBLIC

My commission expires: upon death

Listing of Previous Testimony Filed by Phillip R. May

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

<u>DATE</u>	<u>TYPE</u>	<u>SUBJECT MATTER</u>	<u>REGULATORY BODY</u>	<u>DOCKET NO.</u>
05/29/2013	Errata-Rebuttal	ITC Transaction	LPSC	U-32538
02/18/2014	Rebuttal	ELL Algiers 2013 Rate Case	Council	UD-13-01
04/04/2014	Rejoinder	ELL Algiers 2013 Rate Case	Council	UD-13-01
09/30/2014	Direct	ELL/EGSL Business Combination	LPSC	U-33244
11/06/2014	Direct	ELL/EGSL Business Combination	Council	UD-14-03
01/13/2015	Direct	EGSL Union Power Station	LPSC	U-33510
05/01/2015	Rebuttal	ELL/EGSL Business Combination	LPSC	U-33244
06/05/2015	Direct	Ninemile 6 Prudence Review	LPSC	U-33633
07/13/2015	Settlement	ELL/EGSL Business Combination	LPSC	U-33244
08/25/2015	Direct	St. Charles Power Station	LPSC	U-33770
03/11/2016	Rebuttal	St. Charles Power Station	LPSC	U-33770
11/02/2016	Direct	Lake Charles Power Station	LPSC	U-34283
11/15/2016	Direct	Oxy PPA Amendment	LPSC	U-34303
11/22/2016	Direct	Advanced Metering System	LPSC	U-34320
02/23/2017	Direct	Carville PPA	LPSC	U-34401
04/21/2017	Direct	MISO Renewal	LPSC	U-34447
04/24/2017	Rebuttal	Lake Charles Power Station	LPSC	U-34283
05/23/2017	Direct	Washington Parish Energy Center	LPSC	U-34472
08/21/2017	Direct	2016 FRP Extension	LPSC	U-34631
05/29/2020	Direct	ELL FRP Extension	LPSC	U-35565
06/24/2020	Direct	J. Wayne Leonard Power Station Prudence Review	LPSC	U-35581
10/14/2020	Direct	ELL Laura Interim Financing	LPSC	U-35762
04/30/2021	Direct	ELL Storm Recovery Filing	LPSC	U-35991
09/08/2021	Direct	1803 Application	LPSC	U-35927
09/22/2021	Direct	ELL Ida Interim Financing	LPSC	U-36154
09/30/2021	Direct	ELL Storm Recovery Filing (3 rd Supp. App.)	LPSC	U-35991
11/09/2021	Direct	ELL Solar Portfolio and Green Tariff	LPSC	U-36190
12/08/2021	Direct	ELL Lake Charles Prudence Review	LPSC	U-36222
01/31/2022	Direct	JDEC NextEra Joint Application	LPSC	U-36135
02/14/2022	Direct	DEMCO NextEra Joint Application	LPSC	U-36133
04/29/2022	Direct	ELL Ida Storm Recovery Filing	LPSC	U-36350
12/19/2022	Direct	ELL Resilience Filing	LPSC	U-36625
01/20/2023	Direct	Concordia, NextEra, Mondu Solar Joint Application	LPSC	U-36514
01/26/2023	Direct	Pointe Coupee, NextEra, Mondu Solar Joint Application	LPSC	U-36515
02/02/2023	Direct	SLEMCO, NextEra, BECi Joint Application	LPSC	U-36516
03/13/2023	Direct	ELL 3GW Solar Application	LPSC	U-36697
08/30/2023	Direct	2023 Rate Case/FRP extension	LPSC	U-36959

<u>DATE</u>	<u>TYPE</u>	<u>SUBJECT MATTER</u>	<u>REGULATORY</u> <u>BODY</u>	<u>DOCKET NO.</u>
03/22/2024	Direct	ELL West Bank 230kV Transmission Project	LPSC	U-37143
11/08/2024	Direct	ELL Generation & Transmission Resources in North Louisiana	LPSC	U-37425
12/23/2024	Direct	ELL West Bank 500kV Transmission Project	LPSC	U-37467
12/30/2024	Direct	ELL Francine Storm Recovery Filing	LPSC	U-37468

**Executive Summary of Entergy Louisiana, LLC's Application for Certification of
Generation and Transmission Resources and for Other Relief pursuant to the
Commission's *Lightning Initiative***

***ELL is Proposing Major Upgrades to its Electric System to Support Service to a New, World-
Class Data Center in Northeast Louisiana***

Louisiana's future prosperity depends on building a more diverse economy and attracting new advanced manufacturing and technology projects. The ongoing boom in AI data center construction presents Louisiana with an opportunity to do just that, and Entergy Louisiana, LLC ("ELL" or the "Company") is proud to support new AI data centers in Louisiana. These cutting-edge facilities not only diversify our state's economy and create new jobs – they also support ELL's efforts to build a more modern, efficient, and reliable electric grid and lower costs for all of ELL's customers.

The purpose of ELL's application is to seek certification of new generation and transmission resources to assist with serving a new, world-class data center that Evest, LLC ("Evest") plans to build in Richland Parish, Louisiana. As part of its plan to serve Evest's new data center, the Company will add new, affordable sources of energy and make significant improvements to its transmission system. The new generation and transmission resources proposed in the Company's application (the "Proposed Resources") include:

- Seven new 1x1 combined cycle combustion turbine ("CCCT") generators that will help modernize ELL's generation fleet and provide efficient, around the clock, reliable energy for all of ELL's customers while limiting greenhouse gas emissions.
- New battery energy storage systems capable of storing energy from the grid and from solar facilities that can later be discharged to help serve load at any time of day.
- A new 500 kV line between St. Landry Parish and Richland Parish that will improve north-south transmission connectivity and enable power to move more freely.
- A new 500kV switching station that will intersect the Babel to Webre 500kV line in St. Landry Parish.

To assist with covering the costs of the Proposed Resources, Evest has agreed to a 20-year Electric Service Agreement ("ESA") under which it will make monthly payments that fully offset the revenue requirement associated with the Proposed Resources. As a result, the Proposed Resources will not increase other customers' bills during the term of the ESA. In fact, over the course of the ESA's 20-year term, Evest's monthly payments are expected to save other customers approximately \$2 billion in system costs.

ELL also plans to construct nine new auxiliary 230kV substations, a new 500/230kV substation, and a new 500kV line between ELL's Smalling substation and Entergy Arkansas, LLC's El Dorado substation. These resources will be directly funded by Evest through a contribution in aid of construction and therefore will not affect other customers' bills.

ELL's Arrangements with Evest will Provide Direct Benefits to ELL Customers and help Advance Sustainability, Environmental, and Corporate Responsibility Goals.

In addition to the ESA, ELL and Evest have agreed to a set of commitments to provide direct financial support to Louisiana households and additional benefits to ELL customers. Those commitments include transformative donations to Entergy Corporation's The Power to Care Program, which provides emergency bill payment assistance for older adults and individuals with disabilities who are facing financial hardships and serves as a lifeline for Entergy's most vulnerable customers. Evest and ELL will each donate \$3 million dollars per year to The Power to Care Program during the ESA's 20-year term, for a total donation of \$120 million.

Evest will make a similarly transformative donation to ELL's energy efficiency and weatherization programs. These programs are designed to help customers reduce energy consumption and lower utility costs. During the 20-year term of the ESA, Evest will donate \$7 million per year to new and expanded energy efficiency and weatherization programs for low-income homes, resulting in a total donation of \$140 million. Over the course of the ESA's 20-year term, Evest will also:

- Fully offset the revenue requirement of an 85 MW uprate at the Waterford 3 Steam Electric Station that ELL is seeking certification for in LPSC Docket No. U-37677.
- Fully offset the revenue requirement of the Bayou Cove Capacity Credit Purchase Agreement that ELL is seeking certification for in LPSC Docket No. U-37872.
- Provide funding to implement operational upgrades at the Waterford 3 Steam Electric Station that are expected to result in an additional 117,000 MWh per year.
- Provide funding for a preliminary Front-End Engineering and Design study to evaluate the potential for construction and operation of two AP1000 nuclear generators at River Bend Station.
- Fully offset the revenue requirement of a potential future 125 MW uprate at River Bend Station if ELL and Evest decide to pursue the uprate.

Furthermore, to support ELL and Evest's respective sustainability goals, ELL will solicit and procure 2,500 MW of incremental solar, onshore wind, and battery resources that Evest has agreed to subscribe to under ELL's existing Geaux Zero Rider. Evest will also provide funding to study the possibility of developing carbon capture and storage ("CCS") technology at one of the CCCT generators proposed in this Application or that was approved to be constructed in LPSC Docket No. U-37425.

ELL and Evest have Developed Safeguards to Protect Existing Customers and Ensure Evest pays its Fair Share for the Resources Proposed in the Application

While ELL and Evest's arrangements are expected to produce billions of dollars in benefits for ELL's customers, ELL and Evest are mindful of the risks associated with an undertaking of this size. During their negotiations, ELL and Evest carefully crafted contract provisions that are designed to substantially mitigate risks to ELL's other customers, including:

- Significant protections if Evest terminates the ESA before the end of its 20-year term, including recovery of the outstanding and unrecovered costs from the Evest.
- Multiple layers of protection against credit and cashflow risks, including a guaranty from Meta Platforms, Inc. (“Meta”) and substantial other collateral and credit protective products.
- Requiring at least 36-months advance notice from Evest if it decides not to renew the ESA at the end of its 20-year term so ELL has sufficient time to adjust its supply plans before Evest’s data center stops taking electric service.
- A process that will allow ELL to decide whether to keep or sell the CCCT generators if the ESA is terminated early so ELL’s other customers are not forced to pay for resources that they do not need.

Approval of ELL’s Application will Boost Louisiana’s Economy, Position our State for more Growth, and Promote Reliable, Affordable, and Sustainable Power for All ELL Customers.

Louisiana has proven its ability to attract new, cutting-edge projects, with industry leaders like Meta, Hyundai, and Amazon announcing new projects in Louisiana over the last two years. Construction work on the Meta data center that was announced in December 2024 has already transformed the Monroe Metropolitan Statistical Area from one of the slowest-growing regions of Louisiana to one of the fastest-growing and has sent a clear signal that Louisiana’s citizens are ready to help build world-class facilities.

The Company’s Application presents the LPSC with an opportunity to solidify Louisiana’s status as global leader in an emerging industry and spark further growth across our state. Evest’s new data center will inject even more human and economic capital into Northeast Louisiana and provide Louisiana with an opportunity to grow its load and transmission system capacity with a customer willing to shoulder much of the cost. Moreover, the agreements that ELL and Evest have crafted are expected to deliver billions of dollars in savings and benefits to ELL’s existing customers and ensure their continued access to power that is reliable, affordable, and sustainable.

None of these benefits can be realized, however, without the support of the LPSC. A timely decision from the Commission is critical to seize this opportunity to expand the economic transformation already underway in Northeast Louisiana and demonstrate that Louisiana is the best place for businesses to invest and build world-class facilities.