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LOUISIANA PUBLIC SERVICE COMMISSION

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LOUISIANA PUBLIC SERVICE COMMISSION, EX PARTE.

In re: Louisiana Advanced Nuclear Exploration Program.

<u>NOTICE OF PROCEEDING</u>

PLEASE TAKE NOTICE that this proceeding is being initiated per directive of the Louisiana Public Service Commission ("LPSC" or "Commission"). At the Commission's February 25, 2026 Business and Executive Session, Chairman Skrmetta directed Staff to:

> "…review the Louisiana Advanced Nuclear Competitive Edge ("LANCE") Strategic Framework report filed in Docket No. X-36987 and develop the next steps in the process to be known as the Louisiana Advance Nuclear Exploration ("LANE") Program, which would establish a mechanism for investor-owned utilities and interested rural electric cooperatives to engage with qualified advanced nuclear technology vendors for potential integration of small modular reactors, microreactors, and other advanced nuclear technologies into the state's electric generation fleet and with such plan to be returned to the Commission as soon as practicable; there is no anticipated need for any outside contract work on this issue."
>
> There was no opposition.

Therefore, Staff provides notice of this proceeding for publication in the next Official Commission Bulletin and seeks comments and information on the proposed Louisiana Advanced Nuclear Exploration Program as outlined below. **Staff requests all comments and information be filed into this docket by no later than April 10, 2026.**

Baton Rouge, Louisiana, this 10th Day of March, 2026.

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cc: Commissioners
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Proposed Program

The Louisiana Advanced Nuclear Exploration ("LANE") Program is a proposed initiative by the Louisiana Public Service Commission ("Commission" or "LPSC") to proactively support the early-stage evaluation and potential integration of advanced nuclear technologies into the state's regulated electric generation fleet. This program focuses on small modular reactors ("SMRs"), microreactors, and next-generation high-temperature reactors suitable for industrial applications and baseload power, promoting long-term grid reliability, resilience, economic benefits to consumers, and decarbonization goals. The LANE Program supports implementation of recommendations from the Louisiana Advanced Nuclear Competitive Edge ("LANCE") Strategic Framework.

1. Program Purpose
   The LANE Program aims to:
   a. Enable investor-owned utilities ("IOUs") – specifically AEP Southwestern Electric Power Company ("SWEPCO"), Cleco Power, and Entergy Louisiana – and any interested rural electric cooperatives who elect to participate (via voluntary opt-in and LPSC approval) – to partner with qualified advanced nuclear technology vendors and designers. Utilities remain 100% responsible for program execution, fund utilization, and outcomes, subject to ongoing LPSC plenary authority, oversight, audits, and potential adjustments or termination.
   b. Fund rigorous, independent, or collaborative, feasibility studies, site assessments (including environmental, geological, and infrastructure evaluations), economic analyses (including levelized cost of energy, fuel cycle considerations, and ratepayer impact modeling), and preliminary licensing/permitting preparations.
   c. Reduce early-stage financial risks and barriers that currently deter exploration of advanced nuclear options.
   d. Foster collaboration among utilities for economies of scale (e.g., joint studies or shared vendor engagements) while allowing independent pursuits where appropriate.
   e. Position Louisiana as a leader in advanced nuclear deployment, aligning with state interests in energy abundance, industrial growth, and federal incentives.

2. Funding Mechanism
   a. Customer Surcharge/Rider: Each participating utility may implement a uniform monthly surcharge of $0.20 per electric meter (residential, commercial, industrial, and other classes) applied to all metered customers in their Louisiana service territory.
   b. Duration: Initial authorization for a five-year period (e.g., commencing upon LPSC approval and first collection, targeted for Summer of 2026–2030).
   c. Review and Renewal: At the end of the initial five years, the LPSC will conduct a comprehensive program review (including effectiveness, fund usage, outcomes, ratepayer benefits, and any challenges). The Commission may then authorize continuation for an additional five-year cycle, modify the surcharge amount/structure, or terminate the program.

d. Collection and Accounting: Funds collected via the rider will be placed in a separate, interest-bearing account dedicated solely to approved program activities. Utilities will track and report expenditures transparently; unspent funds carry over year-to-year, but remain restricted to program purposes.
e. Estimated Scale (illustrative, based on approximate customer/meter counts of the IOUs only) would provide potential annual funding of approximately $4 million.

3. Allowable Uses of Funds
   a. Funds may be used exclusively for early-stage evaluation activities, including but not limited to:
      i. Partnering with qualified vendors/designers (e.g., NRC-licensed or pre-licensed advanced reactor designers with advanced reactor designs).
      ii. Conducting or commissioning independent feasibility studies, site-specific assessments, economic modeling, risk analyses, and preliminary environmental reviews.
      iii. Joint utility initiatives (e.g., statewide or multi-utility consortia for shared studies to achieve economies of scale).
      iv. Reasonable administrative costs directly tied to program management, with a cap of between 5-10% of annual collections.
   b. Funds shall not be used for actual construction, licensing fees beyond preliminary stages, lobbying, shareholder returns, or non-nuclear activities unless otherwise authorized by the LPSC and requiring a separate filing and approval for any exceptions.

4. Reporting and Oversight Requirements
   a. Annual Reporting: Each participating utility must file a detailed annual report with the LPSC by March 31 of each program year (covering the prior calendar year), including:
      i. Expenditures by category and project.
      ii. Progress on studies/partnerships (e.g., vendor engagements, site evaluations completed, key findings).
      iii. Any collaborative efforts with other utilities.
      iv. Projected benefits to reliability, resilience, decarbonization, and ratepayers.
      v. Challenges encountered and recommendations.