

***Henderson Ridge Consulting, Inc.***

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June 11, 2018

Louisiana Public Service Commission  
Kim Trosclair/Melissa Watson/Melanie Verzwuyvelt  
Office of the General Counsel  
602 North Fifth Street (Galvez Building)  
P.O. Box 91154  
Baton Rouge, Louisiana 70821-9154

*Re: Docket No. X-34854*

*Audit of Environmental Adjustment Clause Filings for Entergy Louisiana, LLC for the period of January 2016 through December 2017.*

Dear Kim, Melissa, and Melanie:

Henderson Ridge Consulting is pleased to respond to your June 1, 2018 solicitation letter that requests the services of independent technical consultants to assist the Commission in reviewing all issues related to the Louisiana Public Service Commission's ("LPSC" or "the Commission") audit of the Federal Environmental Adjustment Clause ("FEAC") filings of Entergy Louisiana, LLC ("ELL" or "the Company"). The audit period will cover the Company's FEAC filings for the period of January 2016 through December 2017. The audit will be conducted pursuant to the requirements of General Order No. R-29380 Subdocket A, dated July 21, 2009 (the "Federal Environmental Adjustment Clause Order" or "FEAC Order").

With respect to this solicitation letter, we are particularly qualified to perform the Commission's audit of the FEAC filings of ELL. Henderson Ridge Consulting has conducted the prior FEAC audits of ELL authorized by the Commission. As a result of conducting the prior FEAC audits, we are very familiar with reviewing the reasonableness and prudence of the environmental compliance costs that have been claimed by the Company for recovery through its FEAC. In addition, our firm has conducted Fuel Adjustment Clause audits, Purchased Gas Adjustment audits, avoided

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Review of FEAC Filings of Entergy Louisiana, LLC (January 2016 – December 2017)  
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cost audits, and storm restoration audits of the Entergy operating companies on behalf of the Commission.

The Commission's FEAC General Order became effective on July 21, 2009 and that order will provide guidance for the audit. The areas of examination that we will pursue in the review and analysis of the Company's FEAC filings include: (A) whether the costs passed through the FEAC during the review period were reasonable and prudent; (B) whether the costs were appropriate and eligible for recovery under the FEAC mechanism; (C) whether the costs passed through the FEAC produced just and reasonable rates; and (D) whether the costs passed through the FEAC were necessary for the provision of electric service.

We anticipate that the audit of the Company's FEAC filings for the 24 month review period will require professional services totaling \$35,550.00 based upon an hourly rate of \$135 for Debbie Barta and \$150 for William Barta. Travel-related expenses are anticipated to be \$900.00 for a total budget of \$36,450.00.

Henderson Ridge Consulting has no current assignments, or any prior assignments, that could pose any conflicts of interest, or the appearance of such conflicts, including, but not limited to, any work performed on behalf of the Louisiana Public Service Commission.

Henderson Ridge Consulting appreciates the opportunity to respond to your solicitation letter and to continue our relationship with the Commission and Staff.

Sincerely,

William Barta  
Principal