

Henderson Ridge Consulting, Inc.

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September 6, 2019

Louisiana Public Service Commission
Office of the General Counsel
Kathryn Bowman and Kim Trosclair
602 North Fifth Street (Galvez Building)
P.O. Box 91154
Baton Rouge, Louisiana 70821-9154

Re: August 28, 2019 Solicitation
Entergy Louisiana, LLC Application for Approval to enter into unsolicited Purchase
Power Agreement with Louisiana National Guard and Power Strategies, LLC

Dear Kathryn and Kim,

Henderson Ridge Consulting is pleased to respond to the Louisiana Public Service Commission's ("LPSC" or "the Commission") August 28, 2019 Solicitation that seeks to retain an independent technical consultant to assist the Commission Staff in the review and analysis of Entergy Louisiana, LLC's ("ELL" or "the Company") possible Application for the Commission's approval to enter into a Purchase Power Agreement ("PPA") with the Louisiana National Guard and Power Strategies, LLC (collectively, "the parties").

ELL may enter into four PPAs with the parties for approximately 18.3 MW that will be located at four separate National Guard sites across Louisiana. Henderson Ridge Consulting will evaluate the terms of the proposed PPAs and determine whether the contracts meet the certification requirements of the relevant Commission Orders. The Commission Orders are quite clear with respect to the certification standards that a PPA must satisfy and Henderson Ridge Consulting will conduct extensive reviews and tests to make sure that the PPAs meet each standard. We will also review how the PPAs may be dispatched relative to other assets of ELL.

Henderson Ridge Consulting is very experienced with the filings of ELL and the other Entergy operating companies. The Commission retained our firm to conduct the evaluation of Entergy's Application for certification of the St. Charles Power Station and the Lake Charles Power Station (Docket No. U-33770 and Docket No. U-34283, respectively). We were also retained by the Commission to examine the Company's

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Proposal of Henderson Ridge Consulting, Inc.
Evaluation of Entergy Louisiana, LLC's Application for Approval of Purchase Power
Agreements with the Louisiana National Guard and Power Strategies, Inc.

Application to enter into a PPA with Occidental Chemical Corporation (“Oxy”) in Docket No. U-34303. Notably, the PPA with Oxy was presented to ELL as an unsolicited offer. In addition to these proceedings, we worked on the Amendment to the Rain PPA – a renewable waste heat resource – in Docket No. U-34291. Our firm also was retained by the Commission in Docket No. U-34393 to evaluate the Application of Cleco, LLC to enter into a joint venture with Cabot Corporation for the construction and operation of a waste heat recovery plant.

Henderson Ridge Consulting is experienced with the resource planning practices of other major investor-owned electric utilities. We are well-acquainted with the basic resource supply objectives of electric utilities and how reliability concerns are interrelated with production cost minimization, generation portfolio enhancement, and risk mitigation efforts. Over the years, several of our engagements on behalf of the Louisiana Public Service Commission have required the review of integrated resource planning practices. These projects have required us to become very familiar with the provisions of the Commission Orders that direct the certification of long-term resources, including PPAs.

Mr. William Barta will conduct the evaluation of the Company’s Application for Commission approval of the referenced PPAs. The amount of professional services is estimated at \$38,850 based upon an hourly rate of \$150 for William Barta. Travel and related expenses are estimated at \$2,400 for a total project budget of \$41,250.

Henderson Ridge Consulting has no known conflicts of interest in representing the Louisiana Public Service Commission in this proceeding.

We appreciate the opportunity to respond to the Solicitation and look forward to working with the Commission and its Staff on this project.

Sincerely,

William Barta
Principal