*__Henderson Ridge Consulting, Inc.__*

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October 7, 2025

Kimberly N. O'Brien
Kathryn H. Bowman
Louisiana Public Service Commission
Galvez Building (12th Floor)
602 North Fifth Street
P.O. Box 91154
Baton Rouge, LA 70821-9154

**Re: RFP 25-11 Docket No. U-37735 – Entergy Louisiana, LLC.**

***In re: Application to terminate the River Bend Deregulated Asset Plan, return said deregulated assets to rate base, and other associated relief.***

Dear Kimberly and Kathryn,

Henderson Ridge Consulting, Inc. is pleased to submit this proposal to assist the Staff of the Louisiana Public Service Commission ("LPSC" or "the Commission") with the review of the Application filed by Entergy Louisiana, LLC ("ELL" or "the Company") on September 23, 2025. Henderson Ridge Consulting, Inc. has extensive experience with the applications of Entergy that have covered diverse issues, including filings that have affected the Company's River Bend Deregulated Asset Plan ("DAP"). We have developed a detailed work plan to address the examination of the regulatory policy and ratemaking issues surrounding the termination of the DAP and moving the revenue requirement associated with the DAP into base rates.

Henderson Ridge Consulting proposes assisting the Commission Staff in the evaluation of ELL's Application for a budget not to exceed $189,800.00 for professional services and $3,400.00 for travel-related expenses for a total budget of $193,200.00.

***Scope of Representation***

In its Application, ELL is seeking termination of the DAP with the remaining net book value of the asset being placed into rate base. The balance of the capital additions and operating expenses previously subject to the DAP disallowance are also be included in the determination of the revenue requirement without adjustment. The Company asserts that the return of the DAP to rate base was "expressly contemplated by the Commission in Order No. U-17282-K."[1]

ELL supports the request for the termination of the DAP at the outset by stating the River Bend nuclear plant has provided significant benefits to customers throughout its life and that a "forty year old penalty is no longer just and reasonable."[2] The Company makes four points in its argument that it is reasonable to terminate the DAP and return the deregulated asset to rate base: (1) ELL has more than satisfied the $677 million original disallowance penalty through the reduction of $787 million to the LPSC-jurisdictional revenue requirement under the DAP since 2005, (2) the primary factors for the Commission's original disallowance are no longer relevant since its imposition was based upon the use of a lignite-fired generating facility as a benchmark and such a facility would no longer be in service, (3) maintaining the availability of the capacity of 147 MW associated with the deregulated asset is a prudent planning option when compared to the next-best alternative, and (4) terminating the DAP would be an appropriate signal of the Commission's policy support for and renewed interest in the development of nuclear capacity.

Our efforts will begin with a review of the Commission Orders in Docket No. U-17282 which resulted in the prudence determination of the planning for and construction of the River Bend plant and ultimately led to the approval of the DAP. We

[1] *See* Application of Entergy Louisiana, LLC filed on September 23, 2025, Paragraph XVIII.
[2] *See* Application of Entergy Louisiana, LLC filed on September 23, 2025, Paragraph XI.

will conduct a historical review of the DAP ratemaking adjustments to quantify how ratepayers have benefitted from the DAP. Although the last two points raised by ELL in its Application may seem tangential to the termination of the DAP and probably better suited for an Integrated Resource Plan proceeding, we will evaluate the merits of those positions.

***Period of Representation***

The Period of Representation stated in RFP No. 25-11 is approximately 8 to 10 months. Henderson Ridge Consulting, Inc. will be prepared to meet the Commission deadlines.

***Proposed Services***

The services that Henderson Ridge Consulting will provide in assisting the Staff will include:

- Reviewing the Company’s Application and supporting testimony and exhibits.
- Reviewing the Commission Orders in Docket No. U-17282 and other Commission Orders affecting the treatment of the DAP investments and associated costs (i.e., Order No. U-19904-C).
- Conducting discovery, including preparing written data requests and conducting follow-up conference calls for clarification when necessary.
- Reviewing the responses to discovery requests, work papers, and other data.
- An in-depth review of the historical DAP ratemaking adjustments to confirm the Company’s claims over the amount of the revenue requirement reduction under the DAP.
- Confirming that the 147 MW of capacity associated with the deregulated asset represents a prudent planning choice when compared to the next-best alternative.
- Verifying the accuracy of the Company’s estimate of the customer bill impact from the termination of the DAP and returning the deregulated asset to rate base along with the associated operating expenses.

- Preparing pre-filed testimony in support of the Staff's positions and recommendations.

- Participating in settlement negotiations on some or all issues as deemed to be appropriate by Staff during the proceeding.

- Participating in pre-trial conferences, depositions, and hearings, as necessary.

- Assisting with the preparation of applicable motions, exceptions, briefing sheets, and orders of the Commission.

- Participating in conference calls, meetings and conferences with Staff and Commissioners, and attending the Business and Executive Sessions, as appropriate.

- Providing on-going support to Staff throughout the engagement.

***Qualifications***

Henderson Ridge Consulting is well-qualified to perform the evaluation of ELL's Application because of our extensive experience with the Company's filings. Our firm has assisted the Commission Staff over the years in numerous matters affecting the rates, revenue requirements, and operations of ELL, including the River Bend DAP. We have experience with the DAP adjustments made by Entergy Gulf States Utilities, L.L.C. ("EGSL") through our work in evaluating EGSL's Formula Rate Plan filings for several years. In addition, in Docket No. U-31237, our firm addressed the request to increase the funding of the River Bend decommissioning revenue requirement. As part of that proceeding, we recommended a review and re-examination of allocating the DAP into base rates within five years of the Commission Order.

Henderson Ridge's experience includes extensive work in analyzing the operations, books, and records of utility companies and providing expert testimony on all aspects of utility regulation and ratemaking. Consistent with the Minimum Requirements listed in Section IV of the RFP, the issues addressed in this work have included:

(1) The Commission's Orders pertaining to the DAP;

(2) A detailed understanding of the major functional areas of a regulated investor-owned electric utility;

(3) Appropriate accounting standards and practices for electric public utilities, public utility accounting, and generally accepted auditing standards;

(4) Familiarity with just and reasonable costs and prudent investments associated with providing reliable and quality service as recommended by NARUC;

(5) Public interest criteria for approval of resources and purchase power contracts; and

(6) The basic components and requirements of ELL's Formula Rate Plan, including cost of capital, capital structure, cost of debt, cost of equity, and rates of return, as well as currently approved riders.

Henderson Ridge Consulting has an experienced and well-qualified team to conduct the evaluation of ELL's Application. Mr. Barta, a CPA, will lead the project team and manage the engagement. The following personnel will be assigned to the project:

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| William Barta | $250/hour |
| Debbie Barta | $250/hour |
| Lauren Coppola | $200/hour |

Lauren Coppola will serve as a subcontractor to Henderson Ridge Consulting and she has rendered services in the past in support of the firm's engagements. A firm resume has been attached to our response to the proposal which provides further background on our firm's experience and qualifications and individual team member resumes can be made available upon request.

***Cost Proposal***

Henderson Ridge Consulting proposes assisting the Commission Staff with the evaluation of ELL's upcoming Application for a budget not to exceed $189,800.00 for professional services and $3,400.00 for travel-related expenses for a total budget of $193,200.00.

All travel-related expenses will be billed at cost in accordance with the State of Louisiana's Travel Policies and Procedures.

***Conflict of Interest***

Please note that Henderson Ridge Consulting, Inc. does not have any business relationships with ELL or Entergy Corporation, nor has it ever had such a relationship. Thus, the firm has no conflict of interest that could impair or restrict its ability to provide assistance and objective advice to the Commission Staff.

If you have any questions, please do not hesitate to call. We look forward to continuing our relationship of working with the Commission Staff.

Sincerely,

*William Barta*

William J. Barta
President