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February 13, 2025

Hand Delivered

Ms. Kris Abel
Records and Recording Division
Louisiana Public Service Commission
Galvez Building, 12th Floor
602 North Fifth Street
Baton Rouge, Louisiana 70802

Re: **Docket No. U-37425**, Entergy Louisiana LLC, ex parte. In Re: Application for Approval of Generation and Transmission Resources in Connection with Service to a Single Customer for a Project in North Louisiana

Dear Ms. Abel:

Enclosed for filing in the above-captioned docket please find original and two (2) copies of the Alliance for Affordable Energy and Union of Concerned Scientists' Motion for Denial of Entergy Louisiana, LLC's Request for Exemption From the Market-Based Mechanism Order and Request for Dismissal of the Application.

Thank you in advance for your assistance and cooperation and please do not hesitate to contact me should you have any questions or concerns.

Respectfully submitted,

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BEFORE THE LOUISIANA PUBLIC SERVICE COMMISSION

ENTERGY LOUISIANA LLC, ex parte

**IN RE: APPLICATION FOR
APPROVAL OF GENERATION AND
TRANSMISSION RESOURCES IN
CONNECTION WITH SERVICE TO A
SINGLE CUSTOMER FOR A PROJECT
IN NORTH LOUISIANA**

DOCKET NO. U-37425

**THE ALLIANCE FOR AFFORDABLE ENERGY AND UNION OF CONCERNED
SCIENTISTS' MOTION FOR DENIAL OF ENTERGY LOUISIANA, LLC'S REQUEST
FOR EXEMPTION FROM MARKET-BASED MECHANISM ORDER AND REQUEST
FOR DISMISSAL OF THE APPLICATION**

Pursuant to Rule 15 of the Louisiana Public Service Commission Rules of Practice and Procedure, the Alliance for Affordable Energy and the Union of Concerned Scientists (“Non-Profit Organizations” or “NPOs”), through undersigned counsel, respectfully move the Louisiana Public Service Commission (“LPSC” or “Commission”) to deny Entergy Louisiana, LLC’s (“ELL” or the “Company”) request for an exemption from (i) the request for proposals (“RFP”) process in the Commission’s Market-Based Mechanism (“MBM”) Order, (ii) the MBM Order’s stated prohibition against alternative mechanisms being “limited to self-build or utility-owned resources,” and (iii) any other requirements of the MBM Order.¹ The Commission should deny ELL’s request for exemptions from the MBM Order because the Company has failed to provide the required support for such exemptions, improperly limited its procurement process to self-build resources, and failed to show that it would be in the public interest to forgo the Commission’s process for identifying lowest-cost resources.

¹ Application of ELL for Approval of Generation and Transmission Resources Proposed in Connection with Service to a Significant Customer Project in North Louisiana, Including Proposed Rider, and Request for Timely Treatment (“Application”), Docket No. U-37425 at 26 (Prayer for Relief ¶ 5).

Additionally, because denial of ELL’s request for exemptions from the MBM Order² would preclude the Commission from granting the Company’s other requested relief, the NPOs also move for dismissal of ELL’s October 30, 2024 Application.³ Prompt dismissal of the Application would conserve Commission resources and allow ELL to conduct a timely RFP that protects customers from overpaying for generation.

I. BACKGROUND

A. The MBM Order

Since its issuance in 2022, the MBM Order has required utilities to use an RFP competitive solicitation process to evaluate proposals for specified generating capacity.⁴ The Order “provides the structure within which utilities market test supply options to determine which is the lowest reasonable cost solution for the provision of reliable electric service.”⁵ Complying with the MBM Order demonstrates that a utility carefully considered comparable supply alternatives before selecting its preferred option.⁶ Ultimately, the market test of an RFP is meant to “get the best deal for ratepayers.”⁷

The Commission has modified and amended the MBM Order several times, most recently in October 2024.⁸ In its current form, the Order requires RFPs to be “constructed as

² See General Order (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, Docket No. R-26172 Subdocket A, as amended by General Order, Docket No. R-26172 Subdocket B, dated November 3, 2006 and further amended by the April 26, 2007 General Order and the amendments approved by the Commission at its October 15, 2008 Business and Executive Meeting; the October 29, 2008 General Order No. R-26172, Subdocket C; and the October 14, 2024 General Order No. R-34247.

³ See generally ELL’s Approval of Generation and Transmission Resources Proposed in Connection with Service to a Significant Customer Project in North Louisiana, Including Proposed Rider, and Request for Timely Treatment (filed Oct. 30, 2024). (“Application”)

⁴ General Order 10-14-2024 (R-34247) at 1.

⁵ *Sw. Louisiana Elec. Membership Corp., NextEra Energy Mktg., LLC, & Beauregard Solar, LLC, Ex Parte*, Docket No. U-36516, Order No. U-36516 at 11 (Nov. 7, 2023).

⁶ *Dixie Elec. Membership Corp., d/b/a Demco, Ex Parte*, No. U-36133, Order at 14 (Nov. 10, 2022).

⁷ <https://lpsepubvalence.lpsc.louisiana.gov/portal/PSC/ViewFile?fileId=n9GmBZHffz1%3D> – Original 2002 MBM Order at 3.

⁸ General Order 10-14-2024 (R-34247) at 1.

broadly as possible to allow for the review of all available options to add generating capacity.”⁹ This broad examination of alternatives must evaluate power purchase agreements (“PPAs”) and all available types of resources, including intermittent resources and storage.¹⁰

Although the Order allows utilities to seek permission to forgo the standard RFP process and use an alternative market-based mechanism, such exemptions are only granted if certain requirements are met. First, , the utility must demonstrate through “sworn support from a Company representative that sufficient circumstances exist such that a RFP competitive process subject to the [MBM Order] would not be in the public interest.”¹¹ Second, the utility’s alternative process can limit the types of resources under consideration only if the limitation is supported by both a fully vetted Integrated Resource Plan (“IRP”) and by sworn support.¹² Finally, the Order specifies that “[i]n no event” shall a utility propose an alternative that is “limited to self-build or utility-owned resources.”¹³

B. The Application

ELL seeks approval of new generation and transmission resources to serve new load from a data center Laidley LLC (the “Customer”) is planning to develop near Holly Ridge, Louisiana.¹⁴ Specifically, ELL proposes to construct two combined cycle combustion turbine (“CCCT”) generators near the Customer’s data center and a third CCCT somewhere in its Southeast Louisiana Planning Region (collectively, the “Planned Generators”).¹⁵ ELL asks the Commission to approve treatment of the Planned Generators as system resources for the benefit

⁹ MBM Order at ¶3.

¹⁰ MBM Order at ¶3.

¹¹ MBM Order at ¶3.

¹² *Id.*

¹³ *Id.*

¹⁴ Application at 1, 3.

¹⁵ Application at 12.

of all customers, rather than resources constructed for the benefit and use of a specific customer.¹⁶ ELL's prayer for relief also requests findings related to transmission facilities, approval of a corporate sustainability rider, and specific rate-making treatment.¹⁷

In this Application, ELL is proposing well over \$3 billion of generation and transmission resources. Each proposed CCCT would have a nameplate capacity of 754 MW, for a combined addition of 2,262 MW of generation capacity.¹⁸ ELL estimates that the CCCTs near the data center would each cost \$1.193 billion¹⁹ and that the combined cost of the two CCCTs and transmission interconnection for the site will be \$2.386.6 billion.²⁰ The estimated first-year operations and maintenance ("O&M") expenses for these turbines are \$16.6 million.²¹ ELL expects the third CCCT to have similar construction and O&M costs to the two planned for near the data center.²²

ELL requests an exemption from the MBM Order's RFP process, the Order's prohibition on alternative mechanisms being "limited to self-build or utility-owned resources," and any other requirements in the MBM Order that the Company has not met.²³ ELL claims that an exemption is warranted because expedited action is necessary to secure the Customer's investment in Louisiana.²⁴ The Company did not test the market for alternatives to the Planned Generators.²⁵

¹⁶ Application at 25.

¹⁷ *Id.* 26-30.

¹⁸ *Id.*

¹⁹ Direct Testimony of Matthew Bulpitt at 26:19-10. ("Bulpitt Direct")

²⁰ Bulpitt Direct at 27: 3 (Table 3).

²¹ Bulpitt Direct at 36, Table 4.

²² Bulpitt Direct at 42:13-17.

²³ Application at 26.

²⁴ Application at 26.

²⁵ Direct Testimony of Joshua Thomas at 25:13-14 ("the Planned Generators were not directly market-tested against other alternatives by ELL"). ("Thomas Direct").

Nor did it consider generation options that were not utility-owned,²⁶ or submit competent sworn testimony to support assertions that the Customer's timeline and load request is incompatible with conducting an RFP.

II. LAW AND ARGUMENT

The Commission should reject ELL's request for an exemption from the MBM Order. ELL has not met the requirements for an exemption from the RFP requirement. In particular, ELL failed to (i) support the exemption request with sworn testimony, (ii) ground its proposed limitation on the scope of the procurement process in the Company's IRP, and (iii) consider or even request competitors' offerings. Further, ELL's requested exemption is not in the public interest because its "process" for selecting the Planned Generators is less suited to identifying reasonably priced resources than an RFP. The NPOs are seeking dismissal of the Application because ELL's requested relief depends on the improper grant of an exemption from the MBM Order. The Commission should promptly dismiss ELL's Application, so the Company can conduct an RFP that complies with the MBM Order and meets the Customer's needs.

A. ELL's Application Contravenes the Commission's Explicit Rules on How Utilities May Seek Exemptions from the MBM Order.

The MBM Order establishes explicit requirements that a utility must meet to justify an exemption from the general requirement to conduct an all-source RFP, placing limits on a utility's ability to craft a self-serving alternative. First, the MBM Order allows a utility to conduct an alternative procurement process only if it can demonstrate with sworn support that the standard RFP process would not be in the public interest under existing circumstances.²⁷ The utility's proposed alternative market-based mechanism can include limitations on the type or

²⁶ Direct Testimony of Laura Beauchamp at 43:8-18 (listing alternatives considered by the planning team). ("Beauchamp Direct")

²⁷ MBM Order at ¶3.

types of market options considered, but only if the proposed alternative mechanism is supported both by a fully vetted Integrated Resource Plan that has been submitted to the Commission and sworn support justifying the need for the limitations.²⁸ Furthermore, the MBM Order prohibits the utility from using an alternative mechanism that is “limited to self-build or utility-owned resources.”²⁹ ELL has failed to satisfy the MBM Order’s requirements and flouted the Commission’s determination that a resource procurement process should always consider competitive market options.

1. ELL failed to provide sworn statements justifying an exemption from the RFP requirement.

The MBM Order requires that a utility proposing an alternative to the RFP procedure “demonstrate to the Commission with *sworn support* from a Company representative that sufficient circumstances exist” that it would be in the public interest to deviate from the normal RFP process.³⁰ Here, the circumstances that purportedly justify an exemption from the RFP procedure are that the Customer’s load needs and timeline are incompatible with the RFP requirement, and that the economic benefits of the project support approval of the Application. ELL fails to meet this sworn testimony requirement, because the Company’s testimony simply parrots unsubstantiated assertions from the Customer – a non-party in this proceeding. Far from providing “sworn support,” ELL’s exemption request is based on a series of factual claims that are nothing more than hearsay.³¹ ELL’s reliance on hearsay statements is amply demonstrated in the Company’s data responses:

²⁸ *Id.*

²⁹ *Id.*

³⁰ MBM Order at ¶3 (emphasis added).

³¹ Hearsay is defined as a statement, other than one made by the declarant while testifying at the present trial or hearing, offered in evidence to prove the truth of the matter asserted. Louisiana Code of Evidence, Art. 801. Hearsay

1. ELL asserts that the economic opportunity presented by the Customer's Project establishes that the public interest is served by approving the requested MBM Order exemption.³² However, ELL's claim that the new Customer Project will provide 300-500 full-time jobs³³ is based on statements from the Customer "in publicly available press releases and other, similarly public resources . . ."³⁴
2. When asked if the jobs are all expected to be locally-based, as opposed to remote and whether the people employed will be those who live in the area, ELL disavows any responsibility for the commitment. ELL states that the information concerning jobs is based on ELL's understanding of the commitment made by the Customer and again points the parties to unsworn press releases and websites.³⁵
3. With regard to the Customer's requested load, ELL admits that it has no documentation, analyses, or studies that support the Customer's need for a specific amount of power.³⁶ ELL also is not aware of the reasons for the revisions to the Customer's requested load level.³⁷
4. ELL also no has information regarding the Customer's reasoning behind its requested in-service date and ramp schedule.³⁸
5. With regard to the Customer's timeline, ELL attempts to demonstrate these circumstances by relying on the Customer's unsworn statements about its future energy needs. For instance, Mr. Thomas merely recounts "the time constraints that the Customer communicated to ELL."³⁹
6. ELL relies on Mr. Thomas's conclusion that "conducting a competitive solicitation process like an RFP pursuant to the MBM Order and meeting the

evidence is not competent evidence, and it is competent evidence that proves the case. *Mouton v. State Dept. of Social Services, Office of Social Services*, 808 So.2d 485 (La.App. 1st Cir. 2001) (citation omitted).

³² Application at 21.

³³ See Application at 1, 3; May Direct Testimony at 17:15-16.

³⁴ ELL Response to Sierra Club DR 1-5 (Attachment 1). See also, ELL Response to NPO DR 1-5 (Attachment 2). See, also, ELL witness May's assertion that "the *initial indications* with respect to the Project are that the Customer will hire at least 300 to 500 full-time employees." May Direct at 17:15-16, footnote omitted (emphasis added). ELL also refers the parties to META's website and a press release issued by the Louisiana Department of Economic Development. Neither of these are sworn testimony.

³⁵ ELL Response to Sierra Club DR 1-5. ELL also concedes that it does not possess any studies, analyses or other documentation which supports the assertion that the data center will directly employ 300 to 500 persons and yet again directs parties to another press release. ELL Response to NPO DR 1-5.

³⁶ ELL Response to NPO DR 1-7 (Attachment 3).

³⁷ ELL Response to NPO DR 2-14 (Attachment 4), discussing Kline Testimony at 25:4-5.

³⁸ ELL response to NPO DR 3-2 (Attachment 5).

³⁹ Thomas Direct at 21:16-20.

Customer's electric service needs on the Customer's required timetable is impossible."⁴⁰ However, ELL relied on its prior experience and did not conduct any studies or analyses specific to this project to reach the conclusion stated by Mr. Thomas.⁴¹

7. Despite citing the *Customer's* sustainability goals for support that the project is in the public interest, ELL has no documentation regarding the Customer's sustainability goals and once again relies upon a Meta website.⁴² Meta is not the Customer and there is no evidence that the Customer has adopted the same sustainability goals as Meta.

Thus, virtually all of ELL's support for the specific aspects of this project (i.e. load, job creation, timeline) is based on hearsay statements from the Customer – which, again, is not a party in this case. ELL's recitation of the Customer's unsworn statements go to the heart of its exemption request, as the Customer's timetable and allegedly excessive large load needs are what purportedly makes an RFP impossible.⁴³ Under the MBM Order, however, ELL cannot support its request for an exemption with hearsay about the Customer's requirements. ELL's failure to properly support its request for an exemption is sufficient reason to deny its request.

Similarly, the specifics of the economic opportunity are only supported by hearsay testimony of ELL witnesses.⁴⁴ Despite the level of job creation being one of the primary factors ELL relies upon to support its claim that the Project is in the public interest, ELL apparently has no information regarding how the number of permanent jobs was determined and

⁴⁰ Thomas Direct at 21:11-13.

⁴¹ ELL Response to NPO DR 3-25 (Attachment 6).

⁴² ELL Response to NPO DR 1-13 (Attachment 7). It should be noted that ELL repeatedly relies on Meta websites despite the fact that Meta is expressly not the customer. Laidley, LLC is the customer. Laidley does not have a website and there is no support, public or otherwise, for the apparent assertion that Laidley is bound by the statements on Meta's websites.

⁴³ See, e. g., Thomas Direct at 21:11-13.

⁴⁴ See, e.g., May Direct at 17:15-16, footnote omitted.

whether those positions would actually benefit Louisianans. The Company certainly cannot provide sworn testimony on an issue it knows nothing about.

The requirement for sworn support for any justification for an exemption from the MBM Order is not a mere formality. This rule protects ratepayers by ensuring that exemptions are only granted when a utility has justified its exemption request with credible evidence. And although there is more leeway to introduce hearsay evidence in an administrative proceeding than in Louisiana courts, a utility's entire case cannot rest on hearsay.⁴⁵ Rather, "some reliable hearsay may be introduced *along with other competent evidence*."⁴⁶ Here, ELL's request for an exemption from the MBM Order's requirements rests entirely on non-party hearsay.

2. ELL proposed alternative process violates the MBM Order because the alternative only provides the opportunity for the Company's own generation resources to serve the Project.

While the MBM Order allows utilities to seek exemptions from the requirement to conduct an all-source RFP under certain circumstances, it places one uncompromising limit on a utility's alternative approach: "In no event, . . . shall such a proposed alternative market-based mechanism be limited to self-build or utility-owned resources."⁴⁷ ELL did not follow this requirement. Instead, the Company selected the Planned Generators without giving non-utility resources a chance to compete.⁴⁸ Even before the Commission added this language to the MBM Order in 2024, it would have been extraordinary for a utility to seek an exemption from the RFP requirement when it sought to self-build new generation. As the Commission previously

⁴⁵ T-30039 (Aug. 23, 2007), 2007 WL 4128255 (La.P.S.C.) at 7.

⁴⁶ *Id.* (emphasis added).

⁴⁷ MBM Order at ¶3.

⁴⁸ Beauchamp Direct at 43:8-18 (the alternative options that were considered for meeting the Customer's needs were building different configurations of gas-fired generation, serving the Customer with transmission alone, and serving the Customer's load with renewables only).

recognized, the MBM Order devotes significant attention to ensuring utility proposals do not receive preferential treatment.⁴⁹ Because ELL failed to present a valid alternative market-based mechanism, the Company is not entitled to an exemption and the Application should be dismissed.

The Commission should deny ELL's request for an exemption because it violates several requirements in the MBM Order, which the Commission adopted to ensure that any exemptions from the RFP process would not deprive customers of the lowest cost generation options.

B. ELL's Request for a Exemption Is Not in the Public Interest Because Its Proposed Process Lacks Safeguards and Is Not as Effective as an RFP at Identifying Least-Cost Resources.

As explained above, ELL's Application failed to satisfy the requirements for granting an exemption under the MBM Order. Because ELL did not comply the MBM Order, the Commission should deny ELL's exemption request.

In its testimony, ELL tries to circumvent the MBM Order by claiming that its decision to self-build the Planned Generators was necessary and cost-effective. But ELL fails to fulfill the basic purpose of the MBM Order's RFP process, which is to demonstrate which new resources are the best deal for ratepayers.⁵⁰ The RFP process has multiple consumer protections that ELL's proposal does not even attempt to replicate. ELL's arguments are unpersuasive because they fail to show that the Company would have selected the Planned Generators if it had conducted a meaningful test of the market for alternatives.

⁴⁹ 1803 Elec. Coop., Inc., Ex Parte, No. U-35927, 2022 WL 294416, at *10 (Jan. 28, 2022).

⁵⁰ La. P.S.C., Docket No. R-26172, General Order (2002) at 3, <https://lpscpubvalence.lpsc.louisiana.gov/portal/PSC/ViewFile?fileId=n9GmBZHfzI%3D>.

1. Granting an exemption to ELL for its Planned Generators would deprive customers of the safeguards in the MBM Order.

The MBM Order uses multiple strategies to ensure that ratepayers get the best deal on new generator resources. It establishes a process for (i) testing a utility's proposed procurements against other options in the market, (ii) retaining an Independent Monitor to oversee the competitive process, (iii) keeping Staff apprised of any irregularities, and providing for consideration of fuel diversity. ELL's proposal does not include any of these safeguards.

The most fundamental benefit of the MBM Order's RFP process is that independent power producers and infrastructure developers can propose lower-cost means of meeting customer needs than options the utility might identify on its own. The MBM Order takes advantage of these market opportunities by ensuring "utilities market test supply options to determine which is the lowest reasonable cost solution for the provision of reliable electric service."⁵¹ The RFP process provides an opportunity for market actors to offer a wide variety of resources (e.g., complementary combinations of solar, storage, and other options), and the competitive pressure creates a strong incentive to offer those alternatives at low cost.

ELL's decision not to follow the MBM Order's RFP process is premised on the unsupported, self-serving assumption that no other generation could be constructed and available within the Customer's timeline. However, the MBM process is designed to independently and *objectively* test the generation market. ELL's unfounded assumptions regarding other types of generation defeats the very purpose of the MBM RFP process.⁵²

⁵¹ Sw. Louisiana Elec. Membership Corp., Nextera Energy Mktg., LLC, & Beauregard Solar, LLC, Ex Parte, No. U-36516, 2023 WL 7487730, at *11 (Nov. 7, 2023).

⁵² ELL also ignores the fact that RFPs can and should be drafted in such a way so as to ensure that all the objectives of the project are met. Thus, the RFP could have stated the requirement that the generation had to be constructed and available by a date certain. This would result in only those proposals being submitted that could meet the Customer's timeline.

Under current law, it is immediately clear that ELL has not proposed a valid alternative to the normal RFP process. Moreover, as discussed below, an RFP process that does not consider third-party offerings is not in the public interest because the mandate to consider those options is an essential ratepayer protection.

ELL did not market test the Planned Generators.⁵³ By failing to test the market, ELL put on blinders that prevented it from discovering lower-cost options. ELL compounded this problem by considering only a few narrow combinations of utility-owned generation resources.⁵⁴ These oversights are precisely why the MBM Order prohibits utilities from considering only self-build resources, even in situations where they can justify deviating from the standard RFP process.⁵⁵

ELL's failure to consider a broad range of market options is particularly troubling because the Commission recently rejected ELL's request for more flexibility in deciding whether to conduct all-source RFPs. In the recent rulemaking to revise the MBM Order, ELL asked the Commission to give utilities "flexibility to use their own business judgment" to issue RFPs that target specific resource types instead of an all-source RFP, provided the utility explains why it is targeting those resource categories.⁵⁶ The Commission did not carve such a broad loophole into the MBM Order. If the Commission is unwilling to give utilities broad discretion to exclude resources and market options from an RFP based on broad claims of "business judgment," it should not countenance ELL's complete failure to conduct an RFP here.

⁵³ Thomas Direct at 25:13-14.

⁵⁴ Beauchamp Direct at 43:8-18; Owens Direct at 4:8-6:2.

⁵⁵ MBM Order at ¶3.

⁵⁶ *Id.* at 15. ELL comments at 10

<https://lpscpubvalence.lpsc.louisiana.gov/portal/PSC/ViewFile?fileId=ontEwwXDkSU%3D>.

The MBM Order also requires a utility to retain an independent monitor (“IM”) and provides for Staff oversight of the resource selection process.⁵⁷ The IM reviews all stages of the RFP process “to ascertain that no undue preference is given to affiliates and their bids, or self-build or self-supply projects” such as the Planned Generators at issue in this proceeding.⁵⁸ The IM must “immediately report any irregularities” to Commission Staff, provide updates to Staff as the RFP process progresses, and submit a final RFP evaluation report.⁵⁹ Here, however, , no Commission-approved IM tracked the process ELL used to select the Planned Generators.⁶⁰ Consequently, the Commission cannot rely on its standard strategies for deterring and uncovering irregularities in a utility’s selection of a self-build project.

Finally, the MBM Order identifies other factors that can minimize the cost of reliable electric service, such as fuel diversity.⁶¹ Accordingly, an appropriate RFP process would consider the ability of renewable and hybrid resources to provide a hedge against volatile gas prices and improve reliability by providing energy when gas-fired plants experience correlated outages (as they have in recent storms). ELL made no attempt to procure resources that provide such benefits. Instead, Ms. Beauchamp simply notes that the Company will increase the diversity of its generation portfolio through the renewable procurements in its 2023 IRP action plan.⁶² This contrast here is stark: a recent Commission-supervised planning process is leading to

⁵⁷ The Commission may reject the utility’s preferred IM. MBM Order at ¶15.

⁵⁸ MBM Order at ¶15(a).

⁵⁹ MBM Order at ¶15(b).

⁶⁰ ELL Response to NPO DR 3-16 (Attachment 8).

⁶¹ MBM Order at ¶11.

⁶² Beauchamp Direct at 66:16-18. Remarkably, on October 4, 2024, ELL filed a letter with Commission Staff stating that the Company’s previous filings had demonstrated unprecedented load growth and informing Staff that the Company will make a filing in October seeking approval for the construction of additional generating capacity. The Company further stated that it will seek a finding that ELL is in compliance with, or not in conflict all applicable LPSC General Orders. In this letter, ELL failed to inform Commission Staff that the Company intended to seek an exemption from the MBM Order, simply stating that Staff have specific and significant experience with, among other orders, the MBM Order. ELL October 4, 2024 Letter to Commission Staff (Attachment 9) .

increased fuel diversity, while the Company fails to secure those benefits in its own closed-door process. This further underscores the importance of complying with the MBM Order.

2. The Commission cannot rely on Mr. Owens’s unsupported conclusions about the necessity of a self-build project or his analysis of strawman alternatives.

ELL tries to justify its failure its failure to issue an RFP by citing Mr. Owens’s claim that “the only practical option to serve the Customer’s Project is for ELL to build gas-fired capacity.”⁶³ But Mr. Owens did not conduct any studies or analyses specific to this project to reach that conclusion.⁶⁴

For example, in accessing other resources, ELL did not independently evaluate offers for storage and the alternative options for gas-fired capacity.⁶⁵ Mr. Owens’s testimony only provides an “illustrative analysis” of the cost to provide the Customer with firm renewable power around the clock using a combination of solar and storage.⁶⁶ Despite this lack of actual analysis, ELL concludes that the cost of self-build generation will be comparable to the cost of new build generation constructed by a third party.⁶⁷

More importantly, Mr. Owens reaches this perfunctory conclusion without providing any evidence that it would be impractical to procure gas-fired capacity from an independent supplier.⁶⁸ While Mr. Owens addresses why he believes CCCTs are the appropriate resources for meeting the Customer’s needs, he does not explain why procuring these resources on the competitive market would not be feasible.⁶⁹ Thus, Mr. Owens’s testimony does not provide

⁶³ Thomas Direct at 22:5-6 (citing Owens Direct at 7).

⁶⁴ ELL Response to NPO DR 3-25 (Attachment 10).

⁶⁵ ELL Response to NPO DR 4-1 (Attachment 11). With regard to storage, Mr. Owens relies on the past “normal business practice” of ELL to conclude that a storage-only alternative would be too costly. Owens Direct at 6:3-9.

⁶⁶ ELL Response to NPO DR 2-8 (Attachment 12), discussing Owen Direct at 4:20-5:14.

⁶⁷ ELL Response to NPO DR 3-27 (Attachment 13).

⁶⁸ Owens Direct at 7:7-10.

⁶⁹ Owens Direct at 7:12-22.

meaningful assurance that ELL's self-build proposal would out-compete bids from independent suppliers in a fair test of the market. And again, there was no IM monitoring ELL's behavior for anti-competitive conduct.⁷⁰

Mr. Owens's conclusion about the necessity of building gas-fired generation is also unreliable because – due to ELL's failure to issue an RFP – there was no opportunity to compare ELL's Planned Generators to the competitive alternatives. RFP bids could have included numerous combinations of different resource types, giving ELL options for meeting its needs with a mix of solar, storage, and/or thermal resources. Mr. Owens did not have any of that real-world information. Instead, he only considers three hypothetical alternatives to ELL's Planned Generators—one that relies solely on renewables, another that relies on solar generation resources and 18-hour batteries to meet 100% of the projected need, and one that relies solely on storage.⁷¹ Mr. Owens does not explain why he failed to consider renewable generation in combination with 4-hour batteries, a far more mature technology.⁷² Nor does he explain why he failed to consider a combination of thermal and renewable resources – e.g., two gas plants (instead of three), coupled with solar and storage.

If ELL had complied with the MBM Order and conducted an RFP, its witnesses would not be comparing the Planned Generators to hypothetical resource portfolios deemed impractical. The MBM Order requires consideration of the full array of offers from competitors, which may have included 4-hour batteries and complementary combinations of renewables, storage, and a limited buildout of thermal resources. Without access to the innovative creativity of the market, Mr. Owens is left to attack strawmen of his own invention.

⁷⁰ Cf. MBM Order at ¶15.

⁷¹ Owens Direct at 4:8-6:2.

⁷² Owens Direct at 4:20-5:6; Bulpitt Direct at 10 (untitled figure).

Clearly, ELL took it upon itself to determine whether other resources were viable options to serve the Customer's load.⁷³ The MBM process was designed to remove this determination from the utility's sole purview, given the Company's vested interest in the outcome. The question is whether *any* type of generation could provide all or part of the Customer's needed energy within the established timeline. This is the question that the MBM processes were set up to *objectively* establish. The MBM Order also provides protections such as the participation by Staff and an independent monitor which are designed to ensure the least cost choice is made. ELL cannot be allowed to make the determination that another generation alternative is too costly. The mechanism of the RFP process makes that determination. Denying ELL's exemption request will force it to use a process designed to meaningfully test the market and enable low-cost procurement.

3. ELL's "market data" does not establish the pricing that competitors might offer in an RFP.

Mr. Thomas also tries to justify ELL's failure to conduct an RFP by citing "market data" in Mr. Bulpitt's testimony that purportedly demonstrates the reasonableness of the Company's CCCT cost estimates.⁷⁴ Although Mr. Thomas does not cite specific pages or data in Mr. Bulpitt's testimony, he appears to refer to a consultant's benchmarking data on "(1) Contractors G&A and Fee and (2) EPC contingency" and an independent EPC estimate from Black &

⁷³ See, e.g., Owens Direct at 4-5. Mr. Owens did not independently evaluate offers for storage and the alternative options for gas-fired capacity. ELL Response to NPO DR 4-1. Remarkably, Mr. Owen's "proof" that solar plus storage is uneconomical is based upon his own hypothetical numbers with no attribution regarding how those numbers were derived. *Id.* at 5. This assertion graphically illustrates why it is the RFP process and not the utility who should determine the economic viability of generation solutions.

⁷⁴ Thomas Direct at 23:2-11.

Veatch.⁷⁵ One limitation of the data discussed by Mr. Bulpitt is that does not address major costs that ratepayers would bear if the Commission approves this Application, such as O&M expenses or the transmission upgrades for the Planned Generators. Other potential shortcomings are that the data may not reflect favorable labor and land acquisition costs in Northern Louisiana, or current economic conditions (for instance, if the benchmark dataset includes projects affected by COVID-era supply chain disruptions). Given the generally favorable economics of construction in Northern Louisiana, the Commission should be concerned that Black & Veatch’s estimate indicates that ELL’s EPC cost estimates are competitive only after “adjustments made for comparability.”⁷⁶ A more fundamental problem is that these benchmarks and price checks fail to account for the potential cost-saving opportunities from pursuing resources other than CCCTs. For these reasons, ELL’s limited market data provides little assurance that the Planned Generators’ overall cost is reasonable.

4. Mr. Thomas identifies two final “factors” that purportedly support ELL’s exemption request, but they are inadequate substitutes for testing the market.

ELL’s remaining justifications for its MBM exemption request are similarly unpersuasive. First, Mr. Thomas points to ELL’s plans to “use competitive elements to procure major components” of the Planned Generators and use a competitive process to select a contractor for one of them.⁷⁷ These “competitive elements” do not allow ratepayers to reap the potential savings from procuring solar, storage, or independently owned resources. At best, this approach could mitigate risks of ELL incurring inflated costs for a very narrow class of assets:

⁷⁵ Bulpitt Direct at 33:12-34:15.

⁷⁶ Bulpitt Direct at 34:12-15.

⁷⁷ Thomas Direct at 24:18-25:3.

utility-owned gas-fired generators with the specifications set forth in this Application.⁷⁸ In contrast, the MBM Order requires utilities to construct an RFP “as broadly as possible to allow for review of all available options to add generating capacity..., including, but not limited to conventional resources, intermittent resources, hybrid resources, and storage.”⁷⁹ Thus, ELL proposes competitive opportunities that are a faint trace of the broad competition required under the MBM Order to show resources are the lowest-cost option.

Second, Mr. Thomas states that the sophisticated Customer had the opportunity to compare the Planned Generators to market alternatives and still agreed to use the generators under terms that protect existing customers from bearing their full cost.⁸⁰ ELL’s assertion that regarding the Customer’s ability to compare alternative turns the MBM Order on its head, placing the obligation to find the least cost alternative on the customer rather than use the actual market testing solution required by the MBM.

Mr. Thomas’s speculation is not evidence that these generators could pass a market test. The Application and its supporting documents contain no evidence regarding the Customer’s examination—if any—of alternatives. And ELL admits that it has no information about “what comparison the Customer may or may not have performed.”⁸¹

The Commission cannot presume that a Customer’s hypothetical review of alternatives was a rigorous test of the market, as the Commission’s decisions must be “reasonably based upon the factual evidence presented.”⁸² Such a presumption would be especially unreasonable here, where the Customer’s interests do not necessarily align with the interests of ELL’s existing

⁷⁸ See Bulpitt Direct at 4:15-5:2 (describing design of the planned CCCTs).

⁷⁹ MBM Order at ¶3.

⁸⁰ Thomas Direct at 25:4-20.

⁸¹ ELL Response to NPO DR 3-20 (Attachment 14).

⁸² *ELL v. La. P.S.C.*, 990 So.2d 716, 723 (La. 2008).

customers. That is, the Customer could maximize its profits by entering into a long-term contract for ELL's Planned Generators, forgoing the opportunities for lower-cost resources, because it can walk away from the Planned Generators and leave existing customers on the hook for these assets if it does not maintain its projected energy use in future years. Thus, the two ameliorating "factors" identified in Mr. Thomas's testimony do not make up for ELL's failure to use the required processes for protecting customers from over-paying for generation resources.

C. ELL's Alleged Unanticipated Circumstances Are Not A Justification For Circumventing The MBM Order.

Finally, Mr. Thomas argues that the Commission's 2008 Unsolicited Offer General Order indicates a recognition that the MBM Order should not apply in unanticipated circumstances where compliance is impractical.⁸³ However, the Commission recently considered the precise question of how utilities should be allowed to show that extraordinary circumstances warrant an exemption of the MBM Order's RFP requirement.⁸⁴ The Commission's careful consideration of this issue culminated in its October 2024 amendments to Paragraph 3 of the Order.⁸⁵ Paragraph 3 provides:

The market-based mechanism shall be a Request for Proposal ("RFP") competitive solicitation process that shall be constructed as broadly as possible to allow for review of all available options to add generating capacity. The RFP competitive solicitation process developed by the utility shall include the solicitation and evaluation of PPAs and shall solicit and evaluate all available market options, including, but not limited to conventional resources, intermittent resources, hybrid resources, and storage. The utility may propose an alternative market-based mechanism or procedure if it can demonstrate to the Commission with sworn support from a Company representative that sufficient circumstances exist such that a RFP competitive process subject to the requirements herein would not be in the public interest. This alternative market-based mechanism can include justified limitations on the type or types of market options, if that alternative is supported both by a fully vetted Integrated Resource Plan that has been submitted to the

⁸³ Thomas Direct at 23:13-24:2.

⁸⁴ General Order 10-14-2024 (R-34247) at 2.

⁸⁵ See generally *id.* (amending ¶3).

Commission and sworn support justifying the need for the limitations. In no event, however, shall such a proposed alternative market-based mechanism be limited to self-build or utility-owned resources.

Thus, while the MBM Order provides utilities with some limited flexibility, the Order expressly places clear limits on a utility's ability to avoid the RFP process and exclude consideration of potential opportunities for cost savings. The Commission should deny ELL's request for an exemption because the Company seeks to exceed the reasonable limits the Commission has placed on exemptions of the standard RFP requirements.

If ELL wanted the MBM Order's exemption provisions to accommodate this type of request, it should have been transparent with the Commission and alerted the LPSC to ELL's position regarding the potential need to build generation for a new large customer during the recent MBM rulemaking. On March 1, 2024, Staff proposed amendments to the MBM Order that would require utilities to support any requests for exemptions with sworn support from a Company representative that sufficient circumstances exist such that an RFP competitive process subject to the MBM requirements would not be in the public interest. Staff's proposed amendments expressly prohibit proposed MBM alternatives that are limited to self-build or utility-owned resources.⁸⁶ ELL submitted comments on the Staff proposal on April 1, 2024.⁸⁷ ELL's comments do not recommend revising the rule to allow utilities to provide less rigorous justification for exemptions or only consider utility-owned resources when customers estimate large load increases on short timelines. Notably, ELL first began discussing the data center

⁸⁶ Docket No. R-34247, Staff's Report and Proposed Amendments to the October 29, 2008 Market Based Mechanisms Order, Docket No. R-26172, Sub Docket C (Mar. 1, 2024), at 19-20, <https://lpscpubvalence.lpsc.louisiana.gov/portal/PSC/ViewFile?fileId=mqR0lww%2BJVo%3D>.

⁸⁷ Comments of Entergy Louisiana, LLC Regarding Staff's Report and Proposed Amendments to the Market Based Mechanisms Order, Docket No. R-34247 (April 1, 2024). <https://lpscpubvalence.lpsc.louisiana.gov/portal/PSC/ViewFile?fileId=ontEwwXDkSU%3D>.

project with the Customer in January 2024.⁸⁸ Thus, by April ELL knew even before filing the Company's own comments that it had no intention of following the MBM Order's requirements. The MBM Order's failure to anticipate the present situation is directly the result of ELL's decision to keep both the Commission and Staff in the dark by not raising the issue or the Company's intention not to follow the MBM rules when it participated in the rulemaking process.

In addition, in another context, the Commission has previously refused to waive filing rules when facing unexpected circumstances that threatened to burden ratepayers with generation costs. In 2010, ELL and its sister company sought certification of siting and licensing activities under the Commission's Incentive Cost Recovery Rule for Nuclear Power Generation, but could not comply with the rule's minimum filing requirements because the "rules did not fit the circumstances."⁸⁹ Whereas the rules contemplate certification before a utility conducts advanced preparation activities, the companies had conducted advanced preparation activities and suspended their nuclear projects before seeking certification.⁹⁰ The Commission refused to "force a square peg into a round hole" by waiving the filing requirements and allowing the companies to certify its licensing activities under the Nuclear Incentive Rule.⁹¹

Similarly, here, alleged unanticipated circumstances are not a justification for circumventing the Commission's clear rules, particularly when an exemption could saddle ratepayers with significant expenses on self-built generation. Just the opposite, the Commission should deny

⁸⁸ ELL Response to NPO DR 3-1. (Attachment 16).

⁸⁹ Order No. U-31125 (June 28, 2012) at 6, 27. 2012 WL 3143857 (La.P.S.C.).

⁹⁰ *Id.* at 24-26.

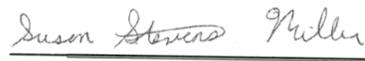
⁹¹ *Id.* at 28.

ELL's exemption request precisely because this case does not present the type of circumstances the Commission designed the exemption rules to accommodate.⁹²

III. CONCLUSION

The Commission should deny ELL's request for an exemption from the MBM Order now, without devoting additional resources to reviewing a request that directly conflicts with Commission rules and that is contrary to the public interest. The Commission should also dismiss the Application because the ELL's requested relief depends on the improper grant of an exemption from the MBM Order. Once the Commission denies ELL's exemption request, the Company can pursue low-cost resources through an RFP process without jeopardizing affordable service for existing customers or its ability to meet the new Customer's demands.

Respectfully submitted,



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*Counsel for the Alliance for Affordable Energy and
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⁹² ELL cites no support in the MBM Order or elsewhere that the underlying concerns designed to be addressed by the MBM Order are mitigated when the third party agrees to bear a portion of the costs of the proposed generation. See, Application at 22.

CERTIFICATE OF SERVICE

I hereby certify that I have this 13th day of February, 2025, served copies of the foregoing pleading upon all known parties of this proceeding by electronic mail.

Susan Stevens Miller

Susan Stevens Miller

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the First Set of Data Requests
of Requesting Party: Sierra Club

Question No.: SIERRA 1-5

Part No.:

Addendum:

Question:

Refer to the Direct Testimony of Company Witness May at 38 regarding local jobs.

- a. Are those jobs all expected to be locally-based (as compared to remote)?
 - b. Does ELL expect that the Company will employ people who live in the area (relative to bringing in people from outside the community)?
-
-

Response:

ELL objects to this Request to the extent it characterizes the assertions regarding local jobs as one from ELL. As set forth on page 38 of Company Witness May's testimony, the information concerning jobs is based on ELL's understanding of the commitment made by the customer. That commitment has been made in publicly available press releases and other, similarly public resources, which are equally available to the requesting party. *See, e.g.,* <https://datacenters.atmeta.com/wp-content/uploads/2024/12/Metas-Richland-Parish-Data-Center.pdf>.

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the First Set of Data Requests
of Requesting Party: Alliance for Affordable
Energy

Question No.: NPO 1-5

Part No.:

Addendum:

Question:

Please provide any studies, analyses or other documentation which supports the assertion that the data center will directly employ 300 to 500 persons. (See Application at 1, 3; May Direct Testimony at 17:15-16).

Response:

The Company objects to this request to the extent it requests information that is equally available to the requestor or information or documentation that is not in the possession or control of the Company. Subject to and without waiving these objections the Company responds as follows:

The Company is not in possession of any responsive documents, however, see Louisiana Department of Economic Development stating that the data center is expected to create 500 or more direct new jobs, <https://www.opportunitylouisiana.gov/news/meta-selects-northeast-louisiana-as-site-of-10-billion-artificial-intelligence-optimized-data-center-governor-jeff-landry-calls-investment-a-new-chapter-for-state>

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the First Set of Data Requests
of Requesting Party: Alliance for Affordable
Energy

Question No.: NPO 1-7

Part No.:

Addendum:

Question:

Please provide any documentation, analyses or studies supporting the Customer's need for the specific amount of MW set forth in Mr. May's Direct Testimony at 4:5.

Response:

As described in ELL Witness Daniel Kline's testimony (pages 24-36), ELL received and studied integrated supply solutions for multiple iterations of the customer's facility energy needs based on parameters (including maximum total load, load factor, and desired ramp schedule). However, ELL has no responsive documentation, analyses, or studies that support the Customer's need for a specific amount of power.

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Second Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 2-14

Part No.:

Addendum:

Question:

Referring to Kline Testimony at 25:4-5, please explain why the Customer revised its requested load level.

Response:

ELL is not aware of the business reasons for the revisions to the Customer's requested load level. ELL has no documentation responsive to this request.

ENERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Third Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 3-2

Part No.:

Addendum:

Question:

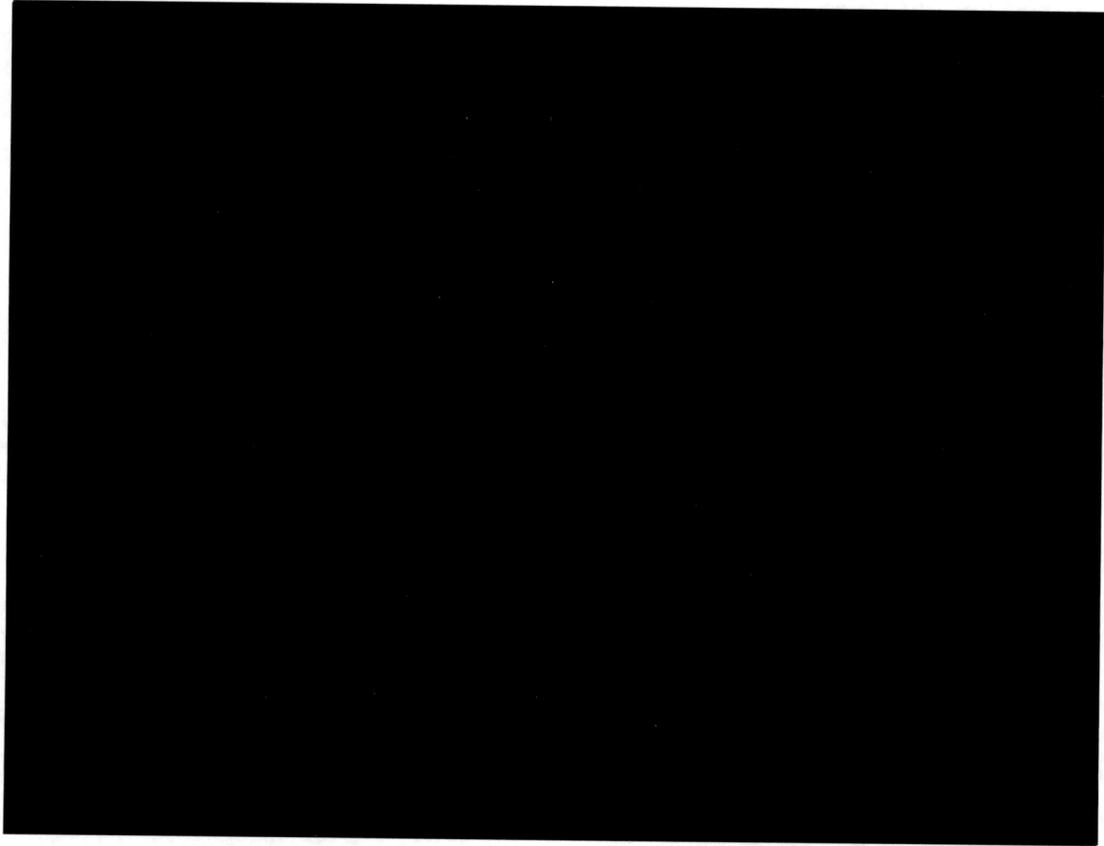
Please provide any studies or analysis which supports the Customer's "urgent" need for power. Please explain how ELL defines urgent.

Response:

Information responsive to this request has been designated as Highly Sensitive Protected Material ("HSPM") and will be produced only to the appropriate Reviewing Representatives in accordance with the Confidentiality Agreement in effect and executed in this docket. HSPM files will be served upon appropriate reviewing representatives through a OpenText™ Core Share link. Any downloads of such files shall be treated in accordance with the applicable provisions of the Confidentiality Agreement regarding duplication of HSPM files.

The Company objects to this request as vague and ambiguous. Subject to and without waiving these objections, the Company responds as follows:

The Company has no information or documentation regarding the Customer's reasoning behind its requested in-service date and ramp schedule, which is detailed in the Attorneys Eyes Only HSPM chart below.



ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Third Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 3-25

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Mr. Thomas at 21:11-13 where Mr. Thomas states “Conducting a competitive solicitation process like an RFP pursuant to the MBM Order and meeting the Customer’s electric service needs on the Customer’s required timetable is impossible.” Please provide any studies or analyses that support this contention.

Response:

The information on which Mr. Thomas based his conclusion is described on pages 21 through 23 of his Direct Testimony. As ELL Witness Mr. Bulpitt’s testimony states at pages 16 and 17, based on experience and Mr. Bulpitt’s knowledge of the marketplace, it is unlikely that a new CCCT facility could be operational in less than 6 years, assuming compliance with the MBM Order and the 1983 General Order, including a competitive solicitation process. ELL relied on its prior experience and did not conduct any studies or analyses specific to this project to reach the conclusion stated by Mr. Thomas in his Direct Testimony.

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the First Set of Data Requests
of Requesting Party: Alliance for Affordable
Energy

Question No.: NPO 1-13

Part No.:

Addendum:

Question:

Please provide the Customer's sustainability goals.

Response:

The Company objects to this request to the extent it requests information that is equally available to the requestor or information or documentation that is not in the possession or control of the Company. Subject to and without waiving these objections the Company responds as follows:

No responsive documents, Customer's parent company Meta Platform, Inc., is a publicly traded company and responsive information may be publicly available and equally available to the requestor. See <https://sustainability.atmeta.com/>

ENERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Third Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 3-16

Part No.:

Addendum:

Question:

Did ELL contract with an Independent Monitor to monitor the resource selection process that led ELL to selecting the Project it is proposing in this application? If not, why not? If yes, please explain the role of the Independent Monitor in this process.

Response:

The Company objects to this request as vague and ambiguous. Throughout the Company's Application and supporting testimony the defined term Project refers to the Customer's data center. Subject to and without waiving this objection, the Company responds as follows:

ELL did not contract with an Independent Monitor as part of pursuing the Customer Project.



Phillip R. May
President and Chief Executive Officer
Entergy Louisiana, LLC
504-840-2535 | pmay@entergy.com
4809 Jefferson Highway, Jefferson, LA 70121

October 4, 2024

Via Electronic Delivery

Mr. Brandon M. Frey
Executive Secretary
Louisiana Public Service Commission
Galvez Building, 12th Floor
602 North Fifth Street
Baton Rouge, Louisiana 70802

Re: Entergy Louisiana, LLC's Certificate of Convenience and Necessity Filing

Dear Secretary Frey,

As you are aware from our recent filings, Entergy Louisiana, LLC's ("ELL" or the "Company") service territory is experiencing unprecedented load growth. In order to safely and reliably serve this load, ELL intends to make a filing in October 2024 requesting, among other things, that the LPSC approve the construction of additional generating capacity and additional transmission facilities, including a finding that the additional capacity and the additional transmission facilities serve the public convenience and necessity, are in the public interest, and are therefore prudent, in accordance with the Commission's 1983 General Order and Transmission Siting General Order, and find that the Company has complied with, or is not in conflict, with all other applicable LPSC General Orders. Among other things, the filing will seek appropriate costs recovery under the terms of ELL's recently approved formula rate plan extension. The anticipated filing may include up to twelve witnesses, and the filings made by ELL in Docket No. U-34283 and Docket No. U-37143 are illustrative of the type of application, testimony, and exhibits that ELL may file for these new resources.

Because the timing of resource deployment is critical to serving this load growth, the filing will seek a decision from the Commission no later than the October 2025 Business and Executive Session. This correspondence is provided as a courtesy, to allow the LPSC Staff to determine whether it is necessary to retain outside consultants or counsel to assist and, if so, to begin the process of retaining such assistance in a timely manner that maximizes the LPSC's available time to review and consider the Company's expected filing; however, nothing herein should be construed to limit what ELL may file or what relief may be requested. In addition to meeting the general requirements set forth by the Commission, it would be advisable that any desired counsel and consultants have specific and significant experience with the transmission siting general order, the MBM Order, the 1983 General Order, and the minimum capacity general order.

Sincerely,

A handwritten signature in black ink that reads "Phillip R. May".

Phillip R. May

PRM/rih

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Fourth Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 4-1

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Nicholas W. Owens at page 6, lines 3 to 5. Did Mr. Owens evaluate the offers for storage and the alternative options for gas-fired capacity? If so, please provide Mr. Owens' analysis and the information he relied on.

Response:

Mr. Owens did not independently evaluate offers for storage and the alternative options for gas-fired capacity.

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Second Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 2-8

Part No.:

Addendum:

Question:

Referring to Owen Direct Testimony at 4:20-5:14, please provide any studies, analyses or documentation of the actual potential for solar plus storage for the specific Customer proposed project, including any consideration of the availability factor for solar and the capacity and availability factor of batteries.

Response:

See the Company's response to Staff 1-7. The referenced testimony describes an illustrative analysis of the cost to provide the Customer with firm renewable power around the clock using a combination of solar and storage. For purposes of the illustrative analysis, Mr. Owens assumed unlimited potential for solar and storage, a 100% availability factor for solar and storage, and an approximately 75% capacity factor for storage (*i.e.*, discharging 18 hours per day). As discussed in the referenced testimony, using these and other optimistic assumptions, the capital cost of this solution is prohibitively costly. Therefore, Mr. Owens did not engage in any further study, analysis, or documentation of constraints that would limit the potential of solar plus storage for other reasons.

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Third Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 3-27

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Mr. Thomas at 23:1-2 where Mr. Thomas states “ELL believes that the cost of self-build generation will be comparable to the cost of new-build generation constructed by a third party.” Please explain why ELL contends that a belief is sufficient to support a requested exemption from the MBM Order and provide any studies, analyses or documents supporting this belief.

Response:

The Company objects to this request as it misstates, misunderstands, or misconstrues ELL’s request for an exemption from the MBM Order. Subject to and without waiving this objection, the Company responds as follows:

ELL’s request for an exemption from the MBM Order is driven by the very tight timelines associated with the desired start (and ramp up) of forecasted customer electric service. Should ELL pursue a competitive process pursuant to the MBM Order for the procurement of the new generation needed to serve the forecasted load, ELL will not be able to meet the required timeline associated with the commencement of the ESA. In particular, not meeting the timeline associated with the Customer that is the subject of this application may run the risk of not being successful in securing this Customer’s load, thus depriving ELL’s other customers of the associated benefits that were detailed in pages 16 – 19 of Company witness Datta’s Direct testimony. In addition, Mr. Thomas’s testimony (and the supporting information from subject matter experts in the areas of resource development such as ELL witness Matthew Bulpitt as detailed in his Direct Testimony at pages 17-34) provides the foundation for ELL’s belief that the cost of self-build generation will be comparable to the cost of new build generation constructed by a third party.

ENTERGY LOUISIANA, LLC
LOUISIANA PUBLIC SERVICE COMMISSION
Docket No. U-37425

Response of: Entergy Louisiana, LLC
to the Third Set of Data Requests
of Requesting Party: Non-Profit Organizations

Question No.: NPO 3-20

Part No.:

Addendum:

Question:

Please refer to the Direct Testimony of Mr. Thomas at 25: 14-16. Did the Customer compare the Planned Generators to alternative energy and/or capacity resources in the marketplace? Please provide the basis of your answer and provide all such analysis that is in ELL's possession.

Response:

ELL is not aware of nor in possession of responsive information about what comparison the Customer may or may not have performed.