

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller and Jon Wellinghoff.

Louisiana Public Service Commission
and the Council of the City of New Orleans

v.

Docket No. EL00-66-005

Entergy Corporation

Entergy Services, Inc.

Docket No. ER00-2854-006

Louisiana Public Service Commission

v.

Docket No. EL95-33-007

Entergy Services, Inc.

ORDER ON COMPLIANCE FILING

(Issued August 18, 2006)

1. In an order issued on August 17, 2005, *Louisiana Public Service Commission and the Council of the City of New Orleans v. Entergy Corporation*, 112 FERC ¶ 61,192 (2005) (August 2005 Order), the Commission directed Entergy Services, Inc., on behalf of its public utility operating companies (collectively, Entergy)¹ to make a compliance

¹ The operating companies are Entergy Arkansas, Inc. (EAI); Entergy Louisiana, LLC (ELL) (formerly, Entergy Louisiana, Inc. or ELI); Entergy Mississippi, Inc. (EMI); Entergy New Orleans, Inc. (ENOI); and Entergy Gulf States, Inc. (EGSI).

filing providing the Commission and the parties in this proceeding with its work papers and calculations detailing the elimination of the interruptible load as directed by the Commission in prior orders in this proceeding.²

2. On September 16, 2005, in response to the August 2005 Order, Entergy submitted the instant compliance filing in the above-captioned proceedings. In this order, we accept the compliance filing.

Background

3. On May 18, 2005, Entergy submitted a compliance filing pursuant to Opinion Nos. 468 and 468-A consisting of revisions to the calculation of each operating company's peak load responsibility under the System Agreement. One of the revisions to the System Agreement was to exclude interruptible load under Service Schedules MSS-1³ and MSS-5⁴ and the allocation of joint account purchases under section 4.02 of the System Agreement. Entergy's May 18, 2005 compliance filing was conditionally accepted in the August 2005 Order as being in compliance with the requirements of Opinion Nos. 468 and 468-A.⁵

4. However, as stated above, the August 2005 Order directed Entergy to provide "to all parties in these proceedings, the work papers and calculations detailing the elimination of the interruptible load from the calculation of peak load responsibility in computing its charges."⁶ In its September 16, 2005 submittal, Entergy states that it is providing the requested data that highlights the removal of interruptible load from the responsibility ratio calculation.

² As we stated in the August 2005 Order, 112 FERC ¶ 61,192 at P 1, in *Louisiana Public Service Commission and the Council of the City of New Orleans v. Entergy Corporation*, Opinion No. 468, 106 FERC ¶ 61,228 (2004), *reh'g denied*, Opinion No. 468-A, 111 FERC ¶ 61,080 (2005), the Commission directed Entergy to modify the Entergy System Agreement (System Agreement) prospectively to exclude interruptible load from the calculation of peak load responsibility in computing charges for the Entergy system.

³ Service Schedule MSS-1 allocates the costs of equalizing the reserve capacity on the System among the operating companies.

⁴ Service Schedule MSS-5 provides the basis for the distribution among the operating companies of the net balance received from sales to others for the joint account of all the operating companies.

⁵ August 2005 Order at P 13.

⁶ *Id.* at P 14.

Notice of Filing and Responsive Pleadings

5. Notice of Entergy's filing was published in the *Federal Register*, with protests and motions to intervene due on or before October 7, 2005.⁷ The Louisiana Public Service Commission (Louisiana Commission) filed a timely notice of intervention and protest.

Discussion

Procedural Matters

6. As the Louisiana Commission is already a party to this proceeding, we will dismiss its notice of intervention as moot.

Entergy's Compliance Filing

7. Entergy states that its compliance filing contains two types of work papers. The first type of work papers consist of two sets of the intra-system bill (ISB). Entergy states that Attachment 4 of the ISB provides the detailed calculation of the Company Load Responsibility. It explains that the first section of Attachment 4 shows the responsibility ratio calculations before the removal of the interruptible system load and the second section of this attachment shows the responsibility ratio calculation after the removal of the interruptible system load. Entergy states that the purpose of this section is to show the two sets of responsibility ratio calculations — one including and one excluding the effects of the interruptible load. Entergy further states that the additional pages that are submitted as part of the ISB provide support that the responsibility ratio calculations used to allocate joint account purchases (Attachment 11), MSS- 1 (Reserve Equalization) (Attachment 5) and MSS-5 (Distribution of Revenue from Sales Made for the Joint Account of all Companies) (Attachment 3) also comply with the August 2005 Order.

8. Entergy states that the second type of work papers provided in its compliance filing consist of hourly files, broken out monthly for each operating company. Entergy states that these files show the actual peak loads for the hour and the hourly cumulative adjustment that removes the interruptible load from the peak load. Entergy further states that this adjustment is the summation of all the interruptible customer loads each hour for each operating company. Entergy states that, because the peak date and hour for each month is listed on the ISB pages in the first type of work papers, the Commission and parties in these proceedings can find that same date and hour in the hourly operating company files to verify that the responsibility ratio calculations exclude interruptible load.

⁷ 70 Fed. Reg. 57,578 (2005).

Louisiana Commission's Protest

9. The Louisiana Commission alleges that the information provided in Entergy's compliance filing is inadequate because the filed work papers do not contain enough information to allow the Louisiana Commission to determine if Entergy's calculations were proper, correct, or reasonable. Specifically, the Louisiana Commission asserts that Entergy needs to provide the following additional information:

- The workpapers show an adjustment to EGSI load each month to reflect interruptible load that could not be interrupted because it occurred during a period that was outside the contract hours for interruption. The Louisiana Commission asserts that, to determine the reasonableness of this adjustment, Entergy must provide the underlying contracts that support such adjustments;
- An express confirmation that Entergy has not made any *pro forma* adjustments that have had the effect of ignoring interruptible load that otherwise would be removed from the monthly peak demand, if the interruptible customer was expected to subsequently reduce or end its service from the operating company; and
- The total monthly interruptible load under contract for each operating company during the peak hour that was not operating and therefore was not removed from each operating company's peak demand.

Commission Conclusion

10. The August 2005 Order specifically directed Entergy to provide the work papers and calculations detailing the elimination of the interruptible load from the calculation of peak load responsibility in computing its charges. In the instant filing, we find that Entergy has complied with this directive. We will deny the request of the Louisiana Commission that we direct Entergy to provide supporting contracts, confirm that it has not made any *pro forma* adjustments, and provide the total monthly amount of interruptible load under contract for each operating company during the peak hour that was not operating. We reach this conclusion because the Louisiana Commission's request asks for information that exceeds the requirements of the August 2005 Order, and we have no reason to believe that such information would lead us to conclude that Entergy incorrectly or improperly calculated peak load responsibility in computing charges.

The Commission orders:

Entergy's compliance filing is hereby accepted for filing.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.