

147 FERC ¶ 61,243
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

June 23, 2014

In Reply Refer To:
Entergy Services, Inc.
Docket No. ER13-1623-000

Entergy Services, Inc.
101 Constitution Avenue, NW
Suite 200-East
Washington, DC 20001

Attention: Erin M. Murphy

Reference: Entergy Operating Companies' 2013 Annual OATT Rate Update

Dear Ms. Murphy:

1. On October 31, 2013, Entergy Services, Inc. (Entergy) filed a Settlement Agreement (Settlement) in the captioned proceeding on behalf of the Entergy Operating Companies¹ and South Mississippi Electric Power Association, Arkansas Electric Cooperative Corporation, Mississippi Delta Energy Agency, Clarksdale Public Utilities Commission and the Public Service Commission of Yazoo City. No comments were filed.
2. The Settlement addresses Entergy's May 31, 2013 filing of the Entergy Operating Companies' 2013 annual Open Access Transmission Tariff (OATT) Rate Update pursuant to Schedule 7 and Attachment H of the Entergy Operating Companies' OATT.²

¹ The Entergy Operating Companies are: Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy Texas, Inc. and Entergy New Orleans, Inc.

² Entergy submits annual informational rate updates in accordance with the Entergy Operating Companies' OATT Schedule 7 for Firm Point-to-Point Transmission

(continued...)

Entergy and the actively participating OATT customers (Settling Parties) engaged in discovery and settlement discussions during the course of the 120-day rate redetermination review period. As a result, the Settling Parties reached a comprehensive settlement in principle on September 25, 2013 that resolves all issues in this proceeding.

3. The terms of the Settlement set forth specific black-box rates applicable to long-term firm, short-term firm, and non-firm point-to-point transmission service under Entergy's OATT and establishes the revenue requirement applicable to network integration transmission service customers under the OATT. The agreed-upon black-box point-to-point transmission service settlement rate is \$1.61/kW-month for billings from June 1 through December 18, 2013. The network integration transmission service black-box revenue requirement applicable for billing under Entergy's OATT for the period of June 1, 2013 through December 18, 2013 will be \$596,005,642. The Settling Parties also agree that treatment of the Regional Transmission and Market Operations costs in the 2013 Rate Update will be determined by the final outcome of Docket No. ER12-1428-000.³

4. Section II, Paragraph 9 of the Settlement provides that:

This Settlement Agreement may only be amended by the agreement in writing of all the Parties hereto. The standard of review for any modifications to this Settlement Agreement that are not agreed to by all the Parties, including any modifications resulting from the Commission acting *sua sponte*, will be the just and reasonable standard of review. For proposed modifications by non-parties to the Settlement Agreement, the Parties also accept the just and reasonable standard of review. *See Devon Power LLC*, 126 FERC ¶ 61,027 (2009), *citing Maine Pub. Util. Comm'n v. FERC*, 520 F.3d 464 (D.C. Cir. 2008).

5. The Settlement resolves all issues in the Entergy Operating Companies' annual informational filing to update the charges under their formula rate OATT, for the

Service and Attachment H for Network Service. *Entergy Servs., Inc.*, Opinion No. 430, 85 FERC ¶ 61,163, at 61,651 (1998).

³ On April 2, 2012, in Docket No. ER12-1428-000, Entergy filed clarifying amendments to the OATT relating to the specific transmission accounts included in certain transmission-account variables in Attachment H and Schedule 7. A hearing was held in January 2013, the Presiding Judge issued an Initial Decision on March 12, 2013, and the matter is currently pending before the Commission.

locked-in period of June 1, 2013 until December 18, 2013. The Settlement appears to be fair and reasonable and in the public interest and is hereby approved. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

6. Consistent with the Settlement, within 30 days of this letter order, Entergy will refund any amounts collected in excess of the settlement rate, with interest in accordance with Section 35.19a of the Commission's regulations, 18 C.F.R. § 35.19a (2013). Entergy will file a refund report within 15 days thereafter.

7. This letter order terminates Docket No. ER13-1623-000.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.