

148 FERC ¶ 61,086
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

July 31, 2014

In Reply Refer To:
Entergy Services, Inc.
Docket No. ER07-956-007

Entergy Services, Inc.
Attn: Andrea Weinstein, Esq.
Assistant General Counsel
101 Constitution Avenue, NW
Suite 200 East
Washington, DC 20001

Dear Ms. Weinstein:

1. On November 15, 2013, Entergy Services, Inc. (Entergy),¹ acting as agent for the Entergy Operating Companies, submitted for filing a further compliance filing, as directed by the Commission order on rehearing of Opinion No. 505-A issued October 16, 2013,² relating to accumulated deferred income taxes (ADIT) associated with net operating loss (NOL) carry-forward balances in the bandwidth formula.³ Entergy's filing consists of the workpapers for the inclusion of the NOL carry-forward balances consistent with the additional guidance provided by the Commission in the October 16 Order.

2. Notice of Entergy's compliance filing was published in the *Federal Register*, 78 Fed. Reg. 70,547 (2013), with comments and interventions due on or before December 6, 2013. On December 20, 2013, the Louisiana Public Service Commission (Louisiana Commission) filed a Notice of Intervention, Protest and Motion to Compel Compliance with Commission Orders. In its pleading, the Louisiana Commission argues,

¹ Entergy is a service company affiliate of the Entergy Operating Companies that include: 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 Servs., Inc.*, Opinion No. 505-A, 139 FERC ¶ 61,103 (2012).

³ *Entergy Servs., Inc.*, 145 FERC ¶ 61,045 (2013) (October 16 Order).

inter alia, that Entergy has refused to make a comprehensive bandwidth calculation as instructed by the Commission, and that Entergy should be sanctioned for non-compliance.⁴ On January 8, 2014, Entergy filed an answer.

3. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2013), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We are not persuaded to accept Entergy's answer and will, therefore, reject it.

4. The Commission finds that Entergy's November 15, 2013 compliance filing is consistent with the additional guidance given in the October 16 Order, and is accepted to be effective June 1, 2007. Consistent with prior orders, we also direct Entergy to file a comprehensive bandwidth recalculation report showing all the updated payment/receipt amounts based on the 2006 and 2007 calendar year data in compliance with all bandwidth formula and bandwidth calculation adjustments that the Commission has accepted or ordered for those years.

5. The Commission has previously held that Entergy may file one comprehensive bandwidth recalculation report to comply with the Commission's final orders regarding the annual bandwidth calculations pending in numerous dockets.⁵ This is one of four orders that the Commission is issuing concurrently,⁶ all related to Entergy's first and second annual bandwidth filings, which cover calendar years 2006 and 2007,

⁴ Louisiana Commission Motion at 2 (citing, *e.g.*, *Entergy Services, Inc.*, 142 FERC ¶ 61,011 (2013)). We note that the Louisiana Commission filed its pleading in multiple dockets and that its pleading is being addressed in an order being issued concurrently with this one. *See Entergy Arkansas, Inc., et al.*, 148 FERC ¶ 61,088 (2014). Accordingly, we will not address the Louisiana Commission's pleading here.

⁵ *Entergy Servs., Inc.*, 142 FERC ¶ 61,011, at P 20 (2013). The Commission declined Entergy's proposal to defer this filing until *non-appealable* final Commission orders, as this would unreasonably delay a timely resolution of the recalculation, and instead only allowed Entergy to defer the filing until final Commission orders were issued. *Id.*

⁶ The four orders being issued concurrently include: *Entergy Services, Inc., et al.*, 148 FERC ¶ 61,085 (2014), *Entergy Services, Inc.*, 148 FERC ¶ 61,086 (2014), *Entergy Services, Inc.*, 148 FERC ¶ 61,087 (2014), and *Entergy Arkansas, Inc., et al.*, 148 FERC ¶ 61,088 (2014).

respectively. The first annual bandwidth filing gave rise to Opinion No. 505;⁷ the second annual bandwidth filing, to Opinion No. 514.⁸ Both bandwidth filings spawned numerous complaint and compliance dockets that the Commission has reviewed at length.⁹ With the concurrent issuance of these four orders, now is the appropriate time for Entergy to recalculate and reallocate the bandwidth payments and receipts among the Operating Companies for these two bandwidth years.¹⁰

6. We therefore order Entergy to file, within 45 days of this order, a comprehensive bandwidth recalculation report showing the updated payments and receipts based on the 2006 and 2007 calendar year data in compliance with all bandwidth formula and bandwidth calculation adjustments that the Commission accepted or ordered, effective as of June 1, 2007 and June 1, 2008, respectively, along with supporting calculations for each identified adjustment.

⁷ *Entergy Servs., Inc.*, Opinion No. 505, 130 FERC ¶ 61,023 (2010), *order on reh'g*, Opinion No. 505-A, 139 FERC ¶ 61,103, *order on compliance*, 139 FERC ¶ 61,104 (2012), *order granting clarification in part and denying clarification in part*, 145 FERC ¶ 61,045 (2013), *order on reh'g*, 145 FERC ¶ 61,046 (2013).

⁸ *Entergy Servs., Inc.*, Opinion No. 514, 137 FERC ¶ 61,029 (2011), *order on reh'g*, Opinion No. 514-A, 142 FERC ¶ 61,013, *order on compliance filing*, 142 FERC ¶ 61,011 (2013).

⁹ The following proceedings affect both the calendar year 2006 first annual bandwidth-recalculation and the calendar year 2007 second annual bandwidth-recalculation: Docket No. ER07-956, resulting in Opinion No. 505 (and its associated compliance filings in Docket No. ER12-1888-000, *et al.*); Docket No. ER07-682, resulting in Opinion No. 506 (and its associated compliance filings in Docket No. ER13-1673, *et al.*); Docket No. EL08-51, resulting in Opinion No. 509 (and its associated compliance filings in Docket No. ER11-2131, *et al.*); Docket No. EL07-52 (and its associated compliance filings in Docket Nos. ER12-1881, *et al.*). The following proceeding affects just the calendar year 2007 annual bandwidth-recalculation: Docket No. ER08-1056, resulting in Opinion No. 514.

¹⁰ If the complaint pending in *La. Pub. Serv. Comm'n v. Entergy Servs., Inc.*, Docket No. EL09-61-001, ultimately alters the payments and receipts that the Commission directs Entergy to recalculate and reallocate among the Operating Companies here, the Commission will require Entergy to make the appropriate adjustment at that time.

We further direct Entergy to adjust its first Intra-System Bill issued following the filing of the bandwidth recalculation report, to reflect the bandwidth recalculations for these two bandwidth years, with interest from June 1, 2007 or June 1, 2008, as appropriate, to the date of the Intra-System Bill, in accordance with section 35.19a of the Commission's regulations.¹¹

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹¹ 18 C.F.R. § 35.19a (2013).