

149 FERC ¶ 61,170  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

November 25, 2014

In Reply Refer To:  
Entergy Mississippi, Inc.  
Entergy Louisiana, LLC  
Docket Nos. ER13-769-000  
ER13-770-000

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

Attention: Megan E. Vetula

Dear Ms. Vetula:

1. On September 2, 2014, Entergy Services, Inc. (Entergy), as agent for Entergy Arkansas, Inc. (Entergy Arkansas), Entergy Mississippi, Inc. (Entergy Mississippi) and Entergy Louisiana, LLC (Entergy Louisiana), and on behalf of the Louisiana Public Service Commission (Louisiana Commission) and the Arkansas Public Service Commission (Arkansas Commission), filed a Settlement Agreement that resolves all outstanding issues regarding the Entergy Arkansas/Entergy Mississippi and Entergy Arkansas/Entergy Louisiana Reimbursement Agreements that Entergy filed with the Commission on January 16, 2013.<sup>1</sup> On September 22, 2014, Commission Trial Staff filed comments supporting the Settlement Agreement. No parties filed comments.<sup>2</sup> On

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<sup>1</sup> By order issued December 17, 2013, the Commission accepted the Reimbursement Agreements for filing, suspended them for a nominal period, to become effective December 18, 2013, subject to refund, and established hearing and settlement judge procedures. *Entergy Miss., Inc.*, 145 FERC ¶ 61,217 (2013).

<sup>2</sup> The parties to this proceeding are the Louisiana Commission, the Arkansas Commission and the Mississippi Public Service Commission (Mississippi Commission). While Entergy does not state that it filed the Settlement on the Mississippi Commission's behalf, the Settlement Agreement, at section II (4), states that it resolves all issues between Entergy and the other Parties to the proceeding.

October 3, 2014, the Settlement Judge certified the Settlement Agreement as uncontested.<sup>3</sup>

2. In light of Entergy Arkansas' withdrawal from the Entergy System Agreement (System Agreement)<sup>4</sup> on December 18, 2013, the Reimbursement Agreements allocate certain costs to Entergy Arkansas that Entergy Louisiana and Entergy Mississippi had incurred to construct transmission upgrades that were necessary to designate the Ouachita generating facility as a Network Resource.

3. The Settlement Agreement, at section II (2), resolves all outstanding issues regarding the allocation of Ouachita upgrade costs as follows: (1) under the Entergy Arkansas/Entergy Mississippi Reimbursement Agreement, Entergy Arkansas will reimburse Entergy Mississippi for Ouachita upgrade costs under a "black box" settlement rate of \$80,905 per month, from January 2014 through January 2055; and (2) under the Entergy Arkansas/Entergy Louisiana Reimbursement Agreement, Entergy Arkansas will reimburse Entergy Louisiana for Ouachita upgrade costs under a "black box" settlement rate of \$183,272 per month, from January 2014 through January 2047.

4. Section II (3) of the Settlement Agreement provides that, 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 (2014). Entergy will file a refund report within 15 days thereafter.

5. Section II (8) of the Settlement Agreement 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*

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<sup>3</sup> *Entergy Miss., Inc.*, 149 FERC ¶ 63,005 (2014).

<sup>4</sup> On December 19, 2005, Entergy Arkansas gave notice of its intent to withdraw from the System Agreement, effective December 18, 2013. On November 8, 2007, Entergy Mississippi likewise gave notice of its intent to withdraw from the System Agreement, effective November 7, 2015. The Commission accepted both Notices of Cancellation on November 19, 2009. *Entergy Servs., Inc.*, 129 FERC ¶ 61,143, at P 58 (2009), *reh'g denied*, 134 FERC ¶ 61,075, *aff'd sub nom. Council of the City of New Orleans v. FERC, et al.*, 692 F.3d 172 (D.C. Cir. 2012).

*Power LLC*, 126 FERC ¶ 61,027 (2009), citing *Maine Pub. Util. Comm'n v. FERC*, 520 F.3d 464 (D.C. Cir. 2008).

6. The Settlement Agreement appears to be fair and reasonable and in the public interest, and is hereby approved. The Commission's approval of the Settlement Agreement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

7. The Settlement Agreement was not filed in eTariff format as required by Order No. 714.<sup>5</sup> Therefore, within 30 days of the date of this order, Entergy shall make a compliance filing in eTariff format, to ensure that the requisite electronic tariff databases reflect the Commission's actions in these proceedings.<sup>6</sup>

8. This letter order terminates Docket Nos. ER13-769-000 and ER13-770-000.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

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<sup>5</sup> *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).

<sup>6</sup> *Id.*