

150 FERC ¶ 61,135
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 24, 2015

In Reply Refer To:
Entergy Louisiana, LLC
Docket No. ER14-108-000

Entergy Corporation
101 Constitution Avenue NW
Suite 200 East
Washington, DC 20002

Attn: Michael C. Griffen, Esq.
Attorney for Entergy Services, Inc.

Dear Mr. Griffen:

1. On October 21, 2014, you filed, on behalf of Entergy Services, Inc. (Entergy), a proposed Settlement Agreement between the Entergy Operating Companies,¹ and Arkansas Electric Cooperative Corporation and Mississippi Delta Energy Agency² (collectively, Joint Customers) in the above-captioned proceeding. The Settlement Agreement resolves all outstanding issues regarding the Entergy Operating Companies' proposed rate schedule³ for the recovery of cost-based revenue requirements for providing Reactive Support and Voltage Control from Generation Sources Service

¹ The Entergy Operating Companies are Entergy Arkansas, Inc., Entergy Gulf States Louisiana, L.L.C., Entergy Louisiana, LLC, Entergy Mississippi, Inc., Entergy New Orleans, Inc., and Entergy Texas, Inc. Entergy is a service company affiliate of the Entergy Operating Companies, and acts as their agent with respect to the execution and administration of certain contracts, and in proceedings at the Commission.

² The members of the Mississippi Delta Energy Agency are Clarksdale Public Utilities Commission of the City of Clarksdale, Mississippi and the Public Service Commission of Yazoo City of the City of Yazoo City, Mississippi.

³ Entergy Louisiana, LLC, FERC FPA Electric Tariff, Other FERC Tariffs - CBR and MBR, Reactive Power (OpCos), Reactive Power Revenue Requirement Rate Schedule, 0.0.0 (Rate Schedule).

Reactive Power Revenue Requirements under Schedule 2 of Midcontinent Independent System Operator, Inc.'s Open Access Transmission, Energy and Operating Reserve Markets Tariff.⁴ On November 7, 2014, Commission Trial Staff filed comments in support of the Settlement Agreement. No parties filed comments.⁵ On December 5, 2014, the Settlement Judge certified the Settlement Agreement to the Commission as uncontested.⁶

2. The Settlement Agreement identifies on a “black box” basis, revised reactive power revenue requirements for all of the Entergy Operating Companies’ generating facilities and associated common facilities.

3. Section II (8) of the Settlement Agreement provides:

[t]his Settlement Agreement may be amended only in writing. The standard of review for any modification to this Settlement Agreement will be the just and reasonable standard of review. For proposed modifications by non-parties to the Settlement Agreement, the Active Parties⁷ 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).

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

⁴ By order issued December 19, 2013, the Commission accepted the proposed Rate Schedule, suspended it for a nominal period, to become effective January 1, 2014, subject to refund, and established hearing and settlement judge procedures. *Entergy Louisiana, LLC*, 145 FERC ¶ 61,219 (2013).

⁵ Earlier in this proceeding Joint Customers filed a protest. Entergy states that Joint Customers authorize Entergy Services to represent that they support the Settlement Agreement. Entergy Transmittal at 2.

⁶ *Entergy Louisiana, LLC*, 149 FERC ¶ 63,018 (2014).

⁷ The Active Parties are the Entergy Operating Companies and Joint Customers. Settlement Agreement at 1 n.2.

5. Entergy is required to make a compliance filing to update the Rate Schedule in eTariff format as required by Order No. 714⁸ to reflect the Commission's action in this order within 30 days of the issuance of this order.

6. This letter order terminates Docket No. ER14-108-000.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁸ See *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).