
**FORMULA RATE PLAN
RIDER SCHEDULE FRP**

1. GENERAL

Formula Rate Plan Rider Schedule ELL FRP ("Rider FRP") defines the procedure by which the rates contained in the Entergy Louisiana, LLC ("ELL" or "Company") rate schedules designated in Attachment A to this Rider FRP ("Rate Schedules") may be periodically adjusted. Rider FRP shall apply in accordance with the provisions of Section 2.A. below to all electric service billed under the Rate Schedules, whether metered or unmetered, and subject to the jurisdiction of the Louisiana Public Service Commission ("LPSC" or "Commission").

2. APPLICATION AND REDETERMINATION PROCEDURE

2.A. RATE ADJUSTMENTS

The adjustments to the Company's rates set forth in Attachment A to this Rider FRP shall be added to the rates set out in the Net Monthly Bill section in the Company's Rate Schedules. The Rate Adjustments shall be determined in accordance with the provisions of Sections 2.B. and 2.C. below.

2.B. ANNUAL FILING AND REVIEW

2.B.1. FILING DATE

Except for the 2020 Evaluation Period, ELL shall file, on or before May 31 of each year during the term of this FRP as set forth in Section 6 below, a report with the Commission containing an evaluation of the Company's earnings for the immediately preceding calendar year prepared in accordance with the provisions of Section 2.C. below ("Evaluation Report"). For the 2020 Evaluation Period, ELL shall file the Evaluation Report on or before June 30, 2021. A revised Attachment A shall be included in each such filing containing revised Rate Adjustments determined in accordance with the provisions of Section 2.C. below.

2.B.2. REVIEW PERIOD

The Commission Staff ("Staff") and all intervenors ("Intervenors") in Docket No. U-35565 shall receive a copy of each Evaluation Report filing at the time it is filed with the Commission. While an Intervenor in prior Evaluation Report reviews shall not be precluded from participation in future reviews, Intervenors will be required to file a new intervention in the proceeding associated with each annual Evaluation Report filing. (The Staff, Intervenors and ELL shall be referred to hereinafter, collectively as the "Parties" and shall receive copies of all filings and pleadings in FRP-related proceedings.) At the time each such Evaluation Report is filed, ELL shall provide the other Parties with workpapers supporting the data and calculations reflected in the Evaluation Report. The other Parties may request clarification and additional supporting data.

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Except for the 2020 Evaluation Period, the Parties shall then have until August 20 of the filing year to review the Evaluation Report to ensure that it complies with the requirements of Section 2.C below. For the 2020 Evaluation Period, the Parties shall have until September 20, 2021 to review the Evaluation Period Report to ensure that it complies with the requirements of Section 2.C below. If any of the Parties should detect any error(s) in the application of the principles and procedures contained in Section 2.C below or identify issues upon which further information is required of ELL and/or to verify any of the data or issues contained in the annual filing, such error(s), data or issues requiring verification shall be formally communicated in writing to the other Parties by August 20 of the filing year ["Dispute" or "Disputes"], except for the 2020 Evaluation Period where the Dispute deadline will be September 20, 2021. Each such indicated Dispute shall include, if available, documentation of the proposed correction. The Company shall then have until September 30 of the filing year to review any proposed corrections, to work with the other Parties to resolve any Disputes and to file a revised Attachment A containing Rate Adjustments reflecting all corrections upon which the Parties agree. For the 2020 Evaluation Period, this deadline is extended to October 30, 2021. The Company shall provide the other Parties with appropriate workpapers supporting any revisions made to the Rate Adjustments initially filed.

Except where there are unresolved Disputes, which shall be addressed in accordance with the provisions of Section 2.B.3 below, the Rate Adjustments initially filed under the provisions of Section 2.B.1 above, or such corrected Rate Adjustments as may be determined pursuant to the terms of this Section 2.B.2, shall become effective for bills rendered on and after the first billing cycle for the month of September of the filing year. Those Rate Adjustments shall then remain in effect until changed pursuant to the provisions of this Rider.

To the extent that there are no issues raised during the annual review period of the FRP or any issues raised by the Parties are amicably resolved, *i.e.*, there are no unresolved issues to be addressed pursuant to Section 2.B.3 below, the Parties shall submit a joint report of the proceedings to the Commission for consideration as timely as practicable, including the terms under which any issues have been resolved and the resulting effect on rates.

2.B.3. RESOLUTION OF DISPUTES

In the event there are Disputes regarding any Evaluation Report, the Parties shall work together in good faith to resolve such Disputes. If the Parties are unable to resolve the Disputes or reasonably believe they will be unable to resolve the Disputes by the end of the period provided for in Section 2.B.2 above, revised Rate Adjustments reflecting all revisions to the initially filed Rate Adjustments on which the Parties agree shall become effective as provided for in Section 2.B.2 above. Any remaining Disputes shall be submitted to the Commission for resolution.

For the 2020 Evaluation Period, all rate adjustments that become effective for bills rendered on or after the first billing cycle for the month of September, 2021 shall be considered disputed and subject to refund with interest as described in this section 2.B.3, pending the formal raising of any disputed issues by the Parties by

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the September 20, 2021 deadline. Any disputes not formally raised by the September 20, 2018 deadline shall be considered withdrawn/resolved.

If the Commission's final ruling on any Disputes requires changes in the Rate Adjustments initially implemented pursuant to the above provisions, the Company shall file a revised Attachment A containing such further modified Rate Adjustments within fifteen (15) days after receiving the Commission's order resolving the Disputes. The Company shall provide a copy of the filing to the other Parties together with appropriate supporting documentation. Such modified Rate Adjustments shall then be implemented with the next applicable monthly billing cycle after filing and shall remain in effect until superseded by Rate Adjustments established in accordance with the provisions of this Rider FRP.

Within 60 days after receipt of the Commission's final ruling on any Disputes, the Company shall determine the amount to be refunded or surcharged to customers, if any, together with interest at the legal rate of interest. Such refund/surcharge amount shall be effective as of September or, with the consent of the LPSC Staff, as of October of the filing year and shall be applied on a percentage basis pursuant to Section 2.C.4 of this Rider FRP and shall be based on the customer's applicable base revenue from the first billing cycle of September, or with the consent of the LPSC Staff, of October, of the filing year through the last date the Rate Adjustments were billed. Such refund/surcharge amount shall be applied to customers' bills in the manner prescribed by the Commission.

2.C. ANNUAL REDETERMINATION OF RATE ADJUSTMENTS

2.C.1. DEFINITION OF TERMS

a. EVALUATION PERIOD

The Evaluation Period shall be the twelve-month period ended December 31 of the calendar year immediately preceding the filing of an Evaluation Report. All data utilized in each Evaluation Report shall be based on actual results and balances for the Evaluation Period, as recorded on the Company's books in accordance with the Uniform System of Accounts or such other documentation as may be appropriate, allocated to LPSC retail operations as set forth in Attachment B, except where either 13-month average balances or beginning/ending average balances will be used for determination of rate base items.

b. EARNED RATE OF RETURN ON COMMON EQUITY

The Earned Rate of Return on Common Equity ("EROE") for any Evaluation Period shall be determined in accordance with the Earned Rate of Return on Common Equity Formula set out in Attachment B. The EROE determination shall reflect the Evaluation Period Adjustments set out in Attachment C.

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c. BENCHMARK RATE OF RETURN ON RATE BASE

The Benchmark Rate of Return on Rate Base ("BRORB") is the composite weighted embedded cost of capital reflecting the Company's annualized costs of Short-Term Debt, Long-Term Debt, Preferred Stock and Common Equity. The BRORB shall be determined in accordance with the Benchmark Rate of Return on Rate Base Formula set out in Attachment D.

d. EVALUATION PERIOD COST RATE FOR COMMON EQUITY

The Evaluation Period Cost Rate for Common Equity ("EPCOE") is the Company's cost rate for common equity applicable to the Evaluation Period. The EPCOE value applicable for each Evaluation Period shall be determined in accordance with the Evaluation Period Cost Rate for Common Equity Procedure set out in Attachment E.

e. RATE OF RETURN ON COMMON EQUITY BANDWIDTH

The Rate of Return on Common Equity Bandwidth ("Bandwidth") shall be the range of values with an upper limit ("Upper Band") equal to the EPCOE plus 0.50% and a lower limit ("Lower Band") equal to the EPCOE minus 0.50%.

f. ENVIRONMENTAL COST RELATED REVENUE REQUIREMENT

If during the term of this FRP, there is a change in the law or regulation related to environmental issues or environmental compliance that increases the costs to ELL, ELL shall have the right to request the recovery of the prudent level of such costs outside the FRP bandwidth mechanism and outside of the cap set forth in Section 2.C.2.d. herein. Nothing in this provision shall constitute pre-approval of the recovery of such increased costs.

g. ENERGY EFFICIENCY RELATED REVENUE REQUIREMENT

If during the term of this FRP, there is a change in law or regulation that adopts measures designed to increase the efficient use of electric energy and that results in increased costs to ELL, ELL shall have the right to request the recovery of the prudent level of such costs outside the FRP bandwidth mechanism and outside of the cap set forth in Section 2.C.2.d. herein. Nothing in this provision shall constitute the pre-approval of the recovery of such increased costs.

h. LEGACY FRP REVENUE REQUIREMENTS

Legacy FRP revenue requirements for the retail rate classes shall be maintained as a percentage of Evaluation Period Base Rate Revenue, including the revenue requirements associated with the Additional Capacity Mechanism ("ACM"), at the respective approved levels recognized by the Commission under Docket No. U-33244. Legacy FRP Revenue Requirements are applicable to the individual retail rate classes to which the historical rates were maintained under the Legacy companies, as shown on Attachment A page 2. Legacy FRP Revenue Requirements will consist of Legacy ELL ("ELL-L") FRP Revenues, to be reflected on Attachment F, Line 40 and Legacy EGSL ("EGSL-L") FRP revenues, to be reflected on Attachment F, Line 44. Legacy revenue requirements may also include ACM adjustments or true-ups provided for in Section 3.D. which will be reflected on Attachment F, Line 38 for Legacy ELL ACM contracts, and Attachment F, Line 42 for Legacy EGSL ACM contracts. Legacy FRP Revenues may be

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modified under the provisions of the Tariff, such adjustments will be reflected on Attachment F, Line 39 for Legacy ELL and Attachment F, Line 43 for Legacy EGSL. Legacy FRP rates shall be re-determined as provided in 2.C.5. herein.

2.C.2. TOTAL RIDER FRP REVENUE LEVEL

In each Evaluation Report, the Total Rider FRP Revenue level comprised of (a) Legacy FRP Revenues and (b) Rider ELL FRP Revenues that are incremental to the Legacy FRP Revenues shall consist of the following components:

- a. The Extraordinary Cost, and/or Additional Capacity Cost, and/or Transmission Recovery Mechanism, and/or Distribution Recovery Mechanism, and/or the MISO Cost Recovery Mechanism, and/or Tax Reform Adjustment Mechanism components shall be as defined in Sections 3, 4, and 5;
- b. Recovery of Realigned Costs Related Revenue Requirement component shall be as defined in Section 3.E.
- c. For Test Year 2020, Base Rider FRP Rider Revenue shall be increased by \$63 million. For Test Year 2021 and 2022, the Base Rider FRP Revenue shall be determined using the Rider FRP Revenue Redetermination Formula set out in Attachment F, Lines 1-27, which reflects the following rules:
 - (1) The Total Revenue Requirement for the Evaluation Period shall be reduced by the Evaluation Period amounts for the items reflected in Section 2.C.2.a through 2.C.2.b above.
 - (2) The Total FRP Revenue level for the Evaluation Period shall be reduced by the annualized revenue associated with the recovery of the items reflected in Section 2.C.2.a through 2.C.2.b, above.
 - (3) If the EROE is less than the Lower Band, the Base Rider FRP Revenue level for the Evaluation Period shall be increased by the amount necessary to increase the EROE for the Evaluation Period by 100% of the difference between the Lower Band and the EROE.
 - (4) There shall be no change in Base Rider FRP Revenue level for the Evaluation Period if the EROE is less than or equal to the Upper Band and greater than or equal to the Lower Band.
 - (5) If the EROE exceeds the Upper Band, the Base Rider FRP Revenue level for the Evaluation Period shall be reduced by the amount necessary to decrease the EROE for the Evaluation Period by 100% of the difference between the EROE and the Upper Band.
 - (6) A change in the Base Rider FRP Revenue level shall not be made unless it changes the EROE for the Evaluation Period by more than 0.05% (5 basis points).

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- d. For the 2021 and 2022 Evaluation Periods, with the exception of the items listed in Sections 3, 4 and 5, herein and other matters as shall be determined by the Louisiana Public Service Commission, the amount of ELL Base Rider FRP Revenue rate increases pursuant to Section 2.C.2.c may not exceed \$70 million for the cumulative 2021 and 2022 Evaluation Periods.

2.C.3. RIDER FRP REVENUE ALLOCATION

The Rider FRP Revenue as determined under the provisions of Section 2.C.2. above, shall consist of both Legacy FRP Revenues and Rider ELL FRP Revenues which are incremental to the Legacy FRP Revenues. Legacy FRP Revenues shall be allocated to each LPSC rate class based on the applicable Base Rate Revenue as a percentage of total applicable Base Rate Revenue for all retail rate classes pursuant to Attachment A, Page 2. Rider ELL FRP revenues, incremental to the sum of the combined Legacy FRP revenues (“Incremental ELL FRP Revenues”), shall be allocated to each LPSC rate class based on the applicable Base Rate Revenue as a percentage of total applicable Base Rate Revenue for all retail rate classes pursuant to Attachment A, Page 2, unless otherwise specified.

DRM revenues, reflected on Attachment F, Line 35 shall be allocated to each LPSC rate class based on the applicable Distribution Plant in Service Allocation Factor as a percentage of total retail Distribution Plant in Service for all applicable retail rate schedules pursuant to Attachment A, Page 2 of this Rider FRP.

The applicable Base Rate Revenue for all other FRP Revenues shall be the Louisiana Retail Base Rate Revenue for the Evaluation Period as reflected in Attachment A, Page 2.

2.C.4. RIDER ELL FRP RATE ADJUSTMENT REDETERMINATION

All applicable retail rates and riders as noted on Attachment A on file with the Louisiana Public Service Commission will be adjusted for the ELL FRP Revenues by the appropriate percentage of the Evaluation Period Base Rate Revenue of all bills.

2.C.5. LEGACY FRP RATES REDETERMINATION

All applicable retail rates and riders as noted on Attachment A, on file with the Louisiana Public Service Commission, will be adjusted for the Legacy FRP Revenues by the appropriate percentage of applicable Base Rate Revenue of the respective bills, pursuant to notes 1 and 2 shown on Attachment F, Section 5. Adjustments to Legacy FRP revenues,

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specifically permitted under the terms of Rider ELL FRP, shall be made as a change to the applicable Legacy FRP revenue requirement total as shown on Attachment F, Section 5. Such annual adjustments shall be reflected on a cumulative basis and supporting workpapers shall be filed with each request to adjust Legacy FRP Rates within the FRP Evaluation Period Report.

3. PROVISIONS FOR OTHER RATE CHANGES

3.A. EXTRAORDINARY COST CHANGES

3.A.1. UNFORESEEN COST CHANGES

It is recognized that from time to time ELL may experience extraordinary increases or decreases in costs that occur as a result of actions, events, or circumstances beyond the control of the Company. Such costs may significantly increase or decrease the Company's revenue requirements, including beyond the cap set forth in Section 2.C.2.d. herein, and, thereby, require rate changes that this Rider FRP is not designed to address. Should ELL experience such an extraordinary cost increase or decrease having a net annual revenue requirement impact exceeding \$10 million on an LPSC jurisdictional basis, then either the Company or the Commission may initiate a proceeding to consider a pass-through of such extraordinary cost increase or decrease.

3.A.2. SYSTEM AGREEMENT CASE EFFECTS

The effects, if any, resulting from Opinion Nos. 480 or 480-A issued by the Federal Energy Regulatory Commission ("FERC") in connection with Docket No. EL01-88-001, including the annual bandwidth calculations and retail decisions incident to FERC Section 205 and/or Section 206 filings that have clarified and/or modified Opinion Nos. 480 and 480-A, shall be considered separately outside of the FRP mechanism and outside of the cap set forth in Section 2.C.2.d. herein.

3.A.3. DEPRECIATION/DECOMMISSIONING RATE EFFECTS

The effects of changes in depreciation rates, and/or decommissioning accruals, increases or decreases, ordered by the LPSC, including as a result of changes in the requirement to fund the decommissioning trust that may be ordered by the Nuclear Regulatory Commission during the period that this FRP is in effect, shall be considered separately outside of the FRP mechanism and outside of the cap set forth in Section 2.C.2.d. herein. In addition, 100% of the incremental rate base (depreciation and ADIT) effects of the depreciation rate change shall be reflected in the derivation of the change in the revenue requirement resulting from a change in the depreciation rate.

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3.A.4. STORM DAMAGE ACCRUAL EFFECTS

The effects of changes in storm damage accruals, increases or decreases, ordered by the LPSC shall be considered separately outside of the FRP mechanism and outside of the cap set forth in Section 2.C.2.d. herein.

3.A.5. INTERRUPTIBLE LOAD CASE EFFECTS

Any retail effects associated with a decision in FERC Docket Nos. EL00-66-000, ER00-2854-000 and EL95-33-002 (Consolidated) shall be considered separately outside the FRP mechanism and outside of the cap set forth in Section 2.C.2.d. herein. When the FERC issues an order disposing of the Application for Clarification and Applications for Rehearing in this case, any retail effects resulting from such decision that are to be implemented at that time shall be flowed through within a reasonable time after, and in accordance with, LPSC approval of the manner in which that shall occur. However, this Rider FRP provision shall have no precedential or other effect with respect to whether a refund or surcharge is appropriate in connection with a decision in FERC Docket Nos. EL00-66-000, ER00-2854-000 and EL95-33-002 (Consolidated), or whether a stay or injunction is appropriate in the event of an appeal or rehearing of a decision in those consolidated dockets.

3.B. SPECIAL RATE FILINGS

The Company is experiencing a dynamic business environment, including integration into the regional transmission organization operated by Midcontinent Independent System Operating, Inc. ("MISO"), effects of energy efficiency and/or net metering, and increasing competition. Experimental, developmental, and alternative rate schedules may be appropriate tools for the Company to use to address these conditions. Therefore, nothing in this Rider shall be interpreted as preventing the Company from proposing to revise existing rate schedules or implement new rate schedules as may be appropriate. Any such rate changes shall be filed with the Commission and evaluated in accordance with the rules and procedures then in effect.

3.C. FORCE MAJEURE

In addition to the rights of ELL under this Rider, or as provided by law, to make a filing for the pass-through of costs outside the provisions of this Rider FRP, if any event or events beyond the reasonable control of ELL, including Natural Disaster, damage or unforeseeable loss of generating capacity, changes in regulation ordered by a regulatory body or other entity with appropriate jurisdiction, and orders or acts of civil or military authority, cause increased costs to ELL or result in a deficiency in revenues to ELL, ELL may file for rate or other relief outside the bandwidth provisions of this Rider FRP and outside of the cap set forth in Section 2.C.2.d. herein, subject to the limitations imposed in the Stipulation approved in Order No. U-35565. Such request shall be considered by the Commission in accordance with its regulations and applicable law governing such filings.

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The Term "Natural Disaster" in the above paragraph shall include weather events such as hurricanes and/or tropical storms, or other events such as earthquakes, for example. If the Commission determines that a Natural Disaster causes a loss of customers for ELL that would result in the loss of at least \$10 million in base rate revenues during the rate-effective period, ELL may seek recovery of those base revenues outside of the provisions of this Rider FRP. ELL shall bear the burden of proof to demonstrate to the Commission the level of base rate revenue loss during the rate effective period and that the loss was caused by the Natural Disaster.

The loss of base rate revenue during the rate effective period shall, at a minimum, take into consideration the following:

- 1) The net loss of customers caused by the Natural Disaster looking at the entire service area, adjusted for normal growth.
- 2) The usage patterns of the actual lost customers or some reasonable proxy.
- 3) Any offsets due to the decreased costs and/or due to costs that are still recovered from the remaining customers.

If this calculation produces a result less than \$10 million in the rate-effective period, no relief should be granted outside of the FRP. If the amount equals or exceeds \$10 million as approved by the Commission, ELL shall be entitled to recover outside of the FRP the lesser of (1) the Commission approved loss in revenues, or (2) the difference between the EROE adjusted to reflect the estimated loss in revenue and the EPCOE. In succeeding years, the revenue loss will be recalculated to recognize the effect of returning customers and load. Once that revenue requirement effect falls below \$10 million, the effect of the revenue reduction will be reflected in the FRP.

3.D. ADDITIONAL CAPACITY

3.D.1. APPROVED CAPACITY ADDITION

The Company shall be allowed to recover fully through this Rider FRP, outside the FRP bandwidth mechanism and outside of the cap set forth in Section 2.C.2.d. herein, and consistent with Section 2.C.2., the LPSC retail revenue requirement associated with purchased capacity costs in excess of the amount in base rates as approved by the Commission. Capacity contracts currently part of the Legacy FRP revenue requirements, as part of the Additional Capacity revenue requirement, shall remain within the revenue requirements of the Legacy FRP rates, until such time that the capacity contract expires (except with respect to intercompany purchased power agreements ("PPAs") between the Legacy ELL and Legacy EGSL companies, *i.e.* Perryville, Acadia Power Block 2, Ninemile 6 and River Bend 30), or is cancelled, or as otherwise agreed upon or directed by the

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Commission, wherein an adjustment shall be made as set forth in Section 2.C.5. herein, to remove such Legacy contract costs.

Although extinguished by operation of law, intercompany PPAs between Legacy ELL and Legacy EGSL shall be maintained within the components of the Legacy FRP at the levels outlined below until such time that base rates are reset:

- (a) Perryville – The level of EGSL capacity costs related to the Perryville intercompany PPA will be maintained in the EGSL Legacy ACM at the 2014 FRP Evaluation Period level. The associated Perryville MSS-4 revenues will be reflected in the ELL Legacy base rates as operating revenues at the same level as the compliance filing made in November 2014 (as opposed to 2014 Evaluation Period levels).
- (b) Acadia -- The level of EGSL capacity costs related to the Acadia intercompany PPA will be maintained in the EGSL Legacy ACM at the 2014 FRP Evaluation Period level. The corresponding level of ELL capacity revenues related to the Acadia intercompany PPA, which are currently reflected in the ELL Legacy ACM, will be maintained at the 2014 FRP Evaluation Period level and will be realigned to the Legacy ELL FRP at that level.
- (c) Ninemile 6 – The estimated revenue requirement for Ninemile 6 capacity costs that is currently being collected through the ELL Extraordinary Cost provision of the FRP (net of revenues from EGSL and the PPA with Entergy New Orleans, LLC) will be maintained at the 2014 Compliance FRP level for the 2014 Evaluation Period. In the 2015 Evaluation Period, the Ninemile 6 capacity costs collected through the ELL Extraordinary Cost provision of the FRP shall be adjusted for any prudence review and/or the Evaluation Period 2015 true-up outside of bandwidth provisions and realigned to the Legacy ELL FRP Revenue Requirement where it will be maintained at the adjusted level.

The estimated revenue requirement for Ninemile 6 PPA capacity costs that is currently being collected through the EGSL Extraordinary Cost provision will be maintained at the 2014 Compliance FRP level for the 2014 Evaluation Period. In the 2015 Evaluation Period, the Ninemile 6 capacity costs collected through the EGSL Extraordinary Cost provision of the FRP shall be adjusted for any prudence review and/or the Evaluation Period 2015 true-up outside of bandwidth provisions and realigned to the Legacy EGSL ACM where it will be maintained at the adjusted level.

- (d) The River Bend 30 intercompany PPA shall be re-calculated at then-current Evaluation Period levels and a true-up of the

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Additional Capacity costs shall be performed annually for the term of the FRP.

New capacity contract costs, consisting of ELL capacity contracts approved by the LPSC or contracts renewed by ELL, shall be reflected in the (combined incremental) Additional Capacity Revenue requirement of the Rider ELL FRP on Attachment F, Line 32. Such new capacity costs shall include:

- (a) approval of a new purchase capacity agreement, or
- (b) approval of the recovery of previously deferred capacity costs.

In the event the Company adds to its resources by means of a capacity and/or capacity and energy purchase and in the event that such new resource is used to provide capacity and/or energy to the Company on or before the first billing cycle for the month of September of a filing year and the Commission has approved the incurrence of such costs and their level pursuant to the applicable General Order(s) of the Commission, then the Company may include all capacity costs related to such resource under this Section 3.D.1 as a cost, so that, at the time that new rates take effect with the first billing cycle for the month of September, those new rates will reflect the capacity costs that are represented by such generating resource.

Provided that the LPSC has approved the new purchase capacity agreement, the Company shall be allowed to defer the capacity costs associated with the new capacity purchase agreement during the period from the incurrence of the cost until such time as the rates that reflect such capacity costs take effect. The Company shall be allowed to accrue interest on the net-of-tax balance of the deferred capacity costs at the rate set forth in LPSC General Order No. U-21497 during the period in which such costs are deferred.

3.D.2. CAPACITY COST ADJUSTMENTS

The Rider FRP shall be adjusted on an interim basis for:

- (1) the expiration of a purchase capacity agreement previously recovered through Rider FRP, or
- (2) the completion of the recovery of previously deferred capacity costs.

In the event that capacity cost adjustments are related to Legacy capacity contracts reflected in Legacy FRP rates, adjustments shall be made as set forth in Section 2.C.5. herein and reflected on Attachment F Lines 38 and 42, respectively.

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3.D.3. CAPACITY COST TRUE-UP ADJUSTMENTS

The LPSC retail revenue requirement associated with the purchased capacity costs that are billed to ELL pursuant to a cost of service agreement or tariff and recovered via this Rider pursuant to Section 3.D.1. shall be compared to the actual cost of such capacity. Any difference between the revenue requirement of the capacity costs used to determine the level of this Rider during the Evaluation Period and the revenue requirement associated with the actual capacity cost during the Evaluation Period shall be included in the Evaluation Report as part of the Additional Capacity Revenue Requirement in the next Rider FRP Revenue Requirement Redetermination Formula as set out in Attachment F.

The LPSC retail revenue requirement associated with the Legacy capacity contract costs that are billed to ELL pursuant to a cost of service agreement or tariff and recovered via this Rider pursuant to Section 3.D.1. shall be compared to the actual cost of such capacity, unless otherwise agreed upon or directed by the Commission. Any difference between the revenue requirement included in the Legacy FRP rates of the capacity costs used to determine the level of the Legacy FRP component of this Rider during the Evaluation Period and the revenue requirement associated with the actual capacity cost during the Evaluation Period shall be included in the Evaluation Report as set out in Attachment F.

3.D.4. ACQUISITION/SELF-BUILD CAPACITY COST ADJUSTMENTS

The Company shall be allowed to recover fully through this Rider FRP, outside the FRP bandwidth mechanism and outside of the cap set forth in Section 2.C.2.d. herein, and consistent with Section 2.C.2., the LPSC retail revenue requirement associated with:

- (1) the modification or replacement of an existing generating facility having an annual revenue requirement exceeding \$10 million;
- (2) the acquisition of new generating facilities; and/or,
- (3) the construction of a new generating facility, having an annual revenue requirement exceeding \$10 million.

3.D.5. RENEWABLE CAPACITY

As established in LPSC General Order No. 12-9-10 (U-28271-1 Subdocket B) (Corrected), dated December 9, 2010 (the "Renewable Pilot Implementation Plan G.O."), the Company shall be allowed to recover fully through this Rider FRP outside of the FRP bandwidth mechanism and outside of the cap set forth in Section 2.C.2.d. herein, and consistent with Section 2.C.2, the capacity costs related to any renewable contract entered into, and approved by the LPSC pursuant to the provision of Paragraph 8.2 of the Renewable Pilot Implementation Plan G.O. Further,

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as established in the Renewable Pilot Implementation Plan G.O., any premium above market cost as well as any cost incurred to acquire unneeded capacity ordered by the Commission (regardless of whether priced at or above market) will be recovered dollar-for-dollar and will not be considered in any FRP provision or calculation that limits the full recovery of capacity costs when the utility's earnings exceed the upper end of the earnings bandwidth (*i.e.*, Section 2.C.2.c.(5). of the FRP). This section is intended to implement but not modify the provisions of General Order No. 12-9-10 (U-28271 – Subdocket B) (corrected).

3.E. RECOVERY OF REALIGNED COSTS

To the extent that, during the term of this Rider ELL FRP, the Commission orders the Company to realign costs from recovery via the Fuel Adjustment Clause to base rates, or the reverse, it shall be done on a basis that, in the aggregate, is revenue-neutral to the customers. and that does not implicate the cap set forth in Section 2.C.2.d. herein.

3.F TRANSMISSION RECOVERY MECHANISM (TRM)

The Company shall be allowed to recover fully through this Rider FRP, outside the FRP bandwidth mechanism and outside the cap set forth in Section 2.C.2.d. herein, the return on rate base and depreciation expense associated with (1) all transmission capital additions that are placed in service, or expected to be placed in service, between January 1 and August 31 of the Filing Year subject to a TRM floor as described below (“Filing Year TRM Amount”) and true-up and, (2) transmission capital additions placed in service during the Evaluation Period subject to a TRM Floor as described below (“Evaluation Period TRM Amount”), less the Filing Year TRM Amount reflected in the prior year’s Evaluation Report. The Company will include a Filing Year TRM Amount in its initial Evaluation Report using the best estimate then available. It will then update this amount in a compliance report submitted prior to the rate effective date, with explanations provided for changes in the amount. The end of period Transmission Plant in Service estimated (based on most recent actuals) through August 31 of the Filing Year shall be subject to an after-the-fact true-up in the next FRP Evaluation Period. This true-up adjustment will be designed to correct over- or under- collections that may have occurred due to the use of estimated Transmission Plant in Service through August 31 compared to actual Transmission Plant in Service through August 31.

Beginning with the 2018 Evaluation Report, ELL shall include with the FRP Evaluation Report, a true-up report comparing the estimated Transmission Plant in Service through August 31 of the previous Filing Year and the actual Transmission Plant in Service through August 31 of the previous Filing Year and, if the difference exceeds \$2 million, a calculation of the proposed adjustment to correct any over- or under-collections due to the use of the estimated Transmission plant-in-service, with carrying costs at the Company’s WACC, along with any workpapers supporting that true-up calculation.

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For purposes of calculating the Evaluation Period TRM Amount, rate base included in the TRM shall include amounts for Transmission Plant in Service above a TRM Floor of \$100 million per year. For purposes of calculating the Filing Year TRM Amount, rate base shall include amounts of Transmission Plant in Service above \$66.7 million, which represents the \$100 million TRM Floor prorated to eight of twelve months.

Depreciation Expense for the transmission projects shall be calculated using a two percent annual depreciation rate, with that amount included in the Accumulated Reserve for Depreciation, which will serve as a reduction to Plant in Service with the net amount reflected as rate base in the TRM. Any difference between the two percent depreciation rate used for the TRM and the actual depreciation rate applicable to the assets recovered through the TRM is recoverable through the normal recovery mechanism (*i.e.*, within the bandwidth mechanism). In other words, this assumed two percent depreciation rate is for ease of calculating a revenue requirement for the TRM only; this is not meant to change the applicable LPSC-approved transmission depreciation rate.

3.G. Distribution Recovery Mechanism (DRM)

The Company shall be allowed to recover fully through this Rider FRP, outside the FRP bandwidth mechanism and outside the cap set forth in Section 2.C.2.d. herein, the return on rate base and depreciation expense associated with distribution capital additions, excluding those associated with the Company's Advanced Metering System, through August 31 of the Filing Year, including those placed in service during the Evaluation Period, subject to a DRM Floor and Ceiling as well as true-up adjustment as described in Section 3.G.1. below.

3.G.1. Recovery of Distribution Capital Additions

The revenue requirement associated with distribution capital additions shall include the return on rate base and depreciation expense associated with (1) all distribution capital additions, excluding those associated with the Company's Advanced Metering System, that are placed in service, or expected to be placed in service, between January 1 and August 31 of the Filing Year subject to a DRM Floor and Ceiling as described below ("Filing Year DRM Amount"), and (2) distribution capital additions, excluding those associated with the Company's Advanced Metering System, placed in service during the Evaluation Period subject to a DRM Floor and Ceiling as described below ("Evaluation Period DRM Amount"), less the Filing Year DRM Amount reflected in the prior year's Evaluation Report.

The Company will include a Filing Year DRM Amount in its initial Evaluation Report using the best estimate then available. It will then update this amount in a compliance report submitted prior to the rate effective date, with explanations provided for changes in the amount. The end of period Distribution Plant in Service estimated (based on most recent actuals) through August 31 of the Filing Year shall be subject to an after-the-fact true-up in the next FRP Evaluation Period. This true-up adjustment will be designed to correct over- or under- collections that may

**FORMULA RATE PLAN
RIDER SCHEDULE FRP**

have occurred due to the use of estimated Distribution Plant in Service through August 31 compared to actual Distribution Plant in Service through August 31.

Beginning with the 2021 Evaluation Report, ELL shall include with the FRP Evaluation Report, a true-up report comparing the estimated Distribution Plant in Service through August 31 of the previous Filing Year and the actual Distribution Plant in Service Page through August 31 of the previous Filing Year and, if the difference exceeds \$2 million, a calculation of the proposed adjustment to correct any over- or under-collections due to the use of the estimated Distribution plant-in-service, with carrying costs at the Company's WACC, along with any workpapers supporting that true-up calculation.

For purposes of calculating the Evaluation Period DRM Amount, capital additions included in the DRM shall include amounts for Distribution Plant in Service above an annual DRM Floor of \$200 million for 2020 and \$150 million for each subsequent year. For purposes of calculating the Filing Year DRM Amount, rate base shall include amounts of Distribution Plant in Service above \$100 million, which represents the \$150 million DRM Floor prorated to eight of twelve months.

Additionally, a DRM Ceiling will apply which limits the total amount of capital additions included in the DRM to not more than \$225 million for any Evaluation Period and \$150 million for any Filing Year, which represents the \$225 million amount prorated to eight of twelve months..

Depreciation Expense for the distribution projects shall be calculated using a three percent annual depreciation rate, with that amount included in the Accumulated Reserve for Depreciation, which will serve as a reduction to Plant in Service with the net amount reflected as rate base in the DRM. Any difference between the three percent depreciation rate used for the DRM and the actual depreciation rates applicable to the assets recovered through the DRM is recoverable through the normal recovery mechanism (i.e., within the bandwidth mechanism). In other words, this assumed three percent depreciation rate is for ease of calculating a revenue requirement for the DRM only; this is not meant to change the applicable LPSC-approved distribution depreciation rates.

3.G.2. Distribution Recovery Mechanism Revenue Requirement Allocation

The Distribution Recovery Mechanism revenue requirement as determined under the provisions of Section 3.G.1. above, shall be allocated to each of the applicable LPSC retail rate classes based on the applicable class Distribution Plant in Service Allocation Factor as a percentage of total retail Distribution Plant in Service for all applicable retail rate schedules pursuant to Attachment A, Page 2 of this Rider FRP.

4. MISO COST RECOVERY MECHANISM (MCRM)

The Company shall be allowed to recover fully through this Rider FRP, outside the FRP bandwidth mechanism and outside the cap set forth in Section 2.C.2.d. herein, the LPSC Retail costs described below.

**FORMULA RATE PLAN
RIDER SCHEDULE FRP**

4.A. NET MISO CHARGES OR CREDITS

The estimated Net MISO Charges/(Credits) pursuant to the Federal Energy Regulatory Commission ("FERC")-approved MISO Open Access Transmission Energy and Operating Markets Tariffs that the Company expects to incur for the twelve (12) months ended December 31 of the filing year and that are not recovered via the Fuel Adjustment Clause as ordered by the LPSC in Commission Order No. U-32675 dated November 4, 2013.

4.B. RETAIL REGULATORY COMMISSION EXPENSE INCURRED FOR MISO OVERSIGHT

Retail regulatory commission expense actually incurred for the Evaluation Period in connection with ELL's participation in MISO.

4.C. TRUE-UP ADJUSTMENT

A True-up Adjustment for the difference between the Estimated MISO Cost Recovery Revenue Requirement and the Actual MISO Cost Recovery Revenue Requirement for the twelve (12) months ended December 31 of the immediately preceding calendar year as defined on Attachment G, Page 3. The True-up Adjustment shall include carrying charges based on the Company's before-tax weighted average cost of capital in this Rider FRP applied to the difference between the actual and estimated MISO Cost Recovery Revenue Requirement as shown on Attachment G, Page 3.

5. TAX REFORM ADJUSTMENT MECHANISM ("TRAM")

The rate adjustments provided for in this Section to flow through benefits of the Tax Cuts and Jobs Act of 2017 ("TCJA") shall operate outside of the Base Rider FRP Revenue Adjustment provisions contained in Section 2.C. of the FRP, including the bandwidth mechanism and the cap set forth in Section 2.C.2.d.

- A. Protected Excess Accumulated Deferred Income Taxes ("ADIT"): Protected Excess ADIT that is eligible to be returned through the FRP will be returned to customers through the TRAM using the average rate assumption method ("ARAM") to which the ADIT is related in order to avoid an IRC normalization violation.
 1. In each Evaluation Report, ELL shall reflect in the TRAM the Louisiana-jurisdictional portion of the amount of the eligible Protected Excess ADIT that will be credited on the books of ELL in the Filing Year.
 2. As with the return to customers of other excess ADIT amounts, the amortization of the Protected Excess ADIT, shall be offset by the revenue requirement associated with the cumulative increase in rate base resulting from the amortization of the credited Protected Excess ADIT such that only the

**FORMULA RATE PLAN
RIDER SCHEDULE FRP**

net of the two will be reflected in the TRAM. To avoid the potential for any double-recovery, an adjustment to the FRP rate base will be made to account for this TRAM netting.

- B. The excess ADIT that is not protected, *i.e.*, the “Unprotected Excess ADIT” that is eligible to be returned through the FRP will be returned to customers according to the following schedule:
1. One-half of the estimated amount of the eligible Unprotected Excess ADIT shall be returned to customers ratably over the period beginning one month after approval by the Commission of the Stipulation in Docket No. U-34631 and continuing over the remainder of the 2018 calendar year. This initially will be accomplished through a one-time adjustment reflected in the Extraordinary Cost Change Revenue Requirement of the then effective Rider Schedule FRP. It will then be reflected in the TRAM of Rider Schedule FRP beginning with implementation of Rider Schedule FRP in September 2018.
 2. The remaining half of the amount of the eligible Unprotected Excess ADIT shall be returned to customers through the TRAM ratably over the period from January 2019 through August 2022 (44 months).
 3. As with the Protected Excess ADIT, the amortization (return to customers) of the Unprotected Excess ADIT shall be offset by the revenue requirement associated with the cumulative increase in rate base resulting from the amortization of the credited Unprotected Excess ADIT such that only the net of the two will be returned to customers. To avoid the potential for any double-recovery, an adjustment to the FRP rate base will be made to account for this TRAM netting. The TRAM will be updated annually, from 2019 – 2022, to reflect the revenue requirement associated with the increasing rate base. That adjustment will be accomplished as follows: 1) On January 1, 2019 adjustments were made to reflect the 2018 amortization of half of the Unprotected Excess ADIT along with the adjustment to reflect the resulting accumulative increase in rate base. 2). On September 1, 2019, September 1, 2020, and September 1, 2021 respectively, adjustments shall be made to reverse the prior amortization and to reflect a new 12-month amortization with appropriate rate base offsets.
- C. If prior to the September 2023 billing cycle rate change from this FRP, the federal corporate income tax rate changes from 21% to some other rate, ELL is authorized to create regulatory assets/liabilities and make the following rate making adjustments. The regulatory asset or liability will be created on the effective date of the tax rate change, and the regulatory asset or liability will accrue carrying charges at the Company’s weighted average cost of capital through the TRAM:

**FORMULA RATE PLAN
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1. In the event of a future tax rate change and creation of a regulatory asset or liability, ELL shall make a compliance filing pursuant to Section 501(C) of LPSC General Order dated July 1, 2019 to include such regulatory asset or liability as a component of the TRAM, and set forth a methodology to change its rates and recover from or credit customers for the value of that regulatory asset or liability after review and approval by the LPSC.
2. Any change in the federal corporate income tax rate may also require adjustment or re-valuation of accumulated deferred income tax ("ADIT") that is reflected in the Company's rate base. To the extent a change in the tax rate affects existing ADIT balances, a regulatory asset or liability will be created on the effective date of the tax rate change, and the regulatory asset or liability will accrue carrying charges at the Company's weighted average cost of capital. In the event of a future tax rate change and creation of a regulatory asset or liability, ELL shall make a compliance filing pursuant to Section 501(C) of LPSC General Order dated July 1, 2019 to include such regulatory asset or liability as a component of the TRAM, and set forth a methodology to change its rates to recover from or credit customers for the value of that regulatory asset or liability after review and approval by the LPSC.

6. EFFECTIVE DATE AND TERM

Rider ELL FRP shall continue in effect for three years. Except for the 2021 Evaluation Report (2020 Test Year) which shall be filed on or before June 30 as provided for in Section 2.B.1 above, the annual Evaluation Report filings shall be made on or before May 31 of 2021, 2022, and 2023 for the Evaluation Periods ended December 31, 2020, 2021, and 2022, respectively. Unless Rider FRP is extended by mutual agreement of the Commission and the Company, the Rate Adjustments resulting from the May 31, 2023 Evaluation Report filing shall continue in effect until such time as they are superseded pursuant to a final Commission order. If this Rider FRP is terminated by a future order of the Commission, the then-existing Total Rate Adjustment shall continue to be in effect until new base rates reflecting the then-existing Total Rate Adjustment are duly approved and implemented. Nothing contained in this Rider FRP shall limit the right of any party to file an appeal as provided by law.

Entergy Louisiana, LLC
Formula Rate Plan (Rider FRP)
Rate Development Formula
For the Test Year Ended December 31, 2022

Ln No.	Rate Class (1)	Legacy FRP Rates (2)	Incremental ELL FRP Rate for FRP x MCRM x TRAM (3)	Rider FRP Rate for MCRM (4)	Rider FRP Rate for TRAM (5)	Rider FRP Rate for DRM (6)	Total ELL FRP Rate Adj. (7)
1	ELL- Residential	35.0796%	47.4622%	-5.6997%	-2.2829%	6.8545%	81.4136%
2	ELL- Small General Service	35.0796%	47.4622%	-5.6997%	-2.2829%	4.1409%	78.7001%
3	ELL- Large General Service	35.0796%	47.4622%	-5.6997%	-2.2829%	4.7266%	79.2857%
4	ELL- Large Industrial Power Service	35.0796%	47.4622%	-5.6997%	-2.2829%	0.2657%	74.8248%
5	ELL- Large Load, High Load Factor Power Service	35.0796%	47.4622%	-5.6997%	-2.2829%	0.0122%	74.5713%
6	ELL- Large Industrial Service	35.0796%	47.4622%	-5.6997%	-2.2829%	2.1125%	76.6716%
7	ELL- Lighting	35.0796%	47.4622%	-5.6997%	-2.2829%	5.5581%	80.1172%
8	EGSL- Residential	29.3128%	47.4622%	-5.6997%	-2.2829%	7.4294%	76.2217%
9	EGSL- Small General Service	29.3128%	47.4622%	-5.6997%	-2.2829%	5.5672%	74.3595%
10	EGSL- General Service	29.3128%	47.4622%	-5.6997%	-2.2829%	5.4671%	74.2594%
11	EGSL- Large Power Service	29.3128%	47.4622%	-5.6997%	-2.2829%	0.7645%	69.5569%
12	EGSL- High Load Factor Service	29.3128%	47.4622%	-5.6997%	-2.2829%	0.6463%	69.4386%
13	EGSL- Municipal Water Pumping Service	29.3128%	47.4622%	-5.6997%	-2.2829%	5.3772%	74.1695%
14	EGSL- Street & Area Lighting	29.3128%	47.4622%	-5.6997%	-2.2829%	5.6392%	74.4315%

Notes:

- (1) Excludes schedules specifically identified in this Rider FRP.
- (2) See Attachment A, Page 3 Column E.
- (3) See Attachment A, Page 3 Column I.
- (4) See Attachment A, Page 3 Column M.
- (5) See Attachment A, Page 4 Column Q.
- (6) See Attachment A, Page 4 Column U.
- (7) Sum of column 2, 3, 4, 5, and 6; % applied to customer applicable revenue.

Entergy Louisiana, LLC
Formula Rate Plan (Rider FRP)
Rate Development Formula
For the Test Year Ended December 31, 2022

Ln No.	Rate Class	Legacy Revenues before MISO Cost Recovery Mechanism and Tax Reform Adjustment Mechanism (FRP×MCRM×TRAM)				Incremental ELL FRP Revenue excluding MISO Cost Recovery Mechanism and Tax Reform Adjustment Mechanism (FRP×MCRM×TRAM)				MISO Cost Recovery Mechanism (MCRM)			
		Class Allocation (%) (1)	Legacy FRP×MCRM×TRAM (\$) (2)	Applicable Base Rate Rev (\$) (3)	Legacy Rate for FRP×MCRM×TRAM (4)	Class Allocation (%) (5)	FRP×MCRM×TRAM (\$) (6)	Applicable Base Rate Rev (\$) (7)	Incremental ELL FRP Rate for FRP×MCRM×TRAM (8)	Class Allocation (%) (9)	MCRM (\$) (10)	Applicable Base Rate Rev (\$) (11)	ELL FRP Rate for MCRM (12)
1	ELL- Residential	42.10%	144,449,311	411,776,105	35.0796%	24.88%	195,437,861	411,776,105	47.4622%	24.88%	(23,470,037)	411,776,105	-5.6997%
2	ELL- Small General Service	28.13%	96,518,569	275,141,779	35.0796%	16.63%	130,588,250	275,141,779	47.4622%	16.63%	(\$15,682,279)	275,141,779	-5.6997%
3	ELL- Large General Service	5.53%	18,971,852	54,082,331	35.0796%	3.27%	25,668,646	54,082,331	47.4622%	3.27%	(\$3,082,535)	54,082,331	-5.6997%
4	ELL- Large Industrial Power Service	0.92%	3,166,222	9,025,828	35.0796%	0.55%	4,283,853	9,025,828	47.4622%	0.55%	(\$514,446)	9,025,828	-5.6997%
5	ELL- Large Load, High Load Factor Power Service	14.96%	51,332,043	146,330,283	35.0796%	8.84%	69,451,523	146,330,283	47.4622%	8.84%	(\$8,340,399)	146,330,283	-5.6997%
6	ELL- Large Industrial Service	5.72%	19,622,050	55,935,824	35.0796%	3.38%	26,548,354	55,935,824	47.4622%	3.38%	(\$3,188,179)	55,935,824	-5.6997%
7	ELL- Lighting	2.64%	9,046,880	25,789,593	35.0796%	1.56%	12,240,300	25,789,593	47.4622%	1.56%	(\$1,469,932)	25,789,593	-5.6997%
8	ELL-L Totals	100.00%	\$ 343,106,927	\$ 978,081,744							\$ (55,747,807)	\$ 978,081,744	
9	EGSL- Residential	37.37%	74,138,913	252,923,528	29.3128%	15.28%	120,042,987	252,923,528	47.4622%	15.28%	(\$14,415,904)	252,923,528	-5.6997%
10	EGSL- Small General Service	7.24%	14,364,946	49,005,746	29.3128%	2.96%	23,259,189	49,005,746	47.4622%	2.96%	(\$2,793,185)	49,005,746	-5.6997%
11	EGSL- General Service	21.87%	43,395,356	148,042,454	29.3128%	8.95%	70,264,156	148,042,454	47.4622%	8.95%	(\$8,437,988)	148,042,454	-5.6997%
12	EGSL- Large Power Service	14.73%	29,219,500	99,681,782	29.3128%	6.02%	47,311,133	99,681,782	47.4622%	6.02%	(\$5,681,571)	99,681,782	-5.6997%
13	EGSL- High Load Factor Service	16.03%	31,803,071	108,495,588	29.3128%	6.56%	51,494,357	108,495,588	47.4622%	6.56%	(\$6,183,932)	108,495,588	-5.6997%
14	EGSL- Municipal Water Pumping Service	0.35%	689,247	2,351,355	29.3128%	0.14%	1,116,004	2,351,355	47.4622%	0.14%	(\$134,020)	2,351,355	-5.6997%
15	EGSL- Street & Area Lighting	2.41%	4,791,151	16,344,921	29.3128%	0.99%	7,757,654	16,344,921	47.4622%	0.99%	(\$931,613)	16,344,921	-5.6997%
16	EGSL-L Totals	100.00%	\$ 198,402,184	\$ 676,845,374							\$ (38,578,212)	\$ 676,845,374	
17	ELL Total					100.00%	\$ 785,464,267	\$ 1,654,927,119		100.00%	\$ (94,326,020)	\$ 1,654,927,119	

- Notes:
- The Louisiana Retail Legacy FRP Revenues, excluding MISO Cost Recovery Mechanism, Distribution Recovery Mechanism and Tax Reform Adjustment Mechanism (FRP×MCRM×TRAM) for ELL-L and EGSL-L, shall be allocated to the retail rate classes based on the applicable base rate revenue. See Attachment A, Page 2 for Excluded Rate Schedules.
 - See Attachment F, Page 2, Line 40 and Line 44 for the applicable Legacy FRP×MCRM×TRAM. The class amount is the class allocation in Column B times the Legacy FRP×MCRM×TRAM on lines 8 and 16, respectively.
 - The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the portion of the FRP Revenue excluding MISO Cost Recovery Mechanism, Distribution Recovery Mechanism, and Tax Reform Adjustment Mechanism for the Evaluation Period as defined on Attachment A page 1 of this Rider FRP, pursuant to Section 2.C.4 of this Rider FRP.
 - Column C / Column D
 - The Louisiana Retail ELL FRP Incremental Revenue excluding MISO Cost Recovery Mechanism and Tax Reform Adjustment Mechanism (FRP×MCRM×TRAM) shall be allocated to the retail rate classes for ELL total based on the applicable base rate revenue. See Attachment A, Page 1 for Excluded Rate Schedules.
 - See Attachment F, Page 1, Line 34 for the Incremental ELL FRP×MCRM×TRAM. The class amount is the class allocation in Column G times the Total Incremental ELL FRP×MCRM×TRAM on line 17. This amount also includes the
 - The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the portion of the FRP Revenue excluding MISO Cost Recovery Mechanism and Tax Reform Adjustment Mechanism for the Evaluation Period as defined on Attachment A page 1 of this Rider FRP, pursuant to Section 2.C.4 of this Rider FRP.
 - Column G / Column H
 - The applicable MISO Cost Recovery Mechanism (MCRM) shall be allocated to the retail rate classes within ELL-L and EGSL-L, respectively, based on the applicable base rate revenue. See Attachment A, page 1 of this Rider FRP for the Excluded Rate Schedules.
 - See Attachment G, Page 1, Line 16 for the applicable MCRM. The class amount is the class allocation in Column J times the MCRM on line 17.
 - The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the MISO Cost Recovery Mechanism for the Evaluation Period as defined on Attachment A page 1 of this Rider FRP, pursuant to Section 2.C.4 of this Rider FRP.
 - Column K / Column L
 - The applicable Tax Reform Adjustment Mechanism (TRAM) shall be allocated to the retail rate classes within ELL-L and EGSL-L, respectively, based on the applicable base rate revenue. See Attachment A, page 1 of this Rider FRP for the Excluded Rate Schedules.
 - See Attachment H, Page 1, Line 10 for the applicable TRAM. The class amount is the class allocation in Column N times the TRAM on line 17.
 - The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the Tax Reform Adjustment Mechanism for the Evaluation Period as defined on Attachment A page 1 of this Rider FRP, pursuant to Section 2.C.4 of this Rider FRP.
 - Column O / Column P
 - The applicable Distribution Recovery Mechanism (DRM) shall be allocated to the retail rate classes within ELL-L and EGSL-L, respectively, based on the applicable class Distribution Plant in Service Allocation Factor. See Attachment A, Page 2 of this Rider FRP.
 - See Column R for the applicable DRM. The class amount is the class allocation in Column S times the DRM on line 17.
 - The billing determinants shall be allocated to each of the applicable LPSC retail rate classes based on the applicable class Distribution Plant in Service Allocation Factor.
 - Column S / Column T

Entergy Louisiana, LLC
Formula Rate Plan (Rider FRP)
Rate Development Formula
For the Test Year Ended December 31, 2022

Ln No.	Rate Class	Col A	Col N	Col O	Col P	Col Q	Col R	Col S	Col T	Col U
			Class Allocation (%) (13)	Tax Reform Adjustment TRAM (\$) (14)	Mechanism (TRAM) Applicable Base Rate Rev (\$) (15)	ELL FRP Rate for TRAM (16)		Distribution Recovery Mechanism (DRM) DRM (\$) (18)	Applicable Base Rate Rev (\$) (19)	ELL FRP Rate for DRM (20)
1	ELL- Residential		24.88%	(9,400,516)	411,776,105	-2.2829%	36.68%	28,225,056	411,776,105	6.8545%
2	ELL- Small General Service		16.63%	(\$6,281,265)	275,141,779	-2.2829%	14.81%	11,393,453	275,141,779	4.1409%
3	ELL- Large General Service		3.27%	(\$1,234,656)	54,082,331	-2.2829%	3.32%	2,556,267	54,082,331	4.7266%
4	ELL- Large Industrial Power Service		0.55%	(\$206,052)	9,025,828	-2.2829%	0.03%	23,979	9,025,828	0.2657%
5	ELL- Large Load, High Load Factor Power Service		8.84%	(\$3,340,602)	146,330,283	-2.2829%	0.02%	17,835	146,330,283	0.0122%
6	ELL- Large Industrial Service		3.38%	(\$1,276,970)	55,935,824	-2.2829%	1.54%	1,181,659	55,935,824	2.1125%
7	ELL- Lighting		1.56%	(\$588,756)	25,789,593	-2.2829%	1.86%	1,433,407	25,789,593	5.5581%
8	ELL-L Totals			<u>\$ (22,328,817)</u>	<u>\$ 978,081,744</u>			<u>44,831,658</u>	<u>\$ 978,081,744</u>	
9	EGSL- Residential		15.28%	(\$5,774,040)	252,923,528	-2.2829%	24.42%	18,790,617	252,923,528	7.4294%
10	EGSL- Small General Service		2.96%	(\$1,118,762)	49,005,746	-2.2829%	3.55%	2,728,242	49,005,746	5.5672%
11	EGSL- General Service		8.95%	(\$3,379,690)	148,042,454	-2.2829%	10.52%	8,093,557	148,042,454	5.4671%
12	EGSL- Large Power Service		6.02%	(\$2,275,655)	99,681,782	-2.2829%	0.99%	762,117	99,681,782	0.7645%
13	EGSL- High Load Factor Service		6.56%	(\$2,476,867)	108,495,588	-2.2829%	0.91%	701,190	108,495,588	0.6463%
14	EGSL- Municipal Water Pumping Service		0.14%	(\$53,680)	2,351,355	-2.2829%	0.16%	126,436	2,351,355	5.3772%
15	EGSL- Street & Area Lighting		0.99%	(\$373,141)	16,344,921	-2.2829%	1.20%	921,727	16,344,921	5.6392%
16	EGSL-L Totals			<u>\$ (15,451,833)</u>	<u>\$ 676,845,374</u>			<u>\$ 32,123,887</u>	<u>\$ 676,845,374</u>	
17	ELL Total		100.00%	<u>\$ (37,780,650)</u>	<u>\$ 1,654,927,119</u>		100.00%	<u>\$ 76,955,545</u>	<u>\$ 1,654,927,119</u>	

Notes:

- (1) The Louisiana Retail Legacy FRP Revenues, excluding MISO Cost Recovery Mechanism, Distribution Recovery Mechanism and Tax Reform Adjustment Mechanism (FRPxMCRMxTRAM) for ELL-L and EGSL-L, shall be allocated to the retail rate classes based on the applicable base rate revenue. See Attachment A, Page 2 for Excluded Rate Schedules.
- (2) See Attachment F, Page 2, Line 40 and Line 44 for the applicable Legacy FRPxMCRMxTRAM. The class amount is the class allocation in Column B times the Legacy FRPxMCRMxTRAM on lines 8 and 16, respectively.
- (3) The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the portion of the Legacy FRP Revenue excluding MISO Cost Recovery Mechanism, Distribution Recovery Mechanism, and Tax Reform Column C / Column D
- (4) Column C / Column D
- (5) The Louisiana Retail ELL FRP Incremental Revenue excluding MISO Cost Recovery Mechanism and Tax Reform Adjustment Mechanism (FRPxMCRMxTRAM) shall be allocated to the retail rate classes for ELL total based on the
- (6) See Attachment F, Page 1, Line 34 for the Incremental ELL FRPxMCRMxTRAM. The class amount is the class allocation in Column G times the Total Incremental ELL FRPxMCRMxTRAM on line 17. This amount also includes the
- (7) The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the portion of the FRP Revenue excluding MISO Cost Recovery Mechanism and Tax Reform Adjustment Mechanism for the Evaluation Period as
- (8) Column G / Column H
- (9) The applicable MISO Cost Recovery Mechanism (MCRM) shall be allocated to the retail rate classes within ELL-L and EGSL-L, respectively, based on the applicable base rate revenue. See Attachment A, page 1 of this Rider FRP for
- (10) See Attachment G, Page 1, Line 16 for the applicable MCRM. The class amount is the class allocation in Column J times the MCRM on line 17.
- (11) The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the MISO Cost Recovery Mechanism for the Evaluation Period as defined on Attachment A page 1 of this Rider FRP, pursuant to Section 2.C.4 of
- (12) Column K / Column L
- (13) The applicable Tax Reform Adjustment Mechanism (TRAM) shall be allocated to the retail rate classes within ELL-L and EGSL-L, respectively, based on the applicable base rate revenue. See Attachment A, page 1 of this Rider FRP for
- (14) See Attachment H, Page 1, Line 10 for the applicable TRAM. The class amount is the class allocation in Column N times the TRAM on line 17.
- (15) The billing determinants shall be the Louisiana Retail Base Rate Revenue applicable to the Tax Reform Adjustment Mechanism for the Evaluation Period as defined on Attachment A page 1 of this Rider FRP, pursuant to Section 2.C.4
- (16) Column O / Column P
- (17) The applicable Distribution Recovery Mechanism (DRM) shall be allocated to the retail rate classes within ELL-L and EGSL-L, respectively, based on the applicable class Distribution Plant in Service Allocation
- (18) See Column R for the applicable DRM. The class amount is the class allocation in Column S times the DRM on line 17.
- (19) The billing determinants shall be allocated to each of the applicable LPSC retail rate classes based on the applicable class Distribution Plant in Service Allocation Factor.
- (20) Column S / Column T

ENTERGY LOUISIANA, LLC		
EARNED RATE OF RETURN ON COMMON EQUITY FORMULA		
LINE NO	DESCRIPTION	ADJUSTED AMOUNT
TOTAL COMPANY		
1	RATE BASE (Attachment B, Page 2, L28)	
2	BENCHMARK RATE OF RETURN ON RATE BASE (Attachment D, L6, Column D)	
3	REQUIRED OPERATING INCOME (L1 * L2)	
4	NET UTILITY OPERATING INCOME (Attachment B, Page 3, L29)	
5	OPERATING INCOME DEFICIENCY/(EXCESS) (L3 - L4)	
6	REVENUE CONVERSION FACTOR (NOTE A)	
7	REVENUE DEFICIENCY/(EXCESS) (L5 * L6)	
	PRESENT RATE REVENUES	
8	ULTIMATE CUSTOMERS (Attachment B, Page 3, L1)	
9	SALES FOR RESALE (Attachment B, Page 3, L2)	
10	TOTAL (L8 + L9)	
11	REVENUE REQUIREMENT (L7 + L10)	
LPSC RETAIL		
12	REVENUE REQUIREMENT ALLOCATION FACTOR (%) (NOTE B)	
13	REVENUE REQUIREMENT (L11 * L12)	
14	PRESENT RATE REVENUES (Attachment B, Page 3, L1)	
15	RIVER BEND DAP REVENUE REQUIREMENT (Attachment C, Page 2, 4(G))	
16	SGT REVENUE REQUIREMENT	
17	REVENUE DEFICIENCY/(EXCESS) (L13 - L14 + L15 + L16)	
18	REVENUE CONVERSION FACTOR (NOTE A)	
19	OPERATING INCOME DEFICIENCY/(EXCESS) (L17 / L18)	
20	RATE BASE ALLOCATION FACTOR (%) (NOTE B)	
21	RATE BASE (L1 * L20)	
22	COMMON EQUITY DEFICIENCY/(EXCESS) (%) (L19 / L21)	
23	WEIGHTED EVALUATION PERIOD COST RATE FOR COMMON EQUITY (%) (Attachment D, L5, Column D)	
24	WEIGHTED EARNED COMMON EQUITY RATE (%) (L23 - L22)	
25	COMMON EQUITY RATIO (%) (Attachment D, L5, Column B)	
26	EARNED RATE OF RETURN ON COMMON EQUITY (%) (L24 / L25)	

NOTES:

(A) REVENUE CONVERSION FACTOR = $1 / [(1 - \text{COMPOSITE TAX RATE}) * (1 - \text{BAD DEBT} - \text{REGULATORY COMMISSION EXPENSE RATE} - \text{FRANCHISE TAX RATE})]$

(B) THE LPSC RETAIL RATIO AS CALCULATED IN MISCELLANEOUS SCHEDULE MD.

ENTERGY LOUISIANA, LLC RATE BASE (A)				
LINE NO	DESCRIPTION	PER BOOKS	ADJUST- MENTS (B)	ADJUSTED AMOUNT
1	GROSS PLANT IN SERVICE (C) (K)			
2	DEPRECIATION RESERVES (K)			
3	NET UTILITY PLANT (L1 + L2)			
4	PROPERTY UNDER FINANCIAL LEASE – NET			
5	PLANT HELD FOR FUTURE USE			
6	PLANT ACQUISITION ADJUSTMENT (K)			
7	AMORTIZATION ACQUISITION ADJUSTMENT (K)			
8	CONSTRUCTION WORK IN PROGRESS (D)			
9	MATERIALS & SUPPLIES (E)			
10	PREPAYMENTS (E)			
11	CASH WORKING CAPITAL (F)			
12	OTHER WORKING CAPITAL (E)(G)			
13	INVESTMENT IN SFI (E)			
14	ACCUM DEF W-3 MAINT/REFUEL (H)			
15	NUCLEAR FUEL IN REACTOR (E)			
16	NUCLEAR REFUELING OUTAGE			
17	FUEL INVENTORY (E)			
18	W-3 DESIGN BASIS/REGULATORY STUDY COST			
19	RIVER BEND AFUDC GROSS-UP			
20	COAL CAR MAINTENANCE RESERVE			
21	DOE DECOM. & DECONTAMINATION FEE			
22	CUSTOMER ADVANCES			
23	CUSTOMER DEPOSITS			
24	UNFUNDED PENSION			
25	ACCUM DEFERRED INCOME TAXES			
26	RATE CASE EXPENSES			
27	OTHER (I) (J)			
28	RATE BASE (L3 + Sum of L4 - L27)			

NOTES:

- (A) BEGINNING/ENDING AVERAGE BALANCES ARE TO BE UTILIZED EXCEPT WHERE OTHERWISE NOTED.
- (B) ADJUSTMENTS AS SET OUT IN ATTACHMENT C TO THIS RIDER FRP
- (C) PLANT IN SERVICE EXCLUDING DISALLOWED PLANT INVESTMENT AND PLANT HELD UNDER FINANCING - SALE/LEASEBACK
- (D) AMOUNT NOT SUBJECT TO AFUDC ACCRUAL
- (E) 13-MONTH AVERAGE BALANCES
- (F) BASED ON CURRENT LEAD/LAG STUDY
- (G) INCLUDES RESERVES FOR THE FOLLOWING: UNCOLLECTIBLES, COLLECTION OF BANK MINIMUM BALANCES, WORKING FUNDS AND PROPERTY, INJURIES & DAMAGES, ENVIRONMENTAL, COMMERCIAL LITIGATION AND OTHER RESERVES
- (H) 50% REFUELING OUTAGE EXPENSE FOR THE EVALUATION PERIOD
- (I) OTHER ITEMS INCLUDED PURSUANT TO SECTION 9 OF ATTACHMENT C TO THIS RIDER FRP
- (J) BEGINNING/ENDING AVERAGE OR 13 MONTH AVERAGE AS APPROPRIATE
- (K) YEAR END BALANCES FOR PLANT ACQUISITIONS MADE DURING THE TEST YEAR

ENTERGY LOUISIANA, LLC OPERATING INCOME				
LINE NO	DESCRIPTION	PER BOOKS	ADJUST- MENTS (A)	ADJUSTED AMOUNT
	REVENUES			
1	SALES TO ULTIMATE CUSTOMERS LPSC RETAIL			
2	SALES FOR RESALE			
3	EPP & SYSTEM SALES			
4	OTHER ELECTRIC REVENUE			
5	TOTAL OPERATING REVENUES (Sum of L1 – L4)			
	EXPENSES			
6	OPERATION & MAINTENANCE PRODUCTION			
7	REGIONAL MARKET			
8	TRANSMISSION			
9	DISTRIBUTION			
10	CUSTOMER ACCOUNTING			
11	CUSTOMER SERVICE & INFORMATION			
12	SALES			
13	ADMINISTRATIVE & GENERAL			
14	TOTAL O & M EXPENSE (Sum of L6 - L13)			
15	GAIN FROM DISPOSITION OF ALLOWANCES			
16	GAIN ON DISPOSITION OF UTILITY PLANT			
17	REGULATORY DEBITS AND CREDITS			
18	DEPRECIATION, AMORT, DECOM & ACCRETION EXP			
19	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT			
20	INTEREST ON CUSTOMER DEPOSITS			
21	TAXES OTHER THAN INCOME			
22	CURRENT STATE INCOME TAX			
23	CURRENT FEDERAL INCOME TAX			
24	PROV DEF INC TAX - STATE – NET			
25	PROV DEF INC TAX - FED – NET			
26	INVESTMENT TAX CREDIT – NET			
27	OTHER (NOTE B)			
28	TOTAL UTILITY OPERATING EXP (L14 + Sum of L15 - L27)			
29	NET UTILITY OPERATING INCOME (L5 – L28)			

NOTES:

(A)ADJUSTMENTS DEFINED IN ATTACHMENT C TO THIS RIDER FRP (SEE SECTION 4)

(B)OTHER ITEMS INCLUDED PURSUANT TO SECTION 9 OF ATTACHMENT C TO THIS RIDER FRP

ENTERGY LOUISIANA, LLC INCOME TAX				
LINE NO	DESCRIPTION	PER BOOKS	ADJUST- MENTS (A)	ADJUSTED AMOUNT
1	TOTAL OPERATING REVENUES (Page 3, L5)			
2	TOTAL O&M EXPENSE (Page 3, L14)			
3	GAIN FROM DISPOSITION OF ALLOWANCES (Page 3, L15)			
4	GAIN ON DISPOSITION OF UTILITY PLANT (Page 3, L16)			
5	REGULATORY DEBITS AND CREDITS (Page 3, L17)			
6	DEPRECIATION, AMORT, DECOM & ACCRETION EXPENSE (Page 3, L18)			
7	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT (Page 3, L19)			
8	INTEREST ON CUSTOMER DEPOSITS (Page 3, L20)			
9	TAXES OTHER THAN INCOME (Page 3, L21)			
10	OTHER (Page 3, L27)			
11	NET INCOME BEFORE INCOME TAXES (L1 - Sum of L2 – L10)			
12	ADJUSTMENTS TO NET INCOME BEFORE TAXES			
13	TAXABLE INCOME BEFORE CURRENT STATE INCOME TAX (L11 + L12)			
COMPUTATION OF STATE INCOME TAX				
14	STATE ADJUSTMENT			
15	STATE TAXABLE INCOME (L13 + L14)			
16	CURRENT STATE INCOME TAX [L15 * Effective State Tax Rate (see Note B)]			
17	OTHER ITEMS IMPACTING CURRENT STATE INCOME TAX			
18	TOTAL CURRENT STATE INCOME TAX (L16 + L17)			
COMPUTATION OF FEDERAL INCOME TAX				
19	TAXABLE INCOME BEFORE CURRENT STATE INCOME TAX (L13)			
20	CURRENT STATE INCOME TAX [L16 (shown as deduction)]			
21	FEDERAL TAXABLE INCOME (Sum of L19 – L20)			
22	CURRENT FEDERAL INCOME TAX [L21 * Federal Tax Rate (see Note B)]			
23	OTHER ITEMS IMPACTING CURRENT FEDERAL INCOME TAX			
24	TOTAL CURRENT FEDERAL INCOME TAX (L22 + L23)			

NOTES:

(A) ADJUSTMENTS DEFINED IN ATTACHMENT C TO THIS RIDER FRP (SEE SECTION 4)

(B) THE TAX RATE IN EFFECT AT THE TIME THE EVALUATION REPORT IS FILED SHALL BE UTILIZED.

ENTERGY LOUISIANA, LLC
EVALUATION PERIOD ADJUSTMENTS

The actual (per book) data for the Evaluation Period, as reflected in Attachment B, shall be adjusted to reflect the following:

1. Special Rates

- A) Present rate revenue shall be adjusted to reflect, on an annualized basis, the Rate Adjustments in effect at the end of the Evaluation Period under this Rider FRP.
- B) The rate base, revenue and expense effects associated with any riders, or other rate mechanisms, that ELL may have in effect during the Evaluation Period which recover specific costs including Section 2.C.2(a) of this Rider FRP are to be eliminated.

2. Interest Synchronization

All Evaluation Period interest expenses are to be eliminated and replaced with an imputed interest expense amount equal to the Evaluation Period rate base multiplied by the weighted embedded cost of debt for the Evaluation Period determined in accordance with Attachment D.

3. Income Taxes

All state and federal income tax effects including 1) adjustments to taxable income, 2) adjustments to current taxes, 3) provisions for deferred income tax (debit and credit), and 4) accumulated provision for deferred income tax (debit and credit) shall be adjusted or eliminated, as appropriate, to comport with the following principles:

- A) Effects associated with other adjustments set out in this Attachment C shall similarly and consistently be adjusted;
- B) All effects associated with the difference in the timing of transactions, where the underlying timing difference is eliminated, shall also be eliminated;
- C) The corporate state and federal income tax laws legally in effect on the date an Evaluation Report is filed under this Rider FRP shall be reflected in the calculation of all income tax amounts; and
- D) Tax effects normally excluded in prior Commission Orders regarding ELL for ratemaking purposes shall be eliminated.

4. Specific Ratemaking Adjustments

The following adjustments shall be made for each Evaluation Period to the extent they remain applicable:

- A. Fuel Adjustment revenues and purchased power expense shall be adjusted in accordance with LPSC Order No. U-16945 related to ELL's Grand Gulf allocation, LPSC Order U-32328-A and any future orders of the LPSC.
- B. Decommissioning expense will be based on the latest approved cost estimates, escalation rates, earnings rates and the depreciable life of Waterford 3 and River Bend.
- C. Depreciation expense shall be based on the latest approved Louisiana depreciation rates including a 60-year life for River Bend.

- D. The State Corporate Franchise Tax shall be proformed to reflect the State Corporate Franchise Tax, consistent with the terms of LPSC Order No's. S-28919 and U-21453 (Subdocket J).
- E. Adjustments to remove the River Bend Deregulated Asset Plan ("DAP") cost effects from rate base and expenses.
- F. Adjustment to remove the 30% unregulated River Bend cost effects from rate base and expense.
- G. Adjustment to Louisiana retail revenue requirement for the DAP revenue requirement.
- H. Cash working capital shall be determined by the most recently approved lead/lag study.
- I. Nelson Rail Spur to be included in rate base and expense as if owned by ELL.
- J. The actual-prudently incurred external costs to achieve the Business Combination's customer benefits ("CTABs") that have been or will be incurred during the period January 1, 2014 through December 31, 2015 shall be deferred as a regulatory asset and amortized over a ten-year period beginning with the first billing cycle following the implementation of the ELL FRP for the 2014 Evaluation Period. The annual amortization of the CTABs shall be treated as an FRP revenue requirement subject to the bandwidth earnings test. The amount of CTABs to be amortized will not exceed \$25 million, and CTABs will only include actual, prudently-incurred, external ELL, EGSL or ELP costs. CTABs will not include any costs associated with review by the Council of the City of New Orleans of the Business Combination, the Algiers asset transfer, or any other costs incurred by or in connection with proceedings before the Council. Carrying charges on the CTABs shall not be accrued.
- K. To the extent that there are additional FERC-ordered refunds and/or changes in rates pertaining to amounts billed ELL applicable to Grand Gulf , ELL shall reflect a corresponding adjustment to annualize the associated retail revenue requirement effects. These adjustments, if made during the term of this FRP renewal, shall be dollar-for-dollar outside the bandwidth provisions of this Rider FRP and will include any retroactive effects, including refunds or credits.

5. Reclassifications

- A) Revenues associated with ELL's rates in the LPSC Retail or FERC (Sales for Resale) jurisdictions, but included in Other Electric Revenue on a per book basis (Attachment B, Page 3, Line 6), shall be reclassified to the appropriate jurisdictional rate schedule revenue category.
- B) Costs not allowable for ratemaking purposes shall be removed by adjustment from the Evaluation Period cost data. Likewise, costs that are allowed, but recorded below the utility operating income line, shall be included in the Evaluation Period cost data through appropriate reclassification adjustments. These adjustments shall include, but are not limited to: 1) the reclassification of below-the-line interest expense associated with customer deposits and 2) interest income related to ESI and EOI and, 3) Letter of Credit Fees related to MISO.

6. Out-of-Period Items

Except with respect to expenses and revenues arising from a Federal Energy Regulatory Commission-jurisdictional tariff, expenses and revenues recorded in any Evaluation Period that are related to transactions occurring prior to 2005 under the Legacy Entergy Louisiana, LLC company and prior to 2004 under the Legacy Entergy Gulf States Louisiana, L.L.C. company shall be eliminated by adjustment from the Evaluation Period cost data. This shall include any associated tax adjustments.

7. Environmental Costs

To maintain neutrality in the recovery of the costs recovered via the Environmental Adjustment Clause ("EAC"), the Company shall make an adjustment to remove the Account 447 revenue associated with its affiliate-related billings of EAC costs.

8. Ratemaking Treatment with Respect to Guaranteed and Contingent Credits Arising from the Business Combination in Docket U-33244

In connection with the stipulation approved in LPSC Order, U-33244-B, ratemaking treatments with respect to Guaranteed and Contingent Credits were approved and shall be reflected in the calculation included on Attachment F Line 31 via the Extraordinary Cost Provision.

9. Other

In addition to Adjustments 1-8 above, there may from time to time be special cost or rate effects that occur during an Evaluation Period that require adjustment of the Evaluation Period cost data. Nothing in this Rider FRP shall preclude any Party from proposing such adjustments. Such that Other adjustments required to be made to the evaluation period data are associated with costs embedded within Legacy FRP rates, and outside of any true-ups or adjustment provisions already provided for within this rider. Other adjustments shall be deemed to be made on a prospective basis through the ELL FRP, unless otherwise authorized by the LPSC.

ENTERGY LOUISIANA, LLC
BENCHMARK RATE OF RETURN ON RATE BASE

DESCRIPTION	(A) CAPITAL AMOUNT (1) (\$)	(B) CAPITAL RATIO (2)	(C) COST RATE (3)	(D) BENCHMARK RATE OF RETURN ON RATE BASE (4)
1 SHORT-TERM DEBT				
2 LONG-TERM DEBT				
3 TOTAL DEBT				
4 PREFERRED EQUITY				
5 COMMON EQUITY			<u>EPCOE</u>	
6 TOTAL		100.00%		BRORB

NOTES:

- (1) Amounts at the end of the Evaluation Period, except Short-Term Debt which is the 13-month average, as adjusted for refinancing activities that occur prior to implementation of the Evaluation Report. All Long-Term Debt issues shall reflect the balance net of a) unamortized debt discount, premium, and expense; b) gain or loss on reacquired debt; and c) any adjustments required per Attachment C. All Preferred Stock issues shall reflect the balance net of discount, premium and capital stock expense. Common equity and preferred equity shall be adjusted for the net unamortized balance of gains and losses on reacquired preferred stock. Amounts related to Securitization financing and interim storm financing that was the subject of Order No. U-35762 will be eliminated.
- (2) Each Capital Amount divided by the Total Capital Amount. However, if the Common Equity Ratio exceeds the weighted average common equity ratio of all five Entergy Operating Companies plus 2%, the Common Equity Capital Amount shall be reduced so that the Common Equity Ratio is equal to the weighted average common equity ratio of all five Entergy Operating Companies plus 2%. Any resulting reduction in the Common Equity Capital Ratios (%) shall then be allocated to Short-Term Debt, Long-Term Debt and Preferred Equity on a pro rata basis based on the corresponding Capital Amounts.
- (3) Annualized cost of Long-Term Debt and Preferred Equity at the end of the Evaluation Period, as adjusted for refinancing activities that occur prior to implementation of the Evaluation Report, divided by the corresponding Capital Amount. The Short-Term Debt Cost Rate is the 13-month average of the Short-Term Debt interest rates on the last day of each month of the Evaluation Period and the immediately preceding December 31. The Long-Term Debt Cost Rate shall include a) annualized amortization of debt discount premium, and expense; b) annualized gain or loss on reacquired debt; and c) any adjustments required per Attachment C. The Common Equity Cost Rate shall be the Evaluation Period Cost Rate for Common Equity (EPCOE) determined in accordance with Attachment E.
- (4) The components of the Benchmark Rate of Return on Rate Base (BRORB) column are the corresponding Cost Rates multiplied by the associated Capital Ratio. The BRORB is the sum of the components so determined and expressed as a percent to two decimal places (XX.XX%).

**ENTERGY LOUISIANA, LLC
EVALUATION PERIOD COST RATE FOR COMMON EQUITY PROCEDURE**

A. EVALUATION PERIOD COST RATE FOR COMMON EQUITY

The EPCOE applicable for any Evaluation Report pursuant to this Rider FRP shall be 9.50%. This EPCOE shall remain in effect until a new procedure for determining the EPCOE is established and implemented in connection with any extension of this Rider FRP, or until the EPCOE is superseded or new base rates are duly approved and implemented, as provided in Section 6 of this Rider FRP.

Entergy Louisiana, LLC
Formula Rate Plan
Rider FRP Revenue Redetermination Formula
Electric
For the Test Year Ended December 31, 2022

SECTION 1			
BANDWIDTH DEVELOPMENT			
Line No	DESCRIPTION	REFERENCE	
1	Earned Rate of Return on Common Equity	Attachment B, Page 1, L26	8.33%
2	Evaluation Period Cost Rate for Common Equity	Developed per Attachment E	9.50%
3	If L2 + 0.50% < L1		FALSE GO TO Section 2
4	If L2 - 0.50% > L1		TRUE GO TO Section 3
5	Otherwise		No Rate Change
SECTION 2			
UPPER BAND RATE ADJUSTMENT			
Line No	DESCRIPTION	REFERENCE	
6	Earned Rate of Return on Common Equity	L1	%
7	Upper Band	L2 + 0.50%	%
8	Reduction to Upper Band	L6 - L7	%
9	Extraordinary Cost and/or Capacity Cost	See Note 2	
10	Common Equity Capital Ratio	Attachment D, L5, Column B	%
11	LPSC Retail Rate Base	Attachment B, Page 1, L21	\$
12	Revenue Conversion Factor	Attachment B, Page 1, L6	
13a	Net Cost Impact on Common Equity	L9 / (L10 * L11 * L12)	%
13b	Reduction due to Extraordinary/Capacity Costs	Lesser of L8 or L13a	%
13c	Reduction in Earned Rate of Return on Common Equity	If L8 > L13b, then 0.50% of (L8 - L13b); otherwise zero	%
14	Total ROE Reduction	L13b + L13c	%
			No Rate Change
15	If L14 ≤ 0.50%		
16	If L14 > 0.50%, then Reduction in Base Rider FRP Revenue	L10 * L11 * L12 * L14	\$
SECTION 3			
LOWER BAND RATE ADJUSTMENT			
Line No	DESCRIPTION	REFERENCE	
17	Lower Band	L2 - 0.50%	9.00%
18	Earned Rate of Return on Common Equity	L1	8.33%
19	Increase to Lower Band	L17 - L18	0.67%
20	Increase in Earned Rate of Return on Common Equity	100% of L19	0.67%
21	If L20 ≤ 0.50%		No Rate Change
22	If L20 > 0.50%, then		
23	Increase in Earned Rate of Return on Common Equity	L20	0.67%
24	Common Equity Capital Ratio	Attachment D, L5, Column B	49.51%
25	LPSC Retail Rate Base	Attachment B, Page 1, L21	\$ 15,517,300,768
26	Revenue Conversion Factor	Attachment B, Page 1, L6	1.38307
27	Increase in Base Rider FRP Revenue	L23 * L24 * L25 * L26	\$ 70,741,336
SECTION 4			
RIDER FRP REVENUE EXCLUDING MCRM & TRAM			
Line No	DESCRIPTION	REFERENCE	
28	Legacy FRP Revenue Requirement Total	L 45	\$ 541,509,112
29	Annualized Evaluation Period Incremental FRP Revenues	See Note 1	\$ 774,391,345
30	(Reduction)/Increase in Base Rider FRP Revenue	See Note 2	\$ 4,874,106
31	Extraordinary Cost Change Revenue	See Note 3	\$ (21,381,103)
32	Additional Capacity Revenue Requirement (ELL)	Per Sec. 3.D of the Tariff	\$ (1,499,019)
33	Transmission Recovery Mechanism Revenues (ELL)	Per Sec. 3.F of the Tariff	\$ 29,078,938
34	Incremental FRP Revenue excluding MCRM & TRAM (FRPXMCRMxTRAM)	Sum of L29 - L33	\$ 785,464,267
35	Distribution Recovery Mechanism (DRM)	Per Sec. 3.G of the Tariff; See Note 4	\$ 76,955,545
36	Rider FRP Revenue excluding MCRM & TRAM (FRPXMCRMxTRAM)	Sum of L28 + L34 + L35	\$ 1,403,928,924

Notes:

- (1) Rider ELL FRP Rate Adjustments in effect at the end of the applicable Evaluation Period multiplied by the applicable Evaluation Period billing determinants. See AJ01A.2, Column J
- (2) See Docket No. 35565 LPSC Order, Section C.7 and page 2.4, Line 5
- (3) Per Sections, 3.A, 3.D, 3.E, 3.F and 2.C.2.c.(5) and page 2.3.
- (4) See AJ24.1 Line 1 + 8 and AJ01A.2 Column L

SECTION 5			
LEGACY FRP REVENUE REQUIREMENT			
Line No	DESCRIPTION	REFERENCE	
37	Annualized Legacy ELL-L FRP Revenue	See Note 1	\$ 323,991,371
38	Legacy ELL-L Additional Capacity Revenue Requirement	Per Sec. 3.D of the Tariff	\$ 19,115,556
39	Legacy ELL-L Other Adjustments	Per Sec. 2.C.1.h of the Tariff	\$ -
40	Legacy ELL-L FRP Revenue Requirements Total	Sum of L37 - L39	<u>\$ 343,106,927</u>
41	Annualized Legacy EGSL-L FRP Revenue	See Note 2	\$ 196,591,526
42	Legacy EGSL-L Additional Capacity Revenue Requirement	Per Sec. 3.D of the Tariff	\$ 1,810,659
43	Legacy EGSL-L Other Adjustments	Per Sec. 2.C.1.h of the Tariff	\$ -
44	Legacy EGSL-L FRP Revenue Requirements Total	Sum of L41 - L43	<u>\$ 198,402,184</u>
45	Legacy FRP Revenue Requirement Total	Sum of L40 + L44	<u>\$ 541,509,112</u>
SECTION 6			
MISO COST RECOVERY & TAX REFORM ADJUSTMENT MECHANISMS			
Line No	DESCRIPTION	REFERENCE	
46	MISO Rec. Rev. Requirement (MCRM)	Per Sec. 4 & Att. G Pg. 1 L 16	\$ (94,326,020)
47	Tax Reform Adjustment Mechanism (TRAM)	Per Sec. 5 & Att. H Pg. 1 L 8.	\$ (37,780,650)

Notes:

- (1) Legacy ELL-L FRP Rate Adjustments in effect at the end of the applicable Evaluation Period multiplied by the applicable Evaluation Period billing determinants. See AJ01A.2, Column H
- (2) Legacy EGSL-L FRP Rate Adjustments in effect at the end of the applicable Evaluation Period multiplied by the applicable Evaluation Period billing determinants. See AJ01A.2, Column H

Entergy Louisiana, LLC			
Formula Rate Plan Rider Schedule FRP			
MISO Cost Recovery Mechanism Formula ELA (1)			
Projected for the Twelve Months Ended December 31, 20XX			
Ln No.	Description	Amount	Reference
	Net MISO Charges/(Credits)		
1	Schedule 10 Invoice	-	Att G Page 2, L6
2	Non-TO Trust Invoice	-	Att G Page 2, L12
3	TO-Trust Invoice	-	Att G Page 2, L19
4	Sch. 31 - Reliability Coordination Service Cost Recovery Adder	-	Att G Page 2, L20
5	Administrative Costs	-	Att G Page 2, L21
6	Other MISO Settlements	-	Att G Page 2, L22
7	Net MISO Charges/(Credits)	-	Sum of Lines 1 - 6
	Cost Associated with MISO Renewal Deferral (2)		
8	Carrying Cost on MISO Renewal Deferral		
9	Amortization of MISO Renewal Deferral		
10	Cost associated with MISO Renewal Deferral	-	Sum of Lines 8 - 9
11	Net MISO-related Costs	-	L7 + L10
12	Retail Allocation Factor (3)	-	
13	Revenue Related Expense Factor (4)	-	
14	Net Retail MISO Costs to be Recovered	-	L11 * L12 * L13
15	True-up of MISO Cost Recovery Revenue Requirement	-	Att G Page 3, L19
16	MISO Cost Recovery Mechanism (MCRM) Revenue Requirement	-	L14 + L15
Notes:			
(1)	Pursuant to Section 4 of this Formula Rate Plan (Rider FRP)		
(2)	Return of and on MISO Renewal Deferral per Section 4.C. of this Rider FRP.		
(3)	LA Retail Allocation Factor as calculated in Miscellaneous Schedule MD 1.		
(4)	Revenue Related Expense Factor = $1 / (1 - \text{Louisiana Retail Bad Debt Rate} - \text{Revenue-Related Tax Rate} - \text{Regulatory Commission Expense Rate})$.		

Entergy Louisiana, LLC			
Formula Rate Plan Rider Schedule FRP			
MISO Cost Recovery Mechanism Formula			
Projected for the Twelve Months Ended December 31, 20XX			
Ln No.	Description	Amount	Reference
Schedule 10 Invoice			
1	Schedule 10 ISO Cost Recovery Adder	-	
2	Sch. 10 - FERC FERC Annual Charges Recovery	-	
3	Schedule 23 Recovery of Sch. 10 & Sch. 17 Costs from Certain GFAS	-	
4	Schedule 34 Allocation of Costs Associated With Penalty Assessments (1)	-	
5	Schedule 35 HVDC Agreement Cost Recovery Fee	-	
6	Total Schedule 10 Invoice	-	Sum of Lines 1 - 5
Non-TO Trust Invoice			
7	Schedule 1 Scheduling, System Control, and Dispatch Service	-	
8	Schedule 2 Reactive Power	-	
9	Schedule 11 Wholesale Distribution Services (2)	-	
10	Schedule 15 Power Factor Correction Service	-	
11	Schedule 20 Treatment of Station Power	-	
12	Total Non-TO Trust Invoice	-	Sum of Lines 7-11
TO-Trust Invoice			
13	Schedule 7 Long & Short-Term Firm Point-To-Point Trans. Service	-	
14	Schedule 8 Non-Firm Point-To-Point Transmission Service	-	
15	Schedule 9 Network Integration Transmission Service	-	
16	Schedule 26 Network Upgrade Charge From Trans. Expansion Plan	-	
17	Schedule 26-A Multi-Value Project Usage Rate	-	
18	Schedule 33 Blackstart Service	-	
19	Total TO-Trust Invoice	-	Sum of Lines 13-18
20	Schedule 31 - Reliability Coordination Service Cost Recovery Adder	-	
21	Administrative Costs	-	
22	Other MISO Settlements	-	
Notes:			
(1)	Cost associated with potential future NERC penalties could show up under Schedule 10 Invoice or Market Settlements.		
(2)	Includes Wholesale Distribution Services, Prior Period Adjustments and Other.		

Entergy Louisiana, LLC
Formula Rate Plan Rider Schedule FRP
MISO Cost Recovery Mechanism Formula
True-up of MISO Cost Recovery Mechanism
For the Period ended December 31, 20XX

Ln No.	Description	Amount	Reference
	Actual Net MISO Charges/(Credits)		
1	Schedule 10 Invoice	-	
2	Non-TO Trust Invoice	-	
3	TO-Trust Invoice	-	
4	Schedule 31 - Reliability Coordination Service Cost Recovery Adder	-	
5	Administrative Costs related to Market Settlements	-	
6	Other MISO Market Settlements	-	
7	Net MISO Charges/(Credits)	-	Sum of Lines 1 - 6
	Actual Cost Associated with MISO Renewal Deferral (2)		
8	Carrying Cost on MISO Renewal Deferral	-	
9	Amortization of MISO Renewal Deferral	-	
10	Cost associated with MISO Renewal Deferral	-	Sum of Lines 8 - 9
11	Net MISO-related Costs	-	L7 + L10
12	Louisiana Retail Allocation Factor	-	
13	Revenue Related Expense Factor (2)	-	
14	Actual Net Retail MISO Costs to be Recovered	-	L11 * L12 * L13
15	Estimated Net Retail MISO Costs to be Recovered	-	Preceding Filing Att G Page 1, L14
16	Difference in Actual & Est. MISO Cost Recovery Revenue Requirement	-	L14 - L15
17	Before-Tax Weighted Average Cost of Capital	-	
18	Carrying Cost	-	L16 * (L17/2)
19	True-up of MISO Cost Recovery Revenue Requirement	-	L16 + L18
Notes:			
(1)	Pursuant to Section 4.A.3. of this Formula Rate Plan (Rider FRP)		
(2)	See Attachment G, Page 1 Note (4)		

Entergy Louisiana, LLC
Formula Rate Plan Rider Schedule FRP
Tax Reform Adjustment Mechanism Formula
For the Test Year Ended December 31, 20XX

Ln No.	Description	Amount	Reference
1	Protected Excess ADIT Give-Back	-	
2	Offsetting Revenue Requirement Increase	-	
3	Net Protected Give-Back ⁽¹⁾	-	Sum of Lines 1-2
4	Unprotected Excess ADIT Give-Back	-	
5	Offsetting Revenue Requirement Increase	-	
6	Net Unprotected Give-Back ⁽²⁾	-	Sum of Lines 4-5
7	Amortization of Income Tax Expense Liability	-	
8	MSS-4 Effects of Unprotected Give-Back ⁽³⁾	-	
9	Protected Excess True Up ⁽⁴⁾	-	
10	Net TRAM Amount ⁽⁵⁾	-	Sum of Lines 3, 6, 7, 8, and 9

Notes:

- (1) Reference page 8.2
(2) Reference page 8.3
(3) Reference page 8.4
(4) Reference page 8.5
(5) Value includes gross-up for taxes and revenue related expenses as well as retail allocation factor