BEFORE THE
ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE PETITION OF ENTERGY ARKANSAS, INC. FOR A DECLARATORY ORDER REGARDING A PURCHASE POWER AGREEMENT FOR A RENEWABLE RESOURCE	)))))	DOCKET NO. 15-014-U

PETITION FOR A DECLARATORY ORDER AND APPROVAL OF A PURCHASE POWER AGREEMENT AND RECOVERY OF AN ADDITIONAL AMOUNT FOR A RENEWABLE SOLAR RESOURCE

COMES NOW ENTERGY ARKANSAS, INC. ("EAI" or the "Company"), and for its Petition for a Declaratory Order and Approval of a Purchase Power Agreement and Recovery of an Additional Amount for a Renewable Solar Resource ("Application"), states:

DESCRIPTION OF THE COMPANY

1. The Company is a corporation organized and existing under the laws of the State of Arkansas, and is a public utility, as defined by Ark. Code Ann. § 23-1-101 *et seq*., subject to the jurisdiction of the Arkansas Public Service Commission ("APSC" or the "Commission"). The Company's principal place of business is located at the Simmons Tower Building, 425 West Capitol Avenue, Little Rock, Arkansas 72201. A copy of the Company's Agreement of Consolidation of Merger (Articles of Incorporation) is on file with the APSC and is hereby incorporated by reference.

2. The Company's property consists of facilities for the generation, transmission, and distribution of electric power and energy to retail and wholesale customers. These facilities are located principally in the State of Arkansas. As of November 30, 2014, the Company provided retail electrical service subject to the jurisdiction of the Commission to a total of 700,596 customers. Of these customers, 586,079 were residential; 90,850 were commercial; 22,974 were industrial; and 693 were public agencies, institutions, or others.

3. EAI owns or operates two nuclear generating units, four coal-fueled generating units, four hydroelectric plants, one large natural gas-fueled steam electric generation station, two natural combined-cycle gas turbine ("CCGT") generating facilities and two gas-fired combustion turbine ("CT") generating facilities.[1] In addition, EAI purchases capacity and associated energy from the Grand Gulf Nuclear Station in Mississippi and capacity and associated energy from a power block at the Union Power Station ("UPS") in Arkansas under an approximately three-year power purchase agreement ("PPA;"); however, that PPA may be affected by the outcome of the acquisition pending in Docket No. 14-118-U. These resources provide EAI with approximately 5,282 MW of generating capability that is available to serve its customers. EAI also owns and operates approximately 938 circuit miles of extra high voltage transmission lines

[1] EAI also has pending in Docket No. 14-118-U approval of an acquisition of a CCGT generating unit at the Union Power Station. EAI requested approval of that acquisition prior to December 1, 2015 in order to provide for a 2015 year-end transaction closing.

of 345 kV or greater; 169 circuit miles of transmission lines of 230 kV; 3,538 circuit miles of transmission lines of 161 kV and lower; transmission substations, distribution substations, and associated facilities necessary to provide electric service.

JURISDICTION,

LEGISLATIVE FINDINGS, AND RELIEF REQUESTED

4. This Application for approvals related to a solar PPA is filed pursuant to Ark. Code Ann. § 23-2-301, Act 1088,[2] Ark. Code Ann. § 23-18-701, *et. seq*. (the "Arkansas Clean Energy Development Act") together with Ark. Code Ann. § 23-18-502(c)(1) (part of the "Utility Facility and Environmental and Economic Protection Act"), and Section 4 of the Commission's Rules of Practice and Procedure.

5. With its passage of the Arkansas Clean Energy Development Act of 2012, the General Assembly found that "it is in the public interest to require all electric…public utilities subject to the jurisdiction of the [APSC] to consider clean energy and the use of renewable energy resources as part of any resource plan…"[3] The General Assembly further noted that the purpose of the 2012 Act was to ensure that all electric utilities subject to APSC jurisdiction "will consider

[2] Act 1088 amends Arkansas Code Title 23, Chapter 18, Subchapter 1 to add Ark. Code Ann. §23-18-108 regarding PPAs.
[3] Ark. Code Ann. § 23-18-701(a).

clean energy and the use of renewable resources as part of any resource plan…"[4] Accordingly, by law:

> All electric and natural gas public utilities subject to the jurisdiction of the [APSC] shall consider clean energy and the use of renewable resources as part of any resource plan or natural gas procurement plan.[5]

The 2012 Act provides that the Commission may approve any clean energy resource or renewable energy resource that it determines to be in the public interest.[6] Further, the General Assembly included as part of the Utility Facility and Environmental and Economic Protection Act the finding that "laws and practices relating to the…operation of the utility facilities should provide for the protection of environmental values, encourage the development of alternative renewable and nonrenewable energy technologies that are energy-efficient, and take into account the total cost to society of the facilities…"[7] The PPA in this case is consistent with all of the General Assembly's findings by virtue of its nature as a solar, renewable resource, the procurement of which is in the public interest.

6. Act 1088 was recently passed by the General Assembly[8] and provides that a utility cannot enter into a PPA for a term longer than five years,

[4] *Id*. at (b).
[5] Ark. Code Ann. § 23-18-702.
[6] Ark. Code Ann. § 23-18-703(a)(3).
[7] Ark. Code Ann. § 23-18-502(c)(1).
[8] Act 1088 was recently passed by the General Assembly on March 30, 2015. It was signed by the Governor on April 7, 2015 and is expected to become effective on or around ninety days from May 8, 2015. EAI is requesting a decision in this case by September 30, 2015, which is after the anticipated effective date of Act 1088.

without a finding from the Commission that: (1) the cost of the PPA is reasonable and prudent; (2) the PPA will provide savings for retail customers as compared to other generation and power supply options over the term of the PPA; (3) the PPA is required by public convenience and necessity; (4) the PPA is necessary to supplement or replace the utility's existing generation sources; and (5) approval of the PPA is in the public interest.[9] Further, after making such findings approving the PPA, the APSC may approve the utility's recovery of the costs of the PPA over the term of the PPA.[10] Act 1088 also provides for recovery of an additional amount:

> (e)(1)(A) If the commission approves a [PPA] under this section, the commission may authorize the utility to recover an additional sum as determined by the commission in recognition of the unique characteristics of the [PPA] if the commission finds that including the additional sum is in the public interest.
>
> (B) However, an additional sum is not appropriate if the generator party to the [PPA] is an affiliate of the utility.
>
> (2) In determining the additional sum allowed under subdivision (e)(1) of this section, the commission may consider:
>
> (A) The risks of the [PPA];
>
> (B) A commensurate return on the [PPA] as would be allowed for an equivalent investment in a power plant;
>
> (C)(i) An equitable sharing of any savings between the utility and the retail customers of the utility.
>
> (ii) However, the retail customers' share shall not be less than seventy-five percent (75%); and
>
> (D) Any other reasonable mechanisms for determining the additional sum…
>
> (3) If the commission authorizes an additional sum under this subsection, the utility shall recover the additional sum over the entire term of the [PPA] in the same manner as it recovers the cost of the [PPA] as long as electricity, generation capacity, or ancillary

[9] Act 1088, adding Ark. Code Ann. § 23-18- 108(c)(1) – (5).
[10] *Id*. at (d).

> products are being delivered in accordance with the terms of the [PPA].[11]

The facts of the this case support the conclusion that the solar PPA is in the public interest and further that EAI should be allowed to equitably share in the savings being realized by its retail customers.

7. For the reasons stated below and supported in the accompanying testimony, EAI is hereby requesting that, prior to September 30, 2015, the Commission issue an order granting:

a. declaratory relief that the legislative findings set forth in the Arkansas Clean Energy Development Act of 2012 and included in the Utility Facility and Environmental and Economic Protection Act, as well as the economics and efficiencies associated with the agreement, support the conclusion that the instant solar PPA is required by the public convenience and necessity and in the public interest;

b. approval of the terms and conditions set forth in the solar PPA as being in compliance with the requirements set forth in Act 1088;

c. approval of EAI's recovery of the costs of the PPA over the term of the PPA through EAI Rate Schedule No. 38, Energy Cost Recovery Rider ("Rider ECR");

[11] *Id*. at (e).

d. approval of EAI's recovery of the costs of the upfront costs representing an alternative to an increased energy cost under the contract through Rider ECR and a return thereon through base rates; and

e. approval of EAI's recovery through Rider ECR, as proposed to be amended in this docket, of an additional amount, as determined as a function of this docket, representing an equitable sharing of the savings to retail customers.

THE SOLAR PPA AND PROJECT

8. On April 3, 2015, the Company executed a 20-year PPA (the solar "PPA" or "Agreement") with Stuttgart Solar, LLC ("Stuttgart Solar")[12] for a renewable energy resource. The Stuttgart Solar Project ("Project"), which will be located near Stuttgart, Arkansas, is planned to be an 81 MW solar photovoltaic project interconnecting to the existing 115kV Ricuskey-Almyra transmission line.

9. Stuttgart Solar is affiliated with one of the largest generators of solar energy in the United States that currently owns and operates approximately 771 MW of solar facilities in the United States, Canada, and Spain. NextEra Energy, Inc., through its affiliates, is the largest generator of wind and solar power in North America, with nearly 120 facilities in operation in 26 states and

[12] Stuttgart Solar, LLC is an indirect wholly-owned subsidiary of NextEra Energy Capital Holdings, Inc., a subsidiary of NextEra Energy, Inc.

four Canadian provinces. Approximately 95 percent of the electricity generated by NextEra facilities comes from clean or renewable fuels.

10. The Project will cover nearly 500 acres of land in Stuttgart and fundamentally will be comprised of solar panels mounted to a racking system and cabled to intermediate field transformers, inverters and ultimately to a step-up transformer which is interconnected to the Entergy Transmission System. The facility will produce power and inject it into the grid during the daylight hours based on the intensity of the solar energy reaching the panels. On a given summer day, the facility may begin producing energy around 6:00 a.m. and reach its maximum output around 10:00 a.m. The facility may stay at or near that maximum output level until approximately 3:00 p.m., at which point production will begin to decrease to a zero output level by dusk. On other days with significant cloud cover, the production may be more intermittent and only produce a small amount of energy over the course of a day. Over the course of a year, the solar facility is expected to have the production levels described by EAI witness H. Matt Wolf, all of which will be used to serve EAI's retail customers. The actual amount in any given year could vary significantly, and the annual expected amount will decrease slightly each year due to normal solar panel degradation.

11. EAI will buy the energy from Stuttgart Solar under the terms of the solar PPA at the price described by Mr. Wolf in his testimony, provided, however,

that if the facility delivers more than a specified amount of the expected energy in a given contract year, the excess energy will be priced at the alternative price described by Mr. Wolf. The energy price is fixed for all years of the contract, and EAI will pay this price for all energy that the facility is capable of producing up to a maximum hourly amount. This energy will be utilized for the benefit of EAI's retail customers in a manner similar to the energy received from EAI's nuclear, hydro, natural gas, and coal fueled resources. Energy from Stuttgart Solar is projected to displace other higher cost energy sources over the life of the solar PPA. Further, under the terms of the solar PPA, EAI will pay for all energy that the facility is capable of producing and putting on the transmission grid. In the event of any reliability problems with the transmission grid, EAI would not be required to pay for the associated lost production. In addition, EAI can stop or decrease delivery of energy that the facility is capable of producing and delivering and only pay the energy price. EAI will be responsible for any congestion costs and/or receive congestion benefits between the delivery point and EAI's load and will manage this risk as it does with the Company's other generation resources. EAI witness H. Matt Wolf provides an overview of some of the provisions of the solar PPA proposed between EAI and Stuttgart Solar.

12. The bulk of construction of the Project is expected to begin in the spring of 2016, with engineering, procurement, and permitting occurring in 2015. The Project is designed to qualify for the 30 percent federal investment tax credit ("ITC") that will be used by the provider to offset its cost of construction. Stuttgart

Solar expects to have a positive economic impact on the local economy and to contribute approximately $400,000 to $600,000 in annual property taxes during the Project's operational life. The local benefits expected by Stuttgart Solar are more fully described below and in the direct testimony of Company witness Kurtis W. Castleberry.

REQUEST FOR DECLARATORY RELIEF

13. As noted previously, pursuant to Act 1088, a utility seeking to enter into a PPA for a term longer than five years must establish that the PPA is required by public convenience and necessity and is in the public interest.[13] It is undisputed that the resource in this instance is a renewable, solar resource. The Project is the type of resource already found by the General Assembly to be desirable and essential in consideration of electric utilities' resource plans. It will also promote clean energy consistent with the Arkansas Clean Energy Development Act of 2012 and the findings included as part of the Utility Facility and Environmental and Economic Protection Act. Thus, in addition to its favorable economics and efficiencies in meeting EAI's power needs, the Project is also in the public interest by virtue of its renewable nature. EAI respectfully requests the Commission declare the solar PPA to be needed for the public convenience and necessity and in the public interest.

[13] Act 1088, adding Ark. Code Ann. § 23-18-108(c)(3) and (5).

SELECTION AND BENEFITS OF THE SOLAR PPA AND AN EQUITABLE SHARING OF THE SAVINGS WITH RETAIL CUSTOMERS: COMPLIANCE WITH ACT 1088

14. In May 2014, EAI issued the 2014 EAI Request for Proposals for Long-Term, Supply-Side and Renewable Generation Resources (the "2014 EAI RFP"). As discussed in greater detail by EAI witness H. Matt Wolf, the 2014 EAI RFP solicited proposals for generation resources and associated products from traditional resources and renewable resources from any potential supplier capable of meeting the identified conditions and requirements, including other electric utilities, marketers, wholesale generators, independent power producers, and qualifying facilities but excluding other Entergy Operating Companies and competitive affiliates of EAI. The 2014 EAI RFP sought up to 200 MW from renewable resources, with deliveries as early as 2015; generally speaking, the renewable resources contemplated generation facilities powered by biomass, run-of-river hydroelectric, solar photovoltaic, and wind-powered resources. Additionally, consistent with EAI's commitment in Docket No. 12-038-U, EAI engaged an independent monitor ("IM") for the 2014 EAI RFP whose role included monitoring the design and implementation of the 2014 EAI RFP and providing an objective, third-party perspective on EAI's efforts to ensure that all proposals were treated consistently and without undue preference to any bidder.

15. The 2014 EAI RFP yielded a number of proposals from renewable resources, all of which were developmental projects. EAI's President and Chief

Executive Officer ("CEO"), Hugh T. McDonald, provided executive oversight, reviewing information that would be considered in the ultimate resource selections he would make from the 2014 EAI RFP. Moreover, the Resource Planning and Operations Committee ("RPOC") of EAI served in its support role, providing oversight and input to the processes, reviewing summary results, and making recommendations regarding the ultimate resource selections presented to Mr. McDonald.

16. Two phases were contemplated for the proposal evaluation process.[14] In Phase I, renewable proposals were evaluated for satisfaction of certain requirements set forth in the 2014 EAI RFP, while a fundamental economic analysis was developed to determine the average energy cost ($/MWh) and average capacity value ($/MW) of each proposal. Projected energy margins were also developed for calendar years 2021 and 2022 based on production cost simulations using the AURORA Electric Market Model ("AURORA"). The information developed during the Phase I analysis was integrated and utilized by the EAI resource planning team to develop a recommendation on which renewable proposals should move to Phase II of the 2014 EAI RFP process.

[14] The 2014 EAI RFP process consisted of three (3) phases, which are described in Section 5 of the 2014 EAI RFP (*see* EAI Direct Exhibit HMW-1).

17. As recommended by the EAI resource planning team, on September 17, 2014, several renewable resource proposals were carried into Phase II of the 2014 EAI RFP. The proposals were reviewed further, and sensitivity analyses were also conducted on the proposals with the highest total savings. Additional sensitivity cases were conducted on specific proposals regarding the delivery points and the production or investment tax credit assumptions as warranted. As with the Phase I analysis, all information developed in Phase II was integrated by the EAI resource planning team to develop a recommendation for discussion with the EAI RPOC and for making a recommendation regarding which proposals to carry to Phase III of the 2014 EAI RFP process. The economic analysis indicated that all renewable proposals evaluated in Phase II would provide customer benefits using reference case assumptions and assuming that all tax incentives could be realized. A recommendation was made to carry the solar proposal with the highest total savings to Phase III of the 2014 EAI RFP. That proposal was the one submitted by Stuttgart Solar, which projected the highest level of EAI customer savings of the solar based proposals and, as such, was placed on the primary selection list for Phase III.

18. Two categories of benefits expected to be realized from the solar PPA that are discussed by Mr. Wolf include projected energy benefits and diversity and risk mitigation benefits. EAI witness Wolf elaborates on these benefits and provides an overview of the PPA contract terms, including pricing

terms as mentioned above. Projected customer bill impacts demonstrate that customers may realize a small cost in the early years but a savings over the length of the term of the solar PPA. With respect to the energy benefits, as discussed by Mr. Wolf, after accounting for solar panel degradation and transmission upgrades associated with achieving Network Resource Interconnection Service ("NRIS"), the total net benefits projected for this Project still exceed the projected benefits available with the next best solar proposal. In fact, the net benefits are projected to be positive even in the low gas case, which indicates that entering into this solar PPA has minimal risk over its life.

19. With respect to diversity and risk mitigation benefits, Mr. Wolf describes the provision of energy under this solar PPA as compared to nuclear, fossil-fueled, and hydro-powered generation. He also explains how much of customers' current total energy needs met through this solar PPA would likely displace fossil-based generation. Further, EAI would pay a fixed price for the energy from the Project that is not subject to either monetary or real inflation over the life of the contract and thus would provide a hedge against the risk associated with other types of generation technologies over the twenty-year delivery term. Considering the nominal life expectancies, nuclear license expiration dates, and proposed environmental compliance measures, all of which indicate that EAI will retire several of its other generation resources before the solar PPA expires, the Company submits that taking steps now is warranted to address such potential planning issues.

20. EAI witness Kurtis W. Castleberry also discusses some of the diversity benefits associated with this solar PPA. As he explains, this solar PPA adds diversity to EAI's generation portfolio and is an economically attractive, emission-free resource. Diversity means utilizing a mix of generating technologies and fuel sources within the utility's generation portfolio; diversity mitigates risk by helping protect customers from fluctuations in the cost and availability of the fuel needed to produce electricity. In recent years, economic options for increasing diversity have been limited. Among conventional resource alternatives, natural gas-fired combined cycle gas turbine ("CCGT") and combustion turbine ("CT") technologies have been the most attractive, while new nuclear and advanced coal technologies are not as attractive options relative to natural gas-fired technology because of the current assumptions for the level of required capital expenditures and on-going operating costs, primarily driven by uncertainty around existing and pending environmental requirements. The remaining technology alternatives that can provide such diversity are renewable energy resources. The proposed Project offers an opportunity to further diversify EAI's generation portfolio with the addition of a resource that offers stable pricing while avoiding exposure to volatile fuel prices as well as anticipated CO2 and other environmental emission-based costs. Significantly, the 2014 EAI RFP economic evaluation for the solar PPA indicates that these diversification benefits of the solar PPA can be achieved while also lowering customer costs.

21. As observed by EAI witness Castleberry, while nuclear and coal resources provide a utility with greater fuel-price stability relative to natural gas resources given the high variability that natural gas prices have shown over the past two decades, they have other future cost uncertainties such as environmental impacts of coal emissions. In contrast, the solar PPA does not release emissions, does not require significant volumes of water, and will not require pipelines or railways to be constructed to bring fuel to the plant. From an environmental cost risk, as well as an environmental impact standpoint, this solar PPA has a much lower risk profile than nuclear and coal resources.

22. Mr. Castleberry also explains how the geographic location of this resource is beneficial. Specifically, a connection can be drawn between EAI's energy needs and the energy that this solar PPA will provide. EAI's energy needs are highly influenced by the weather, which itself encompasses the amount of sunlight in EAI's service territory. EAI's peak energy periods arise in the summer months and typically are higher when weather conditions prompt customers to use more energy (*e.g.*, higher air conditioner use). With a resource deriving energy from the same source that is causing those higher loads (*i.e.*, the sun), this solar PPA is expected to provide energy to meet customer needs at many of the times when EAI's energy needs are higher, and when one would expect peak power prices to be higher.

23. Mr. Castleberry further explains that this Project would be the first large-scale solar project constructed in Arkansas, which in and of itself is expected by Stuttgart Solar to provide additional societal and economic development benefits. The bulk of construction of the Project is expected to begin in the spring of 2016, with engineering, procurement, and permitting occurring in 2015. EAI understands from Stuttgart Solar that the Solar Project is expected to have a positive economic impact on the local economy, including that Stuttgart Solar or its affiliate(s) expect to employ approximately 200 to 300 workers during the construction phase; generally, workers and vendors employed by contractors are sourced locally according to Stuttgart Solar. EAI further understands that Stuttgart Solar estimates its sales and use tax contributions to the State of Arkansas during the construction phase could be approximately $8 million. Further, Stuttgart Solar has represented to EAI that during the 20-year operational life of the Project, it will staff the facility with two to three full-time employees who will be responsible for day-to-day operations and anticipates additional opportunities for local businesses to contract to provide specialized services on-site, such as vegetation control, minor maintenance activities, internal road improvements, and similar activities. The Solar Project is expected to contribute approximately $400,000 to $600,000 in annual property taxes during its operational life.

24. Even accounting for the risks as set forth in the contract and discussed by Messrs. Castleberry and Wolf, the solar PPA is the most attractive

solar proposal submitted in the 2014 EAI RFP. EAI's analysis of the resource indicates that it will provide economic benefits to customers over the term of the solar PPA. By entering into the solar PPA, EAI is taking steps to provide customers with an attractively priced, emission-free renewable energy resource that offers a variety of economic and environmental benefits. Accordingly and as allowed under Act 1088, EAI is requesting that the Commission also approve recovery of an additional sum representing an equitable sharing of the benefits with retail customers, the calculation of which is explained in detail by Mr. Castleberry. The Company recognizes that the benefits of this solar PPA are more readily achievable by contracting with an entity that is highly skilled at owning and operating this type of technology. Allowing EAI to recover an additional sum for this solar PPA is in the public interest and serves to encourage the further pursuit of transactions of this type.

25. Based on the foregoing and as established in the testimony of the Company's witnesses, the solar PPA proposed by EAI in this proceeding meets the requirements set forth in Act 1088 (Ark. Code Ann. § 23-18- 108).

COST RECOVERY AND RELATED TARIFF AMENDMENT

26. Arkansas Code Ann. § 23-18- 108(d) provides that the Commission may provide for a utility to recover the costs of an approved PPA over its term. Accordingly, EAI is requesting to recover the costs of the solar PPA through the

existing Rider ECR. Such request also includes recovery of (through Rider ECR) and on (through base rates) upfront upgrade costs representing an alternative to an increased energy cost under the contract. As explained by EAI witness Scott Celino, EAI utilizes Rider ECR to recover fuel costs from retail customers for Company-owned generation, the fuel portion of purchased power from the Grand Gulf Nuclear Station, purchased energy from third parties, and certain environmental costs directly related to energy consumption. The rate is re-determined annually in a process defined by Section 38.3 of Rider ECR, which requires the Company to file on or before March 15 re-determined rates to be effective with the first billing cycle of April. That re-determined rate is based upon actual fuel and purchased energy expenses for the immediate prior calendar year, adjusted for certain planned refueling outages. Moreover, as a result of measures taken and compliance filings made in Docket No. 13-028-U[15] to revise Rider ECR to encompass long-term renewable PPAs (considered generally to be energy only without a capacity element), no tariff changes are required to Rider ECR to allow for the recovery of the costs of this solar PPA.

27. Arkansas Code Ann. § 23-18- 108(e) provides that the Commission may provide for a utility to recover an additional sum in recognition of the unique characteristics of the PPA if the Commission finds the additional sum to be in the public interest. EAI is requesting to recover an additional sum, the calculation of

[15] See, *e.g.*, Docket No. 13-028-U Butler Surrebuttal at 8 -9.

which is described by Company witness Castleberry. Further, as described by Company witness Celino, the recovery of an additional sum through Rider ECR would require tariff changes to Rider ECR; these changes are explained in further detail by Mr. Celino and requested to be approved in this docket.

NEED FOR TIMELY COMMISSION REVIEW AND APPROVAL

28. As explained by EAI witnesses Wolf and Castleberry, it is not certain whether the ITC will renew. Consequently, EAI respectfully requests that the Commission issue its final order in this docket prior to September 30, 2015 to allow Stuttgart Solar adequate lead time to complete construction of the Project such that it will be eligible for the credit.

WITNESSES

29. In support of this Application, EAI has filed the direct testimonies of Kurtis W. Castleberry, H. Matt Wolf, and Scott M. Celino. The witnesses discuss the following topics:

- Kurtis W. Castleberry provides an overview of EAI's planning processes, describes the need for renewable resources within EAI's portfolio of generating resources and some of the benefits of the Project, explains various risks associated with this solar PPA and EAI's efforts to mitigate those risks, and explains the recovery of an additional sum sought by EAI in this proceeding.

- H. Matt Wolf describes the 2014 EAI RFP, describes the analyses conducted for proposals submitted in response to the 2014 EAI RFP including the proposal by Stuttgart Solar, and provides an overview of the proposed solar PPA.
- Scott M. Celino provides an overview of Rider ECR including the existing provision that allows for recovery of the costs of the solar PPA, describes the manner in which the solar PPA costs will be collected, and describes the proposed Rider ECR tariff changes requested to provide for the recovery of the additional sum proposed by EAI under Act 1088.

SERVICE LIST

30. EAI requests that the following individuals be included on the service list in this proceeding:

Laura Landreaux
Vice President, Regulatory Affairs – Arkansas
Entergy Arkansas, Inc.
425 West Capitol Avenue
P. O. Box 551
Little Rock, Arkansas 72203
Telephone: (501) 377-5876
lraffae@entergy.com

Kimberly Bennett
Senior Counsel
Entergy Services, Inc.
425 West Capitol Avenue
P.O. Box 551
Little Rock, AR 72203
Telephone: (501) 377-5715
kbenne3@entergy.com

WHEREFORE, Entergy Arkansas, Inc. prays that prior to September 30, 2015, the Commission issue an order (i) declaring that the legislative findings set forth in the Arkansas Clean Energy Development Act of 2012 and included in the Utility Facility and Environmental and Economic Protection Act, as well as the economics and efficiencies associated with the agreement, support the conclusion that the instant solar PPA is required by the public convenience and necessity and in the public interest; (ii) approving the terms and conditions set forth in the solar PPA as being in compliance with the requirements set forth in Act 1088; (iii) approving EAI's recovery of the costs of the PPA over the term of the PPA through Rider ECR; (iv) approving EAI's recovery of the costs of the upfront upgrade costs representing an alternative to an increased energy cost under the contract through Rider ECR and a return thereon through base rates; (v) approving EAI's recovery through Rider ECR, as proposed to be amended in this docket, of an additional sum, as determined as a function of this docket, representing an equitable sharing of the savings to retail customers; and (vi) granting all other appropriate relief to which EAI is entitled.

Respectfully submitted,

ENTERGY ARKANSAS, INC.

By /s/ Kimberly Bennett
Senior Counsel
Telephone: (501) 377-5715

Matthew R. Suffern

Assistant General Counsel
Telephone: (501) 377-3571

Tucker Raney
Assistant General Counsel
Telephone: (501) 377-3500

N. Wesley Hunt
Counsel
Telephone: (501) 377-4303

Entergy Services, Inc.
425 West Capitol Avenue
P. O. Box 551
Little Rock, AR 72203

N. M. Norton
Wright, Lindsey & Jennings
200 West Capitol Avenue, Suite 2200
Little Rock, Arkansas 72201
Telephone: (501) 371-0808

ATTORNEYS FOR ENTERGY ARKANSAS, INC.

CERTIFICATE OF SERVICE

I, Kimberly Bennett, do hereby certify that a copy of the foregoing has been served upon all parties of record by forwarding the same by electronic mail and/or first class mail, postage prepaid this 14th day of April, 2015.

/s/ Kimberly Bennett
Kimberly Bennett