

**SURREBUTTAL AND
CROSS-ANSWERING**

EXHIBIT ____ (LK-1)

ENTERGY NEW ORLEANS, LLC
CITY OF NEW ORLEANS
Docket No. UD-18-07

Response of: Entergy New Orleans, LLC
to the Second Set of Data Requests
of Requesting Party: Crescent City Power
Users' Group

Question No.: CCPUG 2-18

Part No.:

Addendum:

Question:

Refer to page 23 of the Exhibit DCJ-3.

- a. Provide a detailed description of the Union Power Block #1 facility, including its location, type of generation, equipment manufacturer, operator, and all other relevant operating and maintenance information.
 - b. Provide all support for the probable retirement date of 2034 for Union Power Block #1
 - c. Provide a detailed description of the Patterson Solar facility, including its location, equipment manufacturer, operator, and all other relevant operating and maintenance information.
 - d. Provide the in-service date for Patterson Solar.
 - e. Provide all support for the probable retirement dates of 2025 for Patterson Solar.
 - f. Provide all support for the negative 8% net salvage for Union Power Block #1.
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Response:

- a. The Union Power Block #1 is one of four 495-megawatt power blocks at the 1980-megawatt combined cycle / gas turbine facility located near El Dorado, AR. The facility was completed in June of 2003 and was purchased by Entergy in March of 2016. Each power block at the station consists of two GE 7FA gas turbines one GE D-11 steam turbine. The station is operated by Entergy Arkansas.

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- b. The probable retirement date (PRD) of June 2034 for the Union facility is based on a 31-year life which is within the range of 30 to 35 years, which is typical for such facilities and is the PRD currently used by Entergy New Orleans for planning purposes.
- c. The Paterson solar facility is a 1 MW generating plant located in New Orleans East. The project consists of more than 4200 solar panels and includes battery storage to support the plant output during cloudy periods. The plant was constructed by Blattner Energy and the solar panels were supplied by Jinko Solar. The plant is a “behind the meter” facility that is unmanned, but it is maintained by Entergy Louisiana on behalf of Entergy New Orleans.
- d. The facility was placed into service in mid-2016. In the course of responding to this inquiry it was discovered that the true-up provision in schedule 2 of Exhibit DJC-3 attached to Mr. Donald Clayton’s Revised Direct Testimony was erroneously calculated as \$22,894 and should have been reflected as \$971. As such, the depreciation rate for the Paterson facility should be 4.01% instead of 4.35%.
- e. The 2025 probable retirement date listed for the Paterson Solar Facility reflected on page 23 of Exhibit DJC-3 is an error and will be corrected in accordance with this response. The correct probable retirement date for the Paterson Solar Facility is 2041. That is based on a 2016 in-service date and a 25-year life. The 25-year life assumption for the facility is supported by the Electric Power Research Institute’s (ERPI) 2014 Technological Assessment Guide for 10MW, ground mounted solar installations, which is attached. It should be noted that while the attached ERPI document supports the facility’s 25-year life, the EPRI cost data from 2014 is no longer current.
- f. Since the Union Power Block was purchased by Entergy in 2016, there is no salvage or cost of removal history specifically related to the facility. The -8% net salvage estimate was based on the experience of Entergy Louisiana for Other Production, which includes facilities similar to the Union Power Block. The net salvage analysis for Entergy Louisiana is included in the attached.

Entergy Louisiana

Other Production Plant

Summary of Book Salvage

Year	Retirements	Cost of Removal		Gross Salvage		Net Salvage	
		Amount	Percentage	Amount	Percentage	Amount	Percentage
1997	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-
2002	963,980	-	-	-	-	-	-
2003	58,738	-	-	-	-	-	-
2004	-	-	-	-	-	-	-
2005	96,178	-	-	-	-	-	-
2006	68,454	-	-	-	-	-	-
2007	143,485	-	-	-	-	-	-
2008	403,298	-	-	-	-	-	-
2009	315,235	-	-	-	-	-	-
2010	1,989,602	(121,239)	(6)	-	-	(121,239)	(6)
2011	1,842,314	(329,698)	(18)	-	-	(329,698)	(18)
2012	5,188,378	(205,399)	(4)	1,029	0	(204,370)	(4)
2013	7,754,976	(651,101)	(8)	33,333	0	(617,768)	(8)
2014	972,465	(87,257)	(9)	15,538	2	(71,719)	(7)
2015	1,966,432	(334,011)	(17)	-	-	(334,011)	(17)
2016	10,364,889	(942,810)	(9)	-	-	(942,810)	(9)
TOTAL	32,128,424	(2,671,514)	(8)	49,900	0	(2,621,614)	(8)

TRHEE-YEAR MOVING AVERAGES

1997-1999	-	-	-	-	-	-	-
1998-2000	-	-	-	-	-	-	-
1999-2001	-	-	-	-	-	-	-
2000-2002	321,327	-	-	-	-	-	-
2001-2003	340,906	-	-	-	-	-	-
2002-2004	340,906	-	-	-	-	-	-
2003-2005	51,639	-	-	-	-	-	-
2004-2006	54,878	-	-	-	-	-	-
2005-2007	102,706	-	-	-	-	-	-
2006-2008	205,079	-	-	-	-	-	-
2007-2009	287,339	-	-	-	-	-	-
2008-2010	902,711	(40,413)	(4)	-	-	(40,413)	(4)
2009-2011	1,382,383	(150,312)	(11)	-	-	(150,312)	(11)
2010-2012	3,006,765	(218,779)	(7)	343	0	(218,436)	(7)
2011-2013	4,928,556	(395,399)	(8)	11,454	0	(383,945)	(8)
2012-2014	4,638,606	(314,586)	(7)	16,633	0	(297,952)	(6)
2013-2015	3,564,624	(357,456)	(10)	16,290	0	(341,166)	(10)
2014-2016	4,434,595	(454,693)	(10)	5,179	0	(449,513)	(10)

FIVE-YEAR AVERAGE

2012-2016	5,249,428	(444,115)	(8)	9,980	0	(434,135)	(8)
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TEN-YEAR AVERAGE

2007-2016	3,094,107	(267,151)	(9)	4,990	0	(262,161)	(8)
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**SURREBUTTAL AND
CROSS-ANSWERING**

EXHIBIT ____ (LK-2)

ENTERGY NEW ORLEANS, LLC
CITY OF NEW ORLEANS
Docket No. UD-18-07

Response of: Entergy New Orleans, LLC
to the Second Set of Data Requests
of Requesting Party: Air Products and
Chemicals, Inc.

Question No.: APC 2-8

Part No.:

Addendum:

Question:

In an electronic spreadsheet with all formulas intact, please provide the monthly average balances for construction work in progress and short-term debt for the most recent 13-month period.

Response:

Please see the attached for the monthly average balances for accounts 107000 (Construction Work in Progress) and 234001 (Money Pool Borrowing).

The Company also maintains a credit revolver; however, there have been no borrowings against it during the most recent 13-month period.

Entergy New Orleans, LLC
APC 2-8 - Monthly Avg. CWIP and Short-Term Debt Balances
For the 13 Months Ended October 31, 2018

Monthly Average Construction Work In Progress Balances

<u>Account</u>	<u>Month/Year</u>	<u>Beg. Balance</u>	<u>End. Balance</u>	<u>Average Balance</u>
107000	Oct-17	41,856,156	42,793,042	42,324,599
	Nov-17	42,793,042	44,313,833	43,553,437
	Dec-17	44,313,833	40,274,578	42,294,205
	Jan-18	40,274,578	41,133,349	40,703,964
	Feb-18	41,133,349	44,294,796	42,714,073
	Mar-18	44,294,796	64,593,808	54,444,302
	Apr-18	64,593,808	65,386,320	64,990,064
	May-18	65,386,320	77,776,914	71,581,617
	Jun-18	77,776,914	82,819,520	80,298,217
	Jul-18	82,819,520	98,688,279	90,753,899
	Aug-18	98,688,279	113,624,027	106,156,153
	Sep-18	113,624,027	133,469,571	123,546,799
	Oct-18	133,469,571	137,088,864	135,279,218

Monthly Average Short-Term Debt Balances⁽¹⁾

<u>Account</u>	<u>Month/Year</u>	<u>Beg. Balance</u>	<u>End. Balance</u>	<u>Average Balance</u>
234001	Oct-17	-	-	-
	Nov-17	-	-	-
	Dec-17	-	-	-
	Jan-18	-	-	-
	Feb-18	-	-	-
	Mar-18	-	-	-
	Apr-18	-	(2,060,003)	(1,030,002)
	May-18	(2,060,003)	(11,596,003)	(6,828,003)
	Jun-18	(11,596,003)	(23,080,003)	(17,338,003)
	Jul-18	(23,080,003)	(40,390,003)	(31,735,003)
	Aug-18	(40,390,003)	(25,190,003)	(32,790,003)
	Sep-18	(25,190,003)	-	(12,595,002)
	Oct-18	-	-	-

⁽¹⁾ The balances shown represent liability balances.