**Context and Background:**

Ryan D. Jones, Manager of Regulatory Affairs at Entergy Louisiana, LLC, provides testimony supporting ELL’s application regarding billing terms, revenue requirements, and compliance with regulatory orders for serving a significant industrial customer load in Richland Parish, North Louisiana.

**Key Sections and Points:**

**I. Purpose of Testimony:**

* Jones presents detailed analysis supporting ELL’s proposed Electric Service Agreement (ESA), ensuring reasonable billing terms and proper allocation of project costs between the customer and existing ratepayers.
* His testimony covers projected revenues, revenue requirements, and compliance with the Transmission Siting Order.

**II. Analysis Supporting Billing Terms and Customer Protections:**

* **Revenue Requirements**:
  + Jones analyzes the incremental costs and revenue necessary to justify the infrastructure required to serve the customer’s substantial load.
  + Generation revenue requirements begin at approximately $50 million in 2028 and reach approximately $416.6 million in 2030, with transmission system project costs separately accounted for.
* **Projected Revenues**:
  + Jones' revenue projections are based on detailed customer load assumptions, billing frameworks, and contract terms, which ensure that revenues adequately offset incremental costs (Pages 16-18).
* **Billing Terms and Customer Protections**:
  + The ESA includes minimum bill charges designed to ensure that the customer covers incremental infrastructure costs, thereby protecting existing customers from undue financial risk.
  + Minimum monthly charges reflect the necessary infrastructure investment, aligning with the Commission’s rules and Entergy's Extension of Facilities policy (Pages 18-22).
  + Billing terms agreed to under the ESA are consistent with ELL’s approved Large Load Rate Schedule, ensuring equitable treatment across large industrial customers (Pages 23-24).

**III. Proposed Ratemaking Treatments:**

* **Ratemaking Requests**:
  + Jones proposes specific ratemaking treatments, including mechanisms to stabilize the Formula Rate Plan (FRP) during the ESA term.
  + ELL seeks authority to defer non-fuel revenue requirements associated with planned generators and transmission system improvements, safeguarding the timely recovery of project investments (Pages 32-33).

**IV. Compliance with Transmission Siting Order:**

* Jones details ELL’s compliance with LPSC's Transmission Siting Order:
  + Customer-specific transmission projects are exempt from certification as they directly support a load with executed interconnection agreements and will not impact other utilities' wholesale rates (Pages 34-38).
  + System improvement projects, including major transmission upgrades like the Mount Olive to Sarepta transmission line (~$546 million), meet all Transmission Siting Order requirements and are crucial for regional reliability.
  + The revenue requirements for these system improvement projects are calculated clearly and transparently, ensuring that incremental costs are justified and recoverable (Pages 40-42).

**V. Exhibits and Supporting Data:**

* **Exhibits Provided**:
  + Exhibit RDJ-1: Prior testimony listing.
  + Exhibit RDJ-2: Projected revenue and revenue requirements analysis (redacted).
  + Exhibit RDJ-3: Detailed first-year revenue requirements for transmission system improvements, including estimated bill impacts.

**Conclusion:**

* Jones concludes that ELL's ESA billing terms, revenue projections, and compliance measures represent fair, balanced, and prudent regulatory treatments that appropriately protect existing customers and ensure recovery of necessary infrastructure investments.
* He advocates that the Commission should approve the requested ratemaking treatments, ESA terms, and project-related revenue mechanisms to support the significant economic and reliability benefits of the project.