

ARKANSAS PUBLIC SERVICE COMMISSION

2nd Revised Sheet No. 44.1 Schedule Sheet 1 of 37
Replacing: 1st Revised Sheet No. 44.1 Including Attachments

Entergy Arkansas, LLC
Name of Company

Kind of Service: Electric Class of Service: All

Part III. Rate Schedule No. 44

Title: **Formula Rate Plan Rider (FRP)**

Docket No: 18-004-TF
Order No.: 6
Effective: 3/17/22

PSC File Mark Only

44.0. FORMULA RATE PLAN RIDER

44.1. REGULATORY AUTHORITY

The Arkansas General Assembly has delegated authority to the Arkansas Public Service Commission (APSC or the Commission) to regulate public utilities in the State of Arkansas, including Entergy Arkansas, LLC (EAL or the Company). The Arkansas General Assembly has enacted the Formula Rate Review Act, Ark. Code Ann. §§ 23-4-1201 *et seq.*, as also clarified and amended in 2021, which authorizes use of this Formula Rate Plan Rider Tariff (Rider FRP).

44.2. PURPOSE

Rider FRP defines the procedure by which all rates and applicable riders on file with the APSC, except those excluded in Attachment A.1 – Extension, as applicable, to this Rider FRP (Rate Schedules) may be periodically adjusted. Rider FRP shall apply to all electric service billed under the Rate Schedules, whether metered or unmetered.

44.3. DEFINITIONS

A. EFFECTIVE DATE

Rates pursuant to the initial Rider FRP shall become effective with the first billing cycle of January 2017 and subsequently adjusted Rider FRP rates shall be effective with the first billing cycle of January each year.

B. FORMULA RATE REVIEW TEST PERIOD

The Formula Rate Review Test Period shall be a test period based upon a Projected Year. A Projected Year shall be the twelve (12) month period ended December 31 of the calendar year immediately following the filing of an Evaluation Report.

C. HISTORICAL YEAR

A Historical Year shall be the twelve (12) month period ended December 31 of the calendar year immediately preceding the filing of an Evaluation Report.

D. FILING YEAR

The Filing Year shall be the twelve (12) calendar months preceding the Formula Rate Review Test Period.

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2nd Revised Sheet No. 44.2 Schedule Sheet 2 of 37
Replacing: 1st Revised Sheet No. 44.2 Including Attachments

Entergy Arkansas, LLC
Name of Company

Kind of Service: Electric Class of Service: All

Part III. Rate Schedule No. 44

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44.4. ANNUAL FILING AND REVIEW

44.4.1. ANNUAL FILING

On or before July 7 of each year, EAL shall file a report (Evaluation Report) with the Commission containing an evaluation of the Company's earnings pursuant to Rider FRP for the Formula Rate Review Test Period and the Historical Year when applicable. Attachment A.1 – Extension shall be included in each such filing and shall contain the Company's proposed Rate Adjustment. The Evaluation Report and the Rate Adjustment shall be filed pursuant to Rider FRP.

44.4.2. REVIEW PERIOD

The Parties shall file a statement of error(s) or objection(s) and supporting Testimony with or without Exhibits at least 90 days before the date on which the Rate Adjustment becomes effective. The Company shall have fifteen (15) days to review the statement of error(s) or objection(s), to work with the Parties to resolve any differences, and to address the error(s) and objection(s) raised by the Parties by filing either corrected Attachments, as applicable, or Rebuttal Testimony with or without Exhibits.

44.4.3. HEARING AND APPROVAL OF RATE ADJUSTMENT

Following a hearing at least fifty (50) days before the date on which the Rate Adjustment shall become effective, unless waived by EAL and the Parties, the Commission shall issue a final order in which it resolves any issues in dispute and approves the Rate Adjustment at least twenty (20) days before the date on which the Rate Adjustment shall become effective. If a final order is not issued by such date, the initially filed or revised Rate Adjustment shall become effective for bills rendered on and after the first billing cycle of January, subject to refund, and shall remain in effect until changed by final order of the Commission or by operation of other provisions of Rider FRP.

If the Commission's final ruling on any disputed issues requires changes to the Rate Adjustment, the Company shall file revised Attachments, as applicable, containing such further modified Rate Adjustment within five (5) days after receiving the Commission's order resolving the disputed issues. The Parties shall have three (3) days to review the revised Attachments. The revised Attachments shall be implemented as ordered by the Commission.

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<u>2nd Revised</u>	Sheet No. <u>44.3</u>	Schedule Sheet 3 of 37
Replacing: <u>1st Revised</u>	Sheet No. <u>44.3</u>	Including Attachments
<u>Entergy Arkansas, LLC</u> Name of Company		
Kind of Service: Electric	Class of Service: <u>All</u>	
Part III. Rate Schedule No. 44		
Title: Formula Rate Plan Rider (FRP)		

Docket No: 18-004-TF
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44.5. ANNUAL DETERMINATION OF RATE ADJUSTMENT

44.5.1. INDEX OF ATTACHMENTS

Description	Projected Year	Historical Year
ATTACHMENT A.1 – EXTENSION is the Formula Rate Plan Rate Adjustment (Rate Adjustment) beginning with the 2021 Evaluation Report.	A.1 - Extension	
ATTACHMENT A.2 – EXTENSION is the Rider FRP Revenue Change and includes the calculation of the total Rider FRP Revenue to be collected in the Projected Year beginning with the 2021 Evaluation Report.	A.2 - Extension	
ATTACHMENTS B.1 and D.1 calculate the Earned Rate of Return on Common Equity. The Earned Return Rate (ERR) is the Company’s return on common equity calculated by dividing the weighted earned common equity rate by the common equity ratio percentage.	B.1	D.1
ATTACHMENTS B.2 and D.2 calculate Rate Base.	B.2	D.2
ATTACHMENTS B.3 and D.3 calculate Operating Income.	B.3	D.3
ATTACHMENTS B.4 and D.4 calculate Income Tax.	B.4	D.4
ATTACHMENTS B.5 and D.5 calculate the Benchmark Rate of Return on Rate Base (BRORB). The BRORB is the composite weighted, embedded cost of capital reflecting EAL’s annual costs of long-term debt, preferred stock, common equity, and other capital components as of June 30.	B.5	D.5
ATTACHMENTS B.6 and D.6 calculate the Revenue Redetermination Formula using the Rate of Return on Common Equity Bandwidth which is an Upper Bandwidth limit equal to the Target Return Rate (TRR) plus 0.5% (50 basis points) and a Lower Bandwidth limit equal to the TRR minus 0.5% (50 basis points). The TRR is the Company’s cost rate for common equity as established by the Commission in Docket No. 15-015-U. The TRR in effect during the initial five-year term of Rider FRP shall continue to be in effect for the five-year term of the extension of Rider FRP.	B.6	D.6
ATTACHMENT C lists Rider FRP adjustments.	C	C
ATTACHMENT E defines the Rider FRP Filing Requirements and describes the supporting documents to be included with the annual Evaluation Report.	E	E
ATTACHMENT F defines the Formula Rate Protocols, which include the Rider FRP general provisions and filing requirements for the annual Evaluation Report.	F	F

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Entergy Arkansas, LLC
Name of Company

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Part III. Rate Schedule No. 44

Title: Formula Rate Plan Rider (FRP)

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44.5.2. RIDER FRP BANDWIDTH CALCULATION

The Total Rider FRP Revenue level shall be adjusted in the Rider FRP review mechanism based on a comparison of the ERR to the TRR calculated using the following formula:

- A. If the ERR is less than the TRR minus five-tenths percent (0.50%), the Total Rider FRP Revenue level shall be increased by the amount necessary to increase the ERR to the TRR.
- B. If the ERR is greater than the TRR plus five-tenths percent (0.50%), the Total Rider FRP Revenue level shall be decreased by the amount necessary to decrease the ERR to the TRR.
- C. There shall be no change to the Rider FRP Revenue level if the ERR is less than or equal to the TRR plus five-tenths percent (0.50%), and greater than or equal to the TRR minus five-tenths percent (0.50%).

44.5.3. NETTING OF HISTORICAL YEAR DIFFERENCES ADJUSTMENT

A. The Netting of Historical Year Differences Adjustment shall be the adjustment to net any differences between the Historical Year change in Rider FRP Revenue and the Formula Rate Review Test Period change in Rider FRP revenue for that same year. The Netting of Historical Year Differences Adjustment shall be determined in accordance with Attachment D.6. The Netting of Historical Year Differences Adjustment shall then be applied to the Formula Rate Review Test Period Rider FRP Revenue to derive the Total Rider FRP Revenue as set out in Attachment A.2 – Extension. Netting shall not begin until there is an actual twelve (12) months of Historical Year to report.

B. Beginning with the 2020 Evaluation Report filing and for each subsequent Evaluation Report filed throughout the five-year extension term of Rider FRP, the adjustment to net any differences between the Historical Year change in Rider FRP Revenue and the Formula Rate Review Test Period change in Rider FRP Revenue shall include the actual Historical Year change in revenue for the Historical Year, which shall be determined as follows:

1. For the purpose of including all of the elements of the change of revenue in calculating an adjustment to net any differences, the revenue received for the Historical Year shall be composed of:
 - (a) Prior Formula Rate Review Test Period changes in revenue;
 - (b) Netting revenue from the prior Formula Rate Review Test Period; and
 - (c) In order to isolate the change in revenue for the corresponding prior projected year being netted, prior Projected Year revenue for the year being netted.

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Entergy Arkansas, LLC
Name of Company

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Part III. Rate Schedule No. 44

Title: Formula Rate Plan Rider (FRP)

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2. The actual historical year change in revenue shall be proportioned by:
 - (a) Calculating the sum of: (1) the ROE Band Rate Adjustment and (2) the Netting Adjustment as reported on Attachment A.2 – Extension, for the year in which the Historical Year was the prior Projected Year;
 - (b) Calculating the percentage of the sum represented by (1) the ROE Band Rate Adjustment and (2) the Netting Adjustment; and
 - (c) Applying the percentages calculated in 44.5.3(B)(2)(b) above to the actual Historical Year change in revenue as determined in 44.5.3(B)(1)(b) and (c) for that same year.

44.5.4. RIDER FRP REVENUE ALLOCATION AND RATE DESIGN

During the initial five-year term, the total change in the formula rate revenue level shall be allocated to each applicable rate class based on an equal percentage of the base rate revenue used in the development of rates approved by the Commission in Docket No. 15-015-U. During the five-year extension term of Rider FRP, the total change in the formula rate revenue level shall be allocated to each applicable rate class based on an equal percentage of the base rate revenue as determined in the EAL cost of service filed with the 2020 Evaluation Report filing. Additionally, the Large General Service (LGS) Rate Class' allocated amount shall be reduced annually during the five-year extension term by one-fifth of the amount by which the LGS Rate Class' base rate revenues were adjusted for mitigation in Docket No. 15-015-U; this amount shall be allocated to the remaining classes based on an equal percentage of the base rate revenue as determined in the EAL cost of service that was filed with the 2020 Evaluation Report filing. The total change in the formula rate revenue level for the LGS Rate Class shall not exceed four percent (4%) of the LGS Rate Class's total revenue for the Filing Year, less the annual reduction equal to one-fifth of the amount by which the LGS Rate Class's base rate revenues were adjusted for mitigation in Docket No. 15-015-U. The total change in the formula rate revenue level for all other rate classes shall not exceed four percent (4%) of each rate class's total revenue for the Filing Year.

EAL shall file as part of the annual compliance filing for the first three years of the extension term revised rate schedules for Rate Schedule No. 6, Large General Service (LGS); Rate Schedule No. 7, Large General Service Time-of-Use (GST); Rate Schedule No. 8, Large Power Service (LPS); Rate Schedule No. 9, Large Power Service Time-of-Use (PST); and Rate Schedule No. 18, Voltage Adjustment Rider (VAR) reflecting an equal annual adjustment to the demand and energy components pursuant to Ark. Code Ann. § 23-4-1208(a)(3)(E).

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Entergy Arkansas, LLC
Name of Company

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Part III. Rate Schedule No. 44

Title: Formula Rate Plan Rider (FRP)

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44.6. TERM

The initial term of Rider FRP shall not exceed five (5) years from the date of the Commission's final order in Docket No. 15-015-U. The initial term of Rider FRP will terminate on February 24, 2021 unless EAL requests to extend the term by a period of no more than five years beyond the initial term. If EAL requests an extension of Rider FRP, EAL shall make such request in accordance with the Extension of Term provisions of the Formula Rate Protocols. Pursuant to Ark. Code Ann. § 23-4-1208(a)(2)(A)(ii)(a), the Commission shall grant such an Extension of Term for five-years after the initial term of Rider FRP.

Upon the conclusion of the extension term, either by expiration or otherwise, the then-existing Total Rider FRP rates shall continue to be in effect until new base rates reflecting the then-existing Total Rider FRP Revenue are duly approved and implemented and until the Company recovers or returns the remaining Netting of Historical Year Differences Adjustments.

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Attachment A.1 – Extension
Rate Schedule No. 44

Formula Rate Plan Rate Adjustment

Beginning with the 2021 Evaluation Report, all retail base rates and applicable riders on file with the APSC will be increased or decreased by a percentage of base revenues listed below, except those specifically excluded below:

Rate Class	FRP Rate (%)
Residential	31.2090 %
Small General Service	28.7900 %
Large General Service	29.9063 %
Lighting	29.2792 %

Excluded Schedules:

Charges Related to Customer Activity (CAC)
Additional Facilities Charge Rider (AFCR)
Additional Facilities Charge Rider – Governmental (AFCRG)
Small Cogeneration Rider (SCR)
Large Cogeneration Rider (LCR)
ANO Decommissioning Cost Rider (NDCR)
Energy Cost Recovery Rider (ECR)
Municipal Franchise Tax Adjustment Rider (MFA)
Grand Gulf Rider (GGR)
Production Cost Allocation Rider (PCA)
Energy Efficiency Cost Recovery Rider (EECR)
Federal Litigation Consulting Fee Rider (FLCF)
Government Mandated Expenditure Surcharge Rider (GMES)
Capacity Cost Recovery Rider (CCR)
MISO Rider (MISO)
Internal Restructuring Credit Rider (IRCR)

Special Rate Contracts:

Special Contracted Rates shall be included or excluded pursuant to the terms of the Special Rate Contract

Attachment A.2 – Extension
Rate Schedule No. 44Entergy Arkansas, LLC
Formula Rate Plan
Rider FRP Revenue Change
For the Projected Year 2023

Line No.	Description	Total	Residential	Small General Service	Large General Service	Lighting
A	B	C	D	E	F	G
1	Rate Schedule Revenue Requirement [1]	1,595,697,654	765,766,421	412,151,492	395,090,323	22,689,418
2	Rate Class Allocation:(Percent of total calculated from L1)	100.0000%	47.9894%	25.8289%	24.7597%	1.4219%
3	<u>Rider FRP Constraint Calculation [2]</u>					
4	Total Annualized Filing Year Revenues by Rate Class	2,077,772,420	983,159,376	497,721,721	556,558,001	40,333,322
5	Rider FRP Revenue Change = ±4% per Rate Class	4.00%	4.00%	4.00%	4.00%	4.00%
6	+Projected Year upper Rider FRP Revenue Constraint	83,110,897	39,326,375	19,908,869	22,262,320	1,613,333
7	-Projected Year lower Rider FRP Revenue Constraint	(83,110,897)	(39,326,375)	(19,908,869)	(22,262,320)	(1,613,333)
8	Large Gener Service ("LGS") Adjustment	(3,294,966)	-	-	(3,294,966)	-
9	+PY upper Rider FRP Revenue Constraint after LGS Adj.	79,815,931	39,326,375	19,908,869	18,967,354	1,613,333
10	<u>Net Change in Req. Rider FRP Revenue Calc [3]</u>					
11	ROE Band Rate Adjustment (B.6 L10 * L2)	87,672,435	42,073,514	22,644,844	21,707,452	1,246,625
12	Netting Adjustment (D.6 L13 * L2)	15,158,671	7,274,562	3,915,321	3,753,245	215,543
	Net Change in Required Rider FRP Revenue before					
13	LGS Adjustment (L11 + L12)	102,831,106	49,348,076	26,560,165	25,460,697	1,462,168
14	LGS Adjustment [4]	-	2,101,582	1,131,116	(3,294,966)	62,268
15	Net Change in Required Rider FRP Revenue (L13 + L14)	102,831,106	51,449,658	27,691,281	22,165,731	1,524,436
16	<u>Incremental Rider FRP Base Rate Change</u> (L15 + (L1 + L19))	5.4326%	5.6311%	5.7588%	4.7176%	5.3500%
17	<u>Cumulative Rider FRP Revenue Calculation [5]</u>					
18	Maximum Inc/Dec in Rider FRP Revenue calculated on L15 bounded by the constraint defined on L7 and L9.	79,727,034	39,326,375	19,908,869	18,967,354	1,524,436
19	Projected Year Rider FRP Revenue [6]	297,167,615	147,896,367	68,704,060	74,762,275	5,804,913
20	Cumulative Total Rider FRP Revenue (L18 + L19)	376,894,649	187,222,742	88,612,929	93,729,629	7,329,349
21	<u>Rider FRP Rate Development Calculation [7]</u>					
22	Adjusted Projected Year Base Rate Revenue	1,246,133,979	599,900,082	307,790,447	313,410,838	25,032,612
23	Rider FRP Projected Year Rate Change (L20 ÷ L22)		31.2090%	28.7900%	29.9063%	29.2792%

NOTES:

- [1] Rate schedule revenue requirement as determined in the EAL unadjusted cost of service ("COS") Schedule G-1 filed with the 2020 Evaluation Report.
- [2] The Rider FRP Constraint Calculation determines the limit of the Rider FRP revenue increase/decrease per rate class, which shall not exceed four percent (4%) of Total Unadjusted Annualized Filing Year (the year in which the Evaluation Report is filed) revenues including all riders. The LGS Rate Class' Rider FRP Constraint shall be lowered by the amount on Line 14.
- [3] The Net Change in Required Rider FRP Revenue Calculation takes the Total Projected Year Rate Change in Rider FRP Revenue (B.6 Line 10) and the Historical Year Netting adjustment (D.6 Line 13) and allocates the amount required to each rate class based on Line 2. The amounts required are added together by rate class to determine each rate class' net change in required Rider FRP revenue.
- [4] The Large General Service (LGS) Rate Class' allocated amount shall be reduced annually during the five year extension term by one-fifth of the amount by which the LGS Rate Class' base rate revenues were adjusted for mitigation in Docket No. 15-015-U. This amount shall be allocated to the remaining classes based on an equal percentage of the base rate revenue as determined in the EAL unadjusted cost of service that was filed with the 2020 Evaluation Report.
- [5] The Cumulative Rider FRP revenue calculation adjusts the Required Rider FRP revenue determined on Line 15 to be within the limits of the Rider FRP constraint calculation and adds the Projected Year FRP Revenues to calculate Cumulative Total Rider FRP Revenue required in the Projected Year.
- [6] The Projected Year Rider FRP Revenue will be equal to the amount of Rider FRP revenues included in the determination of the Projected Year ROE Band Rate Adjustment (B.3 L2).
- [7] The Rider FRP Rate Development Calculation determines the percent increase/decrease that will be applied to all base rate components. The Adjusted Projected Year Base Rate Revenue is calculated using the Retail Rate Schedule Revenue (B.3 L2) excluding Projected Year Rider FRP Revenue and any revenue pursuant to excluded schedules listed on Attachment A.1. The percent increase/decrease is calculated by taking the Total Rider FRP Revenue listed on Line 20 and dividing it by the applicable Adjusted Projected Year Base Rate Revenues listed on Line 22.

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Attachment B.1

Rate Schedule No. 44

**Entergy Arkansas, LLC
Formula Rate Plan
Earned Rate of Return on Common Equity Formula
For the Projected Year 2023**

Line No	Description	Source	Adjusted Amount
TOTAL COMPANY			
1	RATE BASE	B.2, Line 25	9,176,654,774
2	BENCHMARK RATE OF RETURN ON RATE BASE	B.5, Line 15, Column F	5.25%
3	REQUIRED OPERATING INCOME	Line 1 * Line 2	481,741,418
4	NET UTILITY OPERATING INCOME	B.3, Line 33	416,279,792
5	OPERATING INCOME DEFICIENCY/(EXCESS)	Line 3 - Line 4	65,461,627
6	REVENUE CONVERSION FACTOR	Note [1]	1.33950
7	REVENUE DEFICIENCY/(EXCESS)	Line 5 * Line 6	87,685,842
	PRESENT RATE REVENUES		
8	RETAIL RATE SCHEDULE REVENUE	B.3, Line 2	1,588,119,240
9	WHOLESALE SALES	B.3, Line 3	0
10	REVENUE REQUIREMENT	Line 7 + Line 8 + Line 9	1,675,805,082
TOTAL RETAIL			
11	REVENUE REQUIREMENT ALLOCATION FACTOR	Note [2]	99.9992%
12	RETAIL REVENUE REQUIREMENT	Line 10 * Line 11	1,675,791,675
13	RETAIL RATE SCHEDULE REVENUE	B.3, Line 2	1,588,119,240
14	RETAIL REVENUE DEFICIENCY/(EXCESS)	Line 12 - Line 13	87,672,435
15	REVENUE CONVERSION FACTOR	Note [1]	1.33950
16	RETAIL OPERATING INCOME DEFICIENCY/(EXCESS)	Line 14 / Line 15	65,451,618
17	RATE BASE ALLOCATION FACTOR	Note [3]	99.9990%
18	RETAIL RATE BASE	Line 1 * Line 17	9,176,563,762
19	COMMON EQUITY DEFICIENCY/(EXCESS) (%)	Line 16 / Line 18	0.71%
20	WEIGHTED EVALUATION PERIOD COST RATE FOR COMMON EQUITY (%)	B.5, Line 3 + Line 8, Column F	3.64%
21	WEIGHTED EARNED COMMON EQUITY RATE (%)	Line 20 - Line 19	2.93%
22	COMMON EQUITY RATIO (%)	B.5, Line 3 + Line 8, Column D	37.77%
23	EARNED RATE OF RETURN ON COMMON EQUITY (%)	Line 21 / Line 22	7.76%

Notes:

[1] Revenue Conversion Factor = $1 / [(1 - \text{Composite Tax Rate} * (1 - \text{Bad Debt} + \text{Forfeited Discount Rate})]$

[2] Revenue Requirement Allocation Factor = Retail Revenue Requirement / Total Company Revenue Requirement. The Retail and Total Company Revenue Requirement shall be the revenue requirement approved by the Commission in Docket No. 15-015-U.

[3] Rate Base Allocation Factor = Retail Rate Base / Total Company Rate Base. The Retail and Total Company Rate Base shall be the rate base approved by the Commission in Docket No.15-015-U.

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Attachment B.2

Rate Schedule No. 44

**Entergy Arkansas, LLC
Formula Rate Plan
Rate Base
For the Projected Year 2023**

Line No	Description	Projected Year Per Books A	Projected Year Adjustments B [1]	Adjusted Projected Year C
1	PLANT IN SERVICE			
2	Beginning Balance	15,088,782,367	(1,694,733,037)	13,394,049,330
3	Ending Balance	15,736,915,290	(1,770,332,140)	13,966,583,149
4	Average Balance	15,412,848,828	(1,732,532,588)	13,680,316,240
5	ACCUMULATED DEPRECIATION			
6	Beginning Balance	(7,185,532,390)	1,950,044,530	(5,235,487,860)
7	Ending Balance	(7,422,410,979)	1,940,768,472	(5,481,642,507)
8	Average Balance	(7,303,971,684)	1,945,406,501	(5,358,565,183)
9	AVERAGE NET UTILITY PLANT (L4 + L8)			8,321,751,056
10	PLANT ACQUISITION ADJUSTMENT			
11	Beginning Balance	44,516,241	-	44,516,241
12	Ending Balance	44,516,241	-	44,516,241
13	Average Balance			44,516,241
14	AMORTIZATION OF ACQUISITION ADJ			
15	Beginning Balance	(20,862,918)	-	(20,862,918)
16	Ending Balance	(23,364,725)	-	(23,364,725)
17	Average Balance			(22,113,821)
18	WORKING CAPITAL ASSETS			
19	MATERIALS AND SUPPLIES	247,144,425	(31,769,592)	215,374,832
20	PREPAYMENTS	2,867,543	10,411,770	13,279,313
21	FUEL INVENTORY	104,623,333	(67,248,010)	37,375,323
22	WORKING CASH	7,302,280,977	(6,735,809,147)	566,471,830
23	TOTAL WORKING CAPITAL ASSETS	7,656,916,278	(6,824,414,980)	832,501,299
24	OTHER	-	-	-
25	TOTAL RATE BASE (L9+L13+L17+L23+L24)			9,176,654,774

Notes:

[1] Adjustments as set out in Attachment C to this Rider FRP.

Entergy Arkansas, LLC
Formula Rate Plan
Operating Income
For the Projected Year 2023

Line No	Description	Projected Year Per Books A	Projected Year Adjustments B [1]	Adjusted Projected Year C
REVENUES				
1	SALES TO ULTIMATE CUSTOMERS			
2	RETAIL RATE SCHEDULE REVENUE	2,155,406,102	(567,286,862)	1,588,119,240
3	WHOLESALE SALES	56,728,917	(56,728,917)	-
4	TOTAL SALES TO ULTIMATE CUSTOMERS (L2 + L3)	2,212,135,018	(624,015,778)	1,588,119,240
5	OTHER SALES REVENUE	273,382,762	(272,662,762)	720,000
6	OTHER ELECTRIC REVENUE	162,362,474	(131,686,893)	30,675,582
7	TOTAL OPERATING REVENUES (Sum of L4 thru L6)	2,647,880,255	(1,028,365,433)	1,619,514,822
EXPENSES				
8	OPERATION & MAINTENANCE			
9	PRODUCTION	1,085,602,199	(798,102,979)	287,499,220
10	TRANSMISSION	45,130,290	(16,678,367)	28,451,923
11	REGIONAL MARKET	5,050,669	(5,050,669)	-
12	DISTRIBUTION	98,130,527	(1,818,771)	96,311,756
13	CUSTOMER ACCOUNTING	23,950,384	1,506,347	25,456,731
14	CUSTOMER SERVICE & INFORMATION	74,716,327	(69,833,683)	4,882,644
15	SALES	2,152,395	676,170	2,828,564
16	ADMINISTRATIVE & GENERAL	235,217,956	(30,176,469)	205,041,488
17	TOTAL O & M EXPENSE (Sum of L9 thru L16)	1,569,950,748	(919,478,422)	650,472,326
18	GAIN FROM DISPOSITION OF ALLOWANCES	0	-	0
19	REGULATORY DEBITS & CREDITS	(80,726,616)	80,899,170	172,554
20	DEPRECIATION & AMORTIZATION EXPENSES	401,865,582	(20,234,326)	381,631,256
21	ACCRETION EXPENSES	86,246,180	(86,246,180)	-
22	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT	2,501,808	0	2,501,808
23	OTHER CREDIT FEES	-	443,021	443,021
24	TAXES OTHER THAN INCOME	136,700,613	(51,359,257)	85,341,356
25	CURRENT STATE INCOME TAX [2]	(75,328,356)	85,539,621	10,211,265
26	CURRENT FEDERAL INCOME TAX [2]	11,576,273	42,682,050	54,258,323
27	PROVISION DEFERRED INCOME TAX - STATE - NET [3]	98,626,921	(86,733,515)	11,893,407
28	PROVISION DEFERRED INCOME TAX - FEDERAL - NET [3]	56,185,144	(48,674,157)	7,510,987
29	INVESTMENT TAX CREDIT - NET [3]	(1,201,272)	-	(1,201,272)
30	GAIN/LOSS – DISPOSITION OF UTILITY PLANT	0	-	-
31	OTHER	-	-	-
32	TOTAL UTILITY OPERATING EXPENSE (Sum of L17 thru L31)	2,206,397,024	(1,003,161,994)	1,203,235,030
33	NET UTILITY OPERATING INCOME (L7 - L32)	441,483,231	(25,203,439)	416,279,792

Notes:

- [1] Adjustments as set out in Attachment C to this Rider FRP.
- [2] Reference Attachment B.4. See also Filing Requirement Item No. 15, MFR C-11 for additional support.
- [3] Provide supporting schedule of calculation including adjustments and descriptions. See Filing Requirement Item No. 15, MFR C-9 & C-12.

Attachment B.4
Rate Schedule No. 44

Entergy Arkansas, LLC
Formula Rate Plan
Income Tax
For the Projected Year 2023

Line No	Description	Projected Year Per Books A	Projected Year Adjustments B [1]	Adjusted Projected Year C
1	TOTAL OPERATING REVENUES	2,647,880,255	(1,028,365,433)	1,619,514,822
2	TOTAL O&M EXPENSE	1,569,950,748	(919,478,422)	650,472,326
3	GAIN FROM DISPOSITION OF ALLOWANCES	0	0	0
4	REGULATORY DEBITS AND CREDITS	(80,726,616)	80,899,170	172,554
5	DEPRECIATION & AMORTIZATION EXPENSE	401,865,582	(20,234,326)	381,631,256
6	ACCRETION EXPENSE	86,246,180	(86,246,180)	0
7	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT	2,501,808	0	2,501,808
8	OTHER CREDIT FEES	0	443,021	443,021
9	TAXES OTHER THAN INCOME	136,700,613	(51,359,257)	85,341,356
10	GAIN/LOSS – DISPOSITION OF UTILITY PLANT	0	0	0
11	OTHER	0	0	0
12	INTEREST EXPENSE [2]	152,755,782	(5,482,021)	147,273,761
13	NET INCOME BEFORE INCOME TAXES (L1- (Sum L2-L12))	378,586,159	(26,907,419)	351,678,740
14	ADJUSTMENTS TO NET INCOME BEFORE TAXES [3]	(407,900,775)	315,694,899	(92,205,876)
15	TAXABLE INCOME (L13 + L14)	(29,314,616)	288,787,480	259,472,864
COMPUTATION OF STATE INCOME TAX				
16	TAXABLE INCOME (L15)	(29,314,616)	288,787,480	259,472,864
17	STATE ADJUSTMENTS [3]	(1,297,589,631)	1,211,907,631	(85,682,000)
18	STATE TAXABLE INCOME (L16 + L17)	(1,326,904,247)	1,500,695,111	173,790,864
19	STATE INCOME TAX BEFORE ADJUSTMENTS (L18 * Tax Rate) [1]	(75,633,542)	85,539,621	9,906,079
20	ADJUSTMENTS TO STATE TAX [3]	305,186	0	305,186
21	STATE INCOME TAX (L19 + L20)	(75,328,356)	85,539,621	10,211,265
COMPUTATION OF FEDERAL INCOME TAX				
22	TAXABLE INCOME (L15)	(29,314,616)	288,787,480	259,472,864
23	STATE INCOME TAX BEFORE ADJUSTMENTS (L19)	(75,633,542)	85,539,621	9,906,079
24	FEDERAL ADJUSTMENTS [3]	0	0	0
25	TOTAL FEDERAL TAXABLE INCOME (L22 - L23 + L24)	46,318,926	203,247,858	249,566,785
26	FEDERAL INCOME TAX BEFORE ADJUSTMENTS (L25 * Tax Rate) [1]	9,726,975	42,682,050	52,409,025
27	ADJUSTMENTS TO FEDERAL TAX [3]	1,849,298	0	1,849,298
28	FEDERAL INCOME TAX (L26 + L27)	11,576,273	42,682,050	54,258,323

Notes:

- [1] Adjustments and applicable tax rate as set out in Attachment C to this Rider FRP.
- [2] Interest Expense for Col. C is Weighted Cost of Debt (COD) Rate as derived from COD elements reflected in Attachment B.5 x Rate Base per Attachment B.2, Column C.
- [3] List all adjustments including descriptions in a supporting schedule. See Filing Requirement Item No. 15, MFR C-11 for additional support.

Entergy Arkansas, LLC
Formula Rate Plan
Benchmark Rate of Return on Rate Base
For the Projected Year 2023

(A)	(B)	(C)	(D)	(E)	(F)
Line No.	Description	Capital Amount (\$) [1]	Capital Ratio (%) [2]	Cost Rate (%) [3]	Benchmark Rate Of Return On Rate Base [4]
1	Long-Term Debt	3,829,724,097	39.99%	3.9575%	1.58%
2	Preferred Stock	-	0.00%	0.0000%	0.00%
3	Common Equity	3,604,066,254	37.63%	9.6500%	3.63%
4	Accumulated Deferred Income Taxes	1,851,836,128	19.34%	0.0000%	0.00%
5	Post-1970 ADITC - LT	13,910,549	0.15%	3.9575%	0.01%
6	Post-1970 ADITC - ST	5,297	0.00%	0.6922%	0.00%
7	Post-1970 ADITC - Preferred Stock	-	0.00%	0.0000%	0.00%
8	Post-1970 ADITC - Common Stock	13,090,901	0.14%	9.6500%	0.01%
9	Customer Deposits	93,626,817	0.98%	0.3000%	0.00%
10	Short-Term/Interim Debt	1,458,232	0.02%	0.6922%	0.00%
11	Current Accrued, and Other Liabilities	(21,162,694)	-0.22%	0.0000%	0.00%
12	Capital Leases	-	0.00%	0.0000%	0.00%
13	DOE Obligation	190,344,521	1.99%	0.6800%	0.01%
14	Other Capital Items	-	0.00%	0.0000%	0.00%
15	Total	9,576,900,102	100.00%	29.58%	5.25%

Notes:

- [1] The capital balances for Long-Term Debt, Department of Energy Obligation (DOE), Preferred Equity and Common Equity shall be mid-year (June 30) balances (1) adjusted to reflect short-term debt using any 13 month average net borrower position from the money pool and (2) further adjusted to remove any 13 month average net lender position to the money pool for the year, if applicable, consistent with Commission Order in Docket No. 15-015-U. Support for the 13 month average of the money pool calculations shall be provided. The total debt-to-equity ratio (DTE) for external capital, including the appropriate short-term debt percentage and the Department of Energy (DOE) Obligation, shall fall within a range of 56/44 to 50/50. Should the DTE ratio fall outside that range, the external capital structure shall be imputed using a 53/47 DTE ratio. Capital amounts shall include mid-year balances for Post-1970 Investment Tax Credits, Customer Deposits, and Short-Term debt balances, beginning and ending year average for Accumulated Deferred Income Tax (ADIT), and 13-month average balances for Current, Accrued and Other Liabilities (CAOL), if applicable. A June 30 balance sheet should be provided as well as a reconciliation between the balance sheet and Column (A) amounts. Support for the CAOL balances shall include the same format and detail as required by the Filing Requirements in Attachment E, Item No. 15.

Beginning with the 2021 Evaluation Report, the total debt-to-equity ratio (DTE) for external capital, including the appropriate short-term debt percentage and the Department of Energy (DOE) Obligation, shall be imputed using a 53/47 DTE ratio consistent with the calculation of the DTE ratio in Docket No. 15-015-U. In order to achieve the imputed ratio of 53/47, EAL will adjust the balances of long-term debt and common equity. If EAL's short-term debt falls below 0.07% and the Commission imputes a short-term debt amount up to that threshold, the corresponding adjustment will adjust long-term debt to maintain a 53/47 DTE ratio. If the Commission imputes any amount for any liabilities that are reflected in the capital structure for ratemaking purposes, it shall not include any amount stated as a percentage that exceeds the amount stated as a percentage included in the capital structure approved by the Commission in Order No. 40 issued on December 11, 2020 in Docket No. 16-036-FR.

- [2] Capital amounts each divided by the Total Capital Amount.
- [3] The cost rates shall be calculated in accordance with the calculation applied by the Commission in Docket No. 15-015-U. Support for the cost of Long-Term debt and cost of Preferred Stock shall be provided in the same format and level of detail required by the Filing Requirements, respectively. Support for the Short-Term debt cost rate and the DOE Obligation cost rate should include a general description of how the interest rate is determined and the same level of detail provided in the Filing Requirements in Attachment E, Item No. 15. The cost rate for Customer Deposits shall be the Commission-approved rate in effect during the year. The Cost Rate for Common Equity during the initial five-year term is the Company's cost rate for common equity as established by the Commission in Docket No. 15-015-U (9.75%), which includes the netting adjustments for historical years 2020 and 2021. The Cost Rate for the Common Equity for the extension period is 9.65%.

Beginning with the 2021 Evaluation Report, should the long-term or short-term debt amounts have to be adjusted in order to achieve the imputed 53/47 DTE ratio, the adjusted values will have a cost rate equivalent to the unadjusted long-term and short-term debt amounts.

- [4] The components in Column F are the corresponding Cost Rates multiplied by the associated Capital Ratio.

Docket No.: 16-036-FR

Order No.: 56

Effective: 1/3/23

Attachment B.6

Rate Schedule No. 44

**Entergy Arkansas, LLC
Formula Rate Plan
Rider FRP Revenue Redetermination Formula
For the Projected Year 2023**

SECTION 1			
BANDWIDTH DEVELOPMENT			
Line No	DESCRIPTION	REFERENCE	
1	Earned Rate of Return on Common Equity ("ERR") [1]	B.1, Line 23	7.76%
2	Target Return Rate ("TRR")	B.5, Line 3, Column E	9.65%
3	Upper Bandwidth Limit	Line 2 + 0.50%	10.15%
4	Lower Bandwidth Limit	Line 2 - 0.50%	9.15%
5	ROE Adjustment	If L1 < L4, then L2 - L1; If L1 > L3, then L2 - L1, but no adjustment if L1 ≥ L4 or L1 ≤ L3	1.89%
SECTION 2			
ROE BANDWIDTH RATE ADJUSTMENT			
Line No	DESCRIPTION	REFERENCE	
6	ROE Adjustment	Per Line 5	1.89%
7	Common Equity Capital Ratio	B.5, Line 3 + Line 8, Column D	37.77%
8	Retail Rate Base	B.1, Line 18	9,176,563,762
9	Revenue Conversion Factor	B.1, Line 15	1,33950
10	Total Rate Change in Rider FRP Revenue	Line 6 * Line 7 * Line 8 * Line 9	87,672,435

Notes:

- [1] The ERR is the Earned Rate of Return on Common Equity, calculated by dividing the weighted earned common equity rate by the common equity ratio percentage.
- [2] The TRR during the initial five-year term is the Company's cost rate for common equity as established by the Commission in Docket No. 15-015-U (9.75%), which includes the netting adjustments for historical years 2020 and 2021. The TRR for the extension period is 9.65%.

ENTERGY ARKANSAS, LLC FORMULA RATE PLAN ADJUSTMENTS

The amounts reflected in Attachments B and D shall be adjusted to reflect the following:

I. General

- A) The rate base, revenue and expense effects associated with riders which recover specific costs or other rate mechanisms the utility may have in effect shall not be included in the Formula Rate Plan Projected and Historical Year periods.
- B) The Historical Year balance sheet shall be the source for rate base and capital for the Historical Year used in Attachment D. The Historical Year income statement shall be the source for revenue and expense amounts used in Attachment D.
- C) The Historical Year shall be adjusted to remove rider revenue and expenses, remove amounts, or otherwise make adjustments, consistent with the most recent general rate case (e.g., removal of charitable contributions from expense, or temporary accounts from working capital assets (WCA)), and other adjustments as described in Attachment C.
- D) Where the Official Forecast is defined as Entergy Corporation's Board of Directors approved five-year corporate budget for EAL, the Company's Official Forecast shall be the source for rate base, capital, revenue, and expense amounts for use in Attachment B unless otherwise supported by the Company in its filing, and to the extent practicable, EAL shall support the purpose and level of its Projected Year investments or expenses with those projections based primarily upon historical averages and making specific adjustments to those amounts instead of basing those projections primarily on EAL's corporate budget. To the extent practicable, the Company will utilize its four-year historical averages as the base for its projected capital and expense amounts for use in Attachment B, with specific modifications to those amounts either higher or lower than the four-year average that the Company reasonably expects are likely to occur in the Projected Year and are supported by the Company in its annual Evaluation Report filing. Specifically, to the extent practicable, EAL will utilize four-year average historical plant balances as the baseline for the development of the enumerated blanket funding projects associated with capital investment that are mandated by law or regulation, customer-driven, or necessary to maintain the reliability of the electric grid as the baseline for the investments going forward. For any projects that fall outside the recurring enumerated categories that are based on the historical averaging, EAL shall separately identify, to the extent practicable, each project and support the project as a specific adjustment to the Projected Year amounts, and to complete this, EAL may determine that projects should be grouped together when the projects contain a combination of proposed investments associated with both baseline reliability and load stability projects, such as pole, line and circuit inspection programs, and other reliability efforts that EAL plans to undertake in the Projected Year. Again, to the extent practicable, EAL shall use the four-year historical averages described herein except that EAL shall adjust the historical averages upward or downward for specific capital projects and anticipated cost increases or decreases that EAL reasonably expects are likely to occur within the Projected Year and for which EAL provides additional support consistent with other filing support thresholds that the Commission applied to EAL's Rider FRP during its initial five-year term; additionally, expenses related to capital investments that EAL already has explained shall not require separate support, including depreciation and property taxes. The support for the Projected Year described herein shall be applied to the transmission and generation functional areas to the extent deemed practicable by

EAL. If EAL determines that any of the foregoing is not practicable, EAL shall use reasonable efforts to establish a similar framework to present capital investment and expense.

- E) The Projected Year shall be adjusted to remove rider revenue and expenses, remove amounts, or otherwise make adjustments, consistent with the Commission's Order in Docket No. 15-015-U (e.g., removal of charitable contributions from expense, or temporary accounts from WCA), and other adjustments as described in Attachment C.
- F) EAL shall include and shall recover Allowance for Funds Used During Construction (AFUDC). AFUDC shall be determined according to the uniform system of accounts adopted by the Commission and any applicable accounting guidance issued by the Federal Energy Regulatory Commission and conforms with Generally Accepted Accounting Principles.
- G) Rate base amounts for both the Historical Year and the Projected Year shall exclude construction work in progress (CWIP), Non-Utility Plant, and Plant Held for Future Use. Plant and Accumulated Depreciation amounts for both the Historical Year and the Projected Year shall be adjusted to remove Asset Retirement Obligations and Securitized amounts.
- H) No adjustments shall be made in either the Projected or Historical Year to annualize any expense.
- I) During the term of Rider FRP the Lost Contribution to Fixed Costs portion of the utility's Energy Efficiency Rider shall be set to zero.
- J) Depreciation Expenses and Accumulated Depreciation shall reflect Commission-approved rates. No changes in depreciation rates shall be made in the annual Rider FRP filing. During an annual Rider FRP filing, a utility may request an interim rate for plant added, which has no approved depreciation rate, excluding major plant acquisitions. EAL shall request depreciation rates for major plant acquisitions within the docket requesting approval for the purchase of the plant.
- K) Revenue and cost effects that were imputed in the general rate case shall be similarly imputed in the annual Rider FRP filing.
- L) EAL shall not record a regulatory asset or regulatory liability representing the amount by which an FRP increase or decrease absent the operation of the 4 percent cap exceeds the actual FRP increase or decrease that is implemented pursuant to the operation of this tariff.

II. Cost of Service Categories

A. Revenues

1. For the Filing Year, total revenue used on Attachment A.2 – Extension shall be based on EAL's projected annualized billing determinants and rates which will be in effect at year-end. Because year-end data will not be available at the time of the filing, revenue projections for the Filing Year shall be updated based on actual data during the Rider FRP procedural schedule. Adjustments for growth and thirty-year normal weather shall be included.

2. For the Projected Year, revenue shall be based on EAL's projected annualized billing determinants and rates, which will be in effect at year-end. Adjustments for growth and thirty-year normal weather shall be included.
3. The Historical Year shall reflect actual revenues. No adjustments for growth or weather shall be included.
4. Revenues associated with special rate contracts shall be treated consistent with the terms of the contract.

B. Rate Base

1. For the Historical Year, plant shall reflect the average of beginning and ending year balances.
2. For the Projected Year, plant shall reflect the average of beginning and ending year balances. Plant shall include adjustments based on projections, including but not limited to, CCN/CECPN projects approved or expected to be approved by the Commission and in service by the beginning of the Projected Year for the beginning year balances, and include projects in-service by the end of the Projected Year for ending year balances.
3. For the Historical Year, WCA shall reflect a 13-month average.
4. For the Projected Year, WCA shall reflect a 13-month average of the Historical Year with adjustments or projections to reflect a more representative balance.

C. Expenses

1. The Historical Year shall reflect actual expenses, adjusted as described in Attachment C.

D. Income Tax Expense

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

1. All Projected Year and Historical Year interest expenses shall be eliminated and replaced with an imputed interest expense amount equal to the rate base multiplied by the weighted embedded cost of debt;
2. Effects associated with other adjustments shall be similarly and consistently adjusted;
3. The Projected Year shall reflect the corporate state and federal income tax laws legally in effect for the Projected Year to the extent reasonably known on the date the Evaluation Report is filed. The Historical Year shall reflect the corporate state and federal income tax laws legally in effect during the historical year;
4. For the Projected Year and Historical Year, tax effects normally excluded for ratemaking purposes shall be eliminated.

E. Benchmark Rate of Return on Rate Base

For the Projected Year and the Historical Year, the following adjustments shall be made:

1. CAOL shall be based on the Historical Year 13-month averages, with adjustments or projections to reflect a more representative balance, and include all accounts consistent with those ordered by the Commission in Docket No. 15-015-U. If the Commission imputes any amount for any liabilities that are reflected in the capital structure for ratemaking purposes, it shall not include any amount stated as a percentage that exceeds the amount stated as a percentage included in the capital structure approved in the Commission's December 11, 2020 Order No. 40 in Docket No. 16-036-FR, i.e., no greater than 1 percent of total capitalization.
2. Accumulated Deferred Income Taxes (ADIT) shall be based on the beginning and ending test year average and include all accounts consistent with those ordered by the Commission in Docket No. 15-015-U, adjusted for any changes made to Projected Year plant addition amounts.
3. The capital balances for Long-Term Debt, DOE Obligation, Preferred Equity and Common Equity shall be mid-year (June 30) balances (1) adjusted to reflect short-term debt using any 13 month average net borrower position from the money pool and (2) further adjusted to remove any 13 month average net lender position to the money pool for the year, if applicable, consistent with those ordered by the Commission in Docket No. 15-015-U.
4. For EAL's first five-year term of Rider FRP, the DTE for external capital, including the appropriate short-term debt percentage and the DOE Obligation, reflected in Attachment B-5 and D-5, the BRORB, shall fall within a range of 56/44 to 50/50. Should EAL DTE ratio fall outside the range, the external capital structure shall be imputed using a 53/47 DTE ratio.

For the extension term of Rider FRP, the debt-to-equity ratio, for the purpose of setting rates, shall be fixed at EAL's actual debt-to-equity ratio approved in the Commission's December 11, 2020 Order No. 40 in Docket 16-036-FR. In order to achieve the imputed ratio of 53/47, EAL will adjust the balances of long-term debt and common equity. If EAL's short-term debt below falls below 0.07% and the Commission imputes a short-term debt amount up to that threshold, the corresponding adjustment will adjust long-term debt to maintain the 53/47 DTE ratio.

5. The return on equity shall be the value determined in Docket No. 15-015-U and shall continue to be in effect for the term of the extension.

III. Other Adjustments

A. Reclassifications

1. For the Historical Year and Projected Year, revenues included in Other Electric Revenue shall be reclassified to the appropriate jurisdictional rate schedule revenue category.
2. For the Projected Year and Historical Year, costs not allowable for ratemaking purposes shall be excluded as specified in Section I or removed by adjustment. Likewise, costs that are allowed, but recorded below the utility operating income line, shall be included in the annual Rider FRP filing cost data through appropriate reclassification adjustments. These adjustments shall include but are not limited to interest income and expense related to Entergy Services, LLC (ESL) and Entergy Operations, Inc. (EOI).

B. Out-of-Period Items

Expenses and revenues that are related to transactions occurring prior to the Historical Year but are recorded in the Historical Year shall be eliminated, including any associated tax adjustments.

C. Other

A public utility or any other party to the proceeding may propose additional adjustments that are based on factors unique to the public utility except that any adjustment(s) beyond those described above shall be consistent with the APSC's findings in Docket No. 15-015-U and shall be consistent with the Formula Rate Review Act.

Entergy Arkansas, LLC
Formula Rate Plan
Earned Rate of Return on Common Equity Formula
For the Historical Year 2021

Line No	Description	Source	Adjusted Amount
TOTAL COMPANY			
1	RATE BASE	D.2, Line 27	8,438,825,928
2	BENCHMARK RATE OF RETURN ON RATE BASE	D.5, Line 13, Column F	5.19%
3	REQUIRED OPERATING INCOME	Line 1 * Line 2	437,749,070
4	NET UTILITY OPERATING INCOME	D.3, Line 33	394,240,725
5	OPERATING INCOME DEFICIENCY/(EXCESS)	Line 3 - Line 4	43,508,345
6	REVENUE CONVERSION FACTOR	Note [1]	1.34664
7	REVENUE DEFICIENCY/(EXCESS)	Line 5 * Line 6	58,590,081
8	PRESENT RATE REVENUES		
8	RETAIL RATE SCHEDULE REVENUE	D.3, Line 2	1,493,974,870
9	WHOLESALE SALES	D.3, Line 3	13,319
10	REVENUE REQUIREMENT	Line 7 + Line 8 + Line 9	1,552,578,270
TOTAL RETAIL			
11	REVENUE REQUIREMENT ALLOCATION FACTOR	Note [2]	99.9992%
12	RETAIL REVENUE REQUIREMENT	Line 10 * Line 11	1,552,565,849
13	RETAIL RATE SCHEDULE REVENUE	Line 8	1,493,974,870
14	RETAIL REVENUE DEFICIENCY/(EXCESS)	Line 12 - Line 13	58,590,980
15	REVENUE CONVERSION FACTOR	Note [1]	1.34664
16	RETAIL OPERATING INCOME DEFICIENCY/(EXCESS)	Line 14 / Line 15	43,509,012
17	RATE BASE ALLOCATION FACTOR	Note [3]	99.9990%
18	RETAIL RATE BASE	Line 1 * Line 17	8,438,742,233
19	COMMON EQUITY DEFICIENCY/(EXCESS) (%)	Line 16 / Line 18	0.52%
20	WEIGHTED EVALUATION PERIOD COST RATE FOR COMMON EQUITY (%)	D.5, Line 3, Column F	3.67%
21	WEIGHTED EARNED COMMON EQUITY RATE (%)	Line 20 - Line 19	3.15%
22	COMMON EQUITY RATIO (%)	D.5, Line 3 + Line 8, Column D	37.62%
23	EARNED RATE OF RETURN ON COMMON EQUITY (%)	Line 21 / Line 22	8.38%

Notes:

- [1] Revenue Conversion Factor = $1 / [(1 - \text{Composite Tax Rate}) * (1 - \text{Bad Debt} + \text{Forfeited Discount Rate})]$.
- [2] Revenue Requirement Allocation Factor = Retail Revenue Requirement / Total Company Revenue Requirement. The Retail and Total Company Revenue Requirement shall be the revenue requirement approved by the Commission in Docket No. 15-015-U.
- [3] Rate Base Allocation Factor = Retail Rate Base / Total Company Rate Base. The Retail and Total Company Rate Base shall be the rate base approved by the Commission in Docket No. 15-015-U.

Attachment D.2 to
Rate Schedule No. 44

Entergy Arkansas, LLC
Formula Rate Plan
Rate Base
For the Historical Year 2021

Line No	Description	Historical Year Per Books A [1]	Historical Year Adjustments B [2]	Adjusted Historical Year C [3]
1	PLANT IN SERVICE			
2	Beginning Balance	13,809,362,918	(1,506,194,049)	12,303,168,869
3	Ending Balance	14,505,028,713	(1,667,624,245)	12,837,404,469
4	Average Balance	14,157,195,816	(1,586,909,147)	12,570,286,669
5	ACCUMULATED DEPRECIATION			
6	Beginning Balance	(6,603,506,263)	1,760,339,818	(4,843,166,445)
7	Ending Balance	(6,965,155,300)	1,932,308,050	(5,032,847,250)
8	Average Balance	(6,784,330,782)	1,846,323,934	(4,938,006,847)
9	AVERAGE NET UTILITY PLANT (L4 + L8)			7,632,279,822
10	PLANT ACQUISITION ADJUSTMENT			
11	Beginning Balance	44,516,241	0	44,516,241
12	Ending Balance	44,516,241	0	44,516,241
13	Average Balance			44,516,241
14	AMORTIZATION OF ACQUISITION ADJ			
15	Beginning Balance	(15,859,303)	0	(15,859,303)
16	Ending Balance	(18,361,110)	0	(18,361,110)
17	Average Balance			(17,110,206)
18	WORKING CAPITAL ASSETS			
19	MATERIALS AND SUPPLIES	247,980,766	(32,645,634)	215,335,132
20	PREPAYMENTS	2,542,543	10,734,322	13,276,865
21	FUEL INVENTORY	101,706,837	(66,489,182)	35,217,654
22	WORKING CASH	7,232,744,686	(6,717,434,266)	515,310,420
23	TOTAL WORKING CAPITAL ASSETS	7,584,974,831	(6,805,834,760)	779,140,072
24	OTHER	0	0	0
25	TOTAL RATE BASE:			
26	Ending Balances (L3+L7+L12+L16+L23+L24)	15,151,003,375		8,609,852,422
27	Adj Historical Year (L9+L13+L17+L23+L24)			8,438,825,928

Notes:

- [1] Beginning and Ending Balances.
- [2] Adjustments as set out in Attachment C to this Rider FRP.
- [3] Averages will be used for the netting; Ending Balances will be the source of the Projected Schedules.

Entergy Arkansas, LLC
Formula Rate Plan
Operating Income
For the Historical Year 2021

Line No	Description	Historical Year Per Books A [1]	Historical Year Adjustments B [2]	Adjusted Historical Year C
REVENUES				
1	SALES TO ULTIMATE CUSTOMERS			
2	RETAIL RATE SCHEDULE REVENUE	1,878,947,018	(384,972,149)	1,493,974,870
3	WHOLESALE SALES	45,885,288	(45,871,969)	13,319
4	TOTAL SALES TO ULTIMATE CUSTOMERS (L2 + L3)	1,924,832,307	(430,844,118)	1,493,988,189
5	OTHER SALES REVENUE	265,905,932	(265,234,325)	671,608
6	OTHER ELECTRIC REVENUE	147,851,839	(118,706,995)	29,144,844
7	TOTAL OPERATING REVENUES (Sum of L4 thru L6)	2,338,590,078	(814,785,438)	1,523,804,641
EXPENSES				
8	OPERATION & MAINTENANCE			
9	PRODUCTION	922,502,369	(648,084,975)	274,417,395
10	TRANSMISSION	47,126,576	(16,888,087)	30,238,489
11	REGIONAL MARKET	4,616,479	(4,616,479)	-
12	DISTRIBUTION	87,944,326	(494,155)	87,450,171
13	CUSTOMER ACCOUNTING	38,005,639	(1,609,064)	36,396,575
14	CUSTOMER SERVICE & INFORMATION	60,652,797	(51,540,388)	9,112,409
15	SALES	741,431	676,170	1,417,600
16	ADMINISTRATIVE & GENERAL	211,959,758	(28,625,846)	183,333,912
17	TOTAL O & M EXPENSE (Sum of L9 thru L16)	1,373,549,375	(751,182,824)	622,366,551
18	GAIN FROM DISPOSITION OF ALLOWANCES	0	-	0
19	REGULATORY DEBITS & CREDITS	(14,365,770)	15,064,986	699,216
20	DEPRECIATION & AMORTIZATION EXPENSES	362,830,549	(18,143,705)	344,686,845
21	ACCRETION EXPENSES	77,696,212	(77,696,212)	-
22	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT	2,501,807	0	2,501,807
23	OTHER CREDIT FEES	-	237,601	237,601
24	TAXES OTHER THAN INCOME	126,807,767	(47,240,977)	79,566,790
25	CURRENT STATE INCOME TAX [3]	(1,085,854)	7,711,744	6,625,891
26	CURRENT FEDERAL INCOME TAX [3]	(25,864,142)	69,375,879	43,511,737
27	PROVISION DEFERRED INCOME TAX - STATE - NET [4]	21,830,380	(4,396,941)	17,433,440
28	PROVISION DEFERRED INCOME TAX - FEDERAL - NET [4]	73,307,280	(60,144,216)	13,163,064
29	INVESTMENT TAX CREDIT - NET [4]	(1,229,025)	-	(1,229,025)
30	GAIN/LOSS - DISPOSITION OF UTILITY PLANT	-	-	-
31	OTHER	-	-	-
32	TOTAL UTILITY OPERATING EXPENSE (Sum of L17 thru L31)	1,995,978,581	(866,414,665)	1,129,563,916
33	NET UTILITY OPERATING INCOME (L7 - L32)	342,611,497	51,629,228	394,240,725

Notes:

- [1] Ending Balances.
- [2] Adjustments as set out in Attachment C to this Rider FRP.
- [3] Reference Attachment D.4. See also Filing Requirement Item No. 15, MFR C-11 for additional support.
- [4] Provide supporting schedule of calculation including adjustments and descriptions. See Filing Requirement Item No. 15, MFR C-9 & C-12 for additional support.

Attachment D.4 to
Rate Schedule No. 44

Entergy Arkansas, LLC
Formula Rate Plan
Income Tax
For the Historical Year 2021

Line No	Description	Historical Year Per Books A [1]	Historical Year Adjustments B [2]	Adjusted Historical Year C
1	TOTAL OPERATING REVENUES	2,338,590,078	(814,785,438)	1,523,804,641
2	TOTAL O&M EXPENSE	1,373,549,375	(751,182,824)	622,366,551
3	GAIN FROM DISPOSITION OF ALLOWANCES	0	0	0
4	REGULATORY DEBITS AND CREDITS	(14,365,770)	15,064,986	699,216
5	DEPRECIATION & AMORTIZATION EXPENSE	362,830,549	(18,143,705)	344,686,845
6	ACCRETION EXPENSE	77,696,212	(77,696,212)	0
7	AMORTIZATION OF PLANT ACQUISITION ADJUSTMENT	2,501,807	0	2,501,807
8	OTHER CREDIT FEES	0	237,601	237,601
9	TAXES OTHER THAN INCOME	126,807,767	(47,240,977)	79,566,790
10	GAIN/LOSS – DISPOSITION OF UTILITY PLANT	0	0	0
11	OTHER	0	0	0
12	INTEREST EXPENSE [3]	134,106,873	(5,872,856)	128,234,017
13	NET INCOME BEFORE INCOME TAXES (L1- (Sum L2-L12))	275,463,264	70,048,550	345,511,815
14	ADJUSTMENTS TO NET INCOME BEFORE TAXES [4]	(327,343,156)	186,544,612	(140,798,544)
15	TAXABLE INCOME (L12 + L13)	(51,879,892)	256,593,162	204,713,271
COMPUTATION OF STATE INCOME TAX				
16	TAXABLE INCOME (L15)	(51,879,892)	256,593,162	204,713,271
17	STATE ADJUSTMENTS [4]	(5,705,011)	(97,061,411)	(102,766,423)
18	STATE TAXABLE INCOME (L16 + L17)	(57,584,903)	159,531,751	101,946,848
19	STATE INCOME TAX BEFORE ADJUSTMENTS (L18 * Tax Rate) [2]	(3,570,264)	9,890,969	6,320,705
20	ADJUSTMENTS TO STATE TAX [4]	2,484,410	(2,179,224)	305,186
21	STATE INCOME TAX (L19 + L20)	(1,085,854)	7,711,744	6,625,891
COMPUTATION OF FEDERAL INCOME TAX				
22	TAXABLE INCOME (L15)	(51,879,892)	256,593,162	204,713,271
23	STATE INCOME TAX BEFORE ADJUSTMENTS (L19)	(3,570,264)	9,890,969	6,320,705
24	FEDERAL ADJUSTMENTS [4]	0	0	0
25	TOTAL FEDERAL TAXABLE INCOME (L22 - L23 + L24)	(48,309,628)	246,702,194	198,392,566
26	FEDERAL INCOME TAX BEFORE ADJUSTMENTS (L25 * Tax Rate) [2]	(10,145,022)	51,807,461	41,662,439
27	ADJUSTMENTS TO FEDERAL TAX [4]	(15,719,120)	17,568,419	1,849,298
28	FEDERAL INCOME TAX (L26 + L27)	(25,864,142)	69,375,879	43,511,737

Notes:

- [1] Ending Balances.
- [2] Adjustments and applicable tax rate as set out in Attachment C to this Rider FRP.
- [3] Interest Expense is Per Books for Column A, Weighted Cost of Debt (COD) Rate as derived from COD elements reflected in Attachment D.5 x Rate Base per Attachment D.2, Column C.
- [4] List all adjustments including descriptions in a supporting schedule. See Filing Requirement Item No. 15, MFR C-11 for additional support.

Attachment D.5 to
Rate Schedule No. 44

Entergy Arkansas, LLC
Formula Rate Plan
Benchmark Rate of Return on Rate Base
For the Historical Year 2021

(A) Line No.	(B) Description	(C) Capital Amount (\$) [1]	(D) Capital Ratio (%) [2]	(E) Cost Rate (%) [3]	(F) Benchmark Rate Of Return On Rate Base [4]
1	Long-Term Debt	3,539,339,724	39.42%	3.81%	1.50%
2	Preferred Stock	-	0.00%	0.00%	0.00%
3	Common Equity	3,363,315,170	37.46%	9.75%	3.65%
4	Accumulated Deferred Income Taxes	1,791,007,011	19.95%	0.00%	0.00%
5	Post-1970 ADITC - LT	15,050,872	0.17%	3.81%	0.01%
6	Post-1970 ADITC - ST	38,826	0.00%	0.02%	0.00%
7	Post-1970 ADITC - Preferred Stock	-	0.00%	0.00%	0.00%
8	Post-1970 ADITC - Common Stock	14,302,336	0.16%	9.75%	0.02%
9	Customer Deposits	90,905,156	1.01%	0.80%	0.01%
10	Short-Term/Interim Debt	9,130,147	0.10%	0.02%	0.00%
11	Current Accrued, and Other Liabilities	(33,162,992)	-0.37%	0.00%	0.00%
12	Capital Leases	-	0.00%	0.00%	0.00%
13	DOE Obligation	188,812,520	2.10%	0.09%	0.00%
14	Other Capital Items	-	0.00%	0.00%	0.00%
15	Total	8,978,738,770	100.00%	28.05%	5.19%

Notes:

[1] The capital balances for Long-Term Debt, Department of Energy Obligation (DOE), Preferred Equity and Common Equity shall be mid-year (June 30) balances (1) adjusted to reflect short-term debt using any 13 month average net borrower position from the money pool and (2) further adjusted to remove any 13 month average net lender position to the money pool for the year, if applicable, consistent with Commission Order in Docket No. 15-015-U. Support for the 13-month average of the money pool calculations shall be provided. The total debt-to-equity ratio (DTE) for external capital, including the appropriate short-term debt percentage and the Department of Energy (DOE) Obligation, shall fall within a range of 56/44 to 50/50. Should the DTE ratio fall outside that range, the external capital structure shall be imputed using a 53/47 DTE ratio. Capital amounts shall include mid-year balances for Post-1970 Investment Tax Credits, Customer Deposits, and Short-Term debt balances, beginning and ending year average for Accumulated Deferred Income Tax (ADIT), and 13-month average balances for Current, Accrued and Other Liabilities (CAOL), if applicable. A June 30 balance sheet should be provided as well as a reconciliation between the balance sheet and Column (A) amounts. Support for the CAOL balances shall include the same format and detail as required by the Filing Requirements in Attachment E, Item No. 15.

Beginning with the 2021 Evaluation Report, the total debt-to-equity ratio (DTE) for external capital, including the appropriate short-term debt percentage and the Department of Energy (DOE) Obligation, shall be imputed using a 53/47 DTE ratio consistent with the calculation of the DTE ratio in Docket No. 15-015-U. In order to achieve the imputed ratio of 53/47, EAL will adjust the balances of long-term debt and common equity. If EAL's short-term debt below falls below 0.07% and the Commission imputes a short-term debt amount up to that threshold, the corresponding adjustment will adjust long-term debt to maintain a 53/47 DTE ratio. If the Commission imputes any amount for any liabilities that are reflected in the capital structure for ratemaking purposes, it shall not include any amount stated as a percentage that exceeds the amount stated as a percentage included in the capital structure approved by the Commission in Order No. 40 issued on December 11, 2020 in Docket No. 16-036-FR.

[2] Capital amounts each divided by the Total Capital Amount.

[3] The cost rates shall be calculated in accordance with the calculation applied by the Commission in Docket No. 15-015-U. Support for the cost of Long-Term debt and cost of Preferred Stock shall be provided in the same format and level of detail required by the Filing Requirements, respectively. Support for the Short-Term debt cost rate and the DOE Obligation cost rate should include a general description of how the interest rate is determined and the same level of detail provided in the Filing Requirements in Attachment E, Item No. 15. The cost rate for Customer Deposits shall be the Commission-approved rate in effect during the year. The Cost Rate during the initial five-year term is the Company's cost rate for common equity as established by the Commission in Docket No. 15-015-U (9.75%), which includes the netting adjustments for historical years 2020 and 2021. The Cost Rate for the Common Equity for the extension period is 9.65%.

Beginning with the 2021 Evaluation Report, should the long-term or short-term debt amounts have to be adjusted in order to achieve the imputed 53/47 DTE ratio, the adjusted values will have a cost rate equivalent to the unadjusted long-term and short-term debt amounts.

[4] The components in Column F are the corresponding Cost Rates multiplied by the associated Capital Ratio.

Docket No.: 16-036-FR

Order No.: 56

Effective: 1/3/23

Attachment D.6 to
Rate Schedule No. 44

**Entergy Arkansas, LLC
Formula Rate Plan
Rider FRP Revenue Redetermination Formula
For the Historical Year 2021**

SECTION 1			
BANDWIDTH DEVELOPMENT			
Line No	DESCRIPTION	REFERENCE	
1	Earned Rate of Return on Common Equity ("ERR") [1]	D.1, Line 23	8.38%
2	Target Return Rate ("TRR") [2]	D.5, Line 3, Column E	9.75%
3	Upper Bandwidth Limit	Line 2 + 0.50%	10.25%
4	Lower Bandwidth Limit	Line 2 - 0.50%	9.25%
5	ROE Adjustment	If L1 < L4, then L2 - L1; If L1 > L3, then L2 - L1, but no adjustment if L1 ≥ L4 or L1 ≤ L3	1.37%
SECTION 2			
ROE BANDWIDTH RATE ADJUSTMENT			
Line No	DESCRIPTION	REFERENCE	
6	ROE Adjustment	Per Line 5	1.37%
7	Common Equity Capital Ratio	D.5, Line 3 + Line 8, Column D	37.62%
8	Retail Rate Base	D.1, Line 18	8,438,742,233
9	Revenue Conversion Factor	Note [5]	1,34478
10	Total Rate Change in Rider FRP Revenue	Line 6 * Line 7 * Line 8 * Line 9	58,510,176
SECTION 3			
TOTAL BANDWIDTH RATE ADJUSTMENT			
Line No	DESCRIPTION	REFERENCE	
11	(Reduction) / Increase in Rider FRP Revenue	Line 10	58,510,176
12	Adjusted Historical Year Rider FRP Revenue	Note [3]	43,351,505
13	Netting of Historical Year Differences Adj [4]	Line 11 - Line 12	15,158,671

Notes:

- [1] The ERR is the Earned Rate of Return on Common Equity, calculated by dividing the weighted earned common equity rate by the common equity ratio percentage.
- [2] The TRR during the initial five-year term is the Company's cost rate for common equity as established by the Commission in Docket No. 15-015-U (9.75%), which includes the netting adjustments for historical years 2020 and 2021. The TRR for the extension period is 9.65%.
- [3] Adjusted Historical Year FRP Rider revenue is the total FRP Rider revenue received for the Historical Year as described in Section 44.5.3.
- [4] Netting shall not begin until there is an actual twelve (12) months of Historical Year to report.
- [5] The Revenue Conversion Factor shall reference Attachment D.1, Line 15 unless the state or federal tax rate in effect at the end of the Historical Year has changed. If the state or federal tax rate has changed, the Revenue Conversion Factor will utilize a composite RCF as shown in WP_D.6.1.1.

**ENTERGY ARKANSAS, LLC
FORMULA RATE PLAN**

A. FILING REQUIREMENTS

Item No.	Filing Requirements
1	EAL shall file all Rider FRP Attachments supporting the Historical and Projected Year.
The following information shall be provided to the Parties:	
2	Comparative Balance Sheet as of December 31 for the five (5) years preceding the Filing Year. Reconcile to the Trial Balances and the Attachment D Schedules that it supports and reconcile to the FERC Form 1.
3	Operating statement of revenues and expenses for twelve months ending December 31 for the five (5) years preceding the Filing Year. Reconcile to the Trial Balances and the Attachment D Schedules that it supports and reconcile to the FERC Form 1.
4	Trial Balance by detail general ledger subaccount number for the five (5) years preceding the Filing Year. Reconcile to the Balance Sheets and the Attachment D Schedules that it supports.
5	Monthly Trial Balance by detail general ledger subaccount number for the beginning of the Historical Year and each of the monthly balances for the calendar year. Reconcile to the Balance Sheet, Income Statement, and the Attachment D Schedules that it supports.
6	Monthly balances for the "300" series plant amounts for the beginning of and each month-end of the Historical Year (13 months). In additional columns, the accumulated depreciation balances, the removal of securitized amounts (plant and accumulated depreciation) and asset retirement obligations and any other adjustments by each "300" series plant amount for the beginning of and each month-end of the Historical Year (13 months). Reconcile to the utility plant accounts in the Trial Balance and the Attachment D Schedules it supports.
7	Monthly plant and accumulated depreciation balances by account for the Historical Year showing the additions and retirements and any adjustments. Provide the cost of removal and salvage amounts by plant account for the year. Reconcile all amounts to the monthly Trial Balances for the "300" series plant accounts.
8	Identify all construction projects or purchases that closed to plant during the Historical Year. Include the project number, project description, start date, completion date, date closed to plant, cost to complete, and plant accounts where it was closed. Provide the detailed costs, including the AFUDC calculation, included in the five (5) largest projects completed during the year.

9	Identify any construction project or proposed purchase that is approved or expected to be approved by the Commission (CCN, CECPN) and in-service by the end of the Projected Year. Include the project number, project description, start date, expected completion date and expected cost to complete and plant accounts where it will be closed. Reconcile the total amount of the projects for both the beginning and the end of the Projected Year with the plant additions included on Attachment Schedule B.2.
10	Plant balances by account for the ten (10) years preceding the Filing Year showing the additions and retirements. Include the 10-year average of each and explain any amount that deviates from the average by more than thirty percent (30%) Provide the cost of removal and salvage amounts by plant account for the same ten (10) years. Determine the 10-year average percentage of plant additions, by plant account, for retirements and the 10-year average percentage of retirements by plant (accumulated depreciation) account for cost of removal and salvage. Reconcile the total amount of the retirements as a 10-year average percent of plant additions and the cost of removal and salvage as a 10-year average percent of retirements for both the beginning and the end of the Projected Year with the plant and accumulated depreciation amounts included on Attachment Schedule B.2.
11	Detailed chart of accounts, including subaccounts and detailed description (i.e. MFR E-9). List of project codes, activity codes, resource codes and detailed description for each.
12	EAL, ESL, EOI, and Entergy Corporation internal and external audit reports for the Historical Year and any proposed auditor's adjustments.
13	State and Federal Income Tax Returns for EAL, ESL, and EOI for the Historical Year.
14	Web access to EAL's database containing all general ledger accounting activity for the Historical Year.
15	Rules of Practice and Procedure, Appendix 8-1 Minimum Filing Requirements (MFR) Schedules, as modified to substitute the Historical Year for the test year and the Projected Year (Official Forecast) for the <i>pro forma</i> year, B-1, B-2, B-4, B-5, B-10, C-4, C-5, C-8, C-9, C-10, C-11, C-12, D-2, D-3, D-5, D-6.1, D-6.2, D-6.3, D-7, F-1, and a schedule that shows the development of forecasted revenues using forecasted energy sales. These schedules shall be used to support the adjustments described in Items 18 and 19 below. Note, D-2 and D-3 shall be modified to substitute the Historical Year as of June 30 for the test year and the Filing Year and Projected Year through June 30 for the <i>pro forma</i> year.
16	Schedule of the expenses paid to each vendor for the Historical Year sorted by vendor name and FERC subaccount.
17	Web access to invoices for all vendors, regardless of originating company (EAL, ESL, etc.) included in Item 16.

18	Separate schedules of proposed adjustments to the actual financial statement amounts in determining the Adjusted Historical Year by general ledger subaccount for 1) rate base, 2) revenues and expenses (excluding current and deferred income taxes), 3) current and deferred income taxes, 4) CAOL, 5) ADIT, and 6) other capital components. Within each schedule, the adjustments should be in separate columns, but grouped by 1) adjustments to remove rider revenue and expenses, 2) those consistent with adjustments ordered by the Commission in Docket No. 15-015-U (such as removal of disallowed expenses such as charitable contributions, or exclusion of temporary accounts from WCA), or 3) or other adjustments. The adjustments within each schedule (rate base, revenues and expense, income taxes, cost of capital components) shall directly support and reconcile to the appropriate Attachment D Schedules.
19	Separate schedules of proposed adjustments to the Official Forecast amounts in determining the Adjusted Projected Year by general ledger subaccount for 1) rate base, 2) revenues and expenses (excluding current and deferred income taxes), 3) current and deferred income taxes, 4) CAOL, 5) ADIT and 6) other capital components. Within each schedule, the adjustments should be in separate columns, but grouped by 1) adjustments to remove excluded rider revenue and expenses, 2) those consistent with Docket No. 15-015-U (such as removal of disallowed expenses such as charitable contributions, or exclusion of temporary accounts from WCA), or 3) or other adjustments. The adjustments within each schedule (rate base, revenues and expense, income taxes, cost of capital components) shall directly support and reconcile to the appropriate Attachment B Schedules. Adjustments shall include certain items such as additional plant in service approved by the Commission per CCN/CECPN, if required.
20	For the Historical Year, by rate class and rate schedule, provide a statement showing customer count, kWh, weather adjusted kWh, base rate revenues, and rider revenues. For the Projected Year, by rate class and rate schedule, provide a statement showing customer count, kWh, base rate revenues, and rider revenues. Provide work papers that explain the variance analysis between the Historical Year and Projected Year information.
21	Provide expense totals for the five (5) years preceding the Filing Year by subaccount, source resource code, source activity code, project code, and bill resource code. Each year should include separate columns for expenses included in the determination of base rates and other riders (non-base rates) expenses. Reconcile to Trial Balance.
22	Schedule of payroll and related costs supporting base rates (excluding riders) by FERC subaccount (expense and non-expense (capital) accounts) for the five (5) years preceding the Filing Year. The costs should be shown in separate groups of columns for each company (EAL, ESL, EOI-ANO, and other (identify)). Within each company, for full-time employees only, include separate columns for: base pay, overtime, STIP, LTIP, other bonuses (identify each separately), fringe benefits, and payroll taxes. Provide part-time pay and associated fringe benefits and payroll taxes. Include a separate column for reductions for any payroll costs paid by other affiliates or other companies per loaned labor/mutual assistance programs.

23	<p>Non-payroll balances supporting base rates (excluding riders) by FERC subaccount, and source resource code and at the 300 FERC subaccount level for Plant in Service, for the twelve (12) months ending December 31 for the five (5) years preceding the Filing Year. Either in a separate analysis or in separate columns, identify the expense amounts in each subaccount, and source resource code by company (EAL, ESL, EOI-ANO, or other). Identify and explain all significant changes in accounting procedures during the five (5) years. For any accounting reclassifications identified in the accounting changes, align and reconcile accounts that reflect accounting changes in order to consistently track the accounting change through the five-year period. Identify and explain changes between the twelve (12) months ending December 31 of the Historical Year costs and the five-year average by FERC Account for all variances greater than thirty percent (30%) and five hundred thousand dollars (\$500,000). The explanation and work papers shall include the specific underlying reason for the variance.</p>
24	<p>Provide a forecast validation analysis using the Historical Year data and the Projected Year data. The forecast validation analysis will be developed using the following method: (1) Adjust the Historical Year data as necessary such that it complies with the Commission's Order in Docket No. 15-015-U. (Note: The Historical Year is presented at the FERC account level for all items excluding Plant in Service. Plant in Service will be presented at the 300 FERC account level); (2) Adjust the Projected Year data as necessary such that it complies with the Commission's Order in Docket No. 15-015-U. (Note: The Projected Year data started with the Company's forecast data and is presented at the FERC account); (3) Compare the Historical Year data and Projected Year data, by FERC account balances, and calculate an account specific variance; (4) Establish an account specific threshold by calculating the trended average of each FERC account balance for the five years ending with the Historical Year; and (5) For each FERC account balance variance that exceeds the threshold established in item 4, EAL will provide sufficient data to justify the proposed increase to that FERC account. The explanation and work papers shall include the general underlying reason for the variance. Provide work papers that support and quantify the underlying reason(s) for the variance explanations for those FERC accounts that exceed the threshold.</p>

25	Affiliate transaction analysis of EAL expense account and project code shown in separate columns for the following: a) amounts billed, segregated between direct and allocated, from each affiliated company with separate columns for each affiliate; b) amounts directly incurred by EAL for its own operations; c) all other amounts in the account not corresponding to (a) or (b); and d) the sum of columns (a) through (c) which would equal the account's general ledger balance at the end of the Historical Year. Provide an explanation of all items in (c). Provide copies of all allocation manuals used in allocating common costs among and between the Company and its affiliates, and billing method tables for all affiliates which have direct-billed or allocated charges to EAL.
26	Provide the Company's Projected Year Budget (capital, payroll, headcount, non-payroll) that includes a reconciliation of the budgeted amounts to the Attachment B schedules. Provide supporting documentation for the development of the budgeted amounts. Provide web access to the Company's Projected Year Budget.
27	EAL shall file as part of the annual compliance filing for the first three years of the extension term revised rate schedules for Rate Schedule No. 6, Large General Service (LGS); Rate Schedule No. 7, Large General Service Time-of-Use (GST); Rate Schedule No. 8, Large Power Service (LPS); Rate Schedule No. 9, Large Power Service Time-of-Use (PST); and Rate Schedule No. 18, Voltage Adjustment Rider (VAR) reflecting an equal annual adjustment to the demand and energy components pursuant to Ark. Code Ann. § 23-4-1208(a)(3)(E).
28	Beginning with the 2023 Evaluation Report, EAL shall file as part of its annual Evaluation Report a list of all net-metering facilities that received treatment under the revised Rate Schedule No. 60, Extension of Facilities (EOFP), Section 60.2.3.C, approved in Docket No. 21-068-TF, Order No. 6 during the Historic Year of that Evaluation Report. EAL will include for each project: a) total project costs; b) costs allocated to the net-metering customer; c) costs included for recovery in the FRP filing; d) revenues provided by customer for the 12-months prior to the net-metering facility coming online to the extent available, and for 12-months after the net-metering facility came online to the extent available; e) the original cost of the retired asset and associated current utility account approved depreciation rate; and f) funding project code. Note, with regards to part (b) and (d), funding project codes will be specific to individual net-metering facilities that receive treatment under EOFP with the exception of upgrades that are triggered and paid for by multiple net-metering facilities owned by different customers. For such projects, a single funding project code will be created for the upgrade project; however, EAL will include in the Evaluation Report a break-down of the individual customer items noted above for each customer under that funding project code.
To the extent practicable, the following information shall be provided to the eligible Parties forty-five days in advance of the annual Evaluation Report filing:	
29	Information regarding EAL's construction projects and purchases that closed to plant during the Historical Year.
30	To the extent reasonably practicable, an overview of EAL's planned distribution projects describing its Projected Year planned distribution unadjusted investment and expenses.

FORMULA RATE PROTOCOLS

Section I. General Provisions

1. Applicability and Scope

- A. The following protocols shall apply to the annual Evaluation Report filings made pursuant to the Formula Rate Plan Rider Tariff (Rider FRP) approved by the Commission in Docket No. 15-015-U and extended in Docket No. 16-036-FR and under the Formula Rate Review Act.
- B. The Rules of Practice and Procedure (RPPs) shall apply to all annual Evaluation Report filings, except the following for which the Commission has granted an exemption by approving Rider FRP:
- Rule 3.08;
 - Rule 4.02 (a)(2)(A);
 - Rule 4.02 (a)(3);
 - Rule 4.02 (a)(4);
 - Rule 4.03 (c);
 - Rule 4.04 (a)(2);
 - Rule 4.10 (a)(2) & (3); and
 - Rule 5.05(b), (c), & (d).
- C. Any proposed modification of the Rider FRP Tariff, including these protocols, is outside the scope of an annual Evaluation Report filing and as such, no Party shall seek to modify the Rider FRP Tariff, including these protocols, as part of any annual Evaluation Report filing. Proposed modifications to the Rider FRP Tariff, including these protocols, shall be brought in a separate docket.
- D. The filing of an annual Evaluation Report is a Formal Application. The filings of an annual Evaluation Report are not to be construed as a General Rate Change Application, nor are adjustments to rates that result from the filings of an annual Evaluation Report to be construed as a general change in rates pursuant to any provision of the Arkansas Code that references a general change in rates.
- E. The Commission may grant an exemption from compliance with these Protocols if the exemption is found to be in the public interest and for good cause shown.

2. Public Notice

- A. At least thirty (30) days prior to filing an annual Evaluation Report, EAL shall give public notice of its intent to file.
- B. The notice shall indicate that it is from EAL and state that updated information shall be provided on EAL's website within seven (7) days after the Evaluation Report is filed. The notice shall include: the docket number, if known; the date on or about which the annual Evaluation Report is to be filed; the effective date of Rider FRP rates; reference to the RPPs and these protocols for persons interested in intervening, making a limited appearance, or submitting public comments in writing or orally at the hearing; deadlines for intervention as provided herein; the name, address, phone number and email address of the Secretary of the Commission and the URL address of the Commission website;

and that further information may be obtained by contacting the Secretary of the Commission or viewing the Commission's website.

- C. Public notice shall be given conspicuously on EAL's website and by any method including but not limited to: bill notation, direct mail, email exploder list, through social media, or publication in a newspaper of general circulation in EAL's service area.
- D. An annual Evaluation Report filing shall include a declaration that these notice provisions have been complied with.
- E. Within seven (7) days after filing an annual Evaluation Report, the purpose of the Application, the total amount of the requested rate increase/decrease, the class of customers affected, and the approximate amount of the dollar change and percentage change for each rate class shall be posted to EAL's website. The annual Rider FRP changes and cumulative Rider FRP percentage increase(s)/decrease(s) will be stated by class.

3. Intervention

- A. A Petition to Intervene shall be filed within ten (10) calendar days from the date the annual Evaluation Report is filed.
- B. Any Party desiring to file a Response to a Petition to Intervene shall file the Response within five (5) calendar days of the filing of the Petition. No additional responses or replies shall be permitted unless specifically authorized by the Commission.
- C. The Commission shall rule on the Petition to Intervene within seven (7) calendar days from the date the Petition is filed. If the Commission does not rule within that time frame, the Petition to Intervene shall be deemed denied.

4. Discovery

- A. Time Within Which to Respond or Object
 - 1. The Party upon whom discovery is sought shall serve a written response or objection within ten (10) calendar days after service of the discovery. Responses or objections to requests for admission shall be served within ten (10) calendar days of service of the requests. The Commission may prescribe a shorter or longer time. Any objections shall state the specific reasons for such objection.
 - 2. If the response to the discovery request contains protected information for which no Protective Order has been issued, the responsive Party shall apply for a Protective Order as soon as reasonably practicable after receipt of the discovery request so as to avoid any delays in responding to discovery, and to the greatest extent practicable no later than five (5) calendar days after receipt of the discovery request. EAL shall respond to the discovery request on the next business day after the Protective Order is issued or on the date the discovery response is due.

B. Discovery Initiation

Unless otherwise ordered, a Party may initiate discovery at any time after filing of an annual Evaluation Report so long as responses or objections and depositions shall be completed at least sixty (60) days before the date on which rates determined by the formula rate review mechanism will go into effect for each year or ten (10) days before a hearing on the merits, whichever is earlier.

C. Service and Format

1. Service shall be made by electronic mail, facsimile transmission, hand delivery, or overnight delivery service unless unusual circumstances otherwise justify delivery by another method and the Parties agree to the method chosen.
2. Attachments to documents shall be provided in native electronic format, with formulae and viable links intact.
3. Any discovery document served electronically or by facsimile after Commission Business Hours but before midnight or received on a non-business day shall be deemed served on Persons on the Official Service List with electronic mail on the next business day. Any discovery document served electronically or by facsimile between midnight and the beginning of Commission Business Hours on a business day shall be deemed served on Persons on the Official Service List on that business day. Any discovery document served by hand delivery or overnight delivery service shall be deemed served pursuant to Rule 3.07 of the RPPs.

D. Computation of Time for Performance or Response

In computing the time within which an act must be performed or a response made, the Day of the act from which the designated period of time begins to run shall not be included and the last Day shall be included unless it is a Saturday, Sunday, Legal Holiday, or other Day in which the Commission's office is closed, in which event the period shall extend to the next business Day. Service by mail or commercial delivery service is prohibited; therefore no additional response time as contemplated by the RPPs is necessary.

5. General Filing Matters

- A. Beginning with the initial annual Evaluation Report filing after Rider FRP is approved by the Commission in Docket No. 15-015-U, a separate docket shall be established by the Secretary of the Commission for the annual Evaluation Report filings with an "FR" docket designation.
- B. The initial and all subsequent annual Evaluation Reports filed in the "FR" docket. EAL shall submit the annual Evaluation Report with a Commission-approved tariff Docket Summary Cover Sheet. In addition to any other information required by the coversheet, EAL shall reference Docket No. 15-015-U.

C. Stipulations or Settlements

1. Parties shall propose by written motion that the Commission adopt stipulations or settlements. Such motion shall be filed, along with supporting testimony, no later than seven (7) calendar days prior to the hearing scheduled in the annual Evaluation Report filing. If the seventh day falls on a weekend or state holiday such settlement agreement and supporting testimony shall be filed on the last business day prior to the seventh day. The motion shall set forth the factual, legal, policy, and other consideration which form the basis for the Parties' recommendation that the stipulation or agreement be adopted and shall be supported by written testimony.
2. A Party not joining a proposed stipulation or settlement may file a response no later than five (5) calendar days prior to the scheduled date of the hearing.
3. Such a response shall set forth the factual, legal, policy, and other consideration which form the basis for the Party's opposition to the proposed stipulation or settlement or portions thereof.

Section II. Advanced Supporting Information

Beginning with the 2021 Evaluation Report, the following information shall be provided, to the extent practicable, to eligible Parties depending on their ability to review highly sensitive protected information forty-five (45) days in advance of the annual Evaluation Report filing:

1. Information regarding EAL's construction projects and purchases that closed to plant during the Historical Year.
2. To the extent reasonably practicable, EAL shall provide an overview of its planned distribution projects describing its projected year planned distribution unadjusted investment and expenses.

Section III. Filing Requirements

1. Testimony and Exhibits

- A. Testimony with or without Exhibits shall be filed simultaneously with the annual Evaluation Report and address, at a minimum:
 1. A description of the filed schedules and all of the adjustments proposed;
 2. A description of any significant cost drivers;
 3. A description of any changes in accounting policies, practices, and procedures if they affect inputs to Rider FRP or the rate redetermination to be made under Rider FRP; and
 4. A narrative explanation of the rate impact.

2. Workpapers and Supporting Documentation

- A. The annual Evaluation Report and any revisions thereto shall include:
1. Data-populated schedules including fully functioning EXCEL spreadsheet with all formulas and links intact, showing all calculations in the annual Evaluation Report;
 2. Sufficient information to enable the Parties to replicate the calculation of the formula results from the applicable schedules; and
 3. Documentation fully supporting all calculations and adjustments.
- B. Workpapers shall be provided to the Parties simultaneously with the filing of the annual Evaluation Report and any revisions thereto, and shall include:
1. All supporting calculations and documents that explain the calculations in the annual Evaluation Report;
 2. Both references to and support from detailed source information; and
 3. A complete description of any statistical model used, the data used, and the results of the analysis if not addressed in testimony or exhibits.
- C. With respect to any change in accounting that affects inputs to Rider FRP or the resulting rate redetermination to be billed under Rider FRP, EAL shall identify and provide narrative explanation of the individual impact of such changes on rate redetermination to be billed under Rider FRP including:
1. The initial implementation of an accounting standard or policy;
 2. The initial implementation of accounting practices for unusual or unconventional items where the Commission has not provided specific accounting direction;
 3. Correction of errors and prior period adjustments that impact Rider FRP;
 4. The implementation of new estimation methods or policies that change prior estimates; and
 5. Changes to income tax elections.
- D. EAL shall identify any reorganization or merger transaction and explain the effect of the accounting for such transaction(s) on the inputs to Rider FRP or the resulting rate determination to be billed under Rider FRP.

3. Waiver of Requirements

EAL may omit specific items of information from the annual Evaluation Report filing only with prior Commission approval.

4. Filing Deficiencies

- A. The Arkansas Public Service Commission General Staff ("Staff") may review each annual Evaluation Report filing to ascertain whether it complies with the provisions of these Filing Requirements and Rider FRP, including the provisions of all of the Attachments thereto.
- B. If Staff determines that any deficiencies exist Staff shall file a notice detailing the deficiencies within seven (7) calendar days from the date the annual Evaluation Report is filed.
- C. EAL shall correct the deficiencies, within seven (7) calendar days of filing of the notification of deficiency, or upon objection being filed by EAL within that timeframe; the Commission may set a longer period as may be reasonable.
- D. Staff shall review corrections made by EAL to determine compliance with all information required by the Filing Requirements and Rider FRP, including the provisions of all of the Attachments thereto.
- E. No more than three (3) business days from the filing of corrections, Staff may file a (1) statement of compliance or (2) a second notice of deficiencies, listing each requirement not met and a brief explanation in support.
- F. The Commission shall resolve any dispute as to deficiencies within seven (7) calendar days of the filing of the second notice of deficiencies by either accepting the corrections made by EAL or by directing additional corrections to be filed by EAL.

5. Dispute Procedures

- A. Any Party filing with the Commission a statement of errors or objections to the Evaluation Report shall file Testimony with or without Exhibits simultaneously with the statement of errors or objections and the filing shall:
 - 1. Clearly identify and explain the error in or objection to the annual Evaluation Report;
 - 2. Make a good faith effort to quantify the financial impact of the error or objection;
 - 3. State specifically any proposed changes to the annual Evaluation Report that the Party recommends; and
 - 4. Include all documents and workpapers that support the calculation of the error or the facts supporting the objection.
- B. EAL shall file a corrected Rider FRP rate or Rebuttal Testimony with or without Exhibits to the errors and objections raised by the Parties.

6. Extension of Term

- A. If EAL requests an extension of the initial term of Rider FRP, EAL shall include such request as part of its fifth annual Evaluation Report filing. Pursuant to Ark. Code Ann. § 23-4-1208(a)(2)(A)(ii)(a), the Commission shall grant such an Extension of Term for five (5) years after the initial term of Rider FRP.
- B. EAL shall provide a class cost of service study for forecasted year-end 2021.
- C. The Commission shall enter a decision on EAL's request no later than February 1, 2021.