

ARKANSAS PUBLIC SERVICE COMMISSION

Original Sheet No. 37.1 Schedule Sheet 1 of 4
Including Attachment

Replacing: Sheet No.

Entergy Arkansas, LLC
Name of Company

Kind of Service: Electric Class of Service: All

Part III. Rate Schedule No. 37

Title: ANO Decommissioning Cost Rider (NDCR)

Docket No.: 18-073-TF
Order No.: 2
Effective: 2/1/19

PSC File Mark Only

37.0. ANO DECOMMISSIONING COST RIDER

37.1. APPLICATION

The Rider is applicable to all electric service billed under the rate schedules designated in Attachment A to the Rider, whether metered or un-metered, and subject to the jurisdiction of the Arkansas Public Service Commission (APSC).

This rider will become effective for service rendered on and after March 23, 1988 or on the date approved by the APSC, whichever is later.

37.2. CONDITIONS

37.2.1. This rider is necessary in order to collect the decommissioning costs associated with EAL's Arkansas Nuclear One nuclear generating station (ANO).

37.2.2. The Net Monthly Rates in EAL's currently effective rate schedules will be increased by the Rate Adjustment amounts set forth in Attachment A to this Rider, which shall apply during the period indicated thereon. The Rate Adjustment amounts shall be revised annually pursuant to the procedures described in § 37.2.4 and § 37.2.5 below.

37.2.3. Funding Method

A. EAL shall establish external trusts to accumulate the necessary funds to decommission ANO.

B. EAL shall place the maximum possible amount of its internally funded decommissioning reserve balance associated with each ANO unit into an external tax-qualified trust established for each ANO unit pursuant to the laws and Internal Revenue Service regulations in effect at that time. EAL shall place any remaining balance of its internally funded ANO decommissioning balance, net of the associated accumulated deferred tax balance, into an external trust that is not tax-qualified.

C. EAL shall then deposit all future revenues collected under this Rider, net of uncollectible accounts and any applicable taxes, to the tax-qualified trusts described in 37.2.3.B above up to amounts equal to the maximum allowable deduction in any year. Any remaining amount not eligible for the tax-qualified trusts shall be deposited to the external trusts that are not tax-qualified. A transfer of funds shall be made once each month on or before the tenth day of the month to include all revenue billed to customers under this Rate Schedule No. 37 during the second preceding month net of an allowance for uncollectible accounts to be determined by multiplying the uncollectible account ratio for each class as approved in EAL's most recent general rate filing by the revenue amount for each class.

ARKANSAS PUBLIC SERVICE COMMISSION

Original Sheet No. 37.2 Schedule Sheet 2 of 4
Including Attachment

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37.2.4. Annual Revision

- A. EAL shall determine revised Rate Adjustment amounts annually in accordance with the provisions of § 37.2.5 below and file a revised Attachment A containing such revised Rate Adjustment amounts with the Commission on or before November 1 of each year.
- B. The Commission Staff shall then have until December 15 to review each annual revision of Attachment A to insure that it complies with the requirements of § 37.2.5 below. If any errors are detected in the application of the principles contained in § 37.2.5., they shall be communicated to EAL by the Commission Staff in writing on or before December 15. EAL shall then have until December 31 to prepare and file a corrected Attachment A with the Commission.
- C. The initially filed Rate Adjustment amounts or such corrected Rate Adjustments as may be determined pursuant to the terms of § 37.2.4.B above shall then become effective for service on and after the following January 1 and shall remain in effect through December 31 of the following year.

37.2.5. Revenue Requirement and Rate Determination

- A. The ANO decommissioning revenue requirement for the Arkansas retail jurisdiction that is to be utilized to develop the Rate Adjustment amounts in Attachment A for each calendar year shall be determined in accordance with the ANO Decommissioning Revenue Requirement Model approved by the Commission in its Order No. 5 in Docket No. 87-166-TF.

The Rate Adjustment amounts to be set out in each revision to Attachment A shall reflect the most currently available estimates of the following input data items:

1. Trust Management Fee Rates for ANO-1 and ANO-2
2. Composite State and Federal Income Tax Rate
3. Arkansas Retail Bad Debt Rate
4. Tax Qualified Trust Earnings Rate Projections
5. Non-Tax Qualified Trust Earnings Rate Projections
6. Percentage of Collections Eligible for transfer to Tax Qualified Trust (ANO-1 and ANO-2)

ARKANSAS PUBLIC SERVICE COMMISSION

Original Sheet No. 37.3 Schedule Sheet 3 of 4
Including Attachment

Replacing: Sheet No.

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7. Projections of Annual Decommissioning Expenditures for ANO-1 and ANO-2
8. Projection of Annual Consumer Price Index - Urban
9. The trust fund balances at December 31 of the year in which the update is filed.

The revised Rate Adjustments shall be based on the revenue requirements for the coming calendar year.

- B. The Arkansas jurisdictional revenue requirement determined for each calendar year in accordance with § 37.2.5.A above shall be allocated to the same rate classes and in the same proportions as the Arkansas retail revenue requirement in EAL's most recent general rate filing in which a final order has been issued and which has resulted in non-appealable rates.
- C. The Rate Adjustments for each rate class shall be determined by dividing the rate class revenue requirements determined in accordance with § 37.2.5.B above by the projected class billing units for the calendar year in which the revised Rate Adjustments will be in effect.

ATTACHMENT A

The Net Monthly Rates set forth in EAL's schedules identified below will be increased by the following Rate Adjustment amounts during the billing months of January 2023 through December 2023:

<u>Rate Class</u>	<u>Rate Schedules</u>	<u>Rate Adjustment</u>
ANO-1		
Residential	RS, RT, REMT	\$0.00000 per kWh
Small General Service	SGS, GFS, MP, AP, CTV, SMWHR, CGS, TSS	\$0.00000 per kWh
Large General Service	LGS, LPS, GST, PST, SSR	\$0.00 per kW
Lighting	L1, L4, L1SH, L1BNR	\$0.00000 per kWh
ANO-2		
Residential	RS, RT, REMT	\$0.00008 per kWh
Small General Service	SGS, GFS, MP, AP, CTV, SMWHR, CGS, TSS	\$0.00008 per kWh
Large General Service	LGS, LPS, GST, PST, SSR	\$0.02 per kW
Lighting	L1, L4, L1SH, L1BNR	\$0.00010 per kWh