

ARKANSAS PUBLIC SERVICE COMMISSION

Original Sheet No. 63.1 Schedule Sheet 1 of 4

Replacing: Sheet No.

Entergy Arkansas, LLC

Name of Company

Kind of Service: Electric Class of Service: Commercial/Industrial

Part III. Rate Schedule No. 63

Title: Utility-Owned Distributed Generation Rider (UODG)

Docket No.: 20-049-U
Order No.: 18
Effective: 11/22/2024

PSC File Mark Only

63.0. UTILITY-OWNED DISTRIBUTED GENERATION RIDER

63.1. AVAILABILITY

Available to customers who take electric service at Primary or Secondary voltage under the Small General Service (SGS), Large General Service (LGS), Large General Service Time-of-Use (GST), Large Power Service (LPS), or Large Power Service Time-of-Use (PST) rate schedules who enter into an Agreement (defined below) with the Company for backup electric service from utility-owned, commercial scale, customer-sited, natural gas-fired distributed generators (“Host Customer(s)”). Such distributed generation will be installed in front of the Host Customer’s electric meter.

Unless otherwise expressly provided in a rate schedule, the Utility-Owned Distributed Generation Rider (“UODG Rider”) is not available to customers: taking service under the Separately Metered Commercial Space & Water Heating Rider (SMWHR) or Economic Development Rider (EDR); with behind-the-meter generation who are taking service under the Standby Service Rider (SSR), Small Cogeneration Rider (SCR), Large Cogeneration Rider (LCR), or Legacy Net-Metering Service (LN-M) and Non-Legacy Net Metering (NLN-M); or participating in any demand response option, including Optional Interruptible Service Rider (OISR).

63.2. APPLICATION AND CONDITIONS

Host Customers taking service under this UODG Rider will enter into an Agreement for Backup Electric Service from Customer-Hosted Utility-Owned Distributed Generation (“Agreement”) and be responsible for paying a monthly fee designed to recover the Host Customer Allocation of Total Installed Cost to acquire, install, maintain, and operate the Facilities as specified in Attachment B of the Agreement.

At the execution of such Agreement, the Host Customer will have a one-time election to select the Recovery Period that will used to calculate the Host Customer’s Monthly Charges applicable over the 20-year Agreement Term as defined in 63.5.

63.3. DEFINITIONS

63.3.1. CAPACITY VALUE

Capacity Value = \$78.01/kW-year. For purposes of calculating the Monthly Charge, the Capacity Value will be the value included in the version of this UODG Rider in effect when the Agreement is executed. Such version will be attached for reference as Attachment A to the Agreement.

63.3.2. DG CAPACITY

DG Capacity = the capacity (expressed in kW) of the distributed generator(s) identified as DG Capacity in Exhibit 1 to Attachment B of the Agreement.

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63.3.3. TOTAL INSTALLED COST

Total Installed Cost = the total installed cost of the Facilities specified in Attachment B of the Agreement

63.3.4. HOST CUSTOMER ALLOCATION OF TOTAL INSTALLED COST

Host Customer Allocation of Total Installed Cost is the portion of Total Installed Costs that has been allocated to the Host Customer for the costs that are in excess of the Capacity Value, represented by the formula:

Host Customer Allocation of Total Installed Costs = Total Installed Costs x Host Customer Allocation Percentage

63.3.5. HOST CUSTOMER ALLOCATION PERCENTAGE

The Host Customer Allocation Percentage is determined by calculating the difference between the Levelized Real UODG Value and the Capacity Value. This difference is then compared to the Levelized Real UODG Value, and the entire calculation is represented by the formula:

Host Customer Allocation Percentage = (Levelized Real UODG Value – Capacity Value) / Levelized Real UODG Value

63.3.6. LEVELIZED REAL UODG VALUE

The Levelized Real UODG Value is the cost stream that when escalating the first year's cost annually at inflation over the useful life results in the same present value of the lifetime revenue requirement of the UODG asset divided by the DG Capacity, expressed as a \$/kW-year amount and identified as Levelized Real UODG Value in Exhibit 1 to Attachment B of the Agreement.

63.4. NET MONTHLY RATE

63.4.1 MONTHLY CHARGES

The UODG Rider monthly charge during the Recovery Term will be equal to:

Monthly Percentage During Recovery Term x Host Customer Allocation of Total Installed Costs

The UODG Rider monthly charge to recover O&M expense after the Recovery Term will be equal to:

Monthly Percentage Post-Recovery Term x Host Customer Allocation of Total Installed Cost

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Original Sheet No. 63.3 Schedule Sheet 3 of 4

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63.4.2 RECOVERY PERIOD

Host Customers define in the Agreement the number of years (the "Recovery Period") that will define the appropriate monthly rates to be applied to the Host Customer Allocation of Total Installed Cost. The Recovery Period cannot be longer than 20 years. The following table specifies the monthly percentages for application during the selected Recovery Period and any years following the Recovery Period (Post-Recovery Period).

Selected Recovery Period (Years)	Monthly % During Recovery Period	Monthly % Post- Recovery Period
1	9.059%	0.191%
2	4.762%	0.191%
3	3.331%	0.191%
4	2.616%	0.191%
5	2.189%	0.191%
6	1.905%	0.191%
7	1.702%	0.191%
8	1.551%	0.191%
9	1.434%	0.191%
10	1.340%	0.191%
11	1.265%	0.191%
12	1.201%	0.191%
13	1.149%	0.191%
14	1.103%	0.191%
15	1.065%	0.191%
16	1.031%	0.191%
17	1.001%	0.191%
18	0.976%	0.191%
19	0.953%	0.191%
20	0.933%	0.191%

The Recovery Period selected in the Agreement cannot be changed, and Monthly Charges applicable during the Recovery Period cannot be accelerated or prepaid in order to transition to the Post-Recovery Period earlier than scheduled; provided, however, that a Host Customer may make a lump sum payment of any remaining financial obligations associated with the Recovery Period upon Host Customer's election to terminate the Agreement, as provided below. Under those circumstances (Host Customer termination), Host Customer would no longer receive backup electric service under this Rider UODG and would likewise not be obligated to pay Monthly Charges associated with what would have been any remaining Post-Recovery Period.

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Original Sheet No. 63.4 Schedule Sheet 4 of 4

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63.4.3 ANNUAL UODG RATE REVIEW

EAL will file an annual report that will include Power Through non-fuel Operation and Maintenance (O&M) costs for rate review four weeks prior to the annual Formula Rate Plan filing or rate case filing in compliance with Orders No. 11 and 13.

63.5. AGREEMENT TERM

The term of the Agreement ("Agreement Term") will be for an initial period of 20 years and automatically will be extended thereafter for successive periods of one (1) year each until terminated by written notice given by one party to the other not more than six (6) months nor less than three (3) months prior to the expiration of the initial Agreement Term or any anniversary thereof.

If the Host Customer ceases to take electric service from the Company or terminates the Agreement during the initial Agreement Term, as discussed above, the Host Customer must still pay the applicable Monthly Charges (either monthly or in a single payment equivalent to the sum of the Monthly Charges) for what would otherwise be due during the remaining Recovery Period, provided that the remainder of the Recovery Period is four years or less. In the event that the remaining Recovery Period is longer than four years, Host Customer must make a single payment equivalent to the sum of the Monthly Charges that would otherwise be due during the remaining Recovery Period. A single payment would be due no later than 30 days after the date of receipt of an invoice from the Company.

63.6. PAYMENT

The Host Customer's monthly bill shall be computed in accordance with the Net Monthly Rate, other provisions of the rate schedule and all applicable riders. Payment shall be made in accordance with Rate Schedule No. 29, Charges Related to Customer Activity (CAC), § 29.19.1.