Attendees:

* AECC: Robert Shields
* AECC, ETEC & SMEPA – represented by GDS Associates: Rob Smith, Patrick Brin, Al Taylor
* Conway Corporation: George Heintzen; Michael Chapman
* Entergy: Becky Bowden, Dennis Broussard, Mike Doyle, David Hunt, Patrick Kizer, Mike Manning, Roger Sanders, Randy Stanton, Kham Vongkhamchanh, Wayne Warren
* Jonesboro City Water & Light: Rick Henley, David Belk, Slade Mitchell, Jake Rice
* MISO: Elizabeth Long
* North Little Rock: Jessica Stephens
* David Marshall

Questions & Additional Information Requested:

* For each Entergy Operating Company, is AFUDC added to transmission projects’ costs and then capitalized as part of the overall project cost? Does the AFUDC calculation follow a retail methodology?
  + Entergy Response: Each Entergy operating company uses the FERC methodology to calculate its own AFUDC rate.  Each Entergy Operating Company’s specific AFUDC rate is applied monthly to their Construction-Work-In-Progress (CWIP) charges on their transmission capital projects. The CWIP charges are ultimately capitalized to “Plant-In-Service” as those projects are closed to the books.
* Would Entergy provide Attachment O revenue requirement or transmission forecast data to assist in budget planning? How many years of forecast information are available?
  + Entergy Response: Please see the below publically available information that could be used to estimate changes to Attachment O rates for the next 3 years:
    - WP 5 in the Attachment O includes 2016 estimated capital additions;
    - Entergy’s 2016 10-K for 3 years of transmission construction expenditures forecast information by operating company; and,
      * <http://investor.shareholder.com/entergy/sec.cfm> Use filters of “Annual” in the “View” box and “2016” in the “Year” box. Select the 2016 10-K from the results list.
    - Page 76 of 95 in the June 9, 2016 archived presentation of the Entergy Analyst Day at <http://investor.shareholder.com/entergy/events.cfm>
* Would Entergy provide a worksheet with WP01 imputed revenue calculations?
  + Entergy Response: A worksheet with formulas intact is included with these notes.
* For EMI and ETI, why did the WP04 General Plant Accumulated Depreciation balances change so much?
  + Entergy Response: The primary driver was that Entergy applied FERC Accounting Rule AR15[[1]](#footnote-1) to the applicable portions of General Plant assets in EMI and ETI. Additional information has been requested and this response may be updated.
* For ETI, why did the WP06 ADIT Account 190­­­221 and 190222 change from the “Labor” function to the “Other” function?
  + Entergy Response: That change was inadvertent and incorrect with regard to ETI’s filed template. However, ETI’s filed template is inconsistent with the Attachment O settlement and with the other Entergy operating companies’ Attachment O templates. Entergy will correct the ETI template in a FERC filing.

1. FERC Accounting Release 15, January 1, 1997 for General Plant Accounts 391-398. It is a simplified method of accounting for general plant assets, excluding structures and improvements, which allows high volume, low cost assets to be amortized over their associated useful life, eliminated the need to track individual assets, and allowed a retirement to be booked at the end of the depreciable life. [↑](#footnote-ref-1)