

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

July 26, 2016

IN RE:

APPLICATION OF ENTERGY ARKANSAS,  
INC. FOR APPROVAL OF CHANGES IN RATES  
FOR RETAIL ELECTRIC SERVICE

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DOCKET NO.  
16-00038

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ORDER ADOPTING DECISION OF ARKANSAS PUBLIC SERVICE COMMISSION

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This matter came before Vice Chairman Robin L. Morrison, Director Herbert H. Hilliard and Director Kenneth C. Hill of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket, at the regularly scheduled Authority Conference held on July 11, 2016, for consideration of Entergy Arkansas, Inc.’s (“Entergy” or the “Company”) *Petition* filed on April 14, 2016.

**BACKGROUND**

Entergy provides electric service to approximately 700,000 customers, approximately eight of which are in Tennessee.<sup>1</sup> Due to the small percentage of Tennessee customers, it has been the position of the TRA to allow the Arkansas Public Service Commission (“APSC”) to investigate and conduct rate case hearings and to determine the appropriate rates for Entergy.<sup>2</sup> After the APSC ruling is made, Entergy files the rates adopted in Arkansas seeking the Authority’s approval of the rates in Tennessee.<sup>3</sup>

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<sup>1</sup> Transcript of Hearing, p. 8 (July 11, 2016).

<sup>2</sup> *Id.* See Also *In re: Application of Entergy Arkansas, Inc. for Approval of Changes in Rates for Retail Electric Service*, Docket No. 13-00114, *Order Adopting Decision of Arkansas Public Service Commission* (May 13, 2014) and *In re: Application of Entergy Arkansas, Inc. to Increase Rates for Retail Electric Service*, Docket No. 10-00001, *Order Adopting Decision of Arkansas Public Service Commission* (September 3, 2010).

<sup>3</sup> *Id.*

On April 14, 2016, Entergy filed the *Application for Approval of Changes in Rates for Retail Electric Service* which was filed with the APSC in APSC Docket No. 15-015-U on April 24, 2015.<sup>4</sup> With its *Application*, Entergy filed the final APSC Order No. 18, issued February 23, 2016, approving Entergy's change in rates for retail electric service, and APSC Order No. 19 issued March 22, 2016, approving Entergy's revised compliance tariff sheets. These Orders resulted in base rate increases listed by rate class as follows:

Residential	13.16% Increase
Small General Service	13.57% Increase
Large General Service	1.89% Increase
Lighting	-2.42% Increase <sup>5</sup>

In addition, on June 29, 2016, Entergy filed the Tennessee compliance tariffs. Entergy also requested the rates be approved at the July 11, 2016 Authority Conference and that the tariff be allowed to take effect beginning with the first billing cycle in August 2016, which begins July 29, 2016.<sup>6</sup>

### **FINDINGS AND CONCLUSIONS**

The panel convened a public hearing in this matter during the regularly scheduled July 11, 2016 Authority Conference. The Hearing Officer issued public notice of the hearing on July 1, 2016. On June 29, 2016, Entergy filed proof of publication showing that notice of the hearing had been published in an appropriate newspaper of general circulation and in Entergy's Marion, Arkansas office. There were no intervening parties to the Docket.

During the Hearing, David Palmer, Manager of Regulatory Affairs, participated telephonically. Mr. Palmer summarized Entergy's *Application* and was subject to examination by the panel. Ms. Debbie P. Bishop, a licensed Notary Public in good standing in the State of Arkansas, administered the testimonial oath to Mr. Palmer and remained present with him throughout his

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<sup>4</sup> *Petition*, p. 1 (April 14, 2016).

<sup>5</sup> *See Public Notice Published in the Marion Office*, p. 1 (June 29, 2016).

<sup>6</sup> *Tennessee Compliance Tariff*, p. 1 (June 29, 2016).

examination and testimony. In addition, as required, the Authority received a properly executed *Witness Certification* and a *Notary Public Affidavit* on July 12, 2016.

Based on the testimony and the entire record, the panel found the rates requested by Entergy, and approved by the APSC, to be just and reasonable. Thereafter, the panel voted unanimously to adopt the rates approved by the APSC in APSC Docket No. 15-015-U, *Application for Approval of Changes in Rates for Retail Electric Service*. Further, the panel voted unanimously to approve the requested tariffs and established the effective date of such tariffs as July 29, 2016.

**IT IS THEREFORE ORDERED THAT:**

1. The decision of the Arkansas Public Service Commission in Arkansas Public Service Commission Docket No. 15-015-U, related to the *Application for Approval of Changes in Rates for Retail Electric Service* by Entergy Arkansas, Inc., is adopted.

2. The tariffs filed on June 29, 2016 by Entergy Arkansas, Inc. are hereby approved, with an effective date of July 29, 2016.

3. Any person who is aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen days from the date of this Order.

4. Any person who is aggrieved by the Authority's decision in this matter has the right to judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty days from the date of this Order.

**Vice Chairman Robin L. Morrison, Director Herbert H. Hilliard and Director Kenneth C. Hill concur.**

**ATTEST:**



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**Earl R. Taylor, Executive Director**