

ENTERGY MISSISSIPPI, LLC

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Docket No.: 2018-UN-205

MISSISSIPPI PUBLIC SERVICE COMMISSION

P.S.C. Schedule No. I-27.26

Schedule Consists of: Two Pages and Attachments A
And B

VEGETATION MANAGEMENT RIDER SCHEDULE VM-1

I. APPLICATION

This Vegetation Management Rider Schedule VM-1 ("**Schedule VM-1**" or the "**Schedule**") is applied in conjunction with the currently applicable Entergy Mississippi, LLC, ("**Entergy Mississippi**", "**EML**" or the "**Company**") rates on file with the Mississippi Public Service Commission (the "**Commission**") to allow EML to recover vegetation management operations and maintenance ("O&M") costs.

II BILLING

The rate adjustments for recovery of Vegetation Management Adjustment Factors ("VM Cost Adjustment Factors") as set forth in ATTACHMENT A to this Schedule VM-1 will be added to the Net Monthly Rates or Net Seasonal Rates set forth in Entergy Mississippi's currently effective rate schedules, or such superseding rate schedules as may be ordered by the Commission, or such other rate schedules of Entergy Mississippi subject to Schedule VM-1 that may become effective, whether or not such schedules supersede any of the rate schedules below, but not including special contracts entered into pursuant to Miss. Code Ann. Sec. 77-3-35(1) that do not specifically and explicitly incorporate this Schedule or the Formula Rate Plan into the contract. The VM Cost Adjustment Factors shall be redetermined in accordance with the provisions of this Schedule VM-1, including but not limited to Section VI herein and ATTACHMENT A hereto.

III. ANNUAL REDETERMINATION OF VEGETATION MANAGEMENT ADJUSTMENT FACTOR**A. ANNUAL REDETERMINATIONS AND SUBMITTALS**

On or before February 1st of each year beginning in 2021, the Company shall provide the Commission and the Mississippi Public Utilities Staff ("**MPUS**") an Attachment A containing redetermined VM Cost Adjustment Factors to be applied commencing with the first billing cycle of April. The VM Cost Adjustment Factors, as set out in Attachment A, shall be redetermined by application of the formula set out in Attachment B to this Schedule. The Company shall provide to the MPUS documentation supporting the data and calculations utilized in the annual redetermination of the VM Cost Adjustment Factors.

B. REVIEW PERIOD

The MPUS shall have forty-five (45) days ("**Forty-Five-Day Period**") from the date the MPUS receives the redetermined VM Cost Adjustment Factors to review the information and may request clarification and additional data, if necessary. Entergy Mississippi shall provide the MPUS such clarification and additional data as soon as possible. Any revision(s) that the MPUS feels should be made shall be communicated in writing to the Commission and the Company on or before the end of the Forty-Five-Day Period. Similarly, should the Company determine that revisions are necessary subsequent to the submission of any redetermined VM Cost Adjustment Factors, it shall notify the Commission and the MPUS in writing within the Forty-Five-Day Period. All revisions communicated by either the MPUS or the Company shall include workpapers supporting the proposed revision(s). The Company shall then have

seven (7) days following notice of the revisions to provide the MPUS a revised Attachment A containing revised VM Cost Adjustment Factors.

Except where there is an unresolved dispute, which shall be addressed as described in Section III.C below, the redetermined VM Cost Adjustment Factors initially provided hereunder, or such revised VM Cost Adjustment Factors as may be determined pursuant to the terms of this Section III, shall become effective in accordance with the Commission Order approving such VM Cost Adjustment Factors and shall remain in effect unless superseded under the provisions of this Schedule VM-1 or by subsequent Commission Order.

C. RESOLUTION OF DISPUTES

In the event that there is an unresolved dispute regarding any VM Cost Adjustment Factors redetermination, the Company and the MPUS shall work together in good faith to resolve the dispute. If the Company and the MPUS are unable to resolve the dispute prior to the first billing cycle of April following the annual redetermination of the VM Cost Adjustment Factors, then the undisputed portion of the VM Cost Adjustment Factors, as initially submitted by the Company, or as revised by the Company, shall become effective as provided for in Sections III.A and III.B above. Disputed issues shall then be submitted to the Commission, which shall issue a ruling no later than ninety (90) days after submission.

If the Commission's Order resolving the dispute requires changes to the VM Cost Adjustment Factors implemented under the provisions of Sections III.A and III.B above, then the Company shall reflect and incorporate the effect of the Commission's ruling in a revised Attachment A as soon as practicable after receiving such order. In addition to reflecting the Commission's ruling on the disputed issues, the Final VM Cost Adjustment Factors shall also reflect the adjustments necessary to recover or credit the estimated revenue increase, or decrease, that would have resulted had the Commission's findings on the disputed issues been reflected in the VM Cost Adjustment Factors initially implemented. Such Final VM Cost Adjustment Factors shall then become effective at the end of ten business days after submission.

IV. EFFECTIVE DATE AND TERM

Schedule VM-1 shall be effective on and after December 30, 2019 and shall continue in effect until modified or terminated in accordance with the provisions of this Schedule or applicable regulations or laws. Nothing herein shall prevent the Commission or the Company from proposing elimination of this Schedule VM-1 at any time in the manner provided by law.

If Schedule VM-1 is terminated in the future by order of the Commission, then the VM Cost Adjustment Factors then in effect shall continue to be added to the Net Monthly Rates or Net Seasonal Rates in EML's currently effective rate schedules until such time as new general rates become effective pursuant to a final Commission order under the FRP or in a general rate proceeding, which may be concurrent with such termination of this Schedule VM-1.

V. OTHER PROVISIONS

The rate base, revenue and expense effects associated with this Schedule VM-1 during any FRP Evaluation Period shall be reflected in EML's corresponding FRP Evaluation Report.

RATE ADJUSTMENTS

The Rate Adjustments shown below will be added to the Net Monthly Rates or Net Seasonal Rates set forth in Entergy Mississippi's currently effective rate schedules, or such superseding rate schedules as may be ordered by the Commission, or such other rate schedules of Entergy Mississippi subject to Schedule VM-1 that may become effective, whether or not such schedules supersede any of the rate schedules below, but not including special contracts entered into pursuant to Miss. Code Ann. Sec. 77-3-35(1) that do not specifically and explicitly incorporate the VM schedule into the contract. These Rate Adjustments shall be effective for bills rendered on and after April 2022:

<u>Rate Class</u>	<u>Rate Schedules</u>	<u>Rate Adjustment</u>
Residential	RS-38C, RS-38W	\$0.002062/kWh
Small General Service	GS-298, SWH-20, IPS-26, IP-33, MP-22, Other Small General Service Rates	\$0.002134/kWh
Intermediate General Service	B-34, CG-29	\$0.002390/kWh
High Load Factor General Service	HLF-7	\$0.001566/kWh
Large General Service	C-29, OM-31, SE-29	\$0.001699/kWh
Alternate Large General Service	ALGS-10	\$0.701077/kWh
Lighting	PAL-17, DSL-16, LED-2, SL-37, HL-21, TF-23, UFL-16, RFL-16, Other Lighting Rates	\$0.003288/kWh

**“VEGETATION MANAGEMENT COST ADJUSTMENT FACTORS”
REDETERMINATION FORMULA**

$VM_K =$ **Vegetation Management Cost Adjustment Factors** (\$/kWh) By Rate Class (“K”)

$VM_K = \frac{VMC_K + TUA_K}{PES_K}$

WHERE,

$VMC_K =$ VEGETATION O&M CONTRACT COSTS BY RATE CLASS
PROJECTED TO BE INCURRED FOR THE COST PERIOD

$TUA_K =$ TRUE-UP ADJUSTMENT BY RATE CLASS (“K”)

$= TUA_K = PC - RR + PTU$

WHERE,

$PC =$ VEGETATION MANAGEMENT CONTRACT COSTS FOR THE
PRIOR VEGETATION MANAGEMENT COST PERIOD BY
RATE CLASS (“K”)

$RR =$ REVENUE BILLED UNDER SCHEDULE VM-1 FOR THE
PRIOR VEGETATION MANAGEMENT COST PERIOD BY
RATE CLASS (“K”)

$PTU =$ PRIOR PERIOD TRUE-UP ADJUSTMENT APPLICABLE FOR
THE PRIOR VEGETATION MANAGEMENT COST PERIOD
BY RATE CLASS (“K”)

$PES_K =$ PROJECTED SALES (kWh) FOR THE PROJECTED VEGETATION
MANAGEMENT COST PERIOD BY RATE CLASS (“K”)

Notes:

- 1) The Projected Vegetation Management Cost Period is the 12-month period commencing with January 1 of each year, except that the first such period shall be the period commencing with the April 2020 billing month.
- 2) The Prior Vegetation Management Cost Period is the 12-month period ending December 31 of each year.