

BEFORE THE  
ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF ENTERGY	)	
ARKANSAS, INC.'S APPLICATION FOR	)	
AN ORDER FINDING THE DEPLOYMENT	)	
OF ADVANCED METERING	)	DOCKET NO. 16-060-U
INFRASTRUCTURE TO BE IN THE	)	
PUBLIC INTEREST AND EXEMPTION	)	
FROM CERTAIN APPLICABLE RULES	)	

**JOINT MOTION TO APPROVE SETTLEMENT AGREEMENT, EXCUSE**

**WITNESSES, AND WAIVE HEARING**

Come now Entergy Arkansas, Inc. (“EAI”); the General Staff (“Staff”) of the Arkansas Public Service Commission (“APSC” or the “Commission”); and the Consumer Utilities Rate Advocacy Division of the Attorney General’s Office (“AG”) (hereinafter collectively, the “Settling Parties”) and for their Joint Motion (“Joint Motion”) to Approve Settlement Agreement (the “Agreement”), Excuse Witnesses, and Waive Hearing state as follows:

1. The Settling Parties have reached agreement on all issues in Docket No. 16-060-U. The Agreement is set forth in and attached hereto as Joint Motion Exhibit 1. The Agreement, *inter alia*, sets forth various commitments made by the Company pursuant to which the Staff and AG support that EAI’s deployment of Advanced Metering Infrastructure (“AMI”) is in the public interest.

2. As support for the Agreement and concurrent with the filing of this Joint Motion, the following witnesses are sponsoring Settlement Testimonies:

Melanie L. Taylor for EAI;

Sarah Tacker for the AG; and

Regina L. Butler for Staff.

3. By this Joint Motion, the Settling Parties are requesting that the Commission suspend the remainder of the procedural schedule, cancel the evidentiary hearing set on August 31, 2017, and pursuant to Commission Rule of Practice and Procedure (“RPP”) 4.07, approve the Agreement based on the pleadings in the record by August 11, 2017 including this Motion and attached Joint Exhibit.

4. In the event that the Commission determines that a hearing is necessary, the Settling Parties request that all witnesses except for the settlement witnesses noted above be excused from the hearing. The Settling Parties further agree to waive any cross examination of each other’s witnesses at any hearing.

5. The Settling Parties note that to date no Public Comments have been received in this docket. The Settling Parties respectfully request that on or before August 18, 2017, the Commission issue an Order to excuse all witnesses, accept all testimony and exhibits into the record, and cancel the evidentiary

hearing. Alternatively, the Settling Parties request that on or before August 18, 2017, all witnesses be excused from appearing at the hearing except those listed herein who are supporting the Agreement.

6. For the reasons set forth more fully in the Agreement, the Settling Parties respectfully request that the Commission find EAI's Application, as it may be amended by the Agreement, to be in the public interest. Consistent with Order No. 2, which observed the parties' request that the schedule in this proceeding accommodate EAI's request to have sufficient time to incorporate any changes resulting from an order in this docket into any rate adjustment in Docket No. 16-036-FR,<sup>1</sup> the Settling Parties request a Commission Order approving this Joint Motion and the Agreement by no later than the hearing on EAI's Rate Schedule No. 44, Formula Rate Plan Rider 2017 filing in Docket No. 16-036-FR.

Respectfully submitted,

**ENTERGY ARKANSAS, INC.**

By: /s/ Kimberly K. Bennett  
Kimberly K. Bennett  
ABN: 95185  
Senior Counsel

Tucker Raney  
ABN: 78-106  
Assistant General Counsel

Matthew R. Suffern

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<sup>1</sup> Order No. 2 at 1.

ABN: 201002  
Assistant General Counsel

Entergy Services, Inc.  
P. O. Box 551  
Little Rock, AR 72203  
Telephone: (501) 377-3500

Jana K. Law (Bar No. 2011142)  
Roberts Law Firm, P.A.  
20 Rahling Circle  
Little Rock, Arkansas 72223  
Telephone: (501) 821-5575  
janalaw@robertslawfirm.us

**GENERAL STAFF OF THE ARKANSAS  
PUBLIC SERVICE COMMISSION**

By: /s/ Bridgette Frazier  
Bridgette Frazier  
ABN: 99036  
Christina L. Baker  
ABN: 2016001  
Staff Attorneys  
1000 Center Street  
P.O. Box 400  
Little Rock, Arkansas 72203  
(501) 682-5879

**LESLIE RUTLEDGE  
ATTORNEY GENERAL**

By: /s/ Shawn McMurray  
Shawn McMurray  
ABN: 92250  
Senior Assistant Attorney General  
Kevin Lemley  
ABN: 2005034  
Assistant Attorney General  
323 Center Street, Suite 200  
Little Rock, Arkansas 72201  
(501) 682-3649

CERTIFICATE OF SERVICE

I, Kimberly K. Bennett, do hereby certify that a copy of the foregoing has been served upon all parties of record by forwarding the same by electronic mail and/or first class mail, postage prepaid, this 11<sup>th</sup> day of August, 2017.

/s/ Kimberly K. Bennett  
Kimberly K. Bennett

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**SETTLEMENT AGREEMENT**

Come now Entergy Arkansas, Inc. (“EAI” or the “Company”); the General Staff (“Staff”) of the Arkansas Public Service Commission (“APSC” or the “Commission”); and the Consumer Utilities Rate Advocacy Division of the Attorney General’s Office (“AG”) (hereinafter collectively, the “Settling Parties”) who hereby agree to the following terms set forth in this Settlement Agreement (the “Agreement”) in settlement of all outstanding issues in the above-styled Docket.

**1. RECORD DEVELOPMENT**

On September 19, 2016, EAI filed, along with supporting testimony, an Application for an Order Finding the Deployment of Advanced Metering Infrastructure (“AMI”) to be in the Public Interest and Exemption from Certain Applicable Rules (the “Application”). On June 1, 2017, Staff and the AG filed their direct testimonies, and on June 29, 2017, EAI filed its rebuttal testimony. Staff’s direct testimony concluded that the Company’s AMI deployment was consistent

with the public interest and was more likely than not to provide quantifiable net customer benefits over time.<sup>2</sup> Staff's direct testimony also made various recommendations related to the Company's proposed deployment. Further, although the AG's primary recommendation was to deny EAI's Application,<sup>3</sup> the AG alternatively suggested a number of conditions for the Commission to consider should the proposed AMI deployment be approved.<sup>4</sup>

Through its rebuttal testimony, the Company responded to the Settling Parties' key concerns and substantially accepted all of Staff's proposed reporting and other requirements.<sup>5</sup> The record on these issues has been developed as reflected in the filed Application, testimony, and exhibits, with the Settling Parties being strong advocates for their respective positions.

## **2. AGREEMENT**

The terms and commitments contained herein, including Appendix 1 attached hereto, form the complete basis for this Agreement among the Settling Parties and are specifically incorporated herein by reference. Appendix 1 attached hereto is a modified version of EAI Rebuttal Exhibit MLT-2, which more fully explains EAI's acceptance of Staff's proposed reporting requirements and which has been modified to include the estimated deployment-related completion dates.

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<sup>2</sup> Butler Direct Testimony at 6; Athas Direct Testimony at 6.

<sup>3</sup> Alexander Direct Testimony at 8.

<sup>4</sup> *Id.* at 69-72.

<sup>5</sup> See, e.g., Taylor Rebuttal Testimony at 35.

## **A. Cost Recovery**

### **i. Costs of AMI Deployment**

The costs of EAI's AMI deployment will be recovered through Rate Schedule No. 44, Formula Rate Plan Rider ("Rider FRP").

### **ii. Costs of 2017 Customer Education and Information Technology ("IT")**

As part of the Company's Netting of Historical Year Differences Adjustment ("Netting Adjustment") in EAI's 2018 Rider FRP filing, the 2017 AMI deployment costs will be subject to the Netting Adjustment as will all other actual 2017 costs.

## **B. Accounting Treatment**

A 15-year expected life and a straight-line depreciation rate of 6.67 percent will be applied to EAI's AMI project assets. AMI capital costs will be recorded in separate Federal Energy Regulatory Commission ("FERC") plant sub-accounts due to the unique depreciable life of the AMI assets. The cost of the ancillary equipment will remain in Account 370 and will continue to depreciate at the currently approved depreciation rate. EAI will retire the existing meters and handheld devices and transfer the remaining book value to a regulatory asset account, and EAI will transfer the remaining net book value on the first day of deployment to a regulatory asset in its entirety; EAI will then begin to immediately amortize this regulatory asset in a straight-line method over a 15-year period.

## **C. Customer Education Plan**

The Settling Parties will work cooperatively to further develop a comprehensive Customer Education Plan (“CEP”), based on the proposed CEP in EAI Direct Exhibit ODW-1.<sup>6</sup> The CEP development will include metrics to evaluate the effectiveness of the CEP and customers’ response to AMI in accordance with Section 2(L)(iv) herein. EAI will work with the Settling Parties to further refine the proposed CEP and submit an updated plan for review by the other Settling Parties. As set forth in the Direct Testimony of Oscar D. Washington including EAI Direct Exhibit ODW-1, EAI proposes development of a multi-phased, comprehensive educational plan.<sup>7</sup>

The CEP will:

1. Specifically describe the specific activities and interactions with the utility that will be enabled by the implementation of the AMI meters.
2. Describe the efforts the Company will take to educate its customers about the options they will have to obtain additional information and acquire additional services that are enabled by the deployment of AMI meters.

EAI will then work with the Settling Parties to submit a comprehensive plan to the Commission for review and approval within a reasonable time prior to meter deployment, which is expected to begin in early 2019. Examples of metrics that

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<sup>6</sup> Consistent with the recommendation of Staff witness Elana Foley.

<sup>7</sup> EAI Direct Exhibit ODW-1 is not intended to be an exhaustive list of customer educational efforts, and the Settling Parties agree to work collaboratively to further develop the Company’s CEP. Exhibit ODW-1 identifies methods EAI may use to communicate with customers (including specifically to non-computer users, senior citizens, non-English speaking customers, and the hearing/vision impaired) to meet key objectives across the different phases of deployment including emails, residential and commercial toolkits (e.g., FAQs, brochures), direct mail, videos, display units for community events, social media, search engine optimization, bill inserts, website links, press releases, mass advertising, digital marketing, etc. Appendix A to Direct Exhibit ODW-1 provides detailed descriptions of certain education tools to be used in the phases.

may be used to evaluate customers' response to AMI are identified in Section 2(L)(iv) below.

#### **D. Pre-Pay Program**

Consistent with the Rebuttal Testimony of EAI witness Melanie L. Taylor, the Settling Parties will work cooperatively to develop a Pre-Pay service tariff, and file the program with the Commission for review and approval, once finalized. If the Company's Pre-Pay Program is not finalized within 180 days of an order in APSC Docket No. 16-060-U or, for example, if the Settling Parties conclude that the Pre-Pay program should not be made effective until all customers can participate, EAI will file a status report by that date regarding the development of the Pre-Pay Program and suggesting a timeline for presentation of the final program to the Commission.

Regarding the Pre-Pay Program:

1. EAI will work with its vendors to attempt to reduce transaction fees for payments using debit or credit cards.
2. EAI will commit to work to expand the number of its authorized Quick Payment Centers ("QPCs") including efforts to establish QPCs in retail stores within its service territory, as described in the settlement exhibit of EAI witness Melanie L. Taylor.
3. EAI will include updates on progress for both 2(D)(1) and 2(D)(2) above as part of its filing for Commission approval of the Pre-Pay program tariff.

#### **E. Price-Response Program**

The Company will direct its immediate focus to a residential Time-of-Use (“TOU”) program and will work with the Settling Parties to further explore and present an appropriate TOU program for review and approval by the Commission. While EAI will work with the Settling Parties on development, the actual TOU program is unlikely to be finalized within 180 days of the Commission’s Order. EAI will file a status report on the development of the TOU program and propose, at that time, a timeline for submission of a final program to the Commission.

#### **F. Home Energy Reports**

The Settling Parties will include the Home Energy Report option (i.e., direct-mail option to customers that do not have internet access) as a discussion item for the collaboration with the Settling Parties regarding the CEP, which process may identify other more feasible or cost-effective options for contacting these customers.

#### **G. Energy Efficiency & Demand Response Programs**

Should EAI seek to implement future AMI-enabled energy efficiency programs, EAI will submit such future energy efficiency programs for review and approval by the Commission as a part of EAI’s energy efficiency program portfolio along with all other energy efficiency programs.

#### **H. Reconnect Fees for AMI Customers**

EAI will develop a remote reconnect fee for customers who receive an AMI meter and will file the rate for Commission approval prior to the initial deployment of AMI meters. The rate will be based on EAI’s estimated cost to perform a remote reconnection, and the cost of a remote reconnection will be

developed consistently with the approach used by Staff witness Judy Lindholm in the Oklahoma Gas and Electric Company rate case. The existing reconnect fees will continue to apply to customers that do not have an AMI meter; have an AMI meter that is installed but is not yet fully functional for billing or remote reconnection; or have AMI meters with a service size exceeding the capability to reconnect remotely. Reconnect Fees for reconnections other than at the customer's meter will remain unchanged.

#### **I. Evaluation of Peak Load Reduction and Consumption Reduction**

The Settling Parties will work cooperatively to develop a method to evaluate the peak load reduction and consumption reduction attributed to AMI consistent with the examples identified below in Section 2(L)(vii).

#### **J. Opt-Out**

##### **i. Opt-Out Fees and Tariff**

EAI will provide an opt-out option and will work with the Settling Parties to develop a tariff to implement the opt-out charges. EAI will endeavor to file the opt-out tariff within 180 days of the Commission's Order in this proceeding. Charges in the opt-out tariff will be cost-based and reasonably may include both one-time fees and monthly charges.

##### **ii. Reconnect Fees for Opt-Out Customers**

EAI will develop an initial reconnection fee applicable to customers who opt out of receiving an advanced meter and will endeavor to file that tariffed rate within 180 days of the Commission's Order in this proceeding.

#### **K. Cyber Security Controls**

EAI will work with the Settling Parties to create the documentation that will ensure these controls are being implemented and will be in place prior to deployment. This commitment is not intended to represent that the controls themselves will be fully designed or reportable within 180 days of the Commission's Order.

#### **L. Reporting Requirements**

##### **i. General Requirements**

With respect to all of the reporting requirements set forth herein, EAI will work with the Settling Parties to clarify the specific methodologies EAI will use to report on the metrics proposed by Staff and/or AG and to confirm that all of the proposed metrics are consistent with EAI's AMI deployment. Based upon the current AMI schedule, EAI proposes to provide the initial reports proposed by Staff before the end of April 2019 and to provide subsequent annual reporting with respect to the prior-year metrics after the public release of its FERC Form 1 filings around the end of April each year. EAI also will work with the Settling Parties regarding the timing for concluding the annual reporting and other obligations set forth herein.

EAI will work with the Settling Parties to clarify the details of the examples contained in Section 2(L) of this Agreement, including the specific methodologies EAI will use to report on the metrics being proposed and confirmation that all of the proposed metrics are consistent with EAI's systems and AMI deployment.

All Reporting requirements included in this Agreement will be at the aggregate level. If the reporting requirements reveal problems for which customer-specific information may be useful to assist in identifying the root

cause, the Settling Parties may request, and EAI will provide customer-specific information that will shield any information that would identify a specific customer's identity or location. The Settling Parties recognize that certain customer information may be provided pursuant to a protective order issued by the Commission.

The Settling Parties' work to develop reporting requirements will be informed by, but not limited to, the metrics adopted by the Commission in Docket No. 10-109-U.

ii. Appendix 1

The Settling Parties agree that, at a minimum, the reporting requirements and metrics referenced throughout this Agreement will include the reporting requirements and metrics specified in Appendix 1 to this Agreement, which is a modified form of EAI Rebuttal Exhibit MLT-2 of EAI witness Melanie L. Taylor and is fully incorporated herein as if restated here in whole.

iii. Item 20 of the Rider FRP Evaluation Report

In addition to the information provided in Item 20 of the Rider FRP Evaluation Report, EAI commits to provide additional customer load data information for the residential customer class showing both consumption and peak demand on an annual basis. These will be provided as workpapers to support Item 20. Annually, after submission of Item 20 as part of the Rider FRP filing, EAI will provide a summary in this docket of the information derived from Item 20, detailing the results of consumption and peak demand data, as well as a comparison to the previous year's data. To the extent known, any such analysis

will be accompanied by a statistically valid analysis of those impacts alleged to be associated with AMI-enabled programs as reflected in EAI's business case.

iv. CEP

Through development of the CEP (see Section 2(C) above), EAI agrees to work with the Settling Parties to develop additional metrics to measure customer response to AMI and the effectiveness of the customer education efforts described in Section 2(C) of this Agreement with the intent to provide information that would assist the Settling Parties in evaluating on a long term basis the overall changes in consumption and peak load reduction that may be attributed to AMI, as well as evaluating the overall effectiveness of AMI. For example, such metrics may include survey results collected in response to customer surveys that will be conducted every six months (see Section 2(L)(vii)(7)) eliciting data regarding how frequently customers are accessing their AMI interval data and the types of behavioral changes they are experiencing as a result of reviewing the interval data, as well as customers' response to EAI's advanced meter deployment and AMI-enabled programs generally and the effectiveness of the communication methods employed by EAI in communicating with customers regarding AMI. Further, such metrics may include data obtained from EAI's systems showing the number of new users registering online, the frequency with which customers are accessing the online portal, and potentially data showing how frequently customers are reviewing their interval data online. EAI will file the survey results as an addendum to the CEP after each of the surveys noted in Section 2(L)(vii)(7) is completed.

v. Pre-Pay Program

EAI agrees to track and report the following information regarding its Pre-Pay program to the Settling Parties on a quarterly basis for a period of three years following the implementation of the Pre-Pay program:

1. The number of customers enrolled by month;
2. The number of customers enrolled by month with a past due balance at the time of enrollment;
3. The number of participating customers who have received disconnection notices during the twelve months prior to enrollment and the number of disconnection notices issued to those participating customers in the 12 months prior to enrollment;
4. The total number of participating customers with an existing security deposit at the time of enrollment; the average existing security deposit amount; and confirmation on whether this amount was credited to the customers' accounts;
5. The total number of payments by the participating customers per month;
6. The average amount of payments by participating customers per month;
7. The total number of service disconnections for participating customers per month;
8. The total number of customers who leave the Pre-Pay program and return to standard post-pay service per month;

9. To the extent known by EAI, the total number of customers enrolled in the program who previously received LIHEAP or other utility bill assistance (e.g., fuel fund assistance) in the prior 12 months;
10. To the extent known by EAI, the average monthly usage of participating customers per month compared to the average monthly use per customer by those same participating customers during the twelve months prior to enrolling in the program; and
11. The total number of customer disputes and/or complaints received by EAI Pre-Pay customers, and to the extent known, associated with the Pre-Pay program's operation and customer experience in the program and the result of any investigation performed of these disputes and/or complaints.

vi. Time of Use Program

As part of development of a TOU program, EAI will work with the Settling Parties to develop metrics to be included in the TOU filing to measure use and effectiveness of the TOU program. For example, the types of metrics may include, to the extent known, number of customers enrolling in and exiting from the TOU program; the number of customer complaints received regarding the TOU program; and other overall usage level and peak load usage data for customer accounts enrolled in the TOU program, including a comparison to the overall customer prior usage profile, if available.

vii. Peak Load Reduction and Consumption Reduction

Consistent with Section 2(l) above, the Settling Parties will work cooperatively to develop a method to evaluate the peak load reduction and

consumption reduction attributed to AMI consistent with the examples identified in this Section. The below items will be used as a guide, with appropriate adjustments consistent with EAI's ratemaking and regulatory structure and consistent with Arkansas law, the rules of the Arkansas Public Service Commission, and other provisions of the Settlement Agreement. For example,

1. The status of the implementation of EAI's web portal to include interval usage data, text alerts, and other AMI-enabled programs and information that are identified as "other quantified benefits."
2. The number of customers by customer class that are enrolled in the AMI-enabled web portal once it has been completed or offered to customers and, to the extent known, the average time spent on the web portal, and the frequency of such access.
3. The number of customers who sign up for text alerts to receive AMI enabled information.
4. The number of text "alerts" issued to participating customers concerning peak load reduction during peak event notifications.
5. An analysis of the number of customers who took action as a result of the text alert during the day that the alert was issued as part of the peak event notification program and the total peak load reductions that occurred.
6. An analysis of the total combined AMI-enabled customer usage profile compared to the total combined non-AMI customer usage profile during deployment. After full deployment, the total combined

AMI-enabled customer usage profile would be compared to the pre-deployment total combined customer usage profile.

7. The results of a survey of residential customers that will test the customer's awareness of the web portal, customer perceptions of AMI-enabled programs, and the functionalities of the new advanced meters. Such survey will be conducted every six months during the deployment period targeting those customers with AMI meters up through full deployment. EAI will consult with the Settling Parties on the design of the survey instrument and will file the survey results with the Commission as an addendum to the comprehensive CEP submitted to the Commission for approval described in Section 2(C) above.

#### **M. Deadlines to be Developed**

EAI has included proposed deadlines associated with applicable items in Appendix 1 attached hereto. As the Additional Reporting Requirements described in Section 2(L) are developed, the Settling Parties will work collaboratively to identify and assign reasonable deadlines to appropriate items.

#### **N. Commission Review and Approval**

The Settling Parties will work cooperatively to develop the plans and reporting requirements enumerated herein. Unless otherwise specified herein, such plans and reporting requirements will be submitted to the Commission for its review and approval within a reasonable time to enable a Commission order addressing those items prior to the deployment of AMI meters to customer premises. The Settling Parties also will work toward developing a report that will

set forth all customer behavior tools or programs to be in place at the time of AMI deployment that are designed to result in reduced consumption and reduced peak load and will file the report for Commission review and approval within a reasonable time to enable a Commission order as being in the public interest.

**3. REQUESTED ORDER DATE**

As set forth in the Joint Motion, the Settling Parties request that the Commission Order approving this Agreement be issued by no later than the hearing on EAI's 2017 Rider FRP filing in Docket No. 16-036-FR.

**4. WAIVERS**

EAI will file with the Commission an additional exemption schedule, Exemption Schedule No. 3, Schedule of Exemptions from Special Rules Electric, to be included in EAI's tariffs on file with the Commission. The Settling Parties agree that this schedule and a revised Schedule Sheet 2 of the Table of Contents will be in the form as those attached to Barbara L. Casey's direct testimony as EAI Direct Exhibit BLC-1. The Settling Parties recognize this exemption from APSC Special Rules Electric 7.08(B) will be requested by the Company to prevent EAI from having to perform selective and periodic meter tests of existing meters during the time that they are being replaced with advanced meters during deployment of the advanced meters. Further, as more information becomes available in the implementation process, EAI will work with the Settling Parties to identify additional rules, policies, or rate schedules that may be at issue.

## **5. RIGHTS OF THE PARTIES**

A. This Agreement is designed to complete and resolve all the issues in this docket. This Agreement is made upon the explicit understanding that it constitutes a negotiated settlement which is in the public interest. Nothing herein shall constitute an admission of any claim, defense, rule or interpretation of law, allegation of fact, principle, or method of ratemaking or cost-of-service determination or rate design, or terms or conditions of service, or the application of any rule or interpretation of law, that may underlie, or be perceived to underlie, this Agreement.

B. This Agreement is expressly contingent upon its approval by the Commission without modification. The various provisions of the Agreement are interdependent and unseverable. All Settling Parties shall cooperate fully in seeking the Commission's approval of the Agreement and of the resulting reporting requirements and metrics, tariffs and riders, and other filings arising hereunder. The Settling Parties shall not support any alternative proposal or settlement agreement while this Agreement is pending before the Commission or otherwise attempt to continue litigating issues in the case as the intent of this Agreement is to resolve all issues.

C. Except as to matters specifically agreed to be done or occur in the future, no Settling Party shall be precluded from taking any position on the merits of any issue in any subsequent proceeding in any forum except that none of the Settling Parties will take a position in a subsequent tariff filing arising as a result of commitments made in this Agreement that is inconsistent with the terms agreed

to in this Agreement. This Agreement shall not be used or argued as establishing precedent for any methodology or rate treatment in any future proceeding or represented to be a Settling Party's acquiescence to any opposing position presented in this proceeding.

D. In the event the Commission does not accept, adopt, and approve this Agreement in its entirety and without modification, the Settling Parties agree that this Agreement shall be void and of no effect. In that event, however, the Settling Parties agree that (a) no Settling Party shall be bound by any of the provisions or agreements hereby contained herein; (b) all Settling Parties shall be deemed to have reserved all their respective rights and remedies in this proceeding; and (c) no Settling Party shall introduce this Agreement or any related writings, discussions, negotiations, or other communications of any type in any proceeding.

Respectfully submitted,

**ENTERGY ARKANSAS, INC.**

By: /s/ Kimberly K. Bennett

Kimberly K. Bennett

ABN: 95185

Senior Counsel

Tucker Raney

ABN: 78-106

Assistant General Counsel

Matthew R. Suffern

ABN: 201002

Assistant General Counsel

Entergy Services, Inc.

P. O. Box 551  
Little Rock, AR 72203  
Telephone: (501) 377-3500

Jana K. Law (Bar No. 2011142)  
Roberts Law Firm, P.A.  
20 Rahling Circle  
Little Rock, Arkansas 72223  
Telephone: (501) 821-5575  
janalaw@robertslawfirm.us

**GENERAL STAFF OF THE ARKANSAS  
PUBLIC SERVICE COMMISSION**

By: /s/ Bridgette Frazier  
Bridgette Frazier  
ABN: 99036  
Christina L. Baker  
ABN: 2016001  
Staff Attorneys  
1000 Center Street  
P.O. Box 400  
Little Rock, Arkansas 72203  
(501) 682-5879

**LESLIE RUTLEDGE  
ATTORNEY GENERAL**

By: /s/ Shawn McMurray  
Shawn McMurray  
ABN: 92250  
Senior Assistant Attorney General  
Kevin Lemley  
ABN: 2005034  
Assistant Attorney General  
323 Center Street, Suite 200  
Little Rock, Arkansas 72201  
(501) 682-3649

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SETTLEMENT AGREEMENT - APPENDIX 1

Reporting Requirements

<b>APPENDIX 1 – Reporting Requirements*</b>								
<b>Item #</b>	<b>Key Metric</b>	<b>Definition</b>	<b>Staff Witness</b>	<b>Frequency</b>	<b>Rebuttal Position *</b>	<b>EAI Modifications to Metric (if applicable)</b>	<b>EAI Rebuttal Witness</b>	<b>Estimated Completion Date<sup>1</sup></b>
1	Cost to Deploy: Capital vs. total Capital deployment cost	Total capital dollars spent on the AMI deployment program inception to date vs. total AMI program capital budget as a dollar amount and as a ratio by project	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
2	Cost to Deploy: O&M vs. total O&M deployment cost	Total O&M dollars spent on the AMI deployment program inception to date vs. total AMI project O&M budget as a dollar amount and as a ratio by project	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	

<sup>1</sup> Appendix 1 incorporates EAI witness Melanie L. Taylor's EAI Rebuttal Exhibit MLT-2, which more fully explains EAI's acceptance of Staff's proposed reporting requirements and which has been modified to include certain estimated deployment completion dates. Estimated Completion Dates are only provided for certain items as discussed with the Settling Parties; dates are provided based on currently available information.

\* With respect to all of the reporting requirements set forth herein, EAI will work with the Settling Parties to clarify the specific methodologies EAI will use to report on the metrics proposed by Staff and to confirm that all of the proposed metrics are consistent with EAI's AMI deployment. Based upon the current AMI schedule, EAI proposes to provide the initial reports proposed by Staff before the end of April 2019 and to provide subsequent annual reporting with respect to the prior-year metrics after the public release of its FERC Form 1 filings around the end of April each year. EAI also proposes to work with the Settling Parties regarding the timing for concluding the annual reporting obligations.

<b>APPENDIX 1 – Reporting Requirements*</b>								
<b>Item #</b>	<b>Key Metric</b>	<b>Definition</b>	<b>Staff Witness</b>	<b>Frequency</b>	<b>Rebuttal Position *</b>	<b>EAI Modifications to Metric (if applicable)</b>	<b>EAI Rebuttal Witness</b>	<b>Estimated Completion Date<sup>1</sup></b>
3	Avoided new capital investment in new installations of the older metering systems due to customer growth	Total dollar value of avoided legacy metering capital costs for new customers and new developments	Elana Foley (Direct Exhibit EF-1)	Not Applicable	Not Applicable	EAI did not include these avoided costs as benefits in its filing, and does not currently have a methodology to calculate these metrics.	Melanie L. Taylor	
4	Avoided planned replacement and maintenance costs relating to the older metering system (e.g. mechanical meters, ERT devices, etc.)	Total dollar value of avoided replacement costs of current metering equipment	Elana Foley (Direct Exhibit EF-1)	Not Applicable	Not Applicable		Melanie L. Taylor	
5	Reduction in manual meter reading costs	Cost reductions due to the elimination of meter reading positions (in-house and contract)	Elana Foley (Direct Exhibit EF-1)	Annually, after the start of AMI deployment	Accept		Melanie L. Taylor	

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6	Reduction in meter operations costs (e.g., field visits, meter maintenance, etc.)	Meter operations savings due to lower survey meter activities and ERT battery replacement costs	Elana Foley (Direct Exhibit EF-1)	Annually, after the start of AMI deployment	To be Modified	The methodology for this metric will be developed working with Staff. EAI calculated the meter operations savings as a reduction in meter services employee headcounts, related employee expenses and related contract expenses, not by service activity as this metric implies.	Melanie L. Taylor	
7	Reduced Theft of Energy	The number of incidents of theft of energy uncovered and the dollar amount billed for theft of energy	Elana Foley (Direct Exhibit EF-1)	Annually, after the start of AMI deployment	Accept		Melanie L. Taylor	

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8	Total AMI electric meters installed	Total AMI electric meters installed (physically attached to a premise) expressed as total number and percent of total	Elana Foley (Direct Exhibit EF-1)	Annually throughout the AMI deployment schedule	Accept		Melanie L. Taylor	3/31/22
9	Total communication network components installed (access points & relays)	Total communication network components installed (access points & relays) expressed as total number and percent of total	Elana Foley (Direct Exhibit EF-1)	Annually throughout the AMI deployment schedule	Accept		Melanie L. Taylor	6/1/22
10	Total AMI meters used for billing (activated), communications achieved and used to bill monthly	Total AMI meters used for billing (activated, i.e. communicating with meter to produce customer bill) expressed as total number and percent of total	Elana Foley (Direct Exhibit EF-1)	Annually throughout the AMI deployment schedule	Accept		Melanie L. Taylor	6/1/22
11	Field Visits	Number of avoided truck rolls for meter field inspections	Elana Foley (Direct Exhibit EF-1)	Annually, after the start of AMI deployment	Accept		Melanie L. Taylor	

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12	Meter Accuracy	AMI Meter Sample Internal Test Results; Percentage of AMI meters that pass internal accuracy testing prior to deployment	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment	Accept		Melanie L. Taylor	3/21/22
13	Meter Reading Effectiveness	Percentage of interval reads received: the number of intervals reported/total number of possible intervals to be reported	Elana Foley (Direct Exhibit EF-1)	Annually, after the start of AMI deployment	Accept		Melanie L. Taylor	
14	Percent awareness of AMI technology and benefits (survey measurement)	Percent awareness of customers based on survey results; target to be determined after baseline established (with and w/o internet access)	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
15	Percent understanding of AMI technology and benefits (survey measurement)	Percent understanding of customers based on survey results; target to be determined after baseline established (with and w/o internet access)	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	

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16	Community outreach events/attendance	Number of events held to educate customers and number of customers attending educational events	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
17	Local media articles	Number of articles that appear in the local media as a result of company issued press releases	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
18	Internal newsletter communications	Number of articles in internal newsletter	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
19	Meter installation Complaints/Claims	Number of Meter Installation complaints/claims	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
20	Customer organizations contacted	Number of customer organizations contacted	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
21	Customer referrals to energy advisors	Number of transfers to energy advisors for information on AMI deployments	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	

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22	Customer communication methods deployed	Number of publications distributed or other communication vehicles deployed by type	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
23	Manual meter reads	Number of manual meter reads of accounts with advanced meters	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
24	Estimated Bills	Number of estimated bills on accounts with advanced meters	Elana Foley (Direct Exhibit EF-1)	Annually, after the start of AMI deployment	Accept		Melanie L. Taylor	
25	Meter Repair/Replacement	Number of advanced meters requiring repair or replacement	Elana Foley (Direct Exhibit EF-1)	Annually, after the start of AMI deployment	Accept		Melanie L. Taylor	
26	Number of reconnects performed remotely and manually	Number of reconnects performed remotely and manually, separately identifying reconnects performed for customers electing to opt out of AMI	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	

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27	Number of customers electing to opt out of AMI	Number of customers electing to opt out of AMI, separately identifying customers who opt out prior to advanced meter installation and customer who elect to opt out after advanced meter installation	Elana Foley (Direct Exhibit EF-1)	Prior to AMI deployment, then annually	Accept		Melanie L. Taylor	
28	Meter & Ancillary Equipment Balances prior to Deployment	The balances that existed prior to such deployment in Account 370 for meters and ancillary equipment, separately, as well as the related accumulated depreciation balances	Direct Testimony of Ron Garner	Within 90 days after the first deployment of AMI assets	Accept		Barbara L. Casey	
29	Handheld Meter Reading Equipment Balances prior to Deployment	The balance prior to such deployment that existed in Account 391.3 for handheld meter reading equipment, as well as the related accumulated depreciation balance	Direct Testimony of Ron Garner	Within 90 days after the first deployment of AMI assets	Accept		Barbara L. Casey	

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30	Remaining balances of Meters & Handheld Meter Reading Equipment throughout deployment	The remaining balances of meters and handheld meter reading equipment yet to be retired and their associated accumulated depreciation balances	Direct Testimony of Ron Garner	Annually throughout the AMI deployment schedule	Not Applicable	EAI proposes to transfer the net book value of meters and handheld devices to a regulatory asset in their entirety on the first day of deployment and amortize over 15 years. EAI does not believe this reporting requirement is applicable.	Barbara L. Casey	

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31	Retired Meter and Handheld Meter Reading Device Regulatory Asset Balances throughout the Deployment	The retired meter and handheld meter reading device regulatory asset balances and any amortization balances	Direct Testimony of Ron Garner	Annually throughout the AMI deployment schedule	Not Applicable	EAI proposes to transfer the net book value of meters and handheld devices to a regulatory asset in their entirety on the first day of deployment and amortize over 15 years. EAI does not believe this reporting requirement is applicable.	Barbara L. Casey	

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32	Balances of Meters & Handheld Meter Reading Equipment, post- AMI deployment	The balances in the retired meter and handheld meter reading device regulatory asset account and associated amortization balances. The Company should also report the expected annual amortization and date that the retired meter and handheld meter reading device regulatory assets will be fully amortized.	Direct Testimony of Ron Garner	Annually throughout the AMI deployment schedule	Accept		Barbara L. Casey	
33	Reliability (SAIDI)	Establish a baseline SAIDI to reflect distribution system reliability prior to the deployment of AMI; after AMI deployment the Company should file an annual report comparing the then current SAIDI to the baseline	Direct Testimony of Elana Foley	Annually	Accept		Melanie L. Taylor	

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