

ENTERGY MISSISSIPPI, INC.

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MISSISSIPPI PUBLIC SERVICE COMMISSION

[P.S.C. Schedule No. 27.11](#)
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Schedule Consists of: 3 pages

Kind of Service: Electric; Rate Deferral Plan Rider

RIDER SCHEDULE RDP (Second Revised)**1. APPLICATION**

Rate Deferral Plan Rider Schedule RDP (Second Revised) ("Rider RDP (Second Revised)") will be applied in conjunction with the currently applicable Entergy Mississippi, Inc., ("Entergy Mississippi" or the "Company") rates on file with the Mississippi Public Service Commission (the "Commission").

2. BILLING PROVISIONS**A. General**

Pursuant to the Orders of the Federal Energy Regulatory Commission ("FERC") in FERC Docket Nos. ER82-616-000 and ER82-483-000, Entergy Mississippi has been allocated 33% of the power associated with the 90% interest in the Grand Gulf Unit 1 Generating Station ("Grand Gulf") held by System Energy Resources, Inc. ("SERI") and pays 33% of the associated costs under System Energy Resources, Inc. Rate Schedule FERC No. 2, which is also known as the Unit Power Sales Agreement ("UPSA"). The recovery of these allocated Grand Gulf costs is accomplished by Entergy Mississippi Rider Schedules MSE-3 and MSE-4 (Revised) (referred to hereafter, collectively as "MSE Riders"), which were approved by the Commission in Docket No. U-4620.

This Rider RDP (Second Revised) sets out the terms and conditions under which Entergy Mississippi will defer and later will recover certain amounts that would otherwise be recovered currently under the provisions of the MSE Riders, as well as later will recover previously deferred amounts.

B. Period One PCF Deferral Balance, Period Two PCF Deferral Balance, and Period Three PCF Deferral Balance

During the period December 1995 through September 1998, the monthly difference between the amount that SERI bills to Entergy Mississippi under the Grand Gulf Power Charge Formula proposed in SERI's May 12, 1995, filing with the FERC in Docket No. ER95-1042-000 ("PCF") and the amount that SERI would have billed to Entergy Mississippi pursuant to the FERC Administrative Law Judge's Initial Decision in Docket No. ER95-1042-000 ("ALJ Decision") was deferred for later recovery by and pursuant to Entergy Mississippi Rider Schedule RDP ("Rider RDP"). Such deferral, by the terms of Rider RDP, extended from December 12, 1995, through September 30, 1998 ("Period One" for the purposes of this Rider RDP (Second Revised)). Such Rider RDP deferral caused to be established, accumulated, and recorded on Entergy Mississippi's books and records a regulatory asset deferral balance, along with and including carrying costs, all pursuant to the provisions of Rider RDP ("Period One PCF Deferral Balance"). This Period One PCF Deferral Balance shall continue to be deferred and maintained on Entergy Mississippi's books and records, along with Carrying Charges, and shall be collected as set out below. Carrying Charges shall be computed on the monthly cumulative balance of the Period One PCF Deferral Balance in accordance with Section 2D below.

The same monthly difference for the period beginning October 1, 1998, and ending September 30, 2000, ("Period Two" for the purposes of this Rider RDP (Second Revised)) has also been deferred for later recovery by and pursuant to Entergy Mississippi Rider Schedule RDP (Revised) ("Rider RDP (Revised)"). Such Rider RDP (Revised) Period Two deferral caused to be established, accumulated, and recorded on Entergy Mississippi's books and records a regulatory asset deferral balance, along with and including carrying costs, all pursuant to the provisions of Rider RDP (Revised) ("Period Two PCF Deferral Balance"). This Period Two PCF Deferral Balance shall continue to be deferred and maintained on Entergy Mississippi's books and records, along with Carrying Charges, and shall be collected as set out below. Carrying Charges shall be computed on the monthly cumulative balance of the Period Two PCF Deferral Balance in accordance with Section 2D below.

The same monthly difference for the period beginning October 1, 2000, and ending September 30, 2002, ("Period Three" for the purposes of this Rider RDP (Second Revised)) shall be deferred for later recovery by this Rider RDP (Second Revised) ("Monthly PCF Deferral Amount"). Carrying Charges shall be computed on the monthly cumulative balance of the Monthly PCF Deferral Amounts in accordance with Section 2D below. The cumulative Monthly PCF Deferral Amount, together with cumulative Carrying Charges, shall be referred to hereinafter as the "Period Three PCF Deferral Balance."

The Period One PCF Deferral Balance, the Period Two PCF Deferral Balance, and the Period Three PCF Deferral Balance shall be recovered over a 36-month period beginning September 30, 2002, and ending September 30, 2005 ("PCF Recovery Period"). The Period One PCF Deferral Balance, the Period Two PCF Deferral Balance, and the Period Three PCF Deferral Balance, together with Carrying Charges on the respective unrecovered balances, shall be recovered on a levelized basis through a set of Rate Adjustments that shall be determined in accordance with the provisions of Section 2E below.

The Company shall determine the over/under recovery balance remaining at the end of the PCF Recovery Period and report such amount to the Commission within 45 days after the end of the PCF Recovery Period. The over/under recovery amount, after verification by the Commission, shall be included as an adjustment to the amount to be recovered in the next annual update of the MSE Riders, or applied in such other manner as the Commission may direct pursuant to its authority.

C. Period One ALJ Deferral Balance

During the period December 1995 through September 1998, the monthly difference between the level of charges that would have been billed to Entergy Mississippi pursuant to the ALJ Decision and the amount that SERI would have billed to Entergy Mississippi under the previously effective SERI tariff ("Current Formula") was deferred for later recovery by and pursuant to Rider RDP. The period for such deferral, by the terms of Rider RDP, was Period One (December 12, 1995, through September 30, 1998). Such Rider RDP deferral caused to be established, accumulated, and recorded on Entergy Mississippi's books and records a regulatory asset deferral balance, along with and including carrying costs, all pursuant to the provisions of Rider RDP ("Period One ALJ Deferral Balance"). Carrying Charges shall be computed on the monthly cumulative balance of the Period One ALJ Deferral Balance in accordance with Section 2D below.

A portion of the Period One ALJ Deferral Balance has been recovered through Entergy Mississippi's retail rates during the period October 1998 through September 2000. The remaining unrecovered portion of the Period One ALJ Deferral Balance shall continue to be deferred and maintained on Entergy Mississippi's books and records, along with Carrying Charges, and shall be recovered over a 24-month period ("ALJ Recovery Period – Two") beginning September 30, 2001, and ending September 30, 2003, unless the final rates from FERC Docket ER95-1042-000 ("Final Rates") are not effective prior to September 1, 2001, in which case the remaining unrecovered portion of the Period One ALJ Deferral Balance shall be recovered over a 24-month period (also encompassed within the term, and referred to herein as, "ALJ Recovery Period – Two") beginning September 30, 2002, and ending September 30, 2004. The Period One ALJ Deferral Balance, together with Carrying Charges on the unrecovered balance, shall be recovered on a levelized basis through a set of Rate Adjustments that shall be determined in accordance with the provisions of Section 2E below.

The Company shall determine the over/under recovery balance remaining at the end of the ALJ Recovery Period -- Two and report such amount to the Commission within 45 days after the end of the ALJ Recovery Period -- Two. The over/under recovery amount, after verification by the Commission, shall be included as an adjustment to the amount to be recovered in the next annual update of the MSE Riders, or applied in such other manner as the Commission may direct pursuant to its authority.

D. Carrying Charges

During the period from December 12, 1995, through the date a final order is issued by the FERC in Docket ER95-1042-000 and Final Rates become effective, Carrying Charges shall be calculated using rates determined and applied in accordance with the FERC method of computing interest applicable to refunds and carrying charges, as established by the FERC in Docket No. RM77-22. After such date, Carrying Charges shall accumulate and be calculated by applying the Performance Adjusted Rate of Return on Rate Base from the Evaluation Report most recently submitted under Entergy Mississippi's Formula Rate Plan, as adjusted to a before-tax basis, to the average monthly PCF Deferral Balance and ALJ Deferral Balance net of any accumulated deferred income tax balance resulting from this Rider RDP (Second Revised) or its predecessor Riders. Carrying Charges shall similarly be computed on any unrecovered balance during the PCF Recovery Period and the ALJ Recovery Period -- Two. Should Entergy Mississippi's Formula Rate Plan not then be in effect, the before-tax rate of return on rate base most recently approved for Entergy Mississippi by the Commission shall be utilized to determine the applicable Carrying Charges.

E. Rate Adjustment Percentage

As an adjustment "First" under the Company's rate schedules there shall be added to the Net Monthly or Seasonal Rate an amount equal to the Net Monthly or Seasonal Rate, before Adjustments, multiplied by the Percentage computed in accordance with the following formula:

$$P = \frac{I \times C}{\Sigma(I) \times B} \quad \text{where}$$

- P = Percentage
- I = The increase in Net Monthly or Seasonal revenue, before Adjustments, for each Retail Rate Class as incorporated in the currently applicable rates.
- Σ(I) = The sum of the increase in the Net Monthly or Seasonal revenue, before Adjustments, for each Retail Rate Class as incorporated in the currently applicable rates.
- C = The levelized annual amount necessary to recover the applicable deferrals (PCF Deferral Balances and Period One ALJ Deferral Balance) over the applicable recovery period (PCF Recovery Period or ALJ Recovery Period -- Two.)
- B = The Net Monthly or Seasonal revenue, before Adjustments, for each retail rate class as incorporated in the currently applicable rates.

Retail Rate Classes shall be defined as those specified in the currently applicable rates.

3. DISPOSITION OF SERI REFUND

The difference between the amounts billed under the PCF and the Current Formula are subject to refund pending a final order by the FERC. Any refunds to Entergy Mississippi from SERI, including interest, resulting from the FERC's final order and/or any subsequent appeal will be credited against 1) the PCF Deferral Balances; 2) any refund amounts in excess of the PCF Deferral Balance will be credited against the Period One ALJ Deferral Balance; and 3) any refund amounts in excess of the Period One ALJ Deferral Balance shall be included as an adjustment to the amount to be recovered in the next annual update of the MSE Riders, or applied in such other manner as the Commission may direct.