



Filing Receipt

Filing Date - 2025-02-07 03:20:01 PM

Control Number - 56693

Item Number - 280

**SOAH DOCKET NO. 473-24-21530
PUC DOCKET NO. 56693**

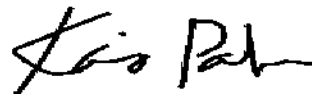
APPLICATION OF ENTERGY TEXAS, INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO CONSTRUCT A PORTFOLIO OF DISPATCHABLE GENERATION RESOURCES	§ § § § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
---	----------------------------	---

**RESPONSE OF ENTERGY TEXAS, INC.
TO ETEC'S FOURTH REQUEST FOR INFORMATION:
ETEC 4:4, 4-6, AND 4-12; ADDENDUM 1**

Entergy Texas, Inc. ("ETI" or the "Company") files this Addendum to its responses to ETEC's Fourth Request for Information. The response to such request is attached and is numbered as in the request. An additional copy is available for inspection at the Company's office in Austin, Texas.

ETI believes the foregoing response is correct and complete as of the time of the response, but the Company will supplement, correct, or complete the response if it becomes aware that the response is no longer true and complete, and the circumstance is such that failure to amend the answer is in substance misleading. The parties may treat this response as if it were filed under oath.

Respectfully submitted,

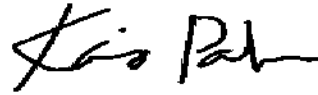


Karis Anne Gong Parnham
Entergy Services, LLC
919 Congress Ave. Suite 701
Austin, Texas 78701
P: (512)-487-3986
E: kparnha@entergy.com

Attachments: **ETEC 4:4, 4-6, AND 4-12; ADDENDUM 1**

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Response of Entergy Texas, Inc. to ETEC's Fourth Request for Information has been sent by email to the party that initiated this request in this docket on this the 7th day of February 2025.

A handwritten signature in black ink, appearing to read "Karis Parnham", written in a cursive style.

Karis Anne Gong Parnham

ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
DOCKET NO. 56693

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: East Texas Electric
Cooperative, Inc.

Prepared By: Jeremy Halland, David
Triplett
Sponsoring Witness: Jeremy Halland

Question No.: ETEC 4-4

Part No.:

Addendum: 1

Question:

Provide all information, analysis, documentation, and studies associated with estimation of MATS compliance capital costs and operating costs, including copies of any referenced or proposed standards.

Response:

Entergy Texas, Inc. ("ETT") notes that, as discussed on page 9 of the Direct Testimony of Abigail B. Weaver, ETI has a need for incremental dispatchable generation in its Western Region and separately in its Eastern Region. Investment in and extending the life of the Nelson 6 existing coal unit located in Louisiana would not satisfy those incremental needs.

The referenced EPA standards for Mercury and Air Toxics Standards ("MATS") are the final revisions to the Mercury and Air Toxics Standards rule which were published by the Environmental Protection Agency in the Federal Register on May 7, 2024. This Federal Register notice can be found at 89 FR 38508.

A potential \$3 million in incremental additional O&M costs associated with MATS compliance was noted in the October 1, 2024 Nelson 6 Deactivation Analysis slide deck (Slide 8, second bullet). This value was estimated by the plant based on an evaluation of historical MATS chemical usage, chemical costs, emission reductions achieved and the new emissions targets finalized in the 2024 MATS rule.

Addendum 1:

Based on follow-up discussion with ETEC, ETEC clarified that it seeks:

- a. ETT's annual Nelson 6 capacity factor assumption related to this O&M cost increase and provide a breakdown of the \$3 million annual amount into fixed and variable O&M.

- b. all documents justifying or supporting the estimated \$3 million in annual “incremental additional O&M costs associated with MATS compliance.” If none exist, please state so.

ETI responds as follow:

- a. ETI’s estimate of the additional cost of complying with the MATS rule to achieve these lower emission targets was based on a review of the historical chemical usage and variable O&M costs at Nelson 6 without accounting for a change in capacity factor of the unit. For example, the following fixed and variable costs were identified for 2020 through May 2023:

2023

MATS Chemicals - \$522,000 through May

Parts/Repairs - \$1,212,128 through May

STI CEMS - \$4,075 annual contract

Quarterly PM 6247 – 6 manhours est. \$1,800

Quarterly PM 6250 – 16 manhours est. \$4,800

Biweekly PM 6246 – 2 manhours est. \$3,900

2022

MATS Chemicals - \$2,328,788.70

Parts/Repairs - \$34,876

STI CEMS - \$4,071.46

Quarterly PM 6247 – 6 manhours est. \$1,800

Quarterly PM 6250 – 16 manhours est. \$4,800

Biweekly PM 6246 – 2 manhours est. \$3,900

2021

MATS Chemicals - \$1,556,659

MATS Chemical Removal & Repairs - \$19,416

STI CEMS - \$3,957

Quarterly PM 6247 – 6 manhours est. \$1,800

Quarterly PM 6250 – 16 manhours est. \$4,800

Biweekly PM 6246 – 2 manhours est. \$3,900

2020

MATS Chemicals - \$1,472,101.04

Environmental Systems - \$5,740

Quarterly PM 6247 – 6 manhours est. \$1,800

Quarterly PM 6250 – 16 manhours est. \$4,800

Biweekly PM 6246 – 2 manhours est. \$3,900

- b. ETI is not aware of any specific documents that show the calculation of the \$3 million estimate. As noted above, to the best of ETI’s knowledge, the amount was derived from review of historical actual costs shown in the attached email (TP-56693-00ETE004-X004-001_ADD1). ETI will supplement this response if it

becomes aware of any documents specifically showing the calculation of the \$3 million amount included in the October 2024 deck.

Subject: RE: Proposed MATS RTR - Nelson Plant Discussion
Sent: 5/31/2023, 3:22:43 PM TP-56693-00ETE004-X004-001_ADD1
From: Kyle, Colby [REDACTED] >
To: Cheramie, Catherine Anne
Cc: Givens, Damien; Hart, Deryl Craig; Kyle, Colby; Lormand, Dylan

Catherine,

Please see the cost information requested below by year. If we need pull info prior to 2020 I will need Tiffany’s assistance next week when she returns from vacation. Let us know if you need anything else to provide comments for the MATS RTR rulemaking.

2023
MATS Chemicals - \$522,000 through May
Parts/Repairs - \$12,121,28 through May
STI CEMS - \$4,075 annual contract
Quarterly PM 6247 – 6 manhours est. \$1,800
Quarterly PM 6250 – 16 manhours est. \$4,800
Biweekly PM 6246 – 2 manhours est. \$3,900

2022
MATS Chemicals - \$2,328,788.70
Parts/Repairs - \$34,876
STI CEMS - \$4,071.46
Quarterly PM 6247 – 6 manhours est. \$1,800
Quarterly PM 6250 – 16 manhours est. \$4,800
Biweekly PM 6246 – 2 manhours est. \$3,900

2021
MATS Chemicals - \$1,556,659
MATS Chemical Removal & Repairs - \$19,416
STI CEMS - \$3,957
Quarterly PM 6247 – 6 manhours est. \$1,800
Quarterly PM 6250 – 16 manhours est. \$4,800
Biweekly PM 6246 – 2 manhours est. \$3,900

2020
MATS Chemicals - \$1,472,101.04
Environmental Systems - \$5,740
Quarterly PM 6247 – 6 manhours est. \$1,800
Quarterly PM 6250 – 16 manhours est. \$4,800
Biweekly PM 6246 – 2 manhours est. \$3,900

Thank you,

Colby Kyle
Entergy Nelson Station
Process & Outage Superintendent



From: Cheramie, Catherine Anne <[REDACTED]>
Sent: Wednesday, May 31, 2023 11:41:43 AM
To: Givens, Damien <[REDACTED]>; Hart, Deryl Craig <[REDACTED]>; GAUTHREAUX, KEVIN N
<[REDACTED]>
Cc: Triplett, David <[REDACTED]>; CORVERS, RICHARD M <[REDACTED]>; Lormand, Dylan
<[REDACTED]>
Subject: RE: Proposed MATS RTR - Nelson Plant Discussion

Good morning Damien,

We are still evaluating and preparing comments on the MATS RTR rulemaking. Would Nelson Plant be willing to share any O&M cost information for the PM CEMS such as quarterly man-power requirements, parts/equipment costs, and vendor service costs? I'd also like to request MATS chemical usage costs. Please let me know if there are any questions or concerns. Should I reach out to Tiffany Wasson and go by project code for those items?

Thank you
Catherine

ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
DOCKET NO. 56693

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: East Texas Electric
Cooperative, Inc.

Prepared By: Jeremy Halland, David
Triplett
Sponsoring Witness: Jeremy Halland

Question No.: ETEC 4-6

Part No.:

Addendum: 1

Question:

Provide all information, analysis, documentation, and studies associated with estimation of coal combustion residuals compliance capital costs and operating costs, including a copy of the regulatory source of the requirements.

Response:

Entergy Texas, Inc. ("ETT") notes that, as discussed on page 9 of the Direct Testimony of Abigail B. Weaver, ETI has a need for incremental dispatchable generation in its Western Region and separately in its Eastern Region. Investment in and extending the life of the Nelson 6 existing coal unit located in Louisiana would not satisfy those incremental needs.

The regulatory source for potential future coal combustion residuals ("CCR") compliance costs is revisions to the CCR rule, which were finalized by the Environmental Protection Agency and published in the Federal Register on May 8, 2024. This document can be found at 89 FR 38950.

Compliance obligations for this new rule are still being assessed, and cost estimates for future costs that may be incurred due to these May 2024 revisions to the CCR rule at Nelson 6 have not been developed.

Addendum 1:

Based on follow-up discussion with ETEC, ETEC clarified that it seeks:

- a. All documents justifying or supporting the estimation of coal combustion compliance capital costs and operating costs for the CCR regulations in place prior to the promulgation of the current rules in May 2024. If none exist, please state so.
- b. A statement whether Entergy, its affiliates, or any organization in which it is a member, filed comments in regards to Environmental Protection Agency's final rule issued pursuant to Section 111 of the Clean Air Act on May 9, 2024 and provide copies of any comments filed.

ETI responds as follow:

- a. A historical review of compliance costs associated with the CCR regulations in place prior to May 2024 was completed. The total cost for Nelson 6 CCR compliance prior to May 2024 was \$2,536,196. Please see the attachment (TP-56693-00ETE004-X006-001_ADD1).
- b. Entergy Services, LLC (“ESL”), on behalf of the Operating Companies, filed comments on the proposed rule on August 8, 2023 in the same docket as the final May 9, 2024 rule. The Class of 85, a group in which ESL is a member, also filed comments on the proposed rule on August 8, 2023 in the same docket as the final May 9, 2024 rule. Those comments are publicly available in the EPA docket for this rulemaking at www.regulations.gov, docket ID No. EPA-HQ-OAR-2023-0072.

From: Morvant, Nelson <[REDACTED]>
Sent: Thursday, February 6, 2025 2:21 PM
To: Halland, Jeremy <[REDACTED]>
Cc: Hoyt, George Griffith <[REDACTED]>
Subject: RE: CCR Compliance Costs - Historical numbers [REDACTED]

		\$	
15-125(1)	1 Nelson Coal Ash Landfill CCR Compliance	692,928.09	
	1 Nelson Coal Ash Landfill Permit Mod &	\$	
15-134 (1)	Vertical Exp.	371,068.50	
		\$	
15-125 (1)	2 Nelson Coal Ash Landfill CCR Compliance	94,053.00	
	2 Nelson Coal Ash Landfill Permit Mod &	\$	
15-134 (2)	Vertical Exp.	334,326.47	
		\$	
17-145	Nelson Coal Ash Landfill Major Permit Mod.	12,000.00	
		\$	
15-133	Nelson Coal Ash Permit Text Modification	37,017.12	
	Nelson Coal Ash Landfill CCR & LDEQ	\$	
20-139	compliance	350,054.59	
		<u>\$</u>	
		1,891,447.77	
		\$	
21-110	Nelson Coal Ash & Leachate Compliance	44,057.10	
	Support	\$	
	Nelson Coal Ash Landfill Operation	\$	
18-158	Specifications	9,089.50	
		\$	
19-139	Nelson Coal Ash Landfill Permit Renewal	71,047.52	
		<u>\$</u>	
		124,194.12	
	Nelson Coal Ash Landfill Site Conceptual model	\$	298,730.16
	Detection/Assessment/alternate Source	\$	91,611.00
	Statistical Evaluation	\$	<u>130,213.00</u>
		520,554.16	

Sub total
1,891,447.77
124,194.12

ENTERGY TEXAS, INC.
PUBLIC UTILITY COMMISSION OF TEXAS
DOCKET NO. 56693

Response of: Entergy Texas, Inc.
to the Fourth Set of Data Requests
of Requesting Party: East Texas Electric
Cooperative, Inc.

Prepared By: Staci Meyer
Sponsoring Witness: Abigail B. Weaver

Question No.: ETEC 4-12

Part No.:

Addendum: 1

Question:

Provide Entergy's assumptions and analysis regarding the expected impact the previously referenced EPA rules and guidelines will have on Entergy's rationale for the decision to close the Nelson 6 plant given the result of the recent presidential election, include a detailed schedule of activities and timeline for any and all regulatory approvals that are anticipated to be required for the closure of the Nelson 6 plant.

Response:

Entergy Texas, Inc. ("ETI") notes that, as discussed on page 9 of the Direct Testimony of Abigail B. Weaver, ETI has a need for incremental dispatchable generation in its Western Region and separately in its Eastern Region. Investment in and extending the life of the Nelson 6 existing coal unit located in Louisiana would not satisfy those incremental needs.

Entergy Texas, Inc. is not aware any formal decision has been made, to date, to close the Nelson 6 plant.

Addendum 1:

Based on follow-up discussion with East Texas Electric Cooperative, Inc. ("ETEC"), ETEC clarified that it seeks a detailed schedule of activities and timeline for any and all regulatory approvals that are anticipated to be required for the closure of the Nelson 6 plant. ETI responds as follows:

ETI interprets "the closure" of Nelson 6 to mean deactivating the plant and ceasing operations.

- 1- Two plans would be developed prior to deactivation: (1) a wind down plan detailing activities to occur prior to deactivation, and (2) a plant closure plan detailing activities that start the day of deactivation. With the Nelson 6 deactivation date currently assumed for planning purposes to be 2030, those plans have not yet been fully developed. The wind down plan will include,

however, submitting Attachment Y to MISO 12 months prior to deactivation.

- 2- ETI has not identified any regulatory approvals that would be required to deactivate Nelson 6 at this time.