

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Notice of Information Collections and) Docket No. IC25-7-000
And Request for Comments)

COMMENTS OF ENTERGY SERVICES, LLC

Entergy Services, LLC (“Entergy Services”), on behalf of Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, Entergy Texas, Inc., and System Energy Resources, Inc. (together, “Entergy Filers”), hereby submits these comments in response to the above-referenced Notice of Information Collection (“NOIC”), which the Federal Energy Regulatory Commission (“FERC” or “Commission”) issued on February 3, 2025, and was published in the Federal Register on February 7, 2025¹. The Entergy Filers are also supportive of the comments filed in this proceeding by the Edison Electric Institute (“EEI”), insofar as they support the elimination of the requirement to file FERC Form No. 3-Q. In these comments, the Entergy Filers respectfully propose that the Commission eliminate the filing requirements for Form No. 3-Q. We have no objection to the renewal of Form Nos. 1 and 1-F.

I. Background

The Entergy Filers are wholly owned subsidiaries of Entergy Corporation and public utilities under the Federal Power Act. Except for SERI, each provides wholesale and retail electric service in portions Arkansas, Louisiana, Mississippi, and Texas. SERI owns 90% of Grand Gulf Nuclear Station and makes wholesale sales of power and capacity pursuant to the

¹ 90 Fed. Reg. 9151 (Feb. 7, 2025).

Unit Power Sales Agreement. Entergy Services, also a wholly owned subsidiary of Entergy Corporation, is a centralized service company that provides corporate support services, including accounting, legal, and regulatory, among others, to its affiliate companies. Entergy Services is organized along functional lines to accomplish its purpose of providing management, administrative, and technical services to its affiliate companies and maintains its accounts in accordance with the Commission's Uniform System of Accounts in 18 C.F.R. pt. 367.

II. Comments

A. The Commission Should Reconsider its Quarterly Requirements for Filing Form No. 3-Q

The Entergy Filers, like most FERC-regulated utilities, file large volumes of financial, operational, facility, and other information with the Commission and other federal and state agencies. These filings give a detailed picture of company finances and operations. The compilation, verification, and reporting of the information that the Entergy Filers include in the Form Nos. 1 and 3-Q, other FERC forms and filings, and filings with other agencies, involve substantial work and costs. On a quarterly and annual basis, the Entergy Filers invest substantial resources including staff hours, the cost of computer software, and other resources to provide this information. These efforts result in costs that are borne by utility customers, including wholesale customers receiving FERC-regulated service.

In the NOIC, the Commission solicits public comments on the requirements and information collection burden associated with Form Nos. 1, 1-F, and 3-Q. The Commission's NOIC was issued in compliance with the Paperwork Reduction Act ("PRA"). The PRA requires federal agencies to attempt to minimize the reporting burden and avoid duplicative reporting requirements.² The PRA also requires each agency to undertake a review, in consultation with

² See 44 U.S.C. §§ 3501 et seq.

the Office of Management and Budget, to demonstrate that information collections are as reasonable and streamlined as possible, and to provide justification for the collection of the information. In addition, on January 31, 2025, President Trump issued an Executive Order entitled *Unleashing Prosperity Through Deregulation*³ that seeks to establish a policy “to promote prudent financial management and alleviate unnecessary regulatory burdens.” The Executive Order calls for the elimination of at least 10 prior regulations for each new regulation issued.⁴ Thus, it is in the spirit of this Executive Order for the Commission to seek opportunities to eliminate regulations wherever feasible. And it is in keeping with this spirit that the Entergy Filers seek to eliminate the Form No. 3-Q reporting requirement. As explained in more detail below, Form No. 3-Q does not appear to provide useful financial information, and any actual benefit from the collection of the information in Form No. 3-Q appears to be inconsequential. Therefore, the burden on the Entergy Filers for preparing the Form No. 3-Q filings outweighs any perceived benefit.

B. Comments in Support of EEI

The Entergy Filers support the comments filed in this proceeding by EEI. At EEI’s request, the Entergy Filers provided EEI with data to support its proposal to eliminate the filing requirements for FERC Form No. 3-Q. For its part, the Entergy Filers prepare the Form No. 3-Q reports internally, without the use of any third-party providers. The Entergy Filers purchase software to assist in the preparation of the forms, but because each company report is individually prepared by Entergy Services’ accounting employees, there are no economies of scale or efficiencies to be had in their preparation. Entergy Services’ estimates that the yearly

³ Exec. Order No. 14192, January 31, 2025, *Unleashing Prosperity Through Deregulation*, 24 Fed. Reg. 9065 (Feb. 6, 2025).

⁴ *Id.* at Sec. 1.

hourly expenditure to prepare and file the Form No. 3-Qs is 1,050 hours at a total cost of about \$84,000. This amount is in addition to the cost of software licenses and other related costs incurred.

The Entergy Filers support the Commission's overall objective to regulate and oversee public utilities in part through data self-reporting. We also support EEI's contention that the Commission can satisfy its regulatory mission through review of the extensive data collected annually in Form No. 1, among other sources. The Form No. 1 has proven to be an important reference tool for a vast amount of information about company operations and is the basis for calculation of the majority of formula rates for FERC jurisdictional customers. As noted by EEI, the Form No. 1 is the principal document used, almost universally, to establish formula rates.

In contrast, the Form No. 3-Q does not provide the data used to determine the adequacy of rates. In fact, as highlighted in the usage information collected by EEI, FERC jurisdictional customers appear to have little, if any, interest in the data presented in the Form No. 3-Q. In its comments, EEI states that in surveying its members, none has reported any inquiries about Form No. 3-Q in the last three years. Entergy Filers can confirm this lack of usage for its own Form No. 3-Q reports. In the 20+ years that FERC has required reporting Form No. 3-Q data, the Entergy Filers have received only 2 inquiries of any kind that sought information contained exclusively in a Form No. 3-Q, and no inquiries in the last 10 years. While the RFIs received by the Entergy Filers are a small sample size, EEI's survey results confirm the infrequent use of Form. No. 3-Q in any kind of data analysis.

Should the Commission determine that the quarterly filing of a Form No. 3-Q is unnecessary, but annual collection of data solely in the Form No. 1 is insufficient or untimely, perhaps the information could be collected semi- annually, or be supplemented in certain

circumstances by filings made at the Securities Exchange Commission or by direct data requests. In other words, should the Commission determine that the requirement to file a quarterly Form No. 3-Q is overly burdensome, there are alternatives worth exploring that would allow the Commission to obtain useful financial data with less burden on filers. However, when considering the Form No. 3-Q specifically, the overriding concern is whether the information collected is useful to market participants and the Commission for the cost incurred to provide it. As discussed above, the burden and cost of completing the Form No. 3-Q does not appear to produce information that is meaningful to the Commission, its Staff, or jurisdictional customers.

III. Conclusion

The Entergy Filers appreciate the opportunity to provide these comments. We would like the Commission to eliminate the requirement to file quarterly Form No. 3-Q. As explained above, the Form No. 3-Q appears to provide little to no information that the Commission or jurisdictional market participants find useful. We believe that the Form No. 1 collects sufficient information for the Commission and Staff to fulfill their regulatory responsibilities and for jurisdictional entities to use in evaluating rates. Moreover, there are alternatives to quarterly filings that would allow the Commission to collect useful data with less burden. Accordingly, we ask that the Commission eliminate the requirement for filing the Form No. 3-Q, as it is burdensome to prepare and is of limited research or informational value. Given the lack of interest in our Form No. 3-Q data in any Commission proceeding, versus the burden to create the reports, the elimination of Form No. 3-Q would align with the federal government's efforts to promote efficiency and reduce regulatory burden.

Respectfully Submitted,

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