BEFORE THE
MISSISSIPPI PUBLIC SERVICE COMMISSION

ENTERGY MISSISSIPPI, INC. EC-123-0082-00	**IN RE: APPLICATION FOR APPROVAL OF QUICK START ENERGY EFFICIENCY PORTFOLIO PLAN**
DOCKET NO. 2014-UA-006	

ORDER

COMING THIS DAY to be considered is Entergy Mississippi, Inc.'s ("Entergy Mississippi," "EMI" or "Company") request for approval by the Mississippi Public Service Commission ("Commission") of the Company's proposed Quick Start Energy Efficiency Portfolio Plan ("Quick Start Plan"), and this Commission, being fully advised in the premises, and upon the recommendation of the Mississippi Public Utilities Staff ("Staff"), finds as follows:

1. On July 11, 2013, the Commission entered its Final Order Adopting Rule in Docket No. 2010-AD-2, adopting Rule 29 of the Commission's Public Utilities Rules of Practice and Procedure ("Rules"), entitled "Conservation and Energy Efficiency Programs." Section 102 of Rule 29 requires that "[e]ach electric and natural gas utility serving more than 25,000 customers (meters) and subject to the jurisdiction of the Commission shall file with the Commission for its approval a Quick Start Plan for energy efficiency programs for its service territory . . . not later than six (6) months following the order adopting this Rule." In compliance with this provision, EMI submitted its proposed Quick Start Plan on January 10, 2014.

2. After the Final Order Adopting Rule was issued, Entergy Mississippi conducted a formal, public Request for Proposals ("RFP") to select a third party administrator to develop and administer EMI's Quick Start Plan. As a result of its RFP

process, Entergy Mississippi selected ICF International, which has proposed programs for EMI's Quick Start Plan that are designed to address the objectives set forth in Rule 29. The portfolio was developed through a comprehensive analysis of energy efficiency technologies, best practice program designs, and analysis of program and portfolio costs and customer participation experienced by other utilities. The Company also selected an independent evaluator, Tetra Tech, to perform Evaluation, Measurement, and Verification (EM&V) after the programs are in place to help monitor and evaluate the overall success of the programs.

3. EMI's Quick Start Plan offers energy efficiency programs for each of EMI's customer classes and is otherwise compliant with Rule 29. The programs cover the period from mid-2014 (or upon Commission approval) through 2016. The portfolio is based on best practices and proven approaches in other jurisdictions. The programs build infrastructure necessary to support potential future comprehensive programs, and explicitly address the needs of all customer classes, including a special emphasis on low-income customers, as well as government buildings. The cumulative budget for all programs through 2016 is $12,499,810.

4. The programs in EMI's Quick Start Plan include:

- ***Residential Lighting.*** This program will increase the market penetration of ENERGY STAR® certified lighting products. The program will offer opportunities for all residential customers to purchase a variety of high efficiency lighting products through retail sales channels with incentives that reduce customer purchase costs. Partnerships with community organizations will be used to provide free products to low-income customers.

- ***Residential HVAC Equipment and Tune-up Program.*** The Residential HVAC Equipment and Tune-up Program provides customers with financial incentives for eligible high-efficiency technologies. The incentives are offered in a prescriptive format, and address heating and cooling loads, the largest energy usages in most homes. The program also offers "tune-ups" of existing air conditioners (A/C) and heat pumps to EMI's customers with a particular emphasis on low-income customers.

- ***Residential Audit and Direct Install Program.*** The Residential Audit and Direct Install Program provides education about home energy usage as well as contractor installed products that will result in immediate energy and cost savings. These services are provided at no cost to the customer. The customer will be left with a report that details how energy is currently being used in the home, ways the customer could reduce energy consumption, and other EMI programs that may be of benefit to the customer. Each low-income customer will also be offered an A/C tune-up during the audit for additional savings and comfort.

- ***Commercial, Industrial, and Governmental (CIG) Prescriptive.*** This program will provide an expedited, simple solution for qualifying CIG customers interested in purchasing energy efficient technologies with comparatively standard technologies and predictable savings. The program will offer pre-specified or "prescriptive" financial incentives and technical assistance to customers, including audit of government buildings, and will promote upgrades such as lighting, lighting controls, HVAC systems, and food service equipment. This program will offer a simplified method to make energy efficient purchase choices from an established list of common technologies without requiring complex analysis or program participation rules.

- ***CIG Custom.*** The Custom Program will address technologies not covered by the Prescriptive Program, and/or technologies to be installed in unusual applications or where the savings associated with the project require additional engineering to be estimated accurately. The program will also provide technical assistance to eligible customers to aid them in implementing energy efficient retrofit opportunities, as well as high-efficiency opportunities at the time of new equipment purchase, facility modernization, new construction, or industrial process improvements.

5. The budgets for the above programs are shown below:

Quick Start Portfolio Budgeted Costs	**2014**	**2015**	**2016**
Residential Lighting	$707,979	$1,261,143	$1,215,010
Residential HVAC Equipment & Tune-up Program	$557,609	$1,114,360	$1,092,925
Residential Audit & Direct Install Program	$439,080	$600,366	$557,011
CIG Prescriptive	$872,773	$1,360,989	$1,345,512
CIG Custom	$277,450	$538,052	$559,551
Total Quick Start Budget	**$2,854,891**	**$4,874,910**	**$4,770,009**

6. These programs are expected to address EMI's customer classes as follows:

	Residential	**Residential - Low Income**	**Commercial**	**Industrial**	**Governmental**
Residential Lighting	X	X			
Residential HVAC Equipment & Tune-up Program	X	X			
Residential Audit and Direct Install	X	X			
CIG Prescriptive			X	X	X
CIG Custom			X	X	X

7. The estimated energy savings are:

Quick Start Portfolio Projected Savings	**2014**	**2015**	**2016**
Residential Lighting	6,359	18,208	17,908
Residential HVAC Equipment & Tune-up Program	1,064	5,317	5,414
Residential Audit & Direct Install Program	704	2,344	2,344
Total Residential Program Savings	**8,127**	**25,869**	**25,666**
CIG Prescriptive	2,417	6,042	6,055
CIG Custom	276	2,759	3,403
Total CIG Program Savings	**2,693**	**8,801**	**9,458**
TOTAL MWh Savings	**10,820**	**34,670**	**35,124**

8. Pursuant to Rule 29, the Commission intends to establish specific numerical energy savings targets expressed as percentages of energy sales based on the experience of Quick Start and other relevant information. Thus, any request made by the Company to earn a return on energy efficiency investments through a performance-incentive mechanism during the Quick Start phase shall be deferred until the Comprehensive Portfolio Plan phase, so that energy savings targets may be established in advance of the approval of such performance-incentive mechanisms.

9. The Company may, in accordance with Rule 29, shift funds among the various programs within its Quick Start Plan as needed to meet changing conditions, such as addressing oversubscriptions and avoiding stop-start funding. The Commission will review spending at the time of the Annual Report to ensure that shifts in spending have not eliminated benefits for a given customer class or otherwise compromised the Company's overall portfolio compliance.

10. In an effort to address the reporting requirements of Rule 29 and this Order in a uniform manner among utilities, the Commission has established recommended formats for the Company's implementation of the Commission's findings in this Docket. See Attachment A, Energy Efficiency Cost Recovery (EECR) Rider Example; Attachment B, Energy Efficiency Cost Recovery (EECR) Factor Calculation Example; and Attachment C, Lost Contribution to Fixed Costs (LCFC) Calculation Example. While the Company may deviate from the suggested formats, any compliance cost recovery filing must address all of the provisions in the examples provided in Attachments A, B and C of this Order. Note that carrying costs should not be calculated on the under- and over-recoveries in the EECR calculation during Quick Start.

11. Based upon the Company's filing and the recommendation of the Staff, the Commission finds that Entergy Mississippi's Quick Start Plan complies with the requirements of Rule 29 of the Commission's Rules of Practice and Procedure and should be approved.

IT IS, THEREFORE, ORDERED by this Commission that the proposed Quick Start Plan is approved as described in EMI's Application and as set out herein, and EMI shall begin the implementation process of the programs described in its Quick Start Plan following the entry of this Order. Rule 29 provides for the recovery of costs associated with implementing the plan, but Entergy Mississippi's request for rate recovery is deferred for a future order following compliance filing.

IT IS, FURTHER, ORDERED that, within thirty (30) days of the entry of this Order approving EMI's Quick Start Plan, the Company shall submit re-determined Energy Efficiency Cost Adjustment Factors to the Public Utilities Staff. This compliance filing shall be calculated in accordance with all of the provisions set forth in Attachments A, B and C of this Order.

This Order shall be deemed issued on the day it is served upon the parties herein by the Executive Secretary of this Commission who shall note the service date in the file of this Docket.

Chairman Lynn Posey voted Aye; Vice Chairman R. Stephen Renfroe voted Aye; Commissioner Brandon Presley voted Aye.

SO ORDERED by the Commission on this the 3rd day of June, 2014.

MISSISSIPPI PUBLIC SERVICE COMMISSION

LYNN POSEY, CHAIRMAN

R. STEPHEN RENFROE, VICE CHAIRMAN

BRANDON PRESLEY, COMMISSIONER

PUBLIC SERVICE COMMISSION

ATTEST: A TRUE COPY

Brian U. Ray, Executive Secretary

Effective this the 3rd day of June, 2014.

ATTACHMENT A
EECR RIDER EXAMPLE

ENERGY EFFICIENCY COST RECOVERY (EECR) RIDER EXAMPLE

1.1 PURPOSE

The purpose of the Energy Efficiency Cost Recovery (EECR) Rider is to establish the EECR Rate(s) by which the Company will recover its energy efficiency Quick Start Plan program costs approved by the Mississippi Public Service Commission ("Commission"), including (1) the incremental energy efficiency program costs ("Incremental Program Costs") and (2) lost contribution to fixed cost ("LCFC") (collectively, the "Recoverable Costs"), all as described in Rule 29, "Conservation and Energy Efficiency Programs," of the Commission's Rules and Regulations Governing Public Utility Service, and as approved by the Commission in Docket 2010-AD-2 on July 11, 2013. Recovery of Incremental Program Costs is limited to the incremental costs which represent the direct program costs that are not already included in the then current rates of the Company.

1.2 ANNUAL RE-DETERMINATION

On or before August 1st of 2014 and May 1st of each subsequent year, re-determined EECR Rate(s) shall be filed by the Company with the Commission. The re-determined EECR Rate(s) shall be determined by application of the EECR Rate Formula set out in Attachment B. The re-determined EECR Rate(s) shall reflect (1) the projected Incremental Program Costs for the 12-month period commencing on January 1 of each year ("Filing Year"), (2) projected LCFC for the Filing Year, and (3) a true-up adjustment reflecting the over-recovery or under-recovery of the EECR Recoverable Costs for the 12-month period ended on December 31 of the prior calendar year ("Reporting Year"). The Company shall provide to the Mississippi Public Utilities Staff ("Staff") documentation supporting the data and calculations utilized in re-determining the EECR Rate(s) set out in each such annual submission. The EECR Rate(s) so re-determined shall be effective on and after the first billing cycle of September for the first year and August of the Filing Year for subsequent years or the first practicable billing cycle after Commission approval and shall then remain in effect for twelve (12) months ("EECR Cycle"), except as otherwise provided for below.

1.3 TRACKING AND MONITORING PROGRAM COSTS AND BENEFITS

The Company shall develop and implement appropriate accounting procedures, subject to the review of the Staff, which provide for separate tracking, accounting, and reporting of all program costs incurred by the Company. The procedures shall enable energy efficiency program costs to be readily identified and clearly separated from all other costs. The Company shall secure and retain all documents necessary to verify the validity of the program costs for which it is seeking recovery. Such documents shall include, but shall not be limited to, vouchers, journal entries, program participant's billing history (including usage and payment records), and the date the participant's project was completed.

The Company shall develop and implement appropriate accounting procedures, subject to the review of the Staff, which provide for separate tracking, accounting, and reporting of revenues collected through the EECR Rider. The procedures shall enable the EECR revenues to be readily identified and clearly separated from all other revenues. The Company shall secure and retain all documents necessary to verify the accuracy of the EECR revenues. Such documents shall include, but shall not be limited to, billing determinants, journal entries, and summary revenue reports.

For the purpose of assessing the benefits and effectiveness of the programs, the Company shall develop and implement appropriate procedures, subject to the review of the Staff, which provide for separate tracking of the benefits and the effectiveness of the programs. The data that shall be tracked shall include, but shall not be limited to, information that will enable the Commission to assess the effectiveness of the programs. The Company shall secure and retain all documents necessary to verify its assessments. Such documents shall include, but shall not be limited to, customer surveys, usage records, payment history, and customer income level, if available.

1.4 LCFC

LCFC calculations shall accurately reflect energy savings caused by utility energy efficiency programs, and thus not sales reductions due to weather, changes in population, or background increases or decreases in customers' self-funded energy efficiency efforts. The Company shall maintain and report adequate data to support accurate calculations of revenues lost. Such data collection shall ensure that LCFC is not collected for measures for which the measure life has expired between rate filings. The Company shall base LCFC applications and calculations on the best information available at the time of the applications. Recovery of the LCFC in this rider will necessitate an adjustment to the Company's formula rate plan to ensure that the LCFC revenue is not double-counted in the annual formula rate plan filing. LCFC shall be calculated according to Attachment C.

1.5 EFFECTIVE DATE AND TERM

This EECR Rider shall be effective on and after the first billing cycle of September 2014 or the first practicable billing cycle after Commission approval and shall continue in effect until modified or terminated by the Commission.

1.6 APPLICABLE RATE SCHEDULES

Residential: etc.

ATTACHMENT B

ENERGY EFFICIENCY COST RECOVERY (EECR)
FACTOR CALCULATION EXAMPLE

1	Projected Energy Efficiency Program Costs (PEEC)	$ --
2	Projected Lost Contribution to Fixed Costs (LCFC)	$ -- (Attachment C)
3	Prior Period Over/Under Amount (TUA)*	$ --
4	Recoverable Costs (PCRC)** (1 + 2 + 3)	$ --
5	Billing Units (PES)***	XX
6	Rider EECR Rate (4/5)	$ --

* The prior period true-up adjustment (TUA) shall not include carrying costs.

** Projected Costs by Rate Class or "PCRC" includes the total of (1) the projected EECR Incremental Program Costs for the Filing Year (PEEC); (2) the projected LCFC for the Filing Year (LCFC); and (3) the prior period true-up adjustment (TUA).

*** Projected Energy Sales or "PES" includes the projected sales by rate class (Note 5)

1) The Company's workpapers shall provide the rationale for the particular billing units selected and for the assignment of the Recoverable Costs to the rate classes.
2) The Projected Energy Efficiency Cost Period is the twelve-month period commencing on January 1 of the Filing Year.
3) The Energy Efficiency Cost Period is the calendar year immediately preceding the Filing Year.
4) The Projected Energy Sales billed for each rate class (PES) for the Projected Energy Efficiency Cost Period
5) The LCFC portion of the TUA shall be included in the LCFC calculation shown in Attachment C.

ATTACHMENT C
LOST CONTRIBUTION TO FIXED COSTS (LCFC)
CALCULATION EXAMPLE

	(1) Projected Current Year Savings	(2) Actual Prior Year's	(3) Projected Prior Year Savings	(4) LCFC Rate By Class	(5) Projected Current Year LCFC (1) x (4)	(6) Actual Prior Year's LCFC (2) x (4)	(7) Projected Prior Year Savings LCFC (3) x (4)	(8) Total LCFC with True Up (6) - (5) + (7)
Residential								
Program 1				$ -		$ -	$ -	$ -
Program 2				$ -		$ -	$ -	$ -
Program 3				$ -		$ -	$ -	$ -
Program 4				$ -		$ -	$ -	$ -
Small Commercial								
Program 5				$ -		$ -	$ -	$ -
Program 6				$ -		$ -	$ -	$ -
Program 7				$ -		$ -	$ -	$ -
Large Volume								
Program 8				$ -		$ -	$ -	$ -
Program 9				$ -		$ -	$ -	$ -
Program 10				$ -		$ -	$ -	$ -
Program 11				$ -		$ -	$ -	$ -
Program 12				$ -		$ -	$ -	$ -
Total Annual Program Lost Contribution to Fixed Costs	0.00	0.00	0.00	$ -		$ -	$ -	$ -

	Current Year Projected LCFC	Projected Annual Sales	LCFC Portion of EECR
Residential	$ -	-	-
Small Commercial	$ -	-	-
Large Volume	$ -	-	-
Total LCFC	$ -	-	-

(1) Taken from Company Energy Efficiency Plan.
(2) Provided by Company or 3rd Party EM&V provider.
(3) Taken from Company Energy Efficiency Plan.
(4) The company shall calculate the rate using the following procedure:
Begin with base rate revenues and subtract customer charge revenue.
Divide that number by the projected energy sales for the coming year to produce the fixed cost per kWh or Ccf to be recovered.
(5) Multiply the LCFC Rate by the projected energy efficiency savings for the current year.
(6) Multiply the LCFC Rate by the actual energy savings for the prior year.
(7) Multiply the LCFC Rate by the projected energy savings for the prior year.
(8) Subtract the Prior Year Actual LCFC from the Projected Current Year LCFC and add the Prior Year LCFC to arrive at the total LCFC to be recovered in the current year.