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BEFORE THE
ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF ENTERGY ARKANSAS,)
INC.'S REQUEST FOR A DECLARATORY)
ORDER APPROVING THE ADDITION OF THE)
ENVIRONMENTAL CONTROLS PROJECT AT)
THE WHITE BLUFF STEAM ELECTRIC)
STATION NEAR REDFIELD, ARKANSAS)

Docket NO. 09-024-FILED

THE WIND COALITION'S
REPLY TO ENTERGY ARKANSAS'S RESPONSE
TO THE WIND COALITION'S PETITION TO INTERVENE

COMES NOW the Wind Coalition, and respectfully requests leave to file a reply to Entergy Arkansas, Inc.'s ("EAI") November 16, 2009 Response to the Wind Coalition's Petition to Intervene, or in the alternative to amend its November 6, 2009 Petition to Intervene by the addition of its statements below. In support of its Reply, the Wind Coalition states as follows:

Background

1. On November 6, 2009, the Wind Coalition filed a Petition to Intervene ("Petition") in this docket. In its Petition, the Wind Coalition requested full rights of intervention pursuant to Arkansas Public Service Commission ("APSC" or "Commission") Rule 3.04, which requires the Wind Coalition to demonstrate that it has an interest that may be directly affected by the Commission's action, and that its interest is not adequately represented by another party to the proceeding.

2. On November 16, 2009, EAI filed its Response to the Wind Coalition's Petition to Intervene (the "EAI Response"). EAI contends that the Wind Coalition has failed to state an interest that will be directly affected by the Commission's actions in this proceeding and that it is otherwise adequately represented by existing parties to this proceeding such as the Sierra Club or the Audubon Society. (EAI Response, ¶ 3, ¶ 5.)



3. Further, EAI submitted that to the extent that the Wind Coalition seeks to generally promote wind energy as a resource in Arkansas, it has the right to file public comment or make a limited appearance and statement of position pursuant to Rule 3.04(c), similar to the fashion in which two other alternative generation resources companies have done.

4. Due to various issues with the receipt of notice and the EIA Response, counsel for the Wind Coalition and counsel for EIA have conferred and agreed that the Wind Coalition would be permitted to file a reply to the EIA Response on or before December 4, 2009, and that, subject to the Commission's acquiescence, such reply should be permitted and considered timely. Therefore, the Wind Coalition respectfully renews its request for rights of full intervention and participation in this matter and requests that the Commission grant it leave to file this reply to the EIA Response.

Wind Coalition's Reply

5. The Wind Coalition reiterates that it has an interest that will be directly affected by the Commission's action in this docket and that such interest is not adequately represented by existing parties. Accordingly, the Wind Coalition should be entitled to full intervention. As stated in its Petition, the Wind Coalition is not advocating any particular resource mix or alternative, but is advocating for a complete examination of viable options. (Petition, ¶ 6).

6. Notwithstanding the fact that the Wind Coalition has not set forth any particular wind generation proposal that could serve as a potential alternative to the White Bluff plant, the Wind Coalition's members have begun acquiring land rights to potentially construct wind farms in and near Arkansas, and are willing and able to provide renewable energy in Arkansas to EAI or other companies. A Declaratory Order from the Commission indicating that the Project (which, as structured, has no renewable generation component) is in the public interest would

potentially preclude the Wind Coalition from providing such renewable energy to EAI or another entity in the future.

7. Through its intervention and participation in this matter, the Wind Coalition seeks to ensure that wind energy is considered on the same playing field as other types of generation such as coal, nuclear, and natural gas. As noted in the Petition, the Wind Coalition seeks intervention, in part, to fully examine the alternatives that EAI considered when evaluating the types of generation that it will utilize. While the Petitions to Intervene of the Sierra Club and Audubon did state an interest in examining the type of generation that EAI would utilize, the Wind Coalition has a separate and unique interest in ensuring that EAI appropriately examines all viable alternatives – including wind energy.

8. The interests of Sierra Club and Audubon in this matter appear to be predominantly environmental. While environmental interests and the promotion of wind energy as an alternative energy resource often coincide, these interests are not always the same – and are certainly not so intertwined as to require the Sierra Club and Audubon’s intervention to preclude the intervention of the Wind Coalition.

9. EAI asserts that it conducted an economic analysis comparing the White Bluffs Environmental Controls Project to other supply options for the capacity and energy needs of its customers and has concluded that the Project is the lowest cost reasonable alternative under a wide range of assumptions. Accordingly, EAI seeks a Declaratory Order from the Commission that the Project is in the public interest. (EAI Petition for Declaratory Order at ¶ 5.)

10. EAI also asserts that it “considered whether renewable generation and efficiency alternatives would be appropriate for comparison and concluded that it would be unrealistic to

assume that either alternative could effectively replace over 800 MW of retail base load capacity.” (EAI Petition for Declaratory Order at ¶ 16.)

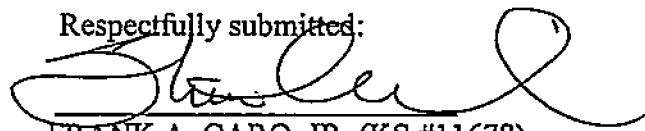
11. Through its intervention in this matter, the Wind Coalition seeks, in part, to examine the range of assumptions that led EAI to conclude that the Project is the “lowest cost reasonable alternative,” and, as such, is in the public interest. The Wind Coalition is interested primarily in evaluating the following information, as well as other potentially relevant information that it may discover during the course of the discovery process: (1) EAI’s price assumptions for coal supply; (2) the capital costs of wind power; (3) wind capacity factors inside and outside of Arkansas; (4) the economic impacts of joining the Southwest Power Pool (“SPP”) Regional Transmission Organization (“RTO”) and how that decision could impact its decision to invest in coal facility scrubbers and/or other generation resources, and (5) whether EAI, as part of its White Bluff scrubber evaluation, considered the improved import capability for energy sourced from resources outside the Entergy footprint associated with the \$200 to \$250 million in transmission upgrades approved for the Entergy system over the next four years.

12. The Wind Coalition has informally discussed these issues with EAI, and has concerns with EAI’s price assumptions for coal supply, as well as significant differentials in the methodology that EAI used when examining different resources along with wind energy, and other pertinent issues. As noted in its Petition, the Wind Coalition has the collective technical and economic expertise to evaluate the resource and cost efficiencies associated with renewable energy. Denying intervention to the Wind Coalition or allowing the Wind Coalition only a limited intervention would not permit the Wind Coalition to examine the above information, or specifically the underlying numbers, calculations, or assumptions, in sufficient detail to protect its interests. In addition, permitting the Wind Coalition full rights of intervention and

participation would assist the Commission in developing a full, fair and adequate record upon which to base its decision concerning whether the Project as currently structured is in the public interest.

WHEREFORE, the Wind Coalition respectfully requests that it be permitted to intervene as a participating party in this proceeding and that it be granted the opportunity to be heard on all matters at issue.

Respectfully submitted:



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ATTORNEYS FOR THE WIND COALITION

CERTIFICATE OF SERVICE

I, Steve Willman, do certify that a copy of the foregoing has been served by Electronic Mail this 4th day of December, 2009, to all parties of record.

A handwritten signature in black ink, appearing to read "Steve Willman", written over a horizontal line.

STEVEN C. WILLMAN