

F. Lag in Current Federal Income Taxes

A lag of 38.5 days in current federal and state income taxes was quantified by using the statutory payment dates of April 15, June 15, September 15, and December 15 for taxes.

G. Other Expenses – Financing Activities

Interest expense lag was calculated on the assumption of semi-annual bond payments. The lag for interest expense is 91.3 days.

VI. LEAD-LAG ANALYSIS SUMMARY

The Company's lead-lag analysis was properly developed consistent with the requirements of the New Orleans City Council and with sound ratemaking principles. The lags developed in this analysis reflect reasonable business practices and should be appropriately applied to Test Year adjusted cash expense to determine the appropriate amount of the cash working capital component of rate base.

Entergy New Orleans, LLC
Cost of Service
Cash Working Capital - Period II
Electric
For the Test Year Ended December 31, 2018

Line No.	Description	Cash Amount	Average Daily Cash	Net Lag Days	Working Cash ⁽¹⁾
		(a)	(b)	(c)	(d)
	Total Cash Working Capital				
	Taxes Other Than Income Taxes				
	408.110 Employment Taxes	584,222	1,601	40.0	64,024
	408.110 Employment Taxes - Esi	979,290	2,683	13.8	37,025
	408.122 Excise Tax - State	4,216	12	-63.6	(735)
	408.122 Excise Tax - ESI	14	0	13.8	1
	408.123 Excise Tax - Federal	3,273	9	-32.7	(293)
	408.123 Excise Tax - Federal - ESI	33	0	13.8	1
	408.142 Ad Valorem Tax	1,566,502	4,292	142.7	612,438
	408.142 Ad Valorem Tax - Esi	189,335	519	13.8	7,158
	408.152 Franchise Tax-State (La Tax)	-	-	118.9	-
	408.154 Franchise Tax-Local	-	-	7.7	-
	408.155 Franchise Tax-State-Ms	-	-	-	-
	408.158 Franchise Tax - Louisiana	1,905,387	5,220	-22.7	(118,499)
	408.164 Gross Receipts & Sales Tax	-	-	7.7	-
	408.165 Occupational License Tax	352	1	-	-
	408.165 City Occupation Tax - Esi	81	0	13.8	3
	408.173 Regulatory Commission-Local	1,095,866	3,002	-33.1	(99,379)
	408.155 Franchise Tax-State-Ms - ESI	-	-	13.8	-
	408.158 Franchise Tax - Louisiana - ESI	18,803	52	13.8	711
1	Sub-Total Taxes Other Than Income Taxes	6,347,374	17,390		502,456
	Current Income Taxes				
	State Taxes	(4,956,910)	(13,581)	4.4	(59,755)
	Federal Taxes	(15,156,234)	(41,524)	4.4	(182,705)
2	Sub-Total Current Income Taxes	(20,113,144)	(55,105)		(242,460)
	O&M Excluding Recoverables				
	Payroll				
	Direct Payroll	8,852,529	24,254	14.4	349,250
	Fuel				
	Gas	99,705,283	273,165	3.4	928,762
	Fuel (Not Reconciled)	150,000	411	-	-
	MISO Payments				
	MISO Monthly Payments	3,584,142	9,820	15.7	154,167
	MISO Payments (Not Reconciled)	-	-	-	-
	Recoverable Allowances (A/C 509)	-	-	-	-
	Entergy Services, Inc.	27,482,145	75,294	13.8	1,039,051
	Other O&M	60,535,102	165,850	-7.9	(1,310,212)
	Purchased Power Total				
	Purchased Power (Not Reconciled)	1	0	-	-
	SERI	86,605,096	237,274	13.4	3,179,475
	MSS-4 Like	107,522,902	294,583	-17.1	(5,037,374)
	MISO Weekly Payments	16,783,185	45,981	28.4	1,305,870
	Other	-	-	-	-
3	Sub-Total O&M Excluding Recoverables	411,220,383	1,126,631		608,989
	Interest Expense	17,723,651	48,558	-48.4	(2,350,205)
	Preferred Dividends	-	-	-	-
4	Sub-Total Total Cash Working Capital	415,178,263	1,137,475		(1,481,220)
	O&M Recoverable Calculation				
	Total O&M Expenses	285,162,333	781,267	-	-
	Recoverable Fuel (Account 501)	99,855,283	273,576	-	-
	Recoverable Allowances (Account 509)	-	-	-	-
	Recoverable Fuel (Account 518)	-	-	-	-
	Purchased Power Eligible and Non-Recoverable	22,618,626	61,969	-	-
	MISO Payments	3,584,142	9,820	-	-
5	Sub-Total O&M Recoverable Calculation	411,220,383	1,126,631		-

Notes:

Entergy New Orleans, LLC
Cost of Service
Cash Working Capital - Period II
Electric
For the Test Year Ended December 31, 2018

Line No.	Description	Cash Amount	Average Daily Cash	Net Lag Days	Working Cash ⁽¹⁾
<hr/>					
	⁽¹⁾ Reference Schedule FF, AJ22.1 - AJ22.5				

Entergy New Orleans, LLC
Lead Lag Study Results
For the Test Year Ending December 31, 2017

LEAD LAG STUDY RESULTS- ELECTRIC

Line No.	Description	Revenue Lag Days ^[1]	Expense Lag Days	Net Lag ^[16]	Workpaper Reference
		[a]	[b]	[c]	[d]
1	Fuel & Purchased Power				
2	Gas	42.9	39.5	3.4	[2]
3	MSS-4 Like	42.9	60.0	(17.1)	[4]
4	SERI	42.9	29.5	13.4	[4]
5	MISO				
6	MISO Weekly Payments	42.9	14.5	28.4	[4]
7	MISO Monthly Payments	42.9	27.2	15.7	[4]
8	Operation & Maintenance Expense				
9	Total Payroll	42.9	28.5	14.4	[5]
10	Entergy Services, Inc. (Affiliate)	42.9	29.1	13.8	[6]
11	Other O&M	42.9	50.8	(7.9)	[7]
12	Taxes Other Than Income Taxes				
13	Payroll-Related Taxes	42.9	2.9	40.0	[9]
14	State Excise Tax	42.9	106.5	(63.6)	[10]
15	State Excise Tax (ESI)	42.9	29.1	13.8	[10]
16	Federal Excise (Highway Use) Tax	42.9	75.6	(32.7)	[10]
17	Federal Excise (Highway Use) Tax (ESI)	42.9	29.1	13.8	[10]
18	Property (Ad Valorem) Taxes	42.9	(99.8)	142.7	[10]
19	Property (Ad Valorem) Taxes (ESI)	42.9	29.1	13.8	[10]
20	State Franchise Tax	42.9	(76.0)	118.9	[10]
21	State Franchise Tax (ESI)	42.9	29.1	13.8	[10]
22	Local Franchise Requirement (CNO Franchise Tax)	42.9	35.2	7.7	[10]
23	Mississippi Franchise Tax (ESI)	42.9	29.1	13.8	
24	Louisiana Franchise Tax	42.9	65.6	(22.7)	
25	Sales and Use Tax (Gross Receipts and Sales Tax)	42.9	35.2	7.7	[10]
26	Occupational License Fee	42.9	16.2	26.7	[10]
27	Occupational License Fee (City Occupation Tax) (ESI)	42.9	29.1	13.8	[10]
28	Regulatory Commission Local	42.9	76.0	(33.1)	
29	Inspection and Supervision Fees (Regulatory)	42.9	136.9	(94.0)	[10]
30	Current Income Taxes				
31	Federal	42.9	38.5	4.4	[11]
32	State	42.9	38.5	4.4	[12]
33	Other Financing Activities				
34	Interest Expense	42.9	91.3	(48.4)	[13]

Notes:

- | | |
|--|--|
| <p>[1] Reference ENO CWC WP 1, col. [j]
[2] Reference ENO CWC WP 2
[3] Reference ENO CWC WP 3, col. [g]
[4] Reference ENO CWC WP 4
[5] Reference ENO CWC WP 5, col. [d]
[6] Reference ENO CWC WP 6, col. [h]
[7] Reference ENO CWC WP 7, col. [o]. Includes Check Float factor.
[8] Reference ENO CWC WP 8, col. [h]</p> | <p>[9] Reference ENO CWC WP 9-1, col. [d]
[10] Reference ENO CWC WP 9-2, col. [e]
[11] Reference ENO CWC WP 10-1, col. [e]
[12] Reference ENO CWC WP 10-2, col. [e]
[13] Reference ENO CWC WP 11-1
[14] Reference ENO CWC WP 11-2
[15] [c] = [a] - [b]</p> |
|--|--|

Entergy New Orleans, LLC
Lead Lag Study Results
For the Test Year Ending December 31, 2017

LEAD LAG STUDY RESULTS-GAS

Line No.	Description	Revenue Lag Days ^[1]	Expense Lag Days	Net Lag ^[15]	Workpaper Reference
		[a]	[b]	[c]	[d]
1	Gas	44.4	40.8	3.6	
2	Operation & Maintenance Expense				
3	Total Payroll	44.4	28.5	15.9	[5]
4	Entergy Services, Inc. (Affiliate)	44.4	29.1	15.3	[6]
5	Other O&M	44.4	50.8	(6.4)	[7]
6	Taxes Other Than Income Taxes				
7	Payroll-Related Taxes	44.4	2.9	41.5	[9]
8	State Excise Tax	44.4	106.5	(62.1)	[10]
9	State Excise Tax (ESI)	44.4	29.1	15.3	[10]
10	Federal Excise (Highway Use) Tax	44.4	75.6	(31.2)	[10]
11	Federal Excise (Highway Use) Tax (ESI)	44.4	29.1	15.3	[10]
12	Property (Ad Valorem) Taxes	44.4	(148.3)	192.7	[10]
13	Property (Ad Valorem) Taxes (ESI)	44.4	29.1	15.3	[10]
14	State Franchise Tax	44.4	(76.0)	120.4	[10]
15	State Franchise Tax (ESI)	44.4	29.1	15.3	[10]
16	Local Franchise Requirement (CNO Franchise Tax)	44.4	35.2	9.2	[10]
17	Louisiana Franchise Tax	44.4	65.6	(21.2)	
18	Occupational License Fee	44.4	16.2	28.2	[10]
19	Occupational License Fee (City Occupation Tax) (ESI)	44.4	29.1	15.3	[10]
20	Regulatory Commission Local	44.4	76.0	(31.6)	
21	Inspection and Supervision Fees (Regulatory)	44.4	(167.5)	211.9	[10]
22	Current Income Taxes				
23	Federal	44.4	38.5	5.9	[11]
24	State	44.4	38.5	5.9	[12]
25	Other Financing Activities				
26	Interest Expense	44.4	91.3	(46.9)	[13]

Notes:

- [1] Reference ENO CWC WP 1, col. [i]
- [2] Reference ENO CWC WP 2
- [3] Reference ENO CWC WP 3, col. [g]
- [4] Reference ENO CWC WP 4
- [5] Reference ENO CWC WP 5, col. [d]
- [6] Reference ENO CWC WP 6, col. [h]
- [7] Reference ENO CWC WP 7, col. [o]. Includes Check Float factor.
- [8] Reference ENO CWC WP 8, col. [h]

- [9] Reference ENO CWC WP 9-1, col. [d]
- [10] Reference ENO CWC WP 9-2, col. [e]
- [11] Reference ENO CWC WP 10-1, col. [e]
- [12] Reference ENO CWC WP 10-2, col. [e]
- [13] Reference ENO CWC WP 11-1
- [14] Reference ENO CWC WP 11-2
- [15] [c] = [a] - [b]