

ENTERGY TEXAS, INC.

Electric Service

SCHEDULE UODG

Sheet No.: 162

Effective Date: 3-3-25

Revision No.: 0

Supersedes: New Schedule

Schedule Consists of: Two Sheets

UTILITY-OWNED DISTRIBUTED GENERATION RIDER

I. AVAILABILITY

This Utility-Owned Distributed Generation Rider ("UODG Rider") is available to customers served at Primary or Secondary voltage under rate schedules GS, GS-TOD, LGS, LGS-TOD, LIPS, and LIPS-TOD who enter into a contract with the Company for backup electric service from utility-owned, customer-sited, dispatchable distributed generators ("Host Customer(s)"). Such distributed generation will be installed in front of the Host Customer's electric meter.

Unless otherwise expressly provided in a rate schedule, the UODG Rider is not available to customers who are served under the Standby and Maintenance Service Rider (SMS), Rate for Purchases from Qualifying Facilities Less Than or Equal to 100 kW (SQF), Nonfirm Energy Purchased from Large Qualifying Facilities (LQF), Competitive Generation Service (CGS), Economic As-Available Power Service (EAPS), and Rider to Schedule LIPS for Interruptible Service (IS).

II. APPLICATION AND CONDITIONS

Host Customers taking service under this UODG Rider will enter into an Agreement for Backup Electric Service from Customer-Hosted Utility-Owned Distributed Generation ("Agreement") and be responsible for paying a monthly fee designed to recover a portion of the cost to acquire, install, maintain, and operate the Facilities specified in Attachment B of the Agreement.

At the execution of such Agreement, the customer will have a one-time election to select the Recovery Period that will be used to calculate the Host Customer's Monthly Charges applicable over the UODG Agreement Term (defined below). At the Company's sole discretion, the Agreement Term may be modified to a period less than 20 years. The Host Customer's selected Recovery Period must be less than or equal to the UODG Agreement Term.

III. DEFINITIONS

Capacity Value = \$110.50/kW-year. For purposes of calculating the Monthly Charges, the Capacity Value will be the value included in the version of this Schedule UODG in effect when the Agreement is executed (such version will be attached for reference as Attachment A to the Agreement).

DG Capacity = the capacity (expressed in kW) of the distributed generator(s) identified as DG Capacity in Exhibit 1 to Attachment B of the Agreement.

Energy Value = 27.47% of MISO margins earned by the DG Capacity (*i.e.*, energy or ancillary service-related revenues less costs used to develop generation offers). Margins are subject to subsequent adjustment for MISO resettlements. Such adjustments will be applied to the Energy Value component in the Net Monthly Charge formula.

Total Installed Cost = the total installed cost of the distributed generator(s) specified in Attachment B of the Agreement.

Host Customer Allocation of Total Installed Cost is the portion of Total Installed Costs that has been allocated to the Host Customer for the costs that are in excess of the Capacity Value, represented by the formula:

$$\text{Host Customer Allocation of Total Installed Costs} = \text{Total Installed Costs} \times \text{Host Customer Allocation Percentage}$$

Host Customer Allocation Percentage is determined by calculating the difference between the Levelized Real UODG Value and the Capacity Value. This difference is then compared to the Levelized Real UODG Value and the entire calculation is represented by the formula:

$$\text{Host Customer Allocation Percentage} = (\text{Levelized Real UODG Value} - \text{Capacity Value}) / \text{Levelized Real UODG Value}$$

Levelized Real UODG Value is the cost stream that when escalating the first year's cost annually at inflation over the useful life results in the same present value of the lifetime revenue requirement of the UODG asset divided by the DG Capacity, expressed as a \$/kW-year amount and identified as Levelized Real UODG Value in Exhibit 1 to Attachment B of the Agreement.

IV. MONTHLY CHARGES

The UODG Rider monthly charge during the Recovery Period will be equal to:

$$\text{Monthly \% During Recovery Period} \times \text{Host Customer Allocation of Total Installed Costs}$$

The UODG Rider monthly charge to recover O&M expense after the Recovery Period will be equal to:

$$\text{Monthly \% Post-Recovery Period} \times \text{Host Customer Allocation of Total Installed Cost}$$

V. UODG RIDER ENERGY VALUE CREDIT

The Monthly Charges defined in Section IV will be reduced by the Energy Value produced by the Host Customer's distributed generator(s), if any.

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Host Customers define in the Agreement the number of years (the "Recovery Period") that will define the appropriate monthly rates to be applied to the Host Customer Allocation of Total Installed Cost. The Recovery Period cannot be longer than 20 years. The following table specifies the monthly percentages for application during the selected Recovery Period and any years following the Recovery Period (Post-Recovery Period).

<u>Selected Recovery Period (Years)</u>	<u>Monthly % During Recovery Period</u>	<u>Monthly % Post- Recovery Period</u>
1	9.144%	0.150%
2	4.817%	0.150%
3	3.377%	0.150%
4	2.659%	0.150%
5	2.230%	0.150%
6	1.944%	0.150%
7	1.742%	0.150%
8	1.591%	0.150%
9	1.474%	0.150%
10	1.381%	0.150%
11	1.306%	0.150%
12	1.244%	0.150%
13	1.191%	0.150%
14	1.147%	0.150%
15	1.109%	0.150%
16	1.077%	0.150%
17	1.048%	0.150%
18	1.023%	0.150%
19	1.001%	0.150%
20	0.982%	0.150%

The Recovery Period selected in the Agreement cannot be changed, and Monthly Charges applicable during the Recovery Period cannot be accelerated or prepaid in order to transition to the Post-Recovery Period earlier than scheduled; provided, however, that a Host Customer may make a lump sum payment of any remaining financial obligations associated with the Recovery Period upon Host Customer's election to terminate the Agreement, as provided below. Under those circumstances (Host Customer termination), Host Customer would no longer receive backup electric service under this Rider UODG and would likewise not be obligated to pay Monthly Charges associated with what would have been any remaining Post-Recovery Period.

VII. AGREEMENT TERM

The term of the Agreement ("Agreement Term") will be for an initial period of 20 years and automatically will be extended thereafter for successive periods of one (1) year each until terminated by written notice given by one party to the other not more than six (6) months nor less than three (3) months prior to the expiration of the initial Agreement Term or any anniversary thereof.

If the Host Customer ceases to take electric service from the Company or terminates the Agreement during the initial Agreement Term, as discussed above, the Host Customer must still pay the applicable Monthly Charges (either monthly or in a single payment equivalent to the sum of the Monthly Charges) for what would otherwise be due during the remaining Recovery Period, provided that the remainder of the Recovery Period is four years or less. In the event that the remaining Recovery Period is longer than four years, Host Customer must make a single payment equivalent to the sum of the Monthly Charges that would otherwise be due during the remaining Recovery Period. A single payment would be due no later than 30 days after the date of receipt of an invoice from the Company.

VIII. PAYMENT

The past due amount for service furnished for which payment is not made within sixteen (16) days of the billing date will be the monthly bill, including all adjustments under the rate schedule and applicable riders, plus 5%. The 5% penalty on delinquent bills will not be applied to any balance to which the penalty has already been applied. If the amount due when rendered is paid prior to such date, the monthly bill will apply. If providing service to the State of Texas or to municipalities or other political subdivisions of this state, Company will not assess a fee, penalty, interest, or other charge to these entities for delinquent payment of a bill.