



Entergy New Orleans' 5 MW DG-Scale Aggregated Solar PV Project







Agenda

- **Welcome & Safety**
- **Introductions**
- **Council Resolution R-17-622**
- **Draft Term Sheet and Related Issues**
- **Benchmarking Costs**
- **Next Steps...**

Council Resolution R-17-622

• Requirements

-  a. *By **January 12, 2018**, ENO shall conduct an initial public meeting ... ENO shall have a portal on its website for questions and comments concerning the proposed Project to be submitted until 7 days following the public meeting*
-  b. *...interested parties shall intervene in the case by **January 26***
-  c. *No later than **February 9, 2018**, ENO, the Intervenors and the Council's Advisors shall participate in a Settlement Conference*
-  d. *To allow an opportunity for discovery and for further settlement discussions between the Parties, no later than **March 5, 2018**, ENO, any Intervenors and the Council's Advisors shall participate in a second Settlement Conference*

Council Resolution R-17-622

• Requirements

- e. *To the extent that full or partial settlement is attained between the Parties, whether contested or uncontested, ENO shall file no later than **March 19, 2018**, a proposed Agreement in Principle*
- f. *To the extent that the Parties are unable to reach a settlement, then each Party shall by **April 13, 2018** file for the Council's consideration comments on the DG Application including that Party's proposal for a procedural schedule for further proceedings, if any, necessary to resolve any outstanding disputes*
- g. *A discovery period shall commence upon the issuance of this Resolution and run until the filing of an Agreement in Principle with the Council or until 8 days prior to the date of the Evidentiary Hearing in the event the parties are not able to reach settlement*

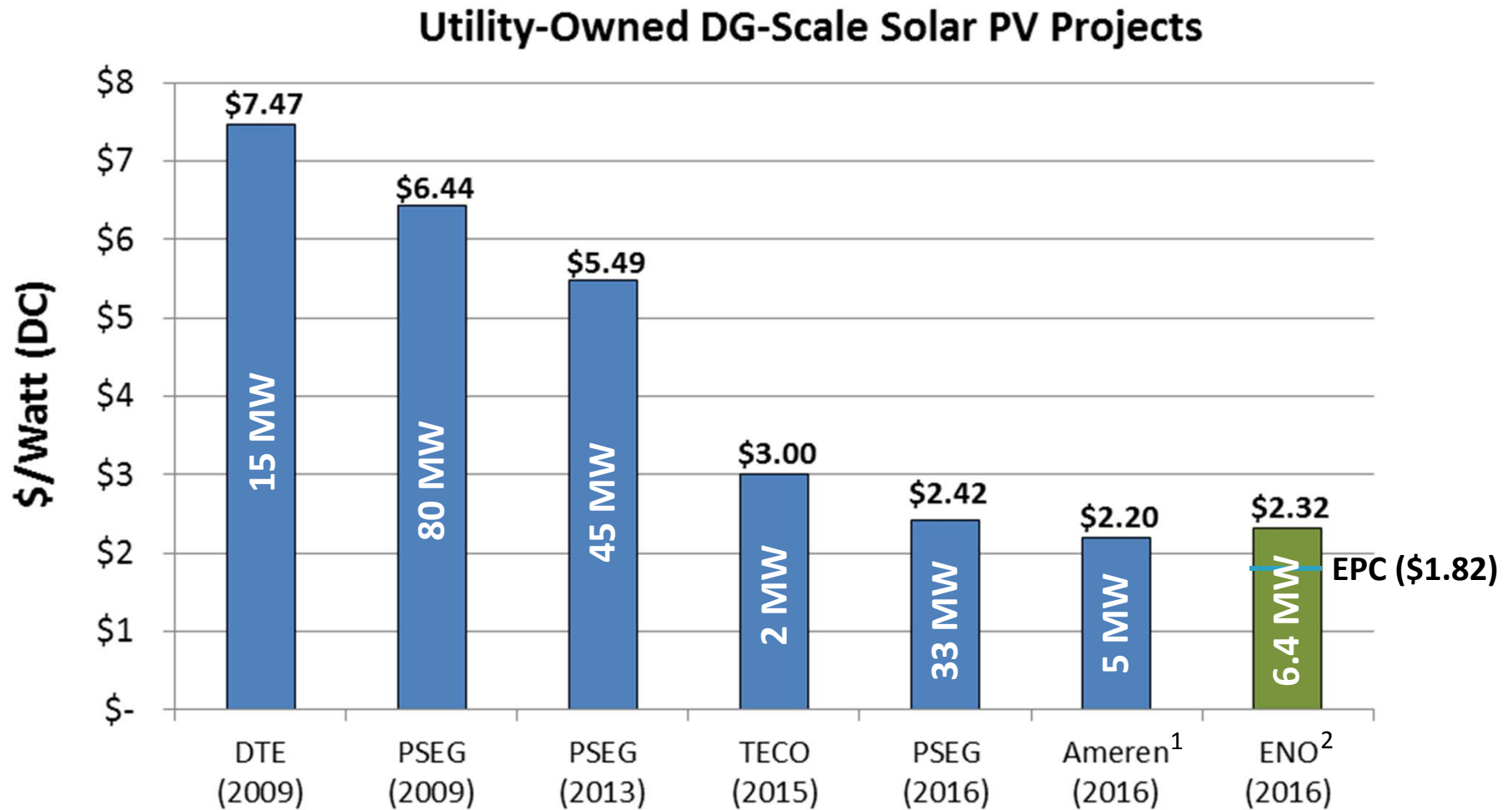
Issues for Settlement Discussion

- **ENO's Application Requests the CNO:**
 - Find that Project serves the public convenience and necessity and is in the public interest, and is, therefore, prudent;
 - Confirm that investments made for the Project are presumed prudent and eligible for recovery from customers, and that the Company will have a full and fair opportunity to recover all prudently-incurred costs of the Project; and
 - Authorize ENO to:
 - a) recover costs related to any plant expected to be placed into service during the rate effective period of the 2018 Rate Case;
 - b) recover any costs incurred beyond the rate effective period through any FRP authorized following the 2018 rate case proceeding or through an applicable capacity rider; and
 - c) proform into the 2018 Rate Case any anticipated first-year O&M expenses for the Project, with any change in the level of on-going O&M expenses being addressed in subsequent FRP proceedings or, a capacity rider, as applicable

Draft Term Sheet

- Circulated 2/21/18 at suggestion of Legal Advisors
- Attempted to address major issues raised at first Settlement Conference, including:
 - Cost variability due to ITC case and tariffs
 - Cost allocation methodology
 - Council monitoring and review procedures during and following completion of Project
 - Accountability concerning use of local labor
 - Possible cost mitigation measures, e.g. REC monetization, community solar, green pricing

Benchmarking Costs



¹ Other costs like AFUDC, contingency, etc. may not be included in Ameren's high level cost estimate.

² Proposal submitted 9/30/16 based on ~6.4 MW_{DC} to achieve ~5 MW_{AC}; actual DC capacity to be installed may be higher.

Next Steps...

- Discuss remaining issues requiring resolution if settlement is to occur
- ENO to complete discovery responses
- Propose modifications to draft term sheet
- Settlement agreement to be filed with Council on or before 3/19/18