

**RESOLUTION**

**NO. R-22-411**

**CITY HALL: September 15, 2022**

**BY: COUNCILMEMBERS MORENO, MORRELL, GIARRUSSO, HARRIS, KING,  
GREEN AND THOMAS**

**RESOLUTION AND ORDER PROVIDING GUIDANCE AND ESTABLISHING  
FURTHER PROCEDURAL DEADLINES WITH RESPECT TO SYSTEM  
RESILIENCY AND STORM HARDENING**

**DOCKET UD-21-03**

**WHEREAS**, pursuant to the Constitution of the State of Louisiana and the Home Rule Charter of the City of New Orleans (“Charter”), the Council of the City of New Orleans (“Council”) is the governmental body with the power of supervision, regulation, and control over public utilities providing service within the City of New Orleans (“City”); and

**WHEREAS**, Entergy New Orleans, LLC (“ENO” or “the Company”) is a public utility providing electric and natural gas service to all of New Orleans; and

**WHEREAS**, ENO is a wholly owned subsidiary of Entergy Utility Holding Company, LLC. ENO, and four other Entergy subsidiaries, Entergy Arkansas, LLC; Entergy Louisiana, LLC; Entergy Mississippi, LLC; and Entergy Texas, Inc. are the Entergy Operating Companies (“EOC”); and

**WHEREAS**, in recent years, the frequency and intensity of severe weather events has increased dramatically; and

**WHEREAS**, in the wake of each event, ENO ratepayers are asked to cover the costs associated with repairing damage to infrastructure and this cycle of damage and repair is not sustainable for the Company or ratepayers; and

**WHEREAS**, in Resolution No. R-21-401, the Council established this docket to consider storm resiliency and storm hardening, set an initial procedural schedule and appointed a Hearing Officer. The initial procedural schedule included a deadline for interventions, a deadline for parties to submit proposed system resiliency and storm hardening plans, and opened a discovery period; and

**WHEREAS**, interventions were filed in the proceeding by Air Products & Chemicals, Inc.,<sup>1</sup> the Alliance for Affordable Energy (“AAE”),<sup>2</sup> Sewerage and Water Board of New Orleans,<sup>3</sup> the Greater New Orleans Interfaith Climate Coalition (“GGNOICC”),<sup>4</sup> ProRate Energy, Inc.,<sup>5</sup> Building Science Innovators, LLC,<sup>6</sup> and Together New Orleans (“TNO”)<sup>7</sup> and several parties filed either resiliency proposals or comments on the July 1, 2023 deadline; and

**WHEREAS**, the City of New Orleans Office Of Resilience & Sustainability submitted comments regarding construction standards, flood mitigation, strategic undergrounding, vegetation removal, distributed energy resources with battery backup, asset modernization and the City’s Energy Resilience, Equity, and Sustainability efforts;<sup>8</sup> and

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<sup>1</sup> *Air Products and Chemicals, Inc. Motion for Intervention and Inclusion on Service List*, submitted Nov. 10, 2021 in Docket No. UD-21-03.

<sup>2</sup> *Alliance for Affordable Energy’s Petition for Intervention and Inclusion on Service List*, submitted Nov. 16, 2021 in Docket No. UD-21-03.

<sup>3</sup> *Sewerage and Water Board of New Orleans Petition for Intervention* submitted Nov. 29, 2021 in Docket No. UD-21-03.

<sup>4</sup> *Petition of the Greater New Orleans Interfaith Climate Coalition for Intervention and Inclusion on Service List*, submitted Dec. 8, 2021 in Docket No. UD-21-03.

<sup>5</sup> *Petition of Intervention by ProRate Energy Into System Resiliency and Storm Hardening* submitted Nov. 29, 2021 in Docket No. UD-21-03.

<sup>6</sup> *Petition of Intervention by Building Science Innovators Into System Resiliency and Storm Hardening* submitted Nov. 29, 2021 in Docket No. UD-21-03.

<sup>7</sup> *Petition of Together New Orleans for Intervention Out of Time and for Inclusion on Service List, Petition of Intervention by ProRate Energy Into System Resiliency and Storm Hardening* submitted June 9, 2022 in Docket No. UD-21-03.

<sup>8</sup> Comments of the Office of Resilience & Sustainability, City of New Orleans, submitted July 1, 2022 in Docket UD-21-03.

**WHEREAS**, AAE filed comments urging a collaborative approach with stakeholder engagement rather than an adversarial process and the implementation of creative financing mechanisms and attaching a report on Designing Effective Electric Grid Resiliency Plans drafted for AAE by Synapse Energy Economics, Inc.;<sup>9</sup> and

**WHEREAS**, ProRate Energy, Inc., submitted the testimony of Myron B. Katz, PhD advocating for the adoption of ProRate, a.k.a. Customer Lowered Electricity Price (“CLEP”) rate design as a resiliency measure;<sup>10</sup> and

**WHEREAS**, Together New Orleans submitted a resilience filing proposing that the Council adopt a “New Orleans Resilience Standard” based upon residential proximity to a distributed-energy resource resilience hub that can operate independent of the grid and explaining its Community Lighthouse project of creating community-based resiliency hubs;<sup>11</sup> and

**WHEREAS**, in its filing, ENO presented various infrastructure resiliency and storm hardening projects for consideration and discussion, including specific distribution and transmission hardening projects to be implemented over 10 years, which were identified through a comprehensive, resiliency-based planning approach and prioritized using a cost-benefit model designed to select the set of resiliency projects expected to deliver the largest benefits to ENO’s customers;<sup>12</sup> and

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<sup>9</sup> Alliance for Affordable Energy, *Initial Resilience Plan of the Alliance for Affordable Energy*, submitted July 1, 2022 in Docket UD-21-03.

<sup>10</sup> *Direct Testimony of Myron B. Katz, PhD on Behalf of ProRate Energy, Inc.*, submitted July 1, 2022 in Docket UD-21-03

<sup>11</sup> Together New Orleans, *Resiliency Filing*, submitted July 1, 2022 in Docket UD-21-03.

<sup>12</sup> Entergy New Orleans, LLC, *Resiliency and Storm Hardening Filing*, submitted July 1, 2022 in Docket UD-21-03, at 5 (“ENO Proposal”).

**WHEREAS**, Exhibits A and B of ENO's filing were designated HSPM in their entirety;  
and

**WHEREAS**, the Council Utilities Regulatory Office ("CURO") convened a technical conference among the parties to discuss the various resiliency proposals on August 18, 2022. At the technical conference, the parties requested that further procedural deadlines be set in the case; and

**WHEREAS**, the Council finds it appropriate at this time to set forth further procedural deadlines and to provide certain guidance to the parties in the interest of further advancing an energy resiliency master plan; and

**WHEREAS**, the Council notes that the CLEP rate design proposed by ProRate appears to be a form of time-of-use rates. The Council is interested in considering the adoption of time-of-use rates and evaluating what form of time-of-use rates would be most beneficial to New Orleans. However, because time-of-use rates are primarily a demand response measure rather than a storm hardening and storm resiliency measure, the Council finds that time-of-use rate proposals would be most properly considered in the new rulemaking docket the Council is establishing concurrently with the issuance of this Resolution rather than in this proceeding; and

**WHEREAS**, the Council is interested in determining whether TNO's proposed resiliency standard and its Community Lighthouse project offers sufficient benefits to ratepayers to warrant inclusion in a resiliency master plan with utility efforts and encourages TNO and ENO to engage in dialog regarding how their plans could be successfully integrated into a master resiliency plan. The Council notes that other community-led resiliency programs currently exist or may be developed in the future that may also be worthy of being included in a master plan. It is the Council's hope that this proceeding, through its consideration of the Community Lighthouse

project, will ultimately provide a road map for how such other community-led projects might also be integrated with the utility's efforts, as appropriate; and

**WHEREAS**, the Council values community input into the various resiliency proposals and would like stakeholders participating in the proceeding to focus on which proposals put forth would provide the greatest benefits to ratepayers and to the community to assist the Council in its evaluation and prioritization of the various proposed projects; and

**WHEREAS**, the Council notes that while it is appropriate to designate certain materials HSPM in accordance with the Council's Protective Order, the designation by ENO of its Exhibits A and B as HSPM in their entirety is likely unwarranted and hinders community input into and discussion of the proposed measures. The Council directs ENO to re-submit those Exhibits with only the specific information that must be designated HSPM redacted and to provide summaries of those exhibits that can be disclosed to the public that contain sufficient detail for the community to be able to understand what those Exhibits contain and to respond to ENO's proposals. To the extent that ENO requires further guidance regarding the appropriate use of the HSPM designation, it may consult with the Hearing Officer and the Council's Advisors; **NOW THEREFORE**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS,**

That:

1. By October 14, 2022, ENO shall re-submit its HSPM Exhibits with only the specific information that must be designated HSPM redacted and provide summaries of those exhibits that can be disclosed to the public that contain sufficient detail for the community to be able to understand what those Exhibits contain and to respond to ENO's proposals

2. ENO is directed to continue to engage in dialog with the parties regarding the integration of community-led projects with utility-led projects into a master resiliency plan.
3. The following procedural schedule is adopted:
  - a. By November 7, 2022 Parties shall file comments regarding the resiliency proposals filed by the Parties. The comments should include (1) each party's assessment of which of the resiliency proposals are likely to provide the greatest benefits to ratepayers and the community and how the proposals should be prioritized; (2) to what extent the costs of the proposals should be ratepayer-funded and what an appropriate ratepayer bill impact would be for a master resiliency plan; (3) how the various ongoing energy resiliency efforts in the City can be successfully integrated with utility efforts into a comprehensive master resiliency plan and (4) what additional elements should be included in a master resiliency plan for the City.
  - b. By December 7, 2022 Parties shall file reply comments.
  - c. The Parties shall convene a second technical conference to discuss the proposals between January 17, 2023 and January 27, 2023.
  - d. The Parties shall convene a third technical conference to discuss the proposals between February 27, 2023 and March 10, 2023.
  - e. By April 19, 2023, Parties shall file their final comments regarding the resiliency proposals.

**THE FOREGOING RESOLUTION WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION THEREOF, AND RESULTED AS FOLLOWS"**

**YEAS: Giarrusso, Green, Harris, King, Moreno, Morrell, Thomas - 7**

**NAYS: 0**

**ABSENT: 0**

**AND THE RESOLUTION WAS ADOPTED.**

THE FOREGOING IS CERTIFIED  
TO BE A TRUE AND CORRECT COPY  
*Lara W. Johnson*  
CLERK OF COUNCIL