SUBSTITUTE NO. R-08-473

BY: COUNCILMEMBERS MIDURA, CARTER, HEDGE-MORRELL AND WILLARD-LEWIS

RESOLUTION AND ORDER ESTABLISHING SUPPLEMENTAL PROCEDURAL SCHEDULE TO CONSIDER APPLICATION OF ENTERGY NEW ORLEANS, INC. FOR CHANGE IN ELECTRIC AND GAS RATES PURSUANT TO COUNCIL RESOLUTION R-06-459; AND RESPONDING TO ENO’S REQUEST FOR WAIVERS.

DOCKET NO. UD-08-03

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; and

WHEREAS, pursuant to its powers of supervision, regulation and control over public utilities, the Council is responsible for fixing and changing rates and charges of public utilities and making all necessary rules and regulations to govern applications for the fixing and changing of rates and charges of public utilities; and

WHEREAS, Entergy New Orleans, Inc. (“ENO” or “Company”) is a public utility providing electric service to all of New Orleans, except the Fifteenth Ward (“Algiers”), and gas service to all of New Orleans; and

WHEREAS, Entergy Louisiana, LLC (“ELL”) provides electric service to the Algiers section of New Orleans; and

WHEREAS, on July 31, 2008, ENO filed its Application of Entergy New Orleans, Inc. for a Change in Electric and Gas Rates Pursuant to Resolution R-06-459 (“Application”); and

WHEREAS, on August 7, 2008, in Resolution R-08-451 (As Amended), the Council adopted its initial procedural schedule in these proceedings, and indicated it would issue further orders with respect to dates for filing testimony and briefs at a later date; and

WHEREAS, since the adoption of Resolution R-08-451 (As Amended), the city has undergone the threat and resultant impact of Hurricane Gustav, which required the city’s evacuation and the divergence of ENO and city resources to storm emergencies, all of which resulted in delays in the implementation of certain deadlines established in the Council’s initial procedural schedule and the need to establish new deadlines; and

WHEREAS, the Agreement in Principle required the Advisors to recommend a procedural schedule that would permit a decision by the Council on the merits of the Base Rate Case within eight months of the Base Rate Case’s filing, or by March 31, 2008; and

WHEREAS, ENO has agreed to extend the time for a Council decision by one month, or until April 30, 2009, and the extension is to be without prejudice to the Recovery Credit Rider implemented pursuant to Resolution R-07-629, i.e. the Credit Recovery Rider shall remain unchanged pending Council action in these proceedings by April 30, 2009; and

WHEREAS, this resolution is intended to supplement Resolution R-08-451 (As Amended); and

WHEREAS, in conjunction with its Application, the Company in its motion of August 1, 2008, requested suspension and/or waiver of Section 158-93 of the New Orleans Code that requires the payment of a preliminary filing fee in connection with an application for a rate change; and

WHEREAS, in its Application, the Company also requested a waiver of certain Minimum Filing Requirements (“MFRs”). More particularly, to the extent affiliate transaction information for the Period II test year is required pursuant to Section 159-139 of the MFRs, the Company requested a waiver of the requirements, because the Company’s forecast underlying its Period II data does not contain the level of detail for affiliate transactions that might be contemplated by the MFRs; and

WHEREAS, also in its Application, the Company agreed to provide a 9-month update of actual per book accounting data concurrent with the filing of the Company’s 3rd Quarter earnings report, which is generally filed in early November; and

WHEREAS, the Council wants its Advisors and the Intervenors to have the most current information available in evaluating the Company’s Application and, accordingly, the Council is scheduling the due dates for Advisors and Intervenors’ testimony such that the Company’s 9-month update of its per book accounting data will be available to be factored into said testimony; now, therefore:

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS THAT:

1. The period of discovery in these proceedings is extended through February 20, 2009.

2. Depositions of witnesses sponsoring Direct Testimony on behalf of ENO shall be reserved for the period of October 13-17, 2008.

3. Direct Testimony of Advisors/Intervenors shall be filed not later than November 17, 2008.

4. Depositions of witnesses sponsoring Direct Testimony on behalf of Advisors/Intervenors shall be reserved for the period of November 24, 25, and December 1-2, 2008.

5. Rebuttal Testimony of ENO shall be filed not later than December 15, 2008.

6. Depositions of witnesses sponsoring Rebuttal Testimony on behalf of ENO shall be reserved for the period of December 19, 29, and 30, 2008.

7. Redirect Testimony of Advisors/Intervenors (including testimony on 2008 per book accounting data) shall be filed not later than January 9, 2009.

8. Depositions of witnesses sponsoring Redirect Testimony on behalf of Advisors/Intervenors shall be reserved for the period February 3-4, 2009.

9. Surrebuttal Testimony of ENO (including testimony on 2008 per book accounting data) shall be filed not later than February 13, 2009.

10. Depositions of witnesses sponsoring Surrebuttal Testimony on behalf of ENO shall be reserved for the period of February 19 - 20 2009.

11. The evidentiary hearing shall be conducted on March 2 - 6, 2009.

12. The Hearing Officer is to certify the record of these proceedings to the Council not later than March 16, 2009.

13. Initial briefs shall be filed not later than March 23, 2009.

14. Reply briefs shall be filed not later than April 6, 2009

15. The Council shall render its decision not later than April 30, 2009.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS THAT ENO’s request that the filing fee associated with its application for a change in its electric and gas base rates be waived is hereby DENIED.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS THAT ENO’s request for waiver of certain MFRs relating to affiliate transaction information for the Period II test year under Section 158-139 of the MFRs is DENIED, since the affiliate transaction information requires supporting detail and justification, given the holding company/subsidiary relationship that ENO has with Entergy Corporation, Inc. affiliates and the magnitude of cost recovery requested - all of which are an essential element of the review of Revenue Requirement and Cost of Service determination in the Period II test year in this Docket.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS THAT ENO’s request to be allowed to provide a 9-month update of actual per book accounting data concurrent with the filing of the Company’s 3rd Quarter earnings report is hereby GRANTED. ENO is directed to file its update not later than October 31, 2008 (written discovery shall commence on the 2008 per book accounting data on the same date) in Microsoft Excel format with all formulae and worksheet links intact. Additionally, the filing should contain appropriate references to the corresponding entries in the July 31, 2008 Application to facilitate an expedited review by the Advisors and Intervenors.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS THAT in the spirit of cooperation that produced the 2006 Agreement in Principle and described by Mr. Rod West in his testimony, the Council encourages the parties to employ technical conferences and other measures to streamline these proceedings in light of the shortened review period for Council decision in this case.

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

YEAS: Carter, Clarkson, Fielkow, Head, Hedge-Morrell, Midura, Willard-Lewis - 7

NAYS: 0

ABSENT: 0

AND THE RESOLUTION WAS ADOPTED.