

New Orleans' Integrated Resource Plan

Talking Points

Points for More Energy Efficiency Is Needed

The main role of the IRP is to serve as a roadmap of a process for determining and implementing the utility's long-term supply and demand-side resource strategy. Entergy has provided a long-term supply strategy. New Orleans needs a long-term demand side strategy.

In a good IRP, all relevant supply-side and demand-side resources should be included. We got the supply-side, where is the demand-side?

Letting Entergy meet our energy needs with expensive new power plants is not the lowest cost option for customers. We must have a larger investment in energy efficiency.

Energy efficiency is the best, most affordable way to meet our need for reliability and long-term growth.

DSM measures decrease customer consumption of electricity with conservation and efficiency.

Renewable Energy and Distributed Generation Is Missing

Solar systems and other forms of distributed generation are low cost ways to meet energy needs and should be included among the demand-side resources.

New Orleans' IRP should achieve to create a more sustainable energy system by requiring ENO to incorporate renewable generating resources and distributed generating resources (decentralized generating resources located close to the site of energy demand) into the supply portfolio. The IRP rules would accomplish this by setting a standard for the incorporation of such resources, i.e., a particular percentage of generating resources must come from renewable or distributed supply. This would be akin to a renewable portfolio standard ("RPS") and could work in conjunction with such a standard by requiring the utility to adhere to the RPS in the IRP.

The IRP does not incorporate the true environmental and economic cost of traditional gas, coal and nuclear resources, called "externalities". St Bernard Parish is already in violation of the Clean Air Act and Orleans Parish is at risk of violation. This is of great concern not just for increased asthma rates in our children but also for attracting new businesses to our region. New Orleans' should incorporate all externalities of generating resources.

Entergy's IRP is Inadequate, the Council Can Do Better for New Orleans

Entergy has not selected the optimal set of resources given the expected combination of costs, risk and uncertainty.

The objective of an IRP is to assure, on a long-term basis, that the utility will be able to adequately and reliably supply electricity at the lowest reasonable cost and in a manner consistent with the public interest. Entergy's plan does not do this.

The main benefit of a properly designed IRP process in achieving a sustainable energy system is to put on equal footing with supply-side resource development the development of demand-side management measures. The Council can and should demand that demand side resources be treated equally.

Demand side management (“DSM”) measures are those measures that focus on reducing the demand for electric energy as a means of meeting resource needs. The side benefit is that customers get to save on their monthly electric bill. Helping ratepayers is the goal of the Council.

Many utilities’ resource planning, including that of ENO, focus almost exclusively on employing, acquiring or developing supply-side resources to meet need. The utility has a logical incentive to do this, since the utility’s revenues increase as it sells more electricity. But this has the consequence of spurring the development of more generating resources thereby increasing negative environmental consequences and raising customer utility bills.

New Orleans is long on power. We just acquired Nine Mile. We do not need to build more power plants. We do need to help people lower their bills and meet our energy needs more affordably.