ENTERGY NEW ORLEANS, INC. CITY OF NEW ORLEANS Docket No. UD-16-02

Response of: Entergy New Orleans, Inc. to the Eighth Set of Data Requests of Requesting Party: Alliance for Affordable Energy

Question No.: AAE 8-29

Part No.:

Addendum:

Question:

Regarding the discussion on price separation in the response to Question 8 or Mr. Long's testimony, wouldn't additional transmission into the ENO area allow for increased imports of market-priced energy?

Response:

The effectiveness of additional transmission into the ENO area in increasing imports of market-priced energy depends on whether the additional transmission into the ENO area is effective in mitigating congestion that causes price separation. Because congestion is specific to a certain flowgate (or certain flowgates) and because the congestion in question could be upstream or downstream of the additional transmission that would be necessary to maintain NERC compliance absent NOPS, the additional transmission may or may not mitigate the congestion on the constrained flowgate causing the price separation.