







350Louisiana.org

December 21, 2017

## Via Hand Delivery

Ms. Lora W. Johnson, CMC Clerk of Council Room 1E09, City Hall 1300 Perdido Street New Orleans, LA 70112

Re: Entergy New Orleans, Inc.'s Application and Supplemental and Amending for Approval to Construct New Orleans Power Station and Request for Cost Recovery and Timely Relief, Docket No. UD-16-02

Alliance for Affordable Energy, Deep South Center for Environmental Justice, Inc., 350-New Orleans, and Sierra Club's Offer of Proof of the Excluded Portion of the Pre-filed Supplemental Testimony of Dr. Beverly Wright

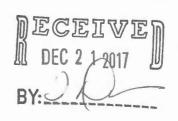
Dear Ms. Johnson:

DEC 7 2 41

Please find enclosed the original and three (3) copies of the Alliance for Affordable Energy, Deep South Center for Environmental Justice, Inc., 350-New Orleans, and Sierra Club's Offer of Proof of the Excluded Portion of the Pre-filed Supplemental Testimony of Dr. Beverly Wright, Ph. D. Please file one original and two copies of the enclosed and this letter into the docket for UD-16-02 the record of this proceeding, and please return one date-stamped copy to the courier.

A copy of the Offer of Proof of the Excluded Portion of the Pre-filed Supplemental Testimony of Dr. Beverly Wright with the Clerk of Council's date stamp will be served today on all recipients on the electronic case distribution list of this docket.

[Signature block continues on the next page]



Respectfully submitted by,

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cc: UD-16-02 Distribution List

# BEFORE THE COUNCIL OF THE CITY OF NEW ORLEANS

APPLICATION OF ENTERGY NEW ORLEANS, INC. FOR APPROVAL TO CONSTRUCT NEW ORLEANS POWER STATEION AND REQUEST FOR COST RECOVERY AND TIMELY RELIEF	) ) DOCKET NO. UD-16-02 )
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ALLIANCE FOR AFFORDABLE ENERGY, DEEP SOUTH CENTER FOR ENVIRONMENTAL JUSTICE, 350-NEW ORLEANS, AND SIERRA CLUB'S OFFER OF PROOF OF THE EXCLUDED PORTION OF THE PRE-FILED SUPPLEMENTAL TESTIMONY OF DR. BEVERLY WRIGHT

Pursuant to New Orleans City Code Section 158-481 and, in an abundance of caution, the Alliance for Affordable Energy, Deep South Center for Environmental Justice, 350-New Orleans, and Sierra Club ("Public Interest Intervenors") make this offer of proof as to the excluded portion of the Pre-Filed Supplemental Testimony of Dr. Beverly Wright. filed in the above-captioned docket on October 16, 2017.

The offer of proof, as presented below, is made to preserve the record for appeal of the Order of November 24, 2017 granting the Motion to Strike Portions of Supplemental Testimony of Beverly Wright, Ph.D. by the Utility Advisors to the New Orleans City Council. The order excluded from evidence section of IV of Dr. Wright's Pre-filed Supplemental Testimony.

In section IV of Dr. Wright's Pre-filed Supplemental Testimony, she presents her finding of the conflicting roles performed by the Utility Advisors to: (1) negotiate a prior agreement with Entergy New Orleans, Inc. (hereinafter "Entergy") to pursue the development of new-build peak generation in New Orleans and (2) recommend whether the Council should approve the Entergy application for new-build peak generation at the Michoud site in New Orleans East.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> The Utility Advisors have since filed testimony recommending the City Council approve new-build peak generation proposed by Entergy New Orleans, Inc. *Direct Testimony of Joseph A. Vumbaco, P.E. on behalf of the* 

### Dr. Wright Supp. Test., p. 3 lines 22 - 25 to p. 4, line 1:

The problem is that the New Orleans City Council Consultants, who are parties to this utility docket proceeding and have the responsibility of advising Councilmembers on whether or not the proposed Entergy gas power plant is in the public interest, are the same individuals who also recommended the City Council agree to Entergy building a new power plant in New Orleans with the Michoud site as a potential location for the power plant.

Dr. Wright's Pre-filed Supplemental Testimony analyzes the effect that the prior agreement for Entergy to pursue development of new-build peaking generation had on public participation. She presents her finding that the prior agreement was not disclosed in subsequent Council resolutions that established proceedings for the public review of Entergy's application for a gas plant as new peaking generation in New Orleans.

#### Dr. Wright Supp. Test., p. 4 lines 26 - 28 to p. 5, lines 1 - 6:

On the advice of the New Orleans City Council Consultants, the City Council issued two subsequent resolutions establishing a period of intervention and procedural requirements for the consideration of Entergy's gas power plant application (Resolution R-16-332) and revising the procedural schedule for this application (Resolution R-16-506). Although each resolution presents a chronology of events leading up to Entergy's application, each omits any reference to the City Council's Resolution R-15-524, in which the City Council agrees to Entergy pursuing the development of a new gas power plant in New Orleans. These resolutions, prepared by the New Orleans City Council Consultants, leave the public in the dark as to the City Council's prior agreement with Entergy to build a new gas power plant.

Dr. Wright's Pre-filed Supplemental Testimony also examines the specificity of the prior agreement that set a minimum of 120 MW of peaking generation prior to the final Integrated Resource Plan (IRP), which is subject to public review. This public review of the IRP included a public hearing that was convened by the Utility Advisors in City Council Chambers on June 15, 2016.

#### Dr. Wright Supp. Test., p. 4 lines 16 - 25:

The New Orleans City Council Consultants advised the City Council to enter into this agreement with Entergy and issue Resolution R-15-524 more than one year

prior to Entergy's submission of the controversial Integrated Resource Plan on February 1, 2016. In the IRP, Entergy argues in favor of constructing a new gas power plant. The Council's agreement and resolution occurred before utility forecasts, analyses, modeling, and data reviews required for the IRP could be completed. Thus, it is appears that there was a separate process outside of Council regulations, public notice, and Council utility dockets for the consultants to work out with Entergy the specific features – "at least 120 MW of new-build peak generation capacity" – and potential sites – "Michoud or Paterson" in East New Orleans – for the construction of a new power plant.

Lastly, Dr. Wright concludes in her Pre-filed Supplemental Testimony that the roles played by the Utility Advisors to the Council in this instance are discordant with environmental justice goals for public participation that is meaningful and effective for people exposed to the health and environmental risks of proposals to build polluting facilities.

#### Dr. Wright Supp. Test., p. 6, lines 4-9 and 16-19:

As I explained in my prior Direct Testimony, my work for environmental justice has involved developing institutional standards to ensure effective and meaningful public participation in governmental decisions on matters involving proposed industrial developments and other environmental concerns. These standards emphasize fairness and unbiased decision-making. A scenario in which a decision-maker or an official advisor to a decision-maker is also a proponent of a proposed development would be an anathema to these standards.

. . . . Their conflicting roles warrant examination of whether this utility docket proceeding assures due process for all parties and the public.

Section IV of Dr. Wright's Pre-filed Supplemental Testimony raises an important issue pertaining to the fairness of the process for public participation in this docket proceeding – an issue that is relevant to the Council's determination of whether Entergy's application for a gas plant as peaking generation is in the public interest. As a noted environmental justice scholar who has advised governmental agencies, including the U.S. Environmental Protection Agency, on standards for public participation, Dr. Wright is qualified to present her expert opinion on matters affecting public participation on the proposal by Entergy to build a new gas plant in New Orleans East. Therefore, section IV of the Pre-filed Supplemental Testimony of Dr. Beverly Wright should be deemed admissible as expert testimony.

Respectfully submitted on this 21st day of December 2017 by:

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## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading has been served upon "The Official Service List" via electronic mail and/or U.S. Mail, postage properly affixed this 21st day of

December 2017.

Monique Harden