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Timothy S. Cragin Assistant General Counsel Legal Services - Regulatory

March 8, 2019

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

Re: Resolution Directing Entergy New Orleans, Inc. to Investigate and Remediate Electric Service Disruptions and Complaints and to Establish Minimum Electric Reliability Performance Standards and Financial Penalty Mechanisms – CNO Docket No. UD-17-04

Dear Ms. Johnson:

Please find enclosed for your further handling an original and three copies of Entergy New Orleans, LLC's ("ENO") Response to Comments of the Sewerage and Water Board of New Orleans and the Council Advisors regarding ENO's 2019 Reliability Plan, which is submitted pursuant to Judge Jeffrey S. Gulin's Order dated November 19, 2018, and is being filed in the above-referenced docket. Please file an original and two copies into the record and return a datestamped copy to our courier.

Thank you for your assistance with this matter.

Sincerely,

Cragin Timothy S. Cragin

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Enclosures

cc: Official Service List (UD-17-04 via electronic mail)

BEFORE THE

COUNCIL OF THE CITY OF NEW ORLEANS

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RESOLUTION DIRECTING ENTERGY NEW ORLEANS, INC. TO INVESTIGATE AND REMEDIATE ELECTRIC SERVICE DISRUPTIONS AND COMPLAINTS AND TO ESTABLISH MINIMUM ELECTRIC RELIABILITY PERFORMANCE STANDARDS AND FINANCIAL PENALTY MECHANISMS

DOCKET NO. UD-17-04

ENTERGY NEW ORLEANS, LLC'S RESPONSE TO COMMENTS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS AND THE COUNCIL ADVISORS REGARDING ENO'S 2019 RELIABILITY PLAN

Entergy New Orleans, LLC ("ENO" or the "Company") respectfully submits this Response to the Comments filed by Intervenor, the Sewerage and Water Board of New Orleans ("SWBNO"), and by the Advisors to the Council of the City of New Orleans (the "Council") related to the ENO's 2019 Reliability Plan that was filed with the Council on January 18, 2019.

I. Response to Comments of the SWBNO

The Comments of the SWBNO regarding ENO's 2019 Reliability Plan can essentially be boiled down to two issues: (1) Why doesn't ENO's 2019 Reliability Plan specifically address the reliability of electric service to the SWBNO?; and (2) How does ENO know that its overall reliability budget and the allocation of dollars to specific reliability programs is sufficient?

In response to the first issue, ENO's 2019 Reliability Plan is not intended to set forth specific reliability actions as to SWBNO or any other specific customer, but rather addresses reliability to the New Orleans community as a whole. The purpose of the plan is to provide the Council with details regarding the reliability work that ENO plans to carry out in 2019, the

dollars it intends to spend in performing that work, and the specific reliability programs that will be implemented. Nevertheless, ENO has performed significant reliability work in the recent past on feeders and substations serving SWBNO, including performing infrared inspections of Joliet feeder 2022 and 2016 and Southport feeder B0527 and correcting all maintenance items (e.g., loose connections, damaged cross-arms, insulators, and arrestors, etc.) found during the inspections; performing monthly infrared inspections at the Southport substation; installing new primary and backup relaying on the Southport-Ninemile, Southport-Labarre, and Midtown-Southport transmission lines; installing new primary and backup relaying do the Southport and backup relaying and upgraded load tap changer on Southport Transformer #1; and installing animal mitigation to address Monk parakeets at the Joliet and Southport substations.

Additionally, SWBNO is well aware that a dedicated ENO team has been working very closely with, and meeting regularly with, SWBNO representatives to address SWBNO reliability issues and to develop specific plans for short-term, medium-term and long-term improvements that will allow SWBNO to better and more reliably serve the citizens of New Orleans. Portions of those short-term actions are contemplated as part of ENO's 2019 Reliability Plan. For example, critical feeders that serve SWBNO will be inspected by ENO's Fix-It-Now ("FIN") crew twice a year, in March and September, and any work needed as a result of those inspections will be scheduled and prioritized in conjunction with other work resulting from other FIN inspections. Additional action items include establishing a direct line of communication between SWBNO and Entergy Control Centers, completing site visits of SWBNO and Entergy Control Room operators.

ENO believes that its dedicated SWBNO team and the regular meetings that are taking place provide a reasonable process to allow ENO and the SWBNO to cooperate on solutions and will hopefully provide for the two-way exchange of information that is critical to moving SWBNO reliability forward.

With regard to the second issue, the budgeting of reliability dollars and the allocation of those budgeted dollars to individual reliability programs is not an exact science. The amount of dollars budgeted involves an attempt to reasonably balance numerous considerations including, without limitation, recent reliability experience, effectiveness of past programs under past budgets, overall cost to customers, Council and community expectations, and the availability of the labor and contract resources needed to perform the work. Distribution-line-related customer interruptions in 2018 decreased by approximately 20% as compared to 2017, a significant oneyear improvement. Additionally, as of March 3, 2019, ENO distribution-line related customer interruptions are down approximately 70% compared to the same period in 2018, suggesting that the significant investment that ENO has made in reliability over the last few years is having a very positive effect on reliability. ENO believes that the overall budget for its 2019 Reliability Plan and the allocation of that budget to individual reliability programs is reasonable and will provide for continued improvement in electric reliability in 2019 as compared to 2018 and prior years. Nevertheless, ENO can check and adjust the overall budget and/or the allocation of dollars to individual programs during the year, if circumstances warrant.

II. Response to Comments of the Council Advisors

The Advisors in their Comments state that ENO's 2019 Reliability Plan should positively support ongoing reliability improvements and recommend that the Council accept ENO's 2019

Plan. ENO agrees with the Advisors in this regard and believes that its 2019 Reliability Plan represents another step forward towards improved electric system reliability for its customers.

III. Conclusion

Overall, ENO is pleased with the progress made in 2018 and year-to-date in 2019 with regard to reliability and looks forward to continuing to refine its reliability work to make continued progress in its reliability efforts going forward. Considering the foregoing, ENO requests that the Council accept ENO's 2019 Reliability Plan.

By:

Respectfully Submitted:

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ATTORNEYS FOR ENTERGY NEW ORLEANS, LLC

CERTIFICATE OF SERVICE Docket No. UD-17-04

I hereby certify that I have served the required number of copies of the foregoing report upon all other known parties of this proceeding, by the following: electronic mail, facsimile, overnight mail, hand delivery, and/or United States Postal Service, postage prepaid.

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Dawn Hebert 6846 Lake Willow Dr. New Orleans, LA. 70126

New Orleans, Louisiana, this 8th day of March 2019.

Timothy A. Cragin