



June 3, 2019

VIA FEDERAL EXPRESS

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

Re: Docket No. UD-19-01 Resolution and Order Establishing a Docket and Opening a Rulemaking Proceeding to Establish Renewable Portfolio Standards

Dear Ms. Johnson:

Enclosed please find the four (4) copies of the Sierra Club's Late-Filed Petition to Intervene and for Inclusion on Service List, in the above-referenced proceeding. Please file the attached document in the record. If you have any questions or require any additional information, please to not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Joshua Smith", with a long horizontal line extending to the right.

Joshua Smith
Sierra Club
2101 Webster St., Suite 1300
Oakland, CA - 94612-3011
(415) 977-5660
joshua.smith@sierraclub.org

**BEFORE THE
THE COUNCIL OF THE CITY OF NEW ORLEANS**

**RESOLUTION AND
ORDER ESTABLISHING A DOCKET
AND OPENING A RULEMAKING
PROCEEDING TO ESTABLISH
RENEWABLE PORTFOLIO
STANDARDS**

DOCKET NO. UD-19-01

**SIERRA CLUB LATE-FILED PETITION TO INTERVENE
AND FOR INCLUSION ON SERVICE LIST**

Sierra Club respectfully submits this late-filed request to intervene in the above captioned proceeding and to participate as a party therein pursuant to Sections 158-236 *et seq.* of the City Code pertaining to intervention in proceedings before the Council of the City of New Orleans. As discussed below, Sierra Club supports comments filed by the Alliance for Affordable Energy and other parties, but seeks intervenor status to provide comments on any proposed rule, and to reserve the ability to provide comments in response to any other party. In support of intervention, Sierra Club states:

I.

On March 28, 2019, the City of New Orleans established a docket and opened a proceeding to establish renewable portfolio, New Orleans City Council Docket No. UD 19-01, pursuant to Council Resolution No. R-19-109 (Mar. 28, 2019). The Council's Resolution solicited public comments on several questions related to the establishment and design of any renewable portfolio standard. The Resolution also sets a procedural schedule for Reply Comments and Comments responding to the Advisors' recommendations to the Council and any proposed renewable portfolio standard. Comments in response to the Council's first request for

comment are due June 3, 2019, but the Advisors have not issued any proposed rule. As a rulemaking proceeding, it is Sierra Club's understanding that this docket will not involve traditional discovery processes and will not likely result in an administrative hearing. Instead, it is primarily intended to be a public comment and policymaking process.

As a result, Sierra Club's participation will not disrupt this proceeding, result in delay, or prejudice any party. Going forward, Sierra Club intends to fully abide by all procedural schedules issued by the Commission.

II.

Sierra Club is a non-profit corporation with approximately 780,000 members nationwide, including nearly 3,000 members residing in Louisiana, dedicated to the protection of public health and the environment. One of Sierra Club's priority national conservation campaigns involves promoting cost-effective clean energy alternatives and energy efficiency measures as a means to reducing or eliminating reliance on expensive fossil-fuel energy generation sources that emit high levels of harmful greenhouse gases and other pollutants.

Sierra Club regularly participates in federal, state, and administrative proceedings across the country to advocate for robust renewable energy and energy efficiency standards that will produce safe and sustainable jobs, while also reducing electric system costs for both utilities and ratepayers and reducing emissions from fossil-fuel generation sources. Sierra Club has intervened in numerous utility regulatory proceedings across the country to consider the economics and public interest in proposals to establish renewable portfolio standards and policies like this one.

Sierra Club petitions to intervene in this proceeding on behalf of itself and its members who live and purchase utility services in Louisiana, many of whom are residential customers of

Entergy New Orleans. These Sierra Club members also live, work, or recreate in the areas affected by air and water pollution from the generation resources throughout Louisiana and beyond, which serve Entergy New Orleans. Thus, Sierra Club's members in Louisiana and the region are would benefit, in terms of reduced exposure to air and water pollution, from the establishment of a renewable energy portfolio standard for New Orleans. Members of Sierra Club who live, work, or recreate near Entergy's fossil fuel generation resources have aesthetic, recreational, and public health interests that will be adversely affected by the indefinite operation of those resources, or the construction and operation of new natural gas-fired generation, which will emit nitrogen oxides, particulate matter, and other pollutants into the air.

Sierra Club members also work, live, and recreate in areas that are particularly vulnerable to effects of climate change. Greenhouse gas emitting energy resources are the key driver in climate disruption, exacerbating major weather events and sea level rise that threatens New Orleans. In light of these risks, Sierra Club and its members have a particular interest in developing a city energy system that is resilient and responsive to increasingly disruptive and harmful climate events fueled by fossil fuel combustion.

The City's current resource portfolio also impacts Sierra Club members by affecting the electricity rates that Sierra Club members pay because utility customers ultimately bear the costs of Entergy New Orleans' resource decisions.

III.

Sierra Club plans to raise issues that are relevant to whether any proposed renewable portfolio standard is in the "public interest." Sierra Club's participation will help develop a

thorough record, determine the issues to be decided, and stimulate disclosure of information regarding the impacts of this acquisition on ratepayers. Participation will also enable Sierra Club, its members, and the public to better understand how New Orleans can meet its energy demands while maintaining affordable rates, protecting reliability, and creating jobs in Louisiana. Sierra Club is uniquely situated to represent the interests of its members in this proceeding as a result of its expertise and experience in energy policy and law, renewable energy generation, energy efficiency, and environmental regulations that affect the market for energy generation and demand response. Accordingly, Sierra Club and its members have a substantial interest in the production of reliable, affordable, and efficient energy for Louisiana. There is no other party representing the interests of Sierra Club and its members. Therefore, Sierra Club respectfully seeks intervenor status in order to fully participate in this docket. Sierra Club further requests that it be placed on the service list of this proceeding and be served with all pleadings, notices orders, and other filings.

IV.

As explained, Sierra Club seeks to participate in this proceeding to protect its justiciably and administratively cognizable interests in promoting clean and sustainable energy generation options that will reduce harmful air pollution, mitigate climate impacts, and support sustainable and healthy jobs and communities while also lowering overall system costs and reducing electricity rates.

Sierra Club supports comments filed by the Alliance for Affordable Energy and other parties in this docket. Specifically, at this preliminary stage, Sierra Club supports the following recommendations:

- Based on a review of publicly available information, Sierra Club agrees with the Alliance for Affordable Energy that there is potential for Entergy New Orleans (ENO) to meet a 100% renewable portfolio standard, based on both technical and economic considerations. Sierra Club further agrees that the City Council should set a goal to meet this mandate by 2040, with interim targets of 55% by 2033. These targets are conservative, given the urgency of climate change and the direct impacts climate changes has on New Orleans.
- As noted in the comments of the Alliance for Affordable Energy, Entergy New Orleans buys significant energy and capacity via bilateral contracts with Entergy affiliate companies. We share the Alliance for Affordable Energy's concern that Entergy is using captive customers in New Orleans to subsidize otherwise uneconomic resources elsewhere in Louisiana, or in Arkansas or Mississippi.
- Of the renewable electricity technologies listed in the request for comments, we support wind (large and small), solar PV, and geothermal electric. We are not opposed the inclusion of fuel cells, so long as they are using renewable energy as an input, though double counting must be avoided. The same requirements would apply to other storage technologies. Hydro-electric power may be an appropriate technology, depending on site-specific considerations. Sierra Club does not support biomass or power produced from landfill gas.
- Sierra Club is open to mechanisms for cost containment, provided they are appropriately crafted. Sierra Club seeks an opportunity to provide comments in response to any cost mechanisms developed by the Advisors.

- Sierra Club agrees with the Alliance for Affordable Energy that surplus renewable energy credits should not be bankable, but instead should be sold back onto either the voluntary market or as a compliance credit if it qualifies for another jurisdiction’s renewable portfolio standard. The utility can then use this revenue stream to offset other costs and help keep total compliance costs down.
- Sierra Club requests the opportunity to respond to policy proposals advanced by other parties.

V.

The Sierra Club’s specific interests in this proceeding include:

- (A) The impacts of any renewable portfolio standard on the rates and bills of Sierra Club members;
- (B) The availability and cost of alternative, clean resources—including wind, solar, demand-side management, energy efficiency, and long-term power purchase agreements—for meeting Entergy New Orleans’ capacity and reserve needs;
- (C) The environmental, recreational, aesthetic, and public health impacts and costs of the City’s (i.e., Entergy New Orleans’) current resource portfolio, which are borne by, among others, Sierra Club members; and
- (D) The procedural rights of Sierra Club members in ensuring a thorough, robust, and transparent process establishing a renewable portfolio standard.

VI.

No other party to this proceeding represents Sierra Club's or its members' interests. Sierra Club's participation in these proceedings will not result in undue delay. Sierra Club intends to fully abide by all procedural schedules issued by the Council in this proceeding.

VI.

All communications and pleadings in this docket should be directed to:

Joshua Smith
Sierra Club Environmental Law Program
2101 Webster Street, Suite 1300
Oakland, CA 94612
P: 415.977.5560
E: joshiua.smith@sierraclub.org

PRAYER

For these reasons, the Sierra Club requests the opportunity to participate in any and all meetings as an equal participant in the proceedings; and that all participants in this proceedings be required to serve future testimonies or other correspondence related to this docket to the Sierra Club. The comments included in this late-filed motion are not intended to be an exhaustive recitation of the policy tools or position of Sierra Club, and we request the opportunity to provide additional recommendations and responses to other stakeholders. We look forward to continued engagement in this proceeding, and intend to fully abide by the procedural schedule issued by the Council in this proceeding.

Respectfully Submitted,

Date: June 3, 2019.

By:



Joshua Smith
Sierra Club Environmental Law Program
2101 Webster Street, Suite 1300
Oakland, CA 94612
P: 415.977.5560
E: joshua.smith@sierraclub.org

On behalf of the Sierra Club

CERTIFICATE OF SERVICE

I hereby certify that I have, this 3rd day of June, 2019, served copies of the foregoing pleading upon all other known parties of this proceeding via electronic mail.

A handwritten signature in blue ink, appearing to read "Lauren Hogrewe", is written over a light blue rectangular background.

Lauren Hogrewe
Litigation Assistant, Sierra Club