April 1, 2020

BY HAND DELIVERY

Ms. Lora W. Johnson
Clerk of Council
Council of the City of New Orleans
City Hall, Room IE09
1300 Perdido Street
New Orleans, LA 70112

In Re:       Smart & Sustainable Cities Initiative for the City of New Orleans - Electric Vehicle Charging and Related Matters, CNO Docket UD-18-01

Dear Ms. Johnson:

Attached please find Council Utility Advisors’ Report on Information Gathering in Connection with Regulatory and Related Matters Concerning Electric Vehicles and Electric Vehicle Charging Facilities Pursuant to Resolution No. R-18-537 in the above referenced docket, which we are requesting that you file into the record along with this letter in accordance with the direction of the City Council of New Orleans pursuant to Chapter 158-233 of the Home Rule Charter of the City of New Orleans, as directed by Erin Spears, Chief of Staff, Council Utilities Regulatory Office in Memorandum dated March 26, 2020. Electronic service copies will be served on all parties in this docket, all members of the City Council of New Orleans, and the Council Utilities Regulatory Office Chief of Staff and Counsel. The original, hard copy will be filed upon the Clerk of Council’s office resuming normal business operations.

Sincerely,

Basile J. Uddo
Counsel

BJU/dpm
Enclosures

cc:   Official Service List for UD-18-01
      The Council of the City of New Orleans
      Council Utilities Regulatory Office
BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS

IN RE: INFORMATION GATHERING IN
CONNECTION WITH AN INQUIRY INTO
REGULATORY AND RELATED MATTERS
CONCERNING ELECTRIC VEHICLES AND
ELECTRIC VEHICLE CHARGING
FACILITIES

DOCKET NO. UD-18-01

COUNCIL UTILITY ADVISORS’ REPORT ON INFORMATION GATHERING IN
CONNECTION WITH REGULATORY AND RELATED MATTERS CONCERNING
ELECTRIC VEHICLES AND ELECTRIC VEHICLE CHARGING FACILITIES
PURSUANT TO RESOLUTION NO. R-18-537

The New Orleans City Council (“Council”) initiated Docket No. UD-18-02 through Resolution No. R-18-100, thereafter consolidating Docket No. UD-18-01 (Smart Cities) and Docket No. UD-18-02 (Electric Vehicles) through Resolution No. R-18-536, based upon recommendations from the Council’s Utility Advisors (“Advisors”), Entergy New Orleans (“ENO”), and the City’s Environmental Advisory Committee (“EAC”). In Resolution No. R-18-100, the Council addressed certain limited matters related to the regulatory status of certain electric vehicle charging stations under the City Charter and the City Code. In addition, the resolution concluded that “there are other regulatory related matters concerning electric vehicles and electric vehicle charging stations that go beyond the limited issues addressed in this resolution.”

Pursuant to the Council’s direction, the Advisors proposed and implemented a process for gathering additional information, including public comment, to develop recommendations and additional proposed actions in support of electric vehicles and electric vehicle charging

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infrastructure.\(^2\) Subsequently, the Advisors conducted a comprehensive process to solicit, identify and discuss a variety of electric vehicle (“EV”) related issues leading to this report and further recommendations. As part of that process, the Advisors solicited comments from all participants to create a list of relevant issues, which led to the filing of the “Consensus List of Relevant Issues” (“Consensus List”) for discussion.\(^3\) Thereafter, the Advisors conducted three (3) technical conferences and a public meeting to discuss the issues, with the intention of providing the collective wisdom and recommendations of the participants in this Advisors’ Report.

This process demonstrated an extraordinarily high level of collaboration and cooperation among the participants, which included the Alliance for Affordable Energy, the EVLA, ENO, Council Utility Regulatory Office (“CURO”), and the Advisors. Consistent with Resolution No. R-18-537, the participants have completed “a comprehensive, transparent and inclusive” information gathering process.\(^4\)

**DISCUSSION**

Participants uniformly recognized that any useful discussion of electric vehicles and electric vehicle charging infrastructure must consider plug-in hybrids and all other plug-in electric vehicles, including individually owned passenger vehicles, corporate fleets, commercial vehicles, and government vehicles. The participants also recognized and focused on the variety of charging mechanisms including home and residential devices, publicly accessible charging stations, and fleet charging stations.

The Consensus List included groupings under three “themes:”

Theme I - whether the Council should take action to encourage EV adoption in New Orleans;

\(^2\) City Council of New Orleans Resolution No. R-18-537. The procedural schedule was revised by Resolution No. R-18-170, and a January 24, 2020 Order extended the deadline for this report until April 1, 2020.

\(^3\) The Consensus List was filed into the docket on September 5, 2019.

\(^4\) Resolution No. R-18-537 at 3.
Theme II - what role the Council should have in encouraging EV adoption; and

Theme III - what equitable, public safety, consumer protection, and logistical issues should be taken into consideration.

While each theme gave rise to numerous sub-considerations, it became apparent early on in the process that, although there are almost unlimited issues, the Council should focus on those that would have the greatest public interest impact in the shortest amount of time achievable with limited resources. However, the participants agreed that other issues are still important and should be the subject of further education, consideration and elaboration by the stakeholders and ultimately the Council.

The participants also recognized that because New Orleans is in the early stages of understanding and evaluating EVs and EV charging infrastructure (“EVCI”), there is a paucity of data, which will be necessary to drive thoughtful policies and decisions over the next decade.

For example, reliable information on the number of electric vehicles operating in the City of New Orleans (“City”) has been elusive and often inconsistent. One recent generally reliable report placed the number at 1,019 in the “New Orleans Area,” which includes all or part of Orleans, St. Tammany, St. John, Jefferson, St. Bernard, St. Charles, and Plaquemines.\(^5\) Most other sources have pegged the number as lower. However, the recent Southeast Louisiana Clean Fuels Annual Report (2019) says that “[a]s of Q3 2019, there were 417 EVs registered in Orleans Parish (roughly 40% of the 1,019 EVs registered in the 8-parish [New Orleans] region).”\(^6\) The entire State has been reported to have 2,351 electric vehicles registered.\(^7\)

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\(^5\) ChargePoint’s Spring 2020 Presentation, Sourced from IHS Markit.
\(^6\) Southeast Louisiana Clean Fuels Annual Report (2019).
\(^7\) ChargePoint’s Spring 2020 Presentation, Sourced from IHS Markit.
The most important conclusion from this data is that whatever portion of the total is actually within City limits, the level of EV penetration in New Orleans is relatively low and at the earliest stages. If accurate, these numbers make the New Orleans area and Louisiana generally among the lowest in the country for EV adoptions by any measure including registration per 1,000 residents. However, the Edison Electric Institute (“EEI”) projects that EVs overall will represent 20% of new car sales by 2030.\(^8\)

Although New Orleans may be slow to start, all participants agreed that electric vehicle adoption is on the rise and should be encouraged by the Council. As noted by the Alliance for Affordable Energy in its June 28, 2019 filing, “Electric vehicles are part of the modernization of a larger energy landscape, and is considered to be an important piece of ‘beneficial electrification,’ a strategy that aims to replace fossil fuels with electricity at every point of consumption, providing multiple benefits including cost savings, improved health outcomes, and climate change mitigation.”\(^9\)

It is the unanimous view of the participants in this proceeding that encouraging the use of electric vehicles is in the public interest and that the construction, location and operation of electrical vehicle charging stations on both private and public property should be encouraged by the Council. This conclusion is also consistent with previous actions by the Council including the Council’s general endorsement of the City of New Orleans’ Climate Action Plan issued in 2017, the seminal Energy Smart program, the adoption of renewable energy mandates, the community solar program, and the clean energy standards.

\(^8\) August 2019 EEI Data Quoted in Utility Dive, October 28, 2019.
In addition, in 2018, the Council addressed directly regulatory issues related to EV “charge-for-charge” electric vehicle charging stations. The Council determined that charger providers who obtained electricity from ENO would not be subject to the Council’s utility regulatory authority, which would facilitate development of EV infrastructure because the Council concluded that “…encouraging the use of electric vehicles is in the public interest…”

Charging technology varies, but generally is referred to as electric vehicle supply equipment (“EVSE”). There are three major categories of chargers distinguished by the amount of power the charger provides from the grid. Level 1 chargers use 120V AC plugs and do not require installation of additional charging equipment. Level 1 chargers provide approximately 2 to 5 miles of range per hour of charging. Most Level 1 chargers are used for residential applications.

Level 2 chargers use 240V (residential) or 208V /3 phase (commercial) plugs and require additional charging equipment to be installed. Generally, Level 2 chargers deliver 10 to 20 miles of range per hour of charging. Level 2 chargers are in use in home, workplace and some public applications.

DC Fast Chargers use 480V AC input, which requires significant investment in specialized equipment and installation. DC Fast Chargers generally deliver 60 to 80 miles of range in 20 minutes of charging time and are used in fleet and public charging applications. However, the technology is changing rapidly with capital investment decreasing and charging efficiency.

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10 “Charge-for-charge” simply refers to an owner or operator of an EV charging station charging a fee for its use.
11 Resolution No. R-18-100 at 3. “A growing number of states are electing to exempt at least some electric vehicle charging stations from regulation as public utilities, but approaches have differed on the finer policy details, such as whether to allow charging stations to use electricity generated on-site.” Clean Transportation, Policy and Markets, Press Release, Report: “The 50 States of Electric Vehicles: States Focus on Transportation Electrification Planning. Charging Station Regulation in Q2 2019.”
increasing. The Council should direct the Advisors to continually update information on the state of EV charging technology, including costs, to reliably inform the education efforts discussed below.

A major obstacle to the adoption of electric vehicles, not only in New Orleans, but in many parts of the country, is misinformation. As detailed in a recent Forbes article, “most Americans aren’t interested in electric vehicles.” By way of explanation, the author concludes:

My experience as an early EV adopter (2013 Volt**) has been that on average people see EVs as exotic, weird cars. Certainly not for them. It means straying from a critical comfort zone. The gas-car paradigm has worked for 100 years, it works for them now and that’s good enough, thank you. And many have vague, uninformed fears about range and running out of juice on the way to the store.¹²

The author also notes other pervasive critical misinformation: “Forty-two percent of Americans think electric vehicles still require gas to run.” The author also notes that: “Charging infrastructure is sometimes brought up by the few that actually have done the research. They typically have a budding interest in EVs but balk for practical reasons.” Importantly, the author also points out that: “dealerships in the U.S. are franchises. That 100-year-old business model wants to sell maintenance. EVs – which I can testify to – require very little maintenance. I’ve gone a year and a half without any maintenance. And I could have gone a lot longer. When I do get maintenance done, it’s typically nothing more than rotating the tires. That’s a disincentive for traditional dealers.”¹³

Accordingly, one of the major conclusions of the participants is that more and better education of the public with respect to electric vehicles is critical. Small steps are thought to be beneficial. For example, the participants concluded and the Advisors recommend that the

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¹³ Id.
City and Council websites incorporate simple, understandable information about electric vehicles, prominently placed, with links to other readily understandable information. Similarly, ENO should be directed to better publicize Entergy’s Power Drive website, on its own website and in other communications with customers.

The participants also believe that the education process should be extremely sensitive to prioritizing equity concerns. As expressed in the Council’s Smart Cities resolution “the Council has an overriding goal that the fruits of the Smart Cities Initiative will benefit the entire community, including lower income residents.”\(^\text{14}\) Accordingly, the Advisors were directed to “examine and report on strategies to assure that the fruits of the initiative will benefit the entire community, including lower income residents.”\(^\text{15}\) The EV docket is an outgrowth of the Smart Cities Initiative and must reflect this Council mandate.

EV access equity is a universal concern and challenge. Low income communities face the most significant barriers to EV adoption. However, properly understood, electric vehicles are more affordable than gasoline powered vehicles when considering the much lower maintenance and fuel costs associated with EVs. In addition, the commitment of auto manufacturers worldwide to increase EV personal vehicle production will reduce the purchase price of most electric vehicles. Also, there is a developing secondary market for electric vehicles, providing access to much more competitively priced used cars.

However, even as EV adoption and charging infrastructure expand, if that expansion does not include lower and moderate income communities, it will be difficult to commit resources to an inequitable undertaking, no matter how otherwise noble. Some states have addressed this problem on a state-wide basis. California, Oregon, Pennsylvania, Texas and Vermont all have state-funded

\(^{14}\) City Council of New Orleans Resolution No. R-18-36 at 3.

\(^{15}\) Id. at 4.
rebate programs for lower and moderate income individuals.\textsuperscript{16} \textbf{The Council should encourage the Louisiana legislature to consider and adopt similar programs.}\textsuperscript{17}

On a more local level, the Council should consider changing functional obstacles that result from certain land use and construction policies. The equity problem is exacerbated by the fact that there is an international recognition of the seemingly intractable problem of providing EV charging infrastructure in existing multiunit dwellings ("MUD"), where many lower and moderate income individuals and families live. Some problems are structural given limitations on ready access to appropriate electricity sources and costs of installation of chargers, especially Level 2 chargers. Some of the problem, however, is recalcitrant landlords who see EV charging access as an inconvenience, if not a burden. At least one city has tried to address this aspect through its utility.

Austin, Texas instituted a program through Austin Energy that targets owners of MUDs and provides rebates of up to $4,000 or 50\% of the cost to install certain charging equipment, and as much as $10,000 for a DC Fast Charger. To qualify the installed charging equipment must be open to all residents in the MUD.\textsuperscript{18}

There is no easy, affordable answer to this problem, but as EV adoptions increase and costs decrease, and more data is collected, creative solutions will evolve.\textsuperscript{19} \textbf{The Advisors should be directed to track those changes in this docket and bring them to the Council’s attention as appropriate.}

\textsuperscript{16} See, Sierra Club and Plug In America, AchiEVE: Model Policies to Accelerate Electric Vehicle Adoption, July, 2019 at 20.
\textsuperscript{17} Tax credits are generally not beneficial to lower and moderate income individuals, hence cash rebates or incentives have a greater effect.
\textsuperscript{18} See, Sierra Club and Plug In America, AchiEVE: Model Policies to Accelerate Electric Vehicle Adoption, July, 2019 at 20.
\textsuperscript{19} One such creative solution uses the advantage of load management when installing EV chargers in dense locations. Software technology could provide for greater deployment of chargers through existing infrastructure by balancing EV charging needs through load management. Building owners could purchase EV chargers (with possible incentives and rebates included) as amenities for employees and tenants, with EV users typically only charged for energy as a way to make the building owner whole on energy costs.
The major concern related to multiunit dwellings – equitable access, and long-term evolution of an EV charging infrastructure – are issues that require much more careful study and analysis, particularly with respect to land use and building issues. Although building codes are not controlled by the Council, there are numerous local land use regulations that could have a direct impact on fostering or frustrating EV infrastructure expansion for residential access. Therefore, the participants agreed and the Advisors recommend that this is the appropriate time in the process for the Council to request a detailed study by the City Planning Commission (“CPC”) to address what changes could be made to current land use regulations, or what new regulations could be adopted, to encourage more installation of EV charging infrastructure.

For example, could new construction or major renovations of existing residential or commercial properties, single family units or multiple unit dwellings be required to incorporate the necessary electric wiring to facilitate the future installation of level 2 chargers, in effect to make them “EV ready”? Can new construction or major renovations be required to include EV chargers? Should all parking garages be required to have a minimum number of EV chargers? Should land use regulations, including the use of conditional use permits, require that owners of MUDs allow tenants to install EV charging units? The study should also consider the appropriate use of City rights-of-way for the installation of public, especially curbside, charging facilities.

The City of Atlanta has required that all new residential homes and public parking facilities accommodate EVs. In addition, there is a requirement that 20% of the spaces in all new commercial and multifamily parking structures be EV ready and that all new developments of

20 Making buildings EV ready by “installing EV-friendly wiring at the time of construction [or major renovation] can be 64-75% less expensive than post-construction installations, according to some studies.” AchiEVE report, supra note 15 at 10.
21 Atlanta Ordinance No. 2017-0-1654.
residential homes be equipped with the infrastructure needed to install EV charging stations.\footnote{\textit{Id.} This is commonly called a “make-ready” or “EV ready” installation where the utility installs infrastructure up to but not including the EV charging station, receiving a “contribution in aid of construction” from the customer relative to the “make-ready” investment.} Other cities have enacted similar requirements. However, it would be helpful if building codes, a state responsibility, were amended to provide similar requirements in building codes statewide.

\textit{To that end, the participants agreed and the Advisors recommend, that, in addition to the CPC study, the City consider and adopt a resolution urging the state legislature and the governor to incorporate such changes in the state’s building codes.}

Although it is indisputable that encouraging the adoption of electric vehicles on all levels is in the public interest, the electric vehicle frontier, especially in New Orleans, does not have enough data at this point to decide how to plan for the very practical aspects of the encouraged increased adoption. The EV future in New Orleans will undoubtedly see greater adoption for personal vehicles, commercial vehicles, and government fleets, as well as public transportation vehicles. These changes must be anticipated and planned for rationally and deliberately.

Electric vehicle charging will have an impact on the existing electric grid. It would not be in the public interest to ignore that this impact requires significant analysis, data collection and planning to avoid unintended consequences. EV charging pilot programs at several utilities around the country have shown success in reducing peak demand and providing demand response flexibility, particularly on local distribution feeders where a growing concentration of EV charger load could result in local grid issues. They also show that customer adoption of smart chargers is very sensitive to capital costs, affirming the importance of rebate programs.\footnote{“Smart Charging Stations” receive load or price signals from the utility and communicate with the EV to manage charging voltage or current.} Also, properly understood, utilities can help ameliorate the equity problem by building out EV charging...
infrastructure in hard to reach areas like multiunit developments, especially in disadvantaged communities.

Accordingly, after more data is developed locally,\textsuperscript{24} the Council should consider a New Orleans EV charging pilot program to evaluate planning issues, including EV charging load impact on peak demands; providing grid services; demand response; and load shifting potential. The pilot should also examine coordination of EVs with renewable energy and distributed energy resource (“DER”) expansion.

A New Orleans EV pilot program would also analyze the mechanisms for shaping EV charging load and allocating cost responsibility through mechanisms like time-differentiated rate structures, managed demand response, and use of rebates and other incentives. Such a pilot would also help determine an effective balance between utility EV charging station deployment and participation by other private and public entities.

This planning process would also project the number of EVs and a timetable, based on economic and policy factors, for residential, commercial and fleet/bus adoption. The data would also be used to project the amount, type, and location of charging infrastructure needed to support the anticipated level of EV penetration, and to project transmission and distribution system upgrades and investments needed to accommodate the EV charging growth. It would also assess the developing market for charging infrastructure, working with ENO, private charging companies, public, institutional and commercial businesses, and other stakeholders to develop charging infrastructure proposals in which utility investment and private investment complement each other.

\textsuperscript{24} It is recommended that the Advisors survey the evolving local EV data on a quarterly basis with summary reports of the data to CURO.
Equally important, the pilot would help the Council understand and plan for how the cost of utility investment in EV charging infrastructure should be allocated and assessed for cost recovery with programs designed to maximize benefits. The pilot would also consider mechanisms to shape EV charging load to systematically decrease the utility’s cost of service by charging during hours of low system cost and varying charging load up or down in specific hours to balance load and maintain system stability. This could also lead to consideration of specific rate structures designed for EV charging load.

As a precursor to this more comprehensive pilot, the participants discussed extensively the opportunity provided by the proposed ENO EV charging pilot project, which was presented in the 2018 Rate Case. The pilot project plans to invest $500,000 for ENO to install 30 to 50 Level 2 EV chargers around the City with a focus on City-owned locations, especially in downtown areas, including public libraries, parks, schools, etc. Under the pilot project ENO will construct, own and operate the EV chargers for public use. The Council approved the pilot concept and the $500,000 funding in the Rate Case, but left other issues to the instant process, including selecting appropriate locations and cost recovery issues.

As proposed, ENO would install some of the chargers in front-of-the-meter with a dedicated meter to record usage, but not initially charge drivers for usage. ENO also proposes that the remaining public EV chargers would be installed behind-the-meter (with usage charged to the specific customer under the customer’s rate schedule) where incremental usage would be commingled with the customer’s existing consumption. Under the Council’s charge-for-charge resolution, the City could charge EV drivers for the use of such behind-the-meter charge stations.

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25 The Advisors should be directed to study in this docket, with participant input, how the costs associated with this “free” charging should be handled and report their recommendations to the Council.
In either installation, ENO’s investment and operation and maintenance costs would be recovered from all ratepayers through normal rates.

A key element of the ENO pilot is determining the appropriate locations for the public chargers. **The Advisors recommend that a procedural schedule be adopted within this docket to provide maximum stakeholder input into recommending locations, with a preference for the CBD, and to consider commitment of some number of EV charges for disadvantaged areas. The process should include at least one public meeting.**

ENO’s proposed pilot project is consistent with other limited EV-actions already taken by ENO/Entergy Corp. Between 2011 and 2012, Entergy installed 16 Level 2 chargers at various college campuses in and around Entergy’s four state service area. In New Orleans, chargers were installed at Delgado Community College, Tulane University, and the University of New Orleans.

“In 2017, Entergy Corp. launched the Power Drive initiative to study technological advancements, monitor market trends, and collaborate with industry experts to insure preparedness for transportation sector’s nationwide shift to greater adoption of EVs.”

As a result, Entergy created the Power Drive website, which provides customers and stakeholders “information on choosing an EV, available federal and state tax credits and initiatives, a savings calculator and a location map for charging stations.”

Entergy Corp. has also deployed a fleet of 12 leased EVs for employee use and installed 7 dual port Level 2 charging stations for those vehicles. In New Orleans, Level 2 chargers were installed in the parking garage next to Entergy Corp.’s headquarters and at ENO’s Tulane Avenue service center.

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26 Slide Deck on ENO Efforts on Electric Vehicles and Charging Infrastructure, January 8, 2019, presented at technical conferences and public meeting held in connection with this proceeding.
27 Id.
Both the ENO pilot program and the Power Drive initiative have been bolstered by ENO’s launch of the eTech program, which provides incentives to ENO customers to undertake “beneficial electrification projects, including installing EV charging infrastructure.” The eTech program is not limited to vehicles and provides cash incentives to qualifying customers for purchasing electric equipment as diverse as fork lifts and digital billboards. Apropos to this report, eTech also provides cash incentives for installing residential, commercial and DC fast charging equipment.

The eTech incentive program has only been in existence since 2018 and its initial impact was modest; however, while the number of incentive payments in 2018 was only five (5), 2019 was thirty-seven (37). The program is on track to exceed that number in 2020. The participants and the Advisors recommend the continuation of the eTech program, but also recommend that additional efforts be made to publicize its existence to all potential beneficiaries. In addition, because data about EV adoption rates are vital to the planning concerns discussed above, the Advisors recommend that they be directed to develop with ENO a process whereby the Advisors can receive data from ENO obtained through the eTech program while assuring protection of customer privacy.

The Council also recently approved, through the 2018 Combined Rate Case, an additional ENO program known as the Electric Vehicle Charging Infrastructure (“EVCI”) Rider. The EVCI program will be open to non-residential customers and will provide for ENO to construct, own and operate EV charging infrastructure on customer-owned property, with the cost of the investment

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28 Id.
29 Gathering this data is consistent with the Rate Case Resolution in Docket No. UD-18-07, which stated: “ENO is authorized to continue with the eTech program of rebates for the installation of EV chargers, with the program to be included in the Energy Smart Implementation Plan for PY 10-12. In the proceeding considering that Implementation Plan, the parties should develop a method of assessing the success of the eTech program separate and apart from the kWh and any kW savings goals established in the Implementation Plan for PY 10-12…”
recovered from the customer through a fixed monthly charge. The customer can choose whether to have ENO provide ongoing monitoring, preventive maintenance and related services, or to conduct those functions internally. The chargers will be accessible at the customer’s discretion for employees, customers, tenants, etc. The EVCI infrastructure can be built either behind-the-meter or with a dedicated meter.

The Rider provides for a fixed monthly charge over ten years, similar to the current Additional Facilities Charge (“AFC”). The fixed monthly charge is based upon a formula detailed in the Rider, which takes into consideration available Louisiana tax credits and “an estimated level of incremental near-term, non-fuel revenue.”

Operation and maintenance costs will be determined by the level specified by the customer and billed as a pass-through charge. The participants and the Advisors believe that the EVCI program, as adopted by the Council, could provide significant increases in EV penetration in the City and, therefore, supports its continuation. The Advisors also recommend that additional efforts be made to educate ENO customers as to the availability of this program.

The participants also discussed extensively the need for a better understanding of attitudes toward EVs in the New Orleans area with an eye toward creating more effective public education. A key part of that process should include the development and use of a citywide survey, based on the City’s successful bike lane survey, to measure the current state of public knowledge, attitudes, and preferences regarding EV adoption and infrastructure. The Advisors recommend that this survey be implemented in cooperation with the Administration.

The participants also discussed the need to develop additional low-cost, easily implemented incentives to encourage EV adoption in the City. The Advisors agree and

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30 Id.
recommend that consideration be given to limited parking incentives for EVs such as fee waivers or reductions, especially in certain high-traffic areas. The participants agreed and the Advisors recommend that consideration also be given to finding ways to assure that an appropriate number of handicapped parking spaces be designated for EVs. It is important to assure, however, that any parking-based incentives or requirements be part of a program that allows for effective enforcement to assure the intended benefits.

The Advisors also recommend that the City consider and pursue more aggressively a conversion of City-owned non-emergency vehicles to EVs, including a careful analysis of the expected significant savings from reduced maintenance associated with electric vehicles. The participants also discussed and the Advisors recommend that the City consider a City vehicle Corporate Average Fuel Economy (“CAFE”) standard to encourage a more careful comparison between EVs and internal combustion engine vehicles, and to encourage more EV adoption to meet a realistic but aspirational standard.

The participants also discussed and the Advisors recommend the initiation of efforts to develop mechanisms to promote the adoption of EVs for other government related agencies or entities such as the Regional Transit Authority, the Sewerage & Water Board, and the Orleans Parish School Board, especially of school bus fleets.

The participants discussed and the Advisors also recommend that the City should work with leaders in the tourism and hospitality industries to extend the promotional benefits of EV charging infrastructure within the City to encourage more “EV tourism.” Several hotels have already installed private EV chargers for guests and promoted this in their marketing. But other drive-in tourists need to be encouraged to avail themselves of the current and developing EV charging infrastructure in the City.
EV tourism will become a significant portion of drive-in tourism over the next several years. For example, Oregon has included extensive information on its “Travel Oregon” website, which extolls Oregon as “an ideal environment for EV development and tourism.” The State of New York has published an extensive report entitled “Electric Vehicle Tourism in New York State,” which concluded among other things that “[e]merging trendlines in travel and transportation preferences among all drivers, especially Millennials, offer policymakers and clean transportation advocates a timely and compelling opportunity to introduce new technologies to the tourism marketplace. Principal among them is plug-in electric vehicle technology, which is poised to address consumers’ emerging appetite for innovation, lower cost, and enthusiastic embrace of low-emission transportation.” The State of Virginia has also issued a report that is summarized as “[h]otels, conference centers, and tourist destinations throughout Virginia are looking seriously at electric vehicle charging stations for their visitors and customers. The process of installing an electric vehicle charger is affordable and simple and can lead to new business.”

The participants discussed and the Advisors recommend that in addition to ENO’s proposed projects and development, and ENO ownership of EV charging infrastructure, the Council should be mindful of the benefits of creating competition in building-out and providing access to EV chargers. In the follow-up analysis and citywide pilot recommended above, a key factor for consideration should be the appropriate process for encouraging

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competition between ENO and other EV charging infrastructure developers, aggregators and resellers to assure that EV expansion is done in a manner and on a timetable that best serves the public interests.

Competition also raises the specter of questionable business practices that can harm consumers, especially in a charge-for-charge model where the owner/operator of a charging facility is not a regulated utility. Gas pumps are monitored and calibrated by state agencies and accurate prices must be clearly displayed. There are also safety standards imposed. Similar protections must be adopted to protect EV owners. **The Advisors recommend that the Council encourage the state to establish and adopt similar standards for EV charge stations.**

It is important to also note that there are legal and regulatory limitations that will apply to non-utility participants under the current state of the law. Resolution No. R-18-100 adopted April 5, 2018 explicitly encouraged the use of electric vehicles and the construction, location and operation of electric vehicle charging stations on both private and public property.34 However, the resolution also noted that the charge-for-charge model being approved in the resolution was based upon the “resale” of ENO generated power at the charging station. As the resolution noted:

> [A] person or entity that purchases electricity from Entergy New Orleans or another utility regulated by the New Orleans City Council and furnishes such electricity exclusively to charge vehicles, to or for the public, for compensation, never was, and is not now, a utility or public utility as those terms are used in the New Orleans Home Rule Charter and the New Orleans City Code, and is not subject to the Council’s utility regulatory authority.35

In part, this conclusion was reached because the proposed charge-for-charge model provided that the owner, operator, or provider of the EV charging service was purchasing electricity from ENO, or another utility regulated by the City Council. Accordingly, a model that would include an

34 See Resolution No. R-18-100 at 3.
35 *Id.* at 3-4.
owner, operator, or provider that generated its own electricity, or obtained it from some source other than ENO or a utility regulated by the City Council, would pose a different problem that could run afoul of the City Charter, City Code and certain franchise obligations. Should such a model be proposed, a separate evaluation would be required.

The participants also discussed several other issues of significance that would be useful in advancing the Council’s stated desire to encourage the adoption of electric vehicles and the construction of appropriate electric vehicle charging infrastructure. However, many of these additional issues are outside of the direct control of the Council. For example:

1. Louisiana Clean Fuels (“LCF”) is organizing an effort to create a statewide master plan for a DC Fast Charging network along Louisiana Interstate Corridors that also meets the standard for the Federal Highway Administration (“FHWA”) for alternative fuel corridor signage. Although this is a very significant undertaking and has implications for emergency evacuations from the City of New Orleans, the Council has no direct control over this process. **However, the participants agreed and the Advisors recommend that the Council participate in this process to assure that the City of New Orleans is properly considered, and that the Council’s views are developed and expressed in the process.** Entergy personnel are currently involved.

2. In October 2016, Volkswagen agreed to pay a settlement related to diesel vehicles violating the Clean Air Act regulations, including $2 billion for Zero Emission Vehicle (“ZEV”) investment, which will be organized through Electrify America. The Administration has participated in this process to date; however, **the Council should be apprised of information and opportunities relating to the City.**

3. Understanding the obstacles to EV adoption created by the current automotive dealer franchise system, which militates against non-traditional manufacturers like Tesla to sell vehicles
in Louisiana. The City has an interest in assuring that access to electric vehicles and protection of in-state dealerships are not incompatible and do not represent an obstacle to EV adoption.

4. Federal and state tax and other incentives are outside of the purview of the Council; however, the Council has an interest in expressing its views to the legislature, the governor, and local congressional representatives that such incentives should be maintained, restored or increased to advance the goal of additional EV adoption and infrastructure buildout.

CONCLUSION

The Council directed the Advisors to “implement a process for the gathering of information including public comment”\textsuperscript{36} that would be “comprehensive, transparent and inclusive”\textsuperscript{37} in order to “provide the Council with the maximum amount of information to make the broadest and most comprehensive evaluation of electric vehicles and electric vehicle charging matters to develop sound policy decisions.”\textsuperscript{38}

The process implemented was vigorous and engaging, with broad and consistent participation by the parties. As a result, the consensus list of issues identified three (3) “themes” that guided the proceedings: whether the Council should take action to encourage EV adoption; what role could the Council have in encouraging EV adoption; and, what equitable, public safety, consumer protection and logistical issues should be taken into consideration?

Reflecting the collective wisdom of the participants, the Advisors affirm that the Council should encourage the adoption of electric vehicles and the development of the necessary charging infrastructure to support the expected increase in EVs. The Advisors also conclude that the Council has a very prominent role in advancing these ends. The recommendations included

\textsuperscript{36} Resolution No. R-18-537 at 2.
\textsuperscript{37} Id. at 3.
\textsuperscript{38} Id.
throughout this Report reflect these conclusions, but only to the extent that they put the Council on the right path in this complex and ever-changing process.

The task ahead is, and will continue to be, data driven. Poor planning will lead to poor results. The Advisors are confident that many of the recommendations presented herein will develop more useful data. Most important, however, is the deep-dive data that will be necessary to assure that the ENO grid is prepared for, and complementary to, the encouraged and expected expansion of EVs in New Orleans. Hence, the Advisors recommend that a New Orleans pilot be developed and implemented after the initial round of data from the various recommendations discussed herein, including the ENO EV pilot, become available.

The task now is to respond to the question asked by Logan Burke of the Alliance for Affordable Energy at the final technical conference: “If we are looking a year down the road, how do we keep this going?” The Advisors believe this report is the first step in answer to that question.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served upon “The Official Service List” via electronic mail and/or U.S. Mail, postage properly affixed, this 1st day of April 2020.

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