

RESOLUTION

NO. R-20-257

CITY HALL: August 20, 2020

BY: COUNCILMEMBERS MORENO, WILLIAMS, GIARRUSSO, BANKS AND BROSSETT

**IN RE: 2021 TRIENNIAL INTEGRATED RESOURCE PLAN
OF ENTERGY NEW ORLEANS, INC.**

DOCKET NO. UD-20-_____

INITIATING RESOLUTION

WHEREAS, pursuant to the Constitution of the State of Louisiana and the Home Rule Charter of the City of New Orleans (“Charter”), the Council of the City of New Orleans (“Council”) is the governmental body with the power of supervision, regulation, and control over public utilities providing service within the City of New Orleans (“City”); and

WHEREAS, pursuant to its powers of supervision, regulation, and control over public utilities, the Council is responsible for fixing and changing rates and charges of public utilities, and making all necessary rules and regulations to govern applications for the fixing and changing of rates and charges of public utilities; and

WHEREAS, Entergy New Orleans, Inc. (“ENO”) is a public utility providing electric and natural gas service to all of New Orleans; and

WHEREAS, the Council in Resolution No. R-17-332 adopted new Electric Utility Integrated Resource Plan Rules (“IRP Rules”) to govern the triennial integrated resource plan process for ENO; and

WHEREAS, the Council’s IRP Rules at Section 1(B) require that each IRP triennial planning cycle shall be commenced with an Initiating Resolution of the Council which outlines

the IRP process and timeline, Intervenor and public participation, policy objectives for consideration in the IRP and other matters as deemed necessary by the Council; and

IRP Process and Timeline

WHEREAS, the IRP Rules Section 9 sets forth minimum requirements for the IRP process including, but not limited to the opportunity for Intervenors to participate in the development of inputs and assumptions for the IRP through technical meetings of the parties to discuss major IRP components and structured comment deadlines, and public engagement meetings to promote public understanding of the IRP and receive public comment; and

WHEREAS, these represent the minimum process requirements for a triennial IRP proceeding, and do not limit the ability of the Council to require additional procedural steps as the Council deems necessary and appropriate for each triennial IRP proceeding; and

WHEREAS, it is the Council's desire to establish a procedural schedule that will allow for robust participation by stakeholders and the public and a transparent process, including allowing the parties to rigorously investigate resource options, conduct discovery, file comments and otherwise establish a record that will inform and empower effective Council and utility decision-making while augmenting utility resource planning and enhancing public awareness of and input regarding the utility's energy choices; and

WHEREAS, the Council wishes to ensure that there is robust opportunity for the Intervenors and Council Advisors to participate in the concurrent development of inputs and assumptions for the major components of the IRP in collaboration with the utility; and

Policy Objectives for Consideration in the IRP

WHEREAS, there are two requirements in the IRP Rules for ENO to incorporate Council and City policies into its IRP analysis: 1) the optimization process and 2) the development of the scorecard; and

1. Optimization Policy Objectives

WHEREAS, Section 7(D)(3) requires ENO to develop alternate planning strategies to reflect known utility regulatory policy goals of the Council (including such policy goals or targets identified in the Initiating Resolution) as established no later than 30 days prior to the date the planning strategy inputs must be finalized; and

WHEREAS, the Council notes that it is currently considering the adoption of a renewable and clean portfolio standard (“RCPS”)¹ for New Orleans in Council Docket No. UD-19-01, and that it may be the case that such a policy is adopted in that proceeding prior to the deadline for the inclusion of utility regulatory policy goals in the planning strategies of the optimization process, in which case ENO shall include that policy in a planning strategy with ENO’s guidance regarding how such planning strategy may be implemented in the IRP modeling process if differences in implementation exist relative to other IRP planning strategies; and

WHEREAS, in Resolution No. R-17-100, the Council directed ENO that future IRP filings should include, for evaluation by the Intervenors and the Council through the CURO and the utility Advisors (“the Advisors”) as one potential planning strategy, the goal of increasing the projected incremental annual kWh savings from the Energy Smart Program by 0.2% per year, until such

¹ Various forms of such a standard are under discussion in that docket, including a Renewable Portfolio Standard, a Clean Energy Standard, a Resilient and Renewable Portfolio Standard, or a Renewable and Clean Portfolio Standard. The use of the term “Renewable and Clean Portfolio Standard” or “RCPS” in this Resolution means any standard ultimately adopted by the Council in Docket No. UD-19-01, regardless of the formal name of the standard ultimately adopted.

time as the program generates incremental annual kWh savings at a rate equal to 2% of annual kWh sales; and

WHEREAS, the Council directs ENO that this goal should be included in the planning strategy(ies) designed to reflect the Council’s known utility regulatory policies, unless that goal is superseded by an RCPS adopted by the Council in UD-19-01, in which case the projected incremental annual kWh savings from the Energy Smart Program as part of the RCPS shall be included. To the extent the 2% goal and an RCPS adopted by the Council are consistent with each other, both shall be included in a planning strategy; and

WHEREAS, the Council has given final approval of the Energy Smart Program Years 10-12 budget and savings estimates in Resolution No. R-20-51, and therefore, those budget and kWh/kW savings estimates should also be incorporated into the data inputs and assumptions in all planning strategies; and

WHEREAS, in Resolution No. R-19-111, the Council approved a community solar program for New Orleans. To the greatest extent feasible, ENO shall include community solar as a potential distributed energy resource (“DER”) for New Orleans in accordance with the treatment of DER as specified in the IRP Rules; and

WHEREAS, for the 2021 Triennial IRP procedure set forth herein, the deadline for the inclusion of utility regulatory policy goals in the Planning Strategies of the optimization process will be May 14, 2021; and

2. *Scorecard Policy Objectives*

WHEREAS, Section 7(I) of the IRP Rules directs ENO to develop and include a scorecard template or set of quantitative and qualitative metrics to assist the Council in assessing the IRP based on the resource portfolios. It states that the scorecard should rank the resource portfolios by

how well each portfolio achieves each metric, and that such metrics should include but not necessarily be limited to: cost; impact on the utility's revenue requirements; risk; flexibility of resource options; reasonably quantifiable environmental impacts (such as national average emissions for the technologies chosen, amount of groundwater consumed, etc.); consistency with established, published City policies, such as the City's sustainability plan; and macroeconomic impacts in New Orleans; and

WHEREAS, on July 7, 2017, the Mayor of the City of New Orleans released a sustainability plan entitled "Climate Action for a Resilient New Orleans" ("Climate Action Plan"); and

WHEREAS, the Council supports the goal of making substantial reductions to carbon emissions; and

WHEREAS, in the event that the Council does not adopt an RCPS in Council Docket No. UD-19-01 prior to the deadline for the inclusion of utility regulatory policy goals in the Planning Strategies of the optimization process, the Council directs ENO that the scorecard should include the metric of the extent to which the resource portfolios advance the goals of the Climate Action Plan. In the event that the Council does approve an RCPS prior to the deadline for the inclusion of utility regulatory policy goals in the planning strategies of the optimization process, the Council directs ENO to include in the scorecard the metric of the extent to which the resource portfolios advance the goals set forth in such RCPS rather than including a metric regarding the Climate Action Plan; and

Other Matters

1. DSM Potential Study Consultant

WHEREAS, the IRP Rules at Section 5(A)(4)(g) state that the Council will make a decision and announce it in the Initiating Resolution whether it will procure an independent consultant to perform a demand-side management (“DSM”) potential study; and

WHEREAS, the Council chose to use its own DSM potential study consultant in Docket No. UD-17-03 for the 2018 Triennial IRP cycle; and

WHEREAS, in comments filed on March 23, 2020 in Docket NO. UD-17-03, the Alliance for Affordable Energy (“AAE”) suggested that the next IRP cycle similarly include a Council-selected independent DSM potential study consultant;² and

WHEREAS, while the Council was pleased with the work performed by the DSM potential study consultant that it chose for the 2018 Triennial IRP proceeding, and found the input to be very valuable and helpful to the process, the Council observes that the required timetable to draft and issue a request for proposals (“RFP”) means that if the 2021 triennial IRP process is to include a Council-selected DSM consultant and is to be completed in time for the Energy Smart program to be renewed prior to the end of Program Year 12 in December of 2022, the RFP for the independent DSM potential study consultant would need to be developed in time to select a DSM consultant by October 2020; and

WHEREAS, the Council also observes that the IRP Rules do require that in the event the Council does not hire an independent DSM consultant to conduct a DSM Potential Study, ENO shall do so; and

² *Alliance for Affordable Energy’s Responsive Comments to Advisor Recommendations* (“AAE Comments”), Docket No. UD-17-03, submitted March 23, 2020

WHEREAS, the Council also observes that as a major component of the IRP process, a minimum requirement of the IRP Rules is that Intervenors have the opportunity to participate in the concurrent development of the DSM potential study inputs and assumptions, that a DSM working group was formed previously in the IRP cycles, and that the development of DSM input has been a collaborative effort in the IRP process of other major utilities. Further, nothing in the IRP Rules prevents other parties from procuring their own DSM consultant to put a DSM potential study into the record; and

WHEREAS, the Council observes that the COVID-19 pandemic requires that significant Council and Staff resources be devoted to efforts to mitigate the impact on the community and support pandemic response efforts. The Council does not believe it would be appropriate at this time to divert the necessary resources to the issuance of an RFP for and the selection of a DSM Potential Study consultant; and

WHEREAS, for these reasons, the Council declines to hire an independent consultant to perform a DSM Potential Study for the 2021 Triennial IRP, but notes that this determination has no impact upon or precedential value for Council determinations regarding the hiring of such a consultant in future Triennial IRP proceedings; and

2. *Development of Integrated Distribution Planning*

WHEREAS, Section 6(E) of the IRP Rules states:

It is the Council's intent that, as part of the IRP, the utility shall evaluate the extent to which reliability of the distribution system can be improved through the strategic location of DERs or other resources identified as part of the IRP planning process. The utility should provide an analysis, discussion, and quantification of the costs and benefits as part of the evaluation. To the extent the Utility does not currently have the capability to meet this requirement, the utility shall demonstrate progress toward accomplishing this requirement until such time as it acquires the capability.

WHEREAS, the integration of distributed generation and customer-owned DER into the New Orleans electric grid in a manner that supports grid reliability and sustainability remains a priority for the Council; and

WHEREAS, the Council understands that ENO does not currently possess the capability to perform such analyses, but desires that ENO begin to develop such capability using tools such as Distribution Management System and DER Management Systems. The Council received in ENO's 2018 IRP report its explanation of the measures it is taking to develop this capability; and

WHEREAS, as part of the final IRP filing in this proceeding, ENO is directed to include a report containing its ongoing assessment of (1) its progress toward being able to determine how to integrate distributed generation and customer-owned DER into the distribution grid in a manner that supports grid reliability and sustainability; (2) any hardware, software or other equipment; (3) additional personnel; (4) personnel training, or (5) any other measures required to enable ENO to perform the requested analyses, including the estimated costs thereof, and any steps ENO has already taken toward acquiring this capability; and

3. *Advisors' Suggestions for 2021 Triennial IRP Procedure*

WHEREAS, in the *Advisors Report Regarding the Entergy New Orleans, LLC 2018 Integrated Resource Plan* ("Advisors' Report"), the Advisors made eight suggestions for improvements to the IRP Procedure for the 2021 Triennial cycle. The Council adopted Resolution No. R-20-52 on February 20, 2020, which set forth a 30-day period for public comment on the Advisors' suggestions; and

WHEREAS on March 23, 2020, Comments were filed in response to the Advisors' Report by ENO and AAE; and

WHEREAS, first, the Advisors recommended that it would be helpful for ENO to provide the parties with an estimate of the annual DSM costs for each portfolio modeled;³ and

WHEREAS, ENO notes that it provided a breakdown of DSM costs for each portfolio in the 2018 Triennial IRP cycle in response to a similar request and states that it expects to be able to provide similar information as highly sensitive protected materials (“HSPM”) for the potential study prepared by its own consultant in future cycles.⁴ ENO notes that its ability to provide the information on behalf of the Council’s DSM consultant will depend upon the nature of any confidentiality provisions in the agreement between the Council and its consultant;⁵ and

WHEREAS, the AAE commented that it supports the Advisors’ recommendation, but only if cost effectiveness testing, or expected savings from the portfolios, either as Total Resource Cost Test or Utility Cost Test, are also provided.⁶ AAE argues that the value of the programs, by definition, exceed their costs, but that some portfolios may be more cost-saving than others.⁷ Further, AAE argues, should these requirements be added to reporting, an estimate of the annual revenue requirements for other portfolio resources (supply side) must also be included;⁸ and

WHEREAS, the Council finds it reasonable to require ENO to provide the parties with an estimate of the annual utility DSM program costs for each optimized portfolio modeled for the Planning Scenario and Planning Strategies without requiring the parties to request the information. The Council also believes it is reasonable to require ENO to produce the same annual cost information for supply-side resources for each of the optimized portfolios. Such information may be designated as HSPM, if it is appropriate under the Council’s Protective Order to do so; and

³ Advisors’ Report at 13.

⁴ ENO Comments at 1.

⁵ ENO Comments at 1.

⁶ AAE Comments at 1.

⁷ AAE Comments at 1.

⁸ AAE Comments at 1.

WHEREAS, second, the Advisors recommended that to the extent that the Council determines that it will use its own independent expert to produce a DSM Potential Study in a subsequent IRP cycle, it would be helpful if the Council provided guidance to ENO and the independent consultant as to how to make resource portfolios produced using inputs from different studies more directly comparable;⁹ and

WHEREAS, to the extent the Council modifies the language of the IRP Rules concerning development and use of DSM studies, ENO requests an opportunity to be able to review and provide written comment into the record on, such changes and their effects on the resource planning function of ENO's business.¹⁰ ENO maintains that the differences in outcomes between Navigant's and Optimal's analyses in the 2018 Triennial IRP cycle were not traceable to inputs used for the studies, but rather to Optimal's use of (i) assumptions that were not supported by the empirical evidence derived from Energy Smart program years and (ii) data sets, and data points, with only a tenuous (at best) connection to the characteristics of ENO's service area and customer base.¹¹ ENO argues that these kinds of differences could be remedied by the Council providing guidance to its next DSM consultant to utilize data sets and assumptions that are more relevant to ENO and Energy Smart than those used by Optimal for the 2018 cycle;¹² and

WHEREAS, as discussed above, AAE suggests that the Council select its own DSM consultant and that there is no need for ENO to sponsor a second study, but that if it does, AAE encourages planning and guidance to the two study consultants as to the method of inputs for

⁹ Advisors' Report at 13.

¹⁰ ENO Comments at 2.

¹¹ ENO Comments at 2-3.

¹² ENO Comments at 3.

modeling purposes, beginning at the contracting stage and in conjunction with ENO’s modeling team;¹³ and

WHEREAS, as explained above, the Council has chosen not to retain its own DSM potential study consultant for the 2021 Triennial IRP. While there is no need to issue specific guidance to coordinate a Council-approved DSM consultant with ENO’s DSM consultant, the Council intends that there be robust opportunity for the Intervenors and Council Advisors to participate in the concurrent development of inputs and assumptions for the DSM potential study in collaboration with the utility, and that the utility would include evaluation of reasonable measures suggested by the Advisors and Intervenors in the DSM potential study. However, the Council notes that nothing in the IRP Rules prohibits another party from hiring their own consultant and submitting a DSM potential study. If any party does choose to hire its own consultant, it should notify persons on the Council’s official service list for this proceeding of its decision, and the Council shall issue any guidance necessary to encourage DSM potential studies with directly comparable results at that time to the parties through its Advisors; and

WHEREAS, in addition, AAE argues that where resources, like Conservation Voltage Reduction, are pinpointed by any DSM consultant, but the utility decides to exclude them as outside the bounds of the DSM potential study, the Council should direct ENO to include such resources in another way to capture the savings from the measure;¹⁴ and

WHEREAS, the Council observes that while the Energy Smart Program is currently expected to be the single largest source of demand-side management on ENO’s system, the IRP Rules do not limit ENO’s consideration of potential demand-side resources to only those appropriate for inclusion in the Energy Smart Program, but instead require ENO to “consider and

¹³ AAE Comments at 2.

¹⁴ AAE Comments at 2.

identify all cost-effective demand-side resources through the development of a DSM potential study;”¹⁵ and

WHEREAS the Council therefore expects that to the extent viable utility-sponsored demand side resources not appropriate for inclusion in a retail customer application like Energy Smart are identified in DSM potential studies, they would be separately modeled in the optimization portfolios as stand-alone utility-sponsored demand side resources, rather than being excluded from the optimization process. Customer-owned demand side resources should be clearly identified in the IRP load forecast;¹⁶ and

WHEREAS, further, the Council is specifically interested in evaluating the feasibility of a customer DER program whereby customers would receive an incentive to install energy storage facilities on their property controlled by the utility, such that the utility could direct when the storage units dispatch stored electricity onto the distribution grid. The Council directs ENO to include such a measure as one of the measures evaluated in the DSM potential study; and

WHEREAS, third, the Advisors stated that the most recent DSM planning tool of the Energy Smart Third Party Administrator and Third Party Evaluator related to specific DSM measures’ metrics and costs, as well as the most recent results of the program years implementation plan should also be considered among the DSM inputs to the various planning strategies;¹⁷ and

WHEREAS, ENO states that to the extent that this recommendation is intended to add a third set of DSM inputs beyond those generated through the DSM potential studies, ENO opposes

¹⁵ IRP Rules at Section 5.A.4.

¹⁶ IRP Rules at Section 4.A.2 state: “The details of the Load Forecast should identify the energy and demand impacts of customer-owned DERs and then existing Utility-sponsored DSM programs.”

¹⁷ Advisors’ Report at 13.

the recommendation.¹⁸ ENO argues that there were problems related to incorporating two different DSM potential studies and then comparing the resulting portfolios and that adding a third set of inputs would be even more complex and result in a third set of portfolios that would be at least as difficult, if not more so, to compare to the other two groups.¹⁹ ENO also explains that because the DSM potential studies used background data that included prior years' results from Energy Smart, the results of Energy Smart are already factored into the portfolio analysis through the current planning process.²⁰ Finally, ENO notes that the DSM planning tools used by a Third Party Administrator focus on near-term program implementation, not long-term estimation of potential DSM savings, and therefore require different considerations and analysis than a 20-year potential study.²¹ ENO argues a comparison of the two fundamentally different datasets would not yield meaningful results;²² and

WHEREAS, AAE agrees that Energy Smart implementation should match expectations from potential studies and planning strategies and states that where measures are not included in the DSM planning tool, the metrics and costs should be considered in the Technical Resource Manual update;²³ and

WHEREAS, the Council expects that there would be some level of consistency at a DSM measure level between the DSM programs implemented by ENO in Energy Smart and the DSM programs that perform well in the 20-year DSM Potential Study and IRP optimized portfolio analysis, and for the 20-year DSM Potential Study analysis to be informed by actual Energy Smart program results and implementation plans in New Orleans; and

¹⁸ ENO Comments at 3.

¹⁹ ENO Comments at 3.

²⁰ ENO Comments at 3.

²¹ ENO Comments at 4.

²² ENO Comments at 4.

²³ AAE Comments at 2-3.

WHEREAS, the Council directs ENO to work with the Advisors to ensure that the connections, including measure assumptions and metrics, between the IRP DSM Potential Study analysis and the implementation of Energy Smart DSM programs are clear and easily understood; and

WHEREAS, fourth, the Advisors recommended that the initial total supply costs from the Aurora capacity expansion module for all optimized portfolios related to the planning scenarios and planning strategies should be provided with supporting detail;²⁴ and

WHEREAS, ENO states that this data was requested and provided in the 2018 IRP cycle as HSPM, but that given the time required to extract the data and collect it into a format that can be shared, time would need to be built into the schedule to continue providing this kind of information and to accommodate any modification that would increase the number of portfolios for which these calculations are being performed;²⁵ and

WHEREAS, AAE agrees with the Advisors' recommendation, noting that all supporting detail is useful in better understanding the impacts of adding and reducing supply, and that requiring parties to ask for the detailed information adds an unnecessary step;²⁶ and

WHEREAS, the Council agrees that the initial total supply costs for each of the optimized portfolios should be provided since these calculations are being performed in the capacity expansion phase of the optimization with no increase in the number of portfolios. The Council recognizes that ENO would require additional time to provide the data in a format that can be shared, but notes that ENO made no suggestion as to how much time would be required. To the extent that ENO is of the opinion that the amount of time provided in the procedural schedule set

²⁴ Advisors' Report at 13.

²⁵ ENO Comments at 4.

²⁶ AAE Comments at 3.

forth herein is insufficient to allow for the provision of this data, ENO should make a motion to modify the procedural schedule for the Council to consider. The Council would prefer that any such proposed modification to the procedural schedule preserve the deadline for the filing of the Final IRP Report set forth in this Resolution, and that any necessary adjustments be made to the dates prior to that deadline, keeping in mind fairness to all parties; and

WHEREAS, ENO and the Parties should consider that the energy-based nature of RCPS compliance may require a variation in the optimization methodology as compared to other planning strategies, and consider whether the IRP modeling process and initial total supply costs for each portfolio optimized under the planning strategy that includes RCPS should recognize this potential difference; and

WHEREAS, fifth, the Advisors recommended future IRP final reports include more detail regarding how specific various distributed energy resources impact the load forecast, with potential ranges of projected estimates;²⁷ and

WHEREAS, ENO explains that the load forecasting methodology it utilizes does account for customers' adoption of DERs, and that for future IRPs, ENO will continue the practice of including varying ranges of DER adoption in its load forecasts and sensitivities and anticipates being able to provide more transparent and granular details on the forecasted adoption levels and potential effects on load growth;²⁸ and

WHEREAS, AAE supports the Advisors' recommendation, noting that as more DERs are added to the system, they will impact not only the overall capacity and energy needs, but also the

²⁷ Advisors' Report at 13.

²⁸ ENO Comments at 5.

distribution system, and it will be critical to include detail on how the new resources benefit or challenge load and reliability;²⁹ and

WHEREAS, the Council directs the Advisors to work with ENO to ensure that ENO's discussion of DER in the load forecast, distribution system, and workpapers of the IRP Report is sufficiently detailed to enable the Council and the parties to understand how DERs were accounted for in ENO's IRP analysis, and what the potential impacts upon the system of adoption of various amounts and types of DERs might be; and

WHEREAS, sixth, the Advisors recommended that planning strategies include specific information reflecting Council policy contained in the RCPS docket, Community Solar docket, Smart Cities docket, and other dockets related to the planning of future resources;³⁰ and

WHEREAS, ENO argues that to the extent that the Advisors' suggestion is meant to indicate that multiple planning strategies be used to evaluate an increasing number of Council policies, such a suggestion may be difficult to accommodate, and that there may be limited ability to incorporate additional Council policy goals beyond the 2% goal and the RCPS policy into planning strategies, for at least the next few IRP cycles;³¹ and

WHEREAS, AAE comments that Integrated Resource Planning should always include information that contextualizes all policies that impact existing and potential resources. AAE argues that where the Council has prioritized reduction of greenhouse gasses, reliability improvements, and modernization of the City's energy infrastructure, each of these priorities must inform planning.³² AAE argues that this extends to resource planning with and for the Sewerage

²⁹ AAE Comments at 3.

³⁰ Advisors' Report at 13.

³¹ ENO Comments at 5-6.

³² AAE Comments at 3-4.

and Water Board of New Orleans, the City's largest energy user.³³ AAE argues that not acknowledging potential changes to load from changes in the power resources at Sewerage and Water Board is ill-advised;³⁴ and

WHEREAS, the Council notes that ENO's comments appear to contemplate that a separate planning strategy would be needed for each Council policy goal. The Council does not interpret its rules to so require;³⁵ rather, the Council interprets its IRP Rules to require that the selected planning strategies could be formed to reflect all of the Council's effective energy policy goals unless a separate strategy for a particular goal is directed in an Initiating Resolution; and

WHEREAS, while, at the time of the adoption of this initiating resolution, the Council has not yet adopted an RPS in Council Docket No. UD-19-01, to the extent that the Council does so, it directs ENO that such RPS should be included in one of the planning strategies, and that to the extent it supersedes the 2% goal energy efficiency goal, ENO need not model the 2% goal in a separate planning strategy, and to the extent that the RCPS ultimately adopted is consistent with the 2% goal, both should be modeled in the planning strategy that includes the Council's policies; and

WHEREAS, the Council clarifies that, unless otherwise specified in a particular resolution, its objective is to be able to generally track the extent to which its energy policies as a whole change and impact the costs of each of the optimized portfolios through the IRP, rather than to examine the specific impact of individual Council policies, which generally would be examined and considered at the time such policies are adopted; and

³³ AAE Comments at 4.

³⁴ AAE Comments at 4.

³⁵ Section 7.D. of the IRP Rules states that the utility shall identify 2 to 4 Planning Strategies, and as necessary, the utility shall develop alternate Planning Strategies to reflect known utility regulatory policy goals of the Council. The 2018 IRP optimized portfolios using 5 Planning Strategies.

WHEREAS, seventh, the Advisors recommended that the qualitative analysis and subjective aspects of the IRP scorecard should be improved and updated to make the scorecard a more useful portfolio evaluation tool;³⁶ and

WHEREAS, ENO states that it will welcome constructive, timely feedback on the scorecard for the next IRP cycle, but believes it has made more than reasonable efforts to develop and improve the scorecard given the limited feedback from the parties received to date and the inherent difficulty in reducing disparate portfolios to numerically comparable criteria;³⁷ and

WHEREAS, AAE states that the scorecard provides valuable information and while it may be impossible to perfect, each IRP cycle should see some updates to the scorecard, especially with respect to new policies, local, national, or otherwise;³⁸ and

WHEREAS, the Council found the scorecard to be useful in the 2018 Triennial IRP cycle in assisting the Council in understanding how the disparate optimized portfolios could also be evaluated with respect to various important but nonmonetary criteria, and encourages the parties to continue to work together to improve the scorecard with each Triennial IRP cycle; and

WHEREAS, finally, the Advisors recommended that ENO be directed to utilize AURORA's modeling capability for an economic analysis of retirement dates for ENO's existing assets rather than utilizing fixed retirement dates;³⁹ and

WHEREAS, ENO argues that this recommendation was considered and rejected by the Council in Resolution No. R-17-429 when the Council adopted the IRP Rules.⁴⁰ ENO argues that given the significant potential customer harms that have been identified by the Council and the

³⁶ Advisors' Report at 13.

³⁷ ENO Comments at 6.

³⁸ AAE Comments at 4.

³⁹ Advisors' Report at 13.

⁴⁰ ENO Comments at 6-7.

Advisors as related to attempting to analyze early resource retirements in the IRP, ENO believes that, at a minimum the parties advocating for this change should be required to identify what customer benefits could be derived from expending what the Council previously determined to be “an unreasonable amount of resources” on future IRP cycles.⁴¹ ENO argues that in the absence of a credible statement of what benefits customers would derive from the time and money spent on these additional analyses, ENO believes the Council’s prior determination of the issue should stand.⁴² ENO argues that to the extent that the Council intends to modify or amend the language of the IRP Rules in a manner that diverges from the outcome of UD-17-01, ENO requests the opportunity to review the specific language being proposed and comment upon, and provide suggested redlines to, the new IRP Rules in the record of that proceeding.⁴³ ENO also argues that additional time would be necessary to accommodate any changes to the IRP Rules;⁴⁴ and

WHEREAS, AAE argues that this update must be made to resource planning in future cycles, stating that where old or uneconomic resources represent an unnecessary burden to customers, those assets should be known and different retirement dates should be contemplated;⁴⁵ and

WHEREAS, the Council understands the Advisors’ suggestion to be that rather than programming a pre-set retirement date for each exiting resource into the AURORA model and requiring the model to utilize that resource until the programmed retirement date, as an alternative, allow the IRP modeling process to determine when to replace existing resources with more economic new resources.⁴⁶ While the Council is cognizant that an actual early retirement of

⁴¹ ENO Comments at 7.

⁴² ENO Comments at 7-8.

⁴³ ENO Comments at 8.

⁴⁴ ENO Comments at 8.

⁴⁵ AAE Comments at 4.

⁴⁶ The IRP Rules, Section 5 identifying resource options, do not identify a constraint of fixed resource retirement dates for supply side resources. IRP Rules, Section 7, describes the IRP process as an accepted analytical approach

resources may incur additional costs due to various legal constraints, the Council is of the opinion that a true least cost portfolio IRP analysis would be free of these constraints. Thus, the Council clarifies that while the Council would expect the reference planning strategy to include the current anticipated retirement dates of existing resources, the lowest cost option planning strategy should assume resources could be retired in the IRP optimization process when it becomes economic to retire them relative to the cost of new resources; and

WHEREAS, in accordance with the findings above; **NOW THEREFORE**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS

THAT:

1. The Council establishes Docket No. UD-20-___ to consider the 2021 Triennial IRP of ENO.
2. The Honorable Marie Auzenne is hereby appointed as Hearing Officer in this docket, and shall, for good cause shown and as required by the circumstances of the proceeding, have the authority to change or amend the procedural dates set forth herein, except for the deadline for the Final IRP Report to be submitted, which shall require a resolution of the Council to change or amend.
3. To the extent that the City Clerk's office closes before 5:00 pm on the date of any deadline contained herein or otherwise set by the Hearing Officer, the deadline shall be extended to the next business day.
4. ENO and the Council's Advisors are designated as parties to this proceeding. Additionally, a deadline for intervention by other parties is set forth in the procedural schedule below.
5. The Council adopts the following procedural schedule:
 - a. The initial public meeting shall be held no later than October 16, 2020. The meeting shall be scheduled by CURO in Council Chambers with video recording.⁴⁷ CURO shall provide 30 days' notice to the parties, and such

to account for alternative resource options. As such, IRP modeling has no relationship with the comprehensive retirement proceedings undertaken for a specific resource, and therefore represent no significant potential customer harms, and no credible statement of customer benefits is required.

⁴⁷ The Council notes that as of the adoption of this Resolution, the 2019-2020 COVID-19 global pandemic has caused the need for various bans and/or prohibitions on public gatherings for public health and safety purposes, and, if the pandemic persists or if there is a resurgence of the pandemic in the New Orleans region, such bans and prohibitions on public gatherings may make a public meeting in Council Chambers either impossible or inadvisable

notification shall be published in *The Times Picayune*, *Gambit*, *The New Orleans Advocate*, *The New Orleans Tribune*, and on ENO's website. The meeting shall be open to the public, and consist of presentations by the Council's Advisors and/or ENO regarding (1) the purpose of the IRP; (2) the IRP process, timeline and procedural schedule; (3) analyses performed in the IRP process, including the inputs and assumptions thereto; and (4) ways in which the public may participate in the proceeding. CURO shall have a sign-up sheet for Interested Persons, as defined in Section 2(A)(9) of the IRP Rules, present at the public meeting, however, members of the public interested in becoming Interested Persons may do so at any time throughout the IRP proceeding by making a request to CURO.

- b. Interested parties shall intervene in the case by November 2, 2020. Persons desiring to intervene shall do so by filing a motion to intervene with the Clerk of Council and paying the applicable filing fee, unless such fee is waived pursuant to Council Resolution R-16-365, with a copy submitted to the Chief, Council Utilities Regulatory Office, Room 6E07 City Hall, 1300 Perdido Street, New Orleans, LA 70112. The Council's requirements for motions to intervene may be found in the City Code (which is available on the Council's website) at sections 158-236, 158-240, 158-286, 158-287, 158-322, and 158-324. Objections to intervention requests shall be filed within five days of such requests. Timely-filed intervention requests not objected to within that time period shall be deemed GRANTED.
- c. Technical Meeting 1 of the Parties, CURO and Advisors shall be held between November 30, 2020 and December 11, 2020. The purpose of this meeting will be to discuss planning scenarios and strategies. ENO should be prepared to present its proposed reference and alternative planning scenarios, the lowest cost option planning strategy, and a reference planning strategy, with the intent of attempting to reach a consensus among the parties regarding the reference planning strategy. The Council encourages the Intervenors to engage in discussions among themselves prior to this meeting to determine their priorities regarding planning scenarios and planning strategies. If, as a result of this meeting, a Stakeholder scenario and strategy are to be developed, the Intervenors shall prepare and submit their scenario and strategy to ENO for modeling pursuant to an agreed-upon timetable prior to Technical Meeting 2. The Advisors shall work with the Intervenors to ensure that the Intervenor inputs provided can be accommodated within the framework of the existing model and software.

at various points in time. For each of the public meetings or technical conferences required under this procedural schedule, CURO shall evaluate the conditions prevalent at the designated time for the issuance of the notice of the meeting or technical conference, and if in CURO's assessment, it is necessary to protect public health and safety or to comply with any prevailing bans or prohibitions on public gatherings, CURO may convene such public meeting or technical conference through the use of teleconference or videoconference technology consistent with Council practices for public hearings and the requirements of any applicable law governing such meetings in effect at the time of the meeting(s) or conference(s).

- d. DSM Potential Studies to be submitted in the proceeding shall be completed by March 1, 2021. The Council expects that Intervenors and Council Advisors will participate in the concurrent development of inputs and assumptions for the DSM Potential Study in collaboration with ENO. The completed DSM Potential Studies shall be circulated to all Parties.
- e. Technical Meeting 2 of the Parties, CURO and Advisors shall be held between March 15, 2021 and March 26, 2021. The purpose of this meeting is to either confirm a consensus regarding the proposed planning scenarios, reference planning strategy, and other planning strategies, or to confirm that ENO is prepared to include a Stakeholder planning scenario and planning strategy pursuant to the discussions of Technical Meeting 1.
- f. The last date for the issuance of Council policies that must be included in the optimization process will be May 14, 2021.
- g. Technical Meeting 3 of the Parties, CURO and Advisors shall be held between May 31, 2021 and June 11, 2021 to finalize the planning scenarios and planning strategies by all parties and lock down of all IRP inputs. The results of the DSM potential studies will be provided in the input format required for modeling in the IRP. This meeting will also contain the initial discussion of scorecard metrics.
- h. All IRP inputs shall be finalized as of June 14, 2021.
- i. ENO shall complete all optimized portfolio development and results by October 8, 2021. The resulting optimized portfolios and supporting workpapers shall be circulated to the Parties.
- j. Technical Meeting 4 of the Parties, CURO and Advisors shall be held between October 25, 2021 and November 5, 2021. The purpose of this meeting is to review the Optimized Resource Portfolios, finalize the Scorecard Metrics, and conduct an initial discussion regarding Energy Smart Program budgets and savings goals. For this meeting, ENO should prepare initial proposed Energy Smart Program budgets, and savings goals for discussion.
- k. The 2021 IRP Report shall be filed by ENO by January 24, 2022.
- l. The second public meeting shall be held between February 7, 2022 and February 18, 2022. ENO shall present the IRP Filing to the public and receive public comment. ENO should have a portal on its website for questions and comments to be submitted over a 15-day period, ENO must respond to each question on a rolling 10-day basis. Intervenors are encouraged to submit any questions to ENO during this period as well. The meeting shall be scheduled by CURO in Council Chambers with video recording. CURO shall provide 30 days' notice to the parties, and such

notification shall be published in *The Times Picayune*, *Gambit*, *The New Orleans Advocate*, *The New Orleans Tribune*, and on ENO's website.

- m. The third public meeting shall be held between March 7, 2022 and March 18, 2022. Interested members of the public are invited to make a two-minute statement to the Council on the record regarding their opinions on the IRP. The meeting shall be scheduled by CURO in Council Chambers with video recording, and a court reporter. CURO shall provide 30 days' notice to the parties, and such notification shall be published in *The Times Picayune*, *Gambit*, *The New Orleans Advocate*, *The New Orleans Tribune*, and on ENO's website. The transcript of the meeting shall be ordered by the most expeditious means available, and the Advisors shall file the transcript of this meeting into the docket.
 - n. Technical Meeting 5 of the Parties, CURO, and Advisors shall be held between March 7, 2022 and March 18, 2022. The purpose of this meeting is to discuss Energy Smart implementation for Program Years 13-15.
 - o. Intervenor comments on the Final IRP filing shall be filed not later than March 24, 2022.
 - p. ENO Reply Comments shall be filed not later than May 5, 2022.
 - q. The Advisor Report shall be filed not later than June 9, 2022.
 - r. The Energy Smart Implementation filing for Program Years 13-15 shall be filed not later than June 16, 2022, with details of Energy Smart program design.
 - s. Further procedural deadlines related to the Energy Smart Implementation Filing will be set in a future resolution.
6. All materials to be discussed at any technical meeting of the Parties, CURO and Advisors or at a public meeting should be served on the service list no less than two weeks prior to the meeting.
7. Nothing in this Resolution prohibits parties from scheduling additional meetings among themselves as necessary. To the extent that additional meetings are necessary, they are to be arranged by the parties with the assistance of the Hearing Officer, if necessary.
8. The Council directs ENO to include its goal of increasing energy efficiency incremental annual kWh savings by 0.2% of sales per year until such time as incremental annual kWh savings reach 2% of annual sales into the Planning Strategy that incorporates all effective Council utility regulatory policies unless this goal is superseded by Council action prior to the deadline for the issuance of Council policies that must be included in the IRP optimization process, in which case the superseding energy efficiency goal set forth by the Council shall be used

instead. The Council-approved demand response kW reductions for Energy Smart Program Years 10 - 12 should also be included. Similarly, to the extent the Council adopts an RCPS in Council Docket No. UD-19-01 prior to the deadline for the issuance of Council policies that must be included in the optimization process, then such RCPS should also be included.

9. The Council directs ENO to work with the Intervenors, CURO, and the Advisors on inputs and assumptions for the DSM potential study and to include in the measures evaluated in the study any reasonable measures proposed by the Intervenors, CURO or the Advisors. Further, the Council specifically directs ENO to include in the measures to be evaluated in the study a customer DER program whereby customers would receive an incentive to install energy storage facilities on their property controlled by the utility such that the utility could direct when the storage units dispatch stored electricity onto the distribution grid.
10. The Council directs ENO to include its final, approved Energy Smart Program Years 10-12 budget and savings goals into the assumptions in all Planning Strategies.
11. The Council directs ENO to include in its scorecard all of the metrics listed in the IRP Rules, including consistency with the RCPS ultimately adopted in Council Docket No. UD-19-01, assuming that it is adopted prior to the deadline for the issuance of Council policies that must be included in the optimization process. In the event no such standard is adopted by the deadline, then consistency with the Climate Action for a Resilient New Orleans plan released by the Mayor's office on July 7, 2017 should be included instead.
12. A formal discovery period shall run from the issuance of this Resolution through May 25, 2022 (discovery requests must be made in time that responses may be received prior to the close of the discovery period). Responses to data requests shall be made on a rolling basis and shall be due within 15 calendar days of receipt. Parties are encouraged to submit their data requests and responses electronically, where appropriate. Objections to data requests shall be filed within five days of receipt. The Parties are encouraged to attempt to resolve their discovery disputes amicably prior to seeking the intervention of the Hearing Officer or appealing to the Council.

13. It is anticipated that during discovery, the parties may be required to produce documents or information that are deemed confidential and/or highly sensitive and, accordingly, the Council adopts for use in this docket its official Protective Order adopted by Resolution No. R-07-432, a copy of which can be obtained from CURO.

THE FOREGOING RESOLUTION WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION THEREOF, AND RESULTED AS FOLLOWS:

YEAS:

NAYS:

ABSENT:

AND THE RESOLUTION WAS ADOPTED.