



**Entergy Services, LLC**  
639 Loyola Avenue (70113)  
P.O. Box 61000  
New Orleans, LA 70161-1000  
Tel 504 576 4102  
Fax 504 576 5579  
[cnicho2@entergy.com](mailto:cnicho2@entergy.com)

**Courtney R. Nicholson**  
Senior Counsel  
Legal Services - Regulatory

August 28, 2020

**Via Electronic Delivery**

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

***Re: Application of Entergy New Orleans, Inc. for Approval to Deploy Advanced Metering Infrastructure, and Request for Cost Recovery and Related Relief; Resolution and Order Directing Entergy New Orleans, LLC to Accelerate Implementation of its Advanced Metering Initiative;***  
**CNO Docket NO.: UD-16-04**

Dear Ms. Johnson:

Please find enclosed for your further handling Entergy New Orleans, LLC's ("ENO's") Updated Report Regarding the Council's Request to Investigate the Feasibility of Accelerating the Deployment of Advanced Meters Pursuant to Council's Resolution No. R-18-99. ENO submits this filing electronically and will submit the requisite original and number of hard copies once the Council resumes normal operations, or as you direct. ENO requests that you file this submission in accordance with Council regulations as modified for the present circumstances.

Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in blue ink that reads "Courtney R. Nicholson".

Courtney R. Nicholson

CRN/bkd

cc: Official Service List UD-16-04 (*via electronic mail*)

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

<b>IN RE: APPLICATION OF ENTERGY</b>	)	
<b>NEW ORLEANS, INC. FOR APPROVAL</b>	)	
<b>TO DEPLOY ADVANCED METERING</b>	)	
<b>INFRASTRUCTURE, AND REQUEST</b>	)	<b>DOCKET NO. UD-16-04</b>
<b>FOR COST RECOVERY AND RELATED</b>	)	
<b>RELIEF</b>	)	

**UPDATED REPORT REGARDING THE COUNCIL’S REQUEST  
TO INVESTIGATE THE FEASIBILITY OF ACCELERATING  
THE DEPLOYMENT OF ADVANCED METERS**

NOW BEFORE THE COUNCIL OF THE CITY OF NEW ORLEANS, (the “Council”), through the undersigned counsel, comes Entergy New Orleans, LLC (“ENO” or the “Company”), who respectfully submits this Updated Report in response to Council Resolution No. R-18-99 (the “Updated AMI Deployment Report”), providing notice to the Council of an inability to accelerate ENO’s deployment of Advanced Meter Infrastructure (“AMI”) for its gas distribution system. In February 2018, the Council approved ENO’s Application to deploy AMI in its service area, filed October 18, 2016, finding that that ENO’s proposed AMI deployment is prudent and in the public interest.<sup>1</sup> In connection with its approval of ENO’s AMI Application, the Council expressed its excitement and desire to implement AMI in the City of New Orleans as quickly as possible, provided that cost efficiencies and/or the quality of the deployment are not significantly affected. As such, ENO worked diligently with its vendors to determine that a one-year acceleration is feasible for an estimated \$4.4 million increase in capital and could be executed in a manner that will not affect the quality of the AMI deployment. These findings were presented to the Council in the Report in response to Resolution No. R-18-99, filed by ENO on June 6, 2018 (the “2018

---

<sup>1</sup> See Resolution No. R-18-37, February 8, 2018.

AMI Deployment Report”).<sup>2</sup> The accelerated AMI deployment schedule set forth in the 2018 AMI Deployment Report estimated that all meters, electric and gas, would be installed in ENO’s service area by the end of 2020, instead of final deployment being completed in 2021 as originally proposed in ENO’s AMI Application.<sup>3</sup> The accelerated AMI deployment plan was approved by the Council in Resolution No. R-18-224.

While the accelerated AMI deployment schedule currently remains intact with respect to the deployment of ENO’s advanced *electric* meters, logistical complications associated with the COVID-19 pandemic pose an inability to accelerate the final deployment of ENO’s advanced *gas* meters. Due to these COVID-19-related constraints, full deployment of advanced gas meters would be completed by September 2021, which, consistent with the spirit of Resolution No. R-19-99, still reflects a marginally accelerated deployment as compared to the Company’s original deployment schedule contemplated in ENO’s AMI Application. Notably, ENO has worked with its vendors to navigate the logistical complications posed by COVID-19 in a manner that will not erode the overall net benefits of ENO’s deployment or materially affect the overall cost or service quality of the project.

**I. COVID-19 Has Posed Complications That Restrict ENO’s Ability to Accelerate its Gas AMI Infrastructure Deployment.**

The COVID-19 pandemic has presented logistical constraints that will restrict ENO’s ability to accelerate full deployment of the gas advanced meters. As described in ENO’s AMI Application, the conversion of ENO’s then-existing gas meters to advanced gas meters involved

---

<sup>2</sup> See Report Regarding the Council’s Request to Investigate the Feasibility of Accelerating The Deployment Of Advanced Meters, June 6, 2018 at p. 3.

<sup>3</sup> See Direct Testimony of Rodney W. Griffith, at 10 – 11 explaining that ENO’s electric and gas deployment would be complete by the end of 2021, with 97,000 gas and electric meters will be replaced in 2019, 120,000 meters in 2020, and finally 98,000 meters in 2021.

some key distinctions from ENO's conversion of its electric meters.<sup>4</sup> Unlike the electric meter conversion, which requires the complete replacement of the meter, over 90% of the Company's then-existing gas meters were capable of being converted to advanced gas meters by simply installing a communication module on the existing gas meter, without the need to disconnect the meter.<sup>5</sup> Those gas meters can be retrofitted by removing the standard index (referred to as "IMU") and replacing it with the communication module that would be programmed to interface with the meter and the AMI communications and IT systems.

ENO's vendor must hire roughly 10 additional gas installers with expertise required to execute the conversion required for the gas AMI deployment, an endeavor that has become increasingly difficult in the wake of COVID-19. Apart from hiring delays, COVID-19-related restrictions caused the warehouse where stored equipment for the gas AMI deployment to become inaccessible for an unexpected, extended period for sanitation. Once reopened, the process for staggering and limiting the number of individuals allowed in the warehouse further hindered the ability to fully staff for the conversion of ENO's gas meters. Due to the hiring and accessibility delays caused by the COVID-19 pandemic, the Company currently expects to complete its full conversion of advanced gas meters by September 2021, approximately 9-months later than the targeted completion in the accelerated schedule presented in the 2018 AMI Deployment Report.

ENO is working with its vendors to navigate the logistical complications posed by the COVID-19 pandemic in a manner that is not estimated to erode the overall net benefits of ENO's AMI deployment or materially affect the overall cost of deployment. In fact, the recent inability to accelerate the gas infrastructure deployment allows for the elimination of a portion of the

---

<sup>4</sup> See Direct Testimony of Michelle P. Bourg, at 4.

<sup>5</sup> *Id.* As discussed in the Direct Testimony of Michelle Bourg, the remaining gas meters (approximately 10%) will need to be replaced with new meters that will accept the communication module.

incremental acceleration cost that would have been incurred under the expedited deployment schedule presented in ENO's 2018 AMI Deployment Report. With the reduction in acceleration costs, ENO currently expects to reduce the overall cost of the gas advanced meter deployment by approximately \$800,000.

**II. The Constraints Caused by COVID-19 Will Not Affect the Electric AMI Deployment Schedule or Erode the Benefits of ENO's Overall AMI Deployment.**

In its AMI Application, the Company provided its cost/benefit analysis, which clearly demonstrates that the AMI deployment will produce net benefits to customers.<sup>6</sup> The Company's 2018 AMI Deployment Report further evidenced that an incremental \$4.4 million in capital costs resulting from a one-year acceleration will not significantly diminish these net benefits, meaning that the project would still be expected to produce substantial net benefits to customers if acceleration is approved. The Company's findings were accepted by the Council in Resolution No. R-18-224 approving the accelerated deployment plan.

The inability to accelerate the gas meter deployment will not erode the overall net benefits of ENO's AMI deployment or materially affect the overall cost of deployment. In fact, the elimination of a portion of the incremental acceleration cost is expected to reduce the overall cost of the gas deployment by approximately \$800,000. Thus, the net benefits set forth in the 2018 AMI Deployment Report remain substantially unchanged.

Notably, the COVID-19 restrictions have not affected the deployment schedule for ENO's advanced *electric* meter conversion. The Company currently expects to complete its full conversion of advanced electric meters by December 2020. Given that the electric AMI deployment constitutes the bulk of the project's costs and benefits, and the status, costs and

---

<sup>6</sup> See Direct Testimony of Jay A. Lewis.

schedule for the advanced electric meter conversion remains intact, the Company still expects to achieve the Council's desire to implement AMI in the City of New Orleans sooner than ENO originally estimated in its AMI Application.

### **III. Conclusion**

As described in its 2018 AMI Deployment Report, ENO worked diligently with its vendors to accelerate its AMI deployment schedule by one-year considering the Council's desire to implement AMI in the City of New Orleans sooner. Thus, instead of full electric and gas AMI deployment being completed in ENO's service area in 2021, ENO and its vendors developed an accelerated schedule whereby electric and gas AMI meters would be installed by the end of 2020. Although ENO expects to still achieve full deployment of its advanced *electric* meters by the end of 2020, the Company expects that its final deployment of its advanced *gas* meters will not be achieved until September 2021. This inability to accelerate the gas advanced meter deployment is largely the result of logistical issues posed by the COVID-19 pandemic. Nevertheless, despite the inability to accelerate ENO's gas deployment schedule, its overall AMI deployment schedule still reflects an acceleration of the schedule contemplated in ENO's AMI Application, which contemplated that full electric and gas deployment would not be complete by the end of 2021. Furthermore, ENO is working with its vendors to navigate the logistical complications posed by the COVID-19 pandemic in a manner that is not estimated to materially affect the overall cost of deployment. In fact, the elimination of a portion of the incremental acceleration cost is currently expected to reduce the overall cost of the gas deployment by approximately \$800,000. This cost reduction will assist ENO in maintaining the overall benefits to its customers associated with its AMI deployment project.

Respectfully submitted:

BY: Courtney R. Nicholson

Timothy S. Cragin, Bar No. 22313  
Courtney R. Nicholson No. 32618  
Harry Barton, Bar No. 29751  
639 Loyola Avenue, Mail Unit L-ENT-26 E  
New Orleans, Louisiana 70113  
Telephone: (504) 576-4102  
Facsimile: (504) 576-5579

**ATTORNEYS FOR ENTERGY  
NEW ORLEANS, LLC**

**CERTIFICATE OF SERVICE**

CNO Docket No. UD-16-04

I, the undersigned counsel, hereby certify that a copy of the above and foregoing has been served on the persons listed below by facsimile, by hand delivery, by electronic mail, or by depositing a copy of same with the United States Postal Service, postage prepaid, addressed as follows:

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

Erin M. Spears, Director  
Bobbie Mason  
City Council Utilities Regulatory Office  
City Hall - Room 6E07  
1300 Perdido Street  
New Orleans, LA 70112

David Gavlinski  
Council Chief of Staff  
City Hall - Room 1E06  
1300 Perdido Street  
New Orleans, LA 70112

Sunni LeBeouf  
City Attorney Office  
Law Department  
City Hall - 5<sup>th</sup> Floor  
1300 Perdido Street  
New Orleans, LA 70112

Norman White  
Department of Finance  
City Hall - Room 3E06  
1300 Perdido Street  
New Orleans, LA 70112

Hon. Jeffrey S. Gulin  
Hearing Officer  
3203 Bridle Ridge Lane  
Lutherville, MD 21093

Clinton A. Vince  
Presley R. Reed, Jr.  
Emma F. Hand  
Dentons US LLP  
1900 K Street NW  
Washington, DC 20006

Basile J. Uddo  
J. A. "Jay" Beatmann, Jr.  
c/o Dentons US LLP  
650 Poydras Street  
Suite 2850  
New Orleans, LA 70130

Victor M. Prep  
Joseph W. Rogers  
Byron S. Watson  
Legend Consulting Group  
8055 East Tufts Avenue  
Suite 1250  
Denver, CO 80237-2835

Errol Smith  
Bruno and Tervalon  
4298 Elysian Fields Avenue  
New Orleans, LA 70122



Brian L. Guillot  
Vice President, Regulatory Affairs  
Entergy New Orleans, LLC  
1600 Perdido Street  
Mail Unit L-MAG-505B  
New Orleans, LA 70112


Alyssa Maurice-Anderson  
Seth Cureington  
Derek Mills  
Entergy New Orleans, LLC  
1600 Perdido Street  
Mail Unit L-MAG-505B  
New Orleans, LA 70112

Timothy S. Cragin  
Harry M. Barton  
Courtney R. Nicholson  
Entergy Services, LLC  
639 Loyola Avenue  
Mail Unit L-ENT-26E  
New Orleans, LA 70113

Joe Romano, III  
Therese Perrault  
Entergy Services, LLC  
639 Loyola Avenue  
Mail Unit L-ENT-4C  
New Orleans, LA 70113

Logan Atkinson Burke  
Sophie Zaken  
Alliance for Affordable Energy  
4505 S. Claiborne Ave  
New Orleans, LA 70125

New Orleans, Louisiana, this 28<sup>th</sup> day of August, 2020.



---

Courtney R. Nicholson