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December 1, 2021

Via Electronic Delivery

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

**Re: Entergy New Orleans, LLC Load Shed Protocols and All Events and
Decisions Related to the February 2021 Winter Storm Uri Event
CNO Docket No. UD-21-01**

Dear Mrs. Johnson:

Please find enclosed for your further handling the Reply Brief of Entergy New Orleans, LLC, which is being submitted for filing in the above-referenced docket. As a result of the remote operations of the Council's office related to COVID-19, 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.

Please note that Exhibit A contains Highly Sensitive Protected Materials and is being provided this date to appropriate reviewing representatives generally in accordance with the terms of the Council's Official Protective Order set forth in Resolution R-07-432 via electronic means.

Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Edward R. Wicker, Jr.", with a long horizontal flourish extending to the right.

Edward R. Wicker, Jr.

ERW/amb
Enclosures

cc: Official Service List (UD-21-01 *via electronic mail*)

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

IN RE: ENTERGY NEW ORLEANS, LLC)
LOAD SHED PROTOCOLS AND ALL)
EVENTS AND DECISIONS RELATED) **DOCKET NO. UD-21-01**
TO THE FEBRUARY 2021 WINTER)
STORM URI EVENT)

REPLY BRIEF OF ENTERGY NEW ORLEANS, LLC

Entergy New Orleans, LLC (“ENO” or the “Company”) submits this Reply Brief to the New Orleans City Council (“Council”) Utility Advisors’ Report dated November 1, 2021 (“Report”), with respect to the load shed event in New Orleans, Louisiana, arising out of Winter Storm Uri.

OVERVIEW

In its Response to Prudence Investigation, the Company explained that, on balance, its response to Winter Storm Uri was reasonable and prudent, especially given the rarity of such an event, as the Entergy Operating Companies (“EOCs”) had not experienced a system-wide load shed in approximately 20 years. Indeed, the Edison Electric Institute recently awarded Entergy an Emergency Response Award for its global response to Winter Storm Uri. The Company also explained that while any service interruption is regrettable, New Orleans compared favorably to other regions that experienced lengthier outages. In New Orleans, approximately 25,000 of ENO’s 206,000 customers (12%) were interrupted for a maximum duration of 1 hour and 40 minutes, whereas a significant number of customers in other areas were interrupted for days. In Texas, for example, 4.5 million people lost electricity for a prolonged period ranging from several hours to many days.

While there were challenges with the Company’s response to Winter Storm Uri, a thorough review of the facts and applicable law, as discussed in the Company’s Response to Prudence Investigation, does not support a finding of imprudence or a fine against ENO under the circumstances. In their recent Report, the Advisors properly agreed that a finding of imprudence or a fine was not warranted. Nonetheless, the Advisors made certain allegations and characterizations in their Report with which the Company generally disagrees. ENO will focus this Reply Brief on the feasibility of certain recommendations made to the Council by the Advisors – many of which ENO agrees with, or commits to working with the Advisors to explore reasonable alternatives. ENO believes that its customers’ interests are best served when the Council and ENO work together constructively to address identified challenges.

ENO’S RESPONSE TO THE RECOMMENDATIONS

In their Report, the Advisors proposed several technical and communications recommendations,¹ each of which ENO addresses below:

1. Technical Recommendations

(a) “The Advisors recommend that the Council direct ENO to provide a revised Manual Load Shed Plan that is consistent with the Advisors’ recommendation, and which reflects the appropriate inclusion of all priority classification 3 feeders, with reference to the 2021 customer list recently completed for all ENO feeder priority classifications.”

ENO Response:

ENO agrees with the recommendation. The Load Shed Manual has already been revised pursuant to a prior request from the Advisors, such that all available class 3 feeders are now included. *See* OPS-702, Entergy Load Risk Management Load Shed (HSPM), eff. Nov. 1, 2021, attached hereto as Exhibit A (“Load Shed Manual”). As part of its constant effort to improve, and

¹ Report, pp. 37-43.

particularly in connection with winter readiness, ENO has implemented these changes, and is also currently re-assessing the Load Shed Manual, the next version of which will be effective in March 2022 and will be provided to the Council through its Advisors.

(b) “The Advisors recommend that the Council direct ENO to supplement the new Entergy Work instruction IT-WI-120 “EMS Load Shed Update Process”, in Section 4, Responsibilities: (i) that the review of changes and document sign-off from the DOC and Distribution Asset Planning include confirmation that the annual Load Program extracts are consistent with the feeder lists provided by the ENO and ELL Load Shed Plans, and (ii) that the EOCs, notably ENO and ELL, be added as responsible for review and document sign-off.”

ENO Response:

ENO agrees with the recommendation, with one caveat. Subpart (ii) appears to have the Council order other EOCs, in particular Entergy Louisiana, LLC (“ELL”), to be “responsible for review and document sign off.” To avoid any jurisdictional issues that may arise between the Council and those other companies, ENO commits that, after the Distribution Operations Center (“DOC”) and Distribution Asset Planning (“DAP”) confirm the annual load program extracts are consistent with feeder lists provided by the ENO and ELL load shed plans, ENO Customer Service personnel will review the load shed plans and confirm there are no ENO feeders on any other EOC’s load shed plan.

(c) “The Advisors recommend that the Council direct ENO to request that the Entergy organizational entity responsible for implementing control and test procedures related to ENO’s and ELL’s Load Shed Programs implement improved control and testing procedures related to the Load Shed Programs to ensure that the Programs shed and restore load on the designated ENO distribution circuit feeders exactly as intended. The Advisors further recommend that the Council should direct ENO to inform the Council when such request has been made and provide a report to the Council on the improved control and testing procedures that have been implemented.”

ENO Response:

ENO agrees with the recommendations. To ensure breakers are properly selected and entered into the correct load shed program, ENO has adjusted and improved its annual review

process to include a cross-functional review and has performed a review of all ENO feeders under the new procedures. The review involved members of ENO Customer Service, ENO Distribution Operations, DAP, DOC, Transmission, and Information Technology groups. The process produced a revised load shed plan (which is consistent with the Advisors' recommendation to include all available class 3 feeders), and a manual validation was performed by the DOC and ENO Distribution Operations personnel to ensure the breakers listed on the plan were programmed into the correct load shed program.

Moreover, in its Response to Prudence Investigation, the Company indicated that it was exploring test simulations for future applications. The Company can report that it now performs drills on a semi-annual basis, which include simulations that attempt to replicate different scenarios (including Max Gen events) that may occur. Such drills and simulations allow operators to gain additional experience and better prepare for emergency events, and consistent with the Advisors' recommendation, the Company commits to creating a procedure to ensure that the load shed programs perform as intended, with the correct feeders in operation.

(d) “The Advisors recommend that the Council direct ENO to develop documentation specifically pertaining to ENO, which provides an arranged set of rules and guidelines for the Load Shed Plan and Load Program review process. This ENO, Operating Company specific, documentation should use complete references to Entergy emergency procedures, include specifically assigned ENO staff positions, include a comprehensive cross functional / cross company review process with a more active ENO staff involvement of review and sign-off of annual Load Shed Plans and Load Shed Program simulation testing, and include ENO staff review and confirmation of correct Load Shed Program operation.”

ENO Response:

ENO believes that this recommendation requires more discussion with the Advisors to explore reasonable alternatives. In response to the challenges from Winter Storm Uri, the Company has taken several important steps, including but not limited to participating in the cross-functional review of the load shed program; improving the categorization of feeders based on

knowledge of critical customers; reviewing the load shed program list to ensure accuracy with feeder lists; and performing drills and simulations on a semi-annual basis. The Load Shed Manual was revised to document these and other steps; for example, the categorization of feeders (Sections 4.8, 5.11.4, 5.11.5, 5.11.6, and 5.11.10); inclusion of category 3 circuits not already on a load shed list (Section 5.6.2.1); and an annual update process with due dates, responsible parties, and system controls (Section 5.11). *See* Exhibit A. These revisions were largely driven by ENO's challenges during Winter Storm Uri, and they now apply to all of the EOCs. Given that a load shed event involves several different functional areas across the Entergy system, it is important that ENO be aligned with, and not separated from, the procedures employed by other EOCs to ensure consistent and efficient planning and execution of load shed events. Thus, the Company commits to working with the Advisors to further understand this recommendation in light of the requirement for ENO to be a part of a much larger emergency response process.

(e) “The Advisors recommend that the Council should direct ENO to perform a comprehensive review of the load measurement related to all ENO feeders. This review should be similar to the review that was conducted on the 41 feeders listed in the current ENO Load Shed Plan. The Advisors recommend that the Council should direct ENO to conduct an increased level of measurement testing on all ENO feeders to confirm, as much as possible, the correct operational interface between the ENO Load Shed Program and the SCADA system. Further, the Advisors recommend that the Council should direct ENO to improve its preventive/routine maintenance procedures (‘PMs’) such that the types of problems identified in its comprehensive review of the 41 feeders in its current Manual Load Shed Plan will be identified for all feeders on a routine basis as part of ENO’s preventive/routine maintenance procedures (‘PMs’) related to circuit feeders load measurement and control. The Advisors recommend that the Council should require ENO to provide documentation demonstrating that its preventive/routine maintenance procedures (‘PMs’) related to circuit feeders load measurement and control have been strengthened, and included as a periodic requirement to minimize load measurement errors related to any feeder which may be included in ENO’s Load Shed Plans.”

ENO Response:

ENO agrees with the Advisors’ recommendation, in part. ENO has implemented certain systems that, among other things, review the feeders contained in the load shed program and flag

any load measurement issues on a weekly basis – *i.e.*, issues that could cause problems with load measurement should the load shed program be initiated. When new feeders are added to the load shed program, the systems automatically begin to flag any issues with load measurement on the weekly cadence. While the ultimate goal is to have no issues with load measurement pertaining to any ENO feeder, the Company’s priority has been on those feeders included in the load shed program.

Outside the load shedding context (*i.e.*, in regular operations), operators do not make critical decisions based on analog values, so there are *de minimis* implications if the load measurement equipment is not functioning correctly on feeders that are not contained in a load shed program. Therefore, the Company does not recommend dedicating the resources necessary for inspections of telemetry equipment on every ENO feeder. Instead, the Company recommends that it continue to prioritize feeders that are on the load shed list, and for those not on the list, that it continue to maintain load measurement communication equipment through its existing method of having the SCADA system flag any abnormalities, coupled with current maintenance practices.

(f) “The Advisors recommend that the Council direct ENO to develop documentation specifically pertaining to ENO, which provides an arranged set of rules and guidelines for the identification of feeders with critical customers. This ENO, Operating Company specific, documentation should detail the ENO customer service staff and distribution personnel responsible, the required procedural schedule, timetable and sign-offs, the identification of all low priority, classification 3, feeders to be included in the annual ENO Load Shed Plan, and complete references to Entergy emergency procedures, such as the Entergy Load Risk Management Load-Shed Process, Revision 4.”

ENO Response:

ENO agrees with the recommendation for developing a detailed process to identify feeders with critical customers. As previously discussed, ENO has added all available class 3 feeders to the load shed list, consistent with the Advisors’ recommendation and the criteria of the Load Shed Manual (which generally provides that class 3 feeders are those where loss of service does not

pose significant risk to customer health or property). Moreover, ENO has established a process whereby an ENO engineer works with ENO's Customer Service and Distribution groups, among others, to review and update the circuit lists by particular dates. Each EOC follows the same procedure and timeline, with its own personnel, for its respective jurisdiction. *See* Exhibit A, Sections 3.5, 5.11.4 – 5.11.6.

(g) “The Advisors recommend that the Council direct ENO to develop documentation specifically pertaining to ENO, which provides the identification of ENO staff positions and specific responsibilities related to emergency events. This ENO, Operating Company specific, documentation should delineate specific ENO staff positions and responsibilities related to load shed and emergency events, such as preparedness and immediate responses, updating procedural documents (including Load Shed Plans), and all communications with Entergy organizational entities dealing with emergency response, Council members, City administration and ENO customers. The new documentation should include the ENO staff responsibilities and instructions to make direct appeals to large customers when a load shed is imminent.”

ENO Response:

ENO agrees to work with the Council and the Advisors to identify with more particularity those ENO staff positions and responsibilities related to load shed and other emergency events. Because load shed and other emergency events involve different functional areas throughout the Entergy system, ENO representatives and Entergy system-wide personnel are both involved in the planning, implementation, and communication of such events. ENO has begun updating and documenting load shed roles and responsibilities, working in conjunction with Entergy system-wide resources. Consistent with the recommendation, the collaborative effort intends to provide greater detail as to specific personnel, processes, and procedures related to load shed events and the associated communication efforts.

(h) “The Advisors recommend that the Council direct ENO to investigate and report to the Council on improved real-time monitoring of ENO load such that Entergy distribution supervisory personnel have timely information related to ENO's total load, including the ability to confirm that targeted ENO load sheds are implemented as intended. In ENO's report to the Council, ENO should provide a timetable when the improved monitoring of ENO's total load could be implemented, identify the costs

associated with any improved monitoring, identify any equipment or other constraints which may impede the timely implementation of the improved monitoring, and provide any alternative approaches which the Council may consider.”

ENO Response:

ENO agrees with the recommendation to improve real-time monitoring of ENO load. ENO has created a load shed dashboard that enables operators to see load shed results in real time.

Communications Recommendations

“The Advisors recommend that the Council direct ENO to develop an ENO, Operating specific, emergency communications plan (‘ECP’). The ENO ECP should focus on the specific timing and forms of ENO customer communications, referencing and interfacing with Entergy’s corporate emergency communications plan. The ECP should provide a simple, concise, and useable plan that assures that Entergy messaging will be customized and simplified to assure that New Orleans customers receive timely, understandable, and useful information. The plan must address assuring that the messages are focused and understandable for New Orleans customers and stakeholders. The plan must also assure that the customized messages will be distributed timely through all available channels of communication and not put the burden on customers to seek out information.”

ENO Response:

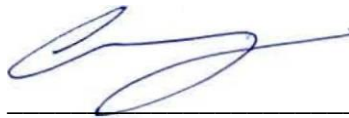
ENO commits to providing a communications checklist to the Council that will detail the steps for communicating load shed events to the media, customers, and the Council. The checklist will describe the timing of communications, the content of the message, and the staff positions responsible for such communications. The Company’s checklist, upon reaching certain triggers tied to the Midcontinent Independent System Operator, Inc. (“MISO”) operating procedures, will provide for streamlined messaging that communicates the *possibility of outages* specific to New Orleans for the media and also for direct communication efforts to customers served by those feeders per the Load Shed Manual. Due to the unpredictable nature of load shed events, however, ENO cannot reasonably commit to providing communications ahead of a load shed event that state with certainty that a load shed event *will* occur and the timing related thereto because there is a

small window of time to implement a load shed once it is directed by MISO and the exact magnitude and duration of the load reduction cannot be known in advance.

CONCLUSION

As discussed herein, ENO agrees with most of the recommendations proposed by the Advisors. In fact, ENO already has implemented a series of actions to improve its emergency response. ENO looks forward to further discussing these issues with the Council and its Advisors to ensure that the challenges experienced during Winter Storm Uri do not occur again.

Respectfully submitted:



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CERTIFICATE OF SERVICE
DOCKET NO. UD-21-01

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

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New Orleans, Louisiana, on this 1st day of December, 2021



Edward R. Wicker, Jr.

**BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION**

**IN RE: APPLICATION OF ENTERGY)
NEW ORLEANS, LLC, FOR)
CERTIFICATION OF COSTS RELATED)
TO HURRICANE ZETA)**

DOCKET NO. UD-21-01

EXHIBIT A

OPS-702, ENTERGY LOAD RISK MANAGEMENT LOAD SHED, EFF. NOV. 1, 2021

**HIGHLY SENSITIVE
PROTECTED MATERIAL
FILED UNDER SEAL**

INTENTIONALLY OMITTED

DECEMBER 2021