

#### Keith D. Wood

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January 17, 2023

## **VIA ELECTRONIC MAIL**

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

Re: Rulemaking Proceeding to Establish Rules for Community Solar Projects (CNO Docket No. UD-18-03)

Dear Ms. Johnson:

Attached please find the Reply Comments of Entergy New Orleans, LLC ("ENO") for filing in the above-referenced docket. ENO makes this filing pursuant to the Memorandum and Order issued by the Hearing Officer on January 10, 2023. Thank you for your assistance in this matter, and please let me know if you have any questions or concerns.

Sincerely,

Cent D Wood

KDW/bkd

**Enclosures** 

cc: Official Service List UD-18-03 (via electronic mail)

#### **BEFORE THE**

### COUNCIL OF THE CITY OF NEW ORLEANS

IN RE: RULEMAKING PROCEEDING	)	
TO ESTABLISH RULES FOR	)	DOCKET NO. UD-18-03
COMMUNITY SOLAR PROJECTS	)	

## REPLY COMMENTS OF ENTERGY NEW ORLEANS, LLC

Entergy New Orleans, LLC ("ENO" or "the Company"), in compliance with the Memorandum and Order of the Hearing Officer issued on January 10, 2023, hereby submits these Reply Comments in response to comments filed by Madison Energy Investments ("MEI") on January 6, 2023.

As an initial matter, MEI's most recent comments are untimely and self-serving, show no regard for the procedural schedule issued by the Council and Hearing Officer, and continue a pattern of conduct from MEI. In this docket, MEI is improperly attempting to fundamentally alter the New Orleans Community Solar Rules ("Rules") – long after they were issued by the Council – to suit its own financial purposes, without supporting evidence or analysis, and without any regard for the time and effort the Council and other parties spent to establish the Rules. For the reasons previously discussed, MEI's attempt is not appropriate and should be rejected.

Moreover, in its recent comments, MEI suggests that ENO either does not understand the Council's Rules or is unwilling to properly explain them to MEI.<sup>1</sup> This is not correct, and belies the fact that ENO (unlike MEI) has participated in this docket since its inception, worked to

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MEI's comments filed January 6, 2023, at 1 and 9 ("Throughout this process up until this point, ENO has clearly presented that they cannot provide clarity or guidance on actual implementation of these rules and therefore highlights the necessity for taking action to exist the amending rules.").

develop the Rules and administrative processes necessary to implement them over several years, and has been and remains committed to playing its contemplated role with respect to community solar projects developed by third parties such as MEI. Fundamentally, the Council's Rules require third party solar developers seeking to develop qualifying community solar projects in Orleans Parish to find and sign-up residential and non-residential customers ("subscribers") under an arrangement to which the developer and subscriber agree (*e.g.*, upfront payment, pay-as-you-go, etc.).

ENO has no role in the relationship between the solar developer and the individual subscribers that participate in a given community solar project. As provided by the Rules, ENO's role is to (1) interconnect the community solar project and (2) provide bill credits to subscribers at the credit rates proscribed by the Rules. Based on its comments, MEI continues to be confused as to the role of the power purchase agreement ("PPA") between ENO and the developer. The PPA serves two purposes: (1) it complements the interconnection agreement and facilitates the physical delivery of electricity to ENO that, in turn, will be credited to subscribers on their bills; and (2) it serves as back-stop for the developer for up to 20% of the output of the community solar project should the developer not have a fully subscribed project and/or a subscriber ends its participation.

Furthermore, MEI is critical of ENO's use of the discovery process to attempt to understand MEI's proposal and the consequences of its desired changes to the Rules.<sup>2</sup> MEI's criticism is puzzling given that discovery is permitted by the Council and MEI itself issued discovery requests in this docket. In any event, MEI's discovery responses confirmed that MEI cannot (or will not) accurately explain its proposal as it relates to credit rates, has not performed any study or analysis relative to New Orleans, does not have a business plan, has no supporting workpapers, is not

MEI's comments filed January 6, 2023, at 9.

familiar with ENO's billing system or capabilities, does not understand the costs and complexities involved with its proposed credit rate methodology, and has not performed any analysis of potential rate impacts on non-participating customers. Put simply, MEI apparently did little, if any, research before involving itself in this docket and proposing wholesale changes to the Council's Rules. MEI's responses demonstrate that its proposed changes are not supported and should not be approved.

As has been stated multiple times, ENO is willing to work with the Council and stakeholders to improve the program, as appropriate, with the caveat that changes to the Rules must balance the interests of customers that choose not to participate in community solar projects. The Council's Rules strike an appropriate balance today and any path to improvement must not rest on the belated attempts of a single, self-interested party like MEI inserting itself into this docket with unsupported proposals that would destroy the balance in the Rules; *e.g.*, proposing still undefined changes to bill credit methodology that ignore costs to all of ENO's customers, changes to facility size that ignore technical feasibility, and changes in treatment of renewable energy credits that are flawed. A new rulemaking docket with full engagement of affected stakeholders should be required before completely upsetting the balance contemplated in the Rules.

## **CONCLUSION**

For all these reasons, and those articulated in prior filed comments, the Council should deny MEI's belated effort to change the Rules through its Motion.

Respectfully,

Keith D. Wood

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# CERTIFICATE OF SERVICE <u>Docket No. UD-18-03</u>

upon all other known parties of this proceed	he required number of copies of the foregoing pleading ding individually and/or through their attorney of record
	electronic mail,  facsimile,  hand delivery, and/or carrier, or  the United States Postal Service, postage
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New Orleans, Louisiana, this 17th day of January, 2023.

Keith D. Wood