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August 23, 2019

**By Hand Delivery**

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

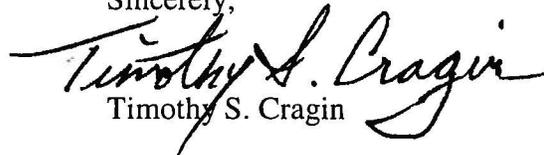
**Re: Monthly Progress Report on Entergy New Orleans, LLC's Collaboration with Sewerage & Water Board of New Orleans re: Reliability of Electric Service, Submitted Pursuant to Council Resolution R-19-78**

Dear Ms. Johnson:

Please find enclosed for your further handling an original and three copies of Entergy New Orleans, LLC's ("ENO") August 2019 Monthly Progress Report on Its Collaboration with the Sewerage and Water Board of New Orleans to Improve Reliability of Electric Service and Expedite a Long-Term Solution, which is submitted pursuant to Council Resolution R-19-78. Please file an original and two copies into the record and return a date-stamped copy to our courier.

Thank you for your assistance with this matter.

Sincerely,

  
Timothy S. Cragin

TSC\rdm

Enclosures

RECEIVED  
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BY: 

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cc (via electronic mail): Council President Helena Moreno  
Council Vice President Jason Rogers Williams  
Councilmember Joseph I. Giarrusso, III  
Councilmember Jay H. Banks  
Councilmember Kristin Gisleson Palmer  
Councilmember Jared C. Brossett  
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## **Entergy New Orleans, LLC's August 2019 Monthly Progress Report on Its Collaboration with the Sewerage and Water Board of New Orleans To Improve Reliability of Electric Service and Expedite a Long-Term Solution**

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Pursuant to Council Resolution R-19-78, Entergy New Orleans, LLC (“ENO” or the “Company”) submits this monthly progress report regarding its collaboration with the Sewerage and Water Board of New Orleans (“SWBNO”) to develop solutions to help ensure the reliability of electric service to SWBNO facilities, and to facilitate the transition of SWBNO to ENO as the primary source of reliable and economic power. As previously reported to the Council, the Company has already completed short-term mitigation measures to improve reliability to SWBNO until a long-term solution is in place, which have resulted in tangible results as discussed below. The Company has also identified certain improvements previously classified as mid-term that have been completed and further improve reliability in the near-term as the collaboration with SWBNO continues. Importantly, the remaining mid-term options under consideration do not represent a long-term solution, and this report discusses the engineering analysis that is nearing completion to identify what, if any, of the mid-term options would be reasonable to pursue prior to implementing the long-term solution.

### Short-term Risk Mitigation Measures

In its March 2019 report to the Council, the Company summarized the short-term measures undertaken to improve reliability in the near-term, including distribution feeder inspection and repair, substation maintenance and upgrades, as well as steps taken to improve communication between SWBNO and Entergy operations personnel. These improvements continue to provide improved reliability to SWBNO by reducing the risk of outages related to equipment failure.

In addition to the short-term measures completed to date, as previously reported to the Council the Company has identified certain improvements previously classified as mid-term improvements that have been acted upon now to further improve reliability in the near-term as the collaboration with SWBNO continues. These improvements continue to provide improved reliability to SWBNO by providing the ability to isolate service points from feeder faults occurring outside of the backbone that serves SWBNO.

### Mid-Term Options

As previously reported to the Council, ENO and SWBNO formed a Joint Reliability Team (“JRT”) to collaborate in developing mid-term options and a long-term solution to help ensure the reliability of electric service to SWBNO facilities. The JRT meets at least once per month having previously met on the following dates prior to this report: December 5, 2018; and January 16, January 31, February 13, March 13, April 17, May 15, June 12, and July 17, 2019. On August 7<sup>th</sup>, SWBNO and ENO held a joint meeting with the independent 3<sup>rd</sup> party engineering firm, Power Control Systems International, Inc. (“PCS”), to finalize technical input supporting evaluation of the mid-term options.

As previously reported to the Council, the mid-term options relate solely to upgrades that can be made to improve reliability of the distribution system that serves SWBNO’s Carrollton

plant today and are not a long-term solution. The JRT previously identified two mid-term options that could provide additional capacity and enhance reliability on the distribution system that currently serves SWBNO's potable water system at its Carrollton plant. Additional details on the scope of the mid-term options are included in the April 2019 report.

Regarding the first mid-term option detailed in the April 2019 report, as previously reported to the Council SWBNO requested to expand the scope of the analysis to evaluate the feasibility of increasing the load serving capability of the Sycamore station from 10 MW identified in the April report to 15 MW. In addition, SWBNO requested that the 2<sup>nd</sup> feed that would provide back-up to the primary feed to Sycamore instead be rerouted to the Carrollton Plant's main frequency changer. SWBNO requested that the 2<sup>nd</sup> feed also be capable of providing 15 MW of capacity. ENO distribution planning has completed its assessment of SWBNO's request and determined that the additional capacity is only available for the primary feed to Sycamore and would not be available to supply the back-up feed in the near-term due to the need for upgrades at the Southport substation. The upgrades required to increase the load serving capability of the distribution system as requested by SWBNO could not be completed within the required timeframe of the mid-term options. This highlights the need to expedite implementation of the long-term solution which would provide additional reliability over and above the mid-term options, and provide the additional load serving capability being requested by SWBNO to transition to ENO as the primary source of reliable and economic power.

Regarding the second mid-term option detailed in the April 2019 report, PCS has completed modeling of the Fast Bus Transfer (FBT) scheme and has confirmed that it would significantly improve potable water pump ride through capability for single contingency feeder faults on existing ENO distribution feeders serving the Carrollton Plant. In June, SWBNO completed conversion of potable water Pump A from steam drive to 60 cycle electric motor drive; using the spare breaker position planned for the FBT scheme to source power for the pump conversion. The JRT continued its collaboration and worked to identify a new spare breaker position on the turbine generator #6 bus that SWBNO agreed to make available for the FBT scheme. PCS has completed its evaluation of the new breaker position and concluded that it would be feasible to use for the FBT scheme.

### Long-Term Solution

As previously reported to the Council, while the mid-term options will improve reliability of the distribution system that powers the potable water system today, neither of those options can provide the increased capacity necessary to power SWBNO's drainage pumping system served by the aging inefficient generation at the Carrollton plant. The long-term solution must provide both increased reliability and the additional capacity necessary to transition to ENO as SWBNO's primary source of power, including power for the drainage pumping system. The JRT has agreed that the long-term solution is to construct a new transmission substation adjacent to SWBNO's Carrollton plant. The new substation would provide increased reliability by routing power directly from the transmission system, which is inherently less susceptible to outages, while also providing the increased capacity necessary to serve drainage pumps currently powered by aging and inefficient SWBNO generation. Importantly, the need for additional upgrades to provide the load-serving capacity requested by the SWBNO makes it abundantly clear that the transition to ENO as

the primary source of reliable and economic power simply would not be feasible using the distribution system that serves the Carrollton plant today.

Resolution R-19-78 also directs ENO to expedite the development of a long-term solution and to provide a timeframe in which such a solution could be presented to the Council. ENO and SWBNO previously agreed to retain PCS to:

- i) Conduct an independent and impartial audit of the electrical facilities that serve the Carrollton plant;
- ii) Jointly evaluate the mid-term options and long-term solution; and
- iii) Provide a written report that makes recommendations for an optimized solution set.

PCS has substantially completed their evaluation and is in the process of preparing a report summarizing the results of their analysis and recommendations. Preliminary findings reported by PCS are under technical review by ENO and SWBNO. The Company will continue to update the Council on the progress of the study and the timing of a planned filing with the Council in future reports.