March 25, 2019

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

Re: Bi-Monthly Report of Entergy New Orleans, LLC, Detailing Expenditures Made to Date on New Orleans Power Station and the Currently Anticipated Schedule for Future Expenditures

Dear Ms. Johnson:

Please find enclosed for your further handling an original and three copies of the Public Version of the Bi-Monthly Report of Entergy New Orleans, LLC (“ENO” or the “Company”), concerning construction of the New Orleans Power Station (“NOPS”). Please file an original and two copies into the Council’s record and return a date-stamped copy to our courier.

This filing is made pursuant to Council Resolution R-19-78, which ordered ENO to provide bi-monthly reports to the Council during construction of NOPS, detailing the expenditures made to date and the currently anticipated schedule for future expenditures. Council Resolution R-19-78 at 13.

In connection with the Company’s filing, a Confidential Version of the Bi-Monthly Report bearing the designation “Highly Sensitive Protected Materials” is being provided to the Council’s Advisors pursuant to the terms and conditions of the Official Protective Order adopted in Council Resolution R-07-432. Portions of the information included in the filing consist of or reflect competitively sensitive cost and market information, the disclosure of which may present a risk of harm to ENO’s customers. In addition, portions of the filing may contain highly sensitive information of third parties to which an obligation of confidentiality is owed.

Thank you for your assistance with this matter.

Sincerely,

[Signature]

Timothy S. Cragin

Enclosures

cc (via electronic mail):

Council President Jason Rogers Williams
Council Vice President Helena Moreno
Councilmember Joseph I. Giarrusso, III
Councilmember Jay H. Banks
Councilmember Kristin Gisleson Palmer
Councilmember Jared C. Brossett
Councilmember Cyndi Nguyen
Erin Spears
Norman White
Sunni J. LeBeouf, Esq.
Clinton A. Vince, Esq.
Presley R. Reed, Jr., Esq.
Emma F. Hand, Esq.
J. A. Beatmann, Jr., Esq.
Joseph Rogers
BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS

Entergy New Orleans, LLC
New Orleans Power Station RICE Project
Bi-Monthly Report
Pursuant to Council Resolution No. R-19-78
Public Version
March 25, 2019
This Bi-Monthly Report covering the period through the end of February 2019 is submitted to comply with the Ordering Paragraph entitled “NOPS Construction Costs” on page 13 of Council Resolution R-19-78, adopted by the New Orleans City Council (“Council”) on February 21, 2019. Specifically, that Ordering Paragraph requires that Entergy New Orleans, LLC (“ENO” or the “Company”) provide bi-monthly reports to the Council during the construction of the New Orleans Power Station (“NOPS” or the “Project”), “detailing the expenditures made to date and the currently anticipated schedule for future expenditures.”

I. SUMMARY OF KEY NOPS MILESTONES

Table 1 below shows actual and remaining key milestones for the Project:

<table>
<thead>
<tr>
<th>Milestone Description</th>
<th>Date</th>
<th>Status</th>
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</thead>
<tbody>
<tr>
<td>1 Full Notice to Proceed (FNTP)</td>
<td>March 2018</td>
<td>Complete</td>
</tr>
<tr>
<td>2 Order Major Equipment</td>
<td>March 2018</td>
<td>Complete</td>
</tr>
<tr>
<td>3 Start Engine Deliveries</td>
<td>February 2019</td>
<td>Complete</td>
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<tr>
<td>4 First Production Pile Installed</td>
<td>February 2019</td>
<td>Complete</td>
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<tr>
<td>5 Generator Step Up Deliveries</td>
<td>August 2019</td>
<td>On Schedule</td>
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<tr>
<td>6 Backfeed Power Available</td>
<td>March 2020</td>
<td>On Schedule</td>
</tr>
<tr>
<td>7 Target EPC Substantial Completion</td>
<td>Summer 2020</td>
<td>On Schedule</td>
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</tbody>
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II. EXPENDITURES MADE TO DATE AND CURRENTLY ANTICIPATED SCHEDULE FOR FUTURE EXPENDITURES

ENO has made expenditures in the amount of $115.5 million through February 2019. A more detailed confidential summary of ENO’s expenditures through February 2019 is attached as Appendix 1. The project status has been broken down into three different components for tracking progress on the Project: Engineering, Procurement, and Construction. The Company has completed 93% of project engineering, 84% of project procurement, and 6% of construction.

Major design/engineering tasks completed through February 2019 include:

- Issued for Construction (“IFC”) engine hall building shell drawings.
- Issued for Bid (“IFB”) ductwork design.
- IFC site finish drawings.
- IFC Piping and Instrument Diagram’s (“P&ID’s”).
- Site wick drain arrangement plan developed and issued.
• Power block building foundation and piling design completed and IFC.
• Pre-Engineered Metal Building ("PEMB") drawings IFC and contract issued.
• Piling design IFC.
• Ductwork and support structural steel design completed.
• Heating, Ventilation and Air Conditioning ("HVAC") and plumbing design completed and IFB.
• Plant overall electrical one-line drawing IFC.
• Generator Step Up ("GSU") Transformer specification issued for owner review and accepted.
• Medium and Low Voltage ("MV/LV") electrical one lines drawings IFC.
• Plant General Arrangement ("GA") IFC.
• Below grade design/pipe routing IFC.
• Above grade pipe routing/design IFC.
• Plant electrical grounding IFC.

Procurement progress through February 2019 includes:

• Issued Full Notice to Proceed ("FNTP") for Reciprocating Internal Combustion Engines ("RICE"), Generators and RICE auxiliary equipment in March 2018. All manufacturing of these components was completed in early December 2018.
  o Generators and auxiliary equipment shipped on December 19, 2018 and arrived at the Port of New Orleans on or about January 31, 2019.
  o RICE shipped on December 30, 2018 and arrived at the Port of New Orleans on or about February 4, 2019.
• Instrument air compressors IFB and contract awarded.
• GSU Transformers IFB and contract awarded.
• Fire water pumps IFB and contract awarded.
• Fuel Gas conditioning equipment IFB and contract awarded.
• Oil Water Separator IFB and contract awarded.
• Tanks and Pressure Vessels IFB and contract awarded.
• Ventilating units IFB and contract awarded.
• Emergency Diesel Generator ("EDG") IFB and contract awarded.
• MV/LV Switchgear IFB and contract awarded.
• Ductwork IFB and contract awarded.
• Motor Control Center's ("MCC's") IFB and contract awarded.
• Structural Steel contract awarded.
• Control enclosure IFB, bids received.
Major construction tasks completed through February 2019 include:

- Mobilized for pre-construction activities on April 9, 2018.
- Power block area clearing and grubbing complete.
- Installed settlement monitoring plates and piezometers to monitor settlement following installation of fill material.
- Installed power block fill and wick drains to allow for soil consolidation.
- Completed test pile program to determine the required pile depths.
- Installed temporary power distribution racks for construction work trailers and construction power.
- Site settlement to support installation of pilings and foundations considered complete on July 20, 2018.
- Completed preparation of equipment laydown area.
- Installed power block construction road.
- Installed drainage ditches around power block.
- Mobilized piling contractor. Piling activities are ~92% complete.
- Mobilized civil and electrical subcontractor to begin their respective work scopes.
- Transmission interconnection highline structures installed.

Over the next two months, ENO estimates that it will make expenditures in the approximate amount of $18 million. Tasks associated with the estimated expenditures over the next two months include:

- Complete installation of site pilings.
- Continue installation of underground ductbank.
- Continue installation of underground piping.
- Begin installation of foundations.

Work under the engineering, procurement, and construction ("EPC") contract with Burns & McDonnell ("B&M") was partially suspended between late August 2018 and early February 2019. ENO is working with B&M to understand the impacts of this delay. Should the impacts result in total project expenditures that would be expected to cause an increase in the $210 million cost estimate for the RICE Alternative that was presented in Council Docket No. UD-16-02, the Company will update the Council, as required by Council Resolution R-19-78.
Appendix 1

Expenditures Summary – Public Redacted Version
### Summary New Orleans Power Station

**Expenditures**

$USD in millions

<table>
<thead>
<tr>
<th></th>
<th>Actuals thru 12/31/18</th>
<th>Expenditures 1/1/19 thru 2/28/19</th>
<th>Actuals thru 2/28/2019</th>
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<tr>
<td>Grand Total</td>
<td>$ 95.9</td>
<td>$ 19.6</td>
<td>$ 115.5</td>
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