**Net Energy Metering Technical Meetings Agenda  
Council Docket No. UD-13-02**

Purpose of the Technical Meetings

Resolution R-15-438 requires the Companies to convene three technical meetings with the Advisors and Intervenors between January 1, 2016 and June 30, 2016, and that the Advisors and Intervenors may submit requests for further information and data to ENO, and ENO shall make good faith efforts to supply responsive information and data.

Further, Resolution R-15-438 requires that on or before September 28, 2016, the Companies should submit their NEM proposal, which may include a proposal to maintain the status quo NEM Rules and NEM Tariff, to the Advisors and Intervenors.

Their proposal should include:

1. A capacity and energy forecast of net metering saturation through 2020, based on the same assumptions used in the sales forecast in the Companies’ current business plan;
2. Any Companies’ proposed changes to the NEM Rules and NEM Tariffs;
3. An analysis of the costs and benefits of the existing and any proposed NEM program from the perspective of a NEM residential and commercial customer, as well as from the perspective of all ratepayers, to assist the Council in determining whether any proposed NEM program is in the public interest and not unduly discriminatory;
4. An analysis of the cost of service related to residential and commercial NEM customers under the Council’s existing NEM Rules and NEM Tariffs, and any proposed changes;
5. Consideration of whether other rate design mechanisms, including but not limited to, minimum bills, marginal costs and time-of-use rates, could provide an appropriate alternative to any NEM proposal;
6. Any differentiation in eligibility between existing NEM customers and prospective NEM customers under the existing NEM Rules and NEM Tariff;
7. Any differentiation in eligibility between existing NEM customers and prospective NEM customers under any proposed NEM Rules and NEM Tariff; and
8. Proposed changes to the annual NEM reporting framework for consideration by the Council to facilitate the ongoing monitoring and regulation of its NEM policies.

These technical meetings are designed to inform and develop ENO’s NEM proposal by all Stakeholders such that the ENO’s proposal pursuant to Resolution R-15-438: (1) meets the Council’s specific requirements identified in the resolution; (2) considers and addresses Intervenor comments filed in early January of 2016 and Advisor and intervenor input from the technical meetings, and; (3) does not contain any new concepts or surprises beyond what was discussed in the technical meetings.

The methodology, input assumptions, and sources developed through these technical meetings will provide a consistent basis by which the existing NEM Rules and NEM Tariff and ENO’s proposal to modify the NEM Rules and NEM Tariff will be evaluated.

**Instructions to the Parties**

Please note that due to the highly technical nature of the material involved and the need for these to be working meetings, the meetings are not open to members of the public, they are only open to ENO, the Intervenors, and the Advisors. All attendees must be there on behalf of either ENO, an Intervenor, the Advisors, or the Council. Intervenors to the case as of February 3, 2016 include: Jacobs Technology; The Folger Coffee Company (J.M. Smucker); USG Corporation; Sierra Club; the Alliance for Affordable Energy; Gulf States Renewable Energy Industries Association; Green Coast Enterprises; Posigen Solar Solutions; Building Science Innovators, LLC; South Coast Solar, LLC; Tasta Energy, LLC; Air Products and Chemicals, Inc.; and The Alliance for Solar Choice.

Please also note that the Council has adopted for use in this docket its Official Protective Order (adopted by Resolution No. R-07-432, which can be obtained through CURO). Any party that believes they may seek confidential and/or highly sensitive information from ENO should carefully review the Official Protective Order and its requirements and execute the attached Non-Disclosure Certificate.

Prior to the meetings, the Parties should also familiarize themselves with both the Louisiana Statute regarding Net Energy Metering, RS 51:3061-3063, and the Council's current Net Energy Metering Rules.

**First Technical Meeting - Establishing Analyses Frame Work  
(March 3, 2016; ENO's Offices; 9:00 am-5:30 pm with working lunch)**

This technical meeting will define the framework by which the current NEM Rules and any proposed alternatives to those NEM rules will be evaluated to determine the costs and benefits from the perspective of a NEM residential and commercial customer, as well as from the perspective of all ratepayers. The methodology for the cost of service analyses should also be discussed at this meeting.

**A. Welcome and Opening Statement by Advisors (9:00-9:15)**

**B. Introductions (9:15-9:45 am)**

Each Party will have 2 minutes to introduce their team and explain their interest in the proceeding.

**C. Opening Presentation by Entergy New Orleans, Inc. (9:45-11:00)**

**Break (11:00-11:15)**

**D. Development of Methodology for Determining Existing and Projected Load Profiles (11:15-12:15)**

1. Methodology and assumptions necessary for determining typical residential and commercial NEM customer load profiles from historical data (monthly, 24 hour load shapes for peak-day and average-day for typical NEM customers).
   1. Adequacy of ENO historical NEM customer data
   2. Alternate data sources to supplement ENO historical NEM customer data
   3. Exports data - decide on “net-metering” or 2-channel billing
      1. what is actually being exported?
   4. Hourly production profiles for NEM generators. Time correlated solar data to assess match of solar output with system loads.
   5. How to forecast what is solar growth?
2. Methodology and assumptions necessary for forecasting NEM customer saturation.
   1. Modeling software/methodology
      1. Model should be transparent
      2. Inputs should be public
   2. General economic assumptions and sources (inflation, energy prices, etc.)
      1. Discount rate? Should be inflation rate because this more accurately accounts for infrastructure with high front end costs and lower or zero end-of-life costs.
      2. Load growth estimates should model solar over a 30 year time horizon
      3. Benefits and costs should use levelized basis over entire life of DSG
      4. What energy resources are displaced by solar?
   3. New Orleans housing stock and demographics assumptions and sources
   4. Technology assumptions and sources (installed costs, equipment life, feasibility)
   5. Incentive assumptions (Federal Investment Tax Credit, State tax credits and caps)
   6. NEM Rules assumptions/sensitivities (no change in rules, change in rules)
   7. NEM rate structure assumptions(maintain existing; alternative rate structure impacts on saturation)

**Break - Lunch served (12:15-12:30)**

**E. Identification of Cost and Benefit Categories and Sources (12:30-2:15)**

1. Categories and sources of costs and benefits to be considered in the evaluation of existing and any changes to NEM Rules.

The discussion in each cost or benefits category should not focus solely on if the stakeholders agree as to the applicability of the cost or benefit and the proposed source of data, but also the extent to which the cost or benefit category will be incorporated and generally assigned a value. For example, in discussing avoided losses the discussion should include whether average or marginal losses should be used. Likewise, the discussion on avoided environmental costs should identify the expected nature and timing of environmental regulations that will be considered in developing a value for the anticipated avoided cost.

Cost categories to be discussed at a minimum should include:

* 1. Utility NEM installation costs (historic costs, how to estimate future costs),
     1. Cost of meter $102 (bi-directional)
        1. Net-meter $92; regular digital meter $25; AMI $250-400 (assuming mass deployment)
        2. Work hours on permitting, going to site, making installation is about $102
  2. Utility NEM management costs (historic costs, how to estimate future costs)
  3. Customer credit for delivered capacity/energy - only front of meter

Benefits:

d. Avoided energy (value basis: marginal unit, LMP or the cost that the utility would have incurred to create the same value of energy)

* 1. Avoided capacity (value basis: avoided unit, PRA clearing price, or other)
  2. ENO objecting to Avoided transmission and distribution (cost basis)
  3. Avoided losses (average or marginal)
  4. Avoided environmental costs (CO2 price/offsets, relationship of NEM energy to compliance cost, monetized health costs, CASPR, NOX)
  5. Reliability costs or benefits,
  6. Risk costs or benefits,
  7. Grid support/ancillary services costs or benefits,
  8. Avoided outage costs,
  9. Market price effects,
  10. Non-energy benefits
  11. Fuel hedging value in managing risk
  12. Other
  13. NOT behind the meter energy

**Break (2:15-2:30)**

**F. Development of Methodology for Cost-Benefit Analysis (2:30-4:00)**

1. Methodology and assumptions necessary to evaluate the costs and benefits under the existing and any proposed NEM Rules from an existing NEM customer perspective, future NEM customer perspective, Non-NEM customer perspective, and all ratepayers perspective.
   1. Modeling software/methodology
   2. General economic assumptions and sources (appropriate discount rate, inflation, fuel prices, energy prices, NEM rate structures, annualized or levelized costs and benefits, administrative costs of NEM program, etc. - should be consistent with NEM Customer saturation assumptions)
   3. Study timeframe (Resolution R-15-48 requires through 2021, should discuss the advantages and disadvantages of a longer evaluation period)
   4. Scenarios/Sensitivities (differences in NEM saturation, alternate NEM rules )

**Break (4:00-4:15)**

**G. Development of Methodology for Cost-of-Service Analysis (4:15-5:15)**

Methodology for the detailed analysis that will be performed to determine the allocated/accounting cost of service related to residential and commercial NEM customers under the Council’s existing NEM Rules and NEM Tariffs, and any proposed changes

**H. Conclusion and Next Steps (5:15-5:30)**

**April meeting – 2nd Technical Conference**

**I. After the Meeting**

Ten days after the conclusion of the First Technical Meeting the Council’s Advisors will prepare and file with the Council and all Intervenors a report documenting the issues and items decided at the First Technical Meeting and will document any action items identified. Between the first and second technical meeting, the Advisors and Intervenors will be able to submit requests to ENO for additional information.

**Second Technical Meeting – Quantification of Assumptions   
(Mid-April; 9:00 am-4:00 pm with working lunch)**

After establishing the methodology, data needs, assumptions necessary, and costs and benefits to be considered in cost-benefit analysis framework of the First Technical Meeting, ENO should provide an initial quantification and discussion of the parameters and assumptions identified in the First Technical Meeting. All stakeholders should be prepared with data to support positions on the discrete value of the criteria identified in the First Technical Meeting. To the extent ENO has developed the before NEM/after NEM customer profiles for typical Residential NEM and Commercial NEM customers they should be presented in the Second Technical Meeting.

**A. Welcome and Opening Statement by Advisors (9:00-9:15)**

**B. Summarize Evaluation Methodology resulting from the First Technical Conference (9:15-9:30)**

**C. Present and Discuss Typical Residential NEM and Commercial NEM Customer Profiles (9:30-10:30)**

**Break (10:30-10:45)**

**D. Present ENO Value and Forecast of All Assumptions that Will be Utilized in the Analyses (10:45-12:00)**

**Break -- lunch served (12:00-12:15)**

**E. Present ENO Value and Forecast of Costs and Benefits that Will be Considered (12:15-1:45)**

**Break (1:45-2:00)**

**F. Stakeholder Discussion and Provision of Alternate Value to the Extent a Consensus is Lacking (2:00-3:45)**

**G. Conclusion and Next Steps (3:45-4:00)**

**H. After the Meeting**

One week after the conclusion of the Second Technical Meeting the Council’s Advisors will prepare and file with the Council a report documenting the issues and items decided at the Second Technical Meeting and will document any action items identified. Between the Second and Third Technical Meeting, the Advisors and Intervenors will be able to submit requests to ENO for additional information. To the extent alternative valuations were agreed upon in the Second Technical Meeting, ENO should provide to the Advisors and Intervenors the revised data set.

**Third Technical Meeting – Preliminary Results of Existing NEM  Rules   
and NEM Tariff Cost and Benefit Analyses and Discussion of Pros and   
Cons of Existing and Alternative NEM Rules and Rate structures     
(Mid-June; 9:00 am-4:00 pm with working lunch)**

In the Third Technical Meeting ENO and Intervenors should present the preliminary results of their evaluation of the existing NEM Rules (existing and projected customers) costs and benefits from a NEM customer perspective, Non-NEM customer perspective, and all Ratepayers perspective.  With these preliminary results in hand, ENO, the Advisors, and the Intervenors should be in a position to understand the deficiencies (if any) and the magnitude of those deficiencies in the existing NEM Rules.   The parties should now also be in a position to discuss the pros and cons of the alternatives to the existing NEM Rules.

**A. Welcome and Opening Statement by Advisors (9:00-9:15)**

**B. Presentation of Preliminary Results of Existing NEM Rules Cost and Benefits Analyses. (9:15-10:45)**

**Break (10:45-11:00)**

**C. Discussion on Alternatives to Existing NEM Rules (11:00-12:30)**

**Break -- lunch served (12:30-12:45)**

**D. Discussion on Pros and Cons of Potential Caps to Participation in Customer Renewables (12:45-1:15)**

**E. Discussion on Pros and Cons of Potential Differentiation of Existing NEM Customers and Future NEM Customers (1:15-1:45)**

**Break (1:45-2:00)**

**F. Discussion on Possible Meter Aggregation, Community Solar, and Other, Related Distributed Generation Issues (2:00-3:45)**

**G. Conclusion and Next Steps (3:45-4:00)**

**H. After the Meeting**

One week after the conclusion of the Third Technical Meeting the Council’s Advisors will prepare and file with the Council and all Intervenors a report summarizing the Third Technical Meeting and will document any action items identified.