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April 17, 2023

VIA ELECTRONIC MAIL ONLY

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

Re: Filing of Entergy New Orleans, LLC’s Reply Comments to Stakeholder Initial Comments Regarding the Advisors’ Report on Energy Efficiency and Conservation, Demand Response, and Other Demand-Side Management Programs as well as Customer-Owned Distributed Energy Resources and Battery Storage (Resolution R-22-413; UD-22-04)

Dear Ms. Johnson,

On September 15, 2022, the Council of the City of New Orleans (“Council”) adopted Resolution R-12-413 allowing stakeholders to provide comments regarding energy efficiency and conservation, demand response, and other demand-side management programs as well as customer-owned distributed energy resources and battery storage. The resolution allows for comments to be filed by stakeholders through October 31, 2022, and for Reply Comments to be filed through January 12, 2023. Subsequently, the Council’s Advisors issued a report with their recommendations based upon comments that had been filed. Stakeholders filed Initial Comments on the Advisors’ Report on March 29, 2023. Pursuant to Resolution R-22-413, Entergy New Orleans, LLC (“ENO”) hereby respectfully submits its Reply Comments in response to stakeholders’ Initial Comments on the Advisors’ Report. 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 original and requisite 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.

Should you have any questions regarding this filing, please contact my office at (504) 670-3680. Thank you for your assistance with this matter.

Sincerely,

Courtney R. Nicholson

CRN/bkd
Enclosures

cc: Official Service List UD-22-04 (*via electronic mail*)

BEFORE THE

COUNCIL OF THE CITY OF NEW ORLEANS

RESOLUTION AND ORDER)	
ESTABLISHING RULEMAKING TO)	
CONSIDER SAVINGS TARGETS AND)	
PROGRAM DESIGN FOR ENERGY)	
EFFICIENCY, CONSERVATION,)	
DEMAND RESPONSE AND OTHER)	
DEMAND-SIDE MANAGEMENT)	DOCKET NO. UD-22-04
PROGRAMS AS WELL AS)	
CUSTOMER-OWNED DISTRIBUTED)	
ENERGY RESOURCES AND)	
BATTERY STORAGE PURSUANT TO)	
COUNCIL RESOLUTION R-22-413)	

ENTERGY NEW ORLEANS, LLC’S REPLY COMMENTS IN REPSONSE TO PARTIES’ INITIAL COMMENTS ON THE ADVISORS’ REPORT

Entergy New Orleans, LLC (“ENO” or the “Company”) respectfully submits these Reply Comments in response to the Initial Comments filed by several parties in Council of the City of New Orleans’s (“Council”) Docket UD-22-04 that considers potential changes to the Council’s energy efficiency, conservation, demand-side management as well as energy storage policies. The parties’ Initial Comments were submitted in response to the Council’s Advisors’ (“Advisors”) Report Regarding Parties’ Proposed Changes and Additional Guidance (“Advisors’ Report”) that was issued by the Advisors on March 1, 2023.

I. Comments of Sierra Club on the Advisors’ Report Regarding Parties’ Proposed Changes and Additional Guidance

A. Geographic Targeting and Neighborhood-Based Delivery

The Sierra Club asserts that “some steps could begin sooner than 2025, especially as ENO is already familiar with some of the most likely areas for targeting and has expressed willingness to implement some elements of a program in the coming year. In addition, the program need not be proposed and approved as a “pilot” because it is not a new program, but a way of prioritizing and

increasing participation in specific areas for home audits and weatherization services that are already part of the Energy Smart offerings.”¹ ENO agrees that some elements can be included sooner than 2025. In fact, the Energy Smart program has already begun to include some geographic-targeting elements in the Energy Smart marketing plan for 2023. ENO believes, however, that it would be easier to track and determine the success of a Neighborhood-Based Delivery program if it was implemented separately from the current income-qualified programs. To that end, ENO also believes it would be beneficial to implement the program as a pilot since it would be a different approach than what occurs today and would have a separate budget and goal from the current program. Expanding what occurs today would also increase the amount of funding available in programs specifically for income-qualified customers, an outcome that seemingly aligns with the Parties’ desires.

B. Targeting Payment-Troubled Customers

The Company supports targeted outreach to payment-troubled customers. The Energy Smart program currently does targeted outreach to customers in arrears twice each year. In addition, the program does targeted outreach to customers experiencing high bills² several times each year. This outreach includes both email and direct mail. The Energy Smart team has also been in contact with Total Community Action (who administers LIHEAP funds) and Quad-Area (Weatherization

¹ Comments of Sierra Club on the Advisors’ Report Regarding Parties’ Proposed Changes and Additional Guidance, at pg. 2

² A customer whose bills have increased either (1) by greater than 50% when comparing the last 12 months versus the 12 months prior to the last 12 months, or (2) by greater than 50% when comparing the current month versus the average of the previous two months.

Assistance Program) to help develop a more coordinated approach to reaching income-qualified customers in New Orleans.

C. Addressing Health & Safety Deferrals

The Company supports the idea of reducing health and safety deferrals. To that end, Energy Smart will begin to track health and safety deferrals by program assessors and trade allies in 2024. In addition, ENO looks forward to a coordinated effort to secure funding to assist with health and safety deferrals with the Parties through the Demand Side Management Working Group (“DSMWG”). Deferrals can be caused by a wide variety of expensive issues such as needed asbestos remediation, and roof and other property damage from hurricanes and other natural disasters. Customers in need will benefit from the coordination of the Parties who may be able to assist in securing funding and contractors to complete these types of repairs.

D. Data Collection and Reporting

The Company supports the idea of collecting and providing data for the betterment of the Energy Smart program. ENO looks forward to continued discussion regarding what data can be collected and provided without infringing upon privacy protections and customer rights.

E. Program Funding

The Sierra Club lists several sources of funding available to ENO customers. The Company looks forward to working with the Sierra Club and other stakeholders on securing this funding to help support some of the new initiatives suggested in this docket.

II. Reply Comments of the Alliance for Affordable Energy and The National Audubon Society on Advisors' proposed Revisions

A. The Joint Parties' Recommendation to Have 15% of Portfolio Savings Attributable to Income-Qualified Participation Should Only Come From IQ Programs Not Market Rate Programs

The Company supports an increased focus on Income-Qualified ("IQ") programs. As stated in several rounds of previous comments filed by ENO, it should be noted that a significant increase in savings targets for IQ programs will likely require a significant increase in funding for those programs. The Alliance for Affordable Energy and The National Audubon Society ("Joint Parties") recommend that the savings targets for IQ programs be increased to 15% of total portfolio savings. Under the current recovery mechanism, the Energy Efficiency Cost Recovery Rider ("EECR"), the increased cost would either be allocated to residential customers or, if allocated to other customer classes, would require commercial, governmental, and industrial customers to subsidize increased investment in residential IQ-focused programs.

Regarding ENO's comment that IQ customers participate in programs other than the Income-Qualified Weatherization ("IQW") program and therefore it would be incorrect to assume that the only benefits that are attributable to IQ customers are IQW kWh savings, the Joint Parties assert that "a reasonable compromise to address ENO's concerns could be to assume that a small portion of IQ households do participate in market-rate programs without attempting to precisely determine what that portion is. AAE suggests that it might be reasonable to assume that as much as 1%-2% of portfolio savings could be attributed to IQ participation in market rate programs." ENO believes that an assumption of 1%-2% is very low given the AAE's other assertion that 35% of New Orleans residents would qualify as IQ customers³. For example, over 90,000 ENO

³ Comments of the Alliance for Affordable Energy, October 31, 2022 at pg. 7

customers have participated in the Behavioral Program. It is reasonable to assume that a significant number of those customers would qualify as IQ customers and the benefits to those customers are higher than 1%-2% of the total Behavioral Program savings.

B. The Demand Side Management Working Group should be organized around achieving Energy Justice in New Orleans

The Company reiterates that it supports the development of a DSMWG to the extent that it does not interfere with implementation of Energy Smart programs. ENO agrees with the Advisors' recommendation that the DSMWG should consist of a smaller group of stakeholders who are charged with specific items to discuss and consider.

C. Conclusion

In conclusion, ENO appreciates the opportunity to provide input into Council Docket UD-22-04. ENO looks forward to continued coordination on the development of Energy Smart programs for the City of New Orleans.

CERTIFICATE OF SERVICE

Docket No. UD-22-04

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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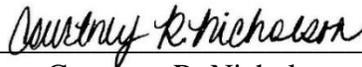
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New Orleans, Louisiana, this 17th day of April, 2023.



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