

Entergy New Orleans, LLC 1600 Perdido Street 70112-1208 P.O. Box 61000 New Orleans, LA 70161-1000 Tel 504-670-3680 Fax 504-670-3615

cnicho2@entergy.com

**Courtney R. Nicholson** Vice-President – Regulatory and Public Affairs

April 5, 2024

#### 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 Energy Smart Revised Program Year 15 Implementation Plan (Resolutions R-22-523; UD-22-04, UD-20-02, UD-08-02)

Dear Ms. Johnson,

On December 14, 2023 the Council of the City of New Orleans ("Council") adopted Resolution R-22-523 requiring Entergy New Orleans, LLC ("ENO") to file a revised Energy Smart Program Year 15 Implementation Plan that considers the outcomes of Council Docket UD-22-04.

On behalf of APTIM and Honeywell, Entergy New Orleans, LLC ("ENO") submits this Energy Smart Revised Program Year 15 Implementation Plan and requests that you file this submission in accordance with Council regulations. Should you have any questions regarding this filing, please contact my office at (504) 670-3680.

Sincerely, Juniny R. Nicholson

Courtney R. Nicholson

Enclosure

cc: Official Service Lists UD-22-04, UD-20-02, UD-08-02 (via electronic mail)

#### **BEFORE THE**

#### COUNCIL OF THE CITY OF NEW ORLEANS

<b>RESOLUTION AND ORDER</b>	)
<b>REGARDING SAVINGS TARGETS</b>	)
AND PROGRAM DESIGN FOR	)
ENERGY EFFICIENCY,	)
CONSERVATION, DEMAND	)
<b>RESPONSE AND OTHER DEMAND-</b>	) <b>DOCKET NO. UD-22-04</b>
SIDE MANAGEMENT PROGRAMS AS	)
WELL AS CUSTOMER-OWNED	)
DISTRIBUTED ENERGY RESOURCES	)
AND BATTERY STORAGE	)
PURSUANT TO COUNCIL	)
<b>RESOLUTION R-23-553</b>	)
	)
And	)
	)
<b>RESOLUTION REGARDING</b>	)
PROPOSED RULEMAKING TO	)
ESTABLISH INTEGRATED	) <b>DOCKET NO. UD-20-02</b>
<b>RESOURCE PLANNING</b>	) and UD-08-02
COMPONENTS AND REPORTING	)
<b>REQUIREMENTS FOR</b>	)
ENTERGY NEW ORLEANS, LLC	)

## ENTERGY NEW ORLEANS, LLC'S REVISED IMPLEMENTATION PLAN FOR PROGRAM YEAR 15

Entergy New Orleans, LLC ("ENO" or the "Company") respectfully submits this revised Energy Smart PY15 implementation plan in response to the suggestions and recommendations made in UD-22-04, and in compliance with Resolution R-23-553 (the "Resolution R-23-553") adopted by the Council of the City of New Orleans (the "Council") on December 14, 2023.

#### **Background**

On July 29, 2022, Entergy New Orleans, LLC ("ENO") filed the Energy Smart Implementation Plan for Program Years ("PYs") 13-15 (2023-2025) for review and approval by the Council. On September 15, 2022, the Council of the City of New Orleans ("Council") adopted Resolution R-12-413 establishing Docket UD-22-04 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 allowed 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 (the "Report" or "Advisors' Report")<sup>1</sup> with their recommendations based upon comments that had been filed. The Report recognized "[T]he enhancement of Energy Smart program offerings for income-qualified customers is consistent with the Council's purposes for the Energy Smart Program, even where such enhancement increases the budget for the program and negatively impacts the cost-effectiveness of the overall program design, so long as program costs do not become excessive."<sup>2</sup> Stakeholders filed Initial Comments on the Advisors' Report on March 29, 2023 and ENO filed reply comments in response to stakeholders' Initial Comments on the Advisors' Report on April 17, 2023.

Following the conclusion of the procedural schedule for Docket UD-22-04, the Council approved Resolution R-23-553 requiring ENO to submit a revised Energy Smart PY15 implementation plan that reflects the suggestions and recommendations of UD-22-04. In response to Resolution R-23-553, ENO and the Energy Smart Third-Party Administrators have prepared the attached Revised PY15 Implementation Plan (the "Plan" or "Revised Plan"). A summary of the Plan is below.

#### **Energy Efficiency Programs**

The revised PY15 Plan includes two Scenarios for the Council's consideration—Scenario 1 ("2% Scenario") and Scenario 2 ("Reduced kWh Savings"). In compliance with Resolution R-23-553, Scenario 1 projects to generate "a kWh savings rate equal to 2% of ENO's annual kWh

<sup>&</sup>lt;sup>1</sup> Advisors' Report Regarding Parties' Proposed Changes and Additional Guidance, UD-22-04, March 1, 2023 <sup>2</sup> *Id. at pg. 3* 

sales through the end of Energy Smart's PY15 (2025),"<sup>3</sup> which amount is approximately 111 million kWh. Scenario 2 contains a reduced amount of commercial kWh savings in the Large C&I Solutions and the Small C&I Solutions programs but also lowers the overall cost of the implementation plan. Scenario 2 projects kWh savings of approximately 90 million kWh for PY15.<sup>4</sup>

Both Scenarios include the same proposed portfolio of Residential programs, which includes a significant increase in budget allocated to Income Qualified measures as described in Section 1, below. The difference between the two Scenarios lies in the proposed portfolios of Commercial and Industrial programs as described in Section 2, below.

## 1. Residential Programs

The Plan includes a substantial shift in the proposed Energy Efficiency programming to more of an emphasis on Income-Qualified ("IQ") offerings. The new proposal carries over the previous Income-Qualified Weatherization Program but also includes additional IQ funding in the Multifamily Solutions, Retail Appliances and A/C Solutions programs. In compliance with Resolution R-23-553, the Plan also includes a Neighborhood-Based Delivery Pilot Program (the "NBD Pilot"). The NBD Pilot targets 3-4 pre-selected neighborhoods with free energy efficiency assessments and measures. The neighborhoods will be selected from census tracts that have high energy burden and/or heat island issues. The implementation cost of the revised IQ programs will increase approximately \$8.2M in comparison to the originally-filed PY15 plan. For a more detailed summary of the proposed residential energy efficiency programs, including the NBD Pilot, please see Appendix 1.

<sup>&</sup>lt;sup>3</sup> Council Resolution R-23-553, UD-22-04, December 14, 2023, pg. 11.

<sup>&</sup>lt;sup>4</sup> As a point of reference, the 90 million kWh projected savings for Scenario 2 is higher than the Reference Case from the 2024 IRP DSM Potential Study which found the achievable energy efficiency savings in 2025 to be 79 million kWh.

#### 2. Commercial & Industrial Programs

Given the Council's desire to emphasize Residential IQ programs while keeping overall program costs from becoming excessive, the reliance on commercial programming has been reduced in the Revised Plan. The initial PY15 plan sought to achieve over 75 million kWh savings through commercial programs whereas Scenario 1 of the Revised Plan seeks to save approximately 65 million commercial kWh. Per Resolution R-23-553, the Revised Plan includes an offering related to Construction Code compliance. This new offering is designed to encourage compliance with the new energy codes that became effective in July 2023. For a more detailed discussion of the commercial and industrial programs in the Plan, please see Appendix 1. Table 1, below, illustrates the differences in MWh savings (21,212 MWh) and program costs (\$2,813,357) between the two Scenarios resulting from the different portfolios of Commercial and Industrial programs:

		-			-
	Small C&I Solutions	Large C&I Solutions	Publicly Funded Institutions	New Construction Code Compliance	Total
Scenario 1 MWh Savings	12,134	47,605	4,571	804	65,114
Scenario 2 MWh Savings	6,032	32,495	32,495 4,571		43,902
Variance	6,102	15,110	0	0	21,212
Scenario 1 Budget	\$3,079,179	\$9,589,844	\$1,067,159	\$251,419	\$13,987,601
Scenario 2 Budget	\$2,149,849	\$7,705,817	\$1,067,159	\$251,419	\$11,174,244
Variance	\$929,330	\$1,884,027	\$0	\$0	\$2,813,357

Table 1

## **Demand Response Programs**

# 1. Peak Reduction Goal - 3%

Resolution R-23-553 states that "ENO shall establish a 3% of annual peak load kW demand reduction goal beginning with PY15 (2025). The 3% kW demand target shall be for ENO's non-coincident annual peak for PY15, with the annual peak being calculated based on a three-year rolling basis."<sup>5</sup> Table 2, below, shows the calculation of ENO's three-year rolling average peak load.

Table	2
	_

ENO Peak Load					
Year	MW				
2021	1,155				
2022	1,182				
2023	1,208				
Three Year Rolling Average	1,182				
3% of Peak Load	35.45				

To meet this requirement, the Plan continues all the current Demand Response ("DR") programs with a few modifications to the projections.

- Bring Your Own Thermostat ("BYOT") Program The projections for participation in the BYOT Program were decreased based upon historical participation. Please see Appendix 2 for more details on the BYOT program.
- Peak time Rebate ("PTR") Program The projection for the PTR program was held constant. Please see Appendix 2 for more details on the PTR program.

- Bring Your Own Charger ("BYOC") Program The projection for the BYOC Program was held constant. Please see Appendix 5 for the discussion on the BYOC program filed previously in docket UD-22-04.
- Large Commercial Automated Demand Response ("Large Commercial ADR") Program In an effort to gradually increase the DR peak reduction capacity to meet the 3% goal in PY15, ENO believes, based on input from its third-party implementer, that it is imperative to begin to ramp up marketing and outreach efforts in the Large Commercial ADR Program in PY14 (2024). Appendix 3 discusses the proposed ramp up in the Large Commercial ADR program in the latter part of 2024. In addition, the Plan includes increased participation in Large Commercial ADR, including expansion into Electric Vehicle Fleet DR. Please see Appendix 4 for discussion of PY 15 Large Commercial ADR including EV Fleet expansion.

## **Utility Performance Incentive**

#### 1. Demand Response

In their Report, the Advisors recommend that "[I]f an incentive is recommended for achieving 100% of a kW savings goal, an incentive of 7% of demand response program costs, similar to the incentive for the energy efficiency kWh savings goal, could be considered."<sup>6</sup> ENO agrees that this type of kW goal would be sufficient for the first year of the demand goal. Changes to that performance incentive mechanism could be considered as the goal is set in future years.

#### 2. IQ

The Advisors' Report states that "[A] performance incentive that rewards ENO for achieving savings related to measures installed for income-qualified customers is consistent with

<sup>&</sup>lt;sup>6</sup> Advisors' Report Regarding Parties' Proposed Changes and Additional Guidance, UD-22-04, March 1, 2023, pg. 8

the Council's goals for this proceeding."<sup>7</sup> Consistent with this idea, ENO proposes to track savings in IQ programs separately from non-IQ programs. The same incentive mechanism that is currently applied to all Energy Smart programs could then be applied to IQ programs and non-IQ programs separately. For example, if ENO achieves 100% of the IQ kWh savings goal, then ENO would receive 7% of the total projected IQ program costs as performance incentive. Similarly, if ENO achieves 100% of the non-IQ kWh savings goal, then ENO would receive 7% of the total projected non-IQ program costs. The projected utility performance incentives for achieving 100% of the IQ and 100% of the non-IQ savings goals under Scenarios 1 and 2 are shown in Tables 3 and 4, below.

Scenario 1 Utility Performance Incentive								
Non	-IQ Pr	ograms			IQ P	rogra	ams	
<u>Energy Efficiency</u> <u>Program</u>	<u>Pr</u>	ogram Cost	<u>MWh</u>		Energy Efficiency Program	<u>Pr</u>	ogram Cost	
Small C&I Solutions	\$	3,079,179	12,134		Income Qualified Weatherization	\$	3,235,490	
Large C&I Solutions	\$	9,589,844	47,605		Neighborhood-Based Delivery Pilot	\$	3,367,070	
Publicly Funded Institutions	\$	1,067,159	4,571		Multifamily Solutions Income Qualified	\$	1,203,440	
New Construction Code Compliance	\$	251,419	804		Retail Appliances Income Qualified	\$	1,370,133	
Home Performance with Energy Star ("HPwES")	\$	1,977,974	2,118		A/C Solutions Income Qualified	\$	1,335,996	
Multifamily Solutions	\$	827,535	1,989		IQ Energy Efficiency Subtotal	\$	10,512,129	
Retail Appliances	\$	529,586	392		UPI at 100% of Non-IQ kWh Savings Goal	\$	735,849	
A/C Solutions	\$	870,624	2,180	]				
Residential HVAC Midstream	\$	1,528,276	2,047					
School Kits & Education and Community Outreach	\$	305,533	797					
Behavioral	\$	526,319	20,052					
Non- IQ Energy Efficiency Subtotal	\$	20,553,448	94,689					
UPI at 100% of Non- IQ kWh Savings Goal	\$	1,438,741		-				

<u>MWh</u>

4,340

4,340

3,112

1,893

2,986

16,671

Table 4	

Scenario 2 Utility Performance Incentive									
Nor	1-IQ	Programs	•	IQ Programs					
Energy Efficiency Program		Program Cost	<u>MWh</u>		Energy Efficiency Program	<u>P</u>	rogram Cost	<u>MWh</u>	
Small C&I Solutions	\$	2,149,849	6,032		Income Qualified Weatherization	\$	3,235,490	4,340	
Large C&I Solutions	\$	7,705,817	32,495		Neighborhood-Based Delivery Pilot	\$	3,367,070	4,340	
Publicly Funded Institutions	\$	1,067,159	4,571		Multifamily Solutions Income Qualified	\$	1,203,440	3,112	
New Construction Code Compliance	\$	251,419	804		Retail Appliances Income Qualified	\$	1,370,133	1,893	
Home Performance with Energy Star ("HPwES")	\$	1,977,974	2,118		A/C Solutions Income Qualified	\$	1,335,996	2,986	
Multifamily Solutions	\$	827,535	1,989		IQ Energy Efficiency Subtotal	\$	10,512,129	16,671	
Retail Appliances	\$	529,586	392		UPI at 100% of Non-IQ kWh Savings Goal	\$	735,849		
A/C Solutions	\$	870,624	2,180					_	
Residential HVAC Midstream	\$	1,528,276	2,047						
School Kits & Education and Community Outreach	\$	305,533	797						
Behavioral	\$	526,319	20,052						
Non- IQ Energy Efficiency Subtotal	\$	17,740,091	73,477						
UPI at 100% of Non- IQ kWh Savings Goal	\$	1,241,806		_					

1,241,806

# **Program Costs**

Projected program costs for Scenario 1 including Demand Response are illustrated in Table 5, below.

Program Year 15 – 2% Goal								
Energy Efficiency Program	P	rogram Cost	MWh	MW				
Small C&I Solutions	\$	3,079,179	12,134	0.72				
Large C&I Solutions	\$	9,589,844	47,605	3.47				
Publicly Funded Institutions	\$	1,067,159	4,571	0.15				
New Construction Code Compliance	\$	251,419	804	0.24				
Home Performance with Energy Star ("HPwES")	\$	1,977,974	2,118	0.84				
Income Qualified Weatherization	\$	3,235,490	4,340	0.06				
Neighborhood-Based Delivery Pilot	\$	3,367,070	4,340	0.06				
Multifamily Solutions	\$	827,535	1,989	0.05				
Multifamily Solutions Income Qualified	\$	1,203,440	3,112	0.09				
Retail Appliances	\$	529,586	392	0.01				
Retail Appliances Income Qualified	\$	1,370,133	1,893	0.02				
A/C Solutions	\$	870,624	2,180	0.97				
A/C Solutions Income Qualified	\$	1,335,996	2,986	1.29				
Residential HVAC Midstream	\$	1,528,276	2,047	0.00				
School Kits & Education and Community Outreach	\$	305,533	797	0.00				
Behavioral	\$	526,319	20,052	0.00				
Energy Efficiency Subtotal	\$	31,065,576	111,358	7.96				
Demand Response Program	<u>P</u>	rogram Cost	<u>MWh</u>	MW				
Residential Peak Time Rebate Pilot	\$	327,404	-	1.25				
Residential - BYOT	\$	907,709	-	10.90				
Large C&I DR	\$	2,935,281	-	24.11				
Bring Your Own Charger (BYOC) Pilot	\$	338,803	-	1.58				
Demand Response Subtotal	\$	4,509,197		37.84				
momer				47.00				
TOTAL	\$	35,574,773	111,358	45.80				

# Table 5

\*Totals may not foot due to rounding.

Project cost for Scenario 2 with Demand Response are shown in Table 6, below.

Program Year 15 – Reduced Savings Goal							
Energy Efficiency Program	Program Cost	MWh	MW				
Small C&I Solutions	\$ 2,149,849	6,032	0.36				
Large C&I Solutions	\$ 7,705,817	32,495	2.37				
Publicly Funded Institutions	\$ 1,067,159	4,571	0.15				
New Construction Code Compliance	\$ 251,419	804	0.24				
Home Performance with Energy Star ("HPwES")	\$ 1,977,974	2,118	0.84				
Income Qualified Weatherization	\$ 3,235,490	4,340	0.06				
Neighborhood-Based Delivery Pilot	\$ 3,367,070	4,340	0.06				
Multifamily Solutions	\$ 827,535	1,989	0.05				
Multifamily Solutions Income Qualified	\$ 1,203,440	3,112	0.09				
Retail Appliances	\$ 529,586	392	0.01				
Retail Appliances Income Qualified	\$ 1,370,133	1,893	0.02				
A/C Solutions	\$ 870,624	2,180	0.97				
A/C Solutions Income Qualified	\$ 1,335,996	2,986	1.29				
Residential HVAC Midstream	\$ 1,528,276	2,047	0.00				
School Kits & Education and Community Outreach	\$ 305,533	797	0.00				
Behavioral	\$ 526,319	20,052	0.00				
Energy Efficiency Subtotal	\$ 28,252,220	90,148	6.49				
Demand Response Program	Program Cost	<u>MWh</u>	<u>MW</u>				
Residential Peak Time Rebate Pilot	\$ 327,404	-	1.25				
Residential - BYOT	\$ 907,709		10.90				
Large C&I DR	\$ 2,935,281		24.11				
Bring Your Own Charger (BYOC) Pilot	\$ 338,803		1.58				
Demand Response Subtotal	\$ 4,509,197		37.84				
TOTAL	\$ 32,761,417	90,148	44.33				

<u>Table 6</u>

\*Totals may not foot due to rounding.

# **Energy Efficiency Cost Recovery ("EECR") Rider Impact**

The projected incremental effect on customers' typical bills for both Scenario 1 and Scenario 2 are seen in Table 7, below.

Scenario 1						
	Re	sidential	Sr	nall C&I	L	arge C&I
Incremental Bill Impact for PY15 (estimated)	\$	3.52	\$	24.29	\$	(50.03)

Scenario 2						
	Residential Small C&I Large C&I				Large C&I	
Incremental Bill Impact for PY15 (estimated)	\$	3.52	\$	12.79	\$	(141.22)

# Lost Contribution to Fixed Costs

The projected LCFC for the Revised Plan Scenarios 1 and 2 is shown on Table 8, below.

## Table 8

Lost Contribution to Fixed Costs			
	Scenario 1	Scenario 2	
A. Projected kWh Saved	111,358,000	90,148,000	
B. Adjusted Gross Margin	0.08304	0.08304	
LCFC (AxB)	\$ 9,247,168	\$ 7,485,890	

# Table 7

# **Prayer for Relief**

In support of the request set forth herein, ENO submits this Revised Implementation Plan

for Energy Smart PY15 and the accompanying proposed budget.

WHEREFORE, ENO respectfully requests that this Council issue a Resolution:

- 1. Approving either Scenario 1 or Scenario 2 of the PY15 Revised Plan;
- 2. Approving either the PY14 ramp up in Large Commercial ADR discussed above and in Appendix 3, or the use of the PY14 Ramp up funding in PY15;
- 3. Approving the recovery of program costs and any earned performance incentive through the EECR rider;
- 4. Approving the Demand Response Utility Performance Incentive Mechanism;
- 5. Approving the Income Qualified Utility Performance Incentive Mechanism;
- 6. Granting all other general and equitable relief that the law and the nature of this proceeding may permit or require.

Respectfully submitted

Brian L. Guillot, Bar No. 31759 Lacresha D. Wilkerson, Bar No. 36084 Leslie LaCoste, Bar No. 38307 639 Loyola Avenue, Mail Unit L-ENT-26 E New Orleans, Louisiana 70113 Telephone: (504) 576-2984 Facsimile: (504) 576-5579

ATTORNEYS FOR ENTERGY NEW ORLEANS, LLC

# CERTIFICATE OF SERVICE CNO Dockets UD-22-04, UD-20-02, UD-08-02

I hereby certify that the foregoing was served on all parties of record listed on the Official Service

Lists through electronic delivery.

New Orleans, Louisiana, this 5<sup>th</sup> day of April 2024.

Lacresha D. Wilkerson



# January 1, 2025 – December 31, 2025 Program Year 15 Energy Smart Energy Efficiency Demand Side Management Plan

04/05/2024

PREPARED BY

APTIM Environmental and Infrastructure 1100 Poydras St, Suite 2060 New Orleans, Louisiana 70163 Michelle Krueger Michelle.krueger@aptim.com

PREPARED FOR

Entergy New Orleans 1600 Perdido Street New Orleans, LA 70112 Derek Mills dmills3@entergy.com

Entergy New Orleans, LLC

# Appendix 1

# Contents

Su	mmary	3
1.	Residential Offerings	5
2.	Commercial & Industrial Offerings	11
Ba	ckground and Overview	14
1.	Plan to Save 2% of Annual Sales	14
2.	EISA Phase II Standards	14
З.	TRM Development and Evaluation Coordination	15
4.	Evaluation Measurement and Verification (EM&V) Budget	15
5.	Budget Flexibility	15
6.	Marketing Planning and Strategy	16
Po	rtfolio Budgets and Savings	17
2%	Goal Scenario	18
Re	duced C&I Savings Scenario	19
Ne	t Benefits and Cost Effectiveness Analysis	20
Pro	ogram Budgets and Savings	24



# Summary

Entergy New Orleans, LLC (ENO) selected Aptim Environmental & Infrastructure, LLC (APTIM) as the Third-Party Administrator (TPA) to deliver the Energy Smart portfolio of demand side management programs for the period of January 1, 2023 to December 31, 2025. APTIM will be retained by ENO to implement, deliver, administer and conduct Quality Control/Quality Assurance (QC/QA) and some measurement and evaluation of the energy conservation and demand side management programs as approved by the Council for the City of New Orleans (Council). The Energy Efficiency (EE) plan, outlined in this document, details the updated proposed design, budgets, and savings targets for the Energy Smart portfolio in Program Year 15 which runs from January 1, 2025 to December 31, 2025.

The APTIM team completed the updated analysis and recommendations detailed in this implementation plan utilizing historical participation results, best practices of energy efficiency programs and stakeholder comments filed in Docket UD-22-04. While plan inputs were considered from the 2021 DSM Potential Studies performed by GDS Associates and Guidehouse Inc. and the 2024 DSM study by Guidehouse, the proposed program designs incorporate several factors not included in the 2021 potential studies that have substantial impact in Program Year 15 and beyond. Energy Independence and Security Act (EISA) Phase II standard enforcement, the spike in inflation, trade ally contractor labor shortages, and supply chain delays represented noteworthy challenges during the recent program cycle. This revised PY15 implementation plan provides two aggressive budget and savings targets while meeting requirements included in Resolution R-23-553.

In Program Year 15 APTIM will continue to work with ENO, the Council and its Advisors (Advisors), as well as other stakeholders to ensure continuous progression and evolution of the Energy Smart program. In response to comments filed in Docket UD-22-04 the APTIM Team has designed income-qualified (IQ) tracks for all residential offerings and included a neighborhoodbased delivery pilot offering. This updated Program Year 15 plan significantly increases the energy savings targets of the residential portfolio from 35,789 MWh to 46,244 MWh while maintaining the 40/60 non-incentive to incentive spend split. The Energy Smart residential portfolio has historically achieved a large portion of savings from LED lighting. In Program Years 11, 12 and 13 the LED lighting savings accounted for 50-60% of the residential portfolio. Due to Energy Independence and Security Act (EISA) Phase II standard enforcement, LED lighting savings will only be available for direct installation lighting in the first six months of PY15. This represents a drastic change in the Energy Smart residential portfolio resulting in increased nonlighting measures and program costs. The originally proposed PY15 plan included lower residential savings targets at \$0.26/kWh, while this updated PY15 plan includes much higher residential savings targets at \$.37/kWh. Stakeholder comments filed in Docket UD-22-04 acknowledged the higher cost of residential portfolio savings when compared to the commercial portfolio and emphasized the desire for further increase of IQ residential offerings despite acknowledging that IQ savings are typically more expensive per unit saved than commercial program savings.

The following implementation plan provides detail on the program designs, savings targets,



budgets, and proposed enhancements of the Energy Smart program.

The following table shows the program offerings from Program Years 13-14 relative to the proposed new offerings for Program Year 15, with more details on each offering included within this plan.

PORTFOLIO	PY 13-14 PROGRAM OFFERINGS	PY 15 PROGRAM OFFERINGS	
	Home Performance with Energy Star ("HPwES")	Home Performance with Energy Star ("HPwES")	
	Income Qualified Weatherization	Income Qualified Weatherization	
	-	Neighborhood-Based Delivery Pilot	
	Multifamily Solutions	Multifamily Solutions	
	-	Multifamily Solutions Income Qualified	
TIAL	Retail Lighting and Appliances	Retail Appliances	
DEN	-	Retail Appliances Income Qualified	
RESI	A/C Solutions	A/C Solutions	
<b>L</b>	-	A/C Solutions Income Qualified	
	-	Residential HVAC Midstream	
	Appliance Recycling & Replacement Pilot	-	
	NOLA Wise School Kit and Community Outreach Program	School Kits, Education and Community Outreach	
	Behavioral Energy Efficiency	Behavioral Energy Efficiency	
LL &	Small Commercial & Industrial Solutions	Small Commercial & Industrial Solutions	
TRIA	Large Commercial & Industrial Solutions	Large Commercial & Industrial Solutions	
	Publicly Funded Institutions	Publicly Funded Institutions	
N CO	Commercial & Industrial Construction Solutions	New Construction Code Compliance	



# **1. Residential Offerings**

The Residential portfolio provides a comprehensive and holistic approach in helping all of ENO's residential customers, including Income Qualified customers, make smart energy decisions. The programs proposed offer solutions at all levels for residential consumers – from the shopper purchasing a rebated smart thermostat online, to the homeowner prepared to make a long-term investment in their home's energy performance.

**Home Performance with Energy Star ("HPwES")** – This offering takes a whole-house approach to improving energy efficiency. Energy Smart certified Energy Advisors help residential customers analyze their energy use and identify and complete comprehensive energy efficiency upgrades. The offering includes a home energy assessment which may also recommend follow up measures to be completed by trade ally contractors. The home energy assessment includes a walk-through inspection and direct installation of low-cost measures such as LED lighting (only for the first six months of 2025, before EISA restrictions take effect), high-efficiency showerheads and water aerators, smart power strips, pipe wrap and smart thermostats. The home energy assessment may recommend follow-up measures which require diagnostic testing targeted to achieve deeper savings in the home. Follow-up measures, completed by an Energy Smart approved trade ally include attic insulation, air conditioning tune-up, air sealing, and duct sealing.

To meet the needs of New Orleans' unique housing stock of double shot-gun homes and smaller multifamily configurations, APTIM will include all buildings with four or fewer units in the HPwES offering. Structures of this size and construction type often behave more like single-family homes, with owners often occupying one of the units, thus minimizing the split-incentive barrier.

Proposed ideas for continuations, enhancements and expansions to the HPwES offering include:

- Continue to provide the assessment self-scheduling tool available to customers through the Energy Smart website. This tool will also be used by Thrive New Orleans, the local non-profit partner supporting community outreach for the Energy Smart program.
- Improve trade ally dispatching by providing trade ally portal for all job listings. Trade allies will accept or reject assigned jobs which will increase speed of trade ally response to customers and improve customer satisfaction with speed of service.
- Utilize GIS mapping to identify areas of Orleans Parish experiencing greatest consequences of heat island effect to target program outreach.

**Income-Qualified Weatherization** – The Income-Qualified Weatherization offering (IQW) is designed to offer qualifying customers no-cost participation in the whole-house approach of the Home Performance with ENERGY STAR program. APTIM and program partners work to identify and qualify customers for participation. Energy Smart certified Energy Advisors help



customers analyze their energy use and provide direct installation of energy efficient equipment such as LED bulbs (for the first six months of 2025), water savings measures, and smart thermostats. Follow-up measures are completed by an Energy Smart approved trade ally at no cost to the income-qualified customer, including attic insulation, air conditioning tune-up, air sealing, and duct sealing.

Proposed ideas for continuation, enhancements and expansions for the Income-Qualified Weatherization offering include:

- Involve stakeholders to coordinate program access for customers in need with Total Community Action (TCA), Low-Income Home Energy Assistance Program (LIHEAP), Weatherization Assistance Program (WAP), Alliance for Affordable Energy, Thrive New Orleans and other community-based organizations.
- Utilize GIS mapping with census tract data to identify areas of Orleans Parish with the highest energy burden to target program outreach.
- Continue to work with Thrive New Orleans to generate awareness of and participation in the program. This includes program information tables at neighborhood events, Entergy Walk-In Payment Centers, and working with organizations such as food banks and other assistance programs.

**Neighborhood-Based Delivery Pilot** - The targeted neighborhood offering provides customers with no-cost energy assessments designed to help them learn how to save energy and money in their homes along with follow-up energy-saving improvements installed at no cost. The program will use a community canvassing approach through which the team works closely with ENO and stakeholders to identify neighborhoods for targeting, works with community organizations to engage potential participants, and canvasses selected neighborhood to perform no-cost assessments and energy-saving product installations.

The program will select and pre-qualify an eligible, census-defined target neighborhood of approximately 500 to 1,000 homes. Program engagement will first focus on residents who reside within pre-selected neighborhoods that have 50% or more residents who fall below 80% of Area Median Income or census tracts with high energy burden. Residents in targeted neighborhoods receive a program brochure with information about scheduling a no-cost home energy assessment and an invitation to a neighborhood kick-off event to learn more about the program. Program personnel can conduct energy assessments and install free energy-saving products the same day as the kick-off event or can schedule a more convenient time for the customer. Based on the energy assessment results, participants also receive information about additional free efficiency improvements completed by local trade ally contractors. Neighborhood kick-off events will host trade ally contractors to familiarize residents with the contractors and offer direct and expedited scheduling for installation of the weatherization measures (air sealing, duct sealing, attic insulation). The time spent in a neighborhood is estimated to be three months.

For multifamily complexes in the neighborhood, outreach will be performed prior to the event to engage building owners in the multifamily program. If the landlord declines to



participate in the standard Multifamily Solutions offering, a behavioral education component and energy efficiency kit can be provided to interested residents.

This new offering will include pilot measures to help address urban heat island effect including cool roofs, covered A/C units, shade techniques and window film. There will also be additional incentive funds for health and safety measures to reduce weatherization barriers.

Initial Marketing:

- Postcards
- Eblast
- Online marketing (Nextdoor, Facebook) in the targeted neighborhood
- Marketing packages for community-based organizations that serve targeted area
- Canvassing prior to kick-off event by Thrive New Orleans

Neighborhood Kick-off:

- Kick-off event with meal
  - Invited guests include community partners, Councilmembers, Mayor or Office of Resilience and Sustainability (ORS) representation, and Council Utilities Regulatory Office representation.
  - Invite other relevant neighborhood resources to participate.
  - Provide behavioral education options for reducing energy use.
- Coordinate tree planting to take place shortly after kick-off event to provide additional opportunity to reduce urban heat island effect.

**Multifamily Solutions** - This offering targets multifamily property owners (landlords) and managers, as well as apartment and condo renters. The offerings will address their unique needs through a combination of incentives for both direct install and prescriptive measures, and through property owner and tenant education. Direct install measures include LED light bulbs (only for the first six months of 2025), water-saving showerheads, faucet aerators and smart thermostats. A property must have a minimum of five units to qualify for Multifamily Solutions. This allows for the Multifamily Solutions offering to be more focused on the unique needs of owners, managers and renters of larger buildings. Multifamily Solutions works with property owners to serve the entire property with appropriate energy saving measures. There is no cost to the renter in this offering.

Proposed ideas for continuations, enhancements and expansions for the Multifamily Solutions offering include:

- Add content for customer education including behavioral tips for reducing energy use in an apartment.
- Additional measures to include TSV (thermostatic valve) showerheads and tub spouts.

*Multifamily Solutions Income Qualified-* This offering targets multifamily properties with over 50% of apartment units with rental subsidies or verified income qualified tenants.



Thrive New Orleans, the program's local non-profit outreach partner, will play a key role to better serve multifamily properties with low-income tenants. The Multifamily Solutions Income Qualified track provides the same services, benefits and measures as the market rate offering with additional support for property management to assist in serving all units in the complex. The weatherization measure incentives have also been increased for air sealing, duct sealing and attic insulation, to increase adoption by property owners. The program team will increase coordination with Louisiana Housing Corporation (LHC), Housing Authority of New Orleans (HANO) and Greater New Orleans Housing Alliance (GNOHA), Vietnamese Initiatives in Economic Training (VIET), and Total Community Action (TCA) to reach affordable housing more effectively. There is no cost to the renter in this offering.

**Retail Appliances** - The objective of the Retail Appliances offering is to increase awareness and sales of efficient equipment and appliances to ENO's residential population. The Online Marketplace was introduced to the Retail program last program cycle and will continue to provide an opportunity for customers to access instant rebates for online purchases of energy efficient equipment including smart thermostats, advanced power strips, pipe insulation, water savers and dehumidifiers. The Retail offering provides customers the opportunity to purchase a variety of discounted products that are ENERGY STAR qualified or better including refrigerators, window air conditioners, heat pump water heaters, dehumidifiers, and pool pumps. Participating retailers include national partners, like The Home Depot, as well as local partners, like the Green Project, to achieve a blend of large and small retailers.

Proposed ideas for continuations, enhancements and expansions for the Retail Appliances offering include:

- Retail program will not include rebates or energy savings on LED lighting in PY15 due to EISA standards enforcement. LED lighting will remain available on the Online Marketplace without Energy Smart program rebates as a value add to customers shopping for energy-efficient products.
- Expand the in-store marketing to include non-lighting products, such as smart thermostats, refrigerators, freezers, dehumidifiers, and air purifiers.
- Cross-promote retail smart thermostat signage with Demand Response (DR) program to increase conversion of smart thermostat purchases into DR enrollments.
- Continue to offer pre-enrollment into DR programs for smart thermostats purchased on program Online Marketplace.
- Increased incentives for Heat Pump Water heaters to increase adoption with the federal tax incentives.
- Additional measures to include air purifier kit and ENERGY STAR clothes washers and dryers.
- Addition of Move In kit for new Entergy customers and cross promotion for the other Energy Smart offerings.

**Retail Appliances Income Qualified**- The objective of the Retail Appliances Income Qualified offering is to increase awareness and sales of efficient equipment and appliances to ENO's residential population and offer increased incentives for income qualified



households. The Retail Appliances Income Qualified track will target marketing in local independent retailers and utilize propensity modeling to identify customers that would benefit and engage with seasonal retail promotions. The addition of rapid rebates will allow customers to submit the rebate at the Point-of-Purchase which would directly benefit income qualified customers to purchase the efficient equipment at a lower out-of-pocket cost and avoid waiting for the rebate reimbursement in the mail. This offering will include all features, benefits and measures of the non-income qualified track with the addition of increased incentives.

**A/C Solutions** - The A/C Solutions offering will provide residential customers with a comprehensive set of options to help lower the energy consumption associated with keeping their homes cool and comfortable in the summer. In addition to tune-ups and high efficiency replacements, A/C Solutions will offer duct sealing and smart thermostat measures. The program will enhance the ability within the territory's HVAC contractor network to provide value-added services to its customers. These services are eligible to be incentivized because they surpass the standard industry practices and offerings in the marketplace. The A/C Solutions offering will be cross promoted with the other residential offerings to encourage more comprehensive energy savings.

Proposed ideas for continuations, enhancements and expansions to the A/C Solutions offering include:

- Cross-market the Demand Response offerings to participants in A/C Solutions through participating HVAC contractors.
- Recruit additional local HVAC contractors to provide comprehensive A/C tune ups.
- Promote A/C replacement rebates at the Point-of-Purchase for HVAC Entergy New Orleans customers in the surrounding area.

**A/C Solutions Income Qualified** - This A/C Solutions offering will provide income qualified residential customers with a comprehensive set of options to help lower the energy consumption associated with keeping their homes cool and comfortable in the summer. The income qualified track provides increased incentives for A/C tune ups to ensure no out-of-pocket cost for this service. Similar to the Income Qualified Weatherization offering, customers would self-attest to their income to take part in the increased incentives included in the A/C Solutions Income Qualified offering. Promotion of the A/C replacement rebates will also be increased at local independent retailers.

**Residential HVAC Midstream**- This new offering will establish midstream incentives for high efficiency HVAC equipment at local distributors. The midstream offering is designed to address the downstream program barriers including customers unaware of program incentives, customers cannot afford incremental costs, and unengaged HVAC contractor base. The midstream solution engages HVAC manufacturers, manufacturer representative agencies and local distributors to ensure qualified efficient equipment is marked down in price with the program incentive built-in and program information on product invoicing. The midstream offering will reach customers and influence efficient equipment sales that are not captured in the traditional downstream A/C Solutions program. The incentives allow product distributors to educate, motivate and engage HVAC contractors to create market



**School Kits, Education and Community Outreach** – The National Theatre for Children (NTC), in coordination with ENO, will recruit, enroll, deliver energy efficiency curriculum and disperse school kits to 4,100 students each year and secure installation to ENO residences to promote behavior change and create lifelong energy-smart ENO customers.

Community Outreach: Thrive New Orleans, a local non-profit, will support community outreach for the entire portfolio. They support in-person events and resource fairs with information table and Home Energy Assessment self-scheduling. In PY15 Thrive will also add neighborhood canvassing to outreach tactics.

**Behavioral Energy Efficiency**– The Behavioral offering will provide customers with a Home Energy Report (HER) through digital or print channels. Residential customers will receive a HER that compares them to similar and efficient households, shows their end-use energy consumption, provides tips for saving energy, and directs them to other program offerings. The program design will include four paper HERs sent over the course of the year, as well as monthly digital HERs for those customers that have emails on file. Delivery of the reports will be timed to maximize energy savings around seasonal consumption peaking periods. The Behavioral Energy Efficiency offering in PY15 leverages AMI data and a rebalanced and expanded treatment cohort. The program team will also identify Behavioral treatment customers that live in census tracts that indicate lower household incomes and/or high energy burdens in order to report the Behavioral program reach for more vulnerable ENO customers.

KEY FIGURES	YEAR 15	
Projected Total Participants	127,000	
Projected Print Participants	27,000	
Projected Digital Participants	100,000	
Projected Annual MWh Savings	20,058	
Treatment Customers (annual average)	127,000	



# 2. Commercial & Industrial Offerings

The proposed offerings included within APTIM's Commercial and Industrial portfolio are provided below along with information on innovations and enhancements for consideration during implementation of the 2025 Energy Smart EE portfolio. The program designs align with the programs discussed in the 2021 Demand Side Management Potential Studies performed by GDS Associates and Guidehouse Inc. The C&I portfolio will offer prescriptive offerings, making it easier for customers and trade allies to participate, while increasing overall cost-effectiveness of the C&I portfolio. Incentives and savings for prescriptive measures are based primarily on measures in the New Orleans Technical Reference Manual (TRM). For all offerings, APTIM will facilitate feedback sessions involving ENO, members of our Trade Ally Advisory Group (TAAG), and other stakeholders to identify and evaluate innovative options for program enhancement throughout Program Year 15.

**Small Commercial & Industrial Solutions** - The Small Commercial & Industrial Solutions offering will provide small businesses (100 kW demand or less) and other qualified non-residential customers the opportunity to achieve electricity savings through strategies designed specifically for this sector. This offering will help small business customers analyze facility energy use and identify energy efficiency improvement projects. Program participants will be advised on applicable offerings through the program as well as financial incentives for eligible efficiency measures that are installed in their facilities by trade allies.

Proposed ideas for continuations, enhancements and expansions to the Small Commercial and Industrial Solutions offering include:

- Expand the current list of trade allies participating in the Small Business Direct Install offering by supporting aggressive recruitment efforts.
- Formalizing pipeline of small commercial customer leads for network of Small Business Direct Install trade ally network.
- Utilize a Small Commercial Outreach Analyst to conduct targeted and consistent outreach to small business customers including cold calls, onsite informational meetings, walk-through assessments to identify energy efficient potential projects, and one-on-one Energy Smart application assistance.
- Implement a direct install offering utilizing a simple web-based application process in which small business customers can sign up for direct install services on the Energy Smart website.
- Increase targeted marketing to promote non-lighting measures with no or low upfront cost including AC tune-ups, smart thermostats and refrigeration measures.
- Expand current outreach to churches/places of worship to raise awareness of the Energy Smart program amongst congregation.
- Increase prescriptive incentives to make it easier for customers and trade allies to estimate program incentives and participate in program offerings.
- Increase the cost-effectiveness of program delivery with a focus on non-lighting measures such as refrigeration, ENERGY STAR cooking equipment and high efficiency HVAC upgrades and tune-ups.



- Partner with the Downtown Development District and New Orleans Chamber of Commerce to promote Energy Smart offerings to new and existing members.
- Facilitate trade ally coordination and partnerships to expand services to small commercial customers.
- Engage with City leadership including the Mayor's Office, Office of Economic Development and City Council to promote Energy Smart to small businesses and raise awareness of the program.
- Integrate Energy Smart offerings into existing processes and procedures at Entergy New Orleans including the Customer Service Department and Region Engineering Department to engage with customers adding or expanding load.

**Large Commercial & Industrial Solutions** - The primary objective of the Large Commercial and Industrial Solutions offering (Large C&I) is to provide a solution for larger (greater than 100 kW demand) non-residential customers interested in energy efficiency through a prescriptive or custom approach. The Large C&I offering is designed to generate significant energy savings, as well as a longer-term market penetration by nurturing delivery channels, such as design professionals, distributors, installation contractors and Energy Service Companies (ESCOs).

Proposed ideas for continuations, enhancements and expansions for the Large Commercial & Industrial Solutions offering include:

- Increase the number of prescriptive incentive offerings to make it easier for customers and trade allies to estimate program incentives and participate in program offerings.
- Increase incentive rates to offset negative effects of inflation and delay in supply chain and equipment delivery.
- Promote Building Automation System upgrades and retro-commissioning (RCx) projects to mid-sized facilities. These measures offer attractive paybacks and are historically promoted to larger facilities such as hospitals and universities.
- Increase the cost-effectiveness of program delivery with a focus on non-lighting measures such as window film, retro-commissioning and HVAC upgrades/optimization.
- Partner with the New Orleans Chamber of Commerce to promote Energy Smart offerings to new and existing chamber members.
- Facilitate trade ally coordination and partnerships to expand services Large C&I customers.
- Engage with City leadership including the Mayor's Office, Office of Economic Development and City Council to promote Energy Smart to all Large C&I customers throughout the ENO service territory.
- Integrate Energy Smart offerings into existing processes and procedures at Entergy New Orleans including the Customer Service Department and Region Engineering Department to engage with customers adding or expanding load.
- Expand support for Large C&I customers to include connection to LSU Industrial Assessment Center to provide energy audit and identify energy efficiency measure opportunities.



- Provide no-cost services for Large C&I customers including benchmarking analysis and Energy Smart application assistance.
- Engage with procurement officials for large customers such as the Convention Center, Sewerage and Water Board, and Regional Transit Authority to include Energy Smart in procurement language for new projects.

**Publicly Funded Institutions** - The Publicly Funded Institutions (PFI) offering is targeted at local publicly funded institutions. The offering will assist end use customers in overcoming barriers that are specific to publicly funded groups. Customers will be given guidance throughout their engagement with the program.

Proposed ideas for continuations, enhancements and expansions for the Publicly Funded Institutions offering include:

- Increase the number of prescriptive incentive offerings to make it easier for customers and trade allies to estimate program incentives and participate in program offerings.
- Increase the cost-effectiveness of program delivery with a focus on non-lighting measures such as window film, retro-commissioning and HVAC upgrades/optimization.
- Engage with procurement officials and City leadership including the Mayor's Office and City Council to require Energy Smart participation in the bid process for qualifying capital projects.
- Facilitate trade ally coordination and partnerships to expand services to PFI customers.
- Facilitate a PFI Cohort group to review previously completed Energy Smart projects, learn best practices and discuss ideas for program improvement.
- Create a cohort group of higher education students and student-led committees, such as Sustainability Committees, to increase engagement of higher education institutions and lead to a higher level of awareness of the Energy Smart program.
- Provide strategic energy management support to select public entities with portfolio of properties such as fire stations, police stations, libraries, and recreational facilities.

**New Construction Code Compliance** – The New Construction Code Compliance offering will provide incentives for projects to adopt and implement energy-efficient design and construction that meets advanced energy codes IECC 2021. These energy codes were effective as of July 2023, and represent an unprecedented advancement in energy code in the State of Louisiana. Prior to the adoption of IECC 2021, the codes in place were IECC 2009. The new requirements represent a four-step advancement in energy codes, no other State has attempted to advance this many steps in a single update. As an intermediary step to support customers and trade allies in meeting the advanced energy codes Energy Smart will provide prescriptive and custom incentives for meeting IECC 2021. Outreach and education efforts will begin with the City of New Orleans "One Stop" building permit department. Engaging One Stop will ensure the offering is presented to builders seeking permits. The offering will provide support for Entergy New Orleans customers to meet IECC 2021 energy codes and help overcome



the additional upfront cost of the more efficient equipment and design. This program was developed through discussion with the Advisors and stakeholders during meetings regarding the Technical Resource Manual (TRM).

Proposed ideas for the New Construction Code Compliance offering include:

- Expand recruitment and training efforts for construction and architectural firms.
- Coordinate with Entergy's Region Engineering Department to receive notifications when C&I customers submit documents for new load associated with ground-up new construction or rehab projects.
- Utilize building permit report analytics to identify potential new trade allies and customer contacts.

# **Background and Overview**

The following provides additional detail on the approach and background of the proposed program designs, budgets, and savings targets included in this implementation plan.

1. Plan to Save 2% of Annual Sales

This proposed PY15 plan includes a scenario with energy savings and budget forecasts that seeks to align with the Council's recommendation in Resolution R-17-30 that ENO provide a scenario that would increase kWh savings by .2% annually until a goal of 2% annual kWh savings is achieved. However, EISA Phase II standard enforcement, the spike in inflation, trade ally contractor labor shortages, lingering COVID effects in market and supply chain delays represent noteworthy challenges. The Commercial Portfolio in particular has fallen short of the exceptional growth needed to achieve the 2% goal. The largest commercial building portfolio customer ceased participation in Energy Smart due to a leadership change in PY13, reducing a 7 million kWh savings pipeline to zero for the portfolio of buildings owned by this customer. Several large commercial customers have experienced similar challenges in pursuing aggressive energy savings with the Energy Smart program. In response, APTIM has also provided an energy savings and budget scenario with reduced C&I portfolio contribution in this PY15 implementation plan.

2. EISA Phase II Standards

The proposed program design incorporates the Energy Independence & Security Act (EISA) Phase II standards, which began being fully enforced in PY13. On April 26, 2022, the Department of Energy issued an Enforcement Policy Statement indicating an accelerated timeline for implementation of the new General Service Lamps (GSLs) efficiency standards. The enforcement timeline pertains to two rules issued by the DOE including expanded definition of GSL to include majority of screw-based lighting products and imposing a 45 lumen per watt minimum efficiency requirement for all GSLs. Combined, these rules will eliminate nearly all A-line, reflector, and specialty incandescent and halogen products from the market, and in turn change the baseline equipment for Energy Smart savings calculations. APTIM has confirmed with the Program Evaluator this precludes savings will still be realized (and claimed) in the program through early replacement and direct installation where existing incandescent, halogen and CFL bulbs



can be recorded for the first six months of 2025.

The EISA ruling has had substantial direct impacts on the Energy Smart Program. All measures addressing GSLs are affected by the ruling with reduced savings in PY13-14 and elimination from the portfolio in PY15. Beginning July 1, 2023, the Retail Lighting & Appliances program no longer provided rebates to offset the cost of LED bulbs in retail stores. Lighting savings accounted for 13.5 million kWh (87%) of the Retail Lighting and Appliances program in PY11. Instead, the program has shifted focus to ENERGY STAR appliances, smart thermostats and other equipment offered on the Online Marketplace at a significantly higher cost per kWh than historically seen with retail lighting.

There are substantial indirect impacts from the EISA ruling. The Energy Smart team anticipates that the reduction and elimination of measures involving GSLs will reduce contact points between the Energy Smart Program, trade allies and Entergy customers. LED retrofit projects often serve as customers' first exposure to the Energy Smart program and often lead to additional non-lighting efficiency projects. Reducing or eliminating lighting projects therefore reduce program participation generally. The loss of relatively low cost and high impact of LED retrofit projects also impacts program- and portfolio-level cost effectiveness, which leads to unfavorable impacts metrics such as Total Resource Cost. Neither 2021 potential study accounts for the impacts of the advanced EISA enforcement schedule ruling issued by the US DOE in April 2022.

## 3. TRM Development and Evaluation Coordination

The planning inputs used to derive the savings and budget estimates within this implementation plan were created using national energy efficiency best practices, past participation, potential studies and through coordination with the existing Evaluation, Measurement and Verification (EM&V) consultant for the Energy Smart programs. The savings are based on assumptions from the available New Orleans Technical Reference Manual (TRM).

The APTIM team will continue to coordinate with the EM&V consultant throughout Program Year 15. The team will make ongoing updates to savings methodologies and tools to comply with the New Orleans TRM updates and ensure that energy savings can be claimed for new measures where sufficient supporting documentation can be provided.

## 4. Evaluation Measurement and Verification (EM&V) Budget

The budgets outlined within this plan include an allocation toward EM&V, which totals 4% of the annual budget for the relevant offerings.

# 5. Budget Flexibility

The APTIM Team's experience has shown that program implementation often occurs at different rates for different programs, and that these implementation rates can vary significantly from predictions in program applications that formed the basis for program approval. Additionally, PY15 incorporates several new income qualified offerings and design elements. For this reason, it is important that there continue to be budget flexibility within each rate class.



6. Marketing Planning and Strategy

In advance of each program year, APTIM develops a Marketing Plan to map out umbrella marketing initiatives for the full program year ahead. Program level plans will be developed using an integrated multi-channel approach, interacting with customers via multiple channels, deepening the impact of individual tactics. Included within the Plan will be full-year marketing engagement calendars that will serve as the basis for campaign-level coordination for program staff at ENO, APTIM and program partner marketing teams.

The marketing tactics and channels employed for Energy Smart will continue to include:

Direct to Customer/trade allies

- Bill Inserts
- Case Studies
- Digital Advertising
- Direct Mailers
- Education and Training
- Email
- Incentive Applications
- Newsletters
- Program Fact Sheets
- Social Media Content
- Trade Ally Portal
- Website Content

# Brand Awareness and Program Recognition

- Applications for Industry Awards
- Articles for Newsletters and Industry Publications
- Cross Promotion of Programs
- Customer/trade ally Recognition
- Earned Media
- Industry Event Participation
- Memberships and Sponsorships
- Partnerships with Industry Associations and Organizations
- Press Releases
- Conference Presentation/Abstracts
- Social Media Engagement
- Workforce Development

The Plan will detail the innovative programmatic approach to meeting annual savings goals, furthering awareness of the program and ensuring the delivery of the right message to the right audience at the right time. In PY13-14 the team increased focus on brand awareness utilizing E-newsletter content, out of home marketing (billboards, bus shelters/wraps) and brand ambassadors. In PY15, APTIM will support Thrive New Orleans in canvassing outreach and collateral material for neighborhood-based delivery pilot program.



# Portfolio Budgets and Savings

Two budget and savings scenarios are included within this PY15 implementation plan to provide an understanding of costs and savings associated with varying levels of program funding. Both proposed scenarios maintain the same residential portfolio proposed savings and budgets, which have been substantially increased from prior program cycles. APTIM and implementation partners carefully considered recommendations made in the Docket UD-22-04 which included the Advisors' Recommendations<sup>1</sup>, and detailed program proposals from Alliance for Affordable Energy, Sierra Club and more. These recommendations were largely focused on the residential portfolio as ENO has a greater number of residential customers.

"2% Goal" scenario:

This scenario includes energy savings and cost-effective budget forecasts that align with the Council's recommendation in Resolution R-23-553 that ENO provide a program plan that would include kWh savings aligned with 2% of annual sales. This scenario is not supported in the most recent 2024 DSM Potential study which implies that reaching Commercial & Industrial savings to this level would require incentive budget ten times what the program is able to provide cost effectively.

"Reduced C&I Savings" scenario:

This scenario includes aggressive but achievable commercial portfolio goals utilizing historical results, current market conditions and best practices of energy efficiency programs. The proposed commercial portfolio savings goal in this scenario is reduced to achievable total and still higher than ever achieved in the Energy Smart program, while reducing overall program costs by \$2.8 million. This scenario does not achieve the 2% of sales savings goal overall.

<sup>&</sup>lt;sup>1</sup> Advisors' Report Regarding Parties Proposed Changes and Additional Guidance, Council Docket UD-22-04, March 1, 2023

Appendix 1



ENERGY SMART - DSM PORTFOLIO BUDGET – 2% GOAL			
	Year 15		
Residential Total	\$17,077,974		
EM&V	\$683,644		
Program Costs	\$16,394,330		
C&I Total	\$13,987,602		
EM&V	\$559,934		
Program Costs	\$13,427,668		
Energy Smart Total	\$31,065,576		
EM&V	\$1,243,577		
Program Costs	\$29,821,998		

ENERGY SMART - DSM PORTFOLIO SAVINGS – 2% GOAL			
	Year 15		
Residential Total			
Participation	149,745		
Gross Energy Savings (MWh)	46,245		
Gross Demand Savings (MW)	3.37		
C&I Total			
Participation	3,313		
Gross Energy Savings (MWh)	65,114		
Gross Demand Savings (MW)	4.58		
Energy Smart Total			
Participation	153,058		
Gross Energy Savings (MWh)	111,358		
Gross Demand Savings (MW)	7.96		



# Reduced C&I Savings Scenario

ENERGY SMART - DSM PORTFOLIO BUDGETS – REDUCED C&I SAVINGS GOAL		
	Year 15	
<b>Residential Total</b>	\$17,077,974	
EM&V	\$683,644	
Program Costs	\$16,394,330	
C&I Total	\$11,174,245	
EM&V	\$447,313	
Program Costs	\$10,726,932	
Energy Smart Total	\$28,252,219	
EM&V	\$1,130,957	
Program Costs	\$27,121,262	

#### ENERGY SMART - DSM PORTFOLIO SAVINGS – REDUCED C&I SAVINGS GOAL

	Year 15		
Residential Total			
Participation	149,745		
Gross Energy Savings (MWh)	46,245		
Gross Demand Savings (MW)	3.37		
C&I Total			
Participation	1,858		
Gross Energy Savings (MWh)	43,903		
Gross Demand Savings (MW)	3.12		
Energy Smart Total			
Participation	151,603		
Gross Energy Savings (MWh)	90,148		
Gross Demand Savings (MW)	6.49		



## Net Benefits and Cost Effectiveness Analysis

The table below summarizes the cost effectiveness results for both the Total Resource Cost test (TRC) and the Utility Cost test (UCT), sometimes referred to as the Program Administrator Cost test (PACT). The screening tool relies on the most recent avoided costs determined through calculations that are consistent with the methodology that was implemented in the Entergy New Orleans Integrated Resource Plan (IRP). As instructed in R-23-553, income qualified offerings are excluded from total cost effectiveness testing and scores are shown using both the weighted average cost of capital (WACC) and societal discount rate.

PORTEOLIO COST EFFECTIVENESS ANAL VSIS

(INIA CO)

Offering	TRC BENEFITS (\$)	TRC RATIO	UCT RATIO
Small C&I Solutions	\$3,793,624	0.8	1.2
Large C&I Solutions	\$21,156,999	1.2	2.2
Publicly Funded Institutions	\$1,901,285	1.5	1.8
New Construction Code Compliance	\$611,463	1.6	2.4
Home Performance with Energy Star ("HPwES")	\$1,684,993	1.5	0.9
Income Qualified Weatherization	\$2,012,008	2.0	0.6
Neighborhood-Based Delivery Pilot	\$2,012,008	1.8	0.6
Multifamily Solutions	\$961,793	1.9	1.0
Multifamily Solutions Income Qualified	\$1,503,777	1.8	1.0
Retail Appliances	\$135,903	0.3	0.3
Retail Appliances Income Qualified	\$588,504	0.4	0.5
A/C Solutions	\$666,056	1.2	0.8
A/C Solutions Income Qualified	\$810,129	1.4	0.6
Residential HVAC Midstream	\$907,644	0.6	0.6
School Kits & Education and Community Outreach	\$128,499	0.4	0.4
Behavioral	\$669,008	1.3	1.3
TOTAL	\$39,543,695	1.1	1.6





Offering	TRC BENEFITS (\$)	TRC RATIO	UCT RATIO
Small C&I Solutions	\$4,534,336	1.0	1.5
Large C&I Solutions	\$26,610,512	1.5	2.8
Publicly Funded Institutions	\$2,400,740	1.9	2.2
New Construction Code Compliance	\$817,855	2.1	3.3
Home Performance with Energy Star ("HPwES")	\$2,218,494	2.0	1.1
Income Qualified Weatherization	\$2,669,734	2.6	0.8
Neighborhood-Based Delivery Pilot	\$2,669,734	2.4	0.8
Multifamily Solutions	\$1,281,383	2.6	1.4
Multifamily Solutions Income Qualified	\$2,002,148	2.4	1.3
Retail Appliances	\$163,198	0.3	0.3
Retail Appliances Income Qualified	\$698,186	0.5	0.5
A/C Solutions	\$896,526	1.6	1.0
A/C Solutions Income Qualified	\$1,089,270	1.9	0.8
Residential HVAC Midstream	\$1,174,456	0.8	0.8
School Kits & Education and Community Outreach	\$138,315	0.5	0.5
Behavioral	\$669,008	1.3	1.3
TOTAL	\$50,033,895	1.4	2.0

## PROGRAM YEAR 15 - PORTFOLIO COST EFFECTIVENESS ANALYSIS (SOCIETAL DISCOUNT RATE) - 2% GOAL


PROGRAM YEAR 15 - PORTFOLIO COST EFFECTIVENESS ANALYSIS (SOCIETAL DISCOUNT RATE) - REDUCED C&I SAVINGS GOAL						
Offering	TRC BENEFITS (\$)	TRC RATIO	UCT RATIO			
Small C&I Solutions	\$2,254,213	0.8	1.0			
Large C&I Solutions	\$18,164,505	1.4	2.4			
Publicly Funded Institutions	\$2,400,740	1.9	2.2			
New Construction Code Compliance	\$817,855	2.1	3.3			
Home Performance with Energy Star ("HPwES")	\$2,218,494	2.0	1.1			
Income Qualified Weatherization	\$2,669,734	2.6	0.8			
Neighborhood-Based Delivery Pilot	\$2,669,734	2.4	0.8			
Multifamily Solutions	\$1,281,383	2.6	1.4			
Multifamily Solutions Income Qualified	\$2,002,148	2.4	1.3			
Retail Appliances	\$163,198	0.3	0.3			
Retail Appliances Income Qualified	\$698,186	0.5	0.5			
A/C Solutions	\$896,526	1.6	1.0			
A/C Solutions Income Qualified	\$1,089,270	1.9	0.8			
Residential HVAC Midstream	\$1,174,456	0.8	0.8			
School Kits & Education and Community Outreach	\$138,315	0.5	0.5			
Behavioral	\$669,008	1.3	1.3			
TOTAL	\$39,307,764	1.3	1.4			



PROGRAM YEAR 13 - PORTFOLIO COST EFFECTIVENESS ANALTSIS (WACC) - REDUCED C&I SAVINGS GOAL						
Offering	TRC BENEFITS (\$)	TRC RATIO	UCT RATIO			
Small C&I Solutions	\$1,885,973	0.6	0.9			
Large C&I Solutions	\$14,441,902	1.1	1.9			
Publicly Funded Institutions	\$1,901,285	1.5	1.8			
New Construction Code Compliance	\$611,463	1.6	2.4			
Home Performance with Energy Star ("HPwES")	\$1,684,993	1.5	0.9			
Income Qualified Weatherization	\$2,012,008	2.0	0.6			
Neighborhood-Based Delivery Pilot	\$2,012,008	1.8	0.6			
Multifamily Solutions	\$961,793	1.9	1.0			
Multifamily Solutions Income Qualified	\$1,503,777	1.8	1.0			
Retail Appliances	\$135,903	0.3	0.3			
Retail Appliances Income Qualified	\$588,504	0.4	0.5			
A/C Solutions	\$666,056	1.2	0.8			
A/C Solutions Income Qualified	\$810,129	1.4	0.6			
Residential HVAC Midstream	\$907,644	0.6	0.6			
School Kits & Education and Community Outreach	\$128,499	0.4	0.4			
Behavioral	\$669,008	1.3	1.3			
TOTAL	\$30,920,947	1.0	1.1			



### Program Budgets and Savings

The following table represents the budget and savings totals for the program portfolio in PY15.

PROGRAM YEAR 15 - ENERGY SMART DSM PORTFOLIO BUDGET AND SAVINGS -2% GOAL						
Offering	EM&V	Program Costs	Total	Participation	Gross Energy Savings (MWh)	Gross Demand Savings (MW)
Small C&I Solutions	\$123,262	\$2,955,918	\$3,079,179	2,398	12,134	0.72
Large C&I Solutions	\$383,888	\$9,205,956	\$9,589,844	785	47,605	3.47
Publicly Funded Institutions	\$42,719	\$1,024,440	\$1,067,159	71	4,571	0.15
New Construction Code Compliance	\$10,064	\$241,354	\$251,419	59	804	0.24
Home Performance with Energy Star ("HPwES")	\$79,180	\$1,898,794	\$1,977,974	1,110	2,118	0.84
Income Qualified Weatherization	\$129,519	\$3,105,971	\$3,235,490	1,300	4,340	0.06
Neighborhood-Based Delivery Pilot	\$134,786	\$3,232,283	\$3,367,070	1,300	4,340	0.06
Multifamily Solutions	\$33,127	\$794,408	\$827,535	940	1,989	0.05
Multifamily Solutions Income Qualified	\$48,175	\$1,155,265	\$1,203,440	1,460	3,112	0.09
Retail Appliances	\$21,200	\$508,386	\$529,586	1,447	392	0.01
Retail Appliances Income Qualified	\$54,847	\$1,315,286	\$1,370,133	7,432*	1,893	0.02
A/C Solutions	\$34,852	\$835,772	\$870,624	2,912	2,180	0.97
A/C Solutions Income Qualified	\$53,481	\$1,282,515	\$1,335,996	3,782	2,986	1.29
Residential HVAC Midstream	\$61,178	\$1,467,098	\$1,528,276	4,394	2,047	0.00
School Kits & Education and Community Outreach	\$12,231	\$293,302	\$305,533	4,100	797	0.00
Behavioral	\$21,069	\$505,250	\$526,319	127,000	20,052	0.00
TOTAL	\$1,243,577	\$29,821,998	\$31,065,576	153,058	111,358	7.96

\*Includes 5,000 air purifier kits

PROGRAM YEAR 15 - ENERGY SMART DSM PORTFOLIO BUDGET AND SAVINGS - REDUCED C&I SAVINGS GOAL						
Offering	EM&V	Program Costs	Total	Participation	Gross Energy Savings (MWh)	Gross Demand Savings (MW)
Small C&I Solutions	\$86,060	\$2,063,789	\$2,149,849	1,192	6,032	0.36
Large C&I Solutions	\$308,469	\$7,397,348	\$7,705,817	536	32,495	2.37
Publicly Funded Institutions	\$42,719	\$1,024,440	\$1,067,159	71	4,571	0.15
New Construction Code Compliance	\$10,064	\$241,354	\$251,419	59	804	0.24
Home Performance with Energy Star ("HPwES")	\$79,180	\$1,898,794	\$1,977,974	1,110	2,118	0.84
Income Qualified Weatherization	\$129,519	\$3,105,971	\$3,235,490	1,300	4,340	0.06
Neighborhood-Based Delivery Pilot	\$134,786	\$3,232,283	\$3,367,070	1,300	4,340	0.06
Multifamily Solutions	\$33,127	\$794,408	\$827,535	940	1,989	0.05
Multifamily Solutions Income Qualified	\$48,175	\$1,155,265	\$1,203,440	1,460	3,112	0.09
Retail Appliances	\$21,200	\$508,386	\$529,586	1,447	392	0.01
Retail Appliances Income Qualified	\$54,847	\$1,315,286	\$1,370,133	7,432*	1,893	0.02
A/C Solutions	\$34,852	\$835,772	\$870,624	2,912	2,180	0.97
A/C Solutions Income Qualified	\$53,481	\$1,282,515	\$1,335,996	3,782	2,986	1.29
Residential HVAC Midstream	\$61,178	\$1,467,098	\$1,528,276	4,394	2,047	0.00
School Kits & Education and Community Outreach	\$12,231	\$293,302	\$305,533	4,100	797	0.00
Behavioral	\$21,069	\$505,250	\$526,319	127,000	20,052	0.00
TOTAL	\$1,130,957	\$27,121,262	\$28,252,219	151,603	90,148	6.49

\*Includes 5,000 air purifier kits



# January 1, 2025 – December 31, 2025 Program Year 15 Energy Smart Residential Demand Response Plan

4/5/2024

PREPARED BY

APTIM Environmental and Infrastructure 1100 Poydras St, Suite 2060 New Orleans, Louisiana 70163 Michelle Krueger Michelle.krueger@aptim.com

PREPARED FOR

Entergy New Orleans 1600 Perdido Street New Orleans, LA 70112 Derek Mills dmills3@entergy.com

Entergy New Orleans, LLC

### Contents

Summary	3
Residential Demand Response Offerings	4
Bring Your Own Thermostat	5
Marketing & Outreach	5
Customer Enrollment and Participation	5
Data Collection	6
Evaluation, Measurement & Verification (EM&V)	7
Peak Time Rebate Pilot	8
Marketing & Outreach	8
Customer Enrollment and Participation	9
Data Collection	9
Budgets & Savings	10
1. Portfolio Budgets and Savings	10
2. Net Benefits and Cost Effectiveness Analysis	10



Entergy New Orleans, LLC (ENO) selected Aptim Environmental & Infrastructure, LLC (APTIM) as the Third-Party Administrator (TPA) to deliver the Energy Smart portfolio of demand side management programs for the period of January 1, 2023 to December 31, 2025. APTIM will be retained by ENO to implement, deliver, administer and conduct Quality Control/Quality Assurance (QC/QA) and some measurement and evaluation of the energy conservation, and residential demand side management programs as approved by the Council for the City of New Orleans (Council). The Demand Response (DR) plan outlined in this document details the proposed design, budgets, and savings targets for the Energy Smart portfolio in Program Year 15 which runs from January 1, 2025 to December 31, 2025.

Demand Response offerings provide utilities with customer-centric tools to manage capacity challenges during periods of high energy demand. Peak load curtailment through DR programs is typically achieved by offering customers the option to reduce their heating and cooling loads during peak demand events through temperature set-back adjustments of Heating, Ventilation and Air Conditioning (HVAC) equipment. For their contribution, customers are offered incentives during initial enrollment and/or following their participation in peak demand events.

ENO has pursued peak load management through a residential Direct Load Control (DLC) demand response pilot for residential customers since 2016. In recognition of the need for a broader range of demand response solutions, ENO expanded offerings for its Residential customers.



### **Residential Demand Response Offerings**

Energy Smart will continue to deploy a Bring Your Own Thermostat (BYOT) demand response program, in which residential customers purchase and install qualifying connected thermostats from device manufacturers on their own, or via the Energy Smart Online Marketplace and voluntarily enroll those devices in the BYOT offering. This offering will leverage EnergyHub's "Mercury" Distributed Energy Resource Management System (DERMS), which enables enrollment, monitoring, and load control of connected devices from the leading thermostat manufacturers and connected-home security providers. EnergyHub's program services include vendor management, marketing coordination, enrollment and DR event support, customer support, and other day-to-day program management activities.

EnergyHub will work with APTIM to coordinate marketing activities and DR dispatch of the EasyCool BYOT program. EnergyHub will also work with APTIM and Franklin Energy to enable the pre-enrollment of connected thermostats that are purchased through the Residential Energy Smart Online Marketplace in the EasyCool program.

The smart thermostat-based DR program will be the primary device type for continued scaling of ENO's residential DR resource. Compared to other potential device types (e.g., water heater switches or pool pumps), this proposed measure and BYOT program design is more cost-effective and avoids the need for field services to support the installation and maintenance of other devices. Smart thermostats have current widespread deployment and an estimated 15% year-over-year growth in new installations. Historically, these devices catered to technology early adopters, however new models with reduced price points and the ability to stack energy efficiency and DR rebates in the Energy Smart Online Marketplace create an opportunity to engage this measure with ENO's low- and moderate-income customers. The estimated 10 MW BYOT resource by 2025 in this plan equates to participation from about 6% of ENO residential customers, which is in line with market penetration relative to other comparable utilities.

ENO will also continue its Opt-in Peak Time Rebate Pilot designed to flexibly manage demand including reducing total peak usage, shifting load off-peak, and optimizing grid load and demand. The proposed Peak Time Rebate Pilot in PY15 includes customer engagement through email and SMS text messaging. Notification for events would be required 24 hours in advance and based on notice given, relevant pre-event communications would be sent to enrolled customers. The customer participation pathway provides an alternative to the BYOT program for customers without Wi-Fi or smart thermostat compatible HVAC equipment.



### Bring Your Own Thermostat

The residential BYOT DR offering taps into the existing installed base of connected thermostats in the ENO territory. Through technical integrations with the leading thermostat manufacturers in the industry, ENO will have the ability to enroll, monitor, and control connected thermostats and leverage the enrolled aggregation as a capacity resource for peak demand reduction. When a DR event is dispatched, targeted devices will experience a temperature adjustment (an "offset" or "setback") that will in turn curtail HVAC usage during the peak period. Customers participating in the program will receive an incentive upon enrollment, as well as an ongoing annual incentive for continued participation in the program.

### Marketing & Outreach

EnergyHub will coordinate a BYOT DR marketing campaign leveraging device partner communication channels (email, web and mobile applications). Device partner marketing collateral will feature both the device partner and utility branding and will direct customers with existing qualifying thermostats to enroll their devices in the DR program through the device partner web or mobile application experience. APTIM will coordinate a corporate marketing campaign focused on raising awareness of the residential BYOT DR program. APTIM-led marketing will direct customers to an EnergyHub-powered "microsite" to enroll their existing device in the residential DR program through the device partner web or mobile application experience. Marketing will also present the option to purchase a connected device on the Energy Smart Online Marketplace.

APTIM's marketing materials will focus on raising program awareness, educating residential consumers on program details, generating interest, and presenting a clear call-to-action for potential participants.

APTIM and EnergyHub will coordinate efforts so that DR enrollments captured in Mercury may be imported into APTracks so that comprehensive information on each customer's participation in both energy efficiency and demand response offerings will be accessible to program staff. A comprehensive understanding of customer engagement in Demand-Side Management (DSM) and DR will streamline outreach efforts and ensure marketing can be targeted to customers' specific opportunities to participate.

#### **Customer Enrollment and Participation**

ENO residential customers with working central air conditioning, and a connected thermostat supported by the Mercury DERMS platform can participate in the BYOT DR program. Customers must provide basic information (name, address, email) and accept the program terms and conditions (T&Cs) to apply to the BYOT DR program. The customer T&Cs set forth the program eligibility requirements and other relevant program information.

ENO residential customers that have existing connected thermostats will be directed from outbound marketing to enrollment pages for each device manufacturer where they will provide basic information to apply to the residential BYOT DR program. Customers that do not yet have a



connected thermostat will receive marketing directing them to the Energy Smart Online Marketplace. Customers that purchase the connected thermostat through the Online Marketplace will leverage the energy efficiency and EasyCool enrollment incentives at the point of purchase, with the connected thermostat pre-enrolled in the EasyCool program (i.e. once the customer registers and installs the device, it will automatically be enrolled, with no further action required by the customer).

APTIM will process BYOT DR applications using the Mercury DERMS enrollment tool. Once accepted by APTIM, enrollment incentive is issued, and residential customers are automatically available for DR dispatch within the Mercury DERMS. Participating customers will experience a temperature adjustment when a DR event is dispatched from the Mercury DERMS. Customers will be able to opt out of a DR event at any time, or may un-enroll from the BYOT program, if desired.

Past program cycle experience indicates the enrollment incentive is the primary variable that impacts enrollment rates. The program team has shifted the incentive structure this cycle to include \$50 enrollment incentive and \$25 annual participation. An additional enrollment bonus budget has been included to provide \$20 enrollment bonus during periods of the year with higher smart thermostat purchases including Earth Day (April) and Black Friday (November).

### Data Collection

The Mercury DERMS platform collects data through technical integrations with each of its device partners and provides near real-time access to device data such as connectivity status, operating mode, temperature setpoint, indoor/outdoor temperature, and runtime interval data. Data available to ENO (e.g., connectivity, mode, runtime intervals) depends on device data fed to Mercury DERMS through its integrations with device partners; some manufacturers provide only a subset of this device data. Customers will authorize their device partner to share their application information and device data with ENO and its contractors (APTIM and EnergyHub) as part of T&Cs acceptance during the enrollment process.

The Mercury DERMS dashboard provides the operator with a portfolio-level view of the DR aggregation:

- Near real-time information on the devices under management including operating mode, connectivity status, current and forecasted HVAC load.
- DR event reports including participation statistics, load and load shed interval data.
- Customer enrollment status (e.g., Accepted, Rejected, Unenrolled).

The Mercury DERMS enables ENO to configure and schedule DR events on devices enrolled in the BYOT program. Events can be configured on an ad hoc basis (one-time) or as a part of a previously configured program strategy that can be dispatched repeatedly. ENO can dispatch all devices in the program for a given DR event, or group devices for targeted dispatch.



### Evaluation, Measurement & Verification (EM&V)

Mercury DERMS performs measurement and verification of performance following load control events. Mercury generates a DR baseline for each interval of the DR event based on the historical usage of targeted devices. The baseline is compared to actual runtime usage of targeted devices in a given interval to determine event performance. Mercury supports multiple DR baseline methodologies. In addition, Mercury DERMS provides DR event reports that the operator can view during and after the completion of a DR event for M&V and analysis. DR event reports (e.g., participation statistics, load and load shed interval data) are available for download from DERMS on demand following the completion of an event and will be provided to the program evaluator.



### Peak Time Rebate Pilot

The Opt-in Peak Time Rebate Pilot will engage customers to reduce energy consumption during Peak Events. The proposed Pilot allows ENO to call events year-round and will include customer engagement through email and SMS text messaging. Email communications will notify customers when events are imminent and provide clear recommendations on how and when to reduce their energy consumption. The Pilot is designed to meet ENO's targets by balancing customer participation with a six-event strategy. Notification for events will be required 24-72 hours in advance and based on notice given, relevant pre-event communications will be sent to enrolled customers.

This plan includes:

- Peak Time Rebate Pilot enrollment campaigns.
- Peak Time Rebate event notifications for customers prior to the event including how they can save the most energy and money for the event.
- Pre-event notifications for customers to indicate event start.
- Post-season notifications including results from customer participation and incentive earned.
- Event impact measurement and performance for incentive processing.

This Pilot provides an approach to demand response that does not require customers to have specific equipment or technology in their home. The customer is in control of their savings with the guidance and recommendations from the Peak Time Rebate notifications. Both high and low energy users are eligible to participate and have both shown savings in the first year of the Pilot.

ENERGY SMART - PEAK TIME REBATE PILOT				
	Year 15			
Number of Customers Enrolled	12,825			
Expected Participation from Eligible Customers	28%			
Total Annual Participants	3,672			
PTR Events per Year	6			
Peak Event Duration (hours)	3			
Total Annual Load Shifted for All Participants (kW)	1,250			

### Marketing & Outreach

APTIM will continue to provide pre-season enrollment campaigns targeting customers who have participated in other Energy Smart offerings in the last three years. In the Pilot's first year, analysis showed customers who have participated in other Energy Smart offerings are far more likely to show savings in Peak Demand events. The enrollment campaign communications will give



potential participants an overview of the Pilot, inform them of how they could save energy during events, and outline the standard incentive and high saver incentive.

#### **Customer Enrollment and Participation**

ENO Customers will receive email prompting to enroll in the Peak Time Rebates program to shift their kWh load during peak time events. Enrolled customers can earn an incentive up to \$50 in return for adjusting their energy usage during these critical peak demand and reliability periods. Enrolled customers will receive Pre-event, During and Post-event alerts that remind and guide them to behaviorally shift or reduce their variable electric loads to help earn their total potential incentive.

Pre-Event communications are crucial to educate and inform customers about the event, the benefits of participating, and practical ways in which they can save. Pre-Event notifications will first go out 24 hours prior to the event and again 30 minutes prior to the event.

A general event-end communication is sent out to all customers at the end of the event period. After ingestion of AMI interval data for each customer the program team will calculate the amount of energy a customer saved during each event compared to their personal usage baseline. Once the savings for all season events have been calculated the post season summary will be sent to customers. Each customer's cumulative demand reduction kWh will be calculated to determine their performance and corresponding incentive amount. Customers who show savings averaged over all events will earn a \$20 standard incentive. The top 15% of program savers will earn the \$50 high saver incentive.

#### Data Collection

Performance can be calculated by taking the difference between each customer's usage during the peak event and their baseline. APTIM recommends using an "n in x" baseline, for example, a 5 in 10 baseline is calculated by taking the average hourly usage of the top 5 highest kWh days of the past 10 weekdays (Holidays excluded). Overall shift measurement is leveraged in the same fashion. The program EM&V evaluator will define the final type of baseline and measurement approach for this Pilot.



### **Budgets & Savings**

### 1. Portfolio Budgets and Savings

The budgets outlined within this plan include an allocation toward EM&V, which totals 4% of the annual budget for the relevant offerings.

PROGRAM YEAR 15 - ENERGY SMART DR PORTFOLIO BUDGET AND SAVINGS								
Offering	EM&V	EM&V Program Total Participation Gross Demand Savings (MW)						
Residential Peak Time Rebate Pilot	\$13,106	\$314,298	\$327,404	3,672	1.25			
Residential - BYOT	\$36,336	\$871,373	\$907,709	10,885	10.9			
TOTAL	\$49,442	\$1,185,671	\$1,235,113	14,557	12.15			

### 2. Net Benefits and Cost Effectiveness Analysis

The Residential Peak Time Rebate Pilot is forecasted to reach a TRC of .6. Residential BYOT is forecasted to reach a TRC of 2.1.

PY15 DR PORTFOLIO COST EFFECTIVENESS ANALYSIS	TRC BENEFITS (\$)	TRC RATIO	UCT RATIO
Residential Peak Time Rebate Pilot	\$140,243	0.6	0.4
Residential - BYOT	\$1,224,410	2.1	1.3
TOTAL	\$1,364,653	1.7	1.1



# **Entergy New Orleans**

ENO Demand Response Offerings

Proposal To:Entergy New Orleans<br/>April 5, 2024Submitted By:Honeywell Smart Energy<br/>400 Poydras St Suite 900<br/>New Orleans LA 70130<br/>www.HoneywellSmartEnergy.comContacts:Aaron Gold, Sr. Account Manager

Aaron Gold, Sr. Account Manager 310-466-1645 Aaron.Gold@honeywell.com



March 26, 2024

Dear Derek Mills,

Honeywell is happy to present a proposal to expand the scope regarding Demand Response Offerings. Honeywell appreciates the productive partnership established with Entergy New Orleans through the implementation of the Large C&I Demand Response Program. We are committed to providing agile and efficient changes to the existing program that will help increase demand shed in 2024 and beyond.

Our solid working relationships with customers will enhance the Entergy New Orleans Demand Response Program brand and result in quickly securing new program participants. Honeywell's services will also ensure a wonderful experience for new and existing customers.

Honeywell has a strong commitment to Entergy and the City of New Orleans. We look forward to continuing the success of our relationship together. Please do not hesitate to contact us with questions.

Sincerely,

Aaron Gold Sr. Account Manager 310-466-1645 <u>Aaron.Gold@honeywell.com</u> Honeywell Distributed Energy Resource Management

# TABLE OF CONTENTS

Program Overview	. 4
Goals and Scope	. 4
Marketing & Outreach	. 5
Staffing	. 6
Pricing	. 7

# **PROGRAM OVERVIEW**

Honeywell has been a trusted partner of Entergy New Orleans (ENO) since 2020 when we began delivering the Large Commercial and Industrial automated demand response (C&I ADR) program.

Honeywell understands that ENO must meet the goals outlined in the DSM Resolution issued by the Council of the City of New Orleans in Council Docket UD-22-04 that established a 3% annual peak load demand reduction goal starting in 2025. In an effort to ramp up the program steadily in helping ENO reach this objective, Honeywell is proposing an expansion of the existing C&I ADR Program for Energy Smart Program Year 14, starting from July 1, 2024. This expansion will involve additional marketing efforts and personnel to acquire demand shed at a faster pace. This will assist ENO in achieving its 2024 demand response reduction targets and put in place the framework to meet its larger DR goal in 2025.

Honeywell estimates that the DR expansion will result in an incremental increase of 3.4 MW of peak load reduction during the Energy Smart Program Year 14 ending in 2024, reaching a total reduction of 10.2 MW captured under the DR program since its inception.

## **GOALS AND SCOPE**

Honeywell has been delivering the ENO DR program since 2020, enrolling over twenty-one customers and achieving over 7.2 MW of peak load reduction. Honeywell proposes to expand the DR program by increasing the recruitment and retention of customers, providing various marketing resources, and providing additional program support.

Honeywell's Program Year 14 (2024) baseline target currently includes 1.9 MW of peak load reduction. Honeywell proposes to increase the 2024 target by 1.5 MW or 79%, bringing the new 2024 total to 3.4 MW of peak load reduction. Honeywell estimates that the increase in the goal for 2024 will help begin efforts to reach the new target for 2025 of 24 MW of additional peak load reduction.

Honeywell's expansion strategy is based on the following activities:

- Continue to target high-priority accounts based on energy use data and industry segments, using Honeywell's existing pipeline of potential customers, lost opportunities, and key targets. Honeywell has identified over 60 MW of estimated available load from various sectors, such as hospitals, universities, large box retail, hotels, large commercial, government, office space, and industrial.
- Track and report feedback from customers and prospects and implement an action plan to address each area for improvement. Honeywell has collected feedback from customers who declined or dropped out of the program and identified the following factors impacting participation: incentive amount, payment options, comfort levels, and building control system compatibility.
- Offer various payment options to customers, such as check, bill credit (as available), and thirdparty issuance, to accommodate customer preferences and reduce administrative barriers. Honeywell will also reevaluate different incentive levels based on customer size, load profile, and participation level.

- Provide additional programmatic support to existing customers to increase their participation and retention. Honeywell will offer enhanced account management participation, customer education, performance reporting, and troubleshooting services. Honeywell will also help existing customers increase their DR load by adding new buildings, sites, or equipment to the program.
- Partner with ENO account managers to coordinate and align recruitment and retention efforts. Honeywell will conduct monthly in-person or online status calls with ENO account managers and request their introductions and referrals to key customers and prospects.
- Launch a multi-channel marketing campaign to raise awareness and interest in the commercial DR program among potential customers. Honeywell will use various outreach and marketing tactics, such as direct mail, sponsorships, targeted advertising, customer testimonials, updated brochures, email campaigns, lunch and learn events, and advertising in trade publications.

### **MARKETING & OUTREACH**

#### Overview

For this initiative, Honeywell is looking to focus their efforts on large commercial organizations to save the increased megawatts of energy by the end of 2025. The decision-makers for participation in this type of program prioritize the bottom line and are typically in the following roles:

- Facilities or Operations managers
- Chief operating officers
- Chief financial officers
- In addition, key Trade Ally network partners such as controls contractors, mechanicals, etc.

To accomplish the ambitious goal, Honeywell is looking to develop an account-based marketing (ABM) strategy focusing on decision makers within key verticals for:

- Hospitals/Healthcare
- Education/Colleges/Universities
- Large Industrial/Office/Manufacturing

Within that strategy, it will be important to leverage the existing key account list and focus on prioritizing prospects based on the opportunity available. Honeywell will provide a customer list with appended data to serve as the foundation for all marketing efforts.

Per the request of Entergy, most of the marketing activity and cost has been shifted to 2025. For 2024 we will focus on the Discovery, Strategy and Planning phase.

#### Discovery, Strategy, Plan & Concepting

To set up the campaigns for the best possible results, it is essential to do the proper discovery work. The main items that will be covered during this phase will be verifying the verticals and the personas mentioned above, finding out clear key performance indicators (KPIs) and Goals (which will be used for reporting purposes in later phases), and creating Content & Creative Framework (per vertical) to address the target audience directly and emphasize the unique selling point of the program.

## STAFFING

Honeywell uses a program team with significant industry experience and a proven history of delivering results for ENO. To support the 1.5 MW increase in peak load reduction, multi-channel marketing efforts, existing customer support, and ramping up the program for 2025, we propose to increase the headcount and allocation of our experienced program team.

For 2024 this includes adding an Engineering Program Manager. This position will evaluate DR solutions for new and existing customers and provide quality assurance and troubleshooting. This position will also manage the implementation of sites to allow our outreach coordinator to focus more on signing up new participants.

Demand Response Portfolio Headcount				
Role/Title	Individual's Name			
Program Director	Craig Henry			
Engineering Program Manager	New			
Outreach Director	Katie Kuehner			
Outreach Coordinator	Benjamin Cavell			
Marketing Manager	Steve Command			
Locally Based Trade Allies	Various Contractors			
ADR Engineer	Keith Grant			

## PRICING

The pricing includes line items for Management, Marketing Services, Marketing Media, Outreach, and new kW Fees. Budget is based on a cumulative DR demand shed of 10.26 MW through 2024 with 3.4 MW of incremental demand shed added in 2024 being new installations over the program period. The table below shows the original and additional program costs for PY14.

	Approved PY14 Program Costs		Addit	ional Ramp Up for 2024
Program Costs	\$ 750,700		\$	271,998
EM&V	\$	31,304	\$	-
Total	\$	782,004	\$	271,998

TRC scores vary year to year depending on the acquisition and curtailment strategies. Given this is a mature program we estimate a TRC of 2.68 by the end of 2024. That gives the Program Lifetime TRC of 1.54 since inception through 2024.



**APPENDIX 4** 

# **Entergy New Orleans**

ENO Demand Response Offerings

Proposal To: Entergy New Orleans April 5, 2024

Submitted By: Honeywell Smart Energy 400 Poydras St Suite 900 New Orleans LA 70130 www.HoneywellSmartEnergy.com

Contacts: Aaron Gold, Sr. Account Manager 310-466-1645 Aaron.Gold@honeywell.com



April 5, 2024

Dear Derek Mills,

Honeywell is happy to present a proposal to expand the scope regarding Demand Response Offerings. Honeywell appreciates the productive partnership established with Entergy New Orleans through the implementation of the Large C&I Demand Response Program. We are committed to providing agile and efficient changes to the existing program that will help increase demand shed in 2025 and beyond.

Our solid working relationships with customers will enhance the Entergy New Orleans Demand Response Program brand and result in quickly securing new program participants. Honeywell's services will also ensure a wonderful experience for new and existing customers.

Honeywell has a strong commitment to Entergy and the City of New Orleans. We look forward to continuing the success of our relationship together. Please do not hesitate to contact us with questions.

Sincerely,

Aaron Gold Sr. Account Manager 310-466-1645 <u>Aaron.Gold@honeywell.com</u> <u>Honeywell Distributed Energy Resource Management</u>

# TABLE OF CONTENTS

Program Overview	4
Goals and Scope	4
Marketing & Outreach	5
Staffing	7
Pricing	9

# **PROGRAM OVERVIEW**

Honeywell has been a trusted partner of Entergy New Orleans (ENO) since 2020 where we have been delivering the commercial and industrial automated demand response (C&I ADR) program.

Honeywell understands that ENO must meet the goals outlined in Resolution R-23-553 (DOCKET NO. UD-22-04) that established a 3% annual peak load demand reduction goal in 2025. Honeywell is proposing an expansion of the existing C&I Demand Response Program which will allow ENO to obtain the goals outlined above. This includes expanded marketing and additional support efforts that will acquire demand shed at a faster pace.

### **GOALS AND SCOPE**

Honeywell has been delivering the ENO DR program since 2020, enrolling over twenty-one customers and achieving over 7.2 MW of peak load reduction. Honeywell proposes to expand the DR program by increasing the recruitment and retention of customers, providing various marketing efforts and resources, and providing additional program support.

Honeywell's year 6 (PY15/2025) baseline goal includes acquiring 13.74 MW of peak load reduction which will bring the program total to 24.11 MW by the end of 2025.

Honeywell's expansion strategy is based on the following activities:

- Launch a multi-channel marketing campaign will raise awareness and interest in the commercial DR program among potential customers. Honeywell will use various outreach and marketing tactics, such as direct mail, sponsorships, targeted advertising, customer testimonials, updated brochures, email campaigns, lunch and learn events, and advertising in trade publications.
- Adding additional headcount will provide programmatic support to existing customers to increase their participation and retention. This will also offer enhanced account management participation, customer education, performance reporting, and troubleshooting services. A large part of the additional headcount will help existing customers increase their DR load by adding new buildings, sites, or equipment to the program.
- Continue to target high-priority accounts based on energy use data and industry segments, using Honeywell's existing pipeline of potential customers, lost opportunities, and key targets. Honeywell has identified load from various sectors, such as hospitals, universities, large box retail, hotels, large commercial, government, office space, and industrial.
- Track and report feedback from customers and prospects and implement an action plan to address each area for improvement. Honeywell has collected feedback from customers who declined or dropped out of the program and identified the following factors impacting participation: incentive amount, payment options, comfort levels, and building control system compatibility.
- Offer various payment options to customers, such as check, bill credit, and third-party issuance, to accommodate customer preferences and reduce administrative barriers. Honeywell will also reevaluate different incentive levels based on customer size, load profile, and participation level.

• Partner with ENO account managers to coordinate and align recruitment and retention efforts. Honeywell will conduct frequent in-person or online status calls with ENO account managers and request their introductions and referrals to key customers and prospects.

# ELECTRIC VEHICLE FLEET DEMAND RESPONSE AND PEAK AVOIDANCE

The expansion into commercial DR Electric Vehicle (EV) fleet projects will provide ENO a flexible and reliable resource that can reduce peak demand. The program will target medium and heavy-duty (M/HD) EV fleet owners and operators, such as school buses, transit buses, delivery trucks, and utility vehicles, and offer them incentives to participate in DR events or a peak avoidance program. The program will support ENO's kW demand reduction goal in 2025, as well as reduce greenhouse gas emissions, promote EV adoption, and enhance customer satisfaction.

Customers will receive an incentive if they do not charge their vehicles between 4pm and 7pm in the summer (May through September). In addition, customers will agree to shift their charging load during specific DR events called by ENO and receive a variable performance payment per kW per event.

With the proposed new headcount, Honeywell will be able to manage this program and provide ENO with the following:

- Realized cost avoidance during peak electrical events.
- How many loads did each Fleet Owner actually shift/curtail per EV.
- Incorporate interconnect guidelines that would incentivize charger or telematics connectivity.
- Define opt-out capabilities and allowances.
- Vehicle to Grid (V2G) feasibility and benefit analysis.

For a letter of support for expansion into EV Fleet DR, please see Appendix 6.

# **MARKETING & OUTREACH**

### Overview

For this initiative, Honeywell is looking to focus their efforts on large commercial organizations to save the increased megawatts of energy by the end of 2025. The decision-makers for participation in this type of program prioritize the bottom line and are typically in the following roles:

- Facilities or Operations managers
- Chief operating officers
- Chief financial officers
- In addition, key Trade Ally network partners such as controls contractors, mechanicals, etc.

To accomplish the ambitious goal, Honeywell is looking to develop an account-based marketing (ABM) strategy focusing on decision makers within key verticals for:

- Hospitals/Healthcare
- Education/Colleges/Universities
- Large Industrial/Office/Manufacturing

Within that strategy, it will be important to leverage the existing key account list and focus on prioritizing prospects based on the opportunity available. Honeywell will provide a customer list with appended data to serve as the foundation for all marketing efforts.

Assuming most of the Discovery, Strategy and Planning phase is finished in 2024, in 2025 we will focus on the remaining campaign development and deployment phases.

### Campaign Development & Content

After the Discovery, Strategy, Plan & Conception phase is done, the team will start creating content and ideas to support the program. The content creation will be divided into phases to allow a faster delivery to the market, followed by the planned releases and content requirements to connect better with target audiences.

The primary end deliverables will include but are not limited to the following: landing pages, downloadable materials (brochure/case study), LinkedIn posts/ads, retargeting ads, Video (along with brief snippets for social and other sharing opportunities) [note: scalability to highlight verticals], as well as nurture streams as identified during the program strategy phase.

### Website

Our program landing pages will provide a center point for marketing activities to further inform, educate, and complete a call to action (ex: web form; phone call). Along with an overarching program landing page, there will be supporting vertical landing pages to help provide more targeted messaging (content/creative) along with testimonials, case studies, etc. applicable within their vertical.

### Sales Enablement

The marketing program also offers a chance to coordinate sales involvement through sales enablement for the customer engagement team. The program will adapt and speak for the team with more involvement than in previous years, using content that includes LinkedIn Posts (articles), LinkedIn Newsletters, and Sales Kit (pitch deck) and in market Event Support (by vertical).

### Events

Outreach events will focus on local area and industry associations that can help support awareness and lead generation for the program. This could include IFMA meetings or sponsorship, IREM events, Energy Smart Trade Ally kickoff, Energy Smart EE panel, LSFMA Annual Conference, Lunch & Learns and more.

### Trade Allies

Marketing will support the trade ally network with the necessary tools to be successful. Starting with a straightforward way to gain access to the programs and how to participate that includes: Brochures, Flyers, Forms, Marketing Content, etc. We will also propose quarterly newsletters to keep current trade allies engaged with the program. Marketing will also support the recruitment and awareness to targeted industries and employees.

### Demand Generation Activation

As content becomes available, aligned with the launch/release of the campaign, those elements will be layered into the program to drive engagement. Along with the ongoing development and release of content, the team will also work to ensure that the effectiveness of the program is aligned with the goals and objectives, and as data is analyzed, campaign program activities (edits/tweaks/changes) will

be conducted to continually monitor and optimize the program (including media investment) to help achieve the success of the program.

### Reporting

We will provide thoughtful, comprehensive reporting and analysis including campaign results, website analysis, and reports on marketing results aligned to approved Key Performance Indicators. Our reporting is designed to capture the effectiveness of marketing tactics, lessons learned and recommendations for future campaigns. We also closely monitor and analyze data from Google Analytics, digital campaigns (impressions, clicks, conversions, CPM), email (open rates, click-thru rates, etc.) and sales account activity and events.

### Calendar

Below is a target calendar with a view of the program at large, including those marketing categories (work streams) referenced previously.

	2025											
	January	February	March	April	May			August	September	October	November	December
Entergy: Commercial Demand Response Program												
Strategy & Plan	Started/Completed in Q4 2024											
Campaign Development & Content Marketing												
Sales Enablement												
Website/Landing Pages												
Demand Generation												
Marketing Support												
Ad-Hoc Support Requests												

### **STAFFING**

Honeywell will add onto the current program team which has significant industry experience and a proven history of delivering results for ENO. To support the increase in peak load reduction, multichannel marketing efforts, existing customer support, and ramping up the program for the MW goals of 2025, we propose to increase the headcount and allocation of our experienced program team. This includes marketing staff, engineering support, and additional outreach coordination.

Engineering will evaluate DR solutions for new and existing customers and provide quality assurance and troubleshooting. The marketing team will oversee the development and execution of the marketing campaigns, as well as conducting market research and analysis.

The additional outreach coordination will assist customers with program enrollment, implementation, and incentive options.

Demand Response Portfolio Headcount					
Role/Title	Individual's Name				
Program Director	Craig Henry				
Engineering Program Manager	New				
Outreach Director	Katie Kuehner				
Outreach Coordinator	Benjamin Cavell				
Marketing Manager	Steve Command				
Marketing Coordinator	TBD				
Locally Based Trade Allies	Various Contractors				



ADR Engineer Keith Grant

### PRICING

The pricing includes line items for Management, Marketing Services, Marketing Media, Outreach, and new kW Fees. The budget is based on a cumulative DR demand shed of 13.74 MW in 2025, bringing the total to 24.11 MW over the program's lifetime.

	Propo	sed PY15 Costs
Program Costs (Combined Implementation and Incentives)	\$	2,817,780
EM&V	\$	117,501
Total	\$	2,935,281

TRC scores vary year to year depending on the acquisition and curtailment strategies. Given this is a mature program we estimate a TRC of 2.79 for 2025. That gives the Program Lifetime TRC of 1.77 since inception.

# **APPENDIX 5**

# Implementation Plan Bring Your Own Charger® (BYOC) Pilot Program

July 2022

Developed for



by **sagewell**<sup>™</sup>

# Table of Contents

### **PROGRAM OBJECTIVE**

IMPLEMENTATION PROCESS
TECHNICAL IMPLEMENTATION
Data Transfers
Analytics and Reporting Platforms
Enrollment application, and participation requirements
Customer support systems
MARKETING, RECRUITMENT AND ENROLLMENT
EV CHARGING LOAD MONITORING
EVALUATION, MEASUREMENT & VERIFICATION (EM&V)
DATA MANAGEMENT & REPORTING
BUDGET AND VALUE CALCULATIONS

# **PROGRAM OBJECTIVE**

The *Bring Your Own Charger*<sup>®</sup> (BYOC) Pilot Program discussed in this implementation plan will have a term beginning on January 1, 2023 and continuing through December 31, 2025. The term coincides with Program Years 13-15 of the Council of the City of New Orleans's (Council) Energy Smart DSM program. The objective of the program is to shift electric vehicle (EV) load to off-peak hours, when demands on the electric system are lowest. BYOC leverages existing investments in AMI smart meter infrastructure to monitor customer electric vehicle charging behavior. The program is open to any make or model of EV using any level 2 charger. Sagewell, in coordination with Entergy New Orleans (ENO) will recruit, enroll, monitor charging and issue incentives to participating electric vehicle drivers in ENO territory. The Pilot will enroll up to 350 participants each year, with cumulative totals of 350, 750 and 1050 EVs across all three program years.

Electric Vehicles are some of the largest contributors, on an individual basis, to peak load. Any effort that intends to reduce kW demand must address electric vehicle charging. The Bring Your Own Charger® program has been designed to maximize customer participation and overall kW and kWh shifted to off-peak hours. The core of the BYOC model is its simplicity. The program has been designed to lower barriers for customers, and to make the program as straightforward and clear as possible.

# **IMPLEMENTATION PROCESS**

This document summarizes the implementation plan and proposed budget for the Bring Your Own Charger<sup>®</sup> (BYOC) Pilot Program. It includes technical implementation, customer recruitment and enrollment, EV charging load monitoring, evaluation, measurement and verification, and program budget and value calculations.

### **TECHNICAL IMPLEMENTATION**

Sagewell will coordinate with ENO IT staff to create technical systems to operate the BYOC pilot program. There are several areas of technical implementation:

- Data transfer;
- Analytics and reporting platforms;
- Enrollment application, and participation requirements;
- Customer support systems.

### Data Transfers

Sagewell and ENO staff will set up an automated process for transferring AMI meter data and customer data to Sagewell's secure Amazon Web Service (AWS) servers - including both historical data and on-going data transfers. This data will be used to identify potential participants, verify eligibility and monitor EV charging behavior.

Example of data to be provided by ENO - exact data received may vary:

- Electric consumption data
  - Date and time (UTC), as timestamp or separate fields;
  - Meter number (or other unique identifier like service point ID or premise number);
  - Reading (Wh or KWh).
- Customer account data
  - Account holder name;
  - Account number;
  - Service address;
  - Rate code(s);
  - Meter number(s) (or other unique identifier like SDP or premise number).

### Analytics and Reporting Platforms

Sagewell will create ENO-specific instances of our analytics and reporting platforms, as well as provide secure access for relevant ENO staff. These platforms will monitor customer charging behavior, enable EVFinder<sup>SM</sup> to identify likely EVs, and allow ENO to access program reporting and performance data. The data will help ENO identify potential areas where electric vehicles may already be impacting the distribution grid and to assist system planning to better prepare for EV growth.

### Enrollment application, and participation requirements

Sagewell will implement a white-labeled enrollment application for ENO and can customize application data collected and other requirements. All customer data collected via the enrollment application is stored in US-based servers. Eligibility requirements for participation and earning incentives will be customized based on ENO needs, as needed.

### Customer support systems

Sagewell will implement an ENO-specific customer relationship management (CRM) system, and program support channels, including a local or toll-free telephone number and email address. All customer engagements will be maintained in these systems.

### MARKETING, RECRUITMENT AND ENROLLMENT

In coordination with ENO program and marketing staff, Sagewell will help develop and implement program branding and marketing. The Bring Your Own Charger® program will be offered on a Sagewell hosted website with ENO-specific design, color palette, and language. Additionally, leveraging Sagewell's years of experience in EV marketing, we will assist in the development of marketing messaging and materials for program outreach.

Direct ENO outreach (via email, bill insert, direct mail) to households that are identified by the EVFinder<sup>SM</sup> algorithm will be the primary outreach method. This algorithm uses systemwide AMI meter data to detect EV charging signatures and the results can be used to market the program directly to homes with EVs. This has been a very effective way to identify EVs that are most impacting the distribution system and to shift their charging to off-peak hours.

Once an EV driver decides to participate, they will visit the program website and complete three simple steps:

- 1. Program vehicle's onboard charging timer to charge only during utility defined offpeak periods.<sup>1</sup>
- 2. Take a picture of the vehicle's charging schedule using a smartphone.
- 3. Upload the picture as a part of the 7-minute online enrollment application.

After applications are received, Sagewell verifies eligibility, charging schedule, and begins monitoring AMI data for EV charging behavior.

### EV CHARGING LOAD MONITORING

Utilizing ENO residential AMI data, Sagewell will monitor participant charging behavior and calculate incentives earned using advanced algorithms. This process has been in continual use and development at utilities since 2016, and EV drivers have participated in BYOC for a collective 1 million days so far.

<sup>&</sup>lt;sup>1</sup> Charging timers are a standard feature in electric vehicles.

The monitoring process will capture:

- Number of charging sessions
- Total charging hours
- On-peak / off-peak charging
- Estimated kWh used
- Incentive amounts
- Payment history (if bill credits are not available)
- Individual and aggregate off-peak compliance rates
- Individual and aggregate charging session data

### EVALUATION, MEASUREMENT & VERIFICATION (EM&V)

Sagewell will utilize ENO's AMI data to monitor customer charging behavior and calculate incentives. As part of Sagewell's QA processes for enrollment and customer monitoring, we evaluate the progress and status of BYOC on a regular basis. BYOC program performance is monitored in near real-time. This allows us to engage with participants who are charging on peak and help them reschedule their EV or troubleshoot issues. ENO staff can see program performance data via our reporting platform and continuously learn new insights about EV charging and EV adoption.

### DATA MANAGEMENT & REPORTING

ENO smart meter data will be monitored for EV charging and stored in encrypted US-based AWS servers. Customer enrollment, participation, and other data is stored in secure Google Cloud databases. We will provide ENO access to dashboards to allow self-service analysis and reporting for participating customers. Sagewell utilizes utility-specific SFTP (secure file transfer protocol) servers for data transfers and there is no commingling of data between different utilities. All data is maintained in the U.S. Sagewell can set up processes for regular and ad hoc reporting. In addition to incentive payment history, Sagewell's data reporting platform will contain energy savings, peak compliance, and other energy-based statistics and reports.

### BUDGET AND VALUE CALCULATIONS

Bring Your Own Charger<sup>®</sup> (BYOC) Pilot Program budget is below. The following budget represents the maximum budget, assuming full enrollment and maximum customer incentives. The budget is structured with a significant portion at-risk, based on program performance, with 42.8% of the program administration costs at-risk.
	Program Year 1	Program Year 2	Program Year 3	Total
Program Administration	\$110,000	\$95,400	\$101,040	\$306,440
Marketing Support	\$10,000	\$10,000	\$10,000	\$30,000
Incentive Processing Fee (at-risk)	\$4,200	\$8,400	\$12,600	\$25,200
Per Vehicle Success Fee (at-risk)	\$37,500	\$75,600	\$113,400	\$226,500
Total Program Admin Costs	\$161,700	\$189,400	\$237,040	\$588,140
Customer Incentives	\$29,100	\$58,800	\$88,200	\$176,100
EM&V	\$7,956	\$10,350	\$13,563	\$31,869
Overall Program Costs	\$198,756	\$258,550	\$338,803	\$796,109

Based on Unforced Capacity (UCAP) values provided by ENO, and a coincident peak load reduction per EV of 1.5kW, the BYOC Pilot Program has a three-year Total Resource Cost (TRC) of 0.42. This is due to the relatively small size of the pilot. The TRC of the program will improve as customer enrollment grows, and the fixed administration costs become a smaller percentage of the total budget.

However, there are other benefits that are not taken into account with this calculation. The goal of BYOC is to shift EV charging energy to off-peak hours every week day. This does not reduce overall kWh consumption but can have a significant impact on distribution system health and save ENO customers money by enabling ENO to procure energy at lower off-peak hour costs. EV charging, particularly at 10kW and above, can negatively impact neighborhood level power quality and may overload transformers. While immediate transformer failures or damage due to overloading are rare, shortened transformer life can result from frequent overloading, and increase the utility operating costs due to premature equipment replacement. Because BYOC effectively shifts high charging rate EV load to off-peak hours every day, it mitigates potential infrastructure stress and can improve neighborhood power quality. The estimates for equipment replacement cost reduction, avoided operations costs and the value of avoided outages are not available at this time, however the BYOC program will enable ENO to collect the data to better estimate the value of these benefits in the future.

## Appendix 5

While ENO has provided values for the avoided cost of energy, those values use an average avoided cost of energy and they do not differentiate between the higher peak hour costs and lower off-peak hour costs of energy. By shifting EV charging to off-peak hours, ENO may benefit from lower cost of power during off-peak times. The average EV driver uses approximately 3,000 kWh per year. Using ENO-provided avoided cost of energy of 3.17 cents per kWh over the 3 program years, a 1 ¢/kWh reduction in off-peak energy costs would result in \$30 per year in additional value per vehicle, or \$63,000 over the three program years. In this scenario, the TRC of the three-year pilot would increase to 0.52.

Appendix 6

## **Highland**

**Our Town's Electric Fleet** 

info@highlandfleets.com 978.468.0189

April 5, 2024

Council of the City of New Orleans New Orleans City Hall 1300 Perdido Street New Orleans, LA 70112

## RE: Letter of Support for Commercial Managed Charging (Energy Smart Program Year 15)

Dear Councilmembers,

Highland Electric Fleets ("Highland," "We") would like to express support for Entergy New Orleans' proposed managed charging program for commercial customers. We believe that incentivizing off-peak charging is critical to reducing the stress on our current electric grid at peak hours and can be used to reduce some upfront infrastructure costs and needs.

Highland is the leading provider of electrification-as-a-service for school districts, governments, and fleet operators in North America. Founded in 2019, Highland offers a unique suite of products that make it simple and affordable to upgrade to electric fleets today. Active in 30 states and Canada, Highland is responsible for the first use of electric school buses (ESBs) in a commercial V2G program and the largest electric school bus project in the United States to date, in Montgomery County, Maryland.

We applaud Entergy New Orleans' commitment to proposing what we view as a much-needed program. If approved, this program will introduce a thoughtful new charging solution for commercial customers and help reduce usage on the electric grid during times of high demand. Highland looks forward to the Council's approval of this beneficial program. Thank you for your consideration, and please feel free to reach out if you have any questions.

Sincerely,

Cath

Claire Alford Eastern Regional Manager, Market Development Highland Electric Fleets <u>Claire@highlandfleets.com</u> | (832) 797-1460