Dear New Orleans City Council Members:

The changes proposed to New Orleans' community solar rules (UD-18-03) by the Alliance for Affordable Energy and Together New Orleans have received official support from the following organizations:

- 1. Coalition for Community Solar Access
- 2. New Orleans Public Schools
- 3. Solar Access for All Coalition
- 4. SunConnect
- 5. Green Coast

These organizations sent their letters in individually, but they will not go into the record unless an intervenor request. **As an intervenor in this docket, we request that their letters, which are attached, be added to the record.**

Thank you for the consideration,

Nathalie Jordi Together New Orleans



May 2, 2024

Via Electronic Mail

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

Re: Entergy New Orleans, LLC's Compliance Filing for Resolution R-23-507 (Docket No. UD-18-03)

Dear Ms. Johnson,

The Coalition for Community Solar Access (CCSA) respectfully submits the attached comments regarding Entergy New Orleans LLC's Compliance Filing submitted on January 12, 2024, regarding the City's updated Community Solar Program. Please do not hesitate to reach out with any questions related to this filing.

Sincerely,

Laurel Passera

Senior Policy Director, CCSA

Jamel Dassera

laurelp@communitysolaraccess.org

(919) 526-0111

BEFORE THE

COUNCIL OF THE CITY OF NEW ORLEANS

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)	DOCKET NO. UD-18-03
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COMMENTS OF THE COALITION FOR COMMUNITY SOLAR ACCESS

The Coalition for Community Solar Access (CCSA) appreciates the opportunity to provide comments on Entergy New Orleans' implementation tariffs, for the city's newly updated Community Solar program.

CCSA is a national trade association representing more than 120 community solar companies, businesses, and nonprofits working to expand customer choice and access to solar for all American households and businesses through community solar. We work with customers, utilities, local stakeholders, and policymakers to develop and implement policies and best practices that ensure highly successful community solar programs that champion the energy customer. CCSA is striving to build the electric grid of the future where every American consumer has the freedom to choose clean, locally generated energy to power their lives.

As an initial matter, CCSA applauds the New Orleans City Council for their forward-thinking decision to update and improve upon the city's former community solar rules. These amended rules represent a significant stride towards reducing the energy burden on all New Orleans residents, with a particular focus on assisting low-income households. By facilitating greater access to community solar projects, these regulations not only promise to lower monthly energy costs for vulnerable populations but also contribute to the broader goals of lowering emissions and enhancing grid resilience. This initiative is a commendable step towards a sustainable future, integrating environmental responsibility with social equity. The community solar rules

are set to transform the energy landscape of New Orleans by making renewable energy more accessible and affordable, thereby empowering residents with the tools to actively combat climate change and support a robust, resilient energy infrastructure.

As advocates for accessible and sustainable community solar projects that serve all community members, including low-income residents, CCSA has identified several areas in the Entergy New Orleans (ENO) filing that would benefit from modification to align with industry best practices and to ensure fairness and effectiveness in the implementation of the community solar program. These are outlined below:

- 1. Refusal of Changes to Subscription (ENO Compliance Filing 3.3): The current provision grants ENO unilateral authority to refuse additions, deletions, or changes to subscriber lists, which could undermine the sustainability and development of community solar projects. This provision may also have the unintended consequence of giving ENO the ability to effectively void a contract between the provider and subscriber. To foster a more equitable approach, we propose that while ENO should be allowed to contest changes to subscriber lists, for good cause and in a transparent manner, the Council Utility Regulatory Office (CURO) should serve as the final arbiter in disputes. This adjustment ensures that decisions affecting the viability of community solar projects are overseen by an impartial body, thereby enhancing transparency and fairness in administrative practices.
- 2. Renewal Options (ENO Compliance Filing 4.2): The current 20-year term without renewal options does not reflect the long-term nature of community solar investments and the operational realities these projects face. These projects continue to produce energy long after 20 years. To ensure that the City is receiving the benefits of these projects well into the future, CCSA recommends allowing for at least one extension period on the contract. This would also provide project developers and financiers with greater security and predictability and facilitate the planning and financing processes that are critical for the long-term success and sustainability of these projects. More significantly, it would allow them to pass higher savings along to the customer, as they would be able to amortize costs over a longer period.
- 3. Deposit Requirements (ENO Compliance Filing 4.5): While larger, well-capitalized community solar providers may have no challenges meeting the \$50/kW deposit requirement (if Commercial Operation is not achieved within 12 months), CCSA recognizes that this amount may be overly burdensome to smaller providers and non-profit/community groups. We suggest reducing the deposit to \$25/kW and extending the timeline for Mechanical Completion to 24

months from the execution of the interconnection agreement, with reasonable provisions for additional one-year extensions. This modification recognizes the complex and often unpredictable nature of developing community-scale solar projects and avoids placing undue financial strain on developers. It would also allow newer market entrants to participate in the program while still creating a reasonable motivation to keep project development moving forward.

- 4. Maintenance and Repair Standards (ENO Compliance Filing 4.6): ENO proposes using existing standards to allow for contract cancellation if significant repairs are not completed within 6 months for major damage, or if the facility remains non-operational for more than 90 days in all other cases. First, this language, "in all other cases" is too broad and could theoretically include cases in which ENO itself takes the system offline to do line work. In other states, CCSA has seen cases in which systems have been taken offline for months at a time in order to reconfigure the distribution lines on a feeder. Second, this provision is unnecessary and out of step with other programs across the country. We recommend removing these provisions altogether. These projects have every incentive to remain operational because they cannot deliver credits to customers or receive subscription payments from subscribers if they are not operational. Solar power is intermittent by nature and subject to different stressors than large-scale facilities such as weather damage or other unforeseen consequences. It is in everyone's best interests for long-term investments like solar to operate as much as possible so there is simply no need for this restriction.
- 5. Low-Income Customer Qualification (ENO Compliance Filing 4.8 and Community Solar Rules X): Requiring annual re-certification of low-income subscribers adds unnecessary administrative burdens, may deter ongoing participation and is out of step with other programs across the country. Theoretically, a re-verification process could be seen as punitive for people that manage to elevate their income, which is exactly what this program is aiming to help people do. Aligning with best practices nationwide, we recommend that certification occur only once, upon subscriber onboarding. A one-time verification at the time of subscriber sign up also aligns with the recent Federal financial benefits programs that have come out of the Inflation Reduction Act. This

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¹ (3) Low-income verification —(i) In general. To establish that financial benefits are provided to Qualifying Households as provided in paragraph (f)(1) of this section, applicants must, in accordance with guidance published in the Internal Revenue Bulletin (see § 601.601 of this chapter), submit documentation upon placing the qualified solar or wind facility in service that identifies each Qualifying Household, the output from the facility allocated to each Qualifying Household in kW, and the method of income verification utilized for each Qualifying Household. A Qualifying Household's low-income status is determined at the time the household enrolls in the subscription program and does not need to be re-verified.

- change would simplify the process for subscribers and administrators, encouraging sustained participation by reducing procedural obstacles.
- 6. Transparency around inclusion of all applicable charges in the subscriber credit (CSGF-1): CCSA believes ENO should provide more transparency around its proposal to exclude non-bypassable riders from the credit rate calculation. As outlined in community solar regulations, ENO should include all charges in the credit calculation except for the \$8.06 customer charge. According to ENO's Schedule CSGF, it states that the monetary credit rate should be "exclusive of amounts attributable to nonbypassable riders." CCSA recommends that ENO provide a more detailed explanation of the credit rate design, including these nonbypassable riders and their current monetary equivalents. Provided with more transparency, the New Orleans City Council can better gauge whether these exclusions are in keeping with the city's regulations.
- 7. Net Crediting Model (Community Solar Rules VIII): We understand why the New Orleans Council opted to postpone adoption of net crediting at the time of rule adoption; it can be a complex topic. However, CCSA strongly advocates for a process that will enable a net crediting model of utility-consolidated billing to serve subscribers in the future. Simply put, net crediting simplifies the billing process, reduces confusion, and enhances participation. This model, which ensures subscribers see their solar credits directly applied to their utility bills, is crucial for achieving high participation rates, particularly among those less familiar with community solar projects. Furthermore, net crediting guarantees savings on utility bills, thus directly benefiting low-income customers who are most impacted by energy costs.

Net Crediting has demonstrated success in other states and holds significant promise for enhancing the efficiency and effectiveness of New Orleans' community solar program, particularly for low-income customers. The net crediting model integrates community solar subscriptions directly into the monthly utility billing system. This method is designed to simplify the billing process for both the customer and the utility. Below are the key steps involved in implementing net crediting:

A. **Subscription and Billing Integration**: When a customer subscribes to a community solar project, their subscription charge is included on the monthly bills rendered by the electric company for electric service. This

consolidates multiple charges, including energy assistance into a single billing statement, making it easier for customers to both see their savings and manage their payments.

B. Calculation of Credits and Charges:

- a. The electric company calculates the total value of solar credits generated by the project and then allocates each subscriber's portion of the community solar project to their utility account.
- b. The subscription fee (which is the amount owed to the subscriber organization by the customer for their share in the community solar project) is deducted from these credits before they are applied to the utility bill.
- c. The "net" of the customer's allocation less their subscription fee is the credit that offsets the subscriber's total utility bill.

C. Determination of Net Credits:

- a. The net credit is the remaining amount after the subscription fees are deducted from the solar credits.
- b. For example, if a customer is on a contract that offers a customer a 20% discount on the value of the credits generated by their share and in a given month that customer's share generates a \$100, Their subscription fee is \$80, the net credit would be \$20. This \$20 is then deducted from their utility bill, reducing the total amount the customer needs to pay the utility.

D. Remittance to Subscriber Organizations:

- a. After adjusting the subscription fee for any utility administrative fees or other charges, (which typically do not exceed 1% of the bill credit value), the utility remits the remaining subscription fee to the subscriber organization.
- b. In the above example, the utility administrative fee retained by the utility, assuming a 1% fee, would be \$1 and the remaining \$79 would be remitted to the subscriber organization.
- c. This transaction is facilitated through automated systems to ensure accuracy and efficiency.

E. Updates and Adjustments:

- Utilities may adjust the fees associated with net crediting, based on regulatory approval and evidence showing the necessity of fee adjustments.
- b. This ensures that the net crediting system remains economically feasible for utilities while providing cost savings to customers.

By streamlining the payment and credit application process, net crediting effectively simplifies customer participation in community solar programs, enhances the accuracy of billing, and ensures timely financial transactions between utilities, subscriber organizations, and customers.

Net crediting takes some time and collaboration to implement effectively. CCSA recommends a process that will allow utilities and project owners to work through the details of net crediting and build upon the success of other state markets that have already worked through these details.²

8. Utility Data Transparency (Community Solar Rules VII.E): Providing developers with access to a hosting capacity map and common upgrade cost estimates will facilitate better project planning and site selection. This transparency is essential for developers to assess the feasibility and potential costs of interconnections, thus enabling more strategic and informed decision-making in project development. Hosting capacity maps are commonplace across utilities in the U.S. and serve to reduce time and money spent by the utility in reviewing unnecessary, speculative interconnection applications. CCSA has a number of recommended best practices for hosting maps and other grid integration best practices in our whitepaper titled: Integrating Distributed Solar and Storage: The Keystones of a Modern Grid.³

In conclusion, CCSA urges the Council to consider these suggested amendments to the community solar compliance tariff filed by ENO. These changes will promote a more equitable, transparent, and sustainable framework for community solar projects in New Orleans, ultimately benefiting all stakeholders and supporting the city's transition to renewable energy. We greatly appreciate your attention to this matter and please do not hesitate to reach out for further information.

https://communitysolaraccess.org/wp-content/uploads/CCSA_BRO-White-Paper_20220214-1.pdf.

² Some helpful resources include: <u>New Jersey proposed regulations</u> - see 14:8-9.7q (pdf pg. 8),; <u>National Grid (New York) tariff</u> - see Leaf 151.1 (pdf pg. 165); <u>National Grid (New York) Net Crediting Manual</u>; and <u>NY PSC Order</u> adopting net crediting.

³ Available at

NOLA Public Schools

2401 Westbend Pkwy

New Orleans, LA 70114

March 28th, 2024

Clerk Lora W. Johnson

Clerk of Council

1300 Perdido Street, 2nd Floor West

New Orleans, LA 70112

Office No. (504) 658-1085

Fax No. (504) 658-1140

lwjohnson@nola.gov

Dear Ms. Lora W. Johnson,

I'm writing in support of the rule changes to New Orleans' community solar program that are being suggested by Together New Orleans + the Alliance for Affordable Energy. NOLA Public Schools hopes to develop its own community solar projects, and we believe that clearer rules that incentivize development and prioritize equity will help community solar flourish in New Orleans.

We support, in particular, the rule changes relating to:

- 1. Utility-consolidated billing via a net crediting mechanism. We feel strongly that the success of New Orleans' community solar program depends on customers being able to see and pay their electricity and solar-related charges on one rather than multiple bills.
- 2. Simple methods for low-income verification. Allowing for multiple ways to verify LMI status, and only having to prove it once, are nationwide best practices that should be adopted in New Orleans to enable broad and simple access for LMI customers.
- 3. Calculating subscriber credits transparently, as demonstrated in NREL's analysis. ENO should confirm that it will calculate community solar credits as shown in NREL's analysis.

With these changes, we are excited to participate in standing up a thriving community solar program in New Orleans.

Thank you for the consideration,

Don P. LeDuff

Chief Operations Officer, NOLA Public Schools

New Orleans City Council 1300 Perdido Street, Second Floor West New Orleans, LA 70112

Dear New Orleans City Councilmembers:

The undersigned organizations are members of the national Solar Access for All Coalition with nationwide and regional experience advocating for and implementing successful and equitable renewable energy programs. As such, we strongly support the New Orleans City Council's ongoing efforts to support and improve residents' access to the benefits of local solar. We write to offer our support for the following rule changes to New Orleans' community solar program:

- **Net crediting on utility bills.** Customers need to see all of their electricity charges and solar charges on one utility bill. Net crediting on utility bills is the national best practice for billing, and we believe emphatically that New Orleans' community solar program needs it in order to succeed.
- Clear calculation of the credit rate. We believe there is too much ambiguity in the current rules around the calculation of the credit rate. ENO should demonstrate exactly how it will be calculating the credit rate, or confirm that it will be using the method identified by NREL.
- **Simple low-income verification.** We support enabling multiple methods of verifying low- and moderate-income (LMI) status to reduce burden on customers. In addition, customers should only have to prove their income qualification once; annual recertification is overly onerous.
- **Reduce barriers to development.** We support reasonable improvements to the rules that will encourage developers to participate in the program, such as:
 - o extending the timeline before which deposits are due
 - establishing clear time limits for interconnection studies
 - the utility sharing information such as hosting capacity maps or estimated costs for common utility upgrades
 - o charting a future for community solar projects once the initial 20-year PPA term expires

We have been delighted to see New Orleans' community solar program improve with each rule change, but the job isn't done. These proposed changes are essential to a program that increases New Orleanians' access to affordable, clean energy.

Sincerely,

Andie Wyatt Managing Policy Director and Counsel GRID Alternatives

Matthew H. Davis, MPH Vice President of Federal Policy League of Conservation Voters

Sandhya Murali Co-Founder & COO Solstice Power Technologies

Cc: Andrew V. Tuozzolo
Krystal Hendon
Byron S Minor
Lora W. Johnson
Erin Spears
Bobbie F. Mason
Christopher W. Roberts
Andrew V. Tuozzolo
Paul M. Harang
Norman L. White

Glen Brand Vice President, Policy & Advocacy Solar United Neighbors

Andrea Marpillero-Colomina Sustainable Communities Program Director GreenLatinos



March 28, 2024

Sent via Email

New Orleans City Council
Attention: Councilmember Helena Moreno
1300 Perdido Street, Second Floor West
New Orleans, LA 70112

Re: ENO Compliance Filing and Community Solar Program

To New Orleans Councilmembers and Staff:

I am reaching out to express support for the rule changes to New Orleans' community solar program currently being proposed by Together New Orleans + the Alliance for Affordable Energy. SunConnect is actively developing multiple low-income community solar projects in New Orleans, and we would feel more confident in moving forward with additional clarity surrounding PPA terms, credit calculations, billing methodology, and interconnection costs.

- 1. **Inclusion of riders in the calculation of credits.** Other than the Customer Charge of \$8.06 per month, we feel strongly that all riders should be included in the net metering calculation. NREL has done a sample calculation, which ENO should confirm is accurate, so that developers know exactly what to expect.
- 2. Transparency of utility rate assumptions. In an effort to help non-industry stakeholders understand utility rate calculations, it's standard practice in most solar programs for the Utility to provide sample bills and breakdowns of the actual rate. That way there is no guesswork for ratepayers/subscribers, developers, or regulators as to what the actual rate is. If the rate is not fixed, it's also helpful to include historic prices for at least the last 10 years so that the viability of projects can be projected by the financing institutions that will be supporting the project development.
- 3. **Net crediting on utility bills.** Across the country, we have seen that net crediting applied on utility bills is the simplest, best way to bill customers for community solar, and we wholeheartedly endorse this practice in New Orleans.
- 4. **Reduce barriers to development.** There are a number of provisions in the existing rules that could kill projects off too soon, such as supply chain constraints or a too-short time to respond after a natural disaster. We support reasonable improvements to the rules that will encourage developers to participate in the program, such as:
 - extending the timeline before which deposits are due and clarifying that they will be refunded upon interconnection,
 - establishing clear time limits for interconnection studies,



- extension language around uncontrollable delays when repairing a damaged systems (similar to the Force Majure section, if a Subscriber Organization can show they are diligently working on fixing a project, the contract shouldn't be terminated.),
- the utility sharing information such as historic rates, hosting capacity maps, or estimated costs for common utility upgrades, and
- charting a future for community solar projects once the initial 20-year PPA term expires.

We believe that once these rule changes are approved, the community solar program in New Orleans has great potential for growth, and we look forward to being a part of it.

Sincerely,

Erica Buster Vice President

This 2. Posts

cc: Helena Moreno, Councilmember (helena.moreno@nola.gov)

JP Morrell, Councilmember (JP.Morrell@nola.gov)

Joseph I. Giarrusso III, Councilmember, (Joseph.Giarrusso@nola.gov)

Lesli Harris, Councilmember (Lesli.Harris@nola.gov)

Freddie King III, Councilmember (Freddie.King@nola.gov)

Eugene J. Green, Councilmember (eugene.green@nola.gov)

Oliver Thomas, Councilmember (Oliver.Thomas@nola.gov)

Andrew Tuozzolo, Helena Moreno's Chief of Staff (<u>Avtuozzolo@nola.gov</u>)

Krystal Hendon, JP Morrell's Chief of Staff (Krystal.Hendon@nola.gov)

Byron S Minor, Legislative Aide (Byron.Minor@nola.gov)

Lora W. Johnson, Clerk of Council (lwjohnson@nola.gov)

Erin Spears, CURO Chief of Staff (espears@nola.gov)

Bobbie F. Mason, CURO Deputy Chief of Staff (bfmason1@nola.gov)

Christopher W. Roberts, Management Development Specialist II (cwroberts@nola.gov)

Paul M. Harang, Chief of Staff (Paul.Harang@nola.gov)

Norman L. White, Chief Financial Officer (Norman.White@nola.gov)



May 8, 2024

To Whom It May Concern:

We're writing to share our support for the rule changes to New Orleans' community solar program, which Together New Orleans + the Alliance for Affordable Energy have submitted for your consideration. As you know, in addition to supporting clean and affordable energy, certifying green affordable housing, and the development of real estate, GCE Services, LLC was awarded the Orleans Parish School Board Community Solar RFP at two OPSB charter schools.

A member of our team is Neighborhood Sun, a community solar subscription manager. Neighborhood Sun is active in 8 states and has subscribed over 25,000 persons and experienced first hand what has worked best across the country.

We believe that these rule changes will help make the city's program stronger, clearer, fairer and more equitable. We would to call out several of those proposed rule changes for special consideration:

- Crystal clear calculation of the credit. Developers will not enter the market without better understanding their expected revenues. ENO should confirm that it will be calculating credits according to the same method as shown in the NREL study.
- Inclusion of riders in the credit calculation. Other than the Customer Charge of \$8.06 per month, we feel strongly that all riders should be included in the net metering calculation.
- Net crediting on utility bills. Customers need to see all of their electricity charges and solar charges on one utility bill. Net crediting on utility bills is the national best practice for billing, and we believe emphatically that New Orleans' community solar program needs it in order to succeed. Neighborhood Sun has found that in markets where there is dual-billing, low income subscribers are unfairly left out.
- Simple low-income verification. We support enabling multiple methods of verifying LMI status, and believe that customers should only have to prove it once; annual recertification is overly onerous. Based on Neighborhood Sun's extensive experience in enrolling LMI customers for community solar projects, we believe the most fair and easiest solution is to simply require a self-attestation from the subscriber. This is already being done in other states.
- Reduce barriers to development. We support reasonable improvements to the rules that will encourage developers to participate in the program, such as:
 - o extending the timeline before which deposits are due
 - o establishing clear time limits for interconnection studies
 - othe utility sharing information such as hosting capacity maps or estimated costs for common utility upgrades

ocharting a future for community solar projects once the initial 20-year PPA term expires

We have been delighted to see New Orleans' community solar program improve with each rule change, but the job isn't done. These proposed changes are essential to a program that promotes business, increases New Orleanians' access to affordable, clean energy, and proves our city's green energy leadership in the Deep South.

Sincerely,

Jackie Davakis (May 9, 2024 14:45 CDT)

Jacquelyn Dadakis Green Coast Enterprises CEO Gary Skulnik
Gary Skulnik

Gary Skulnik Neighborhood Sun CEO



Before The Council of the City of New Orleans

Re: RESOLUTION AND ORDER ESTABLISHING A DOCKET AND OPENING A RULEMAKING PROCEEDING TO ESTABLISH RULES FOR COMMUNITY SOLAR PROJECTS (Docket No. UD-18-03)

CERTIFICATE OF SERVICE

I do hereby certify that I have, this 9 day of May 2024, served the foregoing correspondence upon all other known parties of this proceeding by electronic mail.

Broderick Bagert, Jr. Together New Orleans