

September 22, 2025

Via Electronic Mail

Aisha Collier Assistant Clerk of Council

Room 1E09, City Hall

1300 Perdido St New Orleans, LA 70112

clerkofcouncil@nola.gov

Re: Docket UD-24-02 Revised Proposal to Enhance Distributed Energy Resource Programs for the City of New Orleans Data Request Responses

Dear Ms. Collier,

On behalf of Resilience New Orleans, I respectfully submit the revised proposal in response to Docket UD-24-02 Proposal to enhance distributed energy resource programs issued on October 24, 2024 in Resolution R-24-624. Please file the attached communication and this letter in the record of the proceeding.

Please feel free to reach out with any questions related to this filing.

Sincerely,

Casey DeMoss

Executive Director

Resilience New Orleans

casey@resilienceneworleans.org



Before

The Council of the City of New Orleans

**Re: DISTRIBUTED ENERGY RESOURCE
PROGRAM**

DOCKET UD-24-02

RESILIENCE NEW ORLEANS PROPOSAL

Resilience New Orleans (RNO) respectfully submits this revised proposal in response to the Advisors' July 16, 2025 Report in Docket No. UD-24-02. We thank the Advisors for their thorough review of the parties' filings and for providing clear guidance on the path forward.

RNO is a Louisiana-based nonprofit with a mission to advocate for sensible energy and electric policies to ensure New Orleans remains a vital place to live and work. Our goals are resilient infrastructure, reliable service, clean energy, and affordability for all customers.

Since our initial filing in December 2024, major changes in the local solar market — including the sudden collapse of PosiGen, the dominant LMI solar leasing provider in New Orleans — require a recalibration of assumptions around equitable DER access. This revision reflects both the Advisors' recommendations and the new market reality.

Principles Guiding RNO's Revised Proposal

1. Measured Expansion Through a Pilot

RNO supports the Advisors' recommendation for a *measured, pilot-based approach* leveraging the existing Energy Smart BESS program. This approach balances ambition with caution, providing real-world data on incentive levels, participation, grid impacts, and bill effects before scaling up.

2. Responsible Use of Ratepayer Funds

Consistent with both RNO's original position and the Advisors' conclusion, SERI credits should not be diverted to DER programs. Customer refunds must remain dedicated to ratepayer relief. Instead, new and sustainable funding sources, such as a carbon offset program should be explored to underwrite DER expansion.

3. Equity, With Realism

RNO shares the Council's commitment to equitable participation. However, the collapse



SUSTAINABLE GRID. SENSIBLE OVERSIGHT

of PosiGen has severely disrupted LMI solar access. It is unrealistic to set high LMI carveouts at this time. Instead, RNO urges the Council to:

- Protect existing PosiGen customers from predatory contract transfers or repossession.
- Use the pilot to collect data on equity barriers and financing gaps.
- Begin parallel work on new financing models (e.g. a city-backed green bank or resilience loan program) to replace the leasing model.

4. Vendor Neutrality and Streamlined Administration

RNO agrees with the Advisors: program design should be OEM- and installer-neutral, with efficient and transparent enrollment. Energy Smart's established infrastructure provides the most reliable administrative vehicle.

Proposed Framework

1. Expand the Energy Smart BESS Pilot

- Expand participation to residential customers first, with a dedicated budget carveout to prevent commercial customers from depleting funds.
- Use tiered incentives, tested through the pilot, to determine what levels produce sustainable participation.
- Collect robust data annually on incentive effectiveness, participant performance, and bill impacts.

2. Address Equity Gaps Post-PosiGen

- Commission a rapid assessment of the fallout for PosiGen's thousands of current leasing customers. PosiGen has the lion share of the solar market in New Orleans and it is unknown at this time what will happen with those solar resources.
- Require reporting on how many households are at risk of repossession or increased lease charges.
- Use pilot reporting to design future equity-focused DER programs once financing tools are reestablished.

3. Recommend a New Orleans Carbon Offset Program

- Establish a city-managed carbon offset initiative, marketed to tourists, conventions, and businesses.
- Revenues could fund DER incentives, resilience projects, and workforce development.
- If just 5% of the city's 18 million annual visitors purchase offsets, over \$4.4 million could be raised annually for resilience and DER investments.

4. Prepare for Future Rate Design Innovations



**RESILIENCE
NEW ORLEANS**

SUSTAINABLE GRID. SENSIBLE OVERSIGHT

- While recognizing that time-of-use (TOU) pricing is outside this docket, RNO recommends beginning technical work so TOU tariffs can be introduced as DER penetration grows.
- TOU pricing can complement DER adoption, improve cost-effectiveness, and enhance grid reliability.

5. Facilitate Electrification

- Expand Energy Smart offerings for electrification technologies (EV batteries, heat pumps, smart thermostats, and water heaters).
- Ensure DER expansion supports broader electrification goals.

Conclusion

The collapse of PosiGen has reshaped the equity landscape for DERs in New Orleans. RNO urges the Council to acknowledge this reality and proceed with a *measured pilot program* through Energy Smart, while simultaneously addressing equity gaps with new financing solutions and consumer protections.

By aligning with the Advisors' recommendations and adapting to market changes, RNO's revised proposal provides a credible path to expand DERs responsibly, protect ratepayers, and prepare for a more resilient, equitable energy future.

Respectfully submitted,

Casey DeMoss

Executive Director

Resilience New Orleans



Before

The Council of the City of New Orleans

**Re: Resolution and Order R-24-624 Re: Distributed Energy Resource Program
(Docket No. UD-24-02)**

CERTIFICATE OF SERVICE

I do hereby certify that I have, on this 20th day of December, 2024, served the foregoing PROPOSAL upon all other known parties of this proceeding by electronic mail.

Casey DeMoss, Resilience New Orleans