

**RESOLUTION  
NO. R-25-630**

**CITY HALL: December 18, 2025**

**BY: COUNCILMEMBERS MORRELL, MORENO, HARRIS, KING, GREEN AND THOMAS**

**IN RE: 2024 TRIENNIAL INTEGRATED RESOURCE PLAN OF ENTERGY NEW ORLEANS, INC.**

**RESOLUTION AND ORDER APPROVING IMPLEMENTATION PLANS FOR  
ENERGY SMART PROGRAM YEARS 16-18**

**DOCKET NO. UD-23-01**

**WHEREAS**, pursuant to the Home Rule Charter of the City of New Orleans (“Charter”), the Council of the City of New Orleans (“Council”) is the governmental body with the power of supervision, regulation, and control over public utilities providing service within the City of New Orleans; and

**WHEREAS**, pursuant to its powers of supervision, regulation, and control over public utilities, the Council is responsible for fixing and changing rates and charges of public utilities and making all necessary rules and regulations governing the terms and conditions of service, and to govern applications for the fixing and changing rates and charges for public utilities; and

**WHEREAS**, Entergy New Orleans, LLC (“ENO”) is a public utility providing electric service to all of New Orleans; and

**WHEREAS**, the Council approves Energy Smart program designs, savings target goals, and budgets for three prospective program years (“PY”) every three years upon the conclusion of ENO’s Triennial Integrated Resource Plan (“IRP”) analysis; and

**Background**

**WHEREAS**, the Energy Smart Program is currently approved by the Council until the end of PY15 on December 31, 2025; and

**WHEREAS**, on June 8, 2023, the Council adopted Resolution No. R-23-254 (“Initiating Resolution”), establishing the procedural schedule for ENO’s 2024 IRP; and

**WHEREAS**, the Initiating Resolution’s procedural schedule has been completed; and

**WHEREAS**, on June 16, 2025, ENO submitted an *Application of Entergy New Orleans, LLC for Approval of the Energy Smart Implementation Plan for Program Years 16 through 18* (“Implementation Plan”) to the Council setting forth its PY16-18 program designs, budgets, kWh savings targets, program scope, and requested utility performance incentives; and

**WHEREAS**, the Implementation Plan outlines nine residential and income-qualified energy efficiency programs, four commercial and industrial energy efficiency programs, three residential demand response programs, and one large commercial demand response program; and

**WHEREAS**, the Implementation Plan includes: two Energy Smart savings scenarios and a request for Council approval of third-party administrators and third-party evaluators; and

**WHEREAS**, the Implementation Plan also included a request that the Council approve ENO’s proposal to draft a report, which examined the cost-benefit and performance impact of modifications to the scope of identified programs in PY13–PY15; and

**WHEREAS**, on July 24, 2025, the Council adopted Resolution No. R-25-406 establishing a procedural schedule regarding the Implementation Plan; and

#### **Program Modifications**

**WHEREAS**, the Implementation Plan proposes two scenarios for kWh savings; and

**WHEREAS**, the first scenario, the “2% Savings Scenario,” was a recommendation from the Council in Resolution R-17-30 and generates 2% of ENO’s saving rate equal to 2% of the total annual kWh sales as follows: (1) a kWh savings goal of 119,727,794 kWh in annual sales and \$44,995,773 program cost during PY16, (2) a savings goal of 120,033,825 kWh in annual sales

and \$47,490,983 program cost during PY17, and (3) a savings goal of 122,141,105 kWh in annual sales and \$48,233,015 program cost during PY18, which generated a total of 361,902,724 in annual sales, and resulted in a total program cost of \$140,719,771 over all three program years. The 2% Savings Scenario also includes annual kW savings targets of 33,578 kW for PY 16, of 42,055 kW for PY 17 and of 48,328 kW for PY 18; and

**WHEREAS**, the second scenario, the “Reduced Cost Scenario,” saved \$20,000,000 over all three program years, but decreases the annual kWh savings goals as follows: (1) 88,242,694 kWh in annual sales and a \$37,756,373 program cost during PY16, (2) 93,565,652 kWh in annual sales and a \$40,690,209 program cost during PY17, and (3) 97,857,611 kWh in annual sales and a \$41,567,800 program cost during PY18, which generated 279,665,957 kWh in annual sales and resulted in a total program cost of \$120,014,382 for all three program years. The Reduced Cost Savings Scenario includes the same kW savings goals for PY 16-18 as the 2% Savings Scenario; and

**WHEREAS**, both scenarios retained the utility performance incentives (“UPI”) utilized in PY13–PY15 with cost recovery through the Energy Efficiency Cost Recovery rider (“EECR”); and

**WHEREAS**, the Implementation Plan adds upfront incentives for the purchase of batteries for ongoing participation as a demand response resource, which could drive widespread adoption among residential, small commercial customers; and

**WHEREAS**, the Implementation Plan expands the battery energy storage system (BESS) program to include multi-family and low-to-moderate-income (“LMI”) housing in a subsequent Phase Three; and

**WHEREAS**, ENO revised the BESS Program in response to sunset provisions for solar photovoltaic tax credits through the Public Law 119-21, reducing the total budget from \$10,200,000 to \$9,379,400 for PY16-18 (including \$7,290,000 for upfront incentives, \$1,110,000 for ongoing participation incentives, and \$979,400 for administration costs), lowering residential installations while increasing incentives for this customer class and adding incentives for small commercial customers, with an estimated 14,175 kWh or 7.09 MW delivered based on the capacity figures of a two-hour duration battery; and

**WHEREAS**, the Implementation Plan includes a proposed modification to the bring your own thermostat (BYOT) program to raise participation by increasing incentives, and as a result increasing total gross demand savings from 36.4 MW to 40.9 MW and the total program cost from \$2,922,300 to \$3,332,500 during PY16-18; and

**WHEREAS**, the Implementation Plan modifies the Electric Vehicle Charging program based on the original equipment manufacturers' ability to engage in partner marketing, by implementing following adjustments for PY16-18: increased projected participants from 707 to 1,129, estimated gross demand savings from 0.35 MW to 0.56 MW, and total program cost from \$508,270 to \$541,790; and

#### **Intervenor Comments**

**WHEREAS**, on August 26, 2025, the Alliance for Affordable Energy (“AAE”) filed comments; and

**WHEREAS**, AAE concluded the 2% Savings scenario provided more bill savings, more total resource cost and utility cost test benefits regardless of whether a weighted average cost of capital or a societal discounted rate was applied and yielded greater aggregate benefits for customers.

**WHEREAS**, AAE recommended that the Council approve all of ENO's proposed programs for all years in the PY16–PY18 with modifications: (1) The Council reject without prejudice the proposed BESS program pending its conclusion in Docket No. UD-24-02 as the approval might circumvent the docket case record and negate evidence not yet presented, (2) ENO should modestly increase its BYOT participation, savings, and budget projections for PY16-PY18 to reflect steady year-over-year growth from the PY15 plan forecast, and (3) ENO should continue and expand its workforce development efforts to achieve its increased low-income weatherization participation projections and ENO should include additional budget to support this effort; and

**ENO Reply Comments**

**WHEREAS**, on September 12, 2025, ENO filed reply comments in response to AAE's August 26, 2025, comments; and

**WHEREAS**, ENO supported the Reduced Cost scenario, stating that the scenario cost savings and 280,000 kWh savings still outperformed other programs in the region; and

**WHEREAS**, ENO also stated that the Reduced Cost scenario addressed the Council priorities including an increased focus on programs for low-income customers and demand response; and

**WHEREAS**, ENO stated that the BESS program proposal continued the existing three-year pilot program and delayed approval might interrupt the implementation of the program; and

**Findings and Determinations**

**WHEREAS**, the Council has reviewed the Implementation Plan and all filings finds that it is in the public interest to continue the Energy Smart Program for Program Years 16-18; and

**WHEREAS**, the Council agrees with AAE's assertion that the proposed expansion to the BESS program substantially overlaps with the subject matter of Docket No. UD-24-02, and all decisions related thereto will be addressed in the ordering resolution for that docket; and

**WHEREAS**, in Resolution No. R-24-570, the Council stated its concern regarding increasing Energy Smart costs and approved a kWh savings scenario that does not achieve the 2% ENO's annual kWh sales rate, but retains the programs for residential customers offered under a 2% Scenario, i.e. the Reduced Cost scenario, for PY15; and

**WHEREAS**, the Council finds that more time is needed to fully assess the effectiveness of the Reduced Cost scenario and, as a result, ENO should continue to implement that scenario; and

**WHEREAS**, the Council finds that as the Energy Smart Program evolves, additional information is needed to ensure that the program costs do not exceed the benefits to ratepayers; and

**WHEREAS**, with the data collected from the scope modification report, the Council may prudently determine whether any modifications better serve public interest and provide greater cost-effectiveness for PY17 and PY18 without interruption to the program's overall operations;

**NOW THEREFORE**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS**, That

1. With the exception of the BESS program, ENO's Implementation Plan for PY16-18 is approved.
2. Regarding the BESS program, ENO is authorized to continue the pilot program authorized for PY15 through PY16-18.

3. The Council directs ENO to submit an Energy Smart program report to the Clerk of Council with copy to the Council Utilities Regulatory Office and the Council's utility advisors. The report should include a list of programs, a brief description of the scope, noting any modifications from the program in PY15, participation, kWh savings, and cost. by July 1, 2026.
4. ENO's selection for Third-Party Administrators and Third-Party Evaluators for PY16 is approved.
5. ENO's level of funding associated with kWh savings per the Reduced Cost scenario is approved.
6. ENO's continued use of the current utility performance incentive ("UPI") mechanism is approved.
7. ENO's continued use of the proposed Energy Efficiency Recovery Rider for recovery of program costs is approved.
8. ENO's Energy Smart staff shall collaborate with the Mayor's Office of Resiliency and Sustainability ("ORS") and other stakeholders to support the implementation of the City of New Orleans Building Energy Benchmarking Ordinance.

**THE FOREGOING RESOLUTION WAS READ IN FULL, THE ROLL WAS CALLED ON THE ADOPTION THEREOF, AND RESULTED AS FOLLOWS:**

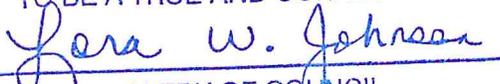
**YEAS: Giarrusso, Green, Harris, King, Moreno, Morrell, Thomas - 7**

**NAYS: 0**

**ABSENT: 0**

**AND THE RESOLUTION WAS ADOPTED.**

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THE FOREGOING IS CERTIFIED  
TO BE A TRUE AND CORRECT COPY  
  
CLERK OF COUNCIL