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May 10, 2024

**VIA Electronic Delivery**

Clerk of Council  
City Hall, Room 1E09  
1300 Perdido Street  
New Orleans, Louisiana 70112

**Re: Entergy New Orleans, LLC's Tenth Annual Post-Miso-Integration Monitoring Report**  
**Docket No. UD-11-01**

Dear Clerk:

Please find enclosed for your further handling the Public Version of the Tenth Annual Post-MISO-Integration Monitoring Report of Entergy New Orleans, LLC ("ENO" or the "Company"). As a result of the remote operations of the Council's office related to COVID-19, ENO submits this filing electronically and will submit the requisite original and number of hard copies once the Council resumes normal operations, or as you direct. ENO requests that you file this submission in accordance with Council regulations as modified for the present circumstances.

In connection with the Company's filing, a Confidential Version of the Report bearing the designation "Highly Sensitive Protected Materials" is being provided to the Council's Advisors pursuant to the terms and conditions of the Official Protective Order adopted in Council Resolution R-07-432. Portions of the information included in the filing consist of or reflect competitively sensitive cost and market information, the disclosure of which may present a risk of harm to ENO's customers. In addition, portions of the filing may contain highly sensitive information of third parties to which an obligation of confidentiality is owed.

Sincerely,

A handwritten signature in blue ink that reads "Keith Wood".

Keith Wood.

Enclosures

cc: Official Service List (*via email*)

**BEFORE THE  
COUNCIL OF THE CITY OF NEW ORLEANS**

**INVESTIGATION OF THE )  
POTENTIAL COSTS AND BENEFITS )  
OF ENTERGY NEW ORLEANS, INC. )  
AND ENTERGY LOUISIANA, LLC )  
JOINING A REGIONAL )  
TRANSMISSION ORGANIZATION )  
VERSUS CONTINUATION OF THE )  
ENTERGY INDEPENDENT )  
COORDINATOR OF TRANSMISSION )  
WITH ENHANCEMENTS )**

**DOCKET NO. UD-11-01**

**ENTERGY NEW ORLEANS, LLC’S TENTH ANNUAL  
POST-MISO-INTEGRATION MONITORING REPORT**

Pursuant to, and in compliance with, Council of the City of New Orleans Resolution R-15-139 dated April 9, 2015, Entergy New Orleans, LLC (“ENO” or the “Company”) submits its Tenth Annual Post-MISO-Integration Monitoring Report (“Report”) related to the integration of ENO into the Midcontinent Independent System Operator, Inc. (“MISO”) regional transmission organization (“RTO”) on December 19, 2013. The headings and sub-headings set forth below correspond to the headings and sub-headings contained in the Summary of Proposed Post-MISO-Integration Reporting Guidelines, in Exhibit 4 to the Agreement in Principle attached to Council Resolution R-15-139.

On December 14, 2017, the Council adopted Resolution R-17-627 in Docket No. UD-17-02 that found, among other things, that ENO’s continued membership in MISO beyond December 19, 2018, is in the public interest at this time.<sup>1</sup> This Tenth Annual Report follows the streamlined framework and includes estimated benefits to ENO customers resulting from the Company’s

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<sup>1</sup> Resolution R-17-627, Ordering Paragraph #4. *See also* AIP, Paragraph 2.e., at page 4 (“ENO shall develop, in consultation with the Advisors, a detailed framework and content for future reporting that is better suited to assess the annual historic costs and benefits of MISO membership.”).

continued membership in MISO calculated as of the end of 2023 using the updated methodology discussed with the Advisors.

**a. Resource Adequacy**

**1. The following related to resource adequacy in MISO for ENO for the current Planning Year including:**

**i. The Results from MISO’s Planning Resource Auction for the current Planning Year**

MISO’s Resource Adequacy Construct, including the Planning Resource Auctions (“PRAs”), are conducted on an annual basis coinciding with the MISO Planning Year, which begins on June 1 of a given year and concludes on May 31 of the following year. The PRAs are simultaneously conducted for each season within the upcoming MISO Planning Year. The Resource Adequacy Construct establishes capacity requirements for specific geographic areas, known as Local Resource Zones (“LRZs”), which can be met through participation in the PRA. ENO is located in LRZ 9, which covers Louisiana and Texas. ENO owns and has long-term contracts with generating resources located in LRZ 8 (Arkansas) and LRZ 10 (Mississippi). The PRAs result in clearing prices for each LRZ, which are used for both capacity purchases and capacity sales for auction participants within each LRZ. The 2023-2024 PRAs resulted in clearing prices summarized by season and LRZ in HSPM attachment 1 titled “23-24 ENO PRA Results\_HSPM”.

**ii. A list of the capacity purchases, by amount and cost, made by ENO**

Certain information responsive to this component of the filing has been designated as Highly Sensitive Protected Material (“HSPM”), has been redacted from the Public Version of this

filing, and will be provided only to Reviewing Representatives authorized and designated under the confidentiality agreement executed in this docket.

ENO has been participating in MISO's Resource Adequacy process for the 2023-2024 Planning Year since June 1, 2023. For each season contained within the June 1, 2023, through May 31, 2024, Planning Year, ENO's purchases/sales are summarized in HSPM attachment 1 titled "23-24 ENO PRA Results\_HSPM".

**b. Market Operations**

- 1. A breakdown of the energy mix used to supply ENO's customers, for the previous twelve month period, showing the MWh and average cost by month, as supplied by resources owned or controlled (through limited or long-term bilateral purchase power agreements) by ENO, and purchases from the MISO markets**

Please see HSPM Attachment 2 titled "ENO\_Energy\_Mix\_2023 HSPM.xlsx" for a breakdown of the energy mix used to serve ENO's customers in 2023.

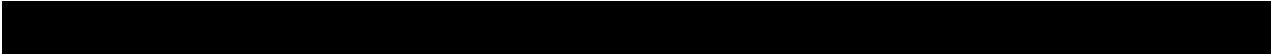
- 2. The following, related to congestion hedging for the System Agreement Operating Companies, collectively and individually:**

- i. The allocation of Auction Revenue Rights ("ARRs") and Financial Transmission Rights ("FTRs") received by ENO**

Please see HSPM Attachment 3 titled "ENO Annual ARR Allocation Results\_PY2324\_HSPM.pptx", which outlines the allocation of ARR and FTRs to ENO for the 2023-24 Planning Year.

- ii. The cost of any ARR and FTRs purchased by ENO in the MISO market processes**

The information responsive to this component of this filing has been designated as HSPM.



**iii. The annual net congestion charges (net of congestion revenues which will be identified and quantified separately), if any, paid by ENO to MISO**

The Company's net congestion charges are shown in the table below, with positive numbers reflecting net congestion charges and negative numbers reflecting net congestion revenues. Congestion charges represent the cost of delivering owned and contracted generation to load. This can be calculated by subtracting the Marginal Congestion Component ("MCC") of the Locational Marginal Price ("LMP") of the generator source from the MCC of the LMP of the load sink.

The HSPM table below reflects congestion charges (net of revenues from ARR and FTRs) from resources owned or under contract by ENO prior to MISO integration on December 19, 2013 ("pre-MISO integration resources").<sup>2</sup> After the termination of the Entergy System Agreement on August 31, 2016, ENO modified its net congestion calculation. While the System Agreement was in effect, ENO was allocated a share of the total net congestion incurred by the System Agreement Operating Companies. This calculation included both Day-Ahead and Real-Time market effects, with the specifics of the calculation dictated by the System Agreement for purposes of allocating costs among the System Agreement Operating Companies. As a result of ENO operating as a standalone entity outside of the System Agreement, ENO is able to produce a simplified congestion calculation that only includes Day-Ahead market effects. ENO has chosen to exclude the Real-Time market effects because: (1) FTRs hedge congestion incurred in the Day-Ahead market only, and (2) over 97% of ENO's load needs have been served through the Day-

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<sup>2</sup> The pre-MISO integration resources include Ninemile Unit 6 because that resource was granted transmission service by the Independent Coordinator of Transmission prior to MISO integration.

Ahead market since joining MISO. The following table reflects ENO’s net congestion charges from its pre-MISO integration resources utilizing the Day-Ahead only methodology.

<b>ENO’s Net Congestion from Pre-MISO Integration Resources</b>	
<b>Period</b>	<b>Net Congestion Charge/(Revenue)</b>
Jan. 1, 2023 – Dec. 31, 2023	██████████

**3. Net Revenue Sufficiency Guarantee charges (net of any make whole payment revenues, which will be identified and quantified separately), if any, paid by ENO to MISO**

The HSPM table below provides a summary of ENO’s Revenue Sufficiency Guarantee (“RSG”) charges and Make Whole Payments for the period from January 1, 2023 through December 31, 2023. Positive numbers reflect amounts paid to MISO, and negative numbers reflect amounts received from MISO.

<b>Charge/Determinant Name</b>	<b>Description</b>	<b>Charge/(Credit) to ENO (1/1/2023 – 12/31/2023)</b>
Day-Ahead RSG Distribution (DA_RSG_DIST)	The total Day-Ahead RSG Distribution amount obligation for an Asset Owner	██████████
Day-Ahead RSG Make Whole Payment (DA_RSG_MWP)	The total Day-Ahead Revenue Sufficiency Make Whole Payment credit for all assets of an Asset Owner	██████████
Real-Time First Pass RSG Distribution (RT_RSG_DIST1)	The charges related to funding first pass distribution of Real-Time RSGs	██████████
Real-Time Second Pass RSG Distribution (RT_RSG_DIST2)	The charges related to funding second pass distribution of Real-Time RSGs	██████████
Real-Time RSG Make Whole Payment (RT_RSG_MWP)	The total credits received for Real-Time RSG Make Whole Payments	██████████
<b>Grand Total</b>		██████████

**4. A summary of the types of ancillary services purchased by ENO from MISO as well as those provided by ENO to MISO and the compensation received by ENO from such services**

The HSPM table below provides a summary of ENO's charges and revenues related to MISO ancillary services from January 1, 2023 through December 31, 2023, with positive numbers reflecting amounts paid to MISO and negative numbers reflecting amounts received from MISO.

<b>Charge /Determinant Name</b>	<b>Description</b>	<b>Charge/(Credit) to ENO (1/1/23-12/31/23)</b>
Day-Ahead Regulation (DA_ASM_REG)	The total daily amount due to Asset Owners that own the Regulation Qualified Resources with Day-Ahead Schedules for Regulating Reserves.	██████████
Day-Ahead Spinning Reserves (DA_ASM_SPIN)	The total daily amount due to Asset Owners that own the Spin Qualified Resources with Day-Ahead Schedules for Spinning Reserves.	██████████
*Day-Ahead Short-Term Reserve Amount (DA_ASM_STR)	The total daily amount due an Asset Owner that clears Short-Term Reserve in the Day Ahead Market.	██████████
Day-Ahead Supplemental Reserves (DA_ASM_SUPP)	The total daily amount due to Asset Owners that own the Supplemental Qualified Resources with Day-Ahead Schedules for Supplemental Reserves.	██████████
Day-Ahead Ramp Capability Amount (DA_RC_AMT)	The total daily amount due to Asset Owners for Up Ramp Capability and/or Down Ramp Capability in the Day-Ahead Energy and Operating Reserve Market.	██████████
Contingency Reserve Deployment Failure Charge (RT_ASM_CRDFC)	The total daily net charge for an Asset Owner that owns Resources that was unable to deploy the specified amount of Contingency Reserve within the Contingency Reserve Deployment Period following a Contingency Reserve Deployment Instruction.	██████
Excessive/Deficient Energy Deployment Charge (RT_ASM_EXE_DFE_DEP)	The total daily Asset Owner charge associated with the Asset Owners that was unable to follow Setpoint Instructions and are assessed a share of the cost of procuring regulation service.	██████████

Real-Time Net Regulation Adjustment Amount (RT_ASM_NRGA)	Charges or credits to a Resource providing deployed Regulation Service such that the Resource is indifferent to deploying Energy above or below its Dispatch Target for Energy to provide the Regulation Service.	██████████
Real-Time Regulation (RT_ASM_REG)	The total daily net charge or credit for an Asset Owner that owns Regulation Qualified Resources with cleared hourly Real-Time Regulating Reserve delta MW.	██████████
Real-Time Regulation Cost Distribution (RT_ASM_REG_DIST)	The total daily charges or credits to an Asset Owner for Day-Ahead and Real-Time Regulating Reserve procurement costs.	██████████
Real-Time Spinning Reserves (RT_ASM_SPIN)	The total daily net charge or credit for an Asset Owner that owns Spin Qualified Resources with cleared hourly Real-Time Spinning Reserve delta MW.	██████████
Real-Time Spinning Reserve Cost Distribution (RT_ASM_SPIN_DIST)	The total daily charges or credits to an Asset Owner for Day-Ahead and net Real-Time Spinning Reserve procurement costs.	██████████
*Real-Time Short-Term Reserve Amount (RT_ASM_RST)	The total daily net charge or credit for an Asset Owner that owns Short-Term Reserve Qualified Resources with cleared Hourly Real-Time Short-Term Reserve delta MWs.	██████████
*Short-Term Reserve Cost Distribution Amount (RT_ASM_STR_DIST)	The total daily net charge or credit for an Asset Owner that owns Supplemental Qualified Resources with cleared hourly Real-Time Supplemental Reserve delta MWs.	██████████
Real-Time Supplemental Reserves (RT_ASM_SUPP)	The total daily net charge or credit for an Asset Owner that owns Supplemental Qualified Resources with cleared hourly Real-Time Supplemental Reserve delta MW.	██████████
Real-Time Supplemental Reserve Cost Distribution (RT_ASM_SUPP_DIST)	The total daily charges or credits to an Asset Owner for Day-Ahead and net Real-Time Supplemental Reserve procurement costs.	██████████
Real-Time Ramp Capability Amount (RT_RC_AMT)	The total daily charges or credits to an Asset Owners for Ramp Capability in the Real-Time Energy and Operating Reserve Market, net of Ramp Capability amounts in the Day-Ahead Energy and Operating Reserve Market.	██████████
Real-Time Ramp Capability Cost Distribution (RC_DIST)	The total daily charges or credits to an Asset Owners for Day-Ahead and net Real-Time Ramp Capability procurement cost.	██████████

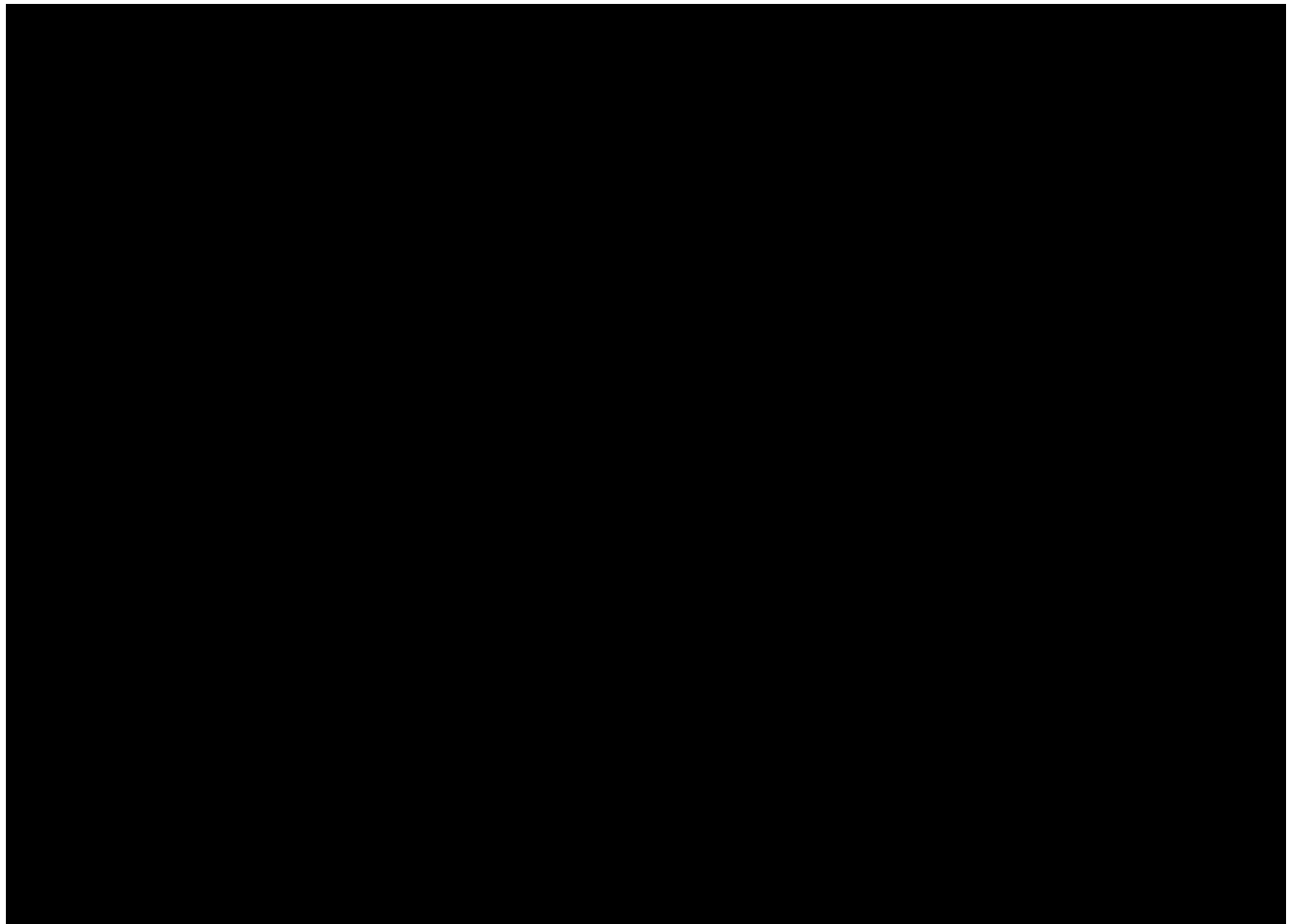
<b>Grand Total</b>		
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\*Short Term Reserves are exclusive to the New Orleans Power Station unit.

**5. A summary of ENO’s transmission charges and revenues from the previous twelve month period**

The HSPM table below provides a summary of ENO’s transmission charges and revenues from the previous twelve-month period.

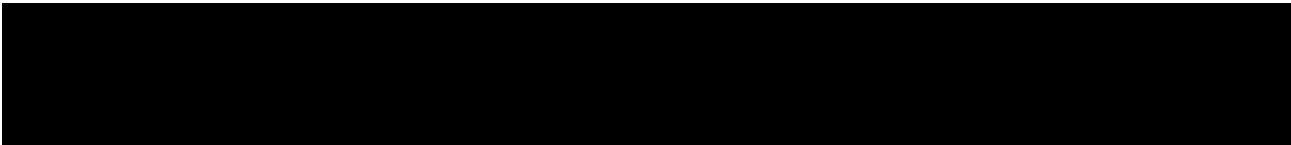
**Summary of ENO Transmission Charges and (Revenues)  
From the previous 12-month period (January 2023 – December 2023)**



**6. Any changes approved by the ENO Operating Committee to the principles, practices, and protocols utilized to procure capacity and energy in MISO, including:**

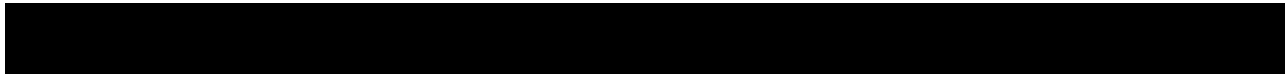
**i. The manner of offering in generation and bidding and scheduling load into the Day-Ahead and Real Time Markets**

The information responsive to this component of the filing has been designated as HSPM.



**ii. ARR nominations**

The information responsive to this component of the filing has been designated as HSPM.



**iii. Other material aspects of any MISO-administered market interaction, if requested by the Advisors to the Council.**

The Company is not aware of any further information requested by the Advisors to the Council.

**7. Any unexpected material costs or market impediments that ENO is encountering within MISO**

ENO has not encountered unexpected material market impediments since MISO integration. Starting on February 1, 2016, ENO has been billed monthly for JOA Settlement charges under Schedule 49—Cost Allocation for Available System Capacity Usage. For the period January 1, 2023 through December 31, 2023, ENO was billed approximately \$268,544 pursuant to Schedule 49.

**8. A list identifying any existing, enhanced and/or supplemental records series to be incorporated under the Entergy System Records Management and Retention Policy**

**necessary to facilitate retention of data required to support SPO operations in MISO on behalf of ENO**

No further record series have been added beyond those reported previously.

**c. MISO’s Transmission Expansion Planning Process**

**1. Any proposed transmission projects by ENO and directives received by ENO from MISO to construct transmission**

The transmission projects planned and proposed by ENO are posted on the Company’s OASIS page<sup>3</sup> and are generally updated on a monthly basis. The posted report includes the status of the projects in the MISO Transmission Expansion Planning (“MTEP”) process.

On December 7, 2023, the MISO Board of Directors approved the MTEP23, Appendix A projects submitted by Transmission Owners, which contained one ENO asset management project.

In MTEP24, one Target Appendix A project was submitted by ENO to MISO in September 2023, and reviewed at the February 8, 2024, MTEP23 South Subregional Planning Meeting. MISO’s presentations on this project and other projects in MISO South are posted with the meeting materials.<sup>4</sup> At this meeting, ongoing Generator Interconnection studies were also reviewed. As with MTEP23, there will be no formal Market Congestion Planning Study as part of MTEP24; rather MISO is continuing to focus on the second tranche projects for the Long Range Transmission Planning (“LRTP”) initiative for MISO North.

MISO continues to focus on the LRTP in MISO North, using updated resource mix and siting assumptions for futures, 1A, 2A, and 3A, for Tranche 2 and potentially beyond. Tranche 2 focuses on Future 2A, and MISO has not yet determined whether another Futures update will be

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<sup>3</sup> [http://www.oasis.oati.com/EES/EESdocs/Construction\\_Plan.htm](http://www.oasis.oati.com/EES/EESdocs/Construction_Plan.htm)

<sup>4</sup>

<https://cdn.misoenergy.org/20240208%20SSPM%20Item%2003d%20Review%20of%20Proposed%20Reliability%20Projects%20LA631681.pdf>

necessary for Tranches 3 or 4. MISO plans to begin LRTP analysis of MISO South (*i.e.*, LRTP Tranche 3) at the end of 2024 and does not currently have a timeline to begin working on the MISO North/South Interface (Tranche 4). MISO has scheduled regular LRTP Workshops to discuss LRTP progress and has a dedicated page on its website for related materials and information.<sup>5</sup>

ENO continues its active participation in MTEP24 and in the discussions and analyses that are ongoing for LRTP.

**2. The status of developments within the MISO stakeholder process that could have a material effect on the allocation of MISO costs, including the cost of transmission investment included by MISO in its MTEP, to ENO.**

Since ENO’s monitoring report filed in May 2023, the Entergy Regional State Committee (“E-RSC”) Directors approved an “E-RSC Resolution re: MISO South Cost Allocation for Tranche 3” at a Special Meeting of the E-RSC on June 30, 2023,<sup>6</sup> essentially halting MISO’s work through the Regional Expansion Criteria and Benefits Working Group (“RECBWG”) to develop Multi-Value Project Tariff revisions for a more granular approach to cost allocation than the current Sub-Regional postage stamp tariff provisions filed with FERC on February 4, 2022, in Docket No. ER22-995-000 and accepted by FERC on May 18, 2022. Since that special E-RSC meeting, discussion regarding cost allocation options for Tranche 3 has continued in E-RSC Working Group meetings and at the RECBWG.

Since ENO’s 2023 monitoring report was filed, MISO has refined the “Targeted Market Efficiency Project (‘TMEP’)” project type concept, based on findings of the exploratory PROMOD analysis performed in MTEP23, which revealed outages to be the major contributor of near-term congestion in real time operations, not observed in MISO’s long term planning study

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<sup>5</sup> <https://www.misoenergy.org/planning/long-range-transmission-planning/>

<sup>6</sup> <https://cdn.misoenergy.org/20230630%20-%20ERSC%20Resolution%20re%20MISO%20South%20Cost%20Allocation%20for%20Tranche%203629421.pdf>

models. This study is referred to as a “Near Term Congestion Study” in the MTEP23 Report, where MISO’s findings are summarized.<sup>7</sup>

For the MTEP24 Near-Term Congestion Study, MISO will focus on evaluating the impact of outages by using Tranche 1 project construction outages to model outage sequencing, as described in more detail at the March 13, 2024, Planning Subcommittee (“PSC”) meeting, and thus not impacting MISO South.<sup>8</sup>

### **3. Material changes, if any, proposed by MISO or MISO stakeholders to MISO’s governance structure or allocation principles for the cost of transmission investment**

#### **i. Regional Planning**

Outside of the Regional Cost Allocation filing described above, no material changes have been proposed by MISO or MISO stakeholders to MISO’s governance structure or allocation principles for the cost of transmission investment since ENO’s May 2023 monitoring report.

#### **ii. Interregional Planning**

ENO’s May 2023 report described MISO and Southwest Power Pool’s (“SPP”) Joint Targeted Interconnection Queue (“JTIQ”) study on the MISO North/SPP Seam, which identified several large-scale transmission projects needed to facilitate the expected levels of new generation seeking to interconnect near that seam. This new process will largely replace the current Affected System Study process, as described by MISO at the March 6, 2024 Planning Advisory Committee (“PAC”) meeting.<sup>9</sup> Two of the JTIQ study projects were also identified in LRTP Tranche 1. These projects were approved by the MISO Board of Directors with LRTP Tranche 1.

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<sup>7</sup> <https://cdn.misoenergy.org/MTEP23%20Full%20Report630587.pdf>, starting on pg. 46

<sup>8</sup> [https://cdn.misoenergy.org/20240313%20PSC%20Item%2005d%20MTEP%20Near-Term%20Congestion%20Studies%20\(PAC-2021-1\)632130.pdf](https://cdn.misoenergy.org/20240313%20PSC%20Item%2005d%20MTEP%20Near-Term%20Congestion%20Studies%20(PAC-2021-1)632130.pdf)

<sup>9</sup> <https://cdn.misoenergy.org/20240306%20PAC%20Item%2007a%20JTIQ%20Status%20Update631999.pdf>

Since ENO’s May 2023 report was filed, MISO and SPP have continued to work on their Joint Operating Agreement (“JOA”) language describing the planning process and allocation of costs between the two RTOs for those projects that were not identified in the LRTP initiative, which have received funding awards from the Department of Energy offsetting the costs that were anticipated to be allocated to load customers. The proposed JOA provisions relevant to the planning process have continued to evolve and were last presented to the MISO PAC for stakeholder review and comment on March 6, 2024<sup>10</sup>. Discussions relating to the allocation of and payment for the costs of these has occurred primarily in MISO’s RECBWG, last discussed on March 5, 2024 when MISO presented proposed tariff changes for stakeholder feedback.<sup>11</sup> Further discussion regarding Cost Allocation will take place in the upcoming RECBWG meeting scheduled for April 25, 2024.<sup>12</sup>

As noted in ENO’s last filing, the 2022 Coordinated System Plan (“CSP”) study, in which MISO and SPP initiated a study process modeled after the MISO PJM Targeted Market Efficiency Project did not identify any projects. A CSP study was not performed in 2022, and as MISO and SPP continued their focus on JTIQ efforts, they did not progress on revisions to add this project type to their JOA.<sup>13</sup> Per the terms of the MISO SPP JOA, a CSP study will be performed in 2024, as discussed at the February 22, 2024, MISO SPP Interregional Planning Stakeholder Advisory Committee (“IPSAC”) annual issues review meeting, where an update on the JTIQ was also

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<sup>10</sup><https://cdn.misoenergy.org/20240306%20PAC%20Item%2007a%20JTIQ%20Status%20Update631999.pdf>

<sup>11</sup>

<https://cdn.misoenergy.org/20240305%20RECBWG%20Item%2002a%20JTIQ%20Cost%20Allocation%20Update%20Presentation631967.pdf>

<sup>12</sup> <https://www.misoenergy.org/events/2024/regional-expansion-criteria-and-benefits-working-group-recbwg---april-25-2024/>

<sup>13</sup> 2022 CSP Report, MISO SPP IPSAC - January 26, 2023:

<https://cdn.misoenergy.org/20230126%20MISO%20SPP%20IPSAC%20Final%202022%20CSP%20Report%20Updated%20202301627490.pdf>

provided.<sup>14</sup> The 2024 CSP study scope will be reviewed at a subsequent IPSAC meeting, which has not yet been scheduled. As the study progresses, it will be discussed through the IPSAC.

**d. Interim Cost-Benefit Analysis**

The interim cost benefit analysis for 2023 was not yet complete as of the time of this filing and will be provided once available.

**1. Identification of any material changes to ENO’s generation portfolio, such as the retirement or addition of a long-term resource, and an estimate of the impact of that change (if any) on the savings identified in the Interim Cost-Benefit Analysis**

On March 1, 2023, ENO commenced receiving energy under a 20-year power purchase agreement (“PPA”) from St. James Solar, a 20 MW project located in St. James Parish, Louisiana.

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<sup>14</sup> <https://cdn.misoenergy.org/20240222%20MISO-SPP%20IPSAC%20Annual%20Issues%20Review631812.pdf>