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May 11, 2026

BY E-MAIL

Ms. Aisha Collier
Clerk of Council
City Hall – Room 1E09
1300 Perdido Street
New Orleans, LA 70112

Re: Community Solar Program – Consolidated Billing; NOCC Docket UD-18-03

Dear Ms. Collier:

Attached please find the *Post-Testimony Brief* on behalf of the Advisors to the Council of the City of New Orleans in the above-referenced matter for filing along with this letter.

Thank you.

Sincerely,

Jay Beatmann

/jb
Attachment
cc: Official Service List for UD-18-03

BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS

IN RE: A RULEMAKING PROCEEDING TO ESTABLISH RULES FOR COMMUNITY SOLAR PROJECTS	**)))))**	**DOCKET NO. UD-18-03**

POST-TESTIMONY BRIEF OF THE ADVISORS REGARDING
<u>CONSOLIDATED BILLING FOR THE COMMUNITY SOLAR PROGRAM</u>

May 11, 2026

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I. Introduction

Pursuant to the Hearing Officer's Scheduling Order and Memorandum dated December 19, 2025, the Advisors to the Council of the City of New Orleans respectfully submit this post-testimony brief in Council Docket No. UD-18-03 to assist the Council in its consideration of consolidated billing within its Community Solar Program.

In this proceeding, ENO and Air Products oppose the adoption of consolidated billing, arguing that it is not in the public interest. The Alliance for Affordable Energy ("AAE"), Together New Orleans ("TNO"), and SunConnect Corporation ("SunConnect") support the adoption of consolidated billing, arguing that it is in the public interest, but do not propose specific changes to the Community Solar Rules. The Advisors have evaluated both sides' arguments and conclude that if adopted, consolidated billing can be structured with appropriate safeguards to be in the public interest, protect non-participating electric customers from rate impacts associated with implementation and shield the utility from undue financial harm and risk. Should the Council choose to adopt consolidated billing, the Advisors have proposed specific changes to the Community Solar Rules that would adopt consolidated billing and put such safeguards into place. Should the Council decide not to adopt consolidated billing, the changes proposed by the Advisors would be unnecessary.

A. Consolidated Billing Background in CNO

The Community Solar Program was established by the Council to augment its successful rooftop solar Net Energy Metering ("NEM") Program, and specifically, as noted in Resolution No. R-18-223, "to expand the renewable options available to New Orleans residents, particularly those who are unable to participate in the NEM program." In that Resolution, the Council set forth principles that any rules established for community solar programs should adhere to. Of greatest relevance to the consideration of consolidated billing are the principles that:

> The rules should be designed to allow customers to offset their own electric consumption, they should not be designed to allow customers to generate electricity for profit at the expense of their fellow ratepayers.[1]

And

> The rules should leave as much flexibility as possible for developers to design the community solar programs that they believe will be attractive to New Orleans citizens, consistent with the Council's responsibility to protect New Orleans citizens and to ensure the continued provision of safe, reliable, electric power to New Orleans at just and reasonable rates.[2]

The Council also set forth certain parameters for the Community Solar Rules, of the most relevance to consolidated billing is:

[1] Resolution No. R-18-223 at 2.
[2] *Id.* at 2-3.

> The rules should protect non-participating ratepayers from risks associated with the program. The risks borne by ratepayers participating in community solar projects should be limited to loss of funds that they commit to invest in a community solar project. All other risks (such as liability for accidental damage, risk of undersubscription, etc.) should be borne by the developers.[3]

In the Community Solar Program, an ENO customer may enter into an arrangement with a Subscriber Organization to take an ownership interest in, or lease a portion of, a CSG Facility and use the corresponding portion of the CSG Facility's output to offset their own electric usage. The ENO customer becomes a "Subscriber" to the CSG Facility and, through their "Subscription," either owns or leases a portion of the CSG Facility and is entitled to the output of that portion of the CSG Facility. To ensure that a Subscriber is only offsetting their own electric energy usage, Subscriptions are limited to 100 percent of the value of the Subscriber's Baseline Annual Usage (how much electricity they use in a year).[4] As the CSG Facility generates electricity each month and transmits that electricity to ENO, ENO calculates a bill credit for the Subscriber based on the amount of electricity transmitted to ENO and the percentage of that electricity that is owned by the Subscriber multiplied by the per-kWh credit amount (full retail rate for non-Low-Income Subscribers, and the full retail rate plus 2.0 cents/kWh for Low-Income Subscribers).[5]

Under what is called "dual billing," which is what is currently provided for under the Community Solar Rules, and which is still the most prevalent form of billing in other states that have adopted community solar,[6] the customer receives the ENO bill showing both their ENO charges for their electricity usage and their bill credit for their CSG Facility Subscription, which reduces the amount they need to pay ENO. The Subscriber then separately receives a bill from the Subscriber Organization (or a financing party) for the cost of their Subscription to the CSG Facility. There is no guarantee that the subscription cost will be less than the credit the Subscriber receives, so if the Subscriber wishes to see whether the Community Solar Subscription is saving them money, they have to look at both bills and compare the value of the bill credit on the ENO bill to the cost of their subscription on the bill from the Subscriber Organization. Under the dual billing option, the utility will bill a Utility Administrative Fee[7] separately to the Subscriber Organization. In addition, under a dual billing program, a Subscriber must have a means of paying their bill from the Subscriber Organization, which may require a checking account or a credit card if the Subscriber Organization does not accept payment in cash, which may be a challenge for some Low-Income Subscribers.

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[3] *Id.* at 3.

[4] Community Solar Rules III.B.(1).

[5] For example, if a CSG Facility transmits 5000 kWh of electricity to ENO in a particular month, and it has a non-Low Income Subscriber with a Subscription for 10% of the CSG Facility's output, and a Low-Income Subscriber with a Subscription for 15% of the CSG Facility's output, and the prevailing retail rate at the time is $0.10 per kWh, then the non-Low-Income Subscriber would receive a credit on their ENO bill of $50 (5000 x 10% = 500 x $0.10 = $50) and the Low-Income Subscriber would receive a bill credit of $90 (5000 x 15% = 750 x $0.12 = $90).

[6] Consolidated billing has only been adopted in eight of the forty-four states and localities that have adopted Community Solar.

[7] The Utility Administrative fee applies to both dual billing and consolidated billing, and represents the utility's recovery of the incremental costs related to community solar, which includes the cost of billing options.

The primary alternative to dual billing is consolidated billing, the most common form of which is net crediting.[8] Under consolidated billing with net crediting, the utility bill reflects the cost of the CSG Facility subscription as well as the utility charges and bill credit, depending on the Council-approved configuration of the monthly bill.[9] This simplifies the billing for the customers participating in community solar– they only have to pay one bill per month and they can see directly on that bill whether or not their bill credit for that month (which varies monthly based on the output of the CSG Facility) is higher or lower than their subscription cost (which may be a fixed monthly charge). The issue before the Council is whether or not to require ENO to implement a form of consolidated billing in New Orleans, and if so, how it should be structured.

Community solar, including the consolidated billing option, does not create a system where ENO is paying the Subscriber Organization for electricity that the Subscriber Organization is putting onto the electric grid. Rather, ENO is allowing its customer to offset their own kWh usage with output from a CSG Facility in which the customer has an ownership or leasehold right. ENO's payment for the output of the CSG facility is through (i) the bill credits of CSG subscribers for the subscribed portion of the CSG facility and (ii) payment to the CSG facility Subscriber Organization for up to 20% of output that is unsubscribed. This is true under both dual billing and consolidated billing. Consolidated billing is merely a mechanism that allows a Subscriber to pay for its subscription to a CSG Facility through its ENO bill. It can be structured in different ways. The most basic structure would be that the Subscriber and Subscriber Organization (or financier) agree to a fixed monthly payment, and both the CSG Allocated Credit[10] and that fixed monthly payment for the subscription would appear on the Subscriber's ENO bill.

In that type of consolidated billing, a Subscriber's ENO bill might increase or decrease in any given month as a result of community solar, depending upon whether the Allocated Credit (which varies depending on how much electricity was produced by the CSG Facility each month) was more or less than the fixed monthly payment. There is also a "guaranteed savings" structure, employed by most states that have implemented consolidated billing for community solar, and which is being proposed in this proceeding. Under the "guaranteed savings" form of net crediting consolidated billing, instead of a fixed monthly subscription payment, the Subscriber Organization agrees that the Subscriber's monthly subscription fee will be a fixed percentage of the CSG Allocated Credit. This is more appealing to Subscribers because it means that they will always see a discount on their ENO bill related to community solar, and never an increase. If, for example, the guaranteed savings rate is 10%, then the Subscriber would always see 10% of the Allocated Credit applied as a discount to their ENO bill and the remaining 90% of the Allocated Credit would

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[8] Other forms of consolidated billing have been adopted, for example, in some states with retail electric competition where the distribution utility adds the electric generation provider's charges to the customer's electric distribution bill. Those forms of consolidated billing have not typically been applied to community solar programs.

[9] For example, if the Low Income Customer's subscription for 15% of the CSG Facility costs $60 per month and the Non-Low-Income Subscriber's subscription for 10% costs $40 per month, then the Low Income Customer's utility bill would show the utility charges, a CSG credit for $75 and a CSG Facility Subscription cost of $60, resulting in a net decrease of the utility bill of $15. The non-Low-Income customer would see the utility charges, the $50 CSG credit and $40 cost for a net decrease of their utility bill of $10. The utility then collects the bill payments from the two Subscribers and pays the $60 and $50 subscription costs to the Subscriber Organization on behalf of the customers, usually less an administrative fee that corresponds to the utility's costs related to consolidated billing.

[10] "Allocated Credit" is the total monthly credit calculated for a Subscriber's pro rata portion of the monthly output of a CSG Facility. The monthly $ credit will vary with the CSG facility output.

pay their monthly subscription fee to the Subscriber Organization and the Utility Administrative Fee.

1. Consolidated Billing Implementation in Other Jurisdictions.

Consolidated billing has been adopted in eight of the forty-four[11] states and localities that have adopted Community Solar: New York, Virginia, Oregon, New Jersey, Illinois, Minnesota, Maryland, and Colorado. Of those states, New York and Oregon have had consolidated billing operating at scale since 2020[12] and 2021,[13] respectively. Virginia is scheduled to have it rolled out fully at scale by the end of this year,[14] and New Jersey[15] and Illinois[16] have just reached scale this year. Minnesota, Maryland and Colorado have adopted consolidated billing, but are still in the process of implementing it. With such a limited rollout of consolidated billing across the country, there is very limited data at this time to assess costs and benefits and best practices. An overview of how consolidated billing has been implemented in each of the eight states that have adopted it is included in the Advisor's Report filed on October 24, 2025 and is incorporated herein by reference.[17]

While ENO witness Wemple argues that many of the states that have adopted consolidated billing are states in which fully unbundled retail electric competition exists, and thus, should not be relied upon as examples for New Orleans, which still has a vertically integrated utility,[18] Advisors' witness Prep testifies that as to the states that do have utility consolidated billing for community solar programs in a vertically integrated utility structure, recent actions in those states do not reveal any meaningful controversy regarding implementing consolidated billing.[19]

ENO witnesses Wemple and Harcus also suggest that Maryland experienced significant trouble with consolidated billing and repealed it.[20] However, AAE/TNO/SunConnect witness Arreola-Lennox testifies, while Maryland did eliminate a form of consolidated billing related to electric retail competition, that ruling had no effect on the Maryland consolidated billing with net crediting program in place for community solar, which is alive and well.[21]

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[11] The U.S. Department of Energy reports that there is at least one community solar project in 44 states and localities, including the District of Columbia. *See* U.S. Dep't of Energy, Cmty Solar Basics, https://www.energy.gov/eere/solar/community-solar-basics.

[12] *See* Case 19-M-0463 *et al.*, Order Regarding Consolidated Billing for Community Distributed Generation (issued Dec. 12, 2019) ("December 2019 Order).

[13] *See* Or. Admin. R. 860-088-0120(2); Or. Admin. R. 860-088, *et seq.*

[14] *See* Va. Code § 56-594.3; 20VAC5-340 (Rules Governing Shared Solar Program (amending 20VAC5-340-10 through 20VAC5-340-90, 20VAC5-340-110; adding 20VAC5-340-65; repealing 20VAC5-340-100); Va. Code Ann. § 56-594.4 (2024); 20 Va. Admin. Code § 5-340-10 et seq. (2025).

[15] *See* N.J. Admin. Code § 14:8-9.7; 56 N.J.R. 1990(d) (Oct. 7, 2024) (adopting permanent rules), 57 N.J.R. 594(a) (Mar. 27, 2025) (amendments).

[16] *See* 220 Ill. Comp. Stat. 5/16-107.5(l)(4) (2025) (authorizing a "net crediting agreement" to include the subscription fee on the subscriber's monthly bill and net it against the bill credit).

[17] Advisor's Report dated October 24, 2025 at 7-11.

[18] Wemple Direct Testimony at 5:12-19.

[19] Exhibit VP-1 at 17:14-21.

[20] Wemple Direct Testimony at 18:9-15, Harcus Affidavit at 4.

[21] Arreola-Lennox testimony at 11:2-9.

B. Procedural Background

The Council first adopted the Community Solar Rules in 2019 through Resolution No. R-19-111. It subsequently amended the Community Solar Rules in Resolution Nos. R-19-390 approving the enforcement provisions of the rules, R-22-76 amending the definition of Low-Income Customer, R-23-507 increasing the value of the credit Subscribers receive for their community solar participation, R-24-137 clarifying the form of proof needed to demonstrate Low-Income status under the rules, and R-24-571 establishing two application queues and tolling certain deadlines. The Council addressed the various compliance filings to implement the Community Solar Rules in Resolution Nos. R-21-38 adopting Forms CSG 1-8 and the Revised Proposed Rate Schedule for Community Solar Generating Facilities, R-24-310 approving the rate schedule for the calculation of the community solar bill credit, R-24-571 approving changes to Form CSG-4 and R-25-352 approving further revisions to Form CSG-4.

The issue of consolidated billing was first raised by Madison Energy Investments ("MEI") in a July 13, 2022 motion to amend the Community Solar Rules.[22] It was first addressed by the Council on July 25, 2024 in Resolution No. R-23-507, where the Council dismissed the motion by MEI to have ENO manage consolidated billing. Several parties continued to request that the Council adopt consolidated billing, and in Resolution No. R-24-310, the Council resolved "That no later than September 30, 2024, ENO shall submit a proposal to implement a consolidated billing program by July 1, 2025. The Council will review the proposal and outline further proceedings, including a technical conference, if needed, at that time."[23]

Notably, ENO did not file a proposed consolidated billing program that could be implemented as of July 1, 2025 by the September 30, 2024 deadline for doing so.[24] Instead, ENO submitted a filing opposing consolidated billing,[25] followed by a second filing highlighting the costs of and obstacles to consolidated billing.[26] On June 10, 2025, nearly nine months past the deadline, ENO did finally make a filing that outlined a basic consolidated billing structure and provided a cost estimate ("June 10 Filing"), but ENO then clarified in a subsequent filing that the June 10 Filing notwithstanding, ENO "has not been able to prepare a comprehensive proposal for potential implementation of consolidated billing."[27] Thus, by its own admission, more than a year after the original deadline set by the Council, ENO had still failed to comply with the Council's directive. ENO has had since the issuance of R-24-310 on July 25, 2024 nearly two years ago, to work with the parties to shape the details of a consolidated billing structure that would work for the utility and for New Orleans, and to engage productively in the dialog to work towards a solution that could benefit all parties. Instead, ENO has only opposed consolidated billing and has not

[22] Motion of MEI to Amend Community Solar Rules (July 13, 2022), p. 5.

[23] Resolution No. R-24-310 at 7.

[24] ENO did request and was granted an extension of time to October 30, 2024. *See* Entergy New Orleans, LLC, *Entergy New Orleans, LLC's Motion to Extend Deadline to File Comments*, Sept. 27, 2024 and Order, Sept. 30, 2024, UD-18-03.

[25] Entergy New Orleans, LLC, *Entergy New Orleans, LLC's Comments Regarding Consolidated Billing Implementation*, Docket No. UD-18-03, at 1 (Oct. 20, 2024) ("ENO October 30 Comments").

[26] *Id.*, Letter from Entergy New Orleans, LLC to Clerk of Council, *Re: Community Solar Program Implementation* Docket UD-18-03 (Dec. 13, 2024) ("December 13 Letter").

[27] *See*, Entergy New Orleans, LLC, *Comments on Behalf of Entergy New Orleans, LLC*, Docket No. UD-18-03, at 1 ("ENO Comments") (Sept. 5, 2025); Entergy New Orleans, LLC, *Reply Comments on Behalf of Entergy New Orleans, LLC*, Docket No. UD-18-03, at 1 (Sept. 26, 2025) ("ENO Reply Comments").

meaningfully contributed to the Council's consideration of how consolidated billing might be structured for New Orleans.

In R-25-352, adopted by the Council on June 26, 2025, the Council again addressed the topic of consolidated billing, noting that "ENO has now submitted a proposal for consolidated billing for the Council's consideration, which requires further procedural steps to address."[28]

The procedural schedule set forth in Resolution No. R-25-352 established a discovery period and set deadlines for a technical conference to occur, Intervenor comments, reply comments and an Advisors' Report.[29] The Council also stated:

> The following procedural schedule is adopted to consider ENO's June 10 proposal regarding consolidated billing. With respect to pleadings filed pursuant to this procedural schedule, the Council will consider only comments related to consolidated billing. Any other proposals for changes to the Community Solar Rules must be filed as a separate motion and will not be considered if included in pleadings filed under the procedural schedule below.[30]

Pursuant to that procedural schedule, a technical conference was held on July 30, 2025, comments were filed by the Alliance for Affordable Energy ("AAE"),[31] ENO,[32] Finance New Orleans ("FNO"),[33] Gulf States Renewable Energy Industries Association ("GSREIA"),[34] Neighborhood Sun ("NSUN"),[35] NOLA Solar Holding Company ("NOLA Solar") and SunConnect Corporation ("SunConnect"),[36] and Together New Orleans ("TNO"),[37] and reply comments were filed by AAE,[38] Carpe Diem Developers ("CDD"),[39] ENO,[40] FNO,[41] Green Coast

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[28] R-25-352 at 10.

[29] *Id.* at 11.

[30] *Id.*

[31] The Alliance for Affordable Energy, *Comments of the Alliance for Affordable Energy on Entergy New Orleans, LLC's Consolidated Billing Proposal*, Sept. 5, 2025, Docket No. UD-18-03 ("AAE Comments").

[32] Entergy New Orleans, LLC, *Comments on Behalf of Entergy New Orleans, LLC*, Docket No. UD-18-03 (Sept. 5, 2025) ("ENO Comments").

[33] Finance New Orleans, *FNO Comments Re ENO's June 10 Proposal for Consolidated Billing – UD 18-03*, Docket No. UD-18-03 (Sept. 5, 2025) ("FNO Comments").

[34] Gulf States Renewable Energy Industries Association, *GSREIA Comments Re ENO's June 10 Proposal for Consolidated Billing*, Docket No. UD-18-03 (Sept. 2, 2025) ("GSREIA Comments").

[35] Neighborhood Sun, *Neighborhood Sun ("NSUN") Comments Re ENO's June 10 Proposal for Consolidated Billing – UD 18-03*, Docket No. UD-18-03 (Sept. 5, 2025) ("NSUN Comments").

[36] NOLA Solar Holding Company and SunConnect Corporation, *Intervenor Comments on ENO Consolidated Billing Proposal (per Resolution R-25-352)*, Docket No. UD-18-03 (Sept. 5, 2025) ("NOLA Solar/SunConnect Comments").

[37] Together New Orleans, *TNO Comments Re ENO's June 10 Proposal for Consolidated Billing*, Docket No. UD-18-03 (Sept. 5, 2025) ("TNO Comments).

[38] The Alliance to Save Energy, *Reply Comments of the Alliance for Affordable Energy*, Docket No. UD-18-03 Sept. 26, 2025) ("AAE Reply Comments").

[39] Carpe Diem Developers, *Reply Comments on ENO Consolidated Billing Proposal*, Docket No. UD-18-03 (Sept. 26, 2025) ("CDD Reply Comments").

[40] ENO Reply Comments.

[41] Finance New Orleans, *Reply Comments of Finance New Orleans Re: Consolidated Billing Proposal (per Resolution R-25-352) – UD 18-03*, Docket No. UD-18-03 (Sept. 26, 2025) ("FNO Reply Comments").

Enterprises ("GCE"),[42] GSREIA,[43] and TNO.[44] The Advisors submitted an Advisors' Report on October 24, 2025. In response to a November 25, 2025 motion by ENO requesting a full evidentiary hearing on the merits of consolidated billing, the Hearing Officer issued a further procedural schedule setting for the deadlines for written testimony and briefing. Pursuant to that schedule, on January 16, 2026, ENO filed written direct testimony, on February 13, 2026 the AAE, TNO and SunConnect filed joint testimony and Air Products filed testimony, on March 13, 2026, the Advisors filed direct testimony, and on April 3, 2026 ENO filed rebuttal testimony. None of the other parties submitted sworn testimony or evidence into the docket. Because the Advisors fully addressed the previous comments of all parties in the Advisors' Report, this brief will address only the testimony and evidence submitted since the Advisors' Report.

II. Legal Arguments Raised by ENO in Opposition to Consolidated Billing

A. The Council Has Not Previously Ordered the Use of Consolidated Billing As Part of its Community Solar Program

AAE/TNO/SunConnect witness Georgina Arreola-Lennox urges the Council to "require ENO to comply with the Council's order to implement UCB through net crediting for the New Orleans Community Solar Program."[45] The Council, however, has never ordered ENO to implement consolidated billing through net crediting. The issue of whether to adopt consolidated billing, and if so, how consolidated billing should be structured, is currently before the Council for consideration in this proceeding.

Specifically, in Resolution No. R-24-310, the Council resolved that "no later than September 30, 2024, ENO shall submit a proposal to implement a consolidated billing program by July 1, 2025. The Council will review the proposal and outline further proceedings, including a technical conference, if needed, at that time."[46]

The Council clearly stated that it would *consider* the proposal, which means the Council could either approve it, approve it with modifications, or reject it, and that the Council would outline further proceedings regarding the proposal after it was filed.

Neither did Resolution No. R-25-352 mandate consolidated billing. The Council again addressed the topic of consolidated billing, noting that "ENO has now submitted a proposal for consolidated billing for the Council's consideration, which requires further procedural steps to address;"[47] and that "[t]he following procedural schedule is adopted to consider ENO's June 10 proposal regarding consolidated billing." This language clearly indicates that the Council is

[42] Green Coast Enterprises, *Intervenor Reply Comments on ENO Consolidated Billing Proposal (per Resolution R-255-352)*, Docket No. UD-18-03 (Sept. 26, 2025) ("GCE Reply Comments").

[43] Gulf States Renewable Energy Industries Association, *Intervenor Reply Comments on ENO Consolidated Billing Proposal*, Docket No. UD-18-03 (Sept. 26, 2025) ("GSREIA Reply Comments").

[44] Together New Orleans, *Intervenor Reply Comments on ENO Consolidated Billing Proposal (per Resolution R-25-352*, Docket No. UD-18-03 (Sept. 26, 2025) ("TNO Reply Comments").

[45] Direct Testimony of Georgina Arreola-Lennox on Behalf of The Alliance for Affordable Energy, Together New Orleans and SunConnect Corporation ("Arreola-Lennox Testimony") at 5:21-22.

[46] Resolution No. R-24-310 at 7.

[47] Resolution No. R-25-352 at 10.

considering consolidated billing and that further procedure is needed before the Council decides whether to adopt or reject a consolidated billing proposal.

The very purpose of this phase of the docket is to provide the Council with all of the necessary information to determine whether or not consolidated billing, within the context of the community solar program, is in the public interest and thus should or should not be adopted. Any assertion that the Council has already made its decision is false and unsupported by the record.

ENO raised several legal arguments in this docket in its objection to the Council's consideration of consolidated billing in this docket. Those arguments were addressed in the Advisors' Report filed on October 24, 2025. On November 25, 2025, ENO filed a motion to amend the procedural schedule requesting that several additional deadlines be added to provide evidence to determine whether consolidated billing is in the public interest.[48] ENO also requested a full evidentiary hearing after the completion of the added procedural deadlines.[49] After considering ENO's motion, the Hearing Officer decided to err on the side of caution and allow some limited additional process to address ENO's concerns, including the opportunity to present written testimony, adduce documentary evidence and conduct meaningful additional discovery.[50] Several parties provided sworn testimony in accordance with the additional schedule, including ENO, which had multiple opportunities to do so.

As ENO has acknowledged, the Council has been exploring the potential for implementing consolidated billing within the community solar program for over three (3) years.[51] In the consolidated billing portion of this docket, the Council has provided for gathering information through discovery, allowing for discussion in a technical conference open to all parties, considering positions and issues raised by the parties in multiple rounds of comments, and directing ENO to submit a proposal that could have included all of the protections that ENO believed were necessary.

Moreover, the additional opportunities provided by the Hearing Officer for parties to submit written testimony were in fact utilized by multiple parties including ENO. Thus, any due process claims previously raised by ENO should be considered by the Council as moot. The extensive evidence submitted to the Council will unquestionably support a determination of whether consolidated billing is in the public interest and should be required as part of the Council's community solar program. Clearly, all parties, including ENO, had sufficient opportunity to participate in the Council's process.

B. ENO's Attempts to Re-open and Re-litigate the Community Solar Rules Should be Denied

ENO has also asserted that "this matter presents significant policy and legal issues, as well as significant risks to customers."[52] According to ENO, these issues have not been addressed in this docket, and therefore, ENO was unable to prepare a comprehensive proposal for the potential

[48] ENO Motion at 3.
[49] ENO Motion at 26.
[50] Order dated December 19, 2025 at 5.
[51] ENO Comments at 2.
[52] *Id*.

implementation of consolidated billing.[53] ENO also claimed that the "current community solar rules potentially combined with consolidated billing create significant cost shifts and legal issues…."[54] However, instead of contributing to the discussion of a potentially viable consolidated billing program, ENO chose to use its opportunities to attempt to re-open and re-litigate provisions of the community solar rules previously adopted by the Council, make legal arguments, and ignore the Council's directives to provide a proposal to implement consolidated billing. In fact, ENO went to great pains to not only refuse to provide a proposal but also sent a letter to the Council clearly stating that the information that it had filed was not a proposal and that the Council should not consider it as such.[55]

ENO has conceded that it has had "multiple" opportunities to provide valuable information about the implementation of consolidated billing over the past several years[56] but instead, ENO chose to utilize those opportunities to continuously complain about the lack of information provided in the docket and to raise "concerns" without offering potential solutions.[57] Any attempt by ENO to re-open and re-litigate the Council's community solar rules should be rejected.

C. Consolidated Billing Does Not Infringe on ENO's Franchise Rights

ENO has asserted in this proceeding that consolidated billing potentially implicates its rights under its franchise in New Orleans.[58] In support of its argument, ENO cited *New Orleans Public Service Inc. v. Citizens Utilities Co.* which recognized that "the holder of a nonexclusive franchise [...] has the legal right to be free from the competition of one not having a valid franchise."[59] ENO also asserts that its franchise is a valuable property right that cannot be taken without just compensation.[60] However, ENO has submitted no evidence that the addition of consolidated billing, which is a billing mechanism, to the Community Solar Program (which has been in place for approximately 8 years and which ENO never appealed) violates ENO's franchise.

Also, the Council has incorporated protections against individuals or entities operating as a public utility in the context of the adoption of community solar rules. For example, when the Council established this docket and opened a rulemaking proceeding to establish rules for community solar projects, it specifically stated that any rules established for community solar programs should adhere to a variety of guiding principles, one of which included:

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[53] *Id.*

[54] *Id.*

[55] ENO Letter.

[56] *Id.* at 2.

[57] Opportunities for ENO to express its positions, concerns, and preferred characteristics of a potential consolidated billing program included: Comments dated December 7, 2022 and Reply Comments dated January 17, 2023 pursuant to Council Resolution No. R-22-370; Comments dated June 16, 2023 and Reply Comments dated July 7, 2023 pursuant to Council Resolution No. R-23-130; Comments dated September 13, 2024, Comments dated October 30, 2024, and Letter (supplemental comments) dated December 13, 2024 pursuant to Council Resolution No. R-24-310; Comments dated May 27, 2025; Proposal dated June 10, 2025; Letter dated July 15, 2025; Technical Conference dated July 31, 2025; Comments dated September 5, 2025 and Reply Comments dated September 26, 2025.

[58] ENO Comments at 16.

[59] ENO Comments at 15 (citing *New Orleans Pub. Serv. Inc. v. Citizens Utilities Co.*, 98-0805, p. 8 (La.App. 4 Cir. 1/6/99)); 726 So.2d 1012, 1016, *writ denied*, 99-0370 (La. 3/26/99); 739 So.2d 798; *Town of Coushatta v. Valley Elec. Membership Corp.,* 139 So. 2d 822, 828 (La. App. 2nd Cir. 1961).

[60] *Id.*

The rules should be designed to allow customers to offset their own electric consumption, they should not be designed to allow customers to generate electricity for profit at the expense of their fellow ratepayers. The Council understands that most state rules regarding community solar contain this restriction, and that this restriction also assists in avoiding negative federal income tax and securities implications, as discussed more fully in the Advisors' White Paper.[61]

The existing Community Solar Rules reinforce the prohibition against the sale of electricity by the community solar generating facility ("CSG") to anyone other than ENO. Specifically, the rules clearly state the eligibility requirements for CSGs, which provide that a CSG Facility must be located in the utility's service territory, must be individually metered, and must be connected to the utility's distribution system.[62] Also, the Subscriber Organization for the CSG Facility must enter into a contract with the utility to sell the output from the facility to the utility on behalf of its Subscribers, and the purchase of the output from the CSG facility shall take the form of a credit against the Subscriber's electric bill.[63] The Council further provided that Subscriber Organizations must register with the Council and agree to be bound by the Council's regulatory authority and jurisdiction to enforce the requirements contained in the rules.[64] Subscriber Organizations are also subject to penalties for violating the Council's rules.[65]

The existing rules also contain an extensive section that discusses enforcement of the Community Solar Rules including the processes for the adjudication of complaints, the penalties that may be imposed, and the appeal of a decision rendered by the CURO and/or the hearing officer in the enforcement of the Council's rules.[66]

Consolidated billing, containing the features and protections recommended by the Advisors would not undermine the exclusivity of ENO's franchise. Consolidated billing is merely a mechanism that allows a Subscriber to pay for its subscription to a CSG Facility through its ENO bill. Subscriber Organizations under the Community Solar program are not selling generation services to ENO customers, rather, just as in the NEM program, Subscriber Organizations are selling or leasing generation equipment to Subscribers. Under Sections XIII.I.(a)(xi) and XIII.J.(a)(i) of the Community Solar Rules, it is clear that the customer is either owning or leasing from the Subscriber Organization a portion of the community solar project in the form of either solar panels or capacity; the Subscriber is not purchasing electricity from the Subscriber Organization.

If the Council adopts the characteristics of consolidated billing that the Advisors believe would adequately address ENO's concerns, ENO would remain in control of all charges, credits and payments embedded in its billing structure. A carefully designed consolidated billing program containing the protections recommended by the Advisors would not constitute competition in retail

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[61] Council Resolution No. R-18-223 at 2.
[62] Community Solar Rules, Section IV. A (4).
[63] *Id.* at Section IV. A (6).
[64] *Id.* at Section VI. A (1) and (4).
[65] *Id.*
[66] *Id.* at Section XIV.

electric service or violate ENO's franchise rights. The Council should, therefore, reject ENO's franchise rights arguments.

III. Merits and Potential Drawbacks of Adopting Consolidated Billing

AAE/TNO/SunConnect witness Arreola-Lennox explains that those parties are specifically supporting utility consolidated billing with net crediting as the model for New Orleans, and testifies that consolidated billing for community solar as net crediting is in the public interest.[67] With respect to that model, she lists the following benefits, as compared with dual billing: (1) clear, predictable, and reliable customer savings reflected directly on the utility bill; (2) strong customer protection through guaranteed savings; (3) reduced billing confusion and a decrease in customer complaints compared to dual billing; (4) lower utility receivables and reduced collections risks; (5) greater revenue certainty for projects, supporting long-term market stability and investment attractiveness.[68]

ENO witnesses argue that implementing utility-consolidated billing for the New Orleans community solar program would not serve the public interest.[69] Potential drawbacks to consolidated billing for community solar identified by ENO and Air Products include (1) the risk of increased costs being imposed on non-participating customers of the utility;[70] (2) ENO's billing system cannot accommodate utility-consolidated billing and must be updated;[71] (3) implementing consolidated billing without a clear cost estimate exposes customers to an open-ended financial burden because ratepayers would be expected to subsidize system development and ongoing billing operations for non-utility commercial activity without evidence that the benefits outweigh the costs;[72] (4) additional burdens would be imposed on ENO's call centers which would receive the bulk of customer inquiries about community solar but would not be prepared to explain the basis for reduced credits;[73] and that consolidated billing may impact other areas of customer care such as budget billing and rules for shut-off for non-payment.[74]

ENO witnesses also argue that the upgrades required to ENO's billing system to implement utility-consolidated billing would provide no benefit to the vast majority of ENO's customers, or those customers who do not subscribe to the community solar program.[75] They argue that the project developers or Subscriber Organizations are the primary beneficiaries of utility consolidated billing because it enables them to avoid the billing and collection costs (including implementation and maintenance costs) associated with a traditional community solar subscription model.[76]

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[67] Arreola-Lennox Testimony at 4:34.
[68] Arreola-Lennox Testimony at 5:11-19.
[69] Harcus Affidavit at 3.
[70] Brubaker Testimony at 2.
[71] Lejeune Affidavit at 2; Harcus Affidavit at 3, Wemple Direct Testimony at 12:4-13.
[72] Harcus Affidavit at 4.
[73] Wemple Direct Testimony at 12:15-20.
[74] Wemple Direct Testimony at 13:1-2.
[75] Harcus Affidavit at 4.
[76] Wemple Direct Testimony at 10:15-18.

ENO estimates the costs of implementing consolidated billing to be $1.55 million (with a range of +100% to -50%) for technological and system upgrades[77] and an incremental annual cost each of $110K to $125K for two new full-time employees.[78]

Witness Arreola-Lennox argues that many of the potential drawbacks of community solar identified by ENO apply to other forms of consolidated billing, rather than consolidated billing with net crediting.[79] Specifically, she refers to two other forms of consolidated billing, a purchase of receivables ("POR") model where the utility must purchase the receivables (*i.e.* kWhs) of the supplier (the CSG Facility or competitive electric retail supplier) before the customer pays for their usage, and the prorated customer payment model where the supplier is only paid once a customer makes a payment to the utility, but the customer's payment is prorated between the utility and the supplier, and the utility has an obligation to attempt to collect the supply charges.[80] She argues that ENO's witnesses conflate consolidated billing with net crediting with the prorated customer payment model, which has been rejected in favor of consolidated billing with net crediting in other community solar markets.[81] She argues that many of the concerns raised by ENO's experts, such as increased collections burden, nonpayment rick, and customer arrearages are tied to utility consolidated billing with prorated customer payments, and are risks that consolidated billing with net crediting avoids by design.[82]

ENO witness Wemple argues that because the Allocated Credit received under dual billing would be greater than the Net Credit under consolidated billing, the overall ENO bill would be lower under dual billing and thus the risk of under-collection is lower under dual billing than under Consolidated Billing with Net Crediting.[83] However, witness Wemple does not appear to account for the existence of a separate, second bill under dual billing for the Subscriber Organization's subscription fee, which could be higher or lower than the Allocated Credit received in any given month. The likelihood that a customer's overall energy costs would increase under this structure, potentially causing the customer to choose between paying ENO or the Subscriber Organization in some months, is greater under dual billing that under consolidated billing with net crediting and guaranteed savings, which ensures that the community solar customer's total energy costs are reduced by community solar and, as proposed by the Advisors, if a customer pays less than the full utility bill, the utility gets its costs of providing service paid in full prior to any credits being paid to the Subscriber Organization. Under that structure the customer is more likely to be able to pay their overall energy costs and is essentially required to pay the utility first, neither of which are true under dual billing.

ENO witness Wemple also agrees with AAE/TNO/SunConnect witness Arreola-Lennox that Subscriber Organizations and project owners are the primary beneficiaries of consolidated billing, which enables them to avoid the billing and collections costs (including system implementation and maintenance costs) associated with a traditional community solar subscription

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[77] Lejeune Affidavit at 3.
[78] Lejeune Affidavit at 5.
[79] Arreola-Lennox Testimony at 5:6-8.
[80] Arreola-Lennox Testimony at 5:41-6:7.
[81] Arreola-Lennox Testimony at 9:1-6.
[82] Arreola-Lennox Testimony at 9:16-20.
[83] Wemple Rebuttal Testimony at 7:5-13.

model.[84] He argues that instead, ENO would be burdened by the implementation of consolidated billing, and non-participating customers would not experience any benefits.[85]

Properly designed consolidated billing for community solar with net crediting and guaranteed savings can largely avoid the potential drawbacks often associated with consolidated billing. Should the Council decide to adopt consolidated billing, the Advisors' proposed consolidated billing model includes such features.

Community solar developers, CSG Facilities and Subscriber Organizations are not public utilities subject to the Council's regulations. However, they must agree to be subject to the Council's regulation with respect to the Community Solar Program in order to participate in that program so that their customers may earn credits on their utility bills. The Council's regulatory obligations are to ensure ENO's utility customers receive just and reasonable rates for the electricity they use and that the utility has a reasonable opportunity to recover its costs and earn a reasonable rate of return on equity. Consolidated billing's benefits accrue primarily to the developers/Subscriber Organizations and to ENO customers participating in the community solar program. As such, in order to protect the public interest, the costs of implementing consolidated billing should be recovered in full from the Subscriber Organizations in order to ensure that they do not unreasonably impact non-participating customers or the utility. In addition, the inclusion of a Guaranteed Savings Rate ensures that consolidated billing will have no negative impact on the ENO customers that participate in the Community Solar Program. A program including these features could be implemented and found to be in the public interest.

IV. Design of a Consolidated Billing Program for the New Orleans Community Solar Program

If the Council determines it will adopt consolidated billing, then the key issues in how a consolidated billing program should be structured that the Council should consider are: (1) the basic consolidated billing structure to be adopted; (2) cost recovery of the incremental costs related to consolidated billing, which include implementation costs and operation and maintenance costs (i.e. an appropriate Utility Administrative Fee and how it should be adjusted); (3) whether it should be mandatory or optional for Subscriber Organizations; (4) whether to require guaranteed savings on the utility bill; (5) the billing cycle of when credits appear on customer bills and when payment is remitted to the Subscriber Organizations; (6) priority of payment when payment from the customer is only partial or delayed and what happens if the customer does not pay their utility bill; and (7) the timeline for implementation.

Building sufficient protections into the consolidated billing rate design to protect customers and the utility from unreasonable increased costs related to consolidated billing is necessary for the program to be consistent with the public interest and to comply with the Council's prior directive that:

> The rules should protect non-participating ratepayers from risks associated with the program. The risks borne by ratepayers participating in community solar projects should be limited to loss of funds that they commit to invest in a community solar

[84] Wemple Rebuttal Testimony at 7:21-8:4.
[85] Wemple Rebuttal Testimony at 8:4-5.

project. All other risks (such as liability for accidental damage, risk of undersubscription, etc.) should be borne by the developers.[86]

If the Council decides to adopt consolidated billing, it should adopt a net crediting structure with guaranteed savings and a Utility Administrative Fee structured to ensure that the incremental costs of implementing consolidated billing are paid in full by the community solar subscriber organizations, and do not fall onto customers or the utility. The Advisors have submitted proposed changes to the Community Solar Rules that would incorporate such protections as Exhibit No. VMP-4 attached to the Direct Testimony of Victor Prep (Exhibit No. VP-1). While ENO opposes consolidated billing, it also submitted a document which includes a June 10, 2025 redline of the community solar rules related to consolidated billing that ENO had previously submitted in the docket (Exhibit A to the Affidavit of Melissa Lejeune), but it is unclear from the testimony of ENO's witnesses whether or not it still supports that redline. In addition, ENO's June 10, 2025 submission was not a redline of the currently effective Community Solar Rules, which were adopted by the Council on June 26, 2025, subsequent to ENO's creation of the redline, and so ENO's redline cannot be approved as submitted.

A. Net Crediting Structure

A net crediting structure is the most appropriate consolidated billing design for New Orleans, and is consistent with what other states have adopted. Adding the guaranteed savings requirement to the net crediting design ensures that a customer's energy bill will always see a net reduction due to the community solar subscription and will never increase because of it. This is a protection for customers participating in community solar that does not exist under the dual billing model. Under the dual billing model, there is no guarantee that a customer's monthly community solar subscription cost will be less than the amount of money the customer saves on their ENO bill.

In order to ensure that the intended benefit of the guaranteed savings requirement cannot be circumvented by Subscriber Organizations, it should be made clear that if a Subscriber Organization has enrolled in Net Crediting Consolidated Billing, its portion of the Allocated Credit is the only monthly payment from the Subscriber that it is entitled to collect. It may not enroll in Net Crediting Consolidated Billing and also send the Subscriber an additional monthly invoice. It may, as permitted under the Community Solar Rules, still require a reasonable deposit from the Subscriber to enroll in the community solar program, but that would be the only payment the Subscriber may be required to make to the Subscriber Organization outside of the Net Crediting Consolidated Billing program. If the Subscriber fails to pay its ENO bill, resulting in the Subscriber Organization not receiving its payment through the Net Crediting Consolidated Billing program, the Subscriber Organization should be allowed to pursue payment directly from the Subscriber through the normal legal remedies for breach of contract, which is the same manner in which the Subscriber Organization would proceed under dual billing if a customer fails to pay their monthly subscription fee.

Under the net crediting structure proposed by the Advisors in Exhibit VMP-4, when a Subscriber is enrolled in the community solar program, the Subscriber Organization must inform

[86] *Id.* at 3.

the utility of (among other things) the Subscriber's allocated percentage of the relevant CSG Facility, whether the Subscriber will be enrolling in dual billing or Net Crediting Consolidated Billing, and in the case of the latter, the Subscriber's Guaranteed Savings rate (10%, 15% or 20%).[87] Each month thereafter, the utility calculates the Subscriber's "Allocated Credit" which is the total monthly credit due to the customer based on the kWh output of the CSG Facility over the month and what portion of that facility is allocated to that Subscriber.[88] For Subscribers enrolled in dual billing, the utility the provides a credit for the full Allocated Credit value on the Subscriber's utility bill, the Subscriber Organization will separately bill the Subscriber for the Subscription Fee, and the utility will separately bill the Subscriber Organization for the Utility Administrative Fee.[89] For Subscribers Enrolled in Net Crediting, the utility calculates the Net Credit by multiplying the Allocated Credit by the Guaranteed Savings Rate (i.e. 10%, 15%, or 20%).[90] The utility then provides the Subscriber with a credit on their utility bill for the value of the Net Credit. The utility deducts the Utility Administrative Fee from the remainder of the Allocated Credit, and then pays the Subscriber Organization what remains of the Allocated Credit after the Net Credit and Utility Administrative Fee have been deducted. The following is a simple illustration of the dual billing model and net crediting consolidated billing with guaranteed savings model for a customer who would receive a $100 Allocated Credit based on their portion of the output of the relevant CSG Facility, (assuming a 10% Guaranteed Savings rate for Net Crediting):

<u>Dual Billing</u>:

Utility provides Subscriber with a $100 Allocated Credit on their utility bill.

Subscriber Organization bills Subscriber for the monthly Subscription Fee set forth in the contract between the Subscriber Organization and the Customer (this may be greater than or less than the $100 Allocated Credit the Subscriber received from the utility).

Utility bills Subscriber Organization for the Utility Administrative Fee (initially 3% of the Allocated Credit, which is $3 in this example).

<u>Net Crediting Consolidated Billing with Guaranteed Savings</u>:

Utility provides Subscriber with a $10 Net Credit on their utility bill. (Allocated Credit of $100 multiplied by 10% Guaranteed Savings rate.)

Utility retains the $3 Utility Administrative Fee.

Utility pays Subscriber Organization $87 on the Subscriber's behalf.

[87] Exhibit VMP-4 at VIII.B.
[88] Exhibit VMP-4 at II.
[89] Exhibit VMP-4 at VII.G.
[90] Exhibit VMP-4 at II.

Thus, under dual billing, the Subscriber receives two bills related to their electricity each month, the utility bill and the Subscriber Organization bill, while the net crediting consolidated billing customer only receives one bill each month, the utility bill.

1. Guaranteed Savings Rate

AAE witness Arreola-Lennox argues that consolidated billing in the form of net crediting is a settlement and accounting mechanism and not a third-party charge, therefore it decreases utility receivables and collections risk.[91] This is true to the extent that a net crediting mechanism has a guaranteed savings rate, which ensures that a Subscriber will see their total energy costs decrease as a result of community solar, as is proposed by the Advisors.[92] AAE witness Arreola-Lennox testifies that most community solar markets have minimum savings requirements requiring 5, 10 or up to 20% savings that vary by customer type and often provide higher discounts for low-and moderate-income subscribers.[93] ENO's June 10 Filing attached to Witness Lejeune's testimony includes a "Guaranteed Savings Rate" of 20% for Low-Income Subscribers and 10% for non-Low-Income Subscribers.[94] The Advisors' proposal includes a minimum Guaranteed Savings Rate of 10%, with Subscriber Organizations also being allowed to offer Guaranteed Savings Rates of 15% or 20%.[95] Because Low Income Subscribers are already entitled to a per kWh credit that is 2.0 cents higher than the credit non-Low Income Subscribers receive,[96] it is not necessary to require Subscriber Organizations to provide them with a higher Guaranteed Savings Rate as well. Should a particular Subscriber Organization wish to offer a higher Guarantee Savings Rate to its Low Income Subscribers, however, it would be free to do so under the Advisors' proposal. Limiting the Guaranteed Savings Rate to three specific options should also help simplify the consolidated billing implementation as compared to allowing Subscriber Organizations to pick any Guaranteed Savings Rate that is 10% or greater.

In addition, under CSG Rules Sections XIII.I.(1)(a) and J.(1)(f) the Subscriber Organization must disclose all payment terms to the Subscriber for the entire term of the contract in both the Contract Summary and in the Contract itself. Those provisions will require Subscriber Organizations to include in their contracts with the Subscribers the Guaranteed Savings Rates for the entire term of the contract. Since the applicable Guaranteed Savings Rates will be knowable and predictable from the beginning of the contract term, it should help simplify the exchange of data.

While the convenience to the Subscribers is a benefit of consolidated billing, the Guaranteed Savings Rate is the most significant benefit for Subscribers. It would ensure ENO customers in the program will experience a lower bill as compared to their bill had they not participated in community solar, which decreases the likelihood of customer nonpayment of bills. Therefore, if consolidated billing is implemented, Guaranteed Savings should be required to ensure

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[91] Direct Testimony of Georgina Arreola-Lennox at 5:4-6.
[92] Exhibit VMP-4 at II
[93] Direct Testimony of Georgina Arreola-Lennox at 6:31-33.
[94] *Id.*
[95] Exhibit No. VMP-4 at 2.
[96] Community Solar Rules at VIII.E, see also Exhibit No. VMP-4 at VIII.I.

that the consolidated billing program does not increase the likelihood of participating customers falling into arrears and being disconnected.

B. Cost Recovery

ENO's witnesses argue that it ENO has no public utility obligation to provide billing services to community solar developers and Subscriber Organizations at just and reasonable rates, and therefore if the Council approves consolidated billing, the Utility Administrative Fee should reimburse ENO expeditiously for all costs, initial and ongoing, associated with implementing and administering consolidated billing.[97] Setting aside the question of whether or not ENO has a public utility obligation to provide billing services to community solar developers and Subscriber Organizations at just and reasonable rates, ENO does have an obligation to provide electric service to its utility customers at just and reasonable rates.[98] Advisors' witness Prep noted that in the unlikely event that the Community Solar Program were to fail entirely, ENO would be able to seek cost recovery (including costs related to consolidated billing) from ratepayers.[99] In that event, however, ENO would only be permitted to recover just and reasonable costs from ratepayers. Thus, if ENO were to incur unreasonable and imprudent costs to implement consolidated billing, and the Community Solar Program were to fail to such extent that those costs could not be recovered from Subscriber Organizations, the Council should only permit the reasonable and prudent portion of incurred costs to be recovered from ratepayers and ENO's shareholders would bear the risk of the unreasonable and imprudent portion of the costs. No law guarantees electric utilities 100% recovery of all of their costs, rather the legal standard is that they be given a fair opportunity to recover their prudently incurred costs.[100] The Council's Community Solar Rules already do so.

ENO's witness Harcus attempts to create a regulatory paradox by arguing (1) that regulatory approval cannot rest on speculation, and absent defined and verifiable costs and other parameters, any requirement to implement consolidated billing is arbitrary and capricious and fails basic standards for reasonableness and reasoned decision-making;[101] and (2) that ENO cannot fully assess the costs, risks, and timeline to implement utility-consolidated billing until it receives detailed guidelines and final rules from the Council.[102] If this reasoning were true, no regulatory body would ever be able to implement consolidated billing because no rules could be finalized without knowing the defined and verifiable costs, but at the same time no costs could be determined until the rules are finalized. The Council should reject this reasoning.

While defined and verifiable costs may not be known, estimates can be provided based on available information, such as the costs that have been incurred to implement consolidated billing in other jurisdictions together with the reasonably knowable needs of the utility, and as discussed in greater detail below, ENO has provided such an estimate. While an estimate may not be a precise calculation of costs, it is sufficient to give the Council a sense of the magnitude of the cost

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[97] Rebuttal Affidavit of Sarah Harcus at 4.

[98] *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591 (1944) and *Bluefield Water Works & Improvement Co. v. Public Service Commission of West Virginia*, 262 U.S. 679 (1923).

[99] Exhibit VP-1 at 12:16-17.

[100] *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591 (1944).

[101] Affidavit of Sarah Harcus at 3.

[102] *Id*.

impact and to consider what measures might be needed to protect the public interest. Further, the Council can require ENO to provide a revised estimate based on the final rules prior to incurring costs, and should it at any point become evident that the costs are likely to significantly differ from the initial estimate based on the rules adopted, the Council can consider further amending the Community Solar Rules at that time, as necessary to protect ratepayers.

The Community Solar Rules already very clearly address the issue of cost recovery of both the general administrative costs of the community solar program and the incremental costs, including costs of implementing consolidated billing. The relevant section of the Community Solar Rules is VII.G. Utility Cost Recovery and Charges. That section provides as follows:

> (1). Once the Utility's Community Solar Plan has been reviewed and approved by the Council, the Utility shall have a fair opportunity to receive full and timely cost recovery of costs incurred to administer the Community Solar Program, and any non-reimbursed portion of program bill credit costs and unsubscribed energy costs.
>
> (2) The Utility may not establish a separate surcharge fee or rate for recovery of any Community Solar program costs identified in Section VII.G.1. The specific mechanisms for Community Solar program cost recovery will be approved by a Council resolution based on the Council's review of the community solar tariffs proposed in the Community Solar Plan required under Section VIIA.1.
>
> (3) The Utility may assess a Council-approved charge to the Subscriber Organization to cover the Utility's incremental costs associated with integrating the generation from the CSG Facility into the Utility's system, administering the contracts with Subscriber Organizations, <u>and administering the CSG Facility's Subscriber billing credits</u>. This charge shall not reflect costs that are already recovered by the Utility from Customers through other charges. The Utility may seek a revision of this charge no more frequently than once per year. (*emphasis added*)
>
> (4) The Utility's revenue and expenses associated with the Subscriber Organizations and the Community Solar Program Plan shall be identified separately in general ledger records and maintained in separate revenue and expense sub accounts.

Under the structure that the Council put in place in subsections (1) and (2) it is clear that ENO will have a fair opportunity to receive full and timely cost recovery of costs incurred to administer the Community Solar Program. Any non-reimbursed portion of program bill credit costs and unsubscribed energy costs may not be recovered through a separate or stand-alone surcharge, but rather through a mechanism approved through the Council's approval of ENO's Community Solar Implementation Plan.

Regarding the recovery of costs incurred to administer the Community Solar Program (other than incremental community solar costs including consolidated billing), the CSG Rules state that the specific mechanisms will be approved by a Council resolution based on the Council's review of the community solar tariffs proposed in the Community Solar Plan required under Section VII.A.1. In subsection (3) of VII.G., the Council has clearly set forth a completely separate and specific bucket of community solar incremental costs that are to be recovered from Subscriber Organizations through a Council-approved charge that may be revised as much as once per year. Those costs include the utility's incremental costs associated with integrating the generation from the CSG Facility into the utility's system, administering the utility's contracts with the Subscriber Organizations, and, importantly, the costs of administering the CSG Facility's billing credits. These community solar incremental costs, including those related to consolidated billing, must be recorded in subaccounts separate from the general community solar program costs (addressed in Sections VII.G.(1) and VII.G.(2)), to comply with Section VII.(G)(3) of the CSG Rules. The costs ENO incurs to implement a consolidated billing program, as well as the ongoing costs of administering a consolidated billing program are therefore to be charged to the Subscriber Organizations through this Council-approved charge (*i.e.*, the Utility Administrative Fee). The Advisors note that this approach, already codified in the Community Solar Rules, is consistent with the approach taken by New York as it implemented consolidated billing. The New York Public Service Commission wrote:

> As the implementation of the net crediting model will create a substantial cost savings for participating [Subscriber Organizations] by essentially eliminating their billing and collections costs, it is appropriate for the costs of implementation to be covered by those participants, rather than socialized among non-participating ratepayers.[103]

Air Products witness Maurice Brubaker testified in support of requiring the costs of the implementation of consolidated billing to be paid by Subscriber Organizations and not by non-participating customers of ENO.[104] He raises concern, however, regarding whether there will be sufficient Subscriber Organizations with Subscribers to pay such costs, and argues that the uncertainty over whether there will be sufficient Subscriber Organizations creates and unreasonable financial risk for non-participating ENO customers, pointing out that as of November 2025, most community solar projects were only in the application phase and only one project was in the construction phase.[105] Advisor witness Prep testified that he does not believe there is a significant risk that only a single CSG Project will be built, and that it is unreasonable to believe that the Community Solar Program with the Application and Construction Queues filled to the capacity cap on the program with a waiting list will fail dramatically with only one or a few CSG Projects.[106] Attachment VMP-5 to witness Prep's direct testimony which is the most recent CSG queue information made available by ENO shows 15 CSG projects in the queue, with another three on the waitlist. While it may be the case that not all of the projects in the queue succeed, it seems unlikely that 94% of them (17 out of 18) will fail, as is suggested by witnesses Brubaker and Wemple.

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[103] NY PSC Dec. 12, 2019 Order in Case 19-M-0463 at 18.
[104] Affidavit of Maurice Brubaker on Behalf of Air Products and Chemicals, Inc. at 2.
[105] Affidavit of Maurice Brubaker on Behalf of Air Products and Chemicals, Inc. at 2.
[106] Exhibit VP-1 at 12:4-8.

C. Implementation Costs and Proposed Administrative Fee

1. Estimated Implementation Costs

ENO witness Lejeune provides an estimate, which she describes as a high-level, rough order of magnitude estimate of an initial implementation cost of $1.55M (with a range of +100% to -50%)[107] ($3.1M to $775K) and an estimated need for two new full-time employees at an incremental annual cost of approximately $110K to $125K each.[108]

In light of what data is publicly available about the implementation costs of consolidated billing, ENO's estimate of $1.55M with a possible range of $775K to $3.1M appears to be reasonable and within the range of what has been experienced elsewhere in the country. While this is not a final number before the Council for approval at this time, the Council should expect that reasonable costs of implementation are likely to be within this range if it adopts Net Crediting Consolidated Billing for the Community Solar Program.

The Advisors recommend that a more detailed initial estimate of costs should be provided within 60 days after a resolution in which the Council may adopt consolidated billing, including an estimate projecting the CSG facilities output kWh for each of the next three years. The Council would have an opportunity at that time to review the reasonableness of an actual, more current detailed estimate of costs proposed for recovery by ENO through the Utility Administrative Fee.

2. Proposed Utility Administrative Fee

ENO's June 10 Filing attached to witness Lejeune's Affidavit proposed a Utility Administrative Fee of 3% of the Allocated Credit to be deducted from the Subscriber Organization's portion of the Allocated Credit.[109]

ENO's pleadings do not explain how the proposed 3% Utility Administrative Fee corresponds to the estimated $1.55M in implementation costs and ongoing administrative costs of consolidated billing, other than to state that such costs would be recovered through that fee. Without additional supporting calculations with more detailed costs, and in light of these discrepancies, the Advisors cannot conclude that a 3% Utility Administrative Fee is reasonably designed to recover only the charges permitted to be recovered through such a fee under Section VII.G(3).

The Utility Administrative Fee to be imposed should not recover all of the costs to administer the New Orleans community solar program, it should only recover the incremental costs set forth in Section VII.G.(3) of the Community Solar Rules. The remainder of the costs of administering the community solar program should be recovered through a Council-approved mechanism addressed in Sections VII.G.(1) and (2). The Advisors note that no party has even attempted to demonstrate that a fee at any specific percentage level would be sufficient to recover

[107] Affidavit of Melissa Lejeune at 2-3 .
[108] Affidavit of Melissa Lejeune at 5.
[109] ENO June 10 Filing, Redline at 4.

the $1.55 million in implementation costs and the ongoing incremental administrative costs of implementing consolidated billing without over-recovering.

Examples set by other states are informative, though are not necessarily determinative, because of the many differences between New Orleans and other jurisdictions. In New York, the Public Service Commission approved an initial consolidated billing net crediting administrative fee to recover the costs of implementation and operation of the consolidated billing net crediting model equal to 1% of the total value of the community solar credits, subtracted from the payment to be made to the Subscriber Organization, and directed each utility to track the costs and the amounts recovered through the fee and file an annual report.[110] The Public Service Commission in July of 2025 issued a subsequent order increasing the administrative fee from 1.0% to 1.5% with a cost tracking and reconciliation mechanism (rehearing of that order is still pending as of the filing of this report).[111] In New Jersey, the utility may charge an administrative fee of not more than 1% of the subscription charge to cover the utility's costs of implementing and administering consolidated billing.[112] In Illinois, the legislature approved a net crediting fee that the electric utility may charge the owner or operator of a community solar renewable generating project participating in net crediting that may not exceed 2% of the value of the community solar Subscriber's bill credit value.[113]

In Oregon, the Community Solar Program does not use a single percent fee; instead, the program runs through an independent Program Administrator; utilities must apply bill credits within 30 days of receiving data and, under an OPUC-approved on-bill model, collect the subscription fee plus fixed $/kW-AC monthly program fees (Program Administrator Fee and Utility Administration Fee), with low- and moderate-income exemptions, set by tariff rather than a percent skim.[114] Likewise, in Minnesota, there is no statewide percent cap, administrative cost recovery is handled in utility ratemaking, and low- and moderate-income subscribers must receive at least 10% savings under the framework.[115]

In Virginia, utilities recover consolidated billing costs through a separate 1% net-crediting fee from remittances when a Subscriber Organization elects net crediting. The net crediting fee is the utility's distinct charge for providing the optional consolidated billing/collections service on behalf of the Subscriber Organization.[116] Separately, the minimum bill (set in State Corporation Commission proceedings) is a monthly floor to recover fixed and non-bypassable costs (*e.g.*, infrastructure/services costs and Program Administrative costs) and is paid by most subscribers

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[110] *See* December 2019 Order at 18-19.

[111] Case 19-M-0463 *et al.*, Order Approving Community Distributed Generation Billing and Crediting Performance Metrics (N.Y. Pub. Serv. Comm'n July 17, 2025) ("2025 Order"). The NYPSC required DPS to provide reporting templates and convene a stakeholder conference after the first annual report. Tariff amendments implementing these requirements take effect January 1, 2026.

[112] NJ Admin Code § 14:8-9.7(q)(7).

[113] 220 ILCS 5/16-107.5(l)(4).

[114] Or. Admin. R. 860-088-0010(8), -0120(2); PacifiCorp (Pacific Power), P.U.C. Or. No. 36, Schedule 127 at 3; PGE, P.U.C. Or. No. E-19, Schedule 017.

[115] *See* Minn. Stat. § 216B.1641, subd. 8(b)–(c), § 216B.16 (rate change procedure/PUC approval), § 216B.03 (rates must be just and reasonable).

[116] 20 Va. Admin. Code 5-340-65(I)(3).

each month, with the exception of exempt low- and moderate-income customers.[117] By contrast, the subscription fee is the Subscriber Organization's contractual charge to the subscriber; if the Subscriber Organization elects consolidated billing, that fee appears on the utility bill, and it must be set so the subscriber never pays more in subscription fees than the bill credits receive.[118] Virginia's design indicates that consolidated billing implementation/operational costs are recovered via the 1% net crediting fee, while program-level/utility cost elements flow through the minimum bill.

The Advisors' proposed changes to the Community Solar Rules begin with an interim Utility Administrative Fee of 3% of Allocated Credits, appliable to all CSG Facilities.[119] However, because the Utility Administrative Fee is meant to recover actual costs, and there has been no demonstration that a 3% fee would do so, the Advisors have proposed an adjustment mechanism that allows the for actual costs to be reviewed and the Utility Administrative Fee to be updated every twelve months to properly reflect incremental costs, and for any costs in excess of the Utility Administrative Fee to accrue in a regulatory asset subaccount that has no immediate impact on ratepayers.[120] This amortization amount could be adjusted when more data is available in subsequent evaluations, but will also be dependent on the decision regarding the amount of change to the interim 3% Utility Administrative Fee. This structure should provide reasonable assurance to ENO that it will have a fair opportunity to fully recover the costs of implementing consolidated billing.

D. Optionality of Consolidated Billing

The proposed changes to the rules in the June 10, 2025 filing submitted by ENO as an attachment to witness LeJeune's testimony contemplates only one billing method – in other words, that all Subscriber Organizations would participate in consolidated billing. Across jurisdictions, consolidated billing is typically optional for Subscriber Organizations but sometimes mandatory for certain customer classes. In New York, utilities are required to offer net crediting, and Subscribers may elect to enroll (*i.e.*, optional for the Subscriber Organizations, with the utility's role standardized by tariff and manuals).[121] In Illinois[122] and Colorado,[123] the utility must provide consolidated billing upon the Subscriber Organization's request, again making participation optional for Subscriber Organizations while ensuring a clear utility duty to perform once elected. Minnesota similarly makes consolidated billing optional/opt-in for subscribers in Xcel's program.[124] By contrast, New Jersey mandates utility consolidated billing for residential subscribers (non-residential may opt in), trading some Subscriber Organization discretion for

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[117] *Id.* at 5-340-65(B)(3); Va. Code Ann. § 56-594.3(A), (D); 20 Va. Admin. Code 5-340-80; *see, e.g.,* Va. Elec. & Power Co., Schedule SS—Shared Solar III.A.3, V.

[118] 20 Va. Admin. Code 5-340-65(I)(2), (C)(2).

[119] Exhibit No. VP-1 at 10:11-12, and Exhibit No. VMP-4 at VII.G.(5).

[120] Exhibit No. VP-1 at 10:12-11:2, and Exhibit No. VMP-4 at VII.G.(5).

[121] *See* December 2019 Order.

[122] *See* 220 Ill. Comp. Stat. 5/16-107.5(l)(4) (2025) (utility shall enter into net crediting agreement upon project owner request).

[123] *See* Colo. Rev. Stat. § 40-2-127.2(4)(a)(VI)(A)–(B) (2024) (IOU must provide consolidated billing upon subscriber organization request, list subscription charge, remit to Subscriber Organizations).

[124] *See* Minn. Stat. § 216B.1641, subd. 10(c) (2024) (a utility must offer consolidated billing so a subscriber receives one bill; subscribers may elect it).

consumer clarity and uniform adoption.[125] Virginia's shared-solar statute requires utilities to enable net crediting but makes it optional for Subscriber Organizations, with a capped utility fee;[126] Maryland's permanent rules likewise allow Subscriber Organizations to elect consolidated billing while standardizing monthly crediting and remittance timelines.[127]

Making consolidated billing available but not compulsory to Subscriber Organizations generally preserves program design flexibility and aligns with the Council's principle of allowing developers to craft offerings while protecting ratepayers. It would allow developers to structure programs differently. Developers could, for example, design a program where the customers must buy the solar panels outright, likely with the aid of traditional financing. Developers who do not want to take the risk that their portion of the Allocated Credit may not fully recover their costs could continue to use dual billing and set a monthly fixed rate subscription fee that gives them greater confidence. However, because all Subscriber Organizations benefit from having the option to offer net crediting consolidated billing, all Subscriber Organizations should be required to pay the Utility Administrative Fee, whether they utilize the net crediting consolidated billing option or not. There is a cost to the utility to make the option available for all Subscriber Organizations, and under the Community Solar Rules, neither the utility nor its non-participating customers should bear the risk that too few Subscriber Organizations take advantage of the net crediting consolidated billing option for the cost of administering the billing credits to be fully recovered from Subscriber Organizations. There should be one fee that recovers the utility's costs for administering billing credits, whether the utility is only administering the application of Allocated Credits to the customer bill, or whether the utility is also administering the division of Allocated Credits between the customer and Subscriber Organization under net crediting consolidated billing.

E. Customer Eligibility

The proposed changes to the rules in the June 10 Filing submitted by ENO as an attachment to witness LeJeune's testimony add a requirement to the definition of "Subscriber" to require that at the time a Customer enrolls as a Subscriber, the Customer's account with the utility must be in good standing.[128] Section III.A(2) of the Community Solar Rules regarding Customer Eligibility provides that a Customer may subscribe to a CSG Facility so long as the Customer has an account for electric service with the utility, and has no exclusion related to whether the Customer is in good standing with the utility. Therefore, the proposal is to change the Community Solar Rules, regardless of whether or not consolidated billing is implemented. It is therefore not a change that is specific to or required for consolidated billing. The Council stated in Resolution No. R-25-352, setting the procedural schedule for the Council's consideration of Consolidated Billing stated that "With respect to pleadings filed pursuant to this procedural schedule, the Council will consider only comments related to consolidated billing. Any other proposals for changes to the Community

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[125] *See* N.J. Admin. Code § 14:8-9.7(q)(1) (2025) (electric distribution companies must implement consolidated billing; residential use is required, non-residential may opt in).

[126] *See* Va. Code Ann. § 56-594.3 (shared solar; bill credits); 41 Va. Reg. Regs. 11447 (Dec. 16, 2024) (final regs text reflecting that net crediting shall be optional for subscriber organizations).

[127] *See* Proposed Regulations—COMAR 20.62.06 Community Solar Consolidated Billing Requirements, RM56, at .03–.04 (Md. Pub. Serv. Comm'n Mar. 31, 2025) (electric companies to implement consolidated billing by Jan. 1, 2026; Subscriber Organizations may elect consolidated billing; bill-display, reporting, and remittance-timing requirements).

[128] ENO June 10 Filing, Redline at 4.

Solar Rules must be filed as a separate motion and will not be considered if included in pleadings filed under the procedural schedule below."[129]

A requirement that customers be in good standing to participate in the Community Solar program is not necessary to implement consolidated billing, and the Advisors recommend that consistent with its instruction to the parties in Resolution No. R-25-352, the Council should disregard this proposal by ENO.

In the event that the Council nevertheless wishes to entertain the proposal, the Advisors recommend that the Council reject it. The New York PSC found that "the net crediting model avoids putting the utility in the position of collecting a higher charge than it would have applied to the customer by guaranteeing savings to the customer.[130] Therefore, it can be assumed that any partial payment or nonpayment would have happened even in the absence of the customer's [community solar Subscription] and there is no risk that the amount of uncollectibles or the utility's exposure will increase."[131]

The Advisors agree with the NY PSC's reasoning. If, as the Advisors recommend, the Council, when implementing net crediting consolidated billing, imposes guaranteed savings, then the electric bills of customer Subscribers are guaranteed to be less than what they would be if the customer does not participate in Community Solar. This should reduce the likelihood that a customer would fail to pay their bill in full for all customers participating in net crediting consolidated billing, including those not in good standing with the utility. It appears that the best way to reduce arrearages and bad debt expense would therefore be to allow customers not in good standing to participate in the program thereby reducing their bills, rather than excluding them from it.

F. Timing of Crediting

The proposed changes to the rules in the June 10 Filing submitted by ENO as an attachment to witness LeJeune's testimony include a proposal that the utility calculate and render the Allocated and Net Credits on a two-month lag.[132]

The currently effective Community Solar Rules at Section VIII.C. provide that:

> The Utility shall apply credits to each Subscriber's monthly bill using the most recently updated monthly Subscriber list and Output data on a two-month lag where actual operational results and the associated bill credit will show up two months following the Utility's receipt of Output data for the CSG Facility.

The Advisors have found no "national standard" of one-month posting, or of any specific posting time period. States that have fully implemented or are in the process of implementing consolidated billing generally apply credits in line with their customers' regular billing cycles, and

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[129] Resolution No. R-25-352 at 11.

[130] Order Regarding Consolidated Billing for Community Distributed Generation, Case 19-M-0463, at 14 (N.Y. Pub. Serv. Comm'n Dec. 12, 2019).

[131] NY PSC Dec. 12, 2019 Order in Case 19-M-0463 at 13.

[132] June 10 Filing at 15.

this typically means there is either a one- or two-month lag between the transmission of electricity to the utility and when credits appear on customer bills. Oregon requires utilities to apply community-solar bill credits within 30 days of receiving program data, with any excess carrying forward to the next bill.[133] Colorado sets a broader outer limit – credits must post "as soon as practicable" but no later than 60 days after the month of generation.[134] In Virginia, the utility is required to apply bill credits to subscriber bills within two billing cycles following the cycle during which the energy was generated by the CSG Facility.[135] New York layers timeliness metrics on top of the normal cycle and provides a $10/month customer credit if utilities miss the posting window.[136] New Jersey likewise ties crediting to each billing cycle and establishes an annual true-up period beginning when a subscriber first earns a credit.[137] Jurisdictions still scaling consolidated billing follow the same rhythm. Maryland's permanent rules (effective by Jan. 1, 2026) require credits and subscription charges to appear each billing period and direct utilities to remit collected subscription charges to subscriber organizations within 60 days of the relevant meter read, with a matching monthly crediting report.[138] Minnesota statutes tie community-solar credits to the monthly cycle and require utilities to offer a single consolidated bill; Illinois implements monthly posting and carry-forward through tariff.[139]

It appears that ENO's proposal to retain the existing two-month period, consistent with practices associated with Entergy's green tariff programs and fuel adjustment charges is reasonably consistent with the approaches taken in other states. Further, changing the existing Community Solar Rules to require one-month posting of credit rather than two-month posting of credit is not necessary to enable consolidated billing. The Advisors' proposed changes to the Community Solar Rules, therefore, retain the existing two-month lag for the calculation and rendering of Allocated Credits and Net Credits.[140]

G. Other Issues

1. Definition of Baseline Annual Usage

The proposed changes to the rules in the June 10 Filing submitted by ENO as an attachment to witness LeJeune's testimony include a proposal to change the definition of "Baseline Annual Usage" to include a requirement that if a Subscriber begins taking service under Schedule NEM, they must notify the Subscriber Organization and the Subscriber Organization must notify the

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[133] *See* Or. Admin. R. 860-088-0120(2).

[134] *See* Colo. Rev. Stat. § 40-2-127.2(4)(a)(II) (2024).

[135] Virginia Code Title 56 § 56-594.3.B.4.

[136] *See* Order Adopting CDG Billing & Crediting Performance Metrics, Case 19-M-0463 (N.Y. Pub. Serv. Comm'n July 17, 2025).

[137] *See* N.J.A.C. 14:8-9.7(e); Community Solar Energy Program, 56 N.J.R. 1990(d) (Oct. 7, 2024).

[138] *See* Md. Code Regs. 20.62.06.03(B) (requiring utilities to implement consolidated billing "no later than January 1, 2026"); 20.62.06.04(C)(5)(a)–(e), (6) (requiring, each billing period, on-bill display of the subscription credit, savings rate, subscription charge, net bill credit, and any carried-forward virtual net excess generation, and labeling as community-solar items); 20.62.06.04(D)(5)(a) (utility remittance deadline: 60 days from the date the utility determines the most recent energy reading); 20.62.06.04(E)(1)–(2) (utility must provide a net-crediting report to the subscriber organization/subscription coordinator no later than 60 days after the meter read).

[139] Minn. Stat. § 216B.1641(c) (2024); Ameren Ill. Co., Rider NMCS—Net Metering for Community Solar (eff. Nov. 1, 2023).

[140] Exhibit No. VMP-4 at VIII.E.

utility so the Baseline Annual Usage can be re-evaluated and the Subscription modified as necessary.[141] While the proposed requirement is not unreasonable, adding it to the definition of Baseline Annual Usage is not the best way to implement that requirement. Customers enrolling in NEM, and developers enrolling Customers in NEM, are much more likely to check the NEM Rules than the Community Solar Rules to find the requirements for enrolling in NEM and may miss this requirement.

It is also unclear why ENO would need to be notified by the Subscriber Organization that a customer is enrolling in NEM in addition to their Community Solar Subscription, the Customer would presumably reach out directly to ENO to be enrolled in the NEM program and ENO would be able to see that the Customer was already a Community Solar Subscriber. It is also unclear why the existing Community Solar Subscription should be modified to reflect a new NEM enrollment rather than limiting the new NEM enrollment to reflect the existing Community Solar Subscription. Further, this proposed change is unrelated to the implementation of consolidated billing and need not be adopted in order to implement consolidated billing. This proposed change should be rejected at this time without prejudice to ENO raising it again in the future, potentially as a proposed change to the NEM Rules rather than to the Community Solar Rules.

V. Implementation Issues

A. Timeline for Implementation

ENO witness Lejeune estimates that ENO would need 14 months from the Council's ordering resolution to finalize implementation requirements and costs through a request for proposals and perform implementation.[142]

If the Council adopts consolidated billing, ENO should be required to provide a more detailed estimate of an implementation timetable within 60 days after a resolution adopting consolidated billing, including a timetable estimate related to each of the following consolidated billing system implementation steps:

- Step 1 – with IT, evaluate the level of effort and the respective systems and processes that will be impacted. Determine whether there is a need to issue a request for proposals to other vendors.

- Step 2 – prepare an IT-specific technical requirements document that details the system requirements based on the approved rules, regulations, billing intent, and schedule as may be applicable.

- Step 3 – IT develops a design document, reviews it with the utility's business function, and compares it to the technical requirements to incorporate any changes back into the design before the IT team can start the build (coding).

- Step 4 – compile calculations and other logic for presentation on the bill, resolving any issues with regard to bill presentation with the utility's business function, and

[141] ENO June 10 Filing, Redline at 2.
[142] Affidavit of Melissa Lejeune at 3.

receiving approval from the Council before the new Code is moved into production. Development of related processes and organizational support occurs simultaneously.

The Council would have an opportunity at that time to review the reasonableness of a more current estimate of the consolidated billing implementation timeline. The Advisors also recommend that ENO be required to submit monthly reports to the Council regarding its progress with respect to the milestones set out in the implementation timeline.

VI. Treatment of Credits in Various Scenarios Under the Advisors' Proposed Consolidated Billing Structure

To further illustrate how the Advisors' proposed Net Crediting Consolidated Billing with Guaranteed Savings would function, the Advisors provide the following explanation of what would happen under the proposed structure with respect to several different scenarios.

A. A Subscriber Closes Their ENO Account

The answer to this question is the same regardless of whether consolidated billing is implemented or not. If a Subscriber closes their ENO account, they are no longer eligible to be a Community Solar Subscriber. "Customer" under Section II of the Community Solar Rules "means a retail electric customer account holder of the Utility" and Section III.A.(2) provides that "A Customer may subscribe to a CSG Facility in the Utility's service territory, provided that the Customer has an account for electric service with the Utility." Therefore, if a Subscriber closes their ENO account, they are no longer a "Customer" under the Community Solar Rules and may no longer hold a subscription. When the Subscriber terminates their account, ENO should notify the relevant Subscriber Organization that the Subscriber is no longer a Customer, and the Subscriber's allocation of the CSG Facility has become Unsubscribed Energy subject to Section IX of the Community Solar Rules. Under CSG Rules Section VIII.H, when the Subscriber terminates service with the utility, no further payment shall be made from the utility for any remaining bill credits associated with the subscription.

The only exception would be where the Subscriber closes their account because they are moving from one location within ENO's service territory to another location within ENO's service territory and wishes to transfer their subscription from one location to another. In that case, the procedures set forth in Section XI.D. of the Community Solar Rules for transferring a subscription from one address to another would apply.

B. A Subscriber Has Been Disconnected for Non-Payment

Similarly, a Subscriber that has been disconnected for nonpayment should be treated the same, whether consolidated billing is implemented or not. ENO's existing policies applicable to the entire rate class regarding disconnection and eventual termination of the customer's account for nonpayment should govern whether the Subscriber remains a Customer with a utility account eligible to be a Subscriber. The purpose of the Community Solar Rules is to allow a Subscriber to offset their electric usage. A customer may not hold subscriptions representing a total amount of energy in the Community Solar Program that exceeds 100 percent of the value of a Subscriber's Baseline Annual Usage. While the Customer is disconnected, but remains a Customer, Allocated

Credits from previous usage prior to disconnection should continue to accrue and may be carried forward to offset future usage in accordance with Section VIII.H. of the Community Solar Rules. Where the Subscriber has an arrearage, the Subscriber's portion of the Allocated Credit under consolidated billing, or the full Allocated Credit under dual billing, should be used to offset arrearages until the arrearage is fully offset, and then it may be carried forward until the customer is either reconnected or their account is terminated by the utility. As noted above, under consolidated billing, ENO would be required to adjust payments to the Subscriber Organization for the Subscriber Organization's portion of the Allocated Credit until such time as the Customer pays their ENO bill in full. It is the Customer's responsibility to pay their Subscription fee, not ENO's. ENO's responsibility would only be to relay the Customer's payment to the Subscriber Organization.

C. A Subscriber is in Arrears

The situation where the Customer is in arrears and is disconnected is covered above. If a Subscriber is in arrears, but is not yet disconnected, the Allocated Credits should continue to be awarded, and the Customer's portion of the Allocated Credit (net credit) should continue to be applied to lower their ENO bill. To the extent that the Customer with an Arrearage pays or partially pays new ENO bills, ENO should first apply the payment to the outstanding ENO charges and then, once the arrearage is cleared, ENO should reverse the debit to the Subscriber Organization that was initiated by the Subscriber's nonpayment.

D. A Subscriber Organization Files for Bankruptcy

If a Subscriber Organization files for bankruptcy, ENO should continue to award the Allocated Credit to the Subscriber under both consolidated billing and dual billing in accordance with how much electricity the CSG Facility generates. So long as the CSG Facility is putting power onto the grid, the Allocated Credit should be awarded and, under consolidated billing, the Subscriber Organization's portion of the Allocated Payment should be remitted to them once the customer has paid their bill.

E. A Subscriber Organization Ceases Commercial Operations

ENO should only award Allocated Credit for a Customer's portion of the electricity generated by a CSG Facility. If a CSG Facility ceases generating electricity because it has ceased commercial operations, then no Allocated Credit is due to the Customer and no payment is due to the Subscriber Organization.

VII. Changes to the Community Solar Rules to Implement Consolidated Billing

Attached as Attachment A is a redline of the changes the Advisors recommend the Council make to the Community Solar Rules if the Council decides to adopt net crediting consolidated billing. While the Advisors do not support all of ENO's proposed redlines, like many of the Intervenors, the Advisors believe that the basic net crediting structure in ENO's June 10 Filing is a reasonable framework to start from; therefore, the Advisors have incorporated some of ENO's redlines into the Advisors' recommendations.

The Advisors have recommended definitions for "Allocated Credit," "Dual Billing," "Guaranteed Savings Rate," "Net Credit," "Net Crediting Consolidated Billing," "Subscription Fee," and "Utility Administrative Fee," consistent with the Advisors' recommendations in this docket. The Advisors recommend certain changes to Section VII.F. Utility Reporting to ensure that ENO's annual report tracks data with enough granularity for the Council to determine whether the costs of community solar and consolidated billing are being properly recovered.

The Advisors recommend certain clarifying changes to Section VII.G. Utility Cost Recovery and Charges as well as changes to implement the Advisors' recommendations regarding the Utility Administrative Fee. In Section VIII Subscription Credits, the Advisors recommend changes to ensure that ENO has the information needed to properly enroll a customer in consolidated billing, and that the Allocated Credit and Net Credit are properly calculated. The Advisors recommend adding a new Section XIII.L. to address the impact of consolidated billing on disconnection and reconnection policies. Finally, the Advisors recommend changes in Section XIV. Enforcement of These Rules to clarify that the conflict resolution procedures in that section can be utilized for disputes arising between the utility and the Subscriber Organizations, such as disputes over ENO's calculations and payments of the Subscriber Organization's share of the Allocated Credit.

VIII. Conclusion

The public interest does not require the adoption of Net Crediting Consolidated Billing, but if the Council finds that the potential benefits of Net Crediting Consolidated Billing are positive for New Orleans, it can adopt Net Crediting Consolidated Billing in a manner that is in the public interest. If the Council wishes to adopt net crediting consolidated billing for the community solar program, the Advisors recommend that the Council:

(1) Adopt the changes to the Community Solar Rules recommended herein.

(2) Require ENO to file, within 60 days, a detailed cost estimate to implement the technological and system upgrades needed to accommodate consolidated billing, as well as any estimated costs for additional staff required to support consolidated billing as part of the community solar program.

(3) Require ENO to file, within 60 days, a detailed timeline to implement consolidated billing.

(4) Require ENO to submit monthly reports to the Council regarding its progress with respect to the implementation of consolidated billing.