RESOLUTION

NO. R-26-360

CITY HALL: September 3, 2026

BY: COUNCILMEMBERS MCCARRON, MORRELL, GREEN, HARRIS, HUGHES AND KING

RESOLUTION AND ORDER ESTABLISHING RULEMAKING TO CONSIDER REVISING THE INTEGRATED RESOURCE PLAN RULES WITH RESPECT TO DISTRIBUTED ENERGY RESOURCES

DOCKET NO. UD-26-01

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

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

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

WHEREAS, in July of 2017, the Council adopted Resolution R-17-332, adopting new IRP rules, which were later amended in R-17-429 to add a statement of purpose to the rules and clarify what actions the Council might take in response to the filing. The rules adopted in R-17-429, the "Electric Utility Integrated Resource Plan Rules of the Council of the City of New Orleans" ("IRP Rules") are the currently effective IRP Rules for New Orleans; and

WHEREAS, on December 18, 2025, the Council adopted Resolution No. R-25-629 accepting and approving ENO's 2024 IRP Final Report and its Action Plan, and granting parties 90 days to comment on certain recommendations made by the Advisors for future IRP proceedings; and

WHEREAS, in their Advisors' Report on the 2024 IRP Final Report, the Advisors noted that other ongoing Council dockets regarding distributed energy resources ("DERs") are likely to implement changes to Council policies around DERs that will impact the IRP analyses, and that technological and market changes regarding DERs have occurred since the Council's current IRP Rules were adopted.[1] The Advisors identified several areas where the current IRP Rules need to be revised to better reflect these changes, and recommended that the Council consider opening a proceeding to evaluate revising the IRP Rules with respect to how DERs are included in both the DSM Potential Study and the IRP analyses to reflect these recent developments;[2] and

WHEREAS, on March 18, 2026, ENO submitted the *Comments of Entergy New Orleans, LLC's on Advisor Recommendations for Future IRP* ("ENO Comments"). The ENO Comments were generally supportive of the Advisors' recommendations to update the IRP Rules to account for developments in the types and characteristics of DERs since the most recent IRP Rules were adopted in 2017, and set forth proposed edits to the definition of "Distributed Energy Resources" under the IRP Rules, as well as an explanation of the different types of distributed resources that are either currently deployed in New Orleans or planned for deployment in the future, and how Entergy's System Planning & Operations group treats each of the distributed resources in developing portfolios through the IRP analyses; and

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[1] Advisors' Report at 37.
[2] Advisors' Report at 37-38.

WHEREAS, no other comments were filed regarding the Advisors' recommendations; and;

WHEREAS, on May 21, 2026, the Council in Resolution No. R-26-220 established Docket No. UD-26-01 and adopted a procedural schedule to evaluate revising the IRP Rules with respect to how DERs are included in the Demand Side Management ("DSM") Potential Study and the IRP analyses; and

WHEREAS, the purpose of Docket No. UD-26-01 is to ensure that the Council's IRP Rules appropriately recognize the changing nature of electric resources available to serve New Orleans customers, including customer-sited generation, energy storage, demand response, distributed generation, and other technologies capable of modifying or supplying electric demand; and

WHEREAS, on June 18, 2026, the Alliance for Affordable Energy ("AAE") filed its comments asserting that DERs should be modeled as distinct technologies rather than lumped together as an aggregate resource and that the Council should consider requiring non-wire alternatives ("NWA") analysis to reveal the full benefits of DERs to the distribution grid; and

WHEREAS, on June 18, 2026, ENO submitted its comments and specific revisions to the IRP Rules with respect to its application of DERs explaining that the existing definition of DERs is focused primarily on customer-owned, behind-the-meter resources, while DERs currently available or potentially available in New Orleans may be owned or leased by retail customers, third parties, or the utility and may be interconnected behind or in front of a customer meter; and

WHEREAS, ENO proposed revising the definition of DERs to include generation or energy storage facilities owned or leased by retail customers, third parties, or the utility located on the customer side of the meter, primarily for the use and consumption of energy by the retail customer, interconnected to the distribution grid, and capable of delivering energy to the distribution grid; and

WHEREAS, on July 16, 2026, Gulf States Renewable Energy Industries Association ("GSREIA"), filed its *Petition for Leave to Intervene Out of Time and Initial Comments on Proposed Changes to the IRP Rules* asserting DERs should be evaluated as full planning resources, on a technology-neutral basis, in both the DSM Potential Study and the IRP analysis; and

WHEREAS, on July 17, 2026, ENO submitted its comments regarding the Advisors' proposed changes to the IRP Rules: (i) expressing concern that to attempt to incorporate holistic transmission and distribution planning and the optimized selection of DERs in portfolios into the IRP process would present numerous issues; (ii) ENO can still model distribution-connected resources and include them in optimization, assuming they are given the relevant cost and performance inputs; and (iii) ENO cannot anticipate and mitigate the risk of outages on the distribution or transmission grid in the IRP planning process; and

WHEREAS, on July 17, 2026, AAE filed comments supporting the integration of distribution and transmission planning into the IRP process, recommending the mitigation of outage risk among the IRP's objectives, and objecting to ENO's proposed revision to the definition of "Distributed Energy Resources" under the IRP Rules inasmuch as it includes non-renewable generation;

WHEREAS, on July 31, 2026, the Advisors filed reply comments to ENO and GSREIA comments filed on July 17, 2026; and

WHEREAS, the Advisors agreed with ENO's proposal that manual portfolios can be used to evaluate specific types and amounts of DERs as a method of portfolio development, and acknowledged that further detailed grid-related analyses are needed to provide the capability to integrate distribution and transmission planning into the IRP process, and to evaluate the extent to which the reliability of the distribution system can be improved; and

WHEREAS, the Advisors recommended that an additional scope to the DSM Potential Study be included in the Council's IRP Initiating Resolution to study the potential of DERs as an additional component beyond the energy and demand response potential that has been evaluated in previous studies.[3] The Advisors are in general agreement with GSREIA's recommendation that DERs should be evaluated as full planning resources, on a technology-neutral basis, in both the DSM Potential Study and the IRP analysis, but that there should be further discussions with ENO regarding its implementation in the IRP process; and

WHEREAS, in its July 31, 2026 reply comments, ENO disagrees with AAE regarding the proposed definition of DERs in the redlined IRP rules, and believes that it should accurately reflect the full range of DERs available to, and active in, the ENO market, citing numerous ENO commercial and industrial customers that have installed fossil-fueled generation behind their meters and are available to participate in demand response ("DR") programs; and

WHEREAS, ENO requests that the Council (i) initiate a rulemaking to investigate the implications of direct registration of its jurisdictional customers through Aggregators of Retail Customers ("ARCs") and to protect New Orleans customers from the ongoing risks of direct registration of DR programs by ARCs, and (ii) consider adoption of a Market Valued Demand Response tariff to facilitate registration of ENO customers; and

WHEREAS, ENO agrees it would be instructive and helpful to undertake a distribution system "non-wires alternative" study as part of the 2027 IRP to identify a number of possible DER

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[3] As discussed in its previous comments, ENO plans to include in the scope of the 2027 DSM potential study an assessment of potential DERs as standalone grid-connected devices in addition to the DSM and DR potential normally studied.

projects and evaluate the costs and benefits such that they could be included in the Aurora capacity expansion and portfolio optimization used as part of the IRP process; that such study can be executed in parallel with the DSM Potential Study; and ENO requests that the Council account for the required time at the beginning of the 2027 IRP procedural schedule; and

WHEREAS, on August 3, 2026, the Hearing Officer, Jeffrey Gulin, certified the record and submitted it to the Council for final consideration; and

WHEREAS, the Council has considered the comments and recommendations submitted in Docket No. UD-26-01, including the comments of ENO, AAE, GSREIA, and the comments and recommendations of the Council's Advisors, and has determined that the attached amendments adopted herein represent a reasonable and balanced approach that serves the public interest; and

WHEREAS, the Council will consider in separate proceedings the Company's requests to initiate a rulemaking to investigate the implications of direct registration of its jurisdictional customers through ARCs, and to adopt a Market Valued Demand Response tariff to facilitate registration of ENO customers; and

WHEREAS, the Council finds that it is in the public interest to balance the need for immediate improvements to the IRP Rules with the recognition that certain more sophisticated DER, transmission, distribution, locational, avoided cost, and storage analyses may require additional modeling capabilities and should therefore be implemented through subsequent IRP proceedings and initiating resolutions; **NOW THEREFORE**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the Council hereby adopts the following revisions and clarifications to the IRP Rules originally adopted by Resolution No. R-17-429 contained in Attachment A (redlined version) and Attachment B (clean version).

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the Council Utilities Regulatory Office is directed to work with the Council Advisors to revise the *Council of the City of New Orleans Utility Regulatory Manual* to reflect the amendments to the Integrated Resource Plan rules herein.

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

YEAS: **Green, Harris, Hughes, King, McCarron, Morrell, Willard - 7**

NAYS: **0**

ABSENT: **0**

AND THE RESOLUTION WAS ADOPTED.

THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY

Aisha Collier

CLERK OF COUNCIL

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