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February 23, 2017

By Hand Delivery

Ms. Lora W. Johnson, CMC
Clerk of Council
Council of the City of New Orleans
Room 1E09, City Hall
1300 Perdido Street
New Orleans, LA 70112

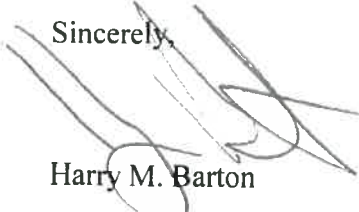
Re: **In Re: Rulemaking to Establish Integrated Resource Planning Components
and Reporting Requirements for Entergy New Orleans, Inc.
Docket No. UD-17-01**

Dear Ms. Johnson:

Entergy New Orleans, Inc. ("ENO") hereby submits for your further handling and filing an original and three copies of ENO's Comments Concerning the Motion for Extension of Time Filed by the Alliance for Affordable Energy and the Sierra Club. Please file an original and two copies into the record in the above referenced matter, and return a date-stamped copy to our courier.

Should you have any questions regarding the above, I may be reached at (504) 576-2984. Thank you for your assistance with this matter.

Sincerely,



Harry M. Barton

HMB/bkd
Enclosures

cc: Official Service List (via email)

FEB 23 2017



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

**EX PARTE: IN RE: RULEMAKING TO)
ESTABLISH INTEGRATED RESOURCE)
PLANNING COMPONENTS AND)
REPORTING REQUIREMENTS)
FOR ENTERGY NEW ORLEANS, INC.)
)
)**

DOCKET NO. UD-17-01

**ENTERGY NEW ORLEANS, INC.’S COMMENTS
CONCERNING THE MOTION FOR EXTENSION OF TIME FILED BY
THE ALLIANCE FOR AFFORDABLE ENERGY AND THE SIERRA CLUB**

Entergy New Orleans, Inc. (“ENO”) respectfully submits these Comments Concerning the Motion for Extension of Time filed by the Alliance for Affordable Energy (the “Alliance”) and the Sierra Club, on February 22, 2017, in the above-captioned Docket (the “Motion for Extension” or the “Motion”). ENO does not file its Comments in support of, or opposition to, the Motion for Extension, but rather to submit its concerns about the impropriety and potentially adverse effects of the Motion and to correct certain disingenuous representations contained in the Motion. Specifically, ENO is concerned that the Motion requests that the Hearing Officer in this Docket, the Honorable Judge Jeffrey Gulin, reverse a decision already made at the January 19, 2017 meeting of the Council’s Utility, Cable, Telecommunications, and Technology Committee (“UCTTC”). ENO is also concerned about the potential effects of delaying the 2018 IRP cycle prior to its commencement. Finally, ENO believes that the Motion does not provide an accurate representation about the amount of time the Parties were actually afforded to research and craft their proposed changes to the Council’s IRP Requirements and process. ENO simply wishes to note its concerns for the record prior to any action being taken on the Motion for Extension.

I. The Council Heard and Rejected the Request and Arguments Made in the Motion.

ENO’s primary procedural concern with the Motion is that it seeks to revisit a decision the Council made at the January 19, 2017 UCTTC Meeting and asks the Hearing Officer to second guess and set aside the Council’s decision. During the discussion of Resolution No. R-

17-32, which established this Docket and the procedural schedule at issue, the Alliance made a request that the Council modify the Resolution to extend the procedural schedule. Specifically, the Alliance's New Orleans Policy Director and Interim Chief Executive Officer stated,

The Alliance would prefer some additional time in this procedural schedule to insure the most quality IRP criteria. It's important that this will make and conclude in clear guidelines and expectations for both the utility and the stakeholders. Clarity on what the IRP is intended to be and do is vital. We understand there's a deadline to move forward with the 2018 cycle. However, this timeline is pretty short, just three (3) months. Even an additional two (2) months in the schedule would allow the planning cycle to get started by July and the Alliance just requests a little bit of extra time to make sure we get a good, quality product. Thank you.¹

Following this request the Chair of the UCTTC, Council Member Williams, opened the floor for comments or motions. *Id.* No Council Members moved to adopt the Alliance's requested modification. *Id.* In fact, Council Member Gray moved to adopt Resolution No. R-17-32 without any modifications to the procedural schedule and Council Member Brossett seconded that Motion. *Id.* The Motion passed with 4 yeas and no nays, and the Council enacted the current procedural schedule, implicitly rejecting the Alliance's requested modification. *Id.*

Now, just a few days prior to the first deadline the Council adopted with that action, the Alliance and the Sierra Club seek to revisit the Council's prior determination. Although Resolution No. R-17-32 does vest the Hearing Officer with the authority to modify procedural deadlines upon a showing of good cause, the Motion's request presents a procedural conundrum. The Council previously considered, and rejected, the same arguments set forth in the Motion and the Motion is effectively appealing the Council's decision to the Hearing Officer. It is not clear that the Hearing Officer's discretion to modify deadlines extends to situations where the Council has already considered and rejected such modifications. Ultimately, the Hearing Officer will determine the significance of this issue; ENO simply seeks to raise the matter to ensure it is considered.

¹ See Transcript of January 19, 2017 UCTTC Meeting at pgs. 35-36 of 87.

II. Delaying the 2018 IRP Cycle Prior to its Commencement May Negatively Affect ENO's Customers and the Council.

At the past two UCTTC meetings multiple Council Members expressed dismay over the amount of time and resources that were devoted to the 2015 IRP cycle and “the unbelievably difficult delays” associated with the process.² Council Members’ concerns related to both the use of the resources of ENO’s customers and to the effects the delays have had on the Energy Smart program and the Council’s ability to give adequate consideration to the Implementation Plans developed from the IRP. Despite these clearly expressed concerns, the Alliance and Sierra Club are seeking to delay this rulemaking proceeding at its outset and, presumably, by extension, the 2018 IRP cycle before it even commences. Putting aside whether the Council has vested the Hearing Officer with authority to modify the October 2018 deadline established in Resolutions Nos. R-08-295 and R-10-142 in this Docket, ENO has real concerns with the idea of shifting that deadline without knowing what modifications or additional requirements may arise from this proceeding.

The 2015 IRP cycle took 31 months to complete, from the June 2014 kickoff meeting until the passage of Resolution No. R-17-30 in January 2017. This lengthy, often delayed, process placed the timely design and execution of the implementation plan for Program Years 7, 8, and 9 of Energy Smart in jeopardy. Council Member Guidry recognized this danger and made an oral motion at the December UCTTC Meeting that was necessary to prevent any delay in starting Program Year 7. Even with Council Member Guidry’s foresight and swift action, the Council is left with short time to consider the implementation plan prior to the start of Program Year 7 on April 1, 2017. The Council has clearly indicated it does not want to see this situation repeated in the future and ENO whole-heartedly agrees. Delaying the 2018 IRP filing deadline prior to the 2018 cycle’s beginning already cuts into the time for ENO to develop, and the Council to review, the implementation plan for Program Year 10. The Motion’s proposed extension is not a step in the right direction and seems to contravene the Council’s recent

² See, e.g., Transcript of December 14, 2016 UCTTC Meeting at pg. 37 of 148 (quoting Council Member Head).

guidance on eliminating delays from the IRP process.

Of course, it is possible that through this rulemaking proceeding the 2018 IRP procedural schedule could be shortened; ENO has developed and has been intending to file, on February 24, 2017, suggested modifications designed to accomplish this goal. However, there are no guarantees that the 2018 IRP process will be any shorter than the 2015 process. Intervenors may even suggest modifications that require lengthening the process or delaying its start to accommodate newly required analyses, evaluation methods, etc. If the 2018 process requires the same 51 weeks necessary in the 2015 cycle from the filing of the 2018 IRP Report to the Council's action on the 2018 IRP, then design of the Program Year 10 implementation plan would not begin until November 2019. This time frame would already be a short window for development, evaluation, and approval of the implementation plan before the April 1, 2020 start date; the Motion proposes to cut into that already abbreviated schedule. ENO is concerned about the effects of this delay on its customers, who benefit from Energy Smart, and the Council, which is charged with stewardship of the program, and states its concerns for the record.

III. Notice of the Proposed Rulemaking was Issued Well in Advance of "One Month" Prior to the Initial Comment Deadline.

The limited attempts that the Motion does make to demonstrate good cause claims that the necessary research into "leading edge trends" and consultation with "technical experts ... requires more than the one month (sic) time presently afforded intervenors to file comments." *See* Motion at ¶ 7. The Motion fails to specify what application such trends could have for New Orleans' unique needs. The Motion also fails to note whether any such "technical experts" have ever worked in, or visited, New Orleans and whether they are better suited than the Council's Technical Advisors (who have ample experience with utility matters pertaining to New Orleans) to assessing modifications to the IRP Requirements. Putting these issues aside, the Motion's representation that the Parties have had only one month's time to develop their comments seems disingenuous.

The first mention of the current rulemaking process came in the Advisors' Report

Regarding ENO's Final 2015 IRP, filed on November 8, 2016 – approximately 16 weeks prior to the February 24, 2017 deadline for comments.³ At the December 14, 2016 UCTTC Meeting, there was extensive discussion concerning the draft resolution that ultimately became Resolution No. R-17-30. That draft repeatedly discussed the rulemaking proceedings occurring in this Docket and expressly mentions the same issues for which the Motion seeks more time to research, *i.e.*, greater consensus around inputs and DSM, the 0.2% / 2% targets, transmission planning, and the “equal-footing” evaluation of DSM measures. In fact, the transcript of the December UCTTC Meeting reflects that the instant rulemaking proceeding was discussed more than ten times by the Council, the Advisors, and Parties to this Docket. Recognizing that a rulemaking proceeding would begin shortly, and would occur on a quick timeline, ENO held its first internal meeting to discuss its research efforts and ideas for proposals on December 20, 2016. ENO hosted the first of two meetings with the Alliance to discuss these issues on January 11, 2017 (which meeting was scheduled on January 3, 2017). Clearly, the Parties had much more than one month's notice that they needed to begin formulating and researching their positions.

IV. The Representation that “No Parties Will Be Prejudiced” by the Extension Disregards the Efforts ENO Expended to Comply with the Council's Deadline.

The Motion claims, without any support or analysis, that “[n]o party will be prejudiced by a brief extension of time to file comments.” As noted above, the potential does exist for this “brief delay” to impact the Council and ENO's customers in substantial ways. Moreover, this statement brushes aside the significant efforts ENO, and possibly other Parties to this Docket, devoted to being prepared to timely file comments and proposals by February 24, 2017. As noted above, ENO held its first internal meeting to discuss its proposals and research efforts on

³ See Advisors' Report Regarding ENO's Final 2015 IRP, filed in Docket No. UD-08-02, at pg. 69. The Advisors discussed the rulemaking in the context of stating that the issues raised by the Alliance in the Integrated Resiliency Plan, filed in August 2016, were more appropriate for consideration in a rulemaking proceeding. The Motion does not indicate why the extensive research done to produce the IResP, which gave rise to this rulemaking proceeding, would not be applicable for the comments due on February 24, 2017. If anything, the Alliance's extensive research into the filing that prompted this rulemaking proceeding gives it a head start on the rest of the Parties.

December 20, 2016. Immediately, ENO's team members began researching and developing proposed modifications.⁴ In an effort to achieve consensus and cooperation in this proceeding, ENO began discussions with the Alliance and the Advisors about the kinds of modifications that would benefit the IRP process and could gain support from multiple Stakeholders. Understanding the importance of this rulemaking process, ENO's team researched, prepared, reviewed, and revised multiple iterations of its proposed modifications and supporting comments in order to be able to comply with the Council's procedural schedule.⁵ ENO has worked diligently to have its filing finalized before the deadline set by the Council, yet the Alliance and Sierra Club have waited until the eleventh hour to request a very significant extension in the procedural schedule. ENO makes this filing, neither in opposition to, nor in support of, the Motion for Extension, but to state these facts for the record and have them considered by the Hearing Officer in determining his ruling on the Motion.

V. Conclusion

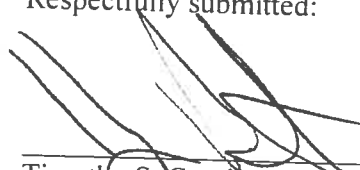
As noted above, ENO is not making this filing in opposition to, or support of, the Motion for Extension. ENO simply wishes to (i) call attention to the serious procedural and precedential issues the Motion presents, (ii) note for the record its concerns about the possible effects of granting the extension in this rulemaking Docket on the 2018 IRP cycle and the Energy Smart program, and (iii) clarify certain mischaracterizations made in the Motion. Ultimately, if the Hearing Officer believes it is procedurally acceptable to revisit the Council's decision from the January UCTTC Meeting and that the Motion for Extension demonstrates good cause for overturning that decision, ENO will comply with whatever deadlines are set.

⁴ Much of this work occurred during the holiday season.

⁵ The same team members were also simultaneously devoting their efforts to formulating and filing the Application for Approval of ENO's Energy Smart Implementation Plan and engaging in various other work to comply with Resolution No. R-17-31.

Respectfully submitted:

BY:

A handwritten signature in black ink, appearing to be a stylized name, positioned above a horizontal line.

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**ATTORNEYS FOR ENTERGY
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CERTIFICATE OF SERVICE

Docket No. UD-17-01

I hereby certify that I have this 23rd day of February 2017, served the required number of copies of the foregoing report upon all other known parties of this proceeding, by the following: electronic mail, facsimile, overnight mail, hand delivery, and/or United States Postal Service, postage prepaid.

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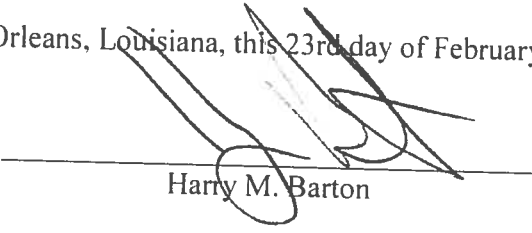
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New Orleans, Louisiana, this 23rd day of February 2017.



Harry M. Barton