

**RESOLUTION
R-17-409**

CITY HALL: August 10, 2017

BY: COUNCILMEMBERS WILLIAMS, HEAD, GUIDRY, BROSSETT AND GRAY

**IN RE: 2018 TRIENNIAL INTEGRATED RESOURCE PLAN
OF ENTERGY NEW ORLEANS, INC.**

DOCKET NO. UD-17-_____

INITIATING RESOLUTION

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

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

WHEREAS, Entergy New Orleans, Inc. (“ENO”) or (“Company”) is a public utility providing electric and natural gas service to all of New Orleans; and

WHEREAS, the Council in Resolution No. R-17-332 adopted new Electric Utility Integrated Resource Plan Rules (“IRP Rules”) to govern the triennial integrated resource plan process for ENO; and

WHEREAS, the Council’s IRP Rules at Section 1(B) require that each IRP triennial planning cycle shall be commenced with an Initiating Resolution of the Council which outlines the IRP process and timeline, Intervenor and public participation, policy objectives for consideration in the IRP and other matters as deemed necessary by the Council; and

IRP Process and Timeline

WHEREAS, the IRP Rules Section 9 sets forth minimum requirements for the IRP process including:

1. The opportunity for Intervenor to participate in the concurrent development of inputs and assumptions for the major components of the IRP in collaboration with the Utility within the confines of the IRP timeline and procedural schedule.
2. At least four technical meetings attended by the parties in the docket focused on major IRP components that include the Utility, Intervenor, Council Utilities Regulatory Office (“CURO”), and the Advisors with structured comment deadlines so that meeting participants have the opportunity to present inputs and assumptions and provide comments, and attempt to reach consensus while remaining mindful of the procedural schedule established in the Initiating Resolution.
3. At least three public engagement technical conferences advertised through multiple media channels at a minimum of 30 days prior to the public technical conference.
 - a. A public education and kickoff meeting that explains the following: the purpose of the IRP and the corresponding process; the IRP timeline as delineated in the Council’s Initiating Resolution with respect to major process deadlines; the inputs and assumptions that are considered in the IRP process and summarized in the report; and ways in which public can remain informed throughout the IRP cycle (e.g., online information resources that provide status updates, portal through which customers can submit questions or concerns to the Utility);
 - b. A public presentation of the IRP; and
 - c. A public hearing opportunity after presentation of the IRP report to give the public the opportunity to provide comment on the record.
4. CURO shall schedule, provide notice of, and conduct the public technical conferences. In addition to a live presentation, all public technical conferences should also be broadcast via the Council’s website and archived for later viewing; and

WHEREAS, these represent the minimum process requirements for a Triennial IRP proceeding, and do not limit the ability of the Council to require additional procedural steps as the Council deems necessary and appropriate for each Triennial IRP proceeding; and

WHEREAS, it is the Council’s desire to establish a procedural schedule that will allow for robust participation by stakeholders and the public and a transparent process, including allowing the parties to rigorously investigate resource options, conduct discovery, file comments

and otherwise establish a record that will inform and empower effective Council and utility decision-making while augmenting utility resource planning and enhancing public awareness of and input regarding the utility's energy choices; and

Intervenor and Public Participation

WHEREAS, the Council clarifies that the technical meetings among the parties to attempt to reach consensus on the Planning Scenarios and Planning Strategies shall be treated as settlement negotiations subject to all applicable procedural and evidentiary protections thereof; and

WHEREAS, the Council wishes to ensure that there is robust opportunity for both parties and the public to make their positions known to the Council and to participate in the development of the IRP in a meaningful way; and

Policy Objectives for Consideration in the IRP

WHEREAS, there are two requirements in the IRP Rules for ENO to incorporate Council and City policies into its IRP analysis. The first is in the optimization process and the second is in the development of the scorecard; and

1. Optimization Policy Objectives

WHEREAS, Section 7(D)(3) requires ENO to develop alternate Planning Strategies to reflect known utility regulatory policy goals of the Council (including such policy goals or targets identified in the Initiating Resolution) as established no later than 30 days prior to the date the Planning Strategy inputs must be finalized; and

WHEREAS, in Resolution No. R-17-100, the Council directed ENO that future IRP filings should include, for evaluation by the Advisors, Intervenors, and the Council as one potential scenario, the goal of increasing the projected incremental annual kWh savings from the Energy

Smart Program by 0.2% per year, until such time as the program generates incremental annual kWh savings at a rate equal to 2% of annual kWh sales; and

WHEREAS, the Council directs ENO that this is a goal that should be included in the Planning Strategy(ies) designed to reflect the Council's known utility regulatory policy goals; and

WHEREAS, once the Council has given final approval of the Energy Smart Program Years 7-9 budget and savings goals, those budget and savings goals should also be incorporated into the assumptions in all Planning Scenarios; and

WHEREAS, for the 2018 Triennial IRP procedure set forth herein, the deadline for the inclusion of utility regulatory policy goals in the Planning Strategies of the optimization process will be June 15, 2018; and

2. *Scorecard Policy Objectives*

WHEREAS, Section 7(I) of the IRP Rules directs ENO to develop and include a scorecard template or set of quantitative and qualitative metrics to assist the Council in assessing the IRP based on the resource portfolios. It states that the scorecard should rank the resource portfolios by how well each portfolio achieves each metric, and that such metrics should include but not necessarily be limited to: cost; impact on the Utility's revenue requirements; risk; flexibility of resource options; reasonably quantifiable environmental impacts (such as national average emissions for the technologies chosen, amount of groundwater consumed, etc.); consistency with established, published City policies, such as the City's sustainability plan; and macroeconomic impacts in New Orleans; and

WHEREAS, on July 7, 2017, the Mayor of the City of New Orleans released a sustainability plan entitled "Climate Action for a Resilient New Orleans" ("Climate Action Plan"); and

WHEREAS, the Council supports the goal of making substantial reductions to carbon emissions; and

WHEREAS, the Council directs ENO that the scorecard should include the metric of the extent to which the resource portfolios advance the goals of the Climate Action Plan; and

Other Matters

1. DSM Potential Study Consultant

WHEREAS, the IRP Rules at Section 5(A)(4)(g) state that the Council will make a decision and announce it in the Initiating Resolution whether it will procure an independent consultant to perform a demand-side management (“DSM”) Potential Study; and

WHEREAS, the Council has determined that, in light of the concerns raised continuously in prior IRP triennial plan cycles that the DSM Potential Studies performed by a consultant hired by ENO were overly conservative in their determination of how much energy efficiency could be achieved in New Orleans, the Council desires to have a DSM Potential Study performed by a neutral, unbiased expert with substantial experience performing DSM potential studies in order for the Council to have greater confidence in the assessment of achievable DSM potential in the City; and

WHEREAS, the Council has decided to engage an independent consultant to perform a DSM Potential Study for the Council in the 2018 Triennial IRP and directs the Advisors to draft the Request for Qualifications (“RFQ”) for the DSM Potential Study consultant in this proceeding; and

2. Development of Integrated Distribution Planning

WHEREAS, Section 6(E) of the IRP Rules states:

It is the Council’s intent that, as part of the IRP, the Utility shall evaluate the extent to which reliability of the distribution system can be improved through the strategic

location of DERs or other resources identified as part of the IRP planning process. The Utility should provide an analysis, discussion, and quantification of the costs and benefits as part of the evaluation. To the extent the Utility does not currently have the capability to meet this requirement, the utility shall demonstrate progress toward accomplishing this requirement until such time as it acquires the capability.

WHEREAS, the integration of distributed energy resources into the New Orleans electric grid in a manner that supports grid reliability and sustainability remains a priority for the Council; and

WHEREAS, the Council understands that ENO does not currently possess the capability to perform such analyses, but desires that ENO begin to develop such capability; and

WHEREAS, as part of the Final IRP filing in this proceeding, ENO is directed to include a report containing its assessment of (1) any hardware, software or other equipment; (2) additional personnel; (3) personnel training, or (4) any other measures required to enable ENO to perform the requested analyses, including the estimated costs thereof, and any steps ENO has already taken toward acquiring this capability; and

WHEREAS, in accordance with the findings above; now therefore:

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS

THAT:

1. The Council establishes Docket No. UD-17-____ to consider the 2018 Triennial IRP of ENO.
2. The Honorable Jeffrey Gulin is hereby appointed as Hearing Officer in this docket, and shall, for good cause shown and as required by the circumstances of the proceeding, have the authority to change or amend the procedural dates set forth herein.
3. To the extent that the City Clerk's office closes before 5:00 pm on the date of any deadline contained herein or otherwise set by the Hearing Officer, the deadline shall be extended to the next business day.
4. ENO and the Council's Advisors are designated as parties to this proceeding. Additionally, a deadline for intervention by other parties is set forth in the procedural schedule below.

5. The Council adopts the following procedural schedule:

- a. The Advisors shall present a draft DSM Potential Study RFQ to the Utility, Cable, Telecommunications and Technology Committee (“UCTTC”) for approval and recommendation to the full Council on August 30, 2017.
- b. The RFQ for a DSM Potential Study consultant, shall be issued September 15, 2017, assuming all necessary approvals have been obtained prior to this date, or as soon thereafter as all necessary approvals have been obtained.
- c. The initial public meeting shall be held no later than September 25, 2017. The meeting shall be scheduled by CURO in Council Chambers with video recording. CURO shall provide 30 days’ notice to the parties, and such notification shall be published in *The Times Picayune*, *Gambit*, *The New Orleans Advocate*, *The New Orleans Tribune*, and on ENO's website. The meeting shall be open to the public, and consist of presentations by the Council’s Advisors and/or ENO regarding (1) the purpose of the IRP; (2) the IRP process, timeline and procedural schedule; (3) analyses performed in the IRP process, including the inputs and assumptions thereto; and (4) ways in which the public may participate in the proceeding. CURO shall have a sign-up sheet for Interested Persons, as defined in Section 2(A)(9) of the IRP Rules, present at the public meeting, however, members of the public interested in becoming Interested Persons may do so at any time throughout the IRP proceeding by making a request to CURO.
- d. Interested parties shall intervene in the case by October 6, 2017. Persons desiring to intervene shall do so by filing a motion to intervene with the Clerk of Council and paying the applicable filing fee, unless such fee is waived pursuant to Council Resolution R-16-365, with a copy submitted to Director, Council Utilities Regulatory Office, Room 6E07 City Hall, 1300 Perdido Street, New Orleans, LA 70112. The Council’s requirements for motions to intervene may be found in the City Code (which is available on the Council’s website) at sections 158-236, 158-240, 158-286, 158-287, 158-322, and 158-324. Objections to intervention requests shall be filed within five days of such requests. Timely-filed intervention requests not objected to within that time period shall be deemed GRANTED.
- e. Responses to the Council’s RFQ for a DSM Potential Study consultant shall be submitted by October 16, 2017.
- f. Special UCTTC meeting shall be held on November 15, 2017, to approve the selection of the DSM Potential Study Consultant.
- g. Technical Meeting 1 of the Parties, CURO and Advisors shall be held between January 10, 2018 and January 22 2018. The purpose of this meeting will be to discuss Planning Scenarios and Strategies. ENO should be prepared to present its Reference (and two alternative) Planning

include
notice in customer
bills + via email



Scenarios, the Least Cost Planning Strategy, and the Utility's proposed Reference Planning Strategy. The Council encourages the Intervenor to engage in discussions among themselves prior to this meeting to determine their priorities regarding Planning Scenarios and Planning Strategies. If, as a result of this meeting, a Stakeholder Scenario and Strategy are to be developed, the Intervenor shall prepare and submit their Scenario and Strategy to ENO for modeling pursuant to an agreed-upon timetable prior to Technical Meeting 2. The Advisors shall work with the Intervenor to ensure that the Intervenor inputs provided can be accommodated within the framework of the existing model and software.

- h. DSM Potential Studies to be submitted in the proceeding shall be completed by March 16, 2018. The completed DSM Potential Studies shall be circulated to all Parties.
- i. Technical Meeting 2 of the Parties, CURO and Advisors shall be held between April 2, 2018 and April 13, 2018. The purpose of this meeting is to either confirm the consensus Scenario and Strategy or to confirm that ENO is prepared to include the Stakeholder Scenario and Strategy pursuant to the discussions of Technical Meeting 1.
- j. The last date for the issuance of Council policies that must be included in the optimization process will be May 16, 2018.
- k. Technical Meeting 3 of the Parties, CURO and Advisors shall be held between June 4, 2018 and June 15, 2018 to finalize the Planning Scenarios and Strategies by all parties and lock down of all IRP inputs. The results of the DSM Potential Studies will be provided in the input format required for modeling in the IRP. This meeting will also contain the initial discussion of scorecard metrics.
- l. All IRP inputs shall be finalized as of June 15, 2018.
- m. ENO shall complete all optimized portfolio development and results by October 15, 2018. The resulting optimized portfolios shall be circulated to the Parties.
- n. Technical Meeting 4 of the Parties, CURO and Advisors shall be held between October 29, 2018 and November 9, 2018. The purpose of this meeting is to review the Optimized Resource Portfolios, finalize the Scorecard Metrics, and conduct an initial discussion regarding Energy Smart Program budgets and savings goals. For this meeting, ENO should prepare initial proposed Energy Smart Program budgets, and savings goals for discussion.
- o. The 2018 IRP Report shall be filed by ENO by January 25, 2019.



- p. The second public meeting shall be held between February 4, 2019 and February 15, 2019. ENO shall present the IRP Filing to the public and receive public comment. ENO should have a portal on its website for questions and comments to be submitted over a 15-day period, ENO must respond to each question on a rolling 10-day basis. Intervenors are encouraged to submit any questions to ENO during this period as well. The meeting shall be scheduled by CURO in Council Chambers with video recording. CURO shall provide 30 days' notice to the parties, and such notification shall be published in *The Times Picayune, Gambit, The New Orleans Advocate, The New Orleans Tribune*, and on ENO's website.
- q. The third public meeting shall be held between March 6, 2019 and March 20, 2019. Interested members of the public are invited to make a two-minute statement to the Council on the record regarding their opinions on the IRP. The meeting shall be scheduled by CURO in Council Chambers with video recording, and a court reporter. CURO shall provide 30 days' notice to the parties, and such notification shall be published in *The Times Picayune, Gambit, The New Orleans Advocate, The New Orleans Tribune*, and on ENO's website. The transcript of the meeting shall be ordered by the most expeditious means available, and the Advisors shall file the transcript of this meeting into the docket.
- r. Technical Meeting 5 of the Parties, CURO, and Advisors shall be held between March 6, 2019 and March 20, 2019. The purpose of this meeting is to discuss Energy Smart implementation for Program Years 10-12.
- s. Intervenor comments on the Final IRP filing shall be filed not later than March 25, 2019.
- t. ENO Reply Comments shall be filed not later than May 7, 2019.
- u. The Advisor Report shall be filed not later than June 10, 2019.
- v. The Energy Smart Implementation filing for Program Years 10-12 shall be filed not later than June 15, 2019, with details of Energy Smart program design.
- w. Further procedural deadlines related to the Energy Smart Implementation Filing will be set in a future resolution.
6. All materials to be discussed at any technical meeting of the Parties, CURO and Advisors or at a public technical conference should be served on the service list no less than two weeks prior to the meeting.
7. Nothing in this Resolution prohibits parties from scheduling additional meetings among themselves as necessary. To the extent that additional meetings are necessary, they are to be arranged by the parties with the assistance of the Hearing Officer, if necessary.

8. The Council directs ENO to include its goal of increasing energy efficiency incremental annual kWh savings by 0.2% of sales per year until such time as incremental annual kWh savings reach 2% of annual sales into the Planning Strategy that incorporates all effective Council utility regulatory policies.
9. The Council directs ENO to include its final, approved Energy Smart Program Years 7-9 budget and savings goals into the assumptions in all planning scenarios.
10. The Council directs ENO to include in its scorecard all of the metrics listed in the IRP Rules, including consistency with the Climate Action for a Resilient New Orleans plan released by the Mayor's office on July 7, 2017.
11. The Council directs its Advisors to develop a draft RFQ for the DSM Potential Study Consultant for Council review and approval at the August 30, 2017 UCTTC meeting.
12. A formal discovery period shall run from the issuance of this Resolution through May 10, 2019 (discovery requests must be made in time that responses may be received prior to the close of the discovery period). Responses to data requests shall be made on a rolling basis and shall be due within 15 calendar days of receipt. Parties are encouraged to submit their data requests and responses electronically, where appropriate. Objections to data requests shall be filed within five days of receipt. The Parties are encouraged to attempt to resolve their discovery disputes amicably prior to seeking the intervention of the Hearing Officer or appealing to the Council.
13. It is anticipated that during discovery, the parties may be required to produce documents or information that are deemed confidential and/or highly sensitive and, accordingly, the Council adopts for use in this docket its official Protective Order adopted by Resolution No. R-07-432, a copy of which can be obtained from CURO.

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

YEAS:

NAYS:

ABSENT:

AND THE RESOLUTION WAS ADOPTED.