



Entergy New Orleans, LLC  
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**Gary E. Huntley**  
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December 14, 2018

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

**RE: Pursuant to Rate Schedule FAC-7, Approved by Council Resolution R-09-136, Requiring Notification of a 25% or Greater Increase in the Monthly Electric Fuel Adjustment (ENO – Legacy FAC - Month in Reference — December 2018 compared to January 2019)**

Dear Ms. Johnson:

In accordance with Paragraph B of Schedule FAC-7 (Fuel Adjustment Clause) implemented pursuant to Council Resolution R-09-136, Entergy New Orleans, LLC (“ENO”) hereby notifies the Council that the Company’s preliminary calculation of the ENO Legacy January 2019 Fuel Adjustment Clause (“FAC”) factors indicate an increase of more than 25% over the previous billing month. The January 2019 FAC factor for ENO Legacy customers is estimated to be \$0.026721/kWh compared to the actual billed December 2018 FAC factor of \$0.020819/kWh.

As reflected in the attached chart, Table 2, one of the key drivers was a planned generation outage for approximately 9 days in November 2018 coupled with lower net area demand. Another contributing factor was Henry Hub prices for natural gas with an increase of 26% over the previous month (see Table 3). If there are any changes, please notify us no later than December 27, 2018. ENO will commence billing of the January 2019 FAC on January 2, 2019.

Please feel free to contact me with any questions regarding the information provided in this letter for further explanation of the variables contained in the FAC calculation.

Sincerely,

A handwritten signature in cursive script that reads "Gary E. Huntley".

Gary E. Huntley

cc: All Councilmembers  
Council Utilities Regulatory Office  
Advisors to the City Council

Dec 14 2018

**Summary of ENO's Fuel Costs  
 for January 2019 FAC Compared to December 2018 FAC  
 Based on the Operations Months of November 2018 and October 2018**

<b>Table One</b>					
<b>Fuel Rates</b>	<b>November 2018</b>	<b>October 2018</b>	<b>Variance</b>	<b>% Change</b>	
1. Fuel & Purchased Power Energy Costs	\$9,348,443.54	\$8,658,729.68	\$ 689,713.86		8%
2. kWh Input	428,789,276	494,720,074	(65,930,798)		-13%
3. Fuel Rate	\$ 0.021802	\$ 0.017502	0.004299672		25%
<b>Legacy ENO Geographic-Specific Rates</b>					
4. Fuel & Purchased Power Costs	\$8,658,553.69	\$7,999,310.70	\$659,242.99		8%
5. Geographic-Specific Costs	\$1,755,113.26	\$1,424,687.92	\$330,425.34		23%
6. Total Fuel Costs	\$ 10,413,666.95	\$ 9,423,998.62	\$ 989,668.33		11%
7. Geographic-Specific Rate	\$ 0.004419	\$ 0.003117	\$ 0.001302		42%
8. Loss Adjusted Rate	\$ 0.026914	\$ 0.021128	\$ 0.005785		27%
9. Surcharge / kWh	\$ (0.000192)	\$ (0.000310)	\$ 0.000117		-38%
10. Billing FAC (L8 + L9)	\$ 0.026721	\$ 0.020819	\$ 0.005902		28%
<b>Algiers Geographic-Specific Rates</b>					
4. Fuel & Purchased Power Costs	\$689,889.85	\$659,418.98	\$30,470.87		5%
5. Geographic-Specific Costs	(\$310,443.78)	(\$238,975.64)	(\$71,468.15)		30%
6. Total Fuel Costs	\$ 379,446.07	\$ 420,443.34	\$ (40,997.28)		-10%
7. Geographic-Specific Rate	\$ (0.009811)	\$ (0.006343)	\$ (0.003468)		55%
8. Loss Adjusted Rate	\$ 0.012308	\$ 0.011435	\$ 0.000873		8%
9. Surcharge / kWh	\$ (0.002625)	\$ (0.001942)	\$ (0.000683)		-35%
10. Billing FAC (L8 + L9)	\$ 0.009683	\$ 0.009493	\$ 0.000190		2%

<b>Table Two</b>						
<b>Net Area Generation Mix</b>	<b>November 2018</b>		<b>October 2018</b>		<b>Variance</b>	
	<b>kWh</b>	<b>%</b>	<b>kWh</b>	<b>%</b>		
Native Generation (Gas & Solar)	58,999,169	14%	207,729,103	42%	(148,729,934)	
PPA - Excluding Algiers PPA	195,228,666	46%	195,145,318	40%	83,348	
PPA - Algiers PPA	40,870,110	10%	51,096,734	10%	(10,226,624)	
Nuclear	153,741,960	36%	160,918,114	33%	(7,176,154)	
Other Net Purchases (Non-Associated)	(22,992,501)	(0)	(122,883,611)	-25%	99,891,110	
<b>Total Net Area</b>	<b>425,847,404</b>	<b>100%</b>	<b>492,005,658</b>	<b>100%</b>	<b>(66,158,254)</b>	

<b>Table Three</b>				
<b>Henry Hub</b>	<b>November 2018</b>	<b>October 2018</b>	<b>Variance</b>	<b>% Change</b>
	\$ 4.06	\$ 3.23	\$ 0.83	26%