



Entergy New Orleans, LLC
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Polly S. Rosemond
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February 14, 2019

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 – Algiers FAC - Month in Reference — March 2019 compared to February 2019)

Dear Ms. Johnson:

In accordance with Paragraph B of Schedule FAC-4-6 (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 Algiers March 2019 Fuel Adjustment Clause (“FAC”) factors indicate an increase of more than 25% over the previous billing month. The March 2019 FAC factor for ENO Algiers customers is estimated to be \$0.015892/kWh compared to the actual billed February 2019 FAC factor of \$0.009367/kWh.

The key driver substantiating the variance is the absence of the unprotected excess ADIT amortization attributed to the Algiers PPA with March 2019 billing. That amortization was completed with the February billing month. Table 1 line 12 reflects the cessation of the credit, which results in a 97% increase in the geographic-specific component of the total FAC rate for Algiers.

If there are any changes, please notify us no later than February 26, 2019. ENO will commence billing of the March 2019 FAC on March 1, 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,

Polly S. Rosemond

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

10-345

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

Table One					
Fuel Rates	January 2019	December 2018	Variance	% Change	
1. Fuel & Purchased Power Energy Costs	\$8,317,171.31	\$9,385,382.37	\$ (1,068,211.06)	-11%	
2. kWh Input	471,849,884	442,914,119	28,935,765	7%	
3. Fuel Rate	\$ 0.017627	\$ 0.021190	-0.003563341	-17%	
Legacy ENO Geographic-Specific Rates					
4. Fuel & Purchased Power Costs	\$7,689,200.27	\$8,675,482.35	(\$986,282.07)	-11%	
5. Geographic-Specific Costs	\$4,739,608.69	\$1,815,373.24	\$2,924,235.45	161%	
6. Total Fuel Costs	\$ 12,428,808.96	\$ 10,490,855.59	\$ 1,937,953.37	18%	
7. Geographic-Specific Rate	\$ 0.010865	\$ 0.004434	\$ 0.006431	145%	
8. Loss Adjusted Rate	\$ 0.029069	\$ 0.026166	\$ 0.002903	11%	
9. Surcharge / kWh	\$ 0.000483	\$ 0.000222	\$ 0.000261	118%	
10. Billing FAC (L8 + L9)	\$ 0.029552	\$ 0.026387	\$ 0.003164	12%	
Algiers Geographic-Specific Rates					
11. Fuel & Purchased Power Costs	\$627,971.04	\$709,900.02	(\$81,928.99)	-12%	
12. Geographic-Specific Costs	(\$11,098.77)	(\$323,042.23)	\$311,943.46	97%	
13. Total Fuel Costs	\$ 616,872.27	\$ 386,857.80	\$ 230,014.47	59%	
14. Geographic-Specific Rate	\$ (0.000312)	\$ (0.009643)	\$ 0.009331	97%	
15. Loss Adjusted Rate	\$ 0.017666	\$ 0.011792	\$ 0.005874	50%	
16. Surcharge / kWh	\$ (0.001774)	\$ (0.002424)	\$ 0.000650	27%	
17. Billing FAC (L8 + L9)	\$ 0.015892	\$ 0.009367	\$ 0.006524	70%	

Table Two					
Net Area Generation Mix	January 2019		December 2018		Variance
	kWh	%	kWh	%	
Native Generation (Gas & Solar)	190,723,030	41%	34,630,703	8%	156,092,327
PPA - Excluding Algiers PPA	206,337,924	44%	221,313,769	50%	(14,975,845)
PPA - Algiers PPA	38,799,533	8%	39,670,313	9%	(870,780)
Nuclear	160,785,939	34%	119,219,120	27%	41,566,819
Other Net Purchases (Non-Associated)	(126,741,397)	(0)	25,849,232	6%	(152,590,629)
Total Net Area	469,905,029	100%	440,683,137	100%	29,221,892

Table Three				
Henry Hub	January 2019	December 2018	Variance	% Change
	\$ 3.73	\$ 3.94	\$ (0.20)	-5%

Table Four				
Cooling Degree Days	January 2019	December 2018	Variance	% Change
	70.81	86.57	-15.77	-18%