

**RESOLUTION**

**NO. R-21-345**

**CITY HALL: September 23, 2021**

**BY: COUNCILMEMBERS MORENO, GLAPION, GIARRUSSO, BANKS AND  
BROSSETT**

**RESOLUTION REQUESTING THE FEDERAL ENERGY REGULATORY COMMISSION TO  
INVESTIGATE ELECTRIC TRANSMISSION FAILURES RESULTING FROM HURRICANE  
IDA AND PLEDGING NEW ORLEANS CITY COUNCIL COOPERATION**

**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; and

**WHEREAS**, the Federal Energy Regulatory Commission ("FERC") is an independent federal agency that regulates the interstate transmission of electricity, natural gas, and oil. Among FERC's regulatory mandates are: 1) regulation of the rates, terms, and conditions of transmission and wholesale sales of electricity in interstate commerce; 2) protecting the reliability of the high voltage interstate transmission system through mandatory reliability standards; and 3) enforcing FERC regulatory requirements through imposition of civil penalties and other means; and

**WHEREAS**, the North American Electric Reliability Corporation ("NERC") is a not-for-profit international regulatory authority whose mission is to assure the effective and efficient reduction of risks to the reliability and security of the grid. NERC is the Electric Reliability Organization ("ERO") for North America, subject to oversight by FERC. NERC's jurisdiction includes users, owners, and operators of the bulk power system, which serves nearly 350 million people; and

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

**WHEREAS**, ENO is a wholly owned subsidiary of Entergy Utility Holding Company, LLC; and

**WHEREAS**, Entergy Louisiana, LLC (“ELL”) is a public utility providing electric service within Louisiana outside of New Orleans and is a wholly owned subsidiary of Entergy Utility Holding Company; and

**WHEREAS**, ELL also owns and operates major electric transmission facilities and lines that move power throughout the state including into the City of New Orleans; and

**WHEREAS**, ENO depends on several ELL transmission lines to deliver the power from the Midcontinent Independent System Operator’s (“MISO”) (a regional interstate transmission organization) footprint that ENO distributes to customers within the City; and

**WHEREAS**, the Louisiana Public Service Commission (“LPSC”) has retail regulatory authority over ELL, which authority is not shared with the Council; and

**WHEREAS**, FERC has regulatory authority over transmission service provided by ELL through MISO and enforcement authority over the reliability standards set for the bulk power system, including ELL’s transmission lines, by NERC; and

**WHEREAS**, Hurricane Ida struck the Louisiana Gulf Coast during the morning of Sunday, August 29, eventually bringing hurricane force winds to the greater New Orleans area; and

**WHEREAS**, as Hurricane Ida moved inland, windspeeds experienced in the City and metro area intensified and power outages began; and

**WHEREAS**, at approximately 11:30 a.m. on Sunday, August 29, the Sewerage and Water Board of New Orleans, a critical local utility, reported outages at sewage pump stations and urged residents to minimize water usage; and

**WHEREAS**, by 7:00 p.m. Sunday evening, all power in Orleans Parish was lost due to “catastrophic damage” to all of the ELL transmission lines that deliver power into the City and facilitate ENO’s operation as part of the larger transmission grid, including ENO’s participation in MISO; and

**WHEREAS**, in the aftermath of Hurricane Ida on Monday, August 30, all customers, including the Sewerage and Water Board of New Orleans, hospitals, and police and fire stations, remained without ENO-supplied power; and

**WHEREAS**, with an estimated 207,000 customers in the City during and after the storm, with no power, and expected heat indices over 105 degrees, the situation in New Orleans was dire; and

**WHEREAS**, at around 1:00 a.m. on Wednesday, September 1, ENO reported that some power was flowing into New Orleans and that power was being supplied utilizing both the New Orleans Power Station and an ELL transmission line coming into the City from the east; and

**WHEREAS**, over the course of nine days after achieving “first light,” ENO worked to restore power to customers prioritizing critical customers including hospitals and Sewerage and Water Board facilities; and

**WHEREAS**, on Friday, September 10, ENO announced that it had restored power to 100% of New Orleans customers that could safely receive power; and

**WHEREAS**, although the Council has initiated an after-incident review of ENO’s conduct before, during, and after Hurricane Ida, the Council does not exercise regulatory oversight over ELL or its transmission lines, including those that “catastrophically” failed; and

**WHEREAS**, the LPSC does have regulatory oversight of ELL, the Council passed Resolution No. R-21- \_\_\_\_ on September 23, 2021, urging the LPSC to conduct an investigation of ELL and its transmission line failures as a result of Hurricane Ida; and

**WHEREAS**, the Council also believes that FERC should exercise its regulatory jurisdiction to determine whether ELL's transmission line failures resulted from any violations of applicable FERC or NERC reliability standards, or otherwise might affect the interstate transmission of electricity or the bulk power system, including whether the lines were prudently operated and maintained and whether the costs of repairing any imprudently maintained interstate transmission lines should be imposed on transmission customers, all of which are outside of the Council's regulatory authority; and

**WHEREAS**, the Council is also aware of FERC Docket AD21-13 examining the impact of climate change and extreme weather events on electric system reliability; and the Council herein directs the Council's utility advisors to file comments in that docket expressing the Council's concerns about ELL's transmission line failures during Hurricane Ida as representing serious interstate and bulk power system reliability issues; and

**WHEREAS**, the Council pledges its support, encouragement, and cooperation in any FERC/NERC effort to protect all of southeast Louisiana from ever facing such catastrophic transmission line failures; **NOW THEREFORE**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS**, That the Council, hereby supports and encourages FERC and NERC to exercise their duly authorized regulatory jurisdiction over interstate transmission of electricity and the bulk power system and determine the causes of and remedies for any Hurricane Ida-related transmission line failures within their jurisdiction.

**BE IT FURTHER RESOLVED**, That the Council requests FERC investigate whether Entergy's investment in transmission has allowed adequate access to competition and new technologies to enhance reliability and cost savings for ratepayers.

**BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS,** That the Council utility advisors are directed to file comments in FERC Docket AD21-13, as provided herein above.

**BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS,** That certified copies of this Resolution shall be forwarded by the Clerk of Council to FERC and NERC.

**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.**