

# Southern Renewable Energy Association

P.O. Box 14858, Haltom City, TX 76117

October 15, 2019

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

RE: Docket No. UD-19-01, A Rulemaking Proceeding to Establish Renewable Portfolio Standards.

Dear Ms. Johnson:

Please find attached the Southern Renewable Energy Association's response comments in Docket No. UD-19-01, *A Rulemaking Proceeding to Establish Renewable Portfolio Standards.* 

If you have any questions, please call me at 337-303-3723.

Sincerely,

cmon/M.

Simon Mahan Executive Director Southern Renewable Energy Association simon@southernwind.org 337-303-3723 5120 Chessie Circle Haltom City, TX 76137

## BEFORE THE COUNCIL OF THE CITY OF NEW ORLEANS

In Re: A RULEMAKING PROCEEDING TO ESTABLISH RENEWABLE PORTFOLIO STANDARDS

## DOCKET UD-19-01

## Southern Renewable Energy Association Responses to Comments Regarding a New Orleans Renewable Portfolio Standard

The Southern Renewable Energy Association (SREA) appreciates the opportunity to submit the following response to the Advisors' report on Renewable Portfolio Standards (RPS's) for the City of New Orleans. SREA would like to reiterate that establishing a moderate mandate expeditiously is not only technologically feasible, but also economically beneficial due to the near-term phase-out of federal tax credits. To that end, SREA recommends that the New Orleans City Council:

- Establish a 20%+ by 2023 RPS, ramping up to 60% by 2030 for renewable energy only, and a longer-term goal of 100% clean (zero carbon) energy
- Create competitive bidding processes for fulfilling the RPS
- Allow for modest carve-outs for local generation
- Require Entergy New Orleans (ENO) to move beyond capacity-only planning

The following responses may not fully capture SREA's positions on all items; therefore, we encourage the New Orleans City Council to continue to develop opportunities for stakeholder feedback and various iterations of the proposed RPS. We are eager to work with the City Council and interveners in this docket to craft the city's RPS.

The Advisor's report largely glossed over SREA's previous comments. On Pages 3 and 11, we are referred to as "SERA", assuredly a simple oversight. Many of our organization's members have helped develop RPS policies across the United States, and we bring relevant experience and insight to this process. We respectfully request that the City Council and the Advisors review SREA's previous work and thoughtfully consider our input regarding the RPS.

SREA recommends that the Advisor's suggested target of "not less than 100% clean energy by 2050" be mandated, and that the Advisor includes a simple method of accounting for emissions reductions. Given that this docket began as a Renewable Portfolio Standard, SREA encourages the City Council to adopt clear standards that support the development of renewable energy resources. Several options provided by the Advisors, such as credit for beneficial electrification, electric vehicles, micro-grids, and other technologies or methodologies, would likely reduce carbon emissions; however, a problem of accounting should be readily apparent. If Entergy installs electric vehicle charge stations, but customers own and operate the electric vehicles, Entergy should not be allowed to count the carbon emission reductions that their customers are largely paying for themselves. Presumably the electric vehicle owners presume that they, themselves, are reducing their own personal carbon footprint; and are not contributing to reducing Entergy's. Unmonitored and unverified "education" campaigns could be made to distort efforts made on actual carbon reductions. For every non-generation technology added into an RPS, additional costs and monitoring would be required to account for the resultant emissions reductions. To avoid these problems, SREA recommends the RPS be kept simple and focus on promoting renewable development.

Some commenters suggested that multiple "Tiers" be developed for the RPS. Typically, commenters recommended that Tier 1 resources be located within the City of New Orleans and be given a high level of "multiplier" renewable energy credits (RECs) to further incentivize those types of resources. REC multipliers do incentivize higher levels of a specific resource; however, they do so at the expense of total renewable energy generated. For instance, one megawatt-hour of electricity generated by a local rooftop solar project may receive two RECs, while one megawatt-hour of electricity generated by a wind farm outside of the city may only receive one REC. A 50% Tier 1 requirement with double RECs would effectively means only half of that power will be renewable (25% of total energy provided). Instead of providing multipliers to certain resources, another approach is to set a reasonable carve-out based on nameplate capacity for local power resources (perhaps 50-100 megawatts).

Commenters also proposed that Tier 2 or Tier 3 resources be located "in Louisiana" or in the MISO system. SREA recognizes that localized power resources do provide other benefits that may be valuable to the New Orleans City Council, such as local economic development, so a Tier 1 "carve-out" for local resources is valuable. But, SREA discourages the creation of multiple Tiers based on "in Louisiana" or "in MISO" requirements for imported renewable energy resources. It is entirely possible that a low-cost renewable energy project in a non-MISO part of Mississippi could provide power into New Orleans via existing transmission systems. Additionally, not all of Louisiana is located within MISO. For instance, most of the northwestern part of the state (by Shreveport) is in the Southwest Power Pool (SPP), not MISO. Excluding or disincentivizing non-Louisiana and non-MISO resources may increase costs to New Orleans. In keeping with SREA's original comments, we recommend that all renewable energy resources not fulfilling the local carve-out be allowed to bid into a competitive solicitation. Then, the City Council would be allowed to evaluate all potential projects based on cost and potentially other metrics developed in the future.

Geographic and technological diversity of renewable energy resources helps balance power production. As stated by SREA's original comments, wind energy and solar energy are complimentary resources. Larger solar facilities outside of the city are able to optimize power production and include "tracking" systems to reduce cost and boost power production. During large storm events, solar power resources tend to reduce power output due to cloud cover, while wind energy facilities tend to have higher levels of power production due to higher wind speeds. Solar power resources generally generate higher levels of power during the summertime and afternoons, while wind power resources generally are at peak performance during wintertime and at night. SREA's recommendations reduce the RPS complexity, improve flexibility for the City Council, and allow for the lowest cost options to be bid into the compliance system.

Of the three Alternatives proposed by the Advisors, SREA encourages the City Council to adopt Alternative 1: Renewable Portfolio Standard, with modifications. Given that the Lafayette Utilities System in Lafayette, Louisiana has already achieved 20 percent renewable energy penetration, the Advisor's proposal of achieving 10 percent by 2025 seems unambitious. New Orleans should establish a more aggressive RPS than suggested by the Advisors. SREA also encourages a simplified two-tier system, whereby Tier 1 resources are in New Orleans, and Tier 2 resources are located outside the city.

SREA appreciates the opportunity to comment on this important docket. Large scale renewable energy resources can now reduce overall ratepayer costs, while improving the environment. By implementing a robust Renewable Portfolio Standard, New Orleans can lead the south in renewable energy development.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of the within and foregoing Southern Renewable Energy Association's Motion to Intervene upon all parties listed below via electronic service or by hand delivery and addressed as follows:

Lora W. Johnson, <a href="https://www.lorawa.job.com">wjohnson@nola.gov</a>

Clerk of Council City Hall - Room 1E09 1300 Perdido Street New Orleans, LA 70112 (504) 658-1085 - office (504) 658-1140 - fax

Erin Spears, <u>espears@nola.gov</u>

Chief of Staff, Council Utilities Regulatory Office **Bobbie Mason**, <u>bfmason1@nola.gov</u> City Hall - Room 6E07 1300 Perdido Street New Orleans, LA 70112 (504) 658-1110 - office (504) 658-1117 - fax

## Andrew Tuozzolo, CM Moreno Chief of Staff, avtuozzolo@nola.gov

1300 Perdido St. Rm. 2W40 New Orleans, LA. 70112

#### David Gavlinski, 504-658-1101, dsgavlinski@nola.gov

Council Chief of Staff City Hall - Room 1E06 1300 Perdido Street New Orleans, LA 70112

#### Sunni LeBeouf, Sunni.LeBeouf@nola.gov

Law Department City Hall - 5th Floor New Orleans, LA 70112 (504) 658-9800 - office (504) 658-9869 - fax

#### Norman White, Norman.White@nola.gov

Department of Finance City Hall - Room 3E06 1300 Perdido Street New Orleans, LA 70112 (504) 658-1502- office (504) 658-1705 – fax

## ADMINISTRATIVE HEARING OFFICER

Hon. Jeffrey S. Gulin, judgegulin@gmail.com 3203 Bridle Ridge Lane Lutherville, MD 2109 (410) 627-5357

## NEW ORLEANS CITY COUNCIL CONSULTANTS

Clinton A. Vince, <u>clinton.vince@dentons.com</u> Presley Reed, <u>presley.reedjr@dentons.com</u> Emma F. Hand, <u>emma.hand@dentons.com</u> 1900 K Street NW Washington, DC 20006 (202) 408-6400 - office (202) 408-6399 – fax

Basile J. Uddo (504) 583-8604 cell, <u>buddo@earthlink.net</u> J. A. "Jay Beatmann, Jr. (504) 256-6142 cell, (504) 524-5446 office direct, <u>jay.beatmann@dentons.com</u> c/o DENTONS US LLP 650 Poydras Street Suite 2850 New Orleans, LA 70130

Joseph W. Rogers, <u>irogers@elegendcgl.com</u> Victor M. Prep, vprep@legendcgl.com Byron S. Watson, bwatson@legendcgl.com Cortney Crouch, ccrouch@legendcgl.com Legend Consulting Group 6041 South Syracuse Way, Suite 105 Greenwood Village, CO 80111 (303) 843-0351 - office (303) 843-0529 – fax Errol Smith, (504) 284-8733, <u>ersmith@btcpas.com</u> Bruno and Tervalon 4298 Elysian Fields Avenue New Orleans, LA 70122 (504) 284-8296 – fax

#### ENTERGY NEW ORLEANS, LLC

Brian L. Guillot, 504-670-3680, <u>bguill1@entergy.com</u> Entergy New Orleans, LLC Vice-President, Regulatory Affairs Polly S. Rosemond, 504-670-3567, <u>prosemo@entergy.com</u> Derek Mills, 504-670-3527, <u>dmills3@entergy.com</u> Keith Wood, <u>kwood@entergy.com</u> Seth Cureington, 504-670-3602, <u>scurein@entergy.com</u> Kevin T. Boleware, 504-670-3673, <u>kbolewa@entergy.com</u> 1600 Perdido Street, L-MAG 505B New Orleans, LA 70112 504-670-3615 fax

Tim Cragin (504) 576-6571 office, <u>tcragin@entergy.com</u> Alyssa Maurice-Anderson (504) 576-6523 office, <u>amauric@entergy.com</u> Harry Barton (504) 576-2984 office, <u>hbarton@entergy.com</u> Entergy Services, Inc. Mail Unit L-ENT-26E 639 Loyola Avenue New Orleans, LA 70113 (504) 576-5579 - fax

Joe Romano, III (504) 576-4764, <u>iroman1@entergy.com</u> Suzanne Fontan (504) 576-7497, <u>sfontan@entergy.com</u> Therese Perrault (504-576-6950), <u>tperrau@entergy.com</u> Entergy Services, Inc. Mail Unit L-ENT-4C 639 Loyola Avenue New Orleans, LA 70113 (504)576-6029 – fax

#### ALLIANCE FOR AFFORDABLE ENERGY

Logan Atkinson Burke, <u>logan@all4energy.org</u> Sophie Zaken, <u>regulatory@all4energy.org</u> 4505 S. Claiborne Ave. New Orleans, LA. 70125

#### **350 NEW ORLEANS**

Renate Heurich, 504-473-2740, <u>renate@350neworleans.org</u> 1407 Napoleon Ave,#C New Orleans, LA, 70115

Andy Kowalczyk, <u>a.kowalczyk350no@gmail.com</u> 1115 Congress St. New Orleans, LA 70117

Benjamin Quimby, 978-505-7649, <u>ben@350neworleans.org</u> 1621 S. Rampart St. New Orleans, LA 70113

Marion Freistadt, 504-352-2142, <u>marionfreistadt@yahoo.com</u> 1539 Adams St. New Orleans, LA 70118

#### CENTER FOR CLIMATE AND ENERGY SOLUTIONS

**Bob Perciasepe,** 703-516-4146, <u>PerciasepeB@c2es.org</u> 3100 Clarendon Blvd, Suite 800 Arlington, VA 22201

## **GULF STATES RENEWABLE ENERGY INDUSTRIES ASSOCIATION**

Stephen Wright, 318-663-3810, <u>swright@gsreia.org</u> 522 Marilyn Dr. Mandeville, LA 70448

Jeff Cantin, 877-785-2664, jcantin@gsreia.org 2803 St. Philip St. New Orleans, LA 70119

## NATIONAL AUDUBON SOCIETY

Karen J. Profita, 225-768-0820, <u>kprofita@audubon.org</u> Gary Moody, <u>gmoody@audubon.org</u> 5615 Corporate Blvd., Suite 600B Baton Rouge, La. 70808

#### SOUTHERN RENEWABLE ENERGY ASSOCIATION

Simon Mahan, 337-303-3723, <u>simon@southernwind.org</u> 5120 Chessie Circle Haltom City, Texas 76137

## AIR PRODUCTS AND CHEMICALS, INC.

Katherine W. King, <u>Katherine.king@keanmiller.ocm</u> Randy Young, <u>randy.young@kean</u> miller.com 400 Convention St. Suite 700 Baton Rouge, LA. 70802 Or P.O. Box 3513 Baton Rouge, LA 70821-3513

**Carrie R. Tournillon**, <u>carrie.tournillon@keanmiller.com</u> 900 Poydras St., Suite 3600 New Orleans, LA 70112

Maurice Brubaker, <u>mbrubaker@consultbai.com</u> 16690 Swigly Ridge Rd., Suite 140 Chesterfield, MO 63017

Or P.O. Box 412000 Chesterfield, MO. 63141-2000

## **NEW ORLEANS CHAMBER**

**G. Ben Johnson**, (504) 799-4260, <u>bjohnson@neworleanschamber.org</u> 1515 Poydras Street, Suite 1010 New Orleans, La. 70112

## SIERRA CLUB

Grace Morris, 973-997-7121 <u>Grace.Morris@sierraclub.org</u> 4422 Bienville Ave New Orleans, LA 70119 Dave Stets, 804-222-4420, <u>Davidmstets@gmail.com</u> 2101 Selma St. New Orleans, LA 70122 Joshua Smith, joshua.smith@sierraclub.org Lauren Hogrewe, <u>lauren.hogrewe@sierraclub.org</u> 2101 Webster Street, Suite 1300 Oakland, California 94612-3011 (415) 977-5660

## **POSIGEN SOLAR**

Elizabeth Galante, 504-293-4819, <u>bgalante@posigen.com</u> Ben Norwood, 504-293-4819, <u>bnorwood@posigen.com</u> 819 Central Avenue, Suite 201 Jefferson, La. 70121

## **VOTE SOLAR**

**Thadeus B. Culley**, 504-616-0181, <u>thad@votesolar.org</u> 1911 Ephesus Church Road Chapel Hill, North Carolina 27517

## **DEEP SOUTH**

Monique Harden, 504-510-2943, <u>moniqueh@dscej.org</u> 3157 Gentilly Boulevard, #145 New Orleans, La. 70122

This 15<sup>th</sup> Day of October 2019.

inonMaha

Simon Mahan Southern Renewable Energy Association Executive Director

Southern Renewable Energy Association PO Box 14858 Haltom City, TX 76117 (337) 303-3723 simon@southernwind.org