

RESOLUTION

NO. R-15-438

CITY HALL: September 3, 2015

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

**RESOLUTION AND ORDER TO ESTABLISH A PROCEDURAL SCHEDULE IN
UTILITY DOCKET NO. UD-13-02 TO EXAMINE OPPORTUNITIES FOR AND
EFFECTS OF CONSUMER-BASED RENEWABLE TECHNOLOGIES IN THE CITY
OF NEW ORLEANS**

DOCKET NO. UD-13-02

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, 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 the terms and conditions of service, and applications for the fixing and changing of rates and charges of public utilities; and

WHEREAS, Entergy New Orleans, Inc. ("ENO") is a public utility providing electric service to all of New Orleans except the Fifteenth Ward ("Algiers"), and gas service to all of New Orleans; and

WHEREAS, Entergy Louisiana, LLC ("ELL-Algiers"; collectively, with ENO, "the Companies") provides electric service to the Algiers section of New Orleans; and

WHEREAS, the Council has long supported net energy metering ("NEM") and the deployment of rooftop solar in New Orleans, first adopting NEM rules in 2007 through Resolution No. R-07-132; and

WHEREAS, New Orleans has become a leader in the deployment of rooftop solar, and the penetration of rooftop solar in the City is greater than originally expected; and

WHEREAS, in light of the strong interest in increased renewables in New Orleans expressed by the public in the Council's Integrated Resource Planning ("IRP") docket, Utility Docket No. UD-08-02, the Council established this docket, Utility Docket No. UD-13-02 through Resolution No. R-13-363 to examine potential opportunities to deliver increased net benefits from renewables energy technologies in the ENO and ELL-Algiers supply portfolios, including, but not limited to, utility-scale renewables, consumer-installed renewables, the impact of a Renewable Portfolio Standard ("RPS") on the IRP, and rate issues such as rate impacts, feed-in tariffs and NEM; and

WHEREAS, ENO and ELL-Algiers subsequently asserted that the consideration and evaluation of utility-scale renewable technologies in their 2015 triennial IRP ("2015 IRP") was already provided for in conjunction with Docket UD-08-02 and such evaluation is to be consistent with the Council's IRP Requirements set forth in Council Resolution Nos. R-08-295, R-10-142 and R-11-301, namely, that those resources be evaluated on an equal footing with all supply-side and demand-side resources; and

WHEREAS, in Council Resolution No. 14-364, the Council ordered that issues related to utility-scale renewable technologies in the ENO and ELL-Algiers' supply portfolios would be considered in Council Docket No. UD-08-02, as part of the IRP process; and

WHEREAS, also in Council Resolution No. 14-364, the Council found that issues of costs and benefits related to all other renewable technologies, including, but not limited to, consumer-installed renewable distributed generation resources such as rooftop solar and

associated rate impact and rate design issues such as (but not limited to) NEM and feed-in tariffs shall be considered in this docket, Utility Docket No. UD-13-02; and

WHEREAS, Council Resolution No. 14-364 also directed the Companies to submit to the Council within 180 days a filing explaining in detail the Companies' current treatment of such resources, the physical and rate impacts such resources have on the Entergy System and ratepayers, and any proposed changes to the treatment of such resources, along with an analysis of the impact of such proposed changes; and

WHEREAS, Council Resolution No. 14-364 also ordered that after such a filing was made by the Companies, the parties should work collaboratively to develop a procedural schedule to address that filing; and

WHEREAS, on March 3, 2015, the Companies filed their Initial Report and Comments; and

WHEREAS, on April 22, 2015, the Companies, Advisors, and Intervenors convened a conference call to develop a draft procedural schedule to recommend to the Council for consideration of the Companies' March 3, 2015 filing; and

WHEREAS, based on the discussions and subsequent correspondence with the Companies and Intervenors, the Advisors recommend the following procedural schedule:

- (1) Interested Parties shall submit comments in response to the March 3rd, 2015 Initial Report and Comments of Entergy New Orleans Inc. and Entergy Louisiana, LLC ("the Companies") regarding NEM in Council Docket No. UD-13-02 no later than December 31, 2015. Such comments may also propose topics to be addressed at the technical meetings with Advisors and Intervenors to be conducted in 2016.
- (2) The Companies¹ shall convene three technical meetings with the Advisors and Intervenors who wish to participate between January 1, 2016 and June 30, 2016. During this period, the Advisors and Intervenors may submit requests

¹ Although this procedural schedule refers to "Companies", the Algiers transaction was approved by the Council in Resolution R-15-194 and on or about September 1, 2015, ELL-Algiers electric customers will be served by ENO.

- (3) to ENO for further information and data and ENO shall make good faith efforts to supply responsive information and data.
- (4) On or before September 28, 2016, the Companies should submit their NEM proposal, which may include a proposal to maintain the status quo NEM Rules and NEM Tariff, to the Advisors and Intervenors. Their proposal should include: (1) a capacity and energy forecast of net metering saturation through 2020, based on the same assumptions used in the sales forecast in the Companies' current business plan; (2) any Companies' proposed changes to the NEM Rules and NEM Tariffs; (3) an analysis of the costs and benefits of the existing and any proposed NEM program from the perspective of a NEM residential and commercial customer, as well as from the perspective of all ratepayers, to assist the Council in determining whether any proposed NEM program is in the public interest and not unduly discriminatory; (4) an analysis of the cost of service related to residential and commercial NEM customers under the Council's existing NEM Rules and NEM Tariffs, and any proposed changes; (5) consideration of whether other rate design mechanisms, including but not limited to, minimum bills, marginal costs and time-of-use rates, could provide an appropriate alternative to any NEM proposal; (6) any differentiation in eligibility between existing NEM customers and prospective NEM customers under the existing NEM Rules and NEM Tariff; (7) any differentiation in eligibility between existing NEM customers and prospective NEM customers under any proposed NEM Rules and NEM Tariff; and (8) proposed changes to the annual NEM reporting framework for consideration by the Council to facilitate the ongoing monitoring and regulation of its NEM policies.
- (5) On or before November 7, 2016, the Advisors and Intervenors may provide written feedback to the Companies. Such feedback may include additional cost-benefit analyses of the NEM program and any additional NEM proposals.
- (6) On or before January 11, 2017, the Companies should submit their final proposal to the Council. A period of discovery is established herein and shall run from the date the Companies submit their final proposal to the Council through May 25, 2017. Responses to data requests shall be made on a rolling basis and shall be due in hand 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 5 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.
- (7) On or before February 1, 2017, the Companies must hold a public technical conference to present the final proposal to the public and respond to questions from the public regarding it.
- (8) On or before March 10, 2017, the Intervenors may file comments on the Companies' final proposal.

- (9) On or before April 10, 2017, the Companies may file comments responsive to the Intervenor comments.
- (10) On or before June 9, 2017, the Advisors shall submit their Advisors' Report to the Council. The Advisors' Report shall be submitted at least 30 days prior to the Utility Committee meeting at which the matter is to be considered for a vote.

WHEREAS; the Council finds the proposed procedural schedule to be reasonable;

WHEREAS; in Resolution No. R-14-364, the Council established a deadline for interventions of September 24, 2014; and

WHEREAS; on August 13, 2015, a motion to intervene in this proceeding was filed by Air Products and Chemicals, Inc.; **NOW THEREFORE**

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

THAT:

1. The procedural schedule recommended by the Advisors is hereby adopted.
2. The out-of-time motion to intervene of Air Products and Chemicals, Inc. is granted. As an out-of-time Intervenor, Air Products and Chemicals, Inc. must accept the record in this proceeding as it stands.
3. The Honorable Jeffrey Gulin is appointed the Hearing Officer to preside over the proceedings in this docket. For good cause shown and as required by the circumstances of the proceedings, the Hearing Officer shall have the authority to change or amend the dates established herein.
4. It is anticipated that during discovery, the parties may be required to produce documents or information that is 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 the Council Utilities Regulatory Office.

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

YEAS: Brossett, Cantrell, Gray, Guidry, Head, Ramsey, Williams - 7

NAYS: 0

ABSENT: 0

AND THE RESOLUTION WAS ADOPTED.

THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY
Lera W. Johnson
CLERK OF COUNCIL