



Gulf States Renewable Energy Industries Association

January 4, 2016

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

RE: Docket UD-13-02 – Response to March 3, 2015 Filing Made by Entergy New Orleans

Dear Ms. Johnson,

Please find enclosed the Comments of sent on behalf of Gulf States Renewable Energy Industries Association in the above-referenced matter.

Thank you for your attention to this matter.

Sincerely yours,

Jeffrey Cantin
President, GSREIA
643 Magazine Street, Suite 102
New Orleans, Louisiana 70130
504-383-8936
jcantin@gsreia.org

BEFORE THE
NEW ORLEANS CITY COUNCIL

DOCKET NO. UD-13-02

IN RE: EXAMINATION OF OPPORTUNITIES FOR AND EFFECTS OF CONSUMER-BASED RENEWABLE TECHNOLOGIES IN THE CITY OF NEW ORLEANS

COMMENTS OF THE GULF STATES RENEWABLE ENERGY INDUSTRIES ASSOCIATION IN RESPONSE TO ENTERGY NEW ORLEANS AND ENTERGY LOUISIANA'S INITIAL REPORT AND COMMENTS

I. Introduction

Pursuant to Resolution R-15-438 issued in this proceeding on September 3, 2015, the Gulf States Renewable Energy Industries Association (“GSREIA”) respectfully submits these comments to the New Orleans City Council (“The Council”) in response to Entergy New Orleans, Inc.’s (“ENO”) and Entergy Louisiana, LLC’s (“ELL”) Initial Report and Comments in the above referenced docket. Effective net metering rules are key to ensuring the right of customers to enjoy the full benefit of self-generation for their families and businesses. GSREIA appreciates that both ENO and ELL (“The Companies”) recognize the profound ability of net metering to impact how customers make their energy decisions. However, the initial report submitted by the Companies does not sufficiently address the many benefits of solar net metering, and instead focuses solely on the cost to the utilities. GSREIA strongly believes that carefully developed net metering rules have the potential to offer significant benefits to all ratepayers, and will help the Council address our City’s greatest challenge in the next century: that of a warming planet, rising seas, and increasingly threatening weather patterns.

In its comments GSREIA would like to provide a high level summary of net metering benefits. An appendix in the form of a recent economic study on the financial impacts and cost-effectiveness of net metering for a nearby utility commission has also been attached. Including the benefits of solar net metering is an absolute necessity to the net metering planning process. GSREIA hopes that these comments will aid in the examination of the most appropriate policy

options to encourage distributed solar power, and ultimately help develop net metering rules that support growth in distributed generation.

II. Cost and Benefits of Net Metering

The numerous benefits of net metering mean that over the long term utilities may have lower fixed costs due to solar net metering. The Companies include a list of potential options to address issues of “cost shifting” under NEM, but it is impossible to accurately and comprehensively evaluate a net metering framework without including all the associated financial and societal benefits. Therefore, GSREIA requests that the corresponding benefits caused by solar net metering be discussed at length in upcoming technical conferences. The Companies are encouraged to acknowledge all benefits and specify how these benefits will be included during the development of any of the policy frameworks put forth in the initial report.

Enumerating the financial benefits of net metering is a necessary step in analyzing the impact of net metering on ratepayers. It is widely understood that any energy produced and consumed behind the meter reduces demand load, which results in a number of financial benefits for all ratepayers. Reductions in load have the effect of lowering demand within energy markets and in turn results in incrementally lower energy prices. Lower demand also reduces the necessity to build new generation plants, further reducing long-term fixed costs for all ratepayers.

GSREIA would like to address claims made by ENO related to utility infrastructure and operating costs.¹ The assumptions made during the initial report inaccurately state that distributed generation solar necessarily increases utility cost of service. The Companies express concern over lost contributions to utility revenue, and offer examples of hypothetical customer utility bills. Unfortunately, these examples fail to express the enormous variation in net metering customer utility bills, and the often significant contributions made by net metering customers. An informal survey² of solar customers in late 2015 found that most net metering customers have realized lower bills, but still pay more than \$150 per month in utility costs (some paying \$300+), which includes substantial contributions to fixed costs. In addition, all customers are charged a minimum bill, and institutional customers (such as one case of a church in Lakeview) are already

¹ Entergy New Orleans, Inc. and Entergy Louisiana, LLC’s Initial Report and Comments. March 3rd. City of New Orleans Docket No. UD-13-02.

² GSREIA Owner Survey, Conducted by the Gulf States Renewable Energy Industries Association, December, 2015.

being assessed \$50 per month minimum charges even when solar energy meets their full energy requirements in some months. The findings from this survey have been included in the below table. The names and addresses of the owners have been removed due to issues of privacy, and are instead identified by the size of their system.

Conducted December 12-18, 2015				
System #	System Size (kW)	Utility	Approximate ³Original Bill	Approximate New Bill
1	6	ENO	\$700	\$622
2	6	ENO	\$330	\$252
3	5	ENO	\$80	\$15
4	4	ENO	\$65	\$13
5	5	ENO	\$200	\$135
6	6	ENO	\$300	\$222
7	6	ENO	\$200	\$122
8	6	ENO	\$300	\$222
9	6	ENO	\$234	\$156
10	6	ENO	\$240	\$162
11	5	ENO	\$400	\$335
12	6	ENO	\$250	\$172
13	6	ENO	\$280	\$202
14	6	ENO	\$275	\$197
			Average Original	Average New
			\$275	\$202

Contribution variation between customers is extremely common due to factors such as geography, density, and individual use patterns. Net metering is only one of many factors that cause variation in contributions and, as seen across numerous net metering policy studies from other states, utility revenue requirements are defrayed by a host of additional financial benefits from distributed generation.

Energy delivered to the grid from solar net metered systems has far less line loss than energy traveling from centralized power plants, while energy produced and consumed behind the meter eliminates even more line loss by shaving demand load. These savings should be included

³ In some cases newer systems may lack sufficient data, so the figures used for recently installed systems may have been estimated in those cases.

as a financial benefit to all customers and because the on-peak value of these savings is much greater than the average, these benefits should be measured in the form of marginal reductions. Another significant source of savings resulting from demand load reductions is the corresponding reduction in reserve margin requirements when compared to serving load with supply resources. Avoiding this reserve margin in MISO, for instance, results in an additional 14% savings.

A basic summary of the benefits of net metering and their potential financial impact has already been established. Rather than extensively detail those impacts, we have instead included a report prepared by Synapse Energy Economics. The report “Net Metering in Mississippi: Costs, Benefits, and Policy Considerations” was conducted for a net metering docket before the Mississippi Public Service Commission. The report’s analysis concluded that net metering provides net benefits under almost all the scenarios analyzed, it has been appended so that the Companies and other interested parties may review the potential benefits and potential costs of a hypothetical net metering program.

III. Conclusion

With most American states reaffirming their commitment to net metering and clean energy, and the City establishing new standards for efficiency, now is not the time for our community to scale back a successful solar net metering program. Those most affected by proposed changes to net metering would be the citizens and businesses that have shown the most leadership in clean energy, as well as low-income small home owners who depend on solar energy savings to make ends meet. GSREIA hopes that the Council maintains its commitment to developing a strong future, affordable energy, and good jobs with clean energy and net metering.

The New Orleans City Council and Entergy New Orleans are encouraged to take advantage of the current planning process to carefully develop effective net metering rules that meet the needs of solar customers, non-solar customers, and the local business community. As both the Companies and GSREIA have noted, solar net metering has the potential to significantly impact all ratepayers. Therefore it is important to have increased transparency and strong oversight from intervenors and other parties to the proceedings. The Council is encouraged to carefully consider the iterated benefits and the appended economic study. GSREIA appreciates the opportunity to contribute to this proceeding and looks forward to seeing future comments and drafts submitted by Entergy New Orleans.

CERTIFICATE OF SERVICE

I, Jeffrey D Cantin, hereby certify that I have on this day filed with the New Orleans City Council the original of the Gulf States Renewable Energy Industries Association's Comments on the Initial Report and Comments by Entergy New Orleans and I have served a copy via electronic mail to all parties current on the service list to UD-13-02. I have caused the requisite amount of copies to be hand-delivered to the City of New Orleans on this, the 4th day of January, 2016.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JC', is centered on the page.

Jeffrey Cantin
President, GSREIA
643 Magazine Street, Suite 102
New Orleans, Louisiana 70130
504-383-8936
jcantin@gsreia.org

Examination of Opportunities Related to Renewable Energy Technologies
UTILITY DOCKET NO. UD-13-02

Lora W. Johnson, lwjohnson@nola.gov

Clerk of Council
City Hall - Room 1E09
1300 Perdido Street
New Orleans, LA 70112
504-658-1085 - office
504-658-1140 - fax
Service of Discovery not required

Pearlina Thomas, pthomas@nola.gov

Chief of Staff, Council Utilities Regulatory Office

W. Thomas Stratton, Jr., wstrattonjr@nola.gov

Director, Council Utilities Regulatory Office
City Hall - Room 6E07
1300 Perdido Street
New Orleans, LA 70112
504-658-1110 - office
504-658-1117 - fax

Evelyn F. Pugh, efpugh@nola.gov

Interim Chief of Staff

Matt Lindsay, mjlindsay@nola.gov

Deputy Chief of Staff
New Orleans City Council
City Hall - Room 1E06
1300 Perdido Street
New Orleans, LA 70112
504-658-1080 - office
504-658-1100 - fax

Rebecca Dietz, rhdietz@nola.gov

City Attorney
Law Department
City Hall - 5th Floor
New Orleans, LA 70112
504-658-9800 - office
504-658-9869 - fax
Service of Discovery not required

Norman S. Foster, nfoster@nola.gov

Department of Finance

City Hall - Room 3W06
1300 Perdido Street
New Orleans, LA 70112
504-658-1519- office
504-658-1705 - fax

ADMINISTRATIVE HEARING OFFICER

Jeffrey S. Gulin, jgulin@verizon.net

Hearing Officer
3203 Bridle Ridge Lane
Lutherville, MD 21093
410-627-5357 - office
410-653-6676 - office

NEW ORLEANS CITY COUNCIL CONSULTANTS

Clinton A. Vince, clinton.vince@dentons.com
Presley Reed, presley.reedjr@dentons.com

Emma F. Hand, emma.hand@dentons.com

DENTONS US LLP
1301 K Street NW
Suite 600, East Tower
Washington, DC 20005
202-408-6400 - office
202-408-6399 - fax

Basile J. Uddo 504-583-8604 - cell, buddo@earthlink.net

J. A. "Jay" Beatmann, Jr. 504-256-6142 - cell, 504-524-5446 - office direct,

jay.beatmann@dentons.com

c/o DENTONS US LLP
650 Poydras Street
Suite 2850
New Orleans, LA 70130

Walter J. Wilkerson, Esq., wwilkerson@wilkersonplc.com

Bobbie Mason, Esq., bmason@wilkersonplc.com

Kelley Bazile, kbazile@wilkersonplc.com

Wilkerson and Associates, PLC
650 Poydras Street - Suite 1913
New Orleans, LA 70130
504-522-4572 - office
504-522-0728 - fax

Joseph Vumbaco, jvumbaco@ergconsulting.com

Victor M. Prep, vprep@ergconsulting.com

Joseph W. Rogers, jrogers@ergconsulting.com

Legend Consulting Group
8055 East Tufts Ave., Suite 1250
Denver, CO 80237-2835
303-843-0351 - office
303-843-0529 - fax

Errol Smith, ersmith@btcpas.com

Bruno and Tervalon
4298 Elysian Fields Avenue
New Orleans, LA 70122
504-284-8733 - office
504-284-8296 - fax

ENTERGY NEW ORLEANS, INC. and ENTERGY LOUISISANA, LLC – ALGIERS

Gary E. Huntley, ghuntle@entergy.com

Entergy New Orleans, Inc.
Vice-President, Regulatory Affairs
1600 Perdido Street, L-MAG 505B
New Orleans, LA 70112
504-670-3680 - office
504-670-3615 - fax

Seth Cureington, scurein@entergy.com

Entergy New Orleans, Inc.
Manager, Resource Planning
1600 Perdido Street, L-MAG 505B
New Orleans, LA 70112
504-670-3602 - office
504-670-3615 - fax

Polly S. Rosemond, prosemo@entergy.com

Entergy New Orleans, Inc.
Manager, Regulatory Affairs
1600 Perdido Street, L-MAG 505B
New Orleans, LA 70112
504-670-3567 - office
504-670-3615 - fax

Kathryn J. Lichtenberg 504-576-2763 - office, klichte@entergy.com

Tim Cragin 504-576-6523 - office, tcragin@entergy.com

Brian L. Guillot 504-576-2603 - office, bguill1@entergy.com

Alyssa Maurice-Anderson 504-576-6523 - office, amauric@entergy.com

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, jroman1@entergy.com

Suzanne Fontan 504-576-7497, sfontan@entergy.com

Danielle Burleigh 504-576-6185, dburlei@entergy.com

Therese Perrault 504-576-6950), tperrau@entergy.com

Entergy Services, Inc.

Mail Unit L-ENT-4C

639 Loyola Avenue

New Orleans, LA 70113

504-576-6029 - fax

JACOBS TECHNOLOGY, INC.

Mr. Michael L. Winberry, michael.l.winberry@nasa.gov

Business Manager

Jacobs Technology Inc.

13800 Old Gentilly Road, Building 320

New Orleans, LA 70129

THE FOLGER COFFEE COMPANY (J.M. SMUCKER)

Rick Boyd, rick.boyd@jmsmucker.com

The Folger Coffee Company

14601 Old Gentilly Road

New Orleans, La 70129

USG CORPORATION

Mr. Fred M. Mazurski, CEM, CDSM, fmazurski@usg.com

Senior Manager, Energy USG Corporation

550 West Adams Street

Chicago, IL 60661-3676

SIERRA CLUB

Joshua Smith, joshua.smith@sierraclub.org

Staff Attorney

Sierra Club Environmental Law Program

85 Second Street, 2nd Floor

San Francisco, CA 94105

415-977-5560

415-977-5793 - fax

503-484-7194 - cell

ALLIANCE FOR AFFORDABLE ENERGY

Casey DeMoss, CEO, casey@all4energy.org

4035 Washington Ave.,
New Orleans, LA 70125
504-208-9761

Logan Atkinson Burke, logan@all4energy.org

4035 Washington Ave.,
New Orleans, LA 70125
504-208-9761- office
646-942-7149 - cell

GULF STATES RENEWABLE ENERGY INDUSTRIES ASSOCIATION (GSREIA)

Jeff Cantin, President, jcantin@gsreia.org

643 Magazine St., Ste. 102
New Orleans, LA 70130
504-383-8936

Heather Pohnan, Administrative Director, hpohnan@gsreia.org

643 Magazine St., Ste. 102
New Orleans, LA 70130
888-647-7342 - office
630-639-0631 - cell

GREEN COAST ENTERPRISES

Jacquelyn Dadakis, jackie@greencoastenterprises.com

Managing Director, GCE Services
2725 So. Broad Street
New Orleans, LA 70125
[504-459-4006](tel:504-459-4006)

Regina La Macchia, gina@greencoastenterprises.com

Development Manager
2725 So. Broad Street
New Orleans, LA 70125
504-459-4010 - office
504-264-2394 - cell

POSIGEN SOLAR SOLUTIONS

Karla Loeb, kloeb@posigen.com

Director of Business Development
2424 Edenborn Ave., Suite 550
Metairie, LA 70001
504-293-5665

Margot Want, mwant@posigen.com

Associate General Counsel
2424 Edenborn Ave., Suite 550
Metairie, LA 70001
504-293-5670

BUILDING SCIENCE INNOVATORS LLC

Thomas W. Milliner, tommymilliner@fastmail.net
Brian Burke
Anzelmo, Milliner & Burke LLC
3636 S. I-10 Service Rd. W.
Suite 206
Metairie, LA 70001
504-835-9951

SOUTH COAST SOLAR, LLC

Robert L. Suggs, Jr., CEO, rsuggs@southcoastsolar.com
2605 Ridgelake Drive
Metairie, LA 70002
504-529-7869

C. Tucker Crawford, Co-Founder / Partner, tucker@southcoastsolar.com
2605 Ridgelake Drive
Metairie, LA 70002
504-529-7869
504-390-7000 - cell

TASTA ENERGY, LLC

Raoul A. Galan, Jr.
Manager Member
3320 Galan Drive
Kenner, La 70065
Email: ragalan@gmail.com

AIR PRODUCTS AND CHEMICALS, INC.

Ernest L. Edwards, Jr., ledwards@bmplp.com
Beirne, Maynard & Parsons, L.L.P.
601 Poydras Street
Suite 2200
New Orleans, LA 70130-6097
504-584-9126 - office

504-450-4226 - cell
504-584-9142 - fax

Mark Zimmerman, zimmermr@airproducts.com

Air Products and Chemicals, Inc.

7201 Hamilton Boulevard

Allentown, PA 18195-1501

610-481-1288 - office

610-481-2182 - fax

THE ALLIANCE FOR SOLAR CHOICE

Gracie Walovich, gracie@allianceforsolarchoice.com

The Alliance for Solar Choice

595 Market Street, Floor 29

San Francisco, CA 94105

650-465-7558

Thadeus B. Culley, tculley@kfwlaw.com

Regulatory Counsel

Keyes, Fox & Wiedman LLP

401 Harrison Oaks Blvd, Suite 100

Cary, NC 27513

510-314-8205

504-756-1674 - cell

Andrew Jacoby, jacoby@vhclaw.com

Varadi, Hair & Checki, LLC

650 Poydras St., Suite 1550

New Orleans, LA 70130

504-684-5200, x. 6 - office

504-613-6351 – fax