



Entergy New Orleans, LLC  
Regulatory Affairs  
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Tel 504 576 6523  
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Alyssa Maurice-Anderson  
Director, Regulatory Operations

December 18, 2020

VIA ELECTRONIC MAIL ONLY

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

RE: Pursuant to Entergy New Orleans, LLC Fuel Adjustment Clause

Dear Ms. Johnson:

In accordance with Paragraph B of Rider Schedule FAC-8 (Fuel Adjustment Clause or "FAC"), Entergy New Orleans, LLC ("ENO") hereby notifies the Council that the Company's preliminary calculation of the January 2021 FAC factor indicates an increase of more than \$0.01/kWh over the previous billing month. The January 2021 FAC factor for ENO customers is estimated to be \$0.019762/kWh compared to the actual billed December 2020 FAC factor of \$0.007434/kWh.

As reflected in the attached chart, Table 1, the key driver of the variance is a \$3.9 million increase in the fuel costs. Most of this increase is due to two generating plant outages, one at Grand Gulf Nuclear Station ("Grand Gulf") and another at Union Power Station ("UPB1"). Grand Gulf entered an unplanned outage on November 6, 2020 during which necessary maintenance work was performed. Following completion of the unplanned outage, the unit entered a planned outage that ended on December 3. UPB1 took a planned outage to install a 2.0 MW emergency diesel generator, which outage lasted from October 23, 2020 to November 24, 2020.

In addition, the Henry Hub price was 12% higher in the November 2020 operations month as opposed to October 2020, which difference also contributed to higher costs being incurred in November.

Due to the projected January 2021 FAC billing rate being slightly above the monthly FAC average for April – November 2020,<sup>1</sup> ENO does not recommend any changes for this month. However, if the Council determines otherwise, please notify ENO no later than December 23, 2020, as billing of the January FAC will commence with Cycle 1 on December 30, 2020.

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<sup>1</sup> The average monthly FAC calculation was based on April – November 2020 recognizing that billings under FAC-8 commenced with the implementation of rates from the 2018 Combined Rate Case.

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If there are any questions regarding the contents of this communication, please let me know.

With kindest regards, I remain

Sincerely,

A handwritten signature in black ink that reads "Alyssa Maurice-Anderson". The signature is written in a cursive style with a long horizontal flourish at the end.

Alyssa Maurice-Anderson

AMA/jl  
Enclosure (1)  
Cc (via e-mail):

All Councilmembers  
Council Utilities Regulatory Office  
Advisors to the City Council

**Summary of ENO's Fuel Costs**  
**for December 2020 FAC Compared to January 2021 FAC**  
**Based on the Operations Months of October 2020 and November 2020**

**Table One**

<b>Fuel Rates</b>	<b>November 2020</b>	<b>October 2020</b>	<b>Variance</b>	<b>% Change</b>
1. Fuel & Purchased Power Energy Costs	\$7,051,181.55	\$3,138,001.29	\$ 3,913,180.26	125%
2. kWh Input	364,577,344	439,929,545	(75,352,201)	-17%
3. Fuel Rate	\$ 0.019341	\$ 0.007133	0.012207738	171%
<b>Rate</b>				
4. Total Fuel Costs	\$7,051,181.55	\$3,138,001.29	\$ 3,913,180.26	125%
5. Rate	\$ 0.019428	\$ 0.007165	\$ 0.012263	171%
6. Loss Adjusted Rate	\$ 0.019645	\$ 0.007268	\$ 0.012377	170%
7. Surcharge / kWh	\$ 0.000117	\$ 0.000165	\$ (0.000048)	-29%
8. Billing FAC (L8 + L9)	\$ 0.019762	\$ 0.007434	\$ 0.012329	166%

**Table Two**

<b>Net Area Generation/Purchases Mix</b>	<b>November 2020</b>		<b>October 2020</b>		<b>Variance</b>	<b>% change</b>
	<b>kWh</b>	<b>%</b>	<b>kWh</b>	<b>%</b>		
Native Generation (Gas & Solar)	18,713,655	5%	294,669,351	67%	(275,955,696)	-92%
Resource Plan/MSS-4 Purchases	199,918,914	55%	238,358,334	54%	(38,439,420)	1%
Grand Gulf	22,340,266	6%	132,939,789	30%	(110,599,523)	-80%
Other Purchased Power	123,604,509	34%	(226,037,929)	-51%	349,642,438	-166%
Total Net Area	364,577,344	100%	439,929,545	100%	(75,352,201)	

**Table Three**

<b>Henry Hub</b>	<b>November 2020</b>	<b>October 2020</b>	<b>Variance</b>	<b>% Change</b>
\$	2.56	\$ 2.27	\$ 0.28	12%

**Table Four**

<b>Cooling Degree Days</b>	<b>November 2020</b>	<b>October 2020</b>	<b>Variance</b>	<b>% Change</b>
	245	379	-134.50	-35%