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May 3, 2024

**Via Electronic Delivery**

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

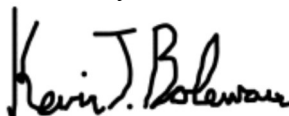
**Re: CNO Docket No. UD-23-02 Customer Protection  
Docket No. UD-23-02**

Dear Ms. Johnson:

Entergy New Orleans, LLC (“ENO” or the “Company”) respectfully submits Reply Comments, in compliance with the requirements of Resolution No. R-23-552 (“Resolution”), adopted by the Council of the City of New Orleans (the “Council”) on December 14, 2023 with respect to assessment of the service regulations and code provisions related to customer protection.

ENO requests that you file this submission in accordance with Council regulations. If you have any questions, please do not hesitate to call me. Thank you for your courtesy and assistance with this matter.

Sincerely,

  
Kevin T. Boleware

Enclosures

cc: Official Service List (*via email*)

**BEFORE THE  
COUNCIL OF THE CITY OF NEW ORLEANS**

<b>RESOLUTION AND ORDER</b>	)	
<b>ESTABLISHING A DOCKET TO</b>	)	
<b>ASSESS AND AMEND SERVICE</b>	)	
<b>REGULATIONS AND CODE</b>	)	<b>DOCKET NO. UD-23-02</b>
<b>PROVISIONS RELATED TO</b>	)	
<b>CUSTOMER PROTECTIONS</b>	)	

**ENERGY NEW ORLEANS, LLC’S REPLY COMMENTS IN RESPONSE TO  
RESOLUTION NO. R-23-552 WITH RESPECT TO ASSESSMENT OF THE SERVICE  
REGULATIONS AND CODE PROVISIONS RELATED TO CUSTOMER  
PROTECTIONS**

Entergy New Orleans, LLC (“ENO” or the “Company”) respectfully submits Reply Comments, in compliance with the requirements of Resolution No. R-23-552 (“Resolution”), which was adopted by the Council of the City of New Orleans (the “Council”) on December 14, 2023. Resolution R-23-522 ordered ENO and Intervenors to provide proposed revisions to Article VIII of the Code of Ordinance and to any aspect of the service regulations, but strongly encouraged the parties to focus their comments on paragraphs 41 through 51 of the service regulations, which narrowed the scope to disconnects, deferred payment arrangements, deposits and fees. This filing addresses these topics.

**I. MORATORIUM EFFECTS ON DISCONNECTS AND ARREARS**

In 2019, ENO’s disconnect rate was roughly 6% for residential customers. An analysis study conducted by the Company, reviewing both disconnects versus arrears over time from 2019 through 2023, shows a direct correlation with increased disconnects and higher arrears following moratoriums. ENO, along with other utilities, noted a marked increase in customers that essentially do not make payments for services rendered during moratoriums, resulting in an increased arrears balance. For example, during the COVID moratorium as well as the High Heat

moratoriums in 2022 and 2023, arrears balances quickly increased by almost 70% during COVID and fluctuated between 50 to 60% following the high heat moratoriums. Periods immediately following a moratorium have the highest rates of disconnection. Arrears balances decline once customers revert back to pre-moratorium practices of making monthly payments.

Yet, the Alliance for Affordable Energy (“AAE”) and New Orleans Democratic Socialist of America (“DSA”) continue to push for various disconnection moratoria that are not based in facts, are unconstitutional, and do not properly consider the negative effects a three-year or seasonal moratorium would have on various stakeholders. When moratoriums are lifted, some customers face large balances and are not able to maintain payments to cover their arrears.

ENO always strives to meet its customers where there are and it does understand that some of its most vulnerable customers may struggle with paying their monthly bills, which is why the Company is constantly considering ways in which we can further assist customers. The Company has offered various tools to assist customers, including various payment arrangement offerings. Most recently, ENO has proposed substantial changes to the Energy Efficiency program in docket UD-22-04, placing more emphasis on Income-Qualified offerings. The new proposal, which is pending before the Council, carries over the previous Income-Qualified Weatherization Program but also includes additional IQ funding in the Multifamily Solutions, Retail Appliances and A/C Solutions programs. The proposal also includes a Neighborhood-Based Delivery Pilot Program (the “NBD Pilot”), which targets 3-4 pre-selected neighborhoods with free energy efficiency assessments and measures. The neighborhoods will be selected from census tracts that have high energy burden and/or heat island issues, which will help reduce the home energy consumption and potentially save customers money on their utility bills. While ENO continues to offer payment options to assist its customers and invest in ways to reduce their energy burden. It is a reality,

however, that in order to continue operating its business and providing quality service, the Company must receive payment for the services and product that it has already rendered.

## **II. POTENTIAL FACTORS AFFECTING ENO'S RESIDENTIAL DISCONNECT RATE AND PROPOSED IMPROVEMENTS**

Since COVID, ENO's residential disconnect rates have increased closer to 12.7% [not the 19% as referenced at the technical conference]. The Company believes that some attributable factors that have directly affected the disconnect rates have been the moratoriums discussed above, and the shorter disconnection time since the implementation of AMI. Following the AMI implementation, the number of disconnects increased, likely due to customers not having the opportunity to fully adapt behaviors to coincide with the shorter disconnection time. The Company continues to monitor this trend, but for years, customers were aware that disconnections were often delayed due to limited capacity, reducing the number of customers being disconnected on a given day. Customers also were used to seeing the Entergy truck in the neighborhood as a reminder to remit payment to avoid service disruption. Now that disconnects are done remotely following AMI and customers continue to adapt, the Company has identified ways to enhance the customer experience by offering additional avenues to assist customers who are at risk of disconnection.

It is always ENO's goal to improve the customer experience and drive behaviors that will result in significantly reducing the number of disconnects. Accordingly, we are proposing the following enhancements to provide more direct links to resources and clarity around making payment on past due amounts in an effort to reduce the number of customers disconnected.

- (1) ENO plans to update existing digital and SMS messaging by adding links for payment, extension requests, and access to financial aid portals just two days after a customer's bill becomes overdue. Additionally, the Company is evaluating Single Stop Technology, a platform enabling comprehensive eligibility screening for up to


20 federal, state, and local benefits and resources, facilitating users to explore available benefits and community resources for further assistance.

- (2) ENO will be implementing changes to the residential past due customer invoice to provide increased clarity that the past due balance is due now to avoid service disruption. Additionally, the language in the “Important Message” section of the invoice and the payment banner will be updated to provide a sense of urgency around the need to pay the past due balance immediately along with options to make a payment or obtain a needed extension. These changes will appear on the customer’s first billing cycle in June.
- (3) ENO is proposing to extend the dunning timeline by two (2) business days to provide customers additional time to pay their bill. Below Table 1 represents the billing and dunning cycle over two billing periods demonstrating the customers’ experience. The proposed extension will give customers up to four additional calendar days for a total of at least eight business days between the time the disconnect notice is sent in dunning level 2 (“DL2”) and the disconnect order being generated in dunning level 4 (“DL4”). Combined with the proposed

communication enhancements, ENO’s goal is to use this added time to allow customers an opportunity to resolve their balance before progressing to disconnect.

Table 1: Sample Billing and Dunning Cycle

S	M	T	W	T	F	S	
1	Mail Bill	2	3	4	5	6	7
8	9	10	11	12	13	14	15
16	17	18	19	20	21	22	23
24	Bill Due DL1	25	Disc Notice DL2	26	27	28	29
30	DL3						
			1	DL4	3	4	5
6	7	DISC	8	9	10	11	12
13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28
29	30	31					



Days to restore prior to next bill due date

(4) Lastly, ENO has kicked off a pilot to test the effectiveness of activating communications prior to the disconnect order being issued as a last chance message to drive customers to pay their past due amount before being disconnected. Comparative analysis will be conducted to determine disconnect rate, call volume to agents, and disconnect avoidance method (payment, extension, DPA, etc.).

**III. DEFERRED PAYMENT PLAN AND RESTORATION RATE**

ENO works closely with customers to provide options for extensions and deferred payment arrangements (“DPA”) to avoid disconnections. In 2023, ENO eliminated credit reporting on all ENO customers and implemented a post disconnect DPA in an attempt to ease financial stress. The plan was designed for customers, who were currently not on a DPA, to enter into a four-month

installment plan as a means to restore services by paying a 50% down payment towards the past due amount.

Studies show that a one (1) to four (4) month installment plan renders the highest success rate. In 2023, four-month installment plans were the most common, representing two thirds of the total, DPAs created with a 35% success rate (3 points below the total average for 2023) with one-month plans being the second most common with a 48% success rate. Essentially, customers who are placed on five (5) to twelve (12) month installment plans, demonstrate a sharp drop in the success rate. Table 2 below shows the number of deferred payment arrangements and the success rate for each installment term for 2021 through 2023.

Table 2: Deferred Payment Arrangements and Success Rate

	1 Installment		2 Installments		3 Installments		4 Installments		5-12 Installments		12+ Installments		Total	
	#	Success %	#	Success %	#	Success %	#	Success %	#	Success %	#	Success %	#	Success %
2021	4,385	60%	1,243	58%	3,565	49%	5,632	33%	28,308	19%	181	6%	43,314	29%
2022	6,255	48%	1,837	49%	4,506	40%	24,630	33%	6,663	19%	92	16%	43,983	34%
2023	5,765	48%	1,413	49%	2,519	47%	20,031	35%	1,192	23%	32	9%	30,952	38%

Additionally, the Company noticed the ~2,500 accounts that experienced three (3) or more disconnects per year had the highest rate of “restored in less than 24 hours” (69%) versus those of only one or two disconnects per year. This suggests these customers may have slightly better means to restore and the Company believes that enhanced communications to better inform these customers of the dunning cycle timing, options for payment, and avenues for assistance could greatly reduce their rate of disconnect.

#### **IV. RECONNECTION FEES**

Currently, in the event service is disconnected for nonpayment of a past due balance, service will not be reconnected until the Customer pays the total amount due to the Company plus the applicable service charge. ENO proposes that in the future, no service charge for reconnection

will be assessed to Customers with standard communicating advanced meter service. Customers with non-standard meters, such as legacy and analog meters, rather than standard communicating advanced meter service will be assessed a service charge in the amount of \$24.98 to partially cover the Cost of disconnecting and reconnecting service. The Company proposes that this change be implemented with its 2025 FRP.

## **V. BILL DISPUTE AND CUSTOMER COMPLAINT**

ENO believes that the customer experience can be improved and more user friendly as it relates to bill disputes. The Company recently implemented a specialized billing resolution team in an effort to resolve customers' less-complex issues with first call resolution. Additionally, ENO proposes the following changes to Sec. 158-1048, subparagraphs, (1), (2), and (3).

- (1) All complaints must initially be submitted informally for resolution directly to the utility prior to filing a formal complaint by a customer. In the event the matter of the complaint involves the potential disconnection of a customer's service, the customer must file the informal complaint no later than the day prior to the day for which the disconnection of service has been scheduled by the utility as so noticed to customer. When an informal complaint is filed with the utility, the utility is required to use its best efforts to resolve the complaint via its customer issue resolution process as provided for in its then-effective customer service regulations. ~~If the subject of a complaint is the accuracy of a bill, the utility shall not terminate the service of the customer for nonpayment of the charges that are in dispute so long as during the pendency of the complaint, customer pays the amount currently chargeable for monthly or seasonal period(s) (as appropriate) at issue at customer's level of usage for the corresponding monthly or seasonal period(s) (as appropriate) during the prior year or, in the event such usage information is not available, the average usage for the customer class for the corresponding monthly or seasonal period(s), unless the customer and the utility mutually agree to an alternative payment arrangement.~~ Customers submitting informal complaints will receive a tracking number and the customer's account will be protected during the dispute resolution process. The Company will attempt to resolve the complaint within seven (7) business days for less complex issues.
- (2) ~~If a satisfactory disposition of the informal complaint has not been reached between the company and the customer within ten business days of the date of receipt of the informal complaint, the utility shall notify the customer, in writing by mailing to customer's address via certified mail, return receipt requested, of his or her right to file a formal complaint through the council utilities regulatory office and provide a copy of the council approved customer bill of rights pamphlet.~~
- (3) ~~The utility's notice shall indicate clearly that the formal complaint must be filed within ten (10) calendar days of the date the customer receives notification of the disposition of the informal complaint. The utility's notice shall include a clear indication and basis for the company's disposition of the informal complaint. The returned receipt of the United States Postal Service shall constitute prima facie evidence of the date notification is received by the customer.~~



## **VI. POLICIES, PROCEDURES AND PROCESSES**

### **Outage Communication to the City Council**

ENO understands the importance of keeping Councilmembers and CURO advised of planned and unplanned outages. Outages are detected by our ADMS system, which is always monitored by our Distribution Operations Command Center (DOC). When an unplanned outage is detected, the ADMS system identifies the location of the outage and number of customers impacted. The DOC will try to isolate the fault and switch customers to energized lines so that the minimum number of customers are impacted by the outage. There is an automatic default of 2 hours estimated restoration time (ERT), which is based on historical data and considers the time it will take a crew to roll a truck to the outage site and begin repairs. The ERT may change based upon findings at the outage location when repair crew arrive. ENO is required to inform CURO and the Council of any outage involving over 2500 customers. However, in an effort to ensure that CURO and the Council are fully informed, ENO will begin outage communications for any outage impacting over 500 customers. Additionally, the Company will accommodate a Councilmember's request to be advised of outages involving fewer customers on a case-by-case basis. In the initial outage communication with the Council/CURO, ENO includes the area of the outage and number of customers impacted. ENO continues to provide updated information to the Council/CURO on the number of customers impacted until power is fully restored.

ENO also takes planned outages to make upgrades to our system. When an outage is necessary for planned outages, a nuanced approach to scheduling them is taken so that the least number of customers are impacted for the shortest amount of time. The Company specifically attempts to work around schedules of schools, grocery stores, medical clinics and hotels and

restaurants in an attempt to find a time where those customers will be closed or have the least number of customers in their facilities. ENO does not perform planned outages in extreme weather (when temperatures are over 100 degrees or below 32 degrees.)

ENO's planned outage communications process is as follows:

1. Fifteen (15) days before the planned outage, customers will receive a robo call, text or email depending upon their preferred method of communication.
2. Three (3) days before the planned outage, customers will receive a door hanger on their door reminding them of the planned outage. The door hanger has a phone number that customers can call, leave their name and number, and someone with the outage team will return their call to answer any questions about the outage.
3. Between 1-4 days before the outage, commercial customers will receive a call from a Customer Service Manager (CSM) reminding them of the planned outage for the following day.

Each CSM is assigned a council district and every Thursday or Friday sends an email to their respective Councilmember about all planned outages taking place the following week. If there are no planned outages, the CSM will advise of that as well.

### E-Billing

Electronic billing and reminders have become the norm in the industry. ENO is an outlier, requiring customers to sign up for electronic billing instead of opting-out, which provides helpful information regarding energy efficiency, local programs, as well as ENO community engagement activities. The process for opting-out of the electronic program is simple and can be completed via one of the two methods: 1) a customer may go on to Entergy's website or via the app and opt-in for paper billing or 2) contact the customer care center where an agent can opt-out the customer

for electronic billing. By making this the norm for customers, the Company would have the potential to reduce the overall costs to customers.

#### Medical Need Certification

For a product to be considered a medical device it has to have the requirements of ISO 13485:2016.<sup>1</sup> A standard refrigerator does not qualify and should not be considered a medical device.

### **VII. CONCLUSION**

ENO believes that a permanent ban on disconnects, a three-year moratorium or seasonal moratorium will not reduce the number of disconnects, instead the bans/suspension of disconnects is unlawful, will place vulnerable customers at a higher risk to be disconnected and will ultimately drive up rates for all customers. ENO believes the following proposals will improve the customer experience and drive behaviors that will result in significantly reducing the number of disconnects: 1) enhanced communications to better inform customers of the dunning cycle timing; 2) no reconnection fee for customers with standard AMI meters; 3) options for payment like the post disconnect DPA; 4) avenues for assistance; 5) provide a tracking number for informal complaints; and 6) extend the dunning timeline by two (2) business days to allow customers additional time to pay their bill.

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<sup>1</sup> <https://www.iso.org/standard/59752.html>

Respectfully submitted,



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*-and-*

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**ATTORNEYS FOR  
ENERGY NEW ORLEANS, LLC**

**CERTIFICATE OF SERVICE**

**Docket No. UD-23-02**

I hereby certify that I have served the required number of copies of the foregoing report upon all other known parties of this proceeding, by the following: electronic mail, facsimile, overnight mail, hand delivery, and/or United States Postal Service, postage prepaid.

New Orleans, Louisiana, this 3<sup>rd</sup> day of May 2024



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Lacresha D. Wilkerson