

RESOLUTION

(AS AMENDED)

NO. R-24-310

CITY HALL: July 25, 2024

BY: COUNCILMEMBERS MORENO, MORRELL, HARRIS, GREEN AND THOMAS

RESOLUTION AND ORDER

COMMUNITY SOLAR PROGRAM IMPLEMENTATION

DOCKET NO. UD-18-03

WHEREAS, pursuant to the Constitution of the State of Louisiana and the Home Rule Charter of the City of New Orleans, 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 applications for the fixing and changing of rates and charges of public utilities; and

WHEREAS, Entergy New Orleans, LLC (“ENO” or “Company”) is a public utility providing electric and natural gas service to all of New Orleans; and

WHEREAS, the Council has repeatedly expressed support for the efficient use of clean, sustainable technology to improve the quality of life for citizens and businesses; and

WHEREAS, the Council wishes to expand the renewable options available to New Orleans residents, particularly those who are unable to participate in the Net Energy Metering (“NEM”) program; and

WHEREAS, on March 28, 2019, the Council adopted Resolution No. R-19-111, establishing the Community Solar Rules, and subsequently amended those Rules in Resolution Nos. R-19-390, R-22-76, and R-23-507; and

WHEREAS, in Resolution R-23-507, the Council directed ENO to submit a Compliance Filing with 1-) a revised Form CSG-4 – Standard Offer Power Purchase Agreement and 2-) a revised Rate Schedule CSGF – Community Solar Generating Facilities; and

WHEREAS, ENO submitted the Compliance Filing on January 12, 2024, including the required revised Form CSG-4 as well as two different options for the revised Rate Schedule, a new Form CSG-APP that combines Forms CSG-1 – Program Application and CSG-2 – Interconnection Application, an update flow chart reflecting the new Form CSG-APP, and a new Form CSG-RPAR – Request for Pre-Application Report; and

WHEREAS, on April 4, 2024, the Council adopted Resolution No. R-24-137 directing Parties to submit comments on the proposed Rate Schedule CSGF and revised Form CSG-4 by May 10, 2024; and

CSG Rate Schedule

WHEREAS, the two options related to the revised Rate Schedule are as follows:

Option 1 – a Subscriber credit calculation consistent with the methodology used under Schedule NEM (Net Metering), which grants a kWh credit for each excess solar-generated kWh sent to the grid minus non-bypassable riders and franchise fees and excludes the value of any demand charges, for residential and non-residential customers.

Option 2 – utilizes the methodology described in Option 1 for residential customers but employs a new methodology for non-residential customers. Non-residential customers would receive a retail rate credit calculated based on both the applicable retail energy-related revenue and

demand-related revenue by rate schedule and the corresponding kWh value, exclusive of non-bypassable riders and franchise fees, that approximates the full-retail rate; and

WHEREAS, the following Parties submitted comments related to the proposed rate schedule: TNO, AAE, and ProRate Energy; and

WHEREAS, TNO and AAE agreed that Option 2 more closely approximates retail rates; however, they assert that the language related to “non-bypassable riders” appears to contradict the Council’s order in Resolution R-23-507; and

WHEREAS, ProRate Energy advocated for the use of the Consumer Lowered Energy Price rate; and

WHEREAS, the Council has reviewed the comments submitted in their entirety and finds that because “nonbypassable riders” by definition require recovery from all ratepayers, the language related to “nonbypassable riders” does not violate Resolution No. R-23-507; and

WHEREAS, the Council further finds that Option 2 is the rate schedule that is in the public interest; and

Revised Form CSG-4 - Standard Offer Power Purchase Agreement

WHEREAS, in Resolution No. R-23-507, the Council directed ENO to modify Form CSG-4 as follows:

1. Amend the first sentence of Article 4.1 of its Standard Offer Community Solar Power Purchase Agreement, Form CSG-4, to read: “This Agreement shall become effective upon its execution by the Parties and shall continue in effect for a Term of 20 years from and after the Date of Commercial operation (“Initial Term”), subject to early termination as set forth herein, or until the termination of any Interconnection

Agreement associated with the CSG Facility, whichever occurs first.” The remainder of Article 4.1 shall remain unchanged.

2. Amend Article 4.2 to read “Renewal. If the Subscriber Organization is in compliance with the terms of this Agreement, the Agreement may be renewed by mutual agreement of the Parties. Company will send Subscriber Organization a notice of the pending expiration of the Agreement three months prior to the expiration of the Initial Term, along with an indication of whether the Company is willing to discuss renewal of the Agreement with the Subscriber Organization;” and

WHEREAS, in its Compliance Filing, ENO revised the term of the contract to 20 years, but eliminated the phrase “Initial Term” from Section 4.1 and the renewal period of Section 4.2; and

WHEREAS, the Council finds that, as it relates to modifications to Sections 4.1 and 4.2, ENO’s Compliance Filing is not in compliance with Council Resolution No. R-23-507; and

WHEREAS, in Resolution No. R-23-130, the Council granted a motion to raise the maximum size of Community Solar Generating Facilities from 2 MW to 5MW; however, in Sections 1.3 and 3.3(d), ENO occasionally reference the maximum size of projects at 2 MW. While these appear to be typographical errors, the Council finds that it is necessary for ENO to correct these errors; and

WHEREAS, in Section 3.3 of Form CSG-4, ENO added a provision which allows ENO to reject changes to the Monthly Subscription Information that do not comply with the Community Solar Rules; and

WHEREAS, TNO and AAE raised concerns regarding ENO’s ability to make the decision regarding compliance unilaterally; and

WHEREAS, the Council finds that Parties should have the opportunity to comment on Section 3.3; specifically, whether ENO should be permitted to reject changes to the Monthly Subscription Information for noncompliance with Council Rules and whether the Council should review these rejections; and

Issues Beyond the Scope of R-24-137

WHEREAS, in Resolution No. R-23-507, the Council directed ENO to make two changes to Form CSG-4; in its review of the Compliance Filing and the comments submitted in the procedural schedule established in Resolution No. R-24-137, the Council identified changes and beyond those ordered by the Council and thus, comments beyond the scope of the procedural schedule; and

WHEREAS, TNO and AAE proposed an amendment to Form CSG-4 Section 4.6 to increase the amount of time a Subscriber Organization has to make repairs or out of operations; and

WHEREAS, TNO and AAE propose changes to Section 4.8 of Form CSG-4 to remove the requirement that Subscriber Organizations recertify Low Income Subscriber status annually; and

WHEREAS, in addition to the revised Form CSG-4, ENO introduced two new forms in its Compliance Filing: Form CSG-APP and Form CSG-RPAR to streamline the application process; and

WHEREAS, the Council agrees that there is a need to improve the application process, but also recognizes that Parties and stakeholders may have additional ideas for needed changes to the application process, including aspects such as deposit amounts and review timelines; and

WHEREAS, TNO and AAE again raised the argument in favor of consolidated billing;
and

WHEREAS, while Parties had the opportunity to address comments outside the scope of the procedural schedule, the Council believes it is important to clearly include these matters in the scope of a procedural schedule and allow existing Parties to the dockets and stakeholders with an interest in these subjects opportunity to participate; **NOW THEREFORE**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That ENO is directed to implement Option 2 as described in the Compliance Filing as the CSG Rate Schedule. To provide clarity on the calculation of community solar credit rate, ENO is directed to submit an illustration of the approved rate schedule (referred to herein as Option 2) applied to residential customers, including low-income residential customers, and non-residential customers on or before August 30, 2024.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That ENO is directed to amend Sections 4.1 and 4.2 of Form CSG-4 as ordered in Resolution No. R-23-507.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the following procedural schedule is established for the limited purpose of addressing these issues: 1) TNO and AAE's proposed changes to Sections 4.6, 4.8, and 6.3 of Form CSG-4; 2-) proposed changes to Section 3.3 of Form CSG-4; and 3-) the application process, including ENO's proposed Forms CSG-APP and Form CSG-RPAR, deposit amount, and review deadlines, 4) options for implementing a consolidated billing program.

1. Interested parties, who are not currently parties to Docket UD-18-03, shall intervene no later than Friday, August 16, 2024.

2. Existing parties and ENO remain parties for the purpose of this procedural schedule.
3. On or before August 19, 2024, TNO and AAE shall submit a motion to amend including their proposed changes to Sections 4.6, 4.8, and 6.3 of Form CSG-4.
4. On or before August 30, 2024, CURO is directed to host a technical conference to discuss improvements to the application process.
5. Parties are directed to file comments on these issues no later than Friday, September 13, 2024.
6. Parties are advised that the Council will only consider comments related to the issues identified.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That no later than September 30, 2024, ENO shall submit a proposal to implement a consolidated billing program by July 1, 2025. The Council will review the proposal and outline further proceedings including a technical conference, if needed, at that time.

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

YEAS: Giarrusso, Harris, Moreno, Morrell, Thomas - 5

NAYS: 0

ABSENT: Green, King - 2

AND THE RESOLUTION, AS AMENDED, WAS ADOPTED.

THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY



ASSISTANT CLERK OF COUNCIL

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