



## MEMORANDUM

**To:** All Councilmembers  
**From:** CURO  
**By:** Shannon Blanks  
**CC:** Paul Harang and Theresa Becher  
**Date:** June 16, 2021  
**RE:** SWBNO Meeting 06.16.2021

---

### EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, June 16, 2021, via video and teleconference. In addition, the Board received updates on the general standing of SWBNO. The complete packet for the meeting may be found [here](#).

### **Executive Director Report**

January 2020, at the Council's request, a working group was established and charged with developing a path forward to construct a dedicated substation for SWBNO. The working group consisted of representatives from Entergy New Orleans (ENO) and SWBNO; Councilmember Giarrusso, City Council Public Works, Sanitation, and Environment (Public Works) Committee Chair; Councilmember Moreno, City Council President; Council Utilities Regulatory Office staff; and the Council's Utility Advisors. The group discussed the details and timelines associated with a proposed transmission substation, frequency changers, and the potential improvements to SWBNO's operations. In collaboration with the Mayor's office, the working group established a plan to move forward with the project.

On Wednesday, June 16, 2021, Mayor Cantrell held a press conference to announce a partnership between the SWBNO and ENO. The partnership establishes commitment between the utilities to fund, construct, and operate a power substation solely for SWBNO. The power substation will relieve the SWBNO from the adverse effects of a power outage, turbine failure, and inclement weather conditions. The press conference may be viewed [here](#).

On Tuesday, June 22, 2021, the Council held a special joint Public Works and Utility, Cable, Telecommunications, and Technology Committee meeting. It recommended approval of the collaborative effort to fund the power substation project. The \$75 million project has multiple funding sources, including \$22 million from the City, \$20 million secured by the area's legislative delegation from the State of Louisiana, and \$35 million from Entergy. The project will bring significant savings to SWBNO, and as a

result, customers of SWBNO and ENO will not incur increases in bills related to this project. The new substation is expected to be in service by June 1, 2023. Additional benefits of the substation include a significant reduction in noise and air pollution. The presentations from ENO and SWBNO may be found in Attachment(s) 1 and 2, respectively. The meeting may be viewed [here](#).

## **A. Power**

SWBNO is currently operating with approximately 30 MW of pumping capacity. The system has limited, if any, power redundancy at this time. SWBNO has developed strategies to prepare for rain loads. Strategies include pumping canals down before a storm, anticipating mechanical problems, and verifying that the Electro-Motive Diesel (EMD) generators are operable and staffing is scheduled and sufficient.

The power supply is as follows:

*Electro-Motive Diesel (EMD)* – All five EMDs are available for emergency use.

*Frequency Changers* – All four frequency changers are available for use.

*Turbine 1* – The unit is in service and available for use.

*Turbine 3* – The unit is permanently out of service.

*Turbine 4 (“T4”)* – The unit is out of service. T4 was partially returned to service in May. However, on Saturday, June 5, the unit tripped offline and could not be restored. Customized electrical components are required for the repair and must be fabricated. The components will not be available until the beginning of August. However, SWBNO is searching for used parts to return the unit to service sooner.

*Turbine 5 (“T5”)* – The final repairs are underway. The schedule is delayed due to a nationwide steel shortage. The completion date at this time is July 2021.

*Turbine 6* – The unit is in service and available for use.

## **B. Legislative Session 2021**

*Capital Outlay*- The City of New Orleans successfully secured \$45 million for the SWBNO power substation, bringing the total to \$71.7 million.

*Community Drinking Water Infrastructure Sustainability Act (Act 98)* – Act 98 requires the Louisiana Department of Health (LDH) to implement a statewide accountability system that assesses letter grades to community water systems based on a clear and appropriate point value assigned.

[Reporting \(Act 360\)](#)- Act 360 requires SWBNO to provide additional information in their quarterly report to City Council. The report will include the percentage and total value of receivables outstanding, a delinquency schedule, and a copy of the Board's policies and procedures for bill collection.

**C. Customer Service**

SWBNO is developing a plan to reinstate the Water Shutoff Policy. The plan is not finalized at this point. However, shutoffs could be resumed by mid-August,