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Timothy S. Cragin Assistant General Counsel Legal Services - Regulatory

November 25, 2019

Via Hand Delivery

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

Re:

Bi-Monthly Report of Entergy New Orleans, LLC, Detailing Expenditures Made to Date on New Orleans Power Station and the Currently Anticipated Schedule for Future Expenditures

Dear Ms. Johnson:

Please find enclosed for your further handling an original and three copies of the Public Version of the Bi-Monthly Report of Entergy New Orleans, LLC ("ENO" or the "Company"), concerning construction of the New Orleans Power Station ("NOPS"). Please file an original and two copies into the Council's record and return a date-stamped copy to our courier.

This filing is made pursuant to Council Resolution R-19-78, which ordered ENO to provide bi-monthly reports to the Council during construction of NOPS, detailing the expenditures made to date and the currently anticipated schedule for future expenditures. Council Resolution R-19-78 at 13.

In connection with the Company's filing, a Confidential Version of the Bi-Monthly Report bearing the designation "Highly Sensitive Protected Materials" is being provided to the Council's Advisors pursuant to the terms and conditions of the Official Protective Order adopted in Council Resolution R-07-432. Portions of the information included in the filing consist of or reflect competitively sensitive cost and market information, the disclosure of which may present a risk of harm to ENO's customers. In addition, portions of the filing may contain highly sensitive information of third parties to which an obligation of confidentiality is owed.

The Company plans to file subsequent bi-monthly reports on the following dates: January 27, 2020; March 25, 2020; May 26, 2020; July 27, 2020; and September 25, 2020.

Ms. Lora W. Johnson, CMC, LMMC November 25, 2019 Page 2 of 2

Thank you for your assistance with this matter.

Sincerely,

Timothy S. Cragin.

**Enclosures** 

cc (via electronic mail):

Honorable Helena Moreno

Honorable Jason Rogers Williams Honorable Joseph I. Giarrusso, III

Honorable Jay H. Banks

Honorable Kristin Gisleson Palmer

Honorable Jared C. Brossett Honorable Cyndi Nguyen

Erin Spears Norman White

Sunni J. LeBeouf, Esq. Clinton A. Vince, Esq. Presley R. Reed, Jr., Esq. Emma F. Hand, Esq. J. A. Beatmann, Jr., Esq.

Joseph Rogers Errol Smith

## BEFORE THE

#### COUNCIL OF THE CITY OF NEW ORLEANS

Entergy New Orleans, LLC

New Orleans Power Station RICE Project

Bi-Monthly Report

Pursuant to Council Resolution No. R-19-78

**Public Version** 

November 25, 2019





This Bi-Monthly Report covering the period through the end of October 2019 is submitted to comply with the Ordering Paragraph entitled "NOPS Construction Costs" on page 13 of Council Resolution R-19-78, adopted by the New Orleans City Council ("Council") on February 21, 2019. Specifically, that Ordering Paragraph requires that Entergy New Orleans, LLC ("ENO" or the "Company") provide bi-monthly reports to the Council during the construction of the New Orleans Power Station ("NOPS" or the "Project"), "detailing the expenditures made to date and the currently anticipated schedule for future expenditures."

#### I. SUMMARY OF KEY NOPS MILESTONES

Table 1 below shows actual and remaining key milestones for the Project:

Milestone Description **Expected Date** Status **Full Notice to Proceed (FNTP)** March 2018 Complete 2 **Order Major Equipment** March 2018 Complete 3 **Start Engine Deliveries** February 2019 Complete 4 First Production Pile Installed February 2019 Complete 5 Engine Hall Enclosed and Dried In August 2019 Complete 6 Generator Step Up Deliveries August 2019 Complete 7 Fuel Gas Available January 2020 On Schedule 8 **Backfeed Power Available** March 2020 On Schedule 9 **Engine Commissioning** April 2020 On Schedule 10 **Target EPC Substantial Completion** June 2020 On Schedule

Table 1: Key Milestones

## II. EXPENDITURES MADE TO DATE AND CURRENTLY ANTICIPATED SCHEDULE FOR FUTURE EXPENDITURES

ENO has made expenditures in the amount of \$163.4 million through October 2019. A more detailed confidential summary of ENO's expenditures through October 2019 is attached as Appendix 1. The project status has been broken down into three different components for tracking progress on the Project: **Engineering, Procurement, and Construction**. The Company has completed 96% of project engineering, 95% of project procurement, and 57% of construction.

#### Major design/engineering tasks completed through October 2019 include:

All major deliverables have been issued for design engineering.



 Remaining engineering effort is for construction support (Requests for Information (RFI), drawing redlines and comment resolution, etc.) and drawing hold removal. Engineering will not show 100% complete on progress curves until construction is complete.

#### Procurement progress through October 2019 includes:

- RICE engines and generators delivered to site.
- Received non-segregated bus duct at site.
- Control enclosure delivered to site.
- Engine hall maintenance crane delivered to site.
- Field erected firewater tank materials received on site.
- Oil/water separator delivered to site.
- Fuel gas coalescer delivered to site.
- Auxiliary transformers delivered to site.
- Generator Step Up (GSU) transformers delivered to site.
- Security guard house delivered to site.
- Medium Voltage (MV) switchgear delivered to site.
- Emergency diesel generator delivered to site.
- Instrument air compressors delivered to site.
- Water treatment equipment delivered to site.

#### Major construction tasks completed through October 2019 include:

- All engines and generators were placed inside of the engine hall as scheduled.
- Began installing electrical cable tray in various parts of the plant (engine hall, radiators, mechanical and electricals rooms).
- Set firewater pump enclosure on foundation.
- Erected firewater tank in place on foundation.
- Began interior finish work in control room/administration area. This includes Heating, Ventilating and Air Conditioning (HVAC) ductwork, insulation, plumbing, drywall.
- Began installation of cooling water piping in engine hall after engines setting.
- Began installation of engine auxiliary modules after engine setting.
- Set oil/water separator on foundation.
- Completed gas tie in for service to plant when ready to accept.
- Completed underground fuel gas piping weld inspections and hydrostatic testing.
- Completed insulation of Selective Catalytic Reduction (SCR) structure and set on support steel.



Over the next two reporting months, ENO estimates that it will make expenditures in the approximate amount of \$14 million. Tasks associated with the estimated expenditures over the next two months include:

- All Balance of Plant equipment rough set in place.
- Engine hall roofing and siding substantial completion.
- MV and Low Voltage (LV) switchgear ready for testing.
- Plant collector bus yard testing complete, plant ready for electrical backfeed from transmission switchyard.
- SCR outlet ductwork erection completed.



### Appendix 1

Expenditures Summary - Public Redacted Version



# Summary New Orleans Power Station Expenditures

\$USD

	Actuals thru 12/31/18	9/1	enditures /19 thru 0/31/19	j.	Actuals thru 10/31/2019
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Grand Total	\$ 95,944,068	\$ 1	15,183,869	\$	163,358,892