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Timothy S. Cragin Assistant General Counsel Legal Services - Regulatory

May 26, 2020

<u>Via Electronic Delivery</u>

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 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"). As a result of the remote operations of the Council's office related to COVID-19, ENO submits this filing electronically and will submit the requisite original and number of hard copies once the Council resumes normal operations, or as you direct. ENO requests that you file this submission in accordance with Council regulations as modified for the present circumstances.

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: July 27, 2020; and September 25, 2020.

Ms. Lora W. Johnson, CMC, LMMC May 26, 2020 Page 2 of 2

Thank you for your assistance with this matter.

Sincerely, Cragin Timothy A. La 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, Esq. 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 W. Rogers, P.E. Errol Smith, CPA Brian L. Guillot, Esq.

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

May 26, 2020





This Bi-Monthly Report covering the period through the end of April 2020 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. <u>SUMMARY OF KEY NOPS MILESTONES</u>

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

Milestone	Description	Expected Date	Status
1	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	Complete
8	Backfeed Power Available	March 2020	Complete
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 \$190 million through April 2020. A more detailed confidential summary of ENO's expenditures through April 2020 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 98% of project engineering, 99% of project procurement, and 98% of construction.

Major design/engineering tasks completed through April 2020 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 April 2020 includes:

• All equipment associated with the plant has been received at site.

Major construction tasks completed through April 2020 include:

- Received first fills of lube oil and diesel for the engines.
- Completed filling engines with cooling water and lube oil in preparation for first operation.
- Completed pre-commissioning check-outs of electrical panels.
- Began electrical and instrumentation checkout to prepare for plant startup.
- Backfeed energized power from transmission switchyard in preparation for engine starting.
- Developed site punchlist after turnover from construction to commissioning.
- Completed first start of all engines.
- Performed synchronization and first synchronization to the power grid.
- Began engine running-in program.

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:

- Mechanical completion achieved.
- Substantial completion achieved.



Entergy New Orleans, LLC NOPS Bi-Monthly Report Submitted May 26, 2020 Public Version

Appendix 1

Expenditures Summary – Public Redacted Version



Entergy New Orleans, LLC NOPS Bi-Monthly Report Submitted May 26, 2020 Public Version

Summary New Orleans Power Station Expenditures

\$USD

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	Actuals thru	Expenditures	Actuals thru
	12/31/19	3/1/20 thru	4/30/2020
		4/30/20	
		4/ 30/ 20	
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Grand Total	\$ 178,181,036	\$ 6,819,011	\$ 189,961,645