


RESOLUTION

R-17-332

CITY HALL: July 13, 2017

BY: COUNCILMEMBERS  WILLIAMS, HEAD, GUIDRY, BROSSETT AND GRAY

**IN RE: RULEMAKING PROCEEDING REGARDING
INTEGRATED RESOURCE PLANNING**

DOCKET NO. UD-17-01

RESOLUTION AND ORDER AMENDING THE COUNCIL'S IRP REQUIREMENTS

WHEREAS, pursuant to the Constitution of the State of Louisiana and the Home Rule Charter of the City of New Orleans ("Charter"), 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, Inc. ("ENO" or "Company") is a public utility providing electric and natural gas service to all of New Orleans;¹ and

The Council's Integrated Resource Plan Criteria

WHEREAS, pursuant to the Council's desire to have uniform Integrated Resource Planning ("IRP") guidelines applicable to all electric utilities in its jurisdiction, on June 5, 2008,

¹ On September 1, 2015, the service territory of Entergy Louisiana, LLC-Algiers was transferred to ENO. Prior to that date, ENO and Entergy Louisiana, LLC ("ELL") both participated in IRP proceedings. Throughout this Resolution, "Companies" refers to ENO and ELL-Algiers, acting jointly prior to September 1, 2015 and "Company" refers to ENO representing the entire service territory within Orleans Parish after September 1, 2015.

the Council issued Resolution No. R-08-295, titled “Resolution Regarding Proposed Rulemaking to Establish IRP Components and Reporting requirements for Entergy New Orleans, Inc.,” and

WHEREAS, in Resolution No. R-08-295, the Council commenced a rulemaking proceeding to develop IRP components. The IRP components are intended to provide a framework to help guide ENO in its decisions to (1) develop generation resources and purchase power both individually and in conjunction with its affiliate Operating Companies pursuant to the System Agreement; (2) develop transmission and distribution facilities both individually and in conjunction with its affiliate Operating Companies pursuant to the System Agreement;² (3) develop and deploy demand-side resource options; (4) incorporate into its planning process the results of energy efficiency programs developed at the direction of the Council, (*e.g.*, the Energy Smart New Orleans program, and others as may subsequently be determined applicable); and

WHEREAS, Council Resolution No. R-08-295 set forth the IRP framework and reporting requirements for ENO. The Council clarified and expanded upon the IRP framework, components, and reporting requirements through the subsequent Resolution No. R-10-142, titled “Electric Utility Integrated Resource Plan Requirements of the Council of the City of New Orleans” (“Council’s IRP Requirements”); and

WHEREAS, the Council ordered that IRPs should include a risk analysis, which balances costs with risks to customers. These IRP requirements stressed the importance of the IRP process as a whole and the interdependence of matters such as renewable energy, energy efficiency, distributed generation, transmission, regional developments, price stability, environmental and climate change legislation, rather than a discrete analysis of individual issues. These requirements evaluate all resource options from the perspective of both the utility and all stakeholders,

² The Council notes that the System Agreement terminated on August 31, 2016.

integrating both the supply- and demand-side in a fair and consistent manner while minimizing costs to all stakeholders (not just the utility), and the creation of a flexible plan that allows for uncertainty through a risk analysis permitting adjustment in response to changed circumstances; and

WHEREAS, the Council ordered that the IRP must consist of the following steps:

- (1) Identify the objectives and procedures including time horizon (Component 1);
- (2) Collect data needed for the planning process, including a market analysis;
- (3) Develop several demand, energy, and load profile forecasts in the detail needed to evaluate all resource options (Component 2);
- (4) Identify all stakeholder resource options on the demand-side and supply-side (Component 3);
- (5) Evaluate all demand-side resources by conducting benefit-cost analyses which include the Total Resource Cost (“TRC”) test as well as the Ratepayer Impact Measure (“RIM”) test, and consider any directly quantifiable environmental externalities;
- (6) Identify several options for an integrated plan by optimizing savings while recognizing constraints including transmission/distribution costs (Component 4);
- (7) Conduct uncertainty or scenario analyses for different economic and environmental circumstances, incorporating regulatory and legislative policies;
- (8) Based on these uncertainty analyses, develop a preferred resource plan that best addresses the most likely contingencies while providing flexibility for less likely scenarios;

- (9) Present the IRP (Component 5); and
- (10) Monitor, evaluate, report, and revise the IRP (Component 6); and

WHEREAS, the Council found that the IRP should be a combination of (a) deterministic based modeling (specific parameters and relationships for market fundamentals) and (b) stochastic modeling (ranges of values as probability distributions) for portfolio planning. This overall modeling approach is an accepted analytic approach used in resource planning considering the range of both demand- and supply-side options as well as uncertainty surrounding market pricing. To represent and account for the different characteristics of alternative types of resource options, mathematical methods, such as linear programming formulation, should be used to optimize resource decisions; and

The 2015 Triennial IRP Process

WHEREAS, in Resolution No. R-14-224, the Council established guidance for ENO's 2015 triennial IRP. In that Resolution, the Council set forth a procedural schedule requiring ENO to conduct four technical conferences at certain milestones in the process of developing the IRP in order to allow greater public input prior to the finalization of its *2015 Final Integrated Resource Plan* ("2015 Final IRP"); and

WHEREAS, the stakeholder process for the 2015 Final IRP process included six technical conferences and a public hearing; and

WHEREAS, the stakeholder process also included multiple opportunities for the public to ask questions of and receive answers from ENO, as well as opportunities for Intervenors to comment on ENO's draft IRP as well as the 2015 Final IRP; and

WHEREAS, comments on the 2015 Draft IRP plan were submitted by the Advisors, the Alliance for Affordable Energy ("AAE"), the Gulf States Renewable Energy Industries

Association (“GSREIA”), Green Coast Enterprises (“GCE”),³ the Greater New Orleans Housing Alliance (“GNOHA”), and Building Science Innovators (“BSI”); and

WHEREAS, comments on the Final 2015 IRP were filed by the Sewerage and Water Board of New Orleans (“S&WB”), AAE and BSI; and

WHEREAS, on November 7, 2016, the Advisors filed their *Advisor Report Regarding Entergy New Orleans Inc.’s 2015 Final Integrated Resource Plan* (“Advisor Report”); and

WHEREAS, the Parties’ comments and the Advisor Report raised various concerns regarding both the IRP process and the IRP criteria; and

WHEREAS, the Council found that changes to the Council’s IRP Requirements were beyond the scope of the proceedings considering ENO’s triennial IRP filings; and

WHEREAS, in addition, the Council did not believe there was adequate opportunity within the 2015 Final IRP proceeding for parties to review and comment upon the various proposals put forth to improve the Council’s IRP Requirements and process; and

WHEREAS, the Council remained concerned regarding the continued inability of ENO and the stakeholders to reach consensus regarding the development of the IRP; and

WHEREAS, the Council was nevertheless interested in considering the proposals by the parties to change the Council’s IRP Requirements, but only if the parties propose specific language to amend or modify the provisions of Resolution No. R-10-142, encompassing the Council’s IRP Requirements; and

WHEREAS, the Council in Resolution No. R-17-32 (as corrected) established a rulemaking proceeding to consider changes to the Council’s IRP Requirements and triennial IRP process; and

³ The Council notes that GCE has subsequently withdrawn from the proceeding.

WHEREAS, to improve the stakeholder input to enable a more efficient and effective IRP process, the Council determined that the rulemaking proceeding would consider specific modifications regarding procedure, deliverables, working groups, benchmark objectives, and any other additional changes that could be appropriately incorporated in the Council's IRP Requirements; and

WHEREAS, in order to carefully consider these issues and to allow all proposals to be more fully vetted, the Council established a rulemaking proceeding to consider proposed changes to both the Council's IRP criteria and process; and

WHEREAS, the Council set forth a procedural schedule in Resolution No. R-17-32 (as corrected) that set a deadline for parties to file proposed changes with the Council and for parties to file reply comments to each other's proposals; and

WHEREAS, Resolution No. R-17-32 also set a deadline for an Advisors Report to the Council regarding the proposed changes; and

Parties' Proposed Changes

WHEREAS, on February 27, 2017, ENO filed its *Entergy New Orleans, Inc.'s Comments in Support of its Proposed Modifications to the Council's Integrated Resource Plan Criteria and Procedures* ("ENO Proposed Modifications"); and

WHEREAS, ENO proposes modifications to the Council's IRP criteria and procedures it argues will (i) improve the efficiency of, and shorten the timeline for, the IRP process; (ii) create the potential for the incorporation of more meaningful stakeholder input; (iii) allow for more effective, efficient, and comprehensive public engagement throughout the entire IRP process; (iv) allow for greater flexibility and adaptability on the 2018 and future triennial cycles; and (v) better conform the IRP process and requirements to the Council's stated purpose for the IRP -

- serving as a general resource planning roadmap to the Council and ENO, rather than a forum for evaluating specific resource acquisition, certification or deployment decisions;⁴ and

WHEREAS, also on February 27, 2017, the Alliance for Affordable Energy (“Alliance”) filed its *Proposed Amendments to the Council’s Integrated Resource Planning Requirements by the Alliance for Affordable Energy* (“Alliance Proposed Changes”); and

WHEREAS, the Alliance recommends (1) more meaningful public participation and engagement in the IRP process; (2) utilization of a collaborative Working Group to offer recommendations and attempt to reach consensus with the utility on various items; (3) consideration of other planning processes underway in Orleans Parish and the region, including but not limited to resilience, climate and coastal planning, other public utility systems planning in Orleans Parish; (4) explicit inclusion of reliability and resilience considerations in the IRP, to include standards set forth by agencies like the North American Electric Reliability Corporation (“NERC”) and Midcontinent Independent System Operator, Inc. (“MISO”); (5) that the Council take interim actions during the course of the IRP cycle in order to avoid conflict among parties and offer clarity for the utility at the conclusion of future IRP cycles; (6) that the utility’s final IRP report include at least three fully modeled portfolios, as directed by the Council’s vision and priorities; and (7) that the Council’s concluding action include the selection of one of the utility’s portfolios, and direction to the utility to develop an action plan for implementation of the portfolio, if the Council chooses to accept the 2015 Final IRP;⁵ and

WHEREAS, also on February 27, 2017, S&WB filed its *Sewerage and Water Board of New Orleans’ Comments Regarding Potential Improvements to Integrated Resource Planning Requirements* (“S&WB Proposed Changes”); and

⁴ ENO Proposed Modifications at 2.

⁵ Alliance Proposed Changes at 2-3.

WHEREAS, S&WB proposes changes to (1) place more emphasis on reliability on ENO's territory; (2) analyze the effects of ENO's membership in MISO; and (3) thoroughly vet the effects of any resource retirements or deactivations;⁶ and

WHEREAS, also on February 27, 2017, the Deep South Center for Environmental Justice, Inc. ("DSCEJ") filed its *Petition to Intervene Out of Time and Proposed Amendments to the Council's Integrated Resource Planning Requirements by the Deep South Center for Environmental Justice, Inc.* ("DSCEJ Proposed Changes"); and

WHEREAS, the DSCEJ proposes changes to the IRP requirements to (1) employ best practices in forecasting customer need for energy; (2) assure that factual and unbiased information for meaningful and effective public participation in the IRP planning process; and (3) clarifying the legal and policy framework, define IRP and incorporate an environmental impact assessment of each planning scenario;⁷ and

WHEREAS, also on February 27, 2017, PosiGen of Louisiana, LLC ("PosiGen") filed *Comments Regarding Proposed Changes to the Electric Utility Integrated Resource Plan Requirements of the Council of the City of New Orleans Docket UD-17-01* ("PosiGen Comments"); and

WHEREAS, PosiGen does not propose any specific changes to the Council's IRP Requirements in its comments. The PosiGen Comments focus on its disappointment at not being granted an extension of time, and urges that stakeholders meet in no less than two in-person planning sessions between stakeholders for a minimum of four hours each in order for the parties to try to reach consensus.⁸ PosiGen expresses its frustration at the lack of solar photovoltaic

⁶ S&WB Proposed Changes at 3-7.

⁷ DSCEJ Proposed Changes at 4.

⁸ PosiGen Comments at 4-5.

adopted in the 2015 Final IRP and ENO's reluctance to adopt the Council's 2% savings goal for energy efficiency.⁹ PosiGen does propose that a third-party consultant specializing in the deployment of clean energy resources be hired to aid in the IRP process, ensuring a fair treatment of demand-side management ("DSM") and distributed energy resources ("DER") and providing the community with cleaner energy choices.¹⁰ Although not relevant to the Council's IRP criteria, PosiGen also argues, without citing any evidence, that a prioritization of Advanced Metering Infrastructure ("AMI") technology deployment in New Orleans over other Entergy service territories could completely eliminate the need for the New Orleans Power Station ("NOPS");¹¹ and

WHEREAS, 350 Louisiana ("350 LA") subsequently filed *Out of Time Proposed Amendments to the Council's Integrated Resource Planning Requirements by 350 Louisiana - New Orleans* ("350 LA Proposed Changes"); and

WHEREAS, 350 LA proposes that the City Council mandate that ENO meet at least 20% of its energy needs with renewable sources by 2020, and states that it collected more than 1,200 signatures on a petition in support of the proposal.¹² 350 LA also proposes that the Council establish regulatory tools to allow residents to participate in community solar projects.¹³ Finally, 350 LA requests that the Council include a Resilient Power Plan in the rule-making procedures of the 2018 IRP, combining solar power generation with back-up storage at critical infrastructure locations;¹⁴ and

⁹ *Id.* at 5.

¹⁰ *Id.* at 6.

¹¹ *Id.*

¹² 350 LA Proposed Changes at 2.

¹³ *Id.* at 3.

¹⁴ *Id.* at 4.

WHEREAS, the Council also received a February 3, 2017 *Motion by Building Science Innovators, LLC to Perform Integrated Resource Planning (IRP) by Market-Based Acquisition and Correct Assumptions and Conditions Needed for State-of-the-Art IRP for Entergy New Orleans (ENO)* (“BSI Motion”), which was initially filed by BSI in Docket No. UD-08-02, rescinded in that docket and resubmitted in this proceeding. The BSI Motion, like the comments filed by the other parties, proposes changes to the Council’s IRP criteria and procedures, and thus should be treated in the same manner as the pleadings filed by the other parties proposing changes; and

WHEREAS, the BSI Motion muddles several concepts from different dockets and various Council requirements and is admittedly somewhat repetitive and difficult to parse, but it appears that BSI is proposing that the Council abandon its current IRP framework entirely and instead (1) mandate rapid deployment of smart meters; (2) establish virtual net metering; (3) allow unlimited Community Solar with 10% low income ownership; (4) consider the idea that smart meters should include the ability to control aggregated distributed resources; (5) open a request for proposal (“RFP”) process for pilot rate structures, batteries, and community solar; (6) make various corrections to the assumptions, understandings and approaches to IRP work; (7) require that the IRP process be administered by third-party consultants; (8) adopt a new IRP paradigm called Integrated Resource Planning by Market Based Acquisition (“IRPbMBA”) where IRP work is done routinely every two years and in addition, for each major investment pursued by ENO, with a definition of “major investment” to be adopted by the Council; (9) establish how ENO will demonstrate that a major investment is needed, which BSI suggests should be done through execution of the first two steps of an industry-standard IRP process; (10) that future resource planning prioritize market-based acquisitions guided by environmental and total resource planning

consistent with DSM and renewable energy goals; (11) suggest that the Council upgrade Council Utilities Regulatory Office (“CURO”) staff and take advantage of various free resources from the National Association of Utility Commissioners (“NARUC”) and their research arm, the National Regulatory Research Institute (“NRRI”); and (12) that the decision to build a combustion turbine power plant in New Orleans be resolved in an iterative IRP process.¹⁵ Though not relevant to the Council’s IRP rulemaking proceeding, BSI renews its proposal previously rejected by the Council to start a rulemaking proceeding to fashion a way to compensate intervenors for their participation in Council dockets;¹⁶ and

Parties’ Reply Comments

WHEREAS, on March 27, 2017, the Parties filed reply comments to each other’s proposals; and

WHEREAS, ENO filed its *Entergy New Orleans, Inc.’s Reply Comments Concerning the Proposed Modifications to the Council’s Integrated Resource Planning Requirements and Process submitted by Intervenors* (“ENO Reply Comments”). ENO argues that (1) parties proposing changes in a regulatory rulemaking bear the burden of proof for supporting their proposed changes, and that the intervenors failed to support many proposals with evidence, analysis, or even an explanation; (2) many of the intervenors failed to meet the burden to provide the “specific language” required by the Resolution; (3) regulation of a public utility does not extend to management of that business; (4) the Council desires, and customers deserve, an efficient IRP process that is focused on least-cost resource planning to meet customer needs while remaining flexible enough to foster ENO’s adaptability to uncertain futures; (5) the process for public and

¹⁵ BSI Motion at 5-6.

¹⁶ *Id.* at 6. BSI initially raised its proposal for intervenors to be paid by the Council for their participation in Council dockets in its August 31, 2015 comments in the IRP Docket No. UD-08-02. The Advisors note that at that time, BSI submitted an invoice to the Council for its services in the amount of \$50,000 as Attachment A to its comments.

stakeholder input must be constructive and a short, efficient process is a Council priority and would benefit customers; (6) customer-focused resource planning requires least-cost resource planning; (7) long-term resource planning should be geared toward flexibility, not selecting and implementing a specific portfolio; and (8) the IRP's discussion of transmission issues must recognize the realities of ENO's membership in MISO while not unnecessarily duplicating MISO Transmission Expansion Planning ("MTEP") efforts; and

WHEREAS, in its *Reply Comments on Proposed Amendments to the Council's Integrated Resource Planning Requirements by the Alliance for Affordable Energy* ("Alliance Reply Comments") the Alliance states that it agrees with ENO on a number of points: (1) the need for more meaningful stakeholder engagement; (2) the elimination of the utility preferred resource portfolio in favor of a number of alternatives; (3) separation between the IRP and resource certification decisions; and (4) the suggestion of overlapping procedural timelines for DSM potential and resource inputs in order to efficiently reach a conclusion.¹⁷ In its Reply Comments, the Alliance also supports the concept that Energy Smart program decision-making should happen in a separate docket unrelated to the IRP;¹⁸ and

WHEREAS, the Alliance also states that it agrees with 305 LA's recommendation to include a Renewable Portfolio Standard ("RPS") once such a standard is developed through an appropriate proceeding.¹⁹ The Alliance states that it agrees with several points made by the DSCEJ: (1) that resource analysis should be comprehensive, fully including peaking capacity and energy forecasts, capacity and energy needs, and transmission options; (2) that a representative set of resource portfolios should be modeled to test numerous factors and that risk and reliability

¹⁷ Alliance Reply Comments at 2-3.

¹⁸ *Id.* at 2.

¹⁹ *Id.* at 3.

analysis is needed; (3) that load forecasting has been problematic in the past, and there is a need for high and low load forecasts with an explanation of all assumptions and a review of the accuracy of prior load forecasts; (4) that both electric and gas should be included in IRP planning; (5) that there is benefit from incorporating an assessment of potential environmental impacts of the contemplated resources; (6) that the relationship between the IRP and a broad array of other planning and community considerations should be acknowledged and efforts made to incorporate overlapping priorities; and (7) the use of a stated definition for the IRP that emphasizes the public interest and that there is a need for meaningful and effective public participation as well as candor, openness, and transparency in communications to the public.²⁰ PosiGen filed a letter in support of the Alliance's Reply Comments,²¹ and

WHEREAS, 350 LA also filed their *Reply to Intervenor Comments* ("350 LA Reply Comments") on March 27, 2017, supporting the DSCEJ's proposal to conduct a thorough environmental impact assessment.²² 350 LA argues that many factors currently outside the scope of the IRP process, such as equity and affordable housing are quantifiable, and that such research should fall under the purview of organizations -- universities, think tanks, policy research institutes - with a full understanding of and expertise in quantifying quality-of-life measures.²³ 350 LA disagrees strongly with ENO's arguments that social and environmental benefits associated with a particular resource that will not ultimately impact the costs of providing service to ENO's customers, as reflected in the bills they pay, are not appropriate for consideration in the IRP.²⁴ 350 LA states that it supports calls for more meaningful public participation in the 2018 IRP process.²⁵

²⁰ *Id.* at 4.

²¹ Letter from Karla Loeb, Director of Policy & Government Affairs, PosiGen of Louisiana, LLC, to Lora W. Johnson, CMC, Clerk of Council, Council of the City of New Orleans, Docket No. UD-17-01 (Mar. 27, 2017).

²² 350 LA Reply Comments at 2.

²³ *Id.* at 3.

²⁴ *Id.* at 4.

²⁵ *Id.* at 4-5.

350 LA also strongly supports the proposals to include reliability and resilience considerations in the IRP;²⁶ and

Advisors Report

WHEREAS, the Advisors observe that while the parties' comments and proposed changes covered a wide range of issues and diverged significantly in some respects, there was consensus in the following areas:²⁷

- There is a need for stakeholder input into the IRP and a level of interaction between the utility and stakeholders that will allow for constructive input from stakeholders.
- Where consensus cannot be reached a mechanism is needed to prevent the lack of consensus from creating an ongoing dispute that disrupts and prolongs the proceeding.
- There should be some separation between the IRP and specific resource decisions.
- The IRP process should be made more efficient.
- CURO facilitation and administration of the technical conferences and public hearings should be increased; and

WHEREAS, the Advisors also note several areas of ongoing dispute between ENO and the Intervenors, including:²⁸

- The need for an Independent Evaluator to perform certain tasks with respect to the IRP;
- The removal of the RIM test from the DSM criteria;
- The creation of an "Interested Party" class of participant in the IRP case;
- The removal of the qualifier "directly quantifiable" from the requirement to measure DSM benefits;
- Redefining "supply-side resources" to include assets that do not generate electricity;
- Redefining "least-cost planning;"

²⁶ *Id.* at 5-6.

²⁷ Advisors Report at 6.

²⁸ *Id.* at 6-7.

- Expanding the IRP to include supply planning for natural gas customers;
- Replacing the Council’s IRP Requirements with the “RAP Best Practices Report;”²⁹
- Creation of a DER/DSM Consultant;
- Introduction of a requirement for analysis of the accuracy of prior load forecasts and IRP projections;
- Adoption of the Total Resource Cost test;
- Inclusion of the concept of resilience as a criteria for evaluation of the IRP;
- The limits of the Council’s authority to regulate ENO’s management of its business, and the extent to which various proposals violate that limit;
- The extent to which stakeholder input must be adopted and implemented by ENO;
- The proposal that written or verbal statements made by the utility or its representatives to the public shall affirm under penalty of perjury the statements are believed to be true;
- How to facilitate greater stakeholder input that is constructive, and whether the procedural schedule should be shorter and more streamlined or longer, with more stakeholder meetings;
- Removal of consideration of quantifiable costs and benefits to customers from the analysis;
- Whether benefits to customers beyond benefits that actually accrue on bills should be considered;
- Whether customer class rate impacts should be included for each portfolio in the IRP;
- Whether the Council should choose a portfolio from those presented and require ENO to implement that portfolio;
- Whether and how transmission should be considered in the IRP;
- Whether various policy choices, such as implementation of a Renewable Portfolio Standard should be considered;
- Standard, implementation of community solar, deactivation of resources, effects of MISO membership, single-customer reliability issues, and appropriateness of confidentiality and

²⁹ Rachel Wilson and Bruce Biewald, Regulatory Assistance Project Best Practices in Electric Utility Integrated Resource Planning: Examples of State Regulatory and Recent Utility Plans (2013) (“RAP Best Practices Report”).

highly sensitive protected material (“HSPM”) designations should be included in the IRP analysis; and

- Whether analyses typically performed in a resource certification proceeding should be required in the IRP proceeding, such as DSM-first loading order criteria, distributed energy resource and DSM consultant requirement for resource certification dockets, and resource-specific environmental impact assessments.

WHEREAS, the Advisors argue that many of the parties’ comments appear to confuse an IRP process with a resource acquisition process or a policy-making process and recommend that an IRP process should be neither. The Advisors explain that the IRP should be an analytical framework to assure that the utility is performing a sufficiently robust planning analysis considering all appropriate criteria on a periodic basis;³⁰ and

WHEREAS, the Advisors argue that an IRP should generate general guidance regarding the types of acquisitions that would be advantageous and remain flexible enough to allow for new and/or unanticipated developments as market forces shift and new technologies become available.³¹ The Advisors assert that an IRP should not, however, be a vehicle for consideration of specific assets and argue that the Council should continue its current practice of evaluating each resource acquisition on a case-by-case basis as opportunities ENO wishes to pursue arise.³² The Advisors urge that an IRP by its nature must be a high-level analysis and cannot be performed with any degree of efficiency if every actual possible resource must be analyzed in the detail required for approval of a resource acquisition;³³ and

WHEREAS, the Advisors argue that if all the recommendations of various parties to incorporate the types of analysis utilized for resource acquisition considerations, the IRP process

³⁰ Advisors Report at 8.

³¹ *Id.*

³² *Id.*

³³ *Id.*

would become so cumbersome as to be unworkable and would consume unreasonable amounts of the Council's resources, ENO's resources, and intervenors' resources;³⁴ and

WHEREAS, the Advisors recommend that an IRP should be an analytical framework that aids the Council in making policy decisions and produce useful data to the Council about the range of options available, not drive toward a single conclusion or be designed in a manner that puts a thumb on the scale in favor of one type of resource or another;³⁵ and

WHEREAS, the Advisors also recommend that in order to assure that the utility is regularly performing the type of analysis that will keep both the utility and the Council fully informed of the options available to it to meet its energy supply, the Advisors are recommending that the IRP develop resource portfolios based on several scenarios or market outlooks and several planning strategies;³⁶ and

WHEREAS, the Council agrees that an IRP process should be a broad analytical framework and not a vehicle for the consideration of specific assets. The Council also agrees that proposals to acquire specific assets should continue to be considered on a case-by-case basis; and

WHEREAS, BSI proposes to discard a traditional IRP approach in favor of implementing a Continuously Effective IRP ("CE-IRP"), an iterative IRP and an IRPbMBA.³⁷ The Advisors note that BSI has neither identified such a structure operating elsewhere in the nation that it proposes the Council adopt, nor has it described the proposed structure in sufficient detail for the Council, Advisors and parties to understand, specifically, what is being proposed.³⁸ As RAP noted in its Best Practices Report, "[i]ntegrated resource planning has many benefits to consumers, and

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Id.*

³⁷ BSI Motion at 5-6.

³⁸ Advisors Report at 9.

other positive impacts on the environment. This is a planning process that, if correctly implemented, locates the lowest practical costs at which a utility can deliver reliable energy services to its customers.”³⁹ The Advisors oppose losing the benefits to consumers associated with the more traditional IRP models in favor of switching to a poorly-defined, largely untested model such as that proposed by BSI;⁴⁰ and

WHEREAS, while the Council is seeking to improve its IRP process through this proceeding, it finds no basis upon which to wholly abandon the IRP analysis in favor of an alternative approach. BSI has not presented sufficient evidence to the Council to support such as decision; and

WHEREAS, in addition, while the Advisors have been and continue to support the ability of all parties to have a meaningful opportunity to provide ENO with feedback related to the Company’s proposed inputs and assumptions utilized in its modeling, the Advisors state that neither the parties, nor the Council should impermissibly interfere with the utility’s ability to plan and manage its business.⁴¹ The Advisors argue that while the Home Rule Charter of the City of New Orleans vests the Council with the authority to supervise, regulate and control all utilities providing service in the City,⁴² that authority does not allow the Council, or other parties for that matter, the ability to substitute their own decisions for those of the utility.⁴³ The Advisors explain that regulators are not the managers of the Company, but “their function is to regulate and disapprove any dishonest or clearly inefficient conduct and practice by the utility. Public regulation must not supplant private management.”⁴⁴ The Advisors state that the utility has the

³⁹ RAP Best Practices Report at 4.

⁴⁰ Advisors Report at 9.

⁴¹ *Id.* at 10.

⁴² Home Rule Charter, City of New Orleans, Article III, §3-130.

⁴³ Advisors Report at 10.

⁴⁴ *Id.*, quoting *Georgia Power Co. v. Georgia Pub. Serv. Comm’n*, 211 Ga. 223, 85 S.E.2d 14 (1954).

right to manage its own affairs to the fullest extent, consistent with the protection of the public's interest;⁴⁵ and

WHEREAS, the Louisiana Public Service Commission described the relationship between the regulator and the utility as follows:

Resource planning under these rules does not change the fundamental relationship between the utilities and the Commission. The IRP Rules do not mandate a specific outcome, nor do they mandate any specific investment decisions to be made. Resource planning should reflect each utility's unique circumstances and the judgment of its management, and each utility will continue to bear the full responsibility for the consequences of its decisions. Resource planning decisions made as part of the utility's IRP process will be relevant to future investment decisions and approval proceedings, as well as revenue requirement and rate design proceedings. Consistency of a utility's Integrated Resource Plan with these IRP Rules will be an additional factor for the Commission to consider in evaluating the prudence of investments in construction and rate application proceedings. Any changed circumstances that occur after the IRP has been developed should also be considered in those proceedings.⁴⁶

WHEREAS, the Advisors also believe that ENO should ultimately bear the responsibility of conducting its resource planning and modeling subject to the framework and requirements adopted by the Council at the conclusion of this proceeding and any subsequent resolution amending or superseding those requirements;⁴⁷ and

WHEREAS, in response to the concerns related to the stakeholder proceedings, the Advisors proposed IRP requirements designed to allow stakeholder input into the IRP while providing a clear course of action to be taken when consensus cannot be reached so that the proceeding does not bog down.⁴⁸ The Advisors did not believe that it would improve matters to add more stakeholder meetings to an already very lengthy stakeholder process or to mandate that consensus be reached, rather they focused on how to provide a reasonable opportunity to reach

⁴⁵ 73B C.J.S. Public Utilities § 176 (2017).

⁴⁶ *In re: Development and Implementation of Rule for Integrated Resource Planning for Electric Utilities*, Louisiana Pub. Serv. Comm'n, Ex Parte, R-30021, 2012 WL 1454363, at 4 (Apr. 18, 2012).

⁴⁷ Advisors Report at 10.

⁴⁸ *Id.* at 11.

consensus, and where consensus is not possible, to allow both the stakeholder's point of view and the utility's point of view to be presented to the Council for consideration in a straightforward manner;⁴⁹ and

WHEREAS, the Council will evaluate ENO's IRP process and final IRP report to assure that it meets the Council's requirements, but will not substitute its judgment for that of the business judgment of the utility; and

WHEREAS, in response to the Alliance's proposal that a classification of "Interested Party" be added to IRP proceedings, the Advisors note that the classes of parties permitted in Council proceedings are defined by City Code section 158-286, and adding a classification of "Interested Party" would require amendment of the City Code.⁵⁰ The Advisors also state, however, that the Federal Energy Regulatory Commission ("FERC") and many state commissions offer interested persons an option to "subscribe" to a docket through their electronic docketing systems.⁵¹ Typically, an interested person goes to the commission website, elects an option to subscribe to a docket and enters the docket number.⁵² Subsequently, each time a document is filed in the chosen docket, the commission's computer system sends an email to the interested person advising them that a new document has been filed, and typically providing a link to the location where the document can be downloaded.⁵³ The interested person does not usually gain any type of status as a party to the case, is not included on the service list, and does not have any right to

⁴⁹ *Id.*

⁵⁰ *Id.* at 13.

⁵¹ Advisors Report at 13. See e.g., FERC: <https://ferc.gov/docs-filing/esubscription.asp>; California Public Utilities Commission: <http://subscribecpuc.cpuc.ca.gov/>; Maryland Public Service Commission: <http://www.psc.state.md.us/email-updates-and-news/>; Minnesota Public Utilities Commission: <https://www.edockets.state.mn.us/EFiling/subscription/createSubscription.do?method=subscribeNew&userType=public>; Oregon Public Utility Commission: http://www.puc.state.or.us/Pages/admin_hearings/index.aspx Public Service Commission of West Virginia: <http://www.psc.state.wv.us/scripts/CaseSubscriptions/SubscriberLogin.cfm>.

⁵² Advisors Report at 13.

⁵³ *Id.*

participate in the case unless and until that person files an intervention and becomes an intervenor:⁵⁴ and

WHEREAS, the Advisors argue that it would be highly beneficial to New Orleans citizens interested in Council utility dockets to be able to subscribe to such a docket notification service and recommends that the Council consider making such a service available.⁵⁵ The Advisors recognize, however, that the Council's current electronic docketing system may not be capable of providing such a service.⁵⁶ As an interim measure until such capability is achieved, the CURO office could maintain an email list of interested persons, and forward each document filed in the docket to that list as it is received;⁵⁷ and

WHEREAS, the Advisors argue it would not be appropriate for persons who might subscribe to such a list to have any type of party status in a case.⁵⁸ The Advisors state that Party status comes with specific rights and obligations, and as ENO has noted, gaining intervenor status in a Council docket is a relatively simple undertaking.⁵⁹ Furthermore, the Advisors note, technical conferences in the IRP proceedings have historically been open to the public, as have public hearings wherein the Council specifically solicits input from any interested member of the public.⁶⁰ The Advisors believe that parties seeking greater participation in the case beyond attendance at such public technical conferences and hearings should still be required to demonstrate to the Council that they have an actual interest in the case;⁶¹ and

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ *Id.*

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ *Id.*

⁶⁰ *Id.*

⁶¹ *Id.*

WHEREAS, the Advisors further note that the treatment of HSPM materials is governed by the Council's standard Protective Order set forth in Resolution No. R-07-432, and while the Advisors generally agree that ENO has from time-to time been overly zealous in designating material HSPM, the Council's Protective Order sets forth a reasonable mechanism for challenging an HSPM designation, and no party has offered any evidence as to why the standards for treatment of HSPM set forth in Resolution No. R-07-432 should be changed at this time;⁶² and

WHEREAS, the Council agrees it is reasonable for CURO to establish an email list of interested persons and to forward to such list copies of each document and notice circulated to the service list in the case, but will not grant such persons party status in the case; and

WHEREAS, with respect to the DSCEJ's proposal that the Council should establish the a rule to require environmental impact assessments of existing and proposed supply sources, the Advisors write that this proposal, while informative, is not appropriate in an IRP planning process. The IRP is intended to provide a framework to help guide ENO in its resource decisions over a specified planning period;⁶³ and

WHEREAS, the Advisors explain that resource portfolios in the IRP process do not propose specific resources nor do they propose sites for any particular resource, and the siting decision in connection with the approval of any proposed generating resource would take place outside of an IRP proceeding.⁶⁴ The Advisors argue that many of the aspects of DSCEJ's proposal in this regard could not be completed without knowing the exact location of the proposed resource, including a determination of whether a proposed resource would be located with a certain proximity of a school or residential neighborhood.⁶⁵ The Advisors also note that ENO is required

⁶² *Id.* at 13-14.

⁶³ *Id.* at 15.

⁶⁴ *Id.*

⁶⁵ *Id.*

to comply with reporting and permitting requirements of numerous federal and state agencies with respect to environmental compliance, including the United States Environmental Protection Agency, the Louisiana Department of Environmental Quality, the Louisiana Department of Natural Resources, the United States Army Corps of Engineers, the Orleans Levee District, and the Louisiana Department of Wildlife and Fisheries and that it is also required to comply with all local permitting and zoning ordinances in connection with the siting and construction of a new resource.⁶⁶ The Advisors recommend that the Council deny DESCJ's proposal, on the grounds that it is not achievable, is well beyond the scope of an IRP proceeding, and that there are multiple other venues, including the Council's own proceedings regarding specific resource acquisition proposals, in which the DESCJ's concerns may be addressed;⁶⁷ and

WHEREAS, the Council agrees that requiring the type of analysis performed for resource acquisition proceedings to be performed for every portfolio considered in an IRP process would be unduly burdensome and create a proceeding that would consume an unreasonable amount of resources; and

WHEREAS, the DSCEJ argued that "written or verbal statements [made by the utility or its representatives] to the public shall affirm under penalty of perjury the statements are believed to be true" and that the utility be required to post a correction to any false public statement on ENO's website and send a report to the Council within seven calendar days.⁶⁸ ENO opposes this requirement, arguing that no other jurisdictions impose such a requirement and that it would be inappropriate in an IRP process that relies heavily on assumptions, predictions, and estimates about a wide variety of unknown and unknowable future variables.⁶⁹ The Advisors respond that in all

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ DSCEJ Proposed Changes at 7-8.

⁶⁹ ENO Reply Comments at 14.

utility cases conducted before the New Orleans City Council, it is unlawful for any party to intentionally or through gross negligence make any false or misleading representations of fact.⁷⁰ In addition, the Advisors note, in all Council utility cases where written expert testimony is filed in the proceeding, a sworn affidavit is attached to the testimony attesting to the truthfulness of the facts contained therein.⁷¹ The Advisors also agree, however, that in an IRP planning process, the utility does rely at least partially on forecasts, assumptions, and other estimates that are ultimately, by their nature, inaccurate to some degree.⁷² Thus, particularly given the protections and duty of candor already in place, the Advisors recommend that the Council decline the DSCEJ's proposed perjury penalty provision,⁷³ and

WHEREAS, the Council would remind all parties that it is unlawful for any party to intentionally or through gross negligence make any false or misleading representations of fact to this Council. The Council is not persuaded, however, that additional perjury provisions need to be put in place at this time, and is not persuaded that such perjury provisions could be effectively enforced against statements attempting to forecast future events. The prohibition against false or misleading representations made either intentionally or through gross negligence should be sufficient to allow the Council to enforce all parties' duty of candor; and

WHEREAS, the Advisors oppose the proposals of the Alliance and PosiGen that evaluation of DSM potential and cost-benefit analyses be conducted by an Independent Evaluator.⁷⁴ The Advisors note that the Advisors have expertise in IRP proceedings as well as DER and DSM issues, and that adding yet another Advisor firm to the Council's roster of Advisors

⁷⁰ Advisors Report at 16, citing New Orleans City Code, Article II, Division 1, § 158-52, emphasis added.

⁷¹ *Id.*

⁷² *Id.*

⁷³ *Id.*

⁷⁴ *Id.* at 17.

would be counter to the publicly and frequently expressed desire of the Council to reduce its Advisor budget and build up the CURO office.⁷⁵ The Advisors also note that their role is to provide unbiased analysis and advice to the Council and that to the extent that the Intervenors are disappointed that the Advisors do not adopt their positions without question, the intervenors are free to procure experts of their own to advocate for their positions and advise them in IRP proceedings.⁷⁶ The Advisors state the opinion that hiring a consultant whose sole role is to promote the intervenors' desired treatment of DSM and DER in the IRP goes against the purpose of having a balanced analysis in the IRP;⁷⁷ and

WHEREAS, the Council remains concerned that the DSM Potential Studies continue to be an issue of contention in IRP proceedings. The Council would like to reduce contention over this issue in the future, therefore, while the Utility may provide a DSM Potential Study created by its own expert, the Council will reserve the ability to also include a DSM Potential Study performed by a consultant of the Council's own choosing; and

WHEREAS, ENO and the intervenors differ regarding the extent to which improvements to the transmission and distribution system should be included in the IRP analysis.⁷⁸ The Advisors agree with ENO that the MISO process of proposing and vetting transmission upgrades already being performed through the MTEP should not be duplicated within the IRP, the Advisors recommend that the utility nevertheless be required to explain how its current transmission system, and any planned transmission system expansions (including expansions planned by the regional transmission organization ("RTO")), the utility's distribution system, and any distribution system

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ *Id.*

⁷⁸ *Id.* at 18.

planning related to system loads or alternative resources are integrated into the overall resource planning in order to optimize the utility's resource portfolios;⁷⁹ and

WHEREAS, the Advisors also recommend that distribution system-related developments in the industry warrant a change in the treatment of distribution planning, and that while time will be needed to make the type of significant change needed to ENO's distribution planning process, it is time for that process of change to begin;⁸⁰ and

WHEREAS, the Council agrees that duplication of existing transmission analyses is not necessary for the IRP proceeding, but that transmission and distribution resources should be fully accounted for in the IRP analysis and that ENO should begin evaluating how to update its distribution planning process to account for the influx of DER and DSM resources; and

WHEREAS, the Advisors oppose the S&WB's proposal to have ENO's decisions to retire generating units scrutinized through the IRP process.⁸¹ The Advisors recommend that, deactivation decisions should be reflected in the IRP process, but that current process of evaluating proposals to deactivate resources in separate dockets be continued;⁸² and

WHEREAS, the Council agrees that requiring the type of analysis performed for resource retirement proceedings to be performed for every portfolio considered in an IRP process would be unduly burdensome and create a proceeding that would consume an unreasonable amount of resources; and

WHEREAS, in response to the Alliance's proposal to remove the RIM test from the evaluation of DSM measures, the Advisors argue that the current procedure of screening the DSM measures with the TRC test and then also evaluating the DSM measures under the other California

⁷⁹ *Id.* at 18-19.

⁸⁰ *Id.* at 19.

⁸¹ *Id.*

⁸² *Id.*

Standard Practice tests, including the RIM test provides useful information to the Council regarding cost-effectiveness of the DSM measures from different perspectives;⁸³ and

WHEREAS, the Alliance proposes to change the requirement that cost-benefit analysis consider any “directly quantifiable” non-energy benefits and environmental externalities to a requirement to consider any “reasonably quantifiable” non-energy benefits and environmental externalities.⁸⁴ ENO opposes this change.⁸⁵ The Advisors recommend that it is appropriate to include directly measurable non-energy benefits and environmental attributes in the evaluation of resource portfolios using the proposed scorecard metrics, but not in the optimization of supply costs;⁸⁶ and

WHEREAS, the DSCEJ proposes that the IRP apply to ENO’s natural gas operations as well as its electric operations.⁸⁷ The Advisors argue that while there may be some merit to the development of demand-side resources that offset some need for natural gas, typically, supply-side resource choices related to gas operations are addressed through Council proceedings addressing proposals by ENO to hedge its natural gas supply, and that given that the options for natural gas supply are significantly more limited than the options for supplying electricity, the Advisors fail to see the merit in applying the more highly complex and time- and resource-consuming IRP process to ENO’s natural gas operations;⁸⁸ and

WHEREAS, the Advisors note that several proposals of other parties fall outside the scope of the IRP rulemaking proceeding and should be rejected.⁸⁹ They include:

⁸³ *Id.* at 20.

⁸⁴ *Id.*; Alliance Proposed Changes at 6.

⁸⁵ Advisors Report at 20.

⁸⁶ *Id.*

⁸⁷ DSCEJ Proposed Changes at 5.

⁸⁸ Advisors Report at 21.

⁸⁹ *Id.*

- The proposal of BSI to mandate rapid deployment of smart meters and its proposal that smart meters include the ability to control aggregated distributed resources.⁹⁰ On the same topic, PosiGen argues that a prioritization of AMI technology deployment in New Orleans over other Entergy service territories could completely eliminate the need for the proposed New Orleans Power Station.⁹¹ ENO's proposal to deploy smart meters is currently being considered in Council Docket No. UD-16-04, and Council Resolution No. R-17-7 established a procedural schedule for that proceeding.
- The proposal of BSI to establish virtual net metering and to allow community solar.⁹² 350 LA also requests that the Council establish regulatory tools to allow residents to participate in community solar projects.⁹³ The Council recently considered its net metering rules in Council Docket No. UD-13-02, to which BSI was a party. That proceeding has been suspended, but nevertheless, changes to the Council's net metering rules are beyond the scope of a proceeding considering changes to the Council's IRP rules.
- BSI's proposal that the Council open an RFP process for pilot rate structures, batteries, and community solar.⁹⁴ While the creation of pilot programs may be a result of an IRP analysis, the issuance of an RFP for pilot programs is well beyond the scope of the consideration of whether the Council's IRP Requirements should be modified.
- BSI's proposal that the decision to build a combustion turbine power plant in New Orleans be resolved in an iterative IRP process.⁹⁵ ENO's proposal to build a combustion turbine plant is being considered in Council Docket No. UD-16-02, and is well beyond the scope of this proceeding.
- BSI's proposal that the Council upgrade CURO staff and take advantage of various free resources from the NARUC and their research arm, the NRRI.⁹⁶ Such matters regarding the Council's staffing and utilization of its NARUC membership are beyond the scope of a proceeding regarding proposed modifications to its IRP Requirements and procedures.
- 350 LA proposes that the Council mandate that ENO meet at least 20% of its energy needs with renewable resources by 2020, and that the Council should include a Resilient Power Plan in the rule making procedures of the 2018 IRP combining solar power generation with back-up storage at critical infrastructure locations.⁹⁷ These proposals are policy decisions that might result from an IRP analysis, or from another Council proceeding where evidence can be considered as to the advisability of adopting an RPS or a Resilient Power Plan. The purpose of this proceeding is to determine the requirements and analytical framework for a robust integrated resource plan analysis and procedure,

⁹⁰ BSI Motion at the fifth page.

⁹¹ PosiGen Comments at the sixth page.

⁹² BSI Motion at the fifth page.

⁹³ 350 LA Proposed Changes at the third page.

⁹⁴ BSI Motion at the sixth page.

⁹⁵ *Id.* at the fifth page.

⁹⁶ *Id.* at the sixth page.

⁹⁷ 350 LA Proposed Changes at the second and fourth pages.

not to pre-determine the outcome of any such analysis. Should the Council decide at a future date to adopt a Renewable Portfolio Standard, Resilient Power Plan or other such policy, the proposed rules contained herein require that such policies be incorporated into the IRP.

- BSI's proposal that the Council start a rulemaking proceeding to fashion a way to compensate intervenors.⁹⁸ Whether intervenors to Council utility proceedings should be compensated is completely outside the scope of the proceeding regarding proposed modifications to the IRP Requirements and procedures, and even if it were within the scope of the proceeding, BSI has offered no evidence in this proceeding in support of its proposal; and

WHEREAS, the Council agrees that the discrete issues set forth above that are currently being considered in other Council dockets are beyond the scope of this IRP rulemaking, the purpose of which is to consider proposed revisions to the Council's IRP Requirements and procedures; and

WHEREAS, both the DSCEJ and 350 LA cite to a report⁹⁹ produced by Synapse Energy Economics for the Regulatory Assistance Project as a source of best practices for the IRP and urge the Council to model its rules after that report.¹⁰⁰ The Advisors argue that multiple sources should be consulted in order to determine best practices, and inform the Council that the Advisors have reviewed not only the RAP Best Practices Report, but also the Tennessee Valley 2015 Integrated Resource Plan; the Tucson Electric Power Company 2017 Integrated Resource Plan; the PacifiCorp 2011 Integrated Resource Plan; and the Avista Power 2015 Electric Integrated Resource Plan as well as making use of the Advisors' own background with what does and does not work in New Orleans.¹⁰¹ The Advisors state that while they do not recommend rules based solely on the RAP Best Practices Report, which does not contain the necessary level of detail or

⁹⁸ BSI Motion at the sixth page.

⁹⁹ *See supra* n.29.

¹⁰⁰ DSCEJ Proposed Changes at 4 n.6; 350 LA Reply Comments at the second page.

¹⁰¹ Advisors Report at 22.

customization to New Orleans, they do believe that the Advisors' Proposed Rules are in, fact, consistent with that report while being designed specifically for New Orleans;¹⁰² and

WHEREAS, the Council agrees that a variety of resources should be surveyed to determine IRP best practices, and no one, single document should exclusively be relied upon; and

Proposed Regulations

WHEREAS, the Advisors recommend that the Council adopt the following IRP Rules, as was set forth more fully as proposed regulations in Appendix A to the Advisors Report:

1. The utility shall develop a reference case load forecast and at least two alternative load forecasts applicable to the planning period.
2. The utility shall construct composite customer class hourly load profiles based on the forecasted demand and energy usage by customer class and relevant load research data, including the factors which determine future load levels and shape.
3. Concurrent with the presentation of the load forecasts to the Advisors, CURO, and stakeholders, the utility shall provide historical demand and energy data for the five years immediately preceding the planning period.
4. The load forecast data shall be provided as a supplement to the IRP report and summarized in the IRP report.
5. The utility shall identify and evaluate all existing supply-side and demand-side resources under utility management or control and identify a variety of potential supply-side and demand-side resources which can be reasonably expected to meet the utility's projected resource needs during the planning period.
 - a. For existing supply-side resources the utility should incorporate all fixed and variable costs necessary to continue to utilize the resource as part of its portfolio. The utility should identify all important changes to its resource mix that have occurred since the last IRP.
 - b. For existing demand-side resources the utility should account for reductions of demand from the existing demand-side resources, including projected kWh/kW reductions due to Energy Smart and a list categorizing the utility's demand-side resources.
6. The utility shall identify and evaluate all potential supply-side and demand-side resources that can be reasonably expected to meet the utility's projected resource needs during the planning period, including utility-owned and purchased power resources,

¹⁰² *Id.* at 22-24.

conventional and new generating technologies, technologies utilizing renewable fuels, energy storage technologies, cogeneration resources, distributed energy resources, as well as all cost-effective demand-side resources identified through the development of a DSM potential study. The utility should consider both existing technologies and those expected to become commercially viable during the planning period.

7. The demand-side potential study shall include, but not be limited to, identification of eligible measures, measure life expectancies, baseline standards, load profiles, incremental capacity and energy savings, measure and program cost assumptions, participant adoption rates, market development, avoided energy and capacity costs. The principal reference document shall be the New Orleans Technical Reference Manual, and all four California Standard Practice Tests¹⁰³ (TRC, PACT, RIM, and PCT) will be calculated for the DSM measures and programs considered. The TRC test will identify cost-effectiveness for DSM programs as IRP inputs. The utility should incorporate any then-effective Council policy goals or targets with respect to demand-side resources, and consider programs enabled through AMI.
8. There shall be a stakeholder process, during which, the utility shall strive to develop a consensus regarding the potential supply-side and potential demand-side resources and their associated defining characteristics. If consensus can be reached, its results will be incorporated into the reference planning strategy. If consensus cannot be achieved, the utility shall develop a reference planning strategy based on the utility's assessment of resource inputs parameters and constraints and a stakeholder planning strategy based on the assessment of a majority of intervenors.
9. With respect to transmission and distribution, the utility shall explain how its current transmission system including any planned transmission system expansions (whether planned by utility or the RTO) and its distribution system are integrated into the resource planning process. Models developed for the IRP process should incorporate the planned configuration of the utility's transmission system and interconnected RTO during the planning period. The utility should describe any anticipated changes and their costs and benefits. For any resource additions selected for reliability purposes rather than through an optimized development of a resource portfolio, the utility shall demonstrate that there are no economically feasible transmission solutions that can be employed.
10. The optimization process should use mathematical methods such as linear programming formulations¹⁰⁴ to represent and account for the different characteristics of alternative types of resource options. The optimization process shall be constrained to mitigate the over-reliance on forecasted revenues from external capacity market sales and external energy market sales driving the selection of resources.

¹⁰³ California Standard Practice Manual: Economic Analysis of Demand-Side Programs and Projects, State of California Governor's Office of Planning and Research, July 2002.

¹⁰⁴ Linear programming is a mathematical method of optimizing linear functions or relationships within constraints to achieve the lowest costs.

11. The utility shall develop at least three planning scenarios that incorporate different macro-economic and environmental circumstances and national and regional regulatory and legislative practices. The planning scenarios should include (but are not limited to):
 - a. A reference planning scenario that represents the utility's point of view on the most likely future circumstances and policies.
 - b. Two alternative planning scenarios that account for alternative circumstances and policies.
 - c. To the extent that the utility is unable to reach consensus with a majority of the intervenors regarding the inputs for the three planning scenarios, then the utility should develop a fourth planning scenario which is based upon input from a stakeholder consensus, which shall be determined by a majority vote of the intervenors.
12. Distinct from the planning scenarios, the utility shall identify several planning strategies which constrain the optimization process to achieve particular goals, regulatory policies, and/or business decisions over which the utility, Council, and/or stakeholders have control (consistent with the Council's regulatory authority). The utility shall develop the following planning strategies:
 - a. A reference planning strategy based on a consensus of the stakeholders (as determined by a majority of the intervenors). To the extent consensus cannot be reached, the reference planning strategy shall reflect the utility's point of view on resource input parameters and constraints and the utility shall develop a separate stakeholder planning strategy based upon a stakeholder consensus as determined by a majority of the intervenors.
 - b. As necessary, the utility shall develop alternate planning strategies to reflect the policy goals of the Council as established prior to the beginning of the IRP cycle.
13. Resource portfolios shall be developed through optimization utilizing the utility's modeling software, the utility shall identify the least-cost resource portfolio for each planning scenario and strategy combination, based on total supply cost. Resource portfolios shall consist of optimized combinations of supply- and demand-side resources while recognizing constraints including transmission and distribution.
14. The utility shall provide a discussion and presentation of results for each planning scenario and strategy considered, the annual total demand related costs, energy related costs, total supply costs, and cumulative present worth associated with each least-cost resource portfolio identified under each planning scenario/strategy combination, a load and capability table (including identifying the impacts of existing demand-side resources on the total load requirements - used to compute total annual DSM) and a description of the supply-side and demand-side resources that are planned and their principal rationale for selection.

15. The IRP report's discussion and presentation of results for each resource portfolio should identify tipping points that would guide the preference of a resource portfolio under alternative conditions incorporated in the cost/risk analysis, such as changes to underlying assumptions that impact load growth, capital costs, resource upgrades, the emergence of other renewable projects, and DER technologies.
16. The Utility will develop and include a scorecard template or set of quantitative and qualitative metrics to assist the Council in assessing the IRP based on the resource portfolios. Such metrics should include, but not necessarily be limited to: cost;¹⁰⁵ impact on rates; risk; flexibility of resource options;¹⁰⁶ reasonably quantifiable environmental impacts (such as national average emissions for the technologies chosen, amount of groundwater consumed, etc.); consistency with established, published city policies, such as the City's sustainability plan; and macroeconomic impacts in New Orleans.
17. The Utility shall develop a cost/risk analysis which balances quantifiable costs with quantifiable risks of the identified least-cost resource portfolios. The risk assessment must be presented in the IRP to allow the Council to comprehend the robustness of each resource portfolio across the cost/risk range of possible resource portfolios.
 - a. In quantifying resource portfolio costs/risks, the IRP shall assess any social and environmental effects of the resource portfolios to the extent that: 1) those effects can be quantified for a resource portfolio, including the applicable planning period years and ranges of uncertainty surrounding each externality cost, and 2) each quantified cost must be clearly identified by the portion which relates to the Utility's revenue requirements or cost of providing service to the Utility's customers under the resource portfolio.
 - b. A risk assessment is required to evaluate both the expected outcome of potential costs as well as the distribution and potential range and associated probabilities of outcomes.

WHEREAS, the Advisors also recommend that the following procedural process be adopted into the rules as the minimum amount of process necessary to complete the IRP process. This list is not an exclusive list, and the Council retains the flexibility to add additional procedural steps in its Initiating Resolution or during the course of the proceeding as it deems appropriate with respect to each IRP cycle:

¹⁰⁵ The cost metric should include the cost of quantified externalities as well as utility costs resulting from the IRP optimization.

¹⁰⁶ The flexibility metric includes response to load swings and quick start.

1. The opportunity for stakeholders to participate in the concurrent development of inputs and assumptions for the major components of the IRP in collaboration with the Utility within the confines of the IRP timeline and procedural schedule.
2. At least four technical conferences focused on each major IRP component that include the Utility, stakeholders, CURO, and the Advisors with structured comment deadlines so that conference participants have the opportunity to present inputs and assumptions and provide comments while remaining mindful of the procedural schedule established in the Initiating Resolution.
3. At least 3 public engagement meetings advertised through multiple media channels at a minimum of 2 weeks prior to the meeting.
 - a. A public education and kickoff meeting that explains the following: the purpose of the IRP and the corresponding process; the IRP timeline as delineated in the Council's Initiating Resolution with respect to major process deadlines; the inputs and assumptions that are considered in the IRP process and summarized in the report; and ways in which public can remain informed throughout the IRP cycle (e.g., online information resources that provide status updates, portal through which customers can submit questions or concerns to the Utility).
 - b. A public presentation of the IRP.
 - c. A public hearing opportunity after presentation of the IRP report to give the public the opportunity to provide comment on the record.
 - d. In addition to a live presentation, all public meetings should also be broadcast via the Utility's website and archived for later viewing.
4. The utility shall submit its IRP to the Council in a filing that includes the following at a minimum:
 - a. The IRP report should discuss the stakeholders' engagement throughout the IRP process; the access to data inputs and specific modeling results by all parties; the consensus reached regarding all demand-side and supply-side resource inputs and assumptions; specific descriptions of unresolved issues regarding inputs, assumptions, or methodology; the formulation of the stakeholder planning scenario and/or stakeholder planning strategy as needed; and recommendations to improve the transparency and efficiency of the IRP process for prospective IRP cycles.
 - b. The IRP shall include an action plan and timeline discussing any steps or actions the Utility may propose to take as a result of the IRP, understanding that the Council's acceptance of the filing of the Utility's IRP would not operate as approval of any such proposed steps or actions.
 - c. Any other information required in the Council Resolution initiating the current IRP planning cycle.

Parties' Responses to Advisors Report

WHEREAS, ENO states that “[f]or the most part, the recommendations contained in the Advisors’ Report strike an appropriate balance between the Parties’ positions and advocate for vastly improved rules for the IRP process. ENO believes that some recommendations contained in the Advisors’ Report may unintentionally serve to exacerbate the problems the Council seeks to solve through this Rulemaking by making the IRP process more complex and contentious than necessary.”¹⁰⁷ ENO also argues that there is some inconsistency between the recommendations in the Advisor Report and the Advisors’ Proposed Rules;¹⁰⁸ and

WHEREAS, the Alliance states that the Proposed Rules represent a significant improvement over the previous IRP criteria, and that its remaining concerns are related to ensuring a public process that is responsive to community participation, includes current data, and is rooted in contemporary regulatory policies and priorities in order to avoid the pitfalls of previous planning cycles.¹⁰⁹ In particular, the Alliance supports the use of an Initiating Resolution at the beginning of each IRP cycle outlining the Council’s policy objectives, followed by a meaningful public education and “kickoff” meeting.¹¹⁰ The Alliance states that these two items, along with the Proposed IRP Rules themselves, should create a solid common understanding among the parties about the purpose, priorities, and opportunities for engagement in planning.¹¹¹ The Alliance welcomes the suggestion of an “Interested Person” status and looks forward to CURO managing an electronic filing system;¹¹² and

¹⁰⁷ ENO Reply Comments at 1.

¹⁰⁸ *Id.* at 1-2.

¹⁰⁹ Alliance Reply Comments at 2-3.

¹¹⁰ *Id.* at 3.

¹¹¹ *Id.*

¹¹² *Id.* at 4.

WHEREAS, the Alliance argues that excessive deference to the utility in the IRP process is unnecessary and counterproductive, and that there are numerous instances in the proposed rules where the interests of the utility are put before those of the public and where greater deference is given to the utility over the information needs of the Council, intervenor parties, and the public.¹¹³ The Alliance also argues that the Council's IRP is distinguishable from traditional internal utility resource planning, which was generally conducted without transparency or public involvement, and minimized or ignored DSM and renewable energy resources,¹¹⁴ and

WHEREAS, 350 LA supports the comments submitted by the Alliance, and emphasizes a few additional points; and

WHEREAS, ENO opposes the proposal that the utility be required to develop a separate stakeholder case¹¹⁵ when consensus is not possible with respect to certain items, and states that while it is "more than willing" to work with the stakeholders in this way, it has concerns about the perceived integrity of the various stakeholder points of view if they are developed by the utility. ENO instead proposes an alternative where the Advisors and/or CURO facilitate the development of the Intervenor position and provide the resulting stakeholder Planning Strategy to the Utility to be modeled;¹¹⁶ and

WHEREAS, the utility and stakeholders should work together to see if consensus can be achieved regarding Planning Scenarios and a reference Planning Strategy to be optimized. Should consensus be reached, then the consensus Planning Scenarios and reference Planning Strategy should be optimized. To the extent consensus cannot be reached, then the utility should optimize

¹¹³ *Id.*

¹¹⁴ *Id.* at 5.

¹¹⁵ "Stakeholder case" is assumed to refer to a stakeholder scenario and a stakeholder strategy which are distinct from the other scenarios and strategies modeled in the IRP Process.

¹¹⁶ ENO Reply Comments at 3.

both its own Planning Scenarios and reference Planning Strategy and a stakeholders' Planning Scenario and Planning Strategy. The Council believes that the stakeholders likely lack the resources to construct the data files required for use in the utility optimization process independently of the utility, and therefore, the utility must remain involved in the process. In the absence of a consensus, the Council believes that the utility should develop its own Planning Scenarios and reference Planning Strategy and then receive input from the stakeholders as to changes that should be made to develop the stakeholders' Planning Scenario and Planning Strategy. The Advisors should work with the intervenors and the utility to ensure that input that is provided can be accommodated within the framework of the existing model and software; and

WHEREAS, ENO opposes the proposed "scorecard" method of including factors that do not go into the optimization. ENO argues that the inclusion of this at the end of the process threatens to undermine the neutrality of the otherwise mathematical approach, and is likely to create vitriolic debate over subjective rankings and distract from the objectively derived mathematically-supportable results of the portfolio optimization model runs.¹¹⁷ If the scorecard template must be included, ENO recommends certain changes it believes would reduce the extent to which ENO is required to undermine the analytical value of the optimized portfolios by being forced to rank them in accordance with subjective, undefined metrics;¹¹⁸ and

WHEREAS, the Alliance supports the use of a scorecard for portfolios to give greater context to the full benefits and costs of each, but argues that it needs to be developed transparently, and that parties should work with the utility on developing inputs;¹¹⁹ and

¹¹⁷ *Id.* at 4-5.

¹¹⁸ *Id.* at 5-6.

¹¹⁹ Alliance Reply Comments at 15.

WHEREAS, the Council believes it is reasonable to require the utility to create a “scorecard” that ranks the various portfolios relative to each other on how they perform with respect to various metrics of interest to the Council that cannot be modeled through the AURORA optimization model. The Council would clarify that it does not require ENO to produce a mathematical score for each portfolio with respect to each metric, rather that it requires ENO to rank the portfolios based on how well they achieve each metric. Although some metrics are set forth in the proposed rules, additional metrics may be added by the Council in the Initiating Resolution; and

WHEREAS, ENO opposes the requirement that the IRP include a matrix of the IRP rules with a brief description of how the utility met the requirements of each rule.¹²⁰ ENO does not believe this provision serves any purpose other than to facilitate disagreement among the parties as to ENO’s self-assessment;¹²¹ and

WHEREAS, the Council is concerned that several of ENO’s past IRP filings have failed to meet the Council’s IRP Requirements,¹²² and believes that requiring ENO to go through the exercise of producing a matrix illustrating how its IRP filing satisfies each of the Council’s requirements is likely to lead to increased compliance by the utility; and

WHEREAS, ENO also objects to the proposed provision that to the extent there is non-compliance with the rules, after a showing of cause, the Council may impose penalties for non-compliance with the rules.¹²³ ENO argues that there is no evidence in support of this provision and no need for it given the Council’s penalty authority under the City Code. ENO also argues

¹²⁰ ENO Reply Comments at 6.

¹²¹ *Id.*

¹²² [cite to prior resolutions noting problems with or rejecting prior IRPs]

¹²³ ENO Reply Comments at 6-7.

that the lack of clarity in the proposed rules would present significant due process concerns in applying a penalty;¹²⁴ and

WHEREAS, the Council does not propose to change its current penalty authority over ENO, rather it emphasizes that ENO's failure to comply with the Council's IRP Requirements and procedures will subject ENO to the risk that the Council may penalize ENO for its non-compliance; and

WHEREAS, ENO argues it cannot comply with the requirement to provide a list of the co-generation and DERs larger than 300 kW existing on the Utility's system -- ENO notes that it can only identify DERs that are interconnected to deliver energy to the grid, customers are not required to inform ENO of their behind-the-meter generation;¹²⁵ and

WHEREAS, the Council clarifies ENO is required to disclose only those co-generation and DER resources of which it has knowledge; and

WHEREAS, ENO argues it cannot comply with the requirement that it explain how it has met all of the IRP objectives in each triennial cycle;¹²⁶ and

WHEREAS, ENO is required to meet the IRP objectives in each triennial cycle, and the Council believes it is reasonable to require ENO to explain how it has met the objectives, and if it has not met the objectives, to explain why not; and

WHEREAS, ENO argues it cannot comply with the requirement to report historic load data on a customer class level;¹²⁷ and

WHEREAS, the Alliance supports the Advisors' proposed requirements for Load Forecast, particularly with respect to historic coincident peak demand for all customer classes, and

¹²⁴ *Id.* at 7.

¹²⁵ *Id.* at 8.

¹²⁶ *Id.*

¹²⁷ *Id.*

would add a requirement that the utility prepare an evaluation of the load forecast used in the last filed IRP, including an assessment of the annual accuracy of the previous forecasting and a comparison of forecasted versus actual data; an explanation of the reasons for any significant deviation between previous forecasts and actual annual peak demand and energy that occurred; and information on the impact that historical demand-side resources had on the prior forecast;¹²⁸ and

WHEREAS, it is the Council's understanding that ENO collects the data necessary to estimate the historic load data on a customer class level. To the extent ENO has or attains the technical capability to collect load data on a customer class level, it shall collect and report the historic data in lieu of the customer class level estimates of load data through the IRP process. The Council believes that providing this data would be sufficient to allow other parties to conduct their own evaluations of the prior load forecasts and assessments of the accuracy thereof, and that it is not necessary to require ENO to perform this analysis for other parties once it has provided the necessary data; and

WHEREAS, ENO argues it cannot comply with the requirement to demonstrate that there are no economically feasible transmission solutions that can be employed to reduce the size, delay, or eliminate the need for new resource additions;¹²⁹ and

WHEREAS, the Council clarifies that this requirement does not require ENO to prove a negative, but rather, when ENO does choose resource additions based on reliability needs rather than as a result of the optimized development of a resource portfolio, ENO should identify reasonable transmission solutions that can be employed to either reduce the size, delay, or eliminate the need for the new reliability-driven resource additions and provide economic analyses

¹²⁸ Alliance Reply Comments at 10.

¹²⁹ ENO Reply Comments at 8.

demonstrating why the new reliability-driven resource addition was selected in lieu of the transmission solutions identified; and

WHEREAS, ENO argues it cannot comply with the requirement that ENO forecast capacity market auction clearing prices on an annual basis;¹³⁰ and

WHEREAS, in order to provide the Council with a reasonable expectation as to the value of the capacity contained in the resource portfolios, the Council clarifies that ENO should provide capacity price forecasts in a similar manner to that which ENO provided in a supplement to the 2015 Final IRP. Specifically, ENO should provide an annual capacity price forecast for both a short-term capacity purchase (*e.g.*, bilateral contract or Planning Resource Credit) and a long-term capacity purchase (*e.g.*, long-run marginal cost of a new replacement gas combustion turbine); and

WHEREAS, ENO states that it agrees with the Advisors' position that the IRP is not a resource acquisition proceeding, but that several of the requirements of the proposed rules appear to contradict this, and ENO opposes them;¹³¹ and

WHEREAS, ENO argues that the requirement that ENO discuss "tipping points that would guide the preference of a resource Portfolio under alternative conditions" is unreasonable;¹³² and

WHEREAS, the Council believes that a general discussion of how various factors would impact the projected value of the Resource Portfolios would be extremely useful to the Council in its considerations.¹³³ For example, if several Resource Portfolios are dependent upon natural gas prices remaining low in order to perform as anticipated, ENO should include a discussion that

¹³⁰ *Id.*

¹³¹ *Id.* at 9.

¹³² *Id.*

¹³³ In the final report of the 2015 Final IRP, at pages 62-64, ENO performed sensitivity analyses to assess the effects of changes in natural gas prices, carbon prices, and a combination of changes to both natural gas and carbon prices. The results of the sensitivity assessment indicated the relative volatility of each of the portfolios to changes in these market prices. The proposed Rules also provide for a risk analysis corresponding to the costs of each portfolio.

draws the Council's attention to that fact so that the Council may understand that natural gas prices are a significant factor that could impact the desirability of those Resource Portfolios; and

WHEREAS, ENO argues that the requirements of Section 8(a)(1), are unclear to ENO but seem to require an environmental risk assessment for each Resource Portfolio;¹³⁴ and

WHEREAS, the Council clarifies that Section 8(a)(1) does not require a full environmental risk assessment for each Resource Portfolio, but rather that the utility's risk assessment for each Resource Portfolio include an assessment of how volatile each Resource Portfolio is with respect to changes in environmental costs, to the extent that environmental costs can be reasonably quantified and identified as to the portion of the costs that relate to the utility's revenue requirement; and

WHEREAS, ENO argues that an assessment of the impact on rates is not feasible, and states that it would prefer an assessment of the impact on the revenue requirement;¹³⁵ and

WHEREAS, the Council agrees that an assessment of each Resource Portfolio's impact on the revenue requirement would be sufficient for the Council to assess the relative impact of the Resource Portfolios on rates; and

WHEREAS, ENO argues that the proposed rules should call for a more involved role for CURO, particularly that CURO should bear responsibility for the advertisement of public meetings and the broadcasting of public meetings and making them available for future viewing;¹³⁶ and

WHEREAS, the Council agrees that, given the need to coordinate use of the Council chambers and broadcast/recording technology, it is reasonable for CURO to perform the role of

¹³⁴ ENO Reply Comments at 9.

¹³⁵ *Id.* at 10.

¹³⁶ *Id.*

coordinating the advertisement of public meetings and the broadcasting of public meetings and making them available for future viewing; and

WHEREAS, ENO argues that it cannot optimize transmission and distribution resources through its software, and that the rules should recognize this limitation but still require consideration of transmission and distribution.¹³⁷ ENO also opposes the requirement that it evaluate the extent to which reliability of the distribution system can be improved through strategic location of DERs or other resources identified as part of the IRP planning process, and argues that it lacks this capability;¹³⁸ and

WHEREAS, the Council understands that ENO currently lacks the capability to complete the requirement to evaluate the extent to which reliability of the distribution system can be improved through strategic location of DERs or other resources identified as part of the IRP planning process. Nevertheless, the Council is of the opinion that, given the technological developments in the industry around distributed resources that can either increase strain on a distribution system or mitigate existing problems on the distribution system, ENO should begin developing the capability to perform such analyses. The Council understands that it may be difficult for ENO to meet this requirement initially, but expects that ENO will make good faith efforts to do so and will demonstrate reasonable progress toward the goal of being able to complete such analyses until such time as it is able to do so; and

WHEREAS, the Alliance supports the Advisors' proposal regarding transmission and distribution, and they propose that the utility include their most recent SAIDI/SAIFI filing as an appendix to their IRP;¹³⁹ and

¹³⁷ *Id.*

¹³⁸ *Id.* at 11.

¹³⁹ Alliance Reply Comments at 12-13.

WHEREAS, the Council is aware that ENO reports SAIDI/SAIFI reliability data as part of its Form EIA-861 and such data is publicly available and that any party who wishes to enter the data into the docket may obtain the data and submit it to the Council, therefore, it is not necessary to require ENO to produce the SAIDI/SAIFI reliability data; and

WHEREAS, ENO proposes some limits be placed on the “Planning Strategies” concept (1) that they be limited to four strategies; (2) that they expressly include a Strategy that allows AURORA to develop Optimized Portfolios to meet customers’ needs at the lowest reasonable cost. ENO proposes that the minimum number of strategies, assuming a consensus model that also meets the Council’s policy directives, would be two -- the least cost planning strategy and the consensus strategy. The maximum would be four -- the least cost strategy, the Council policies strategy, the utility strategy and the stakeholders’ strategy.¹⁴⁰ and

WHEREAS, the Alliance proposes that the Stakeholders and the Utility each first develop their own Planning Scenarios and Strategies and then together develop one, or possibly two consensus Scenarios and Strategies, rather than waiting for a lack of consensus to force the creation of a Stakeholder Scenario;¹⁴¹ and

WHEREAS, 350 LA supports starting with a default Intervenors input case, scenario, and strategy rather than first seeing if consensus may be reached;¹⁴² and

WHEREAS, the Council wishes to provide ENO with an incentive to work with the parties to reach consensus regarding the Planning Strategies and Planning Scenarios, such that if a consensus model can be reached, the number of portfolios required to be modeled is reduced; and

¹⁴⁰ ENO Reply Comments at 12-13.

¹⁴¹ Alliance Reply Comments at 4 and 8.

¹⁴² 350 LA Reply Comments at 4.

WHEREAS, the Council agrees that it is reasonable to limit the Planning Strategies to four, in order to prevent the utility from being required to conduct an unreasonable level of analysis to accomplish the IRP; and

WHEREAS, the Council agrees that it is reasonable to require that one of the Planning Strategies allow AURORA to develop optimized Resource Portfolios to meet customers' needs at the lowest reasonable cost, noting the corresponding risk assessment. Understanding the lowest reasonable cost Resource Portfolios would be helpful information to the Council in determining the overall reasonable range of resource options; and

WHEREAS, ENO argues that it is excessively burdensome to require ENO to conduct comprehensive research on and evaluation of all published Council policies for each IRP cycle, and it wants the Council to specify which policies it has to comply with in the Initiating Resolution for each IRP cycle;¹⁴³ and

WHEREAS, the Alliance proposes that rather than only requiring Council policies effective at the time of the Initiating Resolution to be included, the Council should require any policy made effective up to 15 days before the date on which the modeling inputs must be finalized should be included;¹⁴⁴ and

WHEREAS, in addition to the requirement that the utility incorporate Council policy goals, 350 LA proposes that the utility also incorporate City policy goals;¹⁴⁵ and

WHEREAS, the Council believes that at least one of the four Planning Strategies should incorporate the utility regulatory policy goals of the Council so that the Council may understand the impact of its policy goals on the results of the IRP analysis; and

¹⁴³ ENO Reply Comments at 15.

¹⁴⁴ Alliance Reply Comments at 7.

¹⁴⁵ 350 LA Reply Comments at 2.

WHEREAS, the Council agrees that the deadline for the inclusion of the Council's known utility regulatory policies to be included in the Planning Strategy should be later than the date of the Initiating Resolution. However, the Council is concerned that the suggested deadline of be fifteen days prior to the date that the Planning Strategy's inputs must be finalized is too short to allow the utility sufficient time to make any needed changes before the modeling is performed. The Council instead finds that 30 days prior to the date that the Planning Strategy's inputs must be finalized would be a more reasonable deadline; and

WHEREAS, the Council would remind ENO that it must comply with all Council Resolutions, Orders and policies relevant to the Council's regulation of ENO, and that the Council fully expects ENO to maintain sufficient knowledge of its policies to be able to assure ENO remains in compliance with them. Therefore, the Council does not believe it is unreasonable to require ENO to produce a Planning Strategy that is consistent with the Council's policies that are relevant to its regulation of ENO. Further, ENO should be aware that while the Council may decide to highlight certain policies it expects to be included in the Planning Strategy in its Initiating Order, the Council expects ENO to produce a Planning Strategy that complies with all relevant Council policies, whether explicitly named in the Initiating Order or not; and

WHEREAS, while the Council believes it is necessary for at least one Planning Strategy to reflect the Council's utility regulatory policies, it would also be interested in learning how well the various resource portfolios perform with respect to City policies that are relevant to utility operations, including any formally announced City sustainability plans, environmental plans, etc. The Council will not require such City policies to be incorporated into the Planning Strategy, but will require that they be included on the scorecard; and

WHEREAS, ENO argues that the parameters of risk assessments should not be defined within the IRP rules, but should be left flexible from cycle to cycle to accommodate technological advances and limitations.¹⁴⁶ ENO also argues that the requirement to do a mathematical assessment of social and environmental effects of Resource Portfolios as part of the mathematical Risk Analyses should be removed;¹⁴⁷ and

WHEREAS, the Council believes that the proposed risk analyses requirement is reasonable, and necessary to enable the Council to understand the potential uncertainties of the various Resource Portfolios; to capture the effects of market volatility and the variance of demand and other input variables using stochastic risk metrics; and to evaluate the corresponding cost and risk associated with each portfolio; and

WHEREAS, the Council recognizes that an important objective in evaluating Resource Portfolios is to quantify the trade-off between portfolio cost and portfolio risk, not typically addressed in traditional least-cost planning, by assessing the most significant drivers of cost and variability; and

WHEREAS, ENO has identified a number of terms used in the proposed rules that it believes require a definition in the definitions section, and it proposes definitions for them;¹⁴⁸ and

WHEREAS, the Advisors have generally accepted ENO's proposed changes to the definitions in the definition section, but with certain modifications as marked in Attachment B to this Resolution; and

WHEREAS, ENO has highlighted a number of terms used in the proposed rules that it believes require clarification;¹⁴⁹ and

¹⁴⁶ ENO Reply Comments at 13-14.

¹⁴⁷ *Id.* at 14.

¹⁴⁸ *Id.* at 15-16.

¹⁴⁹ *Id.*

WHEREAS, the Advisors have reviewed the terms that ENO highlighted for clarification and have attempted to clarify some of the highlighted terms in the proposed rules, while at the same time determining that many of the other highlighted terms were sufficiently clear based on a common definition of the term and did not need to be defined; and

WHEREAS, Alliance would like for all technical conferences to be open to all stakeholders (not limited to Intervenors);¹⁵⁰ and

WHEREAS, 350 LA argues that technical conferences should be open to interested members of the public, not limited to the utility, intervenors, Advisors, and CURO;¹⁵¹ and

WHEREAS, the Council recognizes that all technical conferences in the past have been open to the public, and believes that this is appropriate where the purpose of the technical conference is for the utility to present information to the public and answer questions about it. However, the Council notes that several of the technical conferences called for in the proposed rules have a different purpose, namely to determine whether the utility and intervenors can reach a consensus regarding Planning Strategies and Planning Scenarios. The Council believes that these meetings would be far more effective if limited to the parties to the case, the Advisors and CURO. The Council believes it is reasonable for the Initiating Resolution to specify which meetings are to be open to the public and which should be limited to the parties, Advisors and CURO; and

WHEREAS, the Alliance suggests removing language from the Proposed Rules that indicates that the IRP is a utility document rather than a policy of the Council;¹⁵² and

WHEREAS, the Council clarifies that the Council's IRP rules and procedures are the policy of the Council and that the Integrated Resource Plan is a planning document for which the

¹⁵⁰ Alliance Reply Comments at 3.

¹⁵¹ 350 LA Reply Comments at 6.

¹⁵² Alliance Reply Comments at 7.

utility is responsible, and which is required to be produced in compliance with the Council’s IRP rules and procedures; and

WHEREAS, the Alliance proposes that a distinction be created between resource portfolios that are developed through the optimization performed by the capacity expansion model and “Alternative Portfolios,” which would include hand-selected resources that may be run at the request of the Council, utility, or stakeholders;¹⁵³ and

WHEREAS, the Council clarifies that all Resource Portfolios produced should be optimizations performed by the capacity expansion model, and that any customization of Resource Portfolios should occur through the design of the Planning Scenarios and Planning Strategies. The Council, therefore, does not contemplate that “Alternative Portfolios” as defined by the Alliance (that is, not defined by Planning Scenarios and Planning Strategies) would be run as part of the IRP analysis; and

WHEREAS, the Alliance proposes a definition for “Integrated Resource Plan;”¹⁵⁴ and

WHEREAS, the Council finds it reasonable to include a definition for “Integrated Resource Plan” in the rules, accepting the definition proposed by the Alliance, modified as follows:

Integrated Resource Planning – is an open, transparent planning process through which all relevant supply-side and demand-side resources (including all DSM resources), and the factors influencing choice among them, are investigated for the optimal set of resources to meet current and future electric service needs at the lowest total cost to customers and the Utility, in a manner consistent with the long-run public interest, given the expected combination of costs, reliability, risks and uncertainty and

WHEREAS, the Alliance opposes the inclusion of the Utility’s financial integrity in the objectives for IRP, noting that the established regulatory compact provides sufficient protection of the utility’s finances,¹⁵⁵ and

¹⁵³ *Id.* at 8-9.

¹⁵⁴ *Id.* at 9.

¹⁵⁵ *Id.* at 9-10.

WHEREAS, the Council is of the opinion that modeling resource portfolios that failed to take into account the regulatory requirement to maintain the financial integrity of the Utility would be a waste of administrative resources, as it would produce Resource Portfolios that would not be legally viable options for the Council to pursue. It is the Council's goal that the IRP produce a range of resource portfolios that enable the Council to understand what resource options are reasonable for the Utility to pursue under various possible future scenarios. Including Resource Portfolios that do not meet basic regulatory requirements does not assist the Council in gaining this understanding; and

WHEREAS, the Alliance argues that it is a conflict of interest for the utility to hire and manage the contractors who determine DSM potential, that there have been persistent problems with the DSM potential studies, and that the result has been conservative programs that have not grown as rapidly as other utilities' programs;¹⁵⁶ and

WHEREAS, the Council believes, given the particular importance of resource planning to the City, it would be reasonable for the Council to retain the ability to procure its own DSM Potential Study consultant; and

WHEREAS, the Alliance continues to support the addition of the Societal Cost Test as an additional screening test to evaluate DSM potential to the consideration of DSM;¹⁵⁷ and

WHEREAS, 350 LA proposes inclusion of the Societal Cost Test in order to include all quantifiable benefits attributable to DSM programs;¹⁵⁸ and

WHEREAS, the Council does not believe there is sufficient consensus as to the appropriate definition and application of the Societal Cost Test to include it as an additional DSM

¹⁵⁶ *Id.* at 10-11.

¹⁵⁷ *Id.* at 11.

¹⁵⁸ 350 LA Reply Comments at 3.

screening test in the IRP analysis at this time. To the extent that certain costs of externalities, not included in participants costs and utility costs, can be credibly defined and quantified prior to a forthcoming IRP cycle, the Council will consider adding the Societal Cost Test among the DSM screening tests and including such in the Initiating Resolution of that IRP cycle; and

WHEREAS, the Alliance proposes that all constraints on the optimization process, such as the constraint to mitigate over-reliance on forecasted revenues from external capacity market sales, should be specifically disclosed.¹⁵⁹ The Alliance argues that the utility should be required to identify the factors that are being constrained and indicate what specific constraints are being used and why;¹⁶⁰ and

WHEREAS, the Council is of the opinion that it would be unreasonably burdensome on the Utility to require disclosure of all constraints on the optimization process, but agrees that disclosure of the important constraints which define a particular Planning Scenario or Strategy is warranted in order for the Council to fully understand the result of the analysis. To that end, the Council will not require the utility to disclose any constraints on the optimization process that reflect the physical limitations of the modeling system; it will require only the disclosure of any artificial constraints placed upon the optimization; and

WHEREAS, the Alliance recommends that once the IRP has been submitted, the Council separately consider (1) whether to “accept” the IRP as having met the IRP Rules’ process requirements, and (2) whether to approve, reject, or take no position on the substance of the IRP submitted.¹⁶¹ The Alliance would give greater weight to an approve or reject decision in future

¹⁵⁹ Alliance Reply Comments at 14.

¹⁶⁰ *Id.*

¹⁶¹ *Id.* at 15.

resource acquisition applications than it would give to a finding that the Council will take no position;¹⁶² and

WHEREAS, the Council finds that there is no need to insert specific language into the IRP rules and procedures that specify what type of resolution or order the Council will ultimately issue with respect to the IRP. The Council agrees that a decision to approve or reject an IRP would carry more weight than a decision that merely accepts the IRP as having met the Council's procedural requirements; and

WHEREAS, in addition to identifying important changes to the utility's resource mix since the last IRP, 350 LA proposes that the utility be required to include data on current emissions from its existing resource mix as well as data on water usage.¹⁶³ 350 LA also argues that data included regarding supply-side options as part of the IRP filing should include social and environmental costs of each externality, especially data on CO2 and methane emissions.¹⁶⁴ Further, 350 LA argues that in addition to attempting to develop a consensus regarding various supply-side and demand-side inputs, the utility should include figures for the cost of wind from MISO from the day before and for regional solar for the last six months;¹⁶⁵ and

WHEREAS, 350 LA argues that environmental and social costs and risks associated with a resource portfolio should not be an afterthought after the modeling is done, but an essential part of the decision-making process;¹⁶⁶ and

WHEREAS, the Council is of the opinion that the Advisors' proposed rules would effectively address the concern that environmental costs be considered in the IRP analysis to the

¹⁶² *Id.* at 16.

¹⁶³ 350 LA Reply Comments at 2.

¹⁶⁴ *Id.* at 3.

¹⁶⁵ *Id.* at 4.

¹⁶⁶ *Id.* at 5.

greatest extent possible, and finds that 350 LA's requests for additional data are too poorly defined to be incorporated into the IRP analysis; and

WHEREAS, 350 LA argues that the timeline for the parameters for the Planning Scenarios and Planning Strategies to be set should not be at the beginning of the IRP planning process, but rather after agreement on the parameters has been set;¹⁶⁷ and

WHEREAS, the Council disagrees that timelines should be set through the consensus of the parties. The Council governs the regulatory process, and while it may choose to give deference to a consensus position reached by parties to a case, it retains the authority to set the timelines that are appropriate and consistent with the City Code and due process to all parties. Due process does not permit the Council to wait indefinitely for the parties to reach agreement as to the parameters of the Planning Scenarios and Planning Strategies before setting deadlines for a timely resolution of the proceeding; and

WHEREAS, 350 LA requests 30 day notice of public engagement meetings rather than 2 weeks' notice and ask that ENO be required to use their email server to reach out and inform their constituents via an email specifically announcing IRP meetings (not just an embedded link) in language that explains the IRP process and its significance;¹⁶⁸ and

WHEREAS, the Council finds that a 30-day notice requirement for public meetings is reasonable; and

WHEREAS, 350 LA argues that the first public education and kickoff meeting should be in the evening hours to accommodate working hours and should be the first item on the agenda;¹⁶⁹ and

¹⁶⁷ *Id.*

¹⁶⁸ *Id.* at 6.

¹⁶⁹ *Id.* at 7.

WHEREAS, the Council finds that the first public education and kickoff meeting should be held at a time that is reasonably convenient for members of the public to attend, and anticipates that CURO would schedule such meetings accordingly; and

WHEREAS, 350 LA requests specific language that the public input received at the public hearing to present the IRP report should inform the Council's decision to approve, reject, or decline to respond to the final report;¹⁷⁰ and

WHEREAS, the Council clarifies that public input alone will not be determinative of the Council's decision regarding the IRP because the Council must also consider numerous other factors including, but not limited to, reliability, physical and engineering realities, costs and economic impact. The public's input will be entered into the record, considered, and given appropriate weight by the Council in reaching its decision; and

WHEREAS, BSI filed a document styled as a rebuttal to the Advisors Report. BSI appears to argue that IRP planning should be discarded altogether because current IRP software cannot model new technologies BSI believes should be included in the IRP.¹⁷¹ BSI offers the examples of ductless AC equipment, batteries, and DSM as technologies cannot actually be modeled within the current IRP modeling software;¹⁷² and

WHEREAS, the Council finds that even if some jurisdictions are beginning to recognize the limitations of and consider alternatives to a traditional IRP analysis for resource planning, BSI has not submitted sufficient evidence to convince the Council that IRP analyses are no longer best practices in the industry for resource planning and should be abandoned by the Council at this time; and

¹⁷⁰ *Id.*

¹⁷¹ BSI Motion at the first and second pages.

¹⁷² *Id.* at the second page.

WHEREAS, BSI argues that a new rate structure is required to ensure the profitability of the utility, and pilot projects are needed to ensure the profitability of the concept.¹⁷³ BSI argues that its Customer Lowered Electricity Price (“CLEP”) proposal addresses the flaws in the IRP.¹⁷⁴ BSI also submits its calculations for probable first costs and annual savings of CLEP for an ENO customer,¹⁷⁵ and

WHEREAS, BSI responds to the Advisors’ statement that BSI has neither identified a structure similar to its proposal that is being implemented elsewhere in the nation, nor proposed a structure in sufficient detail for the Council, Advisors, and parties to understand specifically what is being proposed by referencing a document submitted in another docket (UD-08-02) that refers to a California structure for auctions for energy efficiency resources and a Consolidated Edison market-based policy of making purchases in smaller increments.¹⁷⁶ BSI argues that while New York and California may be outliers, the trend is moving toward their approaches and away from traditional IRP calculations.¹⁷⁷ BSI clarifies that all it is saying is that the currently functioning Energy Smart program is not all that ENO needs because, compared to CLEP, Energy Smart completely ignores DER, under-incentivizes EE and operates at a far greater cost per kWh saved;¹⁷⁸ and

WHEREAS, the Council finds that BSI has not submitted sufficient evidence to demonstrate that its CLEP proposal is just and reasonable. BSI has submitted no expert witness testimony or any testimony or evidence of the type typically submitted in support of a rate proposal,

¹⁷³ *Id.*

¹⁷⁴ *Id.* at the third page.

¹⁷⁵ *Id.* at the fourth page.

¹⁷⁶ *Id.* at the sixth page.

¹⁷⁷ *Id.*

¹⁷⁸ *Id.*

and its proposal continues to be insufficiently defined to allow the Council to predict the outcome of adopting its proposal with any reasonable degree of certainty; and

WHEREAS, in response to the Advisors' statement that BSI had muddled several concepts together in its initial comments, BSI acknowledged that its proposal was lengthy and might be confusing for those not yet fully aware of the changes in current technology.¹⁷⁹ BSI argues that the Advisors, however, appear to have gotten the gist of its proposal;¹⁸⁰ and

WHEREAS, BSI argues that its proposal to require ENO to demonstrate that a major investment is needed by execution of the first two steps of an IRP is how it is done in Michigan;¹⁸¹ and

WHEREAS, BSI has not provided any evidence in support of its assertion that the Council should adopt the approach taken in Michigan; and

WHEREAS, BSI argues that the Advisors' statement that because the NOPS CT proposal is being considered in another docket it is beyond the scope of the IRP Rulemaking proceeding "would only appear to be true in the context of the advisers' subjective framework."¹⁸² and

WHEREAS, BSI appears to take the position that its proposal that the Council is relevant to the IRP Rulemaking (Docket No. UD-17-01) because BSI proposed it in the triennial IRP review docket (UD-08-02).¹⁸³ BSI argues that had its recommendations been implemented at the time they were made, the city might have saved 1.5 years and millions of dollars in legal fees and utility efforts to create a final product in January 2017 that was ultimately rejected.¹⁸⁴ BSI argues that

¹⁷⁹ *Id.* at the fifth page.

¹⁸⁰ *Id.*

¹⁸¹ *Id.*

¹⁸² *Id.*

¹⁸³ *Id.*

¹⁸⁴ *Id.* at the sixth page.

the practice of paying intervenors has worked well in California and other forward-thinking parts of the country, which BSI has monitored for years;¹⁸⁵ and

WHEREAS, in response to the Advisors' statement that BSI's proposal for an RFP for pilot programs is beyond the scope of the consideration of whether the Council's IRP Requirements should be modified, BSI argues that it is consistent with the point that there are many ways to lower customer demand outside of a standard utility-run DSM program, and that without pilot programs, the empirical data needed for completing the IRP, using competent modeling software cannot be gathered;¹⁸⁶ and

WHEREAS, BSI argues that the Advisors' statement that the topics of expansion of CURO Staff and the use of resources from NARUC and the NRRI are beyond the scope of a rulemaking regarding potential modifications to IRP requirements and procedures is disingenuous given that CURO has never contacted NRRI and neither the Advisors nor CURO appear to be well versed in Tom Stanton's (NRRI's principal researcher) literature;¹⁸⁷ and

WHEREAS, the Council finds that the above-described assertions of BSI are indeed beyond the scope of this proceeding, which was established specifically to consider proposed changes to the Council's IRP rules and procedures, and the Council observes that BSI attempts to be seeking a "second bite at the apple" by continuing to make its arguments in additional dockets;

NOW THEREFORE

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS

THAT:

1. The Council hereby adopts the Electric Utility Integrated Resource Plan Rules of the Council of the City of New Orleans, as attached to this Resolution in Appendix A. These rules supersede the Electric Utility Integrated Resource Plan

¹⁸⁵ *Id.*

¹⁸⁶ *Id.* at the seventh page.

¹⁸⁷ *Id.*

Requirements of the Council of the City of New Orleans issued in Resolution No. R-10-142.

2. The Council rejects BSI's proposal to adopt a CLEP tariff in lieu of a traditional IRP.

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

YEAS: Brossett, Cantrell, Gray, Guidry, Head, Ramsey, Williams - 7

NAYS: 0

ABSENT: 0

AND THE RESOLUTION WAS ADOPTED.

THE FOREGOING IS CERTIFIED
TO BE A TRUE AND CORRECT COPY
Lara W. Johnson
CLERK OF COUNCIL

ATTACHMENT A
TO RESOLUTION R-17-332

ELECTRIC UTILITY INTEGRATED RESOURCE PLAN RULES
of the
Council of the City of New Orleans

ELECTRIC UTILITY INTEGRATED RESOURCE PLAN RULES
of the
Council of the City of New Orleans

Section 1. Overview

- A. These rules supersede the “Electric Utility Integrated Resource Plan Requirements of the Council of the City of New Orleans” adopted by Council Resolution R-10-142. The purpose of these rules is to establish an open and transparent process by which all electric utilities, subject to the Council of the City of New Orleans (Council) regulatory jurisdiction, develop and file Integrated Resource Plans (IRP).
- B. Each IRP triennial planning cycle shall be commenced with an Initiating Resolution of the Council which outlines the IRP process and timeline, Intervenor and public participation, policy objectives for consideration in the IRP, and other matters as deemed necessary by the Council.
- C. Each Utility IRP shall include a matrix of these rules, the corresponding section of the IRP responsive to that rule, and a brief description of how the Utility complied with the rules.
- D. Each Utility IRP is intended to serve as a general resource planning tool to the Utility and the Council, rather than a forum for the approval of the acquisition, implementation, or deactivation of any supply-side or demand-side resource.
- E. To the extent there is non-compliance with these rules, after the showing of cause, consistent with the provisions of Chapter 158 Article II, Division 8, Sec. 158-512 of the Code of the City of New Orleans and all applicable due process requirements, the Council may impose penalties for non-compliance with these rules.

Section 2. Definitions

- A. In these rules, unless otherwise specified, the following terms shall have the meaning defined in this Section:
 1. “Advanced Metering Infrastructure” (AMI) - refers to meters and their underlying technology, including communication and data handling systems, that record customer usage for time intervals of one hour or less, and can transmit information to the Utility without the need for a human meter reader. The meter allows for two-way flow of information and can notify the Utility of a power outage, and facilitate Demand Response programs.
 2. “Advisors” – refers to the legal and technical consultants retained by the Council to assist it in its regulatory responsibilities.
 3. “CURO” – refers to the Council Utilities Regulatory Office.

4. "Demand Side Management" (DSM) – refers to energy efficiency and Demand Response programs administered by the Utility.
5. "Demand Response" (DR) - refers to a program that seeks to modify customer loads to reduce or shift loads from hours with high electricity costs or reliability constraints to other hours. Demand Response programs include, but are not limited to: (a) those Demand Response programs that are dispatchable or controlled by the Utility, such as interruptible loads and direct load control of appliances, and(b) those Demand Response programs that are not controlled by the Utility, but rather involve a customer response during peak periods, such as critical peak pricing, time-of-use (TOU) rates, and any other rate design that sends market signals to customers to encourage efficient electricity consumption. Demand Response also includes any other programs that shift loads from higher- to lower-energy cost times that may become available through the deployment of AMI or other technologies.
6. "Distributed Energy Resources" (DERs) - refers to generation or energy storage facilities owned or leased by retail customers that are located on the customer side of the meter, that are primarily for the use and consumption of energy by the retail customer, and that are interconnected to and capable of delivering energy to the grid. Distributed Energy Resources may include renewable/non-renewable generators, combined heat and power, and storage technology including electric vehicles, and any other technology that may similarly serve or dispatch energy from the customer side of the meter.
7. "Initiating Resolution" – refers to a resolution of the Council which initiates the triennial IRP planning cycle and establishes the procedural schedule and such other matters as the Council deems appropriate; and process to be utilized by the Utility, stakeholders and Interested Parties throughout the IRP development process.
8. "Integrated Resource Planning" – is an open, transparent planning process through which all relevant supply-side and demand-side resources (including all DSM resources), and the factors influencing choice among them, are investigated for the optimal set of resources to meet current and future electric service needs at the lowest total cost to customers and the Utility, in a manner consistent with the long-run public interest, given the expected combination of costs, reliability, risks and uncertainty.
9. "Interested Person" – refers to an individual or entity who desires to receive information and notices of public meetings as part of the IRP process and who is not a party to the proceeding. CURO shall maintain a list of Interested Persons and forward to them copies of all filings, issuances, and notices occurring in the proceeding. This may be accomplished through the Council's electronic docketing system once that docketing system develops the necessary capabilities.
10. "Intervenor" – refers to persons who have intervened in the case pursuant to the New Orleans, Louisiana Code of Ordinances, Chapter 158, Article III.

11. “Load Forecast” – refers to a forecast of electricity demand (MW) and energy (MWh) for the Utility that takes into account currently implemented demand-side resources, and customer-owned DERs, but does not include any anticipated or incremental demand-side resources.
12. “New Orleans Technical Reference Manual” (NOTRM) – refers to a common reference document for estimating energy and peak demand reduction (“deemed savings”) resulting from the installation of DSM measures promoted by utility-administered programs in New Orleans. This document is a compilation of deemed savings values previously approved by the Council and the Advisors for use in estimating savings for DSM measures. The NOTRM is updated periodically as required by the Council through a collaborative process involving the Council, the Advisors, the Utility, the Third Party Administrator and the third party Evaluation, Measurement and Verification (“EM&V”) contractor, and other parties as needed. The data and methodologies in this document are to be used by program planners, administrators, implementers and evaluators for forecasting, reporting and evaluating energy and demand savings, costs, and other metrics from DSM measures installed in New Orleans.
13. “Planning Period” – refers to the number of projected years over which the existing resources and various potential resource options are evaluated in the IRP process.
14. “Planning Scenario” – refers to a distinct definition of a market outlook for the IRP Planning Period consisting of key parameters which are not controlled by the Utility or the Council. Several Planning Scenarios are constructed to identify the plausible futures of the IRP Planning Period. Various Planning Strategies are then evaluated relative to each of the defined Planning Scenarios.
15. “Planning Strategy” – refers to the defining of distinct resource constraints, regulatory policies, or business decisions over which the Council, the Utility, or Intervenors have control. For example, a Planning Strategy can be traditional utility planning, Intervenors defining resource inputs, or a Planning Strategy reflecting Council policies. Each distinct Planning Strategy is evaluated relative to each Planning Scenario, resulting in an optimized Resource Portfolio for each Planning Scenario/Planning Strategy combination.
16. “Resource Portfolio” - refers to prescribed combinations of supply-side resources, demand-side resources, and transmission investment for comparative evaluation in IRP modeling and reporting. Modeling of the intersection of a Planning Scenario and a Planning Strategy results in an optimized Resource Portfolio with a defined cost and associated risk. For example, if four Planning Scenarios and two separate Planning Strategies are defined, there would be eight Resource Portfolios.
17. “Regional Transmission Organization” (RTO) – refers to the Midcontinent Independent System Operator (MISO) or any successor RTO of which the Utility is a participating member.

18. "Stakeholder" -- refers to any person potentially impacted by the outcome of the IRP, whether that person formally intervenes in the proceeding or not.
19. "Stakeholder Process" -- refers to the meaningful engagement of stakeholders throughout the IRP process, specifically addressed in the Initiating Resolution commencing an IRP cycle.
20. "Utility" -- refers to any electric utility subject to the Council's regulatory jurisdiction.

Section 3. Objectives

- A. The Utility shall state and support specific objectives to be accomplished in the IRP planning process, which include but are not limited to the following:
 1. optimize the integration of supply-side resources and demand-side resources, while taking into account transmission and distribution, to provide New Orleans ratepayers with reliable electricity at the lowest practicable cost given an acceptable level of risk;
 2. maintain the Utility's financial integrity;
 3. anticipate and mitigate risks associated with fuel and market prices, environmental compliance costs, and other economic factors;
 4. support the resiliency and sustainability of the Utility's systems in New Orleans;
 5. comply with local, state and federal regulatory requirements and regulatory requirements and known policies (including such policies identified in the Initiating Resolution) established by the Council;
 6. evaluate the appropriateness of incorporating advances in technology, including, but not limited to, renewable energy, storage, and DERs, among others;
 7. achieve a range of acceptable risk in the trade-off between cost and risk; and
 8. maintain transparency and engagement with stakeholders throughout the IRP process by conducting technical conferences and providing for stakeholder feedback regarding the Planning Scenarios, Planning Strategies, input parameters, and assumptions.
- B. In the IRP Report, the Utility shall discuss its efforts to achieve the objectives identified in Section 3A and any additional specific objectives identified in the Initiating Resolution.

Section 4. Load Forecast

- A. The Utility shall develop a reference case Load Forecast and at least two alternative Load Forecasts applicable to the Planning Period which are consistent with the Planning Scenarios identified in Section 7C. The following data shall be supplied in support of each Load Forecast:
 1. The Utility's forecast of demand and energy usage by customer class for the Planning Period;

2. A detailed discussion of the forecasting methodology and a list of independent variables and their reference sources that were utilized in the development of the Load Forecast, including assumptions and econometrically evaluated estimates. The details of the Load Forecast should identify the energy and demand impacts of customer-owned DERs and then existing Utility-sponsored DSM programs;
 3. Forecasts of the independent variables for the Planning Period, including their probability distributions and statistical significance;
 4. The expected value of the Load Forecast as well as the probability distributions (uncertainty ranges) around the expected value of the Load Forecast; and
 5. A discussion of the extent to which line losses have been incorporated in the Load Forecast.
- B. The Utility shall construct composite customer hourly load profiles based on the forecasted demand and energy usage by customer class and relevant load research data, including the factors which determine future load levels and shape.
- C. Concurrent with the presentation of the Load Forecasts to the Advisors, CURO, and stakeholders, the Utility shall provide historical demand and energy data for the five (5) years immediately preceding the Planning Period. At a minimum, the following data shall be provided:
1. monthly energy consumption for the Utility in total and for each customer class;
 2. monthly coincident peak¹⁸⁸ demand for the Utility and estimates of the monthly coincident peak demand for each customer class;¹⁸⁹ and
 3. estimates of the monthly peak demand for each customer class;¹⁹⁰
- D. The data and discussions developed pursuant to Section 4A and Section 4B, and Section 4C shall be provided as an attachment to the IRP report and summarized in the IRP report.
- E. The Utility shall also provide a list of any known co-generation resources and DERs larger than 300 kW existing on the Utility's system, including resources maintained by the City of New Orleans for city/parish purposes, (e.g. Sewerage and Water Board, Orleans Levee District, or by independent agencies or entities such as universities, etc.).

Section 5. Resource Options

¹⁸⁸ For the purposes of Section 4C, "monthly coincident peak" refers to the peak coincident with the RTO monthly peak.

¹⁸⁹ To the extent ENO has or attains the technical capability to collect load data on a customer class level, it shall collect and report the historic data in lieu of the customer class level estimates.

¹⁹⁰ To the extent ENO has or attains the technical capability to collect load data on a customer class level, it shall collect and report the historic data in lieu of the customer class level estimates.

- A. Identification of resource options. The Utility shall identify and evaluate all existing supply-side and demand-side resources and identify a variety of potential supply-side and demand-side resources which can be reasonably expected to meet the Utility's projected resource needs during the Planning Period.
1. Existing supply-side resources. For existing supply-side resources, the Utility should incorporate all fixed and variable costs necessary to continue to utilize the resource as part of a Resource Portfolio. Costs shall include the costs of any anticipated renewal and replacement projects as well as the cost of regulatory mandated current and future emission controls.
 - a. The Utility shall identify important changes to the Utility's resource mix that occurred since the last IRP including large capital projects, resource procurements, changes in fuel types, and actual or expected operational changes regardless of cause.
 - b. Data supplied as part of the Utility's IRP filing should include a list of the Utility's existing supply-side resources including: the resource name, fuel type, capacity rating at time of summer and winter peak, and typical operating role (e.g. base, intermediate, peaking).
 2. For existing demand-side resources, the Utility should account for load reductions attributable to the then-existing demand-side resources in each year of the Planning Period. Each existing demand-side resource will be identified as either a specific energy efficiency program or DR program with an individual program lifetime and estimated energy and demand reductions applicable to the Planning Period, or as a then-existing Utility owned or Utility-managed distributed generation resource with energy and demand impacts that are estimated for applicable years of the Planning Period. Data supplied as part of the Utility's IRP filing should include:
 - a. Details of projected kWh/kW reductions from existing DSM programs based on quantifiable results and other credible support derived from Energy Smart New Orleans, or any successor program, using verified data available to the Utility from prior DSM program implementation years.
 - b. A list categorizing the Utility's existing demand-side resources including anticipated capacity at time of summer and winter peak.
 3. With respect to potential supply-side resources, the Utility shall consider: Utility-owned and purchased power resources; conventional and new generating technologies including technologies expected to become commercially viable during the Planning Period; technologies utilizing renewable fuels; energy storage technologies; cogeneration resources; and Distributed Energy Resources, among others.
 - a. The Utility should incorporate any known Council policy goals (including such policy goals identified in the Initiating Resolution) with respect to resource acquisition, including, but not limited to, renewable resources, energy storage technologies, and DERs.

- b. Data supplied as part of the Utility's IRP filing should include: a description of each potential supply-side resource including a technology description, operating characteristics, capital cost or demand charge, fixed operation and maintenance costs, variable charges, variable operation and maintenance costs, earliest date available to provide supply, expected life or contractual term of resource, and fuel type with reference to fuel forecast.
4. Potential demand-side resources. With respect to potential demand-side resources, the Utility should consider and identify all cost-effective demand-side resources through the development of a DSM potential study. All DSM measures with a Total Resource Cost Test¹⁹¹ value of 1.0 or greater shall be considered cost effective for DSM measure screening purposes.
 - a. The DSM potential study shall include, but not be limited to: identification of eligible measures, measure life expectancies, baseline standards, load reduction profiles, incremental capacity and energy savings, measure and program cost assumptions, participant adoption rates, market development, and avoided energy and capacity costs for DSM measure and program screening purposes.
 - b. The principal reference document for the DSM potential study shall be the New Orleans Technical Reference Manual.
 - c. In the development of the DSM potential study, all four California Standard Practice Tests¹⁹² (i.e. TRC, PACT, RIM and PCT) will be calculated for the DSM measures and programs considered.
 - d. The Utility should incorporate any known Council policy goals or targets (including such policy goals or targets identified in the Initiating Resolution) with respect to demand-side resources.
 - e. The cost-effective DR programs should include consideration of those programs enabled by the deployment of Advanced Meter Infrastructure, including both direct load control and DR pricing programs for both Residential and Commercial customer classes.
 - f. Data supplied as part of the Utility's IRP filing should include: a description of each potential demand-side resource considered, including a description of the resource or program; expected penetration levels by planning year; hourly load reduction profiles for each DSM program utilized in the IRP process; and results of appropriate cost-benefit analyses and acceptance tests, as part of the planning assumptions utilized within the IRP planning process.
 - g. The Council will make a decision and announce it in the Initiating Resolution whether it will procure an independent consultant to perform a DSM Potential Study. In the

¹⁹¹ California Standard Practice Manual: Economic Analysis of Demand-Side Programs and Projects, State of California Governor's Office of Planning and Research, July 2002.

¹⁹² *Id.*

event the Council does not procure an independent contractor, ENO shall provide a DSM potential study.¹⁹³

- B. Through the Stakeholder Process, the Utility shall strive to develop a position agreed to by the Utility, the Advisors, and a majority of the Intervenors regarding the potential supply-side and potential demand-side resources and their associated defining characteristics (e.g., capital cost, operating and maintenance costs, emissions, DSM supply curve, etc.).
1. To the extent such a consensus can be achieved among the Utility, the Advisors, and a majority of the Intervenors,¹⁹⁴ the resulting collection of potential supply-side and demand-side resources and their associated defining characteristics will be utilized in the reference Planning Strategy developed pursuant to Section 7D.
 2. To the extent such a consensus cannot be achieved, the Utility shall model, in coordination with the requirements in Section 7D, two distinct Planning Strategies: a reference Planning Strategy and a stakeholder Planning Strategy. The reference Planning Strategy will be based on the Utility's assessment of the collection of potential supply-side and demand-side resources and their associated defining characteristics. The stakeholder Planning Strategy will be determined by a majority of the Intervenors and modeled by the Utility based on inputs provided to the Utility describing the collection of potential supply-side and demand-side resources and their associated defining characteristics.¹⁹⁵ To maintain consistency in the modeling process, the Advisors will work with the Intervenors and the Utility to ensure that input that is provided for the stakeholder Planning Strategy can be accommodated within the framework of the existing model and software.¹⁹⁶

Section 6. Transmission and Distribution

- A. The Utility shall explain how the Utility's current transmission system, and any planned transmission system expansions (including regional transmission system expansion planned by the RTO in which the Utility participates) and the Utility's distribution system are integrated into the overall resource planning process to optimize the Utility's resource portfolio and provide New Orleans ratepayers with reliable electricity at the lowest practicable cost.
- B. Models developed for the integrated resource planning process should incorporate the planned configuration of the Utility's transmission system and the interconnected RTO during the Planning Period.
- C. To the extent major changes in the operation or planning of the transmission system and/or distribution system (including changes to accommodate the expansion of DERs) are

¹⁹³ This provision does not preclude any party from entering their own DSM potential study into the docket.

¹⁹⁴ An Intervenor not consenting to the majority position and thus not joining in the consensus retains the ability to oppose the consensus position before the Council and assert its own position.

¹⁹⁵ An Intervenor not consenting to the majority position retains the ability to oppose the consensus position before the Council and assert its own position.

¹⁹⁶ The Utility shall have no obligation to incorporate element(s) of the stakeholder Planning Strategy that cannot be accommodated by the Utility's modeling capabilities.

contemplated in the Planning Period, the Utility should describe the anticipated changes and provide an assessment of the cost and benefits to the Utility and its customers.

- D. To the extent that new resource additions are selected by the Utility for a Resource Portfolio based on reliability needs rather than as a result of the optimized development of a Resource Portfolio, the Utility shall identify reasonable transmission solutions that can be employed to either reduce the size, delay, or eliminate the need for the new reliability-driven resource additions and provide economic analyses demonstrating why the new reliability-driven resource addition was selected in lieu of the transmission solutions identified.
- E. It is the Council's intent that, as part of the IRP, the Utility shall evaluate the extent to which reliability of the distribution system can be improved through the strategic location of DERs or other resources identified as part of the IRP planning process. The Utility should provide an analysis, discussion, and quantification of the costs and benefits as part of the evaluation. To the extent the Utility does not currently have the capability to meet this requirement, the utility shall demonstrate progress toward accomplishing this requirement until such time as it acquires the capability.

Section 7. Integrated Resource Plan Analyses

- A. The integrated resource planning process should include modeling of specific parameters and their relationships consistent with market fundamentals, and as appropriate for long-term Portfolio planning. This overall modeling approach is an accepted analytic approach used in resource planning considering the range of both supply-side and demand-side options as well as uncertainty surrounding market pricing. To represent and account for the different characteristics of alternative types of resource options, mathematical methods such as a linear programming formulation should be used to optimize resource decisions.¹⁹⁷
- B. The optimization process shall be constrained to mitigate the over-reliance on forecasted revenues from external capacity market sales and external energy market sales driving the selection of resources.
- C. The Utility shall develop three to four Planning Scenarios that incorporate different economic and environmental circumstances and national and regional regulatory and legislative policies.
 - 1. The Planning Scenarios should include a reference Planning Scenario that represents the Utility's point of view on the most likely future circumstances and policies, as well as two alternative Planning Scenarios that account for alternative circumstances and policies.
 - 2. In the development of the Planning Scenarios, the Utility should seek to develop a position agreed to by the Utility, Advisors, and a majority of Intervenor¹⁹⁸ regarding the assumptions surrounding each of the Planning Scenarios. To the extent such a consensus is not reasonably attainable regarding the Planning Scenarios, the Utility shall model a

¹⁹⁷ Linear programming is a mathematical method or model of optimizing linear functions or relationships within constraints to achieve the lowest costs.

¹⁹⁸ An Intervenor not consenting to the majority position and thus not joining in the consensus retains the ability to oppose the consensus position before the Council and assert its own position.

fourth Planning Scenario which is based upon input agreed to by a majority of the Intervenors.¹⁹⁹

3. For each IRP Planning Scenario, data supplied as part of the Utility's IRP filing should include:
 - a. a fuel price forecast for each fuel considered for utilization in any existing or potential supply-side resource;
 - b. an hourly market price forecast for energy (e.g. locational marginal prices);
 - c. an annual capacity price forecast for both a short-term capacity purchase (e.g. bilateral contract or Planning Resource Credit) and a long-term capacity purchase (e.g. long-run marginal cost of a new replacement gas combustion turbine); and
 - d. forecasts of price for any other price related components that are defined by the Planning Scenario (e.g. CO2 price forecast, etc.).
- D. Distinct from the Planning Scenarios, the Utility shall identify two to four Planning Strategies which constrain the optimization process to achieve particular goals, regulatory policies and/or business decisions over which the Council, the Utility, or stakeholders have control.
 1. The Utility shall develop a Planning Strategy that allows the optimization process to identify the lowest cost option for meeting the needs identified in the IRP process.
 2. The Utility shall develop a reference Planning Strategy agreed to by the Utility, Advisors, and a majority of the Intervenors.²⁰⁰ To the extent such a consensus cannot be reasonably achieved, the reference Planning Strategy shall reflect the Utility's point of view on resource input parameters and constraints, and the Utility shall model a separate stakeholder Planning Strategy based upon input determined by a majority of the Intervenors.²⁰¹
 3. As necessary, the Utility shall develop alternate Planning Strategies to reflect known utility regulatory policy goals of the Council (including such policy goals or targets identified in the Initiating Resolution) as established no later than 30 days prior to the date the Planning Strategy inputs must be finalized.
- E. Prior to the development of optimized Resource Portfolios, the parameters developed for the Planning Scenarios and Planning Strategies shall be set, considered finalized, and not subject for alteration during the remainder of the IRP planning cycle. The IRP Report shall describe

¹⁹⁹ An Intervenor not consenting to the majority position and thus not joining in the consensus retains the ability to oppose the consensus position before the Council and assert its own position.

²⁰⁰ An Intervenor not consenting to the majority position and thus not joining in the consensus retains the ability to oppose the consensus position before the Council and assert its own position.

²⁰¹ An Intervenor not consenting to the majority position and thus not joining in the consensus retains the ability to oppose the consensus position before the Council and assert its own position.

the parameters of each Planning Scenario and each Planning Strategy, including all artificial constraints utilized in the optimization modeling.

- F. Resource Portfolios shall be developed through optimization utilizing the Utility's modeling software. The Utility shall identify the least-cost Resource Portfolio for each Planning Scenario and Planning Strategy combination, based on total cost. Resource Portfolios shall consist of optimized combinations of supply-side and demand-side resources, while recognizing constraints including transmission and distribution.
- G. The Utility shall provide a discussion and presentation of results for each Planning Scenario/Planning Strategy combination, the annual total demand related costs, energy related costs, and total supply costs associated with each least-cost Resource Portfolio identified under each Planning Scenario/Planning Strategy combination, a load and capability table indicating the total load requirements and identifying all supply-side and demand-side resources included in the Resource Portfolio (including identifying the impacts of existing demand-side resources on the total load requirements), and a description of the supply-side and demand-side resources that are planned and, if applicable, their principal rationale for selection (i.e., supply peak demand, supply non-peak demand or operational constraints, achieve more economical production of energy, etc.).
 - 1. Data supplied as part of the Utility's IRP filing shall include a cumulative present worth summary of the results as well as the annual estimates of costs that result in the cumulative present worth to enable the Council to understand the timing of costs and savings of each least-cost Resource Portfolio.
- H. The IRP report's discussion and presentation of results for each Resource Portfolio should identify key characteristics of that Resource Portfolio and significant factors that drive the ultimate cost of that Resource Portfolio such that the Council may understand which factors could ultimately and significantly affect the preference of a Resource Portfolio by the Council.
- I. The Utility will develop and include a scorecard template or set of quantitative and qualitative metrics to assist the Council in assessing the IRP based on the Resource Portfolios. The scorecard should rank the resource portfolios by how well each portfolio achieves each metric. Such metrics should include but not necessarily be limited to: cost²⁰²; impact on the Utility's revenue requirements; risk; flexibility of resource options²⁰³; reasonably quantifiable environmental impacts (such as national average emissions for the technologies chosen, amount of groundwater consumed, etc.); consistency with established, published city policies, such as the City's sustainability plan; and macroeconomic impacts in New Orleans.

Section 8. Risk Analyses

- A. The Utility shall develop a cost/risk analysis which balances quantifiable costs with quantifiable risks of the identified least-cost Resource Portfolios. The risk assessment must be

²⁰² The cost metric should include the cost of quantified externalities as well as Utility costs resulting from the IRP optimization.

²⁰³ The flexibility metric includes response to load swings and quick start.

presented in the IRP to allow the Council to comprehend the robustness of each Resource Portfolio across the cost/risk range of possible Resource Portfolios.

1. In quantifying Resource Portfolio costs/risks, the IRP shall assess any social and environmental effects of the Resource Portfolios to the extent that: 1) those effects can be quantified and have been modeled for a Resource Portfolio, including the applicable Planning Period years and ranges of uncertainty surrounding each externality cost, and 2) each quantified cost must be clearly identified by the portion which relates to the Utility's revenue requirements or cost of providing service to the Utility's customers under the Resource Portfolio.
2. It is the Council's intent that, as part of the IRP, a risk assessment be conducted to evaluate both the expected outcome of potential costs as well as the distribution and potential range and associated probabilities of outcomes. To the extent the Utility believes the risk assessment described herein is beyond the current modeling capabilities of the Utility or that the risk assessment cannot be accomplished within the procedural schedule set forth in the Initiating Resolution, the Utility shall so inform the Council and meet with the Intervenors and Advisors to agree upon an alternative form of risk analysis to recommend to the Council.
 - a. The risk assessment shall include the expected cost per MWh of the Resource Portfolios in selected future years, along with the range of annual average costs foreseen for the 10th and 90th percentiles of simulated possible outcomes.
 - b. The supporting methodology shall be included, such as the iterations or simulations performed for the selected years, in which the possible outcomes are drawn from distributions that describe market expectations and volatility as of the current filing date.

Section 9. IRP Process Requirements

- A. At a minimum, the IRP process shall include, but not be limited to, the following elements:
 1. The opportunity for Intervenors to participate in the concurrent development of inputs and assumptions for the major components of the IRP in collaboration with the Utility within the confines of the IRP timeline and procedural schedule.
 2. At least four technical meetings attended by the parties in the Docket focused on major IRP components that include the Utility, Intervenors, CURO, and the Advisors with structured comment deadlines so that meeting participants have the opportunity to present inputs and assumptions and provide comments, and attempt to reach consensus while remaining mindful of the procedural schedule established in the Initiating Resolution.
 3. At least 3 public engagement technical conferences advertised through multiple media channels at a minimum of 30 days prior to the public technical conference.
 - a. A public education and kickoff meeting that explains the following: the purpose of the IRP and the corresponding process; the IRP timeline as delineated in the Council's

Initiating Resolution with respect to major process deadlines; the inputs and assumptions that are considered in the IRP process and summarized in the report; and ways in which public can remain informed throughout the IRP cycle (e.g., online information resources that provide status updates, portal through which customers can submit questions or concerns to the Utility);

- b. A public presentation of the IRP; and
 - c. A public hearing opportunity after presentation of the IRP report to give the public the opportunity to provide comment on the record.
4. CURO shall schedule, provide notice of, and conduct the public technical conferences. In addition to a live presentation, all public technical conferences should also be broadcast via the Council's website and archived for later viewing.

Section 10. Submission and Public Presentation of IRP

- A. The Utility shall make its IRP available for public review subject to the provisions of the Council Resolution initiating the current IRP planning cycle and referenced in Section 1B.
- B. The Utility shall file its IRP with the Council consistent with and subject to the provisions of the Council Resolution initiating the current IRP planning cycle referenced in Section 1B.
- C. The IRP report should discuss the stakeholders' engagement throughout the IRP process; the access to data inputs and specific modeling results by all parties; the consensus reached regarding all demand-side and supply-side resource inputs and assumptions; specific descriptions of unresolved issues regarding inputs, assumptions, or methodology; the formulation of the stakeholder Planning Scenario and/or stakeholder Planning Strategy as needed; and recommendations to improve the transparency and efficiency of the IRP process for prospective IRP cycles.
- D. The IRP shall include an action plan and timeline discussing any steps or actions the Utility may propose to take as a result of the IRP, understanding that the Council's acceptance of the filing of the Utility's IRP would not operate as approval of any such proposed steps or actions.
- E. Provided the IRP fulfills the requirements contained herein and was developed in compliance with the procedural schedule established for the triennial IRP cycle, the Council shall accept the Utility's IRP as filed in compliance with the Council's substantive and procedural requirements.
- F. The Council's acceptance of the Utility's IRP as described herein shall have no precedential effect with respect to the Council's evaluation of any application for approval of the acquisition, implementation, or deactivation of any supply-side or demand-side resource or program.

ATTACHMENT B
TO RESOLUTION R-17-332

REDLINE OF ADVISOR-PROPOSED ELECTRIC UTILITY INTEGRATED
RESOURCE PLAN RULES VERSUS THE FINALLY APPROVED RULES
of the
Council of the City of New Orleans

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Section 1. Overview

- A. These rules supersede the “Electric Utility Integrated Resource Plan Requirements of the Council of the City of New Orleans” adopted by Council Resolution No. R-10-142. The purpose of these rules is to establish an open and transparent process by which all electric utilities, subject to the Council of the City of New Orleans (Council) regulatory jurisdiction, develop and file Integrated Resource Plans (IRP).
- B. Each IRP triennial planning cycle shall be commenced with an Initiating Resolution of the Council which outlines the IRP process and timeline, Intervenor and public participation, policy objectives for consideration in the IRP, and other matters as deemed necessary by the Council.
- C. Each Utility IRP shall include a matrix of these rules, the corresponding section of the IRP responsive to that rule, and a brief description of how the Utility complied with the rules.
- D. Each Utility IRP is intended to serve as a general resource planning tool to the Utility and the Council, rather than a forum for the approval of the acquisition, implementation, or deactivation of any supply-side or demand-side resource.
- E. To the extent there is non-compliance with these rules, after the showing of cause, consistent with the provisions of Chapter 158 Article II, Division 8, Sec. 158-512 of the Code of the City of New Orleans and all applicable due process requirements, the Council may impose penalties for non-compliance with these rules.

Section 2. Definitions

- A. In these rules, unless otherwise specified, the following terms shall have the meaning defined in this Section:
 - 1. “Advanced Metering Infrastructure” (AMI) - refers to meters and their underlying technology, including communication and data handling systems, that record customer usage for time intervals of one hour or less, and can transmit information to the Utility without the need for a human meter reader. The meter allows for two-way flow of information and can notify the Utility of a power outage, and facilitate Demand Response programs.
 - 2. “Advisors” – refers to the legal and technical consultants retained by the Council to assist it in its regulatory responsibilities.
 - 3. “CURO” – refers to the Council Utilities Regulatory Office.

4. “Demand Side Management” (DSM) – refers to energy efficiency and Demand Response programs administered by the Utility.
5. “Demand Response” (DR) - refers to a program that seeks to modify customer loads to reduce or shift loads from hours with high electricity costs or reliability constraints to other hours. Demand Response programs include, but are not limited to: (a) those Demand Response programs that are dispatchable or controlled by the Utility, such as interruptible loads and direct load control of appliances, and(b) those Demand Response programs that are not controlled by the Utility, but rather involve a customer response during peak periods, such as critical peak pricing, time-of-use (TOU) rates, and any other rate design that sends market signals to customers to encourage efficient electricity consumption. Demand Response also includes any other programs that shift loads from higher- to lower-energy cost times that may become available through the deployment of AMI or other technologies.
6. “Distributed Energy Resources” (DERs) - refers to generation or energy storage facilities owned or leased by retail customers that are located on the customer side of the meter, that are primarily for the use and consumption of energy by the retail customer, and that are interconnected to and capable of delivering energy to the grid. Distributed Energy Resources may include renewable/non-renewable generators, combined heat and power, and storage technology including electric vehicles, and any other technology that may similarly serve or dispatch energy from the customer side of the meter.
7. “Initiating Resolution” – refers to a resolution of the Council which initiates the triennial IRP planning cycle and establishes the procedural schedule and such other matters as the Council deems appropriate; and process to be utilized by the Utility, stakeholders and Interested Parties throughout the IRP development process.
8. “Integrated Resource Planning” – is an open, transparent planning process through which all relevant supply-side and demand-side resources (including all DSM resources), and the factors influencing choice among them, are investigated for the optimal set of resources to meet current and future electric service needs at the lowest total cost to customers and the Utility, in a manner consistent with the long-run public interest, given the expected combination of costs, reliability, risks and uncertainty.
9. “Interested Person” – refers to an individual or entity who desires to receive information and notices of public meetings as part of the IRP process and who is not a party to the proceeding. CURO shall maintain a list of Interested Persons and forward to them copies of all filings, issuances, and notices occurring in the proceeding. This may be accomplished through the Council’s electronic docketing system once that docketing system develops the necessary capabilities.
10. “Intervenor” – refers to persons who have intervened in the case pursuant to the New Orleans, Louisiana Code of Ordinances, Chapter 158, Article III.

11. "Load Forecast" – refers to a forecast of electricity demand (MW) and energy (MWh) for the Utility that takes into account currently implemented demand-side resources, and customer-owned DERs, but does not include any anticipated or incremental demand-side resources.
12. "New Orleans Technical Reference Manual" (NOTRM) – refers to a common reference document for estimating energy and peak demand reduction ("deemed savings") resulting from the installation of DSM measures promoted by utility-administered programs in New Orleans. This document is a compilation of deemed savings values previously approved by the Council and the Advisors for use in estimating savings for DSM measures. The NOTRM is updated periodically as required by the Council through a collaborative process involving the Council, the Advisors, the Utility, the Third Party Administrator and the third party Evaluation, Measurement and Verification ("EM&V") contractor, and other parties as needed. The data and methodologies in this document are to be used by program planners, administrators, implementers and evaluators for forecasting, reporting and evaluating energy and demand savings, costs, and other metrics from DSM measures installed in New Orleans.
13. "Planning Period" – refers to the number of projected years over which the existing resources and various potential resource options are evaluated in the IRP process.
14. "Planning Scenario"– refers to a distinct definition of a market outlook for the IRP Planning Period consisting of key parameters which are not controlled by the Utility or the Council. Several Planning Scenarios are constructed to identify the plausible futures of the IRP Planning Period. Various Planning Strategies are then evaluated relative to each of the defined Planning Scenarios.
15. "Planning Strategy" – refers to the defining of distinct resource constraints, regulatory policies, or business decisions over which the Council, the Utility, or Intervenors have control. For example, a Planning Strategy can be traditional utility planning, Intervenors defining resource inputs, or a Planning Strategy reflecting Council policies. Each distinct Planning Strategy is evaluated relative to each Planning Scenario, resulting in an optimized Resource Portfolio for each Planning Scenario/Planning Strategy combination.
16. "Resource Portfolio" - refers to prescribed combinations of supply-side resources, demand-side resources, and transmission investment for comparative evaluation in IRP modeling and reporting. Modeling of the intersection of a Planning Scenario and a Planning Strategy results in an optimized Resource Portfolio with a defined cost and associated risk. For example, if four Planning Scenarios and two separate Planning Strategies are defined, there would be eight Resource Portfolios.
17. "Regional Transmission Organization" (RTO) – refers to the Midcontinent Independent System Operator (MISO) or any successor RTO of which the Utility is a participating member.

18. "Stakeholder" -- refers to any person potentially impacted by the outcome of the IRP, whether that person formally intervenes in the proceeding or not.
19. "Stakeholder Process" -- refers to the meaningful engagement of stakeholders throughout the IRP process, specifically addressed in the Initiating Resolution commencing an IRP cycle.
20. "Utility" -- refers to any electric utility subject to the Council's regulatory jurisdiction.

Section 3. Objectives

- A. The Utility shall state and support specific objectives to be accomplished in the IRP planning process, which include but are not limited to the following:
 1. optimize the integration of supply-side resources and demand-side resources, while taking into account transmission and distribution, to provide New Orleans ratepayers with reliable electricity at the lowest practicable cost given an acceptable level of risk;
 2. maintain the Utility's financial integrity;
 3. anticipate and mitigate risks associated with fuel and market prices, environmental compliance costs, and other economic factors;
 4. support the resiliency and sustainability of the Utility's systems in New Orleans;
 5. comply with local, state and federal regulatory requirements and regulatory requirements and known policies (including such policies identified in the Initiating Resolution) established by the Council;
 6. evaluate the appropriateness of incorporating advances in technology, including, but not limited to, renewable energy, storage, and DERs, among others;
 7. achieve a range of acceptable risk in the trade-off between cost and risk; and
 8. maintain transparency and engagement with stakeholders throughout the IRP process by conducting technical conferences and providing for stakeholder feedback regarding the Planning Scenarios, Planning Strategies, input parameters, and assumptions.
- B. In the IRP Report, the Utility shall discuss its efforts to achieve the objectives identified in Section 3A and any additional specific objectives identified in the Initiating Resolution.

Section 4. Load Forecast

- A. The Utility shall develop a reference case Load Forecast and at least two alternative Load Forecasts applicable to the Planning Period which are consistent with the Planning Scenarios identified in Section 7C. The following data shall be supplied in support of each Load Forecast:
 1. The Utility's forecast of demand and energy usage by customer class for the Planning Period;

2. A detailed discussion of the forecasting methodology and a list of independent variables and their reference sources that were utilized in the development of the Load Forecast, including assumptions and econometrically evaluated estimates. The details of the Load Forecast should identify the energy and demand impacts of customer-owned DERs and then existing Utility-sponsored DSM programs;
 3. Forecasts of the independent variables for the Planning Period, including their probability distributions and statistical significance;
 4. The expected value of the Load Forecast as well as the probability distributions (uncertainty ranges) around the expected value of the Load Forecast; and
 5. A discussion of the extent to which line losses have been incorporated in the Load Forecast.
- B. The Utility shall construct composite customer hourly load profiles based on the forecasted demand and energy usage by customer class and relevant load research data, including the factors which determine future load levels and shape.
- C. Concurrent with the presentation of the Load Forecasts to the Advisors, CURO, and stakeholders, the Utility shall provide historical demand and energy data for the five (5) years immediately preceding the Planning Period. At a minimum, the following data shall be provided:
1. monthly energy consumption for the Utility in total and for each customer class;
 2. monthly coincident peak¹ demand for the Utility and estimates of the monthly coincident peak demand for each customer class;² and
 3. estimates of the monthly peak demand for each customer class;³
- D. The data and discussions developed pursuant to Section 4A and Section 4B, and Section 4C shall be provided as an attachment to the IRP report and summarized in the IRP report.
- E. The Utility shall also provide a list of any known co-generation resources and DERs larger than 300 kW existing on the Utility's system, including resources maintained by the City of New Orleans for city/parish purposes, (e.g. Sewerage and Water Board, Orleans Levee District, or by independent agencies or entities such as universities, etc.).

Section 5. Resource Options

- A. Identification of resource options. The Utility shall identify and evaluate all existing supply-side and demand-side resources and identify a variety of potential supply-side and demand-

¹ For the purposes of Section 4C, "monthly coincident peak" refers to the peak coincident with the RTO monthly peak.

² To the extent ENO has or attains the technical capability to collect load data on a customer class level, it shall collect and report the historic data in lieu of the customer class level estimates.

³ To the extent ENO has or attains the technical capability to collect load data on a customer class level, it shall collect and report the historic data in lieu of the customer class level estimates.

side resources which can be reasonably expected to meet the Utility's projected resource needs during the Planning Period.

1. Existing supply-side resources. For existing supply-side resources, the Utility should incorporate all fixed and variable costs necessary to continue to utilize the resource as part of a Resource Portfolio. Costs shall include the costs of any anticipated renewal and replacement projects as well as the cost of regulatory mandated current and future emission controls.
 - a. The Utility shall identify important changes to the Utility's resource mix that occurred since the last IRP including large capital projects, resource procurements, changes in fuel types, and actual or expected operational changes regardless of cause.
 - b. Data supplied as part of the Utility's IRP filing should include a list of the Utility's existing supply-side resources including: the resource name, fuel type, capacity rating at time of summer and winter peak, and typical operating role (e.g. base, intermediate, peaking).
2. For existing demand-side resources, the Utility should account for load reductions attributable to the then-existing demand-side resources in each year of the Planning Period. Each existing demand-side resource will be identified as either a specific energy efficiency program or DR program with an individual program lifetime and estimated energy and demand reductions applicable to the Planning Period, or as a then-existing Utility owned or Utility-managed distributed generation resource with energy and demand impacts that are estimated for applicable years of the Planning Period. Data supplied as part of the Utility's IRP filing should include:
 - a. Details of projected kWh/kW reductions from existing DSM programs based on quantifiable results and other credible support derived from Energy Smart New Orleans, or any successor program, using verified data available to the Utility from prior DSM program implementation years.
 - b. A list categorizing the Utility's existing demand-side resources including anticipated capacity at time of summer and winter peak.
3. With respect to potential supply-side resources, the Utility shall consider: Utility-owned and purchased power resources; conventional and new generating technologies including technologies expected to become commercially viable during the Planning Period; technologies utilizing renewable fuels; energy storage technologies; cogeneration resources; and Distributed Energy Resources, among others.
 - a. The Utility should incorporate any known Council policy goals (including such policy goals identified in the Initiating Resolution) with respect to resource acquisition, including, but not limited to, renewable resources, energy storage technologies, and DERs.
 - b. Data supplied as part of the Utility's IRP filing should include: a description of each potential supply-side resource including a technology description, operating

characteristics, capital cost or demand charge, fixed operation and maintenance costs, variable charges, variable operation and maintenance costs, earliest date available to provide supply, expected life or contractual term of resource, and fuel type with reference to fuel forecast.

4. Potential demand-side resources. With respect to potential demand-side resources, the Utility should consider and identify all cost-effective demand-side resources through the development of a DSM potential study. All DSM measures with a Total Resource Cost Test⁴ value of 1.0 or greater shall be considered cost effective for DSM measure screening purposes.
 - a. The DSM potential study shall include, but not be limited to: identification of eligible measures, measure life expectancies, baseline standards, load reduction profiles, incremental capacity and energy savings, measure and program cost assumptions, participant adoption rates, market development, and avoided energy and capacity costs for DSM measure and program screening purposes.
 - b. The principal reference document for the DSM potential study shall be the New Orleans Technical Reference Manual.
 - c. In the development of the DSM potential study, all four California Standard Practice Tests⁵ (*i.e.*, TRC, PACT, RIM and PCT) will be calculated for the DSM measures and programs considered.
 - d. The Utility should incorporate any known Council policy goals or targets (including such policy goals or targets identified in the Initiating Resolution) with respect to demand-side resources.
 - e. The cost-effective DR programs should include consideration of those programs enabled by the deployment of Advanced Meter Infrastructure, including both direct load control and DR pricing programs for both Residential and Commercial customer classes.
 - f. Data supplied as part of the Utility's IRP filing should include: a description of each potential demand-side resource considered, including a description of the resource or program; expected penetration levels by planning year; hourly load reduction profiles for each DSM program utilized in the IRP process; and results of appropriate cost-benefit analyses and acceptance tests, as part of the planning assumptions utilized within the IRP planning process.
 - g. The Council will make a decision and announce it in the Initiating Resolution whether it will procure an independent consultant to perform a DSM Potential Study. In the event the Council does not procure an independent contractor, ENO shall provide a DSM potential study.⁶B.

⁴ California Standard Practice Manual: Economic Analysis of Demand-Side Programs and Projects, State of California Governor's Office of Planning and Research, July 2002.

⁵ *Id.*

⁶ This provision does not preclude any party from entering their own DSM potential study into the docket.

Through the Stakeholder Process, the Utility shall strive to develop a position agreed to by the Utility, the Advisors, and a majority of the Intervenors regarding the potential supply-side and potential demand-side resources and their associated defining characteristics (e.g., capital cost, operating and maintenance costs, emissions, DSM supply curve, etc.).

1. To the extent such a consensus can be achieved among the Utility, the Advisors, and a majority of the Intervenors,⁷ the resulting collection of potential supply-side and demand-side resources and their associated defining characteristics will be utilized in the reference Planning Strategy developed pursuant to Section 7D.
2. To the extent such a consensus cannot be achieved, the Utility shall model, in coordination with the requirements in Section 7D, two distinct Planning Strategies: a reference Planning Strategy and a stakeholder Planning Strategy. The reference Planning Strategy will be based on the Utility's assessment of the collection of potential supply-side and demand-side resources and their associated defining characteristics. The stakeholder Planning Strategy will be determined by a majority of the Intervenors and modeled by the Utility based on inputs provided to the Utility describing the collection of potential supply-side and demand-side resources and their associated defining characteristics.⁸ To maintain consistency in the modeling process, the Advisors will work with the Intervenors and the Utility to ensure that input that is provided for the stakeholder Planning Strategy can be accommodated within the framework of the existing model and software.⁹

Section 6. Transmission and Distribution

- A. The Utility shall explain how the Utility's current transmission system, and any planned transmission system expansions (including regional transmission system expansion planned by the RTO in which the Utility participates) and the Utility's distribution system are integrated into the overall resource planning process to optimize the Utility's resource portfolio and provide New Orleans ratepayers with reliable electricity at the lowest practicable cost.
- B. Models developed for the integrated resource planning process should incorporate the planned configuration of the Utility's transmission system and the interconnected RTO during the Planning Period.
- C. To the extent major changes in the operation or planning of the transmission system and/or distribution system (including changes to accommodate the expansion of DERs) are contemplated in the Planning Period, the Utility should describe the anticipated changes and provide an assessment of the cost and benefits to the Utility and its customers.
- D. To the extent that new resource additions are selected by the Utility for a Resource Portfolio based on reliability needs rather than as a result of the optimized development of a Resource

⁷ An Intervenor not consenting to the majority position and thus not joining in the consensus retains the ability to oppose the consensus position before the Council and assert its own position.

⁸ An Intervenor not consenting to the majority position retains the ability to oppose the consensus position before the Council and assert its own position.

⁹ The Utility shall have no obligation to incorporate element(s) of the stakeholder Planning Strategy that cannot be accommodated by the Utility's modeling capabilities.

Portfolio, the Utility shall identify reasonable transmission solutions that can be employed to either reduce the size, delay, or eliminate the need for the new reliability-driven resource additions and provide economic analyses demonstrating why the new reliability-driven resource addition was selected in lieu of the transmission solutions identified.

- E. It is the Council's intent that, as part of the IRP, the Utility shall evaluate the extent to which reliability of the distribution system can be improved through the strategic location of DERs or other resources identified as part of the IRP planning process. The Utility should provide an analysis, discussion, and quantification of the costs and benefits as part of the evaluation. To the extent the Utility does not currently have the capability to meet this requirement, the utility shall demonstrate progress toward accomplishing this requirement until such time as it acquires the capability.

Section 7. Integrated Resource Plan Analyses

- A. The integrated resource planning process should include modeling of specific parameters and their relationships consistent with market fundamentals, and as appropriate for long-term Portfolio planning. This overall modeling approach is an accepted analytic approach used in resource planning considering the range of both supply-side and demand-side options as well as uncertainty surrounding market pricing. To represent and account for the different characteristics of alternative types of resource options, mathematical methods such as a linear programming formulation should be used to optimize resource decisions.¹⁰
- B. The optimization process shall be constrained to mitigate the over-reliance on forecasted revenues from external capacity market sales and external energy market sales driving the selection of resources.
- C. The Utility shall develop three to four Planning Scenarios that incorporate different economic and environmental circumstances and national and regional regulatory and legislative policies.
 - 1. The Planning Scenarios should include a reference Planning Scenario that represents the Utility's point of view on the most likely future circumstances and policies, as well as two alternative Planning Scenarios that account for alternative circumstances and policies.
 - 2. In the development of the Planning Scenarios, the Utility should seek to develop a position agreed to by the Utility, Advisors, and a majority of Intervenors¹¹ regarding the assumptions surrounding each of the Planning Scenarios. To the extent such a consensus is not reasonably attainable regarding the Planning Scenarios, the Utility shall model a fourth Planning Scenario which is based upon input agreed to by a majority of the Intervenors.¹²

¹⁰ Linear programming is a mathematical method or model of optimizing linear functions or relationships within constraints to achieve the lowest costs.

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3. For each IRP Planning Scenario, data supplied as part of the Utility's IRP filing should include:
 - a. a fuel price forecast for each fuel considered for utilization in any existing or potential supply-side resource;
 - b. an hourly market price forecast for energy (e.g. locational marginal prices);
 - c. an annual capacity price forecast for both a short-term capacity purchase (e.g. bilateral contract or Planning Resource Credit) and a long-term capacity purchase (e.g. long-run marginal cost of a new replacement gas combustion turbine); and
 - d. forecasts of price for any other price related components that are defined by the Planning Scenario (e.g. CO2 price forecast, etc.).
- D. Distinct from the Planning Scenarios, the Utility shall identify two to four Planning Strategies which constrain the optimization process to achieve particular goals, regulatory policies and/or business decisions over which the Council, the Utility, or stakeholders have control.
 1. The Utility shall develop a Planning Strategy that allows the optimization process to identify the lowest cost option for meeting the needs identified in the IRP process.
 2. The Utility shall develop a reference Planning Strategy agreed to by the Utility, Advisors, and a majority of the Intervenors.¹³ To the extent such a consensus cannot be reasonably achieved, the reference Planning Strategy shall reflect the Utility's point of view on resource input parameters and constraints, and the Utility shall model a separate stakeholder Planning Strategy based upon input determined by the majority of the Intervenors.¹⁴
 3. As necessary, the Utility shall develop alternate Planning Strategies to reflect known utility regulatory policy goals of the Council (including such policy goals or targets identified in the Initiating Resolution) as established no later than 30 days prior to the date the Planning Strategy inputs must be finalized.
- E. Prior to the development of optimized Resource Portfolios, the parameters developed for the Planning Scenarios and Planning Strategies shall be set, considered finalized, and not subject for alteration during the remainder of the IRP planning cycle. The IRP Report shall describe the parameters of each Planning Scenario and each Planning Strategy, including all artificial constraints utilized in the optimization modeling.
- F. Resource Portfolios shall be developed through optimization utilizing the Utility's modeling software. The Utility shall identify the least-cost Resource Portfolio for each Planning Scenario and Planning Strategy combination, based on total cost. Resource Portfolios shall consist of

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optimized combinations of supply-side and demand-side resources, while recognizing constraints including transmission and distribution.

- G. The Utility shall provide a discussion and presentation of results for each Planning Scenario/Planning Strategy combination, the annual total demand related costs, energy related costs, and total supply costs associated with each least-cost Resource Portfolio identified under each Planning Scenario/Planning Strategy combination, a load and capability table indicating the total load requirements and identifying all supply-side and demand-side resources included in the Resource Portfolio (including identifying the impacts of existing demand-side resources on the total load requirements), and a description of the supply-side and demand-side resources that are planned and, if applicable, their principal rationale for selection (i.e., supply peak demand, supply non-peak demand or operational constraints, achieve more economical production of energy, etc.).
 - 1. Data supplied as part of the Utility's IRP filing shall include a cumulative present worth summary of the results as well as the annual estimates of costs that result in the cumulative present worth to enable the Council to understand the timing of costs and savings of each least-cost Resource Portfolio.
- H. The IRP report's discussion and presentation of results for each Resource Portfolio should identify key characteristics of that Resource Portfolio and significant factors that drive the ultimate cost of that Resource Portfolio such that the Council may understand which factors could ultimately and significantly affect the preference of a Resource Portfolio by the Council.
- I. The Utility will develop and include a scorecard template or set of quantitative and qualitative metrics to assist the Council in assessing the IRP based on the Resource Portfolios. The scorecard should rank the resource portfolios by how well each portfolio achieves each metric. Such metrics should include but not necessarily be limited to: cost¹⁵; impact on the Utility's revenue requirements; risk; flexibility of resource options¹⁶; reasonably quantifiable environmental impacts (such as national average emissions for the technologies chosen, amount of groundwater consumed, etc.); consistency with established, published city policies, such as the City's sustainability plan; and macroeconomic impacts in New Orleans.

Section 8. Risk Analyses

- A. The Utility shall develop a cost/risk analysis which balances quantifiable costs with quantifiable risks of the identified least-cost Resource Portfolios. The risk assessment must be presented in the IRP to allow the Council to comprehend the robustness of each Resource Portfolio across the cost/risk range of possible Resource Portfolios.
 - 1. In quantifying Resource Portfolio costs/risks, the IRP shall assess any social and environmental effects of the Resource Portfolios to the extent that: 1) those effects can be quantified and have been modeled for a Resource Portfolio, including the applicable Planning Period years and ranges of uncertainty surrounding each externality cost, and 2)

¹⁵ The cost metric should include the cost of quantified externalities as well as Utility costs resulting from the IRP optimization.

¹⁶ The flexibility metric includes response to load swings and quick start.

each quantified cost must be clearly identified by the portion which relates to the Utility's revenue requirements or cost of providing service to the Utility's customers under the Resource Portfolio.

2. It is the Council's intent that, as part of the IRP, a risk assessment be conducted to evaluate both the expected outcome of potential costs as well as the distribution and potential range and associated probabilities of outcomes. To the extent the Utility believes the risk assessment described herein is beyond the current modeling capabilities of the Utility or that the risk assessment cannot be accomplished within the procedural schedule set forth in the Initiating Resolution, the Utility shall so inform the Council and meet with the Intervenors and Advisors to agree upon an alternative form of risk analysis to recommend to the Council.
 - a. The risk assessment shall include the expected cost per MWh of the Resource Portfolios in selected future years, along with the range of annual average costs foreseen for the 10th and 90th percentiles of simulated possible outcomes.
 - b. The supporting methodology shall be included, such as the iterations or simulations performed for the selected years, in which the possible outcomes are drawn from distributions that describe market expectations and volatility as of the current filing date.

Section 9. IRP Process Requirements

- A. At a minimum, the IRP process shall include, but not be limited to, the following elements:
 1. The opportunity for Intervenors to participate in the concurrent development of inputs and assumptions for the major components of the IRP in collaboration with the Utility within the confines of the IRP timeline and procedural schedule.
 2. At least four technical meetings attended by the parties in the Docket focused on major IRP components that include the Utility, Intervenors, CURO, and the Advisors with structured comment deadlines so that meeting participants have the opportunity to present inputs and assumptions and provide comments, and attempt to reach consensus while remaining mindful of the procedural schedule established in the Initiating Resolution.
 3. At least 3 public engagement technical conferences advertised through multiple media channels at a minimum of 30 days prior to the public technical conference.
 - a. A public education and kickoff meeting that explains the following: the purpose of the IRP and the corresponding process; the IRP timeline as delineated in the Council's Initiating Resolution with respect to major process deadlines; the inputs and assumptions that are considered in the IRP process and summarized in the report; and ways in which public can remain informed throughout the IRP cycle (e.g., online information resources that provide status updates, portal through which customers can submit questions or concerns to the Utility);
 - b. A public presentation of the IRP; and

- c. A public hearing opportunity after presentation of the IRP report to give the public the opportunity to provide comment on the record.
4. CURO shall schedule, provide notice of, and conduct the public technical conferences. In addition to a live presentation, all public technical conferences should also be broadcast via the 'Council's website and archived for later viewing.

Section 10: Submission and Public Presentation of IRP

- A. The Utility shall make its IRP available for public review subject to the provisions of the Council Resolution initiating the current IRP planning cycle and referenced in Section 1B.
- B. The Utility shall file its IRP with the Council consistent with and subject to the provisions of the Council Resolution initiating the current IRP planning cycle referenced in Section 1B.
- C. The IRP report should discuss the stakeholders' engagement throughout the IRP process; the access to data inputs and specific modeling results by all parties; the consensus reached regarding all demand-side and supply-side resource inputs and assumptions; specific descriptions of unresolved issues regarding inputs, assumptions, or methodology; the formulation of the stakeholder Planning Scenario and/or stakeholder Planning Strategy as needed; and recommendations to improve the transparency and efficiency of the IRP process for prospective IRP cycles.
- D. The IRP shall include an action plan and timeline discussing any steps or actions the Utility may propose to take as a result of the IRP, understanding that the Council's acceptance of the filing of the Utility's IRP would not operate as approval of any such proposed steps or actions.
- E. Provided the IRP fulfills the requirements contained herein and was developed in compliance with the procedural schedule established for the triennial IRP cycle, the Council shall accept the Utility's IRP as filed in compliance with the Council's substantive and procedural requirements.
- F. The Council's acceptance of the Utility's IRP as described herein shall have no precedential effect with respect to the Council's evaluation of any application for approval of the acquisition, implementation, or deactivation of any supply-side or demand-side resource or program.