RESOLUTION

NO. R-24-574

CITY HALL: October 10, 2024

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

RESOLUTION AND ORDER ESTABLISHING A DOCKET TO ASSESS AND AMEND SERVICE REGULATIONS AND CODE PROVISIONS RELATED TO CUSTOMER PROTECTIONS

UD-23-02

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, Entergy New Orleans, LLC ("ENO" or "the Utility") is a public utility providing electric and natural gas service to all of New Orleans; and

WHEREAS, ENO is a wholly owned subsidiary of Entergy Utility Holding Company, LLC; and

WHEREAS, the Council has previously approved the "Service Regulations Applicable to Electric and Gas Service by Entergy New Orleans, LLC" ("Service Regulations") and other customer protections to provide for ENO customers; and

WHEREAS, the Council has initiated proceedings to revise the Service Regulations and other customer protections enumerated in Article VIII of the Code of Ordinances at various times in the past (collectively referred to herein as "Customer Protections"); and

WHEREAS, on December 14, 2023, the Council adopted Resolution R-23-552 ("Resolution") directing parties to evaluate and propose revisions to existing Customer Protections as established in the service regulations and Code of Ordinances; and

WHEREAS, on January 8, 2024, both the Alliance for Affordable Energy ("AAE") and the New Orleans Democratic Socialist of America ("DSA") filed their respective motions for intervention in Council Docket U-23-02; and

WHEREAS, pursuant to the Resolution, ENO filed proposed revisions to the Customer Protections that addressed matters related to substituting paper-free billing as its default billing method, adjusting weather-related thresholds for suspending service disconnections for non-payment, the service reconnection process, and an adjustment to certain confidentiality protections; and

WHEREAS, on February 23, 2024, AAE filed preliminary comments proposing a permanent prohibition on residential shutoffs for non-payment or, alternatively, a three-year moratorium, or seasonal moratorium on disconnections for nonpayment. AAE also proposed adopting an arrearage management program that pairs debt forgiveness with energy efficiency improvements; streamlining the bill dispute and customer complaint processes; and eliminating residential deposits and reconnect fees. In the event residential service disconnects are allowed, AAE recommended classifying refrigerators as medical equipment for the purposes of medical needs certification. To ensure ratepayers do not face barriers to participation in dockets, AAE advocated for the creation of a right to representation in regulatory proceedings, or reasonable compensation for costs and fees association with intervening in regulatory proceedings; and

WHEREAS, on February 23, 2024, ENO filed proposed substantive redlined revisions to its Service Regulations to allow "PaperFree Billing" as the default billing method with an opt-out

provision.¹ ENO also proposed provisions for service disconnects and suspension based on certain weather factors and declared states-of-emergency as well as deletion of the customer's requirement to pay "all delinquency charges" for reconnection following a disconnect, but instead allowing the customer to pay "all applicable fees" to resume service; and

WHEREAS, on February 26, 2024, DSA filed its proposed revisions including: (1) the Consumers' Bill of Rights should expressly specify the customer's right to a properly and regularly maintained grid; (2) ENO should be prohibited from securing profits from the deferral of grid maintenance; (3) ENO should also be prohibited from unilaterally ending a delinquent payment plan agreement or bill dispute; (4) delinquency payment plans should be managed by the regulator as a neutral third-party regulation as opposed to ENO; (5) a formalized and accessible bill dispute process should be instituted; and (6) utility disconnections should be abolished and customers guaranteed the right to affordable electricity; and

WHEREAS, the Resolution directed the Council's Advisors to participate in the proceedings, to conduct the assessment, and to ensure that the Council's objectives for this docket are achieved; and

WHEREAS, on March 12, 2024, CURO hosted a technical conference for the parties and Advisors to discuss proposed changes to the Customer Protections; and

WHEREAS, on May 3, 2024, AAE filed reply comments re-emphasizing its previous positions

WHEREAS, on May 3, 2024, ENO filed reply comments reiterating neither a permanent ban on disconnects, a three-year moratorium, nor seasonal moratoriums would reduce the number

¹ Service Regulations Applicable to Electric and Gas Services by Entergy New Orleans, LLC (Ord. No. 22814 M.C.S., September 20, 2007), p. 21.

² Id. at p. 27.

of disconnects and that bans/suspension of disconnects are unlawful, will place vulnerable customers at a higher risk to be disconnected, and ultimately drive-up rates for all customers; and

WHEREAS, ENO further proposed the following items to improve customer experience and drive behaviors to achieve a significant reduction in the number of disconnects: 1) enhanced communications to better inform customers of the dunning cycle timing; 2) termination of the reconnection fee for customers with advanced metering infrastructure ("AMI"); 3) more options for payments similar to post-disconnect deferred payment arrangements ("DPAs"); 4) additional avenues for resource assistance; 5) provide tracking numbers for informal complaints; and (6) extend the dunning timeline by two business days to allow customers additional time to pay their bill; and

WHEREAS, the Advisors expressed a concern that, in addition to matters raised by the parties, the existing customer regulations for outage notification procedures, customer complaint, and damage claims processes, are inadequate and should be extensively revised; and

WHEREAS, ENO stated that it intends to maintain its continued outage communication with the Council and CURO however, in an effort to ensure that CURO and the Council are fully informed, rather than a 2500 customer impact reporting for unplanned outages, ENO will begin outage communications for any outage(s) impacting over 500 customers; and

WHEREAS, ENO also agreed that disconnected customers who have AMI should not be charged a reconnection fee because the automated system does not require a physical reconnection service visit; and

WHEREAS, ENO specifically rejected AAE's proposal regarding refrigerators because standard refrigerators do not qualify as a medical device per the requirements of ISO 13485:2016 and therefore, ENO cannot classify standard refrigerators for medical need certification; and

WHEREAS, the Council believes it is in the public interest to comprehensively amend ENO's Service Regulations and Article VIII of the City Code; NOW THEREFORE

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That the Council directs ENO to draft revised Service Regulations and to submit the draft to CURO no later than November 8, 2024. The revised Service Regulations shall include the following provisions:

- 1. Rejecting ENO's PaperFree billing except as an opt-in provision.
- 2. Prohibiting residential disconnections for nonpayment during specific weather conditions, including declared states-of-emergency.
- 3. Permitting customers the right to provide written consent or voluntary disclosure of information to the public, including payment history and consumption patterns.
- 4. Requiring ENO to communicate to CURO and the Council information for any outage(s) impacting over 100 customers; however, during declared states-of-emergency or extreme weather conditions (temperatures over 100 degrees or below 32 degrees), ENO shall inform CURO and Council of outages impacting 50 customers or more.
- Requiring ENO to provide notice of an unplanned outage to the impacted customers
 via the customer's preferred communication method, including an estimated
 restoration time.
- 6. Requiring ENO to notify local news media of an unplanned outage impacting 2,500 or more customers and to contemporaneously provide information about the unplanned outage on ENO's social media platforms.

- 7. Requiring ENO to provide the district council member(s) of unplanned outage impacted district(s), both at-large councilmembers, the designated point of contact for the Council Utilities Regulatory Office, and all other designated council staff with information defining the outage area, the number of customers impacted, the estimated restoration time, and the cause of the outage as known at the time of the notification and requiring ENO to provide updates regarding the outage until service has been restored to impacted customers.
- 8. Requiring ENO to investigate all unplanned outages and provide the results of the investigation to CURO and the Advisors as soon as possible, but in every event, within 72 hours of restoration of service. The investigation shall include the cause of the outage, number of customers impacted, duration, and actions taken to remedy the cause of the outage.
- 9. Requiring ENO to schedule planned outages such that the impacts on customers are minimized to the extent reasonably possible, including consideration of extreme weather conditions as well as impacts to commercial and critical customers.
- 10. Requiring ENO to take all reasonable steps to notify impacted customers at least five (5) days in advance of a planned outage, repeat such notice at least twice before outage begins, use literature drops of printed flyers to all impacted residential and commercial customers within 48 hours of the planned outage, and directly contact all impacted critical customers at least 48 hours prior to the planned outage.
- 11. Eliminating reconnect fees for ENO customers with AMI.

CURO shall review the service regulations to ensure compliance with the directives of this resolution. Once the regulations are in compliance, CURO shall prepare a resolution for consideration by the Council.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF NEW ORLEANS, That on or before November 8, 2024, ENO shall provide revised versions of the following to the service list:

- 1. Informal and formal bill dispute processes which include the phases of review and investigation of a customer complaint with deadlines for ENO to complete each phase.
- Damage claim process which includes how customers may file a damage claim, any required documents, evaluation criteria, and deadlines for ENO to complete its review of the claim.

Parties shall have until December 6, 2024 to submit comments on the proposals.

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

YEAS:

Giarrusso, Green, Harris, King, Moreno, Morrell, Thomas - 7

NAYS:

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ABSENT:

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AND THE RESOLUTION WAS ADOPTED.

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ASSISTANT CLERK OF COUNCIL

THE FOREGOING IS CERTIFIED

TO BE A TRUE AND CORRECT COPY