

May 10, 2024

Re: RESOLUTION AND ORDER ESTABLISHING A DOCKET AND OPENING A RULEMAKING PROCEEDING TO ESTABLISH RULES FOR COMMUNITY SOLAR PROJECTS (Docket No. UD-18-03)

Councilmembers,

In response to Resolution R-23-507, on January 12, 2024, Entergy New Orleans (“ENO”) submitted a compliance filing into docket UD-18-03 with a revised Form CSG-4—Standard Offer Power Purchase Agreement, and a revised Rate Schedule, CSGF—Community Solar Generating Facilities, consistent with the updated Community Solar Rules. In its compliance filing, ENO identified questions regarding the required revisions as well as changes to other Community Solar forms that may help improve the application and interconnection process for Subscriber Organizations.

On March 27, 2024, Together New Orleans (TNO) and the Alliance for Affordable Energy (AAE) submitted a joint letter and motion which included annotated 1. Response Letter, 2. ENO_Filing_Forms, 3. NCSP_TA_Report (which was written by NREL), 4. Motion_to_Amend_Community_Solar_Rules, and 5. Redlined_Community_Solar_Rules .

Today, on May 10, 2024, ProRate Energy (PRE) files this letter and motion. In summary, PRE supports all details and assertions within AAE & TNO’s numerous submissions, with one exception (described on the next two pages). PRE makes one motion (separate).

PRE supports all AAE & TNO comments and assertions (a.k.a. Feedback on ENO's Compliance Filing) as listed below, except 7.a.

AAE & TNO's Feedback on ENO's Compliance Filing

- 1. Scale of Projects**
- 2. Refusal of Changes to Subscription**
- 3. Renewal**
- 4. Deposit**
- 5. Maintenance and Repair of CSG Facility**
- 6. Certification for Low Income Qualification**
- 7. Recommended Schedule CSGF -1 [Option 2]**

a. Support NREL's formula for residential customers and commercial customers.

b. Non-Bypassable Rider

- 8. Clear Rate Schedule Tables**
- 9. Proof of Site Control in CSG-RPAR form**

PRE asserts the problem with 7.a is the assertion that NREL itself points out, that it has no feasible way to establish a CS “flat” rate for ENO’s commercial customers that accounts for demand charges. This statement is true for

- i) a particular customer from one month to the next,
- ii) customers in a single rate class
- iii) but is even problematic between rate classes.

A full treatise of the problems with NREL’s analysis and AAE & TNO interpretation as a guide to assert what ENO should do deserves a longer study and discussion than PRE is prepared to provide now. Any conclusion drawn from NREL’s document about how to weave demand charges with kWh charges into a flat rate is grossly inapplicable to ENO’s commercial customers. PRE will take many hours to analyze and document, to properly do justice to the sincere efforts of its authors. However, PRE does have a particularly conclusive answer to the question: ProRate. In fact, the first proposed use of CLEP, a.k.a., ProRate, was in 2016, when CLEP was offered as THE means to pay for CS. PRE states that there are other answers but to get there starts with the fact that demand charges do not belong in any rate design.¹

If the Council is not ready to deploy ProRate at this time, PRE recommends for the time being that the CS remuneration for commercial customers issue be postponed and let residential customers benefit from CS via the price set of \$0.12/kWh for now. If the Council really wishes to appreciate the ramifications suggested on this page, open this docket to ProRate as a feasible way to pay for CS and that is the time to find the answers for all customers.

¹ “Charge Without a Cause? Assessing Electric Utility Demand Charges on Small Consumers,” by Paul Chernick, John T. Colgan, Rick Gilliam, Douglas Jester, and Mark LeBel. <https://pubs.naruc.org/pub.cfm?id=40288427-ADA1-0793-DB59-73A479E7F3FB>, August 2016.

**Before The Council of the City of New Orleans Re: RESOLUTION AND ORDER
ESTABLISHING A DOCKET AND OPENING A RULEMAKING PROCEEDING TO
ESTABLISH RULES FOR COMMUNITY SOLAR PROJECTS (Docket No. UD-18-03)**

CERTIFICATE OF SERVICE

I do hereby certify that I have, this 27 day of March 2024, served the foregoing correspondence upon all other known parties of this proceeding by electronic mail.



Myron Katz, PhD
Vice President
ProRate Energy