



Kevin T. Boleware
Manager – Regulatory Affairs
Entergy New Orleans, LLC
504-670-3673 | kboleware@entergy.com
1600 Perdido Street, New Orleans, LA 70112

May 1, 2024

VIA ELECTRONIC DELIVERY

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

**Re: *Rulemaking Proceeding to Establish Renewable Portfolio Standards
Council Docket No. UD-19-01***

Dear Ms. Johnson:

Entergy New Orleans, LLC (“ENO”) respectfully submits its 2023 RCPS Compliance Demonstration Report in the above referenced docket. As a result of the remote operations of the Council’s office related to Covid-19, this filing is being electronically submitted. We will submit the original and requisite number of hard copies once the Council resumes normal operations, or as you direct. ENO requests that you file this submission in accordance with Council regulations as modified for the present circumstances.

Should you have any questions regarding this filing, please contact my office at (504) 670-3673. Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in black ink that reads 'Kevin T. Boleware'.

Kevin T. Boleware

KTB/jlc

Enclosures

cc: Official Service List in this docket (*via electronic mail only*)

**ENTERGY NEW ORLEANS, LLC
RCPS COMPLIANCE DEMONSTRATION REPORT COVERING 2023**

1. BACKGROUND

a. Requirement for a Retrospective RCPS Compliance Demonstration Report

Under Section 4.f of the Renewable and Clean Portfolio Standard (“RCPS”) rules (“the Rules”) adopted by the Council of the City of New Orleans (“Council”) in Resolution R-21-182 on May 20, 2021, Entergy New Orleans, LLC (“ENO”) is required to submit a retrospective Compliance Demonstration Report for the 2023 compliance year by May 1, 2024. This report describes and demonstrates ENO’s compliance with the RCPS in 2023 and satisfies the informational requirements of Section 4.f.

2. 2023 RCPS COMPLIANCE REQUIREMENT

Section 3.a.2 of the RCPS rules specifies that for 2023, ENO must meet “66% of Retail Compliance Load ... with a combination of Tier 1, 2 and 3 resources ... with not more than 25% compliance through RECs purchased without the associated energy.” Per Section 4.a of the RCPS rules, “Retail Compliance Load is the reported annual MWh sales for each compliance year, increased by the cumulative MWh savings of DSM programs installed after January 1, 2021.”

Table 1: 2023 Retail Compliance Load and RCPS Requirement

	2023
Retail Sales (MWh)	5,736,809
Demand-Side Management Post-1/21 (MWh)	155,722
Retail Compliance Load (MWh)	5,892,532
RCPS Requirement (66% of Retail Compliance Load)	3,889,071

As shown in the above table, ENO’s retail compliance load is 5,892,532 MWh. The 2023 RCPS requirement is 4.8% higher than in 2022 on account of a 1.6% increase in retail compliance load and the requirement to reach 66% rather than 64% of retail compliance load. The 2023 RCPS requirement is 3,889,071 RCPS Compliance Credits, which can include both Clean Energy Credits (“CECs”) and Renewable Energy Credits (“RECs”).

3. 2023 RCPS COMPLIANCE CREDITS

a. Clean Energy and Renewable Energy Credits

Based on the verified generation output, demand-side reductions, and calculated impact of beneficial electrification, ENO applies the following credits towards 2023 RCPS compliance:

Table 2: 2023 RCPS Compliance Credits

Resource Name	Type	2023 MWh	Tier	RCPS Multiplier or CEC/MWh Rate ¹	2023 Compliance Credits
Grand Gulf	Nuclear	2,087,076	2	1.00	2,087,076
River Bend	Nuclear	455,265	2	1.00	455,265
ANO Unit 2	Nuclear	212,529	2	1.00	212,529
ANO Unit 1	Nuclear	201,430	2	1.00	201,430
Energy Efficiency ² (implemented after 1/2021)	EE	155,722	1	1.25	194,652
Waterford Unit 3	Nuclear	143,895	2	1.00	143,895
Iris Solar ³	Solar	117,953	2	1.00	117,953
New Orleans Solar Station	Solar	36,185	1	1.25	45,231
St. James Solar	Solar	39,721	2	1.00	39,721
Vidalia ⁴	Hydro	12,136	2	1.00	12,136
Commercial Rooftop Solar	Solar	5,996	1	1.25	7,495
Public EV Chargers ⁵	EVCI	611	3	1.90	1,161
Sub-total:					3,518,544
RECs in Compliance Reserve Retired for 2023 Compliance	Solar/REC				58,456
Purchased RECs ⁶	REC				350,000
Total Compliance Credits					3,927,000
Total RCPS Requirement:					3,889,071
Compliance Credits beyond RCPS Requirement (to be Placed in Compliance Reserve)	REC				37,929

¹ For Tier 3 Qualified Measures, the figure in this column represents the measure-specific Council-approved CEC-per-MWh conversion rate.

² Energy Efficiency MWh reflect total MWh of reductions delivered in 2023 from measures installed after January 1, 2021. This figure will differ from the annualized figures in which Energy Smart Plan Year targets are denominated for two reasons: 1) measures installed in 2023 will provide only a portion of their expected annualized reductions in 2023 and 2) the efficacy of measures installed in 2021 and 2022 is assumed to degrade in subsequent years as measures reach the end of their expected useful lives.

³ ENO received 19,997 unbundled RECs from its Iris Solar counterparty per the terms of its power purchase agreement. These RECs are included in the total 2023 MWh for Iris Solar.

⁴ Because it is more than 15 years old, the Vidalia hydroelectric facility is not eligible for Green-e certification. Therefore, its output cannot create certificates that qualify for the definition of “Renewable Energy Credit” under Section 2 of the RCPS. As a result, ENO accounts for the energy received from the Vidalia hydroelectric facility as a Zero Carbon Emissions Resource and recognizes its entitlement to the output of Vidalia through CECs.

⁵ Provides credit for 2023 electric vehicle charging MWh across 32,529 charging sessions at 59 operational public ENO Level 2 EV chargers in 25 locations.

⁶ All purchased RECs were from Green-E registered wind resources located in ERCOT or tracked by M-RETS, as permitted under the Rules.

Resources in ENO’s portfolio provided 3,518,544 Compliance Credits from their 2023 operations. Output from Tier 1 resources – Energy Efficiency and solar resources – receive a 1.25 multiplier in the table above. Annual output from some ENO resources was lower than projected due to extended outages at some facilities and lower than expected uptake in some Energy Efficiency programs.

To ensure compliance with the RCPS, ENO will utilize these Compliance Credits as well as RECs in the compliance reserve and 350,000 purchased RECs. Per the definition in Section 2 of the RCPS, all RECs meet the following criteria: “(1) they were generated from a Renewable Energy Resource in MISO, the Electric Reliability Council of Texas, or elsewhere that are deliverable into the MISO region; (2) they are Green-e certified at the time of their creation and are subsequently tracked with M-RETS or an equivalent; and (3) they are retired against the compliance requirements in the compliance year in which they were utilized for compliance.” ENO will place 37,929 RECs from the Iris Solar and St. James Solar facilities in 2023 in the Compliance Reserve.

No RECs that are retired on behalf of ENO’s Green Select program can be counted toward RCPS compliance. ENO retired 1,172 MWh of RECs created in Q4 2022 by the Iris facility that were previously placed in the Compliance Reserve to meet the requirements of its 2023 Green Select program. These RECs have been removed from the Compliance Reserve, as detailed in Table 3. No incremental costs are associated with these RECs.

No other entity can claim credit for the environmental attributes associated with any resource output or credits included in the table above. Any RECs, alternative energy credits, or other attributional certificates created from these resources have been retired.

4. ENO HAS COMPLIED WITH RCPS PROVISIONS

a. Alternative Compliance Payment

As stated in Section 5.a, “In the event that the Utility is unable to comply with the RCPS standard using reasonable measures for the applicable calendar year, the Utility shall make an Alternative Compliance Payment (‘ACP’) into a CleanNOLA Fund established by the Council.”

In its RCPS Compliance Plan Covering Compliance Years 2023-2025, ENO calculated an ACP of \$8.45 per megawatt-hour for 2023. As shown previously in Tables 1 and 2, ENO was able to comply with the RCPS standard through existing resources and purchased RECs, and therefore did not need to utilize the ACP in 2023. The costs of all purchased RECs were below \$8.45/REC; therefore, compliance through REC purchases had lower costs than compliance through the ACP.

b. Compliance Reserve

Section 4.h of the RCPS rules describes the Banking and Compliance Reserve Provision as follows:

The utility may use RECs produced and Green-e certified in one compliance year for compliance in either of the two subsequent compliance years, subject to a review of the accounting for the banking and compliance reserve, and provided that the utility was in compliance for the compliance year in which the RECs were created. In addition, the utility shall demonstrate to the satisfaction of the Council that such Compliance Credits:

- 1) were in excess of the Compliance Credits needed for compliance in the compliance year in which they were generated;
- 2) do not exceed the REC limitation specified in Section 3 for compliance with the RCPS in the year they were used for compliance and retired; and
- 3) have not otherwise been, nor will be, sold, retired, claimed or represented as part of clean energy output or sales, or used to satisfy obligations in other jurisdictions.

In the 2022 compliance year, ENO placed 59,628 RECs into the Compliance Reserve. Due to the factors described in sections 2 and 3 in this report, it was necessary for ENO to utilize and retire the RECs from the Compliance Reserve, as well purchase additional unbundled RECs, to ensure that it did not trigger the ACP. In December 2023 and March 2024, ENO made purchases of 350,000 total unbundled RECs through an RFP to market providers. At the time of these purchases, not all components of ENO's 2023 compliance position were known with certainty. Namely, verified 2023 EnergySmart totals were not yet finalized and the RECs associated with October-December output at Iris and St. James solar facilities were not yet delivered to ENO's North American Renewables ("NAR") Registry account. Because market quotes for unbundled RECs were well below the ACP, ENO purchased a sufficient quantity of RECs to ensure that the ACP would not be triggered regardless of the final treatment of these uncertain components of ENO's compliance position. As a result, ENO is placing 37,929 RECs in the Compliance Reserve, which will be the starting balance for the Compliance Reserve in 2024.

Per Section 4.d.1 of the Rules, the \$140,095 cost associated with the 50,034 purchased RECs already in the Compliance Reserve (purchased at a cost of \$2.80/REC) may be treated as working capital. \$150,294 will be included in the calculation of the 2023 RCPS incremental costs for the use of these RECs in achieving RCPS compliance in 2023, one year after their placement in the Compliance Reserve.⁷

Because ENO is placing RECs from the Iris Solar and St. James Solar facilities into the Compliance Reserve, and these resources do not carry any incremental costs as defined in Section 4.d, there will be no incremental costs associated with these RECs when they are retired for

⁷ 50,034 RECs purchased at a cost of \$2.80/REC, treated as working capital at ENO's weighted average cost of capital for one year, is calculated as $50,034 * \$2.80 * (1+7.28\%) = \$150,294$.

compliance by ENO in 2024 or 2025. Should ENO retire any of these RECs on behalf of Green Select customers in the future, it will remove these RECs from the Compliance Reserve.

Table 3: Compliance Reserve Detail

	RECs	Costs (Treated as Working Capital)
2023 Compliance Reserve Starting Balance	59,628	
Adjustment to Compliance Reserve for Green Select Retirement	(1,172)	0
Withdrawals from Compliance Reserve, RECs created by ENO Resources	(8,422)	0
Withdrawals from Compliance Reserve, Purchased RECs	(50,034)	\$150,294
RECs Deposited into Compliance Reserve from ENO Resources	37,929	0
Purchased RECs Deposited into Compliance Reserve	0	0
2024 Compliance Reserve Starting Balance	37,929	0

RECs in Reserve by Vintage:	2022	0	0
	2023	37,929	0

c. RCPS Customer Protection Cost Cap

Section 6 of the RCPS rules establishes a Customer Protection Cost Cap “that the Utility shall not exceed to acquire RCPS Compliance Credits. The Customer Protection Cost Cap in any RCPS plan year is one percent (1%) of plan year total utility retail sales revenues, beginning in 2022.” Section 4.d of the RCPS rules describes the calculation of RCPS compliance costs that are subject to this Cost Cap as follows:

- 1) The RCPS Cost of Compliance is calculated as all incremental costs prudently incurred by the Utility in complying with RCPS Section 3, including, but not limited to, the incremental costs of new resources for compliance, the Incremental DSM costs, and other costs related to RCPS compliance. The cost of RECs as allowed through the Banking and Compliance Reserve provision that are applied in the compliance year shall be included in the RCPS Cost of Compliance for that year. The cost of RECs acquired for the Banking and Compliance Reserve provision but not applied in that year shall be treated as working capital and shall not be included in the RCPS Compliance Cost for the compliance year.
- 2) Incremental costs are the total electric utility revenue requirements associated with the Utility’s operations in compliance with the RCPS, less the total electric utility revenue requirements associated with the optimized

resource portfolio that may have been in place absent the requirements of the RCPS. The Utility’s most recently filed Integrated Resource Plan shall inform the calculation of incremental costs as to the optimized resource portfolio that may have been in place absent the requirements of the RCPS.

ENO’s 2023 utility retail sales revenues were \$648 million. As a result, the Customer Protection Cost Cap is \$6.48 million. All resources in ENO’s existing resource portfolio would be included in the optimized resource portfolio that may have been in place absent the requirements of the RCPS; therefore, there are no incremental costs associated with those resources. Market REC purchases, however, would not have been made in the absence of RCPS requirements; therefore, their costs are included in the determination of incremental costs.

Table 4 illustrates that the Customer Protection Cost Cap was not exceeded in 2023.

Table 4: 2023 RCPS Incremental Costs

Source	Compliance Credits Provided	Average Incremental Cost	Incremental Cost
Existing Generation Portfolio	3,284,802	0	-
Energy Efficiency	194,652	0	-
EV Charging Infrastructure	1,161	0	-
2022 Purchased RECs in Compliance Reserve	50,034	\$2.80 / REC	\$150,294
RECs from 2022 Iris Generation in Compliance Reserve	8,422	0	-
2023 Vintage Purchased RECs (purchased 12/2023)	175,000	\$2.04 / REC	\$357,000
2023 Vintage Purchased RECs (purchased 3/2024)	175,000	\$1.59 / REC	\$278,250
Total	3,889,071		\$785,544

d. Limitation on Use of Purchased RECs

As stated in Section 3.a.2, in 2023, “not more than 25% compliance [shall be] through RECs purchased without the associated energy.” As shown in the following table, 10.3% of compliance was achieved through RECs purchased without the associated energy. This is lower than 2022 when 14.8% of compliance was achieved using purchased RECs.

Table 5: Limit on Purchased RECs

	2023
Compliance Credits Required	3,889,071
Purchased RECs Used for 2023 Compliance	400,034
Percent of Compliance Achieved Via Purchased RECs	10.3%

5. OTHER RCPS REPORT REQUIREMENTS

a. Energy portfolio report

Section 4.f.3 of the Rules requires ENO to include "an energy portfolio report for the preceding compliance year which shall identify the MWh hours produced by each supply and demand-side resource comprising the utility's total resource portfolio. RECs purchased and utilized by the utility and their associated MWh, including RECs that can be associated with net metering, and incremental MWh associated with DSM and other eligible resources should also be included in the energy portfolio report. For each resource in the portfolio, the utility shall identify the resource name, MWh, fuel type, the average per MWh energy-related cost associated with that resource, and the average per MWh energy related revenue received from MISO for that resource."

ENO received 8,640,470 MWh in 2023 from its entitlement of generation from ENO's wholly-owned, partially-owned, and contracted resources and from ENO's purchases of energy. The total electricity that ENO generates or purchases exceeds ENO's total load because it includes electricity that serves energy sales to the MISO market. These wholesale sales benefit ENO customers. When ENO resources are dispatched by MISO to generate power in excess of ENO customer needs, these resources receive MISO energy revenues in excess of their costs; this margin is then credited to ENO customers.

The table below summarizes the energy-related costs for each resource; that is, the average variable costs that would be avoided if the resource did not generate that megawatt-hour of energy. Also shown is the average MISO energy price at the unit's location when the resource is generating. When the resource is needed to meet ENO load, ENO customers pay the variable cost

of the resource. When the resource’s output is in excess of ENO load, ENO customers are credited with the difference between the MISO energy price and the variable cost.

Table 6: 2023 Energy Portfolio Report

Resource Name	Fuel Type	MWh	Fuel and O&M Cost (\$/MWh)⁸	Average MISO Energy Price (\$/MWh)⁹
Union Unit 1	Gas	3,646,861	22.30	26.00
Grand Gulf	Nuclear	2,087,076	24.02	26.67
Ninemile Unit 6	Gas	905,782	23.98	29.15
River Bend	Nuclear	455,265	46.95	29.47
MISO Purchases	Purchase	333,723	32.88	32.88
Arkansas Nuclear One Unit 2	Nuclear	212,529	21.86	25.59
Arkansas Nuclear One Unit 1	Nuclear	201,430	21.86	25.65
New Orleans Power Station	Gas	182,657	68.13	38.80
Waterford Unit 3	Nuclear	143,895	30.58	28.48
Iris ¹⁰	Solar	97,956	0.00	33.34
Occidental Power – Taft	Gas	59,771	N/A	29.53
Ninemile Unit 5	Gas	40,828	34.60	33.25
St. James	Solar	39,721	0.00	35.68
White Bluff Unit 2	Coal	37,828	40.57	29.47
New Orleans Solar Station	Solar	36,185	0.00	34.57
Acadia Unit 2	Gas	36,134	25.94	28.81
Ninemile Unit 4	Gas	27,940	34.60	35.01
Independence Unit 1	Coal	23,322	34.24	28.75
Perryville Unit 1	Gas	18,955	21.73	25.98
White Bluff Unit 1	Coal	18,845	40.57	30.95

⁸ “Fuel and O&M Cost” refers to costs reported on Entergy FERC Form 1s associated with production expenses, including fuel. Some portion of O&M costs reported here may be fixed costs that would not vary with the output of the plant. For non-Entergy-owned resources whose output is acquired through a Power Purchase Agreement, costs are not known. All solar facilities are assumed to have variable costs of \$0/MWh. Cost and production values for certain units of the same plant were reported as aggregate values on the FERC Form 1s.

⁹ This is calculated as the output-weighted average of the MISO Day Ahead Locational Marginal Price at the generator’s pricing node, or at an equivalent nearby price point, and does not include any MISO uplift payments or other credits.

¹⁰ The 19,997 unbundled RECs that ENO received from its Iris Solar counterparty are excluded from the Energy Portfolio Report.

Resource Name	Fuel Type	MWh	Fuel and O&M Cost (\$/MWh)⁸	Average MISO Energy Price (\$/MWh)⁹
Vidalia	Hydro	12,136	N/A	25.28
Little Gypsy Unit 3	Gas	10,368	50.23	34.27
Commercial Rooftop Solar	Solar	5,996	0.00	35.07
Waterford Unit 2	Gas	4,351	67.77	36.61
Perryville Unit 2	Gas	428	21.73	43.74
Little Gypsy Unit 2	Gas	230	50.23	34.56
Montauk	Biomass	196	N/A	29.82
Waterford Unit 4	Oil	59	67.77 ¹¹	31.62
Energy Efficiency, Installed after 1/1/21	Demand	155,601	N/A	N/A
Supply-Side Resources Total:		8,640,470		
Demand-Side Resources:		155,722		
Purchased RECs Retired for 2023 RCPS Compliance:		400,034		

b. Carbon emissions report

Section 4.f.3 of the Rules requires this report to include a “carbon emissions report that details the carbon emissions resulting from the production of the electricity used by the Utility to serve its Retail Compliance Load, whether or not each generator is owned by the Utility.”

To help its customers measure progress towards their climate goals, Entergy has developed an emissions accounting system that tracks emissions incurred to meet ENO customer demand on an hourly basis. Resources with the lowest hourly variable operating costs are assigned to ENO customers first, while higher cost resources are more likely to be dispatched by MISO to meet non-ENO demand. This system is audited subject to protocols developed by the Center for Resource Solutions, a leading environmental Non-Governmental Organization. Table 7 below summarizes preliminary results of this system for 2023, including the emissions rate and megawatt-hours from each resource associated with meeting ENO customer demand, subject to finalization and audit by Entergy’s emissions accounting team. It should be noted that the megawatt-hours listed from each resource will differ from the energy portfolio report in Table 6, above, because not all generation in the energy portfolio was necessary to meet ENO demand.

¹¹ No value was reported in Entergy Louisiana, LLC’s FERC Form 1 for Waterford Unit 4. It is assumed to be the same as Waterford Unit 2.

Table 7: Carbon Emissions Report

Resource	Type	Estimated MWh Serving ENO Customer Load	Average CO₂ Rate (lbs/MWh)
Grand Gulf	Nuclear	2,087,077	0
River Bend	Nuclear	454,397	0
Arkansas Nuclear One Unit 2	Nuclear	212,314	0
Arkansas Nuclear One Unit 1	Nuclear	201,424	0
Waterford Unit 3	Nuclear	143,626	0
Iris	Solar	95,340	0
St. James	Solar	39,652	0
New Orleans Solar Station	Solar	36,225	0
Commercial Rooftop Solar	Solar	6,160	0
Vidalia	Hydro	12,136	0
Montauk	Biomass	238	0
Union Unit 1	Gas	1,790,500	867
Ninemile Unit 6	Gas	492,710	833
Occidental Power – Taft	Gas	59,514	801
White Bluff Unit 2	Coal	34,102	2,374
New Orleans Power Station	Gas	21,861	1,119
Independence Unit 1	Coal	21,136	2,485
Perryville Unit 1	Gas	17,616	809
White Bluff Unit 1	Coal	16,950	2,571
Acadia Unit 2	Gas	8,513	878
Ninemile Unit 5	Gas	8,006	1,220
Ninemile Unit 4	Gas	5,506	1,232
Little Gypsy Unit 3	Gas	2,290	1,338
Waterford Unit 2	Gas	679	1,314
Perryville Unit 2	Gas	135	1,296
Little Gypsy Unit 2	Gas	72	1,433
Waterford Unit 4	Oil	7	2,132
MISO Purchases	Purchase	49,500	1,266
Resources Used to Meet ENO Customer Load		5,818,044 ¹²	388
Net Additional RECs Retired for 2023 Load		390,524 ¹³	Offset at (388)
Portfolio Carbon Emissions, Adjusted for RECs		5,818,044	374

¹² This figure will not match ENO’s retail sales total. Entergy’s emissions accounting matches resources to ENO’s hourly wholesale load, which is higher than its retail sales due to line losses.

¹³ As discussed in Sections 3 and 4, above, ENO purchased and retired 350,000 purchased RECs for 2023 compliance. It also retired 58,456 RECs from the Compliance Reserve, as detailed in Table 4. 19,997 unbundled RECs delivered from the Iris Solar counterparty are treated as additional RECs without any associated energy in this calculation and are, therefore, not included in Iris’s “Estimated MWh Serving ENO Customer Load” earlier in this table. Offsetting these REC retirements are the 37,929 RECs from Iris and St. James shown in the table that are going into the RCPS Compliance Reserve for use towards future years’ RCPS requirements. 390,524 is the net of these figures, derived as follows: 350,000 + 58,456 + 19,997 – 37,929 = 390,524.

c. Draft Bill Insert

See Appendix A for a draft bill insert to be included in customer bills per Section 4.f.5 with an easy-to-understand explanation of the Utility's compliance status for Council review and approval.

6. COST RECOVERY

Section 6.a.1 of the Rules provides that “the Utility shall be allowed the opportunity to recover prudently incurred costs in complying with a mandated renewable and clean portfolio standard.” The RCPS contemplates customer cost impacts through its inclusion of a Customer Protection Cost Cap.

In Resolution No. R-24-120, the Council approved ENO’s 2022 RCPS Compliance Demonstration Report and the Company’s proposal to recover the incremental costs of RECs retired for 2022 compliance (\$1.54 million) in the FAC over/under recovery balance. Given this guidance from the Council, ENO will recover the total 2023 incremental costs of \$785,544 in the FAC over/under recovery balance following approval by the Council of this 2023 Compliance Demonstration Report.

7. 2024 RCPS ACTIVITIES

In its *Compliance Plan Covering Compliance Years 2023-2025*, approved by the Council in Resolution No. R-22-525, ENO projected that it will generate Compliance Credits in 2024 that will exceed its compliance requirement of 68% of Retail Compliance Load. In Resolution R-22-525, the Council approved ENO’s plan to purchase unbundled RECs as needed to achieve RCPS compliance. ENO will continue to monitor its resource output and retail sales throughout the year and purchase RECs, if needed, to ensure RCPS compliance.

8. CONCLUSION

ENO requests that the Council: 1) determine ENO achieved the RCPS target for 2023 while remaining within the Customer Protection Cost Cap; 2) approve this Compliance Demonstration Report Covering Compliance Year 2023; and 3) approve the draft Bill Insert included in Appendix A.

APPENDIX A

Sample Bill Insert

In May 2021, the New Orleans City Council adopted a Renewable and Clean Portfolio Standard (“RCPS”) with the goal of achieving net zero carbon emission electricity by 2040, among the most aggressive standards in the country. In 2023, the second year of the RCPS, Entergy New Orleans (“ENO”) was required to meet an interim goal of 66% zero carbon emission electricity.

ENO uses a variety of zero emissions electricity sources located in Louisiana or neighboring states to meet these requirements such as:

- nuclear energy
- solar power
- hydroelectric power
- energy efficiency measures from ENO’s Energy Smart program, which allow ENO customers to reduce their electricity consumption
- electric vehicle charging infrastructure, which replaces street-level gasoline emissions with cleaner electricity
- purchases of renewable energy certificates, which support renewable energy in the region

Each megawatt-hour supplied by these resources is recognized with one credit under the Council’s policy, and resources located within Orleans Parish receive additional credits.

ENO has met its RCPS compliance requirements for 2023 with the following resources:

Electricity Source	Credits	% of Credits	Portion of 66% Goal for 2023
Nuclear	3,100,195	79.7%	52.6%
Energy Efficiency	194,652	5.0%	3.3%
Solar	180,893	4.7%	3.1%
Hydroelectric	12,136	0.3%	0.2%
Public Electric Vehicle Charging	1,161	0.0%	0.0%
Additional Renewable Energy Certificates	400,034	10.3%	6.8%
Total	3,889,071	100%	66%

ENO’s costs to comply with the RCPS in 2023 were \$786 thousand which would result in an estimated bill effect of approximately \$0.14 cents for a Residential customer using 1,000 kWh of electricity.

Further information on the RCPS and ENO’s compliance in 2023 can be found at: [URL](#)