



Entergy Services, Inc.
639 Loyola Avenue 70113-3125
P.O. Box 61000
New Orleans, LA 70161-1000
Tel 504 576 6571
Fax 504 576 5579

Timothy S. Cragin
Assistant General Counsel
Legal Services - Regulatory

February 21, 2014

Via Hand Delivery

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

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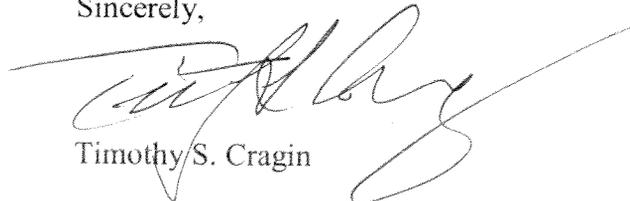
Re: *In Re*: Resolution Regarding Proposed Rulemaking to Establish Integrated Resource Planning Components and Reporting Requirements for Entergy New Orleans, Inc.
(Docket No. UD-08-02)

Dear Ms. Johnson

Enclosed please find an original and three copies of the Entergy New Orleans, Inc's Application for Approval of the Implementation Filing for the Extension of the Energy Smart Plan in the above referenced docket. Please file an original and two copies into the record in the above-referenced matter, and return a date-stamped copy to our courier.

Thank you for your assistance with this matter.

Sincerely,



Timothy S. Cragin

TSC
Enclosures

cc: Official Service List UD-08-02 (*via electronic mail and U.S. mail*)

**BEFORE THE
COUNCIL OF THE CITY OF NEW ORLEANS**

IN RE: RESOLUTION REGARDING)	
PROPOSED RULEMAKING TO)	
ESTABLISH INTEGRATED)	
RESOURCE PLANNING)	DOCKET NO. UD-08-02
COMPONENTS AND REPORTING)	
REQUIREMENTS FOR)	
ENTERGY NEW ORLEANS, INC.)	

**APPLICATION OF ENTERGY NEW ORLEANS, INC.
FOR APPROVAL OF THE IMPLEMENTATION
FILING FOR THE EXTENSION OF THE ENERGY SMART PLAN**

Entergy New Orleans, Inc. (“Entergy New Orleans” or “ENO”), pursuant to Council Resolution R-13-363, respectfully submits this Application for Approval of the Implementation Filing for the Extension of the Energy Smart Plan (the “Application”), and, in support of this Application, the Company respectfully shows as follows:

I.

ENO is an electric and gas utility organized and operating under the laws of the State of Louisiana, with its general office and principal place of business at 1600 Perdido Street, Building 505, New Orleans, Louisiana 70112. The Company is engaged in the manufacture, production, transmission, distribution, and sale of electricity to residential, commercial, industrial, and governmental consumers throughout the City of New Orleans, with the exception of the Fifteenth Ward of the City of New Orleans, Algiers. ENO furnishes electric service to approximately 168,000 customers in Orleans Parish. Entergy New Orleans also is engaged in the provision of natural gas service throughout the City of New Orleans, serving approximately 104,000 retail gas customers.

II.

In July 2009, ENO submitted a filing in which it detailed the specifics of the design and funding levels for programs to be included in the Energy Smart Plan programs (*e.g.*, selection of a third party administrator, verification of deemed savings calculations, proposed goals and targets). On September 17, 2009, Council Resolution R-09-483 approved the Energy Smart Plan programs as designed and found ENO's programs to be just, reasonable and in the public interest; including funding levels and allocations, and goals and targets recommended by the ENO.

III.

In April 2011, ENO and the third party administrator, CLEAResult, implemented the Energy Smart Plan programs and began offering programs to ENO electric customers. ENO filed status reports as outlined and required by Council Resolution R-11-52. Representatives of ENO and CLEAResult have made presentations on the first and second year results and progress of the Energy Smart programs to the Council Utility Committee ("CUC"). Additionally, ENO submitted written reports summarizing the first and second year results of the program.

IV.

Council Resolution R-13-17 stated that the Council wants to consider ENO's Supplemental Implementation and Cost Recovery filings in concert with the public process established in the IRP docket (UD-08-02) and such other recommendations as may be provided by intervenors and the Council's Advisors in a timely fashion, and directed ENO to make its Supplemental Implementation and Cost Recovery filing.

V.

In accordance with Council Resolution R-12-393, on April 1, 2013, in order to assure the continuity of the Energy Smart Plan, ENO filed with the Council implementation and cost recovery plans for future energy efficiency and demand side management programs based on optimal levels contained in their Integrated Resource Plan (“IRP”) filings or other such programs as determined by the Council.

VI.

After consideration of ENO’s Implementation and Cost Recovery filing, and in realization that there remain some unresolved issues with respect to ENO’s IRP, the Council, in Resolution R-13-363 stated:

[T]o assure that the existing Energy Smart and NOLA Wise programs continue without interruption until a final order in the instant docket determining the appropriate level of DSM, program selection, DSM related expenditures, cost recovery, incentives and rate mechanisms is rendered, the Council finds it in the public interest to provide the necessary funding to continue the existing Energy Smart programs to assure continuity of energy efficiency programs in New Orleans through the end of calendar year 2014. In furtherance of this finding, ENO is directed to confer with the Advisors on the details for implementation of the extension of the existing Energy Smart Programs, as discussed herein, for subsequent filing with the Council and its approval no later than January 2014. In the extension of the Council’s existing Energy Smart Program through December 2014, as ordered herein, the Council will continue to allow ENO to recover Lost Contributions to Fixed Costs and the existing ROE incentive as provided for in Attachments G and H to the now expired ENO FRP.

VII.

In accordance with Council Resolution R-13-363, ENO requests that the Council approve the design, selection, and implementation of the DSM programs reflected in the following tables; approve the level of funding allocated to each program; and concur that the expected energy savings (expressed in kilowatt-hours, or “kWh”) satisfy the applicable Council requirements. In

addition, ENO requests that the Council approve that CLEAResult and Global Green remain in their current roles as implementers of the Energy Smart and NOLA Wise programs, respectively.

VIII.

Proposal for the Extension of Energy Smart Programs:

Program Description	Goal (kWh)	Program Cost
HPwES	3,198,518	\$789,978
Energy Star A/C	333,273	\$109,573
A/C Tune Up	859,536	\$217,561
Energy Efficient New Homes	120,098	\$299,394
CFL Direct Install	1,494,736	\$34,568
Income Qualified	377,386	\$442,933
Solar Water Heater	20,393	\$9,119
Small Commercial Solutions	1,999,817	\$531,332
Large Commercial Solutions	4,603,944	\$774,031
NOLA Wise	-	\$250,000
Total	13,007,699	\$3,458,489

IX.

In support of the request set forth herein, ENO submits contemporaneously with this Application the attached Summary Report on the Extension of Energy Smart Programs through December 31, 2014 and the accompanying proposed budget, which are incorporated herein by reference.

WHEREFORE, Entergy New Orleans, Inc. respectfully requests that this Council issue a Resolution:

1. Approving ENO’s design, selection, and implementation of the DSM programs listed in the table set forth herein;

Revised Table 3/25/14

Program Description	Goal (kWh)	Program Cost
HPwES	3,198,518	\$789,978
Energy Star A/C	333,273	\$109,573
A/C Tune Up	859,536	\$217,561
Energy Efficient New Homes	120,098	\$34,568
CFL Direct Install	1,494,736	\$442,933
Income Qualified	377,386	\$299,394
Solar Water Heater	20,393	\$9,119
Small Commercial Solutions	1,999,817	\$531,332
Large Commercial Solutions	4,603,944	\$774,031
NOLA Wise	-	\$250,000
Total	13,007,699	\$3,458,489

2. Approving CLEAResult and Global Green's continuation as implementers of the Energy Smart and NOLA Wise programs;
3. Approving the level of funding allocated to each program;
4. Finding that the expected total energy savings as the kWh Goals/Performance Incentives satisfy the applicable Council requirements;
5. Allowing ENO to access the extension funding as the current Energy Smart funding is depleted to prevent any lapse or delay in program execution; and
6. Granting all other general and equitable relief that the law and the nature of this proceeding may permit.

Respectfully Submitted:

By: 

Kathryn J. Lichtenberg, Bar No. 1836

Timothy S. Cragin, Bar No. 22313

Courtney R. Nicholson, Bar No. 32618

639 Loyola Avenue, Mail Unit L-ENT-26E

New Orleans, Louisiana 70113

Telephone: (504) 576-6571

Facsimile: (504) 576-5579

**ATTORNEYS FOR ENTERGY NEW ORLEANS,
INC.**

Summary Report on the Extension of Energy Smart Programs Through December 31, 2014

I. Introduction

The purpose of this report is to provide a summary description of the proposed programs and associated costs for the extension of the Energy Smart Plan of Entergy New Orleans (“ENO”) through December 31, 2014. Resolution R-13-363 requires ENO to submit a detailed implementation plan that is generally in conformance with the programs and associated costs laid out in the resolution itself.

II. Overview of the Energy Smart Plan

A. Background

Since at least 2007, through a series of Council resolutions and public participation, the Council has recognized energy efficiency as a high-priority resource and has expressed its desire to, among other things: (a) identify cost-effective energy efficiency potential; (b) develop processes to align incentives equally for demand-side management (“DSM”) and supply resources; (c) set energy savings goals consistent with cost-effective potential; (d) establish appropriate evaluation, measurement and verification mechanisms; (e) establish effective DSM measures for residences and businesses in New Orleans; (f) align customer pricing and incentives to encourage investment in energy efficiency; and (g) provide sufficient, timely and stable program funding to deliver energy efficient programs where cost effective.¹

Significant program events include:

- In 2009, Council Resolution R-09-136 established the criteria for ENO to implement the Energy Smart Plan.

¹ Council Resolution R-07-600 approved December 6, 2007 .

- In July 2009, ENO submitted a filing in which it detailed the specifics of the design and funding levels for programs to be included in the Energy Smart Plan programs.
- In September 2009, the Council approved the Energy Smart Plan programs as designed and found ENO's programs to be just, reasonable and in the public interest; including funding levels and allocations, and goals and targets recommended by the Company.²
- In April 2011, ENO and CLEAResult implemented the Energy Smart Plan programs and began offering programs to ENO electric customers. ENO filed status reports periodically as outlined and required by Council Resolution R-11-52. Representatives of CLEAResult and ENO have made presentations on the first and second year results, and on the progress of the Energy Smart programs to the Council Utility Committee ("CUC"). Additionally, ENO has submitted annual reports for each of the first two years of the Energy Smart Plan.
- In October 2012, ENO submitted its Integrated Resource Plan ("IRP") which outlined an optimal level of DSM for the near future of New Orleans
- In January 2013, the Council approved Resolution R-13-17, which required ENO to make an Implementation and Cost Recovery filing detailing future DSM and energy efficiency programs in the city.
- On April 1, 2013, ENO filed its Supplemental Implementation and Cost Recovery filing, which proposed a suite of energy efficiency programs and cost recovery mechanism for the 2014-2017 period.
- On August 8, 2013, the Council approved Resolution R-13-271, which required ENO to finalize an agreement with NOLA Wise that would secure funding to sustain NOLA

² Council Resolution R-09-483 approved September 17, 2009.

Wise from September 2013 – March 2014. ENO complied on August 26, 2013 by filing its agreement with NOLA Wise with the Council.

- On October 10, 2013, the Council approved Resolution R-13-363, which found it in the public interest “to provide the necessary funding to continue the existing Energy Smart programs to assure continuity of energy efficiency programs in New Orleans through the end of calendar year 2014.” Resolution R-13-363 also provides that ENO will be allowed “to recover Lost Contributions to Fixed Costs and the existing ROE incentive as provided for in Attachments G and H to the now expired ENO FRP.”

B. Summary of Program Results for the First Three years of Energy Smart

The Energy Smart programs have been very successful to date. The first two years of the program exceeded goals, garnering 109% and 124% of the targeted goal, respectively. The third year of the program is on pace to meet the targeted goal. The initial phase of Energy Smart will conclude after the third year, on or about March 31, 2014. As illustrated in the table below, as of December 2013, Energy Smart has attained a cumulative savings of 48,572,895 kWh while helping nearly 24,000 customers become more energy efficient.

	kWh Savings	Participants
Program Year 1	15,812,954	8,534
Program Year 2	20,572,422	8,171
Program Year 3 (thru 9 months)	12,187,519	7,260
Total	48,572,895	23,965

III. Summary of the Implementation Plan

A. Summary of the Programs

Council Resolution R-13-363 provided that the programs and associated costs in this implementation plan should significantly reflect those mentioned in the resolution. In consideration of this criterion, the company proposes the suite of programs below. A summary description of each program follows.

1. Home Performance with Energy Star

Formerly, Residential Solutions, this officially sponsored HPwES program aligns with the ongoing DOE's requirements changes and offers a whole home approach for single family unit customers. This program offers, among other things, weatherization and CFL installation. ENO proposes that during the extension period, HPwES will offer a Coolsaver option which provides for more comprehensive air conditioning projects. Additionally, Coolsaver allows for more evaluation, measurement and verification of these projects.

2. Energy Star A/C

The Energy Smart Program provides rebates for the purchase and installation of energy efficient central air conditioners and heat pumps. Energy Smart provides mail-in rebates for the purchase and installation of energy efficient window units.

3. Air Conditioning (A/C) Tune Up

This program provides rebates for A/C Tune Ups performed at residences. Participants can earn up to \$75 in rebates for these high performance tune-ups.

4. Energy Efficient New Homes

This program offers incentives for homes that are built at higher energy efficiency levels than required by the building code.

5. CFL Direct Install

Through partnership with Green Light New Orleans, the CFL Direct Install program will continue to provide participants with the opportunity to have up to 20 energy efficient compact fluorescent light bulbs (CFLs) in their home. The addition of small base CFL bulbs to the program has enhanced chances for customers to participate.

6. Income Qualified

Customers who qualify for this program are capable of receiving up to \$2,500 in weatherization upgrades for both single and multi-family units.

7. Solar Water Heater

Energy Smart provides an instant rebate of up to \$1,000 for qualifying solar water heating systems.

8. Small Commercial Solutions

The Small Commercial Solutions Program is an energy efficiency program designed to provide assistance and financial incentives for the installation of certain energy efficiency measures that reduce energy consumption in small commercial facilities. The Small Commercials initiatives focus on a direct install model that engages contractors to deliver

measures into customer facilities through the use of field tools that greatly streamline and simplify program participation while also improving data collection and data accuracy.

9. Large Commercial Solutions

The Large Commercial Solutions program offers facility audits and incentives for a suite of common energy efficiency measures.

10. NOLA Wise

The NOLA Wise program will continue to work with Energy Smart in the school kit program and the community outreach program. The school kit program provides schoolchildren with kits containing energy efficient items. The schoolchildren are able to use these items in their homes and track their energy savings. Under community outreach, NOLA Wise will continue to conduct outreach to customers regarding the NOLA Wise and Energy Smart programs. ENO proposes to expand this program to include approximately 2000 school kits during the extension period.

B. Proposed Goals and Budget

Program Description	Goal (kWh)	Program Cost
HPwES	3,198,518	\$789,978
Energy Star A/C	333,273	\$109,573
A/C Tune Up	859,536	\$217,561
Energy Efficient New Homes	120,098	\$299,394
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Large Commercial Solutions	4,603,944	\$774,031
NOLA Wise	-	\$250,000
Total	13,007,699	\$3,458,489

C. Cost Recovery

Resolution R-13-363 recognizes that there is a balance of approximately \$4.887 million available for use in the extension of the current programs. In addition, Resolution R-13-363 suggests that ENO be allowed to recover “Lost Contributions to Fixed Costs and the existing ROE incentive as provided for in Attachments G and H to the now expired FRP.” Should the Council decide to use these funds to cover lost contribution, performance incentives and the \$3.458 million in program costs, the anticipated rate effect is minimal. ENO proposes that any prudently incurred costs in excess of the aforementioned \$4.887 million be timely and fully recovered in the next appropriate regulatory proceeding.

D. Selection of the Third Party Implementer

Inasmuch as CLEAResult has performed exceptionally well through the first three years of Energy Smart, ENO proposes that CLEAResult continue to operate as the third party implementer of programs. As previously mentioned, Energy Smart has surpassed its targeted goals in each of the first two years of the program. Additionally, CLEAResult has maintained a focus on providing opportunity for locally-owned and minority contractors to benefit from the program. The process of selecting an implementing contractor is both a time-consuming and a costly endeavor. The extension of the current CLEAResult as implementer will save program costs and prevent the delays associated with bidding out the contract.

Given the proximity of the projected beginning of the extension period, ENO proposes that Global Green and Green Light New Orleans continue as sub-contractors (to CLEAResult) for the NOLA Wise and CFL Direct Install programs, respectively. Both entities have done a commendable job in carrying out their programs.

The contractors currently involved with the Energy Smart program have the advantages of familiarity and experience in working with the program. More specifically, CLEAResult, Global Green and Green Light New Orleans are familiar with participating contractors, customers and other individuals associated with Energy Smart. It would take a new entity a substantial amount of time to acclimate to a level in which it would enjoy the efficiencies that experience has brought the current contractors. Given the abbreviated length of the extension and the other aforementioned factors, ENO proposes to extend the arrangements with CLEAResult, Global Green and Green Light New Orleans through the extension period.

IV. Conclusion

The program proposals set forth in this report are structured to satisfy the Council's desire to assure that the Energy Smart and NOLA Wise programs continue without interruption until a final order is issued in the IRP docket. The current Energy Smart programs will end on, or about, March 31, 2014 depending upon how quickly the current funding is depleted. The extension funding needs to be available to ensure that momentum is carried from phase one of Energy Smart into the extension period.

CERTIFICATE OF SERVICE

Docket No. UD-08-02

I hereby certify that I have this 21st day of February 2014, served the required number of copies of the foregoing report upon all other known parties of this proceeding, by:

electronic mail, facsimile, overnight mail, hand delivery, and/or
 United States Postal Service, postage prepaid.

Lora W. Johnson, CMC
Assistant Clerk of Council
Council of the City of New Orleans
Room 1E09, City Hall
1300 Perdido Street
New Orleans, LA 70112

W. Thomas Stratton, Jr., Director
City Council Utilities
Regulatory Office
City of New Orleans
City Hall, Room 6E07
1300 Perdido Street
New Orleans, LA 70112

Evelyn F. Pugh, Esq.
Council Chief of Staff
New Orleans City Council
City Hall, Room 1E06
1300 Perdido Street
New Orleans, LA 70112

Sharonda Williams
City Attorney Office
City Hall, Room 5E03
1300 Perdido Street
New Orleans, LA 70112

Norman S. Foster
Department of Finance
City Hall, Room 3W06
1300 Perdido Street
New Orleans, LA 70112

Clinton A. Vince, Esq.
Presley R. Reed, Jr., Esq.
Emma F. Hand, Esq.
SNR Denton US LLP
1301 K Street, N.W.
Suite 600, East Tower
Washington, DC 20005-3364

Royce Duplessis, Esq.
Basile J. Uddo, Esq.
J.A. "Jay" Beatmann, Jr.
SNR Denton US LLP
The Poydras Center, Suite 2850
650 Poydras Street
New Orleans, LA 70130-6132

Walter J. Wilkerson, Esq.
Kelley Bazile
Wilkerson and Associates, PLC
The Poydras Center, Suite 1913
650 Poydras Street
New Orleans, LA 70130

Joseph A. Vumbaco, P.E.
Legend Consulting Group Limited
8055 East Tufts Avenue
Suite 1250
Denver, CO 80237-2835

Errol Smith, CPA
Bruno and Tervalon
4298 Elysian Fields Avenue
New Orleans, LA 70122

Kenneth C. Paillet, CPA
Paillet, Meunier and LeBlanc, L.L.P.
3421 N. Causeway Boulevard
Suite 701
Metairie, LA 70002

Seth Cureington
Polly S. Rosemond
Al D. Eiffert
Entergy New Orleans, Inc.
Mail Unit L-MAG-505B
1600 Perdido Street
New Orleans, LA 70112

Joseph J. Romano, III
Suzanne Fontan
Entergy Services, Inc.
Mail Unit L-ENT-4C
639 Loyola Avenue
New Orleans, LA 70113

Jody Montelaro
Entergy Services, Inc.
446 North Boulevard
Mail Unit L-NORT-4E
Baton Rouge, LA 70802

Christopher P. Todaro
The Folger Coffee Company
14601 Old Gentilly Road
New Orleans, LA 70129

Fred M. Mazurski, CEM, CDSM
Energy USG Corporation
550 West Adams Street
Chicago, IL 60661-3676

Gary Huntley
Entergy New Orleans, Inc.
Mail Unit L-MAG-505B
1600 Perdido Street
New Orleans, LA 70112

Kathryn J. Lichtenberg, Esq.
Timothy S. Cragin, Esq.
Chris Neel, Esq.
Courtney R. Nicholson, Esq.
Matthew Brady, Esq.
Entergy Services, Inc.
Mail Unit L-ENT-26E
639 Loyola Avenue
New Orleans, LA 70113

Kimberly A. Fontan
Entergy Services, Inc.
4809 Jefferson Highway
Mail Unit L-JEF-357
Jefferson, LA 70121

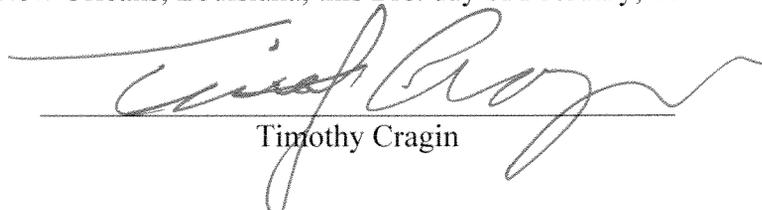
Michael L. Winberry
Jacobs Technology Inc.
13800 Old Gentilly Rd., Bldg. 320
New Orleans, LA 70129

Ernest L. Edwards, Jr.
Beirne, Maynard & Parsons, L.L.P.
601 Poydras Street
Suite 2200
New Orleans, LA 70130-6097

Jordan Macha
Gloria Smith
The Sierra Club
716 Adams Street
New Orleans, LA 70118

Thomas W. Milliner
Carl Pechman
Alliance for Affordable Energy
2372 St. Claude Avenue
New Orleans, LA 70117

New Orleans, Louisiana, this 21st day of February, 2014.



Timothy Cragin



Entergy New Orleans, Inc.
1600 Perdido Street, Bldg #505
New Orleans, LA 70112
Tel 504 670 3680
Fax 504 670 3615

Gary E. Huntley
Vice President,
Regulatory and Governmental Affairs
ghuntle@entergy.com

March 25, 2014

Via Hand Delivery

Ms. Lora Johnson
Clerk of Council
Council of the City of New Orleans
Room 1E09, City Hall
1300 Perdido Street
New Orleans, LA 70112

Re: Correction to Filing of Entergy New Orleans, Inc.'s Implementation Plan for the Extension of Energy Smart Programs (Resolution R-13-363; UD-08-02)

Dear Ms. Johnson:

Entergy New Orleans, Inc. ("ENO") has become aware that a table included in the Implementation Plan for the Extension of the Energy Smart Programs ("Implementation Plan") that it filed with the Council on February 21, 2014, contained certain typographical errors. Specifically, in the table presented in subparagraph VIII on page 4 of the Implementation Plan, which reflects the Program Descriptions, Goals, and Program Costs of the various Energy Smart Programs, the dollar amounts shown in the "Program Costs" column for "Energy Efficient New Homes," "CFL Direct Install," and "Income Qualified" appear in the wrong row and, accordingly, are not aligned with the correct "Program Description." An original and three copies of a corrected table are attached to this transmittal letter and we respectfully request that the corrected table be accepted into the record to correct the errors contained in the table that was originally filed.

Please file the original and two copies into the record of the above mentioned matter, and return a date stamped copy to ENO. Should you have any questions regarding this filing, please contact my office at (504) 670-3680. Thank you for your attention and courtesies in this matter.

Sincerely,

A handwritten signature in black ink that reads "Gary E. Huntley". The signature is written in a cursive style with a large, sweeping "G" and "H".

Gary E. Huntley

Revised Table 3/25/14

Program Description	Goal (kWh)	Program Cost
HPwES	3,198,518	\$789,978
Energy Star A/C	333,273	\$109,573
A/C Tune Up	859,536	\$217,561
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