

**ENERGY SMART  
NEW ORLEANS**



## Introduction

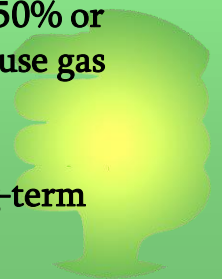
On December 6, 2007, the Council of the City of New Orleans unanimously adopted Resolution R-07-600 asserting its commitment to energy efficiency and the development of a viable energy efficiency program.

*Energy Smart New Orleans* lays out the process and steps toward implementation of the Council's vision on energy conservation and efficiency expressed in R-07-600 and its commitment to ensuring the long-term stability of energy supply and energy prices for ratepayers in New Orleans.



## Statement of Purpose:

- Growing energy demand challenges the attainment of clean air and other public health goals.
- Increasing prices impose significant financial burdens on households and businesses, and reduce economic growth.
- Growing energy demand and rising energy prices, both domestically and globally, create stresses on energy supply and current utility systems, and drive up utility costs.
- Low-income persons and the elderly are especially vulnerable to rising energy costs.
- Energy efficiency measures can relieve this pressure by lowering energy bills, increasing customer control, and increasing customer satisfaction.
- New Orleans currently is presented with a one-time opportunity to incorporate energy efficiency and conservation measures into the rebuilding effort.
- Reducing energy consumption may make us less vulnerable to service disruptions from natural disasters or terrorist acts.
- Cost-effective energy efficiency measures, according to some estimates, may be able to meet 50% or more of load growth nationally, resulting in huge savings and dramatic reduction in greenhouse gas emissions, as well as reduced need for new energy supplies.
- Such measures are consistent with the Utility Committee's commitment to ensuring the long-term stability of energy supply and energy prices for ratepayers in New Orleans.



*I. Recognize energy efficiency as a high-priority energy resource, and commit to its full development by the Utility Committee.*

**I.A. Objective:**

Establish and make public the Council's position on energy efficiency and conservation programs

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**(Completed 12/07):**  
Adopted Resolution R-07-600



**I.B. Objective:** Develop a process to explore the energy efficiency potential in the City that will:

- Achieve broad consensus
  - Focus on cost-effectiveness
  - Be technically and financially feasible
  - Incorporate best practices
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**(Completed 11/07):**

Supported the formation in the Spring of the Energy Policy Task Force, to which stakeholders gave hundreds of volunteer hours, producing the Energy Hawk Report in the Fall that identified numerous potential energy policy initiatives for the Council's consideration.

**(Completed 12/07):**

Received proposal from the authors of the Energy Efficiency Initiative, which identified additional potential energy policy initiatives for the Council's consideration.

**(Ongoing):**

Work with Entergy New Orleans, the Alliance for Affordable Energy, and many others in the community to better understand the City's energy efficiency needs.

**(Completed 12/07):**

Held hearings to introduce information and initiatives for public comment, including the Green Light New Orleans project to distribute compact fluorescent light bulbs to residents and the "Geaux Green" Louisiana state income tax credit program for wind and solar energy systems.

**(Ongoing):**

Coordination between Utility Committee and Mayor's designee regarding executive branch initiatives related to energy efficiency.

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**I.C. Objective:** Establish criteria for Council action on pending proposals, focused on identifying proposals that are most:

- Timely;
  - Cost-effective;
  - Technically sound;
  - Financially feasible;
  - Compliant with best practices; and
  - Most beneficial to the community, with emphasis on the low income, elderly, and others vulnerable to rising energy costs
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**(Completed 1/08):**

Solicited expertise from the United States Department of Energy and National Renewable Energy Laboratory to inform the Utility Committee's energy policy and energy efficiency objectives.

**(Ongoing):**

Obtain guidance from NREL regarding the cost-effectiveness and feasibility of various potential energy efficiency measures.


**(Ongoing):**

Receive nominations from stakeholder groups of representatives to facilitated meeting.

**(Targeted 3/08):**

Convene facilitated meeting of stakeholders to evaluate and prioritize potential energy efficiency measures, identify available resources, and chart next steps.

[NOTE: Measures below marked "CONSIDER" will be evaluated at the facilitated meeting and updated once considered and prioritized.]



**I.D. Objective:** Broadly communicate to the community the benefits and opportunities for energy efficiency, and support the National Action Plan for Energy Efficiency and the Vision for 2025.

**I.D.1.** Reach all ratepayers, with emphasis on the low income, elderly, and others most impacted by energy costs.

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**(Target Date TBD):**

**CONSIDER:** Creating and conducting a public education campaign to educate homeowners and businesses regarding the benefits of weatherization and energy efficiency measures.

**(Target Date TBD):**

**CONSIDER:** Assisting homeowners and businesses in weatherizing and increasing the energy efficiency of existing structures.

**(Target Date TBD):**

**CONSIDER:** Establishing a recognition and awards program to highlight the work of groups engaged in important efforts to improve energy efficiency in New Orleans.


**(Target Date TBD):**

**CONSIDER:** Creating a Center for Excellence in the Built Environment (CEBE):

**1/08:** Received report from Myron Katz, Ph.D., providing information regarding potential sources of funding, other models, reasons for, work of, and value to New Orleans of a CEBE.

**3/08:** Utility Committee staff visit to the Florida Solar Energy Center.

**4/08:** Provide response to Energy Policy Task Force within broader energy policy goals as established and set forth in final Energy Policy for City of New Orleans.



**I.D.2.** Better educate the community about the work of the Utility Committee and the importance of progressive energy policy to quality of life and economic development in New Orleans.

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**(Ongoing):**

Better publicize the work of the Utility Committee, and agendas for Utility Committee meetings.

**(Completed 2/08):**

Send letter to stakeholders summarizing accomplishments to date and action plan for further development of energy policy.

**(Ongoing):**

Confer regularly with energy policy stakeholders to receive input and provide updates.





## *II. Take advantage of the current opportunity to incorporate energy efficiency and conservation into the rebuilding effort.*

**II.A. Objective:** Review building code enforcement and education programs to ensure compliance with energy efficiency standards in current building code.

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**(Completed 2/08):**

Convened meeting of building code stakeholders to clarify existing programs and determine adequacy of existing framework.

**(Target Date TBD):**

CONSIDER: Enhancements to existing building code enforcement and education programs.



**II.B. Objective:** Establish energy use baseline, against which to measure effectiveness of energy efficiency measures.

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**(Completed 2/08):**

Obtain guidance from NREL regarding components of energy use baseline, *e.g.*

- Number of existing homes
- Number of homes currently permitted for – construction
- Number of homes undergoing major renovations
- Average home size
- Average home age
- Average residential energy use per square foot
- Typical appliances used
- Average energy use by customer category (residential, commercial, industrial)
- Municipal energy use

**(Target Date 5/08):**

Obtain energy use baseline data from Entergy.



## III. *Develop incentives equally for efficiency and supply resources.*

III.A. **Objective:** Update and improve Integrated Resource Planning (IRP).

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**(Ongoing):**

Task advisors to evaluate least cost planning requirements in current ordinance and identify IRP models from other jurisdictions served by multi-state utility holding company structure.



**III.B. Objective:** Align customer pricing and incentives to encourage investment in energy efficiency.

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**(Completed 5/07):**

Adopted revised Net Metering Rules enabling residents and businesses to employ environmentally friendly, renewable energy technologies to save on their energy bills and maintain reliability by using energy from the electric grid only when needed.

**(Target Date 7/08):**

Redesign rate structure to build in incentives for conservation, *e.g.*, through use of inclining rates keyed to energy consumption.



**III.C. Objective:** Modify policies to align utility incentives with the delivery of cost-effective energy efficiency and modifying, as appropriate, Council ratemaking practices to promote energy efficiency investments.

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**(Ongoing 2-4/08):**

Review and solicit comments on Entergy's green power purchase proposal.

**(Target Date TBD):**

CONSIDER: Development of a Renewable Portfolio Standard.

**(Target Date TBD):**

CONSIDER: De-coupling of utility profits from energy sales.

**3/08:** Schedule presentation to Council Utility Committee regarding successful de-coupling initiatives in other jurisdictions.



*IV. Use the Council's regulatory and rate-making authority to achieve broad-scale energy efficiency goals for the City.*

IV.A. Objective: Integrate energy efficiency into energy resource plans at the utility and regulatory level.

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**(Target Date TBD):**

CONSIDER: Evaluating the feasibility of distributed generation, to enable consumers and independent electricity producers to generate electricity from renewable sources for the benefit of all of the users of the electric grid.



**IV.B. Objective:** Encourage Entergy New Orleans, Inc., to investigate and implement such cost-effective state of the art billing, information sharing, and delivery, and advanced technology systems into its resources plans.

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**(Target Date TBD):**

CONSIDER: Redesigning customer bills to enhance consumer education, graphically highlight energy consumption, and illustrate conservation opportunities.

**(Target Date TBD):**

CONSIDER: Deploying “smart meters” to enable conservation and encourage energy efficiency.



**IV.C. Objective:** Provide sufficient, timely and stable program funding to deliver energy efficiency where cost-effective.

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**(Ongoing):**

Task advisors to determine opportunities for funding and/or offsetting energy efficiency investments through the millage.

**(Ongoing):**

Task advisors to identify potential sources of grant and philanthropic funding.

**(Completed 2/08):**

Obtain guidance from NREL regarding established and accepted tests for programmatic cost-effectiveness.

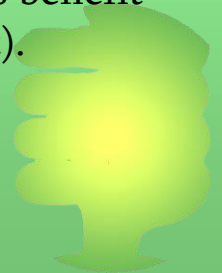
**(Target Date TBD):**

CONSIDER: Energy Efficiency Initiative proposal for financing of residential energy efficiency improvements, and options for recapture of improvement costs.

**(Target Date 7/08):**

CONSIDER: Systems benefit charge as possible mechanism to fund City-sponsored energy efficiency measures.

**2/08:** Obtained initial quantitative analysis of funds generated by systems benefit charge imposed at various levels (*e.g.*, 1% or average of \$1.00 per account).



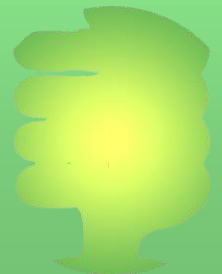


IV.D. Objective: Safeguard customer service.

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**(Target Date 7/08):**


Work with Entergy in context of ratemaking proceeding to ensure continued high quality customer service and service reliability.




# Energy Smart New Orleans

## Energy Smart New Orleans Action Plan:


2008      Feb.      March      April      May      June      July      August      Sept.




Analyze and further refine proposals developed by stakeholders (ongoing)



Launch *Energy Smart New Orleans* project at monthly Utility Committee meeting (2/28)




Convene facilitated meeting of stakeholders to review and prioritize proposals according to Council criteria (mid-March)




Formal introduction of energy efficiency proposals for Council consideration (April/May)




Complete Energy Smart New Orleans action plan (April)



Opportunity for public comments (April/May/June)



Energy New Orleans ratemaking proceeding commences (July)



Council action on selected energy efficiency initiatives (June/July/August/September)

