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August 14, 2025

VIA Electronic Delivery

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 Clerk of Council:

Entergy New Orleans, LLC (“ENO”) respectfully submits its Renewable and Clean Portfolio Standard (“RCPS”) Compliance Demonstration Report for the 2026 - 2028 compliance years.

If you have any questions regarding this information, please contact me at (504) 670-3680.

Sincerely,

A handwritten signature in black ink, appearing to be 'LNIXA', written over a light gray rectangular background.

Leroy Nix

cc: Official Service List (via email)

ENTERGY NEW ORLEANS, LLC
RCPS COMPLIANCE PLAN COVERING COMPLIANCE YEARS 2026-2028

1. BACKGROUND

a. Requirement for a Three-Year RCPS Compliance Plan

Under the Renewable and Clean Portfolio Standard (“RCPS”) adopted by the City Council of New Orleans (“Council”) in Resolution No. R-21-182 on May 20, 2021, Entergy New Orleans, LLC (“ENO”) is required to submit a three-year, prospective RCPS Compliance Plan for Council review. Section 4.e of the RCPS rules states that “Upon the Utility’s submission of its final Integrated Resource Plan (‘IRP’) Report for each triennial IRP cycle, the utility shall develop a three-year prospective RCPS Compliance Plan, including a three-year Banking and Compliance Reserve provision for RECs, and the Utility’s calculation of the Alternative Compliance Payment (“ACP”).¹ The RCPS Compliance Plan shall be filed at the Council and served upon both the parties to the relevant IRP docket and the parties to Docket No. UD-19-01, with the opportunity for stakeholder comment prior to the Council’s review and approval.”

On December 13, 2024, ENO submitted the Public Version of its IRP report in Docket No. UD-23-01 (“2024 IRP”). In accordance with Section 4.e of the RCPS rules, this document provides ENO’s RCPS Compliance Plan for the years 2026-2028.

2. PROJECTED COMPLIANCE POSITION

a. Projected Clean Energy Credits from Existing Portfolio

ENO projects to receive the following Clean Energy Credits (“CECs”) in 2026-2028 from its existing and expected portfolio resources, based on the electric system modeling performed for the 2024 IRP.

Table 1: Projected 2026-2028 CECs from Existing ENO Portfolio

Resource Name	Type	RCPS Multiplier	2026 Expected CECs	2027 Expected CECs	2028 Expected CECs
Grand Gulf	Nuclear	1.00	1,941,224	2,090,222	1,924,987
River Bend	Nuclear	1.00	834,853	773,070	837,141
Energy Efficiency ² (implemented after 1/2021)	EE	1.25	419,000	492,490	563,268
ANO Unit 2	Nuclear	1.00	217,057	217,209	234,491
ANO Unit 1	Nuclear	1.00	198,570	184,371	184,867
Waterford Unit 3	Nuclear	1.00	170,344	183,427	170,862

¹

² Any capitalized terms that are not explicitly defined herein are defined in the Council’s RCPS Rules.

Energy Efficiency MWh reflect total estimated MWh of reductions delivered in 2026-2028 from all measures installed after January 1, 2021. To present a conservative estimate, Energy Efficiency measures installed in 2025-2028 are tied to the levels modeled in Strategy 1 / Scenario 1 of the 2024 IRP.

Resource Name	Type	RCPS Multiplier	2026 Expected CECs	2027 Expected CECs	2028 Expected CECs
Iris Solar	Solar	1.00	123,220	122,596	122,166
St James Solar	Solar	1.00	52,034	51,774	51,626
New Orleans Solar Station	Solar	1.25	50,779	50,518	50,442
Vidalia	Hydro	1.00	16,793	16,793	16,849
Commercial Rooftop Solar ³	Solar	1.25	6,606	6,573	6,540
Paterson Solar ⁴	Solar	1.25	1,801	1,792	1,783
EV Charging ⁵	EVCI	2.13-2.17	2,812	2,838	2,864
Total:			4,035,092	4,193,672	4,167,887

The actual number of CECs received from these resources may differ from the projected figures for a variety of reasons, including variations in weather patterns, unexpected maintenance requirements, or any variations between assumed Energy Efficiency levels and actual reductions achieved in ENO EnergySmart program, among others.

Appendix A includes a summary of the electric vehicle charging infrastructure (“EVCI”) credit calculation for 2026-2028, which uses the same methodology as those approved by the Council for the 2022-2025 compliance years.⁶

b. Green Select Program

ENO offers a voluntary Green Select program that allows customers to match some or all of their monthly electricity usage with RECs that are generated or purchased by Entergy New Orleans and retired on the customer’s behalf. Green Select is the successor to ENO’s Green Power Option (“GPO”). Per the Council’s direction, “no RECs associated with the GPO shall be utilized to satisfy RCPS compliance until such time as the Council may revise the RCPS in a future RCPS Periodic Review proceeding.”⁷ In previous years, ENO sourced RECs for Green Select customers from the same pool of generated or purchased RECs that would otherwise be used for RCPS compliance. As of 2025, ENO intends to separately purchase RECs that will be used to serve Green Select obligations. As a result, no RECs or CECs in Table 1 will be associated with the Green Select program.

³ Based on actual 2024 data as filed in ENO’s *RCPS Compliance Demonstration Report Covering 2024*, assuming 0.5% annual degradation.

⁴ Based on actual 2024 data as filed in ENO’s *RCPS Compliance Demonstration Report Covering 2024*, assuming 0.5% annual degradation.

⁵ Assumes annual EVCI usage equal to 2024 level (1,320 MWh).

⁶ See, Resolution No. R-22-145, dated March 24, 2022, and Resolution No. R-22-525, dated December 15, 2022.

⁷ Resolution No. R-22-145, at p.7.

c. Projected Retail Compliance Load

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 2 below shows ENO’s projected Retail Compliance Load consistent with BP24 sales projections and projected energy efficiency shown in Table 1.

Table 2: Projected 2026-2028 Retail Compliance Load

	2026	2027	2028
Retail Compliance Load	5,815,052	5,858,268	5,921,318

The actual Retail Compliance Load in each year will depend on actual retail sales and actual Energy Efficiency reductions achieved.

d. Projected Compliance Position with Existing Portfolio

Compliance with the annual RCPS requirements is measured through the calculation described in Section 4.c of the RCPS rules: “RCPS Compliance Credits (MWh) are divided by Retail Compliance Load (MWh), and expressed as a percentage.” Sections 3.a.5 through 3.a.7 of the RCPS rules specify that for 2026, 2027, and 2028, ENO must meet 72%, 74%, or 76%, respectively, “of Retail Compliance Load ... with a combination of Tier 1, 2 and 3 resources” with not more than 24%, 23%, and 22%, respectively, of compliance “through RECs purchased without the associated energy.” Table 3 below shows ENO’s projected CEC surplus or shortfall from existing resources and planned EE, before accounting for additional compliance actions proposed in this plan.

Table 3: Projected 2026-28 Compliance Position

		2026	2027	2028
(1)	Retail Compliance Load	5,815,052	5,858,268	5,921,318
(2)	RCPS Requirement (%)	72%	74%	76%
(3) = [1]*[2]	RCPS Requirement (CECs)	4,186,837	4,335,118	4,500,202
(4)	Projected CECs from Existing Portfolio	4,035,092	4,193,672	4,167,887
(5) = [4] – [3]	Projected CEC Deficit	(151,745)	(141,446)	(332,314)

If, at the end of any compliance period, ENO has created and procured a number of CECs that exceeds that year’s RCPS percentage requirement multiplied by Retail Compliance Load, ENO will make use of the Banking and Compliance Reserve Provision described in Section 4.h of the RCPS rules. This will allow ENO to bank any excess Green-e certified RECs it procures and utilize those RECs within the next two compliance years, subject to the rules specified in Section 4.h.

After demonstrating compliance with the RCPS in 2024, ENO held 42,774 RECs in its Compliance Reserve.⁸ These RECs may be used for 2025 RCPS compliance. If ENO has any RECs in the Compliance Reserve after demonstrating compliance with the RCPS in 2025, these RECs will be used to offset any CEC deficit in 2026 or 2027, subject to the rules specified in Section 4.h.

3. ADDITIONAL RCPS RESOURCES

a. Unbundled REC Purchases

ENO proposes to buy additional unbundled RECs, as needed, to ensure that it has a sufficient level of CECs to meet its RCPS requirements. To the extent that ENO has RECs that have been banked through the Banking and Compliance Reserve Provision, it will utilize those RECs before purchasing additional unbundled RECs. ENO will monitor projected retail sales, clean resource output, EE implementation, EVCI usage, and other factors, and will adjust its REC procurement target as its projected needs change to enable compliance at the end of each year.

b. Large Event Electrification as a Qualified Measure

In ENO's *RCPS Compliance Demonstration Report Covering 2024*, ENO proposed to treat the electrification of large events as a Tier 3 resource in future compliance plans and demonstration reports. This effort entails installation of points of grid connection at locations that have historically utilized diesel generators to power large events, such as Woldenberg Park and the Fairgrounds. These grid connections will allow the events to discontinue the use of diesel generators at some stages or tents in the area, thereby improving local air quality and driving a net reduction in carbon dioxide emissions. The calculation supporting Large Event Electrification and the proposed CEC multiplier is included in Appendix B.

c. Sewerage & Water Board Electrification as a Qualified Measure

Through Resolution No. R-22-258, the Council approved the Agreement in Principle ("AIP") between ENO and the Sewerage & Water Board ("SWB"), under which ENO will construct and own the new 230 kV Sullivan Substation that will serve power to the SWB's Carrollton Facility and replace the SWB's legacy gas generators currently in use. In ENO's *RCPS Compliance Plan Covering Compliance Years 2023-2025*, ENO proposed treating this electrification of historically self-generated electricity at the SWB facilities as a Qualified Measure. In Resolution No. R-22-525, dated December 15, 2022, the Council deferred action on this proposal, noting that "the Council believes that it would be premature to approve Substation Electrification as a Qualified Measure at this time[.]"⁹

The Sullivan Substation is complete and is expected to begin providing power to SWB by the end of 2025 following the completion by SWB of infrastructure required for it to receive power

⁸ *RCPS Compliance Demonstration Report Covering 2024*, at p. 5.

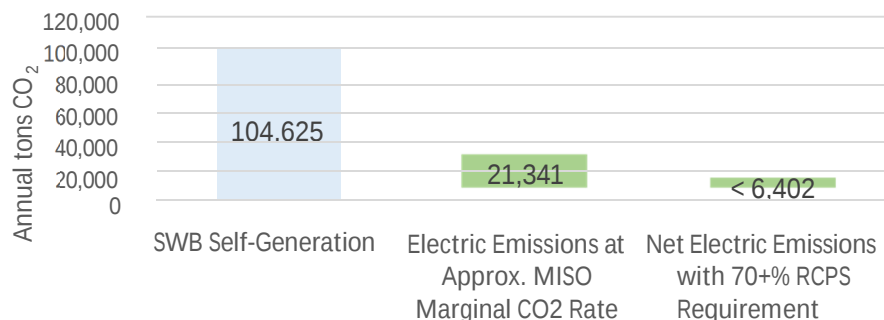
⁹ Resolution No. R-22-525, dated December 15, 2022, at p. 3.

from the Substation. Because the substation is expected to provide power to SWB facilities for the entire period considered in this Compliance Plan, ENO proposes that the electrification of self-generated power at the SWB facilities be considered a Qualified Measure.

The RCPS rules define a Qualified Measure as a “project, program or measure which produces a measurable net reduction in carbon emissions in Orleans Parish, is cost-effective from the utility perspective, and is approved by the Council for purposes of RCPS compliance.” With Council approval, SWB electrification satisfies these requirements:

- *SWB electrification produces a measurable net reduction in carbon emissions in Orleans Parish:* Over the 2011-2020 period (the last years for which data is publicly available), SWB consumed an annual average of 1,729,869 MCF of gas and 8,682 gallons of oil to fuel its 35,570 MWh of annual self-generation.¹⁰ This is equivalent to 104,625 tons of CO₂ per year emitted within Orleans Parish, or 5,883 pounds of CO₂ per megawatt-hour generated.¹¹ The emission rate of grid power replacing this generation is approximately 80% lower, resulting in CO₂ emissions reductions of over 80,000 tons annually, as shown in Figure 4. Not only are net emissions reduced significantly, nearly all of the electric emissions are expected to occur at power plants located outside of Orleans Parish. Further, given that this increased electric demand will lead to the procurement of CECs matching 70% or more of the consumption – and as much as 100%, if the goals of Resolution No. R-22-11 are met – emissions will be even further reduced. In addition to these CO₂ reduction benefits, emissions of criteria air pollutants within Orleans Parish such as nitrous oxides, ammonia, and volatile organic compounds will be significantly reduced.

Figure 4: SWB Electrification Reduces CO₂ Emissions in Orleans Parish



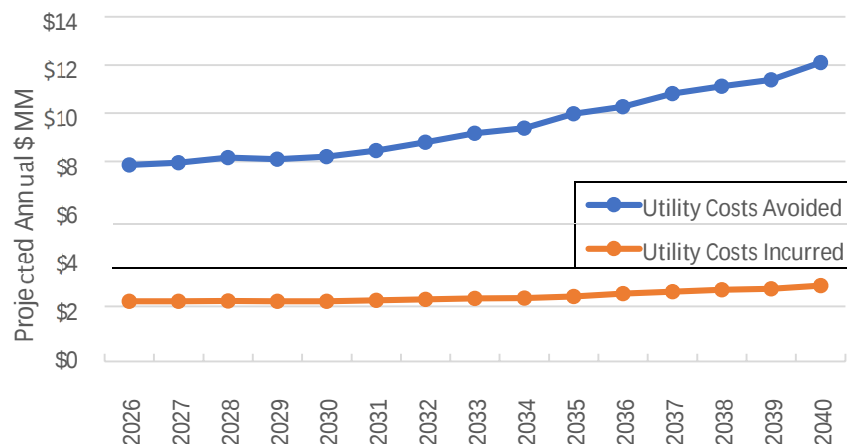
- *SWB electrification is cost-effective from the utility perspective:* From the utility’s perspective, the incremental costs incurred to serve new SWB demand are equal to the sum of the infrastructure costs incurred and the cost of energy and capacity needed to serve the incremental electric demand. Because of the \$30 million Contribution in Aid of

¹⁰ Sewerage and Water Board of New Orleans, Louisiana, *Comprehensive Annual Financial Report for the years ended December 31, 2020 and 2019*, p.IV-6. After the 2020 report, SWB apparently ceased publishing data on “Electric & Steam Power Generated by the S&WB” and “Natural Gas & Fuel Oil Used to Generate Electric & Steam Power” in its annual report.

¹¹ Using conversion factors from U.S. Energy Information Agency, *Carbon Dioxide Emissions Coefficients by Fuel*, https://www.eia.gov/environment/emissions/co2_vol_mass.php

Construction (“CIAC”) from SWB, the incremental infrastructure costs will be greatly reduced. The costs to serve the demand are based on the energy and capacity cost forecasts developed in the latest IRP. The projected cost of incremental infrastructure and cost to serve SWB demand are shown as the “Utility Costs Incurred” in Figure 5 below. From the utility’s perspective, the costs avoided are equal to the decrease in natural gas supply costs that ENO’s gas distribution utility would otherwise incur to deliver gas at SWB to support self-generation. These costs, based on the Henry Hub natural gas price forecast used in the IRP, are shown as “Utility Costs Avoided” in Figure 5 below.

Figure 5: SWB Electrification is Cost-Effective from the Utility Perspective



As a Qualified Measure, SWB electrification would be eligible for RCPS credit as a Tier 3 Resource, which is defined as “any Qualified Measure or electric vehicle charging infrastructure directly connected to the Utility’s transmission or distribution system. For Tier 3 Resources, the Utility must provide the Council with either a certified engineering calculation demonstrating the net reduction in carbon emissions or data demonstrating measured emissions reductions. The Utility must also propose the annual amount of CECs in MWh associated with each proposed Tier 3 Resource for Council consideration.”¹² Per Section 4.b.2 of the RCPS rules, “CECs associated with Tier 3 Resources can be applied as RCPS Compliance Credits until 2040.” Appendix C shows a detailed calculation of the net emission reductions of SWB electrification and the proposed credit rate.

d. Community Solar

Under Council Docket UD-18-03, ENO has worked with the Council and other parties to establish community solar program rules that are designed to provide an additional renewable energy option to customers. Subscribing customers receive RECs associated with their subscriptions. Currently, ENO is not able to count the contribution of this clean energy, which is supported by all customers through bill credits, towards its RCPS requirements because ENO cannot track and retire these RECs. However, ENO is not aware of any market for residential or

¹² RCPS Rules, Section 2.

smaller commercial customers to trade, sell, or retire the limited number of RECs they are entitled to receive.

As noted previously by ENO in its June 16, 2023, comments in the aforementioned docket, customers ultimately pay twice for clean energy because of this treatment: “when ENO is short of its RCPS compliance obligation (as was the case in 2022) and may seek to purchase unbundled RECs on the market to make up the shortfall, the net effect is that all customers would potentially pay two costs for each MWh of solar generated through the CSG program – the credits paid to low-income Subscribers based on the retail rate and the prudently-incurred cost of a like amount of unbundled RECs or clean energy procured by ENO to help achieve compliance under the RCPS.”¹³ Given the large number of community solar projects currently in the queue (approximately 60 megawatts), the magnitude of this issue is not negligible. Community solar generation is expected to exceed 100,000 megawatt-hours per year based on projections from the NREL PVWatts calculator.¹⁴

ENO proposes to treat community solar resources as RCPS-eligible and to assign CECs to its generation. ENO proposes that community solar generation be considered a Tier 1 resource because the solar facilities will be located within Orleans Parish. Community solar would provide more than 125,000 CECs each year (after applying the 1.25 Tier 1 multiplier), mitigating the need for (and costs to ratepayers of) REC purchases or CEC procurements at that level.

e. Net Metered Solar

In 2024, net metered solar facilities in Orleans Parish provided 21,296 megawatt-hours of excess energy to the grid. Measured through Channel 2 of the meter, this energy represents solar production beyond the customer’s usage at the time the power was generated. Because net metering customers receive a credit on their bills at the full ENO retail rate for this energy, ENO customers as a whole are paying for this energy and using it to serve a portion of ENO demand. Failing to recognize this generation as an RCPS resource requires ENO customers to first pay for the energy and then pay to acquire additional RECs or CECs on account of megawatt-hours that are already served by carbon-free energy.

ENO proposes to treat net metered solar energy provided to the ENO grid, as metered through Channel 2, as RCPS-eligible and to assign CECs to this generation. ENO proposes that net metered solar be considered a Tier 1 resource because the solar facilities are located within Orleans Parish. If metered Channel 2 generation is again at 2024 levels, net metered solar would mitigate the need to procure 26,620 RECs or CECs (after applying the 1.25 Tier 1 multiplier), and ENO customers would avoid bearing the associated costs. With additional net metered solar adoption, these savings could be even larger.

¹³ Docket UD-18-03, *Additional Comments of Entergy New Orleans, LLC, June 16, 2023*, at p.11.

¹⁴ Docket UD-18-03, *Additional Comments of Entergy New Orleans, LLC, June 16, 2023*, at p.12.

f. Alternative Considered: Additional Solar or Wind

ENO considered the procurement of additional solar or wind resources to augment its RCPS compliance position in advance of a capacity or energy need. It decided against this approach for several reasons.

In the 2024 IRP, ENO's projected annual generation from existing resources is expected to exceed its projected load and "ENO is expected to remain a net seller in MISO's energy markets for the next decade."¹⁵ As a result, incremental energy from any new resources in the short-term is largely expected to be sold into the MISO market rather than avoid net purchases of energy from the MISO market. ENO noted:

While it is possible that ENO's pursuing an energy-based approach and investing above its capacity need could lower customer costs by generating excess energy market revenues, there is a significant risk that such an approach could increase customer costs if future energy market conditions vary from modeling assumptions and the additional resources do not produce enough energy revenue to cover their costs.¹⁶

Pursuing a new solar or wind resource would also impose significant cost uncertainties on customers. The potential impact of proposed federal tariffs on the cost to construct new or solar resources is unknown but could be significant. There is also uncertainty about the future of the Investment Tax Credit and Production Tax Credit created by the 2022 Inflation Reduction Act that are currently available to new wind and solar resources. Committing to pursue new solar or wind resources for RCPS compliance could lead to substantial costs to customers if the level (or existence) of available tax credits change.

4. OTHER RCPS PROVISIONS

a. Alternative Compliance Payment

To determine the level of the Alternative Compliance Payment ("ACP") for the 2026-2028 compliance period, ENO examined publicly available REC pricing data applicable to resources in MISO or ERCOT from June 2022-May 2025. ENO examined the quoted prices of five REC products: Texas non-Solar Compliance REC, Texas Green-e Eligible Wind REC, M-RETS Compliance REC from CRS Listed Facilities FH, M-RETS Compliance REC from CRS Listed Facilities BH, and Michigan non-Solar REC. As shown in Table 6 below, the highest value over this period among the five products was a \$5.25/REC market price for Michigan non-Solar RECs (occurring in July through October 2024).

¹⁵ Entergy New Orleans, LLC, 2024 Integrated Resource Plan, Docket No. UD-23-01, December 13, 2024, at p. 19.

¹⁶ Entergy New Orleans, LLC, 2024 Integrated Resource Plan, Docket No. UD-23-01, December 13, 2024, at p. 69.

Table 6: REC Prices, June 2022 through May 2025¹⁷

Highest REC Price During the Period of:	Jun-Dec 2022	2023	2024	Jan-May 2025
Texas non-Solar REC	\$3.15	\$3.20	\$3.63	\$2.13
Texas Green-e Eligible Wind REC	\$3.15	\$3.20	\$3.63	\$2.13
M-RETS REC from CRS Listed Facilities FH	\$2.60	\$3.00	\$2.35	\$2.30
M-RETS REC from CRS Listed Facilities BH	\$3.10	\$3.15	\$2.75	\$2.63
Michigan non-Solar REC	\$3.75	\$3.10	\$5.25	\$5.00

As a result, ENO recommends that the ACP be set at \$6.04/MWh (equal to 1.15 times \$5.25/REC) for the 2026-2028 period.

b. Projected Contribution Towards 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 calculates the incremental costs of the elements of its proposed additional resources as follows:

¹⁷ From S&P Global Platts, as published in *Megawatt Daily*.

Table 7: Projected Costs Towards Cost Cap

Resource	2026	2027	2028
REC Purchases	As needed	As needed	As needed
Large Event Electrification	\$0	\$0	\$0
SWB Electrification	\$0	\$0	\$0
Community Solar	\$0	\$0	\$0
Net Metered Solar	\$0	\$0	\$0

The cost of any REC purchases needed to ensure RCPS compliance will be counted against the Customer Protection Cost Cap. This amount may be zero if ENO does not need to make any REC purchases to achieve compliance.

ENO's projected retail sales revenues, consistent with BP24 used in the 2024 IRP, are \$669 million in 2026, \$703 million in 2027, and \$737 million in 2028. If this level of revenue were to materialize in any compliance year covered by this plan, the Customer Protection Cost Cap would be set at approximately \$6.7 to \$7.4 million. While retail sales revenues may differ in 2026-2028, this figure serves as a reasonable proxy and illustrates that this plan is not projected to approach the Customer Protection Cost Cap. Even if ENO purchased unbundled RECs at the price of the proposed ACP up to the limits on unbundled RECs in Section 3.a.5 – 3.a.7 of the RCPS rules, the Customer Protection Cost Cap would not be reached.

ENO will serve SWB under the Large Municipal Electric Service rate schedule, which includes a Monthly Infrastructure Charge to recover the costs of the Sullivan Substation. Therefore, SWB electrification is not expected to have a cost impact on other customers and is not considered to contribute any costs towards the Customer Protection Cost Cap.

c. Limitation on Use of Unbundled RECs

As stated in Section 3.a.5 – 3.a.7 of the RCPS rules, in 2026, 2027, and 2028, not more than 24%, 23%, and 22%, respectively, of compliance shall be through RECs purchased without the associated energy. Based on ENO's projection of Retail Compliance Load, ENO would be permitted to use up to approximately 1 million unbundled RECs.

Table 8: Projected Limit on Unbundled RECs

	2026	2027	2028
Projected Retail Compliance Load MWh	5,815,052	5,858,268	5,921,318
RCPS Requirement	72%	74%	76%
Projected CECs Required	4,186,837	4,335,118	4,500,202
Maximum Compliance with Unbundled RECs	24%	23%	22%
Maximum Number of Unbundled RECs	1,004,841	997,077	990,044

5. CONCLUSION

ENO requests that the Council review this RCPS Compliance Plan Covering Compliance Year 2026-2028, and take the following actions:

- a) Approve ENO's proposal to purchase unbundled RECs as needed to achieve compliance with the RCPS;
- b) Approve treatment of Large Event Electrification as a Qualified Measure;
- c) Approve treatment of Sewerage & Water Board Electrification as a Qualified Measure;
- d) Approve treatment of the generation from community solar facilities as RCPS-eligible, and to treat it as a Tier 1 resource;
- e) Approve treatment of net metered solar provided by customers to the ENO grid through Channel 2 of these meters as RCPS-eligible, and to treat it as a Tier 1 resource;
- f) Establish the ACP for 2026-2028 at \$6.04/MWh; and
- g) Approve the Tier 3 credit multiplier calculations in Appendix A (for EVCI), Appendix B (for Large Event Electrification) and Appendix C (for SWB Electrification).

APPENDIX A – EVCI Credit Calculation

Similar to the calculation proposed in ENO’s *Compliance Plan Covering Compliance Years 2023-2025* and approved by the Council in Resolution No. R-22-525, ENO presents its calculation of the number of CECs to be provided for each megawatt-hour of beneficial electrification from ENO’s public charging stations installed through funding approved by the Council in its 2018 rate case. Table A-1 below shows the appropriate credit rate to be 2.13, 2.15, and 2.17 CECs per MWh electrified for 2026, 2027, and 2028, respectively. The total number of CECs counted in each annual compliance demonstration will be equal to the annual credit rate in row 12 of Table A-1 multiplied by the actual metered consumption at the EV charging stations.

Table A-1: Net CO₂ Emissions Reductions per MWh of Electric Vehicle Charging

Electric Emissions from 1 MWh of EV Charging:		2026	2027	2028	
(1)	Average Electric Vehicle Efficiency ^{18,19}	0.28	0.28	0.28	kWh/mi
(2) = 1,000/[1]	Miles of Gasoline-Powered Travel Avoided per MWh of EV Charging	3,600	3,600	3,600	mi/MWh
(3)	Approximate MISO South Marginal Emission Rate	1,200	1,200	1,200	lbs/MWh
(4)	RCPS Requirement	72%	74%	76%	%
(5) = (100% – [4]) * [3]	Approximate Electric Sector Emissions Increase per 3,600 miles, or 1 MWh of EV Charging	336	312	288	lbs/MWh
Non-Electric Emissions Avoided with 1 MWh of EV Charging:		2026	2027	2028	
(6)	Average Fuel Economy of U.S. Passenger Cars ²⁰	24.4	24.4	24.4	mi/gal
(7)	CO ₂ Content of Gasoline ²¹	8.887	8.887	8.887	kg/gal
(8) = [7] / [6] * 2.205	Per mile CO ₂ Content of Gasoline	0.803	0.803	0.803	lbs/mi
(9) = [8] * [2]	CO ₂ Emissions Avoided from Gasoline Vehicle per 3,600 miles (or 1 MWh of EV Charging)	2,891	2,891	2,891	lbs/MWh
Net CO₂ Emissions Avoided per MWh of EV Charging:		2026	2027	2028	
(10) = [9] – [5]	Net CO ₂ Emissions Reduction per MWh of EV Charging	2,555	2,579	2,603	lbs/MWh
(11) = [3]	Expected CO ₂ Emissions Reduction per CEC	1,200	1,200	1,200	lbs/MWh
(12) = [10]/[11]	EV Charging CECs per MWh Electrified	2.13	2.15	2.17	CEC/MWh

¹⁸ U.S. Department of Energy, *Data Sources and Assumptions for the Electricity Sources and Fuel-Cycle Emissions Tool* <https://afdc.energy.gov/vehicles/electric-emissions-sources>.

¹⁹ Improved electric vehicle efficiency (0.28 kWh/mi, updated from an 0.30 kWh/mi assumed previously), coupled with higher RCPS Requirements in line 4, accounts for the majority of the change to the EVCI CEC/MWh rate presented in this compliance plan compared to ENO’s 2023-2025 Compliance Plan.

²⁰ “Average Fuel Economy by Major Vehicle Category,” U.S. Department of Energy’s Alternative Fuels Data Center, <https://afdc.energy.gov/data/10310>

²¹ “Greenhouse Gas Emissions from a Typical Passenger Vehicle,” U.S. EPA, <https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle>

APPENDIX B – Large Event Electrification Credit Calculation

ENO presents its calculation of the number of CECs to be provided for each megawatt-hour of beneficial electrification from large event electrification to be treated as a Tier 3 resource. This electrification project avoids the use of small, high-emitting diesel generators within Orleans Parish. The credit rate calculation is centered around carbon dioxide emissions reductions, although this electrification also delivers significant benefits from the reduction of surface-level air pollutants like particulate matter, sulfur dioxide, and nitrous oxides. The structure of the credit rate calculation is similar to that proposed in ENO’s *RCPS Compliance Demonstration Report Covering 2024* and that used in Appendix A for crediting Electric Vehicle Charging Infrastructure.

Table B-1: Preliminary CEC Credit Rate for Large Event Electrification

		2026	2027	2028	
(1)	Fuel Consumption Rate, 60 kW diesel generator ²²	4.8	4.8	4.8	gal/hr
(2) = [1] / 0.06	Diesel Fuel Consumed per MWh	80	80	80	gal/MWh
(3)	CO ₂ Content of Diesel Fuel ²³	10.18	10.18	10.18	kg/gal
(4) = [2]*[3] * 2.205	CO ₂ Emissions Avoided from Diesel Generator	1,796	1,796	1,796	lbs/MWh
(5)	RCPS Requirement	72%	74%	76%	
(6)	Approximate MISO South Marginal Emission Rate	1,200	1,200	1,200	lbs/MWh
(7) = (100%-[5])*[6]	Approximate Electric Sector Emissions Increase from Incremental Electric Demand	336	312	288	lbs/MWh
(8) = ([4]-[7])	Net Emissions Reduction from Large Event Electrification	1,460	1,484	1,508	lbs/MWh
(9) = [6]	Expected CO ₂ Emissions Reduction per CEC	1,200	1,200	1,200	lbs/CEC
(10) = [8] / [9]	Large Event Electrification CECs per MWh Electrified	1.22	1.24	1.26	CEC/MWh

ENO would receive 1.22-1.26 CECs for every megawatt-hour of electrified demand during large events when diesel generation would otherwise have been used. If the electrified demand is separately metered, ENO will apply the credit rate to the metered electrified demand. If the electrified demand is behind an existing meter and not separately metered, ENO will estimate the electrified demand based on the size of the diesel generator that would have been used otherwise and the duration of its avoided operation.

²² “Approximate Diesel Fuel Consumption Chart,” Generator Source, 60 kW generator at full load

https://www.generatorsource.com/Diesel_Fuel_Consumption.aspx

²³ “Greenhouse Gas Equivalencies Calculator,” U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator-calculations-and-references>

APPENDIX C – Sewerage & Water Board Electrification Credit Calculation

In conjunction with the demonstration that SWB electrification meets the requirements for a Qualified Measure in Section 3.c. of this Compliance Plan, ENO presents its calculation of the number of CECs to be provided for each megawatt-hour of electrified demand that otherwise would have been self-generated by the SWB. Table C-1 below shows a calculation of the appropriate credit rate based on the net CO₂ emissions reduction of each electrified MWh. This credit rate is equal to 4.62, 4.64, and 4.66 CECs per MWh electrified for 2026, 2027, and 2028, respectively. The total number of CECs counted in each annual compliance demonstration will be equal to the annual credit rate in row 13 of Table C-1 multiplied by the actual metered consumption of the newly electrified SWB demand.

Table C-1: Net CO₂ Emissions Reductions per MWh of SWB Electrification

<i>Non-Electric Emissions Avoided from 1 MWh of SWB Electrification:</i>		2026	2027	2028	
(1)	Average Annual Natural Gas Consumption, 2011-2020 ²⁴	1,729,869	1,729,869	1,729,869	MCF
(2) = [1]*120.85 / 2.000	Average Annual CO ₂ Emissions from Natural Gas Consumption, 2011-2020 ²⁵	104,527	104,527	104,527	Tons CO ₂
(3)	Average Annual Fuel Oil Consumption, 2011-2020 ²⁶	8,682	8,682	8,682	Gallons
(4) = [3]*22.45 / 2.000	Average Annual CO ₂ Emissions from Fuel Oil Consumption, 2011-2020 ²⁷	97	97	97	Tons CO ₂
(5) = [2] + [4]	Average Annual CO ₂ Emissions from SWB Self-Generation, 2011-2020	104,625	104,625	104,625	Tons CO ₂
(6)	Average Annual Self-Generation, 2011-2020 ²⁸	35,570	35,570	35,570	MWh
(7) = [5] / [6] * 2,000	Average CO ₂ Emissions Rate from SWB Self-Generation	5,883	5,883	5,883	lbs/MWh

<i>Electric Emissions with 1 MWh of SWB Electrification:</i>		2026	2027	2028	
(8)	Approximate MISO South Marginal Emission Rate	1,200	1,200	1,200	lbs/MWh
(9)	RCPS Requirement	72%	74%	76%	%
(10) = (100% - [9]) * [8]	Approximate Electric Sector Emissions Increase per MWh of SWB Electrification	336	312	288	lbs/MWh

²⁴ Sewerage and Water Board of New Orleans, Louisiana, *Comprehensive Annual Financial Report for the years ended December 31, 2020 and 2019*, p.IV-6.

²⁵ Using conversion factors from U.S. Energy Information Agency, *Carbon Dioxide Emissions Coefficients by Fuel*, https://www.eia.gov/environment/emissions/co2_vol_mass.php

²⁶ Sewerage and Water Board of New Orleans, Louisiana, *Comprehensive Annual Financial Report for the years ended December 31, 2020 and 2019*, p.IV-6.

²⁷ Using conversion factors from U.S. Energy Information Agency, *Carbon Dioxide Emissions Coefficients by Fuel*, https://www.eia.gov/environment/emissions/co2_vol_mass.php

²⁸ Sewerage and Water Board of New Orleans, Louisiana, *Comprehensive Annual Financial Report for the years ended December 31, 2020 and 2019*, p. IV-6.

Net CO₂ Emissions Avoided per MWh of SWB Electrification:		2026	2027	2028	
(11) = [7]-[10]	Net CO ₂ Emissions Reduction per MWh of SWB Electrification	5,547	5,571	5,595	lbs/MWh
(12) = [8]	Expected CO ₂ Emissions Reduction per CEC	1,200	1,200	1,200	lbs/MWh
(13) = [11]/[12]	SWB CECs per MWh Electrified	4.62	4.64	4.66	CEC/MWh