



March 31, 2025

Via Electronic Mail

Aisha Collier  
Assistant Clerk of Council  
Room 1E09, City Hall  
1300 Perdido St.  
New Orleans, LA 70112

RE: Comments on UD 24-02 (Proposal to Enhance Distributed Energy Resource Programs for the City of New Orleans)

Dear Ms. Collier,

Solar United Neighbors (SUN) respectfully submits the following reply comments regarding the proposals submitted in UD 24-02 (Proposal to Enhance Distributed Energy Resource Programs for the City of New Orleans). Please file the attached communication and this letter in the record for the proceeding.

Please do not hesitate to reach out to me with any questions related to this filing.

Respectfully submitted this 31st day of March, 2025.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon Anderson", with a long horizontal line extending to the right.

Shannon Anderson  
Distributed Power Plant Policy Director  
Solar United Neighbors  
sanderson@solarunitedneighbors.org



BEFORE THE COUNCIL OF THE CITY OF NEW ORLEANS

RESOLUTION AND ORDER ESTABLISHING )  
A DOCKET AND PROCEDURAL SCHEDULE ) UD-24-02  
TO ENHANCE DISTRIBUTED ENERGY )  
RESOURCE PROGRAMS )

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REPLY COMMENTS OF SOLAR UNITED NEIGHBORS

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By and through its undersigned staff, and pursuant to the scheduling order issued in UD-24-02, Solar United Neighbors (SUN) respectfully submits these reply comments on the proposals and comments submitted to the Council of the City of New Orleans (Council) by the Parties to this proceeding.

These reply comments are focused on responding to the new, late-filed, proposal from Entergy New Orleans. While details are still missing, SUN offers the following comments at this time:

Positive Attributes of the Proposal:

- 1) The program includes up-front incentives, based on battery size. Similar incentive programs have been proven around the country to drive participation in successful VPPs (see, e.g. Rocky Mountain Power’s WattSmart Battery Program<sup>1</sup> and Xcel’s Renewable Battery Connect program in Colorado<sup>2</sup>).

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<sup>1</sup> <https://www.rockymountainpower.net/savings-energy-choices/wattsmart-battery-program.html>

<sup>2</sup> <https://co.my.xcelenergy.com/s/renewable/battery-connect>



- 2) The program has significant LMI adders to address energy equity and justice issues, with the program designed to allocate approximately 40% of the funding to LMI customers.
- 3) The program includes both retrofits (batteries being added to existing solar) and new solar and battery storage.
- 4) Customers will not be limited to one battery type (e.g. Tesla) and will be able to choose from a variety of battery companies since these companies are integrated with EnergyHub.
- 5) Customers can assign the incentives to battery installation companies. While the proposal does not specifically recognize the role of aggregators, this assignability will help to reduce upfront costs for some customers and therefore has important energy equity attributes.

#### Negative Attributes of the Proposal:

- 1) Incentive caps are directly linked to the size of a Tesla Powerwall system, negating some of the customer choice benefits mentioned above if a customer wants to purchase a different type of battery.
- 2) The incentives might not be sufficient to drive customer enrollment, especially when considering punitive aspects of the program. The program requires customers to enroll for a 10 year period for up to 60 events per year, with no opt



out provisions, unclear performance payment compensation,<sup>3</sup> and claw back provision penalties. The upfront incentive payment simply does not match what compensation should be afforded to the customer for their battery use over the 10 year period. If the idea is to have customers contribute to the Energy Smart DR program without ongoing performance compensation to effectively pay the program back for the up front incentives, then there should be some accounting and true up time frame for a customer to start earning performance payments once the incentive is zeroed out with the performance payments that the utility is effectively keeping. At the same time, if the incentive program is designed to just be that – an incentive to drive customer enrollment in the program – then customers should be able to earn performance payments from the start of their participation in the program. Additionally, participation should be linked to the initial 5 year pilot program period versus the entire 10 years. After all, since the incentives will only cover a portion of the total cost, the customers are still investing in their own battery system, and additionally they will be paying for the electricity to charge the batteries that will then be used and deployed by the

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<sup>3</sup> The proposal states that incentives for ongoing, annual participation would be budgeted separately, but it is unclear what these incentives are and whether they would be tied to the utility's savings from the VPP. The proposal says that the "revenues received from MISO for market participation" would flow back to all customers and the proposal does not indicate that a portion of those revenues (or cost-savings) would be provided as compensation to participants in the program.



utility. This all amounts to uncertainty on customer payback and whether there would even be a cost to some customers to participate in the program versus cost savings.

- 3) Without opt-out provisions, and provisions that limit how the utility can call upon batteries before storm events with outage possibilities, the program does not recognize the use of a customer's battery to meet individual resilience and cost-saving needs. This will be a major drawback to the program.
- 4) There are no limits identified or described for the hours of the day the 60 events will be called. In contrast, on its website, Entergy New Orleans describes the Peak Time Rebate Pilot as being limited to 15 peak demand events at a period of 2-4 hours per event. While no similar details are available for the residential battery pilot program on the company's website, it is unclear why this VPP pilot program proposal has significantly different program parameters than the other Energy Smart DR programs.
- 5) The proposal does not include institutional or commercial customers, limiting the program's utility for nonprofit service providers, resilience centers, and other non-residential institutions that would likely be interested in participating in the program.
- 6) It is unclear if customers with existing solar and battery storage systems can participate in the VPP, which would allow them to add their capacity to the



program to help it scale and succeed. While up front incentives should be limited to new battery installations, ongoing performance payments can help provide compensation for participation of already installed battery storage that is not yet providing its full value for either the customer-owner or the utility and the power grid.

SUN looks forward to participating in the upcoming technical conference to discuss these comments and concerns with parties, the utility, and the Council staff and advisors.

Respectfully submitted this 31st day of March, 2025.

/s/Shannon Anderson  
Solar United Neighbors



## CERTIFICATE OF SERVICE

I, Shannon Anderson, do hereby certify that on March 31, 2025 I served the forgoing REPLY COMMENTS OF SOLAR UNITED NEIGHBORS upon all other known Parties of this proceeding via electronic mail.

/s/ Shannon Anderson  
Shannon Anderson  
Solar United Neighbors