

# **An Energy Policy for New Orleans**

Energy Policy Task Force Report to the City Council

October 10, 2007

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# **1. Introduction**

New Orleans is no longer the Big Easy. Two years after the flood our citizens still struggle to repair the damage to their lives, their homes, their businesses, their communities, and their nation. As the City rebuilds it must create a framework for responsible growth and economic development while preserving its sense of place, unique character and environmental resources. The New Orleans we envision is a safer, stronger, smarter city because it has met the catastrophic challenge of Katrina, and the challenges endemic to our climate, to become a model of regeneration for the 21<sup>st</sup> century and beyond.

## **1.1 The New Orleans Energy Policy Task Force**

During a New Orleans City Council Utility Committee meeting this Spring, just following the adoption of its Net-Metering Ordinance, the Energy Policy Task Force was born. Pres Kabacoff was asked by the Utility Committee to form a task Force to improve, not only the ordinance which had just passed, but to take on the entire energy policy of New Orleans! We had our first meeting and eventually over one hundred people joined.

Among the Task Force's members are attorneys, energy experts, developers, engineers, scientists, DOE employees, university faculty, home builders, financiers, utility employees, city council persons, clergy, environmentalists, a solar manufacturer representative, energy raters, architects, engineers, a mathematician, council advisors, a filmmaker, utility regulators and a physicist. Among the organizations represented are national and local environmental, architectural, historic preservation, neighborhood, universities, utility, planning commissions, federal, state, regional and city governments, small businesses, etc. Although the vast majority of the members are New Orleanians, we had input from outside of New Orleans and outside of Louisiana.

Early in our deliberations we hosted Roger Duncan from Austin Energy to guide and stimulate our efforts.

The Task Force organized itself into five ***topical*** committees: ***Conservation/Energy-Efficiency***, ***Renewable Energy, Integrated Resource Planning, Accountability to Ratepayers***, and ***Outcomes of a Good Energy Policy***. We also formed three ***technical/support*** committees; ***Financial, Reality Check***, and ***Baseline Data*** were set up to help the other committees be more effective. A ***Steering Committee*** guided the process.

Hundreds of recommendations were developed and reviewed. Not all recommendations have made it through our complete process. The Task Force undertook a Charrette to review the reports and categorize their recommendations by priority: i.e., “Low-Hanging Fruit”, short-term, mid-term, and long-term implementation expectations.

In early September, Bill Reed and Ron Jones facilitated the Charrette to help us consolidate the products of the committees. The Charrette ran for two days. This document is a result of all of these efforts. Not including the experts named above, all of the many hundreds if not thousands of hours which went into this project were donated.

## 1.2 Task Force Mission

This Task Force aims to be a catalyst for change and trusts our work will guide the City, this Council and the public on a road to a cleaner environment, a more vibrant economy, and a more affordable and reliable energy future. Our report addresses key issues and begins the hard work of assigning priorities. Moving forward will demand rigorous analysis and policy integration across City offices. To succeed, the City Council must first establish a governance process that serves the evolution and stewardship of the initiative as a whole.

The members of this Task Force, who represent key stakeholders from the business, academic, government, utility, community and nonprofit sectors, have taken our mission seriously:

***To create a new vision for energy and the economy in a way that enables the regeneration of the health and quality of life of New Orleans, its communities and ecosystem so that the city we love survives, thrives and evolves in a changing world.***

The welfare of the residents of New Orleans is our first consideration. We believe our proposals will:

- Result in homes that are safer, healthier, more durable and produce more energy resources than they consume.
- Lower utility bills through conservation, energy efficiency, and renewable energy
- Strengthen the resiliency of the power grid and diversify the energy resource portfolio
- Encourage a new energy business sector supported by energy-efficiency ratings; climate-appropriate building science; financial incentives; and a skilled, certified, local labor force
- Improve the environmental health and quality of life of our community
- Provide more transparency, public participation and accountability to ratepayers in important energy matters
- Provide solutions sensitive to the low-income, elderly and non-participants.

We ask the City government to share our commitment to a safer, cleaner, more affordable, and more adequately supplied energy future by providing forward thinking energy regulations, by adopting best building practices for our climate, and by educating the public about our energy choices and their consequences. Specifically, we seek utility regulations that engage the marketplace by using incentives for reducing energy demand, for diversifying power sources, and for increasing access to renewable energy while ensuring greater accountability to the public. We also recommend the endowment of a standing Energy Policy Commission to provide critical leadership and to carry these aspirations forward.

### **1.3 Task Force Recommendations**

The recommendations in this report are based on the initial analyses of the Task Force Committees. The data are only one part of an analysis. Our examination considers both quantitative and qualitative perspectives. We recognize that the cost and policy implications for these recommendations will require further research to justify some of the economic conclusions

and we are committed to developing comprehensive strategies that advance energy policy in New Orleans with minimal cost to ratepayers, especially low-income households and the elderly.

Our Committee Reports contain detail recommendations and are available in the Appendix to this document. They have not all been vetted by the Task Force as a whole. We recommend to the Utility Committee that until the Energy Policy Commission is established, the Task Force remain in existence to continue the vetting of the Reports with the intention of turning them over to the Commission.

The following Task Force recommendations are prioritized as low-hanging fruit – those tasks that can be initiated, funded and completed within 6-12 months – and short-term actions – those that can be initiated in the next 6 months and completed in a year or more. Mid and long-term solutions will be fully developed in the vetting process. Everything in this report is for immediate action.

## **2. Comprehensive Energy Policy — Leadership and Coordination**

### **2.1 City Council Utility Committee – Pro-Active Role in Energy Solutions**

The City Council Utility Committee plays a fundamental role in utility regulation and energy policy as the absolute authority on utility regulations and is vital to carrying forward the objectives of this Task Force. A proactive Committee will build consensus on policy initiatives and speed public acceptance and implementation. Expanded responsibilities include:

- Appointing one of its own to represent the Utility Committee as a member of the Energy Policy Commission
- Allocating a portion of third-party-consultant fees to provide funds for energy policy development
- Establish a timeline for goals
- Discussing energy policy initiatives at monthly meetings
- Reviewing City ordinances in order to streamline the process of energy policy improvement

### **2.2 Energy Policy Commission**

The Energy Policy Commission will serve as a source of integration and strategic vision while continuously improving business processes. The Commission will review policy recommendations from the Field Teams and determine whether sufficient viability exists. The Commission, whose members are proactive and solution-oriented, gains its significance from its distinctive role in relationship to all of the actors in the energy industry and the community it serves: members are interdependent, working toward a common goal, subordinating their competing interests. While reflecting the perspectives of key stakeholders – those served by the project as well as those creating it – members do not act only for that constituency.

The Energy Policy Commission will be responsible for:

- Preserving the original intent of the Energy Policy Task Force and advancing a comprehensive energy policy for the City of New Orleans
- Developing a collaborative process with the City Council and the Executive Branch to institute recommendations
- Creating a strategic vision for best achieving its goals
- Ensuring the soundness of recommendations
- Establishing firm performance benchmarks and a timeline with targets/goals
- Serving as a clearinghouse for energy policy work and helping coordinate energy policy initiatives in the City
- Identifying public/private financial resources and funding opportunities to support our recommendations
- Educating City leadership and building political will to advance a progressive energy policy
- Steering short, medium, and long-term recommendations through the public process to adoption

Specifically, the Energy Policy Commission will:

- Develop independent analyses of programs' viability and benefits and seek their funding
- Develop a marketing campaign that brands New Orleans as a leader in providing clean, affordable energy
- Launch a public education campaign that advocates low or no-cost energy efficiency practices and conservation techniques through community initiatives and public service announcements targeted to renters and landlords, as well as homeowners and businesses.
- Benefits:
  - Provide continuity and longevity in achieving energy policy goals
  - Provide a resource to City government to investigate and develop policy initiatives
  - Champion ideas and build consensus.

We suggest the following organization guidelines:

### **2.2a Executive Director:**

The Executive Director (ED) will be a full-time, paid participant who has deep knowledge of all energy-related City efforts and will collaborate with the City Council and the Executive Branch, support the Commission and manage Field and Support teams, build public and stakeholder support, and lead the drive to generate national support and funding.

### **2.2b Field Directors:**

Field Directors will serve as coordinators of policy development teams in the areas of energy efficiency, renewable energy technology, building science, environmental health/climate change, and accountability to ratepayers. Field Directors will work under the guidance of the Executive Director for the Commission who shall define specific objectives, establish benchmarks, and determine the value of policies generated. They will select and direct Task Teams charged with specific deliverables and timelines and will ensure the work stays on track, on budget, and in alignment with the Commission's overall objectives.

### **2.2c Support Teams:**

Support Teams assist the Commission and Field Directors regarding legal review, education and outreach, marketing and media relations and economic/technical analysis.

### **2.2d Stakeholder Forum:**

The Stakeholder Forum, a public feedback mechanism, will maintain regular, information meetings where all stakeholders receive a presentation on accomplishments, goals, and direction and have the opportunity to respond. Members of the Energy Policy Task Force could serve as key stakeholders and technical advisors if the Commission so chooses.

## **2.3 Energy Manager for the City of New Orleans**

Create an Office of Energy Manager in the Executive Branch of city government. The Energy Manager will provide leadership on energy policy and climate change actions, ensure policies are implemented effectively across city agencies, liaise with all levels of government, serve on the Energy Policy Commission, seek grant opportunities to support city initiatives, and publicize city accomplishments. The Energy Manager will operate as the City's chief energy policy executive and have the authority to enact change. Specifically, the City Energy Manager will:

- Train and educate city staff to build confidence in energy saving initiatives
- Serve as ombudsman to identify and capture energy savings within all government agencies
- Establish a green task force to deliver energy savings across government departments
- Offer incentives for above-code building practices and energy efficiency targets to all City recovery and institutional building programs
- Identify and encourage demonstration projects that are scalable and replicable throughout the city
- Endorse replanting of native large-scale trees such as live oak, bald cypress, red maple and black gum as recommended for New Orleans by the National Arbor Day Foundation, LSU Ag Center and others:
- Establish zoned square foot requirements for large-scale trees in parking lots, mixed-use and mixed-income developments
- Use landscaped trees and ponds to improve natural drainage
- Promote best practices in large-scale development as part of the City's Master Plan
- Ensure that living system attributes are addressed in the City's Master Plan
- Benefits:
  - Reduced energy consumption throughout City government
  - Opportunities for the Energy Policy Commission realized
  - Legislation enacted by the City Council implemented
  - Energy cost savings captured and applied to departmental operations budget
  - Trees can substantially reduce air conditioning and heating costs
  - Reduction in third-party-consultant fees where redundant or unnecessary
  - A more beautiful, affordable, livable city.

### **3. Center for Excellence in the Built Environment (CEBE)**

With the expansion of conservation, energy efficiency, and renewable energy nationwide, regionally based building science centers have been established to define and promote best practices. New Orleans and its surrounding region are critically underserved in this area such that inappropriate building techniques are widespread with respect to fundamental climate factors and energy performance. The CEBE is currently being developed in coordination with the Regional Planning Commission, the Homebuilders Association, the Energy Efficiency Initiative, several nonprofits and universities. The CEBE will identify and publicize building science best practices for our region, southern Louisiana, and hot/humid climates; participate in the Energy Policy Commission; and create synergy among comparable city programs. The CEBE will serve as a local resource for local practitioners.

#### **3.1 Create a Coordinated, Public / Private Partnership**

- Establish a charter for a CEBE as a public/private partnership modeled on the Florida Solar Energy Center.
- Review and leverage similar initiatives and programs

#### **3.2 Research Building Science and Establish Best Practices**

- Perform and document building science research that optimizes durability, health, safety, and comfort and incorporates conservation and energy efficiency methods
- Assist colleges and universities in enhancing their building and energy science research and architecture curricula

#### **3.3 Train and Certify Builders and Energy Raters**

- Train and certify the next generation of building-industry workers to best practices
- Develop an energy rater training program in New Orleans

### **3.4 Certify Above-Code Construction**

- Create a mechanism for marketplace recognition of achieving the highest performance benchmarks and distinguishing quality in home construction

### **3.5 Quality Control and Quality Assurance**

- Provide research and training that supports quality control and quality assurance for conservation, energy efficiency, and renewable energy programs.

### **3.6 Initiate Pilot Programs**

- Institute a pilot program that rates energy use on all buildings in a single neighborhood; analyze results, and recommend a city-wide program
- Serve as a business incubator that supports nascent conservation technologies until they attain sufficient independence.

### **3.7 Educate the Public and Provide Policy Advice**

- Develop public education programs that promote best practices and cost-effective, conservation strategies compatible with the local climate
- Weigh merits of alternative policy options and perform viability analyses

#### **Benefits**

- Increase health, safety, comfort and durability of residential, institutional and commercial building stock
- Build local capacity for developing building design technology
- Lower utility bills by instituting conservation and energy efficiency
- Lower health care costs by delivering better indoor air quality
- Provide incentives for landlords to invest in energy efficiency upgrades in the apartments of their tenants
- Establish New Orleans as the epicenter for advanced building design in the region.

## **4. Integrated Resource Planning**

Integrated Resource Planning as currently performed by the utility company must be significantly expanded and improved to accommodate a shift toward demand side management, environmentally benign energy supply, and increased long-term resilience in the transmission and distribution of power. The IRP approach should be consistent with the comprehensive strategic long-term priorities of the regulators, the Energy Policy Commission, and the public interest.

### **4.1 Create Incentives for Utility to Invest in Energy Conservation and Efficiency**

In meeting the energy needs of the City, enormous quantities of energy efficiency are available at costs substantially below those of supply. Upgrades to the City's building stock could provide substantial energy and cost savings. Changes in energy consumption, attained through effective energy conservation education, can add to these savings. To best serve the interests of our citizens and the utility's shareholders, we must remove disincentives that make energy efficiency and conservation unprofitable.

Expanding the definition of "energy service provider" to include conservation, energy efficiency and/or renewable energy, along with electrical and gas supply, and creating financial incentives for meeting annual energy load reduction targets, can dramatically reduce customer energy bills while keeping the utility financially profitable. Entergy already has taken steps toward energy efficiency in Arkansas and Texas. Energy efficiency efforts in New Orleans could bring real payoffs to everyone.

As utility regulators for New Orleans, the City Council could better align the interests of the utility and its shareholders with those of consumers by promulgating regulatory incentives that encourage the utility to provide energy efficiency services and aggressively pursue energy conservation opportunities.

- Establish incentives if the utility meets annual energy conservation targets in terms of kilowatt hours saved, while balancing both short and long-term energy savings

- Investigate “decoupling” utility profits from increased energy sales and their associated fuel costs.

Benefits:

- Orients the utility’s financial rewards to promote least-cost energy services, making energy efficiency the preferred profit strategy
- Reduces customer energy usage
- Rewards utility for energy conservation and makes it profitable to pursue aggressive energy efficiency goals
- Reduces environmental impacts, including global warming and pollution
- Eliminates wasted energy

## **4.2 Establish Rate-Base Incentives for Customers**

- Apply ‘time of day’ rate structures that incentivize off peak power consumption, thereby reducing peak load, which is the most expensive energy purchased by the utility.
- Institute an inclining block rate structure whereby costs per kWh rise as total consumption increases. Making energy cost rates lower for those using less energy is a powerful incentive for consumers to make every effort to minimize their consumption.
- Benefits:
  - Promotes conservation
  - Automatically rewards above-code construction for energy performance and proportionally awards homes attaining Net-Zero energy
  - Improves the benefit-to-cost ratio of Net-metering

## **4.3 Establish an Energy-Efficiency/Renewable Portfolio Standard (EE/RPS)**

Through creation of a combined Energy Efficiency / Renewable Portfolio Standard the city is able to meet its energy needs in a more environmentally responsible manner while retaining the flexibility to balance strategies for cost effectiveness. For the purposes of such a standard, renewable Energy is energy derived from resources that are regenerative, rapidly replenished, or for all practical purposes cannot be depleted. Renewable energy resources potentially applicable

within the City of New Orleans include solar photovoltaic power generation and solar thermal energy; biomass from landfill gas, municipal solid waste gasification, and wood-waste; geothermal, hydro, and wind power generation. Every effort should be made to meet renewable energy goals locally by encouraging the growth of a renewable energy industry in New Orleans.

- Establish a Energy-Efficiency/Renewable Portfolio Standard program that requires retail sellers of electricity to increase energy efficiency improvements and the purchase of renewable power to at least 10% of load. This initial target will be set for 2010, then increase the purchase of renewable power by at least 1% of retail sales per year so that 20% of retail sales are served by renewable sources by 2020.
- Benefits
  - Diversifies energy portfolio of fixed-cost resources
  - Promotes development of renewable resources within our marketplace
  - Can reduce variability in fuel purchases
  - Reduces environmental degradation and greenhouse gas emissions

#### **4.4 Create a Voluntary, Green-Pricing Program**

- Require utilities to offer consumers the option of purchasing renewable energy as part of their energy mix
- Participants pay a premium on their electric bills to cover the incremental cost to the utility of investing in renewable energy sources
- Investigate a financing mechanism with the public utility whereby efficiency improvements can be made by the Utility Committee sanctioned energy efficiency program.

Benefits:

- Creates a market for clean energy technologies
- Proceeds finance a Feed-In Tariff which allows renewable energy providers to receive a more supportive rate for each kilowatt hour supplied to the grid
- Allows consumers a choice of fuel type

- Encourages the most cost-effective transition to environmentally-responsible means of meeting energy needs.

#### **4.5 Revisit and Revise the Net-Metering Ordinance**

- Allocate time-of-use and excess generation incentives by allowing utility customers who also provide clean, on-site distributed energy to connect to the electric grid and receive a more supportive rate credit on their electric bill for excess electric power generated
- Promote remote/displaced generation by allowing utility customers to locate and share the ownership of off-site renewable-energy generating capacity

Benefits:

- Encourages large, building-based and site-based, clean-energy systems to provide incremental power to the electric grid
- Stabilizes shifts in electric rates during peak demand
- Encourages residential conservation

#### **4.6 Provide Incentives for High Performance, Energy-Efficient Buildings**

New Orleans is poised to become a model city for high performance, energy efficient buildings. With large-scale construction underway, swift consideration of investment incentives will allow the City to capture opportunities for economic development.

- Develop a coherent incentives program for above-code construction, renewable energy and energy efficiency such as reducing permit fees, approving a 30-day guaranteed building permit/plan-check process, and providing tax incentives for green building products.
- Establish incentives for all commercial, institutional, and residential construction that performs, at minimum, 30% above the International Energy Conservation Code and achieves other high-performance features that are city-specific that draw elements from nationally recognized proprietary systems (for example: USGBC LEED Silver for New Construction for commercial and institutional properties, NAHB silver, LEED for Homes, or equivalent, for residential properties).

- Establish incentives for all building construction that proportionally rewards achievement toward Net-Zero energy use

Benefits:

- Jumpstarts the local economy
- Affirms the City's commitment to long-term viability
- Increases energy efficiency construction
- Reduces commercial, residential and institutional energy costs

## **4.7 Building Code Enforcement**

### **Enforce the existing International Energy Conservation Code**

- **Participate in the State-level, Code Council's, active review process to make the code more appropriate for the New Orleans Climate and building stock**
- **Improve the education and training of code officials**
- **Increase the number of code officials**
- **Enforce the International Energy Conservation Code using the Performance Chapter instead of the Prescriptive Chapter.**

## **4.8 Key Considerations for Improving Integrated Resource Planning:**

- **Review Existing Laws**
- **Access to baseline data, comparative costs, and regular information reporting**
- **Strategies for reducing the costs to low-income and elderly ratepayers**
- **Protections for Non-participants**
- **Evaluating the unique attributes of utility operations in our region**

### ***4.8a Review Existing Energy-Related Laws***

Current energy policy work will be greatly enhanced by a thorough awareness of the existing laws affecting energy related matters in our city.

- Review all energy-related federal and state laws, city zoning ordinances, building codes, and executive orders as a baseline for further policy work. Identify the existing codified legal tools, as well as gaps and barriers that must be overcome in the formation of a comprehensive energy policy for the city. Evaluate all such laws in terms of original intent, degree of implementation, and consistency with the overall goals of this work

Examples:

- City of NO Environmental Conservation Policy Memorandum No. 103 (July 17, 2001)
- City of NO Executive Order MMHM01-017: The Council on Conservation in City Government (March 19, 2001)
- Historic District Landmark Commission (Standards-Solar and roofs)
- City of New Orleans Net Metering Ordinance
- Louisiana Senate Bill 90 – Solar and Wind Tax Incentives
- FERC
- DOE
- Benefits:
  - Provides a common knowledge base
  - Provides a foundation for comprehensive energy policy
  - Eliminates barriers to onsite generation of renewable energy
  - Encourages renewable energy installation and manufacturing businesses to come to New Orleans
  - Removes impediments to optimal durability and energy conservation

#### ***4.8b Baseline Data, Comparative Costs and Regular Information Reporting***

Effective Integrated Resource Planning necessitates access to baseline data, comparative costs, and regular information reporting. The following are some of the information needed for making sound decisions on the most appropriate methods of meeting energy needs:

- Publish utility rate costs, fixed costs and fuel costs in a way that is simple, intelligible and readily accessible to ratepayers
- Define “externalized costs” of both renewable and nonrenewable energy sources
- Itemize and report annually on externalities associated with providing energy services to the rate base in conjunction with cost reporting
- Publish the rationale for the current definition of ‘avoided cost’
- Direct the utility to demonstrate clearly its calculation of avoided costs for proper comparison to alternative power sources

- Determine the utility profit-ratio and the average residential price-change

#### ***4.8c Strategies for Reducing the Costs to Low-Income and Elderly Ratepayers***

Identify and implement strategies for reducing the cost burden of energy services to low-income and elderly ratepayers. It is critically important that when energy efficiency, conservation and renewable energy programs are established low-income and elderly populations are able to participate. Furthermore, every effort must be made to reduce the cost burden of such energy services to these populations. The following are a few of the many strategies that could be taken to ensure that the benefits of such programs go to the people who most need them:

- Make a quick and meaningful effort to lower bills beyond billpay assistance
- Emphasize education – habit changes are free!
- Seek grants for dramatically expanding weatherization programs
- Austin and Seattle have both implemented a ‘Lifeline’ block rate as part of an inclining block rate structure by substantially discounting rates for those using less than 500 kWh per monthl. This approach substantially benefits the very low-income customer.

#### ***4.8d Protecting the Non-Participants***

While every effort will be made to provide universal access to the programs for energy conservation, for energy efficiency and for renewable energy, we feel that it is important to evaluate and protect non-participants from shouldering a disproportionate, cost burden. If there is a fixed cost to pay and it must be spread out over the kWhs sold, then reducing the number of kWhs purchased must increase the average price of each of the remaining sold.

- Low income and elderly will benefit from the LIFELINE level of inclining block rates
- Education services will promote energy-conservation practices even when no energy-efficiency is purchased
- The jobs provided by the various EE and RE industries will impact thousands of low-income laborers

- The shift away from peak power that is supported by all of the above recommendations will serve to benefit all ratepayers, regardless of their level of participation.
- A much more extensive list of recommendations and arguments can be found in an appendix.

#### ***4.8e Unique Factors of our Region and Utility Configurations***

When evaluating the aforementioned Integrated Resource Planning strategies for New Orleans, it is important to consider the unique factors of our region and utility configurations. Such considerations include: the utility's level of vertical integration, city's demographics, extreme diversity and age of its housing stock, climate, hydrology, great depth of bedrock, and relative energy prices, among others.

## **5. Accountability to Ratepayers**

The monopoly structure for energy provision in New Orleans requires careful attention to protect the best interest of our residents, businesses and institutions. Local regulatory authority provides the means for a uniquely responsive approach to accountability, transparency, and information access that are critical to maintain the trust of ratepayers.

### **5.1 Accountability**

- Report in detail on the status of all CDBG monies earmarked for Entergy New Orleans, especially whether there is \$6.9 million designated for energy efficiency.
- Ensure the remaining portion of the allocated \$200 million dollars in CDBG funds are received and support the restoration of any provision that states that \$6.9 million be set aside solely for the creation of energy efficiency programs in New Orleans

### **5.2 Access to Information**

- Create a user-friendly webpage on the City Council website specifically for utility regulatory matters including meeting agendas, ordinances, etc. The LA Public Service Commission can serve as a model
- Publish utility committee meeting agendas with more advanced notice and post on the City Council website
- Establish regular reporting on changes to the fuel adjustment charge
- Increase detail on ratepayer impacts from changes to the formula rate plan for each customer class during future rate cases.

### **5.3 Increase Transparency**

- Post and publicly discuss the budget for regulatory work at least six weeks before decision-making. Include detail on projects the advisors are performing and give periodic updates between contracting periods
- Evaluate expense reimbursement rules associated with regulatory work and reinstate the duties associated with the Utility Department to review expenses for prudence as stated in the City Charter

## **6. Energy Impact of Government Action**

As New Orleans begins the largest rebuilding effort in recent U.S. history, the City government has an obligation and an unprecedented opportunity to lead New Orleans to a cleaner environment, more vibrant economy, and enhanced quality of life. City leadership in building construction, procurement, energy conservation, and economic development can enhance energy savings for government agencies, leverage achievements through economies of scale, and build long-term growth in related industry sectors.

### **6.1 Mandate Energy Performance for Large, City-owned Institutional Buildings**

Require all new City-owned nonresidential and institutional buildings, larger than 5000 square feet, be designed, constructed and certified, on a life-cycle cost basis, at a minimum 30% above the International Energy Conservation Code and using a recognized and locally appropriate green building standard, such as USGBC LEED, Green Globes, NAHB, etc. Examples of applicable buildings could include:

- Criminal Justice Complex
- Veterans Hospital and LSU Medical Center
- All new public and charter schools
- Community centers and commercial enterprises in Office of Recovery Management target zones.
- Publicly subsidized, low-income housing developments using additional incentives

### **6.2 Promote Local Growth in the Green Building & Energy Technology Firms**

- Promote local growth in the green building and energy conservation sectors as a preferred economic development strategy
- Establish incentive packages to encourage investment and industry growth for the clean-energy and green-building sectors at a scale similar to the bio-medical industry.  
(including technology manufacturing, distribution, and research and development firms)
- Develop the EcoPark proposal as an anchor for a “green” enterprise zone
- Establish an Energy Conservation/Efficiency Business Incubator within the Center for Excellence in the Built Environment (CEBE)

## **6.3 Mandate Energy Performance for NORA Residential Property Owners**

Require NORA residential property owners to certify new construction and repairs at a minimum of the Energy Star for Homes standard and incorporate Energy Star appliances, windows, air conditioners, furnaces, insulation and ceiling fans.

## **6.4 Promote Transportation Efficiency**

Determine potential gains in transportation efficiency and participate in the Clean Cities program which promotes the use of alternative fuels, vehicles and non-motorized transportation modes.

## **6.5 Implement Progressive Building Waste Management**

Since Hurricane Katrina, waste management in New Orleans has been woefully inadequate with respect to materials-recovery and recycling. At a time when the demand for building materials is so intense, it is a tremendous, missed opportunity not to capture and reuse salvageable materials from destroyed buildings. Furthermore, since our public rebuilding plans are consistently clear in stating that “***we want to protect health and the environmental***” it is stunning that more is not being done to restart municipal recycling that would minimize the waste going to landfills.

Benefits:

- Improve the durability, long-term usefulness and affordability of buildings
- Cleaner air and fewer greenhouse gas emissions
- Stimulate business growth while capturing long-term economic development within the city.

## 7. Conclusions

As energy consumption and energy prices continue to rise, many cities are rethinking their energy policies and building strategies. Portland, Dallas, Denver and Philadelphia, among others, have instituted action plans that focus on:

- Reducing power usage by maximizing conservation and energy efficiency
- Maintaining energy supplies based on renewable, environmentally-sound resources
- Eliminating greenhouse-gas emissions and other pollutants associated with energy production and use

Energy is only a part of the story. Engineered and technical solutions are important, but still do not complete the story. Regenerating damaged ecosystems and the human spirit are also necessary in rebuilding a better New Orleans. Embracing a progressive, environmentally-responsible trajectory and promoting energy conservation and efficiency and ecosystem restoration can produce an extraordinary impact on the City's recovery.

The City of New Orleans already is moving in the right direction. Among several current initiatives:

- The City Council launched two complementary groups — the Energy Policy Task Force and the Energy Efficiency Collaborative — to study and recommend City policies and practices that support energy efficiency, economic opportunity and smart-rebuilding strategies.
- The City Council passed new customer service regulations that provide a 'Customer Bill of Rights' such that ratepayers now have a grievance procedure for bill issues that are not satisfactorily resolved by the utility company.
- The Mayor's Office of Recovery Management (ORM) recently announced a Recovery Village project that will showcase eight model-homes that are cheaper and faster to build than wood-frame houses and are more durable and environmentally friendly.
- ORM, through its Recovery Foundation, is developing staff-positions that will focus on green-building and conservation efforts.

- New Orleans was named one of 13 *Solar America Cities*, a program that helps integrate renewable-energy technology, as well as energy-conservation and energy-efficiency measures, into urban planning.

The City must not lose this momentum. As hundreds of new buildings are constructed and thousands of existing buildings undergo extensive renovations, the City can champion more environmentally responsible designs, often with little additional cost and short payback periods. By leveraging large-scale rebuilding projects, the City reaps economies-of-scale that would magnify our energy gains, reduce greenhouse-gas emissions that trigger climate-change, position New Orleans as a regional center for green industries and create hundreds of new, training and job opportunities in these areas.

We ask the Executive Branch to validate citywide priorities, advance a comprehensive energy policy and improve collaboration among city agencies and public stakeholders. We ask the City Council to evaluate optimal strategies for the generation, distribution and delivery of energy services and extend its forum for public debate. We ask the citizens of New Orleans to educate themselves about energy efficiency and make their voices heard before decision-makers.

The people of New Orleans have been resilient in the face of devastation and long-suffering during the slow recovery. The City of New Orleans, which promised to rebuild safer, stronger and smarter, cannot ignore the pressing need to transform its urban environment. Now is the time to forge a robust energy policy that embraces the ideals of sustainability, regeneration, and energy efficiency. Now is the time for the City Council to act on these recommendations and lead the way to a thriving, prosperous New Orleans that future generations will enjoy.

Act now and show the world how it's done.

## **Appendix:**